

The importance to customers of debt support information from providers – key research findings and conclusions

Background

Making sure people in debt or struggling to pay are treated fairly by their communications provider is a priority for Ofcom. While a relatively small proportion of telecoms customers tend to fall into arrears, debt can be stressful and can have a significant impact on a person's mental health¹. We monitor levels of customer debt and rates of disconnection for non-payment in the telecoms sector. Our most recent analysis shows that the proportion of customers in arrears who have missed two or more regular payments has remained stable with less than 1% of fixed telecoms customers and those with mobile contracts in arrears by two or more payments in the year to June 2023.²

Because of the impact being in debt can have on customers, including that debt can lead to disconnection of communication services, [Ofcom's Guide on Treating Vulnerable Customers Fairly](#) encourages communication providers to take extra measures to ensure that customers who are in debt or struggling to meet their regular payments are treated fairly. This relates particularly to engagement with the individual customer and emphasising available support, links to free debt advice organisations, taking measures to effect payment, and social tariffs. The guide also contains practical measures for providers on a range of other areas to ensure vulnerable customers are treated fairly.

As part of our work monitoring the treatment of vulnerable customers in the UK telecoms market, we wanted to gain a greater understanding of consumers' experiences of their interactions with their communications providers in relation to the provision/prominence of information about debt support available to them. In particular we wanted to hear about consumers' direct experiences and what they might do if in future they were unable or struggling to pay.

In November 2023, Ofcom commissioned research among 1,104 UK adults aged 18+ to help provide insight into telecoms customers' experience of debt since the start of 2023. The focus of the research was to understand whether account holders who had missed at least one payment during that year³ had received any debt support information from their providers, and whether (if at all)

¹ Money and Mental Health Policy Institute (2018), [A Silent Killer. Breaking the link between financial difficulty and suicide](#), page 5.

² Ofcom (12 December 2023), [Pricing trends for communications services in the UK](#). Page 46-47.

³ Consumer debt figures in this consumer research differ from debt data published in the latest report on [Pricing trends for communications services in the UK](#). This is due to different methodological approaches and the periods of time covered. The consumer research reflects customers' claimed debt experience and covers

account holders had personally looked for this information. We also wanted to understand, in general, where account holders would look for information about debt support if they were unable or struggling to pay in future.

What the research found

Our consumer research found that over nine in ten (94%) account holders of landline, fixed broadband and/or mobile services had not missed a telecoms payment since the start of 2023, while 93% of our sample had not looked for any telecoms debt support information during the same period.

Five percent of our sample were account holders for landline and/or fixed broadband and/or a mobile service and claimed to have missed one or more telecoms payment since the start of 2023.

While only indicative, around half (53%) of those who claimed to have experienced debt in 2023 recalled receiving information from their provider indicating that they offer support to customers who are unable or struggling to pay their bill⁴.

Telecoms customers who looked for information about debt support were most likely to have looked to their provider for this information, with websites, phone calls and written information playing an important role:

- Just over 4 in 5 of those who had looked for information about debt support⁵ had turned to their provider (83%).
- Of those who turned to their provider for debt support information⁶, visiting their provider's website and contacting their provider by phone or in writing (e.g. via email or letter) were the most popular sources.
- Our research found that those who had looked for support information through their provider, were able to find it from the sources they looked at.

Among those with no claimed experience of telecoms debt in 2023, provider websites, phone calls and written information could also play an important role as potential sources of information should they find themselves struggling or unable to pay:

- When asking respondents who had not missed a payment in 2023 where they would think to look for information about debt support if they were unable or struggling to pay, the most popular sources for advice were their providers (48%), friends and family (32%) and a charity/organisation that gives free debt advice (22%).

any missed payment in the period between January and November 2023, whereas data from the Pricing trends report was collected from providers directly and covers both one as well as two or more missed payments in the period from July 2022 to June 2023. The consumer research focuses on one missed payment as the aim was to understand the level of proactive communication by telecoms providers in relation to customer debt and available support in 2023, as well as the provision/prominence of debt support information, whilst the Pricing trends report looked at debt in the context of customers in arrears being at risk of service restriction or disconnection, hence putting emphasis on the proportion of customers with two or more missed payments.

⁴No respondent with experience of debt in 2023 stated that they had not been sent debt support information from their provider, while 47% were unsure. This may be due to some consumers having difficulty recalling any debt support information they received, given that this could have been up to 11 months earlier (Fieldwork was conducted in November 2023).

⁵Caution: low base size (<100 respondents)

⁶Caution: very low base size (<50 respondents) – indicative only

- When asked specifically about debt support information available through their provider, the most popular sources were provider websites (53%) and direct contact with their provider by phone or in writing (51%), whilst around one in five would turn to provider apps (17%) and online accounts (18%).

Conclusions

The research evidence points to telecoms customers primarily looking to their provider for information about the support available if they find themselves in debt or struggling to pay. Providers should proactively and prominently emphasise the support available and ensure that related information can easily be found on their websites⁷. With this information easily available, customers may be encouraged to contact their provider about their situation, which can open up an important conversation about their financial situation and options available, e.g. a payment plan or payment deferral, and/or offering tariff advice such as switching to a cheaper or social tariff.

The research also confirms that people mainly look for this information on the provider website and by contacting the provider by phone or in writing. This highlights the importance of providers ensuring that this information is easy to find on providers' websites and that providers offer a wide range of communications channels to their customers⁸.

It is positive to see that almost all customers who looked for information were able to find it from their provider. One thing we note from the research, although only indicatively, is that only around half of those who experienced telecoms debt in 2023 were able to recall receiving information from their provider about debt support, with the remainder saying they were unsure if they had received this information. This may point to providers' communication of debt support when a customer misses a payment not yet being as effective as it could be.

Following on from this research Ofcom will continue to monitor how providers are supporting customers who find themselves in debt or struggling to pay, alongside the other areas we identified in our vulnerability guide.

⁷ See [Guide on Treating vulnerable customers fairly](#), page 23, para 4.56, first bullet.

⁸ See [Guide on Treating vulnerable customers fairly](#), page 23, para 4.56, first bullet and page 14, para 4.12 and 4.13.