

MCA Market Research

*Consumer Perception Survey Results –
Broadband Internet*

MCA | January 2016

1. Purpose & Methodology

Keep tabs on Internet services in Malta

Provide for better analysis of Internet services

Provide for better regulatory decisions

Ernst & Young carried out the survey between August and October 2015 on behalf of the MCA

Fieldwork

- Interviews were carried out by telephone lasting around 8 minutes
- The survey respondents were chosen randomly from the range of GO and Melita fixed telephone numbers
- Only one person per household was interviewed and all respondents were over 18 years old

Sample

- Targeted population was stratified according to the socio-economic classification of the Maltese population
- The interviews were also distributed among Malta's six official geographic regions

Responses

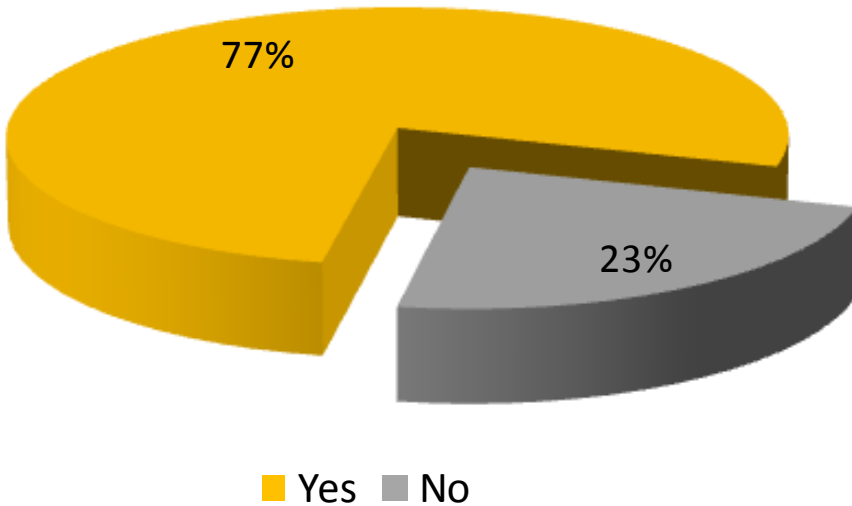
- 800 net respondents
- Any refusals / incomplete surveys were re-allocated to achieve a net sample of 800 interviewees
- Margin of error 3.45% at 95% confidence interval

2. Internet Access in Maltese Households

Internet Access in Maltese Households (1)

Do you have Internet Access at home?

Sample Size – 800

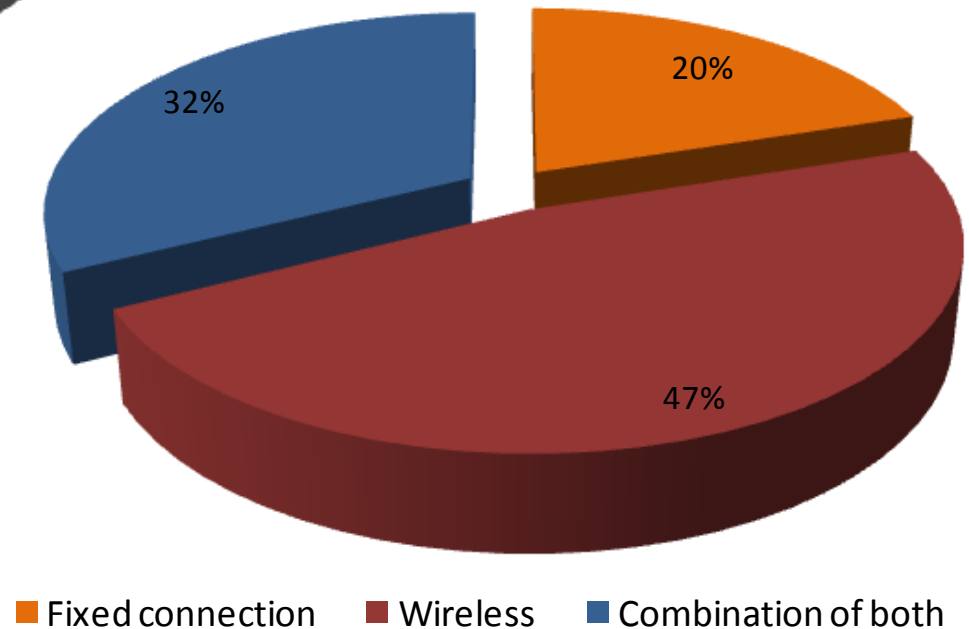


Results show same Internet penetration trends to those reported in the 2013 survey

85% of households with no Internet access fall within the D/E socio-economic category.

How do you access the Internet at home?

Sample Size – 619
(households with Internet connection)



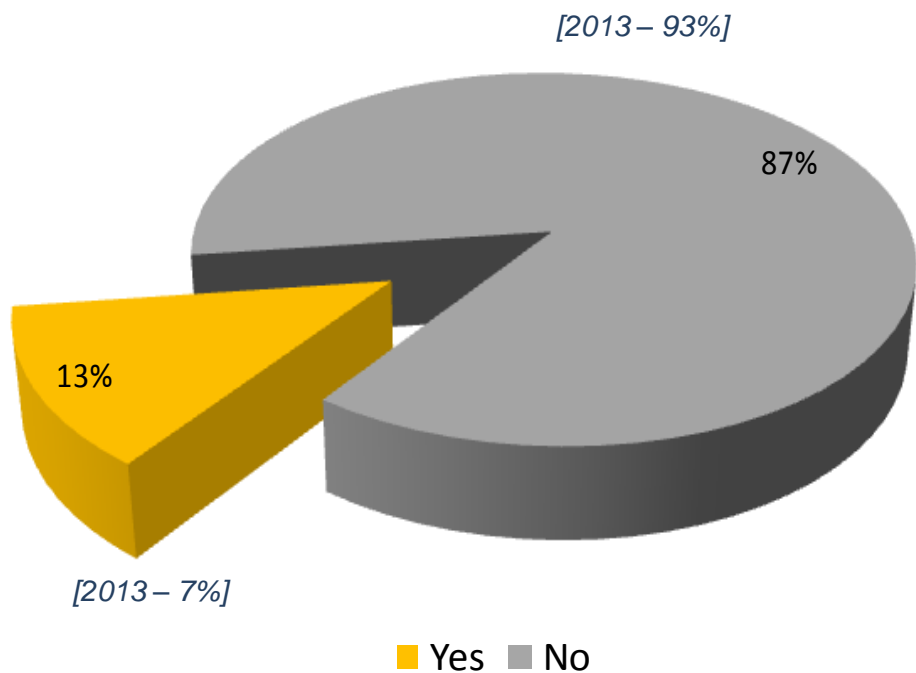


MALTA COMMUNICATIONS AUTHORITY

Internet Access in Maltese Households (2)

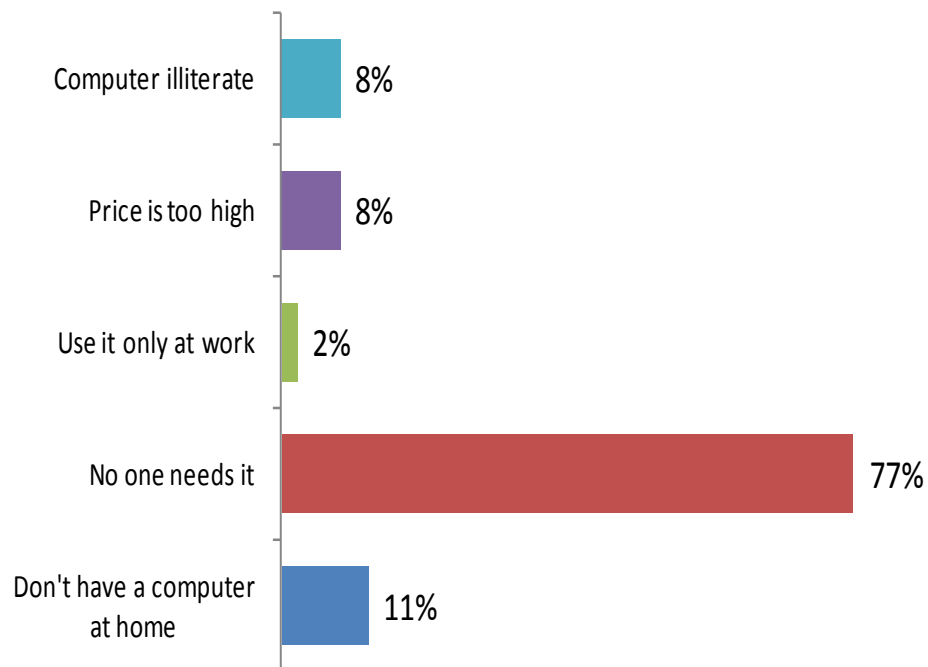
If you do not have Internet access are you considering getting a connection?

*Sample Size – 181
(households without Internet connection)*



If no, what is the reason for not getting Internet access?

*Sample Size – 158
(each household could give more than one reason)*

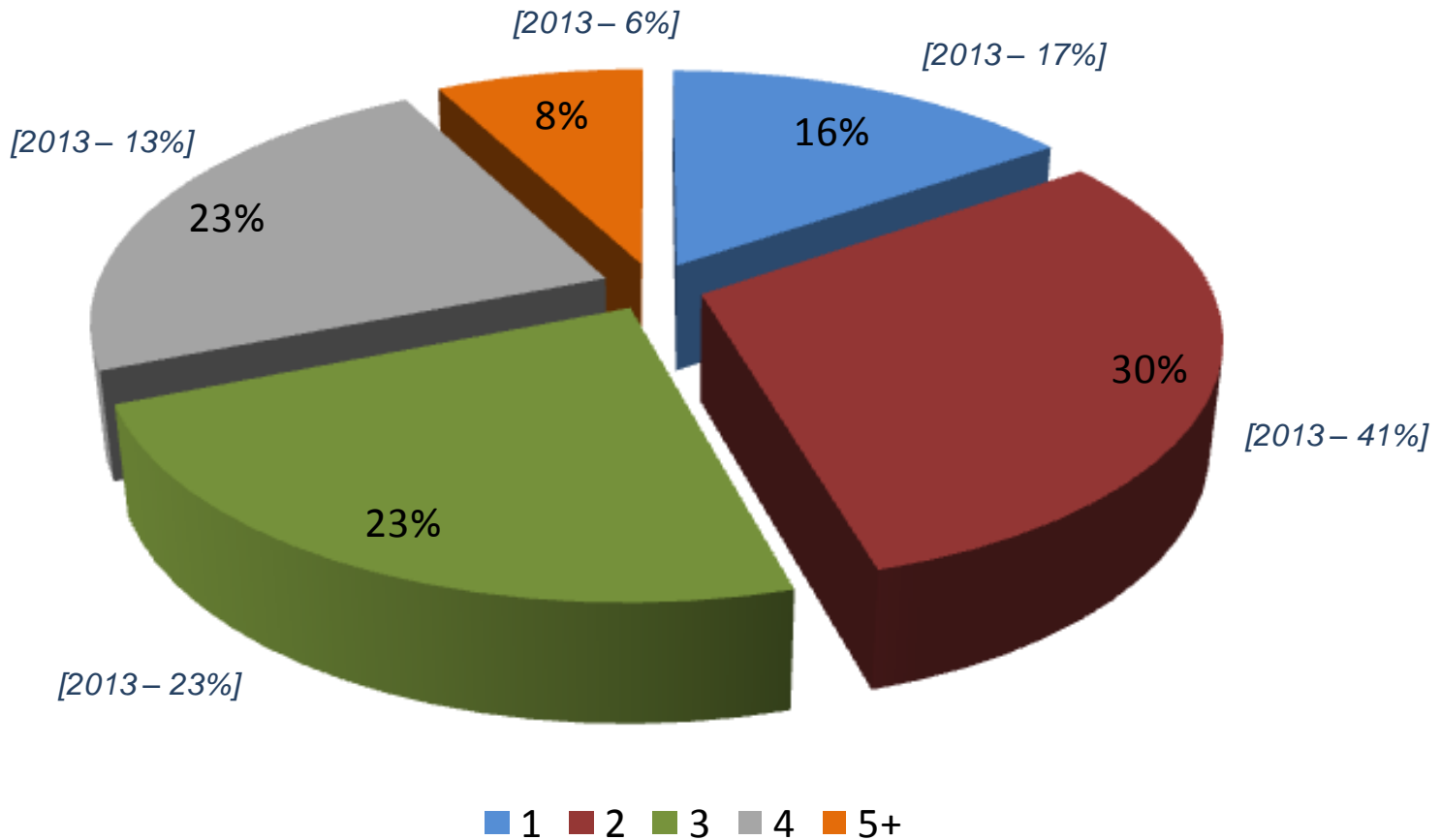


Internet Access in Maltese Households (3)

Number of household members using the Internet at home

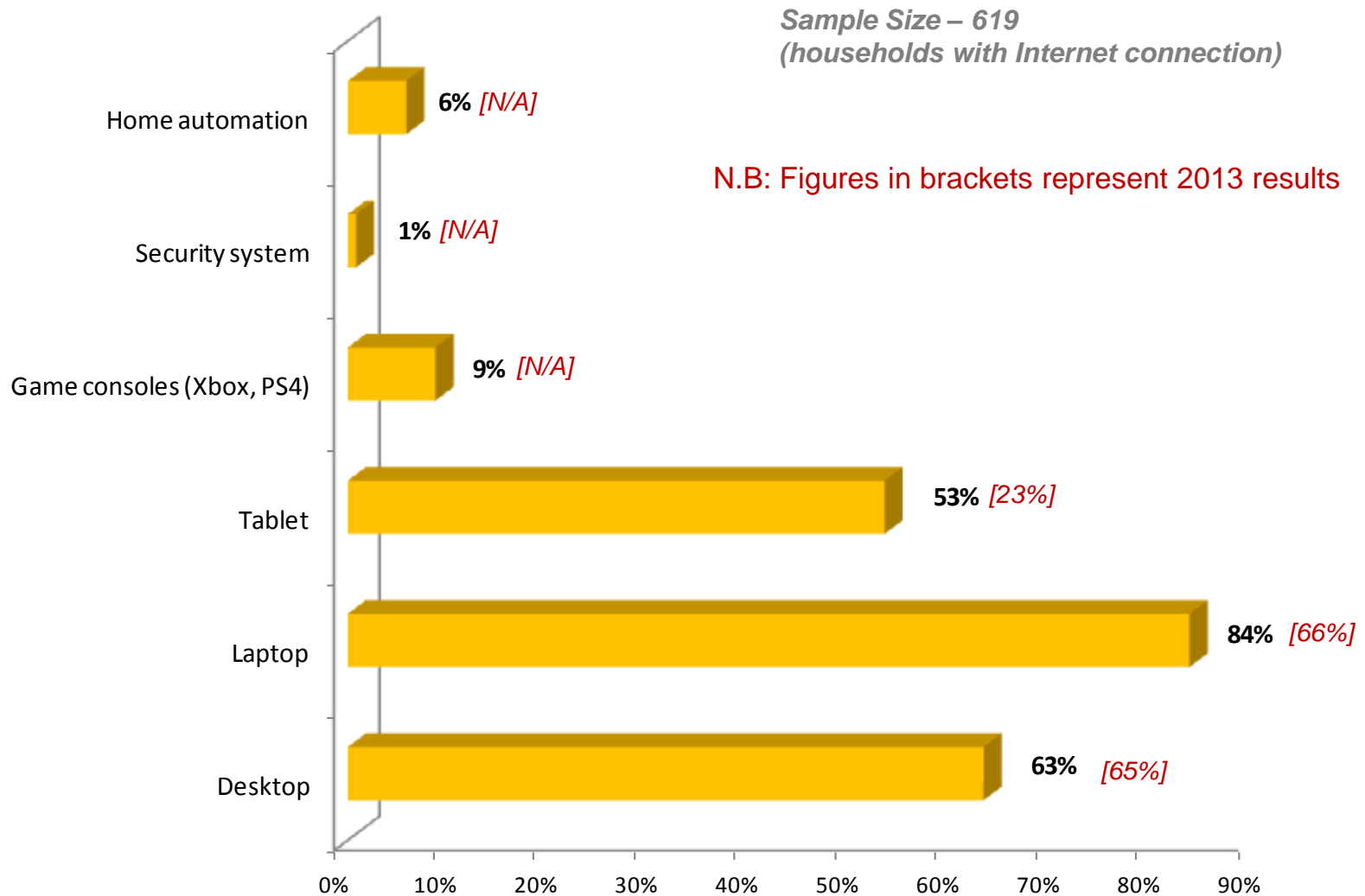
*Sample Size – 619
(households with Internet connection)*

Compared to the 2013 Survey more household members are using the Internet at home



Devices connected to the Internet at Home (1)

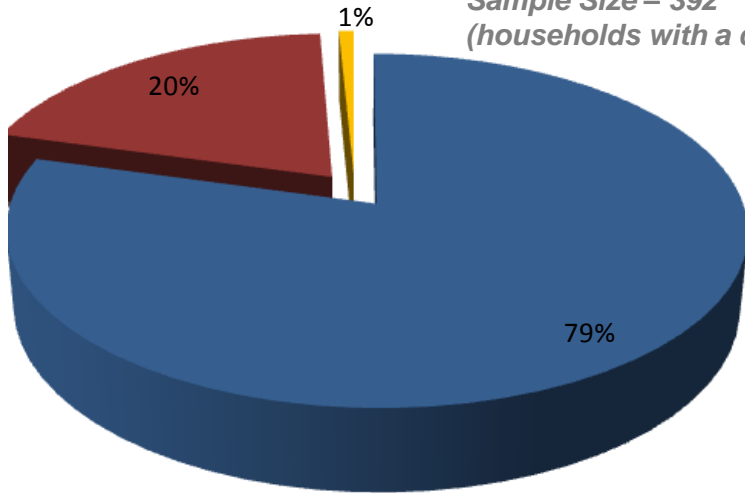
What type of device does your household have?



Devices connected to the Internet at Home (2)

How many desktops do you have?

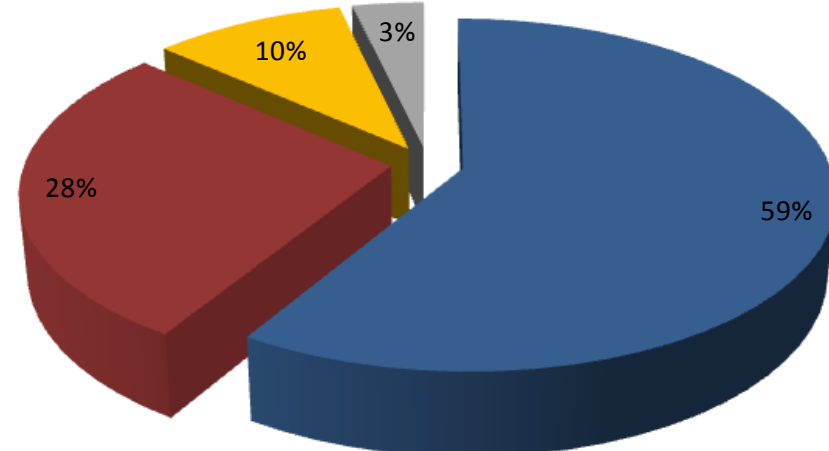
Sample Size – 392
(households with a desktop)



■ 1 ■ 2 ■ More than 2

How many laptops do you have?

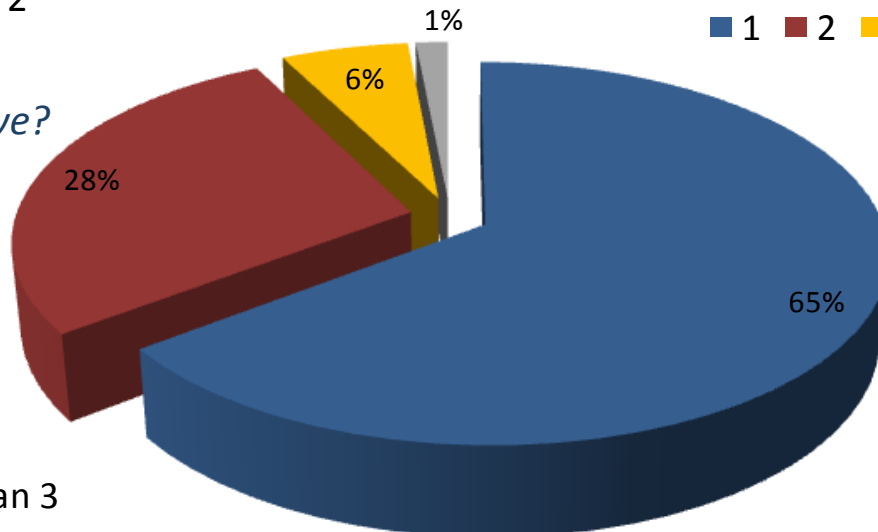
Sample Size – 519
(households with a laptop)



■ 1 ■ 2 ■ 3 ■ More than 3

How many tablets do you have?

Sample Size – 331
(households with a tablet)



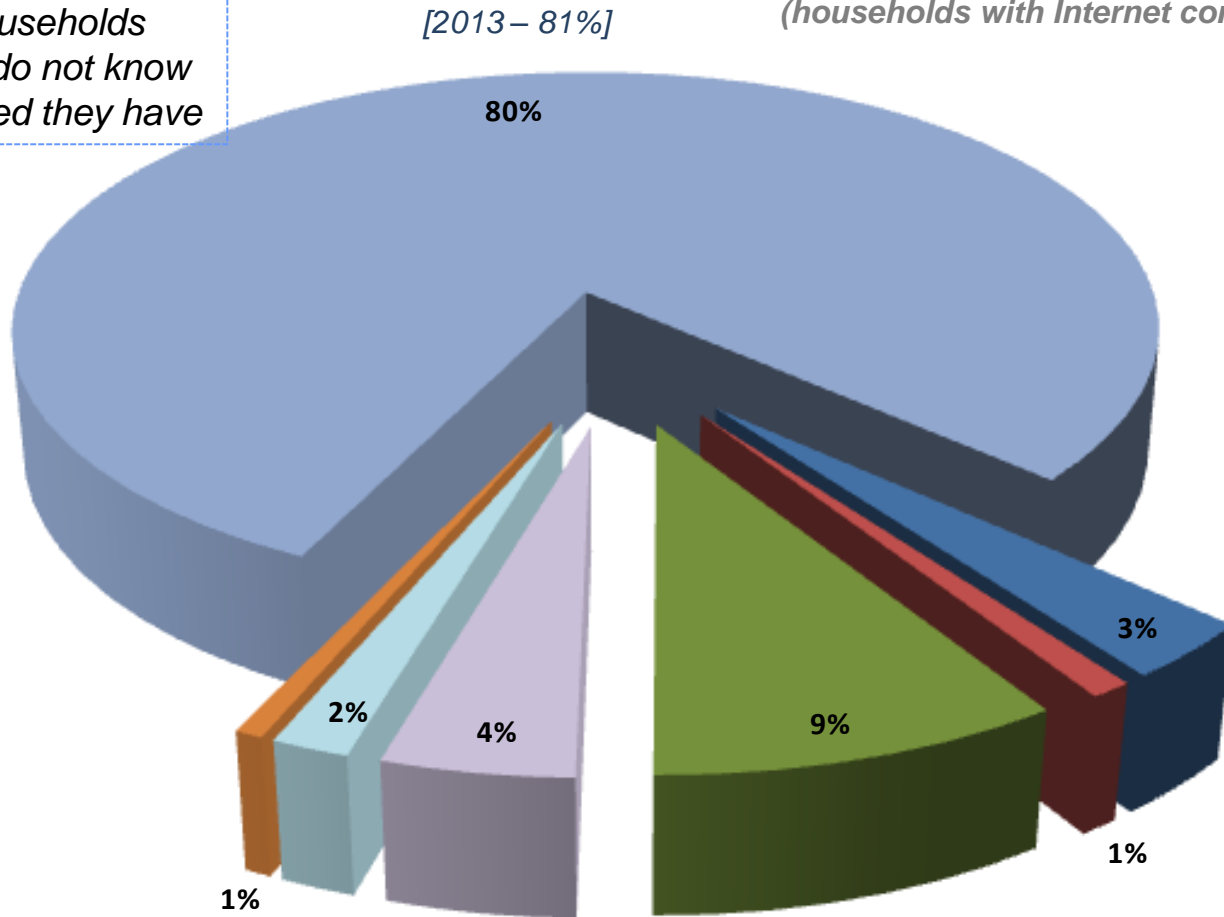
■ 1 ■ 2 ■ 3 ■ More than 3

3. Type of Internet Connection in Households

Internet Connection Speed (1)

More than 80% of households with Internet access do not know what connection speed they have

Sample Size – 619
(households with Internet connection)

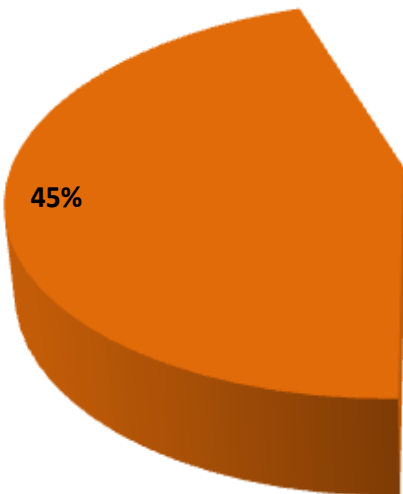


■ 0 - 5 Mbps ■ 6 - 10 Mbps ■ 11 - 30 Mbps ■ 31 - 50 Mbps ■ 51 - 100 Mbps ■ >100Mbps ■ Don't Know

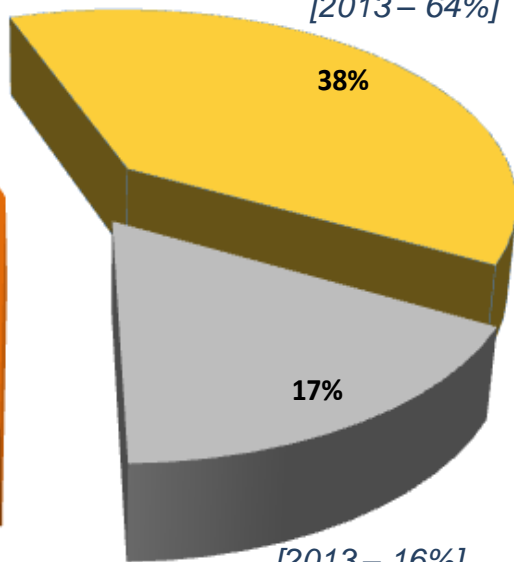
Do you feel that this download speed is adequate for your needs?

Sample Size – 604
(excluding households with 50/60/75/100Mbps)

[2013 – 19%]



[2013 – 64%]



[2013 – 16%]

17%

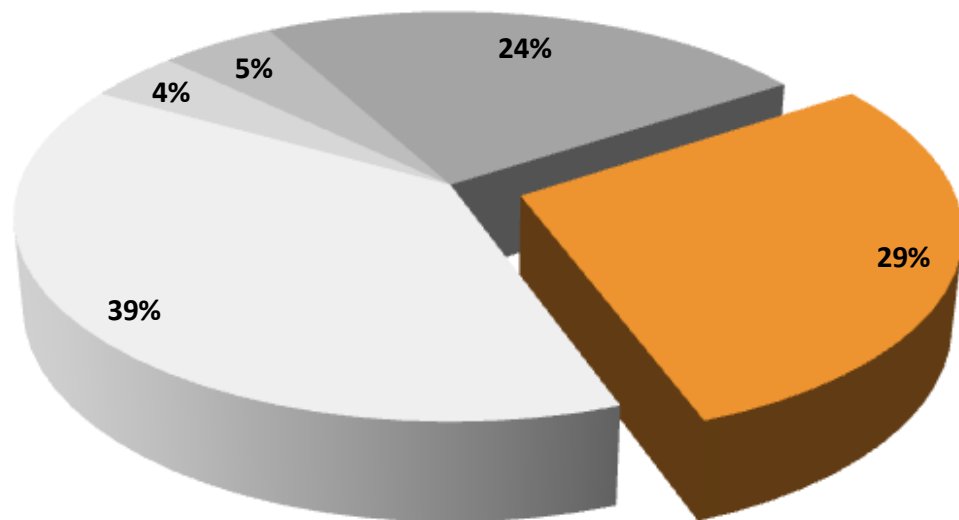
■ Yes, more than enough ■ Yes, adequate ■ No, inadequate

Despite the majority of households not knowing what type of Internet speed they have, 83% think it is adequate for their needs.

Internet Connection Speed (2)

If no, are you interested in subscribing to a very high speed service (e.g. 50Mbps)?

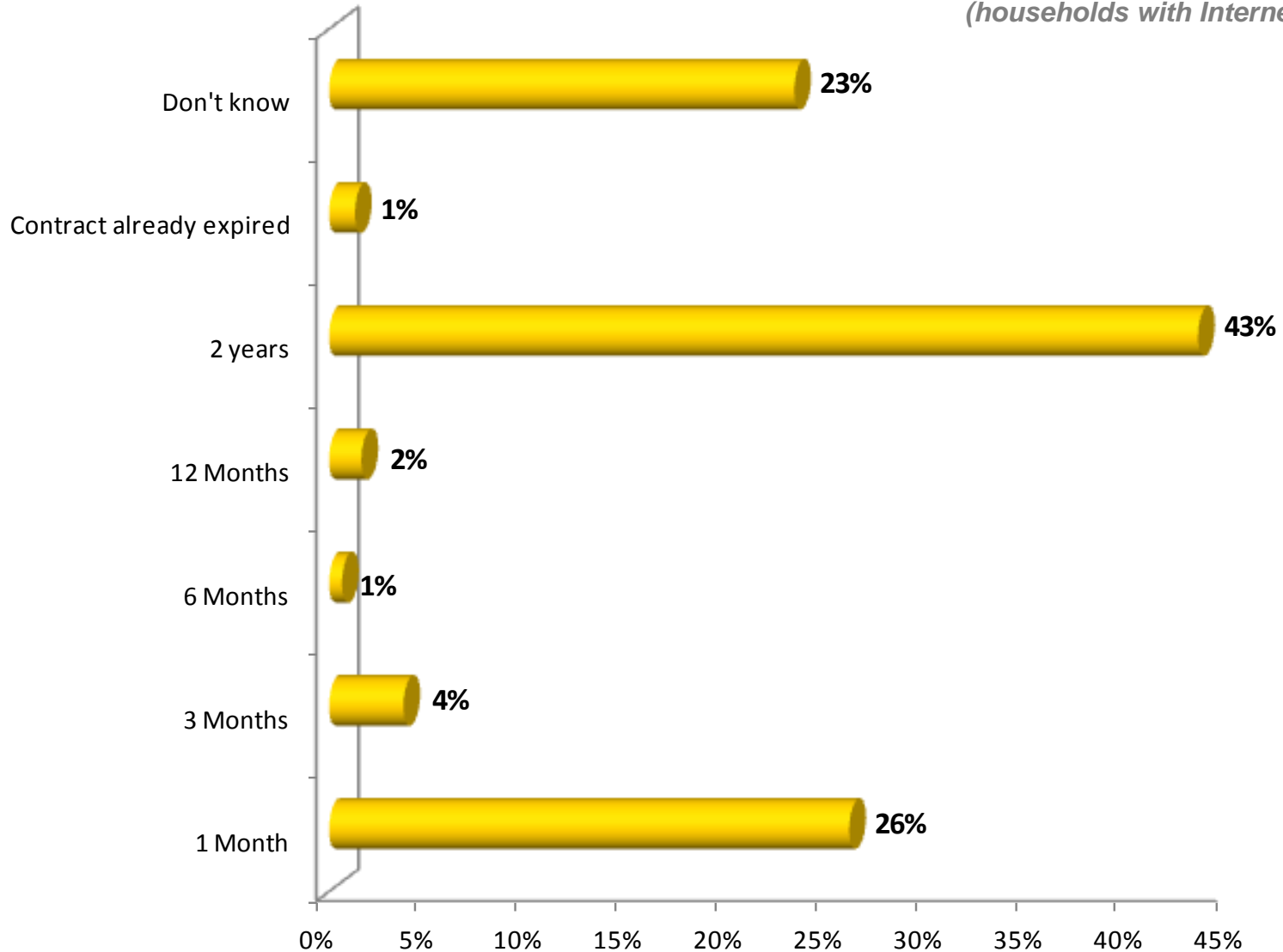
Sample Size – 101



- Yes
- No, price is too expensive
- No, don't need that kind of speed
- No, actual speed would be much lower than advertised
- Don't know

Broadband subscription Period

*Sample Size – 619
(households with Internet connection)*



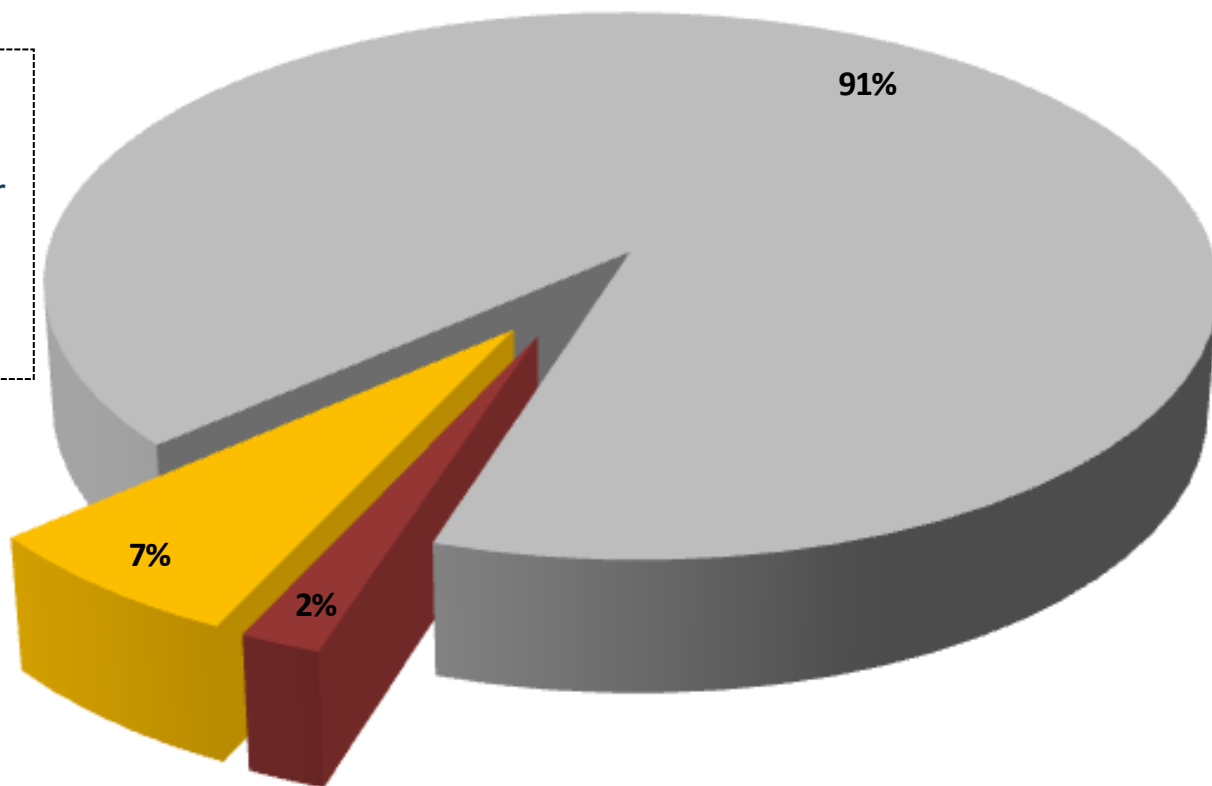
4. Analysis of Internet Services in Malta

Movement in Internet Subscriptions

In the last two years did you switch from one Internet service to another?

*Sample Size – 619
(households with Internet connection)*

7% of households with Internet access switched from one Internet service to another over the last two years. In 2013, 9% of households claimed to have switched



■ Yes ■ No ■ Don't know

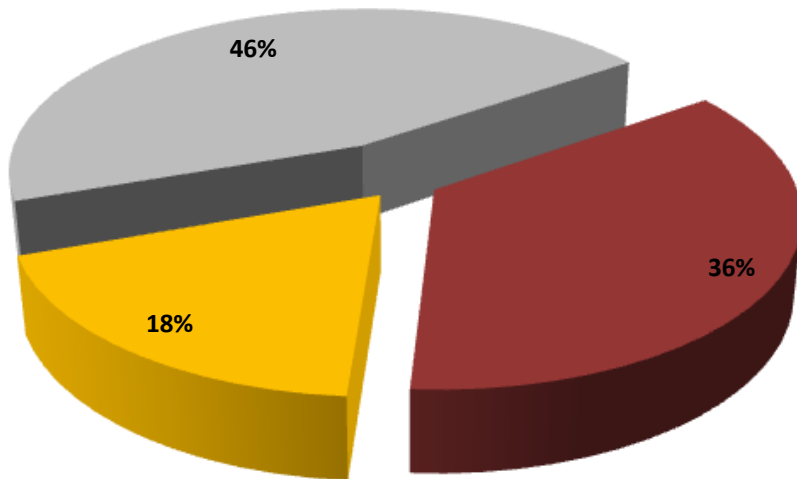
Ease of Switching

Do you think it is difficult to switch from one Internet service to another?

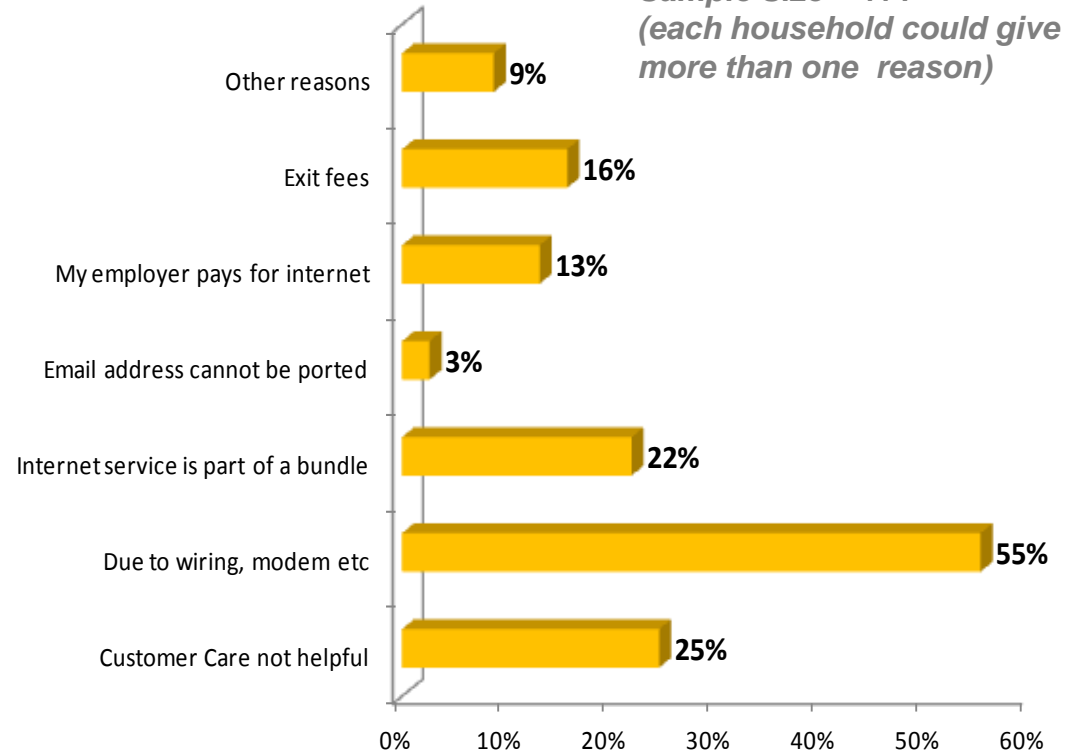
If yes, why?

*Sample Size – 619
(households with Internet connection)*

*Sample Size – 114
(each household could give more than one reason)*



■ Yes ■ No ■ Don't know



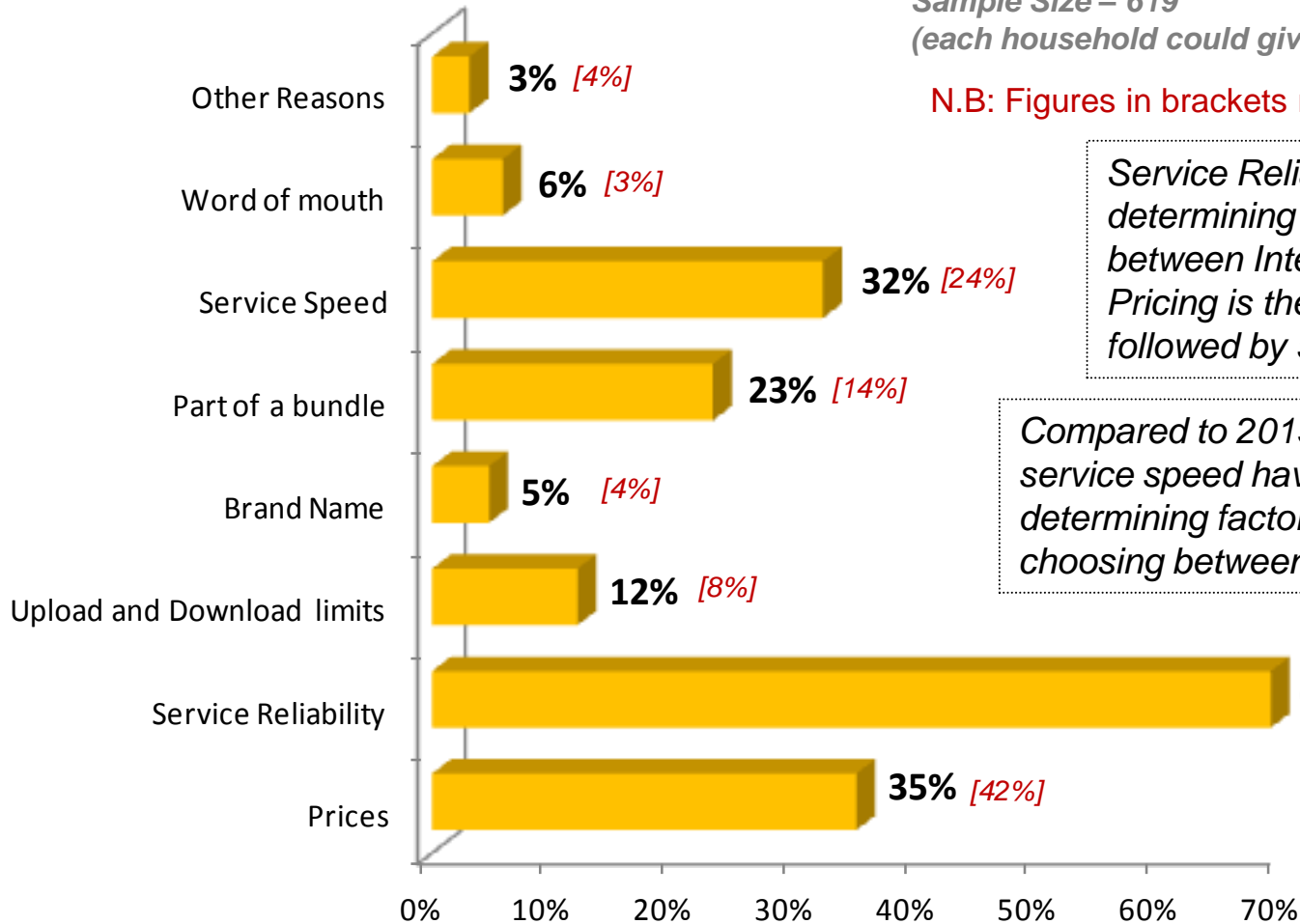
Choosing an Internet Service Provider

What are the features you look for when choosing an Internet service provider?

Sample Size – 619

(each household could give more than one reason)

N.B: Figures in brackets represent 2013 results



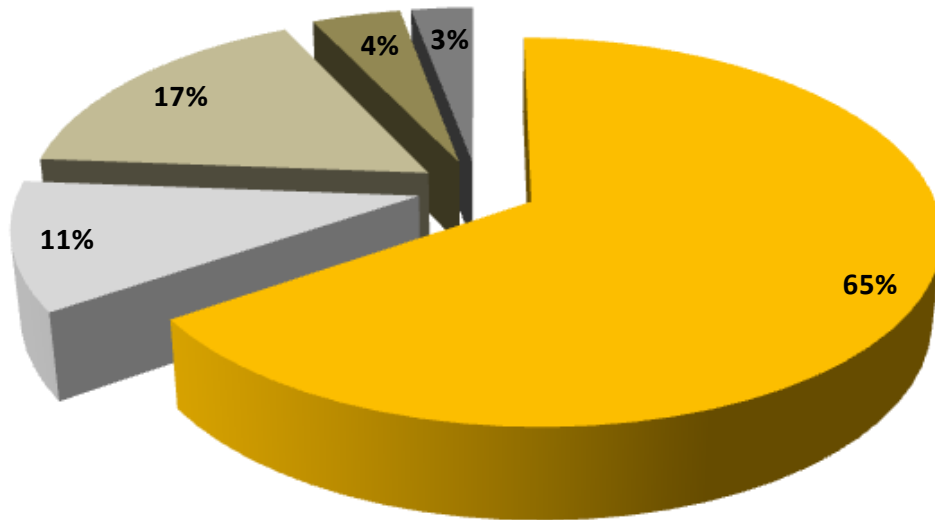
Service Reliability is the highest determining factor when choosing between Internet service providers. Pricing is the 2nd highest consideration, followed by service speed

Compared to 2013, service reliability and service speed have become more important determining factors than pricing when choosing between Internet service providers

Internet Connection Problems (1)

How many, if any, Internet connection problems have been experienced during the last 12 months?

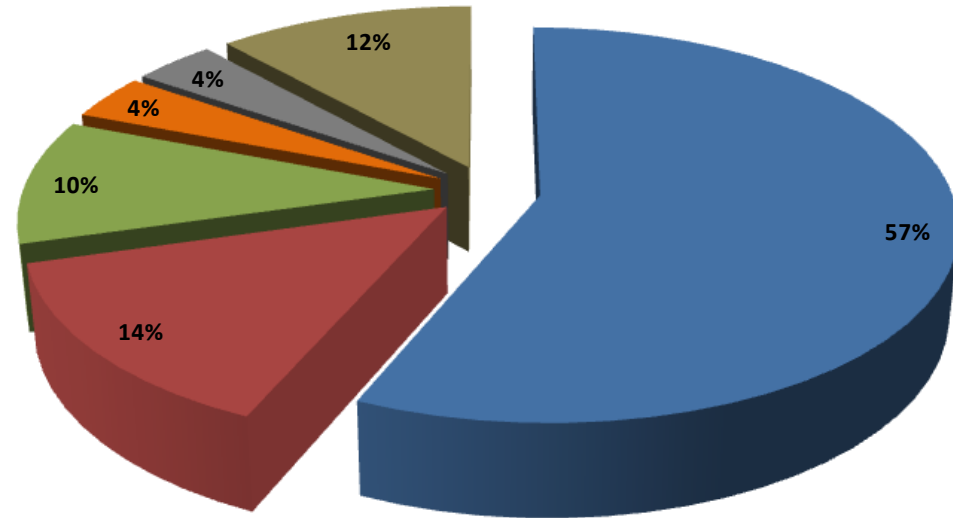
Sample Size – 619
(households with Internet connection)



■ None ■ 1 ■ 2-5 ■ 6-11 ■ >11

Once your problem was reported how long did it take to solve it?

Sample Size – 214
(households with Internet connection problems)



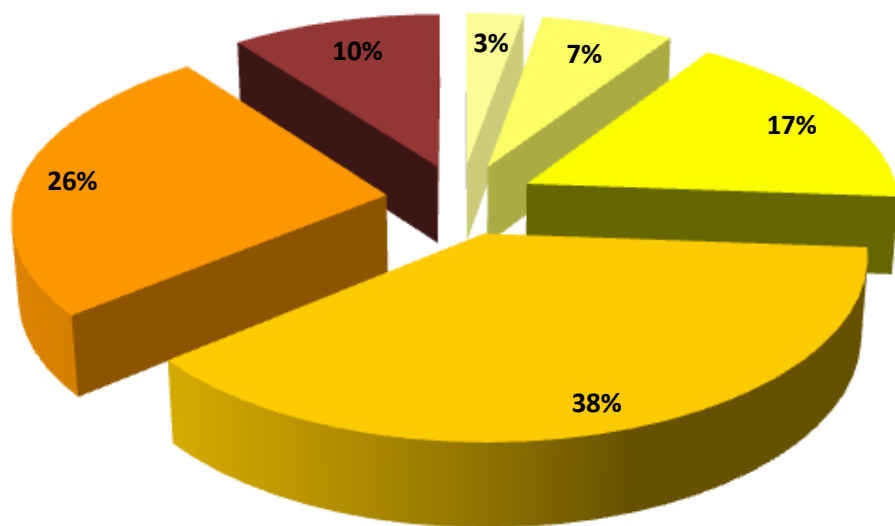
■ Couple of hours ■ Next day
 ■ 2 - 3 days ■ 4 - 7 days
 ■ More than 7 days ■ Problem has not been solved

Internet Connection Problems (2)

How satisfied are you with the way such problems have been addressed by the Internet provider?

How much were you impacted when you experienced Internet connection problems?

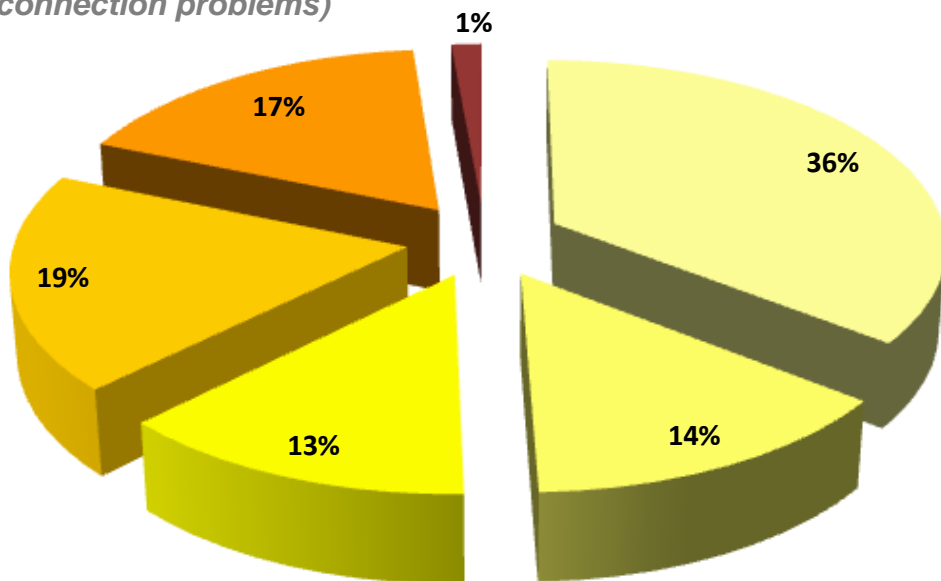
Sample Size – 214
(households with Internet connection problems)



Don't know

Least Satisfied → Highly Satisfied

10% of households were not satisfied with the way their Internet connection problem was addressed



Don't know

Significantly impacted → No impact

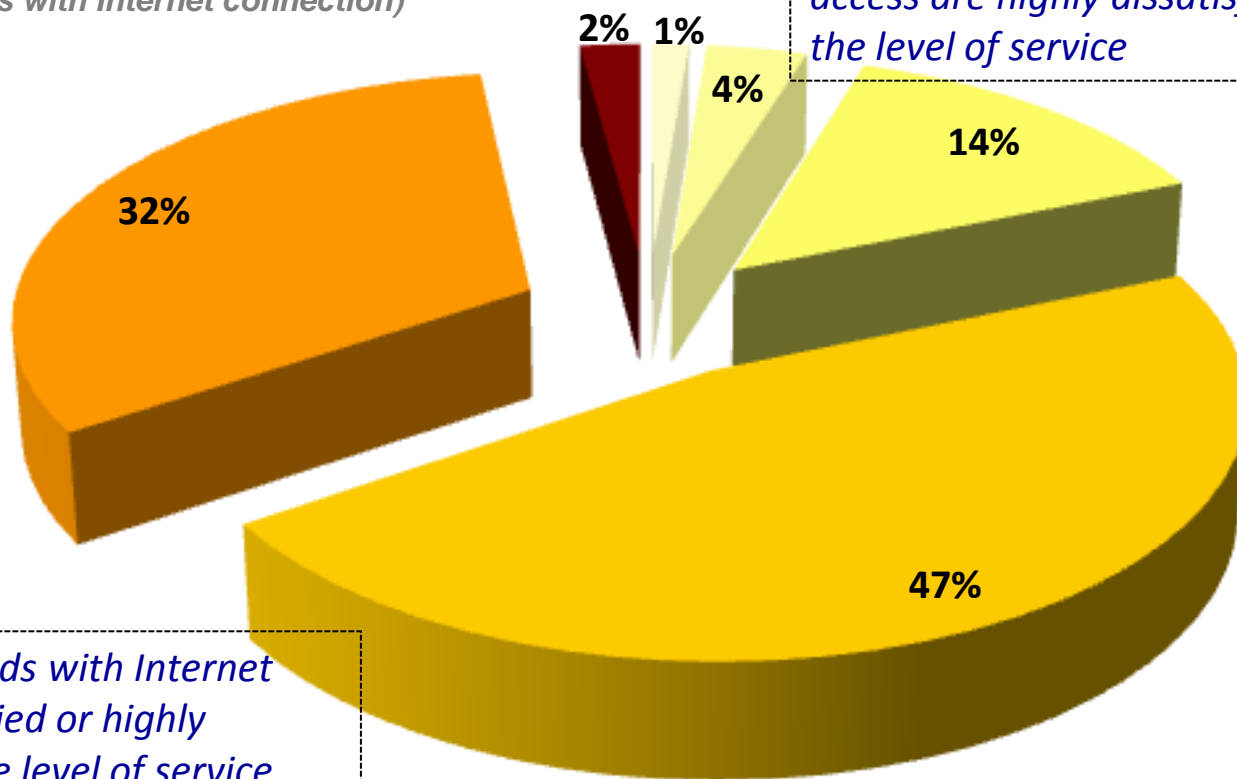
Only 36% of households claim not to have been impacted when they experienced Internet connection problem

Quality of Internet Service Satisfaction (1)

How satisfied are you with the quality of your Internet connection?

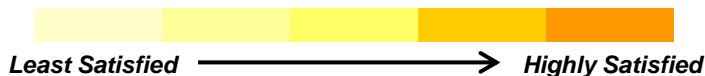
Sample Size – 619
(households with Internet connection)

Only 5% of households with Internet access are highly dissatisfied with the level of service



79% of households with Internet access are satisfied or highly satisfied with the level of service. Same levels were registered in 2013

Don't know

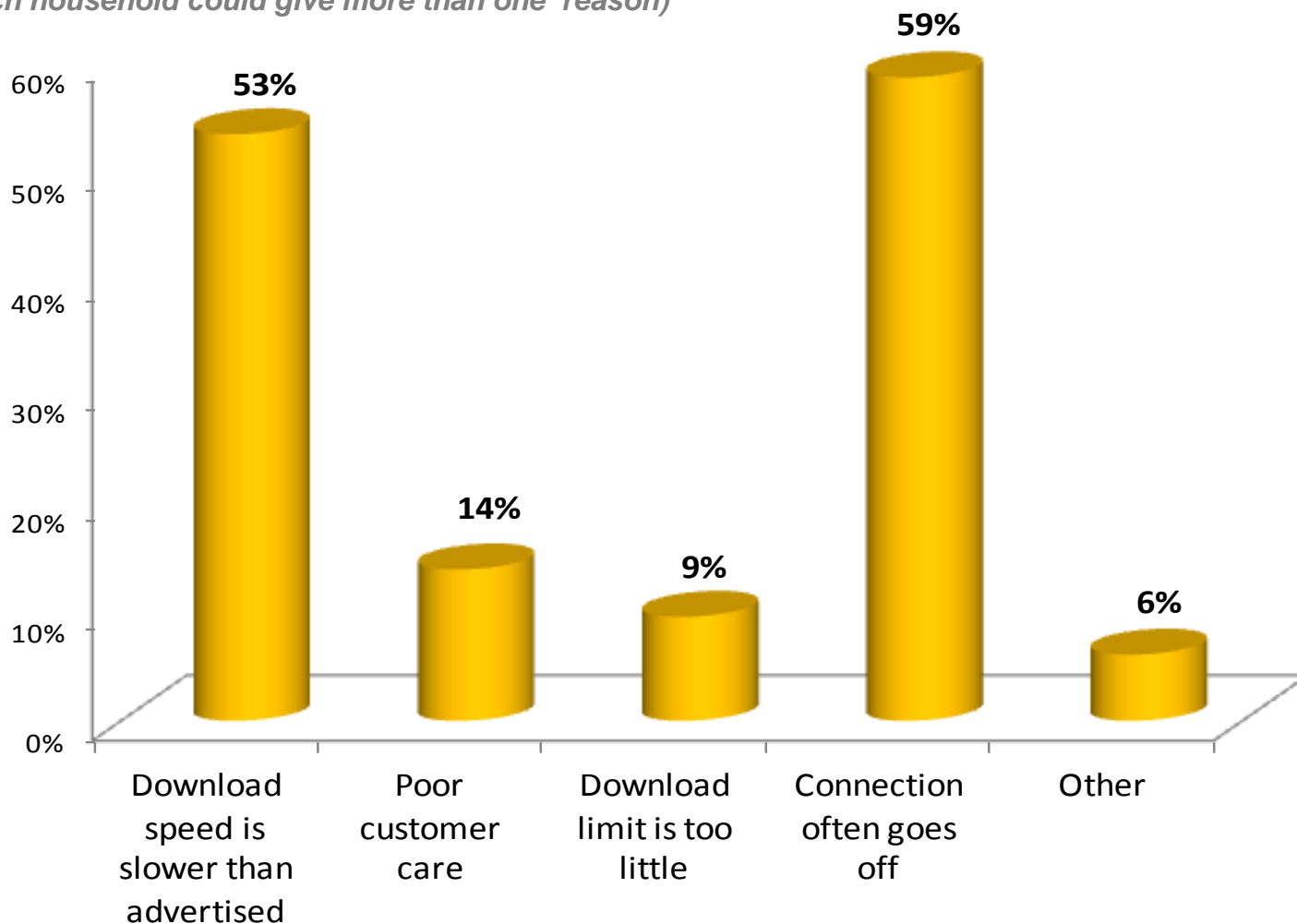


Quality of Internet Service Satisfaction (2)

If you are less than satisfied with the quality of your Internet connection, why is it so?

Sample Size – 116

(each household could give more than one reason)



5. Pricing Analysis

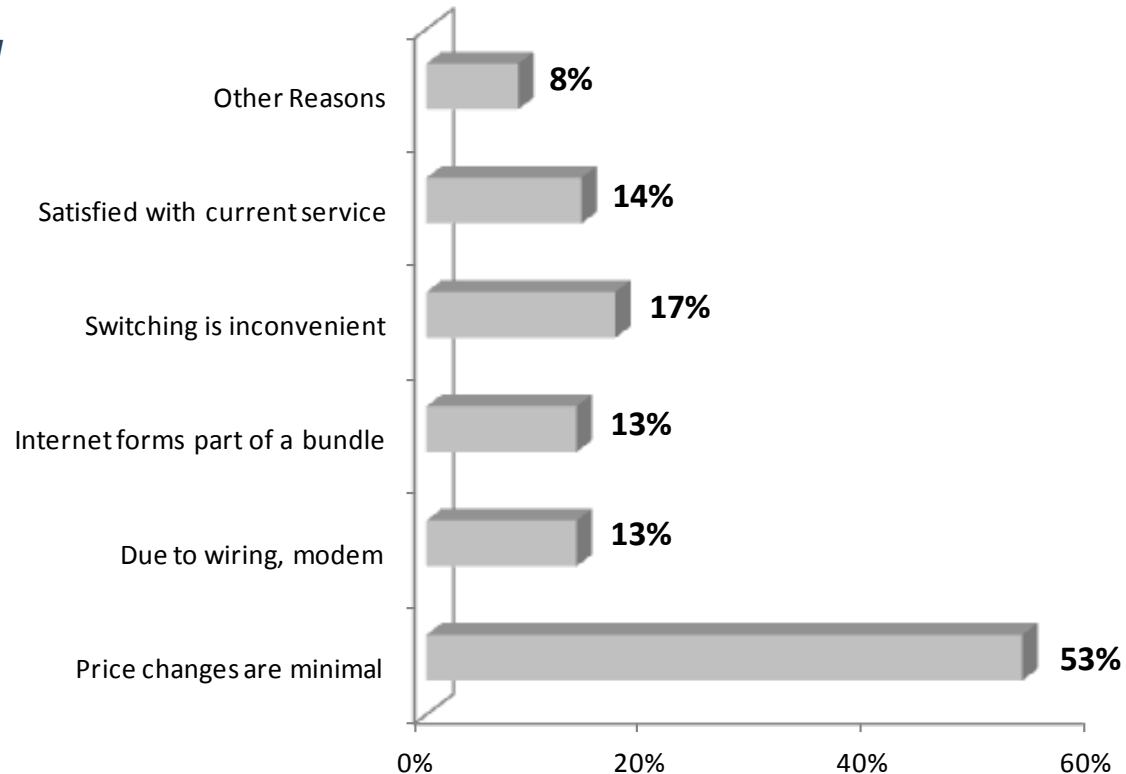
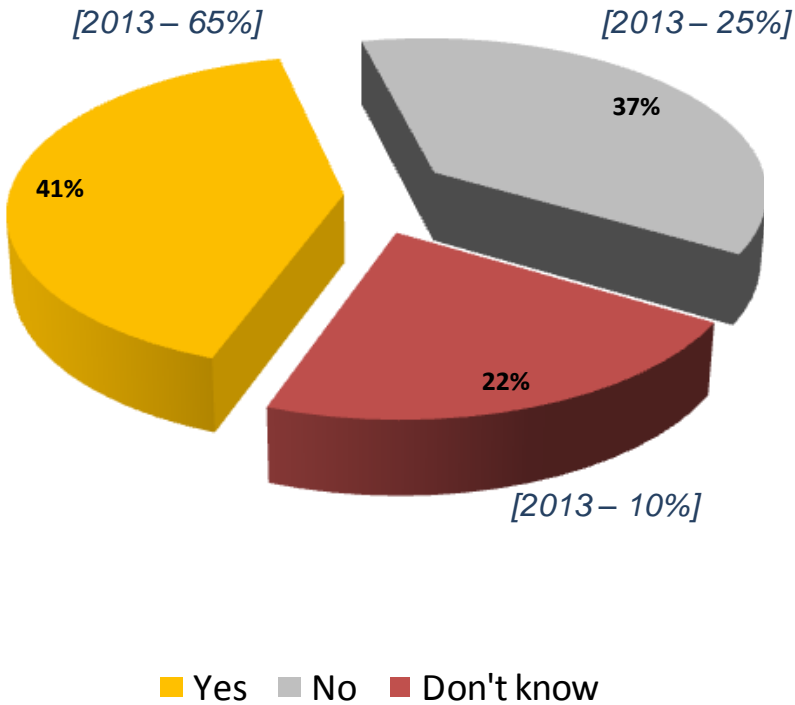
Pricing Analysis (1)

Would you change your broadband connection if the subscription charges increase by 10% on a monthly basis?

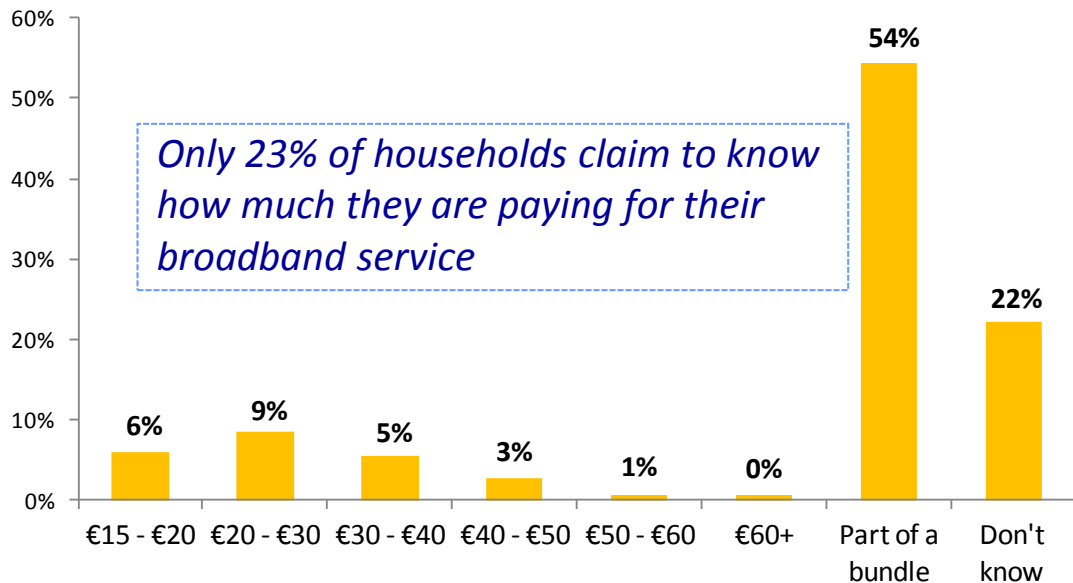
If no, why?

Sample Size – 619
(households with Internet connection)

Sample Size – 230
(each household could give more than one reason)



Are you aware of the price you are paying for your broadband subscription?



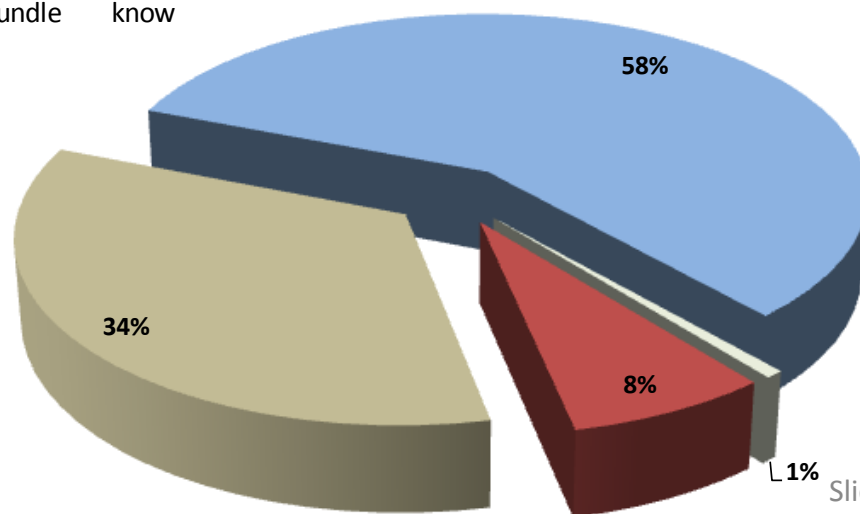
Only 23% of households claim to know how much they are paying for their broadband service

*Sample Size – 619
(households with Internet connection)*

If yes, do you consider the price you pay...

*Sample Size – 146
(households that claim to know how much they are paying)*

Expensive Reasonable Cheap Don't know

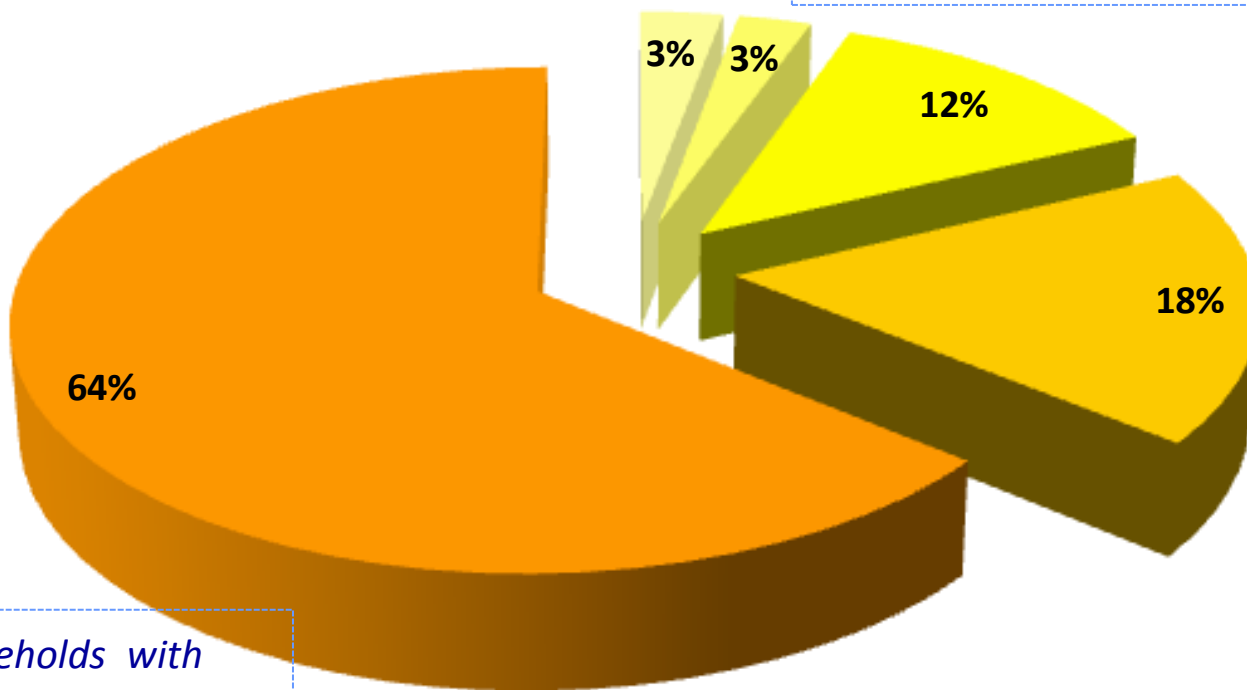


The Internet in Everyday Life

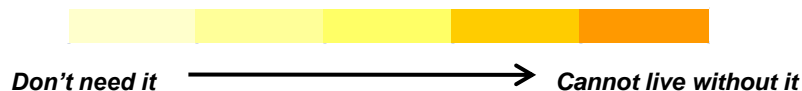
How important is the Internet in ones life?

*Sample Size – 619
(households with Internet connection)*

Only 6% of households with Internet access think they don't need it [10% in 2013]



Around 82% of households with Internet access find that they cannot live without it [76% in 2013]



6. Main Highlights

- 77% of Maltese households have Internet access
- 85% of households with no Internet access fall within the D/E socio-economic category
- 13% of those that do not have Internet access consider getting a connection in the future
- Only 8% of those that do not have Internet access and are likewise not considering getting a connection mention affordability as a reason for not getting Internet access in the future
- Compared to the 2013 Survey more household members are using the Internet at home
- More than 80% of households with Internet access do not know what connection speed they have
- Despite the majority of households not knowing what type of Internet speed they have, 83% think it is adequate for their needs
- 7% of households with Internet access switched between Internet service providers over the last two years. In 2013, 9% of households claimed to have switched provider

- Only 5% of households with Internet access are dissatisfied with the level of service
- Service reliability is the highest determining factor when choosing between Internet service providers. Pricing is the 2nd highest consideration, followed by service speed
- Compared to 2013, service reliability and service speed have become more important determining factors than pricing when choosing between Internet service providers
- 41% of households would change their broadband connection if the subscription charges increase by 10% on a monthly basis [65% in 2013]
- 35% of households claim to have experienced Internet connection problems during the last 12 months
- The vast majority (71%) had their problem addressed within 1 day
- Only 10% were not satisfied with the way their Internet connection problem was addressed

- Only 23% of households claim to know how much they are paying for their broadband service
- 58% of those who know how much they are paying for their broadband service perceive the cost to be reasonable
- Around 82% of households with Internet access find that they cannot live without it compared to 76% in 2013



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Thank you

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