

## **Ofcom Consumer Panel's research shows older people and low income households could get more benefit from communications technologies**

1 June 2006

The independent Ofcom Consumer Panel's nationwide research today reveals that older people and low-income households are less engaged in the communications market than the rest of the population. The study of 3000 people – both residential and small businesses – shows that older people are least likely to be aware of, understand or own new communications technologies.

Awareness of digital switchover has doubled since 2005 to 52% and yet 60% of low-income households are unaware of it. Friends and family are still the most important source of information and advice for almost half of UK consumers but people over 65 are significantly less likely to know someone who could provide support with digital switchover.

Colette Bowe, Chairman of the Ofcom Consumer Panel comments:

“There have been some encouraging improvements since last year especially around people's awareness of digital TV and broadband, but it is clear that certain groups within society are not reaping full benefit from the communications market. Low-income households, for example, are less likely to have the internet or landlines, but spend proportionately more of their income on communications technology than the rest of the population and are least likely to switch suppliers.”

Key findings of the research include:

Low-income households are twice as likely than the national average to feel they can't use landlines or the internet largely due to cost.

Levels of consumer concern have increased since 2005. A quarter of small businesses are dissatisfied with landline and internet services and a third with their mobiles. Amongst consumers there is a marked increase in concern about cost, unsolicited calls and internet spam. Across each of the services, consumers are least likely to be satisfied that suppliers are ensuring they are on the best deals available. Half of the UK population is not aware of any specialist equipment for landlines, mobiles and pcs that assists people with hearing or visual difficulties whilst two-thirds of people under 65 with hearing difficulties report problems using mobiles. Worryingly only one in ten people with visual difficulties and two in ten with hearing difficulties use specialist equipment.

The Panel believes that industry is missing a trick in not designing and marketing equipment for people who have impairments as a factor of age and who would not consider themselves in the market for specialist equipment.

Colette Bowe continued:

“Of particular concern to us is that age continues to be the most significant factor in keeping informed with developments – 77% of people over 65 say they do not keep informed about new developments and 73% of retired people. The Panel is conducting further research to understand the barriers and motivating factors for older people which we will release in July this year. Our research provides a vital stock take for the communications industry and shows there are still problems which it needs to address.”

The research is quantitative and provides a breakdown of the issues particularly affecting England, Wales, Scotland and Northern Ireland as well as concerns of

people with disabilities, older people and low- income households (under £11,500). The interviews included 2, 700 residential customers and 300 small businesses and sole traders.

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Notes for Editors and CSEs

The Ofcom Consumer Panel was established to advise Ofcom on the consumer interest in the markets it regulates. The Panel is independent and sets its own agenda. Visit [www.ofcomconsumerpanel.org.uk](http://www.ofcomconsumerpanel.org.uk) for more information about the Panel as well as a copy of the UK consumer research.

For a copy of the research visit

[http://www.ofcomconsumerpanel.org.uk/publications/consumer\\_panel\\_report06.pdf](http://www.ofcomconsumerpanel.org.uk/publications/consumer_panel_report06.pdf)

or contact David Edwards on 020 7783 4021. The research looks at consumer knowledge and experience in the communications market. The research was conducted by saville rossiter-base during October and November 2005. The small businesses interviewed were made up of between one and 10 employees.

The findings for Northern Ireland, Scotland and Wales are available from the Ofcom Consumer Panel website. Key findings include the following:

In Northern Ireland consumers are more likely to refer to suppliers or stores and less likely to refer to friends and family (42%) than the UK average. They are less likely than the UK average to have a mobile phone, digital TV, internet access. They are more likely to feel they are unable to access the internet and digital TV, largely due to cost. Privacy has become one of the highest stated concerns especially about unsolicited calls and consumers are 10% more worried about these issues regarding the internet, DTV and landlines than last year. 59% of people in Northern Ireland are worried about the internet as compared to 41% across the UK and 50% of people are concerned about mobiles.

In Scotland people are more likely to refer to suppliers and stores for advice than in the rest of the UK. There is higher awareness of digital switchover compared to UK average (55% versus 52%). Consumers in Scotland are less likely than the UK average to have internet access at home (51%). Consumers are more likely than the UK average to rate landline and TV services as essential.

In Wales consumers are less likely to refer to online and media sources than the UK average. There is a higher awareness of digital switchover compared to the UK average (62% compared to 52%). Consumers in Wales are more likely to rate TV service as essential (52%) than the rest of the UK and when compared with last year. They are more likely than the UK average to have ever switched suppliers (36% versus 29%).

Further findings also available on the Panel website include those for: England; low income households; people with a disability; people aged 65 and over; rural and dense urban areas.

Colette Bowe, Chairman, and Fiona Ballentyne, Panel Member, are available for interviews.

The Panel's members appointed by Ofcom are:  
Colette Bowe, Chairman

Ruth Evans, Deputy Chairman  
Fiona Ballantyne  
Roger Darlington  
Simon Gibson  
Graham Mather  
Kevin McLaughlin  
Jeremy Mitchell  
Kate O'Rourke  
Bob Twitchin  
Allan Williams