

Which?

Consumers in SCOTLAND 2022



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Foreword

Which? is the UK’s consumer champion, a powerful force for good, here to make life simpler, fairer and safer for everyone.

In 2022, as we adapt to living with Covid-19, and face the highest inflation rate for 30 years, consumers are experiencing an evolving range of challenges. The vast majority of consumers in Scotland are worried about energy, fuel and food price increases, and 6% missed a housing, bill or credit payment in late 2021. Things are only expected to get tougher for households in the months ahead, despite the support offered by the Scottish government. At Which?, a key part of our work is to explore and understand the issues that people are facing in their daily lives, so we can support them, and find policy solutions to today’s biggest consumer problems.

We know that consumer experiences vary across the UK, particularly in the devolved nations where challenges and policy priorities are often different. Policymakers need tailored and specific insight to meet the needs of their constituents. In this report, we explore the experiences of consumers in Scotland in detail, offering cutting-edge insight into the challenges they face today and the shifts they are making towards greater digitalisation and sustainable consumption.

One of our most significant findings is that Scotland continues to significantly lag behind England and Northern Ireland when it comes to broadband speeds. Despite improvements across the UK, average broadband speeds in Scotland are just 73.7 megabits per second, compared with 88.5 in England. Furthermore, there is significant disparity within Scotland itself – people in Edinburgh typically enjoy download speeds more than twice as fast as those in Aberdeen.

The UK government has placed a significant focus on its levelling up agenda, and spreading opportunity and growth equally across nations, and within nations, is vital. Addressing this infrastructure challenge should therefore be high on the list for governments. Investment in these critical services for the modern era will help spur sustainable consumer spending, and help consumers prepare for the changes ahead.

Our research also demonstrates the vital need for the Scottish government’s new scams strategy, with three quarters of consumers in Scotland reporting that they have seen or been targeted by a scam. Which? is committed to working with telecommunications companies, banks and social media companies, in partnership with the Scottish government, to tackle this scourge.

Which? is working hard to provide policymakers in Scotland, and across the UK, with the intelligence they need to support consumers through the cost of living crisis and the challenges they face as we emerge from the pandemic. We look forward to working together to improve outcomes for consumers in Scotland as we find the new normal.

Anabel Houlton
Chief Executive, Which?

Executive Summary

The start of 2022 has marked a transition in which economic concerns are replacing Covid-19 health worries as the predominant issue for many people in Scotland and the rest of the UK. Despite the emergence of the highly transmissible Omicron variant of Covid-19, the reduced severity of infections means that focus is switching to a new set of challenges and our report this year starts by focussing on two immediate crises.

The first is a cost of living crisis as higher prices, especially for energy, are squeezing household finances. Inflation rose sharply by the end of 2021 and the annual rate reached 5.5% in January, the highest it has been since March 1992.¹ Further price rises are still to come as the energy price cap for default tariffs will increase by 54% in April and the Bank of England estimates that inflation will rise to around 7% in the spring.²

Price increases are of great concern to consumers in Scotland – **86% of people are worried about energy prices, 81% about fuel prices and 77% about food prices.** Higher prices are already affecting people. For example, two-thirds (67%) of consumers in Scotland have noticed higher food prices and 13% of these say it has led them to skip meals. Budgeting is going to get even harder in the coming months. **We estimate that increased energy and food prices will lead to an average family in Scotland spending an additional £21.13 per week in April 2022 compared to March 2020.** This amounts to around £1,100 extra per year.

Price rises on essential items have the biggest effect on lower income households, and the coming squeeze is likely to be particularly difficult for those already in financial difficulty. **The proportion of households in Scotland who told us they had missed or defaulted on at least one mortgage, rent, loan, credit card or bill payment was 6% at the end of 2021.** With missed payment rates highest among those on lower incomes, it is clear that many households are going to need substantial support in the coming months.

While the cost of living features heavily in the public consciousness, there is a second crisis affecting consumers that has attracted less attention, but which may have an even bigger impact for many people. During the pandemic there has been an extraordinary increase in fraud as criminals have taken advantage of changing habits to scam consumers. Recorded instances of fraud in Scotland increased by 26% between 2019–20 and 2020–21, and the most recent data shows a 65% increase in January 2022 compared with January 2020.³

It is clear that fraud is now endemic as **76% of consumers in Scotland told us they have seen or been targeted by a scam.** It is also clear that the public believe they should receive better protection against scams. Just 23% of people think the government is doing enough to protect consumers, **and just 20% think that online platforms such as social media companies and search engines do enough.** The scams crisis requires a wide ranging response, and an

important starting point is the UK government amending the Online Safety Bill to give online platforms a legal duty to protect consumers from fraud and including paid-for advertising in the scope of the Bill, as these adverts are a critical way consumers are targeted by fraudsters online.

Moving beyond the immediate cost of living and fraud crises, our report examines two trends that are likely to shape consumer behaviour over the coming decade. The first is the ever-increasing switch to online services. The pandemic encouraged many people to conduct more of their life online and our research shows there has been no going back. **Almost 90% of people in Scotland are using the internet for shopping, managing their banking and utilities, and communicating with friends and family.** Connected devices are also becoming widespread, for example 62% of households in Scotland own a smart TV, 39% a smart speaker, and 9% a smart doorbell.

These trends mean it is crucial that consumers have access to broadband with sufficient bandwidth and speed. However, our analysis of Ofcom data shows that Scotland continues to lag behind England for broadband performance. **The average fixed broadband download speed is 73.7 megabits per second in Scotland, compared with 88.5 in England, 82.7 in Northern Ireland and 55.9 in Wales.**⁴ There are also substantial differences within Scotland. **On average, the download line speeds in Aberdeen are considerably slower than those in Edinburgh, Glasgow, and Dundee.** Differences in performance speeds represent both differences in network capability and in household demand for faster broadband, and so these disparities demonstrate the need to both improve infrastructure and tackle barriers to consumer adoption of better broadband.

The second long term trend that we examine, and conclude the report with, is sustainable consumption. **84% of people in Scotland told us they believe they have a personal responsibility to reduce their own carbon footprint.** These feelings are increasingly leading people to make more sustainable choices. Compared to last year, there have been significant increases in the proportion of people whose buying decisions are influenced by environmental concerns across many categories of goods and services, including electrical appliances, non-food household goods and energy.

One issue that will be key to the transition to net zero will be how quickly the UK switches to electric vehicles. Only 3% of car owners in Scotland told us they already own an electric vehicle, but 37% expressed an intention to buy one in the future. **The most commonly cited barrier to adoption is access to charge points, either at home or when out and about, with 49% of people concerned about this.**

Concerns about charging will need to be allayed to persuade people to buy an electric vehicle and this is going to require substantial infrastructure investment. Scotland currently fares favourably in comparison with other parts of the UK in the provision of public-access charge points, with **52 public charge points per one hundred thousand people compared with 43 in England, 33 in Wales and just 18 in Northern Ireland.**⁵ However, to give consumers in Scotland the confidence to make the switch to an electric vehicle, the roll-out of charging infrastructure needs to rapidly accelerate. We welcome the Scottish Government's Draft Vision for Scotland's Public Electric Vehicle Charging Network and look forward to seeing these plans further developed and implemented.

¹ Consumer Prices Index taken from ONS (2022), *Consumer price inflation, UK: December 2021*

² Bank of England (2022), *Monetary Policy Report – February 2022*

³ Scottish Government (2021) *Recorded crime in Scotland: January 2022*

⁴ Calculated as the median fixed broadband download speed across all Census output areas in each nation as reported by Ofcom in May 2021.

⁵ Department for Transport (2022) *Electric vehicle charging device statistics: January 2022*

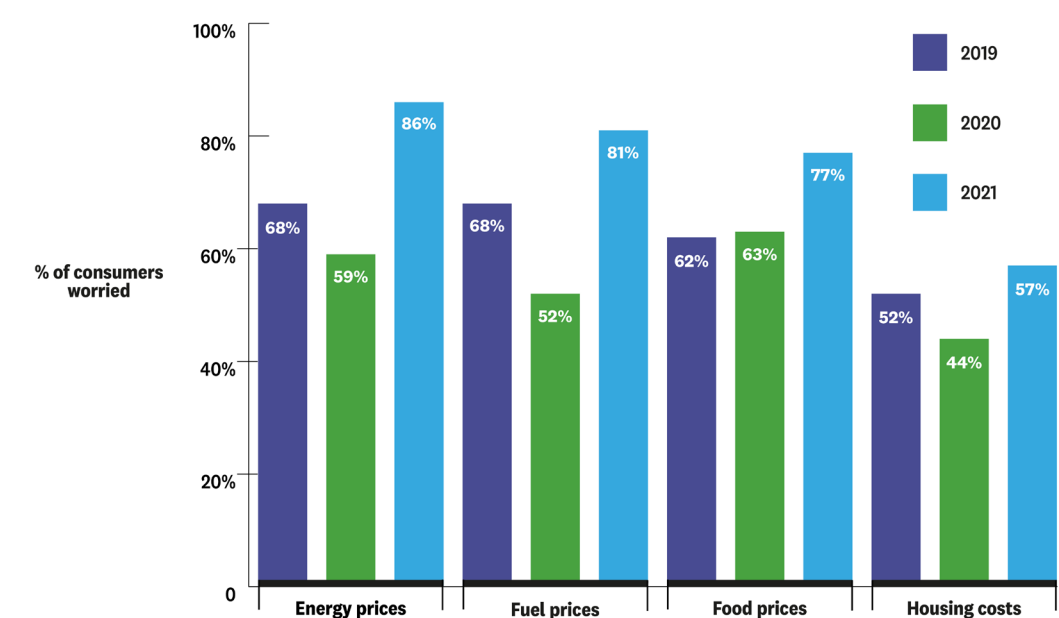
2022 will be an important year for consumers in Scotland as we transition to living with Covid-19. This report highlights some of the significant challenges that consumers face both today, in the coming months and in the years ahead through this decade. It also shines a light on some of the many actions that need to be taken by governments, regulators and businesses to help consumers through these turbulent times.

Consumer finances and the ‘cost of living’ crisis

Rising prices and the resulting cost of living crisis are clearly reflected in the concerns of consumers in Scotland. Energy price rises have attracted most attention and an overwhelming majority of consumers in Scotland (86%) said they were worried about these, a huge increase on the 59% who were worried last year. Concern about fuel and food prices is also very high (81% and 77% respectively), again a major increase on last year.

Concern about housing costs has also increased since last year (from 44% to 57%), although to a lesser extent than energy, fuel and food prices. However, renters are much more likely to be worried about housing costs than homeowners. Nearly three quarters (72%) of renters in our sample of consumers in Scotland were worried about this, compared to 48% of homeowners.

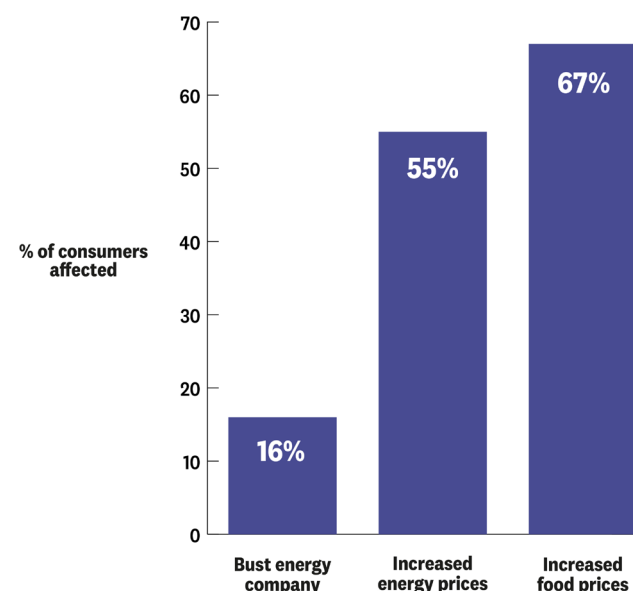
Figure 1: Concern about prices has increased significantly compared with 2020



Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724). N/A excluded (e.g. non-drivers for fuel items). 2020 data based on an equivalent survey conducted in November–December 2020.

Some consumers are already being affected by higher prices. Two-thirds (67%) told us they had noticed higher food prices, and over half (55%) had experienced an increase in the price they pay for energy. Roughly one in six (16%) consumers in Scotland reported that their energy company had gone bust.

Figure 2: Consumers in Scotland have already felt the effects of increasing prices



Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021
– data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724).

To offset the impact of higher energy prices, nearly half (46%) of people said that they had put the heating on less, whilst 39% had reduced their use of lights and appliances around the home.

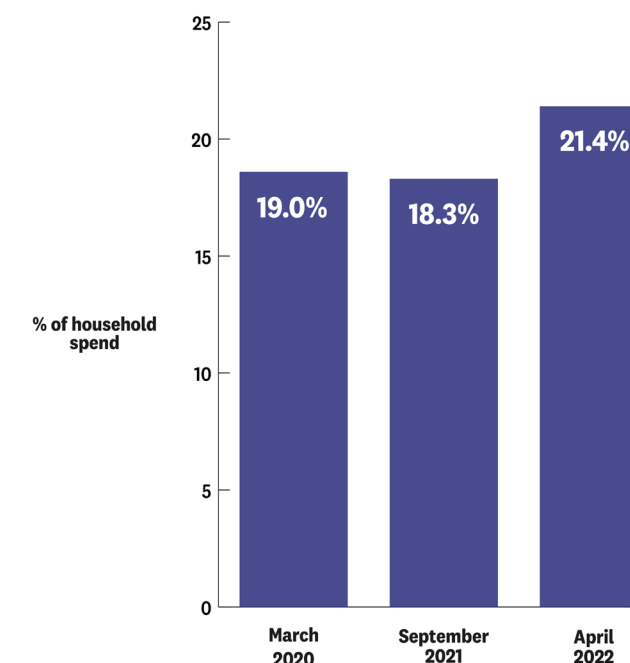
Many consumers in Scotland who had experienced higher food prices also reported adapting their behaviour by buying extra items when on promotion (40%), buying cheaper alternative products (49%) or cheaper brands (41%), or by shopping around in different supermarkets, stores or online shops (46%). 13% said they had gone so far as to skip meals and 7% have prioritised meals for other family members. People aged over 65 were the least likely to have made such adjustments.

Further price rises are still to come as the energy price cap for default tariffs will increase by 54% in April and the Bank of England estimates that inflation will rise to around 7% in the spring.⁶

The rising price of essentials will have a sizable and unavoidable impact on household budgets. We estimate that the share of household expenditure that is spent on food and energy in Scotland will be 21.4% in April 2022. This is an increase of 2.5 percentage points compared with the pre-pandemic share of 19%.

In absolute terms, this means that consumers in Scotland are predicted to spend an additional £21.13 per week on food and energy in April 2022 compared to March 2020. This amounts to around £1,100 extra per year.

Figure 3: The share of household expenditure on food and energy is expected to increase for households in Scotland



Source: Calculated using spending data taken from ONS' Living Costs and Food Survey, inflation figures from ONS and Ofgem's announcement of a 54% increase in the energy price cap and estimates for food price inflation from Capital Economics. September 2021 and April 2022 are predicted expenditure proportions.

These average increases disguise that some households will be much worse affected by the increase in inflation. Higher rates of inflation for essential products are particularly problematic for lower income households because these households typically have tighter budgets and it is harder to avoid price rises on essential products.

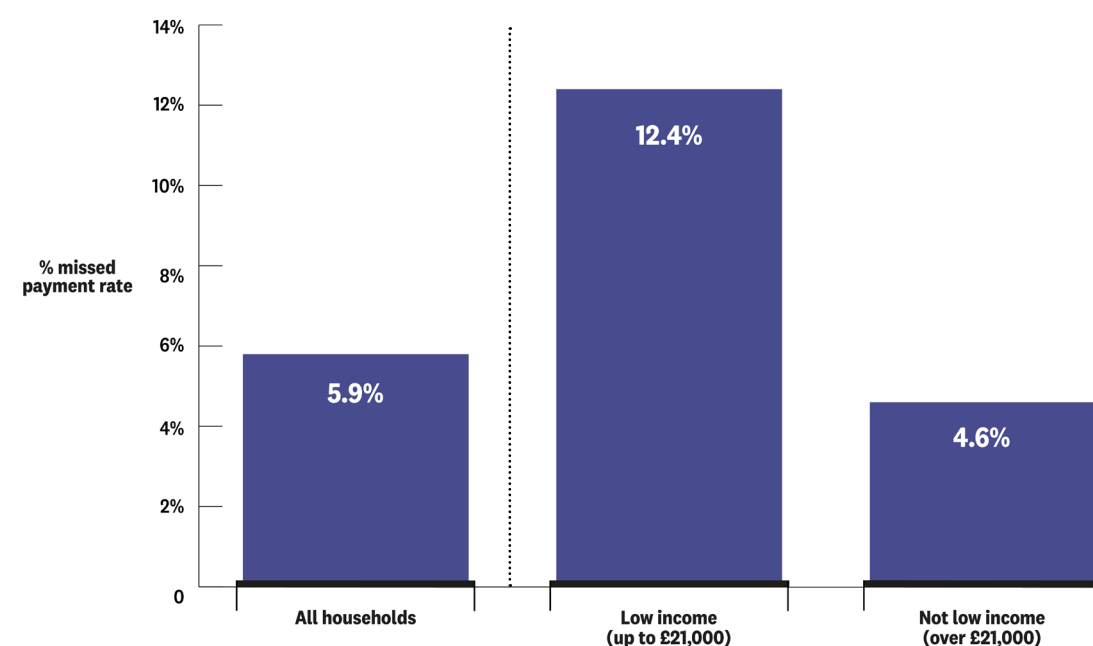
Our analysis of inflation rates by household income at a UK level estimates that the share of household expenditure that is spent just on food and energy will increase by 3.1 percentage points for those on the lowest incomes, but by just 1.4 percentage points for those with the highest incomes.

This means that for households with the lowest 20% of incomes, averaging just £14,600 per year, 27.8% of their spending will be on just food, gas and electricity by April 2022. For those in the next lowest 20%, with average incomes of £24,000, this will be 24.5% of their spending. By comparison, for the 20% of households with the highest incomes, an average of £81,000 per year, this is estimated to be 14.4%.

These forecasts are a stark warning of the potential financial difficulty to come for many households, but some households are already struggling. As at December 2021, 6% of consumers in Scotland told us that they had missed a housing, loan, credit card or bill payment in the last month. Households on lower incomes (up to £21,000) are more likely to report these indicators of financial difficulty.

⁶ Bank of England (2022) *Monetary Policy Report – February 2022*

Figure 4: Missed payment rates are considerably higher for those on a lower income

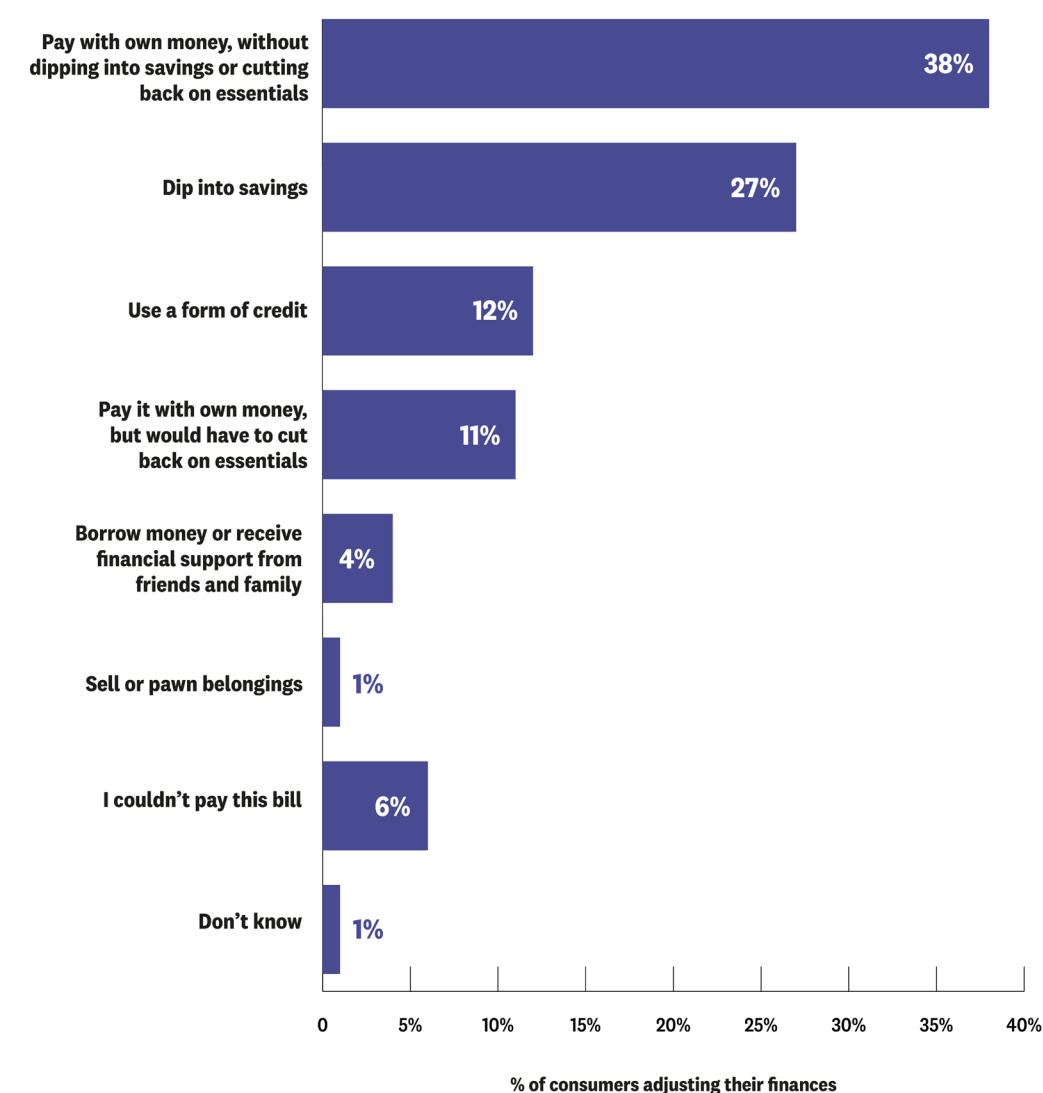


Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724). Data are unweighted for sub-group proportions. Missed payment rate is defined as the percentage of consumers who say their household has missed at least one housing, bill or credit payment in the past month. Sample sizes are as follows: Low income n=356; not low income n=797.

With financial pressures set to increase during 2022 as prices rise further, a household's ability to manage will depend on whether they have a financial buffer to cushion the shock of higher bills. However, our research suggests that many households have low levels of financial resilience.

About a third of people (34%) in Scotland said they would not be able to pay an unexpected bill of £300 either through their regular income or by dipping into savings. Most of these would either borrow money or cut back on essentials to cover such a bill, but 6% said they would not be able to pay it at all and this rose to 18% of those with a household income of £21,000 or less.

Figure 5: Only a minority of consumers could pay an unexpected bill of £300 without making some kind of adjustment to their finances



Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724).

It is clear that many households are going to need substantial support in the coming months. This needs to reach those that are most vulnerable and support people in the short term as they deal with price cap changes and higher energy bills. In addition to the direct support provided by the Scottish government through Council Tax reductions and the £10m Fuel Insecurity Fund, regulators and companies need to make sure they are ready to support customers in financial distress and treat their customers fairly.

A fraud epidemic

The cost of living crisis has grabbed headlines in recent weeks, but a second crisis has developed over the course of the pandemic which is causing severe harm for consumers. There has been a sharp rise in the incidence of fraud and scams with fraudsters taking advantage of consumers’ changing habits.⁷ Recorded instances of fraud in Scotland increased by 26% between 2019–20 and 2020–21, and the most recent data shows a 65% increase in January 2022 compared with January 2020.⁸

The substantial increase in fraud during the pandemic has been enabled by changes in consumer behaviour, such as increased online shopping, while digital technologies such as social media platforms have allowed fraudsters to target potential victims en masse through fake advertising. The recent Recorded Crime in Scotland bulletin estimated that 57% of fraud crimes recorded in 2020–21 were cyber-crimes, compared to 29% in 2019–20.⁹ Even before the pandemic there was a high prevalence of cyber-dependent fraud that would not exist without the internet. According to the Scotland Crime and Justice Survey for 2019–20, 4.5% of those who had been online in the last 12 months reported having had their card or bank account details stolen online, while 2.6% had received a scam email and provided bank details or made a payment.¹⁰ These incidence rates will undoubtedly have increased during the pandemic.

Although fraud is a financial crime, the impact goes beyond the financial losses and into psychological harm – victims of scams commonly report feelings of irritation, anger or sadness, and some also experience impacts on their mental or physical health. Which? is concerned that the full scale of this psychological harm has long been underestimated and so we recently explored the relationship between being a victim of fraud and reduced wellbeing. Using HM Treasury valuation techniques and data from the Crime Survey for England and Wales, we estimate the loss in wellbeing from being a victim of a fraud is worth £2,509 on average.¹¹

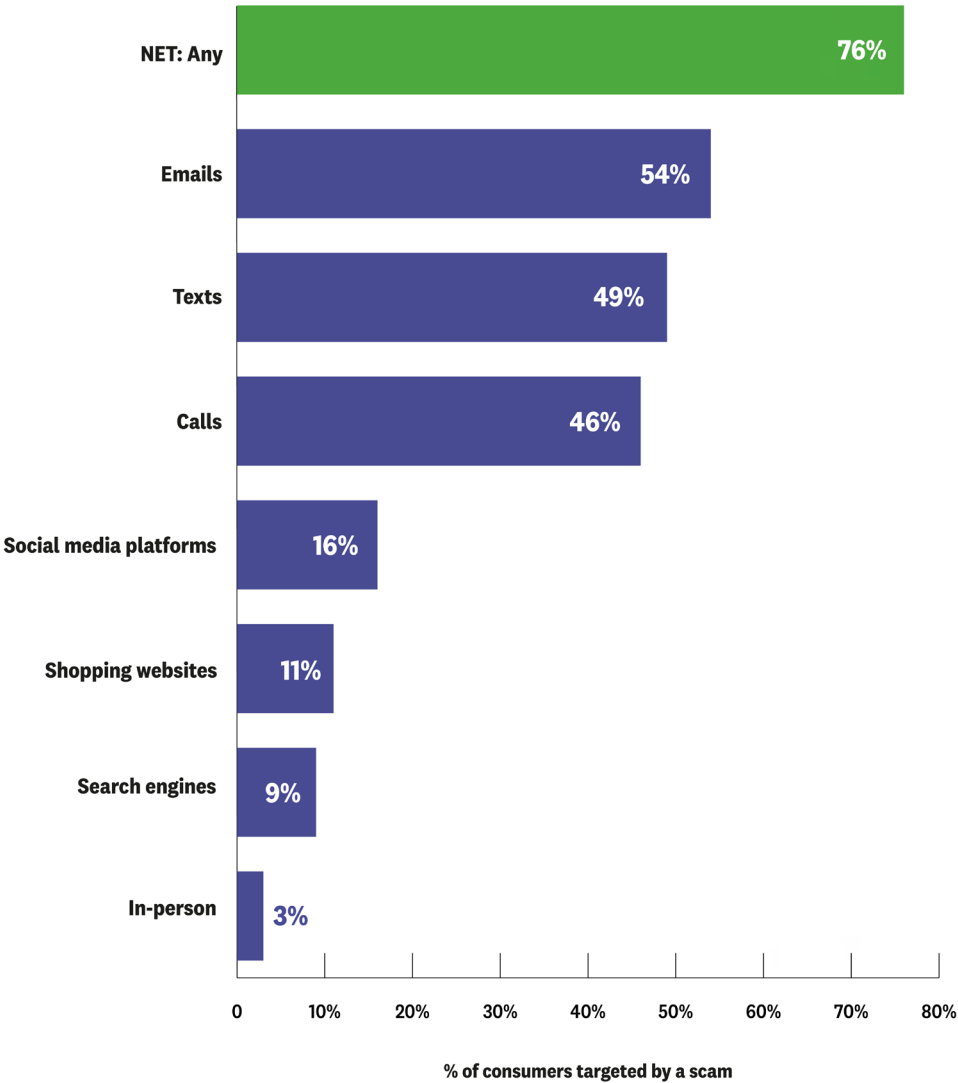
The prevalence of fraudulent activity also has an effect beyond those who become victims. It causes worry and anxiety, and forces people to take action to keep themselves safe. Three quarters (76%) of consumers in Scotland told us they have seen or been targeted by a scam. People were most likely to believe they had been targeted by fraudsters via email (54%), texts (49%) and calls (46%).

Approximately one in six people say that they have seen or been targeted by a scam on social media. Although Which? has found widespread evidence of scams in these contexts, they can be harder for consumers to detect than through direct communications as

7 UK Finance (2021), *Fraud The Facts 2021*
8 Scottish Government (2021), *Recorded crime in Scotland: January 2022*
9 Scottish Government (2021), *Recorded crime in Scotland: January 2022*
10 Scottish Government (2021), *Data tables for the 2019/20 Scottish Crime and Justice Survey*
11 Which? (2021), *Scams and subjective wellbeing*

people may be less alert to fraudulent content. For example, our research has shown that Facebook users have limited awareness about the risk of scams on social media and, when tested, they mistakenly assume they can spot fraudulent content.¹²

Figure 6: Three-quarters of consumers in Scotland have seen or been targeted by a scam

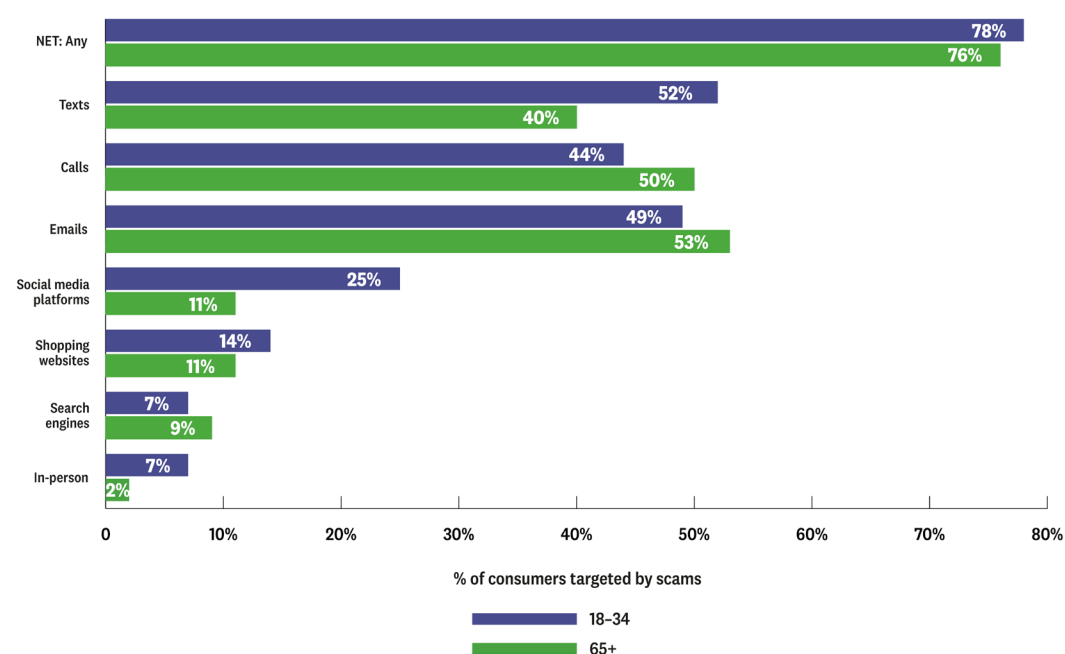


Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724).

The likelihood of having seen a scam was fairly consistent across different demographic groups in our sample, but in some cases the medium through which consumers in Scotland were targeted differed somewhat across age groups. Consumers in the 18–34 age group in our sample were more than twice as likely to report having seen a scam on social media platforms compared to the 65+ age group, and were also more likely to report a scam text. Those over the age of 65 meanwhile, were slightly though not significantly more likely to report scam calls and emails.

12 Which? (2020), *Connecting the world to fraudsters*

Figure 7: Younger consumers in Scotland were more likely to be targeted via social media



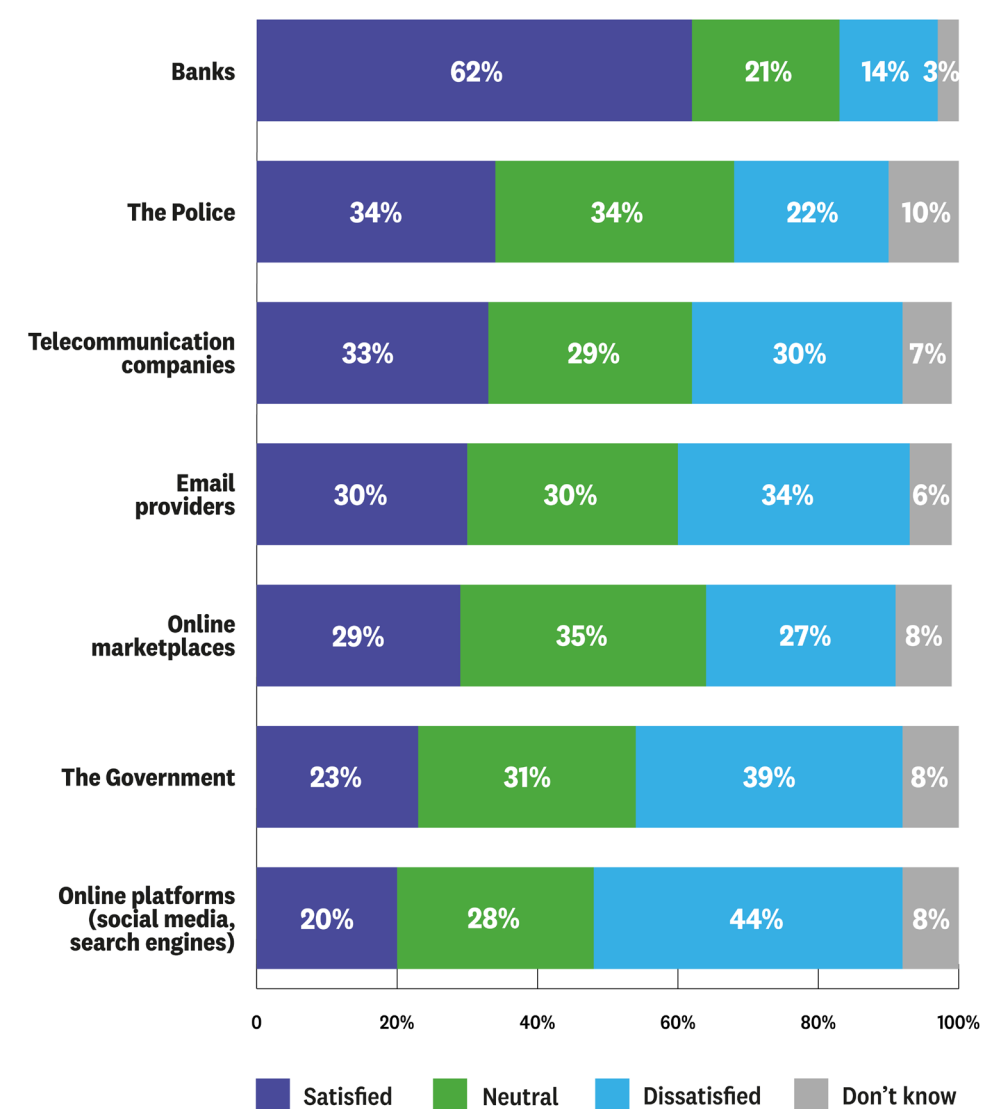
Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724). Data are unweighted for subgroup estimates. Sample sizes for age groups are as follows: 18–34 = 269, 65+ = 245.

In addition to the various channels that scams may come through, there is also an enormous breadth of types of scams such as bank and credit account fraud, fake products, investment scams, and romance scams. With so many ways and means for scammers to operate, consumers rely on a wide range of organisations to take action to help protect them.

We asked consumers in Scotland how satisfied they are that these different entities do enough to protect them from scams. Banks fare best in terms of the consumer view of their response to scams: 62% are satisfied that they do enough to protect consumers, with just 14% disagreeing. This is despite criticism that banks have been inconsistent in reimbursing fraud victims and the Financial Ombudsman finding in the favour of customers in a large majority of fraud complaints.¹³

Government and online platforms fare worst, with just 23% and 20% respectively being satisfied that they do enough to protect consumers and the plurality being dissatisfied with their response. These findings were consistent across all the UK nations, though people in Scotland and Northern Ireland were more likely to be satisfied that banks do enough to protect consumers than people in England and Wales.

Figure 8: Most consumers in Scotland are satisfied that banks protect consumers from scams, but the government and online platforms fare less well



Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724).

With the incidence of frauds surging during the pandemic, consumers in Scotland evidently believe that they should receive better protection against scams and this needs to come from a number of organisations.

Which? welcomes the Scottish Government's scams strategy,¹⁴ as well as the UK government's updated commitment to legislate to help protect consumers from the harm associated with scams. In line with calls from the Joint Scrutiny Committee for the draft Online Safety Bill, the Department for Culture, Media and Sport Select Committee and the Treasury Committee we called for the UK government to amend the Online Safety Bill to give online platforms a legal duty to protect consumers from fraud and include paid-for advertising in the scope of the Bill, as these adverts are a critical way consumers are targeted by fraudsters online.¹⁵

¹⁴ Scottish Government (2021), *Scams prevention, awareness and enforcement strategy: 2021 to 2024*

¹⁵ Department for Culture, Media and Sport (2022), <https://www.gov.uk/government/news/major-law-changes-to-protect-people-from-scam-adverts-online>

¹³ Which? (2021), *Banks wrongly denying fraud victims compensation in up to 8 in 10 cases*

Which? is also calling on the UK government to follow through with its commitment to legislate to make reimbursement mandatory for victims of Authorised Push Payment (APP) fraud to put an end to the unfair and inconsistent treatment many victims face when trying to get their money back after they are targeted by fraudsters. Meanwhile, the Payment Systems Regulator should act swiftly to direct individual banks to publish data that demonstrates how well they are dealing with APP fraud and treating their customers.

Finally, we believe businesses can do more to protect people from scams. We support the telecoms industry’s recent steps to implement SMS spam filters to block scam text messages, but these companies could take further steps to prevent fraudsters from exploiting weaknesses in their systems to target consumers. These steps should include introducing a call authentication system to prevent and reduce illegally spoofed phone calls. Which? is also calling on businesses to sign up to its SMS best practice guide, which will help businesses to create a distinction between their own communications and those that are fraudulent and thereby help prevent their customers falling victim to fraud.¹⁶

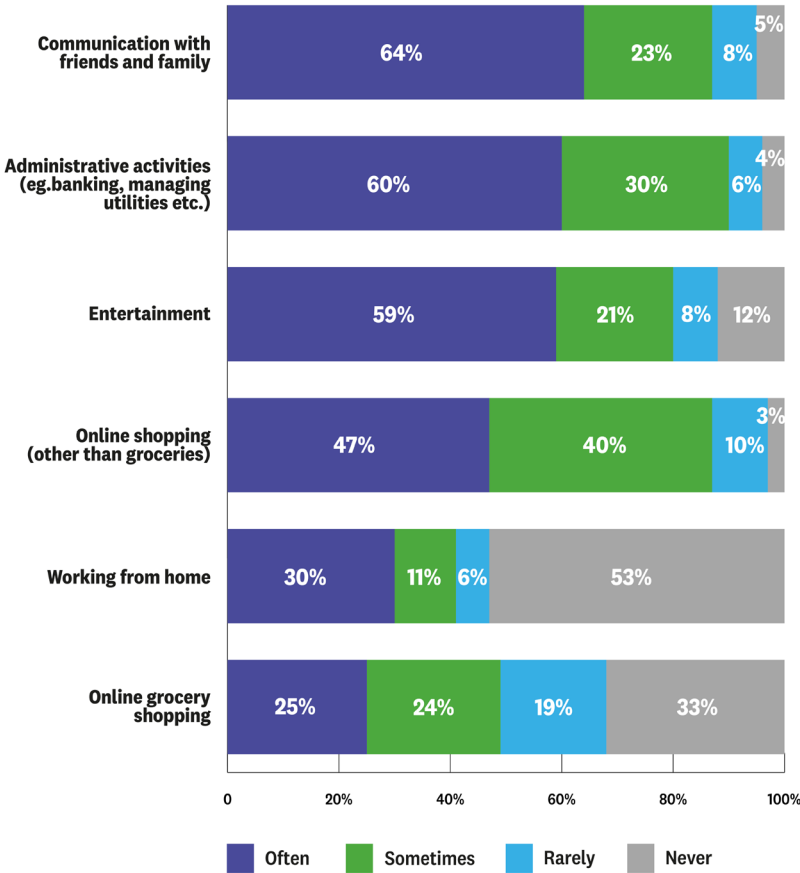
16 Which? (2021), *SMS Best Practice - Our guide for businesses*

Digital life and broadband connectivity

Year on year, more of our lives are conducted online and the pandemic hastened the speed at which we’ve adopted online behaviours. Last year, we reported an increase in the use of home broadband for various activities during the pandemic, including shopping, banking, working from home and communicating with friends and family. Our research indicates that these habits have stuck even as Covid-19 restrictions have eased.

In our online poll, almost two-thirds (64%) of people in Scotland told us they often use their home broadband to communicate with friends and family, while almost as many people (60%) often use it for administrative activities, such as banking. Only 3% said they never use their home broadband for online shopping. Even the use of home broadband for working from home has changed little, with 30% saying they do this often in 2021 compared to 28% in 2020. Frequency of usage has not changed significantly in any category compared to last year.

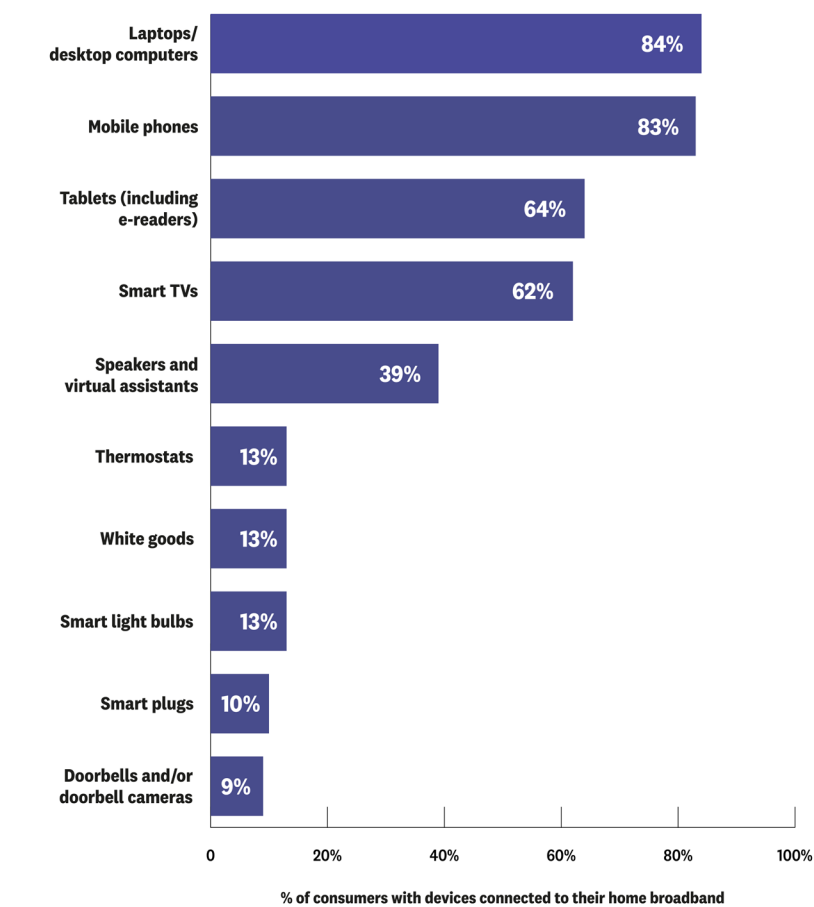
Figure 9: An overwhelming majority of consumers in Scotland use their home broadband for administrative activities, shopping, entertainment and communicating with friends and family



Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland by age and gender (effective base 724). A small number who do not have home broadband or who answered ‘don’t know’ are excluded from the base of this chart.

As internet usage in Scotland spreads to more and more areas of daily life, consumers also have many devices connected to their home broadband. Predictably, a majority reported having mobile phones and computers connected to their home broadband, but many also had other connected devices: 64% a tablet or ereader, 62% having a smart TV, and 39% a speaker or virtual assistant. Ownership of connected devices varies across age groups. Though mobile phones and smart speakers/virtual assistants are more commonly owned by younger consumers, older consumers are more likely to have a tablet or e-readers and the 30–49 age group are most likely to have a smart TV.

Figure 10: Consumers have many devices connected to their home broadband

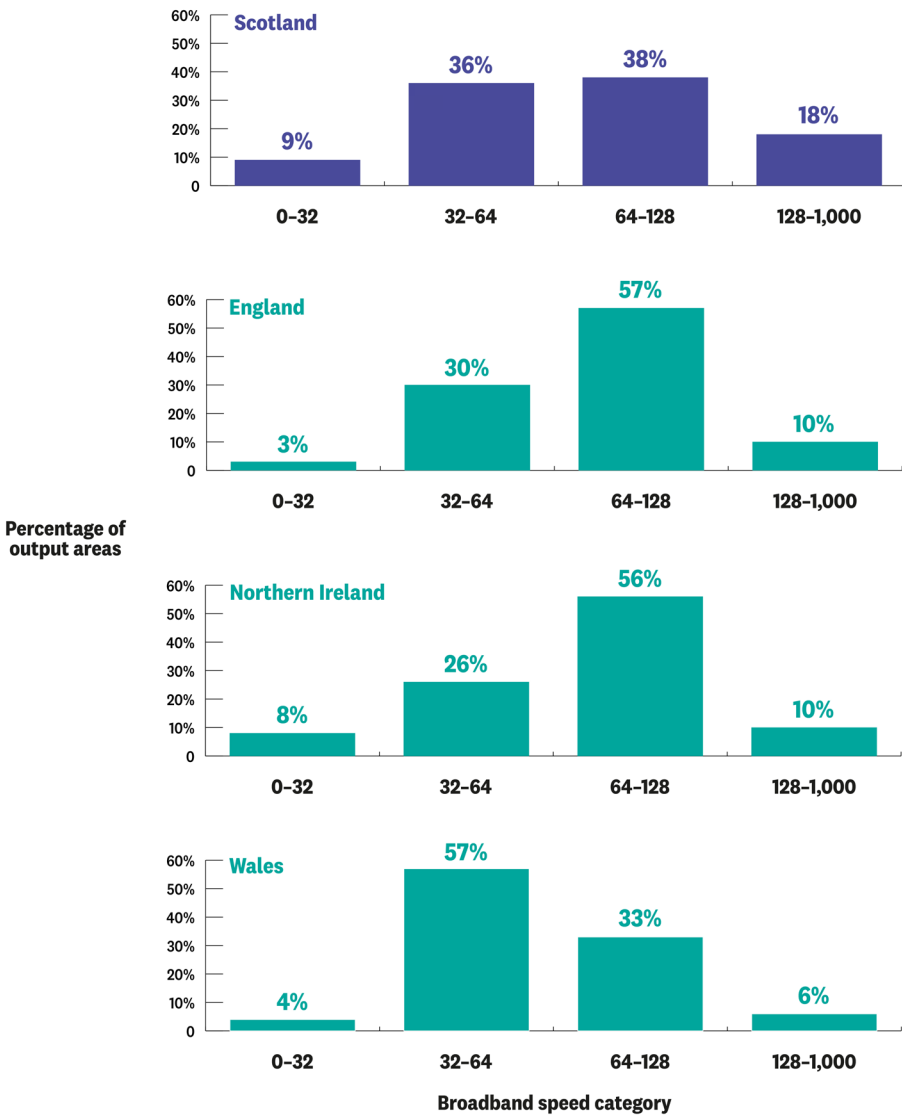


Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021 – data are weighted to be nationally representative of the adult population of Scotland, by age and gender (effective base 724). A small number who do not have home broadband or who answered ‘don’t know’ are excluded from the base of this chart.

It is clear that consumers in Scotland rely on their home broadband for various essential tasks, and this reliance is likely to increase further in the future as increasing numbers of connected devices are used by households. As such, it is crucial that consumers have access to good broadband, with sufficient bandwidth and speed to complete this broad range of activities.

Which? has analysed Ofcom data to reveal the performance of broadband within the devolved nations of the UK.¹⁷ Our analysis shows that broadband speeds in Scotland lag other parts of the UK. Scotland has an average fixed broadband download speed of 73.7 megabits per second (Mbps).¹⁸ This is slower than that in England (88.5 Mbps) and Northern Ireland (82.7 Mbps), but faster than Wales (55.9 Mbps).

Figure 11: Broadband speed in Scotland is somewhat slower than that of England

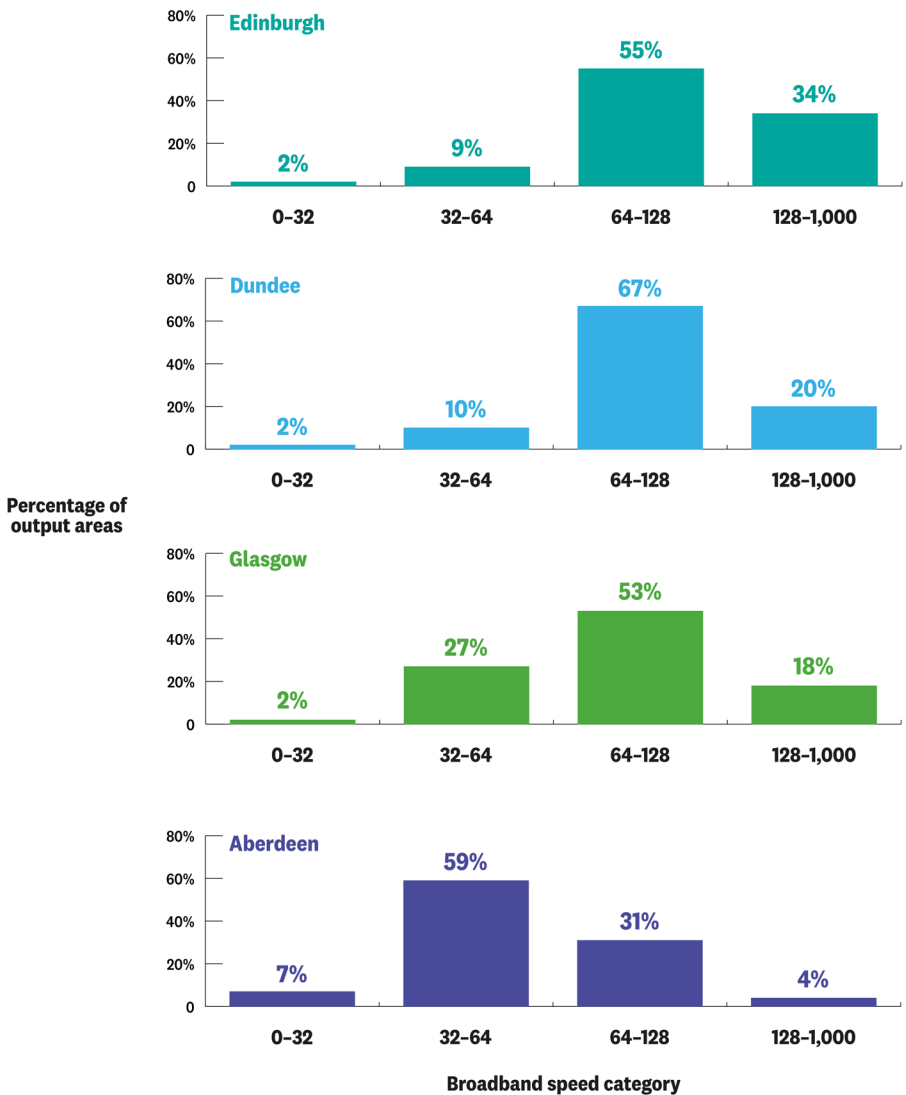


Source: Which? analysis of Ofcom Connected Nations data
Note: Measure is the percentage of areas that have mean download speeds within each given range. For example, 36% of areas in Scotland have a mean speed greater than 32 Mbps, but less than or equal to 64 Mbps.

17 Ofcom provides information on the measured performance of lines throughout the UK as part of its annual *Connected Nations report*. Line speeds are measured in Megabits per second (Mbps). Less than 30 Mbps is standard, between 30 and 300 Mbps is superfast, and more than 300 Mbps is ultrafast.
18 Calculated as the median fixed broadband download speed across all Census output areas in each nation as reported by Ofcom in May 2021.

Further analysis of the data also shows clearly that performance varies considerably between cities in Scotland. Edinburgh has a far greater proportion of households with speeds of 128 Mbps, but speeds in Aberdeen are much lower than other cities. The average download line speed is less than 64 Mbps in two-thirds (66%) of output areas in Aberdeen, whereas this is the case for only 11% of areas in Edinburgh, 12% in Dundee and 29% in Glasgow.

Figure 12: Broadband speed is not equal across Scotland, with much slower performance in Aberdeen compared to other cities



Source: Which? analysis of Ofcom Connected Nations data

Note: Measure is the percentage of areas that have mean download speeds within each given range.

For example, 59% of areas in Aberdeen have a mean speed greater than 32 Mbps, but less than or equal to 64 Mbps.

The postcode districts used to define each area were: Edinburgh EH 1-17, 28-30, Dundee DD 1-5, Glasgow G 1-53, Aberdeen AB 10, 11, 15, 16, 22, 24, 25.

These differences in performance speeds will represent both differences in network capability and in household demand for faster broadband, so an area with relatively low average speeds may have less access to superfast broadband, a higher proportion of households buying broadband packages below the available speed, or both.

The UK government has committed to enhance digital connectivity so that gigabit-capable broadband with download speeds of at least 1,000 Mbps will be available nationwide by 2030.¹⁹ Currently, about 60% of premises in Scotland have access to gigabit-capable broadband and the UK government is forecasting that at least 70% of premises in Scotland will be covered by 2025. This would put Scotland in line with Wales and some regions of England, but it would still lag well behind London and Northern Ireland for which the forecast rate is at least 90% of premises.

While the 2030 commitment is welcome, Which? is calling on the UK government to give people living in the hardest to reach areas greater clarity about when they can expect to receive improvements in their connectivity.

Such clarity would also help inform the much needed programme of work to tackle the barriers to consumer adoption of gigabit-capable broadband. The Gigabit Take-up Advisory Group (GigaTAG), chaired by Which?, identified three broad categories of barriers to consumer adoption of gigabit-capable broadband.²⁰ These are a lack of awareness, limited perceived benefit, and practical barriers to adoption such as restricted opportunities to switch and affordability for some groups.

The GigaTAG made a number of recommendations for actions to tackle the barriers to adoption. To improve awareness and understanding of gigabit-capable broadband it is recommended that Ofcom and broadband providers work together to develop common terminology to describe broadband services and a core set of use cases and benefits to be used by providers. Further, Building Digital UK should develop and deliver a 'gigabit toolkit' for use by local authorities, and this should include information on the benefits of adoption and resources to help with information campaigns.

¹⁹ Department for Levelling Up, Housing and Communities (2021), *Levelling up the United Kingdom*

²⁰ Gigabit Take-up Advisory Group (2021), *Final Report*

Sustainable consumption

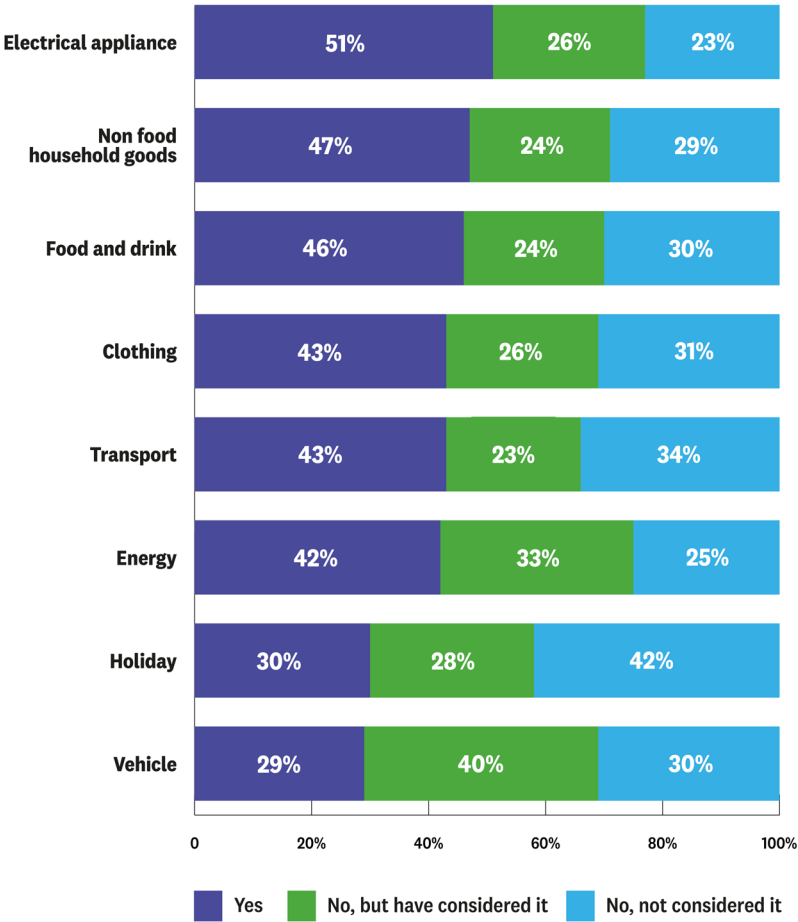
The past year has been a key period in the move to tackle climate change. The UK was the host of the 2021 UN Climate Change Conference (COP 26) in Glasgow, while the UK’s Climate Change Committee (CCC) made it clear in its most recent risk assessment that adaptation action has failed to keep pace with the worsening reality of climate risk.²¹ Far more ambitious action is therefore needed if the government is to mitigate the impacts and achieve its commitments to reach net zero by 2050.

Climate change is a concern for most people in Scotland. Two-fifths (41%) told us they are very concerned about climate change and another 41% said they are somewhat concerned. Just 5% of people are not at all concerned. This was very similar across the nations. This high level of concern was also consistent across age groups within Scotland. Our data also shows that a similar proportion of people in Scotland believe they have some personal responsibility to reduce their own carbon footprint – 84% feel they are very or somewhat responsible.

The proportion of consumers in Scotland who reported making a sustainable purchasing decision has increased compared to last year. More than half (51%) of people in Scotland who are concerned about climate change say that a purchasing decision for an electrical appliance was influenced by environmental concerns, and similar proportions said they had done so for food and drink and other household goods. In each case this was a significant increase compared to last year.

Choosing more sustainably can be harder for purchases like vehicles and holidays where it might mean paying more or making lifestyle compromises. However, even for these categories there was a large increase this year in the proportion of consumers in Scotland who reported making sustainable choices.

Figure 13: Consumers in Scotland were most likely to have made a sustainable choice when buying an electrical appliance

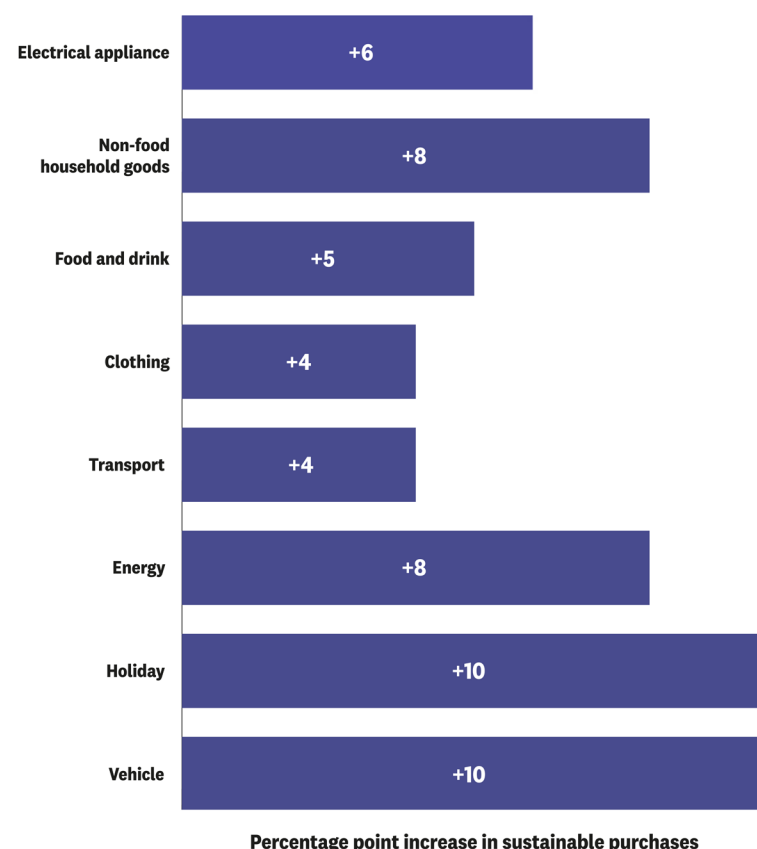


Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021.
Question: In the past few years, have you made a purchasing decision that was influenced by sustainability concerns for any of the following product/service types?

Note: This chart is based on consumers who are concerned about climate change (2021 n=1,077). Those who never purchase a particular type of good are excluded from each category (e.g. non-drivers from the vehicle category).

21 Climate Change Committee (2021), *Independent assessment of UK climate risk*

Figure 14: Consumers were more likely to report sustainable buying behaviour at the end of 2021 compared to the year before



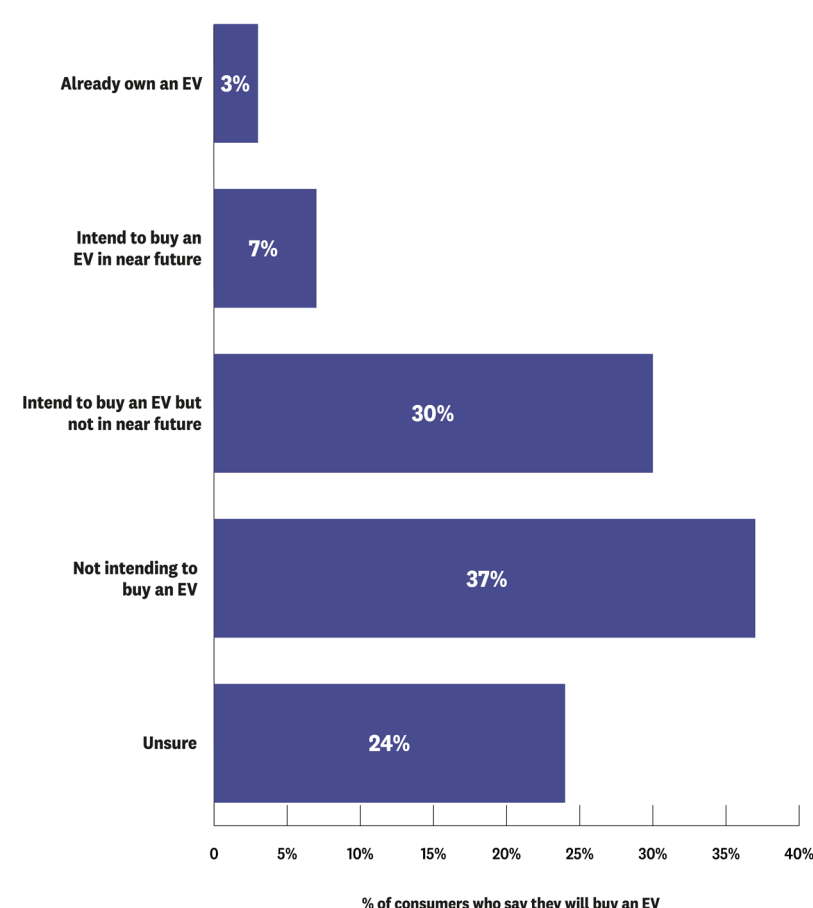
Source: Yonder, on behalf of Which?, surveyed 1,153 consumers in Scotland from 29 November–8 December 2021.
Question: In the past few years, have you made a purchasing decision that was influenced by sustainability concerns for any of the following product/service types?

Note: This chart is based on consumers who are concerned about climate change (2021 n=1,077, 2020 n=970)). Those who never purchase a particular type of good are excluded from each category (e.g. non-drivers from the vehicle category).

The increase in the proportion of people making a more sustainable vehicle purchasing decision is particularly welcome since one of the key goals for reducing carbon consumption through consumer behaviour is to increase the use of electric vehicles (EVs), as opposed to petrol or diesel which will be banned from sale after 2030. Achieving this goal will require a rapid change in purchasing habits, since only 3% of consumers in Scotland told us they already own an electric vehicle. This rate is consistent with the rest of the UK, with the only exceptions being higher uptake in large urban centres (particularly London).

Although current ownership is low, nearly two-fifths (37%) of car owners in Scotland expressed an intention to buy an electric vehicle in the future. However, that still leaves a majority unconvinced as 37% said they were not intending to buy an EV, and 24% were unsure.

Figure 15: Two-fifths of consumers in Scotland say they will buy an EV in the future, but the majority are yet to be convinced



Source: Yonder, on behalf of Which?, surveyed 475 car owners in Scotland from 30 April–2 May 2021.
Top 5 barriers only included.

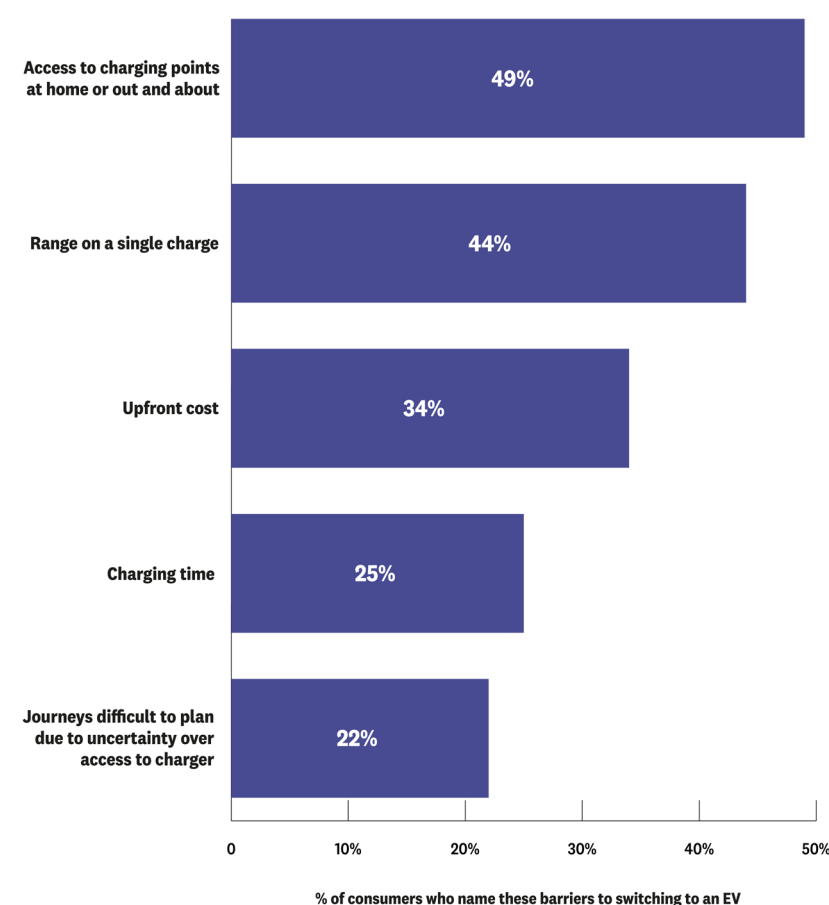
To empower consumers to purchase EVs, drivers must have confidence that the cars and the charging infrastructure will be able to meet their needs. Our research highlights the range of barriers that consumers in Scotland face in the impending switch to EVs.

Access to charge points, either at home or when out and about is the most commonly cited barrier to adoption with 49% of car owners in Scotland identifying this. Range anxiety is also a large concern, with 44% of car owners saying that range on a single charge was a problem. To some extent, concerns about range may be overcome with better information – Which? testing data²² shows that most of the latest EVs have a range of at least 200 miles, which is likely to be sufficient for most car users most of the time if they have access to a charge point at the end of their journey

Upfront cost is clearly a large barrier to adoption, with a third (34%) of car owners saying this, but the next two most commonly cited barriers to EV adoption again relate to charging with people being concerned about access to charge points and the time it takes to charge a vehicle. It is therefore clear that consumers will not feel reassured to switch to EVs until these concerns about charging are allayed.

22 Which? (2022), *How we test cars*

Figure 16: Vehicle range on a single charge, upfront costs and chargepoint access are the most common barriers to switching to an EV



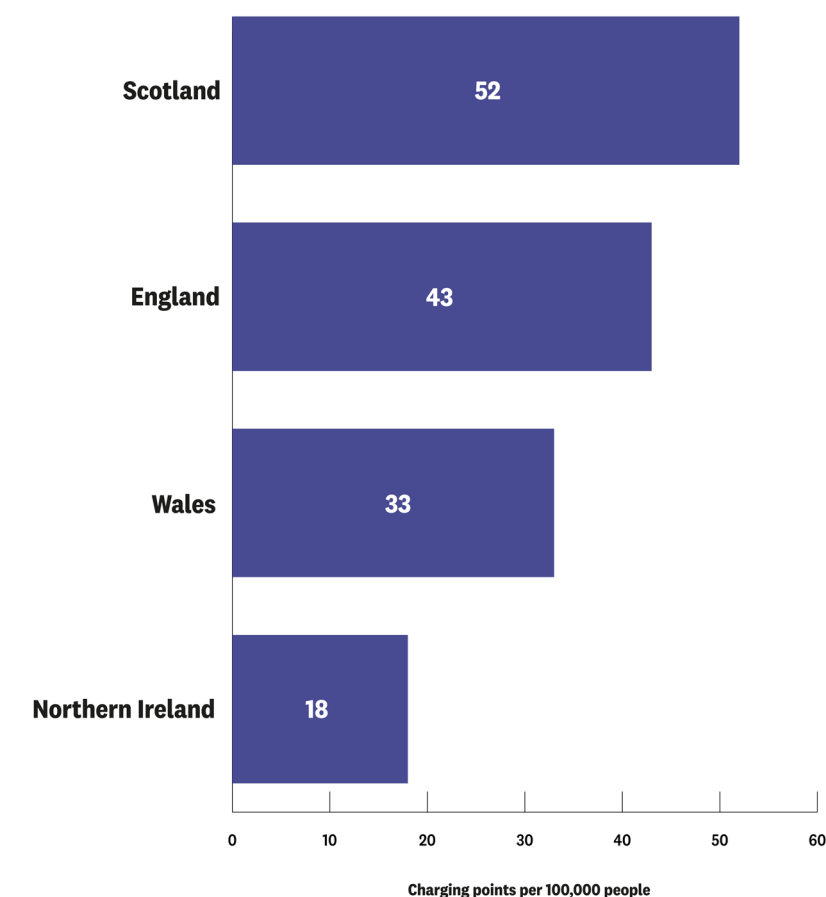
Source: Yonder, on behalf of Which?, surveyed 475 car owners in Scotland from 30 April–2 May 2021. Top 5 barriers only included.

The number of public-access charge points that will be needed will vary between different areas, depending on factors including the availability of off-street parking (and therefore the possibility for home charging) and population density. Investment by the Scottish Government in a national public network of charge points, ChargePlace Scotland, as well as private sector provision, has led to a greater number of charge points per person compared with the UK average. Scotland currently has 52 charge points per one hundred thousand people. This compares with 43 in England, 33 in Wales and just 18 in Northern Ireland.²³ However, as the Scottish Government considers the next phase of the infrastructure roll-out and a transition to a greater role for the commercial sector,²⁴ it is vital that consumers' needs are prioritised and that the roll-out continues to keep pace with demand.

²³ Department for Transport (2022), *Electric vehicle charging device statistics: January 2022*

²⁴ Scottish Government (2022), *A Network Fit For The Future: Draft Vision for Scotland's Public Electric Vehicle Charging Network*

Figure 17: Scotland has more charge points per 100,000 people than the other nations



Source: Zap-Map data from Department for Transport website at <https://www.gov.uk/government/statistics/electric-vehicle-charging-device-statistics-january-2022/electric-vehicle-charging-device-statistics-january-2022>

The consumer experience of the charging network also needs to be improved, so that drivers don't face unnecessary frustrations and inconvenience. The Scottish Government should work with the UK and other devolved governments to address key issues, including ensuring that contactless bank or credit card payments are provided on all networks wherever possible, as well as developing a UK-wide roaming payment solution, so that consumers don't need to download multiple apps and carry multiple identification cards to pay at charge points across the UK.

Finally, efforts need to be made to ensure that those without off-street parking such as a garage or driveway are not disadvantaged. Off-street parking can make charging an electric vehicle at home cheaper and more convenient, and a majority of dwellings in Scotland (56%) have access to off-street parking.²⁵ However, access varies significantly across different parts of Scotland, for example it is as low as 34% in Glasgow.²⁶ The Scottish Government should work with the UK, devolved and local governments as well as industry to develop solutions to ensure that convenient charging options are readily available for those without off-street parking, at prices which are comparable to charging at home.

²⁵ Scottish House Condition Survey averaged from 2016, 2017 and 2019 data, cited in Scottish Government, *Building regulations - energy standards and associated topics - proposed changes: consultation*, closed July 2021

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Methodology

Which? quantitative surveys

Yonder,²⁷ on behalf of Which? conducted a survey of consumers in each of the UK nations from 30 November–8 December 2021. A minimum of 1,000 respondents were recruited for each of the four nations, with quotas and response weighting used to obtain a nationally representative sample for each nation according to their known age and gender profiles. The survey covered consumer sentiment and financial wellbeing, broadband, scams and sustainability. Sample sizes and question text are noted below the relevant charts throughout the reports. Data from this survey is presented throughout the report, though other data sources are also included, with a different survey used for the sustainability section.

Yonder, on behalf of Which? also conducts a quarterly tracker survey with a UK nationally representative sample of around 2,000 consumers per wave. Since the first UK lockdown in March 2020, this has been run monthly to keep track of a rapidly changing consumer landscape. Articles based on tracker data are referenced throughout the report.

Which? surveyed 3,619 UK adults between the 30 April and 2 May 2021. This 3,619 sample was made up of 2,000 UK respondents with boosts to achieve c.500 respondents for each devolved nation. Fieldwork was carried out online by Yonder and data have been weighted to be representative of each nation's population.

External data sources

Inflation and consumer spending

To assess the impact of recent and predicted price increases on households in the nations of the UK, we used a combination of ONS and inflation prediction data. ONS data from the Living Cost and Food Survey (LCFS) was used to estimate the expenditure of households in the devolved nations on different categories of goods. This was then combined with the ONS inflation and price indices to measure the 'lived inflation' for each nation, based on the typical expenditure profile of consumers in that nation.

In order to forecast the impact of future price rises, we incorporated the following predictions about future price rises into the lived inflation model:

1. For energy inflation, we use Ofgem's announcement of a 54% increase in the energy price cap.
2. For food inflation, evidence points towards continued increases in early 2022. Capital Economics predicts food prices will be pushed to 5%.

Broadband

We used data published by Ofcom as part of its annual Connected Nations report²⁸ to assess the average performance of broadband connections in each of the devolved nations, and in different areas within each nation.

27 <https://yonderconsulting.com/>

28 <https://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2021/data-downloads>



Which?, 2 Marylebone Road, London NW1 4DF
Which?, 3 Capital Quarter, Tyndall Street, Cardiff CF10 4BZ
Phone +44 (0)20 7770 7000 Fax +44 (0)20 7770 7600
www.which.co.uk