Transaction Advisory Services

Malta Communications Authority
Third E-Commerce Usage Survey
September 2007

7 November, 2007

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Methodology

The target was to get 400 e-commerce users to answer the questionnaire.

E-commerce definition included only online shopping for goods and services and excluded the use of government e-services, payment of bills and fines, and online banking transactions.

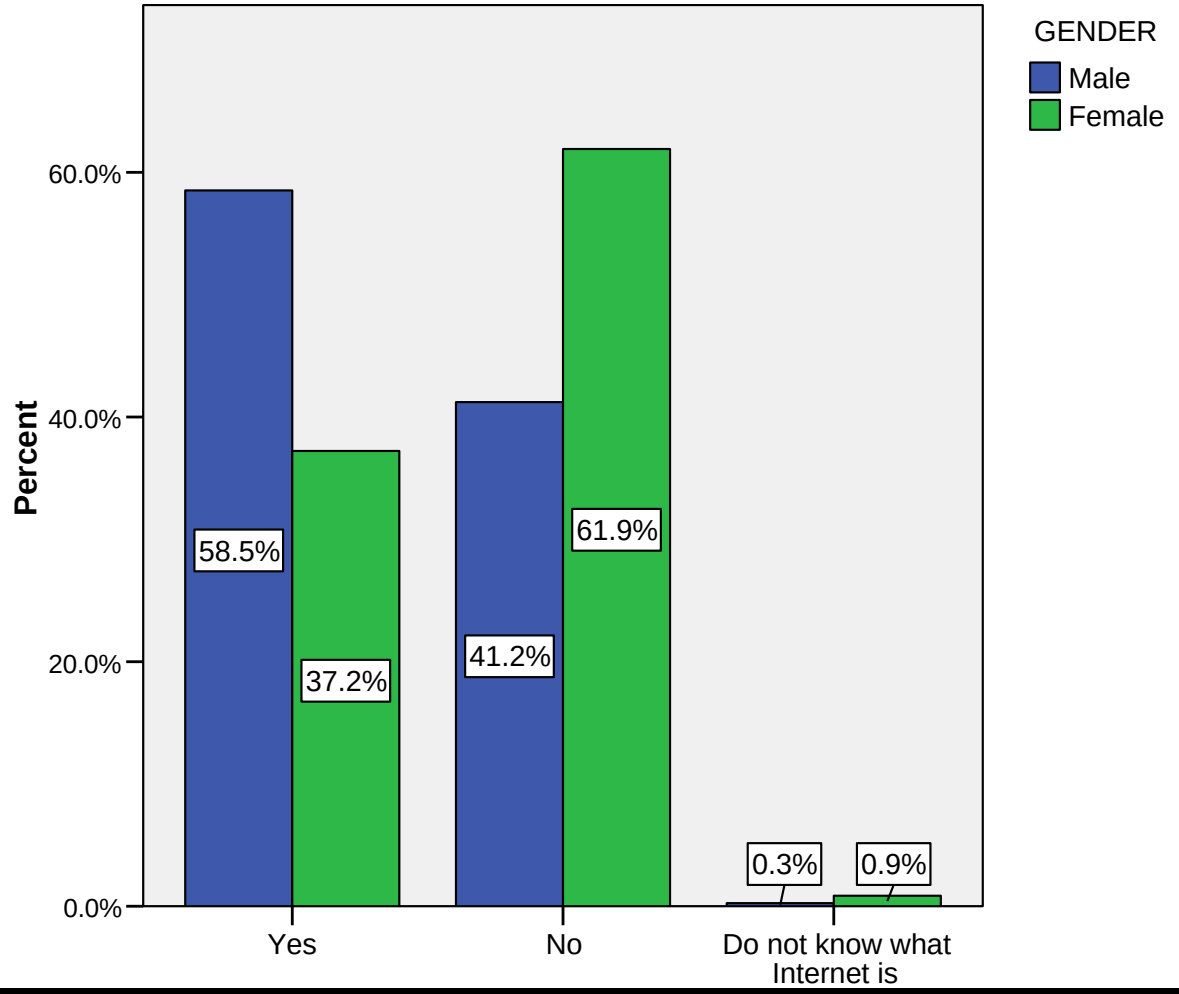
The survey was conducted via telephone by trained interviewers on 8 working days, starting from Monday September 14 till September 26. One representative of the research team was always present with the interviewers throughout the survey.

The survey questionnaire was determined and discussed with the MCA. The final version of this survey was pre-tested on a sample of 30 respondents.

Individual respondents were chosen randomly from the GO telephone directory, but had to fit into pre-determined gender-age quotas. The quotas were determined according to the gender-age proportions as reported in the 2005 Population Census published by the NSO. The sample also takes into account the ratio of Gozitan to Maltese residents.

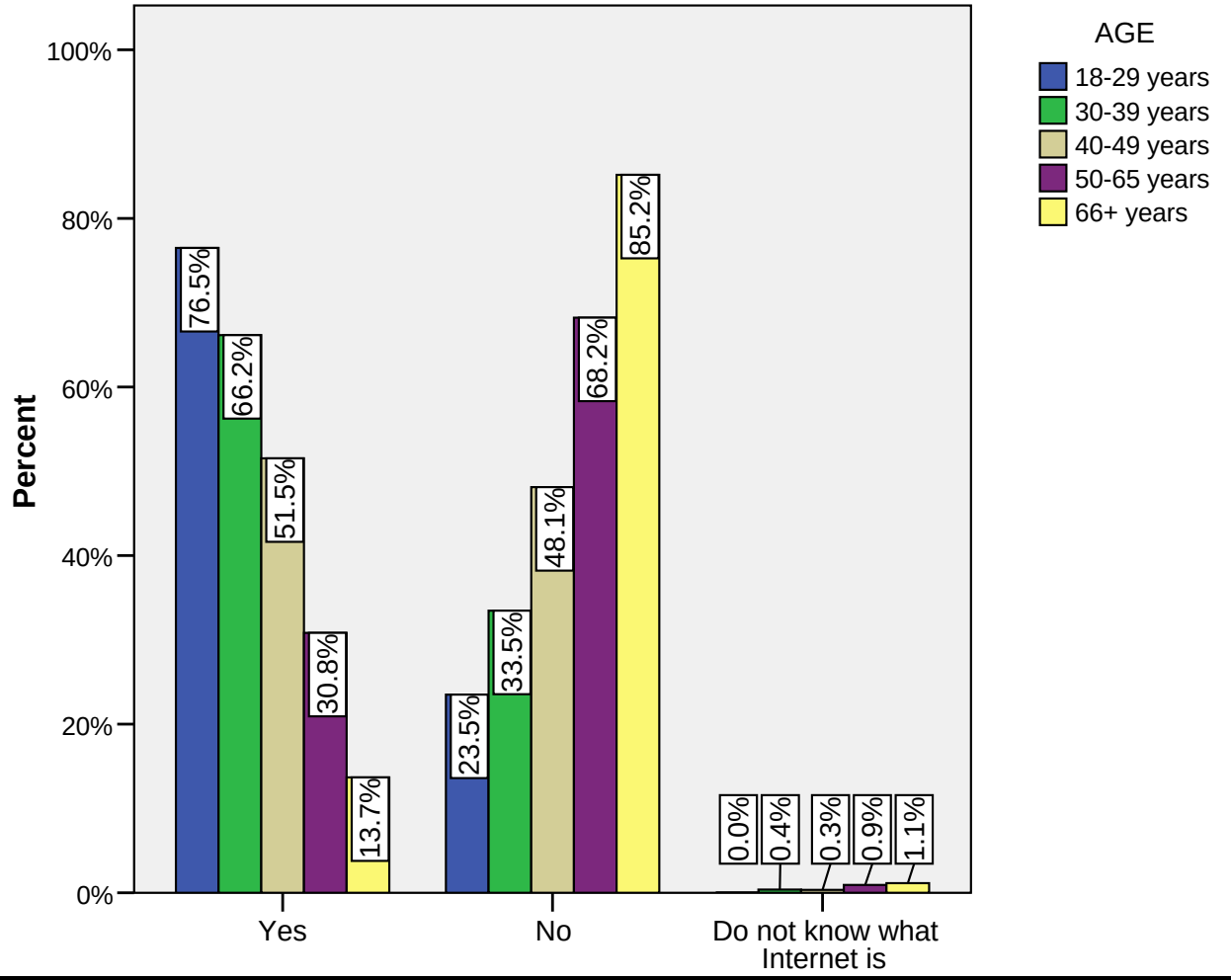
Results

Internet Usage by gender – relative percentage terms



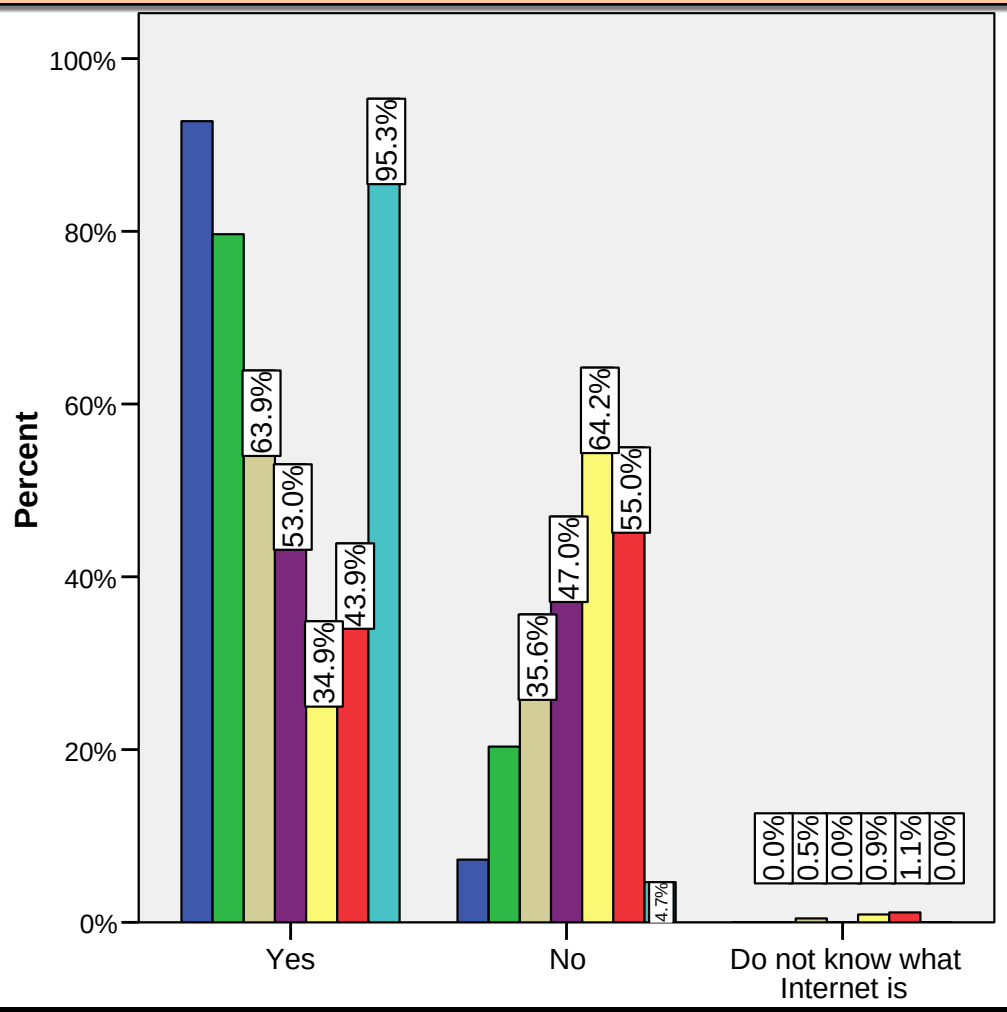
Results

Internet Usage by age – relative percentage terms



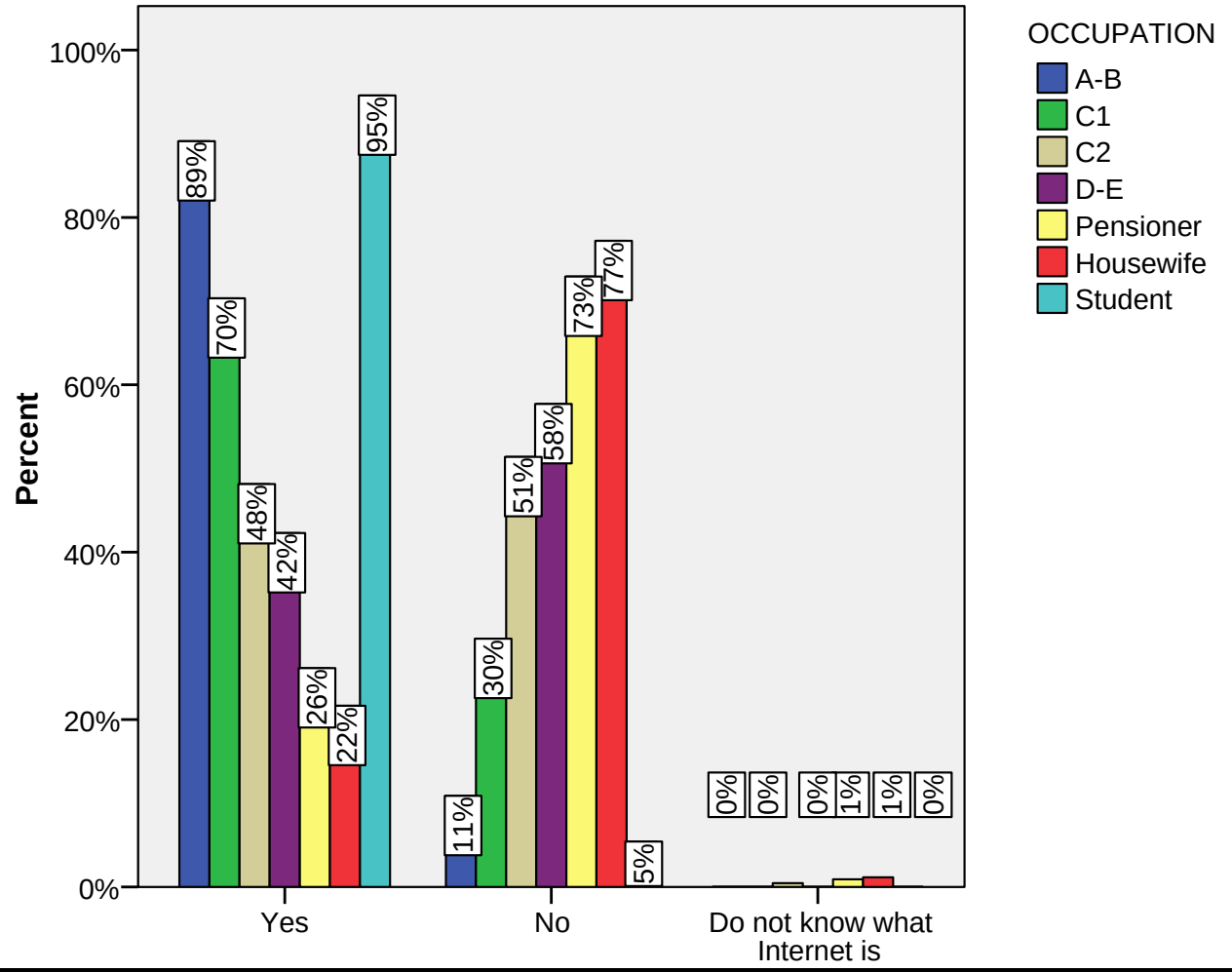
Results

Internet Access by occupational status – relative percentage terms



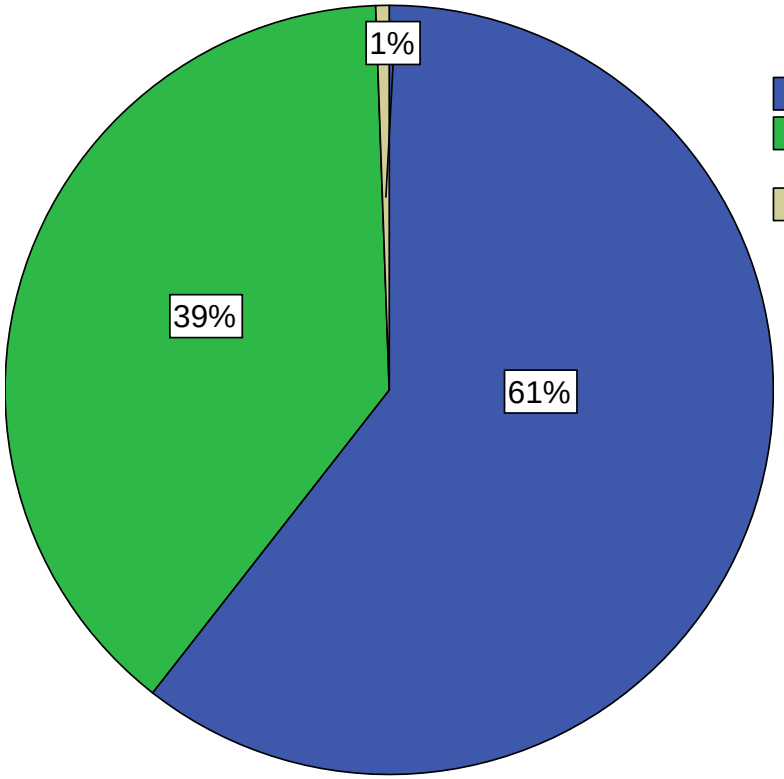
Results

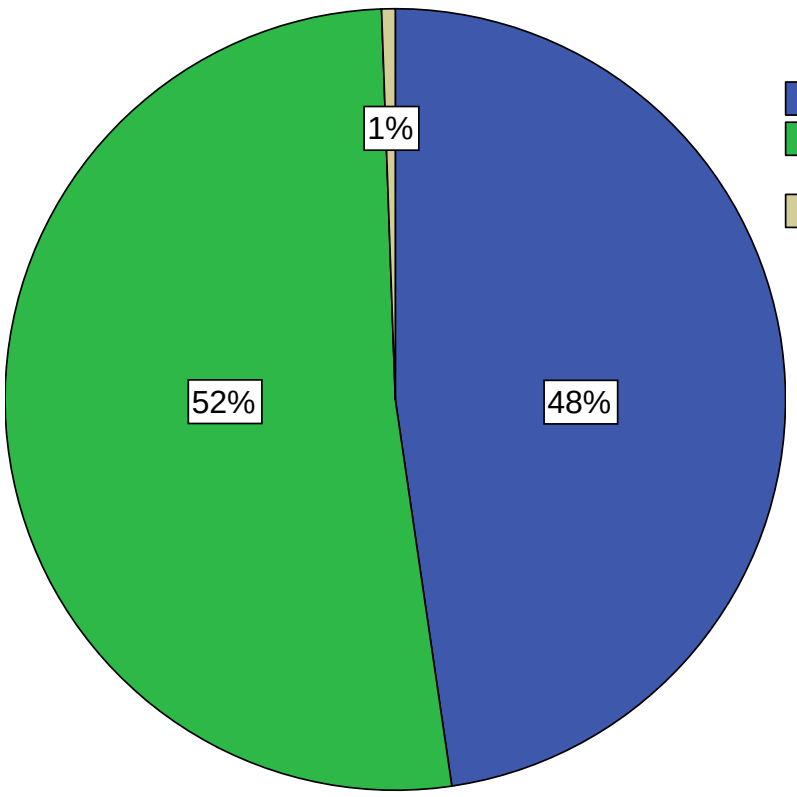
Internet Usage by occupational status – relative percentage terms

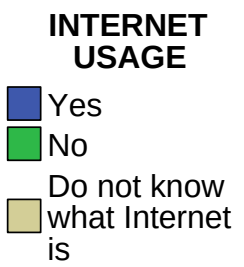


Results

Internet Access vs. Internet Usage – percentage terms (base: 1600)







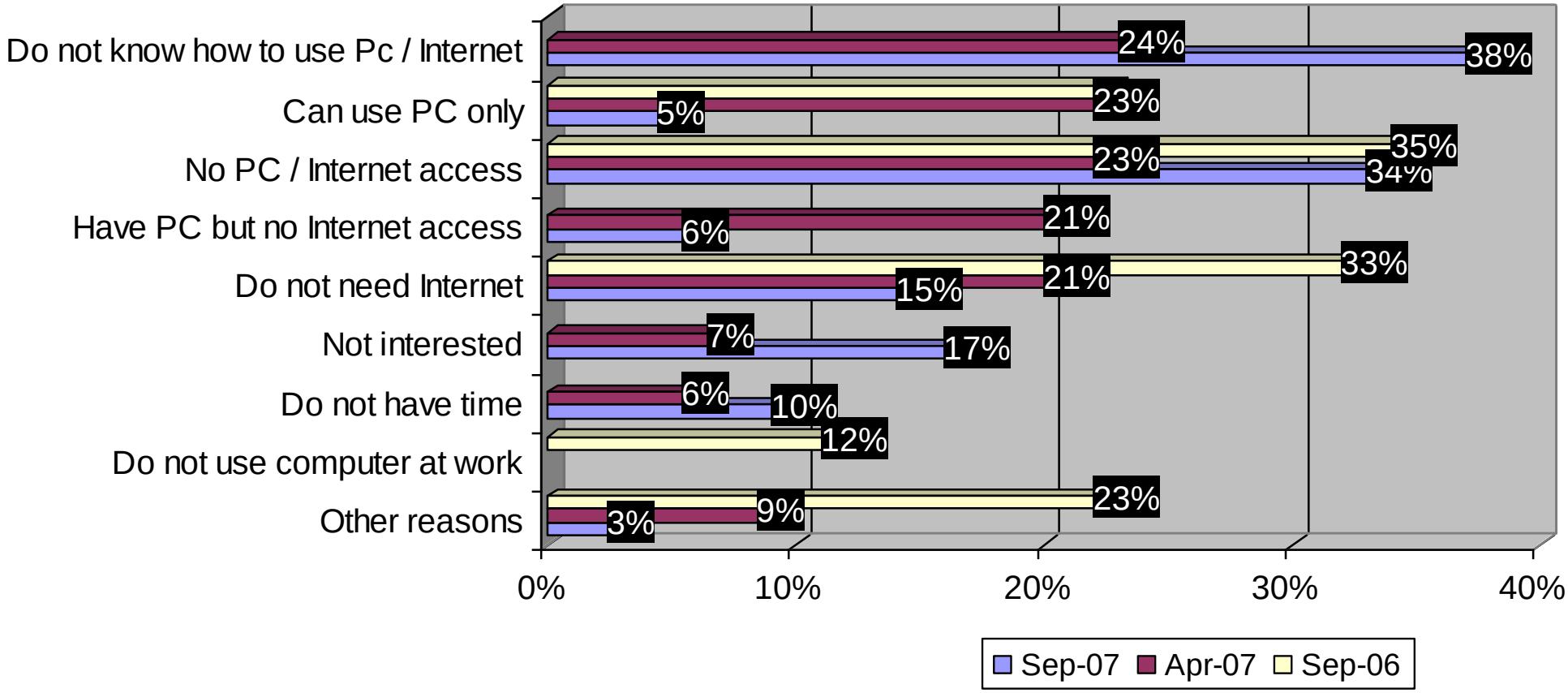
Results

Internet Access and Internet Usage trends – relative percentage terms

Respondents by Demographic characteristics		Percentage who have Internet access		Percentage who use the Internet	
		September 2007	September 2006	September 2007	April 2007
Overall		**61%**	**57%**	**48%**	**50%**
Gender	Male	67%	63%	59%	59%
	Female	55%	51%	37%	40%
Age	18-29 years	79%	81%	76%	81%
	30-39 years	75%	68%	66%	64%
	40-49 years	76%	73%	52%	56%
	50-65 years	50%	31%	31%	31%
	66+ years	21%		14%	13%
Occupation	A – B	93%	93%	89%	89%
	C1	80%	69%	70%	84%
	C2	64%	73%	48%	61%
	D – E	53%	29%	42%	35%
	Pensioner	35%		26%	24%
	Housewife	44%	45%	22%	20%
	Student	95%	96%	95%	96%

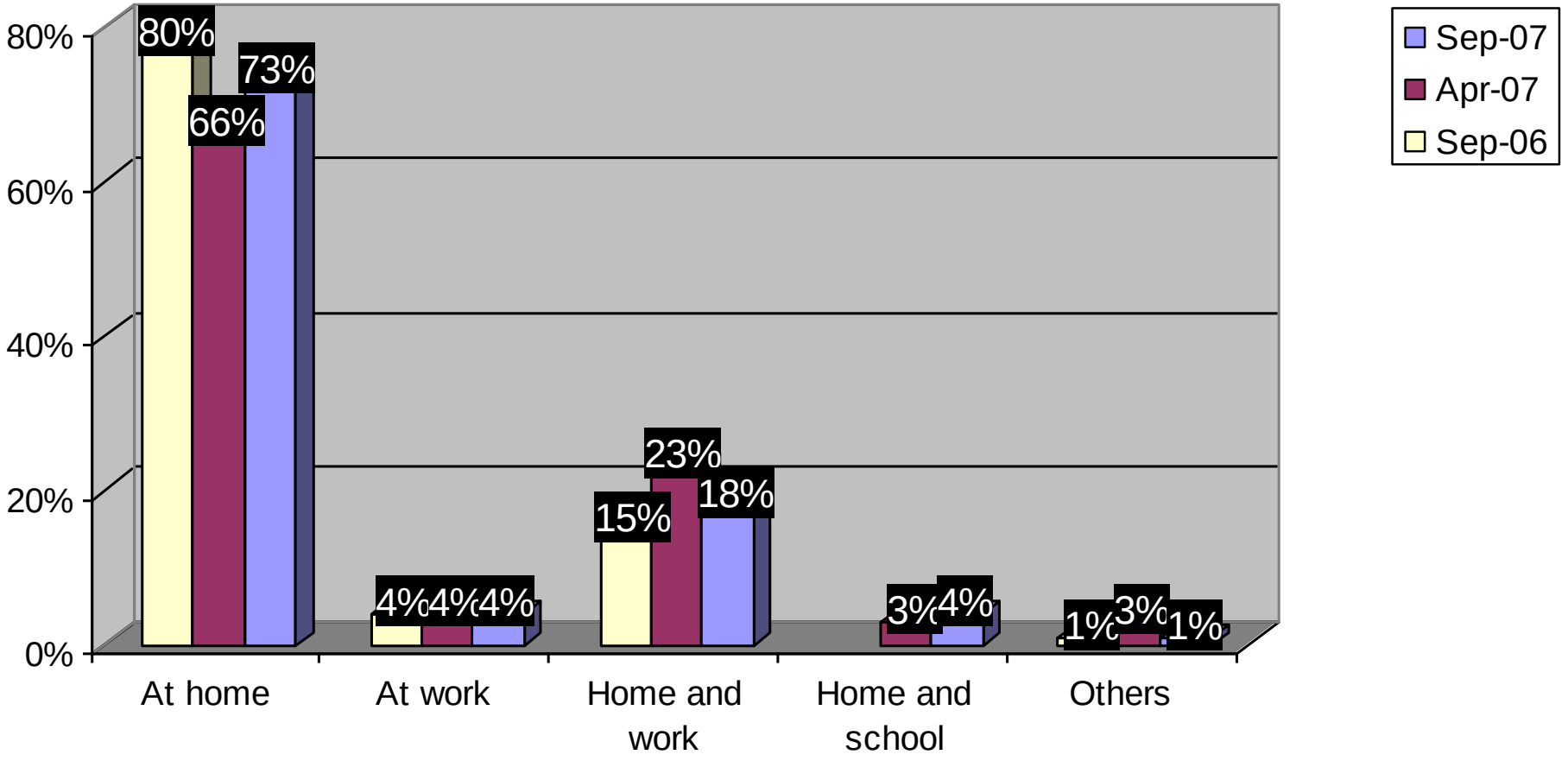
Results

Reasons for not using the internet – percentage terms (base: 827)



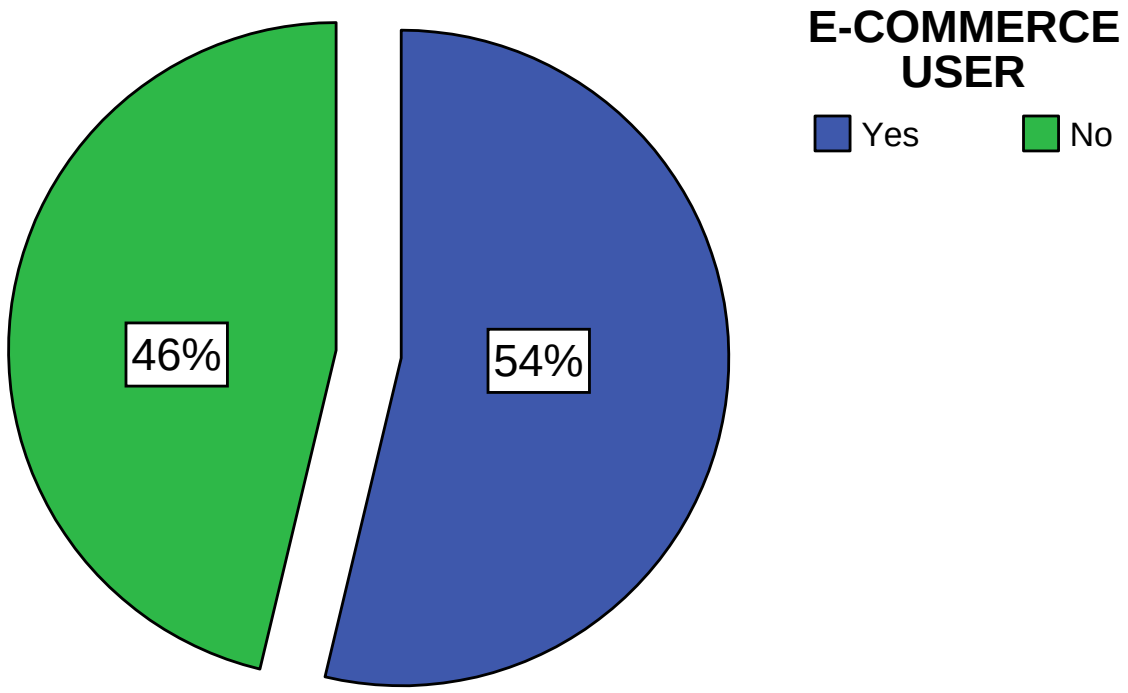
Results

Place of internet usage – percentage terms (base: 763)



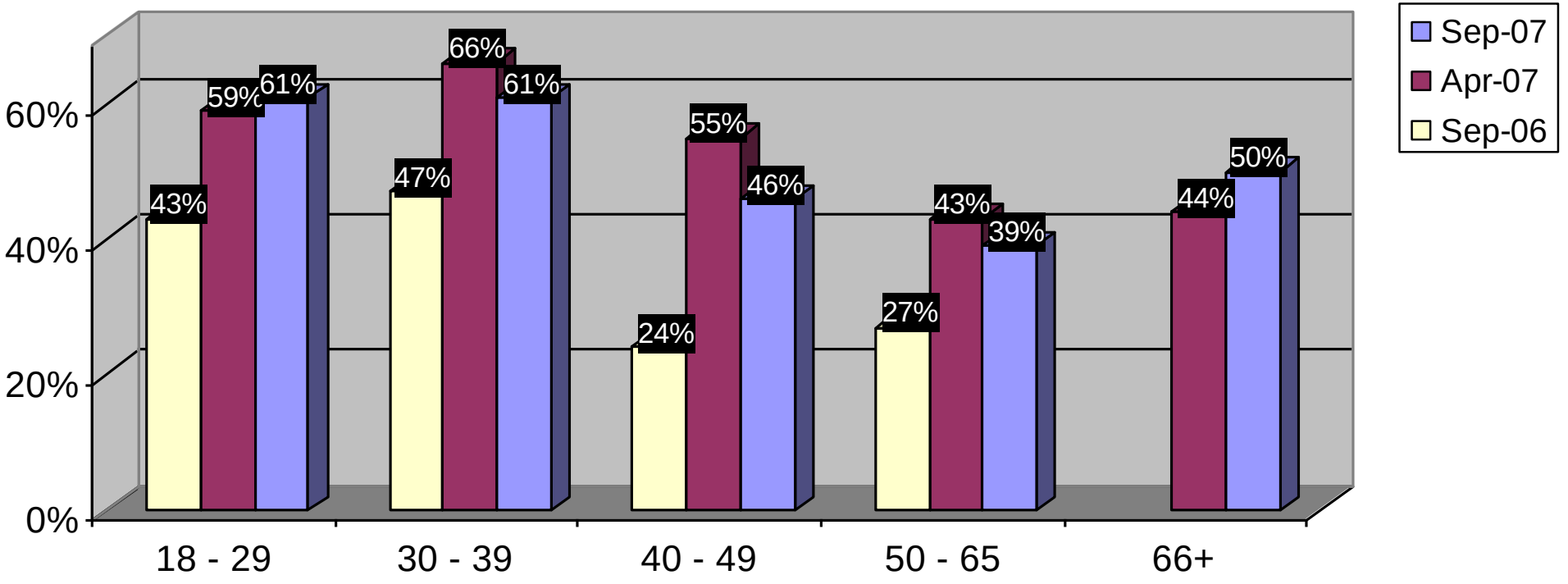
Results

E-commerce usage – percentage terms (base: 763)



Results

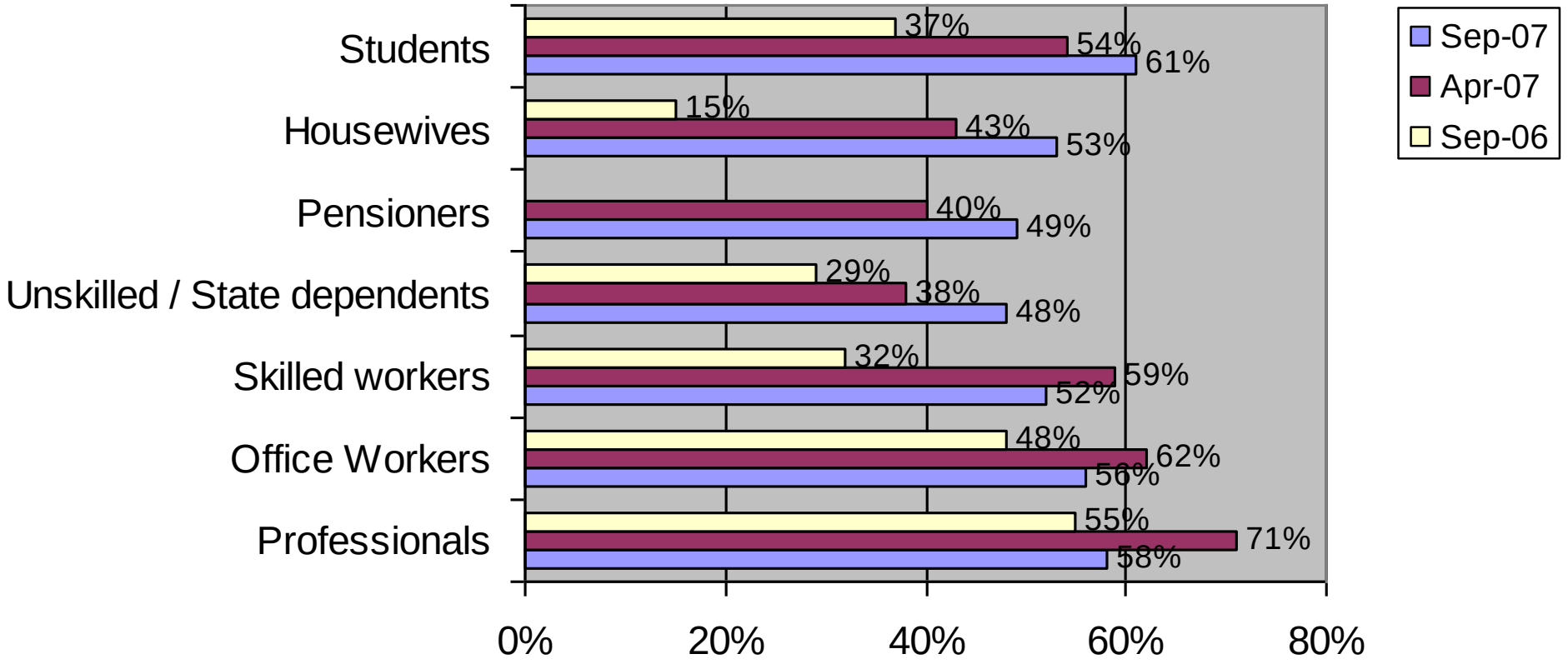
E-commerce usage by age – relative percentage terms



Note: September 2006 percentage for 50-65 age cohort (i.e. 27%) includes 66+ age group.

Results

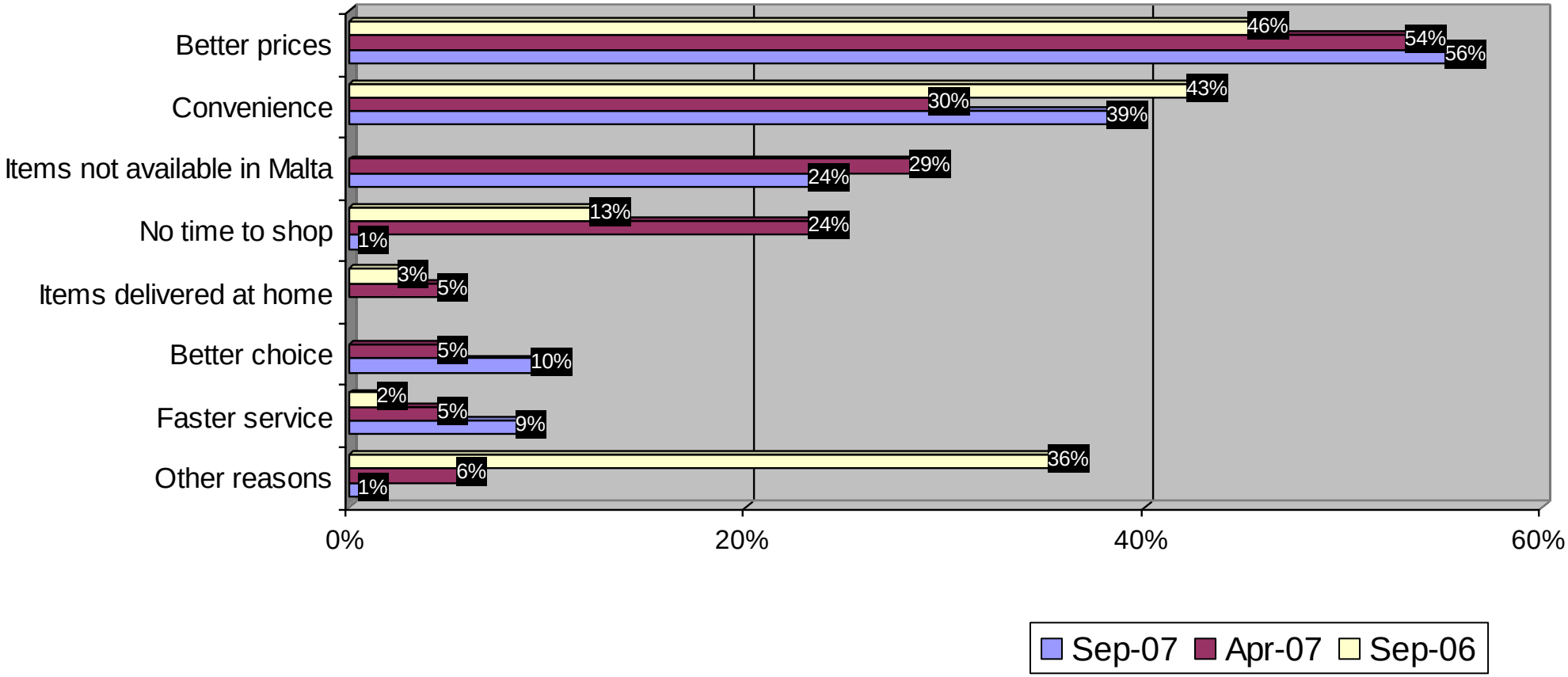
E-commerce usage by occupational status – relative percentage terms (base: 763)



Note: September 2006 percentage for Unskilled workers' group (i.e. 29%) includes pensioners.

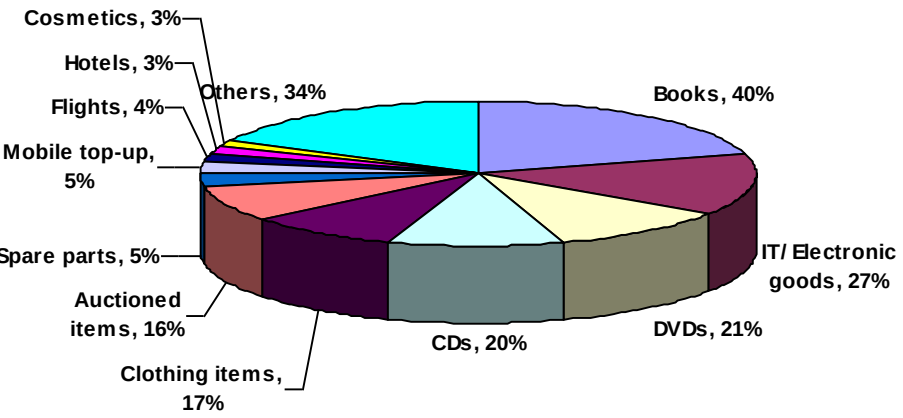
Results

Reasons for buying online – percentage terms (base: 410)

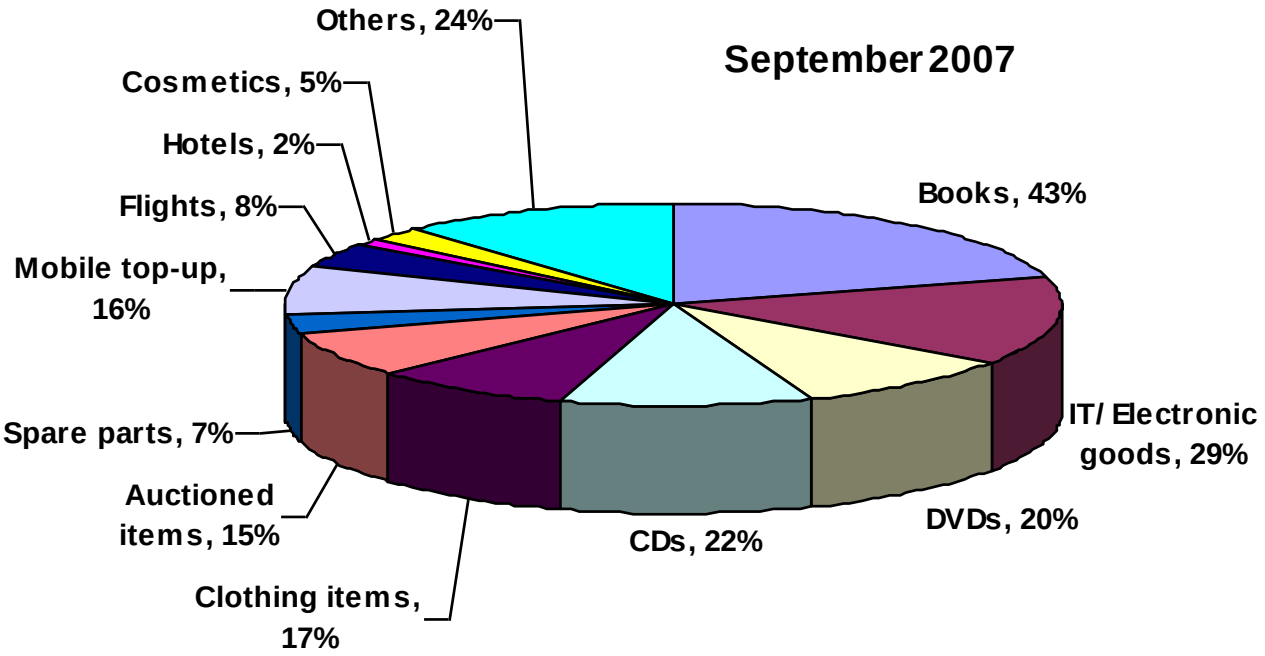


Results

Items bought online – percentage terms (base: 410)



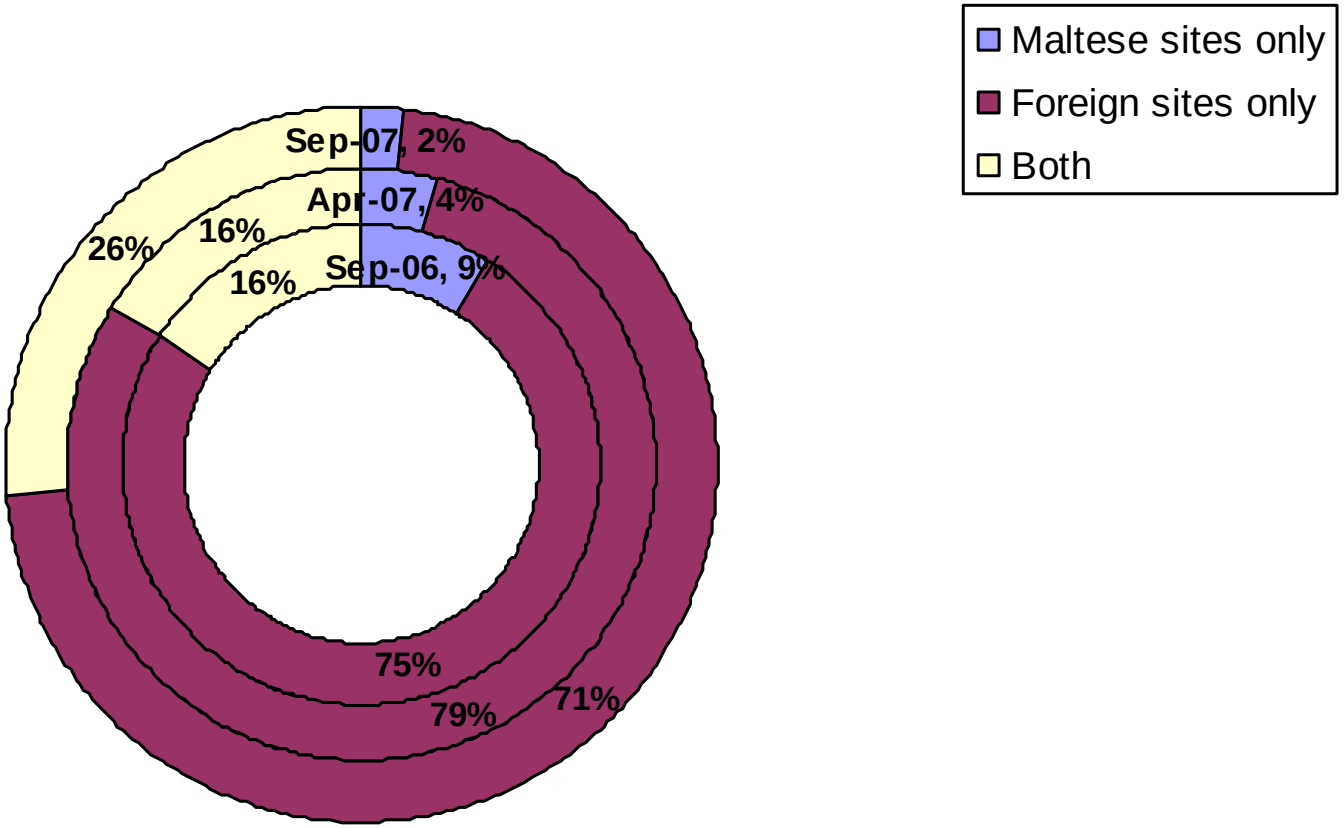
April 2007



September 2007

Results

Maltese or Foreign sites? – percentage terms (base: 410)



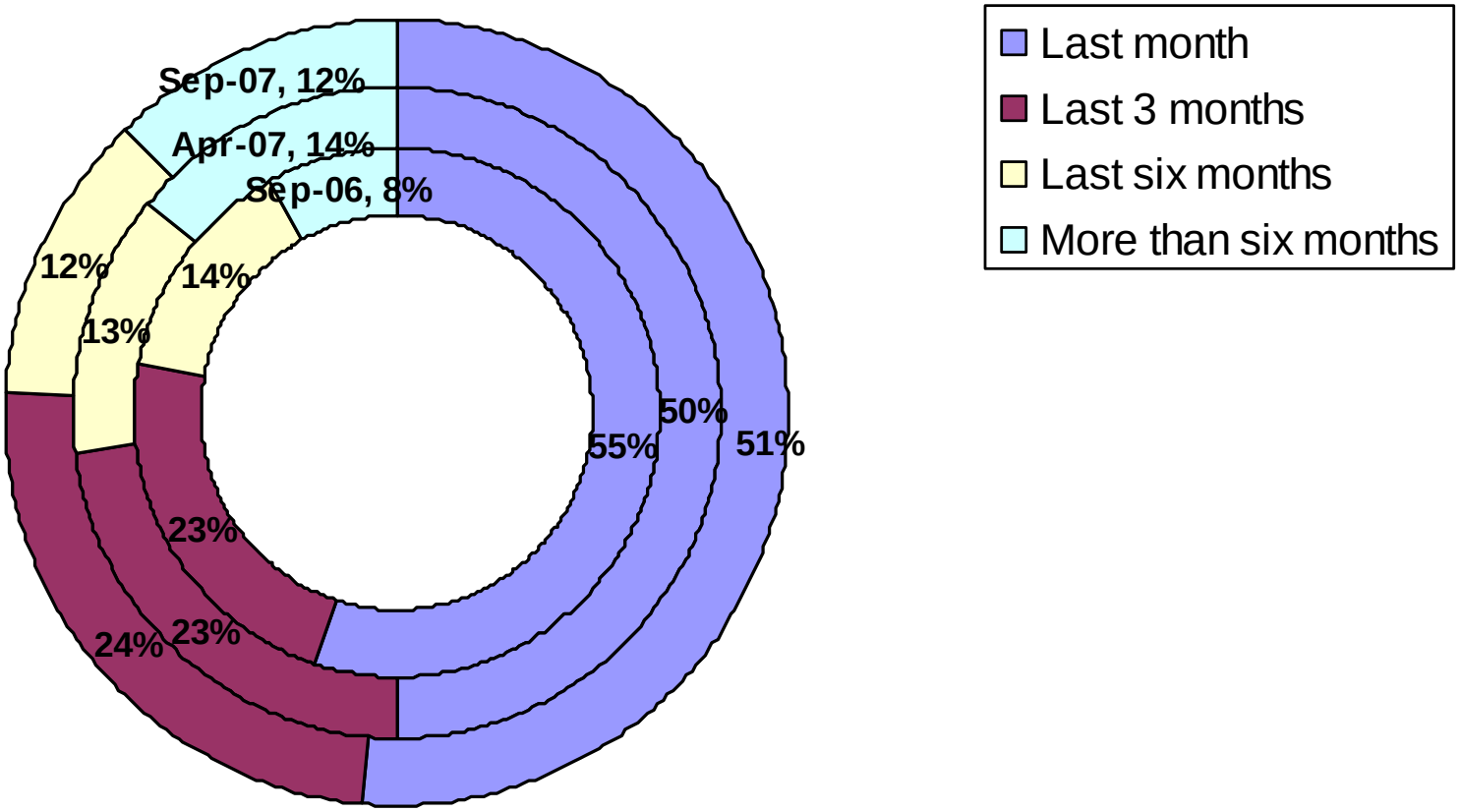
Results

Reasons for not buying from Maltese sites – percentage terms (base: 293)

Reasons	September 2007	April 2007	September 2006
Prefer to go directly to shop	47%	29%	36%
Do not know Maltese outlets that I need	23%	21%	14%
Maltese outlets limited	5%	18%	15%
Maltese online prices are more expensive	4%	16%	
Products not sold in Malta	2%	6%	
Never tried to buy from Maltese online shops	8%	3%	
Never needed to buy from Maltese online shops	16%	3%	
Do not trust security	2%	2%	1%
Other reasons	6%	8%	42%

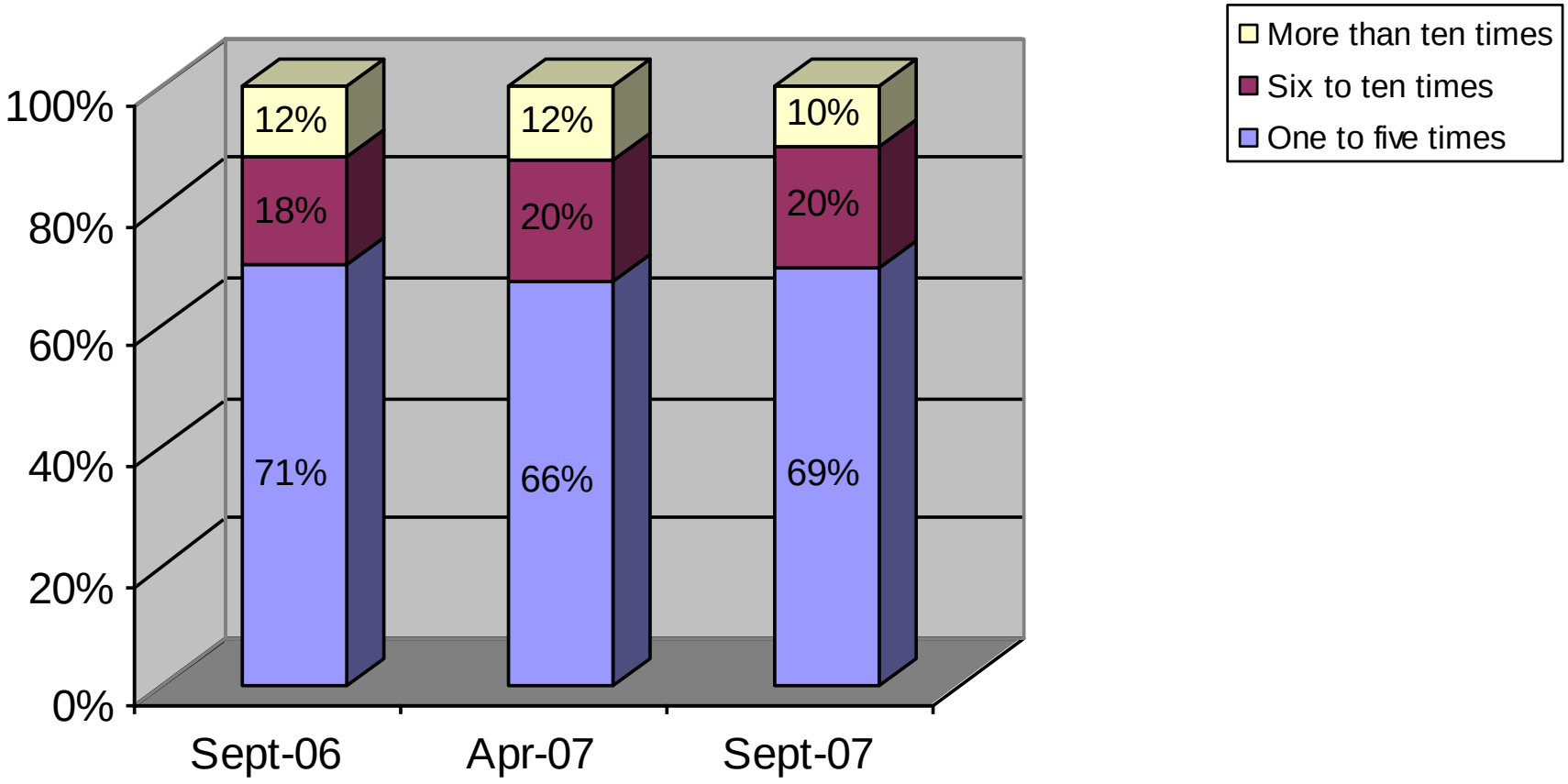
Results

Last online purchase – percentage terms (base: 410)



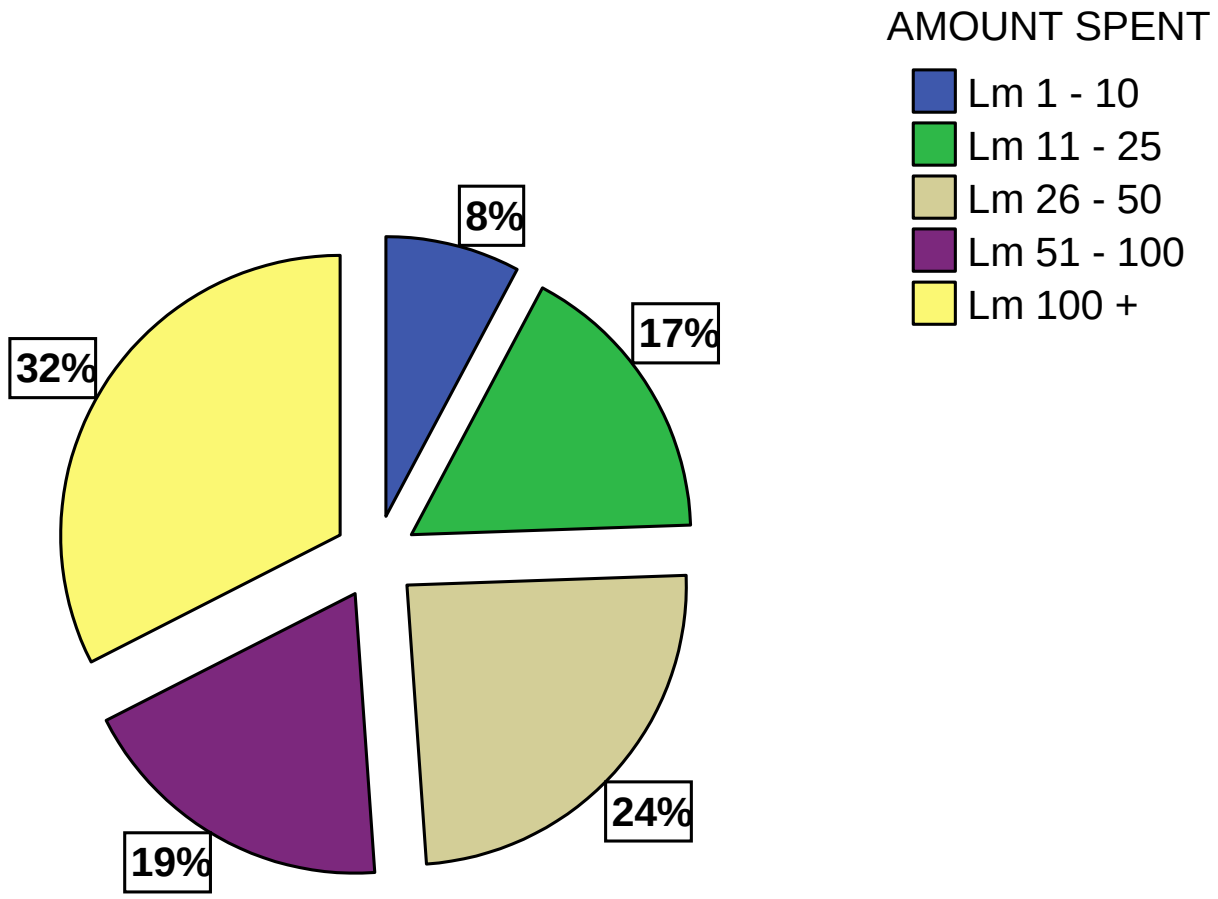
Results

Number of transactions in the last six months – percentage terms (base: 360)



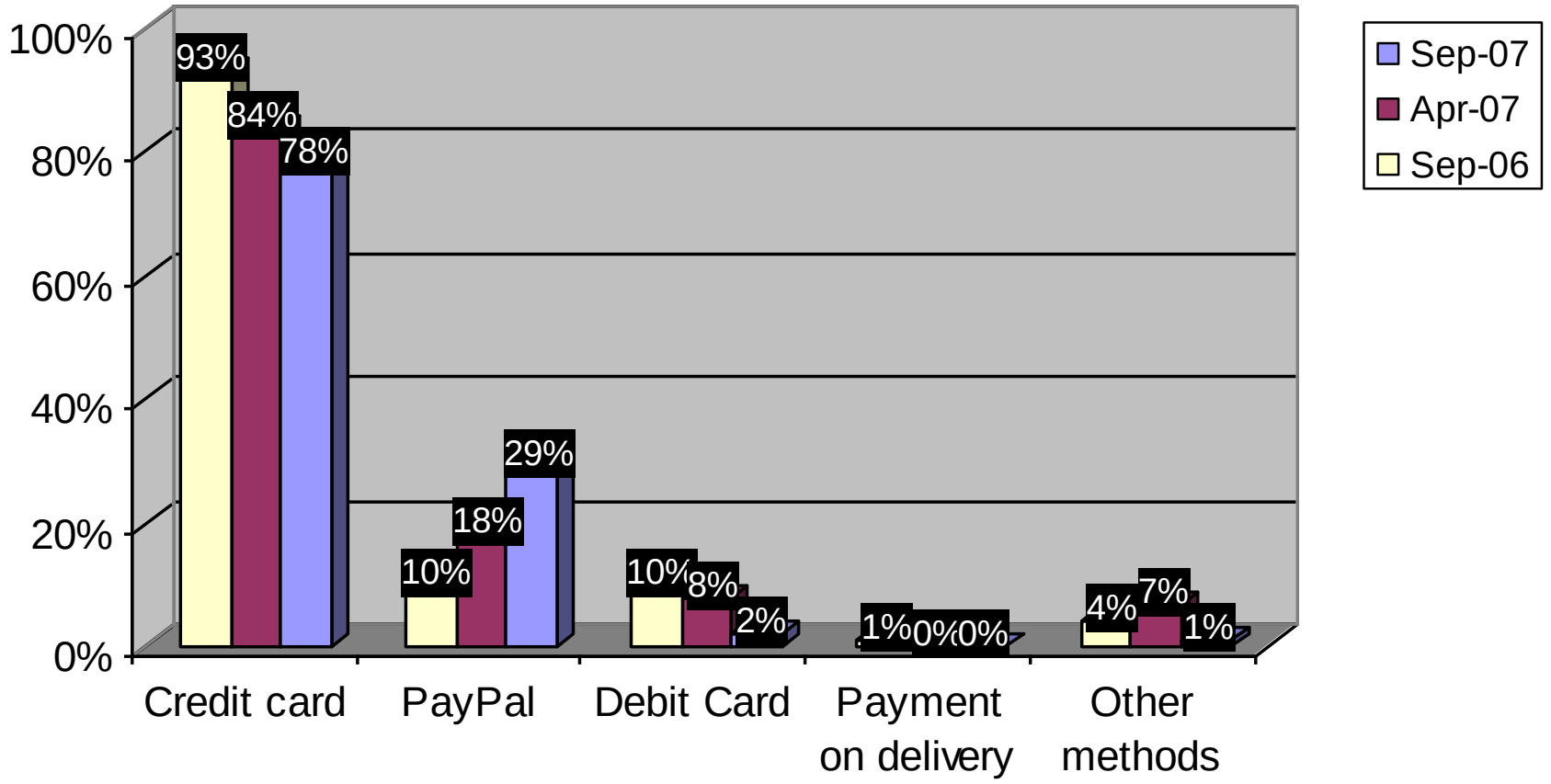
Results

Amount spent in the last six months – percentage terms (base: 360)



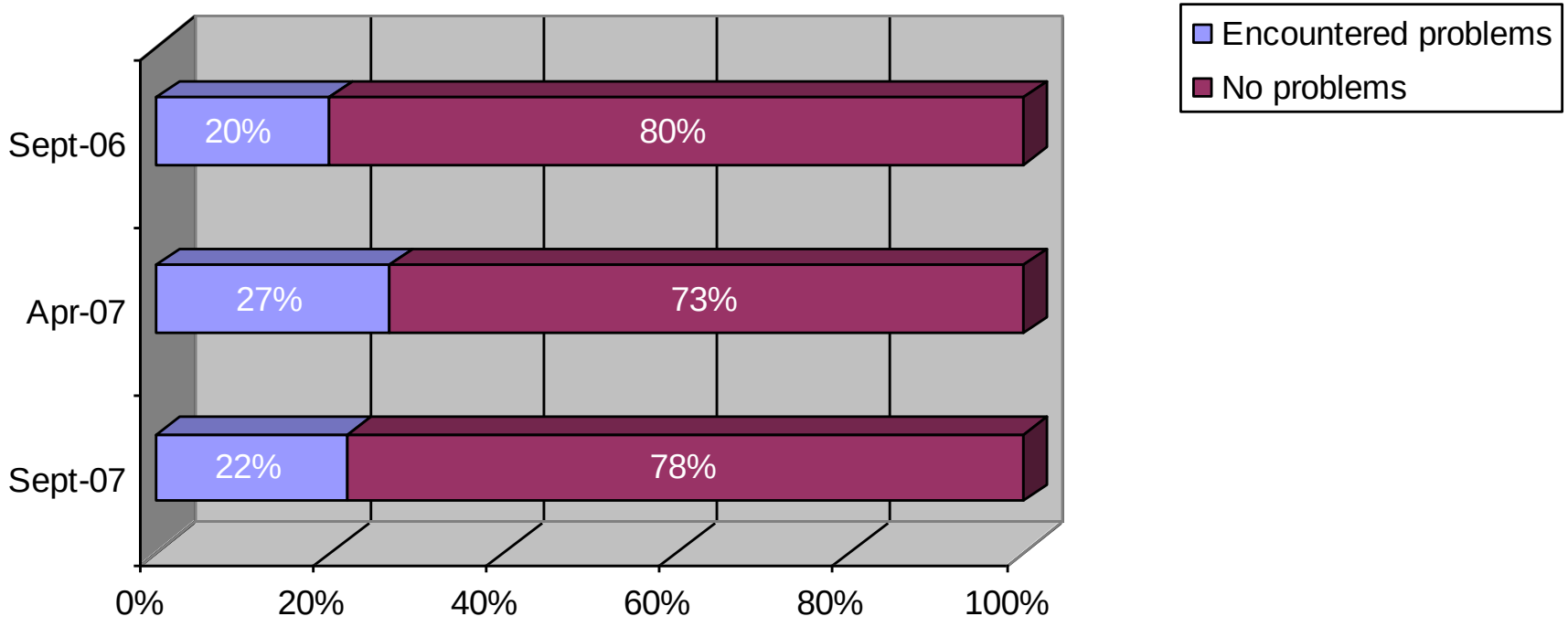
Results

Preferred method of online payment – percentage terms (base: 410)



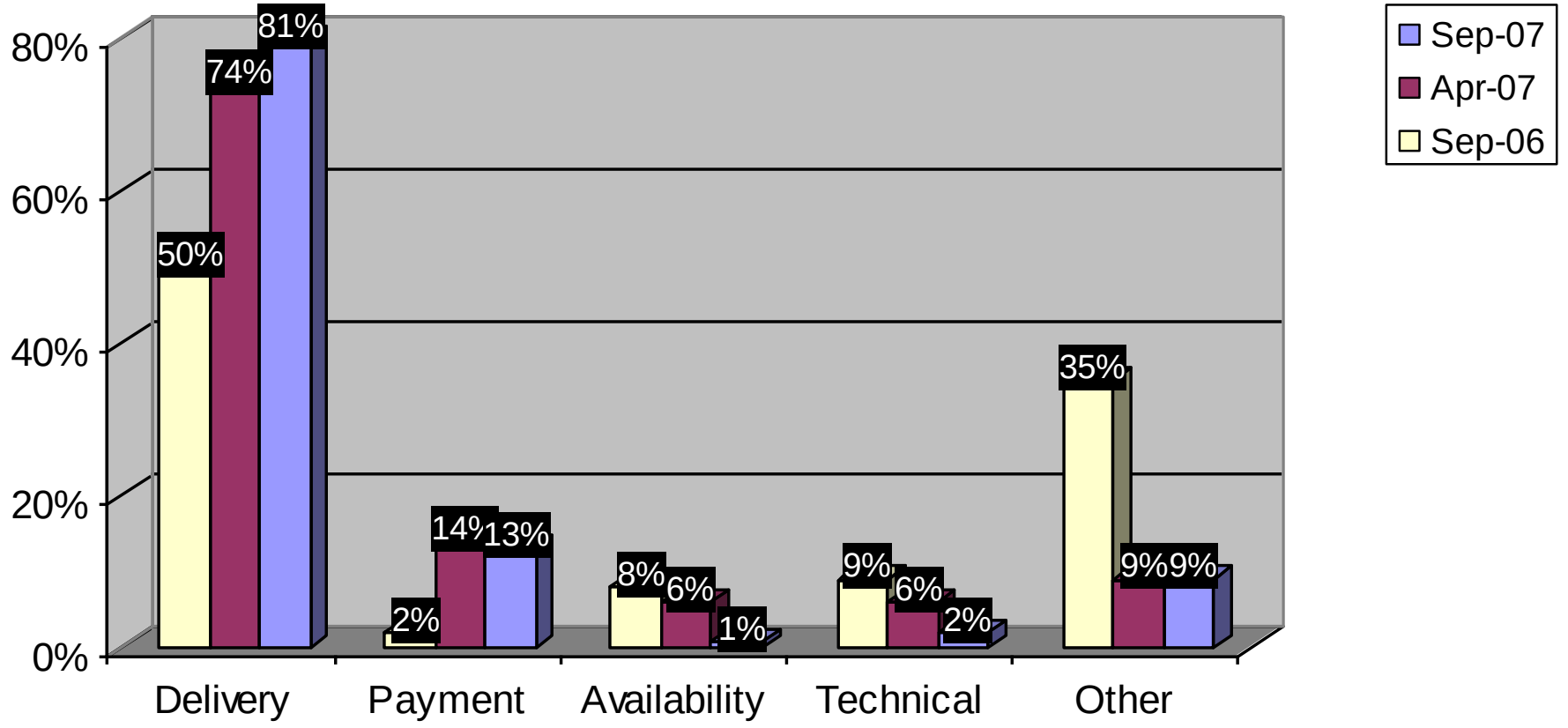
Results

Problems encountered when shopping online – percentage terms (base: 410)



Results

Type of problems encountered when shopping online – percentage terms (base: 410)



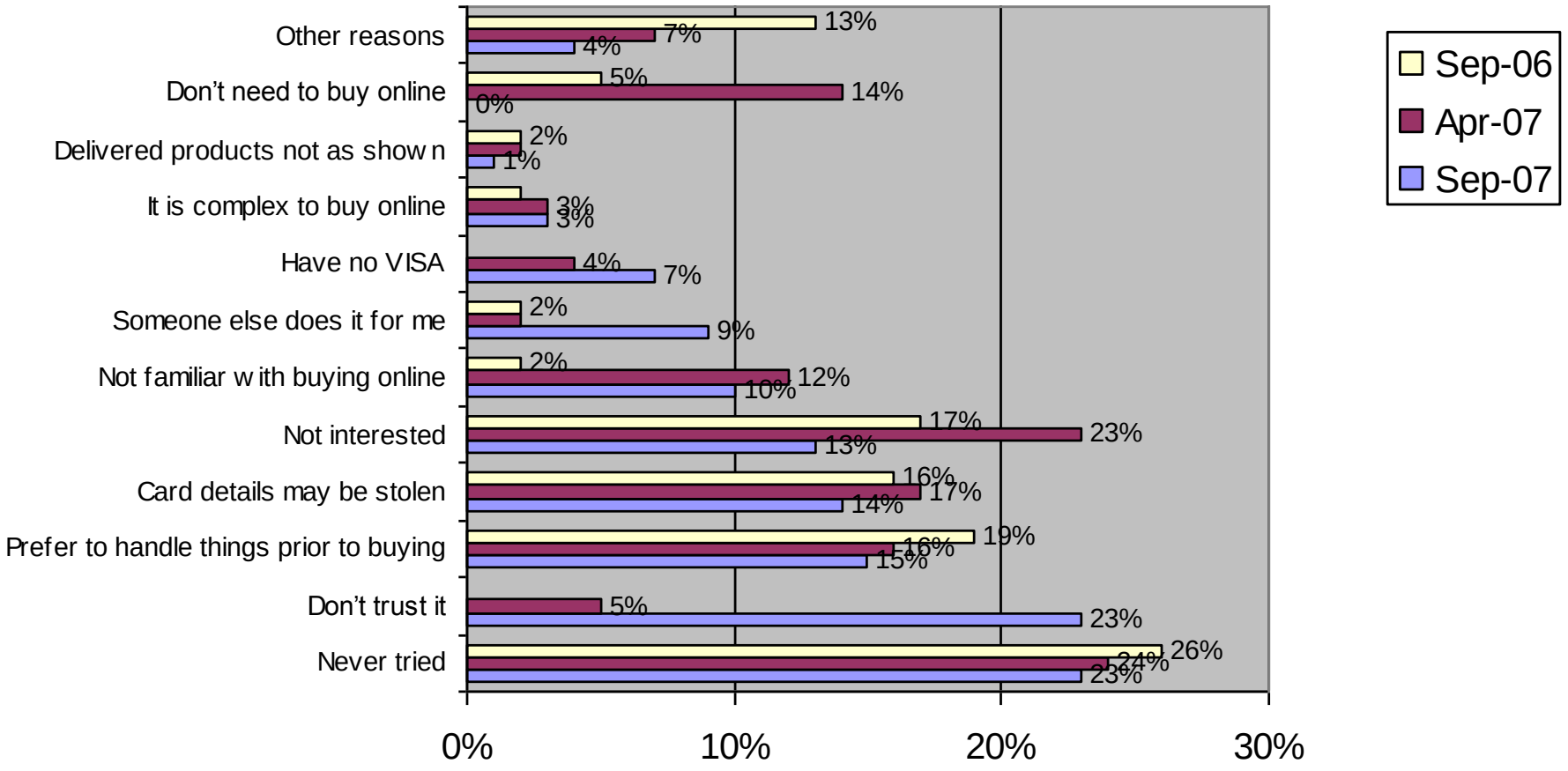
Results

Whom would you contact in case of e-commerce problems? (base: 410)

	September 2007	April 2007	September 2006
Vendor	45%	43%	26%
Bank	16%	22%	27%
Both vendor and bank	11%	13%	13%
PayPal	7%	5%	1%
Do not know	9%	4%	10%
Informed friends and/ or relatives	5%	4%	3%
Other contacts	7%	8%	16%

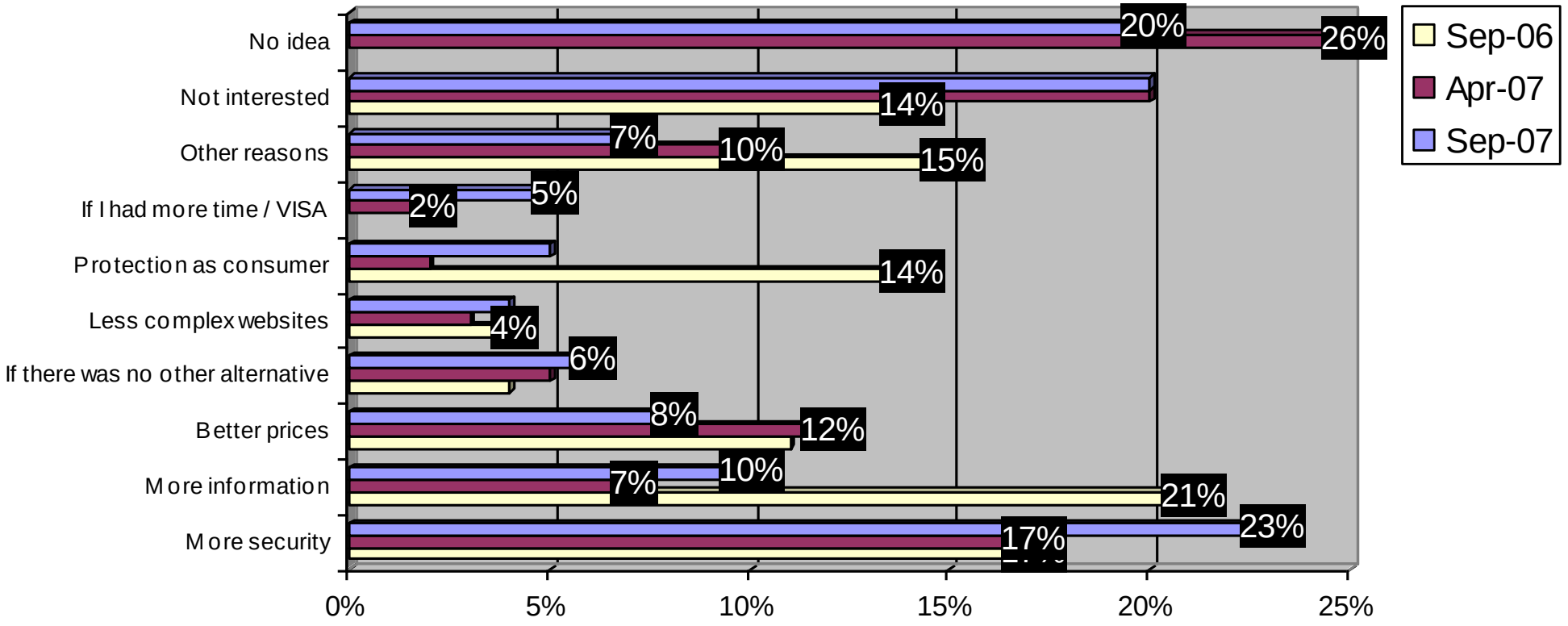
Results

Reasons for not transacting online (base: 353)



Results

What would make you buy online? (base: 353)



Concluding Remarks

61% of the 1600 interviewees (969 respondents) replied that they have access to the Internet. In September 2006, 57% of respondents had Internet access (848 out of 1500).

Of the respondents with Internet access, 79% use the Internet (969 respondents). This represents 48% of the whole sample population. In April 2007, this figure stood at 50% of the population.

This proportion was higher among males (59% male population vs. 37% female population) and the younger respondents (76% of 18-29 year olds vs. 31% of 50-65 year olds). In terms of occupational status, professionals also tend to make greater use of the Internet (89% of the A group vs. 42% of the DE group and 26% of the pensioners).

In total, 39% of all worker-respondents use the Internet from their workplace. The professionals are those who make a greater use of the Internet at work (48%), followed by other office workers (45%). Only 13% of the skilled and semi-skilled workers use the Internet at work.

More than half of the Internet users (54%) have bought online in the past (down from 57% in April 2007). This equates to 26% of the whole sample size, which is statistically not different from the 28% registered in the previous 2007 survey. By gender, males tend to buy online more often (57% vs. 48% of females), while occupation-wise, professionals tend to have a higher propensity to buy online (68% vs. 33% of the DE category). Younger populations can also be considered to be more likely e-commerce users (61% of the 18-29 and 30-39 age cohorts vs. 46% of the 40-49 age bracket).

Of those who buy online, 71% (down by 8 percentage points from the previous survey) do so from foreign online shops only, 2% from Maltese shops only while 26% purchase from both local and foreign sites. In sum, 98% of respondents have purchased from foreign sites, while 29% have purchased from Maltese sites.

Out of all the respondents who purchase online, 51% (50% in April) said that they did so in the last month, 24% (23%) in the last three months, and 12% (13%) in the last six months. 12% (14%) of e-commerce users have carried out their last online transactions more than six months ago.

The 88% of e-commerce users who have transacted less than 6 months ago (360 respondents) were also asked to list the frequency and magnitude of their purchasers. 69% transacted less than 5 times (up from 66%), while 33% spent more than Lm 100 in the same period.

Credit cards were by far the most popular method of payment when conducting e-commerce (down from 84% to 78%). Another popular source which continued to register considerable increases was the use of the PayPal facility (up from 10% last year to 29% in this survey).

78% of e-commerce users have never experienced any problems when buying online (up from 73%).