

# **MCA Market Research**

*Electronic Communications Services –  
Medium & Large Businesses Survey Results*

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MCA | February 2015

# 1. Purpose & Methodology

- The Business Perception survey on electronic communication services is intended:
  - to complement the findings of other surveys conducted with the private household category;
  - at the same time explore perceptions of the business community by gathering qualitative information on telecom services
- To capture more qualitative information on medium to large sized businesses and investigate high quality data services (e.g. Ethernet, IP-VPN, leased lines etc.), the 10– 49 and 50+ employee categories were boosted

*Ernst & Young carried out the survey between November and December 2014 on behalf of the MCA*

## Fieldwork

- Interviews were carried out by telephone lasting around 15 minutes
- The survey respondents were chosen randomly from the range of GO and Melita fixed telephone numbers
- Interviews on behalf of the business were carried out with those responsible for the procurement of telecom services within the business

## Sample

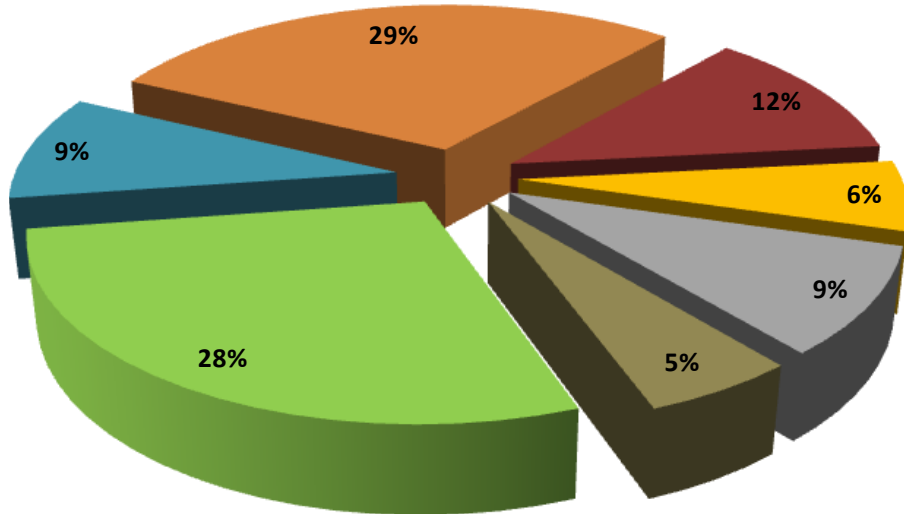
- Sample size was representatively distributed across 7 predefined industries of the business sector in Malta (Source: NACE Codes)
- The interviews were carried out with businesses that have been randomly selected on the basis of this distribution
- To capture more qualitative information on medium to large sized businesses and investigate high quality data services, the 10– 49 and 50+ employee categories were boosted

## Responses

- 413 net respondents
- Any refusals / incomplete surveys were re-allocated to achieve a net sample of at least 400 interviewees
- Margin of error +/- 4.85% at 95% confidence interval

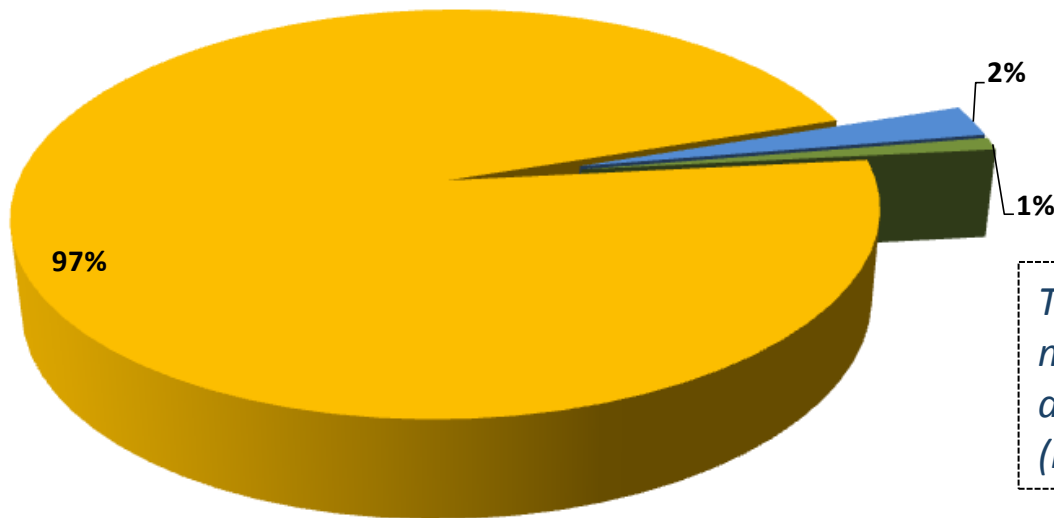
# Methodology – Sample Distribution

Sample Size – 413



- Primary
- Manufacturing
- Tourism and Hospitality
- Personal Services
- Construction and Utilities
- Wholesale & Retail and Transport
- Business Services

Sample Size – 413



- 0 - 9 employees
- 10 - 49 employees
- 50+ employees

*To capture more qualitative information on medium to large size businesses the 10 – 49 and 50+ employee categories were boosted (results presented hereunder)*



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## **2. Telecoms Analysis: Medium to Large Sized Businesses**

## Access to Telecom Services – Medium Sized Businesses

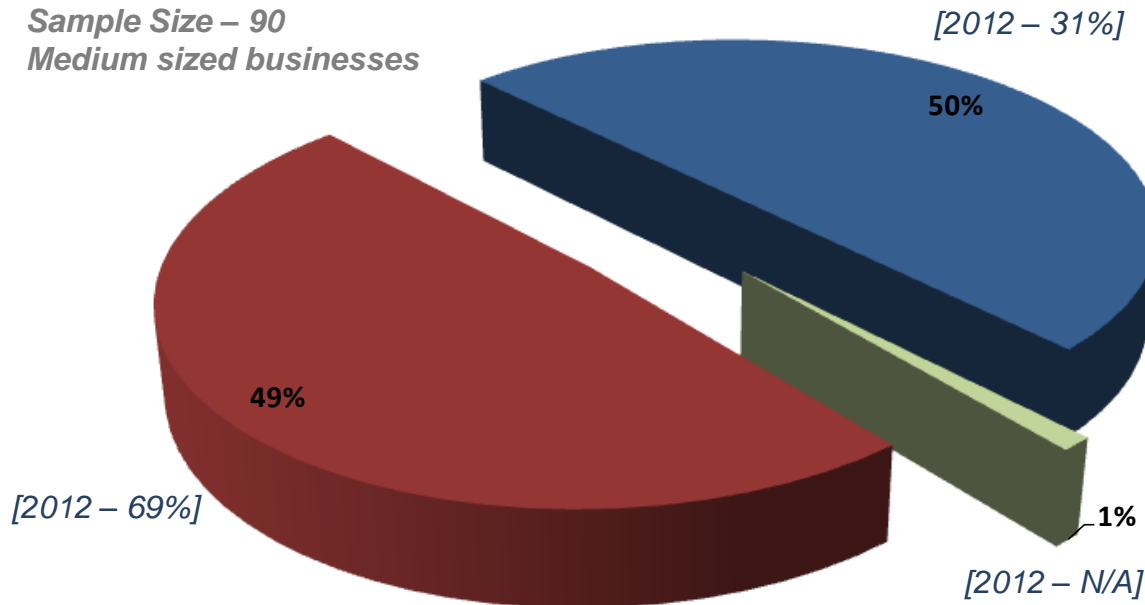
86% of businesses falling within the 10 - 49 employee category have a fixed line connection [97% in 2012]

68% of medium sized businesses pay for mobile phones used by employees for work purposes [61% in 2012]

86% of medium sized businesses have a broadband connection [92% in 2012], of which 63% are subscribed to ADSL and 31% to Cable Internet

Does the company procure telecom services as a... ■ Standalone ■ Bundle ■ Don't know

Sample Size – 90  
Medium sized businesses



42% of medium sized businesses have a triple play bundle subscription comprising fixed, mobile and broadband.

42% of medium sized businesses spend more than €500 a month on the bundle subscription. The majority of total businesses (68%) with a bundle spend less than €100 a month.

## Access to Telecom Services – Large Sized Businesses

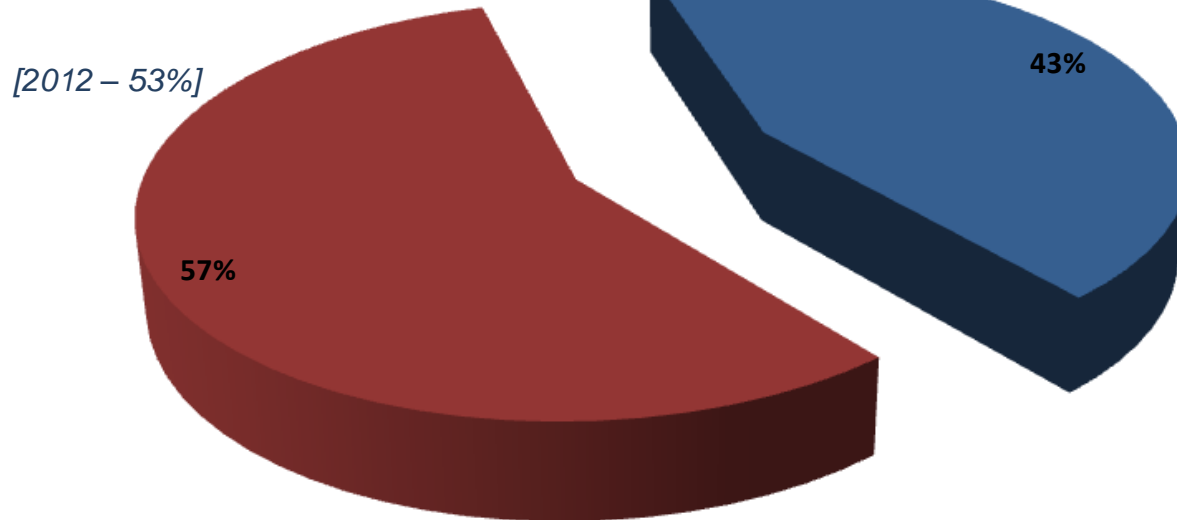
96% of businesses falling within the 50+ employee category have a fixed line connection [100% in 2012]

89% of medium sized businesses pay for mobile phones used by employees for work purposes [76% in 2012]

92% of large sized businesses have a broadband connection [100% in 2012], of which 73% are subscribed to ADSL, 18% to Cable Internet, 8% to wireless solutions & 2% to Fibre

Does the company procure telecom services as a... ■ Standalone ■ Bundle

Sample Size – 53  
Large sized businesses



70% of large businesses have a triple play bundle subscription comprising fixed, mobile and broadband.

Circa 43% of large sized businesses spend more than €1,000 a month on the bundle subscription. The majority of total businesses (68%) with a bundle spend less than €100 a month.

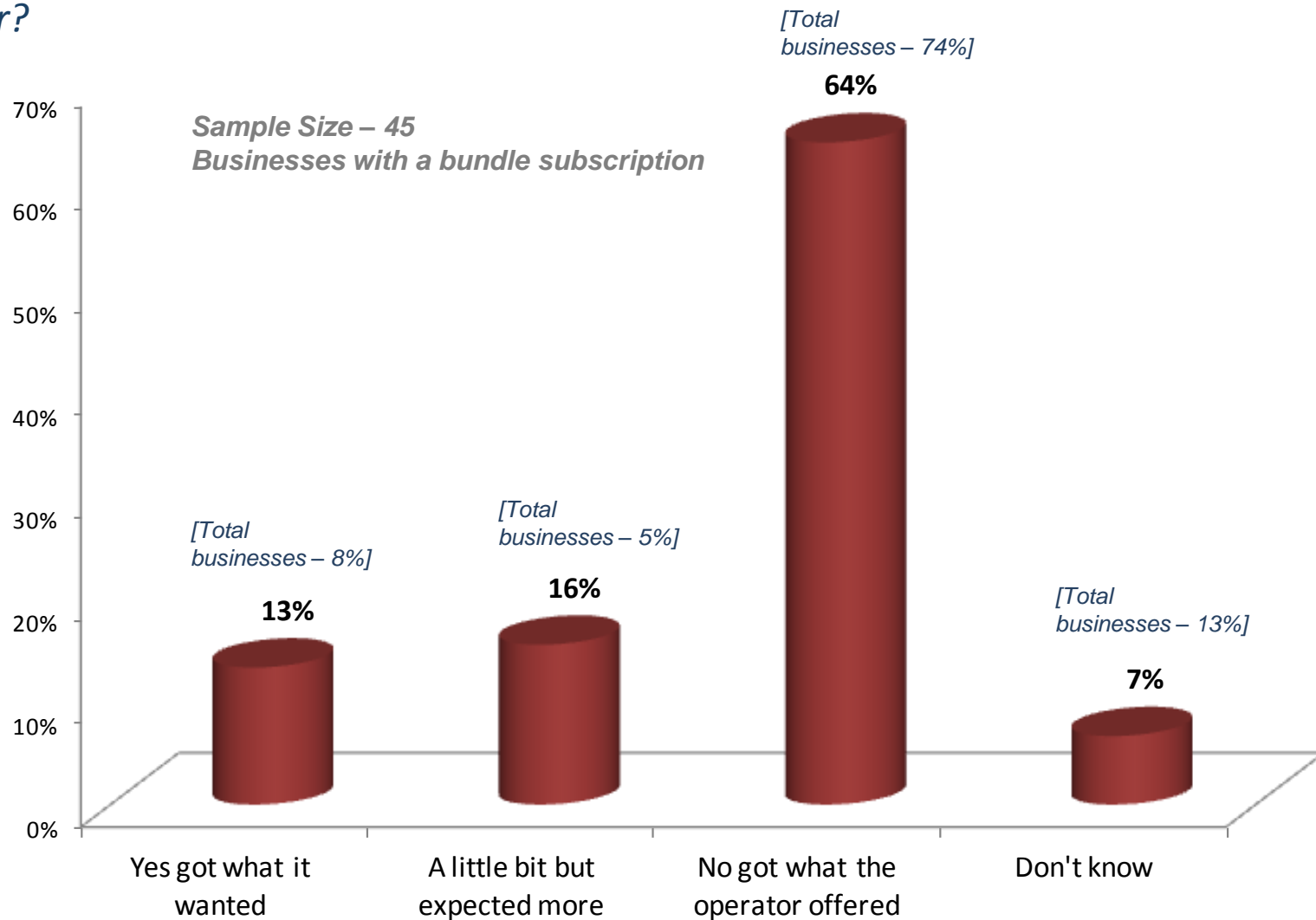




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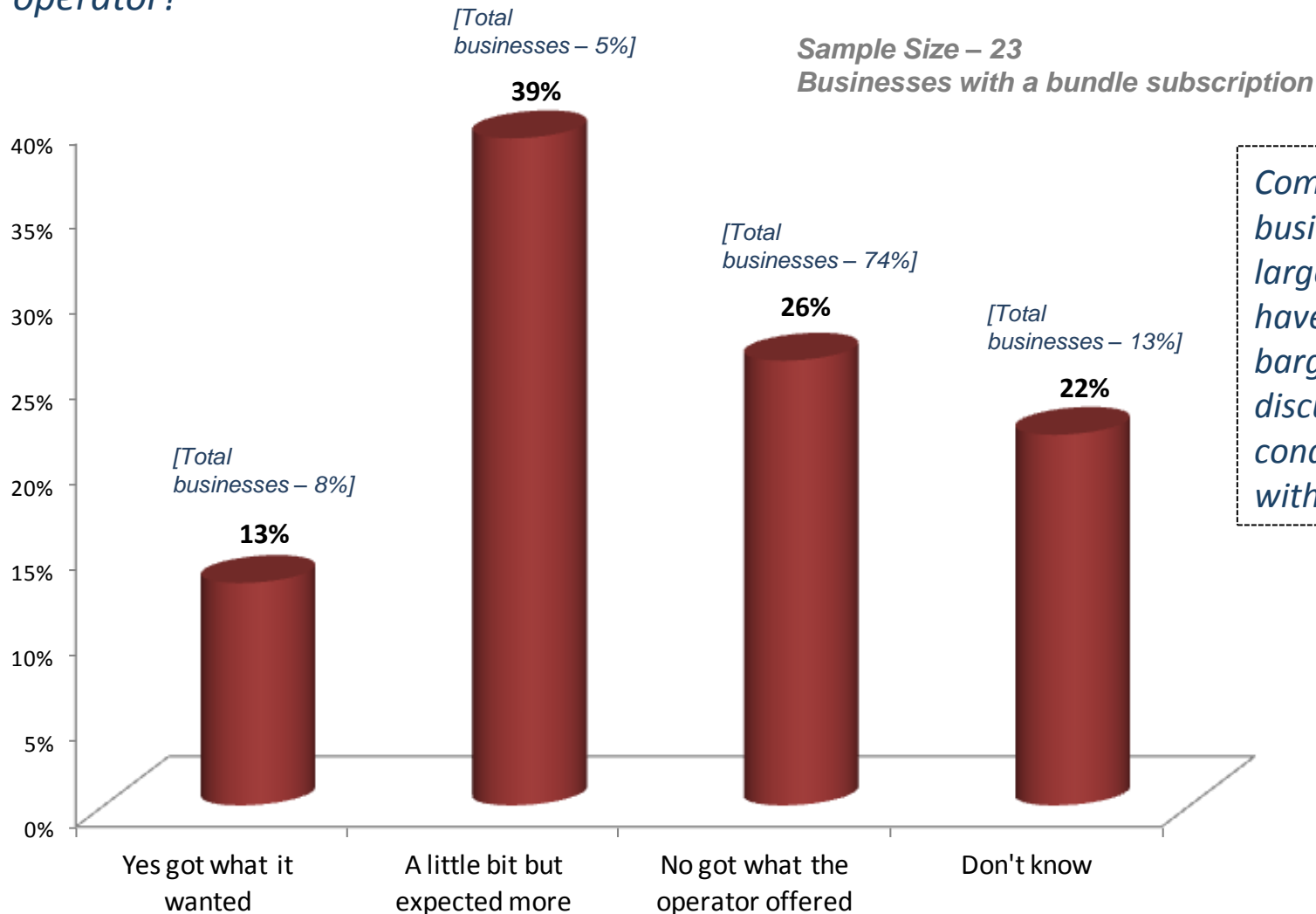
## Procurement of Bundle – Medium Sized Businesses

*Did the company have the ability to bargain on the terms and conditions and price with the operator?*



## Procurement of Bundle – Large Sized Businesses

*Did the company have the ability to bargain on the terms and conditions and price with the operator?*

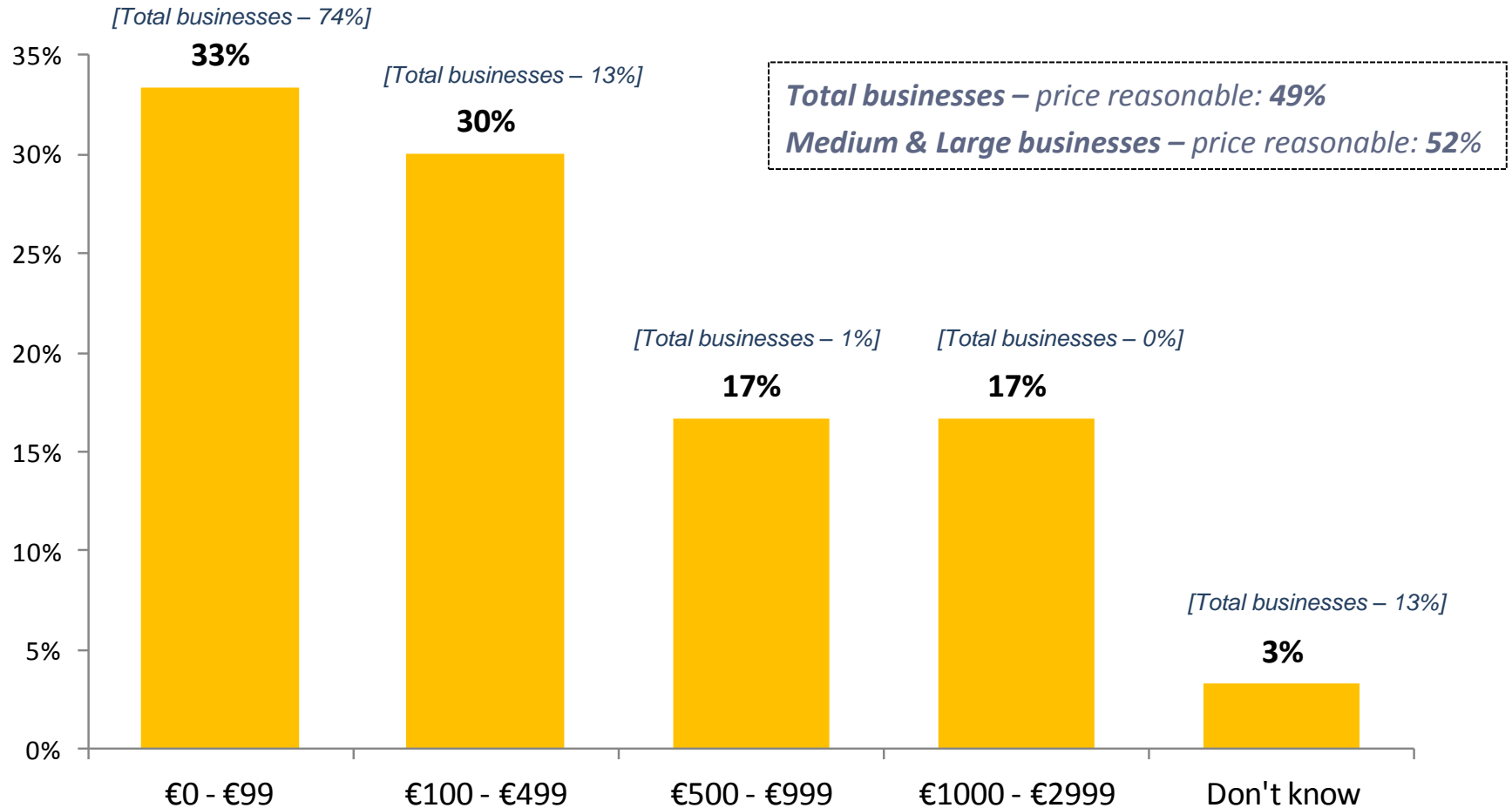


*Compared to total businesses, medium to large sized businesses have slightly more bargaining power to discuss terms and conditions and prices with the operator.*

*What is the average monthly expenditure by the company on fixed line telephony...*

*Sample Size – 60*

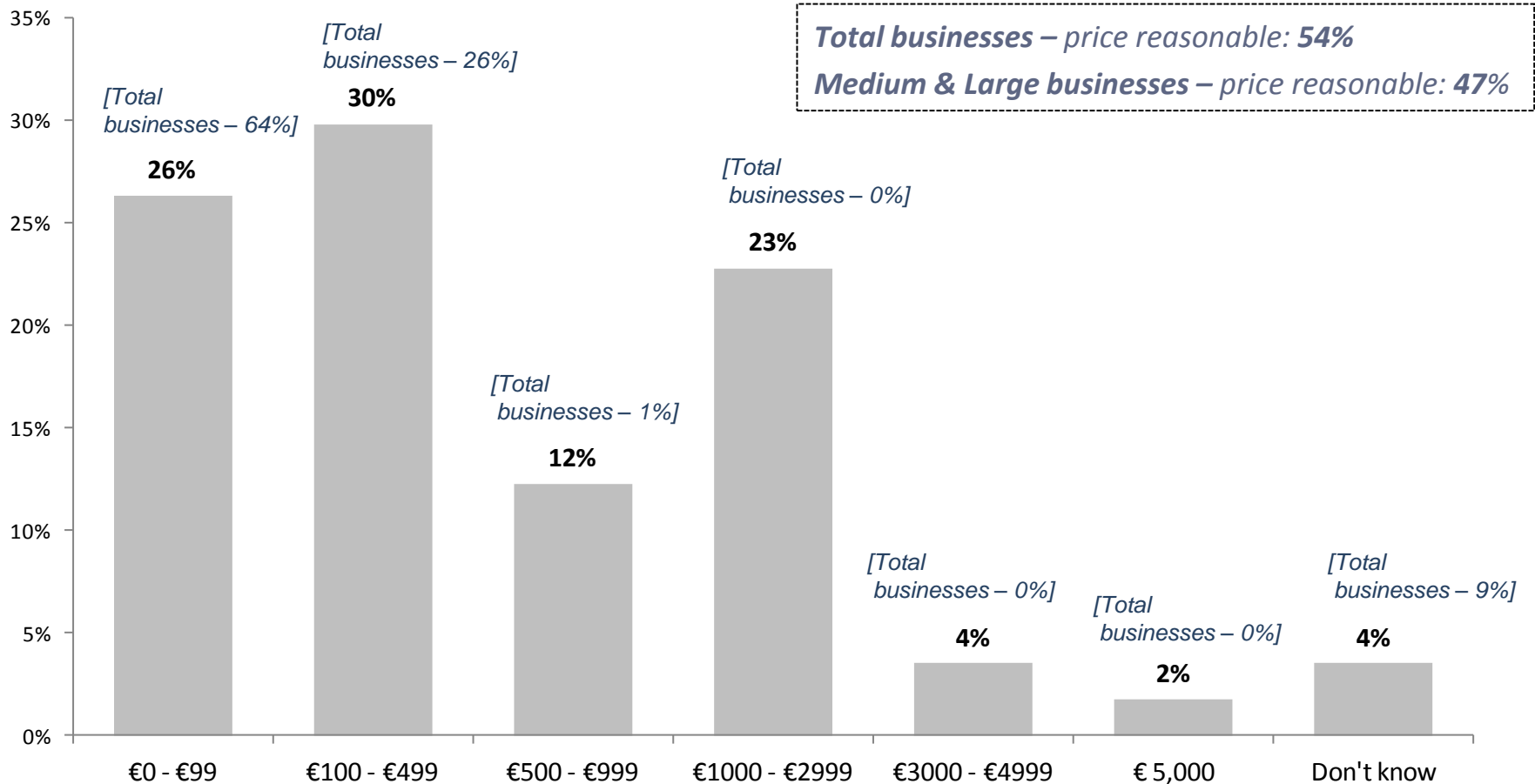
*Only Medium & Large businesses procuring fixed telephony as a standalone*



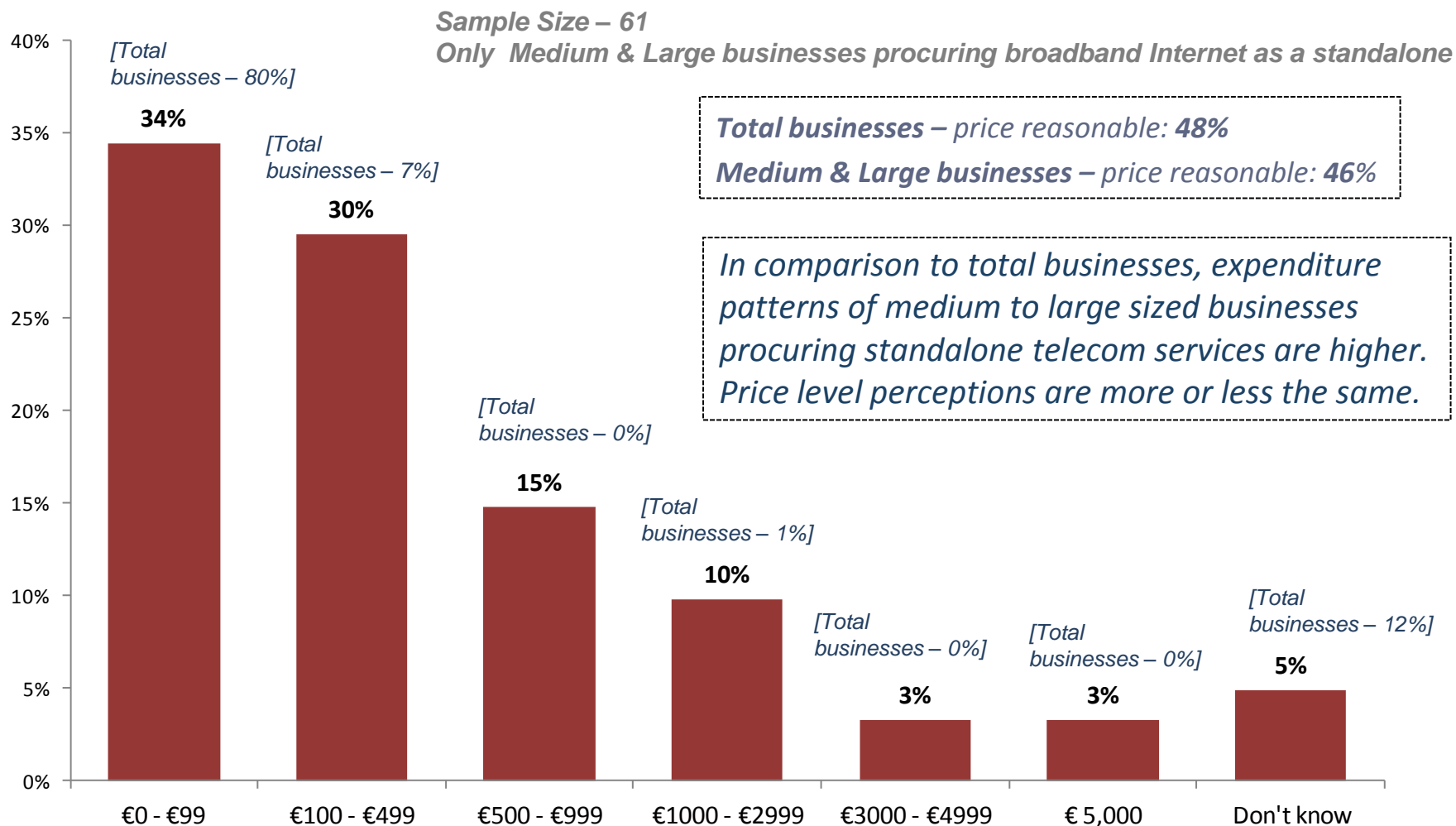
*What is the average monthly expenditure by the company on mobile telephony...*

Sample Size – 57

Only Medium & Large businesses procuring mobile telephony as a standalone



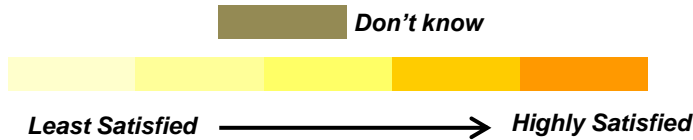
*What is the average monthly expenditure by the company on broadband Internet...*



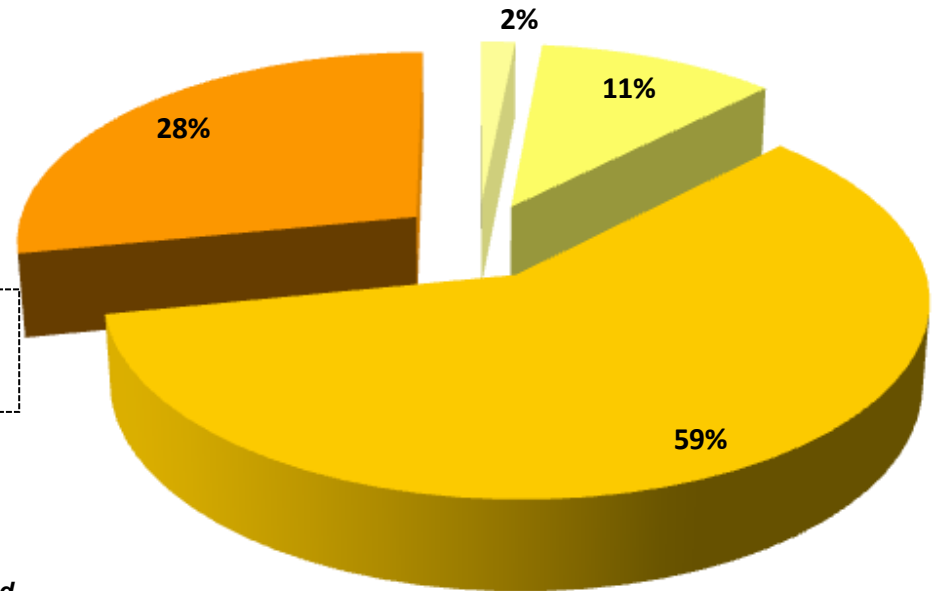
## How satisfied is the company with the quality of fixed line connection?

Sample Size – 128 (Medium & Large Businesses)

Satisfaction Levels of **Total businesses**: 87%  
 Satisfaction Levels of **Medium & Large businesses**: 87%



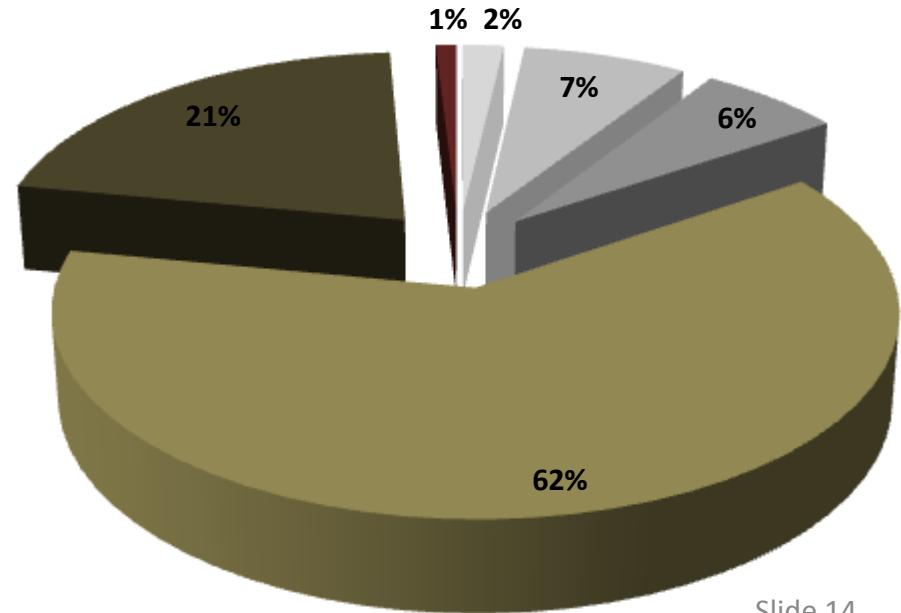
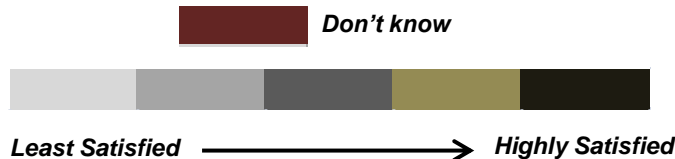
## Quality Satisfaction Levels (1)



## How satisfied is the company with the overall mobile service it receives?

Sample Size – 109 (Medium & Large Businesses)

Satisfaction Levels of **Total businesses**: 87%  
 Satisfaction Levels of **Medium & Large businesses**: 83%

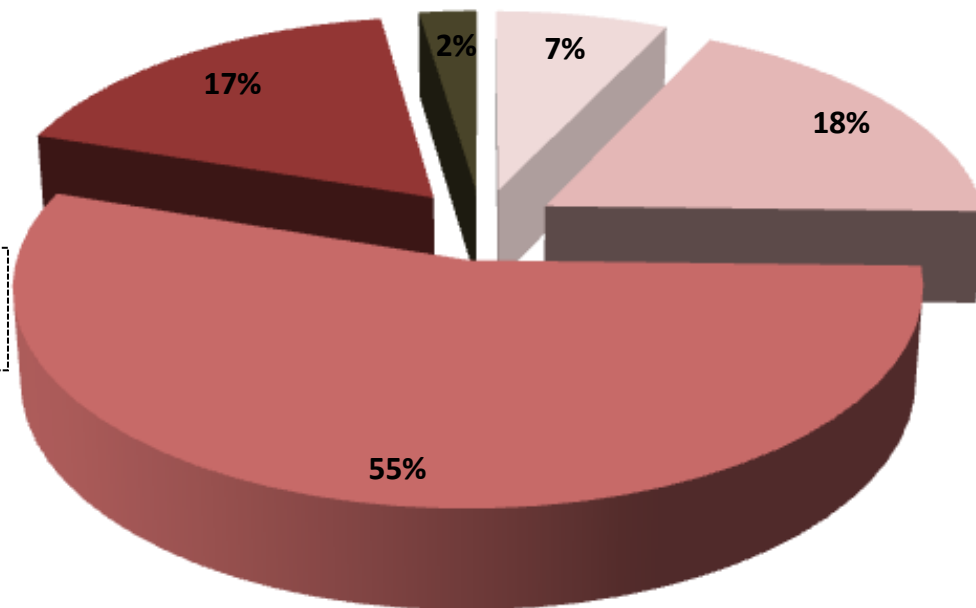
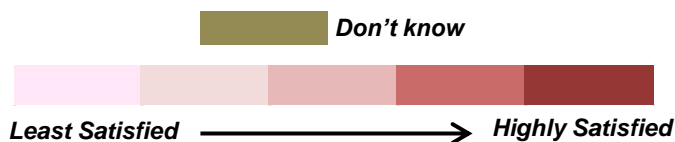


## Quality Satisfaction Levels (2)

*How satisfied is the company with the overall Internet service it receives?*

*Sample Size – 126 (Medium & Large Businesses)*

*Satisfaction Levels of **Total businesses**: 77%*  
*Satisfaction Levels of **Medium & Large businesses**: 72%*



*Medium & Large sized businesses are as much satisfied as total businesses when it comes to fixed telephony services. Medium and large sized businesses are however slightly less satisfied with the mobile and Internet services they receive when compared to total businesses.*

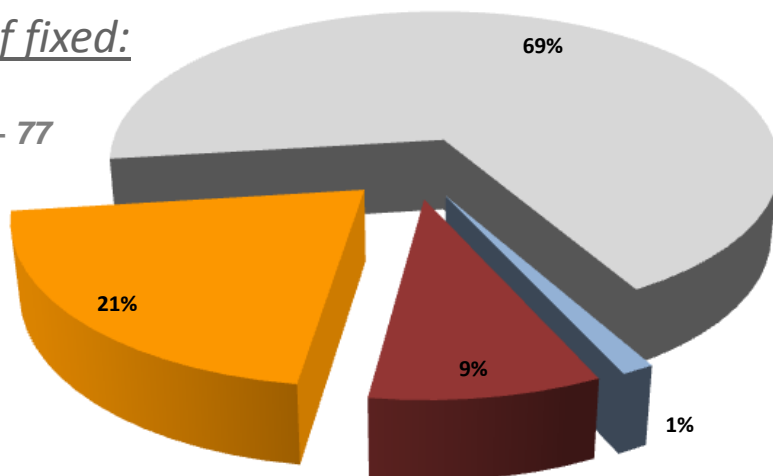
## Service Levels – Medium Sized Businesses

*Does the company have service level agreements with the telecom operators specifying repair times etc.?*

■ Yes   
 ■ No   
 ■ Asked for such an agreement but did not get one   
 ■ Don't Know

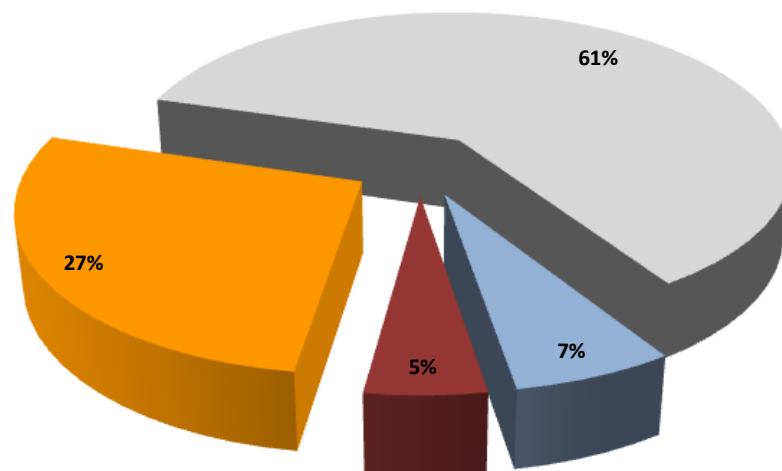
*In case of fixed:*

Sample Size – 77



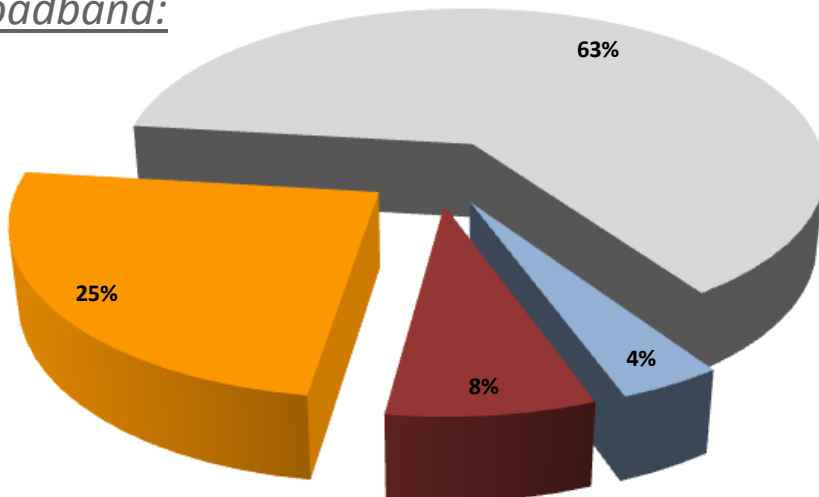
*In case of mobile:*

Sample Size – 62



*In case of broadband:*

Sample Size – 77



*In comparison to total businesses, medium to large sized businesses are more likely to have specific SLAs*



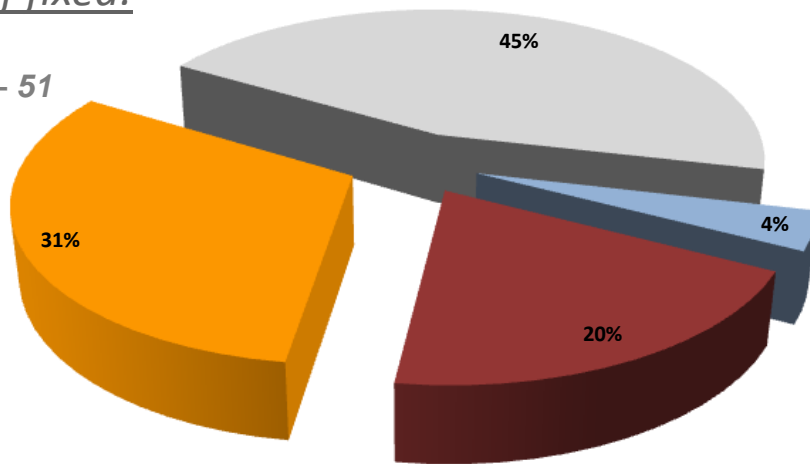
## Service Levels – Large Sized Businesses

*Does the company have service level agreements with the telecom operators specifying repair times etc.?*

■ Yes   
 ■ No   
 ■ Asked for such an agreement but did not get one   
 ■ Don't Know

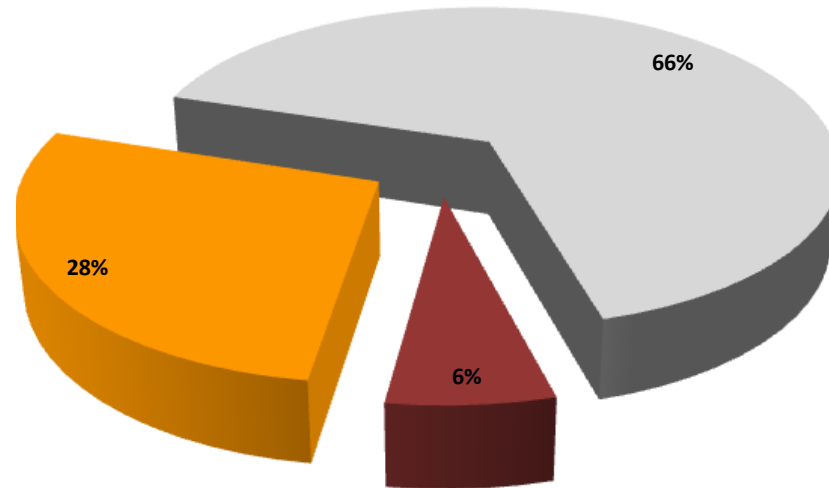
*In case of fixed:*

*Sample Size – 51*



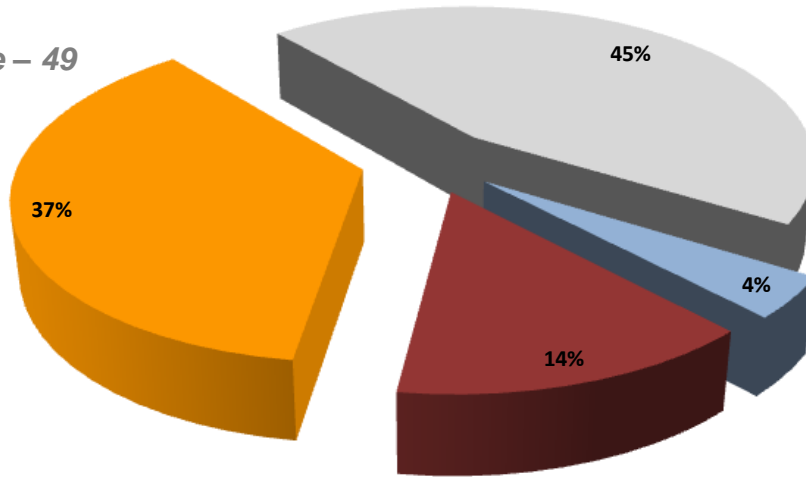
*In case of mobile:*

*Sample Size – 47*



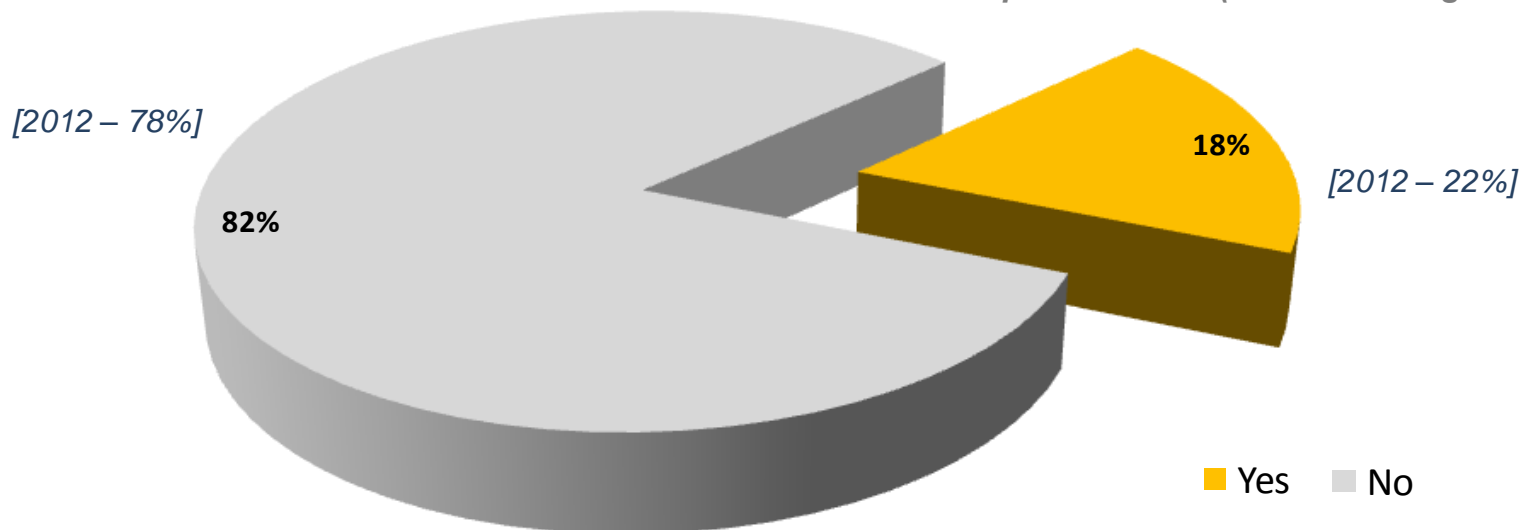
*In case of broadband:*

*Sample Size – 49*



*Does the company use other data services (e.g. Ethernet, IP-VPN, Leased Lines etc.)?*

Sample Size – 143 (Medium & Large Businesses)



### Additional findings:

*35% of those claiming to be using other data services fall within the wholesale, retail & transport category. 27% fall within the business services sector. Another 12% fall within the tourism & hospitality sector*

*58% of businesses using other data services have more than 50 employees. The rest employ between 10 - 49 employees*

*46% of businesses with other data services have less than 5 connections. 38% of respondents were unable to say how many connections the business has*

## 3. Main Highlights

- Mobile phone usage by medium & large sized businesses increased by 7 percentage points and 13 percentage points respectively over 2012
- 50% of medium and 43% of large sized businesses procure their telecom services as a bundle. 70% of large sized businesses with a bundle have a triple play subscription comprising fixed, mobile and broadband
- Circa 43% of large sized businesses with a bundle spend more than €1,000 a month on their subscription
- 42% of medium sized businesses spend more than €500 a month on the bundle subscription. The majority of total businesses (68%) with a bundle spend less than €100 a month
- In comparison to total businesses, medium to large sized businesses are more likely to have specific SLAs and have slightly more bargaining power to discuss terms and conditions and prices with the operator

- Expenditure patterns of medium to large sized businesses procuring standalone telecom services are higher when compared to total businesses. Price level perceptions are more or less the same
- Medium & Large sized businesses are as much satisfied as total businesses when it comes to fixed telephony services. Medium and large sized businesses are however slightly less satisfied with the mobile and Internet services they receive when compared to total businesses
- 18% of medium to large sized businesses use other data services – a slight drop from 22% reported in 2012



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# Thank you

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