

**Which?**

*BASIS*

**From Drained and  
Desperate to Affluent and  
Apathetic: understanding  
how the cost of living crisis  
is affecting UK households**

# Contents

About	3
Acknowledgements	3
Executive summary	4
1. Introduction	8
2. Cost of living overview	11
3. Segmentation findings	18
3.1. How the segments were produced	18
3.2. Introducing the segments	19
3.3. Getting to know the segments	20
3.4. Cost of living impacts and attitudes across the segments	35
4. Summary and recommendations	45
Annex A: Full methodology	47
Annex B: Questionnaire	51

## About

Which? is the UK's consumer champion, here to make life simpler, fairer and safer for everyone. Our research gets to the heart of consumer issues, our advice is impartial, and our rigorous product tests lead to expert recommendations. We're the independent consumer voice that works with politicians and lawmakers, investigates, holds businesses to account and makes change happen. As an organisation we're not for profit and all for making consumers more powerful.

Basis is an independent strategic insight consultancy that fuses a range of approaches – including quantitative and qualitative primary research, behavioural sciences, cultural insights and semiotics – to unlock opportunities for brands and organisations across the globe. Their work has been recognised at the prestigious Market Research Society awards in 2019, 2020, 2021 and 2022.

## Acknowledgements

Which? would like to thank the team at Basis for their excellent research, analysis, work and support. The views and opinions expressed in this research are solely that of Which?.

# Executive Summary

## How have consumers been affected by the cost of living crisis so far?

- Continuous price rises on food, fuel and energy have left many consumers feeling emotionally distressed and worried about making ends meet. In January 2023, just over half of UK adults felt more anxious or stressed due to the rising cost of living.
- People have been continuously negotiating their expenses without a break for years, with the number of households making adjustments to cover essential spending dramatically rising from four in 10 in December 2021 to six in 10 in April 2022 and has remained at this high level ever since.
- We know there are differences in how people are experiencing and reacting to the crisis but with government resources strained and businesses facing cost challenges too, we need to improve our understanding of who is hardest hit and the effects of the crisis on them in order to ensure targeted support can be provided effectively.
- This report presents rigorous new research undertaken to understand in greater detail how the crisis is affecting UK households and explore the critical factors driving their varying experiences. We explore how consumers' behaviours, attitudes, and sociodemographic characteristics interact to identify distinct segments of the population experiencing the cost of living crisis in different ways. The resulting segmentation both deepens our insights into the impact of the crisis on the UK population, and should help us target support to maximise efficiency.

## Overall methodology

- We surveyed 4,000 nationally representative consumers within the UK on topics including:
- Financial security
- Physical health
- Emotional wellbeing
- Social life
- Work life
- Home life
- Behavioural changes
- Attitudes and outlooks
- Headline analysis was conducted to provide an overview of how consumers in the UK have been coping with the cost of living crisis.
- Segmentation analysis was performed on the responses to produce six segments setting out how different groups of the UK population are experiencing and responding to the crisis.

## Overview on the cost of living impacts on UK consumers

- Two-thirds of people have had their financial security negatively affected to some extent (67%) by the crisis which has meant some households are falling behind or struggling to pay for essentials.



- Worryingly, almost half of households across the UK have been struggling to keep up with their rent or mortgage payments and nearly one in 10 have fallen behind on them (8%). The worst case scenario of missing these payments is that people could lose their home.
- Households have resorted to drastic measures in response to these financial pressures. Nearly half of households have not turned the heating on when it is cold (46%), which can increase the risk of heart diseases and poorer mental health.
- The financial strain has had damaging effects on people's mental and physical health. Many people are worried (46%) and stressed (44%) on a daily basis and some are even having sleepless nights.
- Nearly two-thirds of those hit hardest are currently in employment (64%), yet are struggling to make ends meet on their wages. These people do not qualify for most social security or other targeted support, and are being left to manage the crisis alone. Even amongst people who are receiving government support, more than half felt that the support they received was insufficient to help them with rising expenses (55%). Consumers who are hardest hit by the crisis need more support from both government and businesses to avoid further harm to their mental and physical health.

### **Exploring the differences in how consumers are experiencing the crisis**

Our segmentation analysis has identified six distinct groups, each with a specific experience and response to the cost of living crisis.



## Drained and Desperate

Severely impacted by the crisis, this segment has faced significant physical and mental challenges. Having already made severe cutbacks, there are few options left for them.

9.2 million  
UK adults

### Profile

Income  
under £20k  
**32%**

Age  
18–34  
**37%**

Children  
in household  
**44%**

In work  
**67%**

Renting  
**52%**

### Actions to mitigate impact

Not turned the  
heating on  
when cold



Skipped  
meal/  
meals



### Physical, Emotional and Social impact

I'm worried increased  
living costs will have a  
negative impact on my  
long-term physical health



It feels like  
I'm existing  
instead of  
living



I'm getting  
more distant  
from my  
friends



## Anxious and At Risk Snapshot

Driven by a large family and mortgage pressure, this segment has not been particularly financially stable and experienced mental health impacts. They have relied more on borrowing to ease financial pressure.

7.9 million  
UK adults

### Profile

Income  
£20–45k  
**46%**

Age  
18–34  
**44%**

Children  
in household  
**51%**

In work  
**83%**

On a mortgage  
**38%**

### Actions to mitigate impact

Changed to  
a cheaper  
supermarket



Used  
'buy now  
pay later'



### Physical, Emotional and Social impact

I worry that me/others  
in my household  
aren't eating  
healthily enough



My anxiety  
has increased



I'm getting  
more distant  
from my  
friends



## Cut off by Cutbacks: Snapshot

The crisis has massively impacted their social life and strained relationships, leaving them feeling lonely and isolated. They have cut back on seeing their loved ones, which has impacted their mental wellbeing.

8.8 million  
UK adults

### Profile

Income  
£20–45k  
**40%**

Age  
18–34  
**36%**

Children  
in household  
**39%**

In work  
**71%**

Renting  
**43%**

### Actions to mitigate impact

Spent more  
time at  
home



Eaten out  
less/fewer  
takeaways



### Physical, Emotional and Social impact

I'm worried increased  
living costs will have a  
negative impact on my  
long-term physical health



I rarely manage to  
afford any treats  
for me/others  
in my household



*Top 2 concerns  
for the future*  
– Feeling further  
isolated from  
friends/family  
– Decline in personal  
relationships



## Fretting about the Future: Snapshot

Relatively unaffected by the crisis, their impact has been minimal so far. However, they are fearful of potential issues in the future and how it will impact their physical and mental health.

7.7 million  
UK adults

### Profile

Income  
£20–45k  
**37%**

Age  
55+  
**45%**

Children  
in household  
**24%**

In work  
**57%**

Own outright  
**44%**

### Actions to mitigate impact

Worn  
extra  
layers



Bought  
cheaper  
products



### Physical, Emotional and Social impact

– 34% worry they  
will need more  
healthcare or treatment

– Concerned about a  
future decline in their  
mental health

I am happy  
day-to-day



I've enjoyed  
spending more  
time at home



## Looking out for Loved Ones: Snapshot

They are financially comfortable and have felt little impact. However, their main concern is for friends and family members who are less financially stable than themselves and how to help them.

8.9 million  
UK adults

### Profile

Income  
£20–45k  
**46%**

Age  
55+  
**36%**

Children  
in household  
**39%**

In work  
**65%**

Own outright  
**30%**

### Actions to mitigate impact

Worn  
extra  
layers



Bought  
cheaper  
products



### Physical, Emotional and Social impact

– 31% worry about the  
health of their household

– Concerned about a  
future decline in  
physical health of  
family and friends

– 61% are happy  
day-to-day

– Concerned about a  
family and friends  
who are less  
financially able

I've enjoyed  
spending more  
time at home



## Affluent and Apathetic: Snapshot

Our most financially comfortable group, they have made some small adjustments like wearing more layers. Generally, they have very few concerns and even think others are making too much fuss.

8.8 million  
UK adults

### Profile

Income  
£45k+  
**31%**

Age  
55+  
**36%**

Children  
in household  
**18%**

Retired  
with pension  
**40%**

Own  
outright  
**68%**

### Actions to mitigate impact

Worn  
extra  
layers



Reduced  
use of  
oven



### Physical, Emotional and Social impact

Worried that their  
ability to recover from  
illnesses is worse  
than it used to be



People should stop  
complaining and  
just get on with it



I've enjoyed spending  
more time on free  
outdoor activities



- While many of us have felt the squeeze, our segmentation demonstrates that the pain is not equally distributed.
- Specifically, people in the Drained and Desperate segment have faced severe mental and physical effects and having already made drastic sacrifices which have long-term health consequences, are left with no more options.
- Meanwhile, for people in the Anxious and At Risk segment, they have been feeling more anxious from rising expenses. Driven by larger households with dependents at home and mortgage responsibilities, they are more reliant on debt. With interest rates rising, the situation is a ticking time-bomb for these people.
- People who are Cut Off by Cutbacks have been unable to see their loved ones due to reduced socialisation, which has led to loneliness and isolation, likely to be compounded since Covid-19 lockdowns.
- Although people in the Fretting about the Future and Looking out for Loved Ones segments are relatively comfortable, they are still concerned for their future selves and their loved ones, respectively, if the crisis continues to worsen.
- However, people in the Affluent and Apathetic segment, who skew older, have been especially insulated from the effects of the price increases, thus think that others are complaining too much and the media is to blame for stirring up fear.
- It is crucial to emphasise just how many people are in the Drained and Desperate and Anxious and At Risk segments. In total, they make up a third of the UK adult population (32%) which equates to 17.1 million people across the country.
- With interest rates continuing to rise, placing greater pressure on mortgage holders over the next few years, and food and energy prices not expected to fall back to levels seen before the Ukraine war, it is vital that we start to think long-term about how we support both those currently experiencing hardship as a result of inflation, and those who are at risk.

### Recommendations

- Both government and businesses need to take further steps to support consumers.
  - Supermarkets should ensure that a range of essential budget range items that support a healthy diet are widely available, including in their smaller stores, particularly in places where people are most likely to be struggling. Steps should also be taken to ensure pricing is clear and transparent, including for promotions and loyalty card offers, so that people are able to easily compare products and decide which is the best value for their needs.
  - Energy providers should take steps to clarify bills and other communications, to help consumers understand what they're being asked to pay and why, and stay in control of their spending.
  - Connectivity providers should take action to stop unfair inflation-linked price increases in 2024. They should also ensure that eligible customers are aware of social tariffs, to help support those struggling with affordability.

- Regulators should continue to assess the steps businesses in essential services sectors are taking to support consumers through this crisis, and ensure that businesses do not use the cover of inflation to extract profits from hard-pressed consumers.
- Politicians both inside and outside government should also carefully consider how best to support those currently struggling, and those at risk of serious hardship, through the months and years ahead. Which? expect the challenges consumers are facing as a result of the cost of living crisis to be a defining factor on doorsteps in the next general election, and look forward to working with all political parties to explore how public policy can effectively and affordably support consumers through this challenging time.

# 1. Introduction

## Impacts of the cost of living crisis

*“This year has been difficult due to the anxiety caused by rising bills and the cost of living crisis. I am really counting every penny and being a lot less carefree compared to what I was last year.”*

Which? Cost of Living Research Panel Member<sup>1</sup>

This quote is just one of many from members of our Cost of Living Research panel, demonstrating how the cost of living crisis is dominating people’s lives. Incessant price rises on food, fuel and energy have left many feeling emotionally distressed and fearful of not being able to make ends meet. Just over half of UK adults felt more anxious or stressed due to the rising cost of living (54%) in the last six months before January 2023, according to a Financial Conduct Authority survey.<sup>2</sup>

It is no wonder people are emotionally drained; they have been continuously negotiating their expenses without a break for years, according to Which? Consumer tracker data, illustrated in Figure 1. While inflation has spiked in the last 10 months, consumers have been feeling the pressure for longer. The number of households making changes to cover their essential spending dramatically rose from four in ten, in December 2021 (42%) to six in 10 just four months later (59% in April 2022) and has remained at this high level ever since. Over half of the British public reported that their health has worsened due to the crisis;<sup>3</sup> not a surprise given that some more drastic adjustments involve skipping meals.<sup>4</sup>

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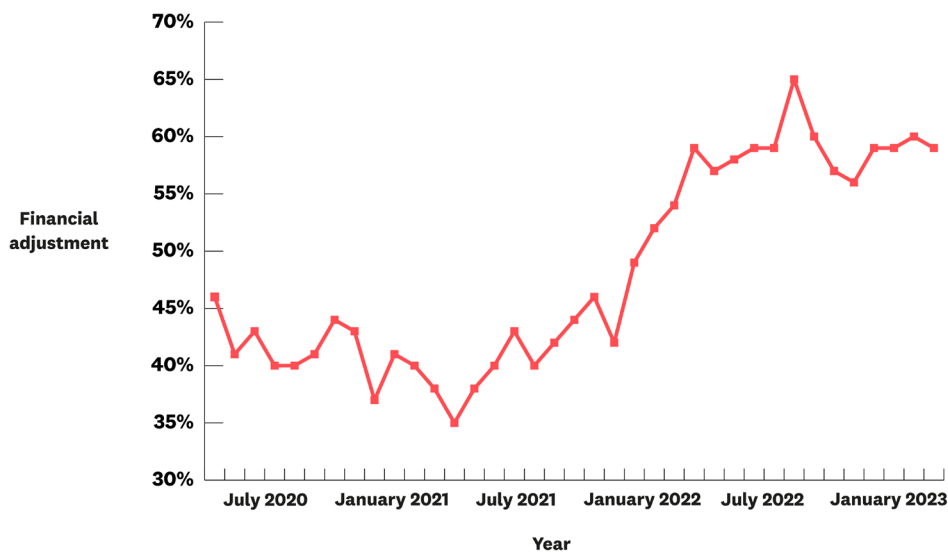
1 The Consumer Cost of Living Panel was a longitudinal qualitative panel made up of 30 households from across the UK. The panel started in October 2022 and will run until September 2023, and focuses on the impact of the cost of living crisis

2 Financial Conduct Authority (2023) Financial Lives January 2023: Consumer experience of the rising cost of living – the burden of bills and ways to get support. Available from: <https://www.fca.org.uk/publications/financial-lives/financial-lives-january-2023-consumer-experience>

3 Royal College of Physicians (2022) Press release: Over half of Brits say their health has worsened due to rising cost of living. Available from: <https://www.rcplondon.ac.uk/news/press-release-over-half-brits-say-their-health-has-worsened-due-rising-cost-living>

4 Which? (2023) Financial wellbeing in February 2023. Available from: <https://www.which.co.uk/policy-and-insight/article/financial-wellbeing-in-february-2023-a091d2V4dMt8>

**Figure 1: Six in ten households made at least one adjustment to cover essential spending in April 2023**



Source: Which? Consumer Insight Tracker, online poll weighted to be nationally representative, approx 2,000 respondents per wave. Adjustments include: cutting back, dipping into savings, borrowing from friends and family, taking out credit cards or loans, selling items, using an overdraft.

We know that there are nuances between how people are suffering and reacting to the cost of living, with evidence that parents, particularly single parents are being hit hardest.<sup>5</sup> With government resources stretched and businesses also facing cost challenges, improving our understanding of who is being hardest hit by the crisis and how they are being affected, will help us to better target support to maximise its impact.

This report presents rigorous new research undertaken to identify how different groups of people have been impacted by the cost of living crisis. By drawing on crucial factors such as consumers' behaviours, attitudes and demography, we are able to understand how these interact to form distinct segments of the population and get them the support they need.

5 Which? (2022) The cost of living and families. Available from: <https://www.which.co.uk/policy-and-insight/article/the-cost-of-living-and-families-aegiN6B5vxwA>; Office for National Statistics (2022) Parents more likely to report increases in their cost of living. Available from: <https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/expenditure/articles/parentsaremorelikelytoreportincreasesintheircostofliving/2022-09-07>; Resolution Foundation & The Health Foundation (2023) The Living Standards Outlook 2023. Available from: <https://www.resolutionfoundation.org/app/uploads/2023/01/Living-Standards-Outlook-2023.pdf>; Barnardo's (2023) A crisis on our doorstep. Available from: <https://cms.barnardos.org.uk/sites/default/files/2023-03/crisis-on-our-doorstep-barnardos-report-march2023.pdf>; Hirsch, D.; Stone, J. (2022) The cost of a child in 2022. Available from: [https://repository.lboro.ac.uk/articles/report/The\\_cost\\_of\\_a\\_child\\_in\\_2022/21617898](https://repository.lboro.ac.uk/articles/report/The_cost_of_a_child_in_2022/21617898)

## Methodology

In order to understand the impacts of the cost of living crisis, and how it has influenced consumer behaviour, we surveyed 4,000 nationally representative consumers within the UK in March 2023 on topics such as:

- Financial security
- Physical health
- Emotional wellbeing
- Social life
- Work life
- Home life
- Behavioural changes
- Attitudes and outlooks

In addition to headline analysis, segmentation analysis was performed using the survey responses to produce six unique segments. More detail is provided in Section 3.1.

## This report

In Section 2, we present a current overview of the crisis.

Section 3 details the specific segments, the impacts they felt and any behavioural changes made.

We present a summary of our findings and recommendations in Section 4.

The survey and full methodology can be found in the Annex.



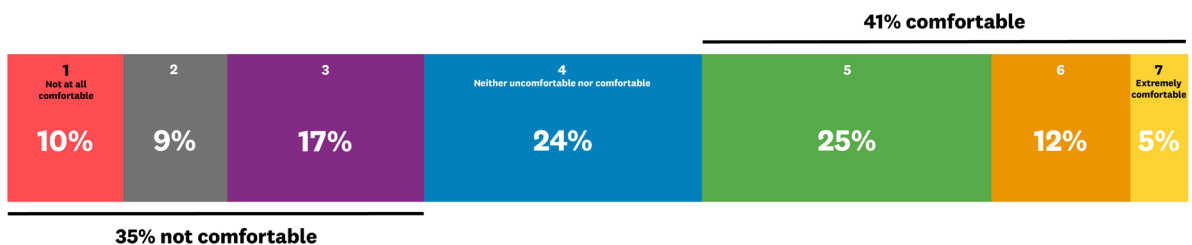
## 2. Cost of living overview

### Most people in the UK have experienced financial difficulty

With costs of essentials skyrocketing, the crisis has considerably impacted consumers' financial situations. Nearly three-quarters (71%) of people in the UK are increasingly aware of their spending and finances and a little over two-thirds (67%) have had their financial security negatively affected to some extent by the crisis.

However this experience hasn't been universally problematic, as illustrated in Figure 2. Whilst there are people who are relatively comfortable with their financial situation (41%),<sup>6</sup> there are more than a third of people sitting at the other end of the spectrum (35%).

**Figure 2: There is a divide in how financially comfortable people are**



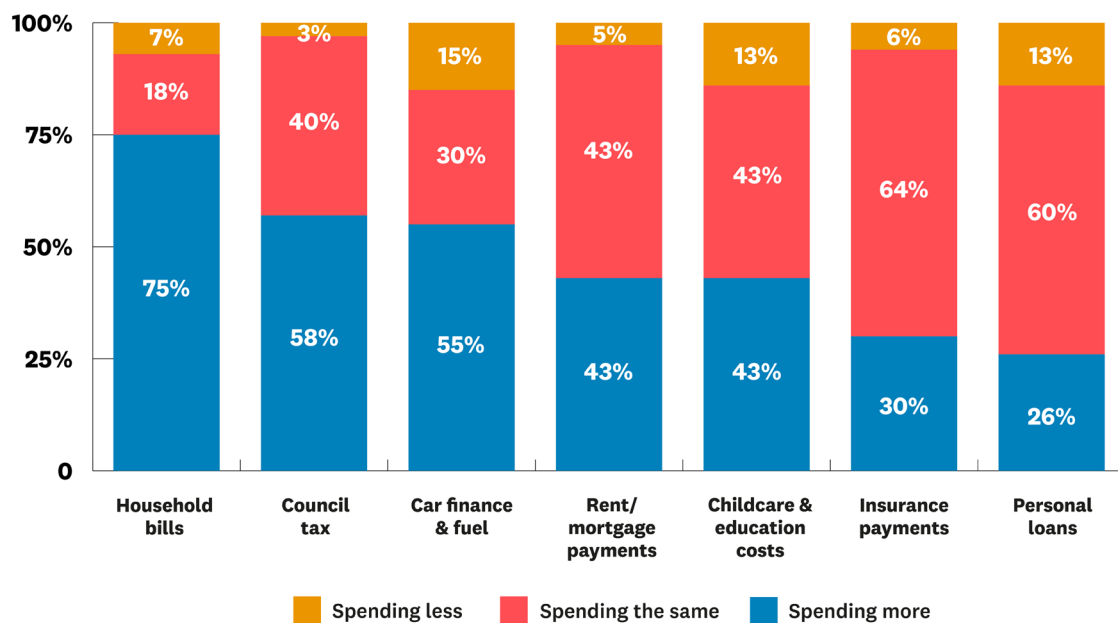
Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

Being financially comfortable is largely driven by a combination of income and financial responsibilities, particularly whether the household has children at home or not. A third of households without children at home say that they feel financially uncomfortable (33%). This rises to 39% for couples with children at home and to more than half of single parents (53%).

Perceived financial comfort, however, is likely to have a complex relationship with actual spending, so we also asked people to rate whether their household spending had increased, decreased or stayed the same across essential outgoings (i.e. household bills, car, rent or mortgage and council tax). We found that more people are spending more on their household bills (e.g. energy, broadband, water bills etc.) compared to any other outgoings in the home. The energy price hike is likely a key driver of people's financial discomfort this year as it hit households hard last autumn.<sup>7</sup>

<sup>6</sup> Total of people who are financially uncomfortable is 41% and not 42% because the categories 5, 6, 7 = Extremely comfortable in each of the level of financial discomfort scale have been rounded up

<sup>7</sup> Carrington, D. (2022) Energy crisis: UK households worst hit in western Europe, finds IMF. *The Guardian*. Available from: <https://www.theguardian.com/money/2022/sep/01/energy-crisis-uk-households-worst-hit-in-western-europe-finds-imf>

**Figure 3: Households are spending more on essentials**

Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.

Base: All who spend money on specific essential categories monthly (Household bills: n=3,873;

Council tax: n=3,074; Car finance & fuel: n=2,733; Rent/mortgage payments: n=2,215;

Childcare & education costs: n=633, Insurance payments: n=2,575, Personal loans: n=1,092).

Survey conducted March 2023.

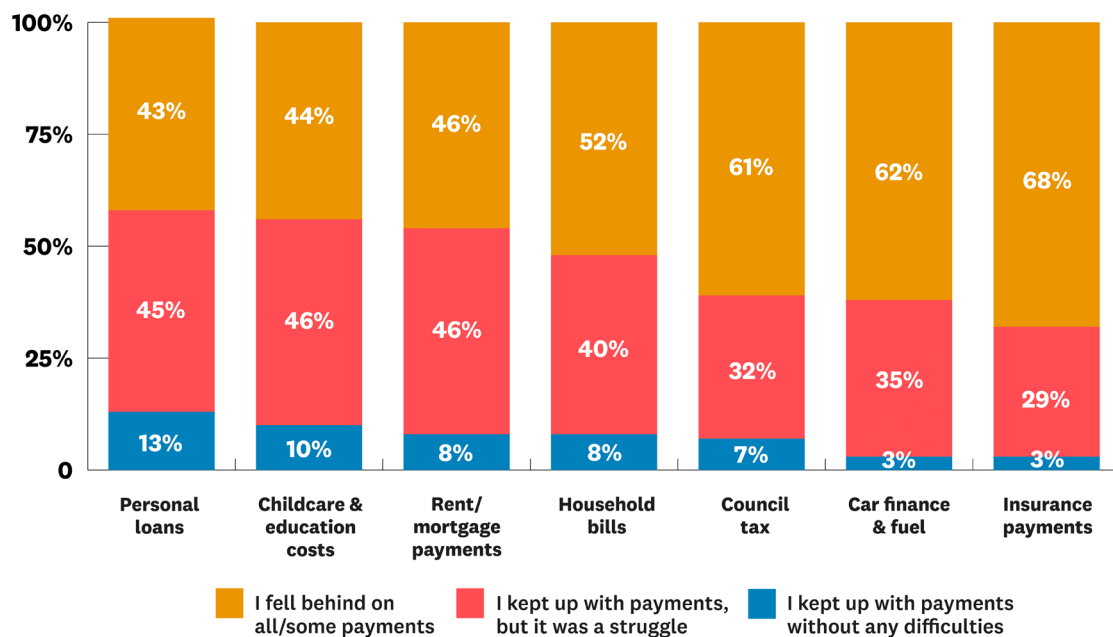
Other than household bills, people have also been spending more on their council tax payments. However, as the survey was conducted before council tax bills rose in April, there may be more than the reported 58% who would have experienced increases in council tax since then.<sup>8</sup>

### Households have struggled to keep up with essential payments

The increased spend on essential payments has meant some households have fallen behind on or struggled to keep up with them as a result. Worryingly, almost one in two households across the country have been struggling to keep up with their rent or mortgage repayments (see Figure 4). This raises alarm bells as we calculated that this equates to 7.4 million households<sup>9</sup> who are feeling the pressure and could be on the verge of falling behind on their payments, particularly as there is pain on the horizon for those households who are yet to remortgage and bear the eye-watering mortgage increases caused by massive interest rate hikes.

<sup>8</sup> County Councils Network (2023) Three in four councils to increase council tax by the maximum in April as local authorities say they have 'little choice' in order to protect vital services. Available from: <https://www.countycouncilsnetwork.org.uk/three-in-four-councils-to-increase-council-tax-by-the-maximum-in-april-as-local-authorities-say-they-have-little-choice-in-order-to-protect-vital-services/>

<sup>9</sup> There are 28.2 million households in the UK and 57% of them are either paying rent or on a mortgage, meaning there are 16 million households with rent / mortgage payments. Out of that, 46% have been struggling to keep up, which is 7.4 million households.

**Figure 4: Households have missed payments or struggled to keep up with essential payments**

Source: Which? / Basis Cost of Living Segmentation survey.

Online poll weighted to be nationally representative.

Base: All who spend money on specific essential categories monthly (Household bills: n=3,873;

Council tax: n=3,074; Car finance & fuel: n=2,733; Rent / mortgage payments: n=2,215;

Childcare & education costs: n=633, Insurance payments: n=2,575, Personal loans: n=1,092).

Survey conducted March 2023.

Already nearly one in 10 have fallen behind on rent or mortgage bills (8%). The worst case scenario of missing these payments is that these people could lose their home either through eviction if renting or repossession if on a mortgage. Although UK banks have agreed with the government to wait for at least 12 months before repossessing the homes of mortgagors who fall behind on payments thus providing some reassurance to homeowners, renters have been forgotten about as there are no mechanisms in place to protect them from eviction.<sup>10</sup>

### People have changed their behaviours in response to the crisis

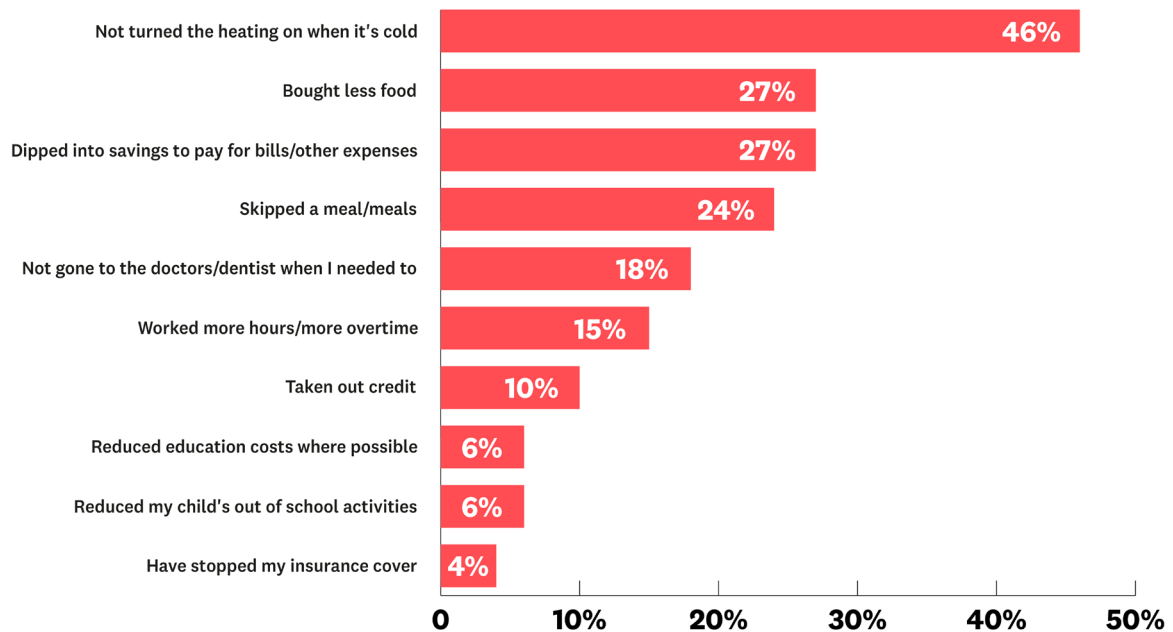
In response to rising prices and prioritising money towards essential outgoings, nearly two-thirds of households have pulled back considerably on non-essential spending with the most common cutbacks being buying less clothing, shoes or accessories (65%) and ordering fewer takeaways (63%). In addition, people have adopted a range of behaviours to try and ease the impact of rising costs, such as wearing extra layers in the house (54%) and buying cheaper versions of their usual items (50%). Six out of the ten most common behaviours are energy related (i.e. turning the heating on less or using less electricity) which demonstrates how profound the impacts of the energy crisis have been.

However, some of the actions taken to mitigate cost of living burdens have been quite severe. It is troubling that nearly three-quarters of households (74%) have taken at least

<sup>10</sup> HM Treasury (2023) Chancellor agrees new support measures for mortgage holders. Available from: <https://www.gov.uk/government/news/chancellor-agrees-new-support-measures-for-mortgage-holders>

one severe action (listed in Figure 5) with almost half not turning the heating on when it's cold (46%) and over a quarter buying less food or using their savings to pay for bills (27%). It is also concerning that a quarter have skipped a meal or meals (24%). These households could suffer wide-ranging negative health consequences such as increasing the risk of heart diseases and poorer mental health.

**Figure 5: Nearly half have not turned the heating on when it's cold which has serious health impacts**

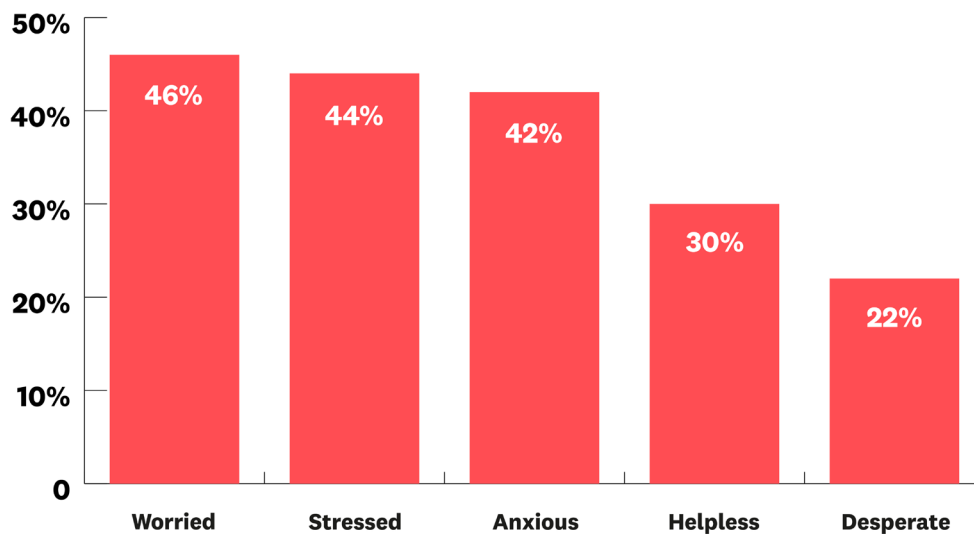


Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

Additionally, many people who are struggling to keep up with their rent or mortgage payments are making every effort to avoid falling behind on their payments. They are making severe sacrifices at a higher rate compared to other pressured groups. Nearly six out of ten people who are struggling with housing payments have kept the heating off (56%), compared to less than half who have missed payments (47%). They are also working more hours in an attempt to increase their income to cover essential spending at a higher rate (24%) than those who have missed payments (18%). We are seeing people tirelessly striving to avoid missing payments, desperately clutching to their financial stability. However, the weight of their burden is likely to grow unbearably heavy, particularly for mortgage holders as interest rates rise, and they are facing serious risk of further harm.

### **The crisis has a physical and emotional cost for people**

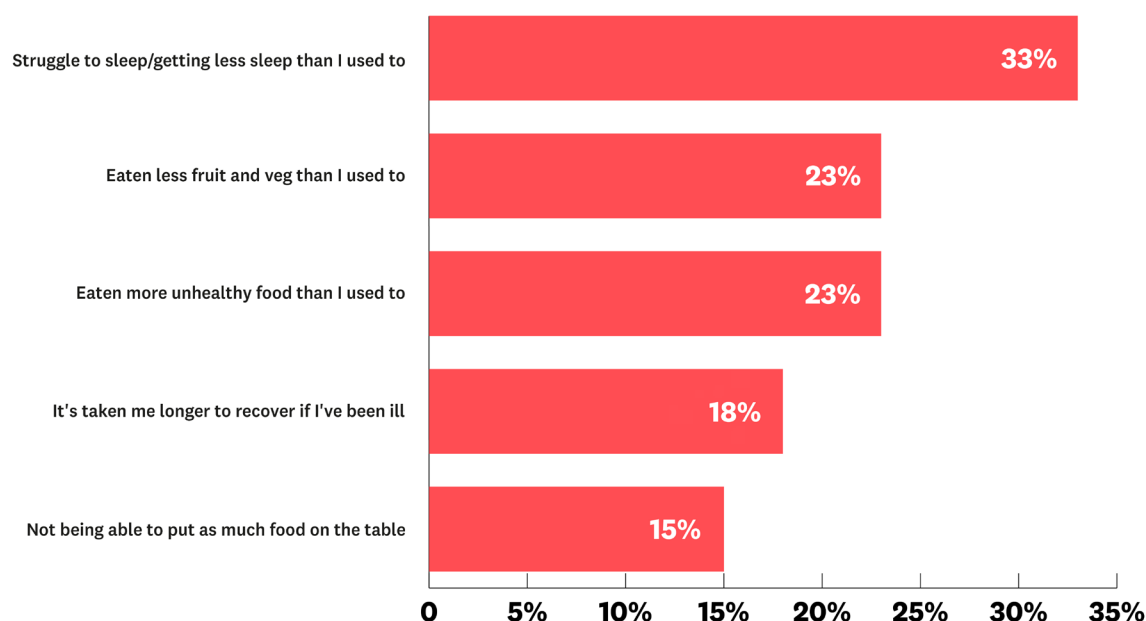
There has been a clear financial impact on people in the UK which has led to damaging effects on individuals mental and physical health. Our research tells us that nearly half of people are feeling worried (46%), stressed (44%) and anxious (42%) on a daily basis, with a little over a fifth of people even feeling desperate (22%).

**Figure 6: High degree of worry, stress and anxiety in day-to-day life**

Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

The constant worry and stress have manifested themselves in different ways for people. Nearly half of people report feeling as if they are simply existing instead of living (48%) while more than a third say they feel less motivated than before (36%). These emotional states make it harder for people to effectively cope with the everyday pressures of life and can often place immense strain on relationships with their loved ones.

Beyond the financial and emotional strain, the crisis has also taken its toll on people's physical health. The most common physical manifestations from the cost of living are sleepless nights (33%) and an increase in unhealthy eating habits. Households report eating less fruit and vegetables than they used to and instead are eating more unhealthy foods (23%), all of which can lead to chronic health issues.

**Figure 7: People have physically suffered due to increased financial pressure**

Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

The physical suffering people are enduring has left many of them concerned about the long-term impact of the crisis on their health (44%), how they can keep the health of their household well (40%) and that their ability to recover from illnesses will be worse than before (37%).

There is unambiguous direct physical and emotional harm resulting from the crisis and whilst the impacts have been analysed in isolation, it is important to remember that they are also interlinked with one another. Continued anxiety and stress have been shown to cause further physical health implications<sup>11</sup> down the line whilst physical manifestations such as sleeping difficulties have been linked to worse mental health outcomes.<sup>12</sup>

### **More support is needed for people to avoid further harm on their mental and physical health**

The government has attempted to offer support through this crisis, through wholesale interventions like discounted energy bills, and targeted support like uprating social security benefits. However, our study and other evidence clearly show that this is inadequate to address the need against the scale of the challenge. Nearly two-thirds of those hit hardest are currently in employment (64%), yet are struggling to make ends meet on their wage as

11 American Psychological Association (2023) Stress effects on the body. Available from: <https://www.apa.org/topics/stress/body#:~:text=This%20long%2Dterm%20ongoing%20stress,tie%20stress%20to%20heart%20attack>

12 Scott, A. J., Webb, T. L., James, M. M.-S., Rowse, G., & Weich, S. (2021) Improving Sleep Quality Leads to Better Mental Health: A Meta-Analysis of Randomised Controlled Trials. Available from: <https://www.sciencedirect.com/science/article/pii/S1087079221001416?via%3Dihub>

real income continues to fall.<sup>13</sup> These individuals do not qualify for most social security or other targeted support, and they are subsequently being left to manage the crisis alone.

Even amongst people who are getting help from the government, more than half feel that the support they receive isn't sufficient to help them cope with the rising expenses of everyday life (55%) and many do not know where they can turn to for support (46%). For these people, it can be devastating to feel like there are no longer any options or anywhere they can turn to for help. More government support needs to be provided and businesses should also be doing more to help struggling households by taking the actions specified in Which?'s cost of living campaign.<sup>14</sup>

### **Section 2: summary**

- Most people have been negatively financially affected by the crisis which has meant some households are falling behind or struggling to keep up with their essentials.
- Worryingly, almost half of households across the UK have been struggling to keep up with their rent or mortgage payments and nearly one in 10 have fallen behind on them (8%).
- Households have resorted to drastic measures in response to these financial pressures. Nearly half of households have not turned the heating on when it is cold (46%), which can increase the risk of heart diseases.
- The financial strain has had damaging effects on people's mental and physical health. Many people are worried (46%) and stressed (44%) on a daily basis and some are even having sleepless nights.
- Nearly two-thirds of those hit hardest are currently in employment (64%), yet are struggling to make ends meet on their wages. These people do not qualify for most social security or other targeted support, and are being left to manage the crisis alone. More than half of those receiving government support felt that the support they received was insufficient to help them with rising expenses (55%). Consumers who are hardest hit by the crisis need more support from both government and businesses.

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13 House of Commons Library (2023) Rising cost of living in the UK. Available from: <https://commonslibrary.parliament.uk/research-briefings/cbp-9428/#:~:text=Impact%20on%20households&text=The%20OBR%20expects%20real%20post,a%203.1%25%20fall%20in%202022>.

14 Which? (2022) Which? launches cost of living campaign. Available from: <https://www.which.co.uk/news/article/which-launches-cost-of-living-campaign-azHEi8p965DF>

## 3. Segmentation findings

There are nuances in the ways people have experienced cost of living difficulties. By segmenting the population, we are able to improve our understanding of who is being hardest hit by the crisis and how they are being affected, which will help us to better target support to maximise its impact.

### 3.1 How the segments were produced

After the survey with 4,000 nationally representative UK respondents was conducted, segmentation analysis was performed by identifying which questions are to be used in the segmentation, grouping the different variables into common factors, forming the segments based on similarities and differences, and refining the segments. Further details are summarised below:

#### 1. Identifying potential inputs to the segmentation

The distribution of responses across questions was checked to ensure there was a good distribution of answers across the sample, which means we are able to segment this audience. We then identified which questions were most likely to form the basis of the segmentation itself. The list of potential inputs centred around financial impact, physical impact, emotional impact, and the behaviours people have taken to mitigate the impact of the crisis.

#### 2. Using a Max Diff with Dual Response exercise as a segmentation input

We wanted to disentangle the different concerns each segment might have beyond knowing whether one item was more important than another. We also wanted to know how much more important it is. Thus, we ran a Max Diff with Dual Response exercise<sup>15</sup> which showed a list of potential concerns to respondents in different combinations of four and asked them to rate the most and least concerning impacts. This allowed us to produce a hierarchy of concerns for each respondent and also informed us on how concerning each potential issue was per individual. Respondents were also asked an “anchoring” question, a key recent development in this type of analysis, which asks respondents if none, some or all of the four options are concerning to them. This method allows us to derive a truly reflective hierarchy of concern across the UK population.

#### 3. Conducting factor and cluster analysis to produce potential segments

We performed factor analysis for these key questions (impact, behaviour, and Max Diff hierarchy of concerns). This groups variables from these questions together into common factors which then allows us to spot patterns in the data across multiple questions, of which we’re likely to be able to form segments.

Cluster analysis was then run to begin forming the segments. Here, a two-step cluster analysis was used in order to be able to mix standard survey responses and the anchored Max Diff exercise. This process forms clusters or segments based on the similarities and differences between variables.

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15 More detail on this can be found in Annex A



#### 4. Reviewing and refining segment solutions

To ensure a robust final segment solution, we ran numerous potential solutions. In total, we ran 147 different potential cluster solutions checking each time whether they fulfilled the criteria below and tweaking the inputs for each iteration:

- We have a sufficient number of segments to reflect the nuances of different people's reality but not too many such that they are too fragmented to be insightful
- There is a good distribution of sizes across the segments such that no segment is too niche or too large that it accounts for a significant portion of the population
- The segments are suitably distinct from one another so that we can fully understand the different ways in which people have been impacted by the crisis

The analysis eventually produced six unique segments which are further detailed in the next sections.

### 3.2 Introducing the segments

The diagram below briefly introduces us to each segment, its size, and the challenges and experiences of people in this group.

**Figure 8: Who are the segments?**

Impact	Segment	Who are they?	Size of segment
<b>Higher</b>	Drained and Desperate	Severely impacted by the crisis, this segment has faced significant physical and mental challenges. Having already made severe cutbacks, there are few options left for them.	17%: 9.2 million UK adults
	Anxious and At Risk	Driven by a large family and mortgage pressure, this segment has not been particularly financially stable and experienced mental health impacts. They have relied more on borrowing to ease financial pressure.	15%: 7.9 million UK adults
	Cut off by Cutbacks	The crisis has massively impacted their social life and strained relationships, leaving them feeling lonely and isolated. They have cut back on seeing their loved ones, which has impacted their mental wellbeing.	16%: 8.8 million UK adults
	Fretting about the Future	Relatively unaffected by the crisis so far. However, they are fearful of potential issues in the future and how it will impact their physical and mental health	14%: 7.7 million UK adults
<b>Lower</b>	Looking out for Loved Ones	They are financially comfortable and have felt little impact. However, their main concern is for friends and family members who are less financially stable than themselves and how to help them.	17%: 8.9 million UK adults
	Affluent and Apathetic	Our most financially comfortable group, they have made some small adjustments like wearing more layers. Generally, they have very few concerns and even think others are making too much fuss.	20%: 10.9 million UK adults

The following section details the experiences of each segment, how they have been impacted by the crisis and fictionalised personas broadly representative of the people in each segment

### 3.3 Getting to know the segments

#### Drained and Desperate: “Hardly surviving”

*“It is devastating. I live in fear every day, my physical health has deteriorated, my anxiety levels have skyrocketed and my ability to earn a living has been reduced significantly... I do not know how I will cope... And, once again, I seem to fall through the cracks for any support.”*

Survey Respondent<sup>16</sup>

The sentiment expressed above reflects the stark reality that the people in this segment face. Three quarters rate their financial situation as uncomfortable and a staggering 94% of people feel like they are simply existing instead of living. People in this group are operating in survival mode, highlighting the extent to which the crisis has sucked the hope from their lives.

*“...no matter how hard I work I have nothing in return, I’m hardly surviving, let alone living, so have no hope for feeling enjoyment or fulfilment and unsure how long I can go on in this way.”*

Survey Respondent

For some, just going to buy groceries is fraught with anxiety.

*“It’s made everything so, so bad. I can’t go to the shops without having a panic/anxiety attack with the prices increasing.”*

Survey Respondent

The crisis has also taken a huge physical toll on these households, as a worryingly high 91% in this segment are worried about increased costs negatively affecting their long-term physical health. Over half (53%) are consuming less fruit and vegetables compared to before the crisis, and some (45%) are even skipping medical appointments. Besides that, many people in this segment experience constant stress and worry in their everyday life and chronic stress can increase the risk for diseases or exacerbate symptoms for those already suffering with them.<sup>17</sup>

Urgent help is needed for this group as they have largely exhausted options to reduce expenses, with 6.8 million households (75%) already not turning the heating on when it’s cold and 5.7 million households (63%) skipping meals. Households described having to decide between keeping warm or feeding their family.

*“I am constantly worrying about the next bill coming in and if we are going to be able to pay it. It has got to the point where we are deciding whether to heat the house or feed the kids.”*

Survey Respondent

*“I had already cut back as much as I could[,] I now have nowhere to turn and will have to give up my home.”*

Survey Respondent

Many people in this segment do not see a way out of their situation with two-thirds not knowing where to turn to for help. It has left them feeling trapped and uncertain as to how they can improve their situation.

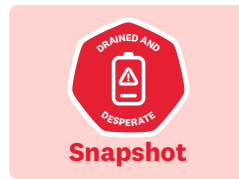
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16 All quotes from Survey Respondents in this chapter refer to the Which?/Basis Cost of Living Segmentation survey conducted in March 2023

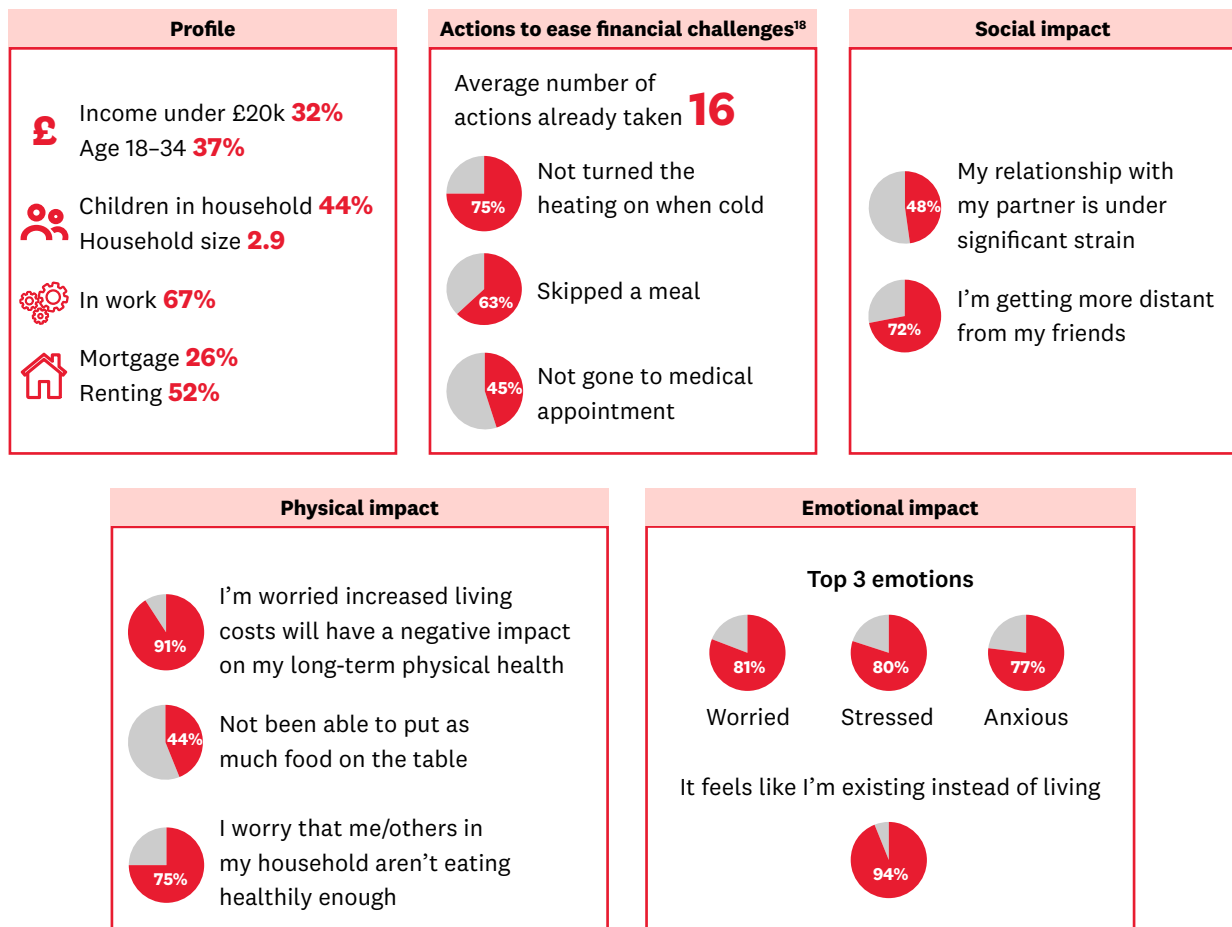
17 American Psychological Association (2023) Stress effects on the body. Available from: <https://www.apa.org/topics/stress/body#:~:text=This%20long%2Dterm%20ongoing%20stress,tie%20stress%20to%20heart%20attack>

*“I feel powerless about my household financial situation as to how  
we can make things any better.”*

Which? Cost of Living Research Panel Member



My name is Sharon and I'm 45, living in Scotland. I'm married with three children aged 21, 18, and 17. Currently I'm working part-time and also caring for my husband who was injured in a car crash. Our household income is £20k and we are finding it really difficult financially. I fear that I won't be able to provide for my family and feel embarrassed when I have to tell my kids that we can't afford certain foods or they ask why I'm not sitting down and eating a meal with them. We struggle to keep the heating on because we don't have the money and I feel terrible about it. Our financial situation has worsened throughout the year, with reduced income and the huge bills that keep piling up. The added worry of my pregnant daughter's financial situation adds to our stress and uncertainty for the future. I am very scared about how we will manage as our income is insufficient to cover what we are spending.



<sup>18</sup> In the infographic under the "Actions to ease financial challenges" box, we had asked respondents to select the actions they had taken to ease the financial pressure on them or their household from a list. The options provided can be found in Annex B: Questionnaire, Question C1. This applies to the rest of the infographics in the other segments.

**Anxious and At Risk: “All I can see is debt and bills”**

*“It has caused a severe decline [in] my mental wellbeing as I worry most days that I cannot provide enough for my family. I have two children and my family live in a two bedroom home which is not ideal and [before] the increase in the cost of living had planned on mortgaging a new home but we have had to use all our savings just to get by and can no longer afford to rent nevermind getting a new mortgage.”*

Survey Respondent

Households in this segment are already struggling, though not as much as the Drained and Desperate segment, but are at much greater risk of harm in the months and years ahead. They tend to have larger households with dependents at home and are more likely to be mortgage holders (four out of 10 households have a mortgage, more than other segments). Additionally, as the Bank of England raised interest rates significantly in the last year in attempts to combat inflation, those on fixed-rate mortgages who are remortgaging this year will be faced with massive hikes to their mortgage payments. This might be a major tipping point for households in this segment.

As these factors increase financial pressure, it is unsurprising that these households are more likely to have resorted to borrowing money, with six out of ten households having increased debt in the last six months, the highest amongst all the segments (59%). Worryingly, people in this segment are more than twice as likely to have used ‘buy now pay later’ schemes compared to the wider UK population. Given the risks associated with these schemes,<sup>19</sup> this might lead to issues with repayments and potentially add to overwhelming problem debt.

*“...all I can see is debt and bills and paying debt and bills, and if I increase my income then I will just pay more debt and more bills but not be any better off personally.”*

Which? Cost of Living Research Panel Member

*“I have to use credit to make ends meet and I worry about debt. I have no safety net for emergencies and I will have to work past state pension age.”*

Survey Respondent

Whilst there has been some impact on their physical health, this group have felt the effects more prominently on their mental health. Approximately 4.7 million adults in this group<sup>20</sup> have experienced increased anxiety levels due to the cost of living crisis. The larger bills and increased debt faced by this segment only adds to the stress they feel.

*“I’m very anxious over money, whether I can afford the bills and if I should allow myself luxuries.”*

Which? Cost of Living Research Panel Member

The households in this segment are not particularly financially stable – half are uncomfortable with their financial situation – yet they have not made many severe behavioural changes relative to people in Drained and Desperate. The most common behavioural change was buying cheaper versions of their usual items (56%) whilst only a fifth had bought less food. It appears that households who are Anxious and At Risk were more likely to have relied on borrowing rather than making severe behavioural changes when struggling with affordability.

19 Which? (2022) Buy Now Pay Later: Understanding and Addressing the Risks to Consumers. Available from: <https://www.which.co.uk/policy-and-insight/article/buy-now-pay-later-understanding-and-addressing-the-risks-to-consumers-aolP00d4cU48>

20 59% of 7.9 million UK adults in this segment

Thus, it is important to monitor the overall temperature of this segment as we know increased debt is detrimental to mental health<sup>21</sup> and a change in circumstances could quickly cause their debt to rise to unmanageable levels.

*“Immensely [concerned] as worry [about] how [I] can afford to cover bills and our mortgage is due to renew later in year and sounds like there will be further increase in interest rates.”*

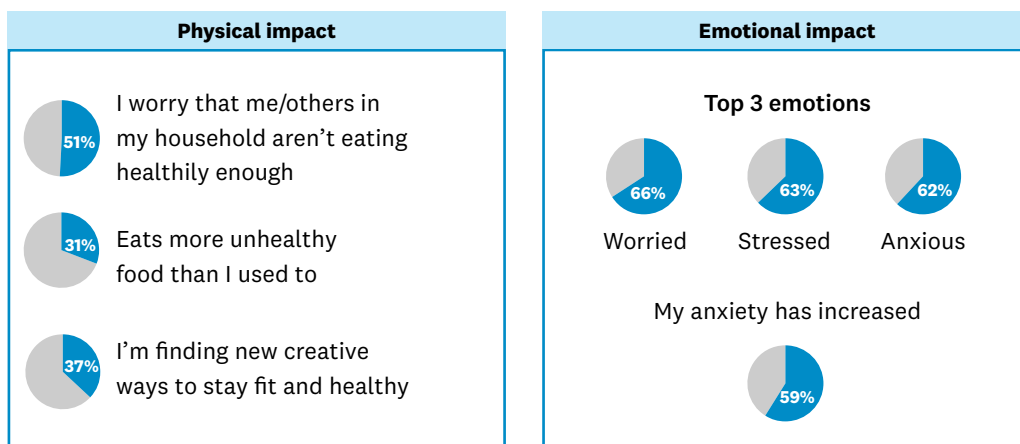
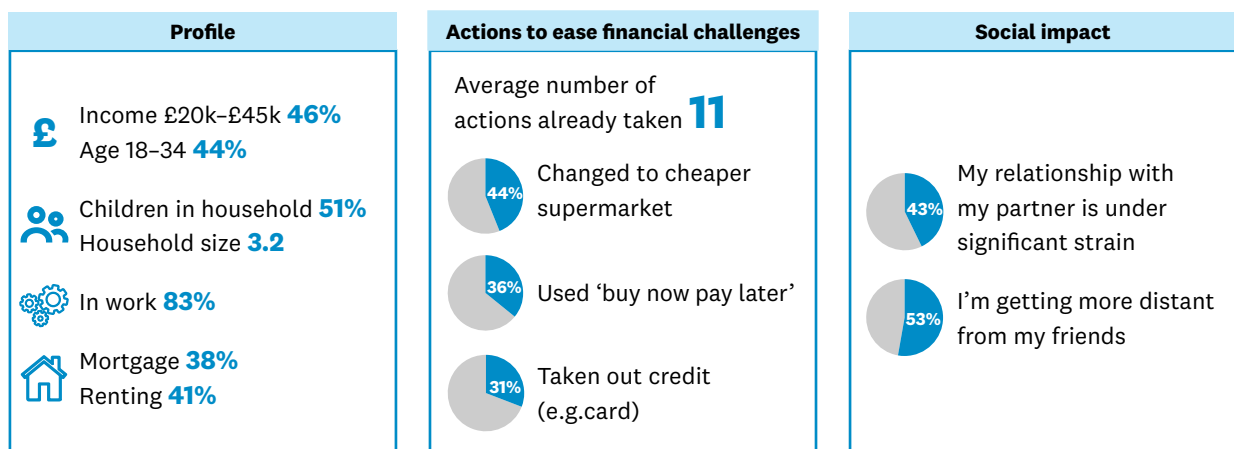
Survey Respondent

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21 Royal College of Psychiatrists (2017) Debt and mental health. Available from: <https://www.rcpsych.ac.uk/mental-health/problems-disorders/debt-and-mental-health#:~:text=One%20in%20two%20adults%20with,%2C%20depressed%20%E2%80%93%20or%20even%20hopeless.>



My name is Kaliegh and I'm 30 years old. I am a single mum with a three-year old daughter to support. I work full time as an Emergency Nurse Practitioner with a household income of £40k. Although I have a successful career, it is scary that I am struggling to survive on my single wage and I feel guilty for not giving my little girl the life she deserves. Financially, I am just about getting by. I have found that I am really counting every penny and being a lot less carefree compared to what I was last year. This has caused my daughter and I to have less family days out and me having to pick up extra shifts in work. My budget is barely stretching to meet my energy bills and my new mortgage rate which is much higher than what I was paying before. I am spending on the credit card that I cleared not too long ago and I'm worried about accumulating more debt. I just feel annoyed that I work hard, I do so many extra shifts, I have a good job, I completed 4 years at university with an extra two years of additional studying, yet I am not living comfortably. I am already doing the best I can by budgeting in every area – food, bills, childcare etc., yet I continue to have no money left at the end of each month to spend on anything else.



**Cut off by Cutbacks: “Isolated from human contact”**

*“The cost of living has made me stop enjoying going out and attending social events, causing me to be a lot more isolated from human contact and my sense of loneliness and anxiety has increased exponentially.”*

Survey Respondent

This group has predominantly had their social life impacted, leading to loneliness and social isolation. They have been unable to see their loved ones which can affect their well being, especially during stressful times such as a cost of living crisis.

Whilst they have not had to make many severe behavioural changes, their adjustments have deprived them of what makes them happy. Seven out of ten households in this segment have already cut back on the things they enjoy doing (68%), with more than half spending more time at home (52%). This can lead to further social isolation, straining the meaningful relationships in their lives. As a result, individuals are becoming more distant from their friends (58%) and experiencing significant stress on their relationship with their partner (43%), with both these impacts at the highest level among this group, after the Drained and Desperate segment.

*“[I] feel my wife and I are just working and cleaning all the time and never have time for each other.”*

Which? Cost of Living Research Panel Member

Loneliness and social isolation can have a profound impact on physical and mental health with some studies showing that they are associated with risk factors for early mortality.<sup>22</sup> Approximately 4.6 million adults in this segment are feeling worried in their day-to-day life,<sup>23</sup> with many of these worries stemming from potential negative impacts on their long-term physical health and not being able to afford anything extra beyond the basics, including treats or new clothes for their growing children.

*“It’s been a real struggle and we are just about covering the bills with a few treats. It’s been extremely stressful especially when my child asks me for things or has a growth spurt and I can’t afford clothes/ treats straight away.”*

Survey Respondent

*“I’m not enjoying life as much as I should, just making enough [at the] moment to pay bills but not enough money for holidays or fun experiences.”*

Which? Cost of Living Research Panel Member

In a post-Covid world where people have become isolated from their family, friends and communities, the cost of living crisis has only compounded the issue. Strategies must be adopted to ensure that this group does not experience further harm on their physical and mental health from increased social isolation.

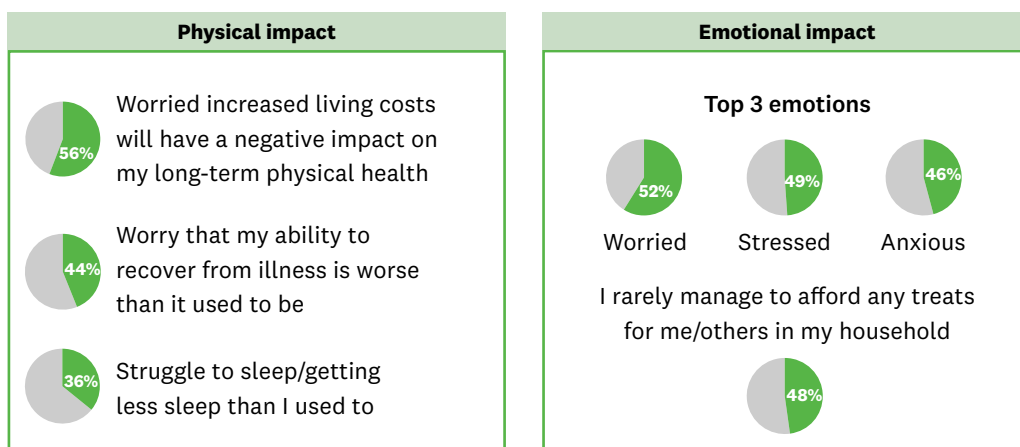
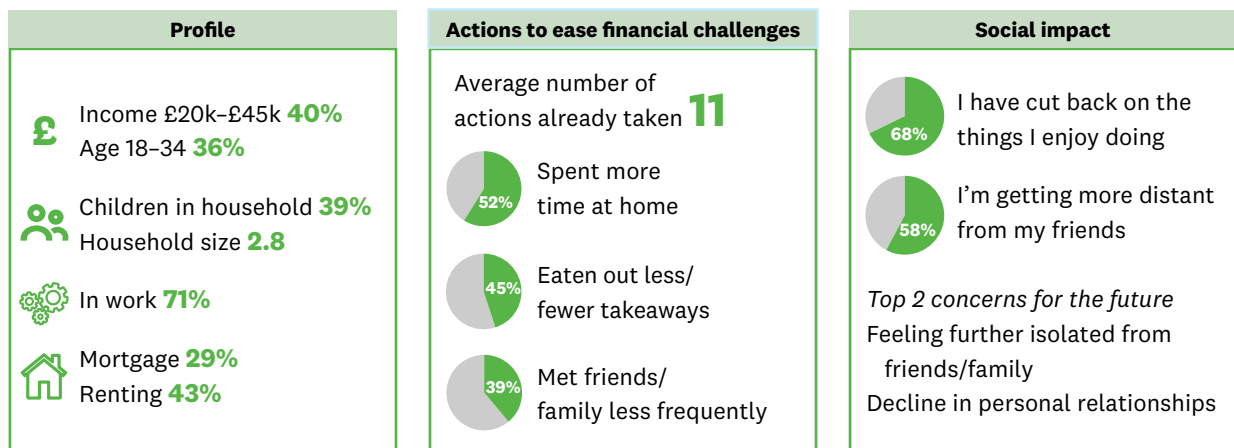
22 Holt-Lunstad, J., Smith, T. B., Baker, M., Harris, T., & Stephenson, D. (2015) Loneliness and social isolation as risk factors for mortality: a meta-analytic review. Available from: <https://pubmed.ncbi.nlm.nih.gov/25910392/>

23 52% of 8.8 million UK adults in this segment





My name is Dave and I'm 34 years old living in Northern Ireland. I'm married and have two children. Our household income is £42k. I work full-time as an associate in Accounting and my partner is a stay-at-home parent. Financially, I'm finding it difficult. I feel embarrassed that I can't afford better food for my family and have to buy cheaper brands. I am scared about how I can afford things from month to month and feel powerless as I struggle to make more money. I've stopped attending any form of work drinks and have even started keeping my children occupied at home on weekends rather than taking trips out because it inevitably means I'd spend money that I didn't have on snacks and activities.



**Fretting about the Future: “Concerned how things might worsen”**

This segment has been able to navigate the crisis to date relatively well. Households in this segment have fewer children living at home and are mainly mortgage-less homeowners, so they have smaller bills and face less pressure from mortgage and rent hikes.

Whilst they are able to cope for now, the majority of this segment think that the outlook for the UK is really worrying (68%) which may have implications for their financial situation down the line.

*“We are not desperate or running out of money, but I am concerned how things might worsen.”*

Which? Cost of Living Research Panel Member

*“I’m a bit more worried about it as it seems to have escalated a lot recently. Although I have enough money to cope for quite a while, if it continues then I could struggle.”*

Survey Respondent

The concerns they have for the long-term have manifested into apprehension for future declines in their mental and physical health, which have come out as their top two worries.

Less than half of people in this segment have a comfortable / significant amount saved (41%) and most are aged 55 years or older so any impacts from persistent inflation can have major financial consequences for their retirement.

*“We had moved to release money to enjoy our retirement and now our savings are being used for large bills e.g. council tax and insurances.”*

Survey Respondent

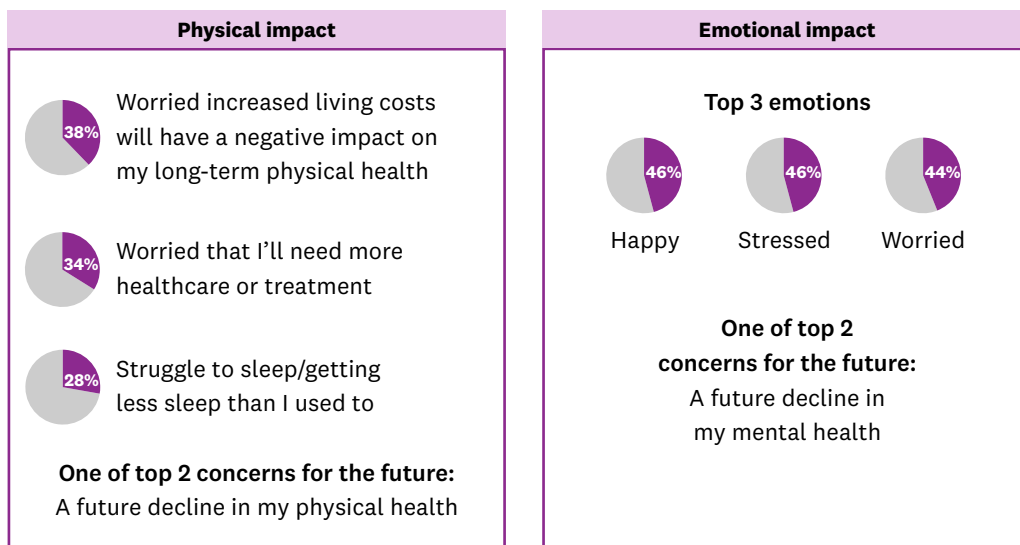
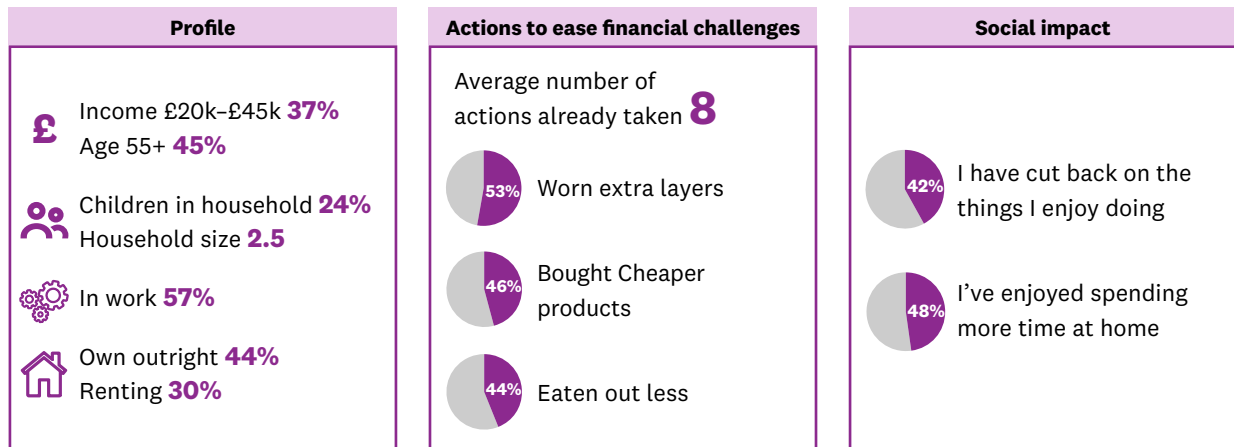
Although they have not had to resort to any drastic measures, they have taken some mitigating actions including wearing extra layers and switching to cheaper products. If the situation continues to worsen, they might have to make more severe cutbacks which could affect their physical and mental wellbeing. Already 3.5 million adults<sup>24</sup> in this group have been feeling stressed in their day-to-day lives due to the worry about potential issues in the future.

*“I have depression and am trying not to worry about things. But with everything seemingly increasing I do tend to worry by how much and what else will go up.”*

Which? Cost of Living Research Panel Member



My name is Ian and I'm 67 years old living in England with my wife. We have a household income of around £32k and I am currently retired. Financially we are doing alright. While we have enough cash to pay the bills, we have noticed that prices are increasing, such as the spray cleaner we used to buy for 99p now is priced at £1.19 in our local supermarket. Despite being able to afford heating, we try to minimise our usage by briefly using the central heating to warm the house, then relying on a gas fire in the front room. Although we are not in a desperate financial situation, I have concerns about how things might worsen for us in the future and whether we may need to dip into our savings.



**Looking out for Loved Ones: “Don’t want to see family members struggle”**

This group is relatively comfortable and are not concerned about the impacts from the crisis on them. They are doing financially well - only a quarter expressed discomfort with their current financial situation - and have experienced minimal physical and mental impacts. Their levels of anxiety or stress are generally lower, with six out of 10 households expressing they are happy in their day-to-day life.

*“The increase in cost of living has no[t] impacted me as much as it has with others.”*

Survey Respondent

They have made some easier behavioural changes such as shopping at cheaper stores or cutting back on some socialising, but this has not affected them much. In fact, slightly over half reported enjoying spending more time at home as well as more time on free outdoor activities.

However, even though they are in a good place and appreciate their relative level of comfort, that doesn’t preclude them from being able to sympathise with those who aren’t afforded that luxury. Their main concerns are for family and friends who are less financially stable, especially the next generation, and the negative impact on their well being. Many are already trying to help their loved ones and wish they could do more to help them.

*“You don’t want to see family members struggle, and you feel responsible to help where possible.”*

Which? Cost of Living Research Panel Member

*“Even though my income is limited I have been careful with the money I have and so I try to help my brother especially as he is struggling and working long hours to make ends meet.”*

Which? Cost of Living Research Panel Member

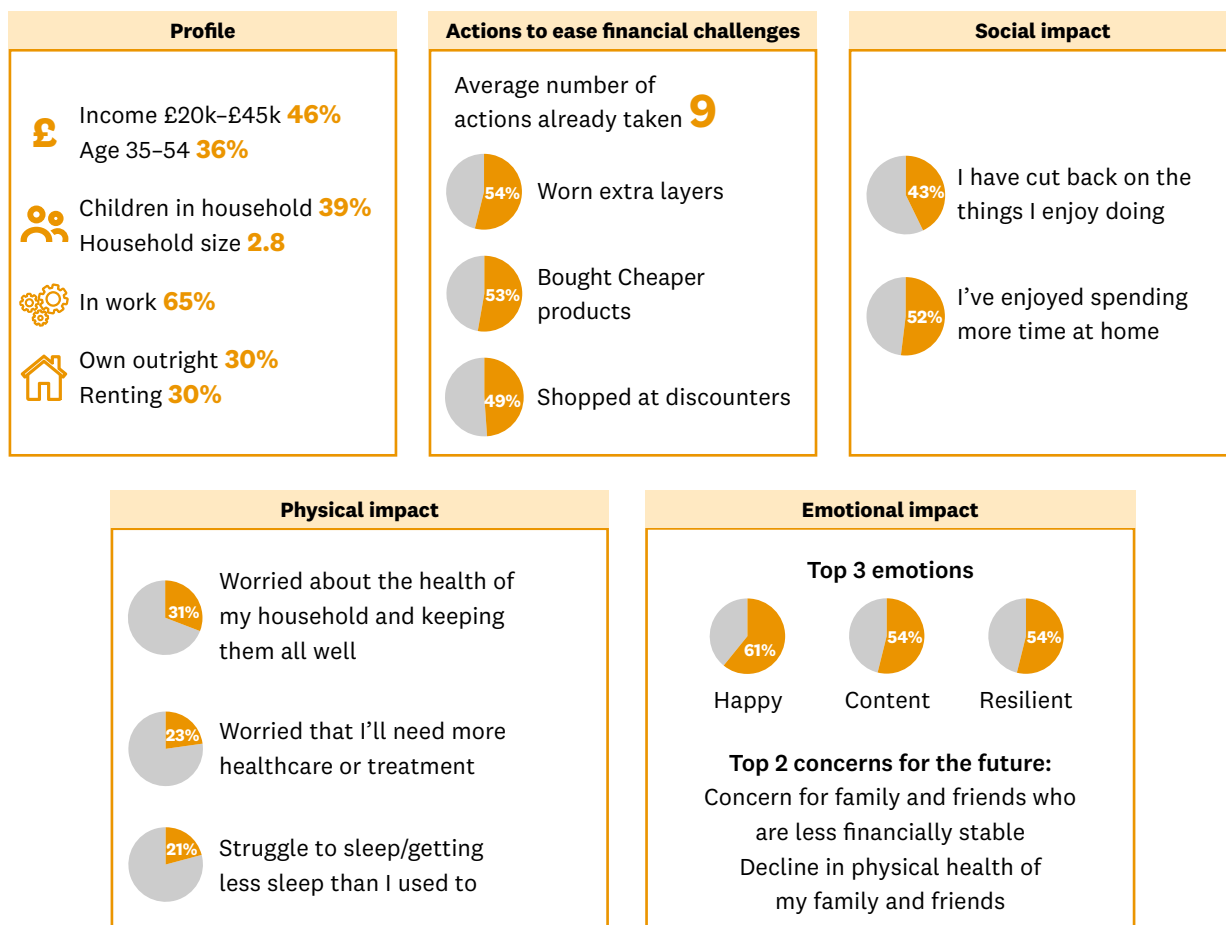
Beyond their own family and friends, they are also concerned about the wider UK public. Nearly two-thirds think that the outlook for the UK is worrying, thus are concerned about how those who are in a less fortunate position may be coping with the effects.

*“Little [impact] in terms of finance, but often worry what it is doing to other people and my community.”*

Survey Respondent



My name is Fiona and I'm 54 years old living in England with my husband. While partially retired, I work as a freelance medical transcriber. Overall, I'm doing alright. This month has been better for me, as my husband had a good month, which had a positive impact on both of us. Recently, we decided to buy a chicken coop and chickens to save on egg prices, and it turned into a bigger project of converting the shed and setting up an outdoor run. Luckily, we had the necessary materials, including paint. Despite my limited income, I am concerned about my less financially stable family members, particularly my brother. I try to support him as much as I can. I have a good understanding of myself and my mental health, and I know to take steps to address any dips.



**Affluent and Apathetic: “Have not felt the impact”**

People in the Affluent and Apathetic segment are the most financially comfortable and the crisis has had a limited impact on their lives. They tend to skew older and have little to no debt<sup>25</sup> with substantial savings,<sup>26</sup> which has cushioned them from the increased prices. Additionally, with seven out of ten households owning their homes outright, home ownership without any mortgage pressure has afforded them significant financial security. The physical and mental health of this group has remained generally unaffected by the crisis, with the majority reporting being happy in their day-to-day life (84%).

*“At the moment living is good and my mental health is good and positive.”*

Which? Cost of Living Research Panel Member

However, despite the limited financial impact felt by this group, they have not been spared from the energy crisis with some not turning the heating on when cold (28%). However this behaviour is much less common than in other segments.

*“Being semi-retired, we spend a lot of our days at home so need to manage not having the heating on during the day.”*

Which? Cost of Living Research Panel Member

As they have not suffered much from the crisis, some of this group think that people are making too much of a fuss about the crisis and should do more to help themselves. Some have even blamed the media for increasing anxiety levels around the crisis.

*“When we were young and had no money we budgeted and lived within our extremely limited means. We never whinged or complained. The media are stirring people up.”*

Survey Respondent

*“I have not felt the impact of cost of living at all and believe it to be not as bad as the media makes it out to be.”*

Survey Respondent

*“...throughout life you have to adapt to different circumstances and cope with them. I was born just after the war when food and products were rationed and it was much harder then than it is now.”*

Survey Respondent

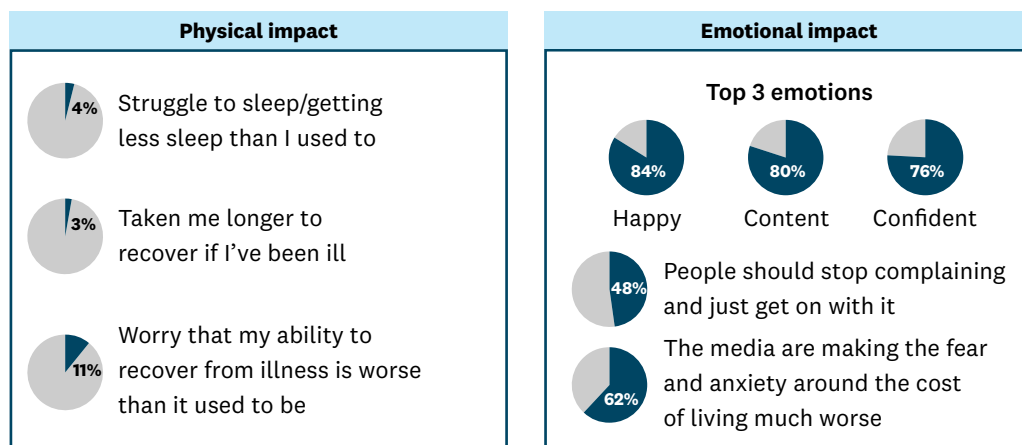
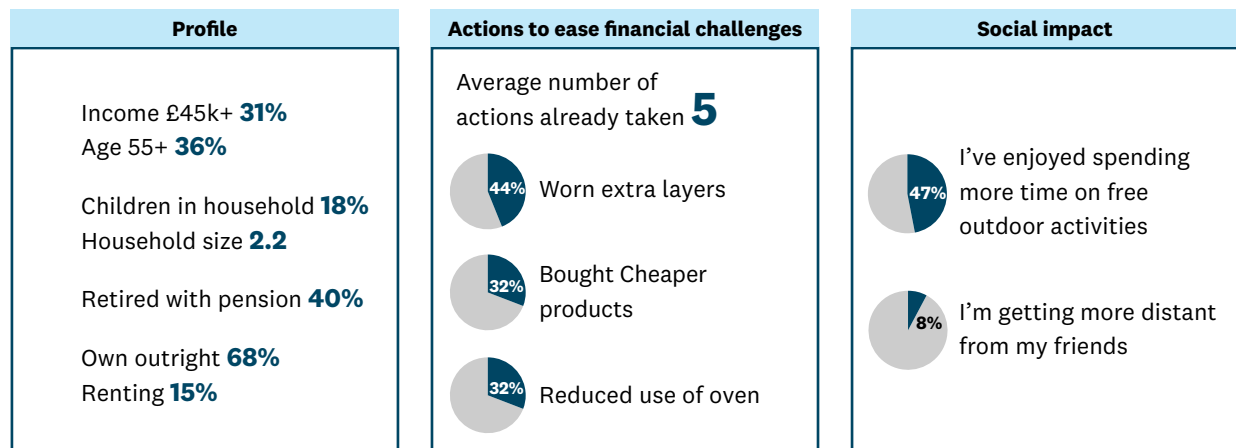
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25 96% have little or no debt

26 77% have a comfortable / significant amount saved



My name is Paul and I'm 66 years old and live in England with my wife. I still work full-time in the electrical industry and have no intention of retiring any time soon. I have been in the same profession for over 30 years now. Overall, I'm doing well. This month has been particularly good for me. I was able to go on our annual holiday and it was a great time spent over in the Lake District. Additionally, I've been able to keep fit and successfully completed a half marathon (after putting a lot of training in at the gym!). Life has been quite positive for me in many aspects, especially with work keeping me busy and my bills and expenses feeling manageable. With my healthy wage and limited outgoings (we don't have a mortgage on the home anymore), I tend to have a good amount of money left over at the end of each month. Plus I've recently received a pay rise. Overall I don't think the crisis has been that bad for people (despite all the overegged, doom-and-gloom on the news), everyone seems to be getting by alright, and if they say they aren't I think they're making a bit of a mountain out of a molehill. Back in my parent's day, if they couldn't afford to put food on the table then they'd get a second job and be done with it!



### 3.4 Cost of living impacts and attitudes across the segments

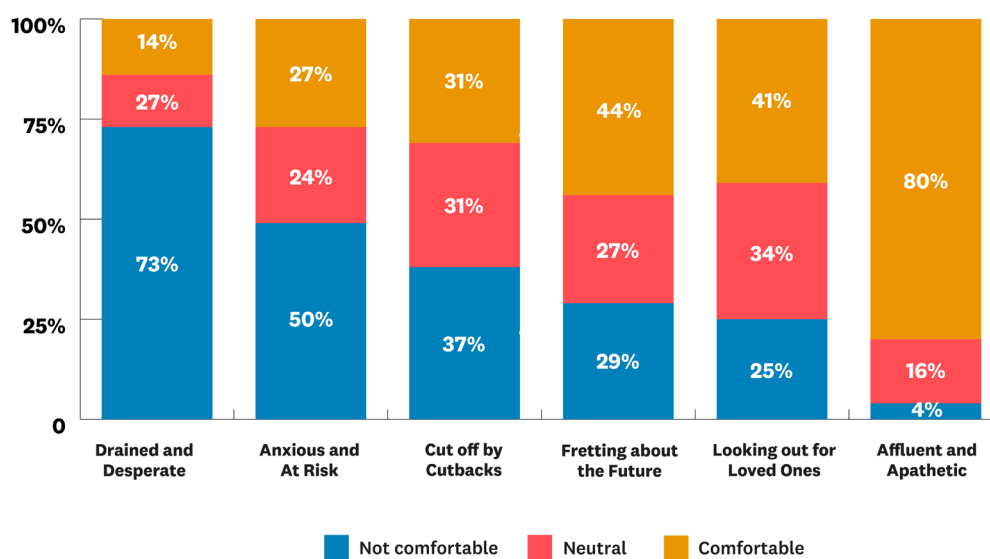
In this section, we will be describing the differences in experiences across the segments and how they compare with one another.

#### Drained and Desperate are experiencing worst financial difficulty

The cost of living crisis has affected some segments significantly more than others. There is a striking disparity between Drained and Desperate who are in the greatest financial difficulty compared to others such as the Affluent and Apathetic (see Figure 9). A staggering three-quarters of people in the Drained and Desperate segment are financially not comfortable (73%) while the Affluent and Apathetic are largely untouched with only 4% of people saying they are uncomfortable.

The Affluent and Apathetic have been protected and shielded from financial struggles, with eight in 10 individuals saying their situation is comfortable. This is double or more than any of the other segments; even in the relatively affluent Looking out for Loved Ones' segment, only 41% report being financially comfortable.

**Figure 9: Drained and Desperate is struggling financially whilst Affluent and Apathetic is very financially comfortable**

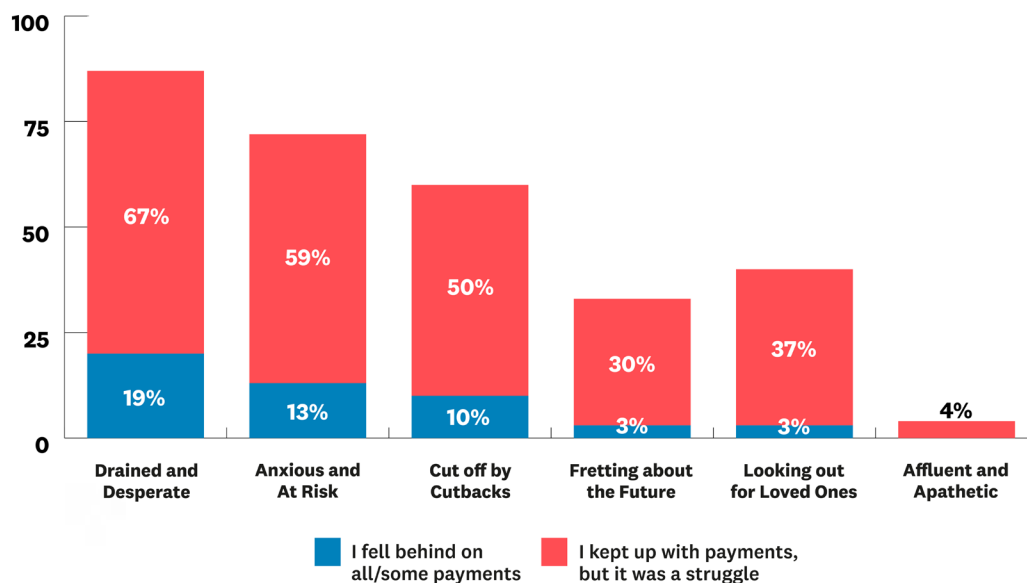


Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative  
Base: All respondents (n=4,019). Survey conducted March 2023.

As you would expect, those who say they are comfortable are less likely to have missed or struggled with paying bills, and those who are uncomfortable are more likely to have missed payments or report financial difficulties. The Affluent and Apathetic segment are extremely comfortable and so a mere 4% have struggled to pay household bills and, statistically, none have missed payments. On the other end of the spectrum, the majority of people in the Drained & Desperate segment are suffering with close to nine in 10 falling behind or having trouble maintaining their payments (86%). There can be severe consequences for people who missed payments like being hit with missed penalty fees, having a poor credit rating or even having their energy supply disconnected from the home.



**Figure 10: Drained and Desperate have been struggling with their household bills whilst Affluent and Apathetic have kept up with no difficulty**



Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All who spend money on household bills monthly (n=3,873). Survey conducted March 2023.

### Those with larger households and not owning your home outright face increased pressures and risks

It's not surprising to see that different income levels exist among the segments.<sup>27</sup> However, it's important to recognise that financial difficulties can stem from additional factors beyond income alone, and the difference between mean incomes between segments is perhaps lower than you would expect. When households have more family members, especially with children, they are more likely to experience increased financial pressure. This is particularly true for the Anxious and At Risk households who have the highest proportion of children in the home compared to the other segments (see Figure 11). As they are more likely to have larger families, this group often faces greater expenses. This is one of the main reasons for why this group is at risk and is one of the worse off segments.

<sup>27</sup> Mean income for Drained and Desperate is £33,291 compared to £42,782 for Affluent and Apathetic

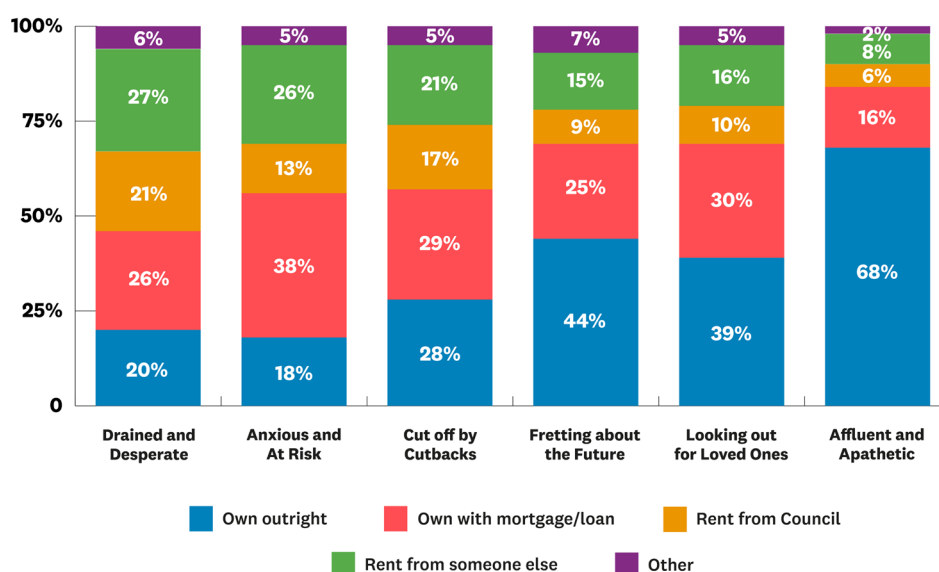
**Figure 11: Larger household sizes, especially with children at home contributes to financial pressure**

	Drained & Desperate	Anxious & at Risk	Cut off by Cutbacks	Fretting about the Future	Looking out for Loved Ones	Affluent & Apathetic
Average number of people in household	2.9	3.2	2.8	2.5	2.8	2.2
%with children living at home	44%	51%	39%	24%	39%	18%

Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

Our research uncovers that financial burdens can be influenced not only by the number of children in a household, but by housing tenure. Owning a home outright without a mortgage has provided a buffer for many in the Affluent and Apathetic segment, with seven out of ten households in this group lucky enough to be in this situation, compared to only a fifth among the financially struggling Drained and Desperate and Anxious and At Risk households (see Figure 12).

**Figure 12: Home ownership provides more financial security**



Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.

By contrast, nearly half of people in the Drained and Desperate segment are renting (48%), and with rising rental prices in both social and private sectors, it can be increasingly challenging for them to keep up with their rent<sup>28</sup>. These people are already at rock bottom and squeezed to the maximum. With nowhere else to seek assistance, the fear of eviction will be a harsh reality for some.

28 House of Lords Library (2023) Through the roof? Housing and the cost of living. Available from: <https://lordslibrary.parliament.uk/through-the-roof-housing-and-the-cost-of-living/#heading-1>

Meanwhile, consumers who are on a mortgage have faced substantial hikes to their monthly repayments as interest rates rose rapidly over the past year.<sup>29</sup> This mortgage pressure is particularly acute for people in the Anxious and At Risk segment, as nearly four in 10 of them have a mortgage or loan on their property (38%), which is a higher proportion than other segments. A concerning two-thirds of households in this segment with a mortgage have either missed a mortgage payment or struggled to keep up with them (65%).

Hence, it is vital to monitor the financial health of households in the Anxious and At Risk group. Nearly a fifth of households within this segment are on a fixed term mortgage (17%) with some due to remortgage in the next year or so. As mortgage interest rates continue to rise, we suspect that more pain is yet to come and that these individuals will face even greater challenges. The Bank of England estimates that millions of homeowners will be impacted and likely to be hit by huge interest rates when they renew their fixed-rate mortgages.<sup>30</sup> This potential scenario could be devastating for these households and they could find themselves being pushed into the Drained and Desperate segment.

### **More severe actions have been taken by Drained and Desperate households**

Whilst all consumers have had to adjust their behaviour in some way or another in response to rising prices, the Drained and Desperate households have had to change their behaviour the most, to the point that there is little else left for them to cut out.

An alarmingly high rate of Drained and Desperate households have resorted to drastic measures and have not turned the heating on when cold (75%). They could be subjecting themselves to living in damp and cold conditions with the sheer discomfort of moving about their home in freezing temperatures. Living in such damp and cold conditions can have dire consequences for their health and can increase the risk of heart attacks and strokes. The difference between them and Affluent and Apathetic households is stark with Drained and Desperate households keeping their heating off at a rate of 2.7 times more than Affluent and Apathetic households.

*“Freezing every day because we can’t afford to put the heating on.*

*This is causing arguments and stress.”*

Which?/Basis Cost of Living Segmentation Survey Respondent

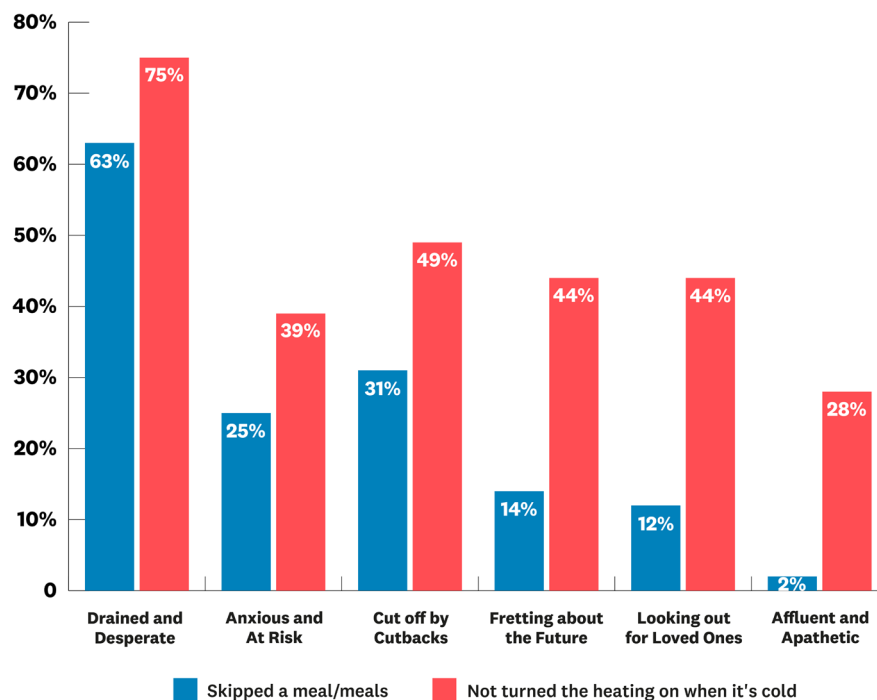
People in the Fretting about the Future and Looking out for Loved Ones segments have not had to make many behavioural changes. However, more than four in 10 households in each group have not turned the heating on (44%), suggesting that even the relatively comfortable have not been spared the effects of the energy crisis.

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29 Bank of England (2023) Official Bank Rate History. Available from: <https://www.bankofengland.co.uk/boeapps/database/Bank-Rate.asp>

30 White, L.; Shepherd, D. (2023) BOE Says 1.3 Million UK Borrowers Brace for Higher Mortgages. *Bloomberg*. Available from: <https://www.bloomberg.com/news/articles/2023-05-11/boe-says-1-3-million-uk-borrowers-brace-for-higher-mortgage-cost#:~:text=The%20BOE%20has%20raised%20its,lid%20on%20further%20price%20increases>.

**Figure 13: Higher percentage of households who are Drained and Desperate have taken drastic actions**



Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative  
Base: All respondents (n=4,019). Survey conducted March 2023.

Aside from not turning the heating on when it's cold, another worrying action taken by the Drained and Desperate is skipping meals in an attempt to ease financial pressures (63%). This behaviour is twice as likely to be seen in this group compared to those who are Cut off by Cutbacks (31%), and it is virtually non-existent among the Affluent and Apathetic households (2%). There are severe impacts of going hungry, even if it is just a few times, because it is related to people experiencing decreased immunity and poorer mental health as well as cause malnutrition, heart disease and fatigue.<sup>31</sup>

There is a huge gulf in the severity of Drained and Desperate's actions compared to others, with the Drained and Desperate households taking the actions discussed above at rates of 2–2.5 times more compared to the second most impacted segment, Anxious and At Risk.

Meanwhile, the more comfortable Fretting about the Future, Looking out for Loved Ones, and Affluent and Apathetic segments have mostly had to make minor behavioural changes in response to the crisis. These actions involved putting an extra jumper on when in the home or buying cheaper versions of their usual products.

31 Lowe, R.; Mahmood, H. (2022) Why preventing food insecurity will support the NHS and save lives, NHS Confederation. Available from: <https://www.nhsconfed.org/long-reads/why-preventing-food-insecurity-will-support-nhs-and-save-lives>

## Drained and Desperate and Anxious and At Risk have suffered mentally and physically more than others

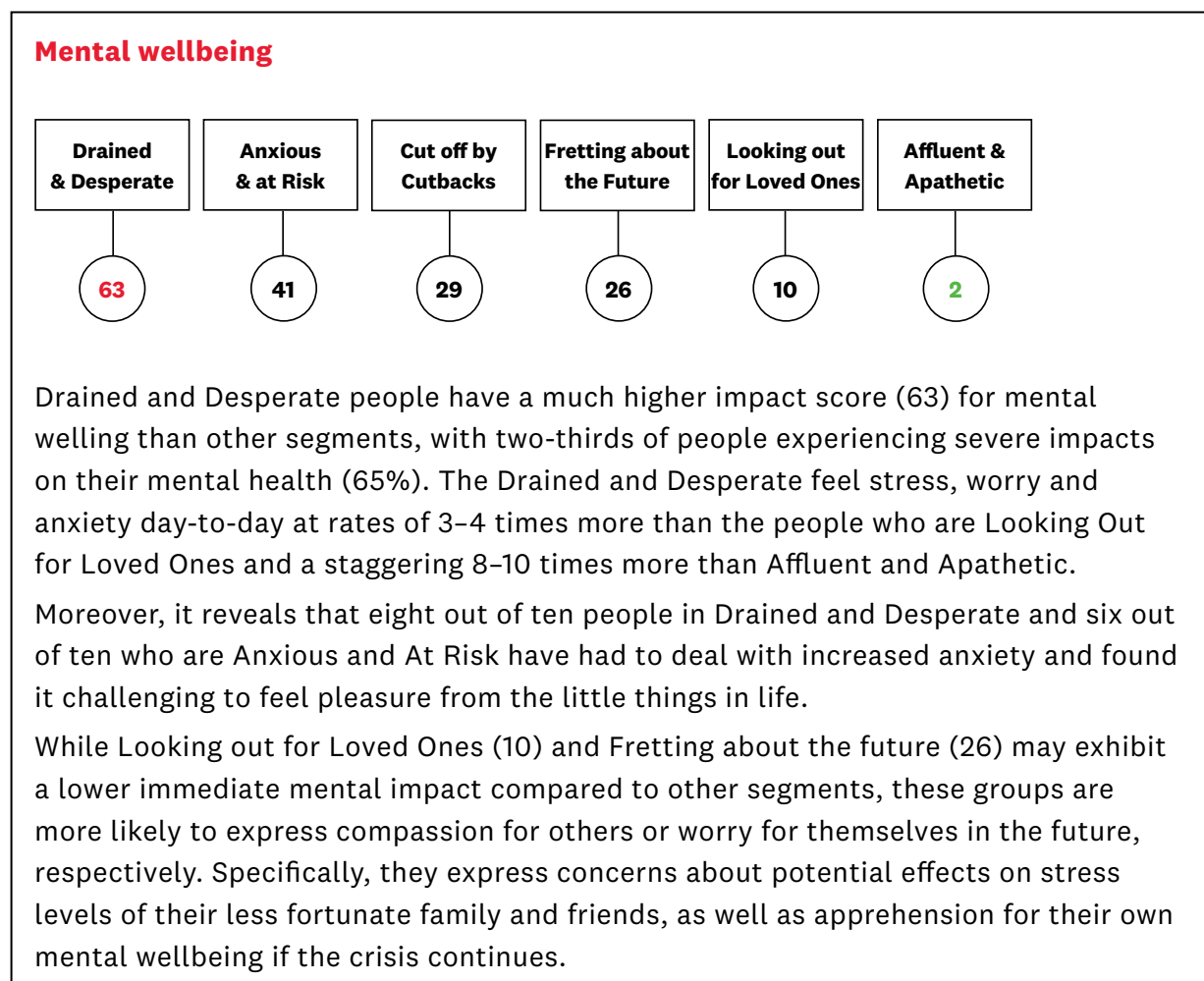
The financial impacts of the crisis have also led to significant mental, physical and social impacts on households. Whilst the focus tends to be on the financial burdens, the other effects can be incredibly devastating and have long-term consequences beyond the end of the crisis.

To assess the extent of these impacts across the segments, an impact score (out of a 100)<sup>32</sup> was assigned for:

- state of mental health
- physical condition
- social life

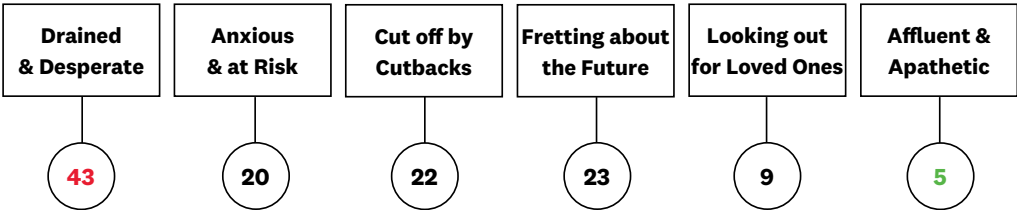
The figure below details the impact scores across the segments, alongside additional details from related questions. Higher impact scores indicate worse effects for the segment.

**Figure 14: Mental, physical, and social impacts across the segments**



<sup>32</sup> The index was created by multiplying the two variables: 1) how participants felt about their mental health, physical condition or social life and 2) the impact the crisis had on each of these areas

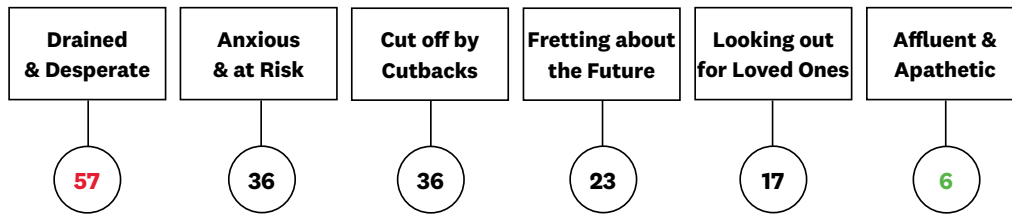
Physical wellbeing



People who are Drained and Desperate have physically suffered more, with higher impact scores (43) compared to other segments. This highlights just how much of a toll the crisis puts on the body. Their impact score is a result of sleep deprivation and poor nutrition (being unable to put as much food on the table or going hungry) they experience, which only compounds their mental stress. Concerningly, nearly all of the Drained and Desperate are worried about the negative impact on their long-term physical health (91%) compared to just 2% in the Affluent and Apathetic segment.

Our research reveals that people's physical health is hit the hardest and in full-force only when they find themselves at the lowest point, in the Drained and Desperate segment. We expected the Anxious and At Risk group, given their financial instability, to experience similar physical health impacts as the Drained and Desperate individuals, however, this is not the case. In fact, the Anxious and At Risk (with a score of 20) and the comparatively more financially stable Cut off by Cutbacks (with a score of 22) and Future Fretters (with a score of 23) exhibit similar levels of physical impact. This suggests that physical health is most severely affected when individuals face dire circumstances, such as going hungry or struggling to afford heating, as experienced by those in the Drained and Desperate group.

## Social life



Similarly for social impact, people who are Drained and Desperate have impact scores which are significantly higher than the other segments (57). These social impact scores underline the fact that people are seeing less of their loved ones, their relationships with their partners are suffering, and growing more distant from their friends. There is also a bigger difference in scores between the three most impacted and the three least impacted segments. More than half of the people in Drained and Desperate (57), Anxious and At Risk (36), and Cut off by Cutbacks (36) have become more distant from their friends whilst only less than a third in Fretting about the Future (23), Looking Out for Loved Ones (17), and Affluent and Apathetic (6) said so.

Beyond their friendships being affected, the three most impacted segments have also experienced similar rates (40%-50%) of strain in the relationship with their partner whilst this drops significantly to 15% for people in Fretting about the Future and to only 3% for Affluent and Apathetic people.

Although people in Anxious and At Risk (36) and Cut off by Cutbacks (36) have the same impact score socially, the Anxious and At Risk have suffered more mentally (which scores 41) whereas Cut off by Cutbacks are more impacted socially. People in Cut off by Cutbacks are more likely to be seeing a deterioration or distancing in their relationships with loved ones (36) compared to effects on their mental (29) and physical wellbeing (22).

*Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.*

Among the three impact areas, people in the Drained and Desperate segment have been significantly affected and have experienced the most severe consequences. These individuals, facing the worst financial instability, are compelled to make extreme sacrifices to make ends meet and this leads to harmful effects on their mental, physical and social well-being. The impact scores suggest they struggle with high levels of stress, sleep deprivation, and malnourishment. They also find themselves growing increasingly distant from their loved ones, encountering fewer interactions with friends, and contending with strained relationships at home. Their dire circumstances illustrate the profound toll that hitting rock bottom can have across multiple aspects of one's life.

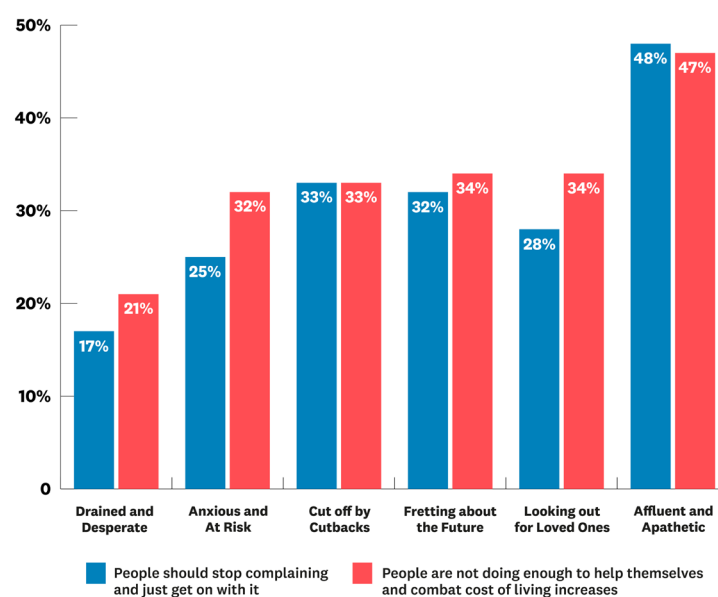
It seems that only when you hit rock bottom, in the Drained and Desperate group, that you get impacted on all fronts. This is unlike the second to worst financially unstable group, Anxious and At Risk, who are hit mainly by poor mental health, yet less by poor physical health or weakened relationships. As we move towards more financially comfortable segments such as Cut off By Cutbacks, people are more likely to have their social life impacted than their mental and physical health. Then, people in the Fretting about the Future and Looking out for Loved Ones segments are more concerned about the impact these areas would have on their friends and family or fear that their wellbeing could deteriorate in the future if the crisis continues. People in the Affluent and Apathetic segment are unaffected with the highest impact score in their segment being around social life, and even then it's a score of just 6.

### More comfortable segments think people are making too much of a fuss

We found that the less affected people are by cost of living pressures, the less likely they are to understand others who are struggling. For example, people in the Affluent and Apathetic segment are the most comfortable group and are the most likely of all the segments to say that people should stop complaining about the cost of living crisis (48%) and that those struggling should help themselves more (47%). This is compared to people who are Drained and Desperate where only about a fifth agreed with these statements. It shows how much people in Drained and Desperate are already doing to cope with rising prices and that there are few options left for them.

The one group to somewhat buck this trend were the people who are Looking out for Loved Ones. They are more comfortable than the other segments (aside from Affluent and Apathetic) yet really care about the wellbeing of their friends and family. 43% disagreed with the sentiment that people should stop complaining and just get on with it.

**Figure 15: Segments who are more shielded from the impacts are less sympathetic to the struggle of others**



Source: Which?/Basis Cost of Living Segmentation survey. Online poll weighted to be nationally representative.  
Base: All respondents (n=4,019). Survey conducted March 2023.



**Section 3: summary**

- Our segmentation analysis identified six distinct groups, each with a specific experience and response to the cost of living crisis. It demonstrated that the effects of the crisis have not been equally distributed.
- Specifically, people in the Drained and Desperate segment have faced severe mental and physical effects and having already made drastic sacrifices which have long-term health consequences, are left with no more options.
- Meanwhile, for people in the Anxious and At Risk segment, they have been feeling more anxious from rising expenses. Driven by larger households and mortgage responsibilities, they are more reliant on debt. With interest rates rising, the situation is a ticking time-bomb for these people.
- For the people who are Cut Off by Cutbacks, they are unable to see their loved ones due to cutting down on socialising, which has led to loneliness and isolation, compounded since Covid-19 lockdowns.
- Although people in the Fretting about the Future segment are relatively comfortable, they are still concerned about potential declines in their future mental and physical health if the crisis continues to worsen.
- Similarly, people in another comfortable group, Looking out for Loved Ones, are worried about how rising cost of living will affect their family and friends who are not doing as well financially.
- However, people in the Affluent and Apathetic segment, who skew older, have been especially shielded from the effects of the price increases, thus think that other people are complaining too much and blame the media for stirring up fear.

## 4. Summary and recommendations

Our research shows that the cost of living crisis has left people across the UK facing significant financial challenges, experiencing sometimes severe physical and emotional effects and having to make difficult choices with potentially serious, long-term consequences.

However, while many of us have felt the squeeze, the pain is not equally distributed. Our segmentation highlights one group, 9.2 million people, who are already facing severe hardship, facing significant mental distress and potentially long-term physical harm as a consequence. We also find 7.9 million people who, while avoiding the most severe harm to date, are more reliant on debt, and could be at significant risk in the months ahead as interest rate rises work their way through the economy. For another group of people, having to cut back on seeing their loved ones has left them feeling isolated and strained their closest relationships, which was already exacerbated by the pandemic.

Even for the groups who have been relatively sheltered from the pain, most people are concerned either for their future selves or their family and friends. Worries about cost of living extend beyond just those impacted and the crisis is likely going to be a key issue for voters in the next general election. However, there is one group with 10.9 million people who have been extremely insulated from the effects of the crisis. As they are older, more affluent, and more likely to vote, this may have political implications when governments decide how much support to offer.

However, beyond the data, it is crucial to remember that there are real people whose lives have been upended by the crisis and they desperately need more support.

With interest rates continuing to rise, there will be greater pressure on mortgage holders over the next few years. Food and energy prices are also not expected to fall back to levels seen before the Ukraine war. It is vital that we start to think long-term about how we support both those currently experiencing hardship as a result of inflation, and those who are at risk.

Thus, both government and businesses need to take further steps to support consumers:

- Supermarkets should ensure that a range of essential budget range items that support a healthy diet are widely available, including in their smaller stores, particularly in places where people are most likely to be struggling. Steps should also be taken to ensure pricing is clear and transparent, including for promotions and loyalty card offers, so that people are able to easily compare products and decide which is the best value for their needs.
- Energy providers should take steps to clarify bills and other communications, to help consumers understand what they're being asked to pay and why, and stay in control of their spending.
- Connectivity providers should take action to stop unfair inflation-linked price increases in 2024. They should also ensure that eligible customers are aware of social tariffs, to help support those struggling with affordability.
- Regulators should continue to assess the steps businesses in essential services sectors are taking to support consumers through this crisis, and ensure that businesses do not use the cover of inflation to extract profits from hard-pressed consumers.

- Politicians both inside and outside the government should also carefully consider how best to support those currently struggling, and those at risk of serious hardship, through the months and years ahead. Which? expect the challenges consumers are facing as a result of the cost of living crisis to be a defining factor on doorsteps in the next general election, and look forward to working with all political parties to explore how public policy can effectively and affordably support consumers through this challenging time.

# Annex A: Full methodology

## Overall approach

This project was conducted via a 20-minute online survey, interviewing a large, robust, nationally representative sample of n=4000 respondents. All interviews took place between 7th and 27th March 2023.

Quotas and data weighting was carried out to ensure a representative sample (using interlocking age/gender quotas for an even spread of interviews across these demographics):

- Male: 49%
- Female: 51%
  
- 18–24: 11%
- 25–34: 17%
- 35–44: 16%
- 45–54: 18%
- 55–64: 15%
- 65+: 23%
  
- North of England: 24%
- Midlands: 25%
- South of England: 35%
- Northern Ireland: 3%
- Wales: 5%
- Scotland: 8%
  
- AB social grade: 27%
- C1 social grade: 27%
- C2 social grade: 22%
- DE social grade: 24%

The survey implemented several quality checks throughout to ensure responses were of the highest quality – including, but not limited to, digital fingerprinting (to make sure respondents only answer the survey once), speeder checks (to make sure respondents don't answer too quickly or take too long), flatliner checks (to make sure respondents aren't mindlessly answering each question in the same way), verbatim monitoring (to make sure respondents don't give nonsense answers) and trap questions (to make sure respondents are paying attention).

The questionnaire covered a range of areas, largely centred around the impact of the cost of living crisis:

- Financial security
- Physical health
- Emotional wellbeing
- Social, work and home life

These were tackled by a range of different types of questions, including agreement scales, single and multi-select questions, and a statistical exercise called a Max Diff, used to develop data hierarchies. More detail on this technique can be found in the next section, and a full questionnaire draft can be found in the final section of this document.

## Segmentation analysis process

The core element of this project is the segmentation itself, to identify different groups of the UK population who have been impacted by the cost of living crisis in different ways. There are several stages to this analysis, which are detailed below:

### 1. Identifying potential inputs to the segmentation

First of all, the distribution of responses across questions was checked to ensure groups of respondents are answering the survey in different ways (for example, we'd ideally look for respondents agreeing, disagreeing or feeling relatively neutral towards a particular statement). We have a good distribution of answers across the sample, which means that we are able to segment this audience.

We then identified which questions were most likely to form the basis of the segmentation itself (and which weren't) – for example, we'd previously discussed we didn't want a purely demographic segmentation, so we omitted profiling questions from the potential list of segmentation inputs. Given the project sought to identify how the cost of living crisis has impacted the population, the list of potential inputs centred around financial impact, physical impact, emotional impact, and the behaviours people have taken to mitigate the impact of the crisis so far.

### 2. Utilising the Max Diff exercise as a potential segmentation input

A list of potential concerns were shown to respondents in different combinations, four at a time, over several survey screens. Respondents rate the most and least concerning influence on each screen they see:

- Decline in my personal mental health
- Decline in my personal physical health
- Decline in mental health of my family or friends
- Decline in physical health of my family or friends
- Concern for family, friends etc. who are less financially stable
- Feeling socially isolated from my friends/family
- Negative impact on my personal investments

- Worry about my ability to enjoy my life
- Increase in my anxiety levels
- Ability to cope with day-to-day life
- Decline in personal relationships
- Ability to take care of my family/household

They are then asked an “anchoring” question: Of the four options you’ve just seen, are None, Some, or All of them concerning to you?

Analysis of the results from the Max Diff exercise allows us to produce a derived hierarchy of concern for each respondent (a bit like if we asked respondents to rank them). The key difference between a Max Diff and a ranking exercise however, is that it quantifies the distance between the ranks – so instead of telling us solely that one item is more important than another, it tells us how much more important it is.

The anchored component is a key recent development in this type of analysis. Because there is such a wide distribution of impact levels overall, it’s quite possible, for example, that the least concerning factor for one person may still be of higher concern than the most concerning factor for another person (a standard Max Diff would effectively treat these people equally). The anchoring question allows us to correct for this, to derive a truly reflective hierarchy of concern across the UK population.

### **3. Conducting factor and cluster analysis to produce potential segments**

Factor analysis was then run for these key questions (impact, behaviour, and Max Diff hierarchy), which grouped variables from these questions together into common factors that tend to correlate strongly within the data. This allows us to begin to see patterns in the data across questions, of which we’re likely to be able to form segments.

Once we were satisfied that we can form segments using these inputs, cluster analysis was then run to begin forming the segments themselves. Here, we used a two-step cluster analysis, in order to be able to mix standard survey questions and anchored Max Diff exercise. This process forms ‘clusters’ or segments based on the similarities between variables, and the differences between variables.

### **4. Reviewing and refining segment solutions**

The ideal segmentation solution should meet the following criteria, so we worked to these standards throughout the analysis process:

- A manageable number of segments - for example, we’re unlikely to get enough nuance between segments in a 2-segment solution, while 12 segments would likely be difficult to work with and communicate effectively
- A good distribution of segment sizes – we don’t want to include segments so small within the UK population that they become too niche, or too large that they account for most of the population
- Suitable distinctiveness between segments – there needs to be enough differentiation between segments so we can truly understand the different ways that people have been impacted

In order to ensure a robust and logical final recommended segment solution, we ran numerous potential solutions, disregarding those that didn't meet the above criteria. In total, we ran 147 different potential cluster solutions, checking there was enough differentiation each time and making tweaks to the inputs for each iteration.

This analysis encompassed the following approaches:

- Max Diff inputs (anchored vs. unanchored, scores vs. utilities, etc.)
- A 'minimalist' set of attitudinal inputs (selecting from A1-A4)
- A broad set of attitudinal inputs (factors formed from A1-A4, A6, D1, E2, F2)

After reviewing the above we concluded that the 'minimalist' inputs worked relatively well but were quite broad, meaning segments weren't perhaps as interesting or differentiated as they could be. The Max Diff and attitudinal variables that appeared best suited to counter this were broadly those relating to more severe personal impact in areas such as health, anxiety, debt, relationships etc.

Building on the above, we experimented with different selections of 'foundational' inputs (A1-A4) and more specific variables from the Max Diff and D1/E2/F2. We also experimented with integrating variables based on factor analysis of C1 (actions taken due to cost of living) – again, with the focus on more 'severe' impacts (e.g. skipping meals over budgeting more). However, we realised following this process that once variables from the Max Diff, D1/E2/F2 (attitudes) and C1 (behaviours) were included, this created sufficient differentiation that the minimalist question inputs (A1-A4) didn't really need to be included as inputs.

This process eventually resulted in the 6-segment solution we have used in this analysis. Note we also assessed a 5-segment solution, which was very similar – the key difference being that broadly, two of the segments in the 6-cluster solution (Fretting for the Future and Looking Out for Loved Ones) formed a single cluster in the 5-segment solution. However, further analysis showed these two groups were distinct enough to be segments in their own right, so we settled on the 6-segment option as the preferred solution.

# Annex B: Questionnaire

SECTION A: Demographic profiling

INFO, SHOW ALL

Thank you for taking part in our survey.

To begin with, we'd like to ask you some questions about you, to make sure you're eligible to take part.

Disclaimer

S0. SC, ASK ALL

In this survey we would like to ask some questions that may be perceived as sensitive such as ethnicity, healthcare and postcode. Providing information in response to these questions is entirely voluntary and you may withdraw your consent at any time. The answers that you provide will be used only for research analysis purposes. For more information on how your information will be processed and protected, please review Basis's privacy policy here (INSERT HYPERLINK TO PRIVACY POLICY). Do you consent to the collection of this information?

ROWS.		
1	Yes	
2	No	CLOSE

Age

S1. OE NUMERIC, ASK ALL

How old are you?

OE NUM TEXT BOX

dAGE. SC HIDDEN QUESTION TO STORE AGE BANDS

Dummy to capture age from S1

ROWS.		
1	Under 18	CLOSE
2	18-24	
3	25-34	
4	35-44	
5	45-54	
6	55-64	
7	65+	



## Gender

S2. SC, ASK ALL

Are you...?

ROWS. MAINTAIN ORDER		
1	Male	
2	Female	
3	Other gender not listed above	
96	Prefer not to say	

## Region

S3. SC, ASK ALL

Which of the following areas do you live?

ROWS. MAINTAIN ORDER		
1	Channel Islands	CLOSE
2	East Anglia	
3	East Midlands	
4	Greater London	
5	North / North East	
6	North West	
7	Northern Ireland	
8	Scotland	
9	South East	
10	South West	
11	Wales	
12	West Midlands	
13	Yorkshire & Humberside	
99	None of these	CLOSE

dREGION.. SC HIDDEN QUESTION TO STORE REGION

1	North	S3 = 5, 6, 13
2	Midlands	S3 = 2, 3, 12
3	South	S3 = 4, 9, 10
4	NI	S3 = 7
5	Wales	S3=11
6	Scotland	S3=8

Postcode

S4. OE, ASK ALL

What is the postcode of the property where you live? If you have more than one property, please state the postcode of the place where you spend most of your time. The purpose of this is to analyse results using geographical areas. All data will be processed in adherence with your data protection rights and the Market Research Society's Code of Conduct.

Should you decide not to provide this information, it will not impact your ability to participate in this study

RECORD POSTCODE

96	Prefer not to say	
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Please note that everything you tell us is strictly confidential and this information will be used in the data analysis process only and will **NOT** be used for any other purpose.

**Social grade****S5. SC, ASK ALL**

Please indicate to which occupational group the Chief Income Earner in your household belongs, or which group fits best.

This could be you: the Chief Income Earner is the person in your household with the largest income.

If the Chief Income Earner is retired and has an occupational pension, **please answer for their most recent occupation.**

If the Chief Income Earner is not in paid employment but has been out of work for less than 6 months, **please answer for their most recent occupation.**

ROWS. MAINTAIN ORDER		
1	Semi or unskilled manual worker (e.g. Manual Workers, all Apprentices to be skilled trades, Caretaker, Park Keeper, non-HGV Driver, Shop Assistant)	
2	Skilled manual worker (e.g. Skilled Bricklayer, Carpenter, Plumber, Painter, Bus/ Ambulance Driver, HGV driver, AA Patrolman, Pub/Bar Worker, etc.)	
3	Supervisory or clerical/ junior managerial/ professional/ administrative (e.g. Office worker, Student Doctor, Foreman with 25+ employees, Salesperson, etc.)	
4	Intermediate managerial/ professional/ administrative (e.g. Newly qualified (under 3 years) Doctor, Solicitor, Board Director in a small organisation, Middle Manager in large organisation, Principal Officer in Civil Service/Local Government)	
5	Higher managerial/ professional/ administrative (e.g. Established doctor, Solicitor, Board Director in a large organisation (200+ employees, top level Civil Servant/Public Service Employee))	
6	Student	
7	Casual worker – not in permanent employment	
8	Housewife/ Homemaker	
9	Retired and living on state pension	
10	Unemployed or not working due to long-term sickness	
11	Full-time Carer of other household member	
98	Other	CLOSE

---

dSOCIAL. SC HIDDEN QUESTION TO STORE SOCIAL GRADE

1	A	S5 = 5
2	B	S5 = 4
3	C1	S5 = 3, 6
4	C2	S5 = 2
5	D	S5 = 1
6	E	S5 = 7-11

---

dSEG. SC HIDDEN QUESTION TO STORE SOCIAL GRADE

1	AB	S5 = 4, 5	
2	C1	S5 = 3, 6	
3	C2	S5 = 2	
4	DE	S5 = 1, 7-11.	

---

Ethnicity

S6. SC, ASK ALL

Which ethnic group best describes you?

ROWS. MAINTAIN ORDER		
1	White British	
2	White Irish	
3	Other White	
4	White and Black African/Caribbean	
5	White and Asian	
6	Other Mixed	
7	Indian	
8	Pakistani	
9	Bangladeshi	
10	Other Asian	
11	Black Caribbean	
12	Black African	
13	Other Black	
14	Chinese	
98	Other Ethnic Group (please specify)	OE TEXT BOX
96	Prefer not to say	

**Household income****S7. SC, ASK ALL**

What is your annual household income before tax? This includes state, private pensions and any regular benefits you may receive.

ROWS. MAINTAIN ORDER		
1	Less than £10,000	
2	Between £10,000 and £14,999	
3	Between £15,000 and £19,999	
4	Between £20,000 and £34,999	
5	Between £35,000 and £39,999	
6	Between £40,000 and £44,999	
7	Between £45,000 and £54,999	
8	Between £55,000 and £79,999	
9	Between £80,000 and £119,999	
10	Between £120,000 and £149,999	
11	Between £150,000 and £200,000	
12	More than £200,000	
96	Prefer not to say	

**Employment status****S8. SC, ASK ALL**

And which of the following describes your working status?

ROWS. MAINTAIN ORDER		
1	Working full time (30 or more hours per week)	
2	Working part time (fewer than 29 hours per week)	
3	In education with a job	
4	In education without a job	
5	Retired	
6	Housewife/husband	
7	Unemployed	

**Education level**

S9. SC, ASK ALL

Which of the following describes the highest level of education or qualification that you have achieved?

*If you're currently studying or working towards a qualification, please select this from the options below*

ROWS. MAINTAIN ORDER		
1	University degree or above	
2	A-levels or equivalent	
3	Apprenticeship or other qualification	
4	GCSEs or equivalent	
98	Other (please specify)	OE TEXT BOX
99	None of the above	

**Housing status**

S10. SC, ASK ALL

Thinking about your main home (where you live most of the time) what is your ownership situation?

ROWS. MAINTAIN ORDER		
1	Owned with a mortgage/loan	
2	Owned outright	
3	Rented from the Council	
4	Rented from someone else	
5	Rent-free from the Council	
6	Rent-free from someone else	
98	Other (please specify)	OE TEXT BOX

**Household size**

S11. OE NUM, ASK ALL. RANGE=1-25, INTEGER.

How many people, including yourself, live in your household?

*Please write in*

**Children in household**S12. **MC, ASK ALL.**

Do you have any children?

ROWS. MAINTAIN ORDER		
1	I don't have any children	EXCLUSIVE.
2	I have children living at home	
3	I have children but they do not live with me	
4	I have children but they've grown up and no longer live with me full-time	
98	Other	

**MONITOR NUMBERS SELECTING OTHER. CODE 2 CANNOT BE SELECTED IF S11=1****Age of children in household**S13. **NUMERIC, ASK ALL WHO HAVE CHILDREN AT HOME (S12=2)**

Thinking only about your children that you live with, how many children do you have in each age range?

Please write in a number for each age group:

**OPEN ENDED TEXTBOX NEXT TO EACH CODE. SHOW ERROR IF RESPONDENT DOES NOT WRITE A NUMBER IN EACH BOX. FOR THOSE CODING 2 AT S12 VALIDATE RESPONSE – IT SHOULD BE NO MORE THAN THE TOTAL SPECIFIED AT S11 (MINUS 1).**

*If you do not have a child in a particular age group, please enter 0.*

ROWS.		
1	0–3 years	OE
2	4–11 years	OE
3	12–17 years	OE
4	18 or older (and they live at home with me)	OE



Relationship status

S14. SC, ASK ALL

What is your current relationship status?  
Please select the appropriate answer

ROWS.		
1	Married	
2	In a civil partnership	
3	In a relationship but not living together	
4	In a relationship and living together	
5	Single (not in a relationship/divorced/separated/widowed etc.)	
98	Other (please specify)	OE TEXT BOX
96	Prefer not to say	

dCHECK. SC, ASK ALL, RANDOMISE.

Please select yellow from the list below.

1	Yellow	
2	Red	CLOSE
3	Blue	CLOSE
4	Green	CLOSE
5	Purple	CLOSE

TRAP QUESTION. REMOVE THOSE WHO DO NOT SELECT CODE 1

## SECTION B: Financial, physical and emotional profiling

**INTRO:**

Thanks for your answers so far. We would now like to ask you some more questions about yourself.

**A1. SC, ASK ALL**

How comfortable do you feel with your current financial situation?

*Please select one answer on a scale of 1 to 7 where 1 is 'not at all comfortable' and 7 is 'extremely comfortable'*

ROWS. MAINTAIN ORDER		
1	1 – Not at all comfortable	
2	2	
3	3	
4	4 – Neither uncomfortable nor comfortable	
5	5	
6	6	
7	7 – Extremely comfortable	

**A2. SC PER ROW, ASK ALL**

And how would you describe your current state of...

*Please select one answer per category on a scale of 1 to 7 where 1 is 'very poor' and 7 is 'very good'*

ROWS. RANDOMISE		
1	Physical health	
2	Mental health	

COLUMNS. MAINTAIN ORDER		
1	1 – Very poor	
2	2	
3	3	
4	4 – Neither poor nor good	
5	5	
6	6	
7	7 – Very good	

**A3. SC PER ROW, ASK ALL**

How happy are you with each of the following at the moment?

Please select one answer per category on a scale of 1 to 7 where 1 is 'very unhappy' and 7 is 'very happy'

ROWS. RANDOMISE		
1	Social life (i.e. going out with friends and family outside of work)	
2	Work life (i.e. your day-to-day work life and work relationships)	SHOW IF S8=1-3
3	Home life (i.e. your life at home with your family/housemates etc.)	

COLUMNS. MAINTAIN ORDER		
1	1 – Very unhappy	
2	2	
3	3	
4	4 – Neither unhappy nor happy	
5	5	
6	6	
7	7 – Very happy	

**A4. CAROUSEL, SC PER ROW, ASK ALL**

To what extent has the following been impacted **for you personally** by increases in cost of living in the last 6 months (since September 2022)?

Please select one answer per category on a scale of 1 to 7 where 1 is 'no negative impact and 7 is 'severely negatively impacted'

ROWS. RANDOMISE		
1	Financial security (i.e. how comfortable you are with the amount of money you currently have vs your outgoings)	
2	Physical health (i.e. your current health)	
3	Emotional wellbeing (i.e. your mental health and emotions)	
4	Social life (i.e. going out with friends and family outside of work)	
5	Work life (i.e. your day-to-day work life and work relationships)	SHOW IF S8=1-3
6	Home life (i.e. your life at home with your family/housemates etc.)	

COLUMNS. MAINTAIN ORDER		
1	1 – Not negatively impacted	
2	2	
3	3	
4	4 – Slightly negatively impacted	
5	5	
6	6	
7	7 – Severely negatively impacted	

**A5. RANK, ASK ALL**

And which of the following are you most concerned about regarding the cost of living increases? Please select the top 3 things you are most concerned about

COLUMNS. RANDOMISE		
1	Financial security	
2	Physical health	
3	Emotional wellbeing	
4	Social life	
5	Work life	SHOW IF S8=1-3
6	Home life	

**POTENTIAL SEGMENTATION INPUT:****A6. SC PER ROW, ASK ALL**

To what extent do each of the following describe how you feel in your day-to-day life?

Please select one answer per word on a scale of 1 to 7 where 1 is 'I do not feel this way at all' and 7 is 'this describes how I feel completely'

ROWS. RANDOMISE		
1	Motivated	
2	Anxious	
3	Worried	
4	Content	
5	Confident	
6	Helpless	
7	Happy	
8	Resilient	
9	Desperate	
10	Stressed	

COLUMNS. MAINTAIN ORDER		
1	1 – I do not feel this way at all	
2	2	
3	3	
4	4	
5	5	
6	6	
7	7 – This describes how I feel completely	

**QUALITY CHECK – REMOVE FLATLINERS**

**A7. CAROUSEL, SC PER ROW, ASK ALL**

To what extent do you agree or disagree with the following statements?

Please select one answer per statement on a scale of 1 to 7 where 1 is 'strongly disagree' and 7 is 'strongly agree'

ROWS. RANDOMISE		
1	The outlook for the UK is really worrying	
2	The media are making the fear and anxiety around the cost of living much worse	
3	Only lower income individuals are struggling at the moment	
4	People should stop complaining and just get on with it	
5	The cost of living situation isn't as bad as people think	
6	It feels like all my local shops / amenities are closing down	
7	People are not doing enough to help themselves and combat cost of living increases	

COLUMNS. MAINTAIN ORDER		
1	1 – Strongly disagree	
2	2	
3	3	
4	4 – Neither agree nor disagree	
5	5	
6	6	
7	7 – Strongly agree	

**QUALITY CHECK – FLAG FLATLINERS**

## SECTION C: Financial commitments and behaviour change

## INTRO

We would now like to focus on the items you're purchasing each month...

## ESSENTIAL COMMITMENTS

## B1. MC, ASK ALL

Which of these essentials do you spend money on monthly (even if you might be billed every quarter or annually)?

Please select all that apply to you

ROWS. RANDOMISE		
1	Fixed rate mortgage	EXCLUSIVE WITH EACH OTHER. RANDOMISE TOGETHER
2	Variable rate mortgage	
3	Rent	
4	Water bills	GROUP TOGETHER. RANDOMISE TOGETHER
5	Gas bills	
6	Electricity bills / heating oil or solid fuel	
7	Broadband	
8	Landline	
9	Mobile	
10	Car finances (e.g. car insurance, finance payments)	GROUP TOGETHER. RANDOMISE TOGETHER
11	Fuel (e.g. petrol/diesel)	
12	Council Tax	GROUP TOGETHER. RANDOMISE TOGETHER
13	Personal loans (e.g. credit card payments, debt obligations, personal loan repayments)	
14	Childcare costs	
15	Education costs (e.g. private school fees, additional tuition, music lessons, sports classes etc.)	
16	Home insurance	GROUP TOGETHER. RANDOMISE TOGETHER
17	Health / Life insurance	
98	Other (please specify)	FIXED.
99	None of the above	FIXED. EXCLUSIVE

QUALITY CHECK: MONITOR THOSE WHO SELECT CODE 99

**B2. SC PER ROW, ASK ALL**

And have you missed payments for any of the following in the last 6 months?

Please select one answer per item

ROWS. RANDOMISE		
1	Rent / mortgage payments	B1=1-3
2	Household bills (e.g. electricity, broadband etc.)	B1=4-9
3	Car finances and fuel	B1=10,11
4	Council Tax	B1=12
5	Personal loans	B1=13
6	Childcare and education costs	B1=14,15
7	Insurance payments (e.g. health, life)	B1=16,17

COLUMNS. MAINTAIN ORDER		
1	I fell behind on all/some payments	
2	I kept up with payments, but it was a struggle	
3	I kept up with payments without any difficulties	

**B3a. SC PER ROW, ASK ALL**

How much has the amount you spend on each of the below changed in the last 6 months?

Please select one answer per item

ROWS. MAINTAIN ORDER FROM B2		
1	SHOW CODES SHOWN AT B2	

COLUMNS. MAINTAIN ORDER		
1	I am spending much less	
2	I am spending a bit less	
3	I am spending the same amount	
4	I am spending a bit more	
5	I am spending much more	



## B3b. SC PER ROW, ASK ALL WHO ARE SPENDING MORE ON CATEGORY (B3a=4,5)

You said you were spending more on each of the following. Would you say this increase is driven by...

ROWS. MAINTAIN ORDER FROM B2		
1	SHOW CODES SELECTED 4 OR 5 AT B3a	

COLUMNS. MAINTAIN ORDER		
1	An increase in prices	
2	A change in my personal / household circumstances	
3	Both	

## B4. MC, ASK ALL

How would you describe your feelings towards recent price rises across essential payments (including rent, mortgage payments, bills etc)?

*Please select all that apply*

ROWS. RANDOMISE		
1	Angry	
2	Disappointed	
3	Concerned	
4	Anxious	
5	Worried	
6	Neutral	EXCLUSIVE.
7	Unfazed	EXCLUSIVE.
8	Fearful	
9	Surprised	
98	Other (please specify)	FIXED. OE TEXT BOX
99	None of the above	EXCLUSIVE. FIXED

**FOOD / LEISURE:****B5. MC, ASK ALL**

Which of the following do you spend money on monthly? This includes for yourself and other members of your household.

*Please select all that apply*

<b>ROWS. RANDOMISE</b>		
1	Eating out	
2	Ordering takeaways	
3	Drinking out (e.g. in pubs, coffee shops etc.)	
4	Gym/club memberships (e.g. sports club)	
5	Music or TV subscriptions (e.g. Netflix, Spotify)	
6	Clothes, shoes or accessories	
7	Beauty (e.g. make-up, haircuts, treatments)	
8	Day to day small treats (e.g. chocolate, sweets, wine – items that don't form part of your usual food shop)	
9	Days out or visits to entertainment venues (e.g. visiting an attraction, going to the cinema)	
10	Gambling or mobile gaming	
11	Items for the home, DIY or gardening	
12	Mini breaks/holidays	
13	Any other hobbies, activities of interests	<b>FIXED</b>
14	Other subscriptions/memberships	<b>FIXED</b>
98	Other (please specify)	<b>FIXED</b>
99	None of the above	<b>FIXED, EXCLUSIVE</b>

**QUALITY CHECK: MONITOR THOSE WHO SELECT CODE 99**

**B6. SC PER ROW, ASK ALL**

And how much of a struggle has it been financially to afford each of the following?

Please select one answer per category on a scale from 1 to 7 where 1 is 'I struggle to afford this' and 7 is 'I can comfortably afford this'

ROWS. MAINTAIN ORDER FROM B5		
1	SHOW CODES SELECTED AT B5	
15	Grocery shopping (e.g. food and drink)	

COLUMNS. MAINTAIN ORDER		
1	1 – I struggle to afford this	
2	2	
3	3	
4	4	
5	5	
6	6	
7	7 – I can comfortably afford this	

**DACTIVITYWORDING**

This hidden variable will be utilized to pipe in wording from B5 into B7

ROWS. RANDOMISE		
1	Eating out	B5=1
2	Ordering takeaways	B5=2
3	Drinking out	B5=3
4	Going to the gym / exercise classes	B5=4
5	Music / TV subscriptions	B5=5
6	Buying clothing, shoes or accessories	B5=6
7	Beauty treatments / products (e.g. haircuts)	B5=7
8	Day to day small treats (e.g. chocolate, sweets)	B5=8
9	Days out or visits to entertainment venues (e.g. cinema, visiting an attraction)	B5=9
10	Gambling or mobile gaming	B5=10
11	Buying items for the home, DIY or gardening	B5=11
12	Mini breaks/holidays	B5=12
13	Any other hobbies, activities of interests	B5=13
14	Other subscriptions/memberships	B5=14

**B7. LOOP SET UP. MC PER ROW, ASK ALL**

Have you changed your behaviour for any of the following in the last 6 months (since September 2022) to deal with the increase in the cost of living? This could be either spending less on this, or doing / buying less often.

Please select as many answers that apply for each of the below.

ROWS. MAINTAIN ORDER FROM B5		
1	SHOW CODES FROM DACTIVITYWORDING	
15	Grocery shopping (e.g. food and drink)	

COLUMNS. MAINTAIN ORDER		
1	I am spending less on this	EXCLUSIVE FROM CODE 5
2	I am doing/buying this less frequently	EXCLUSIVE FROM CODE 4. DO NOT SHOW FOR DACTIVITYWORDING=5
3	No change in spend/behaviour	EXCLUSIVE PER ROW
4	I am doing/buying this more frequently	EXCLUSIVE FROM CODE 2. DO NOT SHOW FOR DACTIVITYWORDING=5
5	I am spending more on this	EXCLUSIVE FROM CODE 1

**B8. SC, ASK ALL**

Imagine your household has to pay an unexpected bill of £300 within seven days from today. Which, if any, of the following would you do to pay this bill? If you think you would do more than one, please select the main thing you would do, that is the one you would get the most money from.

Please select one answer

ROWS. RANDOMISE		
1	Pay it with my / our own money, without dipping into savings or cutting back on essentials	
2	Pay it with my / our own money, but I / we would have to cut back on essentials	
3	Dip into savings	
4	Use a form of credit (e.g. credit card, loan or overdraft facility)	
5	Borrow money or receive financial support from friends or family	
6	Sell or pawn belongings (e.g. clothing, jewellery)	
7	I couldn't pay this bill	FIXED
97	Don't know	FIXED
96	Prefer not to say	FIXED

#### **SECTION D: Recession based behaviours and impact**

Thanks for all your answers so far. We'd now like to ask you about actions you may or may not have done recently to help ease pressures from increased living costs.

---

## C1. MC, ASK ALL

Thinking about the last 6 months (i.e. since September 2022), which of the following have you done to try and ease the financial pressure on you / your household?

Please select all that apply

ROWS. GROUP CATEGORIES. RANDOMISE WITHIN CATEGORIES. RANDOMISE ORDER CATEGORIES SHOWN. SHOW ACROSS 3 SCREENS. SHOW CATEGORY HEADERS		
<b>ENERGY</b>		
1	Not turned the heating on when it's cold	
2	Worn extra layers in the house	
3	Purchased blankets / hot water bottles / electric blankets to stay warm	
4	Reduced how often I use the oven	<b>SHOW TOGETHER</b>
5	Reduced how often I use other appliances (e.g. wash clothes or dishes less frequently)	
6	Used other cooking methods to save energy (e.g. an air fryer)	
7	Reduced the number of baths I have / length of my showers	
<b>GROCERIES</b>		
8	Bought less food	
9	Bought cheaper versions of my usual items (e.g. supermarket value ranges/fewer branded items)	<b>SHOW TOGETHER IN ORDER</b>
10	Bought cheaper food (e.g. less meat/fish and more vegetables)	
11	Changed where I shop to a cheaper supermarket/shop	
12	Bought more frozen and/or tinned food	
13	Eaten more food that doesn't need to be cooked / heated up	
<b>PHYSICAL HEALTH</b>		
14	Skipped a meal / meals	
15	Not gone to the doctors / dentist when I needed to	
16	Eaten more fast food / ready meals / less healthy food	
17	Eaten less fruit and veg	
<b>FINANCIAL BEHAVIOUR</b>		
18	Dipped into savings to pay for bills/other expenses	
19	Reduced how often / the distance you drive	
20	Worked more hours / more overtime	
21	Taken out credit (e.g. credit card/loan)	
22	Bought products using 'buy now pay later' schemes (e.g. Klarna, PayPal Pay)	
23	Monitored my finances and budgeting more	
24	Have stopped my insurance cover	
<b>GENERAL PURCHASING</b>		
25	Shopped at cheaper / discounted retailers	<b>SHOW TOGETHER</b>
26	Shopped at a wider range of shops	
27	I've switched accounts / providers to save money or for a cash bonus	
28	Sold old/unnecessary items (e.g. appliances, books or clothes)	
29	Closed subscriptions/memberships	
<b>SOCIALISING</b>		
30	Eaten out less / ordered fewer takeaways	
31	Cut down on alcohol consumption	
32	Met friends / family less frequently	
33	Spent more time at home	
<b>CONNECTIVITY</b>		

34	Moved to pay as you go options (e.g. mobile phone, energy)	
35	Capped usage to prevent overspend where possible (e.g. on mobile phone contract)	
36	Moved my phone to 'contract only'	
37	Moved to cheaper contracts (e.g. broadband, mobile, TV)	
<b>CHILDCARE</b>		
38	Reduced my child's out of school activities (e.g. swimming lessons, sport)	SHOW IF S12=2 OR 3
39	Reduced education costs where possible (e.g. after school clubs, extra tuition)	SHOW IF S12=2 OR 3
99	None of the above	EXCLUSIVE. FIXED. TO BE SHOWN ON ALL PAGES

## SECTION E: Financial harm

## INTRO

Thanks for all your answers so far. We'd now like to ask you about actions you may or may not have done recently to help ease pressures from increased living costs.

## POTENTIAL SEGMENTATION INPUT:

## D1. SC PER ROW, ASK ALL

To what extent do you agree or disagree with the following statements?

*Please select one answer per statement on a scale of 1 to 7 where 1 is 'strongly disagree' and 7 is 'strongly agree'*

ROWS. RANDOMISE		
1	I feel less in control of my money than I did six months ago	
2	The amount of debt I have has increased over the last six months	
3	I worry that I won't have enough saved for when I retire	
4	I'm really struggling to make ends meet every month	
6	I enjoy the challenge of making my money go as far as possible	
7	I'm using budgeting tools more than and more efficiently than I was before	
8	I have become much more aware of my spending and my finances	
9	I am concerned about the financial security of my family members / household	

COLUMNS. MAINTAIN ORDER		
1	1 – Strongly disagree	
2	2	
3	3	
4	4 – Neither agree nor disagree	
5	5	
6	6	
7	7 – Strongly agree	

QUALITY CHECK – FLAG IF RESPONDENT FLATLINES AT ALL CODES



D2. **SC, ASK ALL**

How would you describe the current level of savings you have?

*Please select the appropriate answer*

ROWS. MAINTAIN ORDER		
1	I don't have any savings	
2	I have a small amount of savings	
3	I have a comfortable amount of savings	
4	I have a significant amount saved	

D3. **SC, ASK ALL**

How would you describe the current level of debt you have?

By this we mean loans, credit cards, buy now pay later etc. This doesn't include student debt, mortgage, car leases/finance etc.

*Please select the appropriate answer*

ROWS. MAINTAIN ORDER		
1	I don't have any debt	
2	I have a small amount of debt	
3	I have a fair amount of debt	
4	I have a significant amount of debt	

## SECTION F: Physical health and impact

## INTRO

We would now like you to think about the impact that increased living costs may or may not have had on you / your household...

## E1. MC, ASK ALL

Which of the following has happened to you / others in your household in the last six months, as a direct result in the increased financial pressure on you / your household?  
Please select all that apply

ROWS. RANDOMISE		
1	Lost a significant amount of weight	
2	Put on a significant amount of weight	
3	Haven't been able to afford to get to a doctor's appointment / hospital appointment	
4	Haven't been able to get the medicine / prescriptions I need	
5	Eaten less fruit and veg than I used to	
6	Eaten more unhealthy food than I used to	
7	It's taken me longer to recover if I've been ill	
8	Struggle to sleep / getting less sleep than I used to	
9	Not being able to put as much food on the table	
10	I think my children are finding it harder to concentrate at school	SHOW IF S12=2 OR 3
11	Prioritising meals for other family members	
12	Stopped going to the gym / exercising less	
99	None of the above	FIXED. EXCLUSIVE

**POTENTIAL SEGMENTATION INPUT:****E2. SC PER ROW, ASK ALL**

Still thinking about the impact of rises in living costs, to what extent do you agree or disagree with the following statements?

*Please select one answer per statement on a scale of 1 to 7 where 1 is 'strongly disagree' and 7 is 'strongly agree'*

ROWS. RANDOMISE		
1	I worry that me / others in my household aren't eating healthily enough	
2	I'm worried about the health of my household and keeping them well	
3	I'm worried increased living costs will have a negative impact on my long-term physical health	
4	I'm finding new creative ways to stay healthy / fit	
5	I worry that my ability to recover from illness is worse than it used to be	
6	I'm worried about my ability to stay fit and healthy for work	
7	I've cut down my food waste as I only buy what I need	
8	I don't have any motivation to get fit / stay healthy	
9	I worry that I'll be in and out of hospital more often	
10	I worry that I'll need more healthcare / treatment	
11	I'm worried about eating less ethically than I would like to (e.g. welfare standards, organic products etc)	

COLUMNS. MAINTAIN ORDER		
1	1 – Strongly disagree	
2	2	
3	3	
4	4 – Neither agree nor disagree	
5	5	
6	6	
7	7 – Strongly agree	

**QUALITY CHECK – FLAG FLATLINERS**

SECTION G: Emotional health and impact

F1. MC, ASK ALL

Again, which of the following has happened to you / others in your household in the last six months, as a direct result of the increased financial pressure on you / your household?  
*Please select all that apply*

ROWS. RANDOMISE		
1	My anxiety levels have increased	
2	I've begun to seek treatment for my mental health	
3	I've separated from my partner	
4	My energy levels have dipped / feel more lethargic	
5	My child/ren's energy levels are lower than they used to s12be	SHOW IF S12=2-4
6	I'm less motivated than I used to be	
7	I have more sleepless nights than I used to	
8	I am snappier / more argumentative than I used to be	
99	None of the above	FIXED. EXCLUSIVE.

**POTENTIAL SEGMENTATION INPUT:****F2. SC PER ROW, ASK ALL**

Still thinking about the impact of rises in living costs, to what extent do you agree or disagree with the following statements?

*Please select one answer per statement on a scale of 1 to 7 where 1 is 'strongly disagree' and 7 is 'strongly agree'*

<b>ROWS. RANDOMISE</b>		
1	I struggle to enjoy the little things in life any more	
2	I don't feel like I have the means to escape how tough it is at the moment	
3	It feels like I'm simply existing instead of living	
4	I rarely manage to afford any treats for me / others in my household	
5	My relationship with my partner is under significant strain	<b>S14=1-4</b>
6	I'm getting more distant from my friends	
7	I have cut back on things I enjoy doing	
8	I have elderly relatives who I worry will not be able to afford the essentials	
9	I feel like I'm not coping at all well with the impact of increased financial pressures	
10	I don't really know where to turn to for support to get through this period of my life	
11	Current support / services don't do enough to support me through increases in the cost of living	
12	Others make too much fuss about the increases in the cost of living	
13	I've enjoyed spending more time at home	
14	I've enjoyed spending more time on free outdoor activities (e.g. walking)	

<b>COLUMNS. MAINTAIN ORDER</b>		
1	1 – Strongly disagree	
2	2	
3	3	
4	4 – Neither agree nor disagree	
5	5	
6	6	
7	7 – Strongly agree	

**QUALITY CHECK – FLAG FLATLINERS**

## SECTION H: Hierarchy of concern

**INTRO:** We are now going to show you a list of things that you, your household or others around you may experience as a result of increases in the cost of living. On each screen, we'll ask you which is of most concern and least concern to you right now.

**POTENTIAL SEGMENTATION INPUT:****G1. MAX DIFF, ASK ALL**

Thinking about the different things you, your household, or those around you may experience as a result of increases in the cost of living, which of the following is most and least concerning to you right now?

*Please select the most concerning to you (on the left side) and the least concerning to you (on the right side)*

MAX DIFF		
1	Decline in my personal mental health	
2	Decline in my personal physical health	
3	Decline in mental health of my family or friends	
4	Decline in physical health of my family or friends	
5	Concern for family, friends etc. who are less financially stable	
6	Feeling socially isolated from my friends / family	
7	Negative impact on my personal investments	
8	Worry about my ability to enjoy my life	
9	Increase in my anxiety levels	
10	Ability to cope with day-to-day life	
11	Decline in personal relationships	
12	Ability to take care of my family / household	

Dual response of Max Diff, show on same screen as each Max Diff exercise: And thinking about the options you've just seen, on the following scale, how concerning are the items above?

COLUMNS. MAINTAIN ORDER		
1	None of these are concerning to me	
2	Some of these are concerning to me	
3	All of these are concerning to me	

G2. **OE, ASK ALL**

And finally, how would you describe the impact the increase in cost of living has had on you personally?  
Please type your answer in the box below

**TEXT BOX**

**CHECK OPEN ENDS FOR QUALITY**

**SECTION P: Additional profiling**

**INTRO**

Thanks for all your answers so far. We have a few final questions to better understand who we've spoken to.

**10. SC, ASK ALL**

Which of the following areas do you live?

<b>ROWS. MAINTAIN ORDER</b>		
1	Channel Islands	<b>CLOSE</b>
2	East Anglia	
3	East Midlands	
4	Greater London	
5	North / North East	
6	North West	
7	Northern Ireland	
8	Scotland	
9	South East	
10	South West	
11	Wales	
12	West Midlands	
13	Yorkshire & Humberside	
99	None of these	<b>CLOSE</b>

**QUALITY CHECK – CHECK IF ANSWER MATCHES EARLIER RESPONSE (S3)**

## 11. SC, ASK ALL

Have you used a food bank in the last 6 months?

Please select the appropriate answer

## ROWS. MAINTAIN ORDER

1	Yes	
2	No	
97	I don't know	
96	Prefer not to say	

## 12. MC, ASK ALL

Do you currently receive any of the following support? This may be financial or non-financial.

Please select all that apply

## ROWS. SHOW ALPHABETICALLY

1	State Pension	
2	Private Pension	
3	Jobseekers Allowance	
4	Tax credits	
5	Universal credit	
6	Pension credit	
7	Carers Allowance	
8	Child Benefit	
9	Employment and Support Allowance	
10	Discounted energy/water bills	
11	Food Vouchers	
12	Financial support from family / friends	
13	Government childcare support / free nursery hours	GROUP TOGETHER
14	Free childcare support from family / friends	
15	Paid childcare support from family / friends	
98	Other (please specify)	FIXED.
97	I don't know	FIXED. EXCLUSIVE
96	Prefer not to say	FIXED. EXCLUSIVE
99	None of the above	FIXED. EXCLUSIVE



## 13. MC, ASK ALL

Which of the following products do you currently own or subscribe to?

*Please select all that apply*

ROWS.		
1	Landline / home phone	GROUP TOGETHER, SHOW FIRST
2	Mobile phone	
3	Home broadband	
4	BT TV	GROUP TOGETHER. SHOW ALPHABETICALLY
5	Sky TV	
6	Virgin Media TV	
7	EE TV	
8	Now	
9	Netflix	
10	Amazon Prime	
11	Freeview / Freesat (terrestrial TV)	
12	Apple TV	
13	Disney+	
14	Britbox	
15	BT Sport	
16	Amazon Fire Stick	
17	Google Chromecast	
99	None of the above	FIXED. EXCLUSIVE

14. SC, ASK ALL

Which of the following retailers do you tend to use for your weekly food shop?  
Please select one answer

ROWS. SHOW ALPHABETICALLY		
1	ASDA	
2	Aldi	
3	Lidl	
4	Tesco	
5	Morrisons	
6	Sainsburys	
7	Waitrose	
8	M&S food	
9	Other local supermarket	
10	Wet market / food market	
98	Other (please specify)	



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