

Annex 10.2 – Report for Ofcom

Mobile Calling Patterns Research

JN: 99703

Prepared for
Ofcom



Contents

1.	Executive Summary	1
2.	Introduction	4
2.1.	Background and objectives	4
2.2.	Methodology and sample	4
2.3.	Scenarios tested	4
2.3.1.	Scenarios for PrePay/PAYG	5
2.3.2.	Scenarios for PostPay	5
2.4.	Report structure	6
3.	Market context	7
3.1.	Current behaviour and awareness	7
3.2.	Summary of current behaviour and awareness	12
4.	Impact of possible changes	13
4.1.	Impact of possible changes: PrePay scenarios	13
4.1.1.	Scenarios 1 and 2	13
4.1.2.	Scenarios 3 and 4	14
4.2.	Impact of possible changes: PostPay scenarios	15
4.2.1.	Scenarios 5 and 6	15
4.2.2.	Scenarios 7 and 8	16
4.2.3.	Scenarios 9 and 10	17
4.3.	Summary of impact of possible changes - PrePay and PostPay	19
	Annex 1 - Methodology	22
	Annex 2 - Technical appendix	23
A.	Sample Design	23
B.	Weighting	23
	Annex 3 - The questionnaire	25

1. Executive Summary

BACKGROUND AND OBJECTIVES

The purpose of the research was to gain a better understanding of consumer attitudes towards, and likely behaviour in response to, possible retail pricing changes by mobile network operators following a significant reduction in mobile termination rates.

RESEARCH METHODOLOGY

The survey was quantitative in nature speaking to a total of 979 mobile phone users across the UK, all responsible for paying their mobile bill.

The sample was boosted to include 219 mobile only households in order that this subgroup could be evaluated with statistical confidence. The sample was then post-weighted to accurately reflect the UK mobile phone market (greater detail is available in the Technical Appendix of this report).

Interviews took place face to face using a computer aided interviewing approach CAPI, each lasting approximately 15 minutes, and were conducted from 26th August to 28th September, 2008.

In addition to behavioural and profiling questions, there were a total of 10 pricing scenarios to be tested. These were developed by Ofcom with assistance from Jigsaw Research. During the interview, PrePay and PostPay respondents were both randomly split into two equal groups, each of which was then shown either offset or no offset scenarios relevant to their payment method. The order in which scenarios were presented was rotated across the sample in order to minimise bias or fatigue.

Scenarios for PrePay/PAYG

Scenario 1: Extra £10 for handset. Calls charges reduced (offset).

Scenario 2: Extra £10 for handset. Call charges remain unchanged (no offset).

Scenario 3: Charges added for inbound calls. Outbound call charges halved (offset).

Scenario 4: Charges added for inbound calls. Outbound call charges remain unchanged (no offset).

Scenarios for PostPay

Scenario 5: Subs costs extra £2 per month. More inclusive minutes (offset).

Scenario 6 Subs costs extra £2 per month. No change to inclusive minutes (no offset).

Scenario 7: Extra £35 for handset. Call charges reduced (offset).

Scenario 8: Extra £35 for handset. Call charges remain unchanged (no offset).

Scenario 9: Charges added for inbound calls. Inclusive minutes doubled (offset).

Scenario 10: Charges added for inbound calls. Inclusive minutes remain unchanged (no offset).

A more detailed explanation of each scenario can be found in section 2.3.

MAIN FINDINGS

General behaviour/awareness

In terms of the types of calls they make, people say they do know when they are calling another mobile (87%), but they often don't know what network others are on (67%) and say that many people they call are not on the same network as them (52%).

51% of PostPay users report that they generally use less than their inclusive minutes, with only 15% saying they usually exceed them.

70% don't really know how much it costs to call other networks from their mobile. However, the cost of calling (29%) is the key driver of network choice, followed by recommendation (15%) and reliability (15%).

17% call others and ask them to call them back at least weekly (or leave a missed call to get someone to call them), 5% do this daily. This behaviour is higher among DE socio-economic group, Mobile Only and PrePay customers. Generally this is because they have run out of credit (34%) or because it is cheaper for the other person to call them (28%).

The mix of making/receiving calls is quite varied - 26% tend to make more than they receive, 41% make and receive similar proportions, 32% tend to receive more than they make. The latter is higher among DE socio-economic groups (37%), younger people aged 16-24 (42%), PrePay (40%) and (logically) the lowest spend group (<£10 a month, 45%).

Reaction to PrePay scenarios

The receiving party pays (RPP) option was significantly less popular than the £10 handset increase - 88% favoured the latter when asked to choose.

£10 handset increase (offset £10 reduction in call costs)

Results don't suggest a huge impact here on phone ownership, with most people responding by keeping their existing handset for longer. 73% would keep their existing handset for longer when no offset compared to 75% when offset - suggesting offsetting has little impact on consumer behaviour in this instance. 4% say they would be very likely to stop having a mobile and 4% say this would be fairly likely.

In the offset scenario 74% say they would make the same number of calls as previously, 15% thought they would make more.

Receiving party pays (offset 50% reduction in call costs)

The offset scenario does reduce the impact here - among people with no offset, 14% say they would stop using their mobile, 42% say they would make fewer calls, compared with those who had an offset of whom 12% said they would stop using and 28% who would make fewer calls. Both offset and non offset options would elicit a similar response to incoming calls - 13-15% say they would never answer any calls, 56-59% say they would only answer some. Both groups claim they would mainly substitute these received calls using SMS or their landline (offset more likely to use SMS).

Those with no offset were also asked overall likelihood to stop having a mobile - 16% said very likely, 11% fairly likely.

Reaction to PostPay scenarios

The increased monthly charge (£2) was the most popular of the options tested - 65% preferred this option, 26% said they would rather pay more for their handset (£35) and 9% would prefer to pay for receiving calls.

£2 monthly increase (offset more inclusive minutes)

Responses are similar to this among those with and without the offset option - most said they would do nothing and stay on their current package (44% among offset, 49% no offset), the remainder mostly said they would change to a cheaper package (39% offset, 30% no offset). One in ten (11%) said they would switch to PrePay.

On the whole, those with the offset scenario said they would make the same number of calls as before (66%) but 23% said they would make fewer calls.

£35 extra for handset (offset £35 reduction in call charges)

Most said they would respond by keeping their existing handset for longer (72-73%).

The majority of those seeing the offset scenario said they would make the same number of calls as before (74%).

Those without offset were slightly more likely to say they would switch to PrePay - 17% said they would be very likely vs. 10% of those who received the offset.

Receiving party pays (offset double number of inclusive minutes)

Those who received the offset scenario said they would either make the same calls as before (55%), or make fewer calls (34%).

Response to received calls is identical for those with and without offset - 32% would continue to answer all calls, 57% would answer some, 9% said they would not answer any.

The most popular substitute was SMS (53% offset, 54% no offset), followed by landline (24% and 33%) and email (22% offset, 32% no offset).

Both groups claimed high propensity to switch to PrePay - 16% of those with offset said this was very likely, 20% fairly likely, while for those with no offset 20% said this was very likely and 15% fairly likely.

2. Introduction

2.1. Background and objectives

The purpose of the research was to gain a better understanding of consumer attitudes towards, and likely behaviour in response to, possible retail pricing changes by mobile network operators following a significant reduction in mobile termination rates.

More specifically, the research needed to answer the following questions:

- How would consumers respond to a change from calling party pays (CPP) to receiving party pays (RPP)?
- How important are (positive) call externalities in shaping calling relationships?
- To what extent are call externalities internalised by consumers?

2.2. Methodology and sample

The survey was quantitative in nature speaking to a total of 979 mobile phone users across the UK, all responsible for paying their mobile bill.

The sample was boosted to include 219 mobile only households in order that this subgroup could be evaluated with statistical confidence. The sample was then post-weighted to accurately reflect the UK mobile phone market (greater detail is available in the Technical Appendix of this report).

Interviews took place face to face using a CAPI approach, each lasting approximately 15 minutes, and were conducted from 26th August to 28th September, 2008.

Significance testing at the 95% confidence level was carried out on the results reported here. Where findings are reported as 'significant', this is what is being referred to.

2.3. Scenarios tested

In addition to behavioural and profiling questions, there were a total of 10 pricing scenarios to be tested. These were developed by Ofcom with assistance from Jigsaw Research.

Pre-pay and post-pay respondents were both randomly split into two equal groups, each of which was then shown either offset or no offset scenarios relevant to their payment method. The order in which scenarios were presented was rotated across the sample in order to eliminate bias or fatigue.

We developed a range of scenarios that were primarily designed to explore the impact of changes in price *structures*, rather than changes in the overall monthly spend by consumers. The implicit logic behind these scenarios was that, following a significant reduction in mobile termination rates, operators would need to find alternative ways to recover costs that had previously been recovered from termination revenue. We explored two options for alternative cost recovery:

1. Fixed retail charges - We identified two potential fixed charges that could be increased: handset prices (for both PrePay and PostPay customers) and monthly subscription charges (PostPay customers only).
2. Incoming call charges - Operators could introduce charges for every call received.

In order to give some context to the results, in each case we developed two separate scenarios, namely:

1. “no offset” scenarios, where other retail charges were unchanged so that overall retail charges increased; and
2. “offset” scenarios, where we assumed that reductions in other retail charges would ensure that monthly bills were unchanged for a hypothetical average customer (in each of the PrePay and PostPay categories).

The offset scenarios were framed as either reductions in call charges or (in the case of contracts only) doubling the number of minutes that are included in contract packages. The amount of increase in the fixed charge (i.e. the assumed increases in handsets or monthly charges) was based on the average loss to the operator of termination revenue per subscriber over the life of the handset or contract in question. As such, these increases were higher for PostPay customers, because they were assumed to receive more calls than PrePay customers.

2.3.1. Scenarios for PrePay/PAYG

Scenario 1: Extra £10 for handset. Calls charges reduced (offset)

All mobile phone networks decide to reduce the cost of their calls from mobiles but charge an extra £10 for a new handset. The lower call costs mean that if you continue to use your phone the same amount as usual you will save £10 in call charges over the time you have that handset.

Scenario 2: Extra £10 for handset. Call charges remain unchanged (no offset)

All mobile phone networks decide to charge an extra £10 for new handsets, but their call costs remain unchanged.

Scenario 3: Charges added for inbound calls. Outbound call charges halved (offset)

All mobile phone networks decide to reduce the cost of the calls made from mobiles by approximately 50%. However, they also introduce a charge for every call received. The cost of receiving a call will now be the same as the cost of making a call.

Scenario 4: Charges added for inbound calls. Outbound call charges remain unchanged (no offset)

All mobile networks decide to introduce a charge for every call received on a mobile. The cost of receiving a call will now be the same as the cost of making a call.

2.3.2. Scenarios for PostPay

Scenario 5: Subs costs extra £2 per month. More inclusive minutes (offset)

All mobile phone networks decide to charge an extra £2 per month for their subscription packages but you get more inclusive minutes for your money.

You could choose to move to a package with a lower subscription charge, but the inclusive minutes would be less than you currently get.

Scenario 6 Subs costs extra £2 per month. No change to inclusive minutes (no offset)

All mobile phone networks decide to charge an extra £2 per month for their subscription packages

Scenario 7: Extra £35 for handset. Call charges reduced (offset)

All mobile phone networks decide to reduce the cost of calls made from mobiles but they charge an extra £35 for new handsets.

The lower call costs mean that if you continue to use your phone the same amount as usual you will save £35 in call charges over the time you have that handset.

Scenario 8: Extra £35 for handset. Call charges remain unchanged (no offset)

All mobile phone networks decide to charge an extra £35 for new handsets, but make no changes to their call charges.

Scenario 9: Charges added for inbound calls. Inclusive minutes doubled (offset)

All mobile phone networks decide to introduce a charge for every call received by a mobile.

To ensure that your monthly bill stays about the same they decide to double the number of minutes that are included in their mobile phone packages. These inclusive minutes are now used for both incoming and outgoing calls.

Scenario 10: Charges added for inbound calls. Inclusive minutes remain unchanged (no offset)

All mobile phone networks decide to introduce a charge for every call received on a mobile. The cost of receiving a call will now be the same as the cost of making a call.

There is no change to the number of minutes that are included in their mobile phone packages, but these inclusive minutes are now used for both incoming and outgoing calls.

2.4. Report structure

The following section of this report, Section 3, details mobile users' demographic profile, behaviour and usage - setting the scene for the environment in which any changes in pricing structure would need to operate.

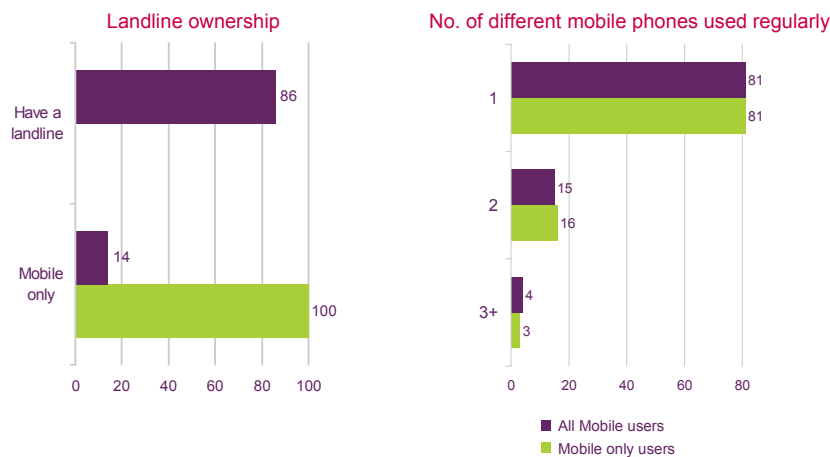
Section 4 then describes reaction to the potential PrePay and PostPay price changes scenarios, along with likely changes in consumer behaviour.

3. Market context

3.1. Current behaviour and awareness

14% of the nationally representative sample were 'mobile only' households, that is users without a landline. Compared to the total sample, this behaviour was more prevalent amongst DE socio-economic groups. Furthermore, Mobile Only users are more likely to be on a PAYG tariff, to have changed their mobile in the last year, to report a higher monthly spend, to exceed their inclusive allowance, and to have used call back at least once a week. They are also likely to be in the younger (16-34) age categories.

Figure 1 - Phone ownership

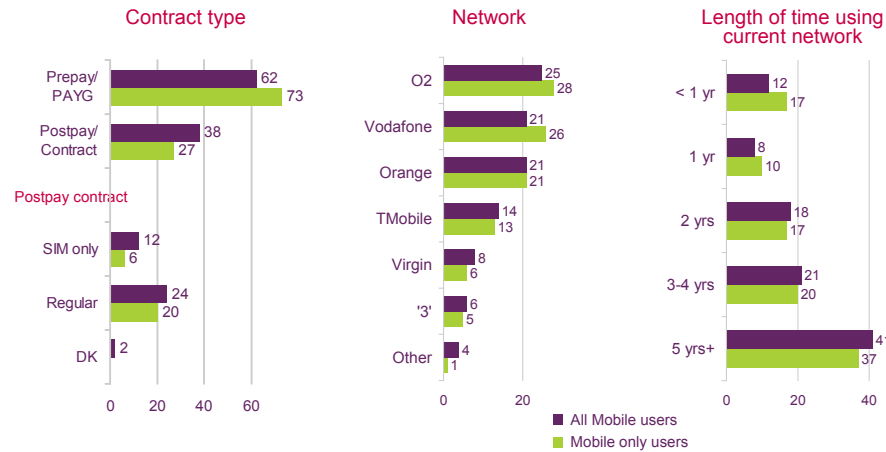


Base: All Mobile phone users (n=979), Mobile-only users (n=219)

Four fifths of those we spoke to regularly used just one mobile phone.

Approximately three fifths of the sample regularly use a PrePay mobile, and the majority have been with their network for three years or more.

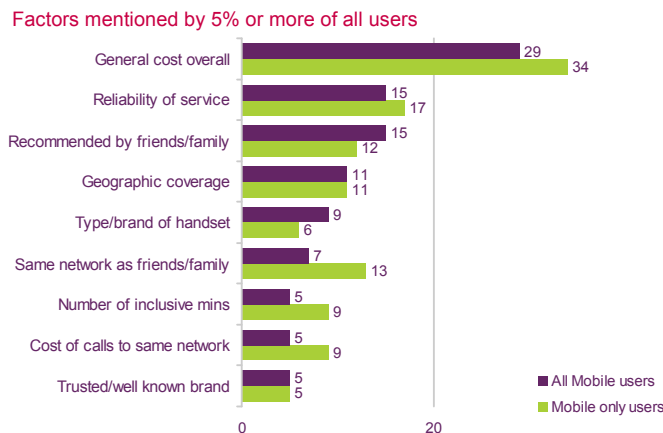
Figure 2 - Relationship with current network



Base: All Mobile phone users (n=979), Mobile-only users (n=219)

Cost of calling, reliability and recommendation are the key drivers of network choice. Cost of calling is more frequently mentioned amongst those knowing the cost of calling other networks, 16-24 year olds and PostPay, whilst having the same network as friends/family and cost of calls to the same network are more frequently mentioned by Mobile Only respondents.

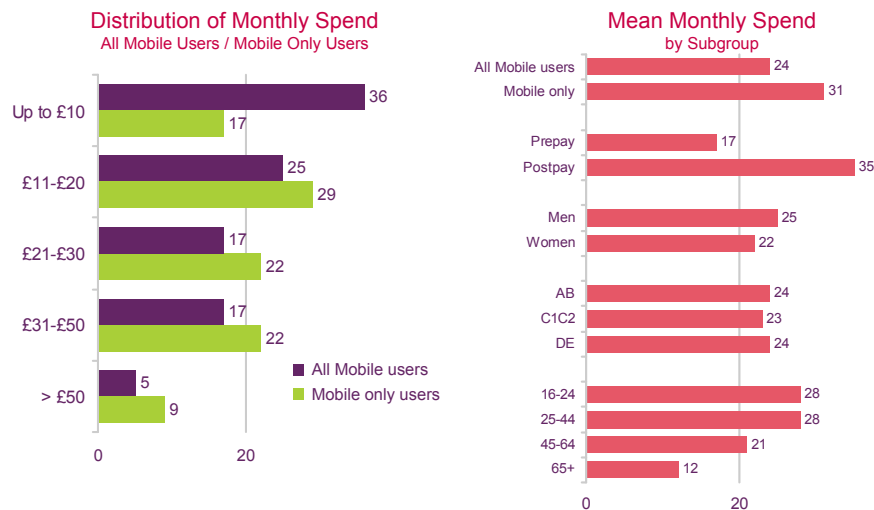
Figure 3 - Reasons for choosing current network



Base: All Mobile phone users (n=979), Mobile-only users (n=219)

In terms of monthly spend, the groups spending most were Mobile Only, PostPay, and those in the younger age groups.

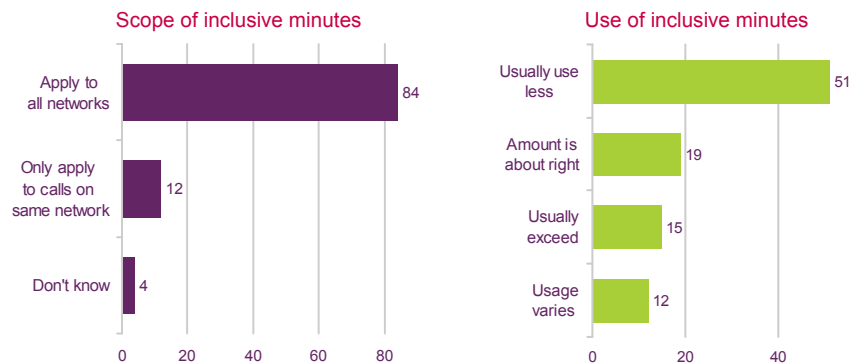
Figure 4 - Monthly spend



Base: All Mobile phone users (n=979), Mobile-only users (n=219)

PostPay respondents were asked about their inclusive minutes. 84% reported that these minutes were valid across all networks with this percentage increasing to 90% amongst 16-24 year olds and Mobile Only. However, half our sample said they usually used less than their allocation, with only 15% saying they usually exceed it. This percentage rose to 25% amongst those requesting call backs once a week or more, those with a monthly spend > £30, and to 23% for 16-24 yr olds.

Figure 5 - Inclusive minutes (PostPay)

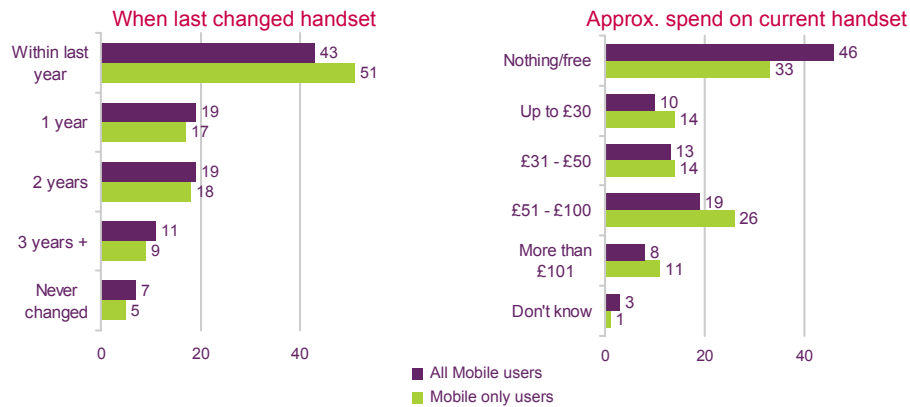


Base: Post-Pay mobile phone users (n=374)

Mobile Only users are more likely than the average to have changed their handset within the last 12 months and are also likely to have spent more on it. But 60% of 16-24 yr olds, 58% of those spending >£30/month and 55% of PostPay customers had also changed their mobile in the last 12 months.

Nearly half had got their current phone for free. We found the mean spend to be £74 (if all free phones were excluded from the calculation), whilst it was £38 if free phones were included. Looking at subgroups, the mean spend excluding free phones was higher than the average for 16-24yr olds (£60), Mobile Only (£50), PrePay (£49) and men (£42).

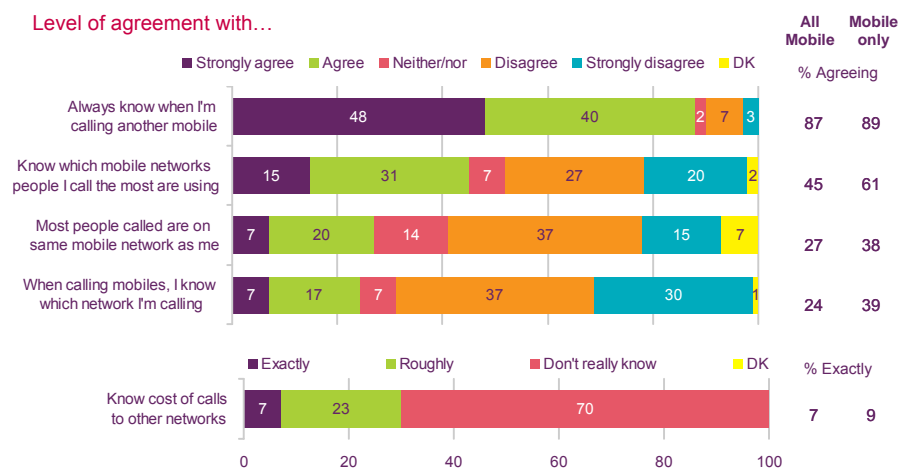
Figure 6 - Handsets



Base: All Mobile phone users (n=979), Mobile-only users (n=219)

The vast majority of people (87%) know when they're calling another mobile, but do not know which network they're calling (67%). Almost three quarters (70%) do not know what it costs to call other mobile networks. Mobile Only customers are generally more knowledgeable about these criteria than the average.

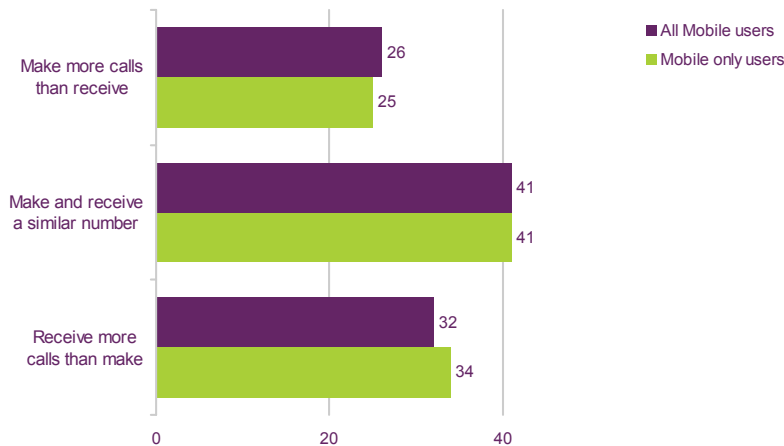
Figure 7 - Knowledge of other networks



Base: All Mobile phone users (n=979)

There was a mixed pattern in terms of whether more calls are made or received, but around a third of the sample received more calls than they made. This increased amongst DE social groups (37%), those spending <£20/month (40%), PrePay (40%), 16-24yr olds (42%) and those requesting call backs once a week or more (49%).

Figure 8 - More calls made or received

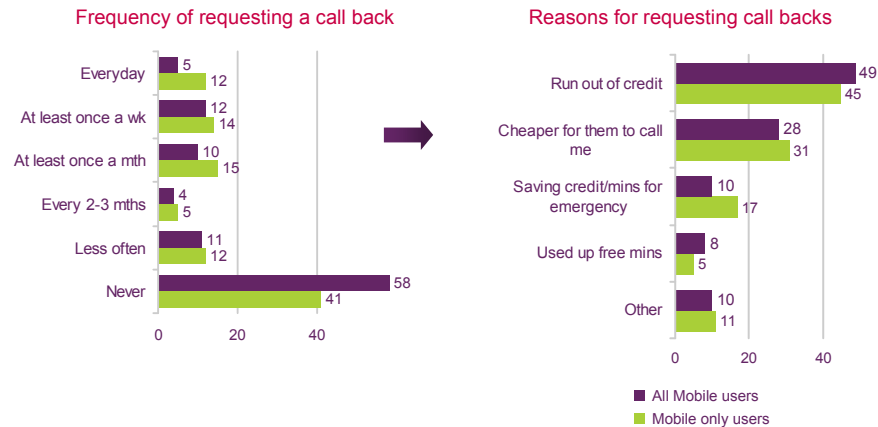


Base: All Mobile phone users (n=979), Mobile-only users (n=219)

One in six (17%) of all mobile users and a quarter (26%) of Mobile Only users request a call back at least once a week. The main reasons given for this were lack of credit or other issues relating to cost.

The percentages for requesting a call back once a week or more were higher among: 16-24 yr olds (35%), net receivers of calls (25%), DE social groups (22%), PrePay customers (21%) and those who usually exceed their inclusive minutes (18%).

Figure 9 – Call backs



Base: All Mobile phone/Mobile-only users (n=979/219), Mobile phone/Mobile-only users requesting call backs (n=293/101)

3.2. Summary of current behaviour and awareness

The vast majority of users (87%) know when they're calling another mobile, but most do not know which network they are calling (67%).

Fewer than half (45%) know which network the people they call the most are using and only a quarter (27%) share the same network as those they call the most.

Almost three quarters of users (70%) do not know what it costs to call another mobile network. However, cost of calling (29%) is the key driver of network choice – followed by reliability (15%) and recommendation (15%). Cost is mentioned more frequently by 16-24yr olds and PostPay groups.

Approximately half of the respondents (51%) claim to use less than their allocated inclusive minutes on a regular basis, with only one in six exceeding their limit.

There is a mixed pattern in relation to whether calls are made or received with one in three (32%) tending to receive more calls than they make.

One in six (17%) claim they request a call back at least once a week.

There's a similar profile across the latter two groups: they are more likely to be PrePay, 16-24 years old, DE socio-economic group, and lower spenders.

4. Impact of possible changes

4.1. Impact of possible changes: PrePay scenarios

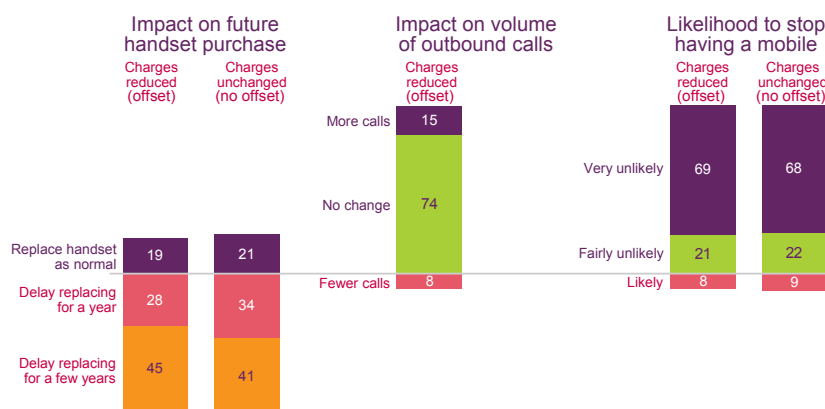
4.1.1. Scenarios 1 and 2

Scenario 1: Extra £10 for handset. Calls charges reduced (offset).

Scenario 2: Extra £10 for handset. Call charges remain unchanged (no offset).

When presented with these scenarios most claim they would keep their handset for longer, but fewer than 1 in 10 say they would stop using their mobile. Offsetting the £10 cost increase is unlikely to change this reaction, however call volumes are likely to increase slightly.

Figure 10 – Reaction to Scenarios 1 and 2



Base: Pre-pay Customers – Sample A (n=311), Sample B (n=294)

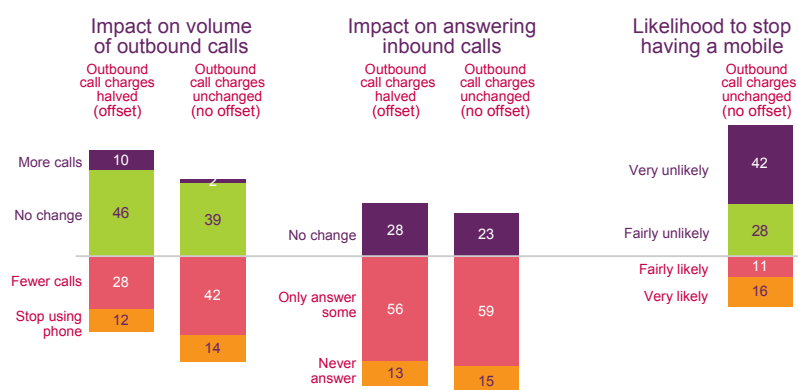
Looking more closely at subgroups, those spending less on either their calls or their handset and those changing their handset less frequently are more likely to keep their handset for longer here. And those spending more on calls or requesting a call back at least once a week are groups more likely to increase the volume of their outgoing calls. In terms of likelihood to stop using their mobile phone, there were no statistically significant differences across the key subgroups, however, Mobile Only users would appear slightly less likely to stop using their mobile phone than others.

4.1.2. Scenarios 3 and 4

Scenario 3: Charges added for inbound calls. Outbound call charges halved (offset).
 Scenario 4: Charges added for inbound calls. Outbound call charges remain unchanged (no offset).

Amongst those exposed to the 'no offset' option, 42% claim they would make fewer calls and 14% say they are likely to stop using their mobile. Offsetting the cost increase (by halving call costs) is likely to have more of an impact this time.

Figure 11 - Reaction to Scenarios 3 and 4



Base: Pre-pay Customers - Sample A (n=311), Sample B (n=294)

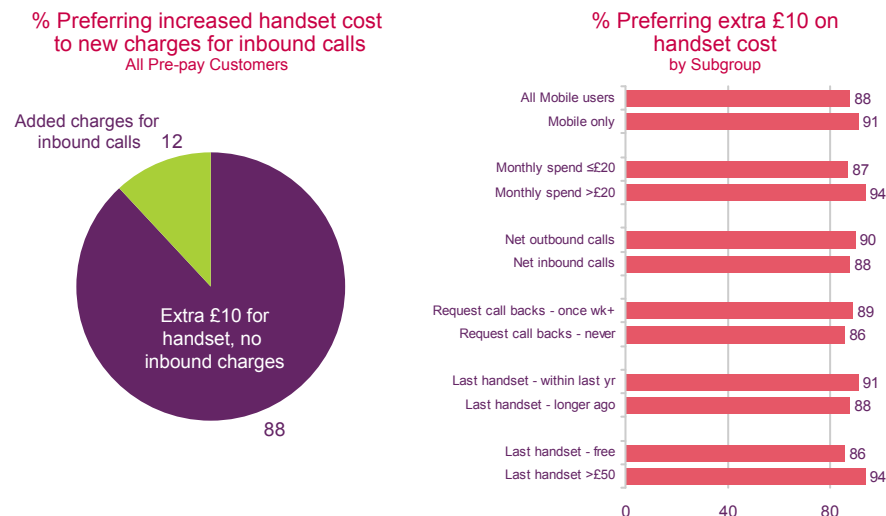
The most common reason given for reducing the volume of outbound calls was the increase in expense, and concerns over controlling cost came in second. The type of inbound calls least likely to be answered were unrecognized and withheld numbers.

Texts and landline calls (especially when no offset is offered) are the most popular alternatives for mobile calls.

Looking at subgroups the only significant differences are that those spending more on calls (more than £20 per month) seem more likely to only answer 'some calls', especially when offsetting is not offered.

At the end of the scenario testing for PrePay customers, they were asked whether they would prefer to pay for incoming calls or pay an extra £10 for their handset (respondents were shown the same scenarios, regardless of their previous exposure to either offset or no offset). The result was that the vast majority opted for the £10 extra for their handset. This reaction was consistent across all subgroups.

Figure 12 - PrePay customer pricing preference



Base: All Pre-pay Customers (n=605)

4.2. Impact of possible changes: PostPay scenarios

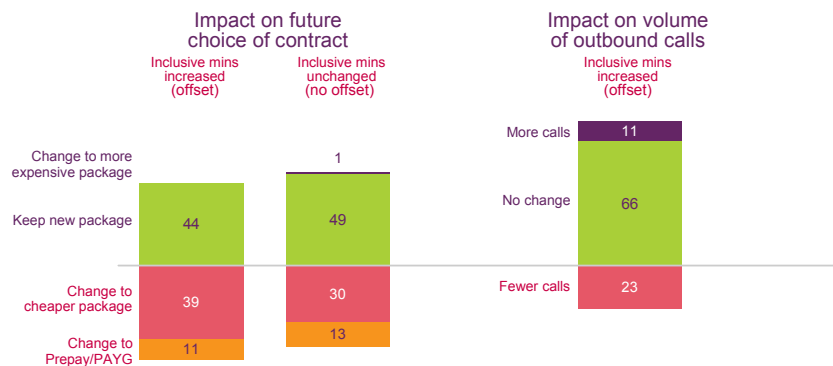
4.2.1. Scenarios 5 and 6

Scenario 5: Subscription costs extra £2 per month. More inclusive minutes (offset).

Scenario 6: Subscription costs extra £2 per month. No change to inclusive minutes (no offset).

Here approximately half PostPay customers would stick with this new package, whilst most of the others would look for a cheaper subscription package (higher amongst those seeing the offset scenario). Around 1 in 10 would look for a PrePay option on this occasion.

Figure 13 - Reaction to Scenarios 5 and 6



Base: Post-pay Customers - Sample A (n=175), Sample B (n=199)

The only significant difference by subgroup here was that those with a SIM only contract¹ seem more likely to change to PrePay than others.

Two thirds of PostPay customers said they would not change the amount of calls they would make. One in ten claimed they would make more calls while almost a quarter (23%) said they would make fewer calls².

The bulk (76%) of the offset respondents who claimed they would make fewer calls would change to a cheaper package or PAYG arrangement.

4.2.2. Scenarios 7 and 8

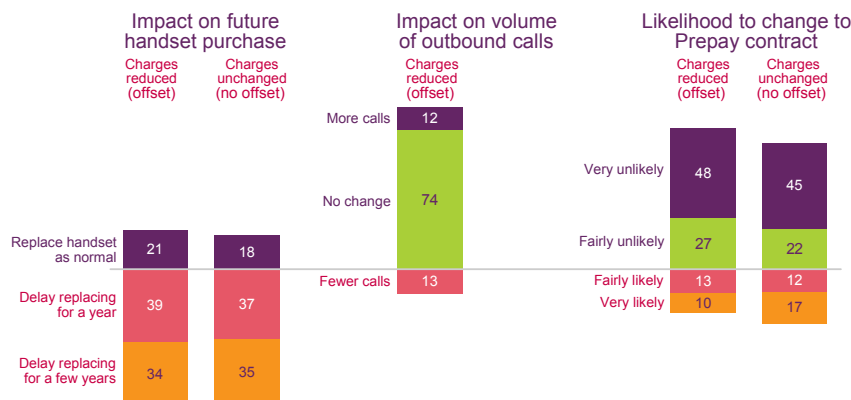
Scenario 7: Extra £35 for handset. Call charges reduced (offset).

Scenario 8: Extra £35 for handset. Call charges remain unchanged (no offset).

As with the similar PrePay scenario, most claim they would keep their existing handset for longer. Here, the majority of those exposed to the offset option would not change the volume of calls made.

Those respondents seeing the offset were less likely to switch to a PrePay here (10% very likely compared to 17%).

Figure 14 – Reaction to Scenarios 7 and 8



Base: Post-pay Customers – Sample A (n=175), Sample B (n=199)

There were no significant differences by subgroup to this scenario.

¹ PostPay respondents were asked if they had a 'SIM only' contract – they were able to answer 'yes', 'no' or 'don't know' (see Q1b in questionnaire – page 26)

² The majority (70%) of PostPay customers use fewer, or just the right amount of their call allowance. The reaction to reduce the number of outbound calls in this scenario is likely linked to a lack of need for additional minutes – i.e. the offset is not a benefit to them. These respondents are happy to pay their current subscription fee and perhaps have a few calls left over, but do not value additional minutes (that most would be unlikely to use) at £2 per month.

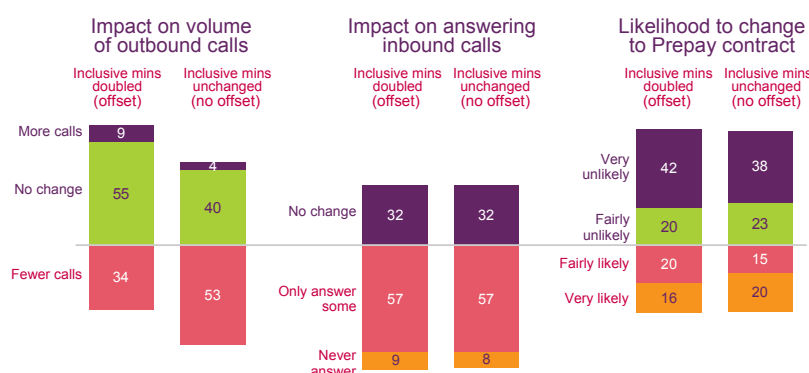
4.2.3. Scenarios 9 and 10

Scenario 9: Charges added for inbound calls. Inclusive minutes doubled (offset).

Scenario 10: Charges added for inbound calls. Inclusive minutes remain unchanged (no offset).

Both options see a significant number reducing the number of calls made, with the offset leading to a smaller reduction. A high proportion of both groups claim they would switch to PrePay - offsetting (doubling the inclusive minutes) would have little impact. Some consumers may have assumed that PrePay phones were not subject to the same conditions as PostPay - even if this was their assumption, it indicates a rejection of RPP that is consistent with the other findings in this report.

Figure 15 - Reaction to Scenarios 9 and 10



Base: Post-pay Customers - Sample A (n=175), Sample B (n=199)

The reasons given by those claiming they would make less calls were the same as those given by PrePay customers, expense and controlling costs.

Amongst those who stated this scenario would have a negative effect on answering calls, they are most likely to not answer unrecognised & withheld numbers. Texts and landline calls (especially when no offset offered) are the most popular substitutes for mobile calls alternatives.

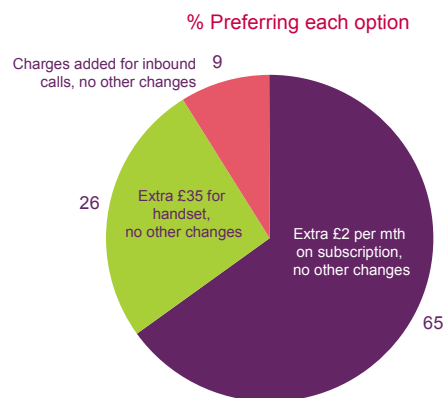
Looking at subgroups for this scenario, the only group with significantly different reaction came for SIM card only respondents on the following issues: they are less likely to make more calls (offset option), less likely to answer calls (no offset) and most likely to switch to PrePay (no offset).

At the end of the scenario testing for PostPay customers, they were asked which of the following pricing options they would prefer:

- Pay £2 more per month for your contract, but no extra handset charge and no charges to receive calls, or
- Pay £35 more for a handset, but no increase in monthly fees and no charges to receive calls, or
- Pay to receive calls but no change to monthly contract fee or handset prices

Two thirds would prefer to pay the increased monthly charge, with most other users preferring to pay an additional £35 for their handset. The RPP option was by far the least favourable. A similar reaction was seen across all subgroups.

Figure 16 - PostPay customer pricing preference

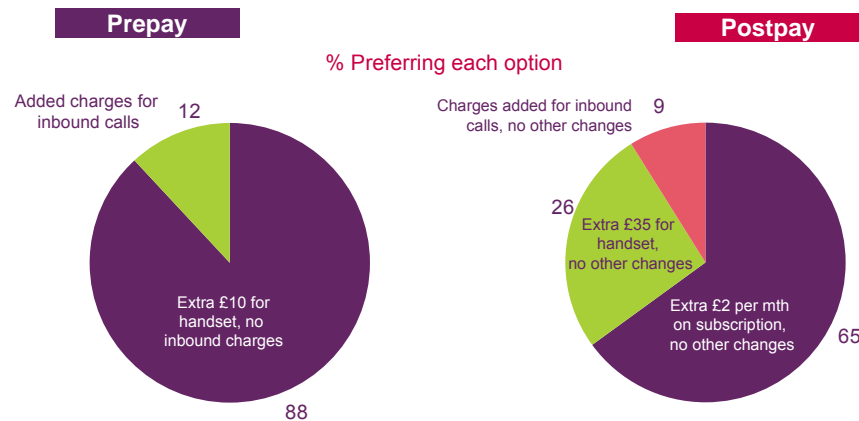


Base: All Post-pay Customers (n=374)

4.3. Summary of impact of possible changes - PrePay and PostPay

If costs had to increase, then the £10 handset increase (PrePay) and the £2 monthly increase (PostPay) are the most preferred options.

Figure 17 Preference for possible charging options

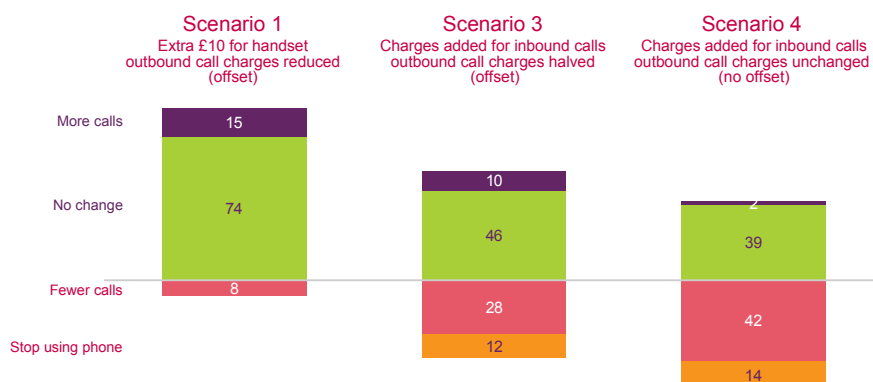


Base: All Pre-pay /PostPay Customers (n=605/n=374)

Calling behaviour is likely to remain largely unchanged with these options, however, it's worth noting that the majority would change their handset less frequently and many would look to switch to a cheaper subscription option.

The receiving party pays (RPP) options are likely to have the greatest impact on users' calling behaviour and are, by far, the least preferred options. The following two charts show the effect RPP suggestions would have on outbound calls (for PrePay and the PostPay customers), with the no-offset scenarios eliciting the most extreme response:

Figure18 - PrePay scenarios: impact on outbound calls



Base: Pre-pay Customers - Sample A (n=311), sample B (n=294)

Figure19 - PostPay scenarios - impact on outbound calls



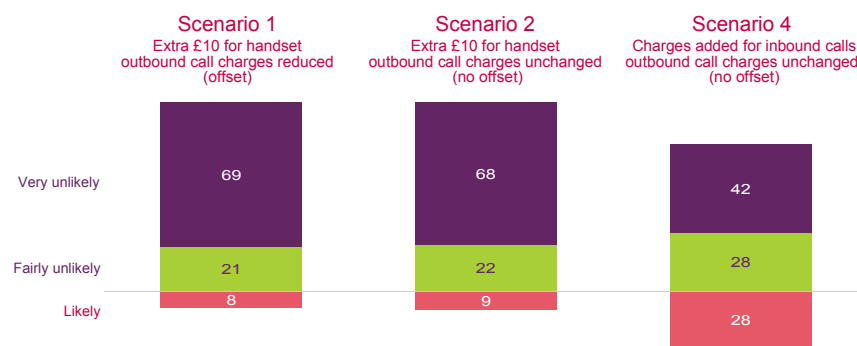
Base: Post-pay Customers - Sample A (n=175), sample B (n=199)

Offsetting the RPP options with lower call costs (50% reduction for PrePay) or more inclusive minutes (doubling minutes for PostPay) does have an impact on likely calling behaviour, but high proportions say they would reduce or stop using their phone:

- 56% of PrePay would reduce calls or stop using, this falling to 40% with an offset
- 53% on PostPay would reduce calls, this falling to 34% with an offset

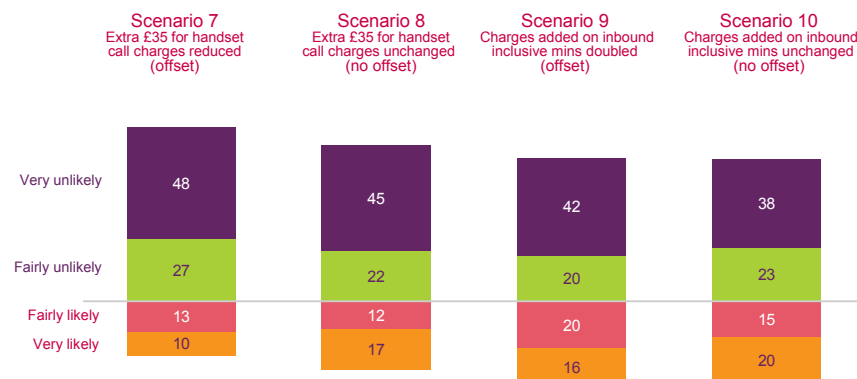
The RPP with no offset options are the least preferred with 16% of PrePay claiming they would be very likely to stop using their mobile (scenario 4) and 20% of PostPay claiming they would be very likely to switch to PrePay (scenario 10).

Figure 20 - PrePay scenarios: likelihood to stop having a mobile



Base: Prepay Customers - Sample A (n=311), sample B (n=294)

Figure 21 - PostPay scenarios: likelihood to switch to PAYG



Base: Post-pay Customers - Sample A (n=175), sample B (n=199)

Annex 1 – Methodology

A total of 979 quantitative interviews were conducted across the UK with mobile phone users. All respondents were responsible for paying their mobile bill.

The sample was boosted to include 219 mobile only households, in order that this subgroup could be evaluated with statistical confidence.

The sample was then post-weighted to accurately reflect the UK mobile phone market (greater detail on these weights is available in the following Technical Appendix).

Interviews were undertaken by TNS. They took place face to face using a CAPI (Computer Aided Personal Interviewing) approach, each lasting approximately 15 minutes, and were conducted from 26th August – 28th September, 2008.

Annex 2 – Technical appendix

A. Sample Design

Minimum quotas were applied in order to ensure that a broadly representative sample was achieved prior to weighting. The quotas were constructed in order to allow traditional sub-group analysis across all key demographic and user-profile variables.

B. Weighting

All data was post-weighted to accurately reflect the UK mobile phone market. The weights employed were taken from BMRB's omnibus and are detailed in Figure 22 on the following page.

Figure 22 - target weights

Sex		Target Weight (%)
	Male	49.6
	Female	50.4
Age		
	16-24	15.2
	25-34	20.1
	35-44	19.5
	45-54	15.4
	55-64	15.5
	65+	14.4
Socio-economic group		
	AB	22.2
	C1	29.4
	C2	20.4
	DE	27.9
Population density		
	Urban	78.8
	Rural	21.2
Region		
	North East	4.6
	North West	10.7
	Yorkshire and The Humber	8
	East Midlands	7.3
	West Midlands	9.3
	East of England	9.5
	London	13
	South East	14.8
	South West	8.3
	Wales	4.7
	Scotland	7.7
	Northern Ireland	2.2

Annex 3 – The questionnaire

Good morning/afternoon, my name is _____ from Jigsaw Research. We are conducting a study on behalf of Ofcom, the regulator for the communications industries in the UK that aims to champion the interests of consumers on these issues. Ofcom currently needs to understand how people use their mobile telephones. Could I ask you some questions?

READ AS REQUIRED:

The interview will take no more than 15 minutes depending on your responses. Part of the study requires us to ensure that we interview many different types of people, so the first few questions about your household are purely to ensure that we get a true cross-section of the UK population.

SCREENER QUESTIONS

(Use standard questions from TNS Omnimas)

- S1. Gender: Male / Female
- S2. Social Grade: A, B, C1, C2, D, E
- S3. Age: 16-24, 25-34, 35-44, 45-54, 55-64, 65+
Exact age is recorded so any other grouping can be provided
- S4. Region: Government Regions
- S5. Urbanity: Urban/rural

S6a. Does your household have a landline telephone? SINGLE CODE

- | | |
|------------|-------------------|
| Yes | MONITOR FOR BOOST |
| No | MONITOR FOR BOOST |
| Don't know | MONITOR FOR BOOST |

S6b. Do you personally use a mobile phone? SINGLE CODE

- | | |
|------------|----------|
| Yes | CONTINUE |
| No | CLOSE |
| Don't know | CLOSE |

S7. How many mobile phones with different telephone numbers do you use at least once a month? Please include any phones used for work or other purposes.
SINGLE CODE - NO NOT ALLOW ZERO

--	--

S8. Thinking about your main personal mobile phone, do you pay the bills/ top this up? SINGLE CODE

Yes	CONTINUE
No	CLOSE
Don't know	CLOSE

SCRIPTER TO SPLIT SAMPLE - NEEDED FOR SCENARIOS TOWARDS END OF QUESTIONNAIRE (Q16 TO Q37). SUGGEST THAT TNS DEVISE 'A' AND 'B' INTERVIEWING TEAM.

SAMPLE A	1
SAMPLE B	2

MAIN INTERVIEW:

ASK ALL

SHOW SCREEN

Q1a. Which of these best describes the mobile package you personally use most often? SINGLE CODE.

Prepay/ Pay as you go	1
Postpay/ monthly contract	2

ASK ALL ON CONTRACT PACKAGES - CODE 2 @ Q1a

SHOW SCREEN

Q1b. And is this a 'SIM only' contract? SINGLE CODE. READ OUT

Yes - SIM only	1
No	2
Don't know	3

ASK ALL

SHOW SCREEN

Q2. Which mobile network do you use most often? SINGLE CODE

Orange	1
TMobile (formerly One2One)	2
Vodafone	3
O2 (formerly BTCellnet)	4
'3'	5
Virgin Media/ Any Virgin	6
Tesco	7
Carphone Warehouse	8
Other (WRITE IN)	9
Don't know	10

SHOW SCREEN

Q3. How long have you been using [insert name of supplier from Q2]? SINGLE CODE

- | | |
|-----------------|---|
| Up to 12 months | 1 |
| 1 year | 2 |
| 2 years | 3 |
| 3-4 years | 4 |
| 5 years or more | 5 |
| Don't know | 6 |

Q4. Approximately how much do you spend each MONTH on your main mobile phone network? IF NEEDED Please include the cost of VAT, calls, line rental, text and photo messaging, and Internet type services.

WRITE IN ACTUAL AMOUNT PER MONTH IF KNOWN IN POUNDS. USE LEADING ZEROS.
PROMPT FROM CODE FRAME IF NECESSARY. ALSO CIRCLE CODE BELOW

£

--	--	--

- | | |
|-------------------------------------|---|
| Up to £10 | 1 |
| £11-£20 | 2 |
| £21-£30 | 3 |
| £31-£50 | 4 |
| £51-£100 | 5 |
| £101-£200 | 6 |
| More than £200 | 7 |
| Don't know - pay as part of package | 8 |
| Don't know | 9 |

SHOW SCREEN

Q5. I'd now like you to think about the calls you make from your mobile phone...
Please could you tell me to what extent you agree or disagree with each of the following statements? SINGLE CODE FOR EACH

- | | |
|----------------------------|---|
| Strongly agree | 1 |
| Agree | 2 |
| Neither agree nor disagree | 3 |
| Disagree | 4 |
| Strongly disagree | 5 |
| Don't know | 6 |

SCRIPTER TO RANDOMISE

- | | |
|--|---|
| I always know when I am calling another mobile phone | 1 |
| I know which mobile phone network the people I call the most often are using | 2 |
| When I call other mobiles I always know what mobile phone network I am calling | 3 |
| Most of the people I call are on the same mobile phone network as me | 4 |

ASK ALL ON CONTRACT PACKAGES - CODES 2 @ Q1

Q6. Do your inclusive minutes include calls to all mobile networks or only calls to people on the same network as you? SINGLE CODE

- | | |
|--------------|---|
| All networks | 1 |
| Same network | 2 |
| Don't know | 3 |

ASK ALL ON CONTRACT PACKAGES - CODES 2 @ Q1

SHOW SCREEN

Q7. Do you generally use all your inclusive minutes or do you tend to have some left over at the end of each month? Which of the following statements best describes your typical mobile phone usage? SINGLE CODE

- | | |
|---|---|
| I usually use less than my inclusive minutes each month | 1 |
| The amount of inclusive minutes I have is about right | 2 |
| I usually exceed my inclusive minutes | 3 |
| My usage varies a lot from month to month - some months I use all my inclusive minutes, some months I don't | 4 |
| Don't know | 5 |

ASK ALL

SHOW SCREEN

Q8.

Do you know how much it costs to call mobiles on a different network to you? Which of the following statements best applies to you? SINGLE CODE

- | | |
|---|---|
| I know <u>exactly</u> how much it costs to call other mobile networks from my mobile | 1 |
| I know <u>roughly</u> how much it costs to call other mobile networks from my mobile | 2 |
| I <u>don't really know</u> how much it costs to call other mobile networks from my mobile | 3 |
| Don't know | 4 |

ASK ALL

- Q9 Why did you choose [INSERT NAME FROM Q2] as your mobile phone supplier?
 PROBE: Why else? IF MENTION COST, PROBE: What specific aspects of cost?
 Why else other than cost?
 MULTICODE. DO NOT PROMPT

COST

General cost overall	1
Cost of calls to other networks	2
Cost of calls to same network	3
Cost of calls while abroad/ roaming charges	4
Cost of line rental	5
Cost of SMS/text messages	6
General discount schemes	7
General mention of savings	8
Free answer phone/voicemail	9
Payment options e.g. direct debits	10
Number of inclusive minutes/free calls	11
Number of inclusive texts/SMS	12
Cost of MMS/ 3G /Internet services	13

BUNDLING

Bundled package with TV	14
Bundled package with Internet	15
Bundled package with fixed line phone	16

SERVICE	Reliability of service	17
	Geographic coverage	18
	Experience of supplier in mobile service	19
	Trusted/well known brand/company	20
	Range of services offered	21
	Dissatisfaction with services from other mobile supplier	22
	Good customer service	23
	Able to keep the same phone number	24
	Best quality of service	25
HANDSET	Type/brand of handset	26
	Cost of handset	27
OTHER	Recommended by friends/family	28
	Same network as friends and family	29
	Did not make the decision	30
	Other	31
	Don't know	32

ASK ALL WHO MENTION MORE THAN ONE ASPECT AT Q9 ONLY SHOW CODES FROM Q9 Q10. And which of these factors was the most important? And which was the second most important, and the next? TO MAX OF 3

ASK ALL
SHOW SCREEN

Q11. Thinking about the calls you make from your mobile. How often, if at all, do you call someone and ask them to call you back? Please include any instances where you may leave someone a missed call so they will call you back. SINGLE CODE

Everyday	1
At least once a week	2
At least once a month	3
Every 2-3 months	4
Less often than every 2-3 months	5
Never	6
Don't know	7

ASK ALL THOSE WHO RESPOND 1-4 AT Q11

Q12. Why have you asked other people to call you back? MULTICODE, DO NOT PROMPT

Run out of credit	1
Used up all free minutes	2
Saving/holding onto my credit/minutes for emergency	3
Cheaper for them to call me	4
Other (specify)	5
Don't know	6

ASK ALL**SHOW SCREEN**

Q13. In a typical month which of the following best applies to the mobile phone calls you make and receive?

- | | |
|--|---|
| I tend to make more calls than I receive | 1 |
| I tend to make and receive a similar number of calls | 2 |
| I tend to receive more calls than I make | 3 |
| Don't know | 4 |

SHOW SCREEN

Q14. When did you last change your mobile phone handset? SINGLE CODE

- | | |
|------------------|---|
| Within last year | 1 |
| 1 year | 2 |
| 2 years | 3 |
| 3-4 years | 4 |
| 5 years or more | 5 |
| Never changed | 6 |
| Don't know | 7 |

Q15. And approximately how much did you spend on your current mobile phone handset?
WRITE IN ACTUAL AMOUNT IF KNOWN IN POUNDS. USE LEADING ZEROS - PROMPT FROM
CODE FRAME IF NECESSARY. ALSO CIRCLE CODE BELOW

£

--	--	--

- | | |
|---------------------------------|---|
| Nothing / Free | 1 |
| Don't know - came with contract | 2 |
| Up to £20 | 3 |
| £21-£30 | 4 |
| £31-£50 | 5 |
| £51-£100 | 6 |
| £101-£200 | 7 |
| More than £200 | 8 |
| Don't know / can't remember | 9 |

ASK ALL THOSE USING PREPAY/ PAY AS YOU GO MOBILES - CODE 1 @ Q1 - OTHERS SKIP TO Q26.
SHOW SCREEN

I am now going to read out a number of possible changes to mobile charges and at the end I will ask you some questions about how you might react if this happened to you.

SCENARIO 1 SHOW Q16a - Q18a TO SAMPLE A

(SCRIPT AND SHOWCARD) All mobile phone networks decide to reduce the cost of their calls from mobiles but charge an extra £10 for a new handset.

The lower call costs mean that if you continue to use your phone the same amount as usual you will save £10 in call charges over the time you have that handset.

Q16a. In this situation, what do you think you would do when it is time to replace your handset?
SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| Buy a new handset at the higher cost | 1 |
| Keep your current handset for another year | 2 |
| Keep your current handset for a few more years | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

Q17a. What about the number of calls you might make? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|---|---|
| Make the same number of calls as before | 1 |
| Make fewer calls | 2 |
| Make more calls | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

Q18a. And how likely would you be to stop having a mobile phone as a result of this change?
SHOW SCREEN, SINGLE CODE

- | | |
|--------------------------|---|
| Very likely | 1 |
| Fairly likely | 2 |
| Fairly unlikely | 3 |
| Very unlikely | 4 |
| Don't know (do not show) | 5 |

SCENARIO 2 SHOW Q16b - Q18b TO SAMPLE B

(SCRIPT AND SHOWCARD) All mobile phone networks decide to charge an extra £10 for new handsets, but their call costs remain unchanged.

Q16b. In this situation, what do you think you would do when it is time to replace your handset?
SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| Buy a new handset at the higher cost | 1 |
| Keep your current handset for another year | 2 |
| Keep your current handset for a few more years | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

Q18b. And how likely would you be to stop having a mobile phone as a result of this change?
SHOW SCREEN, SINGLE CODE

- | | |
|--------------------------|---|
| Very likely | 1 |
| Fairly likely | 2 |
| Fairly unlikely | 3 |
| Very unlikely | 4 |
| Don't know (do not show) | 5 |

SCENARIO 3 SHOW Q19a - Q23a TO SAMPLE A

(SCRIPT AND SHOWCARD) All mobile phone networks decide to reduce the cost of the calls made from mobiles by approximately 50%. However, they also introduce a charge for every call received. The cost of receiving a call will now be the same as the cost of making a call.

We are interested in how this might affect the way you use your mobile phone.

Q19a. Firstly what would you do about the number of calls you make from your mobile? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Make the same number of calls as before	1
Make fewer calls	2
Make more calls	3
Stop using your mobile phone	4
Something else (specify)	5
Don't know	6

ASK THOSE WHO WOULD CHANGE THEIR CALLING BEHAVIOUR - CODES 2, 3, 4 @ Q19a

Q20a. Why would you [insert response from q19a]? Unprompted

More expensive	1
Control bills / cost	2
Could not afford	3
Cheaper	4
Something else (specify)	5
Don't know	6

Q21a. And what about calls you receive? Would you... SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Continue to answer all calls	1
Only answer some calls	2
Never answer any calls	3
Something else (specify)	4
Don't know	5

ASK THOSE 'ONLY ANSWER SOME CALLS' - Code 2 @ Q21a

Q22a. You said you would only answer some calls, which calls would you not answer? UNPROMPTED

Withheld numbers	1
Numbers I don't recognise	2
Calls from certain people	3
Calls at certain times of the day	4
Other (specify)	5
Don't know	6

ASK THOSE 'ONLY ANSWER SOME CALLS' OR 'NEVER ANSWER PHONE' - Codes 2 or 3 @ Q21a

Q23a. What do you think you would do instead of speaking to these people on your mobile? UNPROMPTED

Send text/SMS messages	1
Send email	2
Use landline phone	3
Use messenger	4
Use VoIP/Skype/internet phone	5

Mobile answerphone	6
Something else (specify)	7
Don't know	8

SCENARIO 4 SHOW Q19b - Q24b TO SAMPLE B

(SCRIPT AND SHOWCARD) All mobile networks decide to introduce a charge for every call received on a mobile. The cost of receiving a call will now be the same as the cost of making a call.

We are interested in how this might affect the way you use your mobile phone.

Q19b. Firstly what would you do about the number of calls you make from your mobile? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Make the same number of calls as before	1
Make fewer calls	2
Make more calls	3
Stop using your mobile phone	4
Something else (specify)	5
Don't know	6

ASK THOSE WHO WOULD CHANGE THEIR CALLING BEHAVIOUR - CODES 2, 3, 4 @Q19b
Q20b. Why would you [insert response from q19a]? Unprompted

More expensive	1
Control bills / cost	2
Could not afford	3
Cheaper	4
Something else (specify)	5
Don't know	6

Q21b. And what about calls you receive? Would you... SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Continue to answer all calls	1
Only answer some calls	2
Never answer any calls	3
Something else (specify)	4
Don't know	5

ASK THOSE ONLY ANSWER SOME CALLS - Code 2 @ Q21b
Q22b. You said you would only answer some calls, which calls would you not answer? UNPROMPTED

Withheld numbers	1
Numbers I don't recognise	2
Calls from certain people	3
Calls at certain times of the day	4
Other (specify)	5
Don't know	6

ASK THOSE ONLY ANSWER SOME CALLS OR NEVER ANSWER PHONE – Codes 2 or 3 @ Q21b
 Q23b. What do you think you would do instead of speaking to these people on your mobile?
 UNPROMPTED

Send text/SMS messages	1
Send email	2
Use landline phone	3
Use messenger	4
Use VoIP/Skype/internet phone	5
Mobile answerphone	6
Something else (specify)	7
Don't know	8

ASK ALL PREPAY SAMPLE B
 Q24b. And how likely would you be to stop having a mobile phone as a result of this change?
 SHOW SCREEN, SINGLE CODE

Very likely	1
Fairly likely	2
Fairly unlikely	3
Very unlikely	4
Don't know (do not show)	5

ASK ALL PREPAY
 Q25. If all mobile networks had to increase costs in some way, which of the following scenarios would you prefer? SHOW SCREEN, SINGLE CODE

Pay £10 more for a handset, but no charges to receive calls	1
No change to handset prices but charges to receive calls	2

ASK ALL THOSE USING CONTRACT MOBILES – CODE 2 @ Q1 – OTHERS SKIP TO QC1. SHOW SCREEN

I am now going to read out a number of possible changes to mobile charges and at the end I will ask you some questions about how you might react if this happened to you.

SCENARIO 5 SHOW Q26a – Q27a TO SAMPLE A

(SCRIPT AND SHOWCARD) All mobile phone networks decide to charge an extra £2 per month for their subscription packages but you get more inclusive minutes for your money.

You could choose to move to a package with a lower subscription charge, but the inclusive minutes would be less than you currently get.

Q26a. How might this affect the type of contract you would choose in future? Would you... SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Change to a cheaper package to avoid the bill increase (but with fewer minutes than before)	1
Keep the new package with the additional minutes	2
Change to a prepay or pay as you go mobile phone	3
Something else (specify)	4
Don't know	5

Q27a. And what about the number of calls you might make? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|---|---|
| Make the same number of calls as before | 1 |
| Make fewer calls | 2 |
| Make more calls | 3 |
| Don't know | 4 |

SCENARIO 6 SHOW Q26b TO SAMPLE B

(SCRIPT AND SHOWCARD) All mobile phone networks decide to charge an extra £2 per month for their subscription packages

Q26b. How might this affect the type of contract you would choose in future? Would you... SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| Change to a cheaper package with fewer minutes than before | 1 |
| Do nothing and pay the price increase | 2 |
| Change to a more expensive package | 3 |
| Change to a prepay or pay as you go mobile phone | 4 |
| Something else (specify) | 5 |
| Don't know | 6 |

SCENARIO 7 SHOW Q28a - Q30a TO SAMPLE A

(SCRIPT AND SHOWCARD) All mobile phone networks decide to reduce the cost of calls made from mobiles but they charge an extra £35 for new handsets.

The lower call costs mean that if you continue to use your phone the same amount as usual you will save £35 in call charges over the time you have that handset.

Q28a. In this situation, what do you think you would do when it is time to replace your handset? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| Buy a new handset at the higher cost | 1 |
| Keep your current handset for another year | 2 |
| Keep your current handset for a few more years | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

Q29a. What about the number of calls you might make? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| a) Make the same number of calls as before | 1 |
| b) Make fewer calls | 2 |
| c) Make more calls | 3 |
| d) Something else (specify) | 4 |
| e) Don't know | 5 |

Q30a. And how likely would you be to switch to a prepay or pay as you go mobile phone as a result of this change? SHOW SCREEN, SINGLE CODE

- | | |
|--------------------------|---|
| Very likely | 1 |
| Fairly likely | 2 |
| Fairly unlikely | 3 |
| Very unlikely | 4 |
| Don't know (do not show) | 5 |

SCENARIO 8 SHOW Q28b - Q30b TO SAMPLE B

(SCRIPT AND SHOWCARD) All mobile phone networks decide to charge an extra £35 for new handsets, but make no changes to their call charges.

Q28b. In this situation, what do you think you would do when it is time to replace your handset?
SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|--|---|
| Buy a new handset at the higher cost | 1 |
| Keep your current handset for another year | 2 |
| Keep your current handset for a few more years | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

Q30b. And how likely would you be to switch to a prepay or pay as you go mobile phone as a result of this change? SHOW SCREEN, SINGLE CODE

- | | |
|--------------------------|---|
| Very likely | 1 |
| Fairly likely | 2 |
| Fairly unlikely | 3 |
| Very unlikely | 4 |
| Don't know (do not show) | 5 |

SCENARIO 9 SHOW Q31a - Q36a TO SAMPLE A

(SCRIPT AND SHOWCARD) All mobile phone networks decide to introduce a charge for every call received by a mobile.

To ensure that your monthly bill stays about the same they decide to double the number of minutes that are included in their mobile phone packages. These inclusive minutes are now used for both incoming and outgoing calls.

We are interested in how this might affect the way you use your mobile phone.

Q31a. Firstly, what would you do about the number of calls you make from your mobile? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|---|---|
| Make the same number of calls as before | 1 |
| Make fewer calls | 2 |
| Make more calls | 3 |
| Don't know | 4 |

ASK THOSE WHO WOULD CHANGE THEIR CALLING BEHAVIOUR - Codes 2, 3, 4 @ Q31a
Q32a. Why would you [insert answer from Q31a]? Unprompted

- | | |
|--------------------------|---|
| More expensive | 1 |
| Control bills / cost | 2 |
| Could not afford | 3 |
| Cheaper | 4 |
| Something else (specify) | 5 |
| Don't know | 6 |

Q33a. And what about calls you receive? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|------------------------------|---|
| Continue to answer all calls | 1 |
| Only answer some calls | 2 |
| Never answer any calls | 3 |
| Something else (specify) | 4 |
| Don't know | 5 |

ASK THOSE ONLY ANSWER SOME CALLS - code 2 @ Q33a

Q34a. You said you would only answer some calls, which calls would you not answer?
UNPROMPTED, MULTI CODE

- | | |
|-----------------------------------|---|
| Withheld numbers | 1 |
| Numbers I don't recognise | 2 |
| Calls from certain people | 3 |
| Calls at certain times of the day | 4 |
| Other (specify) | 5 |
| Don't know | 6 |

ASK THOSE ONLY ANSWER SOME CALLS OR NEVER ANSWER PHONE - codes 2 or 3 @Q33a

Q35a. What do you think you would do instead of speaking to these people on your mobile?
UNPROMPTED, MULTI CODE

- | | |
|-------------------------------|---|
| Send text/SMS messages | 1 |
| Send email | 2 |
| Use landline phone | 3 |
| Use messenger | 4 |
| Use VoIP/Skype/internet phone | 5 |
| Mobile answerphone | 6 |
| Something else (specify) | 7 |
| Don't know | 8 |

Q36a. How likely would you be to switch to a prepay or pay as you go mobile phone as a result of this change? SHOW SCREEN, SINGLE CODE

- | | |
|--------------------------|---|
| Very likely | 1 |
| Fairly likely | 2 |
| Fairly unlikely | 3 |
| Very unlikely | 4 |
| Don't know (do not show) | 5 |

SCENARIO 10 SHOW Q31b - Q36b TO SAMPLE B

(SCRIPT AND SHOWCARD) All mobile phone networks decide to introduce a charge for every call received on a mobile. The cost of receiving a call will now be the same as the cost of making a call.

There is no change to the number of minutes that are included in their mobile phone packages, but these inclusive minutes are now used for both incoming and outgoing calls.

We are interested in how this might affect the way you use your mobile phone.

Q31b. Firstly, what would you do about the number of calls you make from your mobile? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

- | | |
|---|---|
| Make the same number of calls as before | 1 |
| Make fewer calls | 2 |

Make more calls	3
Don't know	4

ASK THOSE WHO WOULD CHANGE THEIR CALLING BEHAVIOUR - Codes 2, 3, 4 @ Q31b
Q32b. Why would you [insert answer from Q31b]? Unprompted

More expensive	1
Control bills / cost	2
Could not afford	3
Cheaper	4
Something else (specify)	5
Don't know	6

Q33b. And what about calls you receive? SHOW SCREEN, SINGLE CODE [ROTATE CODE FRAME]

Continue to answer all calls	1
Only answer some calls	2
Never answer any calls	3
Something else (specify)	4
Don't know	5

ASK THOSE ONLY ANSWER SOME CALLS - code 2 @ Q33b

Q34b. You said you would only answer some calls, which calls would you not answer?
UNPROMPTED, MULTI CODE

Withheld numbers	1
Numbers I don't recognise	2
Calls from certain people	3
Calls at certain times of the day	4
Other (specify)	5
Don't know	6

ASK THOSE ONLY ANSWER SOME CALLS OR NEVER ANSWER PHONE code 2 or 3 @ Q33b

Q35b. What do you think you would do instead of speaking to these people on your mobile?
UNPROMPTED, MULTI CODE

Send text/SMS messages	1
Send email	2
Use landline phone	3
Use messenger	4
Use VoIP/Skype/internet phone	5
Mobile answerphone	6
Something else (specify)	7
Don't know	8

Q36b. How likely would you be to switch to a prepay or pay as you go mobile phone as a result of this change? SHOW SCREEN, SINGLE CODE

Very likely	1
Fairly likely	2
Fairly unlikely	3
Very unlikely	4
Don't know (do not show)	5

ASK ALL CONTRACT

Q37. If your mobile network had to increase costs in some way, which of the following three scenarios would you prefer? SHOW SCREEN, SINGLE CODE

- | | |
|--|---|
| Pay £2 more per month for your contract, but no extra handset charge and no charges to receive calls | 1 |
| Pay £35 more for a handset, but no increase in monthly fees and no charges to receive calls | 2 |
| Pay to receive calls but no change to monthly contract fee or handset prices | 3 |

ASK ALL

Finally, I'd like to ask you some questions for classification purposes...

(Insert standard TNS Omnimas demographics)

C1. Which of the following categories best describes you? SINGLE CODE

- | | |
|--|---|
| Full time (30 hrs +) | 1 |
| Part time (8-29 hrs) | 2 |
| Part time (below 8 hours) | 3 |
| Looking for work | 4 |
| Retired | 5 |
| Not looking for work (not student/retired) | 6 |
| Still at school | 7 |
| Full time higher education | 8 |

C2. Where do you usually access the Internet? MULTI CODE POSSIBLE

- | | |
|--------------------|---|
| Access at home | 1 |
| Access at work | 2 |
| Access elsewhere | 3 |
| No internet access | 4 |