Attempts to Get ULTS among Those Aware

Table 8.3

All non-customers aware of ULTS were asked if they had ever tried to get it and, if so, why they don't have it.

Responses are shown opposite.

Highlights

Non-customers aware of ULTS divide about equally between those who have tried to get it (48%) and those who have not (49%).

Among non-customers who tried to get it, 40% say they were unable to get it because of an outstanding balance. Another 21% say they were able to get it, but they discontinued it. Few say they did not meet the qualifications.

By company: These findings are about the same for both companies.

By ethnicity/race: Whites and Blacks who are aware of ULTS are much more likely than Hispanics to have tried to get it: 64% and 57% vs. 38%, respectively. LD Hispanics are equally likely to have tried to get it as NLD Hispanics: 36% and 42% respectively.

Compared to matched customers: Relatively few of the matched customers aware of ULTS say they have tried to get it, and the main reason they do not have it now is that they did not meet the qualifications.

Reason(s) Have Not Tried to Get ULTS

	Non-customers								Matched Customers		
				Hispanic							
	Total	GTE	PB	Tot	LD	NLD	Black	White	Total	GTE	PB
	%	%	%	%	%	%	%	%	%	%	%
% of those aware who have not tried to get it	49	53	48	59	64	50	40	37	82	90	81
Reasons given for not trying to get ULTS (volunteered) —											
Have never had phone service	37	27	38	28	24	38	37	68	*	2	-
No reason, just didn't try	4	11	4	6	4	11	3	1	27	28	27
Income too high; don't qualify for it	9	6	9	8	8	8	13	10	23	20	23
Don't need welfare; can afford to pay	8	-	9	7	7	8	10	9	8	2	9
Limited calls	3	-	3	2	-	8	8	-	5	3	5
Didn't know about it	11	12	11	11	15	3	19	-	20	17	21
Don't know how to get it	8	5	8	10	11	9	8	-	8	6	9
Can't afford it	7	11	7	9	8	9	1	9	-	-	-
Owe phone company money	4	5	4	4	6	1	8	1	-	-	-
Other	18	19	18	24	25	22	8	2	12	16	11
Base	(130)	(64)	(66)	(88)	(62)	(26)	(24)	(17)	(111)	(66)	(45)

* Less than 0.5%

Source Q 104 106 107(NC) Q 105 108 109(C)

Field Research Corporation

Reason(s) Have Not Tried to Get ULTS

Table 8.4

All those aware who have not tried to get it were asked why they have not tried to get it.

Responses are shown opposite.

Highlights

The main reason given by non-customers for not trying to get ULTS is that they have just never had phone service. A variety of other reasons are given with no one thing representing a majority of the reasons.

All in all, what may be most important here is the absence of many comments about cost. Those aware who have not tried to get it rarely cite cost as a reason for not doing so.

There are some who give reasons suggesting that they feel hesitant about calling the phone company, but these are mentioned by fewer than one in ten of those aware who have not tried to get it.

NOTE: All percentages are based on the percent of those aware who have not tried to get it. In total, this is just 24% of all non-customers (48% aware times 49% not tried to get it). Extreme care is urged in the use of these percentages because they are based on such a small sub-base.

Card b
GTE
Non-Customer
(YELLOW)

Universal Lifeline Telephone Service

This is a special service for lower income people.

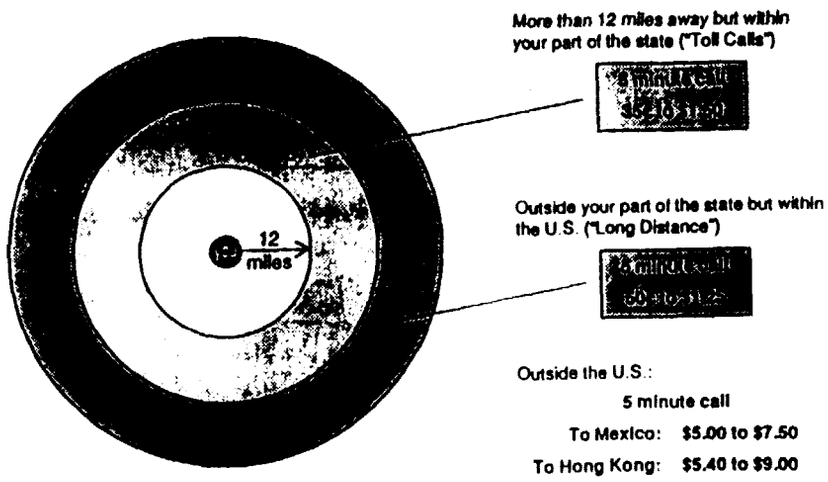
You have a choice between 2 types of service: Measured Rate and Flat Rate.

If you make more than 88 local calls each month (calls within 12 miles of your home), the Flat Rate will save you money.

	Measured Rate	Flat Rate
Basic monthly service cost	$1.63	$3.87
Charge for up to 60 local calls (a)	None	None
Charge for additional local calls (a)	8¢ per call	None
Charge for calls to locations more than 12 miles away	Varies depending on when you call, how far away you call, and how long you talk	
Installation charge	$23.00 This may be paid in 3 monthly installments.	
Deposit requirement	None unless you have previously had service disconnected because of non-payment	

(a) "Local calls" are calls within 12 miles of where you live.

Some typical rates for calls to locations more than 12 miles away are shown below:



Card B
PB
Non-Customer
(WHITE)

Universal Lifeline Telephone Service

This is a special service for lower income people.

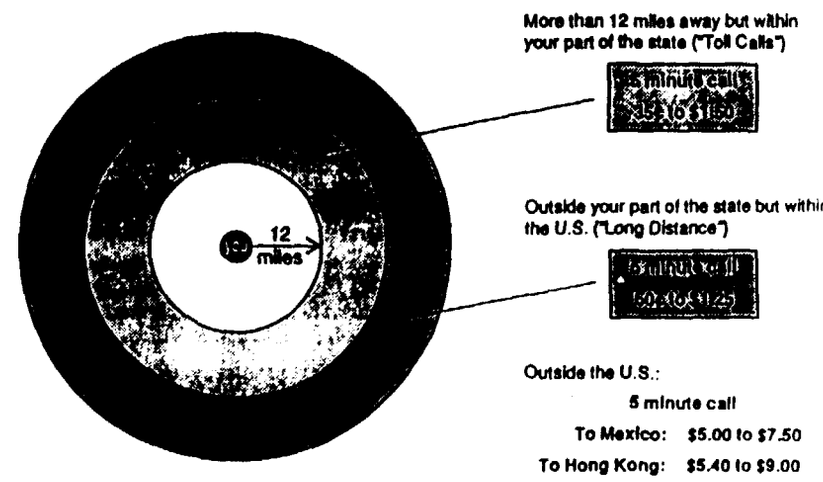
You have a choice between 2 types of service: Measured Rate and Flat Rate.

If you make more than 85 local calls each month (calls within 12 miles of your home), the Flat Rate will save you money.

	Measured Rate	Flat Rate
Basic monthly service cost	$1.23	$3.18
Charge for up to 60 local calls (a)	None	None
Charge for additional local calls (a)	8¢ per call	None
Charge for calls to locations more than 12 miles away	Varies depending on when you call, how far away you call, and how long you talk	
Installation charge	$17.38 This may be paid in 3 monthly installments.	
Deposit requirement	None unless you have previously had service disconnected because of non-payment	

(a) "Local calls" are calls within 12 miles of where you live.

Some typical rates for calls to locations more than 12 miles away are shown below:



Reactions to ULTS

At this point, non-customers who qualify for the service (or are uncertain if they would) were shown a card which described the service. Separate cards were used for GTE and Pacific Bell. These cards are shown (reduced) on the opposite page.

Non-customers were then led through a series of questions to get their reactions to:

(a) the installation charge
(b) the deposit requirement

The following tables show responses to those questions.

Reactions to Installation Charge for ULTS

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Told installation is $23.00/$17.23, can pay in 3 installments								
% Say they —								
Could afford this	89	90	89	90	96	80	94	82
Not sure, depends	7	5	7	7	4	12	4	11
Could not	4	5	4	3	1	9	3	6
Installation cost is —								
Less than thought	63	56	64	65	67	63	61	59
Same as thought	19	22	19	16	19	11	20	23
More than thought	10	13	9	11	10	13	10	7
Had no idea	9	9	9	8	4	14	9	11
% Believe it would cost (a) —								
Less than $20	10	5	11	11	12	7	18	2
No idea	29	30	29	31	33	28	26	26
$20 or more	61	65	61	58	55	65	56	72
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

(a) Earlier in interview, when asked about cost to start service

Source: Q.109, 110, 53(NC)

Reactions to Installation Charge for ULTS

Table 8.5

Highlights

The large majority of non-customers who qualify for ULTS (or are uncertain) say they could afford the installation cost of ULTS: $23 (GTE) or $17.38 (Pacific Bell) in 3 installments if desired.

For most, this is less than they thought it would be (63%). Only 10% say this is more than they thought. This is consistent with what they said earlier when asked what they thought it would cost to start up service -- most (61%) gave estimates of $20 or more. One in ten (10%) estimated less than $20. Almost a third (29%) could not make an estimate.

Reactions to Deposit for ULTS

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Told no deposit unless have outstanding balance, and then payments can be spread out								
% Had service disconnected	42	44	41	37	27	54	62	37
Among this group, % aware —								
Payments can be spread	34	34	34	36	34	38	41	18
Not aware of this	66	66	66	64	66	62	59	83
Base	(204)	(106)	(98)	(106)	(54)	(52)	(63)	(31)
% Not had service disconnected	58	56	58	62	71	44	38	63
Among this group, % aware —								
No deposit required	16	24	15	15	13	24	19	13
Not aware of this	85	76	85	85	88	76	81	87
Base	(273)	(139)	(134)	(185)	(129)	(56)	(36)	(43)
% Believe (a) —								
No deposit required	16	20	16	21	22	19	9	13
DK if required	20	21	20	24	24	22	13	18
Must pay deposit	64	59	64	56	54	59	78	70
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

(a) Earlier when asked if deposit is required

Source: Q.111, 112, 113, 54(NC)

Reactions to Deposit for ULTS

Table 8.6

Highlights

Questions about the deposit were, by design, related to whether they had had service disconnected by the phone company.

66% of the 42% who had had service disconnected were NOT aware they could spread the payments out; 34% were aware of this.

Similarly, but in a different vein, only 16% of those who had not had service disconnected were aware there is no deposit requirement in that case -- 85% were not aware of this.

These findings are generally consistent with the findings from an earlier point in the interview where the majority of non-customers thought a deposit was required.

By company: While most of those who have not had service disconnected think there is a deposit requirement, GTE non-customers are somewhat more aware than Pacific Bell's non-customers that there is no deposit required in that case: 24% vs. 15%.

By ethnicity/race: Hispanics and Blacks who have had service disconnected are more aware of the installment option than are Whites, although the bases for this level of analysis are quite small.

Awareness that no deposit is required if one has not had a disconnect is almost equally low across all groups.

Universal Lifeline Telephone Service

GTE
Non-Customer
(YELLOW)

This is a special service for lower income people.

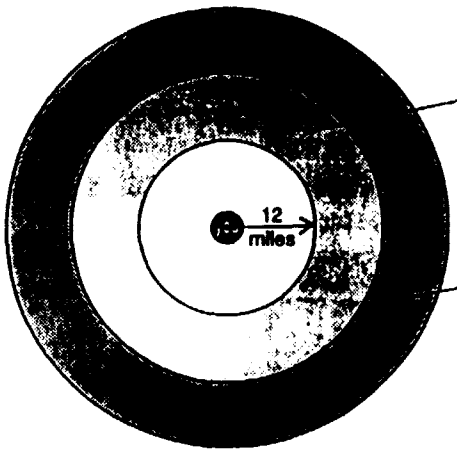
You have a choice between 2 types of service: Measured Rate and Flat Rate.

If you make more than 88 local calls each month (calls within 12 miles of your home), the Flat Rate will save you money.

	Measured Rate	Flat Rate
Basic monthly service cost	$1.63	$3.87
Charge for up to 60 local calls (a)	None	None
Charge for additional local calls (a)	8¢ per call	None
Charge for calls to locations more than 12 miles away	Varies depending on when you call, how far away you call, and how long you talk	
Installation charge	$23.00 This may be paid in 3 monthly installments.	
Deposit requirement	None unless you have previously had service disconnected because of non-payment	

(a) "Local calls" are calls within 12 miles of where you live.

Some typical rates for calls to locations more than 12 miles away are shown below:



More than 12 miles away but within your part of the state ("Toll Calls")

5 minute call
35¢ to $1.50

Outside your part of the state but within the U.S. ("Long Distance")

Outside the U.S.:

5 minute call

To Mexico: $5.00 to $7.50

To Hong Kong: $5.40 to $9.00

Universal Lifeline Telephone Service

PB
Non-Customer
(WHITE)

This is a special service for lower income people.

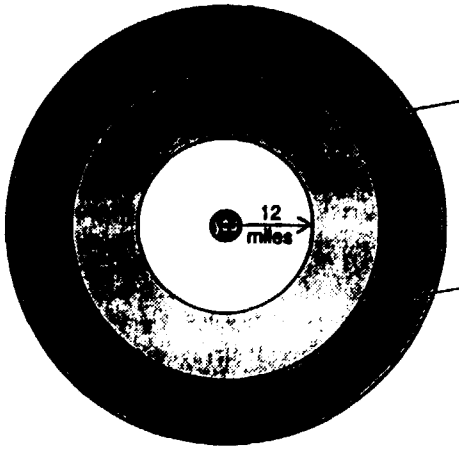
You have a choice between 2 types of service: Measured Rate and Flat Rate.

If you make more than 85 local calls each month (calls within 12 miles of your home), the Flat Rate will save you money.

	Measured Rate	Flat Rate
Basic monthly service cost	$1.23	$3.18
Charge for up to 60 local calls (a)	None	None
Charge for additional local calls (a)	8¢ per call	None
Charge for calls to locations more than 12 miles away	Varies depending on when you call, how far away you call, and how long you talk	
Installation charge	$17.38 This may be paid in 3 monthly installments.	
Deposit requirement	None unless you have previously had service disconnected because of non-payment	

(a) "Local calls" are calls within 12 miles of where you live.

Some typical rates for calls to locations more than 12 miles away are shown below:



More than 12 miles away but within your part of the state ("Toll Calls")

Outside your part of the state but within the U.S. ("Long Distance")

Outside the U.S.:

5 minute call

To Mexico: $5.00 to $7.50

To Hong Kong: $5.40 to $9.00

Costs of Calls

Introduction

Non-customers who qualify for ULTS (or are uncertain) were asked to look at the bottom half of the card at the examples of costs for various types of calls.

For convenience, the rates are shown in reduced size opposite (bottom half of description -- shaded areas).

Limiting Calling to Areas within 12 Miles of Home

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Limiting calls to areas within 12 miles would be —								
Very easy	44	47	44	49	50	46	41	38
Fairly easy	23	16	23	21	19	24	24	25
Fairly difficult	16	15	16	19	22	14	13	13
Very difficult	14	18	14	10	8	13	18	20
Not sure/depends	3	5	2	1	1	2	5	2
Difficult	30	32	30	29	30	28	30	32
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)
Reasons difficult (read list) (a) —								
Want to call people who live further away	67	66	68	62	55	76	53	92
Not sure what would be within 12 miles	38	30	39	36	38	32	46	36
Can't control others	16	14	16	17	14	24	15	13
Base	(164)	(92)	(72)	(101)	(66)	(35)	(27)	(30)

Source: Q.114, 115(NC) (a) Among those rating it difficult or not sure in Q.114

Limiting Calling to Areas within 12 Miles of Home

Table 8.7

As shown on the card, non-customers were told that with ULTS they could make unlimited calls within 12 miles of their homes. Calls beyond 12 miles would cost extra.

They were then asked how easy it would be for them to limit their calling to within 12 miles of their home.

Responses are shown opposite.

Highlights

A large segment of non-customers said it would be "very easy" for them to limit their calls to within 12 miles of home. Another 23% said it would be "fairly easy" to do so, leaving 30% who said it would be difficult to do so.

The main reason this would be difficult is that they would want to call persons more than 12 miles away; however, a sizeable segment cites not being sure of what would be within the 12 mile limit.

By company: This does not vary by company.

By ethnicity/race: On balance, there are no clear differences between the groups on this measure.

Reactions When Given Cost Range for Various Types of Calls

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Toll calls: more than 12 mi, but within this part of California 5 min call: 35¢ – $1.50								
Less than thought	40	31	41	44	48	38	38	31
Same	36	35	36	34	35	33	30	47
More	24	32	23	21	17	27	33	22
LD calls: to other parts of California and other states 5 min call: 50¢ – $1.25								
Less than thought	43	34	44	43	50	31	46	40
Same	32	32	32	29	28	33	32	38
More	25	33	24	27	22	36	23	22
Calls to Mexico: 5 min call: $5.00 – $7.50								
Less than thought	38	38	38	43	49	31	39	24
Same	25	21	26	24	20	33	20	33
More	31	35	31	29	27	34	31	36
No opinion	6	6	6	3	4	3	10	7
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

Source: Q.117, 118, 119 (NC)

Reactions When Given Cost Range for Various Types of Calls

Table 8.8

The card described three types of calls and gave examples of the average cost of each. Non-customers were asked if the cost of each type of call was more, the same or less than they thought it would be.

Responses are shown opposite.

Highlights

Roughly two in five non-customers said these costs were less than they thought; another 25% - 36% said they were about the same as they expected. About one in four to one in three thought they were more. In general, more non-customers thought the costs were less than thought the costs were more with many saying the costs were about the same as what they thought.

NOTE: The primary purpose of this series of questions was to remind non-customers that they have to pay extra for calls outside the 12 mile area so that when asked their interest in ULTS they would be aware that the cost to them would depend on the cost of calls. The examples of costs given were purposely broad. The reader is urged to avoid putting too much emphasis on observed differences between the groups because of the amount of variance that exists in the actual cost of calls.

Likelihood of Keeping Monthly Bill Close to Basic Rate

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Looking at costs for calls more than 12 miles away and thinking of how you and others use phone, think monthly bill would be —								
Close to ($1.63-$3.87) ($1.23-$3.18)	44	39	44	41	42	41	38	54
A little higher	38	37	38	43	44	41	38	28
A lot higher	18	24	18	16	15	19	23	18
If had service, think —								
Could limit calls to within 12 miles	38	36	39	37	40	33	36	44
Would end up calling more than 12 miles away	33	33	33	31	29	36	33	37
Not sure, depends	29	31	28	31	31	31	31	18
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

Source: Q.116, 121, 122(NC)

Likelihood of Keeping Monthly Bill Close to Basic Rate

Table 8.9

Prior to the series on costs of calls, non-customers were asked:

> *"If you had this type of phone service, do you think you and others here could limit your calls to within 12 miles of here or would you be likely to end up making calls to areas that are more than 12 miles away?"*

After a series on the costs for various types of calls, they were asked:

> *"Looking at the extra costs for calls that are more than 12 miles away and thinking of how you and others would use a phone if you had one, do you think your monthly bill would be close to the ($1.63 or $3.87) ($1.23 or $3.18)[1] per month or do you think it would be higher than that because of extra calls?"*
>
> *If higher, "would it be a lot higher or just a little higher?"*

Highlights

Somewhat less than half (44%) of the non-customers felt they could keep their monthly bill close to the basic rates for ULTS. Almost two in five thought they would be "a little" higher than that, and 18% thought they would be "a lot" higher than that.

This corresponds closely to their estimated ability to limit calls to within 12 miles of home: 38% thought they could but 33% thought they could not and another 29% were not sure.

By company: This does not vary much by company.

By ethnicity/race: Whites are the most likely of the groups to think they could keep the cost of service to close to the basic ULTS rate: 54% vs. 38% for Blacks, 41% for Hispanics.

---

[1] *GTE customers were shown GTE rates and Pacific Bell customers were shown Pacific Bell rates. GTE rates are listed first.*

Estimate of Total Monthly Bill if Have ULTS (A)

• *After Extended Series on Cost of Extra Calls*

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Monthly bill would be —								
Less than $10	17	13	17	12	14	8	19	27
$10–19	25	16	26	27	24	32	26	22
$20–29	19	16	19	17	21	10	21	21
$30–49	15	17	15	17	16	18	17	10
$50 or more	13	25	12	15	12	21	12	8
Mean $	28	43	26	32	31	33	26	20
Median $	19	26	19	19	19	19	19	14
Don't know/not reported	11	13	11	13	14	11	6	13
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

(A) "Considering that the basic cost of service would be ($1.63 or $3.87) ($1.23 or $3.18) and that you would have to pay extra for all calls outside that 12 miles area" (Costs of calls were described just before this question was asked.)

Source: Q.123(NC)

Estimate of Total Monthly Bill if Have ULTS

Table 8.10

After being asked if they thought they could keep the costs to close to the $1.23 or $3.18 per month or not, non-customers were reminded they would have to pay extra for calls outside the 12 mile limit and asked to think about how they and others would use the phone:

> *"Considering that the basic cost of service would be ($1.63 or $3.87) ($1.23 or $3.18)[2] and that you would then have to pay extra for all calls outside the 12 mile area, how much do you think it would end up costing you per month if you had this service ... just your best estimate of what you think it would end up costing you given the number and kind of calls you and others in your (family) (household) would be likely to make?"*

Highlights

After being reminded of the cost of calls and to think about how they and others would use the phone, only 17% think their monthly bill for ULTS would be less than $10. Another 25% think it would be between $10 and $19, another 19% think it would be between $20 and $29, 15% think it would be between $30 and $49 and just 13% think it would be as much as $50 or more. The average is $28; the median is $19.

Interestingly, 89% of the non-customers were able to make an estimate. Their ability to do so is probably enhanced by the 65% who have had service in the past.

By company: GTE non-customers expect higher monthly bills if they had ULTS than Pacific Bell non-customers -- average monthly bill is $43 for GTE vs. $26 for Pacific Bell. The median is also higher for GTE than for Pacific Bell.

By ethnicity/race: Whites expect lower bills on ULTS than Blacks and Hispanics.

NOTE: It is clear from these responses that non-customers were expecting to make and have to pay for extra calls -- the median expected total bill is $19 -- well above the rates quoted for the basic monthly ULTS service.

---

[2] *GTE customers were shown GTE rates and Pacific Bell customers were show Pacific Bell rates. GTE rates are listed first.*

Affordability of Estimated Total Monthly Bill on ULTS

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
Estimated monthly bill would be —								
Very easy to afford	47	47	47	40	41	39	52	62
Somewhat easy	33	30	34	36	35	39	36	24
Somewhat difficult	15	17	14	19	21	16	8	9
Very difficult	5	5	5	5	4	7	4	3
Difficult	19	22	19	24	25	23	13	12
Less than very easy	52	52	52	60	59	61	48	36
Earlier, when asked about affordability of phone service % say it is (a)								
Very easy to afford	32	39	32	30	26	36	34	36
Somewhat easy	40	32	40	39	47	26	43	38
Somewhat difficult	15	15	15	17	16	18	10	14
Very difficult	14	13	14	15	11	21	13	12
Difficult	28	29	28	31	27	38	23	25
Less than very easy	68	61	68	70	74	64	66	64
Base (qualify)	(480)	(246)	(234)	(294)	(185)	(109)	(99)	(74)

(a) Repercentaged on those answering (excludes 12% who couldn't say) Source: Q.124, 57(NC)

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Affordability of Estimated Total Monthly Bill on ULTS

Table 8.11

Non-customers were then asked how affordable their estimated monthly bill on ULTS would be.

Responses are shown opposite along with their responses to an earlier question about the affordability of telephone service based on what they thought it would cost before seeing the ULTS description.

Highlights

About half (47%) of the non-customers who would qualify for ULTS (including those who were uncertain) say it would be "very easy" for them to afford based on what they thought it would cost after going through the various cost elements. Another 33% thought it would be "somewhat easy" to afford. About one in five (19%) thought it would be difficult to afford based on what they think it would end up costing them.

Knowledge about ULTS and the various cost elements appears to improve perceived affordability of cost among non-customers who would qualify for ULTS (or are uncertain): earlier just 32% of this same group said it would be "very easy" to afford phone service. This increases to 47% after the ULTS series. Similarly, the percentage saying it would be difficult to afford drops from 28% to 19%.

By company: Perceived affordability of ULTS and the increase in perceived affordability of phone service after hearing about ULTS is about the same for both companies.

By ethnicity/race: The majority of non-customers in all ethnic/racial groups say they think ULTS would be at least somewhat easy for them to afford (based on what they think it would end up costing). In all groups, knowledge of costs appears to increase the perception of phone service being affordable.

Things That Make Phone Service Hard to Afford

• Among Those Who Find ULTS Monthly Bill Less Than Very Easy to Afford

	Non-customers							
				Hispanic				
	Total	GTE	PB	Tot	LD	NLD	Black	White
	%	%	%	%	%	%	%	%
% Say their ULTS bill would be less than very easy to afford	52	52	52	60	59	61	48	36
% Say this IS a reason (read list) —								
Calls outside U.S.	49	55	49	61	59	63	33	19
Calls within U.S.	40	42	39	34	26	49	56	45
Can't control # calls	38	33	39	38	34	43	50	27
Can't control who uses	35	32	36	36	34	40	46	20
Talk long time	30	34	30	32	25	44	37	15
Basic monthly cost	23	20	24	28	21	40	11	23
Calls to 900 numbers	9	5	9	7	4	12	15	5
No to all	12	12	12	10	13	5	10	25
% Say this is a BIG reason (read list) —								
Calls outside U.S.	29	42	28	35	29	45	28	2
Calls within U.S.	25	28	24	19	12	31	41	26
Can't control # calls	27	20	28	24	22	28	47	14
Can't control who uses	23	18	24	23	20	29	39	7
Talk long time	19	21	19	18	14	24	32	9
Basic monthly cost	10	7	10	11	7	19	4	12
Calls to 900 numbers	6	3	6	3	4	1	15	5
Base (qualify)	(249)	(129)	(120)	(167)	(107)	(60)	(41)	(34)

Source. Q.12B(NC)

Field Research Corporation

Things that Make Phone Service Hard to Afford

Table 8.12

Those who say they would find their ULTS bill less than "very easy" to afford were read a list of reasons why this might be so and asked, for each, if this is a reason they feel this way or not and, if so, is it a big part of the reason or only a small part. Responses are shown opposite -- the top half of the table shows the percentages saying this "is" a reason; the bottom half shows the percentages saying this is a "big" part of the reason.

Highlights

Roughly half of the non-customers overall say that their anticipated ULTS bill would be less than very easy to afford.

The main reason for this is the cost of calls outside the United States. Next in rank order are calls within the U.S., the inability to control the number of calls and who uses the phone. The basic monthly cost is cited by only 23% of those who would find it less than very easy to afford, and it is considered a "big" reason by only 10%.

By company: The same general pattern is seen for both companies.

By ethnicity/race: For Hispanics, the cost of calling outside the U.S. by far is the major reason cited for saying ULTS would be less than very easy to afford: 61% cite this as a reason and about one in three says it is a "big" reason. Calls within the U.S., not being able to control the number of calls and who uses the phone are also important reasons among Hispanics, especially NLD Hispanics. (NLD Hispanics are more likely than others to cite the cost of basic service as something that makes it hard to afford.) Blacks are especially likely to cite the cost of calls within the United States and the inability to control the number of calls and who uses the phone. Whites are less likely to cite control reasons than are others; they most often cite the cost of calls within the United States as the thing that makes phone service hard to afford.

Affordability by Estimated Cost

	Estimated Monthly Cost If Had ULTS (with calls)					
	Under $10 %	$10–$19 %	$20–$29 %	$30–$49 %	$50 Plus %	Can't Say %
Say this would be —						
Very easy to afford	75	54	42	32	25	44
Somewhat easy	21	36	51	37	35	11
Difficult	4	11	7	31	39	40
If $10 more						
Very easy	37	31	20	29	16	13
Somewhat easy	22	32	44	34	31	22
(Becomes) difficult	37	27	26	7	14	18
Total difficult	41	38	33	38	53	58
If $20 more						
Very easy	9	8	4	16	13	8
Somewhat easy	21	25	35	22	16	8
(Becomes) difficult	29	31	23	24	17	19
Total difficult	70	69	56	62	70	77
Base (qualify)	(76)	(103)	(80)	(76)	(87)	(58)

Source: Q.123, 124 (Table 275)(NC)

Affordability by Estimated Cost

Table 8.13

The table opposite shows perceived affordability by the respondents' estimated cost of ULTS service.

It also shows the results of a line of questioning where those who said their estimated cost would be easy to afford were asked, *"What if it cost $10 more than that?"*, and, then, if that were still easy to afford, *"What if it costs $20 more than that?"*. This provides some rough indication of price sensitivity, i.e., the point at which customers feel they could no longer afford the service.

Highlights

First, looking at the perceived affordability of what qualified non-customers think it would cost to have ULTS:

> Non-customers who think their monthly ULTS bills would be under $30 typically would not find that difficult to afford. Those who think it would be $30 or more are less likely to find that easy to afford, although even at these amounts, the majority say it would be at least somewhat easy for them to afford. If they think it will be under $10, 75% find it "very easy" to afford.

What happens when the amount is increased by $10?

> Those who expect bills under $30 are less able to tolerate increases of $10 in their bills than those who expect the bill to be over $30.

What happens when the amount is increased by $20?

> When the original expected amount is increased by $20, there is a marked increase among all groups in the percentages who would find it difficult. A $20 increase over the expected amount is judged difficult to afford by the majority of all groups, regardless of the expected amount.