Consumer Preferences in Narrowband Communications

Research Report

Research Document

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Executive summary

1.1 Methodology

Ofcom commissioned research among consumers, in order to understand the choices they make regarding the use of fixed and mobile telecoms services, and to explore how they might react to increases in the cost of their landline.

An independent market research agency, Illuminas, conducted 2005 telephone interviews with a representative sample of household communications decision-makers between 26 September and 28 October 2008.

1.2 Market context

The majority of respondents in our survey had a landline, mobile and broadband internet connection at home. Mobile-only respondents comprised 16% of the sample – these consumers have no landline phone in their home and are less likely than other consumers to have an internet connection at home.

Among consumers in our sample with a landline in their home, 71% have their line supplied by BT and 57% have their line and calls supplied by BT. Just over one in ten people (14%) have a line provided by BT but have calls provided by another supplier. In our sample, Virgin had the next highest market share, followed by TalkTalk.

We asked all respondents with the internet at home who their internet service provider was. Overall BT had the highest share at 32%, followed by Virgin with 15% and Sky and AOL with 10%. Among people with a BT landline, the proportion of people who have BT as an internet supplier rises to 45%.

The majority of people in our sample who had any BT service thought about their bill costs in terms of both line rental and calls together (62%) while just over a third (38%) thought about these costs separately. This reflects the fact that the bulk of these respondents took both line and calls from BT.

Two-thirds of respondents with a landline (60%) said that they had no intention of making any changes to their phone or internet provider. One in five (19%) said they were thinking of changing internet supplier and slightly lower proportions said that they were thinking of changing line supplier (17%) or changing calls supplier (13%).

Respondents who had a mobile phone but no landline were asked the reasons for this. The most common reasons were that it would be too expensive, that they did not see a need for a landline or that they were in rented accommodation.

Mobile-only respondents were also asked at what price they would consider getting a landline; approximately 40% of respondents said that they would consider getting a landline at the current BT Option 1 line rental cost of £10.27.

1.3 Usage and attitudes

Two in five respondents (41%) estimated their monthly spend on line rental at £10 or £11, one in five (20%) estimated their line spend at £9 or less and a similar proportion (21%) estimated their line spend at £12 or more.

The majority of respondents (76%) estimated that they spend £15 or less each month on calls from their landline, with over a third stating that they spend less than £5 per month.

Pay monthly (PAYM) customers quote lower monthly call spend than Pay as you go (PAYG) customers; 39% said that they spend less than £5 per month compared to 33% of PAYG customers. In addition, a higher proportion said that they use their landline only for incoming calls; 8% of PAYM said that this was the case compared to 2% of PAYG customers.

We asked respondents their level of agreement with a series of statements related to their attitudes to communications costs. There were relatively high levels of agreement that "I keep an eye on my mobile bill as costs can spiral" (59% agree) and "I would change my landline supplier for better deals if I could" (58% agree). But people tended to disagree that "I don't tend to look at communications bills in any detail" (51% disagree) and "I change packages regularly for good deals" (52% disagree).

Respondents were asked how the cost of making different types of calls via landline and mobile compared. On the whole, mobile calls were perceived to be more expensive than landline calls. The exception was for calls to the same mobile network, where landline calls were thought to be more expensive.

A large proportion of the sample had used the internet, a landline phone or a mobile phone in the last six months, but a much lower proportion (12%) had used VoIP. PAYM customers were slightly more likely to have used their mobile phone than PAYG, and slightly less likely to have used their landline phone.

Preferences for different communication methods do vary by type of contact; landline and mobile were the most popular choices for contacting family and friends in the UK, while the internet was more likely to be used for contacting family and friends abroad.

We showed all respondents with a landline phone at home a series of attitudinal statements and asked which most applied to them. This revealed that security is a key reason why people retain their landline, with nearly two-thirds (62%) saying that "I could never consider getting rid of my landline because I feel secure having it".

1.4 Reactions to price increase scenarios

The survey tested reactions to possible 10% price increases in line costs, call costs, and line and call costs. In these scenarios the price charged by the existing supplier increased, but prices charged by other suppliers remained the same. A series of questions were asked about how such increases might affect future supplier choice and behaviour.

Overall, respondents were more likely to respond to increases in call costs or in line and call costs than they were to an increase in line costs alone. An increase in call costs was more likely than the other increases to trigger a reduction in phone use, while an increase in line and call costs was most likely to cause respondents to switch supplier. The proportion of people who said they would cancel the line altogether remained at a similar level across all the increases tested.

Typically higher spenders were more likely to take action in response to a price increase; across all of the price increases tested these respondents were more likely to respond to a price increase by switching provider.

People who said that they would take no action in response to any increases, around a third of respondents, were asked the reasons for this. The reason most commonly cited was that it would be too much hassle to switch (43%). A number of the other reasons given related to confidence in their existing supplier and the risk of using an unknown alternative (31%), while over a quarter of respondents also said that they did not see a 10% increase as a large amount.

Change in cost of line rental

Over a third of respondents (37%) said that they would "do nothing" if line rental increased by 10%, and a further 23% said they did not know what they would do. Just over one in five said that they would switch supplier as a result of this increase, while 10% said they would reduce their phone use. The vast majority of respondents said they would switch to a new provider for both lines and calls.

Respondents with a BT line were more likely to say they would take any action than those with no BT service (43% compared to 34%).

One in ten people said that they would respond to an increase in line costs by using their home phone less. We asked them how they would reduce their usage and whether they would reduce the number of calls they would make or the length of their calls. People were more likely to say that they would make fewer calls (72%) than say that they would make shorter calls (43%).

Change in cost of calls

Just under a third of respondents (32%) said that they would do nothing if call costs increased by 10%, and a further 15% said they did not know what they would do.

Among people who thought they would take some action in response to this increase, the most common response was that they would use their phone less (26%) or that they would switch supplier (22%). The vast majority of respondents said they would switch to a new provider for both lines and calls.

A quarter of respondents (26%) said that they would respond to an increase in call costs by using their home phone less. People were more likely to say that they would make fewer calls (75%) than say that they would make shorter calls (36%).

Change in cost of line rental and calls

Just over a quarter of respondents (26%) said that they would switch supplier if call and line costs increased by 10%, and one in five (20%) said they would reduce their phone usage. However, over a quarter (28%) said they would do nothing and 18% did not know whether they would take any action. The vast majority of respondents said they would switch to a new provider for both lines and calls.

One in five people (20%) said that they would respond to an increase in line costs by using their home phone less. We asked them how they would reduce their usage and whether they would reduce the number of calls they made or the length of their calls.

People were more likely to say that they would make fewer calls (59%) than say that they would make shorter calls (23%); one in seven people said that they would make both fewer and shorter calls (15%).

Section 2

Methodology

2.1 Introduction

Ofcom required quantitative data to understand consumer behaviour in the converging telecoms market, particularly in terms of the choices consumers make regarding the use of fixed and mobile telecoms services for different types of contact. The survey was designed to specifically test how consumers might react to increases in the cost of their landline; whether they would change supplier or change their usage, and how they would make these changes.

2.2 Sample

An independent market research agency, Illuminas, was commissioned to conduct a quantitative face-to-face survey among consumers.

The survey comprised a 20-minute questionnaire with a representative sample of household communications decision-makers. Decision-makers were specifically targeted for this survey because we needed to speak to respondents with responsibility for and knowledge of telecoms choices and spend within the household. Interviews were conducted using computer-aided personal interviewing (CAPI).

Quotas were established for age, gender, socio-economic group, region and employment status. A minimum quota of 12% mobile-only[1] consumers was also imposed.

A total of 2005 interviews were conducted between 26 September and 28 October 2008. Data were weighted to ensure that they were broadly representative of the market as a whole. See Annex 1 for full details of the sample breakdown and weighting matrix. Note that the unweighted base sizes are shown on charts throughout this report.

2.3 Questionnaire

The questionnaire covered the following areas:

Screening	Demographics
Usage and behaviour	Communications technologies used
	Suppliers used
	Spend
Reactions to price increases	10% increase in line costs
	10% increase in call costs

[1] These consumers have no home landline access

	10% increase in total cost of calls and line
	Impact on behaviour and supplier choice
Attitude towards communications	Perception/knowledge of call costs
	Attitude towards landline
	Calling behaviour and preferences

2.4 Analysis

Usage and attitudes are analysed by whether respondents have a pay monthly (PAYM) or pay as you go (PAYG) mobile phone and, where relevant, whether or not they are mobile-only consumers, with no landline access.

Reactions to price increases are analysed by supplier type. Supplier type is analysed in six different categories, where sample size allows, depending on the combination of call and line suppliers used:

1. BT line or calls – respondent has a BT line or uses BT for line and calls. As it is not possible to have BT as a supplier for calls only, all BT call customers must also have a BT line.

2. No BT line or calls – does not use BT for line or calls.

3. BT line and calls – has BT as their only line and call supplier.

4. BT line and CPS calls – has a BT line but has calls provided by another supplier. The other supplier is referred to as CPS (Carrier Pre Selection)[2]. This is a subset of 'BT line or calls'.

5. Same line and call provider – respondents have their line and calls provided by the same company. In some analysis, where indicated, internet provider is also included in this definition.

6. Different line and calls provider – respondents have their line and calls provided by different companies. In some analysis, where indicated, internet provider is also included in this definition.

[2] Carrier pre-selection is the facility offered to customers which allows them to opt for certain defined classes of call to be carried by an operator that has been selected in advance and has a contract with the customer. CPS does not require the customer to dial a routing prefix or use a dialler box.

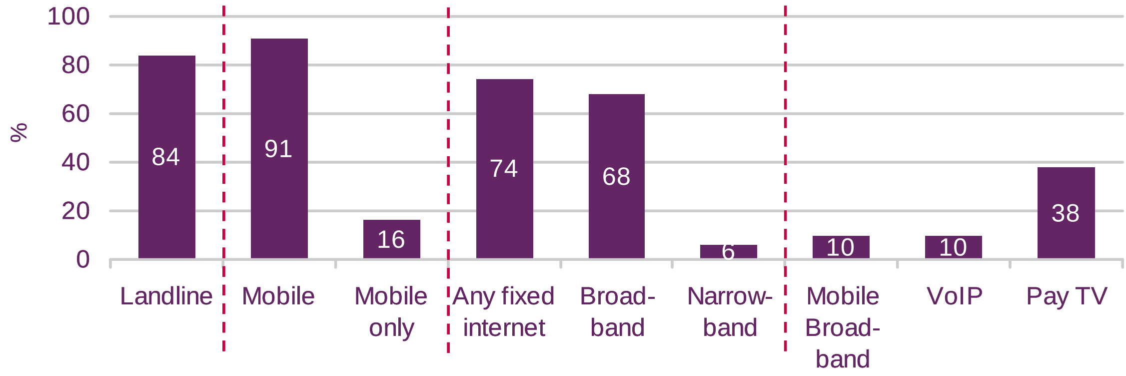
Section 3

Market context

3.1 Services and suppliers

The majority of our sample had a landline, mobile and a broadband internet connection at home. Mobile-only respondents comprised 16% of the sample – these consumers have no landline phone in their home and are less likely than other consumers to have an internet connection at home. Further analysis of these respondents is provided in Section 3.4 below.

Figure 1: Home access to communications services



Base: All respondents (2005)

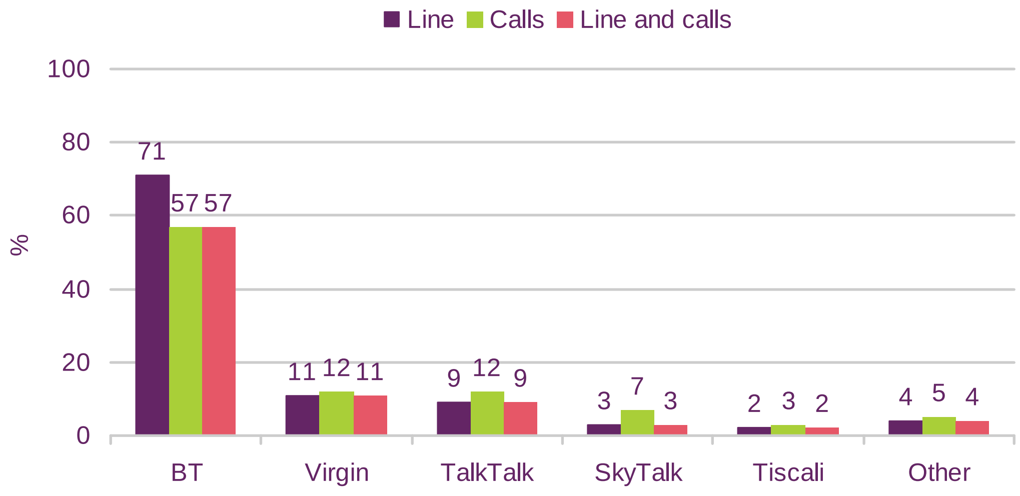
As this survey spoke to communications decision-makers, these figures are not identical to those published from other Ofcom surveys, though they are at broadly similar levels. The Ofcom technology tracking survey, which we use to monitor access to communications services, surveys a representative sample of households but does not target decision-makers. Data from this survey show technology access very similar to that shown above, with landline access at 86%, mobile at 92% and mobile-only at 12%. Internet access is slightly higher in our sample, with equivalent tracking data giving a figure of 62% with home broadband access and 3% with narrowband access.

Among consumers in our sample with a landline in their home, 71% have their line supplied by BT and 57% have their line and calls supplied by BT (see Figure 2). Just over one in ten people (14%) have a line provided by BT but have calls provided by another supplier. This is referred to on the charts throughout this report as BT line CPS calls[3].

In our sample, Virgin had the next highest market share, followed by TalkTalk. SkyTalk and Tiscali also have a small proportion of subscribers. Other providers have insufficient sample sizes to be detailed, these include Tesco Telecom, Toucan and PlusNet. A small proportion of respondents had more than one call provider, so figures do not add up to 100%.

[3] Where CPS refers to Carrier Pre Selection

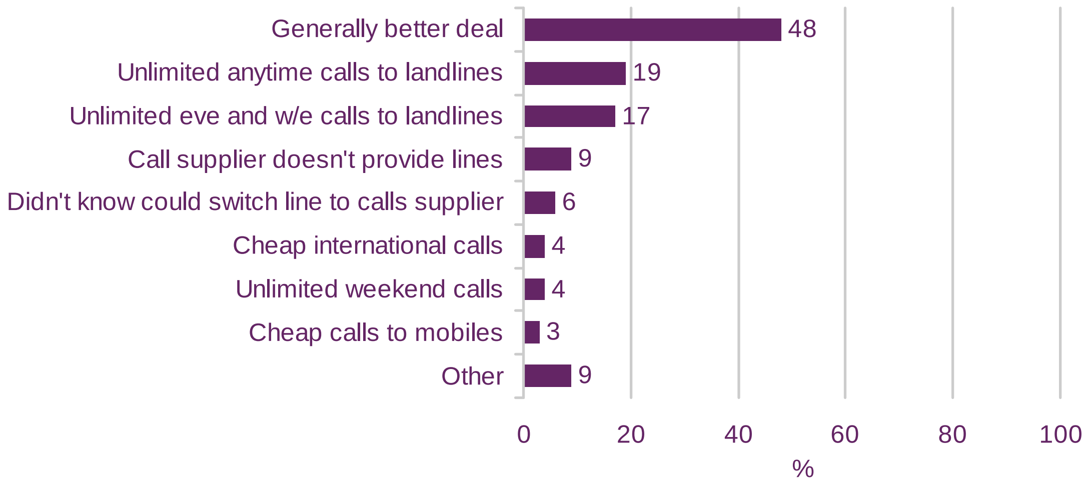
Figure 2: Home phone line and call suppliers



Base: All respondents with home landline (1739)

We asked people who had separate suppliers for their line and calls the reasons for this decision. Their responses are shown in Figure 3. Nearly half claimed that it was because it was "generally a better deal", while one in five said this was because of the inclusion of unlimited calls to landlines.

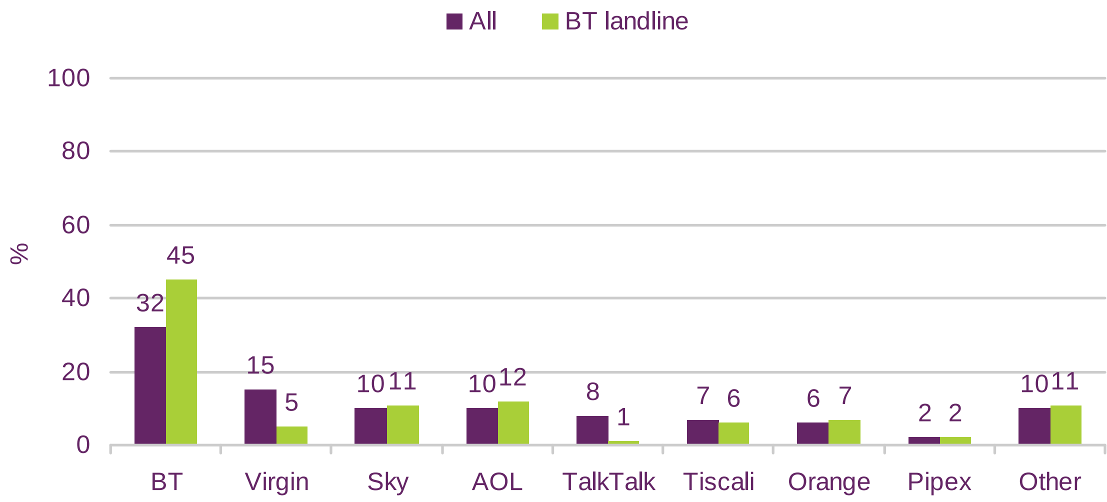
Figure 3: Reasons for using different suppliers for calls and lines



Base: All respondents with separate suppliers for calls and lines (238)

We asked all respondents with internet at home (74% of our sample) who their internet service provider was. This includes both narrowband and broadband, fixed and mobile internet. Figure 4 shows the responses comparing responses for all respondents who have the internet with those who have a landline from any provider. Overall BT had the highest share at 32%, followed by Virgin with 15% and Sky and AOL with 10%. Among people with a BT landline, the proportion of people who have BT as an internet supplier rises to 45%.

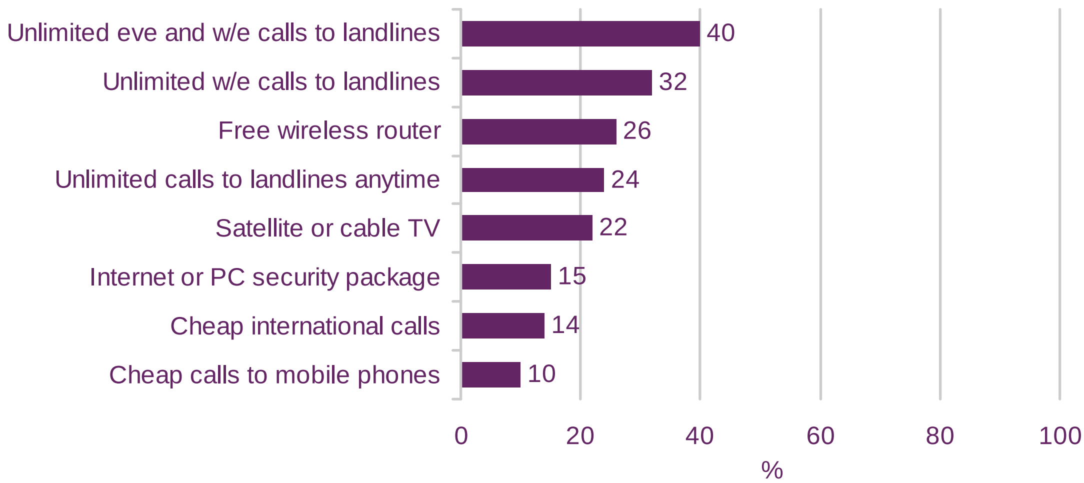
Figure 4: Internet service providers used



Base: All with narrowband or broadband internet at home (all 1696, BT line 1160)

We also asked respondents with a landline and fixed internet whether they received any offers or discounts as part of their package; the results are shown in Figure 5. Unlimited evening and weekend calls to landlines (40%) and unlimited weekend calls to landlines (32%) had the highest number of mentions.

Figure 5: Offers or discounts included in landline and internet package



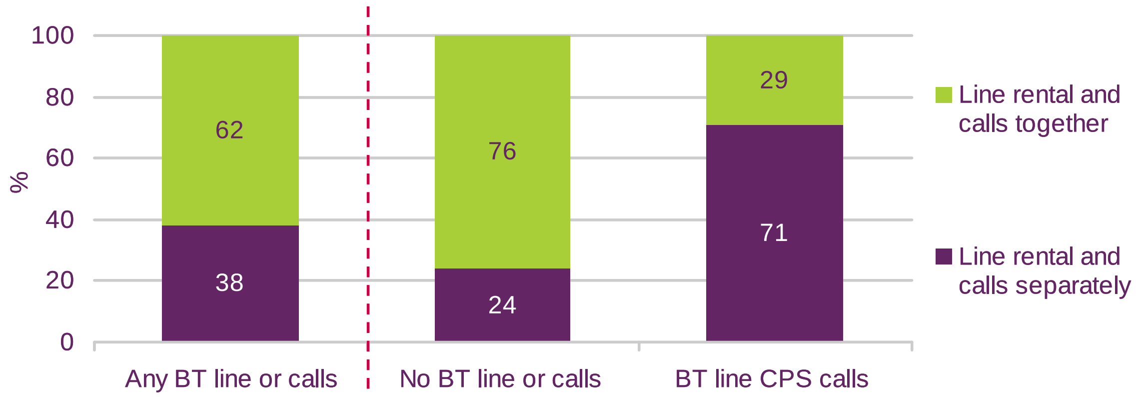
Base: All respondents with home landline and fixed internet (1657)

3.2 Awareness of home phone costs

In order to collect accurate estimates of home phone costs, we asked respondents a series of detailed spend questions. These questions were customised according to the respondents' awareness of their home phone costs; whether they were able to estimate their line and call costs separately, and whether they paid their bill monthly or quarterly. These data were then combined to provide overall spend estimates for the sample.

The majority of people in our sample who had any BT service thought about their bill costs in terms of both line rental and calls together (62%) while just over a third (38%) thought about these costs separately. This reflects the fact that the bulk of these respondents took both line and calls from BT. Respondents who had a BT line but had their calls provided by another supplier were more likely to think about the call and line costs separately (71%).

Figure 6: Whether think about call and line costs separately or together



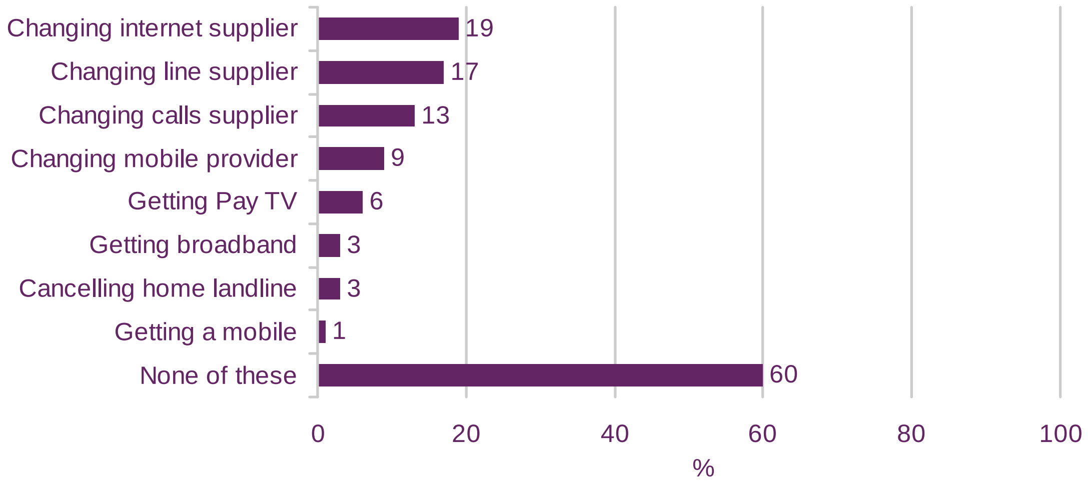
Base: Any BT line or calls (1189), no BT line or calls (550) and BT line CPS calls (228)

3.3 Intention to change supplier

We also asked respondents whether they were currently thinking about making any changes to their phone or internet provider, so that we could explore whether this had any impact on their responses to possible price changes.

Two-thirds of respondents with a landline (60%) said that they had no intention of changing supplier for any of the services listed. One in five (19%) said they were thinking of changing internet supplier and slightly lower proportions said that they were thinking of changing line supplier (17%) or changing calls supplier (13%).

Figure 7: Whether thinking about changing supplier for services



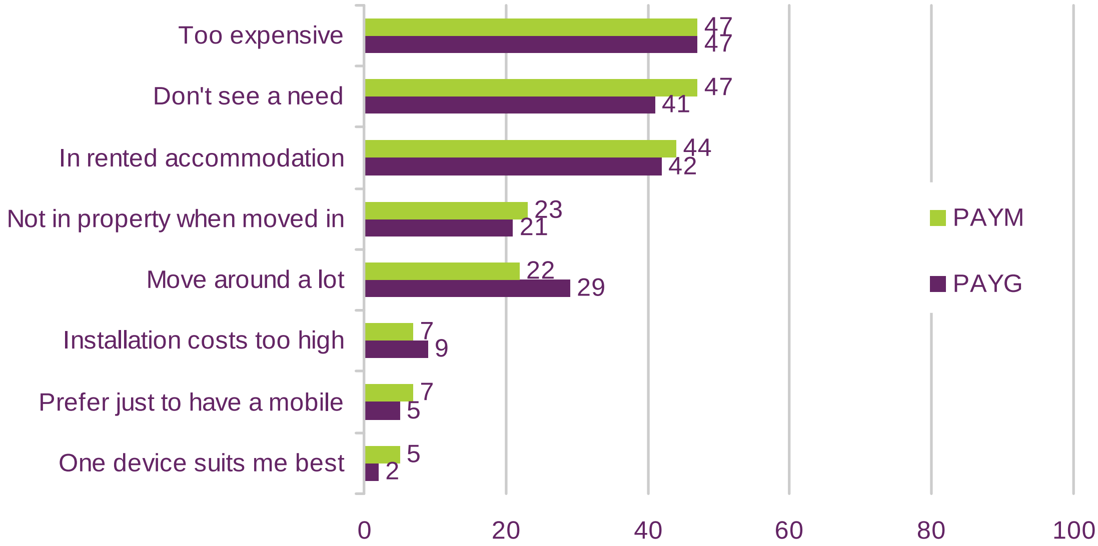
Base: All respondents with home landline (1739)

3.4 Mobile only specific questions

Respondents who had a mobile phone but no landline were asked the reasons for this. The most common reasons were that it would be too expensive, that they did not see a need for a landline or that they were in rented accommodation. Respondents were able to give more than one answer, so figures do not add to 100%.

Responses were similar among both PAYM and PAYG customers, although PAYM customers were more likely to say that they didn't see a need for a landline, while PAYG customers were more likely to say they moved around a lot. This may be linked to age profile; PAYG customers tend to be younger than PAYM customers, therefore more geographically mobile.

Figure 8: Reasons for not having a landline

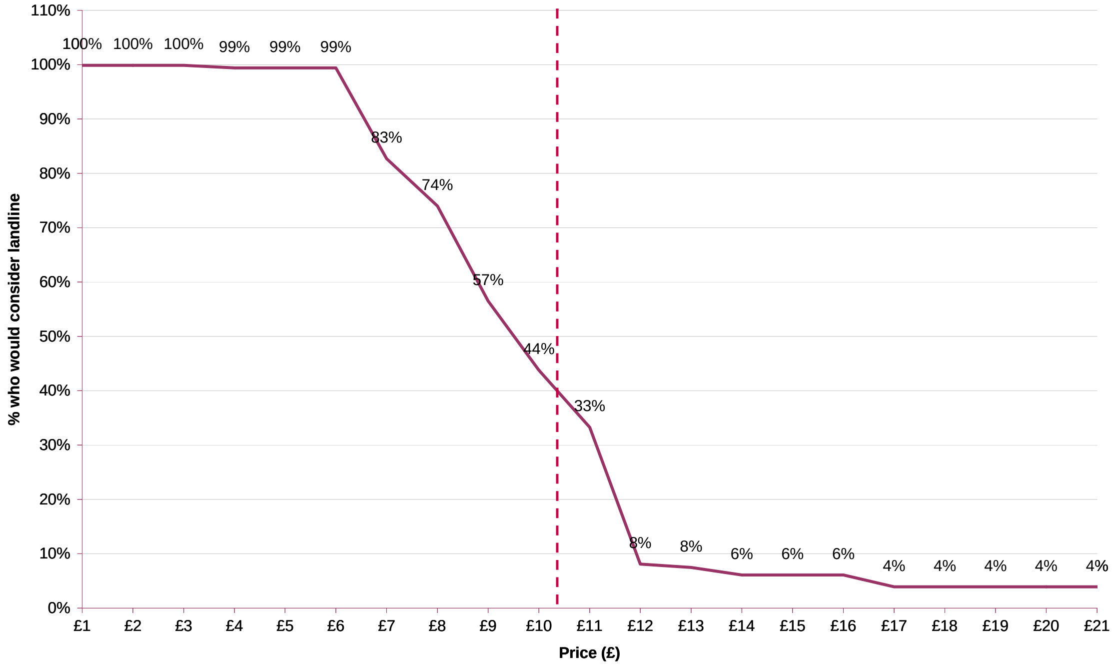


Base: All mobile only (266)

Mobile-only respondents were also asked at what price they would consider getting a landline, firstly in terms of monthly line rental and then for total monthly cost (line rental and calls). They were also asked what connection cost they would be prepared to pay.

Responses are summarised in Figure 9 for the monthly line rental cost at which respondents would consider getting a landline. Approximately 40% of respondents said that they would consider getting a landline at the current BT Option 1 line rental cost of £10.27.

Figure 9: Line rental cost at which would consider landline

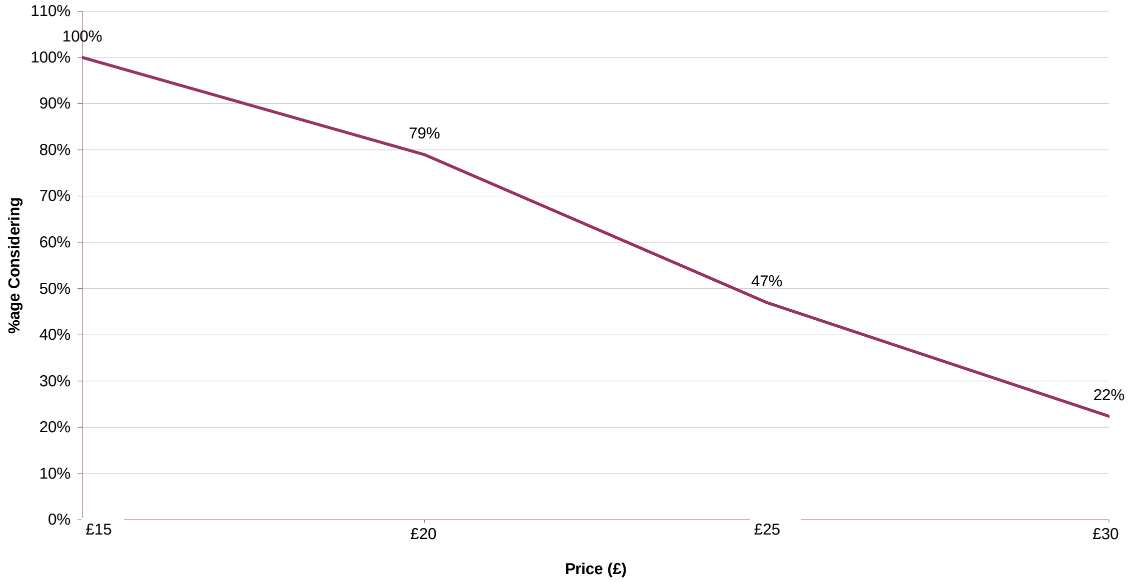


Base: All mobile-only (266)

Note: Current BT Option 1 line rental of £10.27 shown on chart to indicate consideration at that price

Responses are summarised in Figure 10 for the monthly line rental and call cost at which respondents would consider getting a landline. One in five mobile-only respondents (22%) said that they would consider getting a landline if the total monthly cost was £30, this increased to four out of five people (79%) if the total monthly cost dropped to £20.

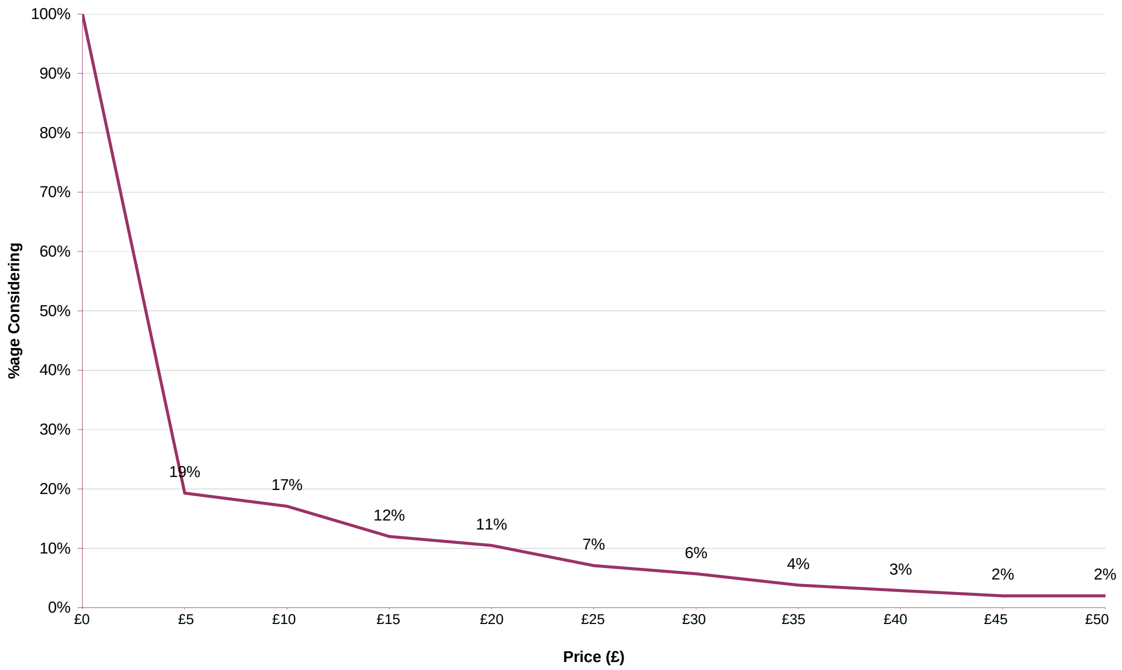
Figure 10: Monthly line and call cost at which would consider landline



Base: All mobile-only (266)

The majority of mobile-only respondents said that they would only consider taking a landline if the cost of connection was less than £5. One in five (19%) said that they would consider taking a landline for a connection cost of £5 or more, this dropped to one in ten (11%) of people prepared to consider a landline for a connection cost of £20 or more.

Figure 11: Connection cost at which would consider landline



Base: All mobile-only (266)

Section 4

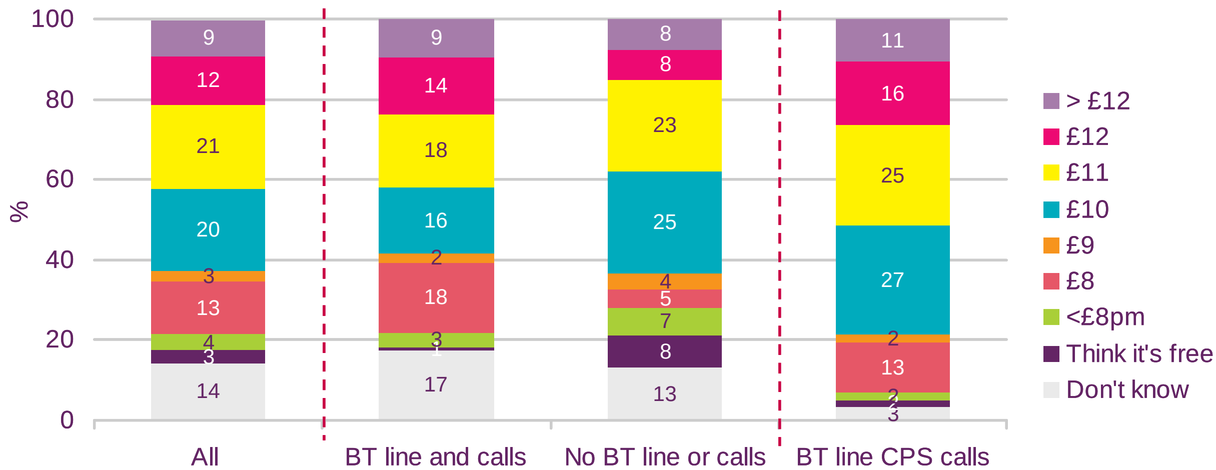
Usage and attitudes

4.1 Spend

Respondents were asked to estimate their monthly landline spend, either monthly or quarterly, depending on how they paid their bill. Monthly line spend was then calculated for all respondents.

Two in five respondents (41%) estimated their monthly spend at £10 or £11, one in five (20%) estimated their line spend at £9 or less and a similar proportion (21%) estimated their line spend at £12 or more. Respondents who did not use BT for line or calls and those with a BT line and CPS calls were more likely to estimate their spend as £10 or £11 per month than those who used BT for line and calls. Those with a BT line and CPS calls were also more likely to be able to estimate their line spend, suggesting higher awareness of telecommunication costs.

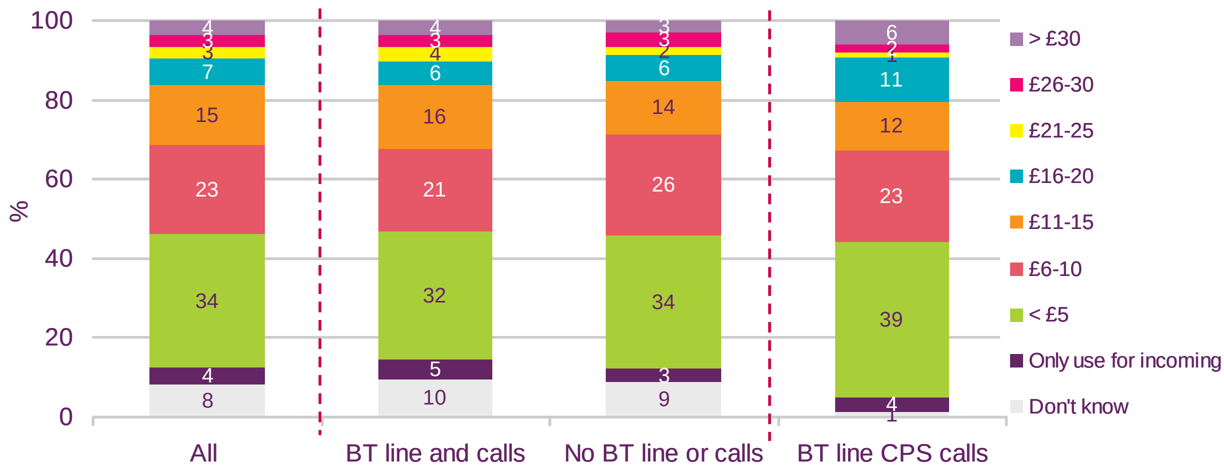
Figure 12: Monthly line spend, by supplier type



Base: All respondents with home landline (1739)

Respondents were also asked to estimate their monthly call spend. The results are shown in Figure 13. The majority of respondents (76%) estimated that they spend £15 or less each month on calls from their landline, with over a third stating that they spend less than £5 per month. These responses are broadly similar both for people who use BT for their line and calls and those who do not use BT. People who have a BT line and CPS calls quote lower monthly call spend figures.

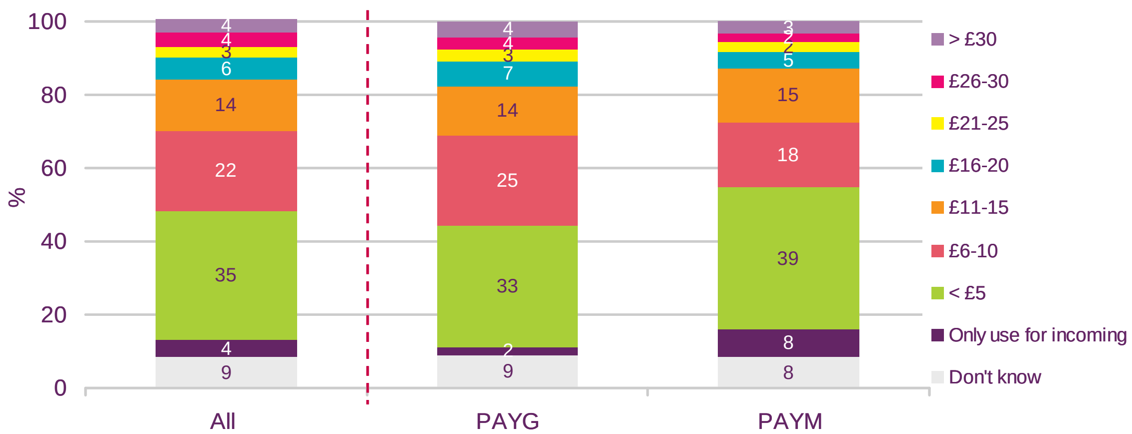
Figure 13: Monthly call spend, by supplier type



Base: All respondents with home landline (1739)

Monthly call spend estimates for PAYG and PAYM are summarised in Figure 14 below. PAYM customers quote lower monthly spend than PAYG customers; 39% said that they spend less than £5 per month compared to 33% of PAYG customers. In addition, a higher proportion said that they use their landline only for incoming calls; 8% of PAYM said that this was the case compared to 2% of PAYG customers. These spend figures suggest that there is a higher level of mobile substitution for landline among PAYM than among PAYG customers; this is likely to be driven by inclusive call packages.

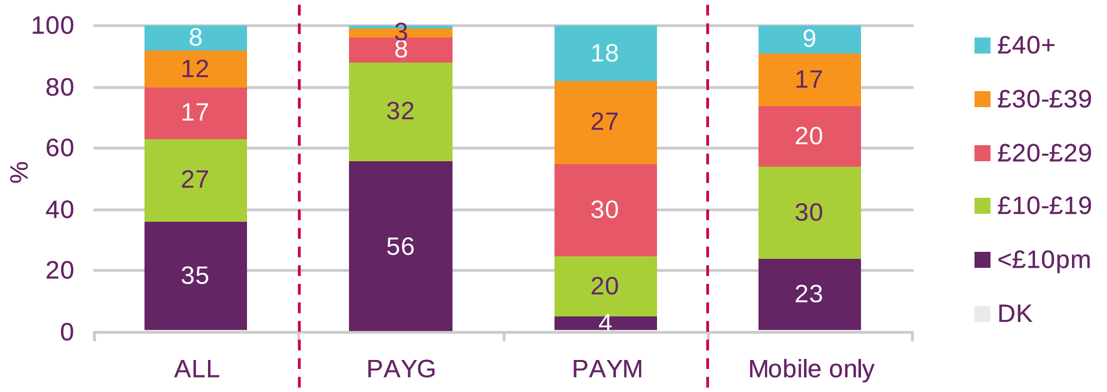
Figure 14: Monthly call spend, by mobile type



Base: All respondents with home landline and mobile (1628)

We also captured spend figures for mobile phones, these are summarised in Figure 15. Monthly spend is lowest among PAYG customers, with 56% spending less than £10 per month compared with 4% of PAYM customers. Just under half of PAYM customers (45%) reported spend levels of more than £30 per month. Mobile-only respondents comprise a roughly equal split of PAYM and PAYG users, which is reflected in their overall spend levels.

Figure 15: Monthly mobile spend, by type

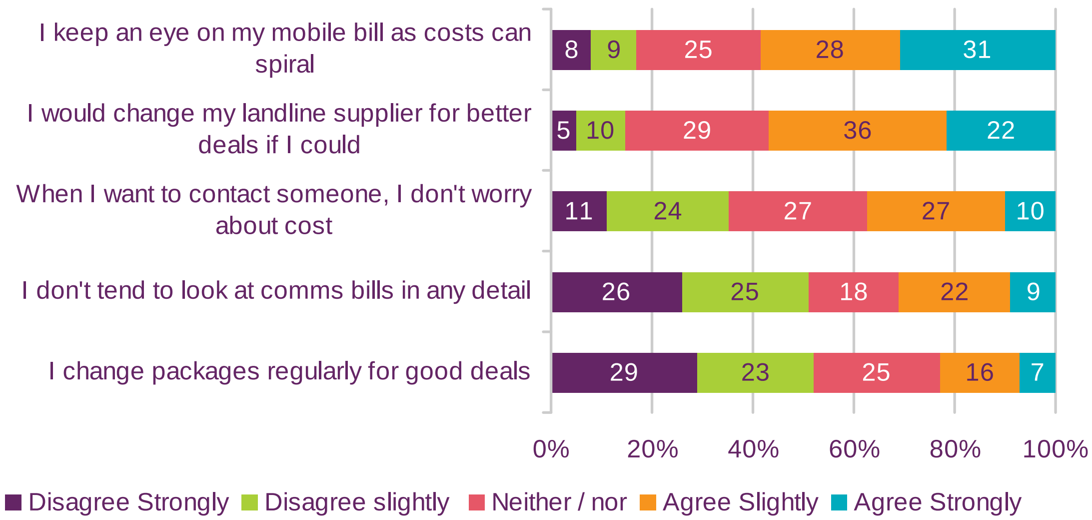


Base: All respondents with a mobile (1959)

4.2 Attitude to cost

We asked respondents their level of agreement with a series of statements related to their attitudes to communications costs. There were relatively high levels of agreement that "I keep an eye on my mobile bill as costs can spiral" (59% agree) and "I would change my landline supplier for better deals if I could" (58% agree). But people tended to disagree that "I don't tend to look at communications bills in any detail" (51% disagree) and "I change packages regularly for good deals" (52% disagree).

Figure 16: Consumer attitudes to cost management

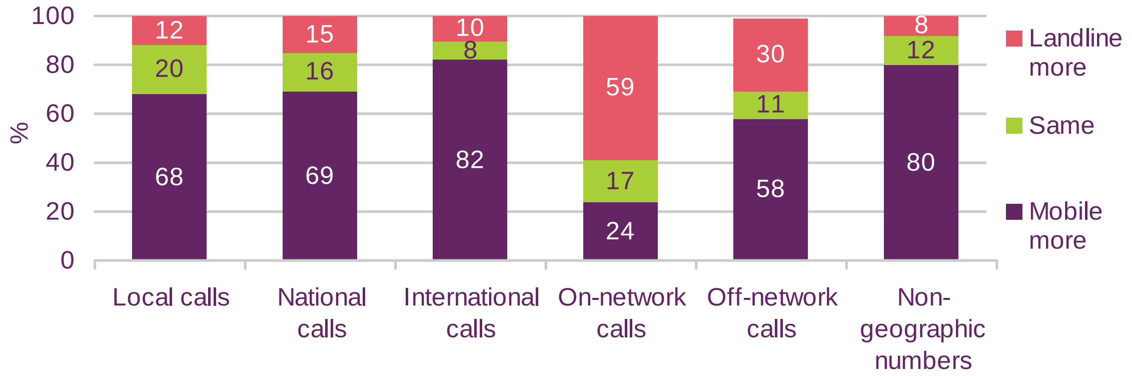


Base: All respondents with a mobile (1959)

4.3 Cost perceptions for different call types

We were interested in respondents' perceptions of the relative cost of mobile and landline calls and how this might affect their usage preferences and supplier choices, so we asked them about their perceptions of the relative costs of a series of different call types. On the whole, mobile calls were perceived to be more expensive than landline calls. The exception was for calls to the same mobile network, where landline calls were thought to be more expensive.

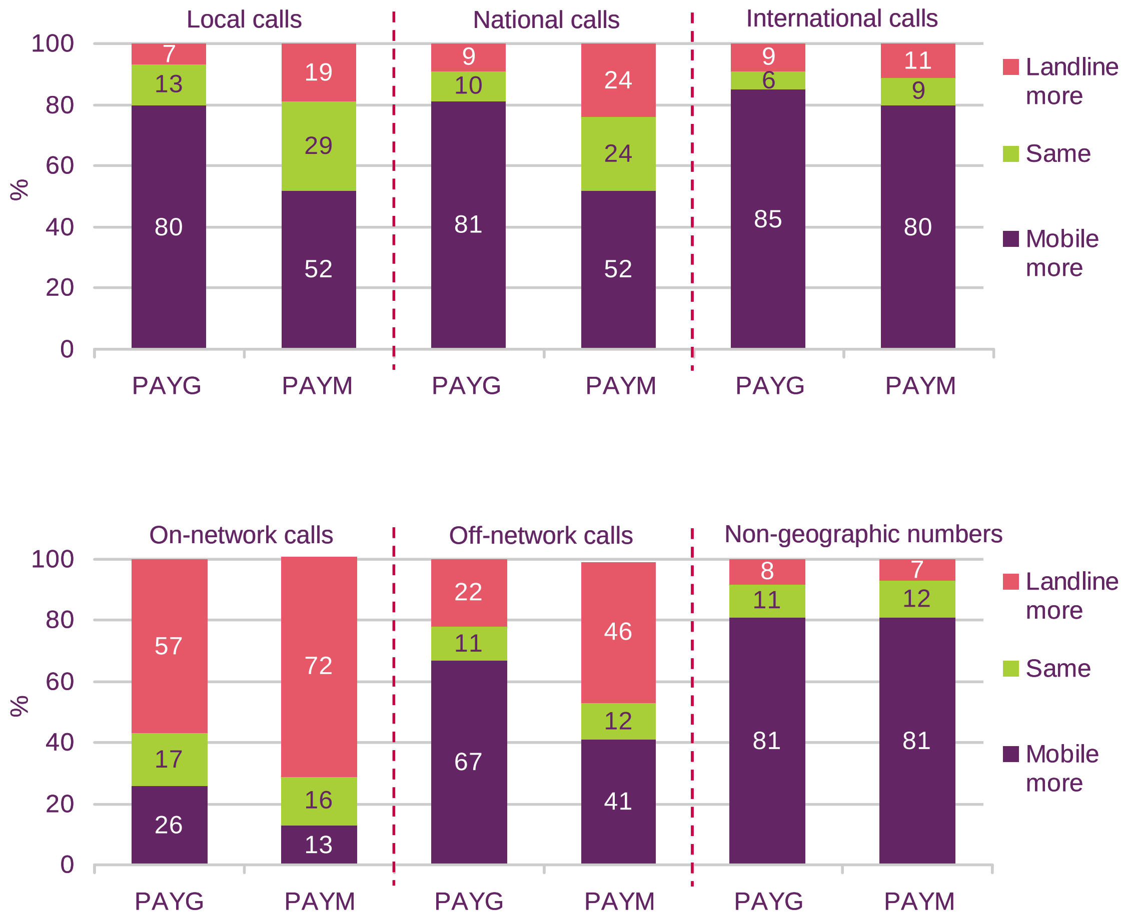
Figure 17: Perception of relative cost of different call types



Base: All respondents (2005)

There are differences between the perceptions of PAYG and PAYM customers for local calls, national calls, on-network calls and off-network calls – in all cases PAYM customers are less likely to say that mobile calls cost less than landlines, which may be linked to high level of inclusive cross-network minutes on some tariffs.

Figure 18: Perception of relative cost of different call types, by mobile type



Base: All respondents with a PAYG mobile phone (951), all with a PAYM phone (943)

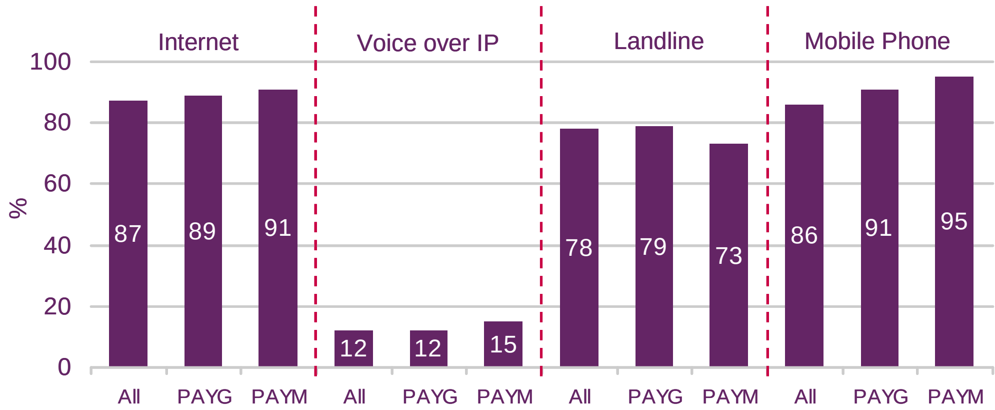
4.4 Usage preferences

We were also interested in people's use of different communication services, which could be relevant to their supplier and service choice. In particular, we were interested in what services people prefer to use for different purposes, for example, contacting friends and family, conducting personal affairs (such as banking and travel reservations) and work-related contact.

We asked people whether they had used the internet, voice over IP (VoIP), landline phone or mobile phone in the last six months. Responses are shown in Figure 19. A large proportion of the sample had used the internet, a landline phone or a mobile phone, but a much lower proportion (12%) had used VoIP. PAYM customers were slightly more likely to use their mobile phone than PAYG, and slightly less likely to use the landline phone

Interestingly, some mobile phone users said that they had not used their mobile in the last six months. This tended to be those users with lower monthly spend; 89% of people with a monthly spend of less than £10 a month claimed not to have used their phone in the past six months. This is likely to be people who have a mobile phone for emergency use only, or people who have responsibility for paying the mobile phone bill but do not use the phone themselves (e.g. parents of younger children). All mobile-only consumers had used their mobile in the last six months.

Figure 19: Whether used services in last 6 months



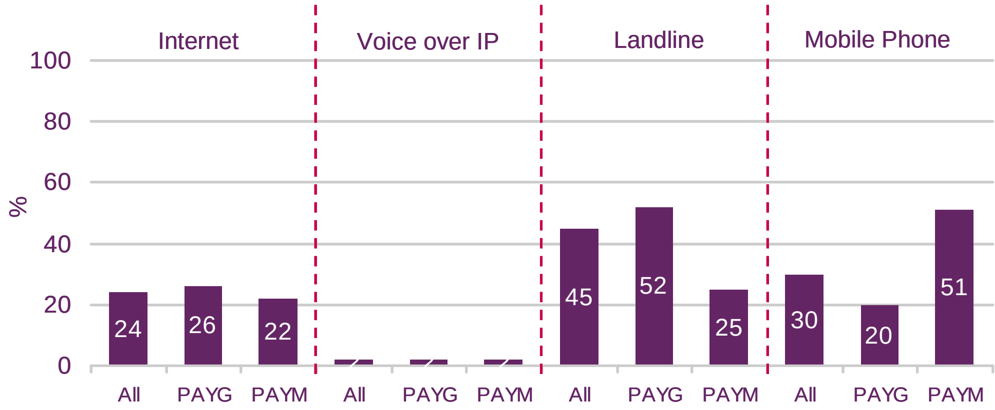
Base: All respondents (2005)

We then asked people which services they prefer to use for particular purposes and how frequently they use this form of contact.

Contacting friends and family in the UK

We asked all respondents what their first choice would be for keeping in touch with friends and family in the UK. Landline was the most popular choice, mentioned by 45% of people, followed by a mobile phone, mentioned by 30% of people. These responses differ considerably according to whether the respondent has a PAYM or PAYG phone; PAYM customers are more than twice as likely as PAYG customers to favour their mobile phone but only half as likely to favour their landline.

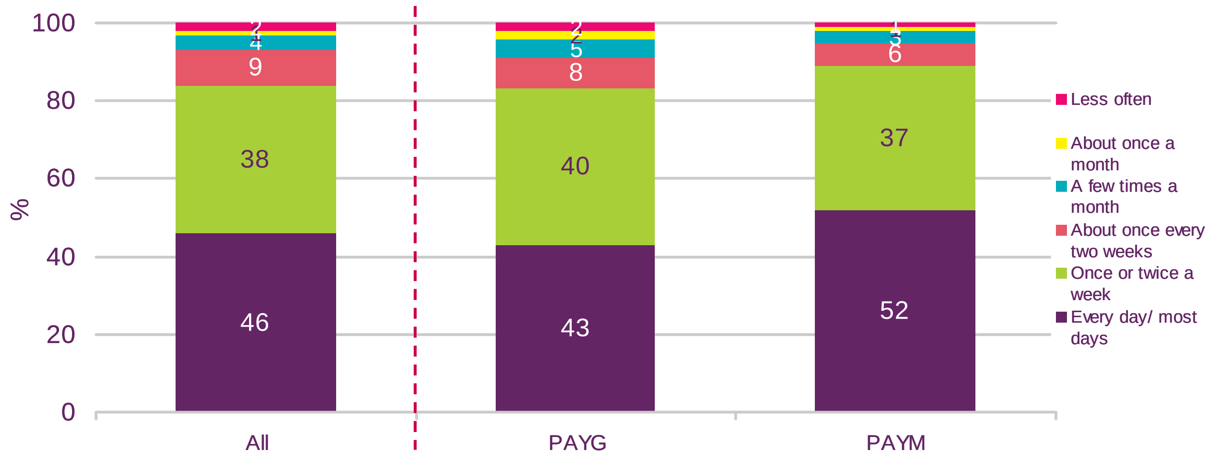
Figure 20: First choice for keeping in touch with friends and family in the UK



Base: All respondents (2005)

Most respondents in our sample said that they contact friends and family in the UK at least once a week (84%). PAYM customers are more likely to contact friends and family every day than PAYG customers, which is likely to be linked to higher overall usage and spend levels among PAYM customers.

Figure 21: Frequency of contacting friends and family in the UK

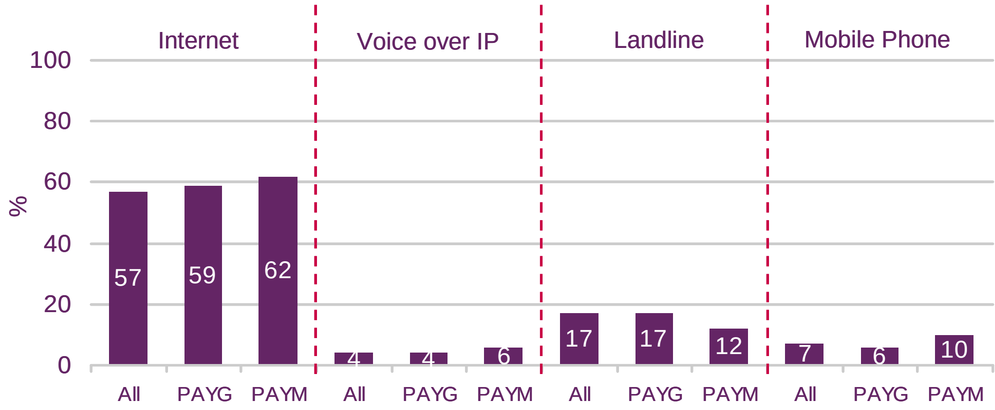


Base: All respondents (2005)

Contacting friends and family abroad

We asked all respondents what their first choice would be for keeping in touch with friends and family abroad. More than half (57%) said they would prefer to use the internet for this, while nearly one in five people (17%) said they would prefer to use their landline. Responses from PAYG and PAYM customers were similar.

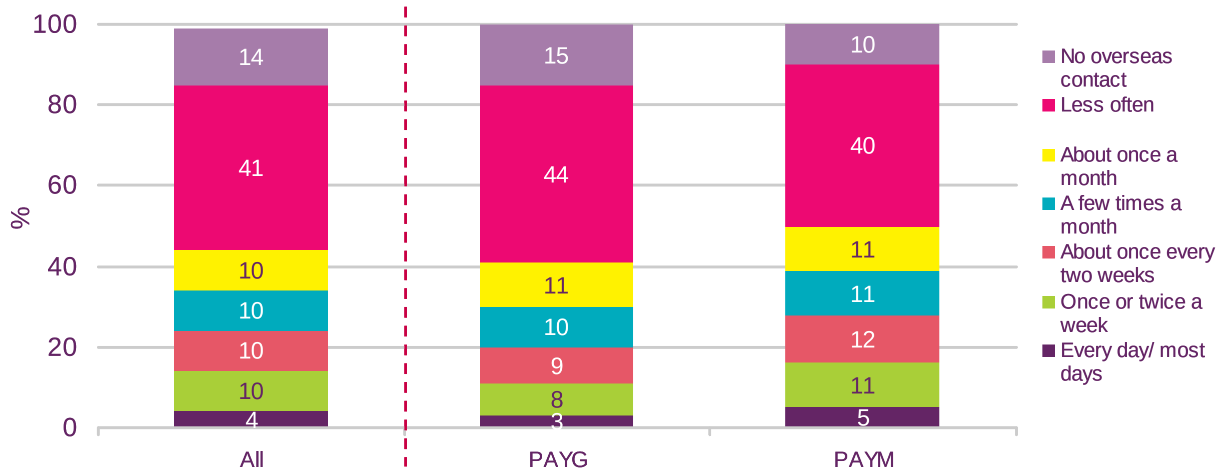
Figure 22: First choice for keeping in touch with friends and family abroad



Base: All respondents (2005)

Two in five respondents (44%) said that they contacted friends and family abroad less at least once a month while a similar proportion (41%) contacted less often than this.

Figure 23: Frequency of contacting friends and family abroad

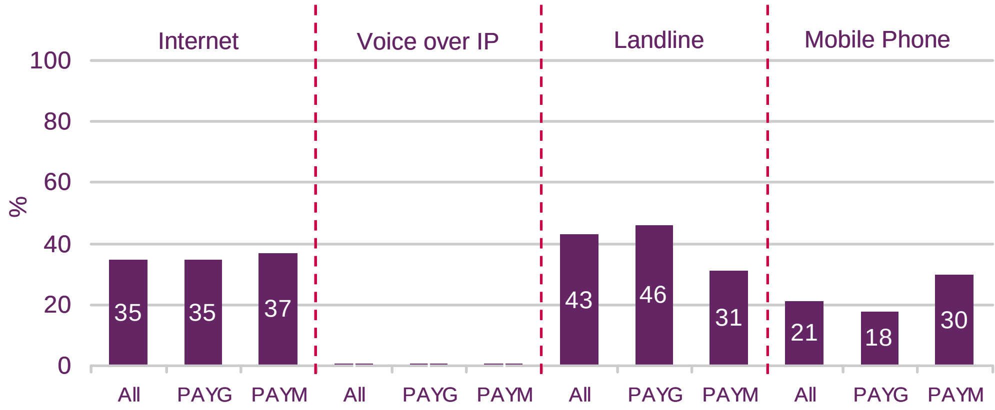


Base: All respondents (2005)

Dealing with personal affairs

We asked all respondents what their first choice would be for dealing with personal affairs, such as contacting banks or utility companies, making reservations for travel, restaurants and so on. Landline was the first choice for 43% of people, followed by the internet for 35% and mobile phone for 21%. Responses from PAYG and PAYM customers were similar. As previously, PAYM customers are likely to favour their mobile phone, while PAYG customers are more likely to favour their landline.

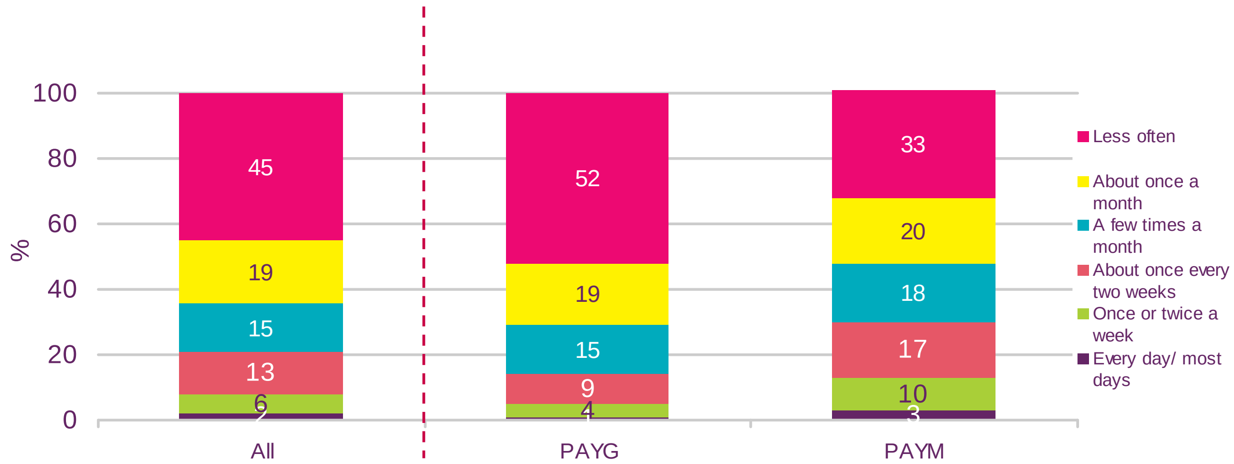
Figure 24: First choice for dealing with personal affairs



Base: All respondents (2005)

Two-thirds of respondents in our sample said that they make this type of contact once a month or less often (64%). PAYM customers tended to say that they make this type of contact more frequently than PAYG customers.

Figure 25: Frequency of dealing with personal affairs

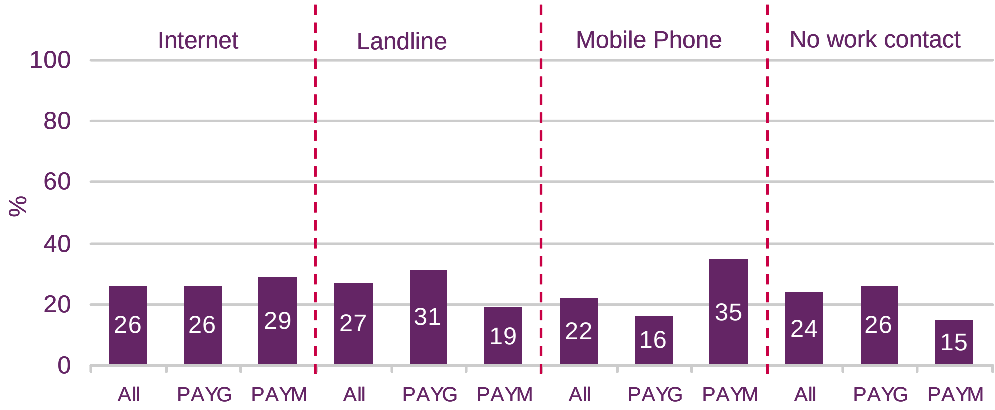


Base: All respondents (2005)

Work related contact from home

We asked all respondents what their first choice would be for work-related contact from home. There was a spread of responses to this, with each method cited by about a quarter of the respondents. A similar proportion said that they did not make any of this type of contact. As previously, PAYM customers are likely to favour their mobile phone while PAYG customers are more likely to favour their landline.

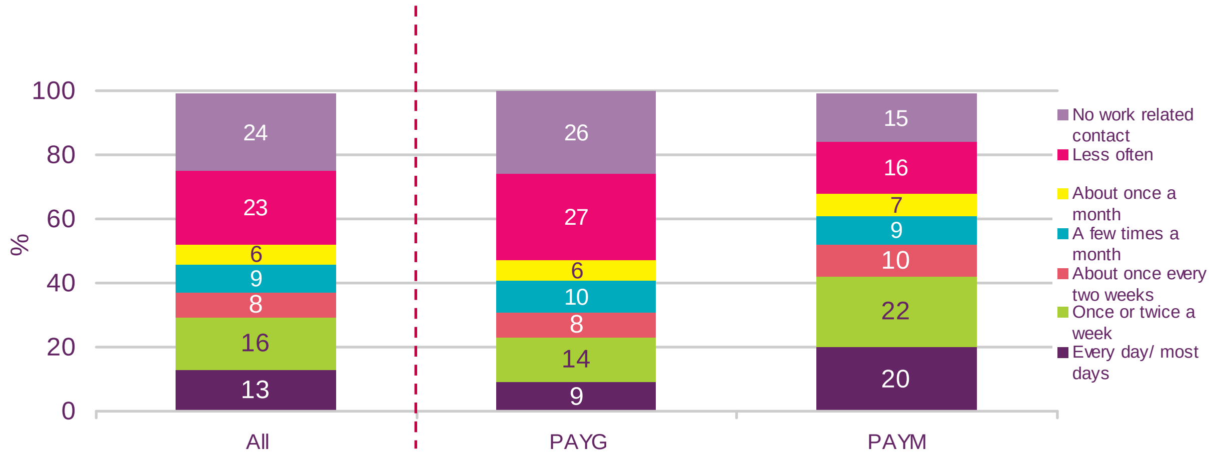
Figure 26: First choice for work-related contact at home



Base: All respondents (2005)

Just under a third of people said that they make work-related contact from home at least once a week (29%), while over half (52%) said they do this at least once a month. PAYM customers are more likely than PAYG customers to make this type of contact.

Figure 27: Frequency of work-related contact from home



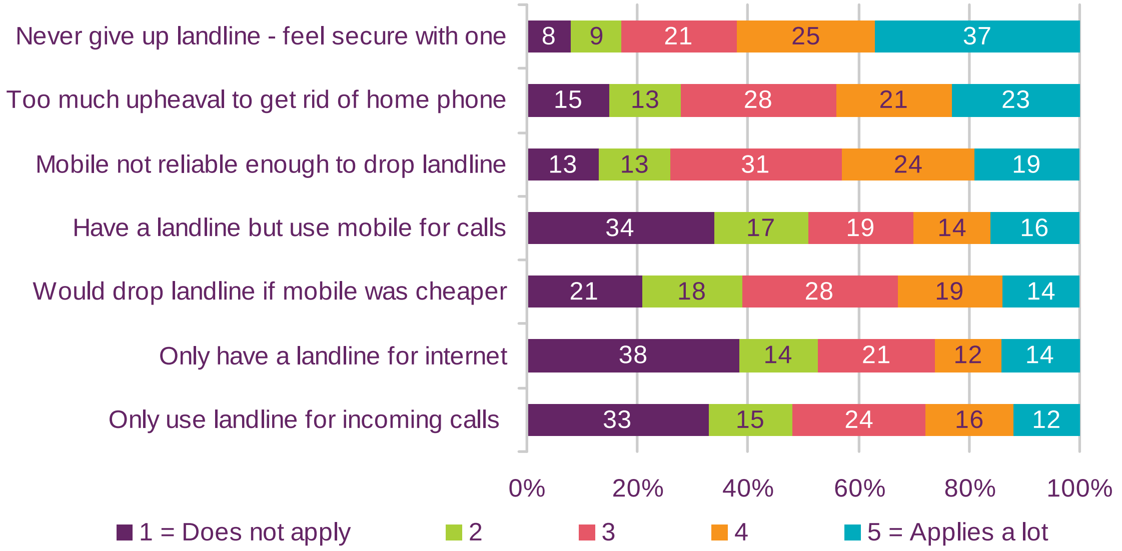
Base: All respondents (2005)

4.5 Attitude to landline

We showed all respondents with a landline phone at home a series of attitudinal statements and asked which most applied to them; Figure 28 summarises the responses. This reveals that security is a key reason why people retain their landline, with nearly two-thirds (62%) saying that "I could never consider getting rid of my landline because I feel secure having it".

Most people do claim some use of their landline for calls, with a relatively high proportion of respondents saying that statements like "we only have a landline for internet access" and "I have a landline but generally use my mobile for calls" do not apply to them (52% and 51% respectively).

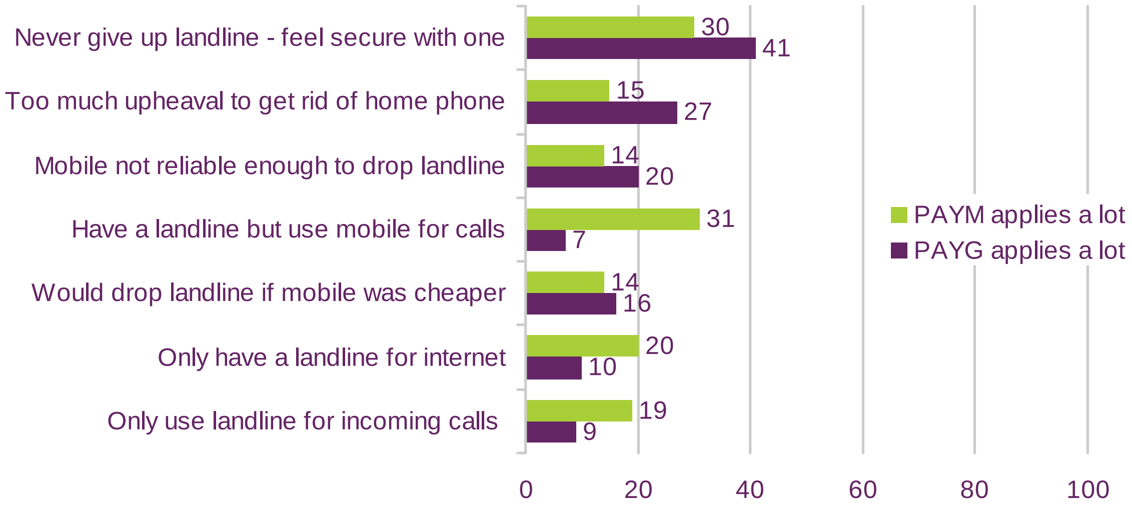
Figure 28: Attitudes to having a landline



Base: All respondents with home landline (1739)

Responses to these statements vary by whether the respondent has a PAYM or PAYG mobile phone, with PAYG customers generally more dependent on their landline phone, reflecting lower mobile use and spend. In particular, PAYM customers are far more likely than PAYG customers to say that they have a landline but use their mobile for calls (31% vs 7%).

Figure 29: Attitudes to having a landline, by mobile type



Base: All with a landline and a PAYG mobile phone (825) or a PAYM mobile (814)

Section 5

Reactions to price increase scenarios

5.1 Methodology

The survey tested consumer reactions to possible price increases made by their existing supplier. A series of questions asked how these increases might affect future supplier choice and behaviour (in the survey there was no mention of the prices charged by other suppliers so the implicit assumption was that the prices they charged did not vary).

Three different price increases were tested:

a) a 10% increase in line costs;

b) a 10% increase in call costs;

c) and a 10% increase in total cost of calls and line.

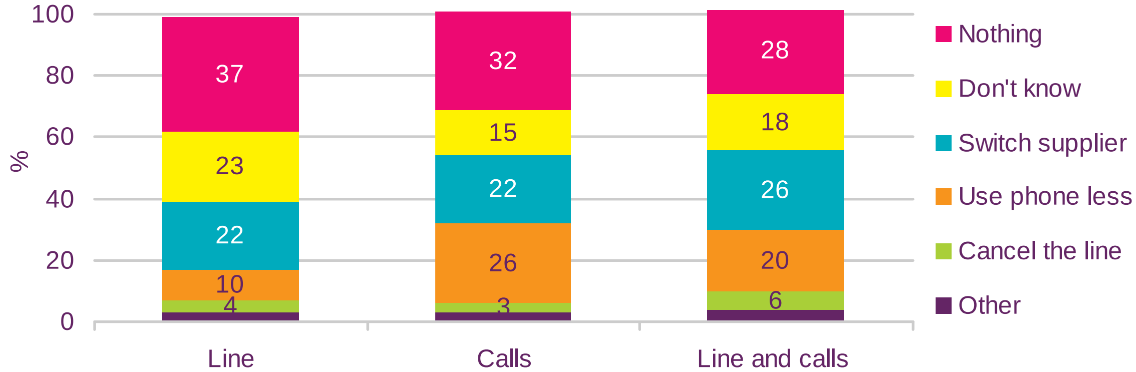
Respondents were asked questions on their reactions to one or more of these increases depending on their ability to estimate call and line spend.

People who were able to estimate line rental were asked their likely response to a) an increase in line costs and c) an increase in both calls and line. People who were able to estimate call costs separately were asked their likely response to b) an increase in call costs and c) an increase in both calls and line. Those who could only estimate combined line and call expenditure were asked about their likely response to c). Each person was asked a maximum of two of the three possible price increases to avoid respondent fatigue

5.2 Overview of responses

The chart below compares the responses to a 10% increase in line costs, call costs or line and call costs among the relevant samples. Overall, respondents were more likely to respond to changes in increases in call costs or in line and call costs than they were to an increase in line costs alone. An increase in call costs was more likely than the other increases to trigger a reduction in phone use, while an increase in line and call costs was most likely to cause respondents to switch supplier. The proportion of people who said they would cancel the line altogether remained at a similar level across all the increases tested.

Figure 30: Probable response to increase in call, line and call/line rental costs



Base: All respondents able to estimate line rental cost separately (Line 1491, Calls 1589, Line and Calls 1739)

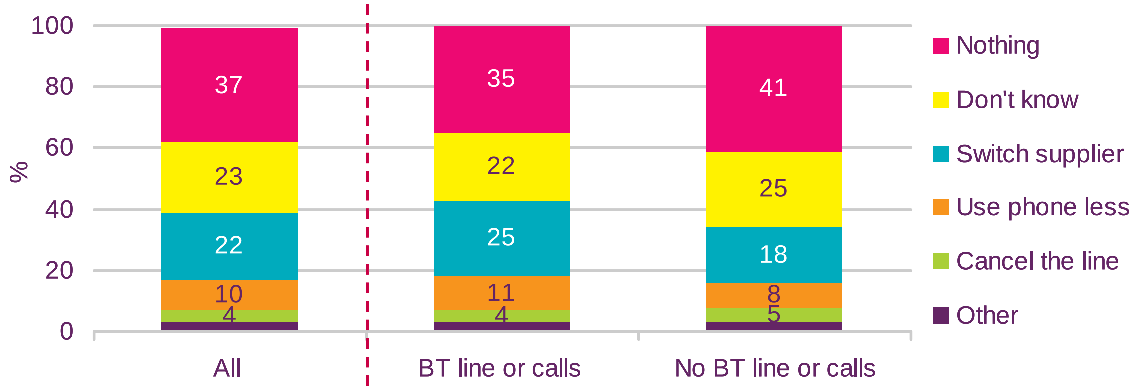
The following sections take each of these increases in turn and detail the responses given by our survey participants.

5.3 Change in cost of line rental

Respondents who specified line spend were asked how they might respond to a permanent change in the price of their home phone line rental, assuming that call costs were unaffected. The results are summarised in Figure 31. Over a third of respondents (37%) said that they would "do nothing" if line rental increased by 10%, and a further 23% said they did not know what they would do. Just over one in five said that they would switch supplier as a result of this increase, while 10% said they would reduce their phone use.

Respondents with a BT line were more likely to say they would take any action than those with no BT service (43% compared to 34%).

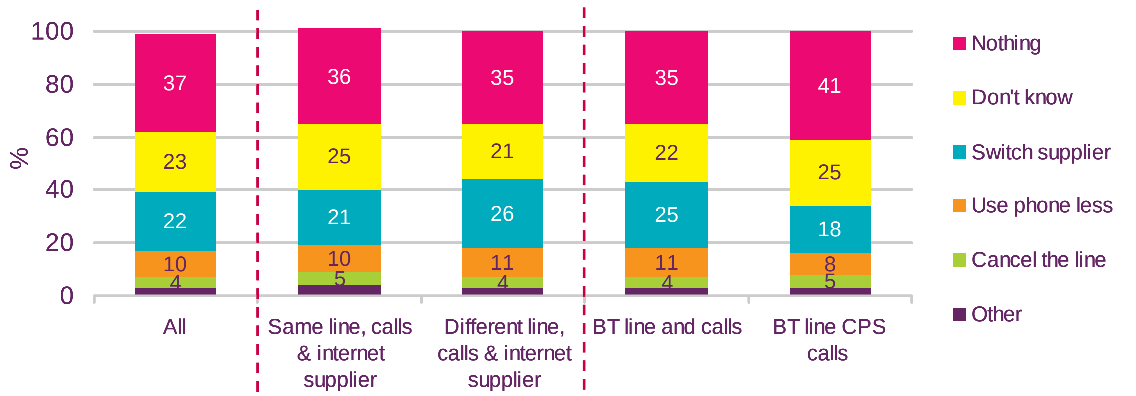
Figure 31: Probable response to a 10% increase in line rental costs, by whether use BT for line or calls



Base: All respondents able to estimate line rental cost separately (1491)

The pattern of responses was broadly similar for people who use different suppliers for the phone line, calls and internet and for those who have the same supplier for these services.

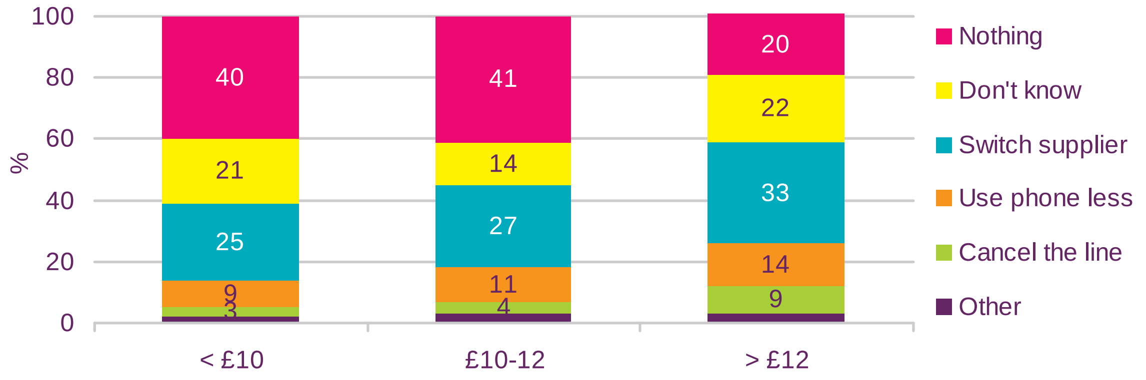
Figure 32: Probable response to a 10% increase in line rental costs, by whether have same or different suppliers for line, calls and internet



Base: All respondents able to estimate line rental cost separately (1491)

Analysing probable response to an increase in line rental cost by the level of monthly spend on line rental indicates that there are differences in how higher spenders say they would respond to a price increase; people who spend more than £12 per month on their line are less likely than those spending less to do nothing. They are also more likely to say that they would switch supplier and more likely to say they would cancel their line.

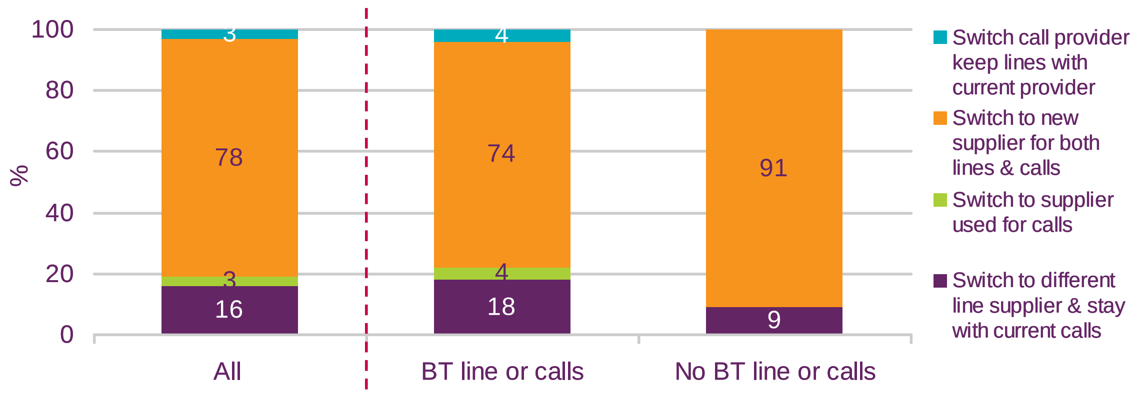
Figure 33: Probable response to a 10% increase in line rental cost, by monthly line spend



Base: All respondents estimated line rental cost at more than zero (1391)

We then asked people who thought they would switch supplier whether they would switch their call provider, line provider or switch both line and calls. The vast majority of respondents said they would switch to a new provider for both lines and calls. Respondents with any BT service (line or calls) were less likely to say they would switch to a new provider for both line and calls than those with no BT service. Respondents who used BT for line and calls (76%) would be unable to switch their line suppliers and retain BT for their calls, therefore this response is not possible[4].

Figure 34: Probable switching behaviour (of those likely to switch supplier)



Base: All respondents able to estimate line rental cost separately and said they would switch supplier in response to 10% line increase (357)

We asked each of these groups further questions on their intended switching behaviour. Different questions were asked depending on whether people planned to switch their line or their call supplier, or whether they planned to change their phone use in some way. The following sections analyse the results of these questions, where sample size is sufficient to report.

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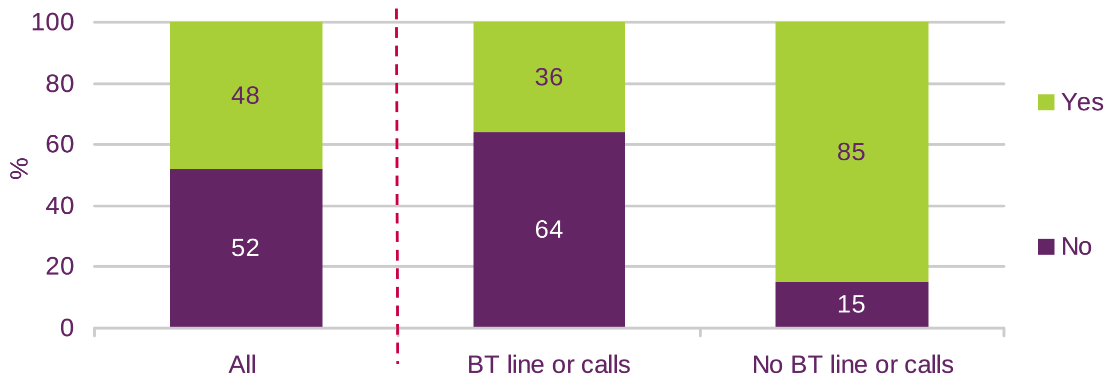
[4] We did not place feasibility restrictions on the options provided to respondents.

Switching line supplier in response to line increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change line supplier whether they had switched their line supplier in the past. Just under half of respondents said that they had switched line supplier; this was lower among BT customers (line or calls) than among those that did not have a BT service.

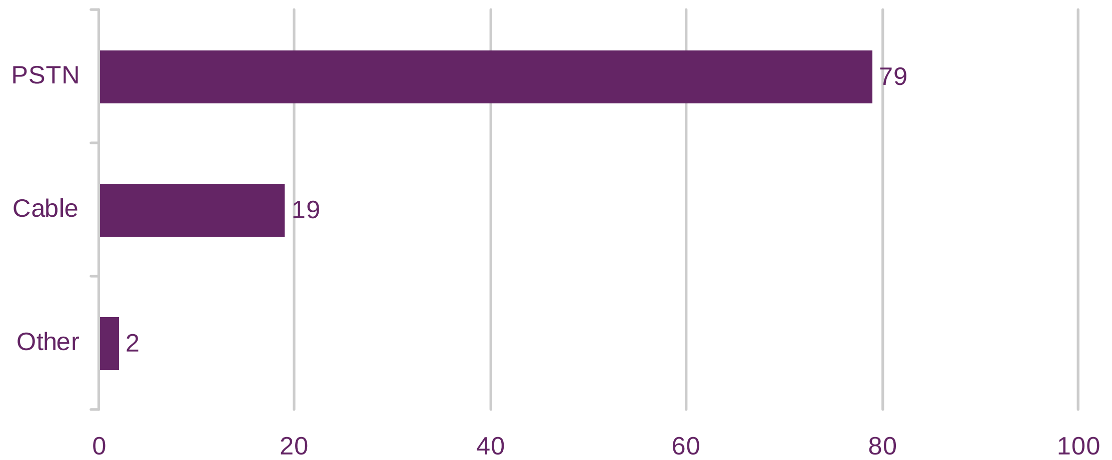
Figure 35: Whether switched landline supplier in the past



Base: All respondents intending to switch line or switch line and calls in response to line increase (345)

We then asked people what type of landline supplier they would consider switching to: a fixed PSTN[5] supplier, cable supplier or another type of supplier. The majority of people said that they would consider switching to another fixed PSTN supplier. Most respondents giving 'other' responses said that they would switch to the supplier with the cheapest deal.

Figure 36: Type of landline supplier would consider switching to



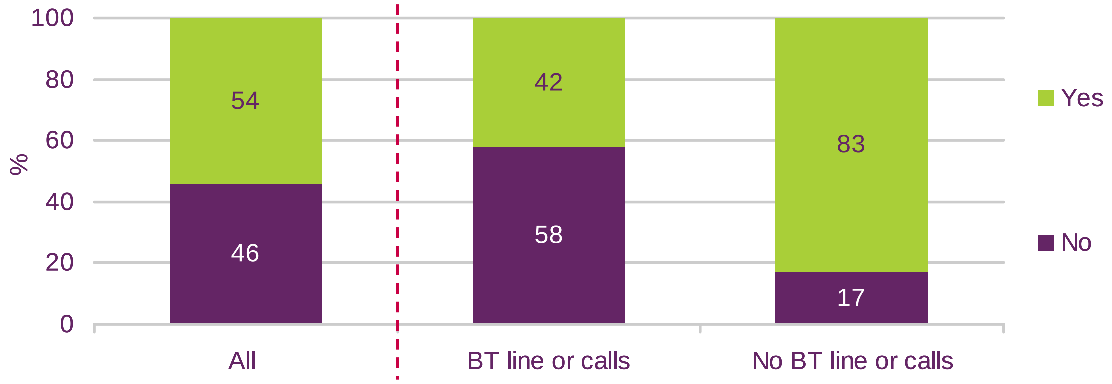
Base: All respondents intending to switch line or switch line and calls in response to line increase (345)

[5] Public switched telecommunications network (or "PSTN") is the conventional telephony network used to provide telephone calls using circuit-switching.

Switching calls supplier in response to line increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change their call supplier whether they had switched their call provider before. Just over half of respondents said that they had switched call supplier; this was lower among BT customers (line or calls) than among those that did not have a BT service.

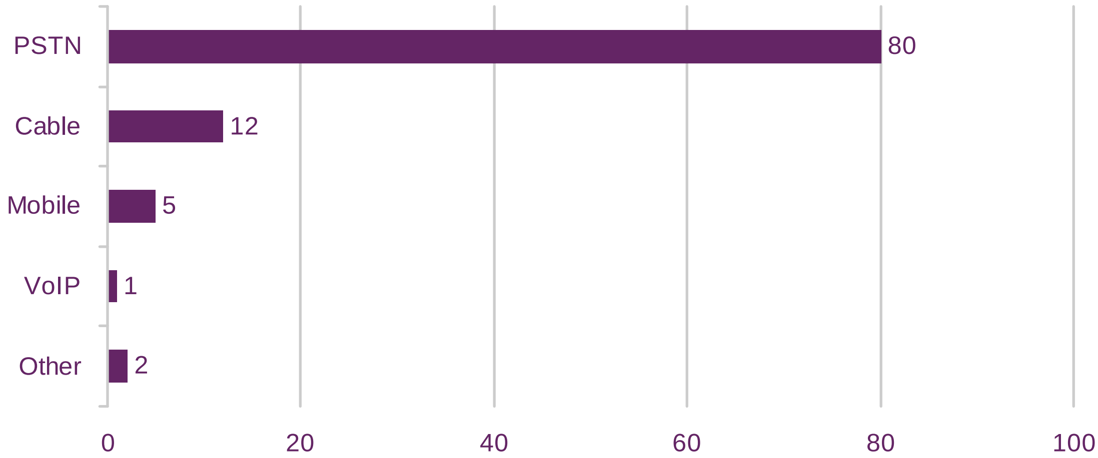
Figure 37: Whether switched call supplier in the past



Base: All respondents intending to switch supplier for calls or switch line and calls in response to line increase (331)

We also asked people who said they expected to change call supplier what type of supplier they would consider switching to: a mobile supplier, fixed PSTN supplier, cable supplier or another type of supplier. The majority of people (80%) said that they would consider switching to another fixed PSTN supplier, while 12% said they would consider switching to a cable supplier. Note that this sample includes people intending only to switch their calls, and people intending to switch both their line and calls.

Figure 38: Type of call supplier would consider switching to[6]



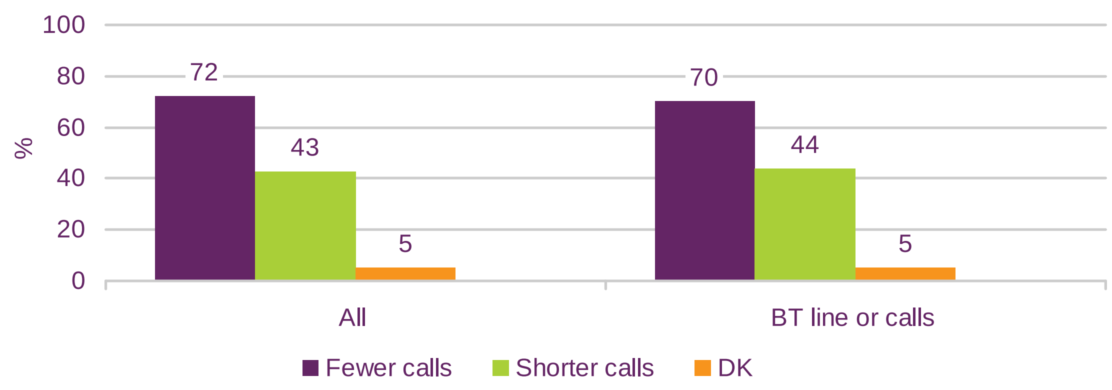
Base: All respondents intending to switch supplier for calls or switch line and calls in response to line increase (331)

[6] Note that this question was multi-coded, hence respondents could give more than one answer and the figures do not add up to 100%.

Use the phone less in response to line increase

One in ten people said that they would respond to an increase in line costs by using their home phone less. We asked them how they would reduce their usage and whether they would reduce the number of calls they would made or the length of their calls. People were more likely to say that they would make fewer calls (72%) than say that they would make shorter calls (43%). Respondents were able to give both options, so these figures add to more than 100%. A small proportion of people (5%) said they did not know how they would make this reduction. The majority of these respondents had BT as a supplier for their line and/or calls, therefore the responses for this group are very similar to the overall distribution. It is not possible to report figures for those who do not have a BT line or calls, as the sample size is too low.

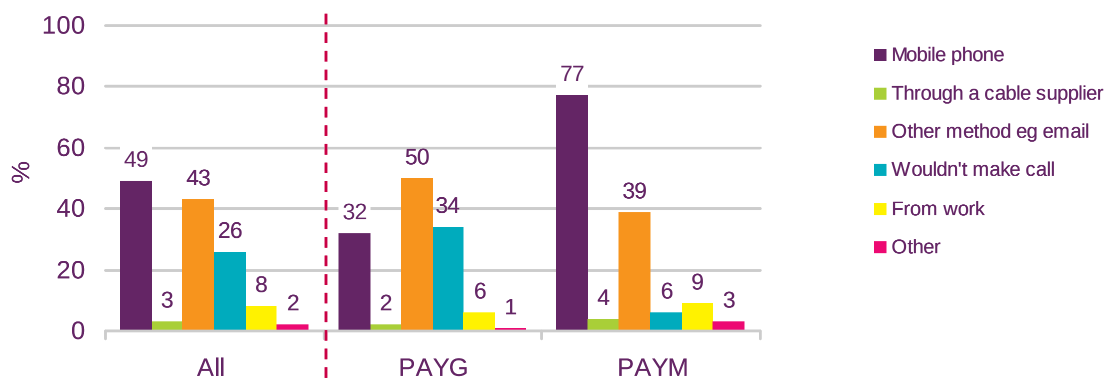
Figure 39: How phone use would be reduced



Base: All respondents who said they would reduce phone usage in response to 10% line increase (164)

We asked everyone who said they would make fewer landline calls how they would replace these calls. The highest mentions are that they would use their mobile phone (49%) or substitute with another method, such as email (43%). PAYM customers were twice as likely as PAYG customers to say that they would use their mobile to make these calls (77% vs 32%). A quarter of respondents (26%) said that they would not make these calls at all – they would just cut down their usage.

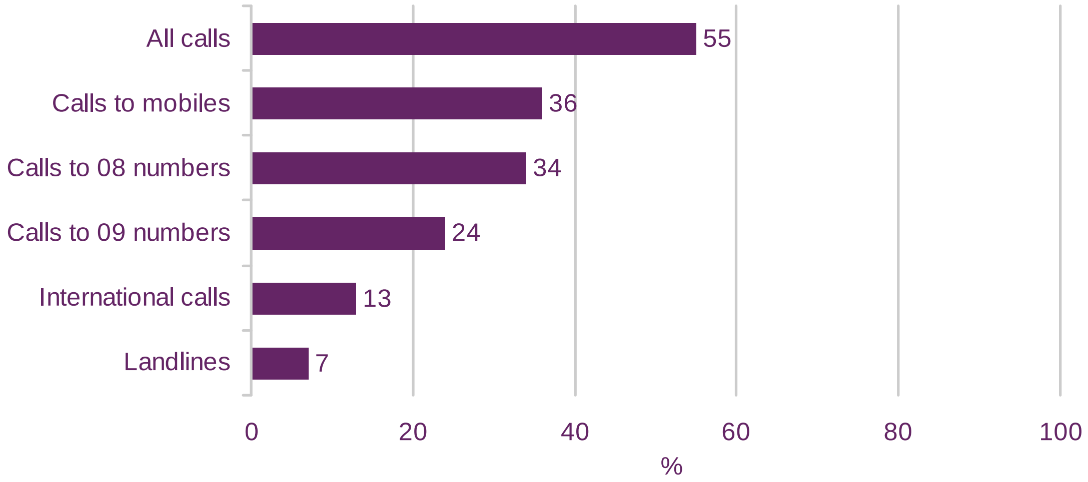
Figure 40: Alternative methods to replace calls



Base: All respondents who said they would make fewer calls in response to 10% line increase (162)

We asked those people who said they would make fewer calls a follow-on question, to find out specifically what type of calls they thought they would reduce. The results are shown in Figure 41 below. Respondents were able to give more than one answer if they expected to reduce several types of calls. Just over half of these respondents (55%) said they would make fewer calls of all types, while just over a third said they would make fewer calls to mobiles (36%) or fewer calls to 08 numbers (34%).

Figure 41: Types of calls respondents would make fewer of

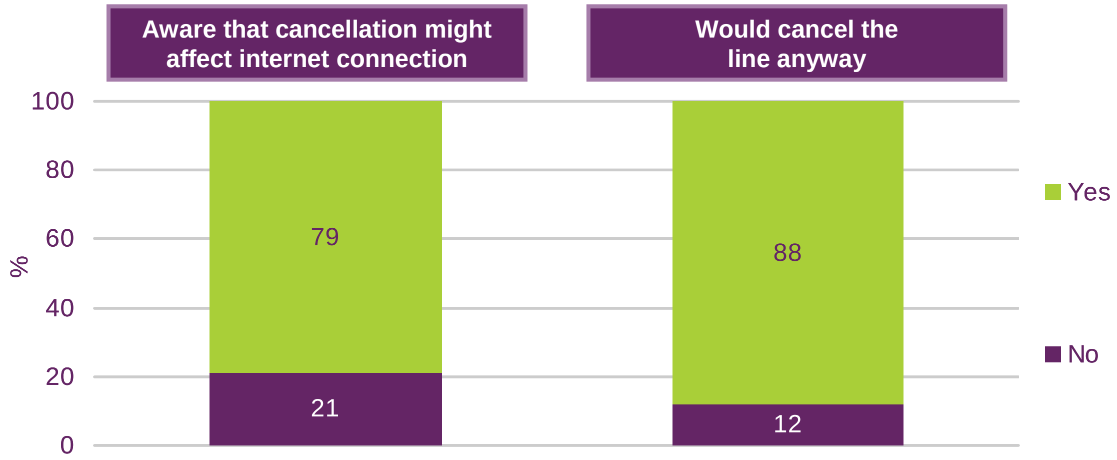


Base: All respondents who said they would make fewer calls in response to 10% line increase (164)

Cancelling the line in response to line increase

As shown in Figure 31, a small proportion (4%) of respondents said that they would cancel the line in response to a 10% increase in line rental. We asked those respondents who said they would cancel the line and who had an internet connection whether they were aware that cancelling the line would result in the loss of their internet connection. The majority of respondents (79%) said that they were aware that this would affect their internet connection. Despite this, 88% said they would still cancel their phone line, while 12% said that they would not cancel the line after all if it would result in the loss of their internet connection.

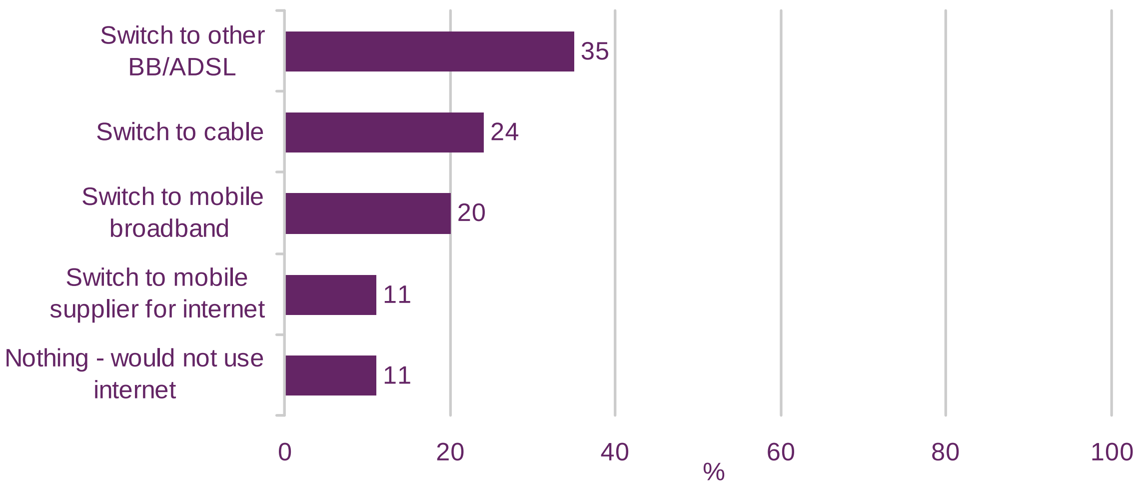
Figure 42: Awareness/impact of loss of internet connection on line cancellation



Base: All respondents who said they would cancel the line in response to 10% line increase (58)

We asked people who said they would still cancel their phone line what they would do about their internet connection. The results are summarised in Figure 43. Just over a third (35%) said they would switch to another broadband or ADSL provider, while a quarter (24%) said that they would switch to cable. One in five (20%) said they would switch to mobile broadband. One in ten people (11%) said they would not replace their internet connection. There appears to be limited understanding that a line is required for broadband or ADSL.

Figure 43: Intention to replace internet connection



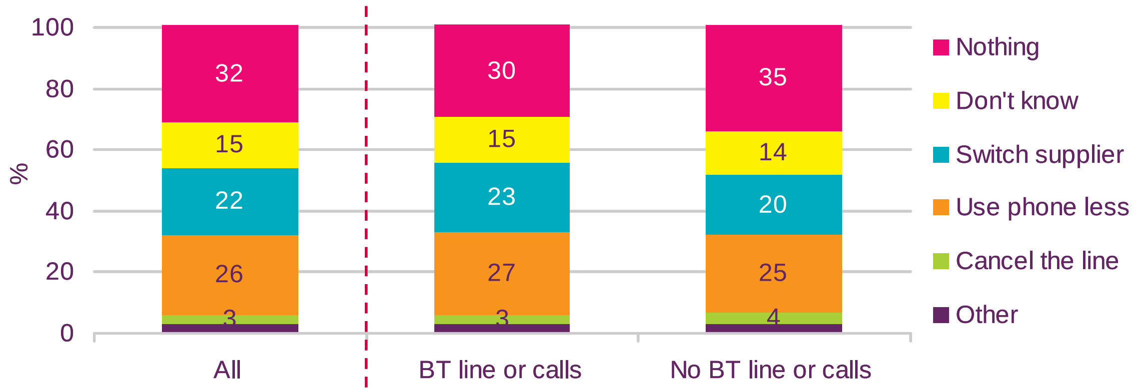
Base: All respondents who said they would cancel the line in response to a 10% line increase (50)

5.4 Change in cost of calls

Respondents who were able to specify their call spend were asked how they might respond to a permanent change in the price of their home phone calls of 10%, assuming that line rental was unaffected. The results are summarised in Figure 44.

Just under a third of respondents (32%) said that they would do nothing if call costs increased by 10%, and a further 15% said they did not know what they would do. Among people who thought they would take some action in response to this increase, the most common response was that they would use their phone less (26%) or that they would switch supplier (22%).

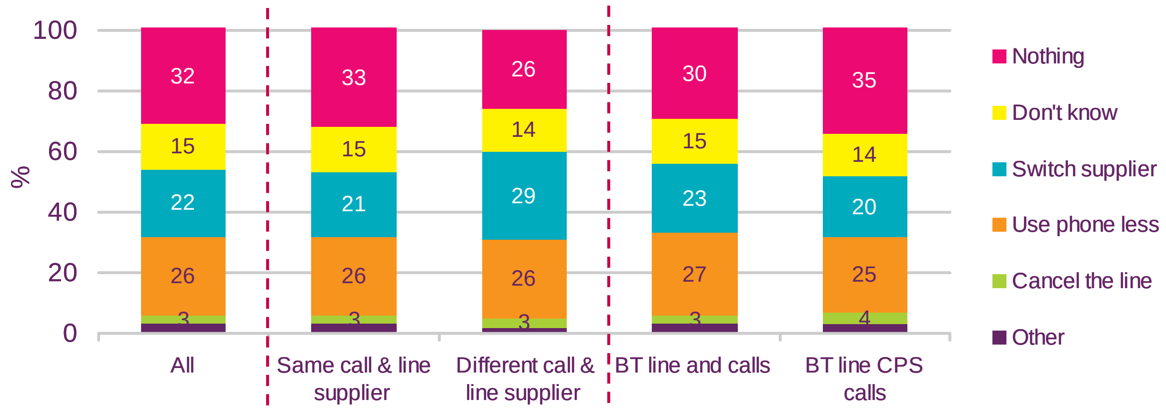
Figure 44: Probable response to a 10% increase in call costs, by whether use BT



Base: All respondents able to estimate call costs separately (1589)

People who use different suppliers for their phone line and calls are slightly more likely to say that a 10% increase in call costs would cause them to switch supplier than are those who have the same supplier for their phone line and calls.

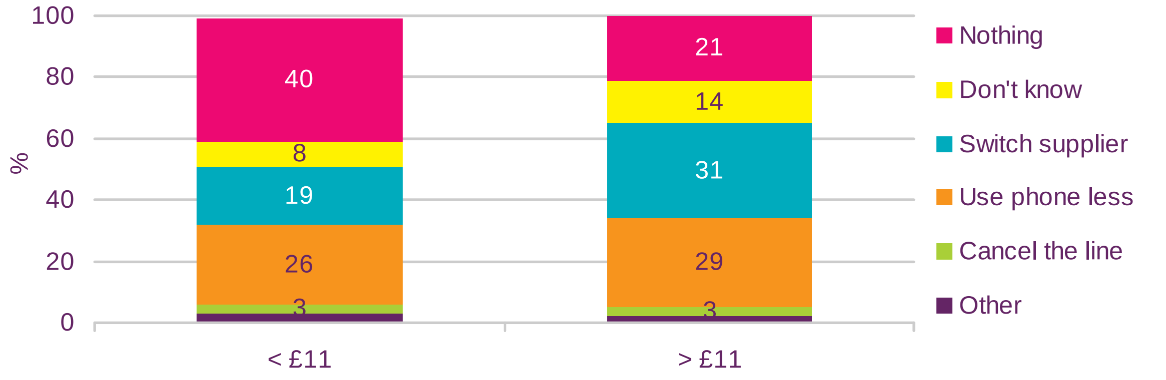
Figure 45: Probable response to a 10% increase in call costs, by whether have same or different suppliers for line and calls



Base: All respondents able to estimate call costs separately (1589)

Figure 46 compares likely response to an increase in call costs by monthly spend on calls. People who estimated their monthly spend on calls at £11 or more were less likely to do nothing and more likely to switch supplier than those who estimated spend at less than £11.

Figure 46: Probable response to a 10% increase in call costs, by monthly call spend

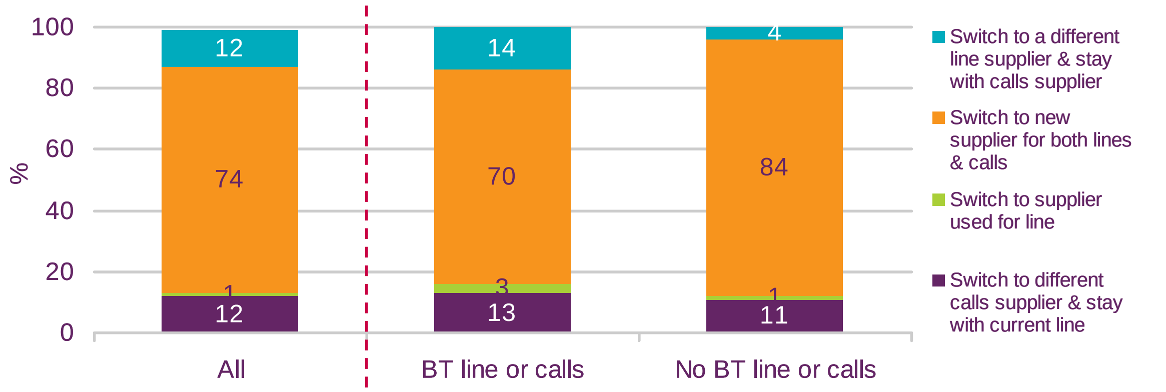


Base: All respondents estimated monthly call costs at more than zero (1472)

We went on to ask people who thought they would switch supplier whether they would switch their call provider, line provider or switch both line and calls. The vast majority of respondents said they would switch to a new provider for both lines and calls.

Respondents with any BT service (line or calls) were less likely to say they would switch to a new provider for both line and calls than those with no BT service. Respondents who use BT for line and calls would not be able to switch their line supplier and retain BT for their calls, hence this response is not possible[7].

Figure 47: Probable switching behaviour (of those likely to switch supplier)



Base: All respondents able to estimate call costs separately and said they would switch supplier in response to 10% call cost increase (320)

We asked each of these groups further questions on their intended switching behaviour. Different questions were asked depending on whether people planned to switch their line or their call supplier, or whether they planned to change their phone usage in some way. The following sections analyse results of these questions where sample size is sufficient to report.

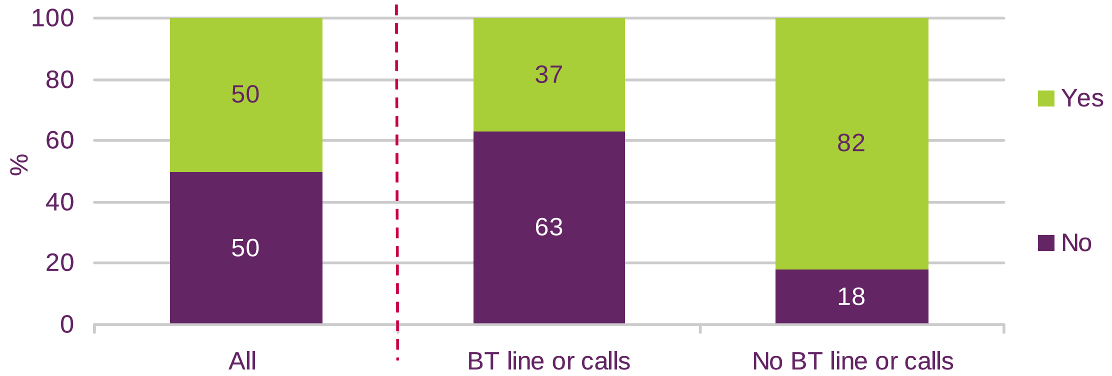
Switching line supplier in response to call cost increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change line supplier whether they had switched their line

[7] We did not place feasibility restrictions on the options provided to respondents.

supplier in the past. Half of respondents said that they had switched line supplier, this was lower among BT customers (line or calls) than among those that did not have a BT service.

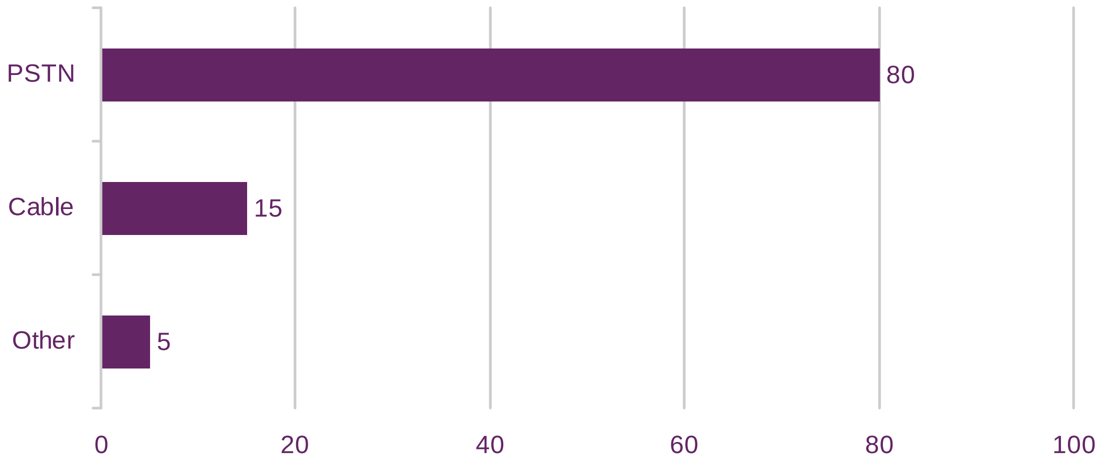
Figure 48: Whether switched landline supplier in the past



Base: All respondents intending to switch line or switch line and calls in response to 10% call cost increase (315)

We then asked people what type of landline supplier they would consider switching to; a fixed PSTN supplier, cable supplier or another type of supplier. The majority of people said that they would consider switching to another fixed PSTN supplier. Most respondents giving “other” responses said that they would switch to the supplier with the cheapest deal. No-one said that they would switch to a mobile or VoIP provider.

Figure 49: Type of landline supplier would consider switching to

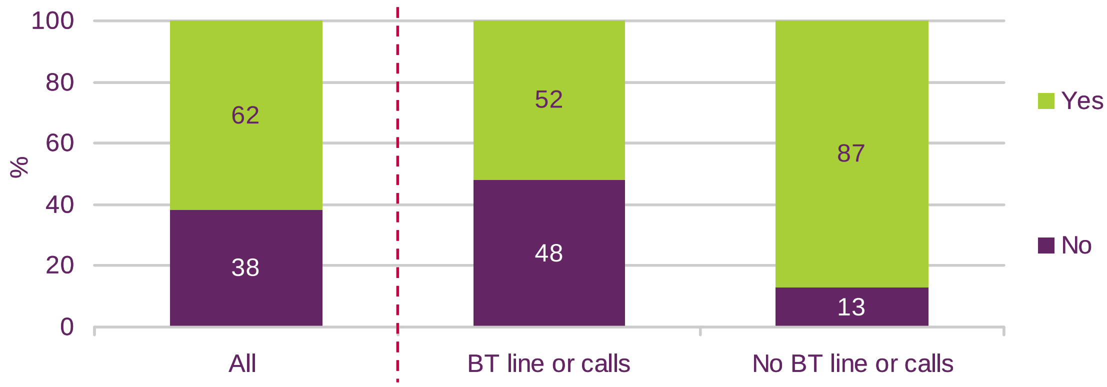


Base: All respondents intending to switch line or switch line and calls in response to 10% call cost increase (315)

Switching calls supplier in response to call cost increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change calls supplier whether they had switched their call provider before. Nearly two-thirds of respondents said that they had switched call supplier, this was lower among BT customers (line or calls) than among those that did not have a BT service.

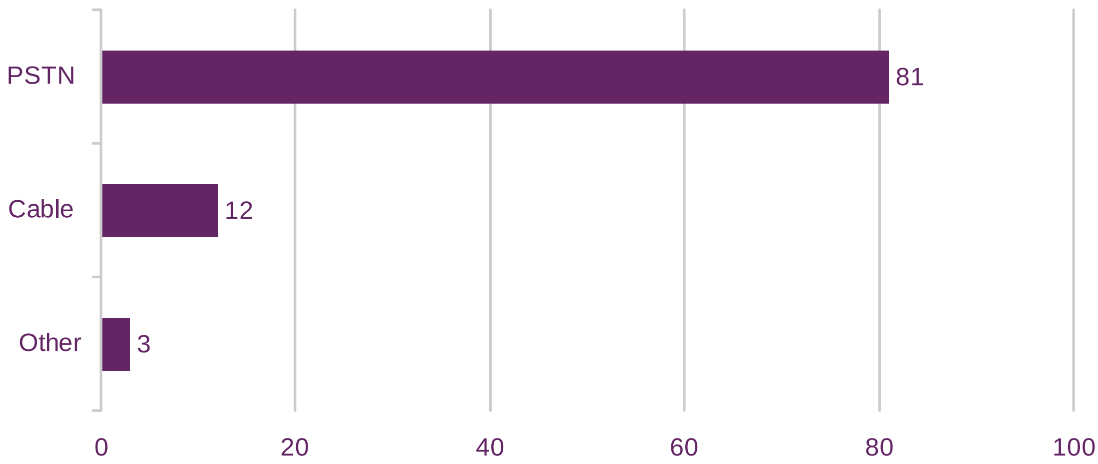
Figure 50: Whether switched call supplier in the past



Base: All respondents intending to switch calls or switch line and calls in response to 10% call cost increase (289)

We also asked people who said they expected to change call supplier what type of supplier they would consider switching to; a mobile supplier, fixed PSTN supplier, cable supplier or another type of supplier. The majority of people (81%) said that they would consider switching to another fixed PSTN supplier, 12% said they would consider switching to a cable supplier. No-one said that they would switch to a mobile or VoIP provider. Note that this sample includes both people intending only to switch their calls, and people intending to switch both their line and calls.

Figure 51: Type of call supplier would consider switching to[8]



Base: All respondents intending to switch supplier for calls or switch line and calls in response to 10% call cost increase (287)

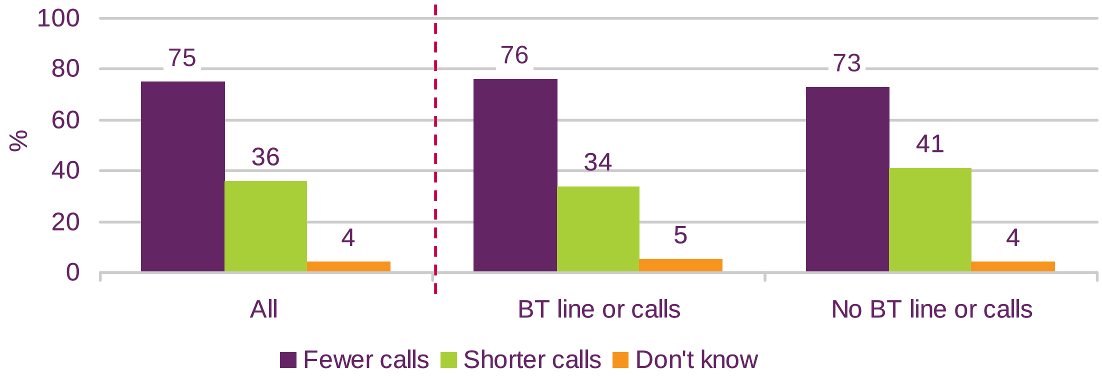
Use the phone less in response to call cost increase

A quarter of respondents (26%) said that they would respond to an increase in call costs by using their home phone less. We asked them how they would reduce their usage and whether they would reduce the number of calls they would make or the length of their calls. People were more likely to say that they would make fewer calls (75%) than say that they would make shorter calls (36%). Respondents were able to give both options so these figures add to more than 100%. A small proportion of people (4%) said they did not know

[8] Note that this question was multi-coded, hence respondents could give more than one answer and the figures do not add up to 100%.

how they would make this reduction. The distribution of responses among people who had BT as a supplier for their line or calls are very similar to the responses for those who did not.

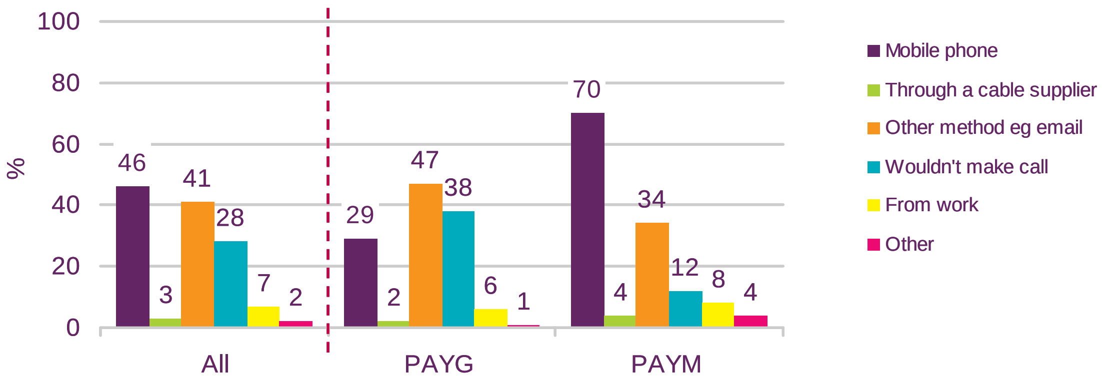
Figure 52: How phone usage would be reduced



Base: All who said they would reduce phone usage in response to 10% call cost increase (424)

We asked everyone who said they would make fewer landline calls how they would replace these calls. The highest mentions are that they would use their mobile phone (46%) or substitute with another method, such as email (41%). PAYM customers were more than twice as likely as PAYG customers to say that they would use their mobile to make these calls (70% vs 29%). Over a quarter of respondents (28%) said that they would not make these calls at all – they would just cut down their usage and not replace them. This is higher among PAYG customers.

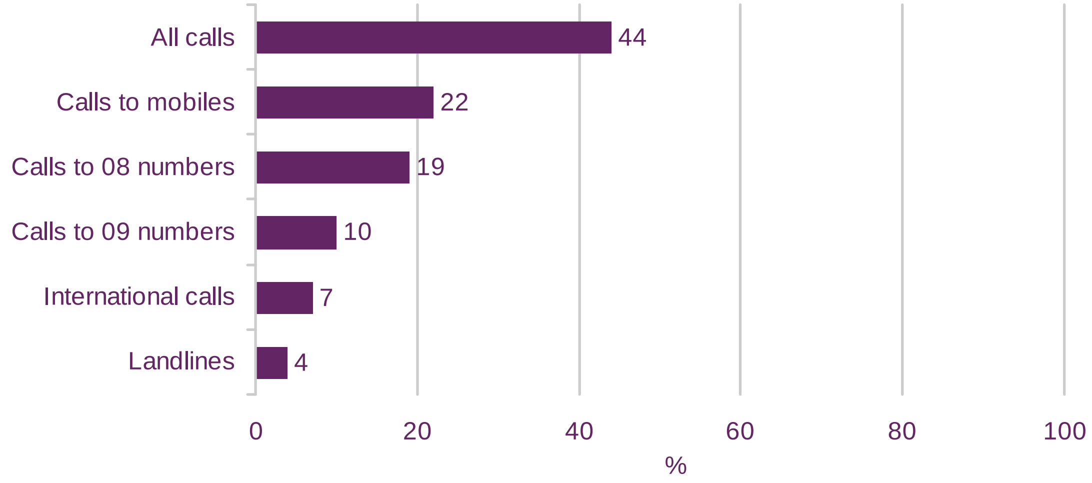
Figure 53: Alternative methods to replace calls



Base: All who said they make fewer calls in response to 10% call cost increase (416)

We asked a follow on question to those people who said they would make fewer calls, to probe on specifically what type of calls they thought they would reduce. The results are shown in Figure 54 below. Respondents were able to give more than one answer if they expected to reduce several types of calls. Just under half of these respondents (44%) said they would make less of all call types, while around one in five said they would make less calls to mobiles (22%) or less calls to 08 numbers (19%).

Figure 54: Type of calls would make less of



Base: All who said they make fewer calls in response to 10% call cost increase (318)

Cancelling the line in response to call cost increase

As shown in Figure 44, a small proportion (3%) of respondents said that they would cancel the line in response to a 10% increase in call costs. We asked those respondents who said they would cancel the line and had an internet connection whether they were aware that cancelling the line would result in the loss of their internet connection, however, the sample size is insufficient to report to be reported here (less than 50 respondents).

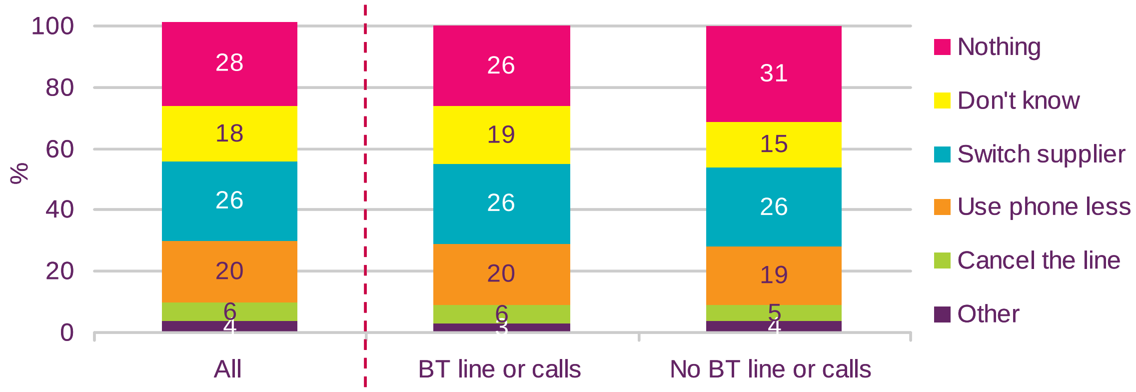
5.5 Change in cost of line rental and calls

Respondents who were able to specify both their line and call spend, either separately or combined, were asked how they might respond to a permanent change in the price of their home phone line rental and calls. The results are summarised in Figure 55.

Just over a quarter of respondents (26%) said that they would switch supplier if call and line costs increased by 10%, and one in five (20%) said they would reduce their phone usage. However, over a quarter (28%) said they would do nothing and 18% did not know whether they would take any action.

Respondents with any BT service (line or calls) gave very similar responses to those with no BT service.

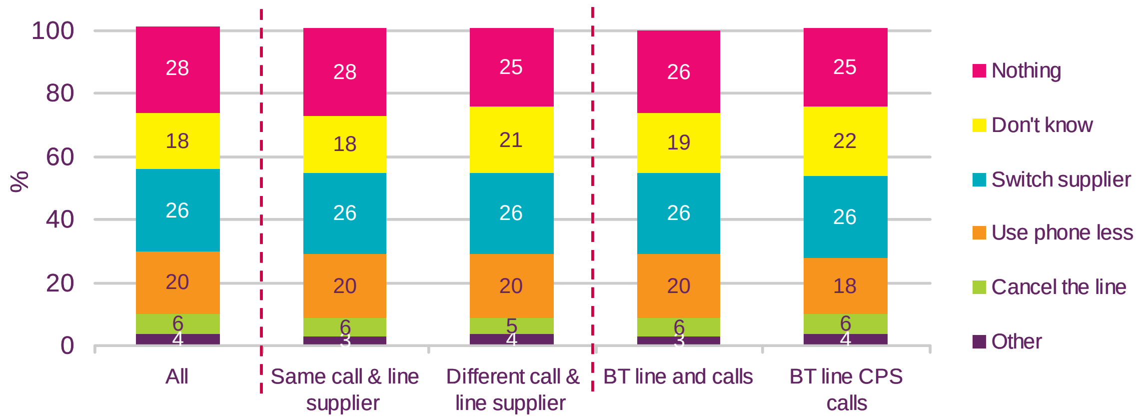
Figure 55: Probable response to a 10% increase in line/call cost, by whether use BT



Base: All respondents able to estimate call and line costs (1739)

Responses were similar regardless of whether people had the same supplier or a different supplier for line and calls.

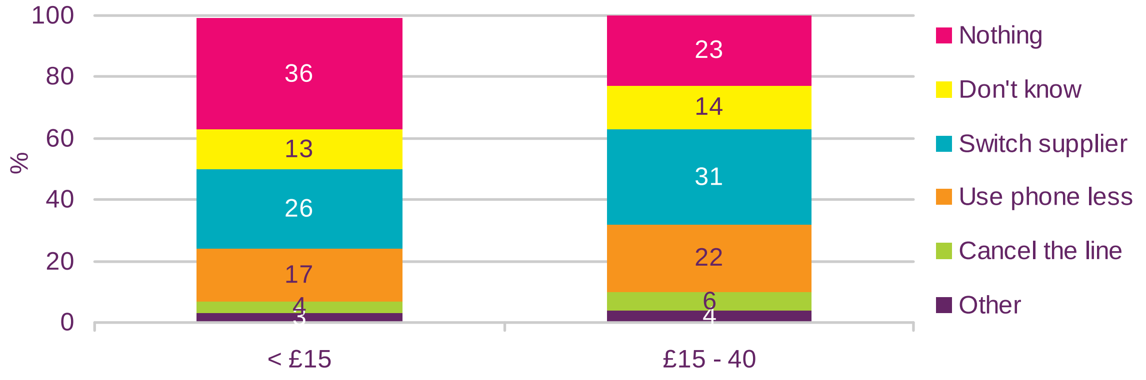
Figure 56: Probable response to a 10% increase in line/call cost, by whether have same or different line suppliers



Base: All respondents able to estimate line and call costs (1739)

People spending £15 or more per month on their line and calls were more likely to take action in response to a price increase than those spending less than £15 (see Figure 57). In particular, they were more likely to say that they would switch supplier and more likely to say that they would use their phone less than lower spenders.

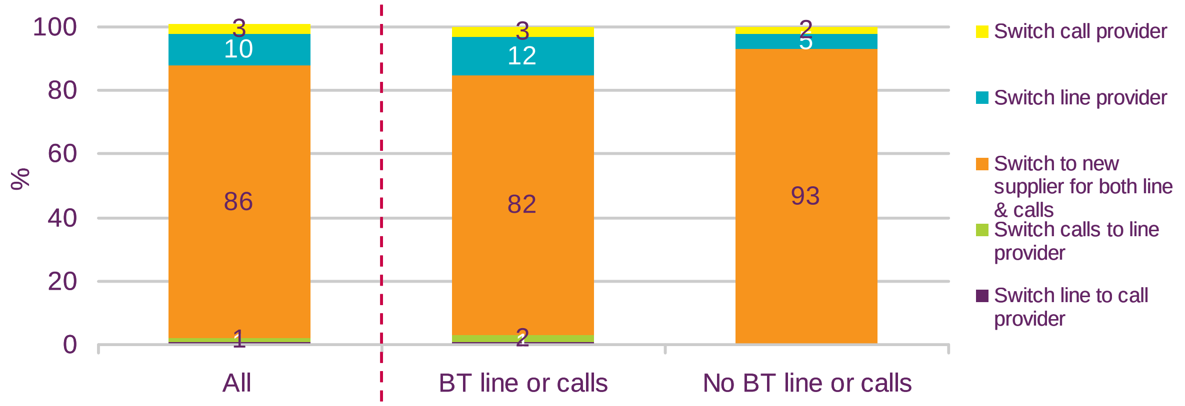
Figure 57: Probable response to a 10% increase in line/call cost, by combined monthly spend



Base: All respondents estimated monthly line and call costs at more than zero (1349)

We went on to ask people who thought they would switch supplier whether they would switch their call provider, line provider or switch both line and calls. The vast majority of respondents said they would switch to a new provider for both lines and calls.

Figure 58: Likely switching behaviour (of those likely to switch supplier)



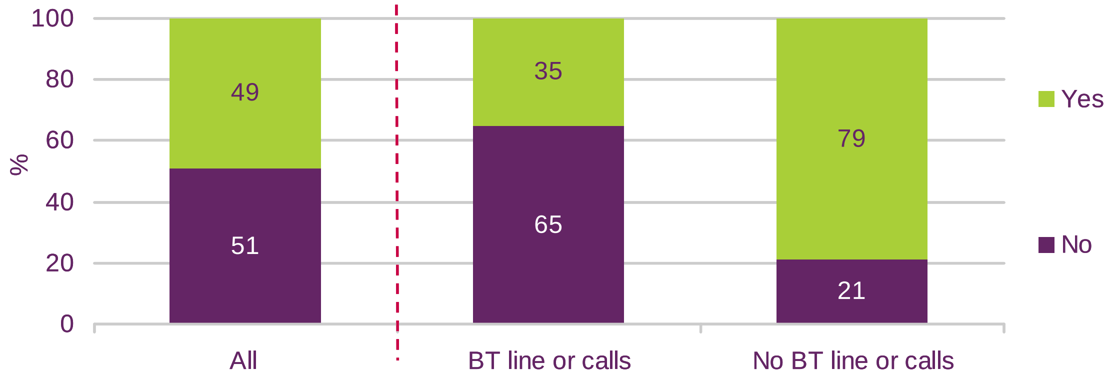
Base: All respondents able to estimate call and line cost and said they would switch supplier in response to 10% increase in line and call costs (477)

Further questions were asked of each of these groups on their intended switching behaviour. Separate questions were asked depending on whether people planned to switch their line or their call supplier, or whether they planned to change their phone use in some way. The following sections analyse the results of these questions, where sample size is sufficient to report.

Switching line supplier in response to line and call increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change line supplier whether they had switched their line supplier in the past. Just under half of the respondents said that they had switched line supplier; this was lower among BT customers (line or calls) than among those who did not have a BT service.

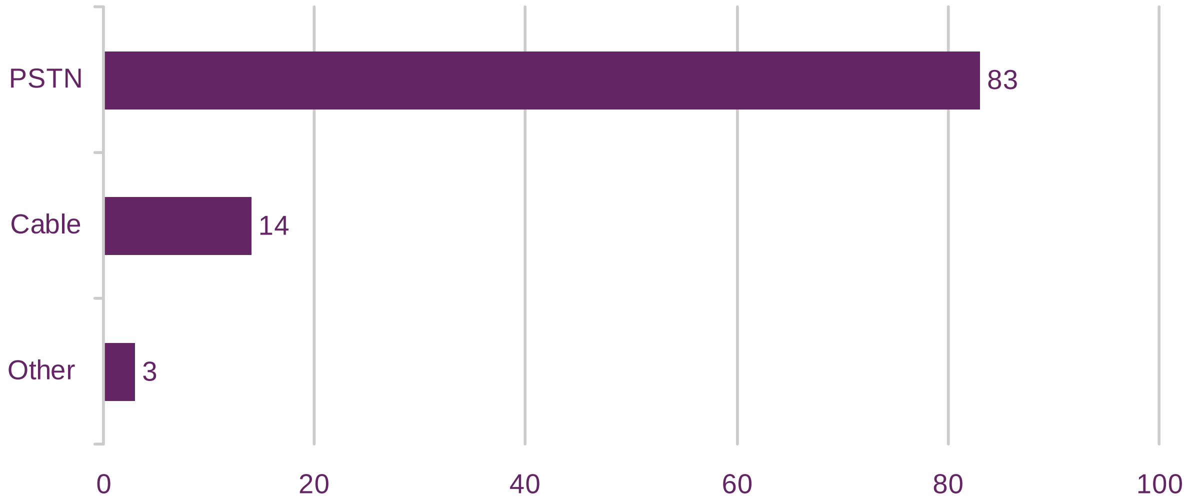
Figure 59: Whether switched landline supplier in the past



Base: All respondents intending to switch line or switch line and calls in response to 10% increase in line and call costs (470)

We then asked people what type of landline supplier they would consider switching to: a fixed PSTN supplier, cable supplier or another type of supplier. The majority of people said that they would consider switching to another fixed PSTN supplier. Most respondents giving 'other' responses said that they would switch to the supplier with the cheapest deal.

Figure 60: Type of landline supplier respondents would consider switching to

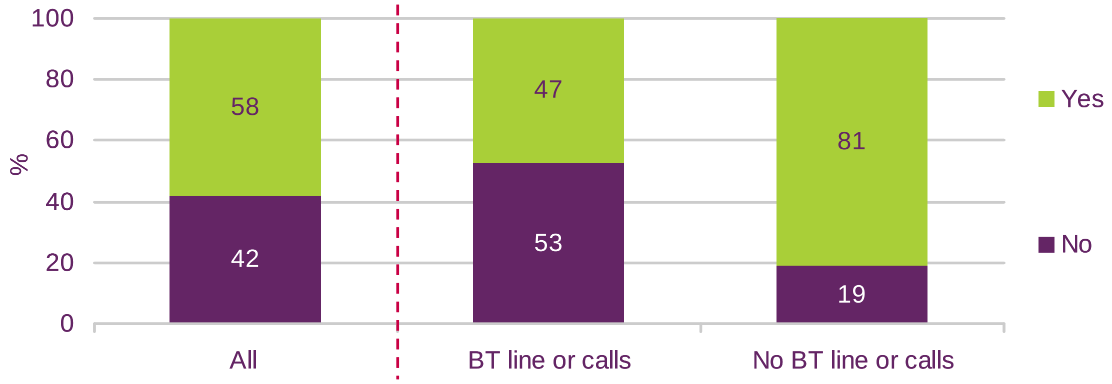


Base: All respondents intending to switch line or switch line and calls in response to a 10% increase in line and call costs (470)

Switching call supplier in response to line and call increase

To help us establish how likely people might be to act on their stated intentions, we asked people who said they expected to change call supplier whether they had switched their call provider before. Half of the respondents said that they had switched call supplier; this was lower among BT customers (line or calls) than among those who did not have a BT service.

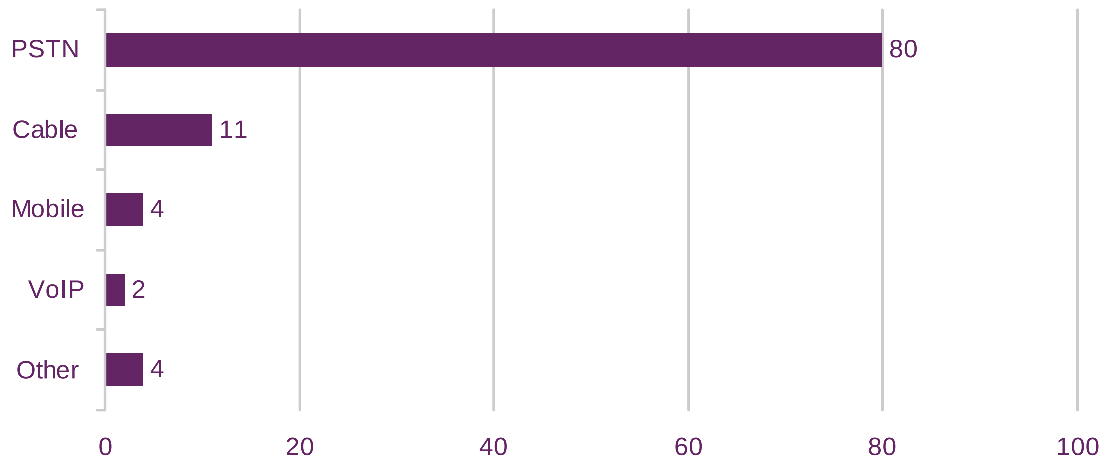
Figure 61: Whether switched call supplier in the past



Base: All respondents intending to switch supplier for calls or switch line and calls in response to 10% increase in line and call costs (434)

We also asked people who said they expected to change call supplier what type of supplier they would consider switching to: a mobile supplier, a fixed PSTN supplier, a cable supplier or another type of supplier. The majority of people (80%) said that they would consider switching to another fixed PSTN supplier, while 11% said they would consider switching to a cable supplier. Note that this sample includes people intending to switch their calls only, and people intending to switch both their line and calls.

Figure 62: Type of call supplier would consider switching to[9]



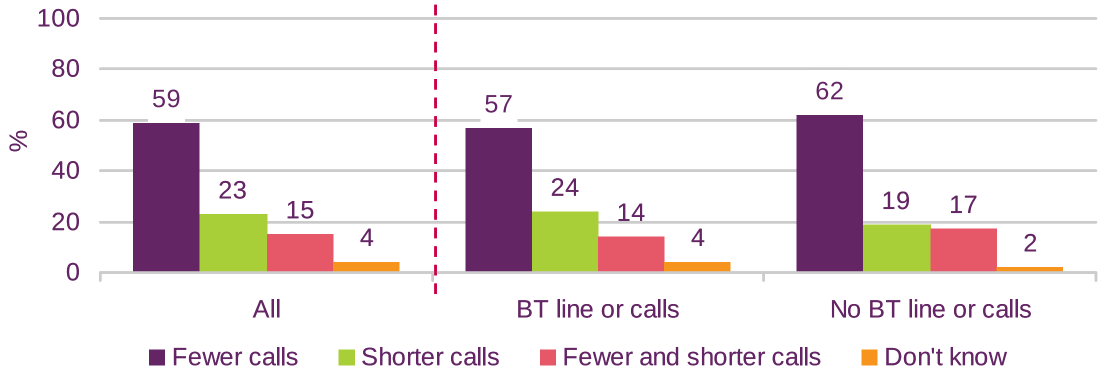
Base: All respondents intending to switch supplier for calls or switch line and calls in response to a 10% increase in line and call costs (434)

Use the phone less in response to line and call increase

One in five people (20%) said that they would respond to an increase in line costs by using their home phone less. We asked them how they would reduce their usage and whether they would reduce the number of calls they made or the length of their calls. People were more likely to say that they would make fewer calls (59%) than say that they would make shorter calls (23%); one in seven people said that they would make both fewer and shorter calls (15%).

[9] Note that this question was multi-coded, hence respondents could give more than one answer and the figures do not add up to 100%.

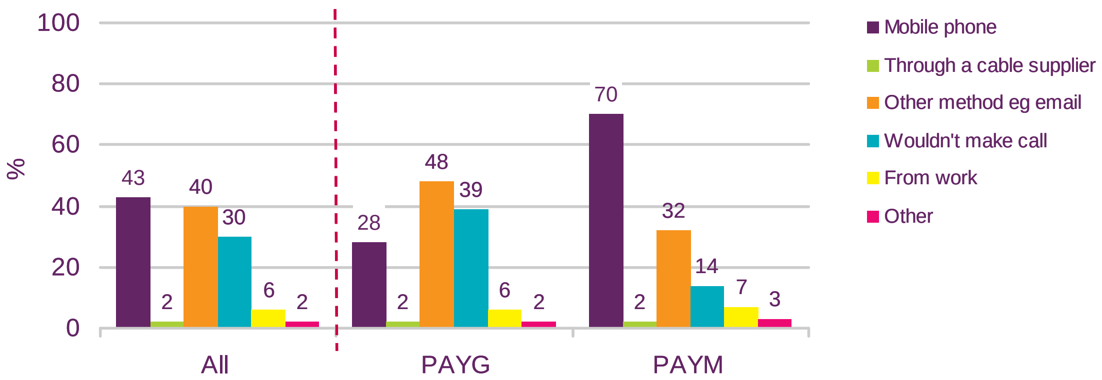
Figure 63: How phone use would be reduced



Base: All respondents who said they would reduce phone use in response to a 10% increase in line and call costs (348)

We asked everyone who said they would make fewer landline calls how they would replace these calls. The highest mentions were that they would use their mobile phone (43%) or substitute with another method, such as email (40%). PAYM customers were more than twice as likely as PAYG customers to say that they would use their mobile to make these calls (70% vs 28%). Nearly a third of respondents (30%) said that they would not make these calls at all – they would just cut down their usage. This was higher among PAYG customers than PAYM customers.

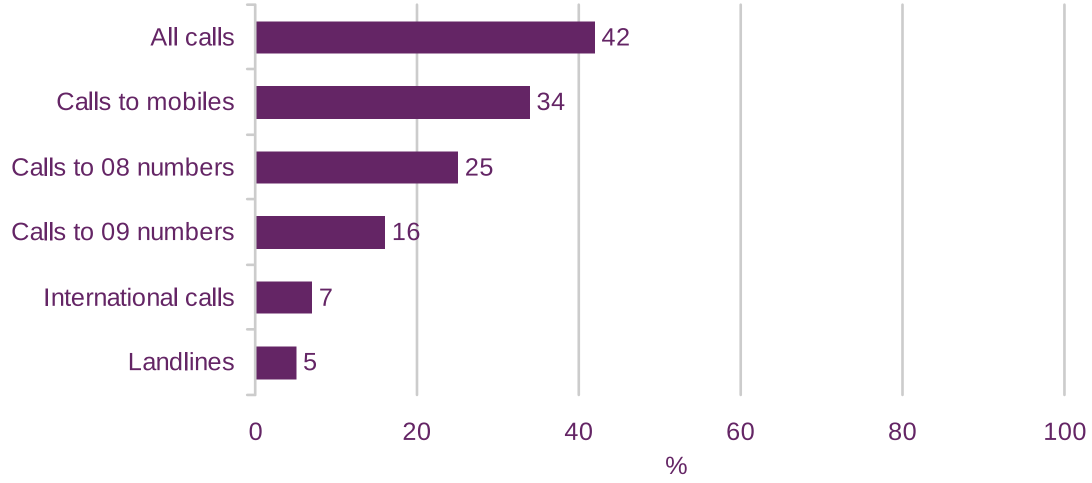
Figure 64: Alternative methods to reduce calls



Base: All respondents who said they would make fewer calls in response to a 10% increase in line and call costs (341)

We asked those people who said they would make fewer calls a follow-on question, in order to find out specifically what type of calls they thought they would reduce. The results are shown in Figure 65 below. Respondents were able to give more than one answer if they expected to reduce several types of calls. Two in five respondents (42%) said they would make fewer calls of all types and just over a third said they would make fewer calls to mobiles (34%). A quarter said they thought they would make fewer calls to 08 numbers (25%).

Figure 65: Type of calls respondents would make fewer of

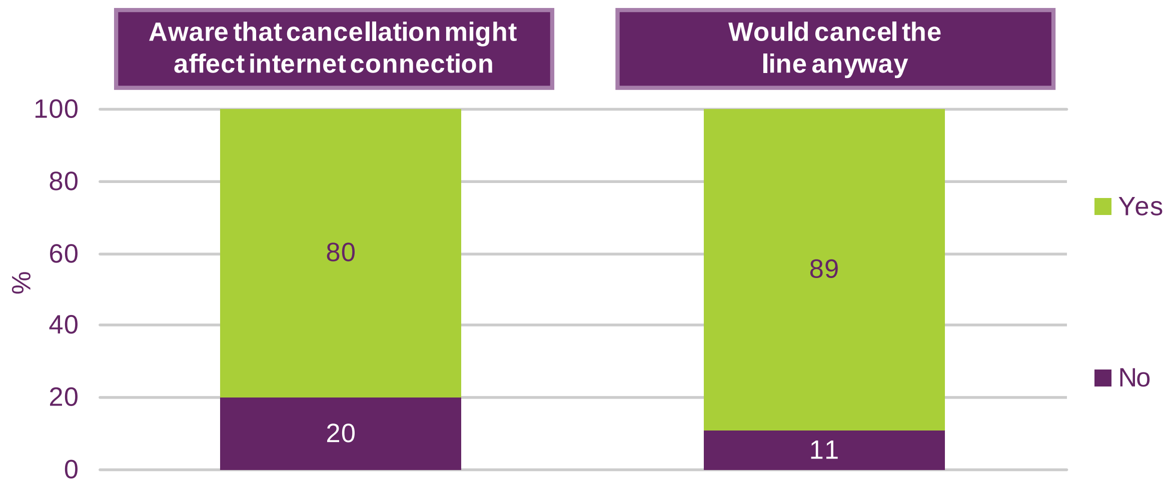


Base: All respondents who said they would make fewer calls in response to a 10% call and line increase (341)

Cancelling the line in response to line and call increase

As shown in Figure 55, a small proportion (6%) of respondents said that they would cancel the line in response to a 10% increase in line and call costs. We asked those respondents who said they would cancel the line and had an internet connection whether they were aware that cancelling the line would result in the loss of their internet connection. The majority of respondents (80%) said that they were aware that this would affect their internet connection. Despite this, 89% said they would still cancel their phone line, while 11% said that they would not cancel the line after all if it would result in the loss of their internet connection.

Figure 66: Awareness/impact of loss of internet connection on line cancellation

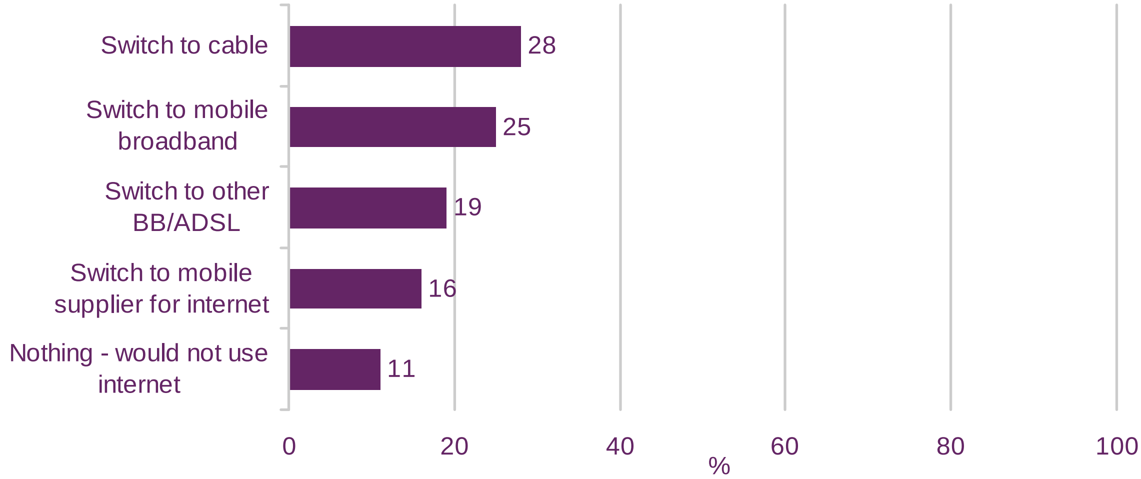


Base: All respondents who said they would cancel the line in response to a 10% increase to call and line costs (87)

We asked people who said they would still cancel their phone line what they would do about their internet connection. The results are summarised in Figure 67. Just over a quarter said they would switch to a cable provider (28%) or that they would switch to mobile broadband

(25%). One in five (19%) said that they would switch to another broadband or ADSL supplier, although this would not be possible as a landline would be required for this. One in ten people (11%) said they would not replace their internet connection.

Figure 67: Intention to replace internet connection



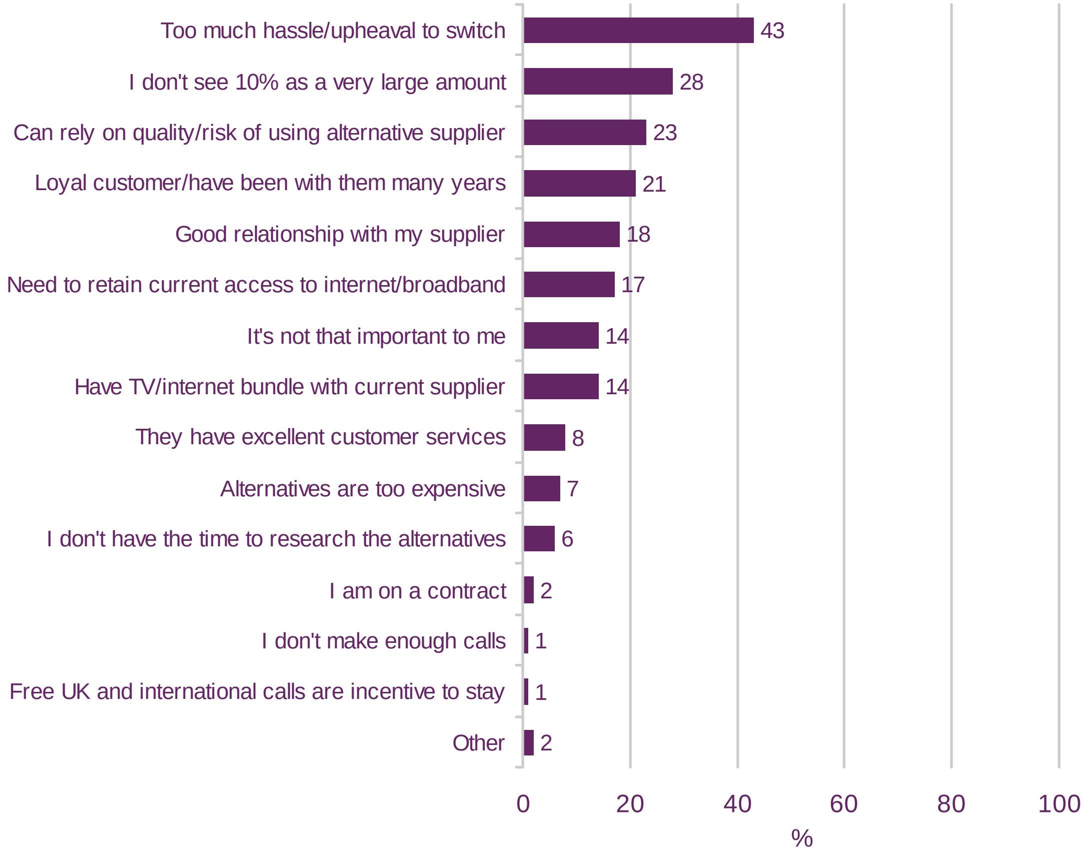
Base: All respondents who said they would cancel the line in response to 10% increase to line and call costs (78)

5.6 Reasons unlikely to take any action

People who said that they would take no action in response to any increases were asked the reasons for this, these are summarised in Figure 68. It was possible to give more than one answer, so responses do not add to 100%. The reason most commonly cited was that it would be too much hassle to switch (43%). A number of the other reasons given related to confidence in their existing supplier and the risk of using an unknown alternative (31%), while over a quarter of respondents also said that they did not see a 10% increase as a large amount.

A smaller proportion of respondents also mentioned other reasons for not changing supplier that were related to the other services they received; 17% said that they needed to retain their current internet or broadband supplier while a further 14% mentioned a TV or internet bundle.

Figure 68: Reasons why would take no action in response to an increase in call, line or call/line costs



Base: All respondents who said they would do nothing in response to an increase in line, call or both line and call costs (332)

Annex 1

Technical annex

1.1 Sample details

A total of 2005 interviews were conducted. Quotas were established for:

- Region
- Age
- Employment status
- Gender (50% Male; 50% Female)

A minimum quota was also applied to mobile only customers.

1.2 Weighting matrix

Data was weighted to ensure it was broadly representative of the market as a whole. The following table shows the weighted and unweighted distribution.

Table 1: Sample weighting details

	Unweighted	Weighted
BASE	2005	2005
Region		
NE England	**7%**	**7%**
NW England	**9%**	**10%**
Yorkshire and the Humber	**7%**	**8%**
E. Midlands	**6%**	**6%**
W. Midlands	**7%**	**7%**
E. England	**6%**	**6%**
London	**10%**	**10%**
SE England	**15%**	**15%**
SW England	**11%**	**12%**
Wales	**6%**	**5%**
Scotland	**10%**	**9%**
NI	**5%**	**5%**

Age		
16-19	**5%**	**6%**
20-29	**20%**	**19%**
30-39	**22%**	**20%**
40-49	**22%**	**21%**
50-59	**16%**	**16%**
60+	**15%**	**18%**

SEG		
A	**21%**	**22%**
B	**16%**	**14%**
C_1	**19%**	**19%**
C_2	**26%**	**27%**
D	**10%**	**10%**
E	**8%**	**8%**

Gender		
Male	**50%**	**49%**
Female	**50%**	**51%**

Comms Usage		
Mobile phone	**98%**	**91%**
Landline phone	**87%**	**84%**
Broadband	**81%**	**68%**
Narrowband	**3%**	**6%**
Mobile broadband	**10%**	**10%**
Satellite / cable TV	**44%**	**38%**
VoIP	**13%**	**10%**

Mobile only	**13%**	**16%**
No Mobile	**2%**	**9%**

Annex 2

Questionnaire

FACE-TO-FACE (CAPI) QUESTIONNAIRE VERSION Final

TELEPHONE INTRODUCTION

- Good morning / evening / afternoon. My name is ……… and I am from Illuminas, an independent market research agency. We are conducting research on behalf of Ofcom and I would like to ask you a few questions.
- Ofcom are the independent regulator and competition authority for the UK communications industries. The aim of this research is to find out the opinions and needs of people regarding different communications types, and how they choose them when they need to contact other people.
- Market Research Society Code of Conduct: all information remains confidential and anonymous – no individuals will be mentioned in our report and there will be no sales follow-up as a result of participation in the research.

Would you mind answering a few questions? It should take no more than 20 minutes of your time in total.

Yes	1	Continue
No	2	CLOSE – Seek referral

SCREENING

First I would like you to answer a couple of questions so that we can ensure that a mix of people are completing the survey…

ASK ALL

S1. CODE REGION

North East England	1	QUOTA: 4%
North West England	2	QUOTA: 11%
Yorkshire and the Humber	3	QUOTA: 8%
East Midlands	4	QUOTA: 7%
West Midlands	5	QUOTA: 9%
East England	6	QUOTA: 9%
London	7	QUOTA: 12%
South East England	8	QUOTA: 14%
South West England	9	QUOTA: 8%
Wales	10	QUOTA: 5%
Scotland	11	QUOTA: 8%
Northern Ireland	12	QUOTA: 5%

ASK ALL

S2 How old are you?

WRITE IN

16-19	1	QUOTA: 5%
20-29	2	QUOTA: 20%
30-39	3	QUOTA: 22%
40-49	4	QUOTA: 22%
50-59	5	QUOTA: 16%
60 plus	6	QUOTA: 15%

ALL RESPONDENTS MUST BE 16 OR OLDER

ASK ALL

S3 CODE GENDER

Male	1	QUOTA: 50%
Female	2	QUOTA: 50%

ASK ALL

S4 We now need to ask some questions to ensure we pick up a representative sample of the population and this is the sole reason for asking. And how would you describe your current working status?

READ OUT. SINGLE CODE

Self employed	1	
Work part-time	2	
Work full-time	3	
Unemployed	4	QUOTA: Maximum 5%
Student	5	
Retired	6	
Housewife/Househusband	7	
Refused	8	
Don't know	9	

ASK ALL

S5 What is the occupation of the chief income earner in your household? (If retired – what was the occupation of the chief income earner in your household?)

WRITE IN

CODE SOCIAL GRADE

A	1	QUOTA: MIN 20%
B	2	
C_1	3	QUOTA MIN 30%
C_2	4	
D	5	QUOTA: 25%
E	6	

ASK ALL

S6 Which of the following do you have at home (either you personally or anyone else in the household)?

READ OUT. MULTICODE

Mobile phone	1
Landline phone	2
ADSL / Broadband internet	3
Dial-up internet	4
Mobile broadband (through a USB Modem or 'dongle'	5
Pay TV (Satellite, cable, BT Vision and / or Tiscali TV)	6
Voice over IP (also known as VoIP or IP telephony, a way to make voice calls over the internet)	7

CLOSE IF NO MOBILE OR LANDLINE PHONE

ASK ALL WITH LANDLINE

S7 And are you personally responsible for paying the household phone bill?

Yes	1	
No	2	TRANSFER

ASK ALL WITH MOBILE

S8 Are you personally responsible for paying your own mobile phone bill?

Yes	1
No	2

ASK ALL WITH MOBILE BUT NO LANDLINE

S9 So can I confirm, you have a mobile phone but no landline home phone?

Yes – only mobile	1	QUOTA: Min 12% - GO TO Q23
No – have landline as well	2	Recomplete S6

ASK ALL WITH LANDLINE

S9 Which company supplies your home phone line?

DO NOT READ OUT. CODE ONE ONLY

ASK ALL WITH LANDLINE

S10 And which company or companies do you use for calls on your home phone?

DO NOT READ OUT. CODE ALL THAT APPLY

	S9	S10	
BT	1	1	
Homecall	2	2	
Kingston Communications	3	3	**CLOSE**
Post Office	4	4	
SkyTalk (SKY)	5	5	
Spacetel	6	6	
Superline	7	7	
Swiftcall	8	8	
TalkTalk/Carphone Warehouse	9	9	
Tesco Telecom	10	10	
Tiscali (Homechoice)	11	11	
Toucan	12	12	
Virgin Media (including NTL and Telewest)	13	13	
Other (WRITE IN)	14	14	
Don't know	15	15	**CLOSE**

ASK ALL WITH INTERNET

S11 Who is your internet service provider?

DO NOT READ OUT. CODE ONE ONLY

AOL	1
BT	2
Claranet	3
Demon	4
Eclipse	5
Orange	6
Pipex	7
Plusnet	8
Sky	9
Supanet	10
TalkTalk (Carphone Warehouse)	11
Tesco	12
Tiscali	13
Toucan	14
Virgin Media (including NTL and Telewest)	15
Yahoo	16
Other (WRITE IN)	17
Don't know	18

ASK ALL WITH SATELLITE / CABLE / PAY TV

S12 Which company supplies your Pay TV?

DO NOT READ OUT. CODE ONE ONLY

BT (BT Vision)	1
Setanta	2
Sky	3
Tiscali (Homechoice)	4
Virgin Media (including NTL and Telewest)	5
Other (WRITE IN)	6
Don't know	7

ASK ALL WITH LANDLINE AND CALLS FROM DIFFERENT SUPPLIERS

S13 Why did you decide to have different suppliers for your phone line and phone calls?
DO NOT READ OUT. CODE ALL THAT APPLY

Call supplier offered a generally better deal	1
Call supplier offers unlimited weekend calls to UK landlines	2
Call supplier offers unlimited evening and weekend calls to UK landlines	3
Call supplier offers unlimited anytime calls to UK landlines	4
Call supplier offers cheap calls to mobiles	5
Call supplier offers cheap international calls	6
Call supplier offers VoIP	7
Didn't know I could switch my landline to the same supplier	8
My call supplier doesn't supply phone lines	9
Other (WRITE IN)	10
None of the above	11

ASK ALL WITH LANDLINE AND CALLS FROM SAME SUPPLIER

S14 Do you receive any of the following from [provider at S9-S10]?
READ OUT. CODE ALL THAT APPLY

Unlimited weekend calls to UK landlines	1
Unlimited evening and weekend calls to UK landlines	2
Unlimited calls to UK landlines at any time	3
Cheap calls to mobile phones	4
Cheap international calls	5
Pay TV	6
Mobile phone	7
Other (WRITE IN)	8
None of the above	9

ASK ALL WITH <u>LANDLINE, CALLS AND INTERNET FROM SAME SUPPLIER</u>

S15 Do you receive any of the following as part of your package from [provider at S9-S11]?

READ OUT. CODE ALL THAT APPLY

Unlimited weekend calls to UK landlines	1
Unlimited evening and weekend calls to UK landlines	2
Unlimited calls to UK landlines at any time	3
Cheap calls to mobile phones	4
Cheap international calls	5
Satellite or cable TV	6
Mobile phone	7
Free wireless router	8
Voice over IP (also known as VoIP or IP telephony, a way to make voice calls over the internet)	9
Internet or PC security package	10
Backup service for PC / laptop	11
Free laptop	12
Free wireless router	13
Other (WRITE IN)	14
None of the above	15

ASK ALL WITH LANDLINE

S16 Which of the following best describes how you think about your home phone costs?

READ OUT. CODE ONE ONLY

I think about the costs for line rental and calls separately	1
I think about the costs for line rental and calls together	2

ASK ALL WITH LANDLINE AND CALLS FROM DIFFERENT SUPPLIERS

S17 Do you pay your line rental … ?

READ OUT. CODE ONE ONLY

S18 And do you pay your call bill … ?

READ OUT. CODE ONE ONLY

	S17	S18
Monthly	1	1
Quarterly	2	2

ASK ALL WITH LANDLINE AND CALLS FROM SAME SUPPLIERS

S19 Do you pay your phone bill … ?

READ OUT. CODE ONE ONLY

Monthly	1
Quarterly	2

ASK ALL WHO PAY (LINE RENTAL) MONTHLY

S20M How much do you spend on your line rental per month? Please do not include the costs of your calls or anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE

IF CANNOT MAKE A GUESS, PROMPT

Would it be …

Less than £8	1
£8	2
£9	3
£10	4
£11	5
£12	6
More than £12 (write in)	7
DO NOT READ OUT I think it's free	8
DO NOT READ OUT Really don't know – don't think about line costs separately	9

ASK ALL WHO PAY (LINE RENTAL) QUARTERLY

S20Q How much do you spend on your line rental per quarter? Please do not include the costs of your calls or anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN

IF CANNOT MAKE A GUESS, PROMPT

Would it be …

Less than £25	1
£25	2
£26	3
£27	4
£28	5
£29	6
£30	7
£31	8
£32	9
£33	10
£34	11
£35	12
£36	13
£37	14
£38	15
£39	16
£40	17
£41	18
£42	19
More than £42 (write in)	20
DO NOT READ OUT I think it's free	21
DO NOT READ OUT Really don't know – don't think about line costs separately	22

ASK ALL WHO PAY (CALLS) MONTHLY

S21M And how much do you spend on calls from your home phone per month? Please do not include the line rental costs or anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN

IF CANNOT MAKE A GUESS, PROMPT

Would it be …

Nothing – only use for incoming calls	1
£5 or less	2
£6 - £10	3
£11 - £15	4
£16 - £20	5
£21 - £25	6
£26 - £30	7
£31 - £40	8
£41 - £50	9
More than £50 (write in)	10
DO NOT READ OUT Really don't know – don't think about call costs separately	11

ASK ALL WHO PAY (CALLS) QUARTERLY

S21Q And how much do you spend on calls from your home phone per quarter? Please do not include the line rental costs or anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN
IF CANNOT MAKE A GUESS, PROMPT

Would it be …

Nothing – only use for incoming calls	1
£15 or less	2
£16 - £20	3
£21 - £30	4
£31 - £40	5
£41 - £50	6
£51- £60	7
£61 - £75	8
£76- £90	9
£91 - £105	10
£106 - £120	11
More than £120 (write in)	9
DO NOT READ OUT Really don't know – don't think about call costs separately	10

ASK ALL WHO PAY MONTHLY BUT CAN'T SEPARATE CALL AND LINE COSTS

S22M We realise it is difficult to split out costs of lines and calls. So could you tell us what you spend on your home phone per month? Please do not include anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN

IF CANNOT MAKE A GUESS, PROMPT

Would it be …

£15 or less	1
£16 - £20	2
£21 - £25	3
£26 - £30	4
£31 - £35	5
£36 - £40	6
£41 - £45	7
£46 - £50	8
£51 - £55	9
£56 - £60	10
More than £60 (write in)	11
DO NOT READ OUT Really don't know – my phone, internet (and TV) are bundled together	12

ASK ALL WHO PAY QUARTERLY BUT CAN'T SEPARATE CALL AND LINE COSTS

S22Q We realise it is difficult to split out costs of lines and calls. So could you tell us what you spend on your home phone per quarter? Please do not include anything you spend on internet, TV or your mobile.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN

IF CANNOT MAKE A GUESS, PROMPT

Would it be …

£60 or less	1
£61 - £75	2
£76 - £120	3
£121 - £105	4
£106 - £120	5
£121 - £135	6
£136 - £150	7
£151 - £165	8
£166 - £180	9
More than £180 (write in)	10
DO NOT READ OUT Really don't know – my phone, internet (and TV) are bundled together	11

ASK ALL WITH LANDLINE

S23 And can I ask you if you are currently thinking about doing any of the following?

READ OUT. CODE ALL THAT APPLY

Changing your home phone line supplier	1
Changing your calls supplier	2
Changing your internet service provider	3
Changing your mobile phone network	4
IF DON'T HAVE ALREADY Getting a mobile phone	5
IF DON'T HAVE ALREADY Getting Broadband	6
IF DON'T HAVE ALREADY Getting Sky or Cable TV	7
Cancelling my phone line altogether	8

IF THEY USE LANDLINE FOR INCOMING CALLS ONLY AND THEY BELIEVE THEIR LANDLINE IS FREE, THEY SHOULD GO TO Q5 AND THEN TO Q27

REACTION TO PRICE INCREASE SCENARIOS

ASK ALL THAT COULD GIVE AT LEAST AN ESTIMATE OF LINE RENTAL COSTS

I would like you to think about what you might do if there was a **permanent** change in the price of your **home phone line rental**. Only your phone line rental would be affected – costs of calls would not change.

IF MONTHLY BILLING USE

Q1M If the cost of your home phone line rental increased by 10%, so if the total monthly line rental cost increased from [CURRENT MONTHLY LINE RENTAL COSTS FROM S20M] to [INSERT CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

IF QUARTERLY BILLING USE

Q1Q If the cost of your home phone line rental increased by 10%, so if the total quarterly line rental cost increased from [CURRENT MONTHLY LINE RENTAL COSTS FROM S20Q] to [INSERT CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

Do nothing	1
Switch home phone supplier	2
Cancel the line(s) and use mobile instead	3
Use home phone less	4
Something else (specify)	5
DO NOT READ OUT Really don't know	6

IF WOULD SWITCH SUPPLIER ABOVE

Q1X So do you think you would …

READ OUT. CODE ONE ONLY

Switch to a different line supplier and stay with your current calls supplier	1
IF HAVE DIFFERENT LINE AND CALL SUPPLIERS Switch to supplier you use for calls	2
Switch to a new supplier for both lines and calls	3
DO NOT READ OUT Really don't know	4

ASK ALL THAT COULD GIVE AT LEAST AN ESTIMATE OF CALL COSTS
I would **now** like you to think about what you might do if there was a **permanent** change in the price of your **home phone calls**. Only your calls would be affected – the price of line rental would not change.

IF MONTHLY BILLING USE
Q2M If the cost of your home calls increased by 10%, so your total call costs would increase from [CURRENT MONTHLY CALL COSTS FROM S21M] to [INSERT CURRENT PLUS 10%], which of the following would you be most likely to do …
ROTATE ORDER. READ OUT. CODE ONE ONLY

IF QUARTERLY BILLING USE
Q2Q If the cost of your home calls increased by 10%, so your total call costs would increase from [CURRENT QUARTERLY LINE RENTAL COSTS FROM S21Q] to [INSERT CURRENT PLUS 10%], which of the following would you be most likely to do …
ROTATE ORDER. READ OUT. CODE ONE ONLY

Do nothing	1
Switch home phone supplier	2
Cancel the line(s) and use mobile instead	3
Use home phone less	4
Something else (specify)	5
DO NOT READ OUT Really don't know	6

IF WOULD SWITCH SUPPLIER ABOVE
Q2X So do you think you would …
READ OUT. CODE ONE ONLY

Switch to a different calls supplier and stay with your current line supplier	1
IF HAVE DIFFERENT LINE AND CALL SUPPLIERS Switch to supplier you use for line(s)	2
Switch to a new supplier for both lines and calls	3
DO NOT READ OUT Really don't know	4

ASK ALL WITH LANDLINE

I would **now** like you to think about what you might do if there was a **permanent** change in the price of both your **home phone line rental and calls**. This would only affect your home phone – it wouldn't affect your internet, TV or mobile costs.

IF MONTHLY BILLING AND COULD SPECIFY BOTH CALL AND LINE COSTS SEPARATELY, USE …

Q3M If the cost of your home phone line rental and calls increased by 10%, so your total monthly bill would increase from [CURRENT MONTHLY LINE COSTS FROM S20M + CURRENT MONTHLY CALL COSTS FROM S21M] to [CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

IF QUARTERLY BILLING AND COULD SPECIFY BOTH CALL AND LINE COSTS SEPARATELY, USE …

Q3Q If the cost of your home phone line rental and calls increased by 10%, so your total quarterly bill would increase from [CURRENT QUARTERLY LINE COSTS FROM S20Q + CURRENT QUARTERLY CALL COSTS FROM S21Q] to [CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

IF MONTHLY BILLING AND COULD ONLY SPECIFY COMBINED CALL AND LINE COSTS, USE …

Q4M If the cost of your home phone line rental and calls increased by 10%, so your total monthly bill would increase from [CURRENT MONTHLY PHONE COSTS FROM S22M] to [CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

IF QUARTERLY BILLING AND COULD ONLY SPECIFY COMBINED CALL AND LINE COSTS, USE …

Q4Q If the cost of your home phone line rental and calls increased by 10%, so your total quarterly bill would increase from [CURRENT QUARTERLY PHONE COSTS FROM S22Q] to [CURRENT PLUS 10%], which of the following would you be most likely to do …

ROTATE ORDER. READ OUT. CODE ONE ONLY

IF MONTHLY OR QUARTERLY BILLING AND COULD NOT SPECIFY COSTS, USE …

Q5 If the cost of your home phone line rental and calls increased by 10%, which of the following would you be most likely to do …

READ OUT. CODE ONE ONLY

Do nothing	1
Switch home phone supplier	2
Cancel the line(s) and use mobile instead	3
Use home phone less	4
Something else (specify)	5
DO NOT READ OUT Really don't know	6

IF WOULD SWITCH SUPPLIER ABOVE

Q5X So do you think you would …

READ OUT. CODE ONE ONLY

Switch to a different calls supplier and stay with your current line supplier	1
IF HAVE DIFFERENT LINE AND CALL SUPPLIERS Switch to supplier you use for line(s)	2
Switch to a new supplier for both lines and calls	3
DO NOT READ OUT Really don't know	4

IMPACT OF PRICE INCREASE ON BEHAVIOUR

ASK ALL WITH INTERNET THAT WOULD CANCEL THEIR LANDLINE(S)

Q6 You said that you would cancel your line and use your mobile instead. Do you realise that if did so, this would lose your internet connection?

Yes	1
No	2

ASK ALL WITH INTERNET THAT WOULD CANCEL THEIR LANDLINE(S)

Q7 So would you still cancel your phone line, even though you would lose your internet connection?

Yes	1
No	2

IF WOULD STILL CANCEL PHONE LINE

Q8 So what might you do about your internet connection?

PROMPT TO PRECODE

Nothing – just wouldn't use the internet	1
I'd switch to a mobile supplier for internet	2
I'd switch to a mobile broadband (USB Modem or 'dongle') supplier	3
I'd switch to cable	4
I'd switch to another broadband / ADSL supplier	5
Something else (specify)	6
DO NOT READ OUT Really don't know	7

Q9 DELETED

ASK ALL THAT MIGHT / WOULD SWITCH LINE SUPPLIER

Q10 Have you ever switched your landline supplier in the past?

Yes	1
No	2

ASK ALL THAT WOULD SWITCH LINE SUPPLIER

Q11 What sort of landline supplier would you consider switching to?

READ OUT. CODE ALL THAT APPLY

IF CODED MORE THAN ONE ABOVE

Q12 Which of those would you be most likely to switch to?

READ OUT. CODE ONE ONLY

	Q11	Q12
Mobile supplier	1	1
Another phone company (not cable)	2	2
Cable supplier	3	3
Sky	4	4
Other (write in)	5	5

ASK ALL THAT WOULD SWITCH LINE SUPPLIER

Q13 Based on past experience or your best estimate, approximately how much do you think you would be able to save on your landline costs by switching to another line supplier?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in percentage ______________________________%

ASK ALL THAT WOULD SWITCH CALLS SUPPLIER

Q14 You said that you might consider other suppliers for calls if your current call prices increased. Have you ever switched call providers before?

Yes	1
No	2

ASK ALL THAT WOULD SWITCH CALLS SUPPLIER

Q15 What sort of call supplier would you consider switching to?

READ OUT. CODE ALL THAT APPLY

IF CODED MORE THAN ONE ABOVE

Q16 Which of those would you be most likely to switch to?

READ OUT. CODE ONE ONLY

	Q15	Q16
Mobile supplier	1	1
Another phone company (not cable)	2	2
Cable supplier	3	3
Sky	4	4
VoIP supplier such as Skype or Vonage	5	5
Other (write in)	6	6

ASK ALL THAT WOULD SWITCH CALLS SUPPLIER

Q17 Based on past experience or your best guess, how much do you think you would be able to save on your total cost of calls by switching call supplier?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in percentage ________________________________%

IF WOULD USE THE PHONE LESS

Q18 You said earlier that you would use your home phone less if prices went up. Do you think you would make fewer calls or make shorter calls?

CODE ALL THAT APPLY

Fewer calls	1
Shorter calls	2
Don’t know	3

IF WOULD MAKE FEWER CALLS

Q19 What types of calls would you make less of?

PROMPT TO PRECODE. CODE ALL THAT APPLY

All calls	1
Calls to landlines	2
Calls to 0844, 0845, 0870 numbers	3
Calls to Premium Rate 09 numbers	4
Calls to mobile phones	5
International calls	6
Other (specify)	7

IF WOULD USE THE PHONE LESS

Q20 How would you make these calls instead?

PROMPT TO PRECODE. CODE ALL THAT APPLY

On my mobile	1
Through a cable supplier	2
Would use other ways to do it, e.g. email	3
I wouldn't make these calls another way – we'd just cut down and not replace them	4
From work	5
Other (write in)	6

ALL THOSE THAT WOULD DO NOTHING

Q21 Why would you be unlikely to consider taking any action?

DO NOT READ OUT. CODE ALL THAT APPLY

Too much hassle to switch / too much upheaval	1
I don't have the time to research the alternatives	2
I can rely on the quality, so would not want to take the risk of using an alternative supplier	3
I have a good relationship with my supplier	4
I am a loyal customer / I have been with them for many years	5
Alternatives are too expensive	6
It's not that important to me	7
They have excellent customer services	8
I want / need to retain my current access to the internet / broadband	9
I don't see 10% as a very large amount	10
I have a whole bundle with TV and internet with my current supplier	11
Other WRITE IN	12

ALL THOSE THAT WOULD DO NOTHING AND PAY MONTHLY

Q22M By how much would your monthly line rental have to increase in order to make you seriously consider doing something about it?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in percentage ________________________________%

ALL THOSE THAT WOULD DO NOTHING AND PAY QUARTERLY

Q22Q What amount of money per quarter would your supplier need to increase the line rental costs by in order to make you seriously consider taking some action?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in percentage ________________________________%

NOW GO TO Q27

SOLUS MOBILE CUSTOMERS

ASK IF HAVE MOBILE BUT NOT LANDLINE

Q23 Can you tell me why you do not have a landline at home?

Not one in the property when I moved in	1
Don't see any need for a land line phone	2
Too expensive to install	3
Too expensive to use /more expensive than mobile	4
Generally think it's better to only have a mobile	5
Prefer to have all communication services in one device	6
I move around a lot	7
I'm in rented accommodation	8
Refused by phone company	9
Other write in	10

ASK IF HAVE MOBILE BUT NOT LANDLINE

Q24 At what price would you consider getting a landline, first of all in terms of the line rental cost per month?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in amount ________________________________ £

IF WOULD NOT CONSIDER AT ANY COST, GO TO Q25

ASK IF HAVE MOBILE BUT NOT LANDLINE AND DOES NOT REJECT ABOVE

Q25 And how about in total for the line rental and landline calls cost per month?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in amount ________________________________ £

ASK IF HAVE MOBILE BUT NOT LANDLINE AND DOES NOT REJECT ABOVE

Q26 And how about for connection costs?

PROBE FOR BEST ESTIMATE IF UNSURE

Write in amount ________________________________ £

ASK IF HAVE MOBILE

Q27 Thinking about your mobile phone, which of the following best describes how you typically pay for your mobile phone calls?

CODE ONE ONLY

Pay as you go or prepay phone where you buy the handset and top-up as needed	1
Pay monthly / Contract - handset with a contract where you receive a monthly bill for the subscription and any call charges	2
A mix of contract and pay as you go where your monthly bill is land and if you need more talk time you top up like pay as you go	3
A pay monthly SIM only plan where you take a SIM without a phone but receive a monthly bill for the subscription and any call charges and just give 30 days notice if you want to leave (i.e. a month by month rolling plan)	4
Another type of payment scheme / Don't Know	5

ASK IF HAVE MOBILE

Q28 Roughly how much do you spend on your mobile phone in an average month? If you are on a pay monthly contract, please include the cost of the contract as well as any calls, texts etc.

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN IF CANNOT MAKE A GUESS, PROMPT

Would it be …

Under £10	1
£10 – £19	2
£20 – £29	3
£30 - £39	4
£40 - £49	5
£50 - £59	6
£60 - £99	7
£100+	8
Don't Know	9

IF HAVE CONTRACT MOBILE

Q29 And how much do you spend just on the contract itself (your standing charge before adding anything extra)?

DO NOT READ OUT. PROBE FOR BEST ESTIMATE IF UNSURE. WRITE IN

IF CANNOT MAKE A GUESS, PROMPT

Would it be ...

SPEND AT Q29 MUST BE EQUAL OR LESS THAN ANSWER GIVEN AT Q28

Under £10	1	
£10 – £20	2	
£20 – £30	3	
£30 - £35	4	
£35 - £40	5	Min quota of 10%
£40 - £50	6	
£50 - £60	7	
£60 - £100	8	
Over £100	9	
Don't know	10	

GENERAL PERCEPTIONS OF COMMUNICATIONS

ASK ALL

Q30 Thinking for a moment about the cost of different types of calls, I'd like you to tell me which type of call - mobile or landline - is most expensive for each of the following call types?

If you are not sure, please could you tell us your **impression** of the costs?
ROTATE START POINT

	Mobile more expensive	Landline more expensive	Same cost
Landline local calls (calls made to a number based in your local area (geographic numbers starting 01 or 02 which have the **same** dialling code as your own number)	1	2	3
Landline national calls (calls made to a UK number based outside of your local area) (geographic numbers starting 01 or 02 which have a **different** dialling code to your own number)	1	2	3
Landline international calls	1	2	3
Calls to mobiles on the same network you have	1	2	3
Calls to mobiles on a different network to the one you have	1	2	3
Calls to numbers such as 0845, 0870 and 09	1	2	3

ASK IF HAVE LAND LINE

Q31 Thinking about your attitudes to having a landline, can you tell me to what extent which of the following statements applies? Please tell me how much each applies using a scale where 1 = Does not apply at all and 5 = Applies a lot

ROTATE ORDER	Applies a lot 5	4	3	2	Does not apply at all 1
Mobiles are not reliable enough to give up a landline phone	5	4	3	2	1
We only have a landline for internet access	5	4	3	2	1
I have a landline but generally use my mobile for calls	5	4	3	2	1
I could never consider getting rid of land line services because I feel secure having it	5	4	3	2	1
It would involve too much change /upheaval to get rid of my home phone	5	4	3	2	1
I would get rid of my landline if mobiles calls were cheaper	5	4	3	2	1
I only use my land line for incoming calls – I never really dial out	5	4	3	2	1

ASK ALL

Q32 So can I confirm, which of the following have you used in the last 6 months for contacting friends, family, or working from home?

READ OUT. CODE ALL THAT APPLY

Internet (email, MSN or Yahoo Messenger, Facebook or My Space, etc)	1
Voice over IP (also known as VoIP, a way to make voice calls over the internet)	2
Land line phone (landline)	3
Mobile phone	4

ASK ALL

Q33 And can you tell me which of those would be your first choice for keeping in touch with **friends and family in the UK**?

Q34 And which would be your second choice?
READ OUT. CODE ONE ONLY FOR EACH

	Q33	Q34
Internet (email, MSN or Yahoo Messenger, Facebook or My Space, etc)	1	1
Voice over IP (also known as VoIP, a way to make voice calls over the internet)	2	2
Landline phone	3	3
Mobile phone	4	4

ASK ALL

Q35 And can you tell me which of those would be your first choice for keeping in touch with **friends and family abroad**?

Q36 And which would be your second choice?
READ OUT. CODE ONE ONLY FOR EACH

	Q35	Q36
Internet (email, MSN or Yahoo Messenger, Facebook or My Space, etc)	1	1
Voice over IP (also known as VoIP, a way to make voice calls over the internet)	2	2
Landline phone	3	3
Mobile phone	4	4
Don't have friends and family abroad	5	

ASK ALL

Q37 And can you tell me which of these would be your first choice for personal affairs, like contacting banks or utility companies, making reservations for travel, restaurants, etc.?

IF THEY SAY IT DEPENDS, ASK FOR LAST TIME THEY DID SO

Q38 And which would be your second choice?

READ OUT. CODE ONE ONLY FOR EACH

	Q37	Q38
Internet (email, MSN or Yahoo Messenger, Facebook or My Space, etc)	1	1
Voice over IP (also known as VoIP, a way to make voice calls over the internet)	2	2
Landline phone	3	3
Mobile phone	4	4

ASK ALL

Q39 And can you tell me which of those would be your first choice for work-related contact from home?

IF THEY SAY IT DEPENDS, ASK FOR LAST TIME THEY DID SO

Q40 And which would be your second choice?

READ OUT. CODE ONE ONLY FOR EACH

	Q39	Q40
Internet (email, MSN or Yahoo Messenger, Facebook or My Space, etc)	1	1
Voice over IP (also known as VoIP, a way to make voice calls over the internet)	2	2
Landline phone	3	3
Mobile phone	4	4
Don’t contact work from home	5	

ASK ALL

Q41 And for each of these, how often do you make this form of contact in an average month?

READ OUT. CODE ONE ONLY FOR EACH

	F&F in the UK	F&F in the UK	Reservations	Work
Every day / most days	1	1	1	1
Once or a couple of times a week	2	2	2	2
About once every two weeks	3	3	3	3
A few times a month	4	4	4	4
About once a month	5	5	5	5
Less often	6	6	6	6

ASK ALL

Q42 And lastly, here are some things other people have said about changes in prices for communication. Please tell me for each whether you:

Agree strongly	1
Agree slightly	2
Neither / nor	3
Disagree slightly	4
Disagree strongly	5

I don't tend to look at my comms bills in any detail	1
I change my mobile or landline packages regularly because I always look around for the good deals	2
I would change my landline supplier to get better deals if I could	4
When I want to get through to someone, getting through to them is my priority – I'm not worried about the cost	5
I like to keep an eye on my mobile bill as costs can spiral out of control if I'm not careful	7

GENERAL PERCEPTIONS OF COMMUNICATIONS

IF WORKING

C1 Which of the following best describes the way you work?

READ OUT. CODE ONE ONLY

I am self-employed and run my business from home	1
I am employed but usually work from home	2
I occasionally work from home	3
I am solely office-based	4

THANK YOU FOR YOUR TIME