

# PSTN

## What is the consumer impact of the switch-off?

### Introduction

How consumers make phone calls in their homes is about to change, with the UK's telephone network going digital. Phone companies are gradually moving their landline customers from the traditional copper telephone network - the PSTN ('Public Switched Telephone Network') - which will be switched off in 2025, to newer digital technology, which means calls will be carried over a broadband connection.

This paper draws on insights from a survey of 4,958 UK adults across the UK. We explore current copper landline usage to understand how consumers will be affected by the switch off, and the risks that need to be managed through the migration process.

#### In summary Which? research found that:

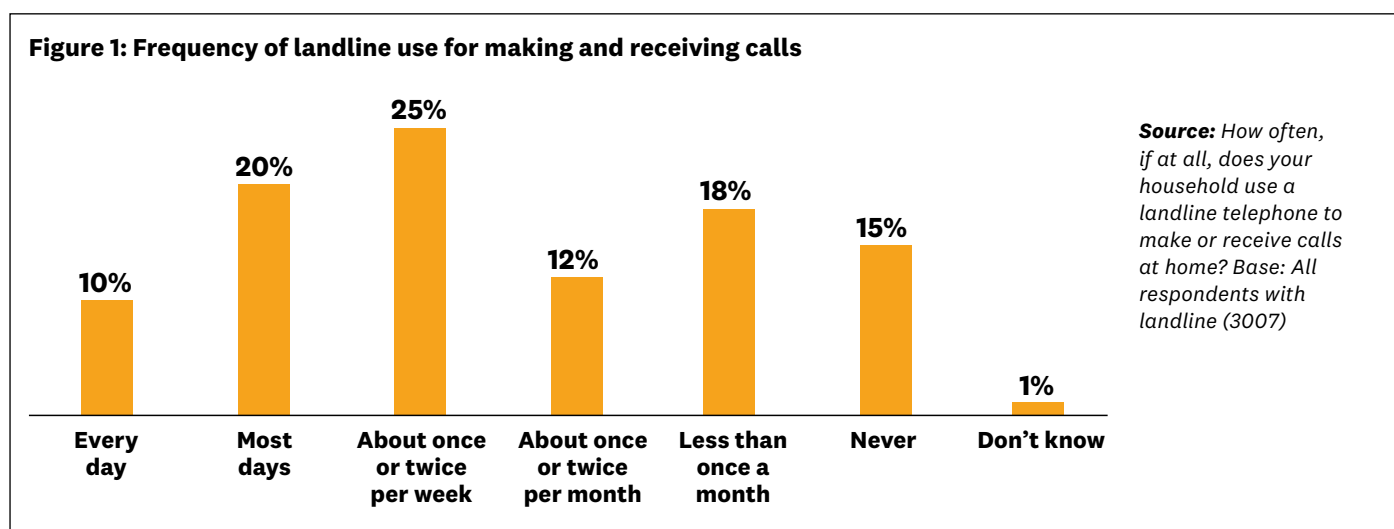
- Landline phones are still commonly used, with **55%** of those with a landline using it to make and receive calls once a week or more.
- The move to digital will mostly affect the **46%** of consumers who still have a copper landline at home
- For **3%** of UK landline users, their landline is their only option to make and/or receive calls in their homes.
- Awareness amongst consumers about the switch off remains low, with **74%** of those with a copper landline connection being unaware of the migration.



## Landlines - a thing of the past?

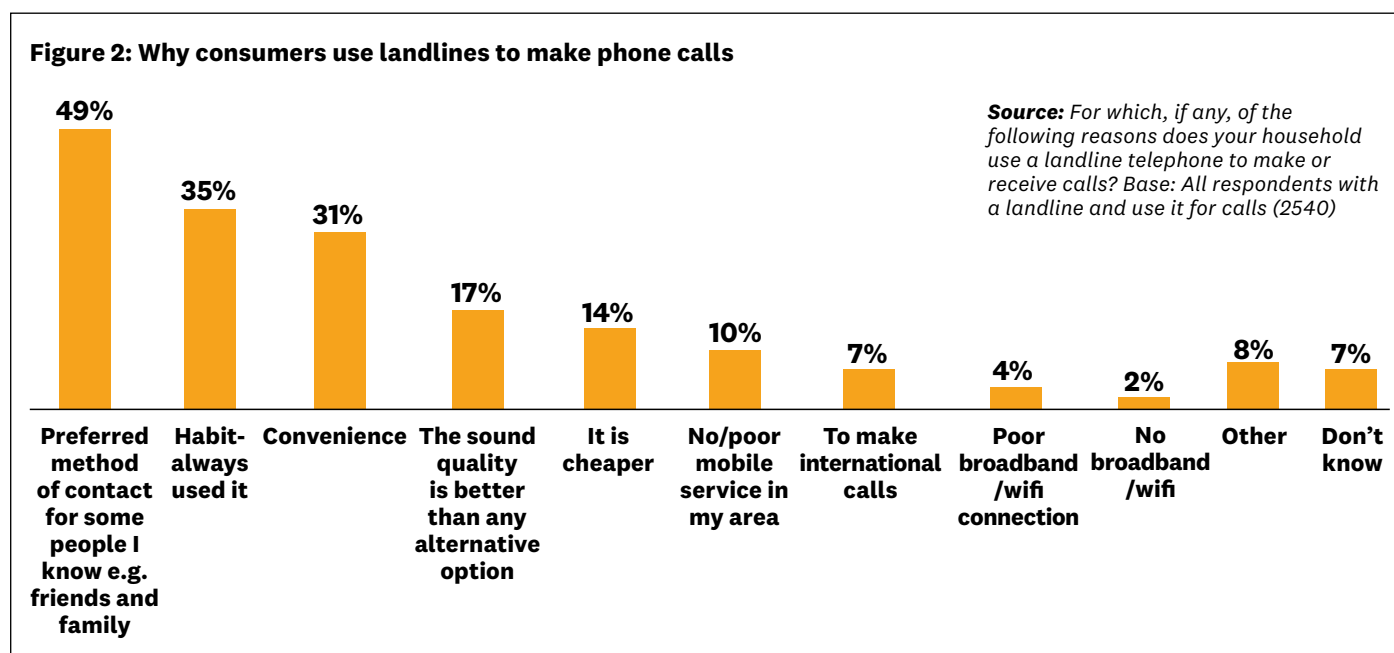
Whilst mobile phones are unsurprisingly the most commonly used method to make and receive phone calls at home, used by **96%** of consumers, landline phones are still used by **60%** of consumers.

As seen in Figure 1, **more than half (55%)** of those with a landline, use it to make and receive calls once a week or more. There is evidence to suggest this landline use is more frequent in rural areas, with **two thirds (66%)** of landline users in rural housing making or receiving phone calls through their landline each week, compared to 53% of landline users in urban areas.



Whilst there are signs that landline use is common, there are indications that this use is mainly driven by habit rather than necessity. As illustrated in Figure 2, the main drivers for using this include:

- Being a preferred method of contact for others (**49%**)
- Habit (**35%**)
- Convenience (**31%**)



The data also suggests that for many having a landline isn't a deal breaker. The research found **71%** of consumers who currently purchase their landline as a bundle said they would be unlikely to pay for this service separately. This adds further weight behind the theory that, for most people, the move to digital telephony may be more about changing 'the norm' rather than dealing with technical issues like poor (or no) broadband or mobile phone service.

## Risks of the switch off

The migration process has started across the UK, with some BT and Virgin Media customers already being moved to digital voice. However research suggests **three-quarters (75%)** of landline users are still using a copper line connection. However, **97%** of landline users have at least one alternative to landline (e.g. mobile) to make and receive phone calls at home, and whilst they will still have a landline option post-switch, this potentially reduces any possible consumer concern about their reliance on this service.

There are indications however that there are certain groups of landline users who have more concerns due to their landline reliance. For some consumers, the use of a landline is driven by inadequacies in other services, e.g. poor or no mobile connection in their home. **14%** of those who have a landline have reported problems with their internet or mobile connection in their home. As expected, issues with these connections appear to be more prominent for those in rural housing (**27% of landline users**) compared to those in urban housing (**9%**).

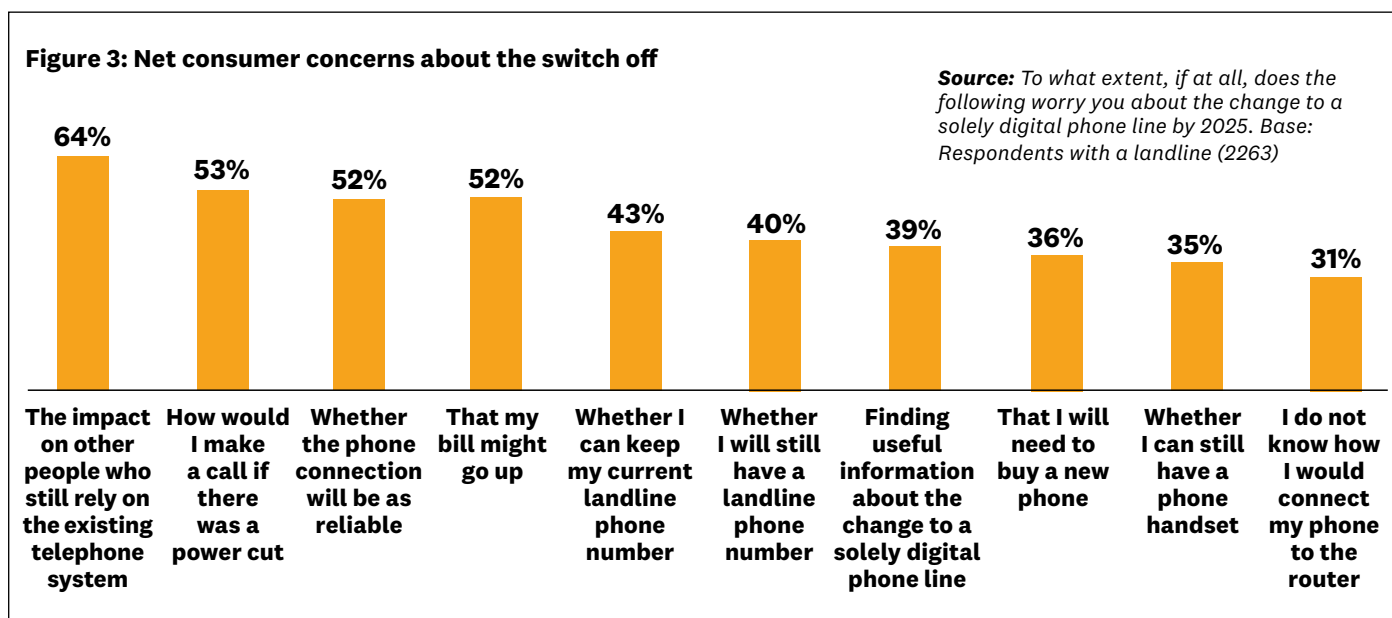
There are also consumers who do not have an alternative to their landline. The research found **3%** of landline users only have their landline to make or receive calls in their home. Supporting these consumers in the migration process is vital to ensure their service isn't negatively impacted and that they do not end up purchasing services that they don't need.

## Are consumers aware of the copper line switch off?

Although the proportion of consumers who are classified as 'most at risk' - those who have no alternative to landlines - in the transition to digital voice is low, there are still large numbers of UK consumers who will be impacted in some way by the switch off. One challenge is that awareness of the switch off is low, with **74%** of those with a copper line connection being unaware of the migration.

Many landline users are also concerned about the switch off, as illustrated in Figure 3. The most common concern is the impact on others who rely most on the copper network (**64%** of landline users). Other common concerns include:

- *How they would make a call if there was a power cut (53%)*
- *Reliability - whether the connection will be reliable (52%)*
- *Cost - whether phone bills will rise (52%)*



The findings suggest providers, regulators, consumer groups and government need to ensure further information is provided to consumers about what this change means for them. There's a need for everyone to work together to get the right information out to consumers.

**Annex: Methodology** Yonder, on behalf of Which?, surveyed 4,958 UK adults online between 29th November and 8th December 2021. Data was weighted to be representative of the UK population by age, gender, region, social grade, tenure and work status. We boosted the number of respondents from the devolved nations to ensure we had a large (1000+) sample in each.