

A decorative graphic consisting of a grid of small, multi-colored squares in shades of purple, green, blue, orange, and grey, arranged in a pattern that tapers to the right.

CONSUMER
PANEL

Ofcom Consumer Panel: Consumers and the communications market report

Focus on consumers aged 65 and over

May 2007

Report outline

- This report looks at how consumers aged over 65 compare with consumers in the **UK overall**
- Figures are also shown for three other key ‘vulnerable’ groups of interest to the Consumer Panel: consumers living in rural areas, consumers with a disability aged under 65 and consumers on low incomes aged under 65
- There is a degree of overlap between the different ‘vulnerable’ groups of interest to the Consumer Panel. In particular, the majority of older people aged 65 or over are either in low income households or are people with a disability. This means that findings which appear to relate to those with a disability and/or those in low income households may actually relate to older people within these groups rather than the groups as a whole. We have therefore looked at consumers in low income households who are aged under 65 and those with a disability who are aged under 65
- Throughout this report, we only comment on differences between groups which are statistically significant
- Unweighted base sizes are shown throughout the report to illustrate the number of respondents interviewed. Question wording can be found in the notes pages

Profile of groups of interest by nation

*Numbers in **bold purple** are significantly different to the All UK average*

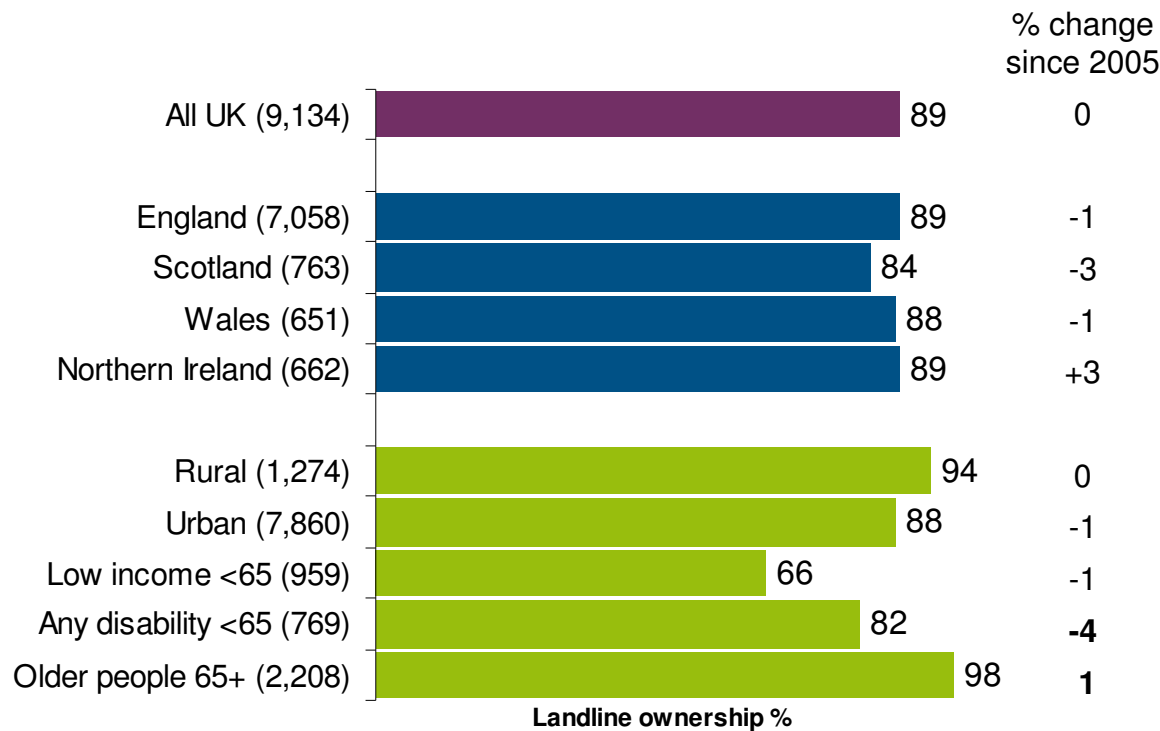
	All UK % (9,134)	England % (7,058)	Scotland % (763)	Wales % (651)	Northern Ireland % (662)
Older people (aged 65+)	19	20	16	22	17
Rural	14	12	22	23	29
Disability <65	8	7	10	11	10
Low income <65	10	10	14	13	10
TOTAL NATION SPLIT	100	84	9	5	3

Levels of ownership and involvement lower among consumers aged over 65

- Ownership of mobile internet, broadband and digital TV lower than average, lower levels of reported spend
- Much more likely to use mobiles for voice calls only and to be on a pay as you go plan. Use internet for fewer purposes
- Those not planning to get internet or digital TV in the next 12 months are more likely than average to say due to lack of need rather than cost
- More likely to be satisfied with value for money on landline and satisfaction with ease of understanding internet bills has improved. Less likely to be satisfied with mobile supplier on most measures
- Less likely to have reason to complain about landline, mobile or internet supplier
- Less likely to switch suppliers. Less likely to say it is or would be easy to switch supplier or to find making cost or quality comparisons easy
- More likely to have visual, hearing or mobility difficulties using TVs, PCs, landline or mobile phones. TVs cause biggest difficulties, with main problems relating to hearing
- More likely not to understand fully what digital switchover will entail, and to say that switchover is unfair

Landline ownership is higher among over 65s than in the UK as a whole

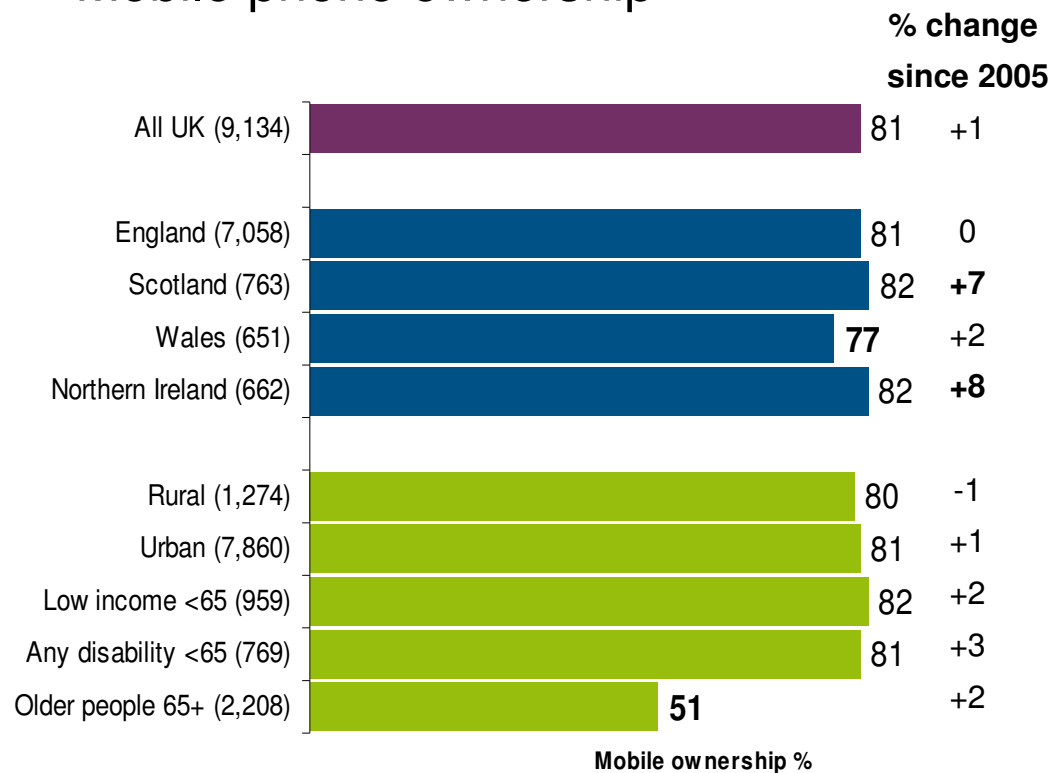
Landline ownership



- Reported quarterly spend among over 65s now stands at £16.80 (down £0.10 from 2005). Even with a fall of £1.40 in the average UK reported spend on landline telephones, those aged 65+ still spend less per quarter than all UK consumers (£21.30)

Mobile phone ownership among consumers over 65 lags well behind the UK average

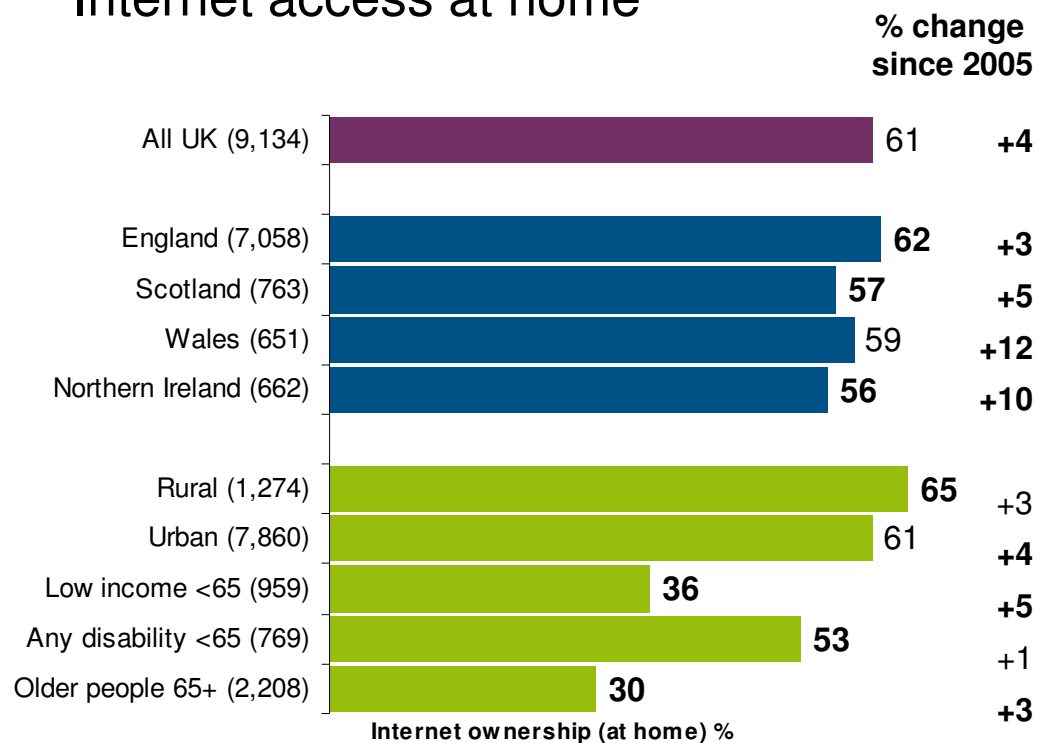
Mobile phone ownership



- Only 1% of consumers aged over 65 live in mobile only households, compared to 10% of UK consumers
- Nine in ten (90%) of those aged 65+ have a pay as you go plan for their mobile. This is significantly higher than the UK average of 64%
- Reported monthly spend of mobile phone users aged 65+ is a third (£7.60) of average UK consumer spend (£22.20)

Access to the internet at home has increased among older consumers, but there is still a gap with the rest of the UK

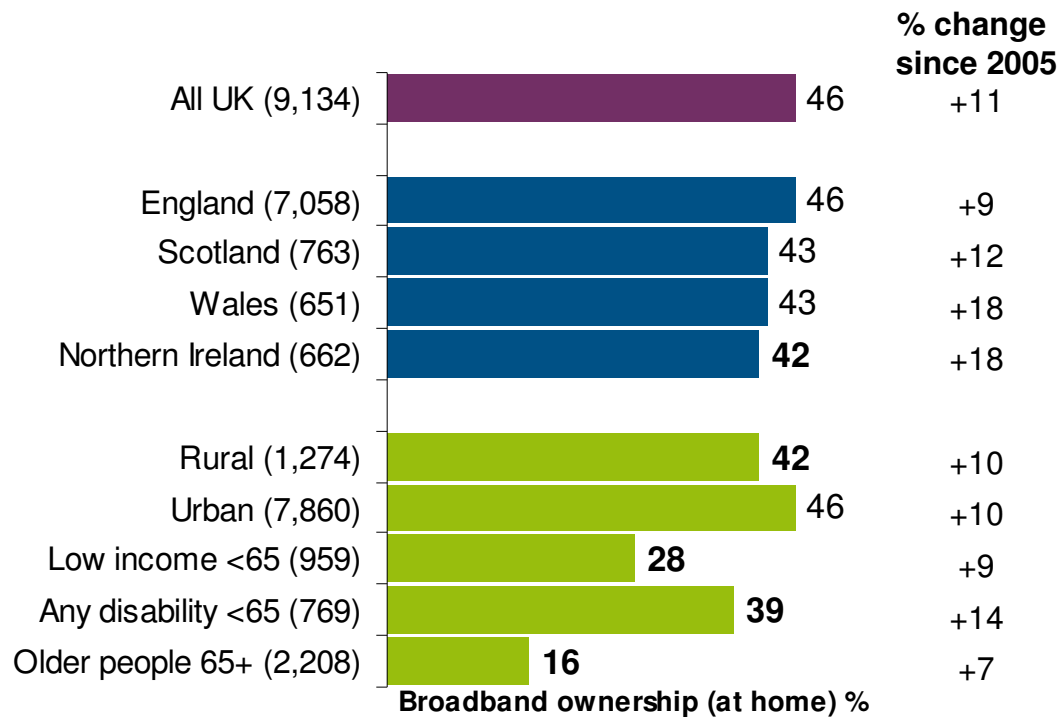
Internet access at home



- Only one in three (30%) of consumers over 65 have the internet at home, half the UK average (61%)
- Among consumers over 65 not planning to get internet access in the next 12 months, this group are less likely than average to mention cost (14% vs 31% overall) and more likely to say they have no need for the internet (73% vs 63% overall)
- Whilst reported monthly spend on internet services has increased, this group still spends less (£14.05) than the UK average (£18.35)

Broadband ownership has increased among over 65s, but at a slower rate than the rest of the UK

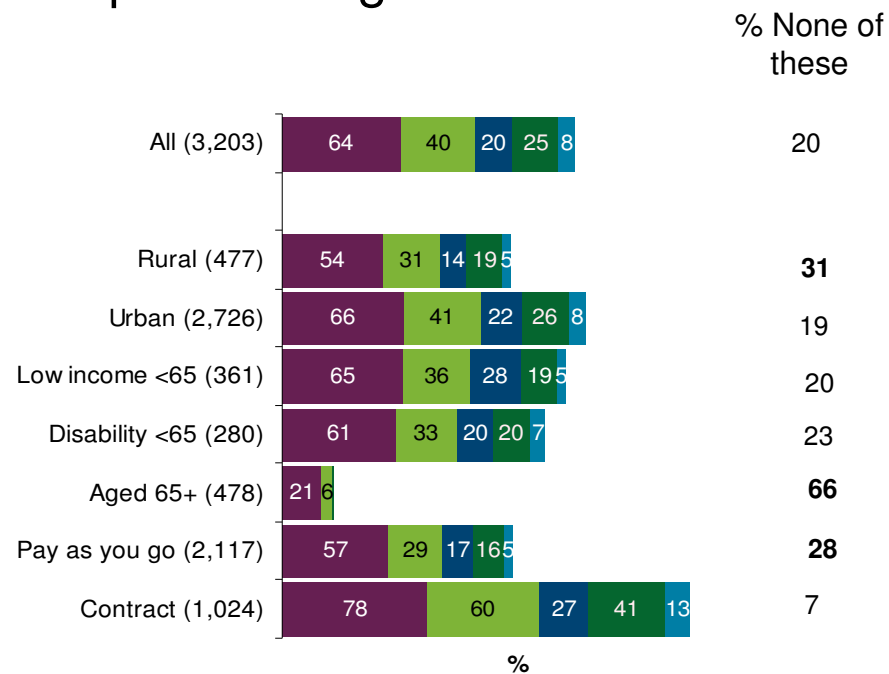
Broadband ownership





Mobile phone users aged over 65 much more likely to use their phones for voice calls only

Mobile phone usage



Older consumers are less likely to use the internet for all activities

<i>Base: All with internet at home</i>	All UK % (2,490)	Rural % (334)	Urban % (2,156)	Low Income under 65 % (144)	With disability under 65 % (194)	Older people aged 65+ % (295)	Broad band % (1,775)	Narrow band % (596)
Sending/receiving email	85	88	84	72	82	77	87	81
Surfing/browsing	72	71	72	59	73	50	76	61
Purchasing goods/services	63	68	62	41	55	47	68	52
Finding/downloading info for personal use	60	62	59	46	60	55	63	55
Banking	49	50	49	24	41	31	54	36
Downloading music/movies	40	31	42	32	44	9	47	21
Finding/downloading info for work	42	44	42	18	35	13	46	31

- The gap between this group and UK internet users as a whole is particularly marked for downloading movies and music and finding information about work

NB Figures in bold purple indicate results for 'vulnerable' groups that are significantly higher or lower than the figure for all UK consumers

Consumers aged over 65 are less likely to have ever switched supplier than those in the UK as a whole

Switching by 'vulnerable' groups - 2006

<i>Base: All with landline/use mobile/have internet at home</i>	Landline % (4,295)	Mobile phone % (3,203)	Internet % (3,790)	Multichannel TV % (3,599)
All UK	35	38	26	16
Rural	30	34	26	12
Urban	36	38	26	17
Low income aged under 65	31	32	21	19
With disability aged under 65	46	43	28	26
Older people aged 65+	29	16	19	12

NB Figures in bold purple indicate results for 'vulnerable' groups that are significantly higher or lower than the figure for all UK consumers

Consumers over 65 are less likely to agree that it was or would be easy to switch suppliers

Proportion agreeing it was or would be easy to switch - 2006

<i>Base: All with landline/digital TV/use mobile/have internet at home</i>	Landline % (3,669)	Mobile phone % (3,203)	Internet % (2,490)	Digital TV % (3,599)
All UK	75	82	70	71
Rural	69	75	66	59
Urban	77	84	71	73
Low income aged under 65	80	87	69	73
With disability aged under 65	77	83	66	70
Older people aged 65+	61	60	59	61

NB Figures in bold purple indicate results for 'vulnerable' groups that are significantly higher or lower than the figure for all UK consumers

Older people are less likely to find it easy to make cost comparisons between different suppliers

Proportion agreeing it would be easy/difficult to make cost comparisons - 2006

<i>Base: All with landline/ multichannel TV /use mobile/have internet at home</i>	Landline % easy	Landline % difficult	Mobile phone % easy	Mobile phone % difficult	Internet % easy	Internet % difficult	Multichannel TV % easy	Multichannel TV % difficult
All UK	54	26	62	23	64	20	63	17
Rural	45	29	53	26	57	20	49	22
Urban	56	26	64	23	65	20	65	17
Low income aged under 65	60	23	66	18	67	19	68	15
With disability aged under 65	54	27	63	19	58	23	59	18
Older people aged 65+	38	26	39	25	46	25	48	20

- Consumers aged 65+ are less likely to think that it is easy to make cost comparisons for all services and are significantly more likely to find it difficult to make cost comparisons for the internet.

They are also less likely to find it easy to make service quality comparisons between different suppliers

Proportion agreeing it would be easy/difficult to make service quality comparisons - 2006

<i>Base: All with landline/ multichannel TV /use mobile/ have internet at home</i>	Land line % easy	Land line % difficult	Mobile phone % easy	Mobile phone % difficult	Internet % easy	Internet % difficult	Multichannel TV % easy	Multichannel TV % difficult
All UK	43	34	52	31	49	33	52	26
Rural	33	35	42	34	41	33	37	32
Urban	45	33	54	31	51	33	55	25
Low income aged under 65	51	30	58	23	56	30	58	23
With disability aged under 65	46	32	56	28	43	38	53	23
Older people aged 65+	31	28	32	29	39	31	40	25

NB Figures in bold purple indicate results for 'vulnerable' groups that are significantly higher or lower than the figure for all UK consumers

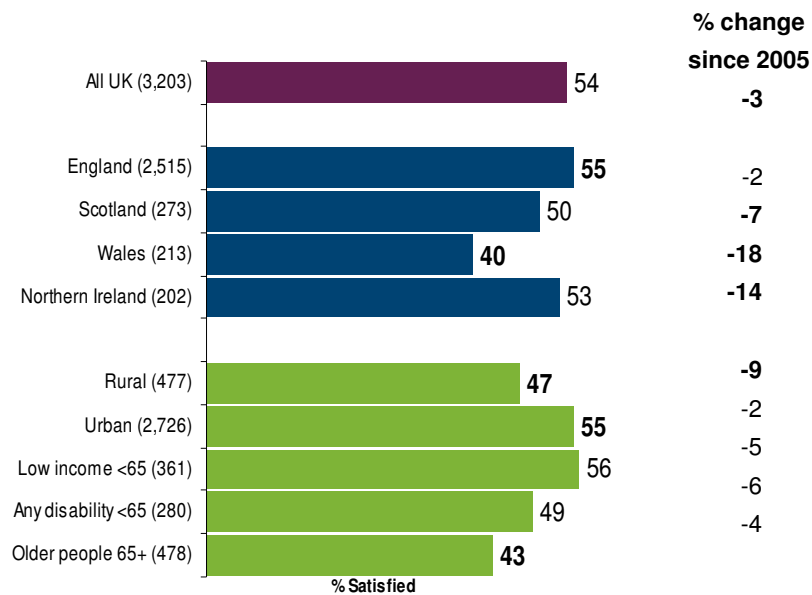
Older consumers are significantly more likely to turn to family and friends as a trusted source of information on suppliers and are less likely to look for information at all

	Trusted sources of information for consumers - Mobiles		Trusted sources of information for consumers - Internet		Trusted sources of information for consumers - TV		Trusted sources of information for consumers - Landline	
	UK TOTAL % (1,505)	Older people aged 65+ % (377)	UK TOTAL % (1,505)	Older people aged 65+ % (377)	UK TOTAL % (1,505)	Older people aged 65+ % (377)	UK TOTAL % (1,505)	Older people aged 65+ % (377)
Family members	27	35	29	35	28	39	26	35
Friends	20	4	22	14	20	17	19	14
Internet in general	19	14	21	5	19	3	20	5
Visit shop/store selling technology/device	17	14	7	6	12	13	6	5
Supplier already using	12	5	7	3	10	11	15	16
Magazines/newspapers	6	3	6	3	6	5	6	6
Would not look for information/advice	5	15	9	23	5	10	8	15

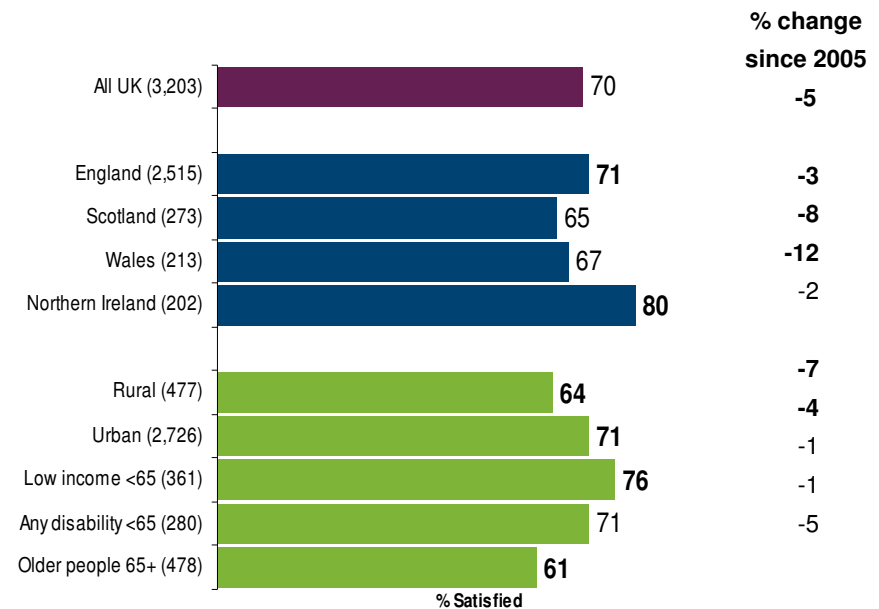
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Consumers aged 65+ are less likely to be satisfied with the cost of calls to the same network or to other networks

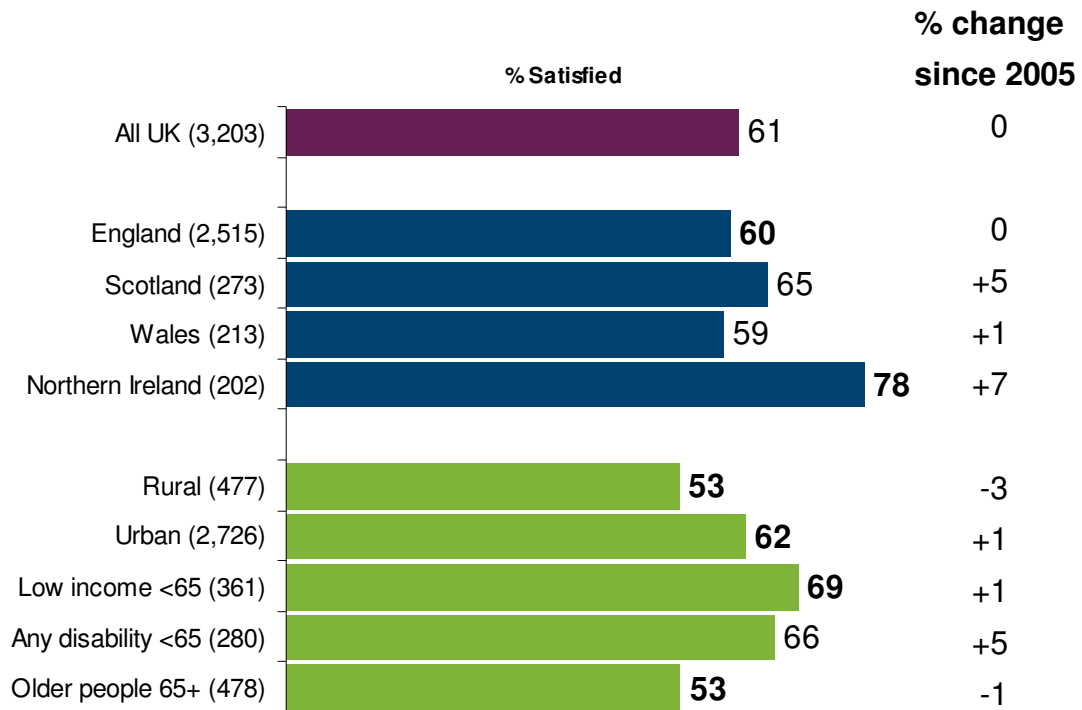
Satisfaction with cost of calls to different networks



Satisfaction with cost of calls to the same network



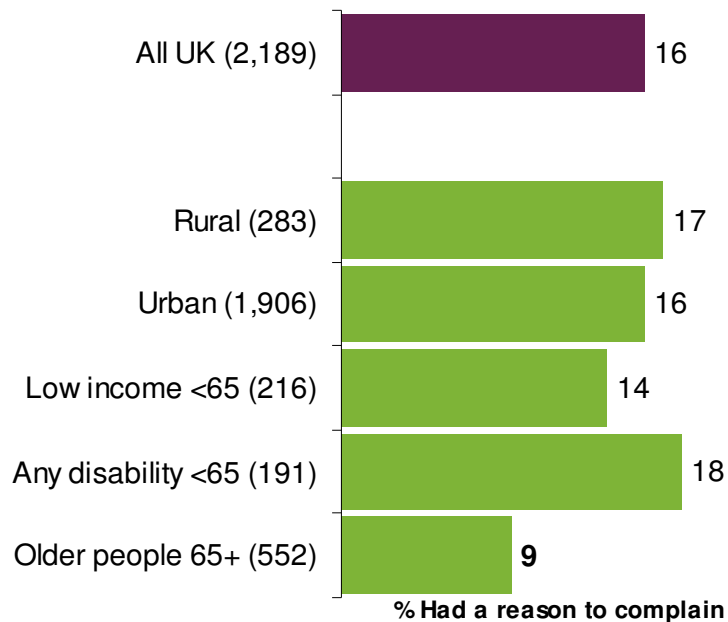
Consumers aged 65+ are less likely to be satisfied that their mobile supplier is making sure they are on the best deal



- Older consumers are also less likely to be satisfied with understanding their mobile phone bills, with 79% saying they are satisfied (a drop of 13 percentage points on 2005) compared to 85% of UK mobile phone users

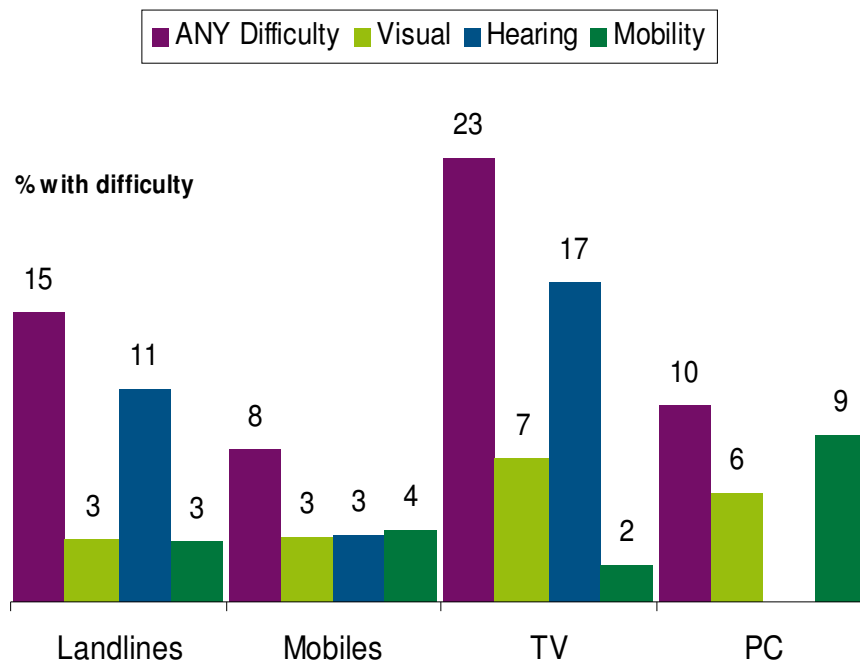
Consumers aged 65+ are less likely to have had reason to complain about their landline, mobile or internet service

Reason to complain about landline, mobile or internet service in past 12 months



Almost a quarter of older consumers say they have or would have difficulties using TVs

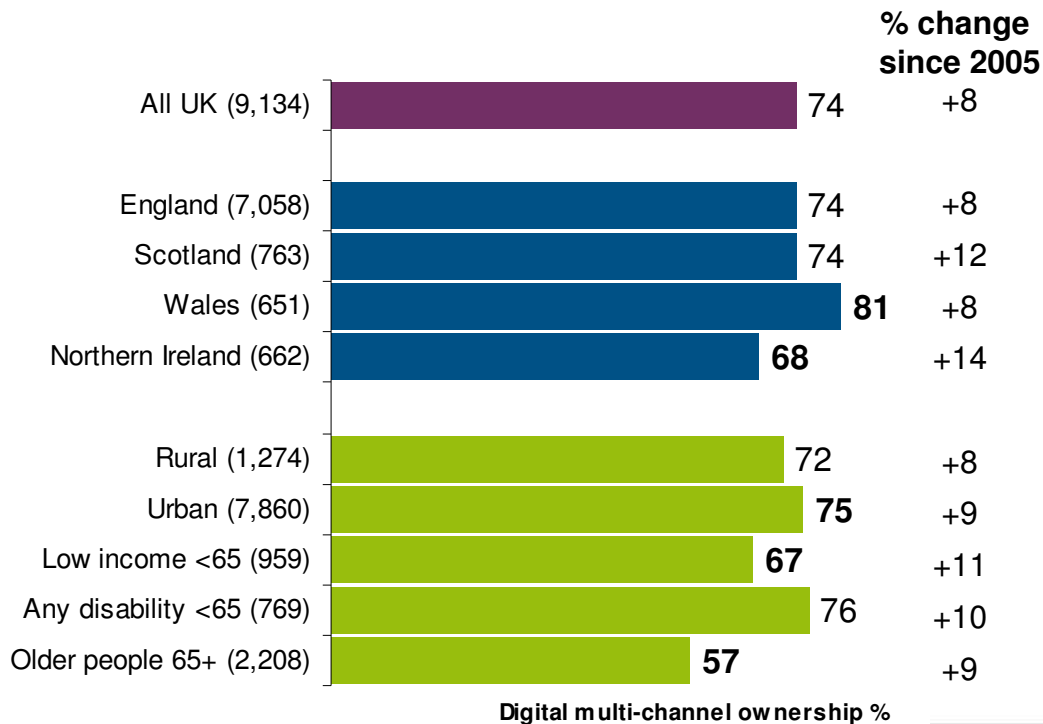
Difficulties in using technology among all over 65



- As would be expected significant differences occur between this group and all UK consumers. The average user is roughly half as likely to suffer any difficulties:
 - 8% for landlines (6% hearing)
 - 12% for mobiles (6% hearing)
 - 10% for TVs (7% hearing)
 - 6% for PCs (5% mobility)

Ownership of digital TV has increased at a similar rate to the rest of the UK, but older consumers still lag behind

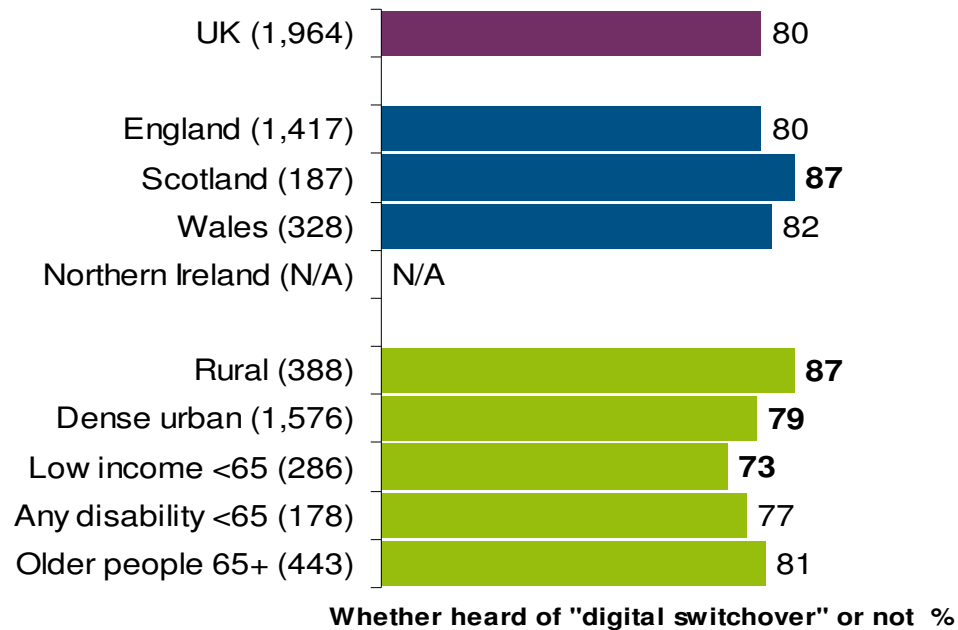
Ownership of digital TV



- Among consumers over 65 not planning to get digital TV, the most common reasons relate to lack of need (57% vs 50% overall) and satisfaction with existing service (59% vs 45% overall)
- Reported levels of monthly spend (£27.95) are significantly lower than the UK average (£36.90)

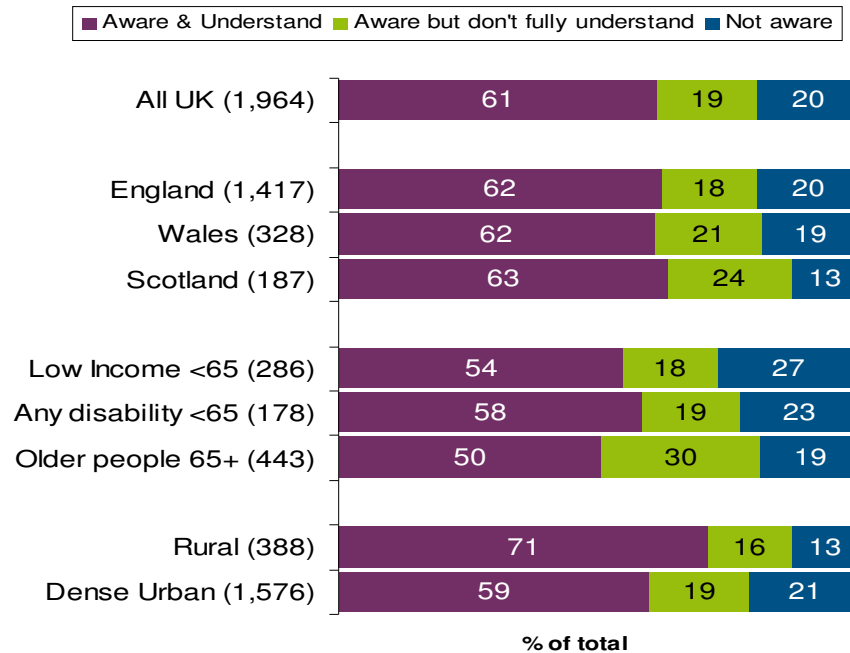
Awareness of the digital switchover among consumers aged 65 and over is in line with the UK average

Awareness of digital TV switchover



Awareness and understanding of digital switchover is lower amongst consumers aged 65 and over

Understanding of digital switchover

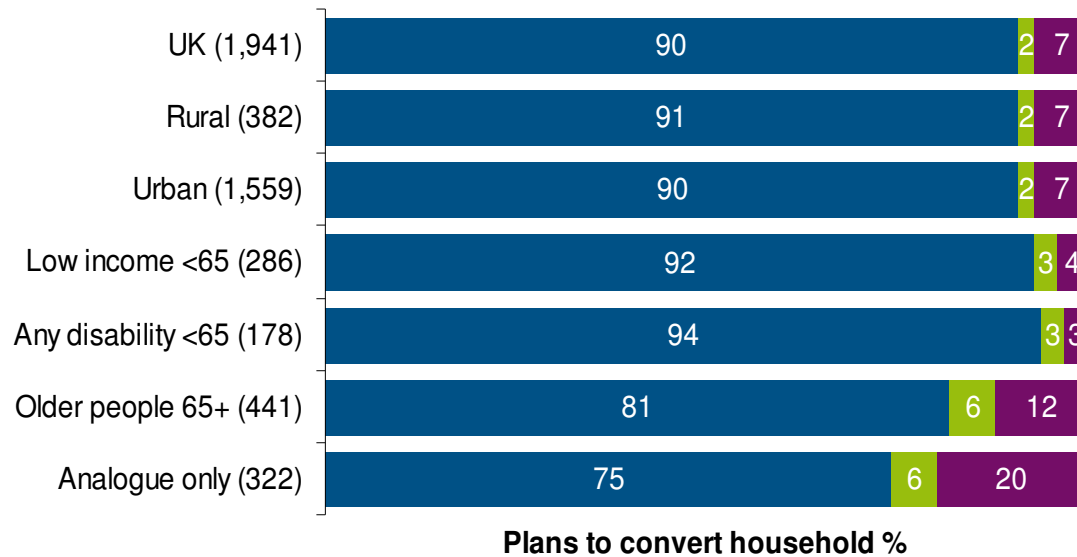


- Consumers aged 65 and over are less likely than average to agree that the digital switchover is good for the UK (13% vs 20% overall)
- They are more likely to agree that the switchover is 'one of those things' (48% vs 42% overall)

Consumers aged 65 and over are less likely to know whether they will convert their TVs

Plans to convert TVs

■ Will be at least partially converted ■ No televisions will be converted ■ Don't know



- This group is significantly more likely to state no televisions will be converted
- They are also more likely not to know what services they will update their TV(s) with (37% vs 30% overall). They are less likely to say they will update using Sky/Satellite (4% vs 13% overall) and more likely to mention IDTV (15% vs 10%)

Consumers aged 65+ differ from UK consumers overall as to the main perceived reason for the switchover to digital

Base:	All % (2,490)	Eng land % (1,147)	Scot land % (187)	Wales % (328)	Rural % (388)	Urban % (1,576)	Low Income <65 % (286)	Any disability <65 % (178)	Older people aged 65+ % (295)
Update broadcasting network	34	34	35	28	34	34	26	21	26
Govt. can make money	23	23	19	27	22	23	24	30	22
Give viewers more choice	12	12	17	8	9	13	20	16	8
Retailers can make money	9	9	7	16	12	8	12	14	13
Will free up airwaves	9	9	4	4	8	9	4	9	5
Don't know	10	8	15	11	9	10	11	7	19

- Consumers aged 65+ are more likely to think that the principal reason for digital switchover is a way for retailers to make money and less likely to believe it is to update the network or give viewers more choice. They are also more likely to say 'don't know' to this question