

A review of the UK public's perceptions and use of payphones

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Background and Objectives

According to BT's internal usage data, the use of payphones is negligible compared to what it was in the early 00s, having decreased from 800 million annual minutes of use in 2002, to 10 million in 2019¹.

Therefore, BT is currently considering how it reacts to this change in demand in designing a new payphones strategy for an All-IP world. On this basis, and ahead of Ofcom's regulatory review of the UK's USO for payphones, BT have commissioned independent market research agency Populus to conduct research to answer the following objectives:

- 1) What drives the current use of and demand for payphones?
- 2) How much do the public value the continued provision of payphones?
- 3) How does the public's perceptions and attitudes towards payphones impact their perceptions of the BT brand?
- 4) How might the payphones estate best deliver for the public in the future?

This document outlines the methodology Populus employed as well as a summary of the key findings.

Please note that all quotations in this report come from the online qualitative community or councilor interviews outlined in the methodology below.

Full data is available via BT.

¹ BT Internal Usage Data

Methodology

To provide a robust and representative sample, Populus utilised a mixed method approach to ensure that all of the above objectives were covered.

The methodology comprised of:

Sr.no.	Methodology	Benefits	Fieldwork dates
1	Online survey among a UK nationally representative sample of 5,052 respondents (excluding respondents from Hull)	This provides robust and representative insights on awareness, usage and attitudes of payphones	12 th - 16 th March
2	Telephone survey among a UK nationally representative sample of 2,009 respondents (including respondents without internet access)	This provides robust and representative insights among audiences that do not have access to the internet	5 th - 16 th March
3	Online qualitative community among 20 respondents	This provides depth of understanding of the publics use and perceptions of payphones	2 nd - 6 th March
4	Councillor interviews among 5 anonymous council members, and review of 6 further council interviews conducted by BT	This provides additional insight into councillors' attitudes towards payphones	2 nd - 6 th March

The sample was representative, ensuring robustness among key sub-groups such as vulnerable, urban vs. rural, and those with no internet access:

Key groups	% of Total online sample	Sample size
Total	100%	5,052
Male	49%	2,455
Female	51%	2,597
18-34	28%	1,351
35-54	34%	1,771
55-74	33%	1,672
75+	5%	258
Urban (NET: urban/ town/ fringe)	81%	4,069
Rural (NET: village/ hamlet/ isolated dwelling)	19%	983
ABC1	55%	2,763
C2DE	45%	2,289
Poor wellbeing (dissatisfaction with life, feel that things done in life are not worthwhile, unhappy or anxious)	55%	2,763
Financially vulnerable (household income of under £16,105 OR poor/ very poor credit rating)	27%	1,356
Disabled (sensory or physical health issue that affects day to day living a lot or a little)	26%	1,303
Non mobile phone owners	6%	53
No internet access (do not have any access to internet. Reached via telephone survey)*	8%	155

*percentage from telephone survey total base, rather than online survey

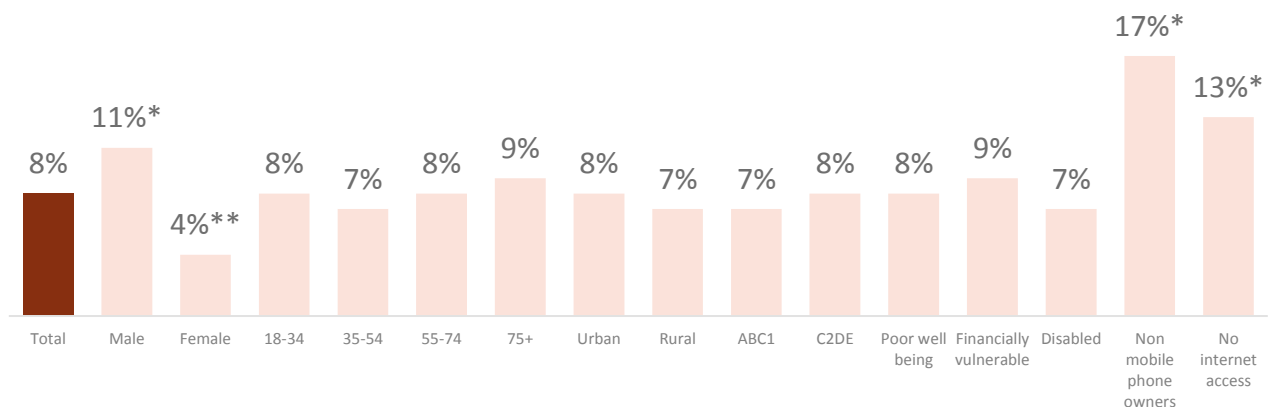
Executive Summary

1. Current use and demand for payphones

Usage, and frequency of payphone usage in the past year is low, across most demographic groups

The research found that current use of payphones in the population is low, with 8%² claiming to have used one in the past year. Across multiple demographics, there was little difference (i.e. by age, urban/rural, social grade, or among those with a disability). However, those with fewer communication choices (without a mobile phone or internet access) were more likely to have used one.

Exhibit 1: Percentage who have used a payphone in the last year³



*Indicates significantly higher versus total UK consumers @ 95%

**Indicates significantly lower versus total UK consumers @ 95%

N.B. Those with no internet access were asked during telephone interviews⁴

² Source: Payphones Consumer Survey Q24. Have you ever used any of the following types of payphones to make or receive a call? Q25. You said that you have used a red or glass payphone before, when was the last time you used it? Base: UK consumers (5,052)

³ Source: Payphones Consumer Survey Q24. Have you ever used any of the following types of payphones to make or receive a call? Q25. You said that you have used a red or glass payphone before, when was the last time you used it? Base: UK consumers (5,052), Sub-groups (53-4,069)

⁴ Source: Payphones CATI Telephone Interview Survey, Q5. When was the last time that you used a public payphone box? Base: UK Consumers with no internet access (155)

Furthermore, the majority of those who have used payphones in the past year, have done so less than 5 times⁵.

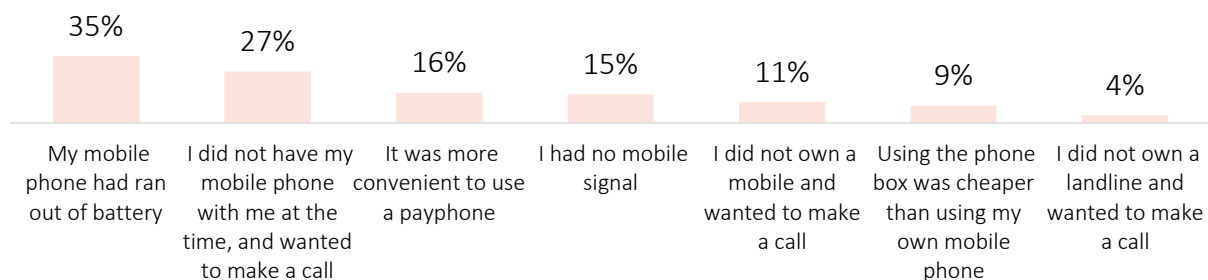
- 79% of those who have used a red payphone have done so less than 5 times this year
- 81% of those who have used a glass payphone have done so less than 5 times this year

The reason that few use payphones, and those that do use them do so infrequently, is primarily because most people carry a mobile phone (88% of those who haven't used a payphone in the past 10 years claimed this was why they haven't used one⁶).

Use of payphones in the past year is driven by personal emergencies where mobiles fail

In the past year, those who have used payphones are primarily doing so because their mobile phone has failed in some way such as the battery running out, or not having it with them at the time⁷.

Exhibit 2- Reasons for using a payphone



The purpose of the call is generally to contact family or friends (69% claimed this was the purpose of their last call⁸), rather than for life-threatening emergencies (only 3% of the most recent payphone calls in the past year were to ring emergency

⁵ Source: Payphones Consumer Survey Q26. You said that you have previously used a ... to make a call. Approximately how many times in the past 10 years have you used a ... to make a call? Base: All respondents who have used a payphone within the last year (360), used a red payphone in the last year (3,355), used a glass payphone in the last year (2,833)

⁶ Source: Payphones Consumer Survey Q32a. Which of the following describes why you have not used a public payphone in the past 10 years? Base: UK consumers who have not used a payphone in past 10 years (1,744)

⁷ Source: Payphones Consumer Survey Q30. Which of the following describes why you used a ... rather than another method of communication? Base: All respondents who have used a payphone within the last year (360)

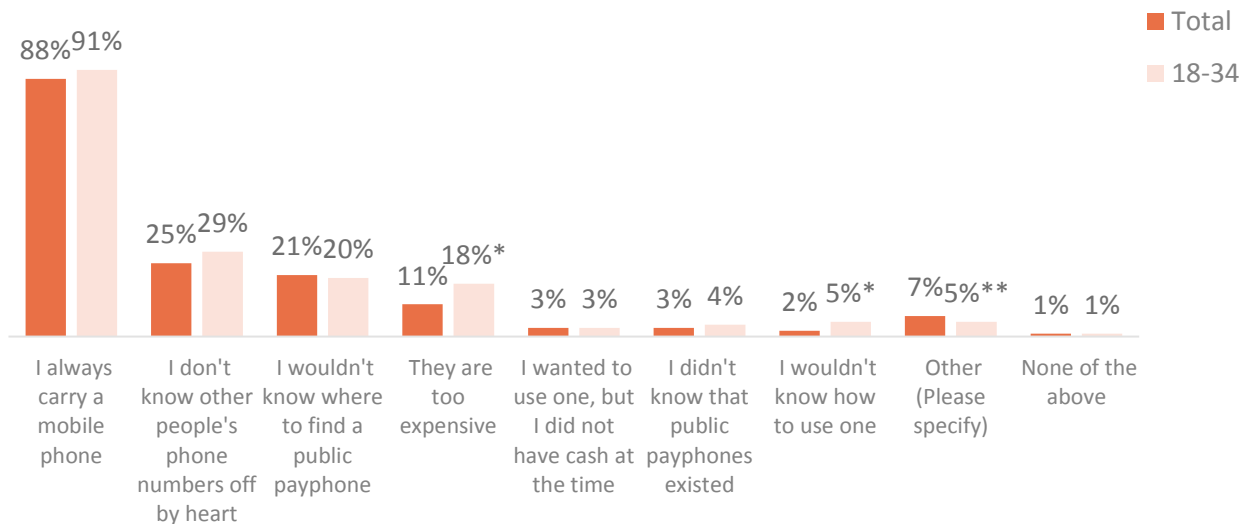
⁸ Source: Payphones Consumer Survey Q29. Which of the following best describes the purpose for your call the last time that you used a...? Base: All respondents who have used a payphone within the last year (360)

services⁹). However, individuals may view their calls to friends and family where their mobile phone has failed as a personal emergency.

“I recently used a payphone in the city centre. I had come in to meet my husband for dinner. He was already out with friends and said he would text me with the location. I realised I’d left my phone at home and didn’t know where he would be so I looked for a payphone”

For younger respondents, having a mobile phone is also key barrier to using payphones. Younger respondents also spontaneously discussed not being able to recall a friend or family member’s phone number as a barrier during the qualitative research.

Exhibit 3 - Reason for not using a payphone in the past 10 years¹⁰



*Indicates significantly higher versus total UK consumers @ 95%

**Indicates significantly lower versus total UK consumers at 95%

“... If I was really stuck with no mobile and had to use a phone box, I wouldn’t know a single number to ring off the

⁹ Source: Payphones Consumer Survey Q27. For the next few questions we'd like you to think specifically about the last time that you used a ... to make a call. Which of the following best describes how you used it? Base: All respondents who have used a payphone within the last year (360)

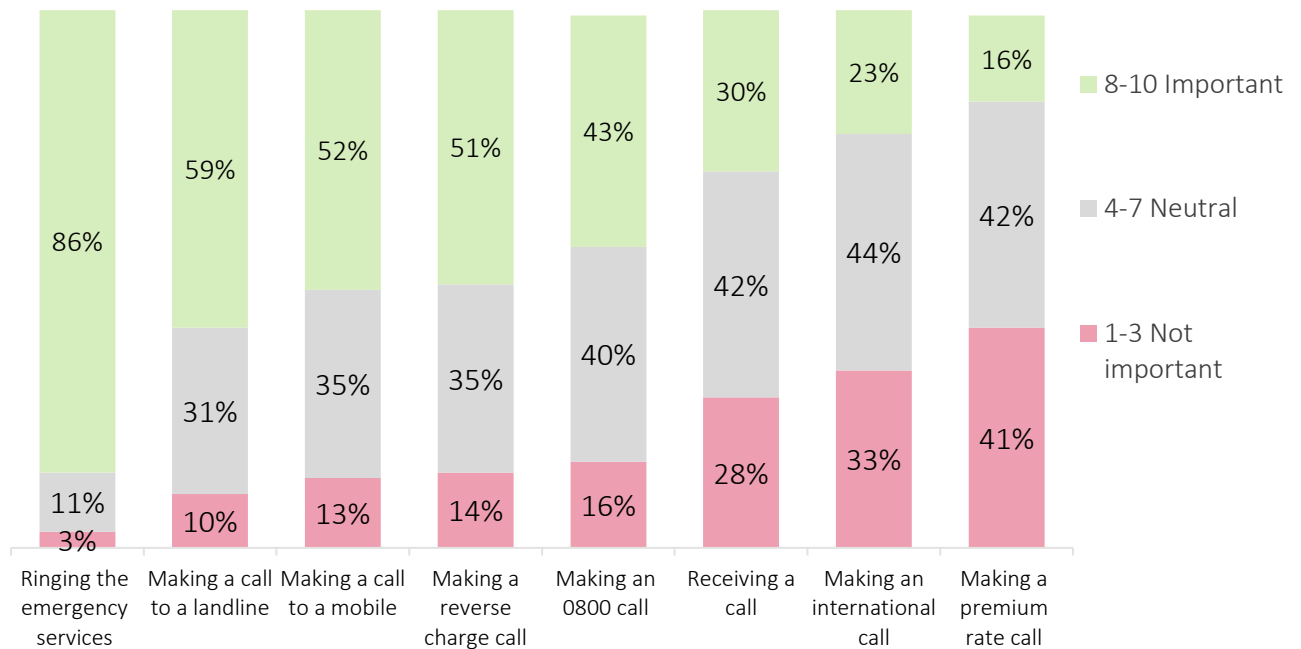
¹⁰ Source: Payphones Consumer Survey Q32a. Which of the following describes why you have not used a public payphone in the past 10 years? Base: UK consumers who have not used a payphone in the past 10 years (1,744), 18-34 year old UK consumers who have not used a payphone in the past year (265)

top of my head. I wonder did they ever supply them with phone books or the yellow pages."

Not all payphone services are seen as important, although the ability to ring emergency services is deemed very important

When asked how important payphone services are, it was seen as very important to offer calls to emergency services, but few felt it was important to receive calls, make international or premium rate calls¹¹.

Exhibit 4 - Importance of payphone services



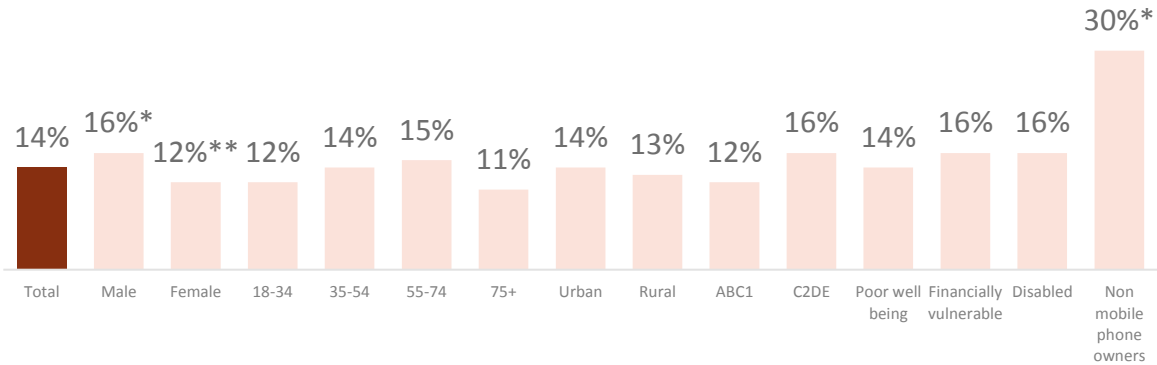
Future demand for using payphones is low, across multiple demographics

Few said they would be very likely to use a payphone in the future. This is similar across multiple demographics, including those with disabilities, and across ages. The exception is among those without a mobile phone¹².

¹¹ Source: Payphones Consumer Survey Q34. How important to you is it that red and modern payphones continue to offer each of these services? Base: UK Consumers (5,052)

¹² Source: Payphones Consumer Survey Q36. How likely would you be to make a call from a red or glass payphone box in the future? Please answer on a scale of 1 to 10 where 1 is very unlikely and 10 is very likely. Base: UK consumers (5,052), Sub-groups (53-4,069)

Exhibit 5 - % NET likely (8-10) to use a payphone in the future¹³



*Indicates significantly higher versus total UK consumers @ 95%
 **Indicates significantly lower versus total UK consumers @ 95%
 N.B. Not asked during telephone interviews

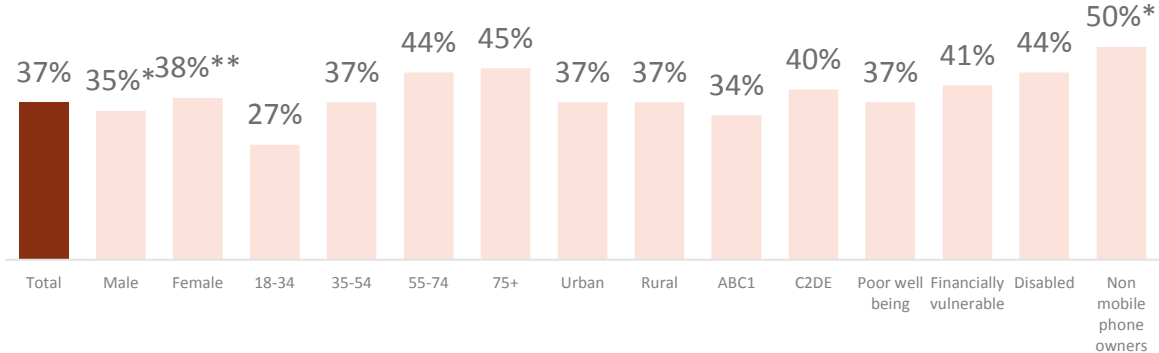
¹³ Source: Payphones Consumer Survey Q36. How likely would you be to make a call from a red or glass payphone box in the future? Please answer on a scale of 1 to 10 where 1 is very unlikely and 10 is very likely. Base: UK consumers (5,052), Sub-groups (53-4,069)

2. Perceived value of continued provision of payphones

A minority feel it is important to provide payphones across the UK for emergencies

While use of and demand for payphones was negligible across the UK, there is a larger minority who feel that it is important to have payphones available in some capacity across the UK. This is higher among more vulnerable groups – those that do not have access to other forms of communication, the older generation, those who live in isolated dwellings and those with disabilities¹⁴.

Exhibit 6 - % NET important (8-10) to have public payphones available across the UK¹⁵



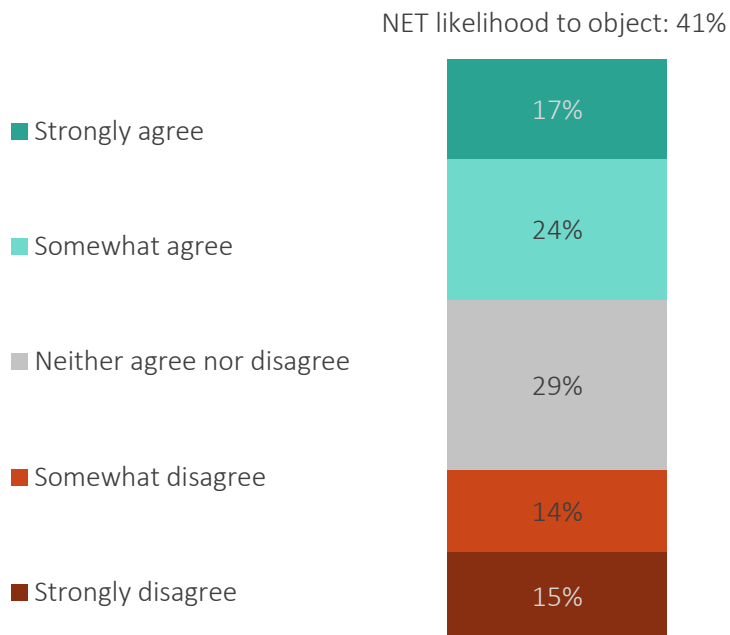
*Indicates significantly higher versus total UK consumers @ 95%
 **Indicates significantly lower versus total UK consumers at 95%

There may be a greater need for payphones in isolated areas

Less than half would object to the removal of their local payphone but this is higher among certain vulnerable groups. Those without a mobile phone (62%), those with no internet access (58%)¹⁶, over 55s (52%), those living in an isolated dwelling (66%) would be more likely to object to their local payphone being removed.¹⁷

¹⁴ Source: Payphones Consumer Survey Q15. How important do you feel it is to have public payphones available across the UK? Base: UK consumers (5,052), non-mobile phone owners (53), no internet access (155), over 55s (1930), isolated dwelling (59), disability (1303)
¹⁵ Source: Payphones Consumer Survey Q15. How important do you feel it is to have public payphones available across the UK? Base: UK consumers (5,052), Sub-groups (53-4,069)
¹⁶ Source: Payphones CATI Telephone Interview Survey. Q2. To what extent do you agree or disagree with each of the following statements about public payphone boxes. Please think about them as a place to make calls. 'I would object if my local payphone box was removed' Base: UK consumers with no internet access (155).
¹⁷ Source: Payphones Consumer Survey Q17. To what extent do you agree or disagree with each of the following statements about [red payphone boxes / modern payphone boxes]? Please think about them as places to make calls. Base: UK consumers who are non-mobile phone owners (53), over 55 (1930), living in an isolated dwelling (59)

Exhibit 7 - I would object if my local payphone was removed¹⁸



Qualitative research and low usage statistics indicate that people feel that they would be able to find an alternative solution in an emergency without using a payphone. However, as these solutions involve other people and public areas nearby, the removal of payphones in isolated areas may be unpopular.

“If there really is an emergency then I'm sure a local shop, house, pub or even passer-by would do just as well – they are likely to be closer than the nearest payphone – if I am in need of making an emergency call and I do not have access to my own phone, I am not going to start running up and down the street wondering if there is a payphone somewhere - I am going to ask the first person I see”

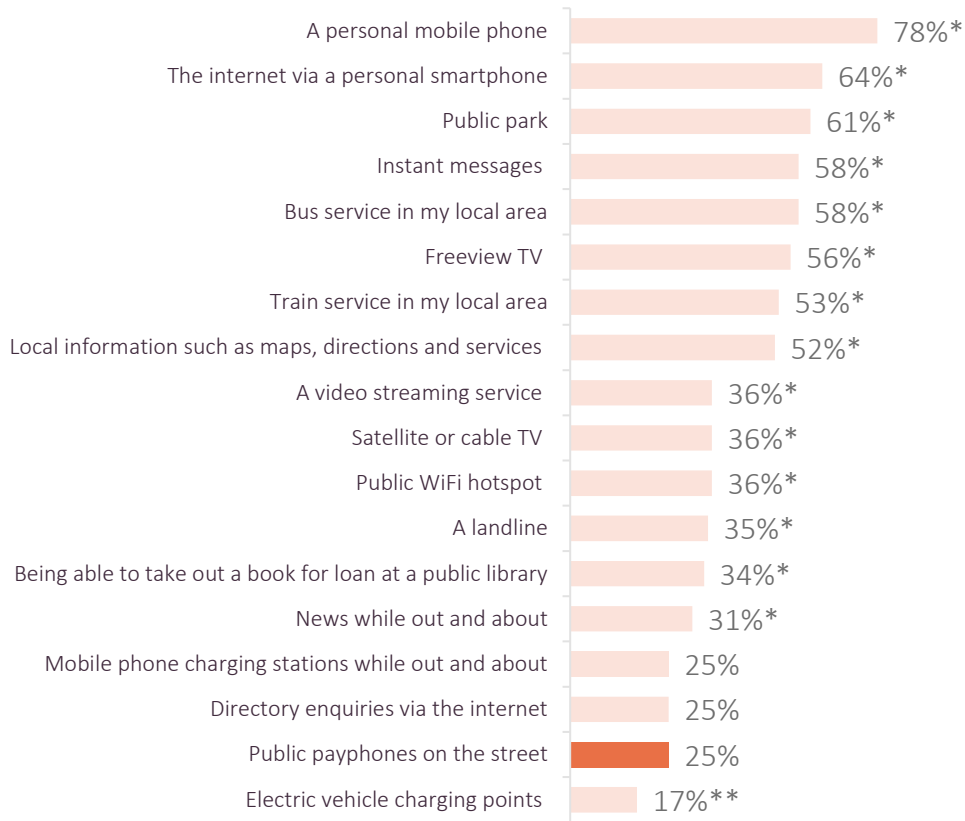
The public value other public services more than having access to payphones

Compared to having access to other services such as mobile communication, TV, parks and libraries, few see having access to payphones as important. Some services

¹⁸ Source: Payphones Consumer Survey Q17. To what extent do you agree or disagree with each of the following statements about [red payphone boxes / modern payphone boxes]? Please think about them as places to make calls. Base: UK consumers (5,052)

deemed more important than payphones could be adopted more widely in the future in the payphone estate, for example providing local information such as maps, instant messaging, and public WiFi.¹⁹

Exhibit 8 - Importance of having access to ...



*Indicates significantly higher versus public payphones on the street @ 95%

**Indicates significantly lower versus public payphones on the street @ 95%

Councillors feel it is important for individuals to have access to a payphone in emergencies, but they do not want multiple in one area

Councillors shared the opinion of consumers that payphones can play a role on UK streets and can provide help for those experiencing an emergency. However, councillors believe that some streets have too many payphones concentrated in a single area, which they feel is not required.

¹⁹ Source: Payphones Consumer Survey Q38. How important are each of the following services to you in your current day to day life? Please answer on a scale of 1 to 10 where 1 is not at all important and 10 is extremely important. Base: All respondents (5,052)

“I think some of them do serve a purpose...some people run out of battery or don’t have a phone at all...but we get complaints from residents about multiple payphones in their area and rightly so...they have become a hot spot for anti-social behaviour!”

There is an appetite to keep red payphones, for aesthetic purposes rather than functional

61% of the UK claim they would miss red payphones if they were removed, compared to only 43% of those asked about glass payphones²⁰. The public are only attracted to the payphone case, not the phone itself and want them to remain on UK streets for feelings of nostalgia and photo opportunities, rather than a functional need.

“I think of the traditional red phone box design being a part of British culture...they’re mainly used for photo opportunities for tourists now!”

²⁰ Source: Payphones Consumer Survey Q17. To what extent do you agree or disagree with each of the following statements? Please think about them as a place to make calls. Base: All respondents (5,052), all answering about red payphones (2,525), all answering about glass payphones (2,527)

3. Impact of payphones on perceptions of the BT brand

Less than half of the public are aware that BT is responsible for managing payphones

Among the total population, 46% are aware that BT is responsible for managing payphones. 51% are aware that BT is responsible for the upkeep of glass payphones, however this drops to 42% for red payphones²¹.

Our qualitative research found that, while there is some awareness that BT manages payphones, there is a perception of payphones being 'brandless'. Any brand impact is therefore limited to that minority who are aware that BT manages them.

“The only other telephone box I can think of would be the classic red telephone boxes – but I’m unsure if you would consider this to be a brand.”

Awareness that BT manages payphones does not translate into heightened brand consideration or positive perceptions

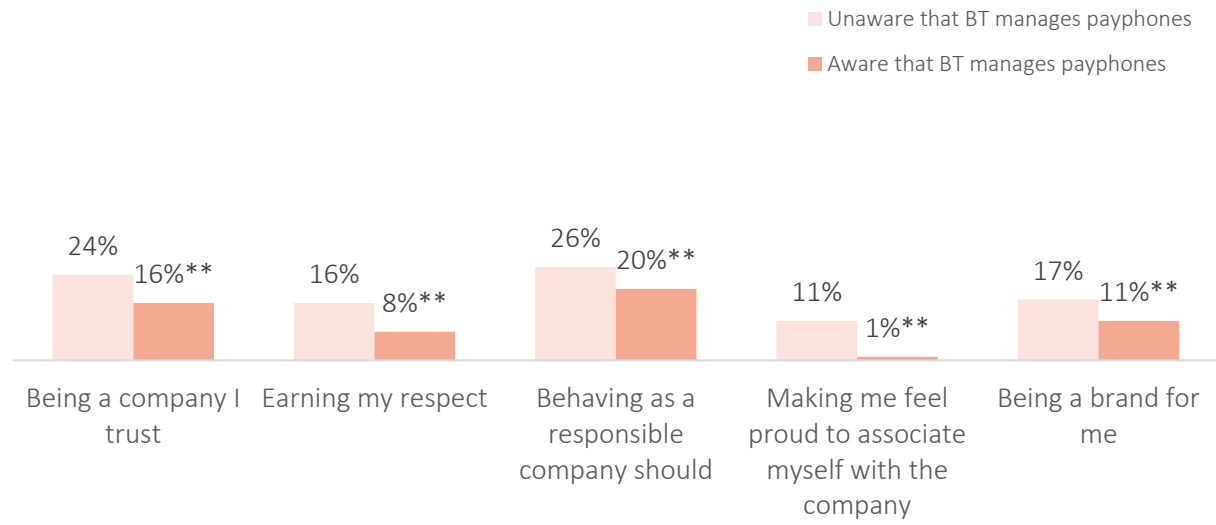
Knowing that BT manages payphones is not driving higher consideration of BT as a provider, with 39% who are unaware that BT manages payphones likely to consider BT, compared to 40% who are aware²².

While consideration of BT is largely unaffected by awareness of their management of payphones, the association has a detrimental impact on some positive perceptions towards BT. Any positive commercial benefits of payphones for BT are therefore limited.

²¹ Source: Payphones Consumer Survey Q18. Who do you think is responsible for the upkeep and maintenance of [red payphone boxes / glass payphone boxes]? Base: All respondents (5,052), answering about red payphones (2,525), glass payphones (2,527)

²² Source: Payphones Consumer Survey Q10c. How likely would you be to consider each of these providers in the future? This could be for either mobile, broadband, or landline services. Base: All respondents aware that BT manages payphones (2464) unaware (2114)

Exhibit 9 - NET Positive perceived performance of BT
 (any positive score – any negative score)²³



**Indicates significantly lower than those aware that BT manages payphones @ 95%

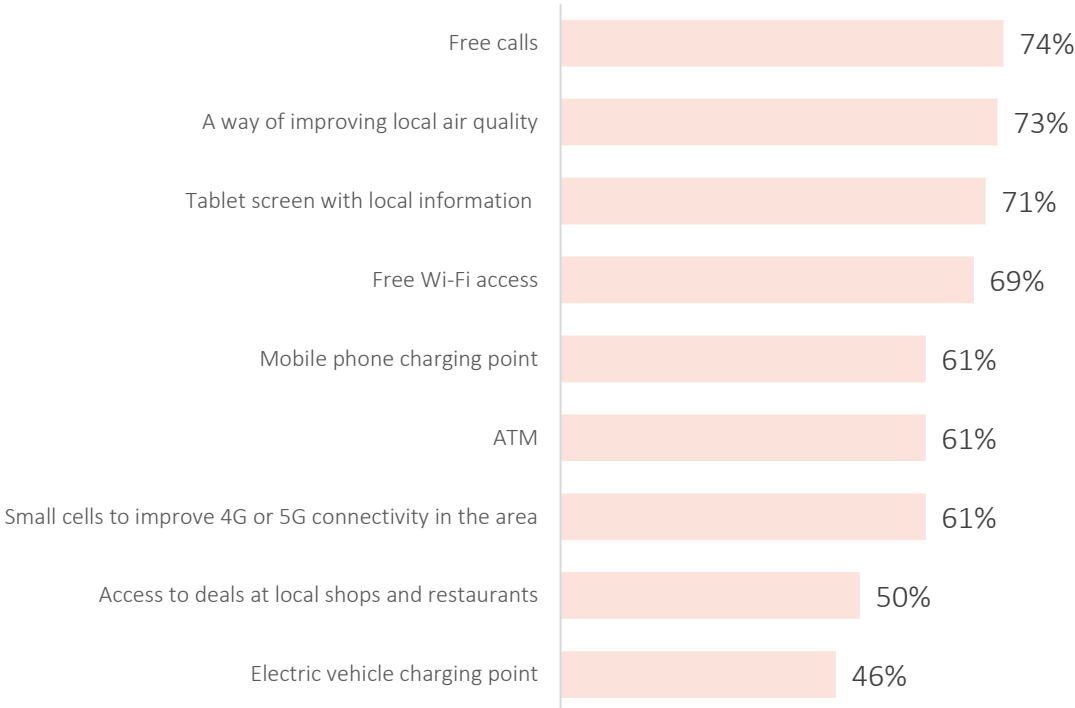
²³ Source: Payphones Consumer Survey. Q10e. Please rate the following companies on a scale of 0-10 for their performance in each of the below, where 0 is very poor, 5 is average, and 10 is very good. Base: All consumers aware that BT manages (2,464), unaware that BT manages (2,114)

4. The future of payphones

There is a desire for evolved technology and multi-functionality

Looking forwards, the public would welcome a technology upgrade for payphones, with 50% agreeing that they are outdated²⁴. Our qualitative research saw the public suggesting that if payphones are to serve a purpose to society in the future, technology upgrades are required.

Exhibit 10 - Interest in technology upgrades for payphones



While there are mixed perceptions towards the value of payphones in their current state, there is widespread interest in new technology being integrated into current payphones to enable a wide variety of uses²⁵. Our qualitative research found there was interest in the multi-functionality of payphones in the future²⁶.

²⁴ Source: Payphones Consumer Survey Q17. To what extent do you agree or disagree with each of the following statements about [red payphone boxes / glass payphone boxes]? Base: UK consumers (5,052)

²⁵ Source: Payphones Consumer Survey Q40. We would now like you to think about some potential technology upgrades for payphones. To what extent would you be interested in the following features for payphones? Base: UK consumers (5,052)

²⁶ Online qualitative community

“Touch screen displays would be great, as would the option to access town/city maps or transport suggestions for your local area”

There is low appetite for retaining enclosed glass payphones, but red payphones could be retained for other uses

Our quantitative research found that 38%²⁷ feel that payphones, in their current state, encourage anti-social behaviour. By making them more open, there is a belief that anti-social behaviour would be deterred, and could be more widely utilised.

“Even though I have used a public payphone, my one comment would be that it needs to be as open as possible to prevent misuse and vandalism... so that users feel safe to use it”

Qualitative research also found that the public are less attracted to the current functionality of red payphones. Alternatives such as 'mini libraries' or defibrillators are widely perceived as more valuable uses of the space. These alternatives would also allow for the retention of the popular red casing²⁸.

“If payphones are to serve a purpose in a fast changing modern world they will need a serious technology upgrade. The introduction of a touch screen interface and network connection that would allow someone to look up telephone numbers like they would in a phone book would be great”

²⁷ Source: Payphones Consumer Survey Q17. To what extent do you agree or disagree with each of the following statements about red/ glass payphones? Base: All respondents (5,052)

²⁸ Online qualitative community

Conclusions

Current use and future demand for payphones is low

Current use of and future demand for payphone services is low across a majority of demographics. Services such as international and premium calls as well as receiving calls in particular have low demand. As mobile phone penetration is so high, people typically only use payphones for personal emergencies where mobiles fail. However it is important to maintain reasonable access in case of emergencies, particularly for those who do not have access to mobiles or the internet, or in places where there is low mobile coverage

With the exception of emergencies, it is not seen as important to continue to provide payphones across the UK

While some feel it is vital to have some payphones in case of emergencies, payphone availability is not seen as particularly important in general. Councillors do not see the need to have multiple in a single location. However, some locations, such as isolated areas and areas of low mobile signal may still feel that they are important as individuals may face additional challenges in contacting in case of emergency

Payphones do not provide BT with any significant brand benefits

Less than half of the population are aware that BT manages payphones. Therefore, any opportunity for brand benefits are limited to that half. Furthermore, awareness does not necessarily ensure brand consideration or improved brand perceptions. They therefore do not provide commercial brand benefits for BT

There is some interest in an evolved, advanced and multi-functional payphone

There is limited demand for traditional payphone services currently. However, there is some initial interest in future-facing multi-functional payphones that could replace them

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