



# State of the nation switching report

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# Foreword

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Since the cost-of-living crisis began in late 2021, household budgets have been under increasing strain. Everyday spending has been cut back as families across the UK have made sacrifices to make ends meet. And yet, there's one thing many have missed which could provide vital savings – switching their household services.

With thanks to Opinium Research for conducting the study and Dr Martha Newson for her work on switching behaviours, this report sets out the UK's attitudes to switching, the barriers preventing people from changing suppliers and what can be done to help more people switch.

Despite the difficult economic climate, more than a quarter of households (26%), or 12.7m people, have not switched their energy, broadband, mobile or insurance provider in over three years and are missing out on an average saving of £200 per year. Given that three-quarters of bill payers still fear that the price of household services will rise over the next twelve months, the question remains: why aren't more consumers switching to find a better deal?

For many, it's due to a long-held belief that all suppliers are “essentially the same.” This is fuelling a sense of switching inertia: our research revealed that apathy was the number one barrier to switching, followed by concerns that switching is too complicated and that it takes too long. This “switching inertia” is having a detrimental impact on household budgets, costing the UK more than £2.5 billion a year in higher bills.

Whilst it's true that most suppliers in the market are the same, there are some genuinely innovative players. For example, at Utility Warehouse, we offer customers something different by enabling them to bundle together their four key household services (energy, broadband, mobile and insurance) into one bill and by doing so, they unlock significant savings.

The good news is that there are things that can be done to help people switch. Many consumers feel that the switching process would be made easier if they were able to speak to someone on the phone or in-person, or if the application process was quicker. A personal recommendation from a friend or family member also goes a long way to helping people switch. Over half of us trust the advice of someone we know when trying to find the right deal which shows how powerful word-of-mouth recommendations can be.

More broadly, as a supplier of all four of the services surveyed, we believe this research offers invaluable insight into how the industry can better support consumers in the switching process, empowering them to explore the market and help them stop wasting time and money on their household bills.

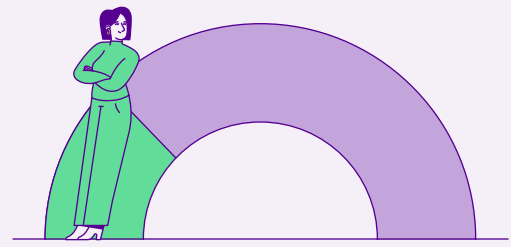
# The UK's switching habits

Source: Opinium research, commissioned by Utility Warehouse, September 2023

More than

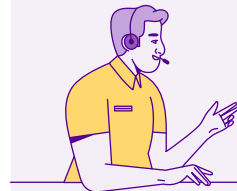
## 1 in 5

households say they aren't looking for a better deal because they believe all suppliers are 'essentially the same'



## 12.7 million

Brits haven't switched a key household service - energy, mobile, broadband or home insurance - in over three years



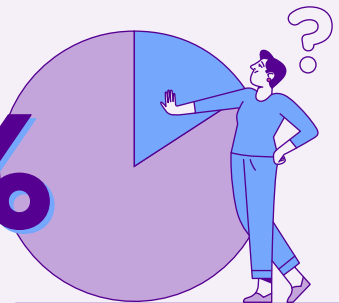
of people want it to be easier to speak to someone when switching services in person or on the phone



## 52%

of Brits trust the advice of someone they know when trying to find deals — such as a family member or a neighbour

## 16%

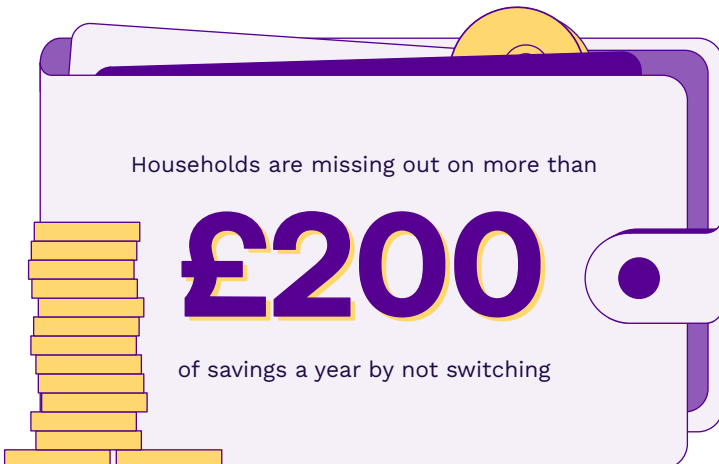


say they don't switch because they find the process too complicated

Households are missing out on more than

## £200

of savings a year by not switching



Switching inertia is costing the UK more than

## £2.5bn

a year in higher bills



# Four switching personality types

These switching personality types have been developed by leading Associate Professor of Psychology Dr Martha Newson. They uncover the personality traits that may make people more or less likely to switch suppliers.

## Deal Hunter

Highly motivated and with a positive outlook on switching, the Deal Hunter eagerly embarks on the journey to find the best deals on the market as they hate wasting money.



## Social Switcher

For the Social Switcher, motivation to switch deals may not stem from a personal drive but rather from trusting relationships within their social network.



## Stuck Switcher

The Stuck Switcher lacks enthusiasm when it comes to changing providers. They can exhibit a sense of disinterest towards the idea of switching, often doubting the value it can bring.



## Deal Deliberator

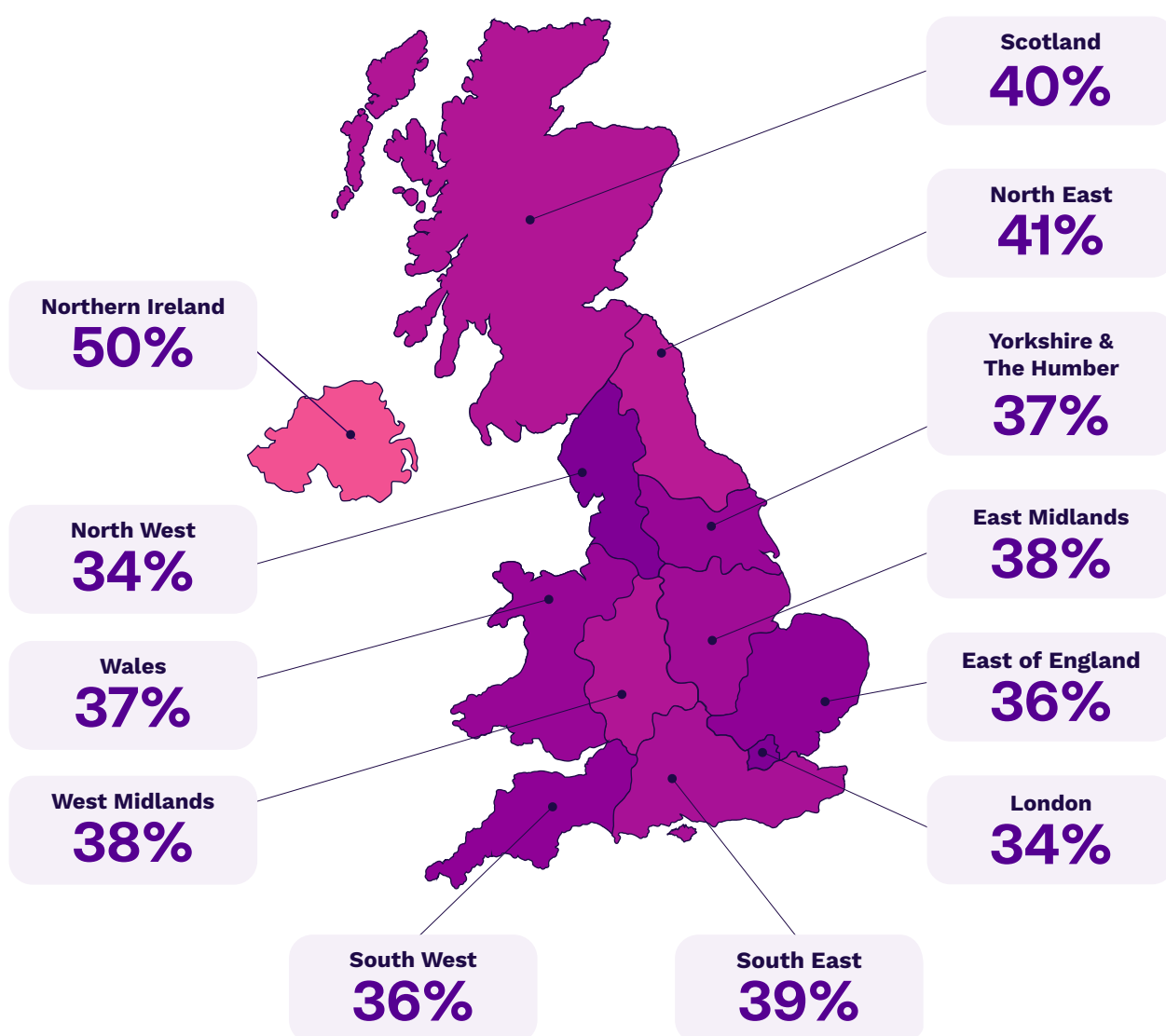
The Deal Deliberator is motivated to switch deals and is passionate about saving. However, although they often have the skills to do so, they may be sceptical about the switching process.





# Percentage of people who've never switched a core service

Source: Opinium research, commissioned by Utility Warehouse, September 2023  
Core services refer to energy, broadband, mobile and insurance services



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