Consumers’ views on switching service providers

Analytical Report

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Consumers’ views on switching service providers

Survey conducted by The Gallup Organization, Hungary upon the request of the European Commission, Directorate-General “Health and Consumer Protection”

Coordinated by Directorate-General Communication

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THE GALLUP ORGANIZATION
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Introduction

This Flash Eurobarometer survey on “Consumers’ views on switching services, including services of general interest (SGI)” aimed to collect policy relevant information about consumers’ experience of switching providers and their ability to compare offers from various suppliers in several service sectors, including SGI. Topics of the survey included:

- Usage of services
- Comparability of offers
- Experience in switching
- Reasons why consumers do not switch
- Reactions to potential facilitators that could increase mobility in the SGI and other markets
- Perceptions of recent price developments

The surveyed services were:

- Current bank accounts
- Savings and investment products
- Mortgage loans
- Long-term loan arrangements
- Car insurance (for third party liability)
- Home insurance
- Internet services (broadband)
- Fixed telephone services
- Mobile phone services
- Electricity supply services
- Gas supply services (mains and bottled)

This analytical report includes the average results for the EU and highlights the variances in responses based on the interviewees’ country of residence and socio-demographic background.

The fieldwork was conducted from 27 June to 1 July, 2008. Over 27,000 randomly selected citizens aged 21 and over were interviewed in the 27 EU Member States. Interviews were predominantly carried out via fixed-line telephones, approximately 1,000 in each country. Due to the relatively low fixed-line telephone coverage in Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia, face-to-face (F2F) interviews were also conducted (700 telephone and 300 F2F interviews) in those countries. Note: Flash Eurobarometer surveys systematically include mobile phones in samples in Finland and Austria.

To correct for sampling disparities, a post-stratification weighting of the results was implemented, based on the main socio-demographic variables. More details on survey methodology are included in the Annex of this report (section 7. Survey details).
Main findings

- A significant proportion of the respondent of this Eurobarometer survey find it hard to compare offers. On average, for all the surveyed sectors, 30% of consumers state that they had at least some difficulties comparing offers from different service providers. A higher than average proportion of respondents reported difficulties when comparing offers from the retail financial services that were included in this report (e.g. 40% of consumers had difficulties comparing offers from savings or investment providers and 39% of consumers had similar issues with mortgage offers).

- The proportion of consumers that switched their service provider in the last two years varies according to sector. The highest rates are seen for car insurance (25%), broadband Internet (22%), mobile telephone (19%) and fixed telephone (18%). The lowest rates are seen in the energy sector, where monopolies are common and for financial services such as current bank account (9%) and long term loans (10%).

- Considering those who intended to switch, the highest percentages of consumers that reported difficulties with switching were seen for Internet (7%), fixed telephone (4%), mobile telephone (3%) and mortgage credit (3%). There were also consumers that did not try to switch because they thought it might be too difficult. The highest rates in the latter category appear (besides energy due to monopoly issues) for the following sectors: long term credit (4%), current bank account (4%), mortgage credit (4%), savings and investments (3%).

- The majority of consumers that switched reported that their decision to change providers was beneficial from a financial point of view. On average, for all the services included in this study, 69% of those who switched found a cheaper provider. The services where this proportion is even higher are car and home insurance, fixed telephone services, long term credit and mortgage credit. The survey only focused on the financial outcome of the switching decision without inquiring about the other benefits that consumers have obtained from their switching decision.

- It is noteworthy that while 69% of those who switched found a cheaper provider (on average for all surveyed services), many consumers are not interested in switching. The proportion of consumers that reported a lack of interest in switching ranged between 70% and 80%, depending on the service type.

- The most common reason given by consumers that did not switch providers was that "the current provider offers the best value for money" (average of 39% of respondents for all services). This answer was chosen by a large percentage of consumers in Spain (50%), Portugal (49%) and Poland (47%) while smaller percentages selected this answer in Cyprus (15%), the Czech Republic (24%) and Slovenia (25%). Other answers blamed the lack of an alternative provider (6%) and the small savings they estimated they would obtain (6%). The lack of an alternative service provider was given as a reason mainly for energy services. The services where consumers considered that the savings that can be obtained from switching were too small were current account and savings or investments. These (along with energy) are also the services with the lowest percentage of consumers that considered their current provider to be offering the best value for money. Contractual stipulations that make it difficult to switch was selected by a higher percentage of consumers of mortgages, long term loan and internet. While very few consumers answered that they did not know it is possible to switch, the percentage was higher for long term loan. Financial services had the highest percentage of consumers saying that the cost and effort required in switching is too large, relative to the benefits.
The survey presented several tools that could facilitate the process of switching. Of all the options that were presented, consumers favoured the following the most: "a switching process that costs nothing" (32% of respondents), "standardized comparable offers from providers" (29%) and "a website that tell you which provider is the cheapest" (29%). The services where the highest number of consumers showed their interest for tools that could facilitate switching were: internet, long-term loan and mortgages.

Consumers were also interviewed about their perception on price changes in the last 12 months. The highest percentage of consumers that reported increased prices were for gas (64%) and electricity services (59%) while the lowest percentage of consumers that reported increased prices were for Internet (9%) and mobile telephone services (12%). The services were most consumers reported decreases in prices were car insurance (22%), internet (18%) and mobile telephone services (17%). The net difference between the percentage of consumers that reported price increases and those that reported price decreases offers a summary of the perceived market evolution. For this criterion energy and financial services had the biggest percentage points difference. The countries with the highest net difference were Cyprus (34 percentage points was the difference between consumers that reported price increases and those that reported price decreases), Spain (33pp), Romania (31pp) and Latvia (30pp). The smallest net difference was seen in Germany (3pp), Denmark (3pp) and UK (9pp).

At EU level, in service sectors with higher mobility (e.g. more consumers change providers) consumers are less likely to report price increases, and the overall balance of positive and negative reports are generally more favourable compared to service sectors where provider switching is rather an exception.

The price evolutions included in this survey are based on the reports provided by consumers and may differ from the actual market situation.

The Eurobarometer survey data is also analysed from the perspective of vulnerable consumers. These are defined in this context as having at least four of the following characteristics: older than 65 years, living in rural areas, having a low level of education (having left school before the age of 16), not working (but not in education) and having no access to internet. The survey shows that, compared to other consumers, the vulnerable ones are less likely to use the services included in the survey. This is especially true for mobile phones – only 48% of vulnerable consumers use them versus 86% for the rest of the population. Large differences are also common for financial services.

Comparing offers is more difficult for vulnerable consumers who also switch their service providers less. Also, the tools that could facilitate switching presented less interest for vulnerable consumers.
1. Overview

This Flash Eurobarometer (FL243 - Consumers’ views on switching service providers) was carried out in order to investigate the experience consumers have with switching providers in four specific service areas: retail banking, insurance, energy and telecommunications.

The survey initially identified the users of 11 service areas, e.g. mobile phone network contracts, home insurance policies, mortgages, gas and electricity supplies, etc. within those four major categories. It then inquired about consumers’ experiences switching providers, assessed the difficulties that they encountered in making such a move and the potential mechanisms for facilitating the process. This first section provides an overview: looking at the opinions of the total EU consumer base for each type of service. In subsequent sections, the report provides an analysis of the individual services by Member State and the consumers’ socio-demographic background.

1.1 Usage of services

The first part of the interviewing process was a short screening section where the consumer base for each service type was identified in order to determine the basis for the subsequent questions that were presented to the users of the various services. Note: the results have to be treated as technical variables that facilitated how the later sections of survey were conducted: they were not designed to actually measure the extent to which each of these services are used in each Member State, several of these services were in interaction with the survey mode (e.g. telephone services, electricity).

The most widespread of the investigated services, and probably of any similar services in the EU, was the electricity supply. The interviewing method (in most Member States the Eurobarometer was conducted on “electricity-dependent” fixed-line telephones) already implied a 100% confirmation rate. The other mode-dependent answer patterns were for fixed-line and mobile telephones; the patterns
observed were not independent from the survey methodology applied, and they were not uniform in each Member State.

Ignoring these mode-dependent services, the ownership of a current bank account is the service with the highest penetration rate: 87% of EU citizens have such an account. Two-thirds (66%) have car insurance and a similar number (65%) said they have home insurance. Slightly fewer (62%) respondents reported using an Internet service (either dial-up or broadband, see section 4.3), and 53% have a mains (fixed-line) gas supply. Overall, 70% of respondents use energy either from bottled gas – LPG, used by 21% of respondents – or mains / fixed line gas (these two groups are combined in the further analysis that refers to “gas supply” service users). Finally, the two retail banking products are used by about a fifth of our sample: mortgages are held by 22% and long-term credit loans (e.g. lasting more than 12 months) have been taken out by 19% of respondents.

Amongst the EU Member States the average national penetration rate for all of the above services is the highest in the Netherlands, followed by Belgium, Luxembourg, the United Kingdom, France and Denmark where on average three quarters of the population use the surveyed services. The lowest consumer rate was reported in Bulgaria and Romania where on average less than half of the population use these services.

Using services or providers, aggregate average for all services

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</tbody>
</table>

Q1. Could you tell me which of the following services or providers do you use?

1.2 Comparability of offers

Service providers are sometimes criticised because their offers are difficult to understand. This can result in difficulties in reviewing and evaluating competing offers. In the survey, such concerns were voiced by an important part of European consumers. Difficulties with comparing offers were most widely reported in the retail banking services sector. On average, over a third (37%) of those respondents indicated that they had a problem comparing the offers from the various providers; for savings/investment products and mortgages in particular, about four out of 10 citizens indicated that the offers were difficult to compare. The offers from telecom providers and the offers for car and home insurance were the easiest to evaluate: on average, just a quarter of respondents reported difficulties and the five individual services from those two sectors were in the top five positions when it came to ranking the degree to which the offers were understandable.
1.2 Comparability of offers

This “ease of understanding” ranking was topped by the offers from Internet\(^1\) service providers. They were considered to be the easiest type of offer to compare (regarded as such by two-thirds – 67% – of EU consumers), followed by offers concerning third-party liability car insurance and mobile phone services (both 64%).

The issue of energy providers introduces a further element into the analysis. Between one-fifth and a quarter of citizens did not - or could not - provide an opinion on the question concerning the comparability of offers. Of course, for all other services we have a segment of respondents (usually about 10%) that were not sure how comparable the offers of various providers or products were. This may have been because some of the services that people use are relatively old and they do not have sufficient knowledge about the current situation, or how easy they were to compare. It may also be that the consumers have never attempted to compare offers from several suppliers. In the energy sector, a large proportion of citizens also thought that no alternative providers existed (see later in this section or in section 5); the question about the comparability of offers was therefore not relevant.

Overall, 28% of Europeans thought that the offers from energy providers were difficult to compare; the difference between gas (27%) and electricity (29%) was minimal.

\(^1\) From this point onwards in the report, “Internet users” are assumed to be those who subscribe to a broadband Internet service (i.e. dial-up customers have been excluded).
1.3 Consumers switching providers

Looking at the replies combined for all service areas, Austrian consumers are most likely to indicate that the offers of the providers are (very or fairly) difficult to compare; the average for all services is 41%. The average was similarly high in Denmark, Czech Republic (both 38%), Italy and Germany (both 37%), too. Estonian consumers are least likely to confirm that offers are difficult to compare, however the relative low proportion does not mean that many of them do find these easy to compare.
1.3 Consumers switching providers

Third-party liability car insurance was the service where most consumers switched providers, i.e. where there was the greatest amount of churn\(^2\): a quarter of all policy holders changed providers during the past two years in the EU. Next in the list were the telecom services: Internet (22%), mobile phone (19%) and fixed-line telephone services (18%). This made the telecom sector the most prone to provider switching, with an average churn rate of 20%.

Switched service providers

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Churn Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car insurance (for third party liability)</td>
<td>25</td>
</tr>
<tr>
<td>Internet service</td>
<td>22</td>
</tr>
<tr>
<td>Mobile telephone services</td>
<td>19</td>
</tr>
<tr>
<td>Fixed telephone services</td>
<td>18</td>
</tr>
<tr>
<td>Mortgage loan</td>
<td>13</td>
</tr>
<tr>
<td>Savings or investments</td>
<td>13</td>
</tr>
<tr>
<td>Home insurance</td>
<td>13</td>
</tr>
<tr>
<td>Long term loan</td>
<td>10</td>
</tr>
<tr>
<td>Current bank account</td>
<td>9</td>
</tr>
<tr>
<td>Electricity supply services</td>
<td>8</td>
</tr>
<tr>
<td>Gas supply services</td>
<td>7</td>
</tr>
</tbody>
</table>

On average, 11% of users of retail banking services changed providers or products during the past two years; the most likely to change were the holders of mortgage and investment products (both 13%), while only 9% changed their existing accounts and 10% their long-term credit arrangement. Energy was the sector where EU respondents were the least likely to switch: 7% switched their gas supplier (including LPG) and 8% changed their electricity provider.

Most consumers did not switch services because they did not want to: about 70-80% said they did not switch because they were not interested in a change or cited other reasons not related to the difficulties of switching, see details by service area in sections 2 to 5. However, some citizens were deterred from switching by the amount of effort necessary to complete the task.

Adding those who were discouraged from changing due to the perceived difficulties to those who actually tried to change providers, a group that was interested in switching was created. Within this group, the chart (titled “Ease of switching” below) shows the proportions of those who were able to

\(^2\) Definition of “churn”: for any given period of time, this is the number of participants who discontinue their use of a service divided by the average number of total participants.
switch easily, those who were able to switch with difficulties, those who tried but gave up and those who did not even try because of the perceived difficulties.

24
17 16 16 15 14 14 13 12 12 11 11 11 11 10 9 9 9 9 9 9 8 8 8 7 ...

Mean switching rate by country, average of all services

Considering the average of all services investigated, the switching rate is the highest in the UK (24%). This figure ranges between 6% (Slovakia) and 17% (in Greece).

Switching was seen to be the easiest for the two insurance services that were included in this survey: 79% of those who were interested in changing car insurance (for third-party liability) said they were able to do so without difficulties and 72% of those who were thinking of changing their home insurance policy also had no problems (see chart on next page).

Overall, just a quarter of respondents reported (preventive or non-preventive) difficulties connected to switching suppliers in the insurance sector. The perceived difficulties that prevent consumers from switching providers are the least influential in the car insurance sector: only 6% (of those interested in making a switch) said they were thinking about switching but did not try to do this, considering it too troublesome. For home insurance, this proportion was higher, at 13%.

These perceived difficulties were also not so important when it came to switching telecommunication providers (9%-13%, depending on the service), although the switching itself was more difficult. Overall, 38% of respondents using telecom products (of those interested in making a switch) indicated the existence of barriers. Changing mobile telephone services was seen as the easiest: seven out of 10 people found it to be trouble-free (70%). Switching a fixed-line telephone service was considerably more difficult (62% found it easy), but not as complicated as changing one’s Internet service provider. Only half of those interested in making such a switch (53%) reported that the switch took place easily and a quarter said the change involved difficulties.

Switching banking services was found to be difficult by 43% of those who did not want to stay with their current product or provider. The perceived difficulties that deter consumers from even trying to switch was stronger here: a quarter (27%) did not try to switch their long-term credit arrangements due to such difficulties, as did a similar number in regard to their current account, 21% regarding mortgages and 19% with respect to savings/investment products, possibly due to the expected extra costs. However, those who attempted to switch their service actually reported fewer difficulties than those who tried to do the same in the telecom sector (savings/investments: 10%, mortgages: 14%, current accounts: 10%, long-term credit arrangements: 11%).

◆ 1.3 Consumers switching providers
Ease of switching

<table>
<thead>
<tr>
<th>Sectoral averages</th>
<th>Anticipated or experienced difficulties</th>
</tr>
</thead>
<tbody>
<tr>
<td>43% Banking</td>
<td>49%</td>
</tr>
<tr>
<td>25% Insurance</td>
<td>49%</td>
</tr>
<tr>
<td>38% Telecom</td>
<td>52%</td>
</tr>
<tr>
<td>51% Energy</td>
<td>55%</td>
</tr>
</tbody>
</table>

Q. Have you tried to switch your (INSERT THE APPROPRIATE SERVICE PROVIDER) in the last two years?
Base: users who did not want to stay with current provider, %, EU27

Anticipated or experienced difficulties

- Yes, you switched and it was easy
- Yes, you switched but it was difficult
- Yes, you tried to switch but you gave up
- No, you did not try because you thought it might be too difficult

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>Anticipated or Experienced Difficulties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity supply services</td>
<td>49% 8% 33%</td>
</tr>
<tr>
<td>Gas supply services</td>
<td>49% 8% 35%</td>
</tr>
<tr>
<td>Long term credit</td>
<td>52% 11% 9%</td>
</tr>
<tr>
<td>Internet service</td>
<td>53% 25% 9%</td>
</tr>
<tr>
<td>Current bank account</td>
<td>55% 10% 9%</td>
</tr>
<tr>
<td>Mortgage credit</td>
<td>55% 14% 9%</td>
</tr>
<tr>
<td>Fixed telephone services</td>
<td>62% 18% 7%</td>
</tr>
<tr>
<td>Savings or investments</td>
<td>63% 10% 7%</td>
</tr>
<tr>
<td>Mobile telephone services</td>
<td>70% 14% 7%</td>
</tr>
<tr>
<td>Home insurance</td>
<td>72% 7% 8%</td>
</tr>
<tr>
<td>Car insurance (for third party liability)</td>
<td>79% 7% 8%</td>
</tr>
</tbody>
</table>

Once again, switching **energy services** was anticipated to be difficult, whereas in reality the experience was not so bad. Still, according to more than half of the consumers (51%) the switching process was seen as rather difficult due to both perceived and structural barriers. Later in the report, it can be seen that for many respondents the reason for not switching providers was the absence of an open market for energy supplies in their local area. This should be considered when we look at the fact that one-third of EU27 citizens (of those who recently considered switching / or had switched their provider) did not even try to switch due to anticipated obstacles (electricity: 33%, gas: 35%). On the other hand, for those who actually did swap providers, the process was relatively easy: only 8% (gas) and 10% (electricity) of respondents reported any difficulties in the process.
1.4 Reported price levels with the new provider

The survey attempted to measure the perceived benefit obtained by the consumers who switched their services providers. For now it only focused on the aspect of price, by comparing the differences between the new and the old provider.

The chart below ("Price with the new provider") presents an overview for the various types of service in this regard.

### Price with the new provider

#### Sectoral averages

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Cheaper price with the new provider</th>
<th>More expensive</th>
<th>Same price</th>
<th>Cannot tell if cheaper or more expensive</th>
<th>DK/NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car insurance (for third party liability)</td>
<td>85%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>62%</td>
</tr>
<tr>
<td>Home insurance</td>
<td>79%</td>
<td>19%</td>
<td>3%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Fixed telephone services</td>
<td>72%</td>
<td>11%</td>
<td>8%</td>
<td>4%</td>
<td>64%</td>
</tr>
<tr>
<td>Long term credit</td>
<td>70%</td>
<td>13%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Mortgage credit</td>
<td>70%</td>
<td>11%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Gas supply services</td>
<td>69%</td>
<td>10%</td>
<td>11%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Electricity supply services</td>
<td>69%</td>
<td>10%</td>
<td>11%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Mobile telephone services</td>
<td>66%</td>
<td>15%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Savings or investments</td>
<td>59%</td>
<td>17%</td>
<td>14%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Current bank account</td>
<td>58%</td>
<td>20%</td>
<td>12%</td>
<td>7%</td>
<td>7%</td>
</tr>
</tbody>
</table>

#### Q4A. What was your experience of switching your (INSERT THE APPROPRIATE SERVICE PROVIDER)?

Base: users who switched service providers, %, EU27

- Cheaper price with the new provider
- More expensive
- Same price
- Cannot tell if the new provider is cheaper or more expensive
- DK/NA

#### Insurance

Insurance is the sector with the largest majority of consumers who benefited from a lower price with their new supplier: on average, 82% of respondents switched to a cheaper service. Looking at the subtypes, 85% of those who switched their mandatory car insurance found a better price with the new provider and 79% indicated the same among those who changed their home insurance policy in the past two years. Virtually nobody changed their policy to a more expensive one (car: 3%, home: 4%). Overall, approximately only one in 10 consumers made a decision where either the new policy had the same price or they did not know if there was a difference; car: 10%, home: 14%).

The switching decision for the other sectors also brought lower prices for the majority of respondents. The price with the new provider was cheaper according to 69% of those who switched energy services, 68% who switched their telecom provider and 64% who replaced a banking product.

Only a few consumers reported switching to a more expensive service. Changing to a more expensive service was most often reported in the case of Internet services: one in 10 consumers who changed their product or provider changed to a more expensive one (10%).

There seem to be significant differences across Member States when aggregating the opinions of those switched providers. Considering all the services, on average the German consumers are most likely to
believe that the new provider is cheaper than the old provider (82%). Three quarters of those changing providers in Austria, Slovenia and the United Kingdom share the same view. At the same time, most Slovak, Bulgarian and Maltese consumers do not confirm such a benefit, as only every third consumer believes that the new provider is cheaper than the old provider.

The new provider is cheaper than the old provider, aggregate average for all services

Q4a. What was your experience of switching your (INSERT THE APPROPRIATE SERVICE PROVIDER)?

% "The new provider is cheaper than the old provider" shown

Base: users of the particular services
1.5 Reasons for not switching providers

In the survey, respondents were asked to give the main reason that they did not change providers in the past two years. Those who did not switch were asked to indicate the single main reason why they remained with their current supplier. The rankings of the various reasons were generally identical for each service area, with the current provider offering good “value for money” reason topping the list for each one.

Structural barriers (e.g. that according to respondents there were no alternatives on the local market) were important reasons for not switching their energy provider. In addition, the belief that the current provider could not be replaced was a factor cited relatively more often with regard to trying to change electricity and gas suppliers, as well as for long-term loan arrangements.

The most widespread reason for not switching providers was the belief that the current provider was giving the best value for money. This was especially true for services where the consumers
reported obtaining a lower price after they switched providers: third-party liability car insurance (49% claimed they did not switch because the current product or provider offered the best “value for money”), mobile phone contracts and home insurance policies (both 46%) and Internet services (44%). The users of energy services (27% for gas and 26% for electricity) were the least likely to believe that they were receiving the best value for money. However, the decisions of people to stay with their existing “current account” provider (34%) or investment product (35%) were also rarely justified by statements that they were getting good value for the money compared to other services.

For these two financial services, some consumers considered that the amount that could be saved by switching is too small. Furthermore, these were among the services which were considered by most consumers to be too expensive to change: 6% thought that switching these services required too much money and effort. The other two banking services also ranked high in this regard: 7% of respondents were prevented by these reasons from changing their mortgage provider and 6% had similar concerns about changing their long-term credit arrangements and Internet service.

Banking services were also believed to have service contracts that penalised switching; 9% of mortgage owners and 8% of respondents with long-term credit arrangements believed that their contract made switching difficult, so they were better off if they stayed with their current provider or product. Six percent of Internet users and 4% of mobile phone users shared this concern; for the other services this claim was rare.

Information was not seen to be a primary issue, but generally 4%-6% of respondents agreed that the absence of a standard comparison framework made it difficult to determine which competitor had the cheapest offering in the various service areas.

Finally, the second most cited category was that of “other” reasons. The variation of the extent to which consumers indicated such a reason for not switching providers did not vary much across service types: between 26% and 33% cited “other” reasons for not changing them, most often for savings and investment products (33%). Due to cost limitations the Eurobarometer did not explore this issue further.
We also analysed the most widespread reason given for staying with current provider, which is that the current provider offers the best value for money, by looking at the average for all services in each Member State.

**Your current provider offers the best value for money, aggregate average for all services**

If we combine all services, it is in Spain, Portugal, Poland and Latvia that the majority of consumers responded this, where (almost) every second consumer had this opinion, signalling an overall satisfaction with the services received. However, only 15\% of the Cypriots shared this view and less than three out of ten were satisfied in Sweden, France, Bulgaria, Malta, Hungary, Slovenia and the Czech Republic as well.
1.6 Tools that facilitate switching

Consumers (users of each of the specific services) were asked to evaluate a number of tools to see if they could help them to decide about retaining a service provider or changing to a new one. As the table below indicates, the most wanted “tool” was a switching process that costs nothing: on average, a third (32%) of consumers indicated that this would help them. The other two highly-regarded areas of assistance were both related to information: the ability to have standardised comparable offers and a website where the various offers were compared.

For about one in five consumers, a key factor was the ability to have an easier process: on average, 19% mentioned a rapid switchover (e.g. within given working days, specified for each service, see survey questionnaire) and 14% agreed that specialised agencies could help them to switch providers. Additionally, 17% would favour shorter contract periods.

The most cited tool - switching that does not involve any costs on the consumer side - was especially favoured by the users of Internet services, and by holders of mortgages and other long-term loans.

### Appreciation of the various proposed facilitators of provider switching (average for all service types, EU27)

<table>
<thead>
<tr>
<th>Tool Description</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>A switching process that costs you nothing</td>
<td>32</td>
</tr>
<tr>
<td>Standardized comparable offers from providers</td>
<td>29</td>
</tr>
<tr>
<td>A website that tells you which provider is the cheapest</td>
<td>29</td>
</tr>
<tr>
<td>A rapid transition period</td>
<td>19</td>
</tr>
<tr>
<td>A shorter contract period</td>
<td>17</td>
</tr>
<tr>
<td>The switching process is handled by an agent/agency</td>
<td>14</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
</tr>
<tr>
<td>DK/NA</td>
<td>19</td>
</tr>
</tbody>
</table>

#### Tools potentially facilitating market mobility

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>36</td>
</tr>
<tr>
<td>Mortgage</td>
<td>33</td>
</tr>
<tr>
<td>Mobile tel.</td>
<td>31</td>
</tr>
<tr>
<td>Savings, investm.</td>
<td>30</td>
</tr>
<tr>
<td>Car insurance</td>
<td>29</td>
</tr>
<tr>
<td>Home insurance</td>
<td>29</td>
</tr>
<tr>
<td>Fixed tel.</td>
<td>27</td>
</tr>
<tr>
<td>Electricity</td>
<td>25</td>
</tr>
<tr>
<td>Current account</td>
<td>23</td>
</tr>
<tr>
<td>Gas</td>
<td>22</td>
</tr>
<tr>
<td>Long-term loan</td>
<td>39</td>
</tr>
<tr>
<td>Mortgage</td>
<td>28</td>
</tr>
<tr>
<td>Home insurance</td>
<td>18</td>
</tr>
<tr>
<td>Savings, investm.</td>
<td>15</td>
</tr>
<tr>
<td>Car insurance</td>
<td>15</td>
</tr>
<tr>
<td>Internet</td>
<td>14</td>
</tr>
<tr>
<td>Mobile tel.</td>
<td>13</td>
</tr>
<tr>
<td>Home insurance</td>
<td>12</td>
</tr>
<tr>
<td>Current account</td>
<td>12</td>
</tr>
<tr>
<td>Gas</td>
<td>11</td>
</tr>
</tbody>
</table>

#### Question Q5a.

1.6 Which of the following would persuade you to consider switching your current bank account provider? Select as many answers as you consider relevant for you.

- Internet
- Mortgage
- Electricity
- Home insurance
- Savings, investm.
- Car insurance
- Mobile tel.
- Home insurance
- Savings, investm.
- Mortgage
- Internet
- Long-term loan

*The number of days for the maximum duration of the transition period was specified for each service.

Base: those who did not switch providers, %, EU27
However, the users of these particular services (i.e. Internet services, mortgages and other long-term loans) were also the ones that were the most likely to say that any kind of assistance would be useful to help them to decide about switching to a new provider.

There were only three “tools” aimed at increasing switching where the top three markets did not consist of those services, i.e. Internet services, mortgages and other long-term loan arrangements. The first of these was the specialised agency for handling provider or product switching; users were less likely to find this idea to be potentially useful if they wanted to switch Internet services, it ranked behind insurance products and savings-investments. The other two were “shorter contract periods” and “rapid transition”, where mobile telephone service was in the top three service areas.

A look at the bottom end of each of these rankings is actually more telling. Information tools, e.g. standardised offers and a consumer assistance website, were regarded as the least important in the service areas where there are a finite number of players and the services are rather simple, i.e. energy supplies and fixed-line telephones.

Switching that did not involve any additional costs for the user was less likely to facilitate market mobility in the domains of energy supplies and fixed-line telephone services. Short transition periods as well as more limited contract periods were the least important factors for car insurance policy-holders.

Standardised comparable offers were on average (considering all service areas) most preferred by Irish (53%) and British (52%) respondents; in both countries consumers are significantly more interested in such a tool compared to other Member States. Least likely were Maltese (11%) and Portuguese (13%) consumers that uniform, directly comparable offers would help them to choose another provider.

![Standardized comparable offers from providers, aggregate average for all services](image)

Q5_2. Which of the following would persuade you to consider switching your current (INSERT THE APPROPRIATE SERVICE PROVIDER)?

% „Standardized comparable offers from providers”

Base: total

◆ 1.7 Recent changes in price
1.7 Recent changes in price

Finally, in order to better understand whether consumers have benefitted from competition by obtaining lower prices even if they had not switched, respondents were asked whether or not their service provider’s prices had changed in the past year, and if yes, in which direction.

Users in huge numbers reported price increases with energy suppliers, where the reports of price increases outnumbered the reports of reductions, on average, by 58 percentage points (shown as a net difference on the chart below, under “Direction of change”). The difference between gas and electricity was rather limited compared to other service areas; however more people reported increased gas prices (+61) than did increased electricity prices(+55). In the other service areas, most users reported stable prices.

The average difference between the reported increases and reductions was relatively high and unfavourable for the consumers in the banking and especially the crediting sector (with the balance leaning towards price increases, +13 percentage points), primarily due to the reported price increases in the mortgage contracts (+20). In contrast, the costs related to savings products were much less likely to be increasing (+7).

The overall figure was somewhat lower in the insurance sector (+9) compared to banking, with a great discrepancy between the car insurance (where only 39% reported stable prices but almost as many reported decreases as increases, resulting in a close-to-zero net difference of +3) and home insurance sectors, where significantly more users reported price increases than reductions (+14).

### Recent changes in price (perceptions)

<table>
<thead>
<tr>
<th>Sectoral averages</th>
<th>Direction of change (NET diff. between increased and reduced)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking</td>
<td>+13</td>
</tr>
<tr>
<td>Insurance</td>
<td>+9</td>
</tr>
<tr>
<td>Telecom</td>
<td>-4</td>
</tr>
<tr>
<td>Energy</td>
<td>+58</td>
</tr>
</tbody>
</table>

Q6. Which of the following has your present [INSERT THE APPROPRIATE SERVICE PROVIDER] done in the last 12 months?

- They increased the price
- The price of the service remained the same
- They reduced the price
- You could not tell if the price of the service changed
- DK/NA

<table>
<thead>
<tr>
<th>Service</th>
<th>Increased</th>
<th>Remained</th>
<th>Reduced</th>
<th>Increased or Decreased</th>
<th>DK/NA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet service</td>
<td>9</td>
<td>61</td>
<td>21</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>Long term credit</td>
<td>19</td>
<td>58</td>
<td>2</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td>Fixed telephone services</td>
<td>16</td>
<td>57</td>
<td>4</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Mobile telephone services</td>
<td>12</td>
<td>56</td>
<td>4</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Savings or investments</td>
<td>13</td>
<td>54</td>
<td>3</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Current bank account</td>
<td>16</td>
<td>52</td>
<td>2</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Home insurance</td>
<td>24</td>
<td>50</td>
<td>2</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Mortgage credit</td>
<td>27</td>
<td>50</td>
<td>2</td>
<td></td>
<td>2</td>
</tr>
<tr>
<td>Car insurance (for third party liability)</td>
<td>25</td>
<td>39</td>
<td>1</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Electricity supply services</td>
<td>64</td>
<td>42</td>
<td>1</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Gas supply services</td>
<td>64</td>
<td>42</td>
<td>2</td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>
The balance was negative in the telecom services sector (-4) thanks to the Internet service users, who reported reduced prices more often than the opposite (-9); the pattern was similar although less pronounced with mobile phone services (-4). In turn, fixed-line telephone users were somewhat more likely to report price increases than reductions (+3).

Telecom services were among those where most users did not report any change at all. These services claimed three of the top four spots (Internet services, mobile and fixed-line phones) when ranked by users according to price stability (see chart “Recent changes in price” above). The other service type in the top four was long-term loan arrangements, where most users indicated that prices did not change.

Averaging out all service types, a great disparity across Member States can be observed. Looking at the indicator that we called “Direction of change” (see graph on the next page), which in fact is net percentage points difference between "increased prices" and "reduced prices", where positive numbers show reports of price increases outnumbering perceived reductions, brings Germany and Denmark in the most favourable position. In both countries the number of favourable and unfavourable reports (that is, price reductions and increases, respectively) were almost on balance in the average of the eleven service and product types investigated – reports of increased prices outnumbered the reported reductions by only +3 percentage points.

No other Member State was close to such balance and none was providing a perception of a general price level decrease. On the contrary, mostly driven by the surging energy prices, this perceived direction of change is in most Member States unfavourable: especially in Cyprus (where the reports of price increases outnumbered contrary indications by +34 percentage points), in Spain (+33), Romania (+31) and Latvia (+30). The reader must note that these perceptions don't necessarily reflect actual price levels or even rates of inflation, they rather show the public’s general perception of recent evolution of the prices of the services discussed in each country.

Q6. Which of the following has your present (INSERT THE APPROPRIATE SERVICE PROVIDER) done in the last 12 months?

Net percentage points difference between "increased prices" and "reduced prices" shown, positive figures mean that those reporting increased prices outnumber those reporting reduced ones.
The table below suggests that in markets with higher consumer mobility (e.g. more consumers changing providers) users are less likely to report price increases, and the overall balance of positive and negative reports are generally more favourable. The level of correlation is 0.76, which indicates a rather strong association between the percentage of switching users and (less unfavourable) price changes.

<table>
<thead>
<tr>
<th>Service area</th>
<th>% switched</th>
<th>direction of reported change in prices (% lower - % higher)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car insurance</td>
<td>25</td>
<td>-3</td>
</tr>
<tr>
<td>Internet service</td>
<td>22</td>
<td>9</td>
</tr>
<tr>
<td>Mobile telephone services</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Fixed telephone services</td>
<td>18</td>
<td>-3</td>
</tr>
<tr>
<td>Mortgage loan</td>
<td>13</td>
<td>-20</td>
</tr>
<tr>
<td>Savings or investments</td>
<td>13</td>
<td>-7</td>
</tr>
<tr>
<td>Home Insurance</td>
<td>13</td>
<td>-14</td>
</tr>
<tr>
<td>Long term loan</td>
<td>10</td>
<td>-14</td>
</tr>
<tr>
<td>Current bank account</td>
<td>9</td>
<td>-12</td>
</tr>
<tr>
<td>Electricity supply services</td>
<td>8</td>
<td>-55</td>
</tr>
<tr>
<td>Gas supply services</td>
<td>7</td>
<td>-61</td>
</tr>
</tbody>
</table>

However, a similar analysis at Member State level shows that the correlation does not exist, indicating that such relationship is not present in every national market of the EU.

1.8 Vulnerable consumers
1.8 Vulnerable consumers

The European Commission policies aim at assisting the most vulnerable consumer groups who are the least competent in switching an existing service provider or in collecting and assessing the various service offers available for them. This survey used an operational definition of vulnerable consumers, determined by the following socio-demographic characteristics:

- aged 65 or older,
- living in rural zones,
- possessing a low level of education (left school at the age of 15 or earlier),
- inactive (but not student),
- and have no access to internet.

For the sake of the following analysis we created an EU-level consumer group where each member fits at least four of the above five criteria (vulnerable group, about 11% of all consumers), and we compared them to the rest of the European consumer sample. Please note that in the tables provided in the Annex, for each question we include the results for this group, compared to non-vulnerable consumers (as part of the socio-demographic breakdowns).

Regarding the usage of electricity and mains gas there is no difference between the target group and the rest of the population (see graph below). There are more LPG users among vulnerable consumers than in other parts of the population. On the other hand, all the other services listed are used to a lesser extent by vulnerable consumers as opposed to others. A spectacular difference is reported in the use of mobile phone services. Only half are mobile phone users, whereas in the rest of the population nine out of ten use mobile phones. Vulnerable consumers barely use banking credit services and, of course, internet (which – or the lack of which – was part of the definition we used to define vulnerable consumers).

Penetration of services

Results also show that vulnerable consumers using services are much less informed about the services investigated than non-vulnerable segments of the society. As a response to the question how difficult it is to compare the offers given by different providers, much more vulnerable consumers have replied
“do not know” than others. Thus, the proportion of those who consider this an easy or very easy task is much lower than in other groups: in the vulnerable customers’ group this ratio is between 35-50% per service, whereas in other groups the ratio of those for who the comparison does not present a problem is between 46-67%. Due to the high number of don’t know answers, vulnerable consumers are in most cases also less likely than the non-vulnerable segment to consider the offers difficult to compare, as the graph below shows.

Comparability of offers
% difficult or very difficult and DK/NA answers by providers

Q2. In general, how easy do you think it is to compare offers from different (INSERT THE APPROPRIATE SERVICE PROVIDER)?
Base: users of the particular services, %, EU27

Switched service providers

Q3. Have you tried to switch your (INSERT THE APPROPRIATE SERVICE PROVIDER) in the last two years?
Base: users of the particular services, %, EU27

In the light of the above described characteristics, it is hardly surprising that vulnerable consumers in general do not change providers as frequently as others. The biggest difference was observed regarding mobile telephone providers, where only 9% per cent of the users classified as “vulnerable” have changed provider as opposed to 20% in the case of others. There is also a significant difference in terms of car insurance where 16% of the vulnerable consumers have changed provider as opposed to the others (25%). Apart from these services, vulnerable consumers change savings or investments providers (5% vs. 14%) as well as internet providers (14% vs. 22%) less frequently.

1.8 Vulnerable consumers
The table to the right provides an overview of the ‘available’ samples for the analysis of the experiences of provider switching among those who reported such a move. 11% of all consumers were classified as vulnerable, they are less likely than others to use most services, and also they are less likely than others to change providers – this results in very low sample sizes as indicated on the table.

The number of switchers is rather low in each of the service areas, however it is particularly low for the banking services: e.g. only 4 people from the vulnerable group changed their long-term credit provider, 13 did so for their mortgage, 48 for savings products and 59 people did switch current account provider. These services are therefore not included in the below analysis, together with internet service, where the number of vulnerable switchers (inseparably from the group definition, see above) is also very low.

Once again, a systematic difference is that those in the vulnerable group who switched providers were much more likely to state that they are not sure if and how prices with their new provider are different, the number of “don’t know” answers outnumber those in the non-vulnerable segment for most services investigated. Exceptions are car insurance, fixed telephone and gas supply service; in these service areas vulnerable switchers were more conscious about the new prices than those in the non-vulnerable segment.

Overall, the proportion who gained a better price with the new provider are not different in the vulnerable and the non-vulnerable group. The graph below shows very little differences in the proportions of those who attained a cheaper price with the new provider – considering the rather large margin of error associated with the above describes sample sizes, these differences are statistically insignificant.

The reasons given by vulnerable consumers why they do not change providers do not present any noteworthy difference when compared to the rest of the population. As the table below shows

---

**Sample size constrains for the analysis**

<table>
<thead>
<tr>
<th>Service</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>credit longer than 1 year</td>
<td>N=4</td>
</tr>
<tr>
<td>internet</td>
<td>N=10</td>
</tr>
<tr>
<td>mortgage credit</td>
<td>N=13</td>
</tr>
<tr>
<td>savings / investments</td>
<td>N=48</td>
</tr>
<tr>
<td>current account</td>
<td>N=59</td>
</tr>
<tr>
<td>gas</td>
<td>N=98</td>
</tr>
<tr>
<td>mobile tel.</td>
<td>N=126</td>
</tr>
<tr>
<td>home insurance</td>
<td>N=136</td>
</tr>
<tr>
<td>car insurance</td>
<td>N=226</td>
</tr>
<tr>
<td>fixed tel.</td>
<td>N=341</td>
</tr>
<tr>
<td>electricity</td>
<td>N=171</td>
</tr>
</tbody>
</table>

---

**Lower price at the new provider**

Q4. What was your experience of switching your (INSERT THE APPROPRIATE SERVICE PROVIDER)?

"The new provider is cheaper than the old provider" is shown

Base: those who switched providers, %, EU27

The reasons given by vulnerable consumers why they do not change providers do not present any noteworthy difference when compared to the rest of the population. As the table below shows

---

1.8 Vulnerable consumers
(averaging out all surveyed services) the overall view of vulnerable consumers about potential burdens in provider switching are very similar to the responses obtained from the non-vulnerable group. One slight pattern prevails: vulnerable consumers are less likely to believe that their current service has the best value for the money, and they are more likely to indicate “other” reasons to stay with the current provider and they are also more likely to reply “don’t know” for this question. Actual barriers are either similarly, or less often reported than in the non-vulnerable group of users.

### Reasons for NOT SWITCHING service providers, by vulnerability

<table>
<thead>
<tr>
<th>Reason</th>
<th>Vulnerable</th>
<th>Non-Vulnerable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your current provider offers the best value for money</td>
<td>36</td>
<td>39</td>
</tr>
<tr>
<td>There is no alternative local provider</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>The amount you could save by switching is too small</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>It is difficult to find out which provider is the cheapest</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>The cost and effort required in switching is too large</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Your contract makes switching difficult</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>You did not know that you can switch</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>32</td>
<td>28</td>
</tr>
<tr>
<td>DK/NA</td>
<td>9</td>
<td>6</td>
</tr>
</tbody>
</table>

In the vulnerable group, compared to others, there was a significantly lower interest in the listed solutions potentially facilitating market mobility (e.g. tools and rules that would enable them to choose a cheaper product or that remove barriers usually present in provider switching). In this group as well, people support the idea that they could be more interested in a change if the switching process costed nothing, although it represents a mere 18% (this is a grand mean for all services) as compared to the rest of the population where it is 33% who support this idea. Generally, the level of “don’t know” answers is higher in the vulnerable segment compared to other consumers.

### Tools potentially facilitating market mobility

```
Q5. Which of the following would persuade you to consider switching your current (INSERT THE APPROPRIATE SERVICE PROVIDER)?

Base: those who did not switch providers, %, EU27

A switching process that costs you nothing: 18 vulnerable, 15 non-vulnerable
Standardized comparable offers from providers: 33 vulnerable, 30 non-vulnerable
A website offering price comparisons: 10 vulnerable, 30 non-vulnerable
A guaranteed short transition period: 9 vulnerable, 20 non-vulnerable
A shorter contract: 8 vulnerable, 18 non-vulnerable
The switching process is handled by an agent/agency: 8 vulnerable, 15 non-vulnerable
```

Generally, price changes affect the vulnerable and non-vulnerable consumer groups similarly. The graph below shows the percentage point difference between reported price increase and reported
decreases in the various services, since last year (that is, the first number on the graph means that the reported increases in gas process outnumbered the reported decreases by 59 percentage points in the vulnerable segment).

Vulnerable consumers are reportedly more likely to face price increases in telephony: for fixed telephone service 15 percentage points more vulnerable consumers report increased prices versus only 1% among non-vulnerable consumers, and in the latter group more consumers reported lower mobile telephone prices (-5) while the general direction among vulnerable users goes in the direction of increases (+6).

Vulnerable consumers have slightly different views regarding the prices of home and car insurance providers, too. In both cases, they are more likely to witness increases compared to non-vulnerable consumers in the EU.

**Recent changes in price (perceptions)**

![Graph showing recent changes in price perceptions]

Q6. Which of the following has your present (INSERT THE APPROPRIATE SERVICE PROVIDER) done in the last 12 months?

"Direction of change", percentage point difference between reported increases and decreases shown

Base: users of the particular services, EU27
2. Retail banking

In the field of retail banking, the survey investigated four product areas: current accounts, savings / investments, mortgages and other long-term credit arrangements. In the following section, we show the results for each of these product areas.

2.1 Current bank accounts

2.1.1. Usage

On average, almost nine out of 10 EU citizens have a current account (87%). In several Member States, virtually all citizens reported the use of such an account: Finland, Denmark, Sweden, Belgium, France, the UK, Estonia, Germany, Greece and Ireland have a penetration rate of between 95% and 99%. It was also reported as being very high (with about nine out of 10 citizens indicating that they use a current account) in the Netherlands, Austria, Malta, Luxembourg, Portugal, Spain and Slovenia (88%-94%).

Generally, the proportion of current account users in the new Member States remained below the EU average. The use of such a service was the least widespread in Bulgaria (40%) and Romania (53%).

The following sections analyse the opinions and experiences of those Europeans using a current account.

The usage of current bank account products was mainly characteristic of people aged 25-54 and those with the highest levels of education. Nine out of 10 of people aged 25-39 and 40-54 (91% and 89%, respectively) used such a product, while only eight out of 10 of those aged 21-24 and aged 55 and over (79% and 84%, respectively) did so.

The use of this type of product also showed a strong link, besides the age factor, with the level of education: 93% of the highly-educated respondents versus 79% of the least-educated ones use a current account. The usage of a current bank account is also low in the non-working group (80%). (See Annex Table 1b)
2.1.2. Difficulty in comparing offers

Comparing the offers of the various providers of current account products was not considered easy for many Europeans (a third found it to be difficult). As described in section 1.2, such offers were considered to be some of the hardest to compare among the 11 services that were surveyed.

Half of the current account users in the EU did not find that comparing providers was difficult: they considered it to be fairly easy (35%) or even very easy (13%). For a third of users this task seemed to be more complicated, 10% believed it was very difficult and 24% indicated that it was fairly difficult.

Comparing the various offers appeared to be the easiest for Lithuanians: a third (35%) claimed that comparing the offers was very easy and another 39% found it to be fairly easy. The other extreme was seen in Italy, where just a third of current account holders considered the various offers to be easy to compare (very easy for 6%), while 15% said that such comparisons were very difficult, and another quarter (27%) said it was fairly difficult. 48 percent of the French found such comparisons to be at least fairly difficult (48%).

Comparing offers was seen to be a relatively simple task in Bulgaria as well, where two-thirds (67%) of the respective consumers indicated that it was fairly or very easy. Other countries with above average proportions of users who considered the task at least fairly easy included the UK (62%), Estonia (61%), Poland (60%) and Latvia (59%).

As mentioned above, the French and the Italians were the most likely to find these tasks difficult; but above average difficulties were also detected in Denmark (42%), Greece and Austria (both 41%), and Sweden (40%) – in each of these Member States difficulties were reported by four in 10 users, or more.

Due perhaps to a lack of recent experience in opening a current account (see the next section with supporting evidence for this hypothesis) but possibly also owing to confusion as to whether or not the offers were easily comparable, 35% of the Dutch, 28% of the Maltese and 25% among the Italians could not answer this question definitively.

### Difficulty in comparing offers from current bank account providers

Q2. In general, how easy do you think it is to compare offers from different current bank account providers?

Base: who use this service provider, % by country
The most significant difference in the ability to compare offers was seen in the various age categories. (See Annex Table 2b). More than half of those aged 21-24 (57%) and 25-39 (53%) thought that comparing offers was rather easy. On the contrary, close to half of those aged 40-54 (49%), and less than half of those aged 55 or over thought so (42%). A relatively large percentage of consumers aged 55 and over did not provide an answer to the question (25%).

According to the level of education, only the least-educated showed a significant variance from the average: 41% thought comparisons were easy and 29% could not give an answer. The number of respondents in the non-working group that could not provide an answer (24%) was also above average. There were no other substantial differences on the basis of the socio-demographic analysis.

### 2.1.3. Difficulties at switching

Being a service less prone to change (see section 1.3 for an overview), just 9% of EU citizens with a current account have attempted to switch providers in the past two years. Effectively, 9% did switch and 1% gave up before completion. Most of those who managed to switch their current account providers found the process to be easy (8% of all current account users), and 1% of all users reported that they found this recent change to be rather difficult.

| Experience with switching current bank account provider in the last two years |
|-----------------|-----------------|
| Yes, switched and it was easy | Yes, switched but it was difficult |
| No, did not try because not interested in switching | No, did not try because thought it might be too difficult |
| No, for other reasons | |

Looking at the individual Member States, Spain (16%), Greece (13%) and France (13%) reported the most users trying to switch current account providers and the same countries had the most users who effectively changed their current account providers (15%, 12% and 11%, respectively). On the other hand, the least numbers of users who tried to switch providers were seen in the Netherlands, Malta and Luxembourg (all 7%).

[Q3. Have you tried to switch your current bank account provider in the last two years?](#)
Most users who did not try to switch providers were not interested in such a change: almost three-quarters (69%) indicated this at the EU27 level. The difficulties around provider switching prevented just 4% of all users from trying to switch providers and 12% had other reasons for not replacing their service provider.

According to the socio-demographic analyses, it was mainly the 21-24 and 25-39 year-old age groups that switched providers (both 13%). In the other age groups, the percentage of those who changed was lower: in the 40-54 year-old age group, 10%, and in the 55 and over age group, 6%.

The highly-qualified respondents switched more often than those with the lowest level of education (12% versus 5%). Based on occupation, the percentage of switchers was highest in the self-employed group (14%) and lowest in the non-working group (7%). (See Annex Table 3b).

### 2.1.4. Price level at the new service provider

In the EU, about six out of 10 users (58%) who changed their provider reported that their new provider was cheaper than the old one.$^3$

Such situations was especially characteristic of German (with 90% considering the new provider to be cheaper) and Hungarian (79%) consumers.

**Price level after switching current bank account provider**

- DK/NA
- Could not tell if the new provider is cheaper or more expensive than the old one
- There is no price difference between the new and the old provider
- The new provider is more expensive
- The new provider is cheaper than the old provider

In some Member States, a relatively high number of switchers claimed that their new service was more expensive: this was most widespread in Slovakia (8%), the Netherlands and Romania (both 9%) – in contrast to an EU average of 2%.

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$^3$ Please note that due to the low proportion of those switching services, the sample sizes by country are rather small. The reliability of the results provided, therefore, for those who switched any service discussed in this report is only indicative and lacks statistical robustness. In the annex tables for each question, we provide the sample size for those who answered, for each country.
One in five consumers who switched providers (20%) said there was no price difference between the previous and current providers, and a further 12% could not tell if there was a difference. Those who selected a new provider at the same price level as the previous one were most likely to be from Cyprus (48%) and Malta (49%). Those who could not tell if the new provider was cheaper or not were primarily from Romania (37%), Lithuania (27%), Denmark and the Netherlands (both 23%).

The largest proportion of the self-employed (62%), and those aged 40-54 (63%), obtained a lower price after switching. (See Annex Table 4b).

2.1.5. Reasons to stay with current provider

Respondents who had not switched providers recently were asked for the primary reason why this was the case. Most of these consumers indicated that their current provider offered the best value for money (34%). Eight percent believed that the potential savings would be too small and not worth the effort and 6% put it the other way: the costs of switching and the required effort were too high. Another 6% considered it difficult to identify which current account provider was the cheapest and 4% said that there were no local alternatives. Two percent had existing contracts that made switching hard and 1% indicated they did not know that they could switch. This amounts to a total of a quarter of all those surveyed who raised cost and information issues as factors which discouraged them from switching.

The main reason for staying with current bank account provider

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your current provider offers the best value for money</td>
<td>34</td>
</tr>
<tr>
<td>The amount you could save by switching is too small</td>
<td>8</td>
</tr>
<tr>
<td>The cost and effort required in switching is too large</td>
<td>6</td>
</tr>
<tr>
<td>It is difficult to find out which provider is the cheapest</td>
<td>6</td>
</tr>
<tr>
<td>There is no alternative local provider</td>
<td>4</td>
</tr>
<tr>
<td>Your contract makes switching difficult</td>
<td>2</td>
</tr>
<tr>
<td>You did not know that you can switch</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>30</td>
</tr>
<tr>
<td>DK/NA</td>
<td>8</td>
</tr>
</tbody>
</table>

Q4B. What is the MAIN reason that caused you to remain with your current bank account provider? Base: who did not switch their service provider, % EU27

The claim that there was no locally available alternative was relatively more frequent in Slovenia (9%) and Germany (8%). Romanian consumers were the most likely to indicate that they did not know they could switch (5%), and this belief was significantly above average in Bulgaria, the Czech Republic and Lithuania (4% for each one). The Czechs in particular found that their contracts prevented them from changing their provider (7%).

As for the potential costs and benefits of the change, the cost and effort required to make such a change was most frequently mentioned as a barrier to changing providers in the Netherlands (12%), the UK and Ireland (both 10%), while the disproportionally low potential benefit was particularly seen as a barrier in Slovakia (19%) and in the Czech Republic (15%). For the Czechs (12%) as well as for
the Slovenes (10%), the information barrier to find the cheapest service was also more important than it was for users in the other Member States. For more details please refer to Annex Table 5a.

The socio-demographic analyses indicated another considerable difference: 47% of those still in the educational system and 44% of those aged 21-24 reported that their contracts made switching difficult, while on average 34% of all those asked replied the same. There was no other significant difference in the results. (See Annex Table 5b)

2.1.6. Facilitating consumer decisions

For each service, we inquired what conditions could facilitate the mobility of consumers across various service providers. The three of the various alternatives offered which emerged as the ones consumers believe could help them to be more flexible in the current account market confirmed that costs and information are the two key areas where improvements would lead to easier decision-making.

What would persuade respondents to consider switching their current bank account provider

Primarily, switching at no cost (31%) was selected by EU citizens as the main aid that could help them to change providers, followed by standardised offers that would enable citizens to easily compare the conditions of the various products (25%) and a dedicated website that provided a standard reliable overview of the conditions of the various market offers (24%).

That the difficulties in the logistics of changing providers were less important factors in decision-making was confirmed by the relatively less frequent choice of a 10-day switchover process (15%) and a facilitating agency (13%). Shorter-term contracts were seen as a factor that might facilitate switching by 12% of respondents.

A relatively significant 22% of consumers indicated that “other” factors could facilitate their decision to change their service provider.
Annex Table 6a provides details about the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average (not always in that ranking order). Generally most of the tools tested were most favoured by the Irish and British consumers and to a somewhat lesser extent by the Polish and Luxembourgish ones.

As seen from the comparison of the socio-demographic groups, the 55 and over age group showed the least interest in the aforementioned tools. (See Annex Table 6b). People aged 40-54 indicated more interest, but the most attracted were consumers aged 21-24 and 25-39. The most highly-qualified, the ones still in education, the ones living in metropolitan areas, the employed and self-employed groups generally showed a significantly greater interest than the others.

2.1.7. Recent changes in prices

One in five respondents reported a price change in the current account service they used in the last 12 months. Predominantly, these were price increases (16%), with considerably fewer respondents indicating that service costs had become cheaper (4%). Roughly seven out of 10 citizens using such a service could not confirm a price change, most of them indicated that prices did not change (52%) and 18% could not tell if costs had changed or not. Ten percent did not reply on other grounds.

The respondents least likely to report changes in prices were those from Germany (85%), the UK and Estonia (both 76%). Price increases were most often reported in the Czech Republic (30%), the Netherlands (27%), Belgium and Spain (both 24%). Current account costs going down was a rare experience even in the country where the survey detected most respondents confirming that this was the case: Denmark (11%).

The 21-24 year-old age group and those still in education were less likely to report that the price of their service increased (10%-11% versus the EU average of 16%); a larger ratio than average of the 21-24 year-old age group could not tell if the price of the service had changed (24% versus the EU average of 18%).

<table>
<thead>
<tr>
<th>Change in the price of the services in the last 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current bank account provider</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>DK/NA</td>
</tr>
<tr>
<td>Could not tell if the price of the service changed</td>
</tr>
<tr>
<td>The price of the service remained the same</td>
</tr>
<tr>
<td>They reduced the price</td>
</tr>
<tr>
<td>They increased the price</td>
</tr>
</tbody>
</table>

Q6. Which of the following has your present current bank account provider done in the last 12 months? Base: who use this service provider, % by country
There were no other differences among the socio-demographic groups regarding the evaluation of the prices of the provider. (See Annex Table 7b)
2.2 Savings and investment products

2.2.1. Usage

On average, about half of EU citizens have some investment or savings product, but the penetration rate showed extreme variations across the Member States. More than eight out of 10 Belgians use such a service (83%), as do approximately three-quarters of Dutch (79%) and Swedish (73%) respondents. Generally, NMS citizens were much less likely to have put money into investment or savings products: representatives of those countries held the bottom six spots when the Member States were ranked according to the penetration rates. Among the bottom 12, we only found Spain, Italy and Portugal from the EU15 area. Having investments or savings products was a rare occurrence in Bulgaria (14%) and Romania (13%).

**Using savings or investments**

Annex Table 8b shows that having an investment or savings product was somewhat more characteristic of men (49% vs. 45% of women). Those in their most active ages (25-54) were more likely to have such a product compared to the oldest age group, but the difference in product penetration was the most pronounced in the youngest age group (21-24 year-olds) who were much less likely to have investments or savings (35%). The likelihood of using such a product increased with the level of education, but did not vary according to type of dwelling (urban or rural). (White collar) employees were the most likely to have such a product (58%), while only 39% of those not working had one.

In the following sections the opinions and experiences of those Europeans who reported that they use a savings or investment service are analysed.

2.2.2. Difficulty in comparing offers

Comparing the offers of the various providers of a savings/investment product was not seen to be a trivial exercise for most Europeans (40%). As described in section 1.1, the offers for these types of products and services (savings & investments) were considered to be the most difficult to compare among the 11 services that were surveyed.

Somewhat less than half of the holders of these products in the EU did not find the comparison among various offers to be difficult; they considered that contrasting the offers of various providers was fairly easy (35%) or even very easy (12%). Four out of 10 users, on the other hand, thought that this task was more complicated, 10% believed it to be very difficult and 30% indicated that it was fairly difficult.
Comparing the various offers appeared again to be the easiest for Lithuanians, the most confident of all Europeans in several of the service sectors. The conditions of the various investments products were found to be easy to judge against each other by more than half of the users in 13 Member States, with three-quarters of Lithuanians (75%) and about two-thirds of British (67%), Bulgarian (65%) and Polish (63%) respondents finding them fairly or very easy to compare. At the other end of the spectrum we found Austria and Germany, where 56% (in both countries) of users indicated that it was difficult for them. This proportion was also close to half of all users in Sweden (49%) and Italy (47%).

In the EU, 13% of current users could not tell if the offers of savings / investment providers were easy to compare or not. Such a reluctance to provide an answer could theoretically be due to a lack of recent experience or because they were using a trusted institution or advisor without personally examining the market more thoroughly. The proportion of those who did not give a clear reply to this question ranged from only 5% in Luxembourg to 28% in the Netherlands and 30% in Malta.

The socio-demographic analysis of the results showed great variances in the proportion of those who did not reply to the question, but not so much in the proportion of whether or not users found the comparison process easy or difficult (see Annex Table 9b.). More women were unable to reply whether or not it was easy to compare offers (15% vs. 11% of men), while the proportion of those who found it easy (very or fairly) was not really different (48% for men vs. 46% for women). Similarly, the proportion of those unable to answer this question increased progressively with age: 9% among those aged 21-24 and 19% among those over 55. However, the proportion of those finding it easy was almost identical in each of the age groups (varying between 46% and 48%). Those still in education were the least likely of all the segments to find such comparisons easy (38%), while those manual workers who had investment products judged this to be the easiest (53%).

2.2.3. Difficulties in switching

With 13% of respondents having switched products and/or providers in the past two years, savings and investments were in equal fifth place in the ranking of the most frequently switched services. In the EU, 14% of the users have attempted to switch providers for this service in the past two years. As indicated below, 13% did switch over to another provider and 1% gave up before completion. Most of those who managed to switch providers or products, found the process to be easy (11% of all users), and 2% of all users reported that this recent change was rather difficult.
Looking at the individual Member States, in the UK, Austria, Germany and Greece (all 17%) the savings/investment sector had the greatest amount of churn. On the other hand, the lowest numbers of users switched providers in Slovakia and Malta (both 5%) and Cyprus (6%).

The most users who tried to switch but gave up before completion were found in the Czech Republic. This country was tied in first place in the proportion of those who changed providers but who found the change to be difficult: 4%, this proportion was similarly high in Spain.

Most users who did not try to switch providers said this was because they had no interest in making such a change: about seven out of 10 (69%) indicated this at the EU27 level. The anticipated difficulties around provider switching prevented just 3% of all users from trying to switch providers and 11% had other reasons for not replacing their service provider.

**Experience with switching savings or investments provider in the last two years**

The anticipated difficulties prevented 8% of consumers in Slovakia and Ireland, and 6% in Hungary from attempting to change products or providers.

The socio-demographic analyses revealed that men were somewhat more likely to switch services (14% vs. 12% of women), those in the youngest age group (21-24 year-olds) were the least likely to change (6%), and the most educated (17%) and the self-employed (18%) were the most apt to replace their contracts. Those between 21 and 24 years-of-age were the most likely to give up once they had tried to switch: 3% indicated that they tried to change the service but could not complete the switch. In the other aspects, there were no significant differences across the various socio-demographic segments (see Annex Table 10b.)
2.2.4. *Price level at the new service provider*

In the EU, about six out of 10 users (59%) who changed their savings and investment provider reported that their new provider was cheaper. Such an outcome was especially characteristic for Cyprus (with 84% considering the new provider to be cheaper) as well as for Dutch (71%), Italian (70%), Spanish (69%) and German (68%) consumers.

In some Member States, a relatively high number of consumers claimed that their new service was more expensive than their previous one: this was the most widespread in the Czech Republic (26%), Lithuania (23%), and Romania (18%) – in contrast to the EU average of just 2%.

Almost one in five consumers who switched providers (17%) indicated that there was no price difference between the previous and current providers, and a further 14% did not know. Those who selected a new provider at the same price level as the previous one were most likely to be from Bulgaria (67%, the two categories combined) and Latvia (54%). In the latter country, 46% did not know if the new provider was cheaper or not compared to the previous one, and the proportion of such answers was considerably higher than the EU average in Slovenia (33%), Estonia and Denmark (both 32%) as well.

![Price level after switching savings or investments provider](image)

It was among the youngest respondents (those between 21 and 24: 77%), those still in education (70%), rural consumers (63%) and white collar employees (62%) that the new provider was cheaper than the old one (see Annex Table 11b).
2.2.5. Reasons to stay with the current provider

Respondents who had not switched providers recently were asked for the primary reason why this was the case. A third (35%) of these consumers indicated that they were receiving best value for money from their current provider. This was by far the main reason as only approximately one in 15 indicated any other motivation: 7% considered that any savings they achieved would not be worth the effort; 6% put it the other way saying that the costs of switching and the required effort were too high. In addition, 6% considered that it was difficult to find out which current account provider was the cheapest, and 4% said that there were no local alternatives. Finally, 3% had existing contracts that made switching hard and 1% indicated they did not know that they could switch.

A third of loyal customers also indicated an “other” reason for staying with their old provider. Such other reasons were most often mentioned by users in Cyprus (67%), France (56%) and Malta (53%). Having found the best value for money was given as a reason to stay with their current provider by the most respondents in Spain and Portugal (both 52%) and Poland (51%) – and it was the least likely in France (21%) and Romania (22%). Without exception, in each Member State these two categories dominated the responses.

The main reason for staying with savings or investments provider

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your current provider offers the best value for money</td>
<td>35%</td>
</tr>
<tr>
<td>The amount you could save by switching is too small</td>
<td>7%</td>
</tr>
<tr>
<td>The cost and effort required in switching is too large</td>
<td>6%</td>
</tr>
<tr>
<td>It is difficult to find out which provider is the cheapest</td>
<td>6%</td>
</tr>
<tr>
<td>There is no alternative local provider</td>
<td>4%</td>
</tr>
<tr>
<td>Your contract makes switching difficult</td>
<td>3%</td>
</tr>
<tr>
<td>You did not know that you can switch</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>33%</td>
</tr>
</tbody>
</table>

Q4B. What is the MAIN reason that caused you to remain with your savings or investments provider?

Base: who did not switch their service provider, % EU27

The claim that there was no alternative available locally was relatively more frequently cited in Poland (10%), Romania (9%) and Italy (7%). Romanian consumers were also the most liable to indicate that they did not know that they could switch (6%). The Czechs in particular found that their contracts prevented them from changing their provider (10%).

As for the potential costs and benefits of the change, the cost and effort required to make such a change was most frequently mentioned as a barrier in the Netherlands (14%), the Czech Republic and Slovakia (both 11%), while the disproportionally low potential benefit was particularly seen as a hindrance in Slovakia (18%), Estonia and Greece (both 13%).

Differences in the various socio-demographic segments were generally small or non-existent, see Annex Table 12b. Some patterns did however emerge; rural consumers were the most likely to claim that there was no local alternative to their current provider (5%); young people (5%) and especially those still in school (7%) were the most prone to think that their contract made it difficult to change. In
regard to the level of education, the most educated consumers were the least satisfied that they were getting value for money (34%); they were the most likely to think that switching was not worth the effort (9%) and the potential gain was too low (9%). The latter opinion was also shared by a relatively high number of self-employed people (9%). Finally, those between 21 and 24 years of age were the ones the most likely to think that it was difficult to find out which provider was the cheapest (11%).

2.2.6. Facilitating consumer decisions

For each service, we inquired what conditions could facilitate consumers’ mobility between the various service providers. The three alternatives that emerged as the ones most consumers believed could help them to be more flexible on the savings/investment market confirmed that costs and information are the two key areas where improvements would help consumers to make easier decisions. Switching at no cost (32%) was selected by EU citizens as the main aid that could help them to change providers, followed by standardised offers from providers (30%) and a dedicated website that provided a standard reliable overview of the conditions of the various offers on the market (29%).

Difficulties in the logistics of changing providers were seen as less important factors in the decision-making process: users were less likely to opt for a switch that could be completed in 5-working-days (19%) or an agency that handled the switch (15%) as factors that might facilitate switching. Shorter contracts were selected by 16% of consumers.

Again a relatively significant quarter of respondents (24%) indicated that “other” factors could facilitate their decision to change their service provider.

Annex Table 13a provides details about the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average (not always in the same ranking order). Generally most of the tested tools were most welcomed by the Irish, Luxembourgish and UK consumers. A specialised broker agency gained the most support from German respondents (28%).

As for the socio-demographic groups, it appeared that the various tools offered were generally preferred by the youngest people, and (thus) those still in education: the youngest age group were far
more in favour of the products compared to those aged over 25. Generally, it seemed that the wish to use such tools decreased with age, with the oldest group being the least in favour. The metropolitan consumers were more enthusiastic than the others, and looking at type of occupation, employees believed that such assistance could facilitate their choice (Annex Table 13b).

2.2.7. Recent changes in prices

One in five respondents reported a price change in the services they used in the last 12 months (19%). Predominantly, these were price increases (13%) with considerably less respondents indicating cheaper costs (6%). This is in line with the general trend of services becoming more expensive in the banking sector (see section 1.7). Roughly three-quarters (72%) of those using such a service did not report any change in prices, most of them confirmed that prices did not change (54%), 18% did not know if costs had changed or not and 10% avoided making a response on other grounds.

The respondents who were the least likely to report price changes were those from Germany (65%), Poland (64%) and Slovakia (61%). Price increases were most often signalled in Portugal (28%), Romania (25%), Spain (24%), Greece (23%) and Cyprus (22%). Costs related to savings and investment products going down was seen to be a rare experience, even in those countries that had the most numbers of users in that category: the Czech Republic (11%) and Austria (10%).

![Change in the price of the services in the last 12 months](chart)

Q6. Which of the following has your present savings or investments provider done in the last 12 months?
Base: who use this service provider, % by country

There was no significant difference among the socio-demographic segments as to how prices had changed, the trends were perceived similarly by all groups (for details see Annex Table 14b.)
2.3 Mortgage loans

2.3.1. Usage

On average, about one in five EU citizens has a mortgage, with penetration rates varying greatly across the Member States. More than half of the Dutch consumers use such a service (56%) and about four in 10 do so in Denmark (43%), Sweden (40%), the UK (39%) and in Ireland (37%).

The same pattern prevails here: banking products including mortgages are less likely to be utilised in the NMS. The least likely to have such products are the Slovenes (4%), Bulgarians (5%) and Romanians (6%) but such loans were also rarely reported by Italians (7%).

Using mortgage credit

Mortgages were seen to be mostly the preserve of people aged 25-54 and those with the highest education levels (see Annex Table 15b). Three out of 10 people aged 25-39 and 40-53 (both 30%) have mortgage credit, while among the younger people it was only 7%, and among people 55 and older it exists for 12% of the age group. Whether or not one has a mortgage has a strong correlation with the level of education: almost a third (30%) of highly-educated individuals have a mortgage compared to just one in eight (12%) of those with the lowest level of education. The use of mortgage credit is most significant among working people (34%) and among the self-employed (30%). Only one in five of manual workers and just one in 10 (11%) of non-working individuals said they have a mortgage.

The following sections analyse the opinions and experiences of those Europeans who reported having a mortgage.

2.3.2. Difficulty in comparing offers

Only half of Europeans thought that comparing the offers of the various mortgage providers was easy. As described in section 1.1, comparing competing mortgages was not seen to be a trivial exercise and this product area ranked seventh among the 11 surveyed services.

As noted, half of mortgage clients in the EU had few or no problems in comparing the various offers: they thought the process was either fairly easy (38%) or very easy (12%). Four out of 10 users, on the other hand, thought that this task was more complicated, 12% believed it was very difficult and a quarter (27%) indicated that it was fairly difficult.
Comparing the various offers appeared to be the easiest for Bulgarians (very + fairly easy combined: 75%), but only 6% said that this task was very easy. Slovene (with a 67% combined result), British (64%), Irish and Swedish (both 61%) and Latvian (58%) consumers were also more likely than others in the EU to consider the various mortgage offers to be relatively easy to compare. On the other hand, about half or more of the current users complained about the difficulty of contrasting contract conditions in Greece (48%), Italy (49%), Austria (55%), the Czech Republic (57%), and Hungary (where 59% told Eurobarometer that such comparisons were fairly or very difficult). At the other end of the spectrum, Italian consumers were the most likely to say that mortgage conditions were very difficult to compare (27%), and almost as many in the Czech Republic replied in that fashion as well (25%).

In the EU, 11% of those with a mortgage could not say if the various offers were easy to compare or not. The proportion of those who did not give a clear reply to this question ranged from just 3% in Lithuania to 25% in Malta and the Netherlands.

The socio-demographic analysis of the results showed significant differences (see Annex Table 16b). It was mostly the youngest holders of mortgages who reported difficulty in comparing service offers. According to about two-thirds (61%) of people aged 21-24, it was difficult to compare offers (18% said it was very difficult), while only four out of 10 (from 37% to 40%) of the older age groups agreed. Half of the mortgage credit clients aged 25-39 and 40-54 thought it was easy to compare the various offers, while the other age groups did not agree. Those aged 55 and over were the ones who were most likely not to be able to respond whether it was easy to compare these offers or not (18%). The inability to evaluate the comparability of offers from various providers seems to be a special problem that is also common to non working citizens (18%) and people that attended education until 15 years of age at the most. Mortgage credit clients still attending school or college, though small in numbers, still had the highest ratio of individuals that found the task of contrasting offers to be easy: 63% found it easy and 33% found it to be difficult.

2.3.3. **Difficulties in switching**

With 13% of respondents having switched product and/or providers in the past two years, mortgages are in equal fifth place (with investment/savings products) in the ranking of the most frequently switched services in Europe. In the EU, 14% of those with a mortgage have attempted to switch providers in the past two years. Effectively, as indicated below, 13% did switch over to another
provider\(^4\) and 2\% gave up before completion. Most of those who managed to switch providers or products, found the process to be easy (11\% of all users), and 3\% of all users reported that this recent change was rather difficult.

It is important to note that the EU average is heavily influenced by the UK result. The likelihood of changing a mortgage product or provider in the UK is significantly larger than in any other Member State (apart from the Czech Republic). Additionally, due to the size of the country, the UK result has a considerable impact on the whole of the EU average (see the “Survey Details” section for the weights of the individual countries in the EU27 average).

Looking at the individual Member States, besides the aforementioned UK (28\%) and the Czech Republic (23\%), the proportion of switchers was relatively high in Cyprus (14\%), Ireland (13\%), Finland and Austria (both 12\%). On the other hand, the least numbers of users who switched providers were seen in Lithuania and Bulgaria (both 1\%), Slovakia and Latvia (both 3\%). In fact, in Bulgaria and Latvia, those who tried to switch but gave up marginally outnumbered those who actually succeeded. However, as the number of users in these countries was very small, there is no real statistical validity for these figures.

Most users who tried to switch but gave up were found once again in the Czech Republic (7\%). This country was also tied in first place regarding the proportion of those who changed providers but who found the change difficult to carry out (at 16\%, this was by far the highest among all the Member States).

\(^4\) Please note that due to rounding, the chart on the next page shows the sum of those who switched easily or with difficulties to be 14\%. In fact, the individual percentages are 10.6 (rounded: 11) and 2.8 (rounded: 3) with a sum of 13.4 (rounded: 13). Such rounding issues and cosmetic discrepancies might also occur elsewhere in the report.

\[\text{Experience with switching mortgage credit provider in the last two years}\]

\[\text{Base: all those who answered this question, by country}\]

\[\text{NOTE THE DIFFERENCE IN SCALES}\]
Most users who did not try to switch providers said this was because they had no interest in making such a change: about two-thirds (65%) indicated this at the EU27 level. The anticipated difficulties around provider switching prevented only 4% of all users from trying to switch providers, and 13% had other reasons for not replacing their service provider.

The anticipated difficulties prevented 17% of respondents in Hungary and Italy from attempting to replace their mortgage contract with a new one.

According to the socio-demographic analysis, the proportion of switchers was highest among users aged 54 and younger, among the more qualified and the employed. (see Annex Table 17b).

Among those aged 55 and older the percentage of switchers was only 7%, as opposed to the other age groups where the percentage was between 13% and 14%. The same ratio was seen when comparing those with low and high levels of education, 9% of the aforementioned users switched, while 13%-14% of the more educated ones did so. Among the self-employed and the employee groups, the ratio of the mortgage holders who switched providers was higher (15-16%) than in those not working (8%) or with the manual workers (11%). The proportion of users who tried to switch but gave up was highest among those still attending school or college: 13% compared to the other groups, where it was only 1-2%.

2.3.4. Price level at the new service provider

A mortgage contract is one of the areas where price seems to be quite important; it ranks fourth/fifth among all of the services according to the proportion of users who recently switched and reported that they had a cheaper price with the new provider. In the EU, about seven out of 10 users (70%) who changed their contract said that their new service costs them less than the old one. Such outcome was especially characteristic of Latvian (100%), German (89%), Austrian (87%), Slovene (86%) and Portuguese (82%) consumers.

Caution, however, is advised as not many Europeans have a mortgage and among them very few have switched providers. The subsample for this analysis, therefore, is frequently below the absolute minimum. In 15 Member States, less than 20 people were eligible to answer this question, e.g. only one person was “left” to answer in Bulgaria as well as in Lithuania, the countries that were at the top and the bottom of the ranking (Annex Table 18a provides the sample size for each country). Due to this, no further details on the country breakdowns are provided; the results obtained are displayed on the chart on the next page.
**2.3 Mortgage loans**

The youngest respondents (those between 21 and 24 years of age: 87%) and the manual workers (80%) were the ones that most often obtained a cheaper provider from their switching initiative. In the other groups, the ratio of those that got a lower price was around 70% except for the self-employed, where the number was the lowest: 58% (see Annex Table 18b). Among those aged 55 and older, the ratio of individuals who believed that the new provider was more expensive was high.

### 2.3.5. Reasons to stay with current provider

Respondents who had not switched providers recently were asked for the primary reason that this was the case. Most of these consumers indicated that their current provider offered the best value for money (39%). The second most important reason was in the nature of the contracts: 9% indicated that their mortgage contract made switching difficult. According to 7% of respondents, the costs of switching and the required effort were too high, and 5% thought that the savings they could achieve would not be worth the effort. In addition, 4% considered that it was difficult to find out which mortgage provider was the cheapest and 2% said that there were no local alternatives. Finally, 1% indicated that they did not know that they could switch.
The main reason for staying with mortgage credit provider

Your current provider offers the best value for money 39
Your contract makes switching difficult 9
The cost and effort required in switching is too large 7
The amount you could save by switching is too small 5
It is difficult to find out which provider is the cheapest 4
There is no alternative local provider 2
You did not know that you can switch 1
Other 28
DK/NA 4

Q4B. What is the MAIN reason that caused you to remain with your mortgage credit provider? Base: who did not switch their service provider, % EU27

Almost three out of 10 loyal customers indicated an “other” reason for keeping their old provider.

Such other reasons were most often mentioned by users in Cyprus (65%), Malta (53%) and France (51%). Having found the best value for money was given as a reason to stay with their current provider by the most respondents in Portugal (51%), Poland (50%) and Spain and Italy (both 48%) – and it was the least likely in Cyprus (18%), Slovenia and Slovakia (both 20%). With one notable exception, these two categories dominated the responses in all Member States.

The exception was Lithuania, where 39% indicated that their contracts did not offer the possibility to change. This view was also voiced in above average proportions in the Czech Republic (23%), Bulgaria and Germany (both 17%) and Slovakia (16%). Overall, 9% of respondents in the EU15 and 13% in the NMS countries indicated that such a contractual barrier existed.

The claim that there was no locally available alternative was relatively more frequent than elsewhere in Slovenia (8%), Bulgaria and Italy (both 6%). Slovenian consumers, together with their Slovak counterparts, were also the most likely to indicate that they did not know they could switch (both 8%). This was indicative of the NMS, as 4% of those respondents believed that there was no possibility of switching compared to just 1% in the EU15 countries.

Looking at the costs and potential benefits of a change, the excessive cost and effort required to make such a move was most frequently mentioned as a barrier in Slovakia (19%), the Netherlands (17%) and Latvia (13%), while the disproportionally low potential benefit was particularly seen as a barrier in Poland (12%), Estonia (11%) and Ireland (10%).

Finally, the problem that it was hard to determine the price conditions of the various mortgage products on the market was seen as a barrier to 12% of respondents in Bulgaria and Hungary and 11% in the Czech Republic.

There was one significant difference in the socio-demographic comparison: 10% of the youngest clients did not know that they could switch, while in the other age groups this percentage was a maximum of 1%. (see Annex Table 19b). There were different proportions in those considering whether or not the current provider offered the best value for the money: those primarily agreeing were
the self-employed (43%), the metropolitan dwellers (44%) and those with the lowest level of education (46%). No other significant differences were found in the socio-demographic segment.

2.3.6. Facilitating consumer decisions

For each service, the survey inquired what conditions could facilitate consumers’ mobility between the various service providers.

The three alternatives that most consumers believed could help them to look for a replacement of their current mortgage contract confirmed once again that costs and information are the two key areas where improvements would help consumers to make easier and better decisions. Switching at no cost (37%) was selected by EU citizens as the main aid that could help them to change, followed by a dedicated website that provided a standard reliable overview of the conditions of the various market offers (32%), and standardised offers from providers (31%).

One-fifth of those with a mortgage would be encouraged to change their contract if there were a guaranteed maximum 15-working-day transition period between the two contracts (21%). Shorter contracts were also preferred by 18% of respondents, as were specific broker or facilitating agencies. Again a relatively significant quarter (24%) of respondents said that “other” factors could facilitate their decision to change their service provider.

Annex Table 13a provides details about the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average. Generally most of the tools tested were most favoured by the Irish, Luxembourgish and British consumers, and to a somewhat lesser extent by Polish consumers.

Regarding the socio-demographic groups, it seemed that the tools offered were generally preferred by the youngest people, those still in education, the highly-qualified, those living in metropolitan areas and the employed (see Annex Table 13b).
2.3.7. Recent changes in prices

As discussed in section 1.7, mortgage contracts are the third most likely service to have seen increased charges in the past year (only energy services were much more likely to have seen increases in that timeframe). A third of mortgage holders (34%) have reported a price change in the last 12 months. Predominantly, these were price increases (27%), with considerably less respondents indicating service costs becoming cheaper (7%). This is in line with the general trend of services becoming more expensive in the banking sector, which is in fact primarily driven the mortgage segment itself (see section 1.7). About six out of ten respondents (59%) of those with such a loan did not report any price change, most of them confirmed that prices did not change (50%), 9% could not say if costs had changed or not and 7% avoided making a response on other grounds.

The respondents that were the most likely to report stable prices were those from France (70%), the Netherlands (68%), Germany (67%) and Belgium (60%). Price increases were most often reported in Latvia (by three-quarters of their mortgage holders), Spain (67%), Ireland (55%), Portugal and Poland (both 52%). Although the cost of mortgage contracts going down was a very rare experience in most Member States, 17% of respondents in Slovenia, 16% in Italy and 13% in the UK reported such a trend.

Belief as to whether the provider changed prices in the past 12 months varied considerably according to the different age groups. (See Annex Table 21b). The most likely to report price changes were the mortgage credit users aged 21-24 (40%), and this ratio decreased with age (31%, 26%, 21% respectively for the various age groups). Since many of those aged 21-24 are still in education, more people in this group also reported an increase in prices (48%).

In line with this, the percentage of those who claimed that prices did not change showed the opposite picture: those in the oldest age group were more likely to believe there had been no change (54%), and the smallest percentage was among the youngest (42%). Those living in metropolitan areas believed in the greatest numbers (36%) that prices had increased, as opposed to the others from different types of dwelling (urban 28%, rural 23%). There was no other substantial difference in the socio-demographic segments.
2.4 **Long-term loans**

2.4.1. **Usage**

On average, about one in five citizens of the EU said they had a credit arrangement with a duration of over one year (19%). Penetration rates varied significantly across the Member States; almost half of the Luxembourghish consumers use such a service (44%) and roughly one third of consumers do so in Denmark (33%), Sweden, Ireland and Austria (all 31%).

The Italians (6%) and the Dutch (11%) are less likely to use such long-term credit products. Unlike other banking products, the likelihood of having such a long-term loan was the same in the EU15 and the NMS.

The following sections analyse the opinions and experiences of those Europeans who have existing credit arrangements for a period over 12 months.

These long-term loan products are mainly used by people aged 25-54 and by the highly-qualified. A quarter of people in the 25-39 and 40-54 year-old age groups (26% and 24%, respectively) use this product, while just one in 10 (11%) of those aged 21-24 and only 12% of those aged 55 and older do.

Education also plays a role: one in five of those with the highest levels of education (left school before the age of 20:21%, highly-qualified: 22%), while only one in eight of the less well-educated (13%) use long-term loans. In correlation with this, the use of long-term loans is also low in the non-working group (12%). (see Annex Table 22b)

2.4.2. **Difficulty in comparing offers**

Comparing the offers of the various providers of long-term credit products was said to be easy for about half of those using them. As described in section 1.2, such loans are among the services where contrasting competing offers is not easy; this product area ranked sixth within the 11 surveyed services. At the same time, within the banking sector, this was the type of product where comparisons were reported to be the easiest.

As mentioned, over half of these long-term debtors in the EU have little or no problem in comparing the various offers: they considered that making comparisons was either fairly easy (39%) or very easy (15%). A third of users, on the other hand, said that this task was more complicated, 9% believed it
was very difficult and a quarter (25%) thought that it was fairly difficult. Eleven percent did not know, or did not provide an answer for some other reason.

To compare the various offers appeared to be the easiest for Lithuanians (very + fairly easy combined: 75%), with a massive 40% considering such a task to be very easy. Overall, at least six out of 10 consumers in 10 of the EU Member States thought that offers were easily comparable; the other banking services only had this kind of result in four or five countries. Next to the Lithuanians, the Estonian (74%), British and Irish (both 72%), Polish and Bulgarian (both 71%) consumers were the most likely to think that contrasting offers was easy in this product category.

On the other hand, the most consumers who had difficulty were found in Slovakia (very + fairly difficult: 62%), and about half or more shared this opinion in the Czech Republic (48%), Austria (49%), Hungary and Italy (both 51%). In terms of those who found such comparisons to be very difficult to compare, it was the Czech consumers (25%), followed by the Austrian and Italian users of this service (both 19%).

In the EU, 11% of long-term credit users could not tell if the offers for this service were easy to compare or not. The proportion of those who did not give a clear reply for this question ranged from only 4% in the Czech Republic and Luxembourg to 27% in Malta.

### Difficulty in comparing offers from providers of credit longer than one year

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Q2. In general, how easy do you think it is to compare offers from different providers of credit longer than one year (excluding mortgage loans)?

Base: who use this service provider, % by country

Age appears to be the most significant factor when it comes to comparing offers (see Annex Table 23b). Two-thirds of those aged 21-24 (65%) and close to two-thirds (59%) of people aged 25-39 considered the task of comparing offers to be rather easy. On the contrary, only half of those aged 40-54, and the same number of people aged 55 and over thought so (both 51%). A relatively large percentage of consumers over 55 did not provide an answer to the question (18%).

According to their level of education, only those with the lowest level deviated from the EU average: a lower number said the task of comparing offers was easy (48%), and a fair number of them could not give an answer to the question (14%). The number of non-working respondents that could not provide an answer (18%) was also above average. There was no other substantial difference on the basis of the socio-demographic analysis.
2.4.3. Difficulties in switching

With 10% of respondents having switched products and/or providers in the past two years, long term credit arrangements were rarely switched even in contrast to other banking services (see section 1.3). In the EU, 11% of those with a long-term loan had attempted to switch providers in the past two years. Effectively, as indicated above, 10% did switch and 1% gave up before completion. Most of those who managed to switch providers or products, found the process to be easy (8% of all users) and 2% of all users reported that this recent change was rather difficult.

Looking at the individual Member States, the proportion of switchers was relatively high in Greece (21%), the Netherlands (15%), the Czech Republic (13%) and Poland (10%). On the other hand, the fewest numbers of users switched providers in Slovakia (3%), Hungary and Luxembourg (both 4%).

The most users who tried to switch but gave up were found in Cyprus and Italy (both 4%). The Czech Republic stood out as the country with the highest proportion of those who changed providers, but who found the change to be difficult (10%, by far the highest among all Member States).

Most users who did not try to switch providers said this was because they had no interest in making such a change: about two-thirds (70%) indicated this at the EU27 level. The anticipated difficulties around provider switching prevented just 4% of all users from trying to switch providers, and 13% had other reasons for not replacing their service provider.

Experience with switching provider of credit longer than one year in the last two years

The concern about anticipated difficulties prevented 14% in Slovakia and 11% in Hungary from attempting to replace their long-term credit arrangement with a new one.
The socio-demographic analyses showed that it was mainly those aged 24-39 that switched providers (13%), compared to a lower percentage (6%-7%) in the other age groups.

The highly-educated were also more likely to switch providers (11% versus 5% of those with less education). Those living in the metropolitan areas were also more likely to switch than those in rural areas (metropolitan: 10%, urban: 11%, rural: 7%). Based on occupation, the percentage of switchers was highest in the self-employed group (12%), and lowest in the non-working group (6%). (see Annex Table 24b)

2.4.4. Price level at the new service provider

Price is a very significant factor when it comes to switching providers. As a result of switching, a large majority of consumers report that they have obtained a cheaper price for loans in general (mortgage and non-mortgage loans) which ranked equally, fourth among all services according to the proportion of users who recently switched. In the EU, seven out of 10 users (70%) who changed their contract said that their new service was cheaper. Such outcome was especially characteristic of German (92%), Slovenian (91%) and Estonian (90%) consumers.

Caution is again advised as not many Europeans have a long-term loan arrangement and among that number, very few of them actually switched providers. This means that the subsample for this was often below the level where the findings have any statistical reliability. In 18 Member States, there were less than 20 people who switched providers. (Annex Table 25a. provides the sample size for each country). Because of these numbers, no further details on the country breakdowns are provided; the results are displayed on the following chart.

Looking at the price obtained after switching, it was the majority of manual workers (80%) and the ones with the lowest level of education (79%) who moved most of the time towards a lower price. In other groups, the ratio of citizens that moved to a cheaper provider was around 70%, except for those aged 40-54 (65%) and among the urban population, where the percentage was lower (64%). (see Annex Table 25b)
2.4.5. Reasons to stay with current provider

Eurobarometer inquired about the primary reason that respondents had not changed providers recently. Most of these consumers indicated that their current provider offered the best value for money (38%). The second most important reason was in the nature of the contracts: 8% indicated that their service contract made switching difficult. According to 6%, the costs of switching and the required effort were too high, and 5% considered that the potential savings would be too small and not worth the effort. Four percent considered it difficult to identify which provider of long-term credit was the cheapest, and 3% said that there were no local alternatives. Two percent said they did not know they could switch. These results were virtually identical to those that the survey found for the other surveyed loan product – mortgage credit.

Almost three out of 10 loyal customers indicated an “other” reason for staying with their old provider (27).

Such other reasons were most often mentioned by users in Cyprus (67%), Malta (53%), France and Sweden (both 51%). Having found the best value for money was given as a reason to stay with their current provider by the most respondents in Luxembourg (48%), Poland (47%) and Spain (46%) – and it was the least likely in Cyprus (11%), Slovenia (22%), the Czech Republic and Sweden (both 23%). In most Member States, these two categories dominated the responses.

The claim that there was no local alternative was heard most frequently in Slovenia (8%), Germany and Italy (both 6%). The Polish (8%), Romanian (6%) and Latvian (5%) consumers were the ones most likely to indicate that they did not know that they could switch.

Looking at the potential costs and benefits of changing, the cost and effort required to make such a change was most frequently mentioned as a barrier to changing providers in Slovakia (18%), the
Netherlands (10%) and Italy (11%). In the Netherlands, the disproportionately low potential benefit was particularly seen as a barrier (13%), as it was in the Czech Republic (11%), Poland and Denmark (both 10%).

Finally, users from the Czech Republic and Bulgaria said it was hard to determine which loan was the cheapest (14% and 10%, respectively).

The socio-demographic analyses indicated another major difference: 18% of those still at school or college said that their contracts made switching difficult, while on average only 8% of all respondents said the same. There was no other significant difference in the results. (see Annex Table 26b)

2.4.6. Facilitating consumer decisions

The top three alternatives that most consumers believed could help them to look for a replacement for their current contract were again very similar to those we found for mortgages, and in fact were very similar to what we found for many service included in this survey. Primarily, switching at no cost (39%) was selected by EU citizens as a factor that could persuade those hesitating about switching, followed by standardised offers from providers (31%) and a dedicated website that provided a standard reliable overview of the conditions of the various market offers.

One in five long-term credit clients would be encouraged to change their contract if there were a guaranteed maximum five-day transition period between the two contracts (22%). Shorter contracts were also preferred by 20% of respondents as were specific brokering or facilitating agencies (18%).

Annex Table 27a provides details on the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average. Generally most of the tools tested were favoured by Irish and British consumers, and to a somewhat lesser extent by those in Luxembourg and Poland.
As seen from the comparison of the socio-demographic groups, people aged 55 and over showed the least interest in the aforementioned tools (see Annex Table 27b). People aged 40-54 showed more interest than the older ones, but the tools had the greatest appeal for those clients aged 21-24 and 25-39. There was one major difference in the judgement of the two younger groups regarding the “shorter contract”: the younger group showed greater interest than those aged 25-39 (34% and 23%, respectively).

The most highly-qualified, those still in the education system, living in a capital city, and the employed or self-employed groups generally showed somewhat greater interest than others.

2.4.7. Recent changes in prices

As discussed in section 1.7, long-term credit services were among those where at the EU level the tendency went clearly towards price increases. A quarter of long-term credit users reported a change in prices of the service they used (24%); predominantly, these were price increases (19%); significantly fewer respondents indicated cheaper prices (5%). This was in line with the general trend of services becoming more expensive in the banking sector (see section 1.7). About seven out of 10 of those having a long-term loan did not report a change in prices: most of them positively confirmed that prices did not change (58%), while 10% could not tell if costs changed or not. Eight percent did not reply on other grounds.

The least likely to report changes in prices were the respondents from Germany (72%), Lithuania (69%) and the UK (68%). Price increases were most often reported in Spain (41%), Austria, Romania and Portugal (all 37%). It was very rare to see prices for long-term credit arrangements falling in most Member States, but 12% of respondents in Italy, 11% in the Czech Republic and 10% in Poland reported such a trend.

Among the 21-24 year-old age group and those still in the educational system, the numbers reporting stable prices were below average (52% and 50%, respectively, vs. an EU average of 58%). A greater than average number of the 21-24 age group could not answer the question. (17% versus the EU
average of 8%). There were no other remarkable differences among the socio-demographic groups regarding the evaluation of providers’ prices. (see Annex Table 28b)
3. Insurance services

In the field of Insurance services the survey investigated two product areas: car insurance and home insurance. In the following sections, we present the results for each of these product areas.

3.1 Car insurance

3.1.1. Usage

On average, two-thirds (66%) of EU citizens have car insurance for third party liability\(^5\).

With eight out of 10 citizens having such car insurance, Luxembourg (88%), Cyprus (84%) and Italy (82%) recorded the highest penetration rates. High proportions of people with car insurance were recorded in several other Member States: Belgium, the Netherlands and Austria (79% in each), Germany and France (both 77%).

Generally, in the NMS countries the proportion of car insurance users was below the EU27 average: it was the least widespread in Romania (32%; 34 percentage points below the EU27 average), Latvia and Estonia (both 39%) and Bulgaria (40%).

Significantly more citizens from the EU15 have car insurance: 72% vs. 45% in the NMS12.

Annex Table 29b shows that more men (72% vs. 61%) than women have car insurance. The youngest age group (21-24 year-olds) were the least likely to have such a policy (39%), while those aged 40-54 were the most apt to have one. The interviewee’s residence was also a determining factor: those from rural areas were more likely than those from urban and metropolitan zones to have car insurance: 72% vs. 64% and 60% respectively). The self-employed were the most likely to have such a service (80%), while only 57% of those not working had a car insurance policy.

In the following sections, the opinions and experiences of those Europeans with car insurance are analysed.

\(^5\) Throughout this section, the term “car insurance” implies that it is for “third party liability”.

3.1 Car insurance
3.1.2. Difficulty in comparing offers

Most Europeans found comparing the offers from the various car insurance providers to be easy. Looking at the other services and products included in the survey, comparing the offers from the different motor insurance providers was the second easiest thing to do for our respondents: only comparing offers from Internet service providers was easier and it was seen to be as easy as comparing mobile phone network providers).

Overall, almost two-thirds of EU citizens (64%) thought that it was easy to compare offers from the different car insurance providers: 20% thought it was very easy and 44% that it was fairly easy. Approximately a quarter of Europeans (24%) regarded it as a complicated task: 6% found it a very difficult task and 18% found it fairly difficult.

Out of 10 users, eight claimed it was a very easy or fairly easy task to compare the various offers of car insurance providers in Lithuania (85%; 16 percentage points above the EU27 average), the UK and Ireland (both 83%) and Bulgaria (80%). The other extreme was seen in Finland and Denmark, where no more than half of car insurance holders considered the offers to be very easy or fairly easy to contrast: 46% (18 percentage points below the EU27 average) and 50%, respectively.

The Dutch and Maltese consumers seemed to have the most confusion with regard to whether or not offers were easily comparable as 27% (+15 percentage points more than the EU27 average) and 24% respectively could not - or did not want to - answer this question.

EU15 citizens had more difficulties in comparing offers from car insurance providers than those in the NMS: 26% of car insurance users from the EU15 considered that comparing offers was a very or fairly difficult task compared to 17% of NMS users.

The socio-demographic analysis of the results showed some disparities (see Annex Table 30b). Men were somewhat at more ease when comparing offers from different car insurance providers (66% vs. 62% of women). The oldest respondents (aged 55 and over, 58%) and those with the lowest level of education (56%) were the least liable to say that it was very or fairly easy to contrast offers from the different car insurance providers. While the manual workers were more likely to find it to be very or fairly easy to compare offers (72%), those not working were the least likely to say the same (58%).
3.1.3. Difficulties in switching

Among the various types of service providers included in this survey, consumers switched or tried to switch their car insurance providers more frequently than any other type of service.

In the EU, 27% of those with car insurance have switched or attempted to switch providers for this service in the past two years. Effectively, a quarter (25%) did switch to another provider and 2% tried to do so but gave up before completion. The majority of those who managed to switch their car insurance provider found the process to be easy (23% of all car insurance users) and 2% of all car insurance users found this recent change to be rather difficult.

Looking at the individual Member States, since there was such a high level of switching in a small number of countries, this kept the EU27 average up at 23%, although we noticed that the majority of member states have comparatively lower proportions of car insurance users who switched or tried to switch their providers.

Experience with switching car insurance provider in the last two years

The UK had 46% of car insurance users who did switch their provider (+21 percentage points above the EU27 average): 42% considered that this was easy and 4% found it to be difficult. Three out of 10 car insurance policy holders switched their provider in Ireland (35%), Hungary and Lithuania (both 34%), and Sweden (33%); for the majority of the users from these countries switching provider was an easy process (30%-33%). At the other extreme, with the lowest ratios of car insurance users who effectively changed their provider, we see Luxembourg (10%; 15 percentage points below the EU27 average), Malta, Belgium and France (all 15%), and the Netherlands, the Czech Republic and Cyprus (all 16%).

Q3. Have you tried to switch your car insurance provider in the last two years?
Base: who use this service provider, %, by country

[Bar chart showing the percentage of car insurance users who tried to switch their provider in each country, with the UK having the highest and Luxembourg having the lowest ratio.]
The German and Irish consumers had the highest numbers of unsuccessful attempts to switch car insurance providers (5% of all car insurance users in each country). No Bulgarian or Portuguese policy holders went through such an experience.

Most users who did not try to switch car insurance providers were not interested in such a change: 60% indicated this at the EU27 level. The difficulties around provider switching prevented just 2% of all users from trying to switch providers and 10% had other reasons not to replace their provider.

Slightly more car insurance policy-holders from the EU15 than from the NMS have tried or attempted to switch their service provider: 27% in the EU15 vs. 24% in the NMS.

The socio-demographic analyses revealed that men were somewhat more likely to switch their car insurance policies (26% vs. 23% of women). The oldest car insurance users (aged 55 and over), those with the lowest level of education and those not in employment were less likely to have changed their providers in the last two years (21%, 22% and 21% respectively). Consumers from the metropolitan areas had a somewhat higher mobility in switching providers than those from urban areas (26% vs. 24%). (For details see Annex Table 31b.)

### 3.1.4. Price level at the new service provider

At the EU level, eight out of 10 car insurance holders who changed their provider said they received a lower price (85%). This was especially characteristic of Polish (where 96% considered the new provider to be cheaper; 11 percentage points above the EU27 average), Hungarian (93%), German (92%) and Irish (91%) consumers.

At the other extreme, only two-fifths of Bulgarian car insurance holders who changed their provider found a better price (42%; 43 percentage points below the EU27 average). A cheaper price was also less frequent in Cyprus (56%).

In some Member States, some switchers claimed that their current service was more expensive than their previous one: this was most widespread in Lithuania (9%), and in Denmark, Estonia, the Czech Republic and Greece (all 8%) – in comparison to an EU27 average of 3%.

Six percent of consumers who switched providers said there was no price difference between the previous and current providers and a further 4% could not tell. Those who selected a new provider at the same price level as the previous one were most likely to be from Bulgaria (29%; 23 percentage points above the EU27 average), Cyprus (26%), Malta (17%), Luxembourg (16%) and Greece (15%). One out of six users who switched providers in Romania (17%, 13 percentage points above the average), 16% in Bulgaria and 13% in Malta and Lithuania could not say if the new provider was cheaper than the previous one.

The capturing of lower prices was more characteristic of EU15 consumers: 86% in the EU15 vs. 82% in the NMS. The car insurance users who switched their provider and didn’t know if the new provider was cheaper or more expensive than the old one tended to come from the NMS: 7% in the NMS and 3% in the EU15.
3.1 Car insurance

Price level after switching car insurance provider

- DK/NA
- Could not tell if the new provider is cheaper or more expensive than the old one
- There is no price difference between the new and the old provider
- The new provider is more expensive
- The new provider is cheaper than the old provider

Q4A. What was your experience of switching your car insurance provider?
Base: who switched their service provider, % by country

The respondents with an average level of education (87%), those from metropolitan areas (88%) and manual workers (90%) were the ones mostly likely to obtain a lower price (see Annex Table 32b).

3.1.5. Reasons to stay with the current provider

Respondents who had not switched providers recently were asked for the primary reason that this was the case. Most of these consumers indicated that their current provider of car insurance offered the best value for money (49%). While 6% considered the savings they could achieve to be too small, 5% considered it difficult to find out which car insurance provider was the cheapest. Four percent said that the costs of switching and the required efforts were too high. Only 2% of those users who did not change their car insurance provider recently said it was because there was no local alternative or that they had existing contracts that made switching difficult.
Approximately a quarter of loyal car insurance customers (27%) indicated “other” reasons for keeping their old provider.

We saw that EU15 citizens were more likely than those from the NMS to say the main reason for not changing their current car insurance provider was that they were getting value for money (50% in the EU15 vs. 46% in the NMS). Significantly more citizens from the former than from the latter indicated “other” reasons for keeping their old provider (28% in the EU15 vs. 19% in the NMS).

On the other hand, NMS citizens were the ones more liable to say that they did not switch their car insurance provider because there was no alternative local provider (4% in the NMS12 vs. 2% in EU15), as their contracts made switching difficult (5% in the NMS12 vs. 1% in the EU15), because the amount they could save by switching was too small (9% in the NMS12 vs. 6% in the EU15) or that it was difficult to find out which provider was the cheapest (7% in the NMS12 vs. 5% in the EU15).

Looking at the country variations, we noticed that six out of 10 loyal car insurance consumers from Ireland (63%; 14 percentage points above the EU27 average), Latvia (61%) and Estonia (60%) indicated that their current provider was giving best value for money. At the other extreme, we found Cyprus with just 17% (33 percentage points below the EU27 average) of consumers saying that this was their main reason for not changing. The Czech Republic (33%), Hungary and Slovenia (both 35%) also reported low numbers of people mentioning existing “value for money” as the primary reason for staying with their car insurance provider.

Seven out of 10 Cypriot consumers (71%; 44 percentage points higher than the EU27 average) mentioned “other” reasons for not changing their car insurance provider. High proportions of people indicating the same thing were recorded in Malta (49%), France (48%) and Sweden (41%). Only 7% of consumers from Latvia and 8% from Poland mentioned “other” reasons for loyalty to car insurance provider.
One out of six of the loyal Slovak car insurance consumers (11 percentage points above the EU27 average) said they had not changed their provider because the savings were too small. Similar reasons existed in Estonia and Hungary (both 15%), and the Czech Republic and Latvia (both 11%). Only 2% of Maltese (4 percentage points below the EU27 average) and 3% of Bulgarian consumers said that the potential savings were too small to make them change.

The difficulty to find out which provider was the cheapest stopped one out of 10 Bulgarian (14%; 9 percentage points above the EU27 average), Czech (13%) and Danish (10%) consumers from changing their insurance provider. Only 2% of the Dutch were impeded by the same reason.

Annex Table 33a. provides details of reasons for staying with the current provider in each Member State.

The differences in the various socio-demographic segments were generally small. (see Annex Table 33b) However, patterns emerged. Men, the 25-39 year olds, those with the lowest level of education, those from rural areas, manual workers and non-working citizens were more likely to say that there was no alternative local provider. Those aged 25-39, those still in education and the self-employed were the ones who thought their contract made it difficult to change. The loyal car insurance policy-holders were more likely to be the youngest (21-24 year olds), those still in the educational system, those living in metropolitan areas and employees. Men, the youngest, those living in metropolitan zones and manual workers were more likely to think that switching was not worth the effort because the potential gain was too low. Those aged 21-24 and those with the lowest level of education were less likely to think that switching was not worth it because the cost and effort required were too great. Women, the 25-39 year olds, those still in education, those from metropolitan areas and those not in employment tended to think that it was too difficult to find out which provider was the cheapest.
3.1.6. Facilitating consumer decisions

For each service, we inquired what conditions could facilitate the mobility of consumers across the various service providers. The three of the various alternatives offered which emerged as the ones consumers believed could help them to be more flexible in the current car insurance market confirmed that costs and information are the two key areas where improvements could lead to easier decisions. Primarily, switching at no cost (30%) was selected by EU citizens as a factor that could persuade those hesitating about switching their car insurance provider, followed by standardised offers from providers that would enable citizens to easily compare the various products and a dedicated website that provided a reliable overview of the conditions of the various offers (both 29%).

The difficulties in the logistics of changing providers were seen as less important factors in decision making: consumers were less likely to mention a facilitating agency (15%) or a 30-day switchover process (14%). Shorter contracts (12%) were also mentioned.

A relatively significant 26% of consumers indicated that “other” factors could facilitate their decision to change their service provider.

Looking at the three alternatives that emerged as the ones consumers believed could really help them to be more flexible in the current car insurance market, the NMS respondents were more likely to mention them compared to citizens from the EU15.

Annex Table 34a provides details on the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average (but not always in that ranking order).

Looking at the socio-demographic groups, we see that standardised comparable offers from providers were preferred by men. The oldest car insurance users (55 and over), those with the lowest level of education and non-working consumers were the ones who were the least likely to be persuaded by any of the tested possibilities to change providers. Metropolitan consumers were more easily persuaded than others to change their providers through a website that offered information about the cheapest
providers, by standardised comparable offers from providers, via a switching process that was handled by an agency or through shorter contracts (see Annex Table 34b).

### 3.1.7. Recent changes in prices

Almost half of car insurance policy-holders reported a price change in the last 12; predominantly, these were price increases (25%); 22% of respondents indicated service costs becoming cheaper. At the EU27 level, the majority of car insurance policy-holders indicated that their providers did not change their prices in the last 12 months (39%). Eight percent could not tell if costs had changed or not.

Overall, the most likely to report changes in prices were the Latvian (66%; 19 percentage points above the EU27 average), Irish (63%), Hungarian (62%) and British (60%) car insurance policy-holders. Just three out of 10 consumers indicated price changes from their current car insurance providers during the last 12 months in Luxembourg (34%; 13 percentage points below the EU average), the Netherlands (35%), Finland (37%) and Belgium (38%).

**Change in the price of the services in the last 12 months**

**Car insurance provider**

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<th>The price of the service remained the same</th>
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Q6. Which of the following has your present car insurance provider done in the last 12 months?

**Base:** who use this service provider, % by country

Price increases were most often reported in Latvia (60%; 35 percentage points above the EU27 average), Cyprus (52%), Estonia (41%) and Greece (40%) and most rarely reported in Slovakia (12%; 13 percentage points below the EU average), Ireland (15%), Denmark and Germany (both 17%). Car insurance costs going down was a common experience for the majority of Irish (48%; 26 percentage points above the EU27 average) and Hungarian (34%) consumers of such products; only 5% of Bulgarian and 6% of Latvian car insurance policy-holders had the experience of costs going down.

The youngest consumers, those still in education, those from urban areas and the self-employed were more likely to think that prices of car insurance had increased in the last 12 months. A reduction in price was reported by more men, the 25-39 year-olds, those with an average level of education, by those from rural areas and by employees. Stable prices were mainly mentioned in higher percentages by the oldest and those with the lowest level of education; those living in urban areas, the self-employed and employees were less likely to report such an event. Women were more likely to be unable to say if the price of the service had changed, while the youngest, those with the lowest level of
education and the manual workers were less likely to have difficulties in knowing if the price of the service had changed in the last 12 months (for details see Annex Table 35b).
3.2 Home insurance

3.2.1. Usage

On average, two-thirds of EU citizens reported having home insurance (65%). Almost all of the citizens from Denmark (95%) and Sweden (93%) said they had such insurance and between 80% and 90% of respondents from a further seven Member States claimed the same: France (89%), Belgium (88%), the Netherlands and Austria (both 87%), Luxembourg (86%), Finland (85%) and the UK (81%).

Generally, the number of citizens with home insurance from the NMS countries was below the EU27 average. Owning such insurance was the least widespread in Bulgaria (13%), Romania (17%), Lithuania (23%) and Latvia (24%).

As shown in Annex Tables 36b, over half of the citizens in all of the demographic groups have such insurance, except for the youngest (only 20% of people aged 21-24 have home insurance), and those still in education (27%) – possibly because fewer people in these categories are property owners. Ownership of such an insurance policy increased with age: to 62% among the 25-39 year-olds and to 71%-72% among those aged 40 and over. Such insurance ownership also increased with the level of education: from 62% to 71% for the two extremes. Rural citizens were somewhat more likely than urban inhabitants to have a home insurance policy. Three-quarters of self-employed and employees (74%) said they had home insurance, while only 58%-59% of manual workers and those not in work claimed the same.

The following sections analyse the opinions and experiences of those Europeans who own a home insurance.

3.2.2. Difficulty in comparing offers

Comparing the offers of the various providers of home insurance products was not seen as a trivial matter for many Europeans. As described in section 1.2, the home insurance offers ranked fifth easiest to compare among the 11 surveyed services.

Six out of 10 respondents who held home insurance in the EU did not find the choice among the various offers to be difficult: they considered comparing the offers of various providers to be fairly
easy (42%) or even very easy (18%). For a quarter of home insurance owners, this task seemed to be more complicated, 6% believed it was *very* difficult and 20% indicated that it was *fairly* difficult.

The British seemed to find it easiest to compare offers: a third of them claimed that comparing the offers of the various providers was *very* easy (32%) and another half found it to be *fairly* easy (48%). Making a comparison was also thought to be a relatively simple task in Ireland where three-quarters of the respective consumers indicated that it was *fairly* or *very* easy (76%), and about the same proportions in Lithuania and Bulgaria (both 74%) and 70% in Poland judged it in a similar way.

At the other extreme was Finland, where only 42% of home insurance owners considered the various offers to be easy to contrast (it was a *very* easy task for just 7%), while an equal 42% of users acknowledged that such comparisons were rather difficult.

Above average difficulties were also detected in the Czech Republic (where 37% found it difficult to evaluate the various offers of home insurance providers), Denmark (35%), Italy and Austria (both 34%) – in each of these Member States difficulties were reported by a third of users or more.

At the EU27 level, 14% of current users could not say if the offers of home insurance providers were easy to compare or not. The proportion of those who did not give a clear reply to this question ranged from only 6% in Ireland to 24% in Malta, 27% in Estonia and 34% in the Netherlands. Such a reluctance to provide an answer might be due to respondents lacking recent experience.

# Difficulty in comparing offers from home insurance providers

The socio-demographic analysis of the results showed some variations. Men were somewhat more at ease than women in comparing offers from the different home insurance providers (63% vs. 58%). People still in education (46%) and the youngest respondents aged 21-24 (52%) were less likely than others to say that it was *very* or *fairly* easy to compare offers. People with the lowest levels of education, those aged over 55 and those not working were also less likely than others to find it easy to compare such offers (57%-58%); at the same time, they were more likely than others to avoid answering this question (19%-21%; for details see Annex Table 37b).

## 3.2.3. Difficulties in switching

With 13% of respondents having switched providers or products in the past two years, home insurance was in fifth place in the ranking of the most frequently switched services in Europe, alongside
mortgages and savings/investments. In the EU, 14% of those with home insurance have attempted to switch providers in the past two years. Effectively, 13% did switch to another provider, with 1% dropping the idea before completion. Most of those who managed to switch their home insurance providers found the process to be easy (11% of all home insurance policy-holders), and 1% of all users reported that they found this recent change to be rather difficult.

Looking at the individual Member States, the UK (32%), Ireland (27%) and Denmark (22%) had the most respondents trying to switch their house insurance provider, and the same countries had the most users who effectively changed their supplier (31%, 24% and 20%, respectively). On the other hand, Italy (3%), Romania, Poland, Luxembourg, Greece and Bulgaria (all 4%) had the lowest numbers of consumers who had switched providers.

The Czech Republic (5%), Latvia and Finland (both 4%) had the most users who tried to switch but eventually gave up. Lithuanians were the ones most likely to find the change to be difficult (4% of all users).

Most users who did not try to switch providers were not interested in such a change: almost three-quarters (71%) indicated this at the EU27 level. The difficulties around provider switching prevented only 2% of all users to try to switch providers and 11% had other reasons not to replace their provider.

### Experience with switching home insurance provider in the last two years

<table>
<thead>
<tr>
<th>Country</th>
<th>Did not try</th>
<th>Tried and easy</th>
<th>Tried but difficult</th>
<th>Tried but gave up</th>
</tr>
</thead>
<tbody>
<tr>
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<td>1</td>
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<td>59</td>
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<td>IT</td>
<td>62</td>
<td>11</td>
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</table>

Looking at the demographic breakdowns, one could see almost no variation across the various groups. The few exceptions were that the oldest owners (aged 55 and over) of house insurance were somewhat less likely than people in the other age groups to have changed their provider in the last two years.
(11% vs. 14%); employees were more likely than people in the other occupational categories to have done the same (15% vs. 10%-11%); for details see Annex Table 38b.

3.2.4. Price level at the new service provider

In the EU, around eight out of 10 consumers (79%) who recently changed their home insurance provider said their new one was cheaper. This was especially characteristic of the British (90%) considered the new provider to be cheaper), German (88%), Irish and Austrian (both 87%) consumers.

In some Member States a relatively high number of switchers claimed that their new service was more expensive\(^6\): this was most widespread in Estonia (30%), Slovakia (21%), Greece (17%), and in the Czech Republic and Malta (both 15%) – in contrast to the EU27 average of 4%.

One out of 10 consumers who switched providers (9%) indicated that there was no price difference between the previous and the current provider, and 5% could not tell if there was a difference.

The proportion of respondents who selected a new provider at the same price level as the previous one was much higher than the EU27 average in Cyprus (56%), Greece (39%), Malta (32%), Slovakia (29%) and France (21%). Over a third of those switching providers in Romania, a quarter in Italy, and one-fifth in the Czech Republic and Slovenia could not tell whether the new provider was cheaper or not compared to the previous one.

### Price level after switching home insurance provider

- DK/NA
- Could not tell if the new provider is cheaper or more expensive than the old one
- There is no price difference between the new and the old provider
- The new provider is more expensive
- The new provider is cheaper than the old provider

Lower prices were mostly obtained by the respondents aged 40 and over (80%-82%), those still in education (84%) and those with the lowest level of education (83%), rural inhabitants and manual workers (both 82%) and people not working (83%). Respondents aged 21-24 were more likely than people in the other age groups to experience price stability (12%); in addition, more of them (11%) could not tell whether the new provider was cheaper or more expensive than the old one. The self-

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\(^6\) Please note that due to the low numbers of people with house insurance, especially in some Member States, and due to the low proportion of those switching services, the sample sizes by country are rather low or very low. The reliability, therefore, of the results provided for those who switched service is only indicative and lacks statistical robustness. In the annex tables, we provide the sample size for those who answered, for each country.

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\*3.2 Home insurance \* page 75
employed (10%) and people aged 25-39 (7%) were somewhat more likely than others to claim that their new provider was more expensive (see Annex Table 39b).

3.2.5. Reasons to stay with current provider

Respondents who had not switched providers recently were asked for the primary reason why this was the case. Almost half indicated that their current provider offered the best value for money (46%). One out of 10 loyal customers did not switch providers because of the related costs and benefits — 6% considered that the potential savings would be too small and 4% thought the costs of switching and the required effort were too high. A similar proportion considered that it was difficult to find out which current account provider was the cheapest (5%). Only a few people mentioned existing contracts that made switching hard and the lack of local alternative providers (each mentioned by 2%). Less than 1% said they did not know that they could switch.

The main reason for staying with home insurance provider

Almost a third of loyal customers indicated another reason for keeping their old provider

At the level of the individual Member States, the main reasons why people stayed with their home insurance provider were that they were getting “value for money” and “other” reasons; the remaining factors were rarely mentioned.

In Latvia, 18% of respondents who did not recently change provider considered that the amount they could save by switching was too small; that was also true of 14% of consumers in Hungary, 13% in Slovakia and 12% in the Czech Republic. More consumers than the EU average in the Netherlands (11%), Slovakia and the Czech Republic (9%) thought that the cost and effort required by switching was too high.

The claim that there were no local alternatives was heard more frequently than elsewhere in Romania (12%) and Bulgaria (7%). The Lithuanian (14%), Greek and Slovak (8%-9%) consumers found their contracts made it difficult to change their service. Finally, those in Bulgaria (13%), the Czech Republic (12%), Hungary (10%), Denmark, Slovenia and Latvia (all 9%) found it difficult to identify the cheapest supplier.
Annex Table 40a provides details of reasons why consumers stayed with their current provider, by Member State.

The differences in the various socio-demographic segments were generally small or non-existent (see Annex Table 40b). Rural consumers, employees and the self-employed were somewhat more likely than urban inhabitants, manual workers and non-working people to stay with their home insurance provider as they were satisfied that they were getting value for money (48%-49% vs. 44%-45%). The youngest respondents aged 21-24 and those still in the educational system were more likely to say it was difficult to find out which provider was the cheapest (8%). The youngest respondents were also most likely to think that their contract made it difficult to change (5%).

3.2.6. Facilitating consumer decisions

For each service, we inquired what conditions could facilitate the mobility of consumers across various service providers. The three of the various alternatives offered which emerged as the ones consumers believed could help them to be more flexible in the home insurance market confirmed that costs and information are key areas where improvements could lead to easier decision-making. These factors – switching providers at no cost; standardised, comparable offers from providers and a dedicated website that provided a reliable overview of the conditions of the various market offers – appeared to be equally effective in persuading home insurance owners to consider switching, as each of these factors was mentioned by roughly the same number of users: 27%-29%.

The difficulties in the logistics of changing providers were seen to be less important factors in decision-making: a 3-day switchover process (17%) and a facilitating agency (15%) were less-frequently mentioned. Shorter contracts were mentioned by 14% of consumers.

Again a significant 27% indicated that “other” factors could facilitate their decision in changing their service provider.

Annex Table 41a provides details about the frequency of choice of each factor by country. The top three factors facilitating switching providers in most of the Member States corresponded to the average
in the EU27. Generally, most of the tested tools were most welcomed by the Irish and British consumers and to a somewhat lesser (still over average) extent by Luxembourgeois, German and Polish consumers.

Looking at the socio-demographic breakdowns, most of the segments had the same top three factors as appeared at the EU27 level (but not always in that rank order); however there were differences in the degree the people from the various groups thought that the tested “tools” would persuade them to change their home insurance providers.

Generally, those aged over 55, people with the lowest levels of education and not working were much less likely than others to mention each of the tested “tools” and more likely to mention “other” factors and to not answer the question. The younger the respondents were, the more likely they were to indicate a desire for standardised comparable offers, a cost-free switching process and a website explaining which provider was the cheapest for their needs. The preference for these three facilitating factors increased with the level of educational attainment. Such website and comparable offers were also preferred by metropolitan users, employees and the self-employed, compared to rural citizens, manual workers and people not working (for details see Annex Table 41b). Metropolitan users were somewhat more likely than those from other urban centres or rural areas to indicate a facilitating agency (18% vs. 14%-15%).

3.2.7. Recent changes in prices

One-third of users (34%) reported a change in prices of their home insurance policies. Predominantly, these were price increases – mentioned by a quarter of users (24%), while 10% of users indicated cheaper costs. Two-thirds of citizens using such a service could not confirm any change in prices, half of consumers indicated that prices did not change (50%), 9% could not tell if costs changed or not and 6% avoided replying on other grounds.

The most likely to report stable prices were those from Luxembourg (63%), Malta and Germany (both 62%) and Slovakia (60%). Price increases were most often reported in Hungary (50%), Latvia (41%), Estonia (39%), Cyprus (38%), Romania and Lithuania (both 36%).

Cheaper home insurance costs were rare; in most Member States, between 3% and 10% of consumers reported lower prices. The evolution of prices was the most balanced in Ireland, where those respondents mentioning costs going down slightly outnumbered those mentioning the opposite (27% vs. 24%, respectively), and in the UK and Denmark, where slightly more users experienced increasing prices (24% vs. 22% and 14% vs. 18%, respectively).
The price trends were perceived rather similarly by users in all of the demographic segments; between 45% and 54% of users in each group experienced stable prices with their home insurance providers in the last 12 months. Regarding the differences, it was the young rather than the old, the self-employed and employees rather than manual workers and not working people, that claimed that prices had been reduced. Consumers in rural areas and manual workers were more likely than others to report stable prices. People aged 40-54 and urban users were somewhat more likely than people from other age groups and rural users to mention an increase in prices. Higher numbers of young people aged 21-24 and of those still in education could not say if the price of the service had changed or did not give a definite answer (for details see Annex Table 42b).
4. Telecommunication services

The survey investigated three of the main telecommunication services: broadband Internet, mobile phone and fixed-line telephone networks. The following sections introduce the results for each of these service areas in detail.

4.1 Internet services

4.1.1. Usage

On average, six out of 10 EU citizens have an Internet connection at home: 17% have a dial-up link and 45% subscribe to a broadband service. Three-quarters or more indicated that they use such a service in six Member States: the UK (75%), Ireland and Luxembourg (both 76%), Sweden (80%), the Netherlands (83%) and the highest - in Denmark (85%). Access to the Internet from home was much rarer in some of the NMS: Romania (31%), Bulgaria (32%) and Slovakia (38%), but there was also a very low penetration in Greece (41%).

In most Member States, broadband was the primary Internet access method. There were only two countries where dial-up subscribers outnumbered those with broadband: Cyprus and Italy. The chart below shows the breakdown of the Internet access by type of technology.

Annex Table 43b shows that home Internet access was much more frequent among men (considering both technologies, 67% have access) than women (57%). Such a large gap was primarily related to the different demographic characteristics of the two groups; thanks to female longevity, proportionally more women are in the oldest age groups and they were less likely to have Internet access. Additional analyses showed that in the “below-50” group, men were only slightly more likely to have Internet access at home (76% vs. 73%) for women. The younger the respondent, the more likely he or she was to have Internet access at home (81% in the 21-24 age group compared to 40% of those over 55). The relationship was also linear when considering the level of educational attainment: 33% of those with the lowest level of education have Internet at home in contrast to 77% of the most highly-educated (this parameter was also linked to age, similar to gender). Metropolitan residents were the most likely (68%) and rural citizens the least likely (57%) to subscribe to the Internet. Finally, white collar employees were more prone to have such a service (79%), while only 48% of those not working used Internet at home. Generally, within a group, the more widespread the Internet access, then the lower the proportion of dial-up users. The youngest generation was the only exception where this was not the case.
The following sections only analyse the opinions of those who subscribe to broadband Internet.

### 4.1.2. Difficulty in comparing offers

Comparing the offers of the various Internet providers was the easiest of all the services investigated (see section 1.2). Two-thirds had no significant problems comparing the competitive offers: it was fairly easy for 45% or even very easy for 22%. Nine percent of respondents could not tell. On the other hand, approximately a quarter of broadband Internet subscribers in the EU found the comparison among various offers to be difficult; 6% believed it to be very difficult and 18% indicated that it was fairly difficult.

The conditions of the various Internet offers were found to be easy to contrast by more than seven out of 10 users in 11 of the EU Member States, with Bulgarian (83%), Romanian (81%) and Polish (80%) consumers finding them fairly or very easy to compare. At the other end of the spectrum was Denmark, where 37% of subscribers indicated that this was a difficult for them. This proportion was also relatively high in Germany (34%), Belgium and Sweden (both 33%). Nevertheless, there was no Member State where those who found comparisons difficult outnumbered those who indicated the contrary.

As already mentioned, in the EU, 9% of current users could not tell if the offers were easy to compare or not. The proportion of those who did not give a clear reply ranged from only 5% in Germany and 6% in Cyprus, Ireland and Austria to 19% in the Netherlands.

The socio-demographic analysis of the results showed great disparities both in the proportion of those who did not reply to the question and in those who found the process to be easy (see Annex Table 44b). Eleven percent of women versus 7% of men were unable to reply whether or not it was easy to compare offers, and the proportion of those who found it easy (very or fairly) was also slightly higher among men (69% vs. 64%). Similarly, the proportion of those not being able to answer this question increased progressively with age (3% of the 21-24 year-old age group and 16% among those over 55), and the numbers of those finding it easy also decreased in the older age groups (79% in the 21-24 year-old age group versus 54% among those over 55). Those with the lowest level of education were the least likely of all the groups to find such comparisons easy (61%).

**4.1 Internet services**
4.1.3. Difficulties at switching

With more than one in four respondents having switched service contracts in the past two years, the Internet was the second most frequently switched service in Europe. In the EU, a quarter (24%) of the users attempted to switch services. As indicated below, 22% did switch to another provider and 2% gave up before completion. While most of those who managed to switch providers found the process to be easy (15% of all users), the proportion who found this process difficult was significant (7%, about one-third of all the switchers).

Looking at the individual Member States, the highest churn rates were seen in Greece (36%), Germany (31%), Portugal (29%) and Spain (28%). On the other hand, the lowest numbers of users switched providers in Lithuania (8%), Poland and Slovakia (both 9%).

Most users who tried to switch but gave up were found in Belgium (4%). This low proportion does not mean that changing was easy. Probably due to the service characteristics (e.g. that it usually requires some use involvement in the installation), many of the switchers reported difficulties with the transition. In Spain, for example, almost as many reported problems (13%) as those who indicated that it was easy (15%), and the situation was similar in Italy (12% difficult vs. 14% easy) and France (7% vs. 9%).

![Experience with switching internet access provider in the last two years](image)

Most users who did not try to switch providers said this was because they had no interest in making such a change: about six out of 10 (58%) indicated this at the EU27 level. The anticipated difficulties prevented just 4% of all users from trying to switch providers and 11% had other reasons for not...
replacing their provider. The concern about anticipated difficulties was the highest in the UK, Ireland and Poland: 6% of all consumers avoided trying to change providers.

The socio-demographic analyses revealed that men were only somewhat more likely to switch services (23% vs. 21% of women), but the anticipated difficulties of the change prevented more women (5% vs. 3% men) from looking for a new provider. In terms of attempting to switch, age does not play a significant role but education does: the most highly-educated were most likely to switch (24%) compared to 15% among those with the educational attainment. (See Annex Table 45b.)

4.1.4. Price level at the new service provider

In the case of the Internet the greatest numbers of consumers switched to a more expensive service, in some cases probably due to a technology upgrade. Overall, two-thirds of users (66%) who changed their Internet provider said their new one was cheaper. This was especially characteristic of Slovenian (85% considered the new provider to be cheaper), Portuguese and Austrian (81%) and Hungarian (78%) subscribers.

In some Member States, a relatively high number of switchers claimed that their new service was more expensive: this was the most widespread in Estonia (29%), Lithuania (21%), and France (17%) – in contrast to the EU average of 10%.

One in five consumers who switched providers indicated that there was no price difference between the previous and current providers or they couldn’t really tell the difference (13% and 7%, respectively). Those who selected a new provider at the same price level as the previous one were most likely to be from Bulgaria (54%, the two categories combined) Latvia (36%), Poland and Italy (both 34%). In Latvia, 20% could not tell if the new provider was cheaper or not, and the proportion of such answers was also considerably higher than the EU average in Slovakia (26%).

Consumers between the age of 40 and 54 (72%), those with the lowest level of education (69%) and white collar employees (68%) were the ones most likely to obtain a lower price at the new provider (see Annex Table 46b).
4.1.5. Reasons to stay with the current provider

Respondents who had not recently switched providers were asked for the primary reason why this was the case. The overwhelming majority (44%) of these consumers said they were satisfied with the “value for money” they had with their current provider. This was by far the main reason as only approximately one in 15 indicated any other kind of rationale: 6% had existing contracts that made switching hard and the same proportion admitted that the costs of switching and the required effort were too high. In a slightly different cost-benefit assessment, 5% considered that any savings they achieved would be too small and not worth the effort. In addition, 4% considered that it was difficult to find out which current account provider was the cheapest, and another 4% said that there were no local alternatives. Almost nobody indicated they did not know that they could switch.

The main reason for staying with internet access provider

Almost a third of the loyal customers also gave an “other” reason for staying with their old provider (27%).

Such other reasons were most often mentioned by users in Cyprus (59%), France (46%) and Malta (45%). Having found the best value for money was given as a reason to stay with their current provider by the most respondents in Latvia and Lithuania (both 58%) and Spain (55%) – and it was the least likely in Cyprus (22%). With only a few exceptions (see Annex Table 47b), these two categories dominated responses in each Member State.

The claim that there was no local alternative was relatively more frequent in Slovenia (15%), Romania (13%) and Bulgaria (10%). Czech consumers were the most likely to indicate that they did not know that they could switch (4%). The highest percentage of consumers who reported that their contracts prevented them from switching were the Lithuanians (13%) and the Polish (10%).

As for the potential costs and benefits of the change, the cost and effort required to make such a change was most frequently mentioned as a barrier in the Netherlands (11%), while the low potential benefits were particularly seen as a barrier in Slovakia (14%) and Estonia (11%).

Differences in the various socio-demographic segments were generally very small or non-existent, see Annex Table 47b. Relatively marked differences emerged in the incentive versus the necessary effort
of changing providers: the oldest age group, the best-educated, the metropolitan dwellers (all 7%) and particularly the self-employed (10%) citizens were the most likely to think that switching was not worth the effort.

4.1.6. Facilitating consumer decisions

As with each service, we inquired what conditions could facilitate consumers’ mobility between the various Internet service providers. The three alternatives that emerged as the ones most consumers believed could help them to switch providers were not different from the general pattern: costs and information were the two key areas where improvements would allegedly help consumers to make easier decisions. But this was the only service area where an information tool took the lead: 40% believed that a dedicated website that provided a reliable overview of the conditions of the various market offers would facilitate their choice. Switching at no cost (37%) came in second place, followed by standardised offers from providers (36%).

Users were once again less likely to opt for a switch that could be completed in 5-working-days (26%), shorter contracts (also 26%) or an agency that handled the switch (14%) as factors that might facilitate switching.

Again a relatively significant proportion of respondents (23%) indicated that “other” factors could facilitate their decision to change their service provider.

Annex Table 48a provides details about the frequency of choice of each factor by country. The top three factors facilitating switching providers in each Member State correspond to the EU27 average (not always in the same ranking order). As with essentially all of the services, the suggested tools were most welcomed by the Irish, Luxembourgish and UK consumers, and to a somewhat lesser extent by those in Germany and Poland.

As for the socio-demographic groups, it seems that the tools offered were generally most preferred by the youngest people, and (thus) those still in the educational system: they favoured each possibility far more than consumers over the age of 25, with the exception of a facilitating agency which was most
favoured by adults between the ages of 25 and 39 (18%). Metropolitan consumers looked more favourably towards the tools than others, and looking at types of occupation, it was mainly employees who believed that all of the listed assistance options could facilitate their choice. Regarding the impact of education, those who left school between the ages of 16 and 20 were generally the most favourably disposed towards the options (Annex Table 49b).

4.1.7. Recent changes in prices

In a service environment usually characterised by price increases, Internet service costs were seen to be stagnating or becoming cheaper. The reported price changes were mostly reductions (18%) with considerably less respondents indicating costs becoming more expensive (9%). Roughly six out of 10 subscribers indicated that prices did not change (61%) and a further 6% could not tell if the current prices were higher or lower compared to those of a year ago. A further 6% avoided giving a response on other grounds.

The respondents that were the least likely to report price changes were those from France (75%), Latvia and Poland (both 70%), Lithuania (64%) and Slovakia (63%). Actual price increases were most often signalled in Cyprus (30%) and Spain (22%). Lower Internet service costs were reported in the highest proportions in Luxembourg (32%), Malta and Greece (both 30%) and Germany (29%).

There was no significant difference among the socio-demographic segments as to how prices changed; there were no clear patterns in the data and the difference among the various groups’ assessments remained minimal (for details see Annex Table 50b.)
4.2 Mobile phone services

4.2.1. Usage

On average, more than eight out of 10 EU citizens (82%) use mobile phone services. The penetration rate of mobile phone services is very high and ranges from 74% to 92% in the individual Member States. The highest rates of usage were found in Finland (92%), Italy (90%), Slovenia, Malta and Ireland (88% in each one), Cyprus (87%), Austria, the Czech Republic, Luxembourg, Estonia and Lithuania (86% in each one). However, the differences between the various countries were extremely low; the penetration of mobile phone services was still very high in the next 13 countries, with between 81% and 85% of citizens saying they used such services.

In four countries – Bulgaria, Romania, Germany and France – the use of mobile phone services was somewhat lower: only three-quarters of respondents said they used such services (74%-75%) in the first three Member States, while the figure in France was 78%.

Annex Table 51b shows that using mobile telephone services is somewhat more characteristic of men (84% vs. 80% of women). The penetration rate of such services is also inversely proportional to the age of respondents: the younger the respondent, the more likely they were to use such services. While almost all citizens aged 21-24 claimed they used a mobile phone (95%), the penetration rate decreased slightly in the next two age groups and showed a dramatic drop with the oldest group (those over 55, 68%). The likelihood of using such a product increased with the level of education and was higher in urban areas compared to rural zones. Around nine out of 10 self-employed and employees use mobile phone services; manual workers were only slightly less likely to use one, while only three-quarters of people not working used such services.

The following sections analyse the opinions and experiences of those Europeans who use mobile phone services.

4.2.2. Difficulty in comparing offers

Comparing the offers from the various providers of mobile phone services is seen to be a rather easy task for the majority of Europeans: it is seen to be as straightforward as comparing car insurance.
Two-thirds of users of mobile phone services in the EU had little difficulty: they considered that comparing the offers of various providers was *fairly easy* (41%) or even *very easy* (23%). For a quarter of users, this task seemed to be more complicated, 8% believed it was *very difficult* and 19% indicated that it was *fairly difficult*.

Comparing the various offers appeared to be the easiest for Lithuanians: 87% claimed that comparing the offers of the various mobile phone network providers was *very or fairly easy*. The situation was similar in countries like Poland, where 83% of users agreed, in Bulgaria (80%), Latvia (79%), Estonia and Slovenia (both 77%) and Romania (76%). In all these countries, around a third or more of the mobile phone users (between 31% and 39%) found it to be *very easy* to compare the offers of the various providers. In addition, in a further four countries – the UK, Cyprus, Portugal and Luxembourg – almost a third of mobile phone users thought the same way (31-32%); however the proportion of those who found it was only *fairly easy* to compare such offers was somewhat lower in these latter countries.

At the other extreme was Sweden, where less than half of mobile phone users (46%) considered the various offers to be rather easy to compare (it was a *very easy* task for just 9%), while over a third of users (38%) acknowledged that such comparisons were rather difficult, and 17% could not make an evaluation.

Above average difficulties were also seen in Denmark (where 44% of users found it difficult to evaluate the various offers of mobile phone network providers), Austria (42%), Germany (37%), Belgium (33%), Finland (32%) and Italy (31%) – in each of these Member States difficulties were reported by around three out of 10 users, or more.

A quarter of Dutch mobile phone users (24%) and one-fifth of Maltese respondents (21%) could not answer this question definitively.

The socio-demographic analysis showed that younger people were significantly more likely than older people to find it to be fairly or very easy to compare the offers of the various service providers (see Annex Table 52b.) Eight out of 10 mobile phone users aged 21-24 found it easy to make such
comparisons (80%) and this proportion progressively decreased with age, so that only 52% of those aged over 55 shared that opinion. At the same time, this oldest age group were the ones the least likely to make such a comparison; 19% of them could not give an answer (while only 3% of the youngest group could not answer). Thirteen percent of women versus 8% of men were unable to reply whether or not it was easy to compare offers; the proportion of those who found it very or fairly easy was only slightly different (65% men, 62% women). Users with the lowest levels of education were the least likely to find the process easy (56%), and the most liable to be unable to make a comparison (20%) – as opposed to those still in education who showed the opposite tendency (75% and 3%, respectively). There were virtually no differences among the urban and rural users in this respect. Regarding occupation, it was primarily the manual workers who considered such comparisons easy (71%) and those not in work who were the least likely to answer the question (15%).

4.2.3. Difficulties in switching

With 19% of users having switched product and/or providers in the past two years, mobile phone services ranked third in the list of the most frequently switched services in Europe. In the EU, one-fifth of the users of mobile phone services had attempted to switch providers in the past two years (21%). Effectively, 19% did switch to another provider, while 2% gave up before completion; in other words, 7% of those trying to change providers did not – or could not – switch to a new one. Most of those who managed to switch their mobile phone network provider found the process to be easy (16% of all mobile phone users), and 3% of all users reported that they found this recent change to be rather difficult.

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7 The 7% figure is calculated from the number of respondents, not from 2% divided by 21% (2% / 21%) , as 2% was actually 1.5% in the volume tables.
Looking at the individual Member States, Germany (28%), Spain and Finland (both 26%), Denmark (25%), the Netherlands and Italy (both 24%) had the most users trying to switch mobile phone network providers, and the same countries featured the most users who effectively changed providers (from 22% of Italian users to 26% of Germans). On the other hand, the lowest numbers of users who tried to switch providers were seen in Hungary (7%), Cyprus (8%), Latvia (10%) and Slovakia (11%).

The highest numbers of users who tried to switch but gave up were found in Lithuania (5%). Spain (6%) had the highest proportion of those who changed providers but found the process to be difficult.

Most users who did not try to switch providers said this was because they had no interest in making such a change: two-thirds (65%) indicated this at the EU27 level. The expected difficulties prevented only 2% of all European mobile phone users from trying to switch and 10% had other reasons for not replacing their provider.

The socio-demographic analysis revealed that switching mobile telephone providers was more characteristic of the younger respondents. Almost three out of 10 of those aged 21-24 have changed their providers in the last two years (28%), a figure double those aged over 55 (14%). Users still in education were the most likely to have recently changed their provider (27%), and those with the lowest level of education were the least apt to have done the same (15%). There were only small differences based on gender, subjective urbanisation and occupation regarding the likeliness of switching service providers. There were no significant differences across the various socio-demographic segments regarding the proportion of those users who tried to switch their providers but gave up (see Annex Table 53b.)

Experience with switching mobile telephone provider in the last two years

![Experience with switching mobile telephone provider in the last two years](image)

**Q3. Have you tried to switch your mobile telephone provider in the last two years?**

Base: who changed provider, % by country
4.2.4. **Price level at the new service provider**

In the EU, two-thirds of mobile phone users who changed their network provider (66%) reported that their new one was cheaper. This was especially characteristic of Austrian and Lithuanian consumers (where 88%-89% considering the new provider to be cheaper). Cheaper prices were also mentioned by over three-quarters of those who had switched their mobile phone network provider in Slovenia (82%), Poland (81%), Portugal (80%), Belgium (79%), Germany (77%) and Latvia (76%). Note: It is unclear what proportion actually changed providers *in the hope* of finding a cheaper one; this survey just reported the actual situation as recorded.

In some Member States a relatively high number of switchers claimed that their new service was more expensive than their previous one: this occurrence was the most widespread in the UK (12%), France (11%), in the Czech Republic, the Netherlands and Italy (8% in each one) – compared to an EU27 average of 6%.

Fifteen percent of European mobile phone users who switched network providers said that there was no price difference between the previous and current providers, and a further 8% could not tell if there was a difference. Those who selected a new provider at the same price level were most likely to be from France and Malta (both 31%), the Czech Republic and Cyprus (both 23%). About one out of seven users who switched their provider in Bulgaria (15%) and Belgium (13%) could not tell if the new provider was cheaper or not compared to the previous one, and a further 15% in Bulgaria and 21% in Malta did not answer the question.

**Price level after switching mobile telephone provider**

- DK/NA
- Could not tell if the new provider is cheaper or more expensive than the old one
- There is no price difference between the new and the old provider
- The new provider is more expensive
- The new provider is cheaper than the old provider

The users from metropolitan zones (70%), employees and the self-employed (69-70%) and people with medium or high levels of education (67-68%) were the ones most likely to obtain a lower price. Compared to other segments, manual workers were the most likely to experience stable prices (23%) or higher costs (13%) after switching providers (see Annex Table 54b).
4.2.5. Reasons to stay with current provider

Respondents who had not switched providers recently were asked for the primary reason why this was the case. Most of these consumers indicated that they were currently satisfied that they were getting value for money from their current provider (46%). This was by far the main reason as the next highest motivation for not switching was reported by approximately one in 16 consumers: some considered the savings they could achieve by changing would be too small and not worth the effort (6%), and a similar number (5%) put it the other way, saying the costs of switching and the required effort were too high. Another 5% considered that it was difficult to find out which provider was the cheapest and 4% had existing contracts that made switching hard. Only 2% said that there were no local alternatives and less than 1% indicated they did not know that they could switch.

![Bar chart showing reasons for staying with mobile provider]

Over a quarter of loyal customers (28%) indicated “other” reasons for staying with their old provider.

In most of the Member States, the main reason for not changing providers was that the current supplier gave the best value for money – the same main reason that we observed at the EU27 level overall. However, this “best value for money” rationale was surpassed by “other” reasons in Cyprus, Sweden, Malta, France and Slovenia, and equalled by “other” reasons in Belgium. Without exception, these two categories dominated the responses in each Member State.

In addition, Lithuanian mobile phone users in particular found that their contracts prevented them from changing their supplier (13%); 9% of Polish and 8% of Bulgarian users claimed the same.

Looking at the costs and potential benefits of a change, the excessive cost and effort required to switch was most frequently mentioned as a barrier in Bulgaria (14%), the Netherlands (12%) and in the Czech Republic (9%), while the low potential benefit in switching was especially seen as a barrier in Slovakia (15%), Hungary (13%), the Netherlands, Estonia, the Czech Republic and Finland (8%-9% in each one).

The difficulty in finding out which provider was the cheapest was mentioned by somewhat more users in Bulgaria (13%), the Czech Republic (11%), Lithuania (10%) and Denmark (9%).

Annex Table 55a provides details of reasons to stay with the current provider in each Member State.
The differences between the various socio-demographic segments were generally small or non-existent (see Annex Table 55b). Some patterns emerged though, for example the younger the respondents were the more likely they were to claim that they stayed loyal because their current provider offered the best value for money (63% of the 21-24 year-olds, 39% of those aged 55 and over). On the contrary, the older respondents were more likely to mention “other” reasons for staying with their provider (33% vs. 18% in the 21-24 year-old age group).

Regarding the level of education, there were no differences among the groups, except that those with the lowest level of education were the least likely to think that their contract made it difficult to change (2% vs. 4-5% in other groups), and that those still in education were the most satisfied that they got value for money (60%, compared to 44%-46% of those who had completed their education). Among occupational groups, the self-employed were the least sure that they were getting value for money (42% vs. 46%-47% among the others); they were more likely to think that their contract made it difficult to change (8% vs. 3-5%), and that switching was not worth the cost and effort (7% vs. 4%-5%). Finally, manual workers were slightly more liable to think that the potential gain of switching was too low (8% vs. 5-6% in the other occupational groups).
4.2.6. Facilitating consumer decisions

For each service, the survey inquired what conditions could facilitate consumers’ mobility between the various network service providers.

What would persuade respondents to consider switching their mobile telephone provider

- A switching process that costs you nothing: 32%
- Standardized comparable offers from providers: 30%
- A website that tells you which provider is the cheapest for you: 29%
- A shorter contract: 22%
- The switching process is handled by an agent/agency: 12%
- Other: 25%
- DK/NA: 18%

Q5h. Which of the following would persuade you to consider switching your mobile telephone provider? Select as many answers as you consider relevant for you.
Base: who use this service provider, % “mentioned”, EU27

The three alternatives that most consumers believed could help them to look for a replacement of their current mobile phone network contract confirmed again that costs and information are the two key areas where improvements could lead to easier and better decisions.

Switching mobile phone services at no cost (32%) was selected by EU citizens as the primary aid that could help them to change, followed by generally standardised offers from providers that would enable citizens to easily compare the conditions of the various products (30%) and a dedicated website that provided a reliable overview of the conditions of the various network offers on the market (29%).

The difficulties in the logistics of changing providers were seen as somewhat less important factors in the decision-making process: these were a 1-day switchover process (22%), and a facilitating agency (12%). Shorter contracts were indicated by 22% of users of mobile phone networks.

Again a relatively significant 25% of users indicated that “other” factors could facilitate their decision to change their service provider.

Annex Table 56a provides details about the frequency of choice of each factor by country.

In most of the Member States, the top three factors that could facilitate switching providers correspond to the above EU27 average (but not always in the same ranking order), but were closely followed (and sometimes even surpassed) by the “other” category. Generally, the tools tested were most favoured by the Irish, the British and, to a somewhat lesser extent, by Luxembourgish, Polish and German consumers.

As for the socio-demographic groups, it seems that the tools offered were generally attractive to the youngest people, and (therefore) to those still in education: they favoured each possibility (except for a facilitating agency) more than consumers aged 25 and over. Generally, it seemed that the preference
for the various “tools” decreased with age, with the oldest group being the least favourable to each of them. There was also less likelihood of people with the lowest levels of education and people not working to approve of the various tools. Metropolitan consumers, men, employees and the self-employed were slightly more favourable than others to a website that indicated which provider was the cheapest and to the availability of standardised comparable offers (for details see Annex Table 56b).
4.2.7. Recent changes in prices

Three out of 10 users reported a price change in the mobile phone services they have used in the last 12 months. At the EU27 level, these changes were to the benefit of consumers, as 17% of mobile phone users indicated that service costs became cheaper in the last 12 months, while somewhat fewer (12%) indicated price increases. Roughly seven out of 10 citizens using such services could not confirm a price change, most of them indicated that prices did not change (56% of users), 8% could not tell if costs had changed and 7% avoided making a reply on other grounds.

The least likely to report changes in prices were consumers from Finland and Hungary (79% of users in both countries did not confirm price changes), Sweden, France and the Netherlands (77% in each country).

A decrease in mobile phone services’ costs was seen quite frequently: in two-thirds of the EU Member States those users mentioning that mobile phone service costs were cheaper in the last 12 months outnumbered those who indicated price increases. Positive changes in this respect were seen in Lithuania, Poland, Austria, Luxembourg and Latvia, where the differences between “cheaper” and “more expensive” contracts was between 21 and 28 percentage points.

Altogether, a third of Lithuanian users (34%) reported decreasing prices of mobile phone services in the last 12 months, and between a quarter and a third of users in Poland (29%), Luxembourg (26%), Latvia and Austria (both 25%) reported the same. On the contrary, price increases were most often reported in Cyprus (32%), Spain (31%) and Romania (26%) – where, in the same timeframe, only between 6% and 9% of users reported lower prices.

The socio-demographic variables had relatively little impact on people’s views as to how prices of mobile phone services had changed in the last 12 months. Somewhat more men than women experienced lower prices (19% vs. 15%). Younger users reported more price changes (in both directions), while older people were somewhat less able to estimate if there had been any change in prices. The more educated users, those still in education, the self-employed and employees were more...
likely than the less educated users, manual workers and non-working people to report that prices had dropped (for details see Annex Table 57b)

4.3 Fixed-line telephone services

4.3.1. Usage

On average, more than eight out of 10 of the interviewees use a fixed-line telephone service (86%). The survey mode implied a higher-than normal penetration rate for this service, as respondents were interviewed predominantly over a fixed-line telephone. Results regarding service penetration are therefore not representative of the EU population as a whole; they simply describe the size of the subsamples that took part in the survey and rated fixed-line telephone services.

The following sections analyse the opinions and experiences of those Europeans who use a fixed-line telephone service.

4.3.2. Difficulty in comparing offers

Comparing the offers of the various providers of fixed-line telephone services seems to be an easy task for over half of Europeans. As described in section 1.2, the fixed-line telephone offers are considered to be among the four easiest services to compare among the 11 surveyed services (they ranked just behind mobile phone services and car insurance policies).

Three out of five fixed-line telephone users in the EU had little difficulty: they considered comparing the offers of the various providers to be fairly easy (42%) or even very easy (19%). For a quarter of users this task was more complicated, 7% believed it was very difficult and 18% indicated that it was fairly difficult.

Comparing the various offers appeared to be the easiest for Lithuanians: two-thirds claimed that comparing the offers of the various providers was fairly easy (66%), and another 13% found it to be very easy. More than two-thirds of users in Romania (71%), the UK (70%), Poland and Ireland (both 69%) and Cyprus (67%) found it fairly or very easy to compare such offers; in these countries between a quarter and a third of users said that comparing the offers of various fixed-line telephone providers was very easy (23-31%).
At the other extreme, we found Sweden, where a third of users (34%) indicated that it was difficult for them to compare the offers of the various fixed-line telephone providers. This proportion was also over 30% in Austria, the Czech Republic, Denmark and Germany.

In the EU overall, 14% of fixed-line telephone users could not tell whether the providers’ offers were easy to compare or not. The proportion of those who did not give a clear reply to this question ranged from 9% in Lithuania to 44% in Finland. In almost a third of Member States, over one-fifth of the users could not assess the difficulty in comparing such offers; these countries were Finland (44%), Latvia (37%), Estonia (32%), the Netherlands (30%), Malta and Bulgaria (both 24%), Cyprus (21%) and Slovenia (20%). Such a reluctance to provide an answer might be a result of a lack of recent experience. A possible indication is that in most of these countries only a few people had switched their provider in the last two years (see next section); it could also show the lack of local alternatives in some countries (see section 4.2.5.)

As one can observe in Annex Table 59b, over half of the respondents in each demographic segment found it fairly or very easy to compare the prices of various fixed-line telephone providers. Comparing offers appeared to be the easiest for the 21-24 year-olds: three-quarters of them found it easy to judge such offers (74%). In the older age groups, less people thought the same; the older the respondents were, the less likely they were to find comparisons easy (53%) and also the less likely they were to answer the question (22%). Men were somewhat more likely to find comparisons easy to make (63% vs. 59% of women). The least-educated users were the ones the least likely to find the process to be easy (54%), and the most prone to be unable to make a comparison (22%) – as opposed to those still in education that were at the other extreme (70% and 6%, respectively). There were only minor differences among urban and rural users in this respect. Regarding occupation, the manual workers were the ones who found comparisons easy (70%), as opposed to people who were not working (56%). The those not working were also the least likely to answer the question (19%).

4.3.3. Difficulties in switching

With 18% of users having switched providers in the past two years, the fixed-line telephone services came in fourth place in the rankings of the most frequently switched services in Europe, just behind mobile phone services. In the EU, 20% of those with a fixed-line telephone have attempted to switch providers in the past two years. Effectively, 18% did switch and 2% gave up before completion; so 8% of those trying to change providers did not – or could not – switch. Most of those who managed to
switch their fixed-line telephone service provider found the process to be easy (14% of all fixed-line telephone users), and 4% of all users reported that they found it to be rather difficult.

Looking at the individual Member States, over a quarter of users in Greece (31%), Italy (29%), Ireland and Sweden (both 28%), Portugal and Germany (both 25%) tried to switch their fixed-line phone providers in the last two years, and the same countries had the most users who effectively changed their providers (between 23% in Germany and Portugal, and 28% in Greece). On the other hand, only 4%-5% of users in Slovakia, Estonia, Cyprus and Luxembourg tried to switch their providers, while almost nobody attempted this in Latvia, Bulgaria, Finland and Latvia.

The proportion of those who changed providers but found the process to be difficult was above average in Italy (8%), Greece (7%), Germany (6%), Ireland and Spain (both 5%). Most users who tried to switch providers but eventually gave up were found in Poland (5%), the Czech Republic and Greece (3% in both countries).

Most users who did not try to switch providers said this was because they had no interest in making such a change: almost two-thirds (64%) indicated this at the EU27 level. The anticipated difficulties prevented just 3% of all users from trying to switch providers, and 11% had other reasons for not replacing their service provider.

**Experience with switching fixed telephone provider in the last two years**

There were only small differences across the various socio-demographic segments regarding their experiences with switching fixed-line telephone providers. One out of five people aged 25-54 have changed their provider in the last two years (20%-21%), compared to only 16% of the oldest age group.
People still in education, metropolitan citizens, the self-employed and employees were slightly more likely than the less-educated people, rural inhabitants, manual workers and those not working to have recently changed their provider. Difficulties in doing this were mainly found in the self-employed group and among those still in education (see Annex Table 60b).
4.3.4. Price level at the new service provider

In the EU, almost three-quarters of fixed-line telephone users who changed their provider (72%) reported that their new one was cheaper. This was especially characteristic of Slovenian consumers (where 89% considering that the new provider was cheaper). Cheaper prices were also frequently mentioned in Hungary and Portugal (both 82%), Denmark and the Netherlands (both 79%), Germany (78%), Austria and Romania (both 74%).

In some Member States a relatively high number of switchers said their current provider was more expensive: this was most widespread in Slovakia (22%), in the Czech Republic (21%), France and Bulgaria (both 14%) and Latvia8 (13%) – in contrast to the EU27 average of 8%.

On average, only one out of 10 consumers who switched providers (11%) indicated that there was no price difference between the previous and current providers, and a further 6% could not tell if there was a variation. The ratio of those who selected a new provider at the same price level as the previous one was above average in Cyprus (32%), Latvia (23%), Finland (22%) and France (20%). The proportion of those who could not tell if the new provider was cheaper or not compared to the earlier on was much higher than the EU27 average in Finland, Bulgaria and Lithuania (however these results lacked statistical robustness – see footnote).

### Price level after switching fixed telephone provider

- DK/NA
- Could not tell if the new provider is cheaper or more expensive than the old one
- There is no price difference between the new and the old provider
- The new provider is more expensive
- The new provider is cheaper than the old provider

The 21-24 year-old users (84% of those who changed their provider), users from urban areas (73%) and employees (73%) were the ones most likely to get lower prices. Compared to other segments, the youngest people and those still in education were the least likely to find the new provider more expensive (only 2-3% of those who switched providers). Manual workers (15%) and rural citizens (13%) were the least likely to experience a price difference between the new and the old provider (see Annex Table 61b).

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8 Please note that due to the low or very low proportion of users switching services especially in some countries (e.g. Bulgaria, Latvia, Lithuania, Finland, Slovakia, Cyprus, etc. – see section 4.2.3), the sample sizes by country are low. Therefore the reliability of the results for those who switched provider is only indicative and lacks statistical robustness for such countries. In the annex tables for each question, we provide the sample size for those who answered, for each country.
4.3.5. Reasons to stay with the current provider

Respondents who had not switched providers in the last two years were asked for the primary reason that this was the case. Most of these consumers said they were satisfied with their current provider’s value for money (40%). Far fewer people said that there were no local alternatives (6%), and similar numbers mentioned a further three reasons related to cost and benefits (5% each): the change would require too much effort and cost; potential savings were too small; it would be too difficult to identify the cheapest provider. Only 3% mentioned existing contracts that made switching hard and 1% said that they did not know that they could switch.

The main reason for staying with fixed telephone provider

Almost a third of loyal customers indicated “other” reasons for staying with their old provider (31%)

Examining the results at the country level, one could see that while value for money and “other” reasons were at the top in over half of the Member States, the lack of alternative local providers was the most important factor that made people stay with their current provider in Bulgaria (49%) and Latvia (46%). Bulgarian consumers were also the most likely to indicate that they did not know that they could switch (5%). The lack of local alternatives was mentioned by above average numbers (between 15% and 21% of those who did not recently switch) in Latvia, Luxembourg, Romania, Slovakia, Slovenia, Estonia and Finland; but it was not the most frequently mentioned reason to stay with the current provider.

The cost and effort required to change was most frequently mentioned as a barrier to change in the Netherlands (11%), in the Czech Republic and the UK (both 9%) and Poland (8%), while a lack of benefit in changing was particularly mentioned in Poland and Estonia (both 9%).

Around one out of 10 Danes, Czechs, Slovaks and Italians who did not switch their fixed-line phone provider recently had difficulties in finding out which provider was the cheapest.

The British, in particular, found their contracts prevented them from making a change in service provider (6%).
People who mentioned “other” reasons to stay with their current provider outnumbered those who mentioned “value for money” in almost a third of Member States: Cyprus, France, Malta, Slovenia, the Czech Republic, Hungary, Sweden, Lithuania, Finland and Belgium.

Annex Table 62a provides details of reasons to stay with the current provider in each Member State.

The differences between the various socio-demographic segments were generally small or non-existent (see Annex Table 62b). Some patterns did emerge though, for example that rural consumers were somewhat more likely than metropolitan users to claim that there were no local alternatives to their current provider (7% compared to 4%). Young people aged 21-24 were more likely than others to think that their contract made it difficult to change (7% vs. only 2% in the 55 and over age group); also they were somewhat more satisfied that they got value for money from their current provider (45% vs. 37% among those aged 55 and over). On the other hand, the older users mentioned “other” reasons for staying with their current provider more frequently than the younger ones (34% vs. 23%, respectively). The self-employed and highly-educated respondents were somewhat less satisfied than others that they were getting value for money from their current provider (36%-38% vs. 40%-45%), but they were slightly more likely to think that it was not worth the cost and effort required to switch (7% vs. 4%-5%).

4.3.6. Facilitating consumer decisions

For each service, we inquired what conditions could facilitate the mobility of consumers across various providers.

The three of the various alternatives offered which emerged as the ones consumers believed could help them to be more flexible in the fixed-line telephone market confirmed that costs and information are the key factors where improvements would lead to easier decisions.

Primarily, switching at no cost (29%) was selected by EU citizens as a factor that could persuade those hesitating about making a change, followed by standardised comparable offers from providers (27%) and a dedicated website that provided an overview of the conditions of the various offers on the market (26%).

4.3 Fixed-line telephone services
The difficulties in the logistics of switching providers were seen as being less important in the decision-making process: somewhat fewer people indicated a shorter (1 working-day) switchover process (20%) or a facilitating agency (11%) as factors that might aid switching. The introduction of shorter contracts was chosen by 18% of consumers.

The number of users (28%) who indicated that “other” factors could facilitate their decision to change their fixed-line telephone service provider was also significant here.

Annex table 63a provides details about the frequency of choice of each factor by country. In the majority of Member States, the top three factors facilitating switching providers corresponded to the above EU27 average, (but not always in the same rank order).

The top three factors mentioned above are characteristic of most of the demographic segments; however one can observe clear trends. The younger the respondents were, the more likely they were to consider that the various tools would persuade them to switch their current provider. The young people in particular would prefer a website that told them which provider was the cheapest (mentioned by 40% of 21-24 year-olds vs. 15% of those aged 55 and over) and a switching process that cost nothing (42% vs. 21%). Older people were more likely to mention “other” factors that would persuade them to change their provider (34%), and were prone to not answering the question (29%). Similarly, users with the lowest levels of education and those not working were less attracted by the various options: they tended to mention “other” factors or not give a clear answer. The preference for a website, comparable offers and a cost-free process increased with the users’ level of education. As regards subjective urbanisation and occupation, the metropolitan users, employees and the self-employed were the ones more frequently opting for an informative website, comparable offers, a shorter contract and a one-day switching process (for details see Annex Table 63b).

4.3.7. Recent changes in prices

Three out of 10 users reported a price change in the fixed-line telephone services they used in the past 12 months. Respondents indicated in almost equal proportions price increases (16%) and decreases (14%). Roughly seven out of 10 citizens using such a service could not confirm any change in price, most of them indicated that prices did not change (57% of users); 8% could not tell if costs changed or not and 6% did not answer the question.
Users from Estonia (90%), Luxembourg and Lithuania (both 83%) were the most likely to report stable prices. Over a quarter of users reported price increases in Cyprus (46%), Spain (34%), Romania (32%), Greece (30%), Latvia (28%) and Bulgaria (27%).

There were relatively few reports of fixed-line telephone costs going down: between 4% and 21% of users reported lower costs. These were particularly in Germany (21%), Portugal (18%), Belgium and the UK (both 17%) and Malta (16%). However, in a third of Member States, the respondents who indicated lower prices outnumbered those who experienced increases. The most positive overall perceptions about the evolution of prices were seen in Germany, Austria and Poland.

There were only minor differences between the socio-demographic segments as to how they thought prices had changed in the last 12 months; the trends were perceived rather similarly by all groups. Men, the self-employed and employees were somewhat more likely than women, manual workers and non-working people to report reduced prices (15%-17% vs. 11%-12%). More users aged 25-39 years of age reported stable prices (60% vs. 54%-56% in the other age groups), while the most likely to estimate an increase of prices were the less-educated people (23% compared to 14%-18% in the other groups).
5. Energy

Consumer electricity and gas (mains network, LPG tanks or bottles) services were investigated during the survey. This last section provides the detailed results for both services.

5.1 Electricity

5.1.1. Usage

Electricity being universal, the differences across countries were merely nominal. The interview methods of the survey, though, might have hidden potential patterns, small variations in electricity usage, due to its dependence on this technology. (A small portion of interviews were carried out face-to-face (F2F) in some of the NMS that had insufficient telephone coverage – see section 7 - Survey Details – otherwise the interviews were conducted over fixed or mobile phones that do not work without power).

Socio-demographic differences in the data were non-existent.

---

5.1 Electricity

---
5.1.2. Difficulty in comparing offers

Note: Before discussing the results, attention needs to be drawn once again to the unusually high level of those interviewees not answering questions that aimed to provide a description of the competitive landscape for residential electricity services. The results seem to support the hypothesis that the proportion of those unable to answer such questions was closely connected to the limited (or non-existent) competition in many of the European markets, where energy liberalisation was either a new phenomenon or had not yet happened (de jure or de facto). In several Member States, many consumers could not think in traditional market terms e.g. when asked about the ease of comparing the various offers. This was the case, for example, in Malta (83% said that this was not applicable or that they did not know), Greece (76%), Cyprus (77%), Latvia (48%), Portugal (45%), Estonia (42%) and so forth. This applied to gas services as well; see next section (5.2).

At the EU27 level, those who could answer this question were mostly satisfied. Forty-five percent thought that the offers of the various providers was easy. This was in contrast to 29% who found the comparisons of these offers to be difficult. Still, due to the high proportion of those not able to provide an answer, this service area ranked ninth among the 11 surveyed services if we look at the proportion of consumers claiming that comparisons were fairly or very easy (see section 1.2).

**Difficulty in comparing offers from electricity supply providers**

As indicated, almost half of electricity users in the EU had few or no problems in comparing the various offers: they considered this to be fairly easy (30%) or even very easy (15%). About three in 10, on the other hand, thought that this task was more complicated: 11% believed it was very difficult and 18% indicated that it was fairly difficult.

Comparing the various offers appeared to be the easiest for the British (very + fairly easy combined: 68%), Lithuanian (62 %), Spanish (56%), Irish and Slovak consumers (both 51%). On the other hand, the Swedish and Belgian (both 43%) as well as Austrian (40%) consumers were most likely to complain about difficulties in comparing offers.

The most significant difference in comparing the offers showed in the different age categories (see Annex Table 66b). A third of people aged 21-24 (35%) considered the task of comparing offers to be rather easy. On the contrary, close to half of those aged 25-35 and 40-54 (both 48%) believed so, and the rate was almost the same among those aged 55 and over (44%). A relatively large percentage of the youngest consumers did not provide an answer to the question (38%).

◆ 5.1 Electricity
Looking at the level of education, only those still in the educational system showed a significant variance from the average: fewer of these consumers said the task of comparing offers was easy (35%) and a fair number of them could not give an answer (37%). The numbers of non-working respondents and those with the lowest level of education that could not provide an answer were also above average (both 30% versus an EU average of 25%). There were no other substantial differences on the basis of the socio-demographic analysis.

5.1.3. Difficulties in switching

The 8% average of those electricity consumers who switched providers at the EU27 level was just one way of looking at the problem. The other interesting finding was that there were only nine Member States where 5% or more of the current users switched services in the past two years, while in 15 Member States practically no one changed their service provider. Electricity services ranked next to bottom (with gas services being in last position) in terms of the rate of switching in the 11 services investigated (see section 1.3). The outstanding 31% of those who recently switched providers in the UK increased the “whole” EU average considerably, to 8%: the average would be only about 5% if we only looked at consumers in the other 26 Member States.

Experience with switching electricity supply provider in the last two years

Again, a lot of respondents claimed that this question was not applicable to them (perhaps because they believed there was no free market in this product category). Such consumers chose either “other” reasons for not changing providers or dismissed the question completely. This response pattern was most prevalent (as shown in Annex Table 67a.) in Greece and Cyprus (both 87%), Malta (79%), Estonia (58%), Lithuania and Hungary (both 54%), Portugal (52%) and Bulgaria (51%).

Apart from the UK, this Eurobarometer survey found notable market mobility in Sweden, where 19% switched providers, in Finland, Germany, Netherlands (all 15%) and Belgium (12%). Finland (4%),
Germany, the Netherlands and the Czech Republic (all 3%) had the most consumers who tried to change but did not succeed. Most of those who managed to switch providers found the process to be easy (7% of all users in the EU), and 1% of all users reported that this recent change was rather difficult. This proportion was considerably higher in Sweden (4%), the Netherlands (3%) and the UK (5%)

According to the socio-demographic analyses it was mainly those aged 21-24 that did not switch providers (3% did switch); in the other age groups, the percentage of those who changed was slightly higher (9%, 9% and 8%). The percentage of switchers was lowest in the manual workers group (6%) and among those who were still in the educational system (4%) as well. (see Annex Table 67b)

5.1.4. Price level at the new service provider

Due to the low number of those who actually switched their electricity provider, the results in the country-by-country breakdowns have not been discussed as in most cases they lack statistical reliability. According to the UK-dominated EU average, seven out of 10 switchers had a better price with their new provider. Among those countries where market mobility was observed, Germany stood out when choosing a cheaper provider (81% of all switchers).

Further details are provided in Annex Table 68a, where special attention has to be paid to the first data column that shows the sample sizes for each Member State.

5.1.5. Reasons to stay with the current provider

Besides the usual pattern that most of the consumers who did not switch indicated that they were currently satisfied with the “value for money” that were getting from their current provider (26%), the second most frequent reply was that there was no alternative provider that consumers could switch to (19%). We also suspect that many of the “other” reasons (at least in some countries, e.g. in Cyprus, Hungary or Greece, see Annex Table 69a) included those who stated that the question was not applicable in their context.

The main reason for staying with electricity supply provider

<table>
<thead>
<tr>
<th>Reason</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your current provider offers the best value for money</td>
<td>26</td>
</tr>
<tr>
<td>There is no alternative local provider</td>
<td>19</td>
</tr>
<tr>
<td>It is difficult to find out which provider is the cheapest</td>
<td>6</td>
</tr>
<tr>
<td>The cost and effort required in switching is too large</td>
<td>5</td>
</tr>
<tr>
<td>The amount you could save by switching is too small</td>
<td>4</td>
</tr>
<tr>
<td>You did not know that you can switch</td>
<td>2</td>
</tr>
<tr>
<td>Your contract makes switching difficult</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>26</td>
</tr>
<tr>
<td>DK/NA</td>
<td>11</td>
</tr>
</tbody>
</table>

The other reasons were much less likely to be chosen in comparison with the other service areas (apart from the other energy service - gas): 6% considered that it was difficult to find out which provider was the cheapest and 5% indicated that the costs of switching and the required effort were too high. Four
percent thought that the savings they could achieve would be too small and not worth the effort. Two percent said that the most important reason was in the nature of the contracts that made switching difficult. Finally, 2% indicated that they did not know that they could switch. Almost three out of 10 loyal customers indicated an “other” reason for keeping their old provider (26%).

The claim that there was no locally available alternative was heard more frequently in Latvia (71%), Bulgaria (58%), Lithuania (57%), Romania (55%), Greece and Ireland (both 49%), Estonia (47%), Slovakia (42%), Hungary (41%) and Poland (39%). As we explained earlier, there were a considerable proportion of “don’t knows” and other responses, which might indicate that consumers did not believe that there was a marketplace that offered choice. (See Annex Table 69a.)

The socio-demographic analyses revealed considerable differences: 25% of manual workers said no alternative local provider existed (vs. an EU average of 19%) and 31% of the less well-educated said the current provider offered the best “value for money” (vs. an EU average of 26%). (see Annex Table 69b)

5.1.6. Facilitating consumer decisions

Due to the above, the most frequently cited facilitator that could aid consumers’ market mobility was not one of the tools listed in the questionnaire, but an “other” one. The survey did not clarify specifics of the other responses given, but it was plausible that in many cases this referred to the desired existence of real alternatives on the local market. This is supported by the fact that many of the countries where most consumers chose this option were the ones most likely to (directly or indirectly) complain about the lack of competition and/or not reporting any change in their provider (countries where at least 40% selected this option were: Greece, Spain, France, Cyprus, Lithuania, Malta and Portugal, see Annex Table 70a).

What would persuade respondents to consider switching their electricity supply provider

Next to the “other” reason, the three alternatives that most consumers believed could help them to look for an alternative electricity provider were no different from patterns seen earlier: switching at no cost (27%) was selected by EU citizens as the second most important aid that could help them to change, followed by standardised offers from providers (27%) and a dedicated website that provided a reliable overview of the conditions of the various offers on the market (24%).
Sixteen percent of those using an electricity service would be encouraged to probably change their provider if there would be a guaranteed maximum 5-working-day transition period between the two contracts. Shorter contracts were also preferred by 14% of respondents, while a specific broker or facilitating agency was considered as potentially useful by only 12%.

Annex Table 70a provides details about the frequency of choice of each factor by country.

As seen from the comparison of the socio-demographic groups, people aged 55 and over had the least interest in the aforementioned tools (see Annex Table 70b). People aged 40-54 indicated somewhat more interest than the older consumers, but the ones who were the most attracted by the tools were the 25-39 year-olds. The most highly-qualified, metropolitan dwellers, employed and self-employed groups generally showed a significantly greater interest than the others.

5.1.7. Recent changes in prices

As shown in section 1.7, electricity customers were among those most likely to have reported increased fees in the past year (with similar increases to those in the gas industry). About six out of 10 electricity users (63%) reported a price change in the last 12 months. Almost without exception, these were increases (59%) with only 4% of users saying that costs went down. About one in five users confirmed that prices did not change (21%) and 11% could not tell if costs had changed or not. Ten percent avoided making a response.

Price increases were most often reported in Latvia (94%), Hungary (89%), Poland (80%), Malta (78%), Cyprus (77%), Bulgaria and Romania (both 76%). Countries where half of the users or less reported increasing fees were Denmark (where a very significant proportion – a quarter - could not tell how prices had changed recently), Sweden, Austria, the Netherlands, Germany, Belgium and the UK. It was noteworthy that those countries, where survey data showed that an important percentage of consumers switched electricity providers, were the countries with the least numbers of respondents reporting a price increase in the past year. However, our data did not provide information about the absolute price levels in each of the Member States.

Change in the price of the services in the last 12 months

Electricity supply provider

Q6. Which of the following has your present electricity supply provider done in the last 12 months?

Base: who use this service provider, % by country

**5.1 Electricity**
Among the 21-24 year-old age group and those still in the educational system, somewhat less than average numbers reported that the price of electricity had increased (46%-49% versus the EU average of 59%); higher than average numbers could not say if electricity prices had changed (30%-26% versus the EU average of 10%). (see Annex Table 71b)
5.2 Gas

5.2.1. Usage

On average, 69% of EU citizens use gas in their homes, either from the mains network or independently via LPG\(^9\) tanks or bottles. The patterns in the various member states varied as to whether or not households used gas as an energy source, and if yes, in which form they used it. Overall, 48% of Europeans said they used gas from the mains network for domestic purposes, 16% used LPG products and 4% said they used both sources.

In 14 Member States, at least seven out of 10 consumers confirmed that they used gas in their homes (or cars): the most widespread use being in Italy (95%), the Netherlands (94%), Latvia, Portugal and Romania (all 92%), Poland (91%), Malta and Hungary (both 90%). However, while the mains gas service dominated the markets in most of these countries, in some others the share of LPG products was rather significant. As the chart below illustrates, the mains gas service was practically non-existent in several Member States: Malta, Cyprus, Bulgaria, Finland and Sweden.

Overall, consumers in the two last-named countries were the least likely to indicate that they used residential gas (in any form) – Sweden: 5%, Finland: 11% – and a third or less of consumers used it in Bulgaria and Austria (both 34%), Estonia (25%), Denmark (21%) and Greece (20%).

Annex table 72b shows that having mains gas was, as expected, somewhat more characteristic of people living in metropolitan or urban areas (both 62% vs. an EU average of 53%) than of rural residents (40%). In contrast, LPG products were more likely to be used by people living in the countryside (29% vs. an EU average of 21%) and by manual workers (30% versus the average of 21%). See Annex Table 73b. There was no other significant difference among the socio-demographic segments.

The following sections analyse the opinions and experiences of those Europeans who reported using residential gas services of any kind.

\(^9\) Liquefied petroleum gas (also called LPG, LP Gas, or autogas).

\[\text{Using gas supply services}\]

\[\text{Main gas and/or LPG}\]

Q. Could you tell me which of the following services or providers do you use?

Base: all respondents, % "use", by country

Annex table 72b shows that having mains gas was, as expected, somewhat more characteristic of people living in metropolitan or urban areas (both 62% vs. an EU average of 53%) than of rural residents (40%). In contrast, LPG products were more likely to be used by people living in the countryside (29% vs. an EU average of 21%) and by manual workers (30% versus the average of 21%). See Annex Table 73b. There was no other significant difference among the socio-demographic segments.

The following sections analyse the opinions and experiences of those Europeans who reported using residential gas services of any kind.
5.2.2. Difficulty in comparing offers

Note: As with the discussion concerning electricity, attention needs to be drawn to the unusually high level of those interviewees not answering questions that aimed to provide a description of the competitive landscape. The results show similar patterns to those described for electricity services. In several Member States, many consumers could not think in traditional market terms e.g. when asked about the ease of comparing various offers. This was the case, for example, in Malta (84%), Sweden (63%), Finland (62%), Latvia (49%), Greece (47%), Estonia (44%), Romania (37%), etc.

At the EU27 level, those who could answer this question were mostly satisfied. Half of all respondents (49%) thought that comparing the offers of the various providers was easy. This was contrasted by 27% who found the comparisons of these offers to be difficult. Still, due to the high proportion of those not able to provide an answer, this service area only ranked eighth among the 11 surveyed services in terms of whether consumers thought that comparisons were fairly or very easy to make (see section 1.2).

As mentioned, about half of the gas users in the EU had few or no problems in comparing the various offers: they considered that contrasting the various providers’ offers to be fairly easy (32%) or very easy (17%). Slightly over a quarter, on the other hand, thought that this task was more complicated, 10% believed it was very difficult and 17% indicated that it was fairly difficult.

Comparing the various offers appeared to be the easiest for the Lithuanians and the British (very + fairly easy combined: 69%, in both countries); 22% and 26% of them, respectively, even claimed that this task was very easy. The Bulgarian (with a 60% combined result), Spanish (59%), Cypriot and Irish (both 55%) consumers were also more likely to consider the various offers of gas supply services to be relatively easy to compare.

Czech consumers were the most likely to complain about the difficulties in comparing offers (43%), and, relatively, many Belgian (40%), German (39%) and Austrian (38%) consumers shared this opinion.

Looking at the two fundamental types (mains and LPG services) separately, one can see the largest difference in the likelihood of not answering the question: 22% of mains users and 30% of LPG users did not provide a response, see the table below. LPG users were somewhat more likely to find the

Q2. In general, how easy do you think it is to compare offers from different gas supply providers?

Base: who use this service provider, % by country
offers easy to compare (51% vs. 48% of mains gas users) and much less likely to claim that it was difficult (19% vs. 30% among mains gas users).

The socio-demographic analyses indicated considerable differences in one regard: compared to the EU average of 21%, almost a third of the oldest (29%) and those with the lowest level of education (30%) were unable to say whether or not it was easy to compare offers. (see Annex Table 74b.)

5.2.3. Difficulties in switching

The 7% average of those gas users who switched providers at the EU27 level was rather misleading in the sense that there were only eight Member States where 5% or more of the current users switched services in the past two years. Looking at all of the 11 surveyed services, gas services were the least likely to be switched (see section 1.3). The remarkable 30% of UK consumers who recently switched providers increased the “whole” EU average considerably: it would only be about 3% if we just looked at consumers in the other 26 Member States.

Experience with switching gas supply provider in the last two years

Again, a lot of respondents claimed that this question was not applicable to them because they most probably believed that there was no free market for such products, among other possible reasons. Such consumers chose either “other” reasons for not changing providers, or dismissed the question. This response pattern was most prevalent (as shown in Annex Table 75a.) in Malta (79%), Estonia (58%), Finland and Hungary (both 53%), Lithuania (51%), Greece (49%), Romania (48%), Bulgaria (44%), Cyprus and Sweden (both 42%).
Apart from the UK, this Eurobarometer survey found notable market mobility in the Netherlands, where 12% switched providers, in Belgium (11%), Cyprus and Greece (both 8%), Estonia (7%), and Germany (6%). The last-named country had the most consumers who tried to change but did not succeed (3%). Most of those who managed to switch providers found the process to be easy (6% of all users), and 1% of all users reported that this recent change was rather difficult.

As the table on the right shows, switching was less likely among LPG users (not independent of the fact that there were very few of them in the countries where consumers were quite mobile in their switching habits, e.g. in the UK and the Netherlands).

The socio-demographic analyses indicated just one considerable difference: only 3% of those still in the educational system reported switching, while the average was 7%. There were no other significant differences in the results. (see Annex Table 75b)

**5.2.4. Price level at the new service provider**

Due to the low number of consumers who switched providers, the results of the country-by-country breakdowns lacked any statistical reliability and will not be discussed. According to the UK-dominated EU average, seven out of 10 switchers had a better price with their new provider. Further details are provided in Annex Table 76a, where special attention has to be paid to the first data column showing the sample sizes for each Member State.

Summarising all Europeans who switched services and use either mains or LPG gas, we found that those who changed their mains gas provider were more likely to report a lower price with the new provider (71%), compared to LPG users (59%).

Those aged 40-54 (76%), those still in the educational system (75%), urban consumers (73%) and manual workers (73%) were the ones most likely to obtain a lower price when choosing a new provider (see Annex Table 76b).

<table>
<thead>
<tr>
<th>Comparison by service type…</th>
<th>mains gas only</th>
<th>LPG only</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switched and it was easy</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Switched but it was difficult</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Tried to switch but you gave up</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Did not try because not interested</td>
<td>65</td>
<td>63</td>
</tr>
<tr>
<td>Did not try because too difficult</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>No, for other reasons</td>
<td>16</td>
<td>19</td>
</tr>
<tr>
<td>DK/NA</td>
<td>4</td>
<td>13</td>
</tr>
</tbody>
</table>
5.2.5. Reasons to stay with the current provider

Besides the usual pattern that most consumers who did not switch indicated that they were currently satisfied with their current provider’s “value for money” (27%), the second most frequent reply was that there were no alternative providers (19%). We also suspect that many of the “other” reasons (at least in some countries, e.g. in Cyprus, see Annex Table 77a.) included those who stated that the question was not applicable in their context.

The main reason for staying with gas supply provider

As the table on the right illustrates, the differences were only marginal if we looked at mains gas and LPG customers separately. LPG users were even more likely to believe that there were no competitive alternatives (besides the slightly higher proportion indicating that there was no alternative provider, there were twice as many who did not answer the question.)

The claim that there was no locally available alternative was relatively more frequent in Latvia (70%), Lithuania (51%), Romania...
and Slovakia (both 45%), Estonia (44%), Hungary and Ireland (both 41%). As explained earlier, a considerable proportion of “don’t knows” and other responses also indicated that consumers did not believe there was a marketplace where they could choose their provider. (See Annex Table 77a.)

The socio-demographic analyses revealed two remarkable differences: 32% of the less well-educated consumers reported that their current provider offered the best “value for money”, while on average 27% of all consumers said this. A quarter (25%) of manual workers reported that there were no alternative local providers as opposed to 19% on average of the total sample. There was no other significant difference in the results. (see Annex Table 77b).

5.2.6. Facilitating consumer decisions

Due to the situation described, the most frequently cited facilitator of consumers’ switching was not one of the market tools listed in the questionnaire, but an “other” one. The survey did not clarify specifics of the other responses, but it is plausible that in many cases this referred to the desired existence of real alternatives on the local market. This is supported by the fact that many of the countries where most consumers chose this option were the most likely to (directly or indirectly) complain about the lack of competition (countries where at least 40% selected this option were: Bulgaria, Estonia, Greece, Spain, France, Lithuania, Hungary, Malta, Portugal, see Annex Table 78a).

---

**What would persuade respondents to consider switching their gas supply provider**

- A switching process that costs you nothing: 27%
- Standardized comparable offers from providers: 26%
- A website that tells you which provider is the cheapest for you: 24%
- A switching process that is completed in 5 working days: 17%
- A shorter contract: 14%
- The switching process is handled by an agent/agency: 11%
- Other: 29%
- DK/NA: 24%

Q5k. Which of the following would persuade you to consider switching your **gas supply provider**? Select as many answers as you consider relevant for you.

Base: who use this service provider, % “mentioned”, EU27
Next to the “other” reason, the three alternatives that most consumers believed could help them to look for a replacement of their current gas contract were no different from earlier patterns: they confirmed once again that costs and information were the two key areas where improvements would help consumers to make easier and better decisions. Switching at no cost (27%) was selected by EU citizens as the second most important aid that could help them to change, followed by standardised offers from providers (26%) and a dedicated website that provided a reliable overview of the conditions of the various market offers (24%).

Seventeen percent of those using a gas service would be encouraged to probably change their contract if there would be a guaranteed maximum 5-working-day transition period between the two contracts. Shorter contracts were also preferred by 14% of respondents, while specific broker or facilitating agencies were considered as potentially useful by 11%.

Annex Table 78a provides details about the frequency of choice of each factor by country.

The comparison between LPG and mains gas reveals that the aforementioned “other reasons” would especially facilitate LPG customers to change providers, and that they have less need for assistance than mains gas users when it comes to comparing providers’ offers. Again, we should point out that most users who live in Member States with lively competitive gas markets, (e.g. in the UK and the Netherlands), were predominately using mains gas.

As seen from the comparison of the socio-demographic groups, consumers aged 55 and over showed the least interest in the aforementioned tools. (see Annex Table 78b). The most highly-qualified, those still in the educational system, the employed and self-employed groups generally showed more interest than others.

### 5.2.7. Recent changes in prices

As shown in section 1.7, gas customers were the most likely to have reported increased charges in the past year (although the difference compared to electricity was not significant). Two-thirds of gas users (67%) reported a price change in the last 12 months. Almost without exception, these changes were increases (64%), with only 3% of users indicating cheaper costs. Only a quarter of gas customers did not report any price change, most of them confirmed that prices did not change (19%), and 5% could not tell if costs had changed or not. Eight percent avoided providing a response.

Price increases were most often reported in Hungary (by 94%), Latvia (88%), Cyprus (82%), Poland (80%) and Lithuania (78%). Countries where half of the users of less reported increasing fees were Finland, Denmark (two countries where a significant proportion could not tell if prices had changed recently and the penetration rates were among the lowest), Sweden (with the least users), the Netherlands, Greece, Austria, Malta and the UK. It was noteworthy that those countries where survey data confirmed the existence of relatively lively market activity were the ones with the least respondents reporting a price increase in the past year. However, our data did not provide information about the absolute price levels in each of the Member States.
5.2 Gas

There was no significant difference among the socio-demographic segments as to how prices changed, the trends were perceived similarly by all groups (for details see Annex Table 79b.)

Q6. Which of the following has your present gas supply provider done in the last 12 months?

Base: who use this service provider, % by country

- Could not tell if the price of the service changed
- The price of the service remained the same
- They reduced the price
- They increased the price

Change in the price of the services in the last 12 months

Gas supply provider

There was no significant difference among the socio-demographic segments as to how prices changed, the trends were perceived similarly by all groups (for details see Annex Table 79b.)
Consumer’s views on switching

Annex
Tables and
Survey Details

THE GALLUP ORGANIZATION
6. Survey details

This general population survey on “Consumer’s views on switching in services, including services of general interest (SGI) in the EU27” was conducted for the European Commission, DG SANCO - Directorate B.

Telephone interviews were conducted in each country with the exception of Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia where both telephone and face-to-face (F2F) interviews were conducted (70% WebCATI and 30% F2F interviews).

Telephone interviews were conducted in each country between 26 June and July 1, 2008 by the following institutes:

<table>
<thead>
<tr>
<th>Country</th>
<th>Institute</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>BE Gallup Europe</td>
<td>06/26/2008 - 07/01/2008</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>CZ Focus Agency</td>
<td>06/26/2008 - 07/01/2008</td>
</tr>
<tr>
<td>Denmark</td>
<td>DK Hermeslin</td>
<td>06/26/2008 - 07/01/2008</td>
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<tr>
<td>Germany</td>
<td>DE IFAK</td>
<td>06/26/2008 - 07/01/2008</td>
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<td>Estonia</td>
<td>EE Saar Poll</td>
<td>06/26/2008 - 07/01/2008</td>
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<td>Greece</td>
<td>EL Metroanalysis</td>
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<tr>
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<td>LV Latvian Facts</td>
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Representativeness of the results

Each national sample is representative of the population aged 21 years and over.
Sizes of the sample

In most EU countries the target sample size was 1000 respondents, in Cyprus, Malta and Luxembourg the target sample size was 500. The table below shows the achieved sample size by country.

A weighting factor was applied to the national results in order to compute a marginal total where each country contributes to the European Union result in proportion to its population.

The table below presents, for each of the countries:
(1) the number of interviews actually carried out in each country
(2) the population-weighted total number of interviews for each country

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**Questionnaires**

1. The questionnaire prepared for this survey is reproduced at the end of this results volume, in English (see hereafter).
2. The institutes listed above translated the questionnaire in their respective national language(s).
3. One copy of each national questionnaire is annexed to the data tables’ results volumes.

**Tables of results**

**VOLUME A: COUNTRY BY COUNTRY**
The VOLUME A presents the European Union results country by country.

**VOLUME B: RESPONDENTS’ DEMOGRAPHICS**
The VOLUME B presents the European Union results with the following socio-demographic characteristics of respondents as breakdowns:

**Volume B:**
Sex (Male, Female)
Age (21–24, 25–39, 40–54, 55+)
Education (15–, 16–20, 21+, Still in full time education)
Subjective urbanisation (Metropolitan zone, Other town/urban centre, Rural zone)
Occupation (Self-employed, Employee, Manual worker, Not working)

**Sampling error**

The results in a survey are valid only between the limits of a statistical margin caused by the sampling process. This margin varies with three factors:

1. The sample size (or the size of the analysed part in the sample): the greater the number of respondents is, the smaller the statistical margin will be;
2. The result in itself: the closer the result approaches 50%, the wider the statistical margin will be;
3. The desired degree of confidence: the more "strict" we are, the wider the statistical margin will be.

Hereafter, the statistical margins computed for various observed results are shown, on various sample sizes, at the 95% significance level.

**STATISTICAL MARGINS DUE TO THE SAMPLING PROCESS (AT 95% LEVEL OF CONFIDENCE)**

Various sample sizes are in rows;
Various observed results are in columns:

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</table>
7. Survey questionnaire

D1. Gender  [DO NOT ASK - MARK APPROPRIATE]
   [ 1 ] Male
   [ 2 ] Female

D2. How old are you?
   [__][__] years old
   [ 0 0 ] [REFUSAL/NO ANSWER]

D3. How old were you when you stopped full-time education?
   [Write in THE AGE WHEN EDUCATION WAS TERMINATED]
   [__][__] years old
   [ 0 0 ] [STILL IN FULL TIME EDUCATION]
   [ 0 1 ] [NEVER BEEN IN FULL TIME EDUCATION]
   [ 9 9 ] [REFUSAL/NO ANSWER]

D4. As far as your current occupation is concerned, would you say you are self-employed, an employee, a manual worker or would you say that you are without a professional activity? Does it mean that you are a(n)...
   [IF A RESPONSE TO THE MAIN CATEGORY IS GIVEN, READ OUT THE RESPECTIVE SUB-CATEGORIES - ONE ANSWER ONLY]
   - Self-employed
     ➔ i.e. :
     - farmer, forester, fisherman .......................................................... 11
     - owner of a shop, craftsman ......................................................... 12
     - professional (lawyer, medical practitioner, accountant, architect,...) ............. 13
     - manager of a company .................................................................. 14
     - other ........................................................................................... 15
   - Employee
     ➔ i.e. :
     - professional (employed doctor, lawyer, accountant, architect) .................. 21
     - general management, director or top management ..................................... 22
     - middle management ........................................................................ 23
     - Civil servant .................................................................................. 24
     - office clerk ................................................................................... 25
     - other employee (salesman, nurse, etc...)............................................. 26
     - other ............................................................................................ 27
   - Manual worker
     ➔ i.e. :
     - supervisor / foreman (team manager, etc...) ......................................... 31
     - Manual worker ................................................................................ 32
     - unskilled manual worker .................................................................. 33
     - other .............................................................................................. 34
   - Without a professional activity
     ➔ i.e. :
     - looking after the home ..................................................................... 41
     - student (full time) ........................................................................... 42
     - retired ............................................................................................. 43
     - seeking a job .................................................................................. 44
     - other ............................................................................................... 45
   - [Refusal] .......................................................................................... 99
D6. Would you say you live in a ...
- metropolitan zone ................................................................. 1
- other town/urban centre .......................................................... 2
- rural zone / zone with less than 10.000 inhabitants ................. 3
- [Refusal] ................................................................................. 9

D10. Do you have internet connection available at home...
- through a dial up or ................................................................. 1
- through a broadband connection or ........................................ 2
- you have no connection at home? ........................................ 3
- [DK/NA] ................................................................................. 9

Q1. Could you tell me which of the following services or providers do you use?
[READ OUT – ONE ANSWER PER LINE – FILTER QUESTION: IF A SPECIFIC SERVICE IS NOT USED THE FOLLOWING QUESTIONS RELATED TO THAT SERVICE ARE IGNORED]
- Use............................................................................................ 1 2 9
- Does not use ............................................................................ 2
- [DK/NA] ................................................................................. 9

A) Current bank account ............................................................... 1 2 9
B) Savings or investments............................................................... 1 2 9
C) Mortgage credit ........................................................................ 1 2 9
D) Credit longer than one year (excluding mortgage loans) ......... 1 2 9
E) Car insurance (for third party liability) ...................................... 1 2 9
F) Home insurance ......................................................................... 1 2 9
H) Mobile telephone services ....................................................... 1 2 9
I) Fixed telephone services ............................................................ 1 2 9
J) Electricity supply services ......................................................... 1 2 9
K1) Fixed line gas supply services ............................................... 1 2 9
K2) LPG (liquid petroleum gas) or gas bottles .............................. 1 2 9
Q2. In general, how easy do you think it is to compare offers from different (INSERT THE APPROPRIATE SERVICE PROVIDER)?

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</table>

A) Current bank account providers ........................................ 1 2 3 4  9
B) Savings or investments providers ....................................... 1 2 3 4  9
C) Mortgage credit providers ............................................... 1 2 3 4  9
D) Providers of credit longer than one year (excluding mortgage loans) 1 2 3 4  9
E) Car insurance providers (for third party liability) .................... 1 2 3 4  9
F) Home insurance providers ................................................ 1 2 3 4  9
G) Internet access providers ................................................ 1 2 3 4  9
H) Mobile telephone providers ............................................... 1 2 3 4  9
I) Fixed telephone providers ............................................... 1 2 3 4  9
J) Electricity supply providers ............................................ 1 2 3 4  9
K) Gas supply providers ..................................................... 1 2 3 4  9
Q3. Have you tried to switch your (INSERT THE APPROPRIATE SERVICE PROVIDER) in the last two years?

[READ OUT – ONE ANSWER PER LINE]

- Yes, you switched and it was easy ........................................1
- Yes, you switched but it was difficult ....................................2
- Yes, you tried to switch but you gave up ................................3
- No, you did not try because you are not interested in switching .......4
- No, you did not try because you thought it might be too difficult ......5
- No, for other reasons ............................................................6
- [DK/NA] ...............................................................................9

A) Current bank account provider.................................................1 2 3 4 5 6 9
B) Savings or investments provider ..............................................1 2 3 4 5 6 9
C) Mortgage credit provider.........................................................1 2 3 4 5 6 9
D) Provider of credit longer than one year (excluding mortgage loans)......1 2 3 4 5 6 9
E) Car insurance provider (for third party liability) .................................1 2 3 4 5 6 9
F) Home insurance provider..........................................................1 2 3 4 5 6 9
G) Internet access provider ..............................................................1 2 3 4 5 6 9
H) Mobile telephone provider.........................................................1 2 3 4 5 6 9
I) Fixed telephone provider ............................................................1 2 3 4 5 6 9
J) Electricity supply provider ...........................................................1 2 3 4 5 6 9
K) Gas supply provider ................................................................1 2 3 4 5 6 8 9
Q4a What was your experience of switching your (INSERT THE APPROPRIATE SERVICE PROVIDER)?

[READ OUT SCALE – ONE ANSWER PER LINE]

- The new provider is cheaper than the old provider ........................................ 1
- The new provider is more expensive .................................................................. 2
- There is no price difference between the new and the old provider .................. 3
- You could not tell if the new provider is cheaper or more expensive than the old one ................................................................. 4
- [DK/NA] ............................................................................................................. 9

A) Current bank account provider ........................................................................ 1 2 3 4 9

B) Savings or investments provider ...................................................................... 1 2 3 4 9

C) Mortgage credit provider .................................................................................. 1 2 3 4 9

D) Provider of credit longer than one year (excluding mortgage loans) ............ 1 2 3 4 9

E) Car insurance provider (for third party liability) .............................................. 1 2 3 4 9

F) Home insurance provider .................................................................................. 1 2 3 4 9

G) Internet access provider .................................................................................... 1 2 3 4 9

H) Mobile telephone provider ................................................................................ 1 2 3 4 9

I) Fixed telephone provider ................................................................................... 1 2 3 4 9

J) Electricity supply provider .................................................................................. 1 2 3 4 9

K) Gas supply provider ........................................................................................... 1 2 3 4 9
Q4b. What is the main reason that caused you to remain with your current (INSERT THE APPROPRIATE SERVICE PROVIDER)?

[READ OUT SCALE – ONE ANSWER PER LINE – ROTATE THE ANSWERS]

- There is no alternative local provider ........................................ 1
- You did not know that you can switch ........................................ 2
- Your contract makes switching difficult .................................... 3
- Your current provider offers the best value for money .................. 4
- The amount you could save by switching is too small .................. 5
- The cost and effort required in switching is too large ................. 6
- It is difficult to find out which provider is the cheapest ............... 7
- Other ...................................................................................... 8
- [DK/NA] ............................................................................... 9

A) Current bank account provider .................................................. 1 2 3 4 5 6 7 8 9
B) Savings or investments provider .................................................. 1 2 3 4 5 6 7 8 9
C) Mortgage credit provider ............................................................... 1 2 3 4 5 6 7 8 9
D) Provider of credit longer than one year (excluding mortgage loans). 1 2 3 4 5 6 7 8 9
E) Car insurance providers (for third party liability) ............................ 1 2 3 4 5 6 7 8 9
F) Home insurance provider ............................................................... 1 2 3 4 5 6 7 8 9
G) Internet access provider ................................................................. 1 2 3 4 5 6 7 8 9
H) Mobile telephone provider ............................................................. 1 2 3 4 5 6 7 8 9
I) Fixed telephone provider ............................................................... 1 2 3 4 5 6 7 8 9
J) Electricity supply provider ............................................................... 1 2 3 4 5 6 7 8 9
K) Gas supply provider ................................................................. 1 2 3 4 5 6 7 8 9

Q5a. Which of the following would persuade you to consider switching your current bank account provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you .......... 1
Standardized comparable offers from providers ............................. 2
The switching process is handled by an agent/agency ................... 3
A shorter contract ......................................................................... 4
A switching process that costs you nothing .................................... 5
A switching process that is completed in 10 working days .............. 6
Other ......................................................................................... 7
[DK/NA] ..................................................................................... 9
Q5b. Which of the following would persuade you to consider switching your current savings or investments provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ............ 1
Standardized comparable offers from providers ........................................ 2
The switching process is handled by an agent/agency .......................... 3
A shorter contract .................................................................................... 4
A switching process that costs you nothing ............................................. 5
A switching process that is completed in 5 working days ....................... 6
Other ......................................................................................................... 7
[DK/NA] .......................................................................................... 9

Q5c. Which of the following would persuade you to consider switching your current mortgage credit provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ............ 1
Standardized comparable offers from providers ........................................ 2
The switching process is handled by an agent/agency .......................... 3
A shorter contract .................................................................................... 4
A switching process that costs you nothing ............................................. 5
A switching process that is completed in 15 working days ....................... 6
Other ......................................................................................................... 7
[DK/NA] .......................................................................................... 9

Q5d. Which of the following would persuade you to consider switching your current provider of credit longer than one year (excluding mortgage loans)? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ............ 1
Standardized comparable offers from providers ........................................ 2
The switching process is handled by an agent/agency .......................... 3
A shorter contract .................................................................................... 4
A switching process that costs you nothing ............................................. 5
A switching process that is completed in 5 working days ....................... 6
Other ......................................................................................................... 7
[DK/NA] .......................................................................................... 9

Q5e. Which of the following would persuade you to consider switching your current car insurance provider (for third party liability)? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ............ 1
Standardized comparable offers from providers ........................................ 2
The switching process is handled by an agent/agency .......................... 3
A shorter contract .................................................................................... 4
A switching process that costs you nothing ............................................. 5
A switching process that is completed in 30 working days ....................... 6
Other ......................................................................................................... 7
[DK/NA] .......................................................................................... 9
Q5f. Which of the following would persuade you to consider switching your current home insurance provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

- A website that tells you which provider is the cheapest for you ............1
- Standardized comparable offers from providers ........................................2
- The switching process is handled by an agent/agency .............................3
- A shorter contract ..................................................................................4
- A switching process that costs you nothing .........................................5
- A switching process that is completed in 3 working days .....................6
- Other ......................................................................................................7
- [DK/NA] ............................................................................................9

Q5g. Which of the following would persuade you to consider switching your current Internet access provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

- A website that tells you which provider is the cheapest for you ............1
- Standardized comparable offers from providers ........................................2
- The switching process is handled by an agent/agency .............................3
- A shorter contract ..................................................................................4
- A switching process that costs you nothing .........................................5
- A switching process that is completed in 5 working days .....................6
- Other ......................................................................................................7
- [DK/NA] ............................................................................................9

Q5h. Which of the following would persuade you to consider switching your current mobile telephone provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

- A website that tells you which provider is the cheapest for you ............1
- Standardized comparable offers from providers ........................................2
- The switching process is handled by an agent/agency .............................3
- A shorter contract ..................................................................................4
- A switching process that costs you nothing .........................................5
- A switching process that is completed in 1 working day .....................6
- Other ......................................................................................................7
- [DK/NA] ............................................................................................9

Q5i. Which of the following would persuade you to consider switching your current fixed telephone provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

- A website that tells you which provider is the cheapest for you ............1
- Standardized comparable offers from providers ........................................2
- The switching process is handled by an agent/agency .............................3
- A shorter contract ..................................................................................4
- A switching process that costs you nothing .........................................5
- A switching process that is completed in 1 working day .....................6
- Other ......................................................................................................7
- [DK/NA] ............................................................................................9
Q5j. Which of the following would persuade you to consider switching your current electricity supply provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ..........1
Standardized comparable offers from providers .........................2
The switching process is handled by an agent/agency ..................3
A shorter contract ..............................................................4
A switching process that costs you nothing ................................5
A switching process that is completed in 5 working days ..............6
Other ..................................................................................7
[DK/NA] .............................................................................9

Q5k. Which of the following would persuade you to consider switching your current gas supply provider? Select as many answers as you consider relevant for you.

[READ OUT AND ROTATE SCALE – MULTIPLE ANSWERS POSSIBLE]

A website that tells you which provider is the cheapest for you ...........1
Standardized comparable offers from providers .........................2
The switching process is handled by an agent/agency ..................3
A shorter contract ..............................................................4
A switching process that costs you nothing .................................5
A switching process that is completed in 5 working days ..............6
Other ..................................................................................7
[DK/NA] .............................................................................9

Q6. Which of the following has your present (INSERT THE APPROPRIATE SERVICE PROVIDER) done in the last 12 months?

[READ OUT SCALE – ONE ANSWER PER LINE]

- They increased the price ......................................................1
- They reduced the price ......................................................2
- The price of the service remained the same ............................3
- You could not tell if the price of the service changed ...............4
- [DK/NA] .............................................................................9

A) Current bank account provider......................................1 2 3 4 9
B) Savings or investments provider ......................................1 2 3 4 9
C) Mortgage credit provider .................................................1 2 3 4 9
D) Provider of credit longer than one year (excluding mortgage loans) 1 2 3 4 9
E) Car insurance provider (for third party liability) .................1 2 3 4 9
F) Home insurance provider ...............................................1 2 3 4 9
G) Internet access provider ..................................................1 2 3 4 9
H) Mobile telephone provider ..............................................1 2 3 4 9
I) Fixed telephone provider ................................................1 2 3 4 9
J) Electricity supply provider ..............................................1 2 3 4 9
K) Gas supply provider ......................................................1 2 3 4 9