



Which? Shorts: how to take control of your mobile and broadband bills

Hello and welcome to the Which? Shorts podcast, I'm Rob Lilley.

With mobile and broadband bills in the news, especially with millions of customers being hit with price hikes of up to 17.3% this spring, we're exploring what you can do to keep your bills under control.

In this episode we'll take a look at the benefits of switching, whether haggling can help drop your monthly outgoings, and hearing exactly why prices are going up so sharply over the next few months.

To read us that article, originally written by Yvette Fletcher, I'll hand you over to the host of the Which? Investigates podcast, Grace Forell...

When it comes to telecom services, loyalty has never paid. However, it used to be fairly simple to avoid a penalty – haggle or switch at the end of your contract if your provider put up the price of your tariff.

Big providers would generally announce price rises in winter and start contacting customers about their options. This is still the case with Sky and Virgin Media – they usually put up some prices each year, but affected customers are given the right to switch (and so to haggle). But an increasing number of broadband and mobile providers are making things trickier.

Price rises are now factored into contracts from the start and happen on nearly all their deals every year – so they're much harder to avoid. They're above inflation too. Broadband providers such as BT, TalkTalk and Vodafone use the Consumer Price Index (or CPI) - published in January - as a basis, but slap on an extra 3-3.9%. That didn't seem such a problem in 2020 or 2021, when price rises were below 5%, but in 2022 they were closer to 10% and this year are expected to approach 14%. Some mobile providers (like EE, Three, and Vodafone) also base price rises on CPI. But others use the Retail Price Index (the RPI), published in February, which is typically even higher than CPI. If that isn't bad enough, O2 and Virgin Mobile add an extra 3.9% on top of RPI. So some mobile customers face increases of nearly 18% this year.

Weighing up the provider and deal at the start of your contract has become even more important – plus switching or haggling when you can is still the best way to combat increases. But when we asked some 5,000 customers whose telecoms contract ended in the past 12 months what action they took, 16% of TV and broadband customers and 21% of just broadband customers said they did nothing. This is despite the fact that they're likely to suffer a hefty increase as they move from an introductory offer to a pricey standard tariff. We've found the price jump can be as large as 90%.

An even higher proportion of mobile customers (24%) are failing to act at the end of their contract. There's a particular risk for customers who have taken a contract that includes a mobile handset – continuing to pay for a phone you already own. EE, Three and Vodafone don't automatically reduce the

price once the handset is paid for. EE and Vodafone apply discounts after three months but these are unlikely to account for the difference in cost. Across the board, the risk of sticking on the same deal is that it becomes more uncompetitive and costly every year. If you're out of contract and dissatisfied with your provider, you should switch. Our research shows it's the best way to save money – an average of £92 to £162 a year depending on the service.

If you're reluctant to change providers – perhaps you like the service, or others aren't available in your area – haggling is the way to go. We found you can usually save £43 to £90 a year. Haggling is something that is invited by telecoms providers. Most people do it via a phone call but you can also try live chat or email if you prefer. A greater proportion of the customers we surveyed chose to haggle rather than switch – around half of broadband and mobile phone customers, but more than 60% of TV and broadband customers. This isn't surprising – TV and broadband deals are more complex so switching is likely to seem more daunting. We'd still encourage you to explore it – the market has changed substantially in recent years so now you don't have to be with Sky to get Sky Sports, for example. Plus the average saving for those who haggled was 5%, while for those who switched it was 13%. TV and broadband customers were the most likely to make a saving by haggling – 61% told us they had.

A saving isn't the only potential benefit of haggling – it's also a chance to get a faster speed or more data. And the average customer who upgraded still ended up paying less. But the biggest savings were for hagglers who downgraded their deal – if you have more mobile data or more pay TV channels than you need, or 500Mbps (megabytes per second) broadband when 100Mbps would suffice, that's worth discussing with your provider. Again, TV and broadband customers saved most (£213 on average) – but broadband and mobile customers saved an impressive £158 and £185 respectively. And while customers who have been notified of an ad-hoc price rise or who are at the end of their contract can threaten to leave, haggling is still worth a try if your price goes up due to a mid-contract price rise. Some providers told us they're open to it, although it's unclear if you're likely to see as generous a discount as those in a position to switch away. For tips on haggling, see which.co.uk/broadbandhaggle.

Meanwhile our survey shows that switching providers, rather than haggling, is the best way to save money across all the three services. More than seven in 10 customers who switched saved as a result. TV and broadband customers who switched providers made the largest saving on average, but that's because they also pay the most for their service. Broadband customers who switched had the greatest proportional saving.

Bigger-than-average savings are possible for customers leaving some of the major providers in each sector. Customers who ditched BT's broadband, or Sky and Virgin Media's TV and broadband services, made big savings by changing to new providers. In the mobile market, customers leaving EE, O2 and Vodafone made higher-than-average savings. Three was the exception, its customers did save around £85 a year by moving on, but this was £10 lower than the overall average.

Only around one in five customers switched providers at the end of their contract. It may seem a hassle, but the majority of those who did switch said it was easy and were more likely to say it's easy than those who haggled. In most cases when you switch you'll only need to contact one provider and they'll take care of the whole process – that's the case in all three sectors. Mobile customers can request a code from their old provider via text and pass this to their new provider. You can keep your old phone number this way (or opt for a new one if you prefer).

If you move between a broadband provider that uses the Openreach network (such as BT, Sky or TalkTalk) and a provider that has its own network (such as Virgin Media), you currently have to contact both providers and organise the timing of your switch yourself. It can take up to two weeks between order and the new service being provided. From April, Ofcom will enforce One Touch Switching across all providers. This means you'll only have to contact your new provider which will be responsible for

managing the switch. The process will also be faster, taking as little as a day, and providers will have to compensate you if something goes wrong and you're left without service for more than one working day.

The cost of living crisis has made all of us examine our bills more closely, but for an increasing number of people, telecoms services have become more difficult to afford at all. Ofcom research into affordability conducted late last year found that around eight million households were having problems paying for phone, broadband, pay TV or streaming services. Younger adults, households with children, people receiving benefits and those with a disability were the most likely to be struggling.

If you or someone you know is worried about broadband, pay TV or mobile phone bills, it's worth a chat to the provider – even if you (or they) are on a fixed-term contract. In July last year, all the major providers promised the government they'd work harder to support customers struggling with bills. Providers can arrange payment plans and deferrals or a more affordable deal. Social tariffs are special discounted deals available for low-income customers who receive certain benefits – pension credit (guaranteed credit) and universal credit are usually covered but some extend their offering to income support, jobseeker's allowance and personal independence payment. Social tariffs start at just £12 a month. BT, Hyperoptic, Now, Sky, Virgin Media and Vodafone all offer social tariffs – as do many smaller, localised providers. For a full list of the social tariffs available, head to our guide at which.co.uk/social-tariffs.

Thank you so much to Grace for taking us through that piece, and to Yvette Fletcher too, the author of that article which was originally written for the February issue of Which? magazine.

Remember you can find more articles you'll find useful every day on everything from money and technology to home and garden advice by signing up to one of our many free email newsletters at which.co.uk/newsletters.

We'll be back next week for another episode of Which? Shorts. Thanks for listening.

Which? Shorts was produced by me, Rob Lilley, while the Exec Producer was Angus Farquhar