



MCA Market Research

Consumer Perception Survey Results – Mobile Telephony

MCA | *December 2013*

1. Purpose & Methodology

Keep tabs on mobile telephony services in Malta

Provide for better analysis of mobile telephony services

Provide for better regulatory decisions

Ernst & Young carried out the survey between August and October 2013 on behalf of the MCA

Fieldwork

- Interviews were carried out by telephone lasting around 10 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

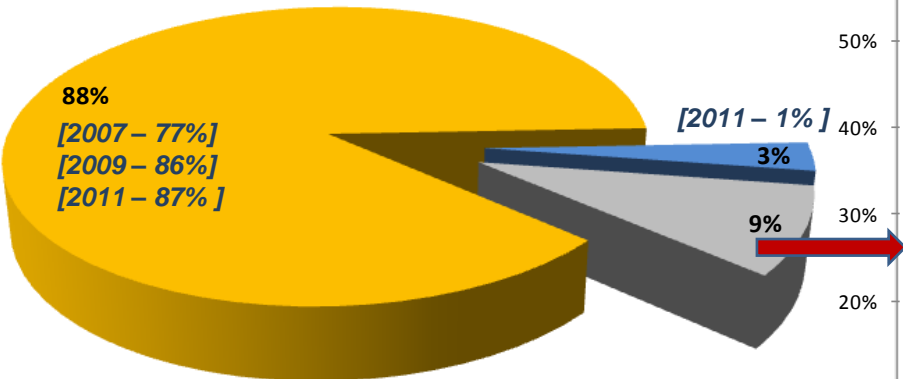
Responses

- 872 net respondents
- Any refusals / incomplete surveys were re-allocated to achieve a net sample of 872 interviewees
- Margin of error 3.45% at 95% confidence interval

2. Mobile Telephony Access in Malta

Do you have a mobile phone?

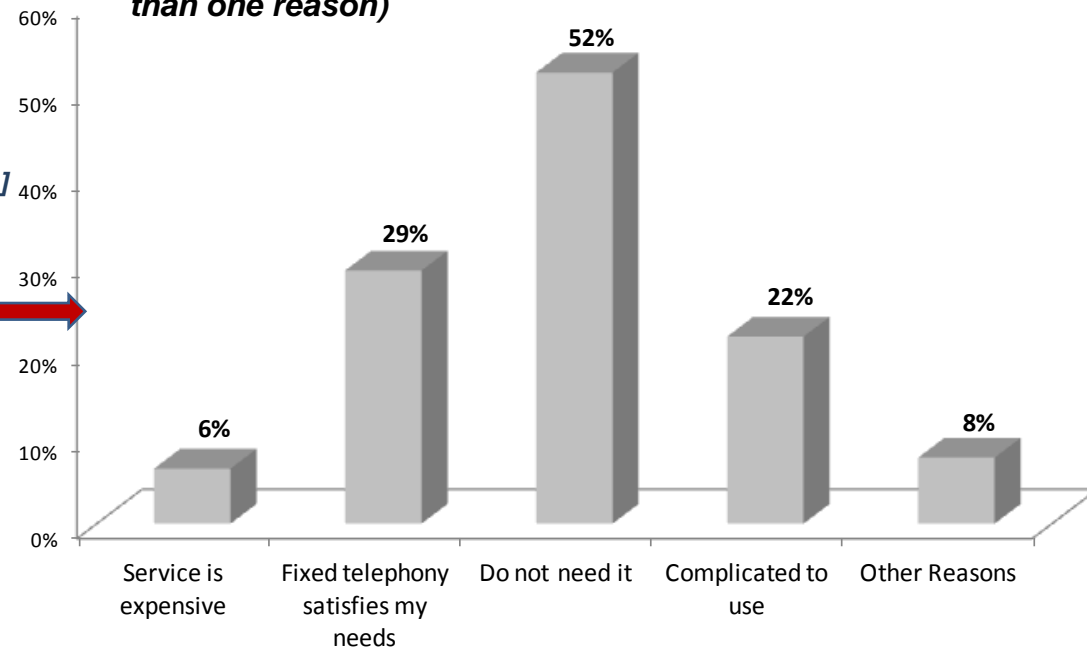
Sample Size – 872



- Yes
- No, but intend to get one by the end of the year
- No, and do not intend to get one in the future

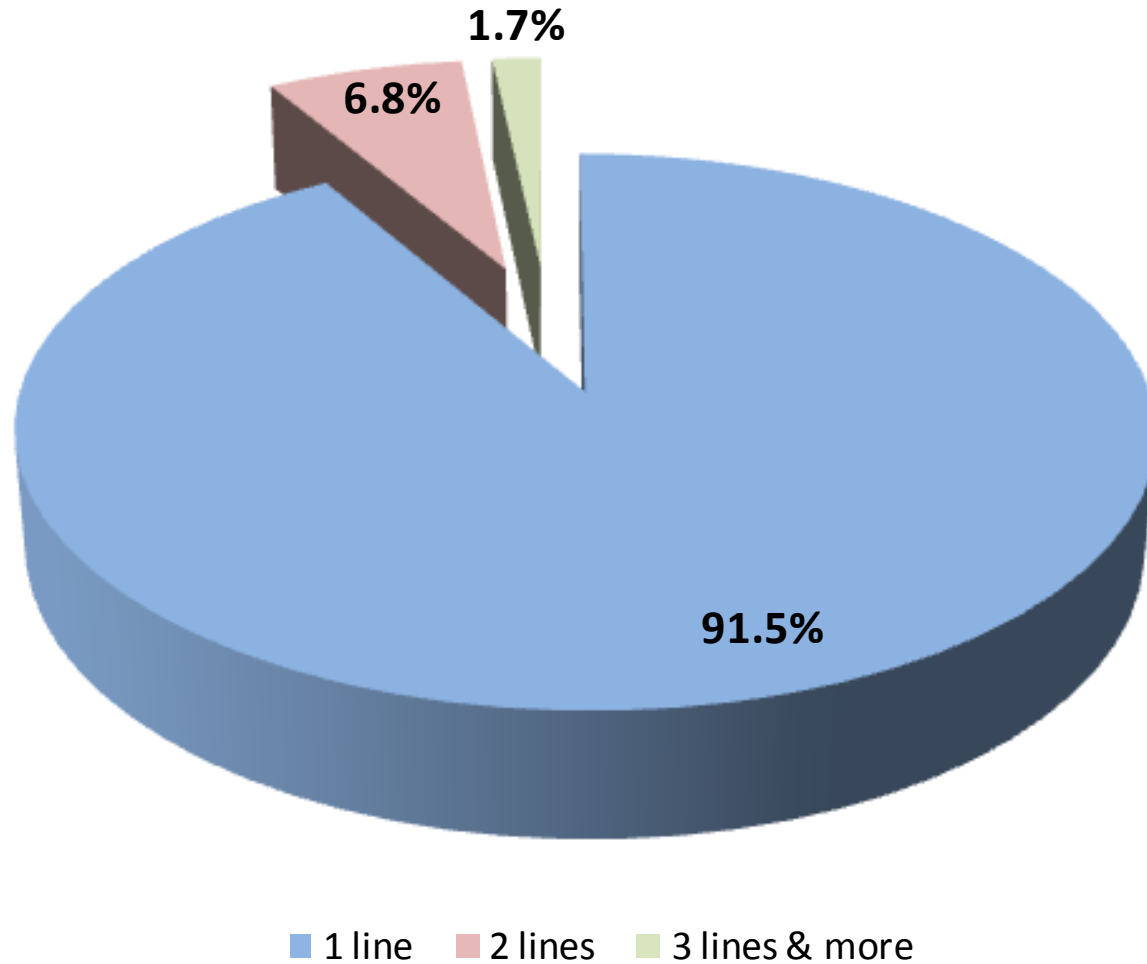
What are the reasons for not getting a mobile phone?

Sample Size – 79
(each respondent could give more than one reason)



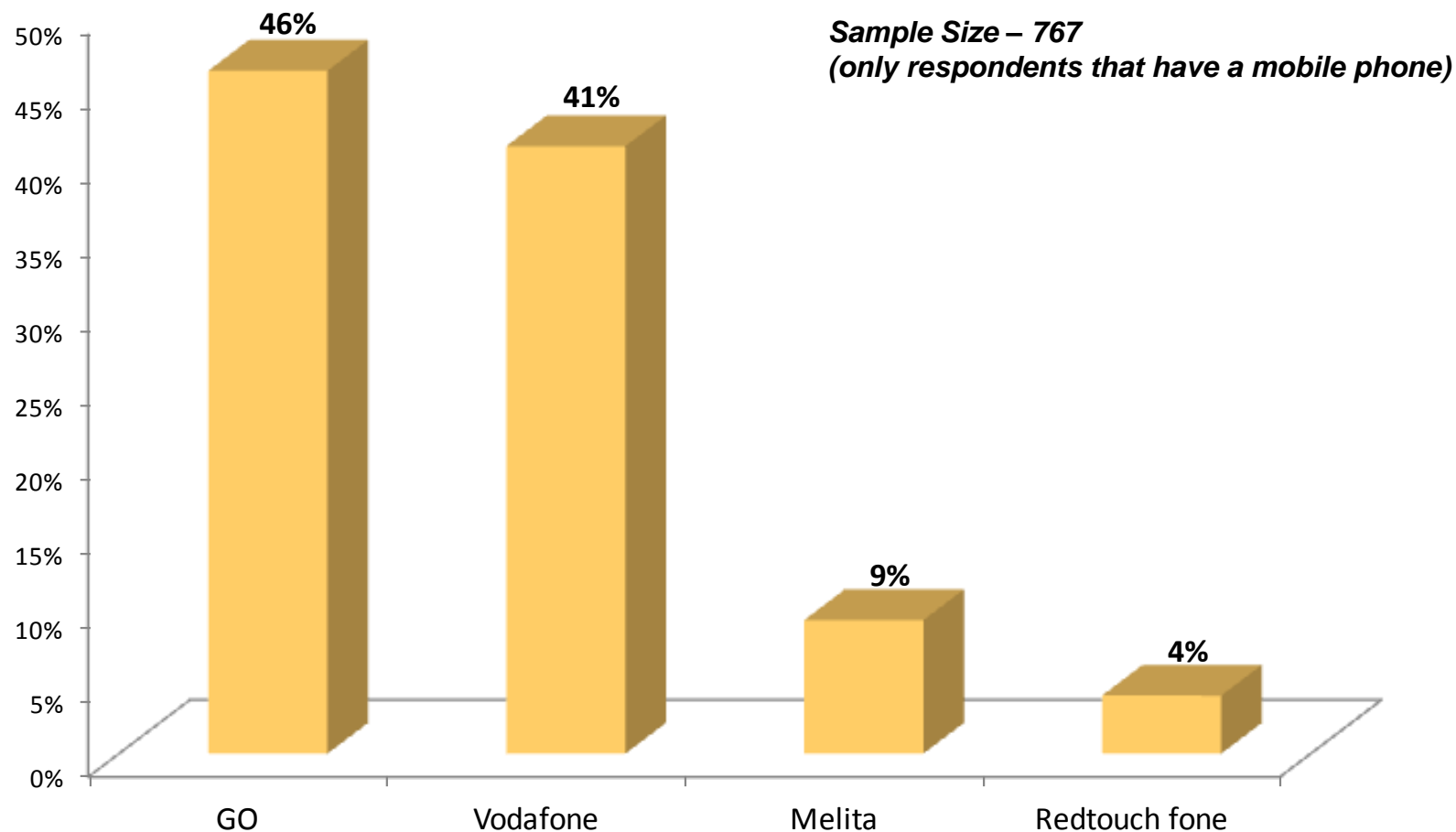
Number of Mobile Connections

Sample Size – 767
(only respondents that have a mobile phone)



Subscription by Mobile Operator

With which operator are you currently subscribed to? (main connection)

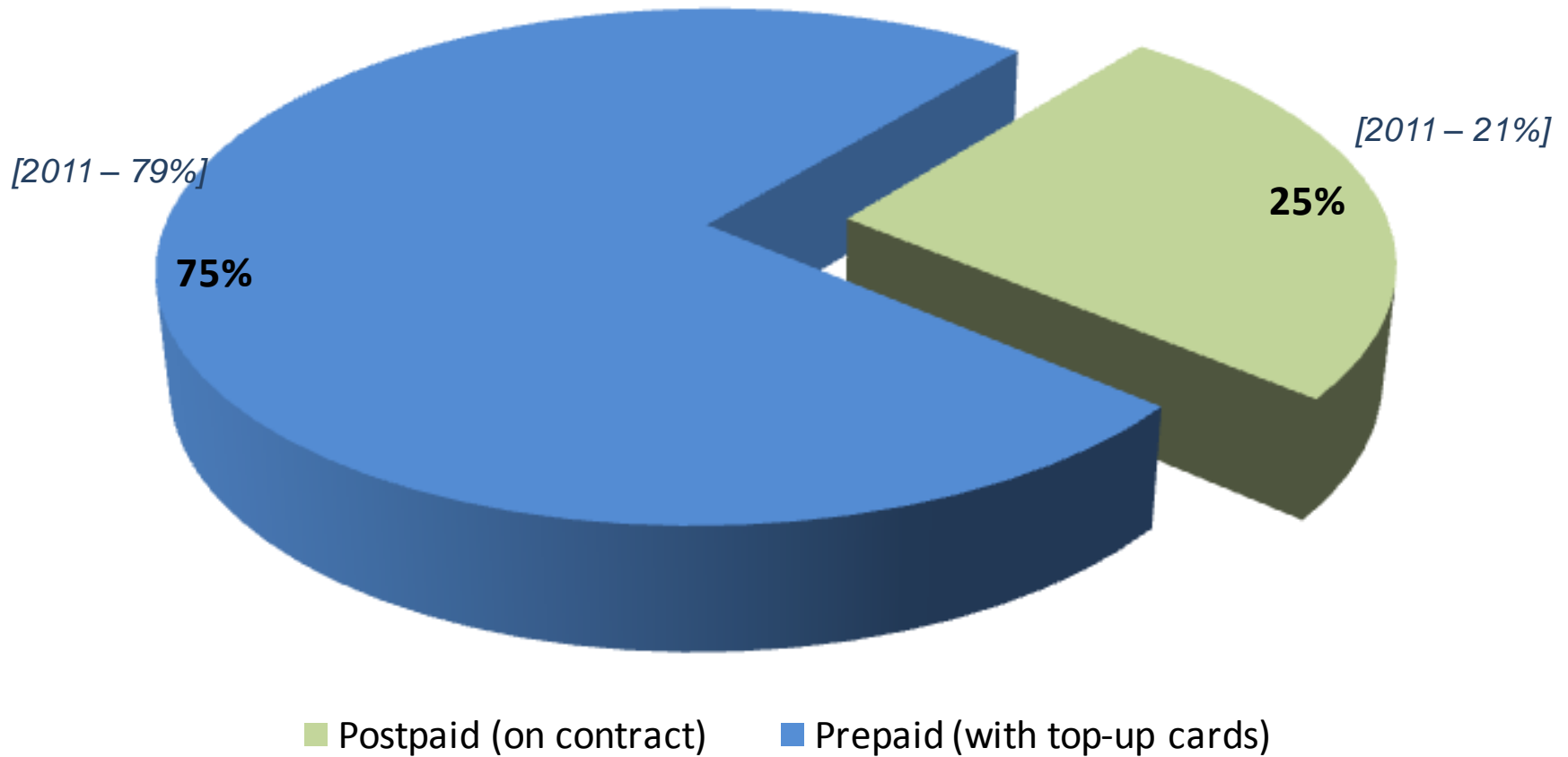


Disclaimer: These are the results of the survey carried out with private households and which exclude business subscriptions. These survey results do not represent the actual market share figures.

Type of Mobile Subscription (1)

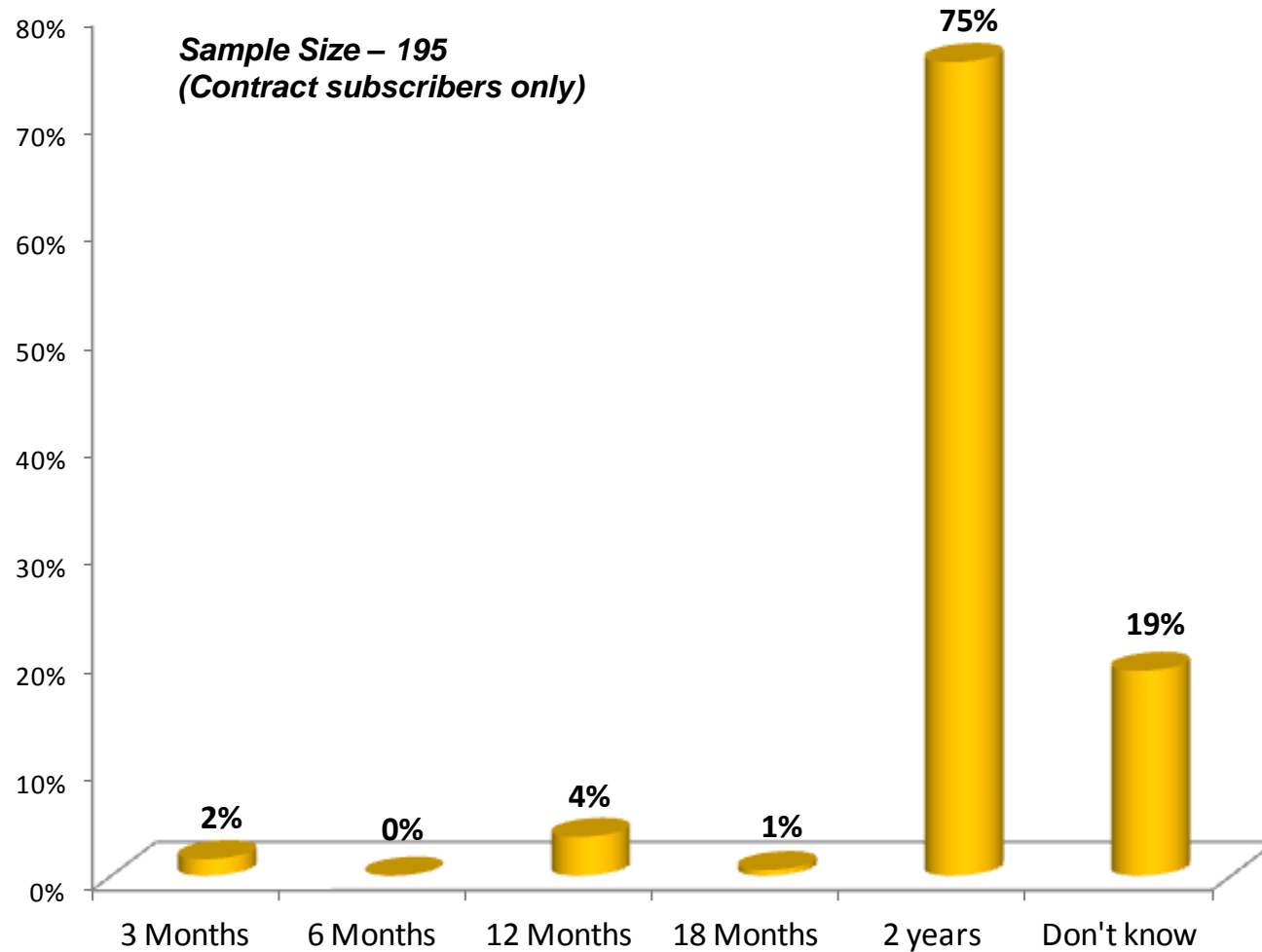
Your mobile subscription (main connection) is based on...

Sample Size – 767
(only respondents that have a mobile phone)



Type of Mobile Subscription (2)

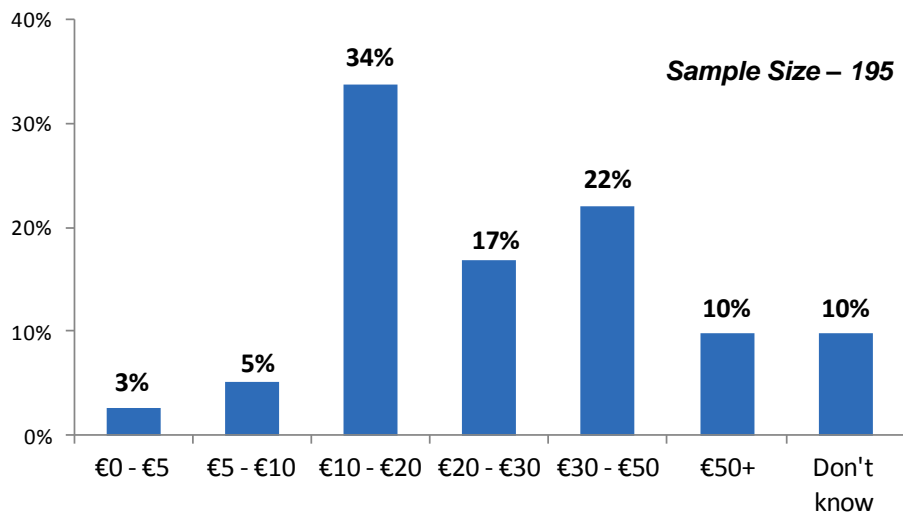
For those that are on a contract: how long is the subscription period?



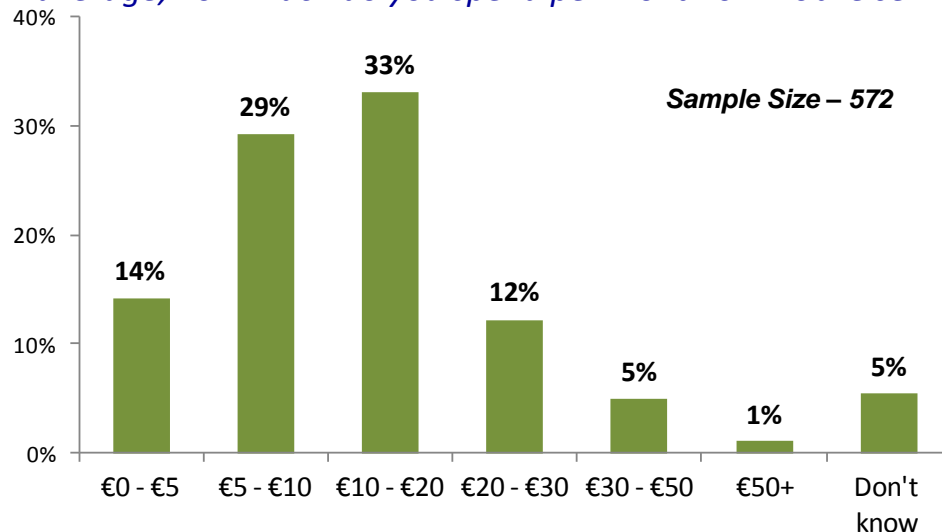
3. Pricing & Substitution Analysis

Mobile Price Analysis – Postpaid vs. Prepaid

POSTPAID – On average, how much do you spend per month on mobile services?



PRE-PAID – On average, how much do you spend per month on mobile services?



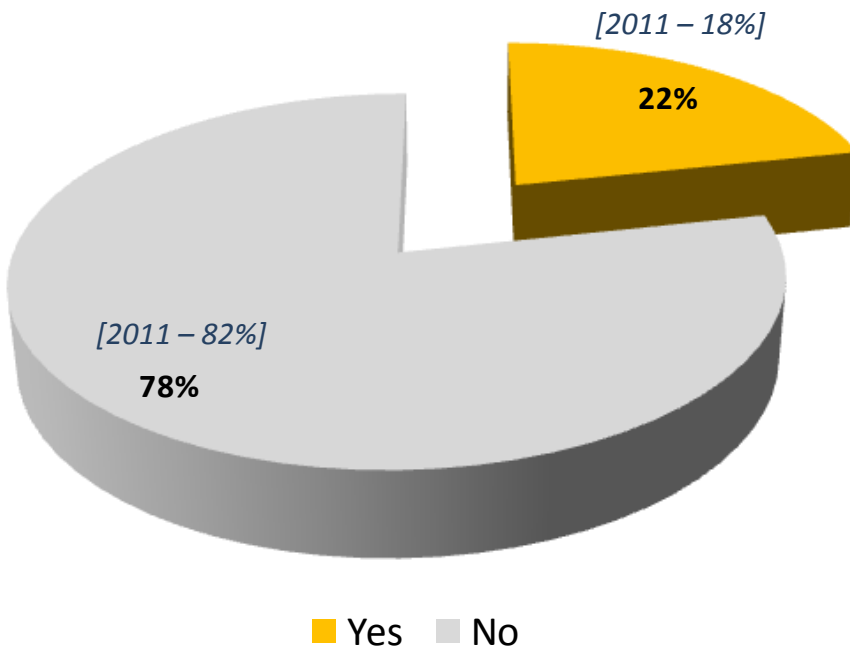
Prepaid subscribers are generally more aware of their monthly mobile expenditure – only 5% don't know how much they spend.

The majority of prepaid subscribers fall in the lower spending brackets.

32% of postpaid subscribers spend more than €30 a month on mobile services.

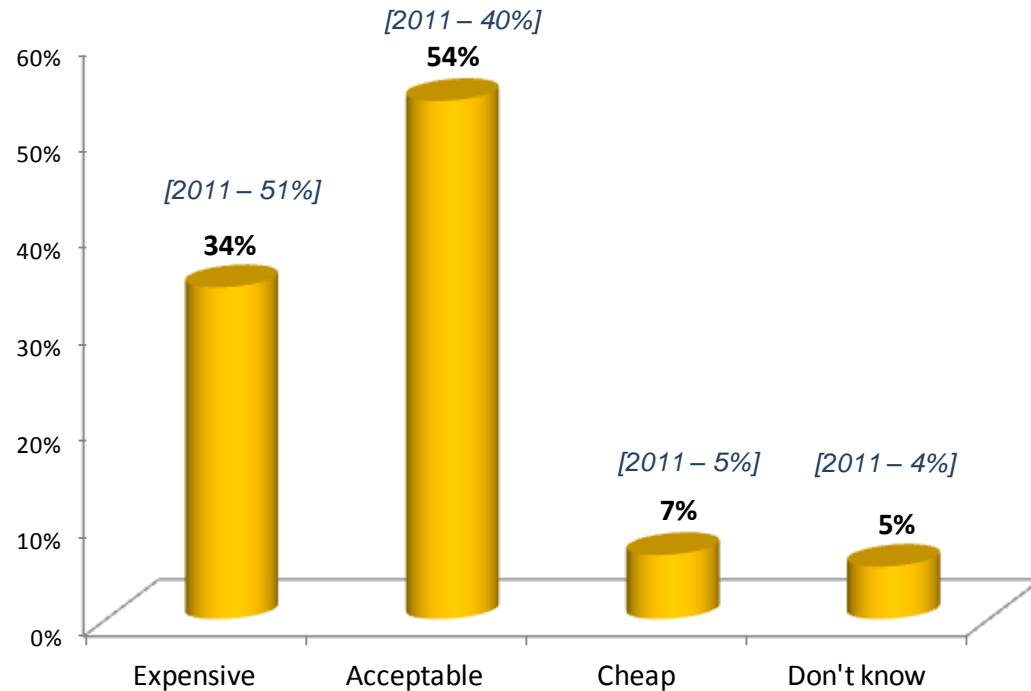
Do you know how much it would cost you to make a one-minute call from your mobile?

Sample Size – 767



If yes, do you think that mobile call rates are...

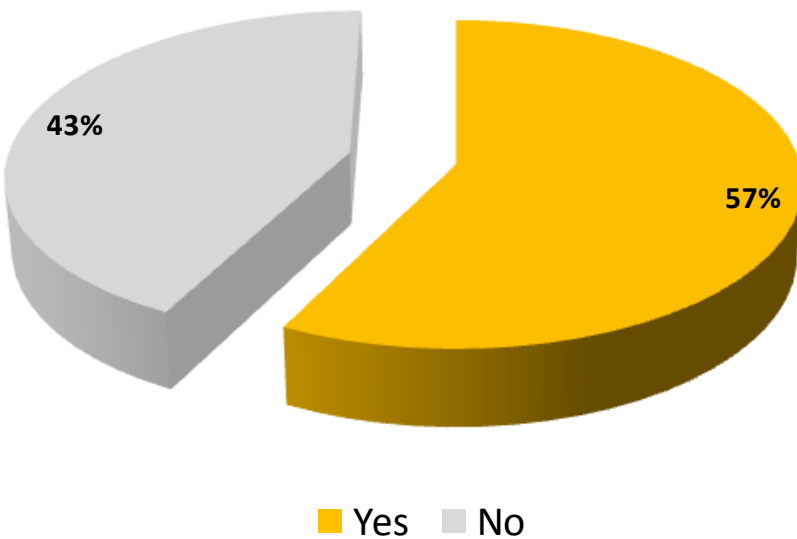
Sample Size – 166



Compared to the 2011 survey consumer perceptions on mobile tariff rates have improved, with more than half of those who know how much it costs to make a call from the mobile claiming these rates to be acceptable.

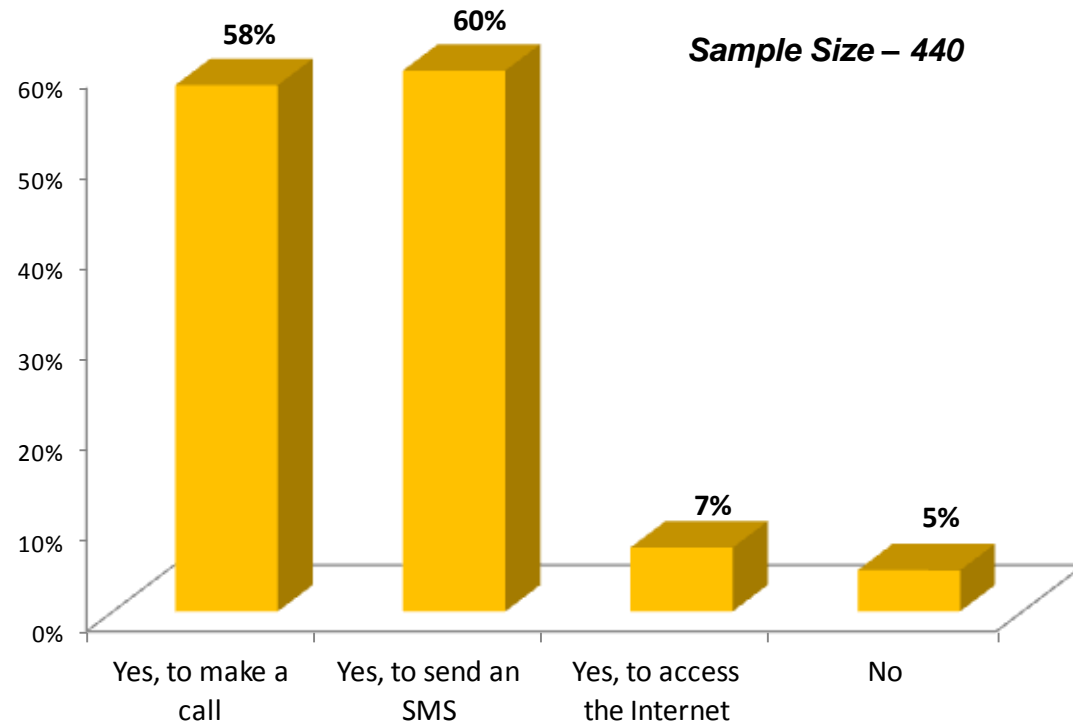
Did you travel abroad during the last 2 years?

Sample Size – 767



Did you use your mobile while being abroad? (referring to the Malta connection)

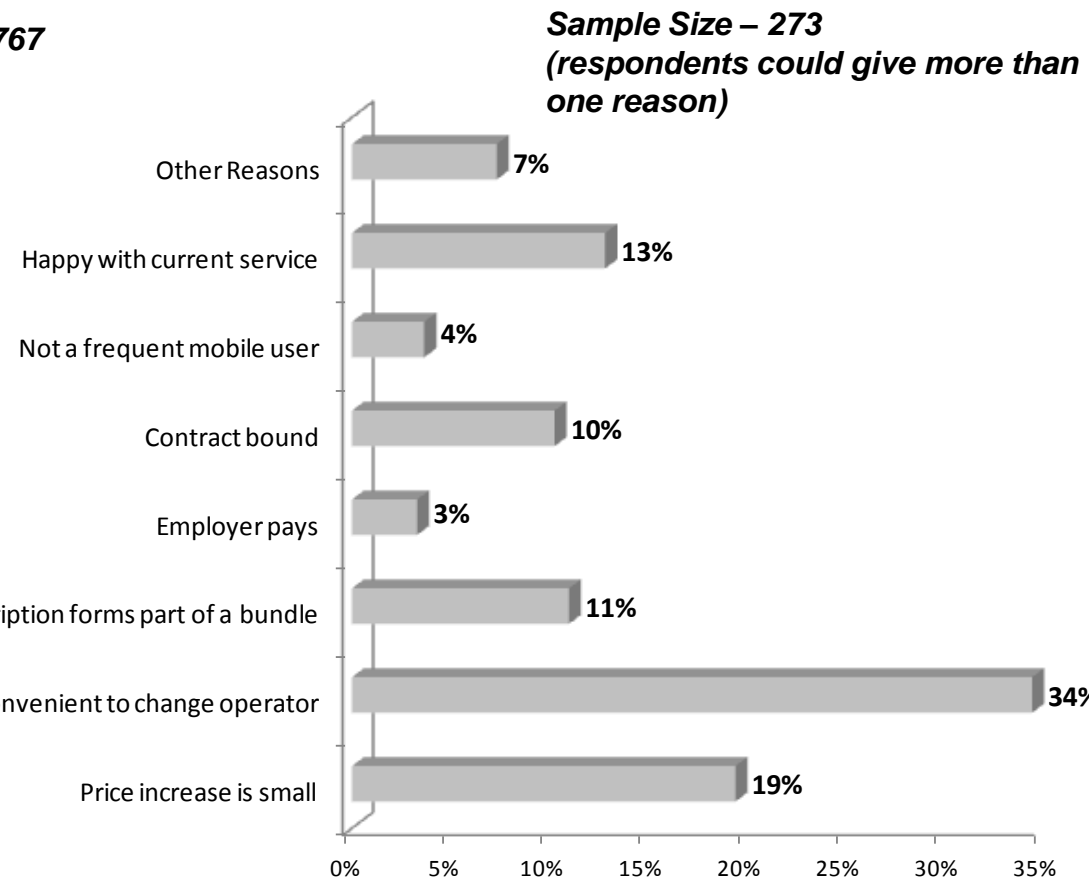
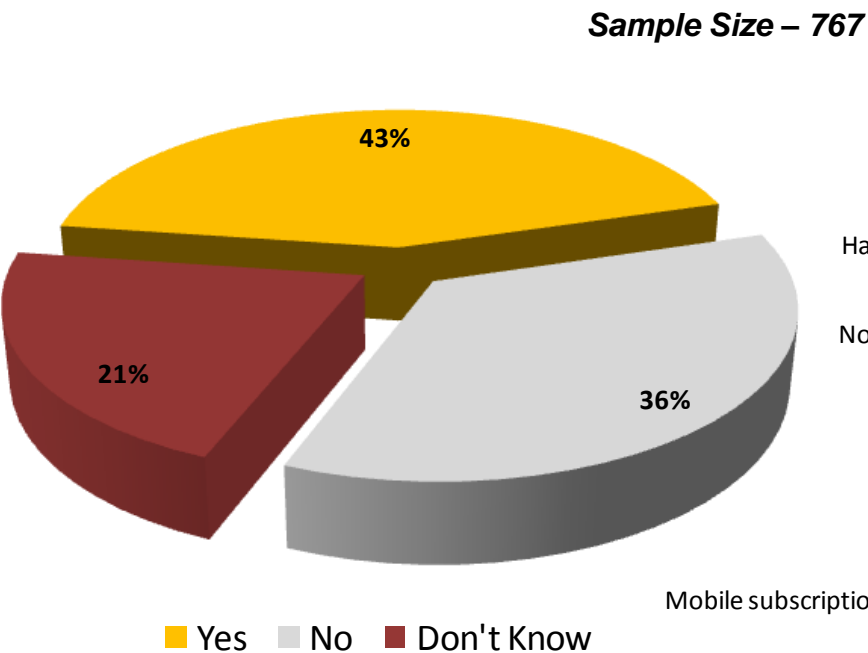
Sample Size – 440



95% of respondents who said they travelled abroad over the last 2 years claimed to have used their mobile phone while being abroad. 15% claim to have used their mobile for all of the above services.

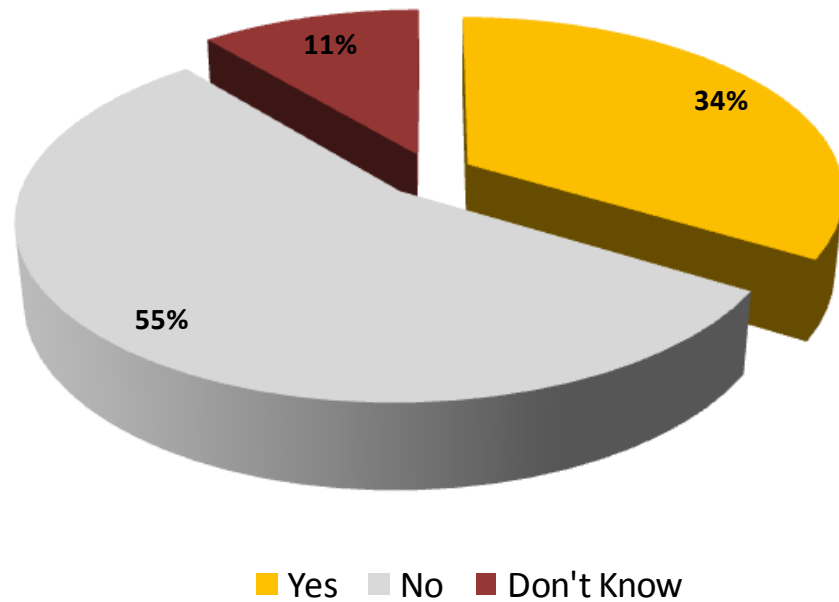
If your current mobile operator raises the rate of a one minute mobile call by 5%-10%, would you switch to another mobile operator?

If no, why?



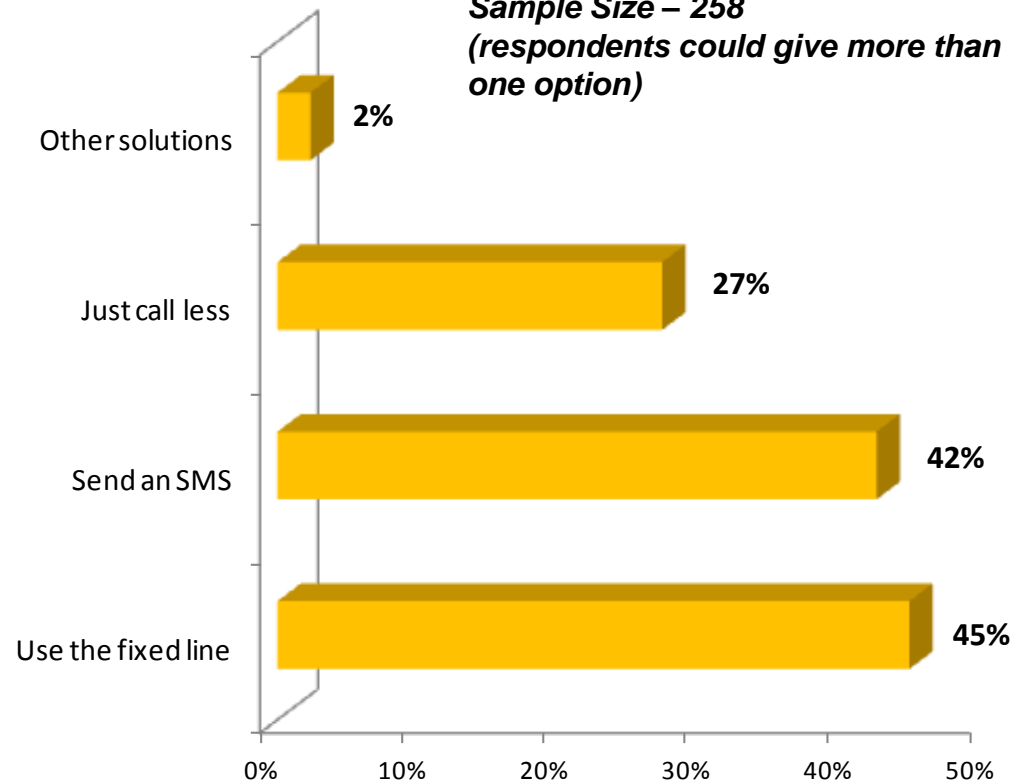
If your current mobile operator raises the rate of a one minute mobile call by 5%-10%, would you call less from your mobile phone?

Sample Size – 767



If yes, what do you do instead?

Sample Size – 258
(respondents could give more than one option)

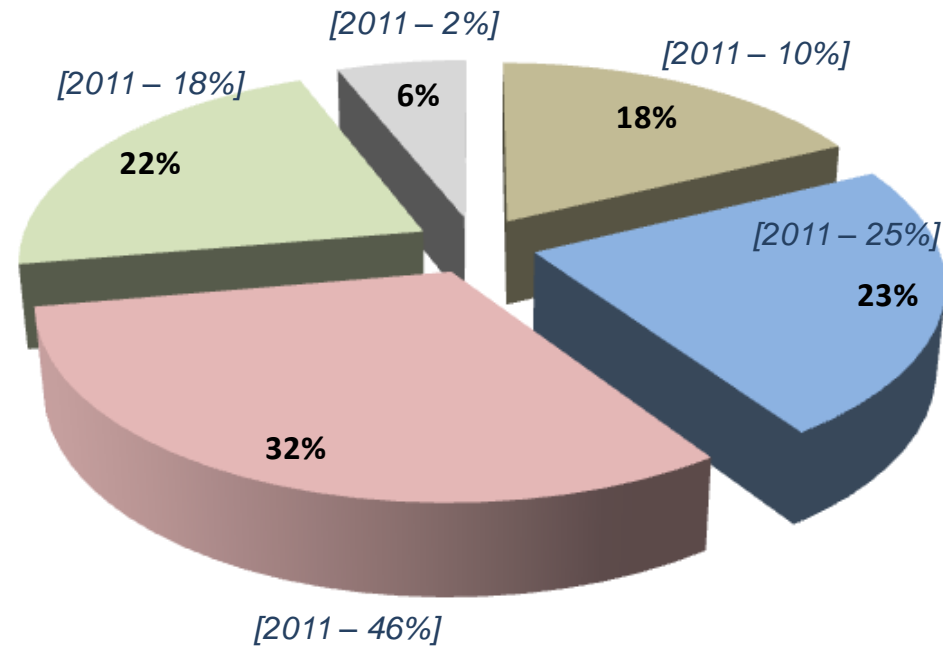
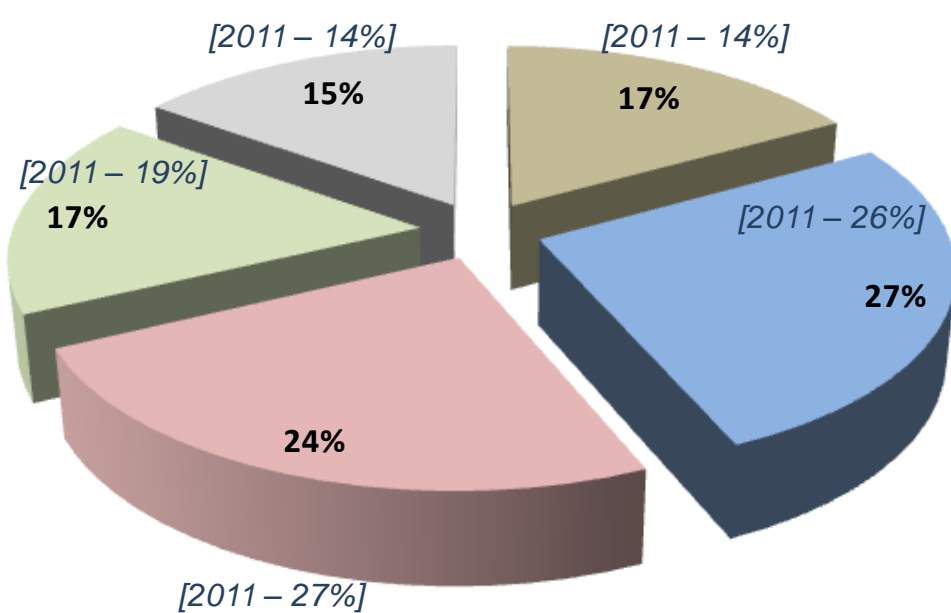


How often do you consider that SMS is a good substitute of mobile calls?

How often do you consider that landline calls to be a good substitute of mobile calls?

Sample Size – 767

Sample Size – 767

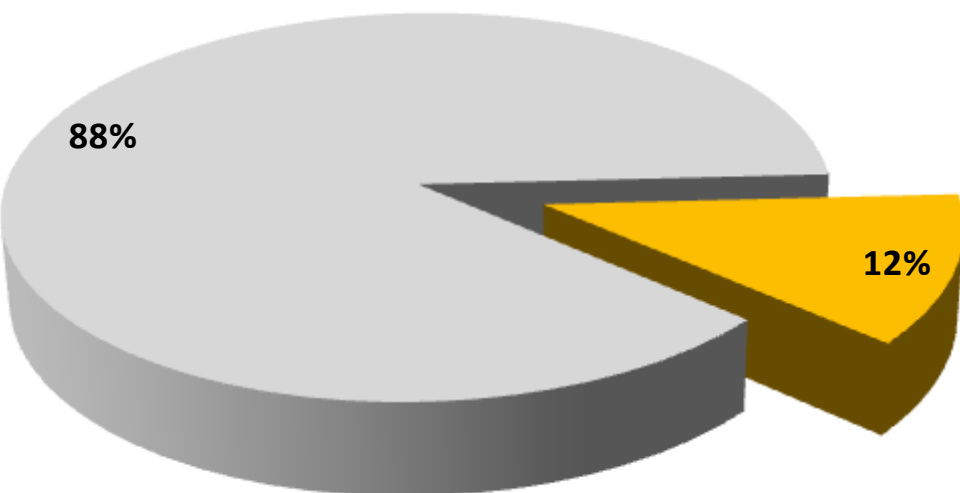


■ Always
 ■ Often
 ■ Sometimes
 ■ Rarely
 ■ Never

Substitution Analysis – Mobile Telephony vs. Calls over the Internet

Do you make calls over the Internet through the mobile? (e.g. Skype, Viber etc.)

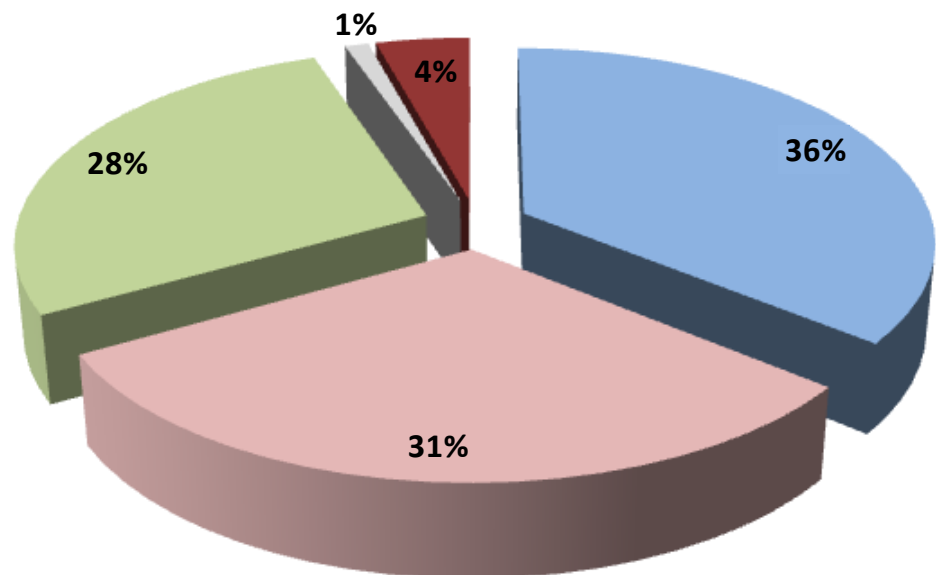
Sample Size – 767



■ Yes ■ No

If yes, how often do you find that calls over the Internet are a good substitute to calls over the mobile?

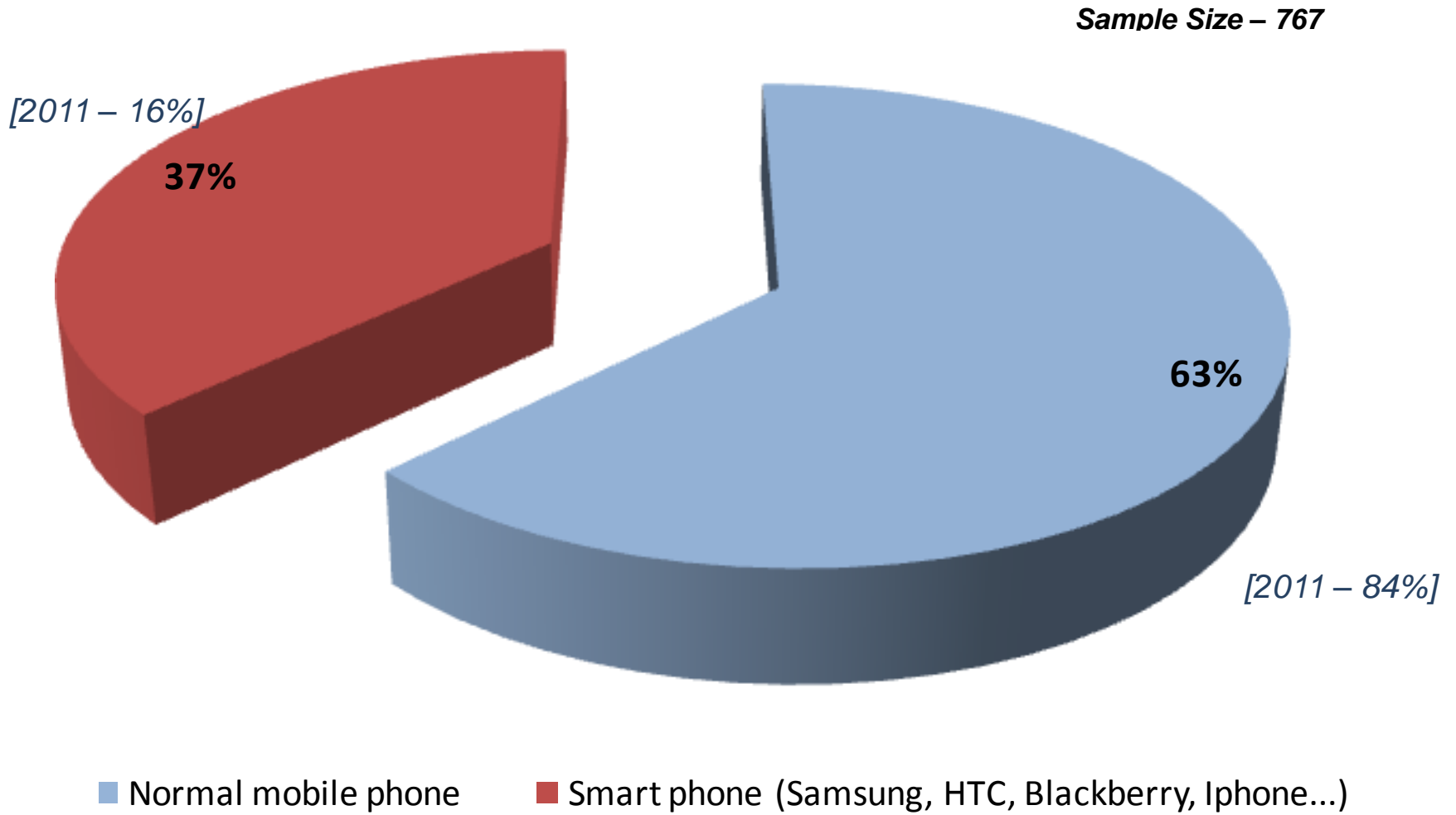
Sample Size – 93



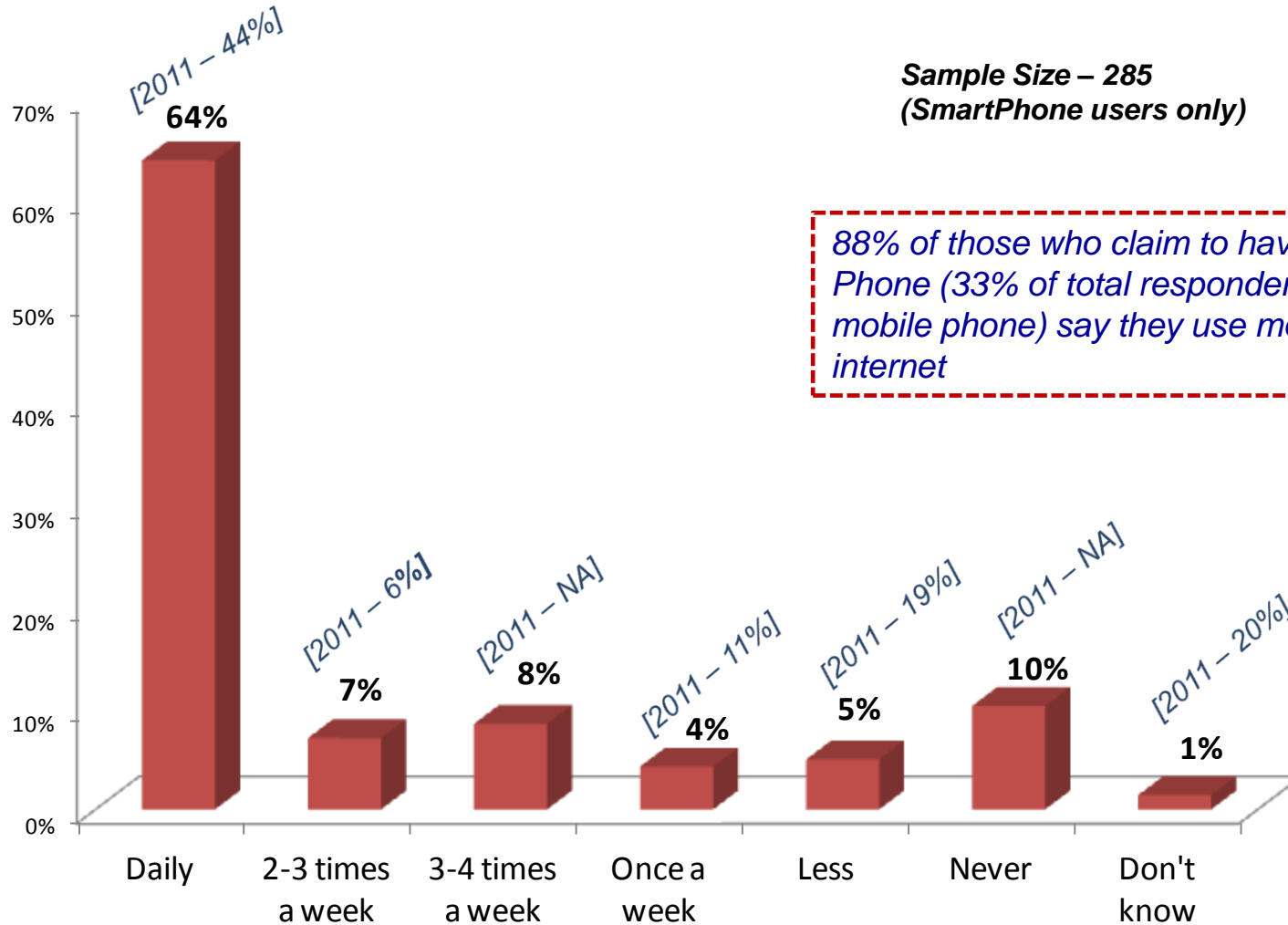
■ Often ■ Sometimes ■ Rarely ■ Never ■ Don't know

4. Internet Access via Mobile Telephone

Type of Mobile Phone

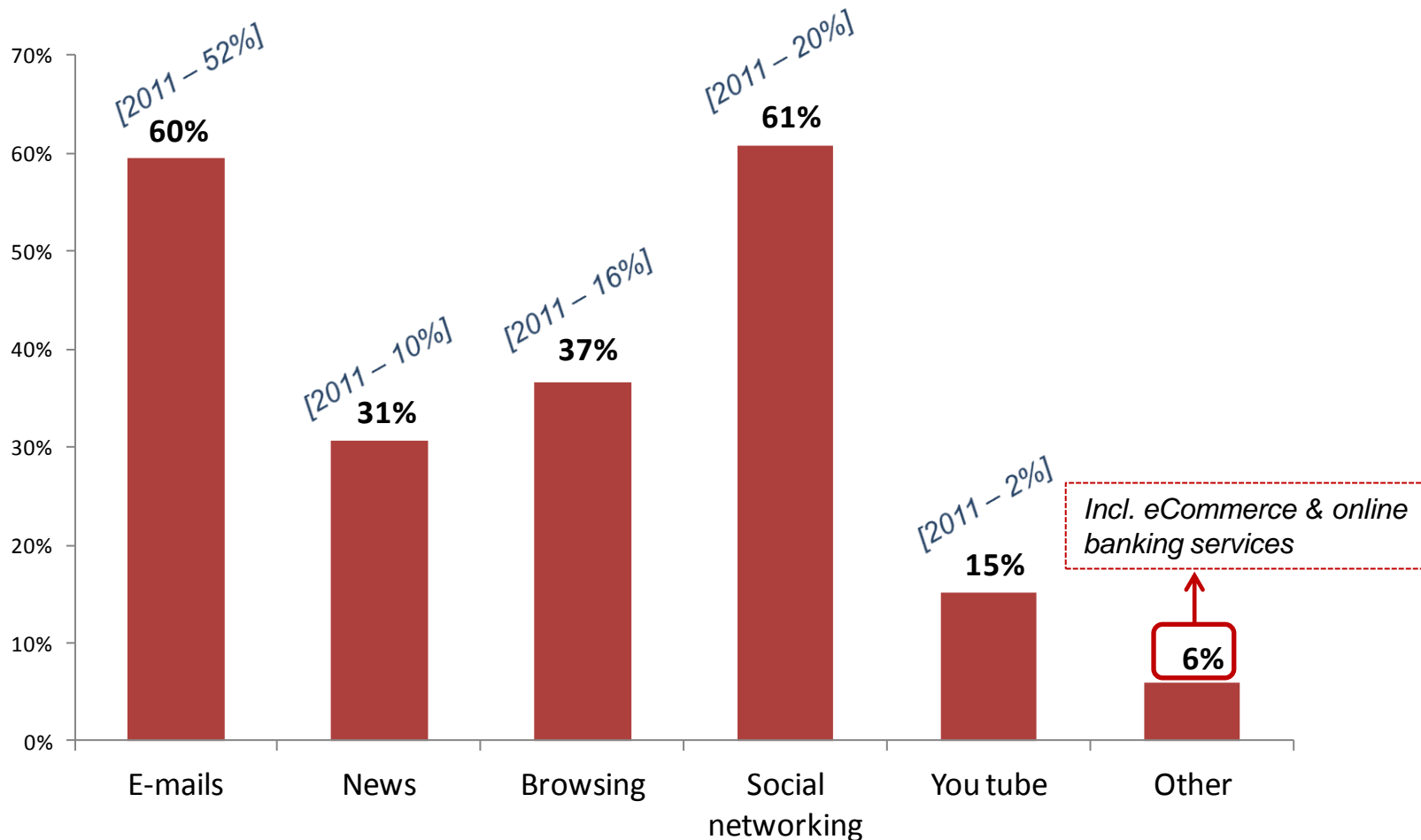


How often do you make use of the Internet on your mobile?



For what do you mostly use the Internet on your mobile?

Sample Size – 252 (excl. Don't Know SmartPhone respondents and those that have a SmartPhone but claim to have never used the Internet)

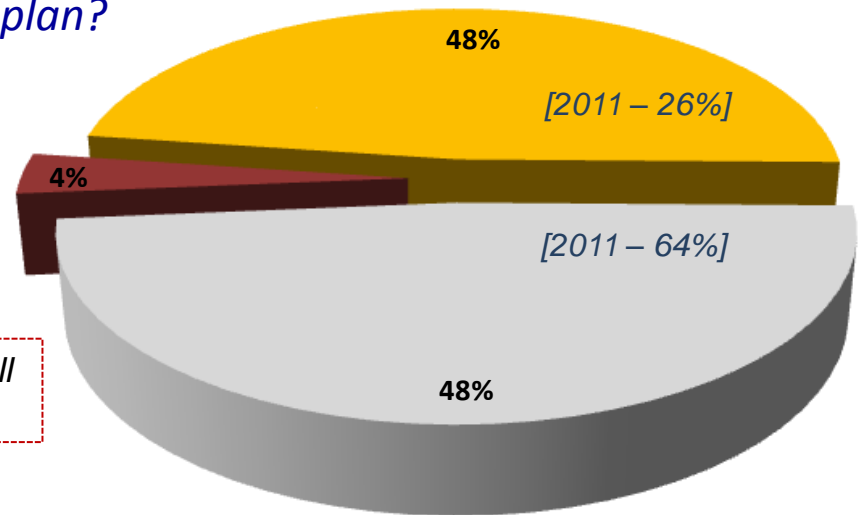


Are you subscribed to a specific mobile data plan?

Sample Size – 252 (excl. Don't Know SmartPhone respondents and those that have a SmartPhone but claim to have never used the Internet)

■ Yes ■ No ■ Don't know

Circa 65% of those that have a specific mobile data plan fall within the C1/C2 socio economic category



If there is free Wifi available would you switch to it or continue using your data plan?

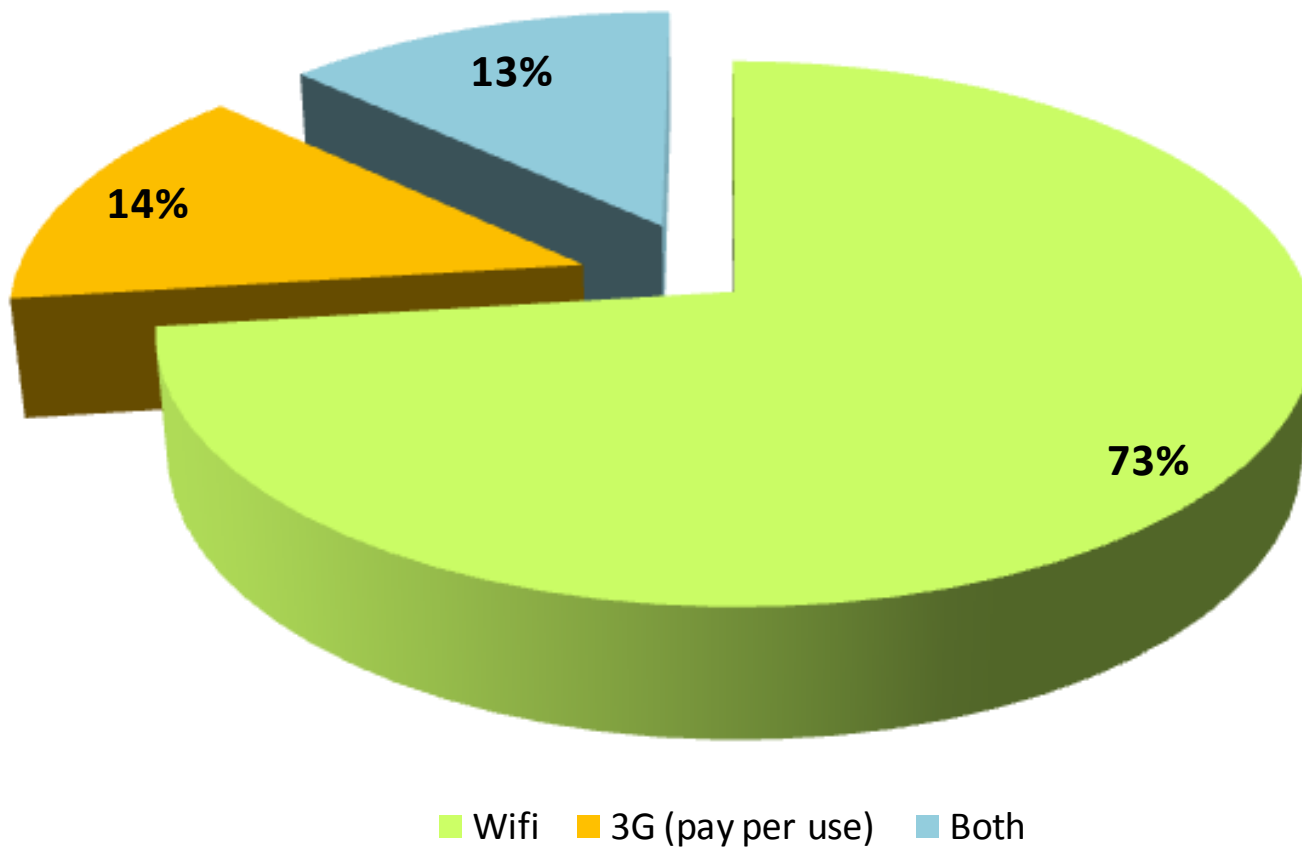
Sample Size – 121 (respondents subscribed to a specific mobile data plan)

■ Switch to Wifi ■ Continue using 3G data plan



What type of connection do you use to access the Internet on your mobile?

Sample Size – 122 (respondents that claim to use their mobile to access the Internet but do not have a specific mobile data plan)



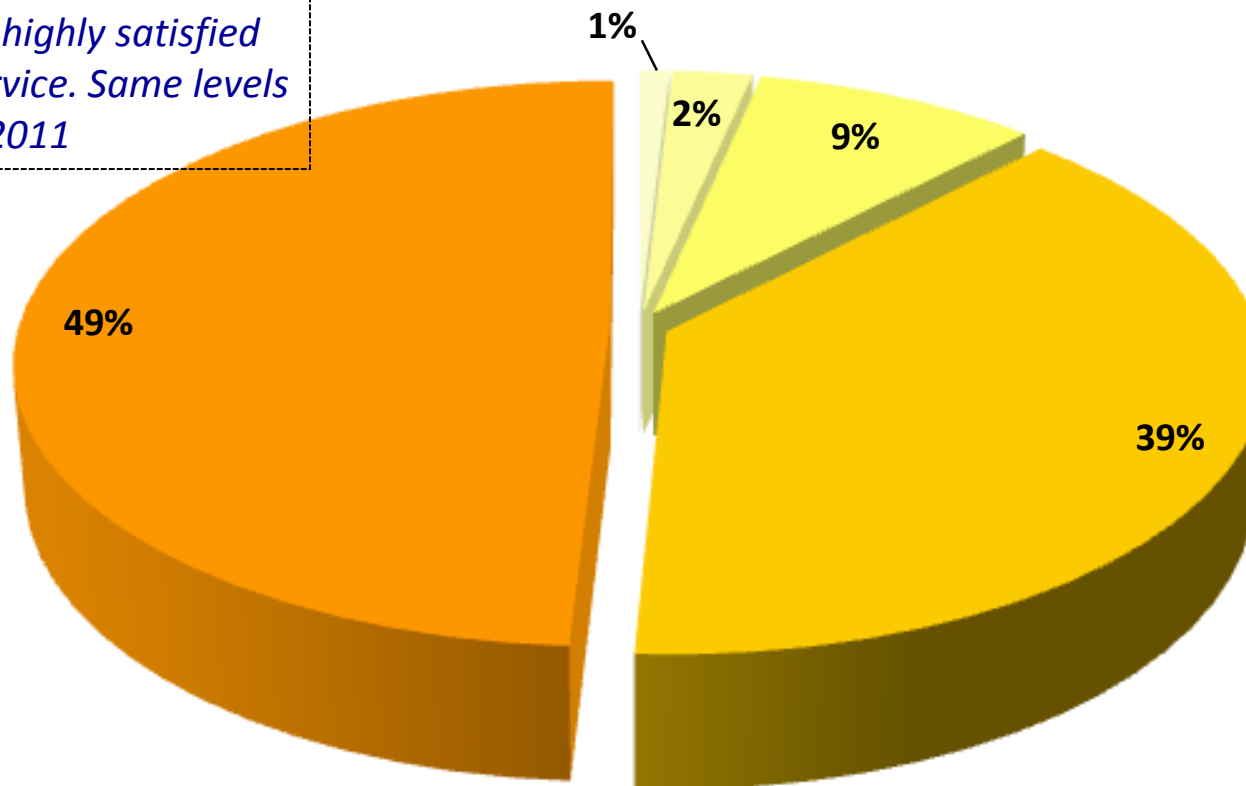
5. Quality Satisfaction Index & Market Development

Quality Satisfaction Levels

Are you satisfied with the quality of reception and service you get from your mobile operator?

88% of respondents with a mobile line are satisfied or highly satisfied with the level of service. Same levels were registered in 2011

Sample Size – 767

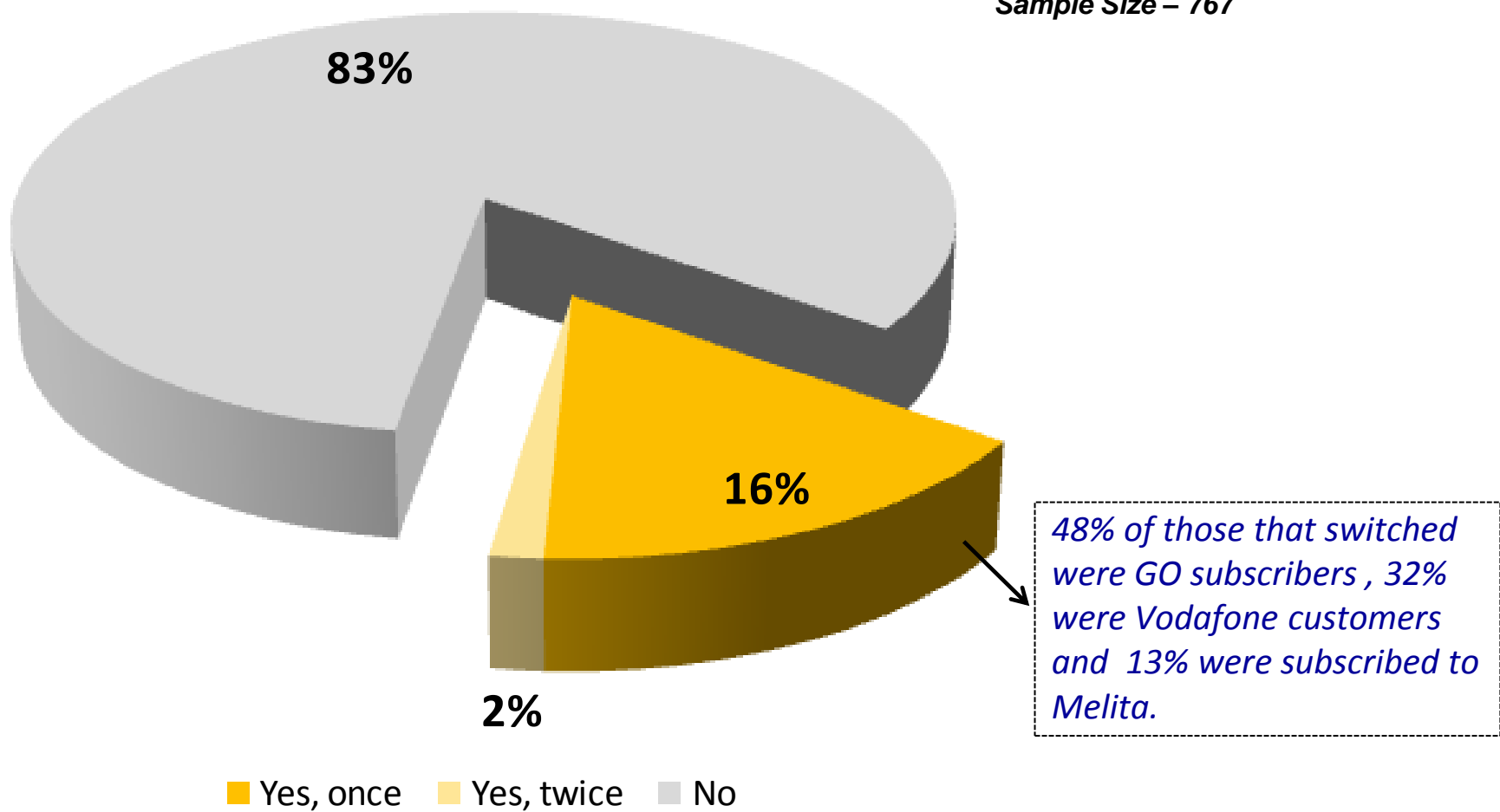


Least Satisfied → **Highly Satisfied**

Movements in Mobile Subscription (1)

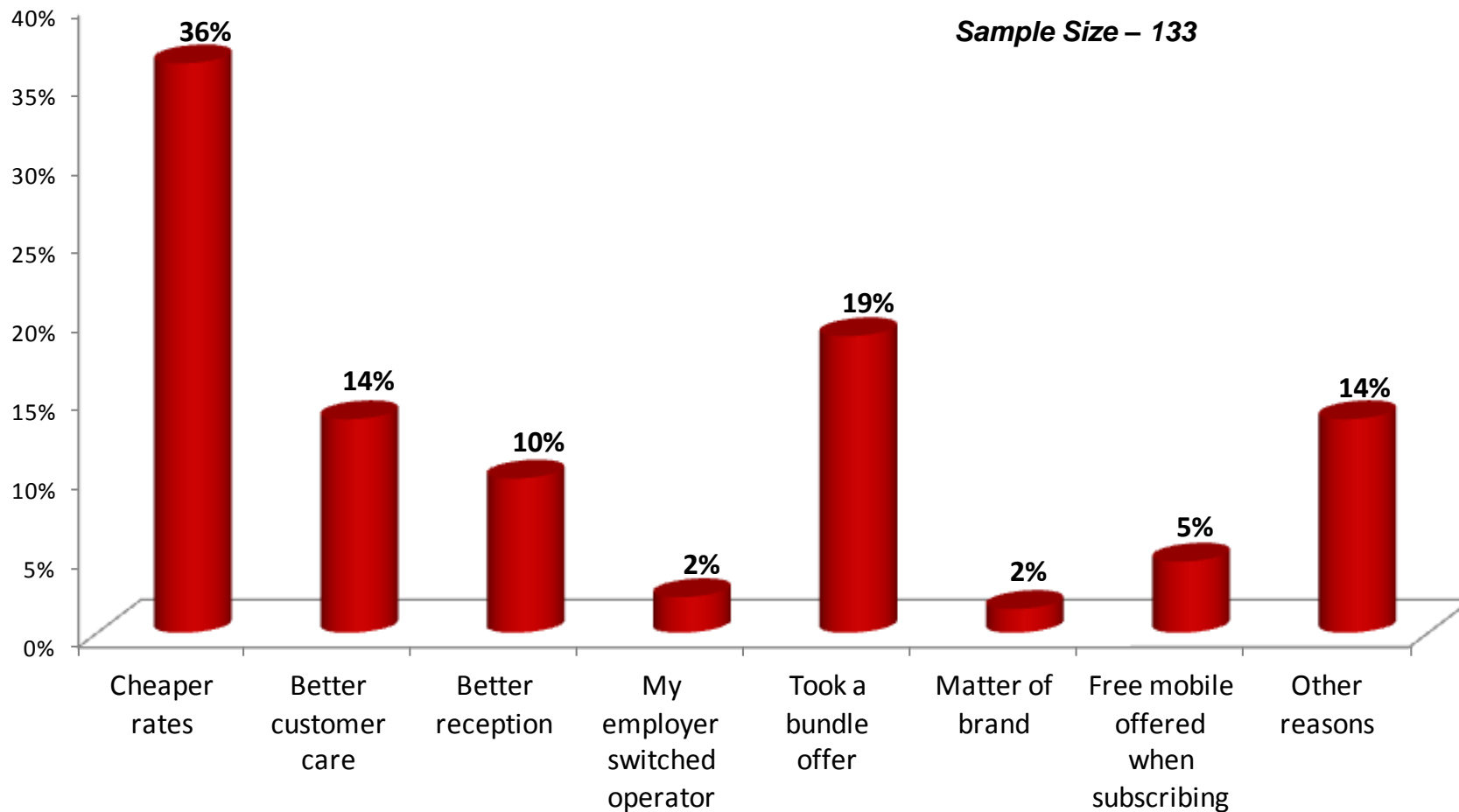
Have you ever changed or ported from one operator to another over the past 2 years?

Sample Size – 767



Movements in Mobile Subscription (2)

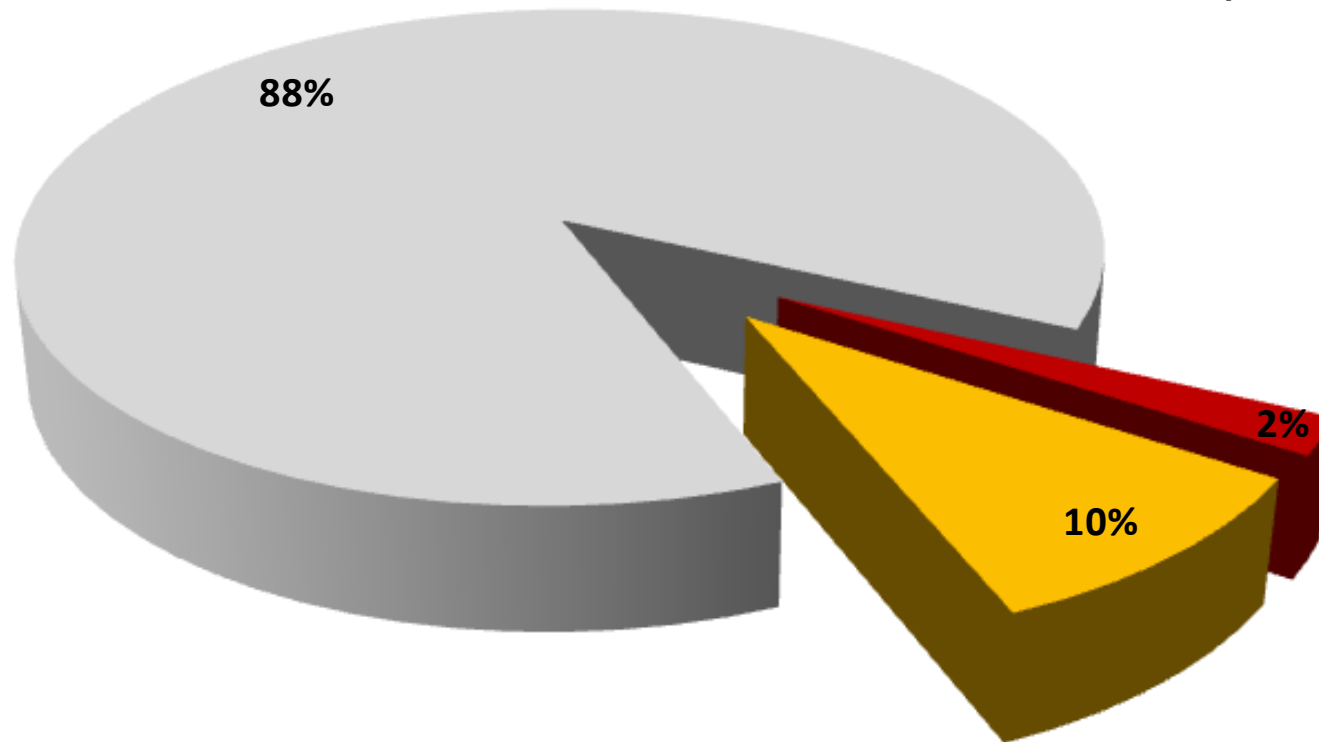
Why have you changed your mobile operator?



Ease of Switching between Mobile Operators

Was it difficult to change from one operator to another?

Sample Size – 133



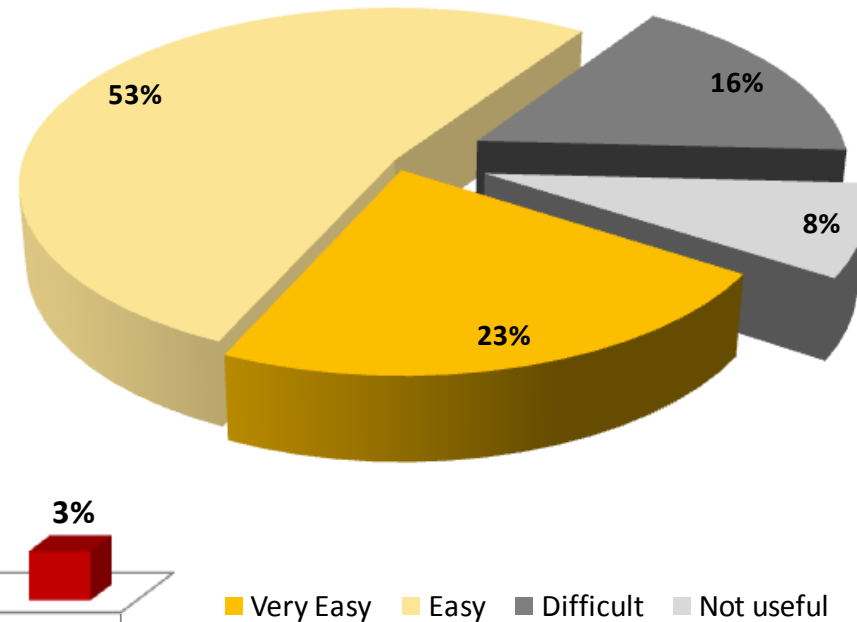
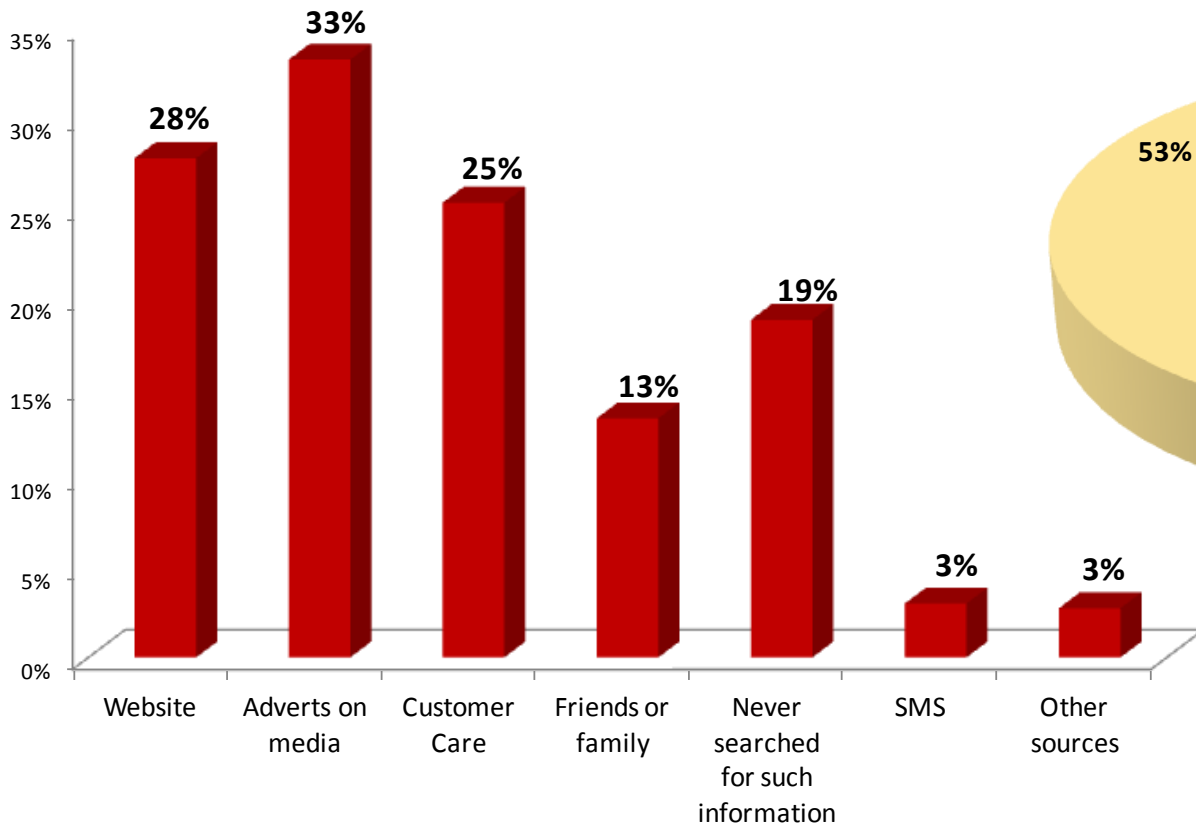
■ Yes ■ No ■ Don't know

Where do you usually get the information on mobile services & related prices?

How easy is it to understand and choose a specific pricing plan?

Sample Size – 767

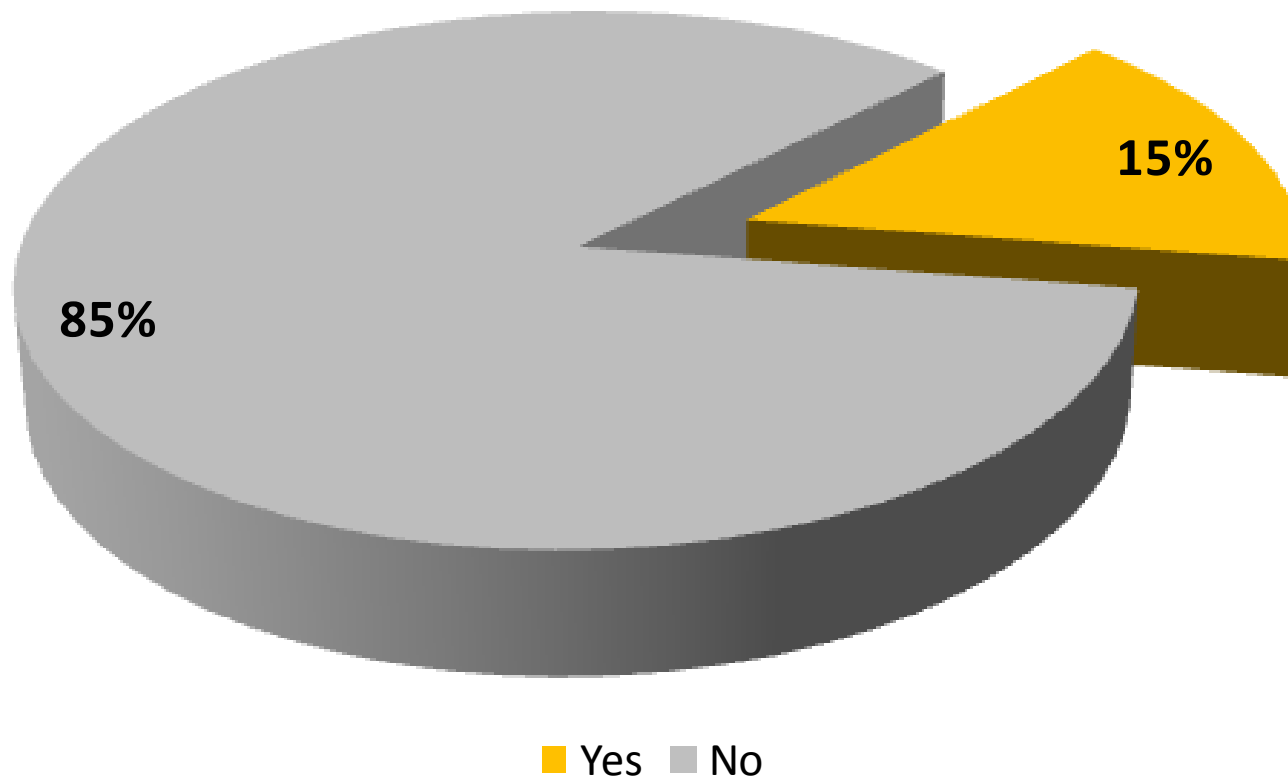
Sample Size – 624: excl. those who never searched for such info.



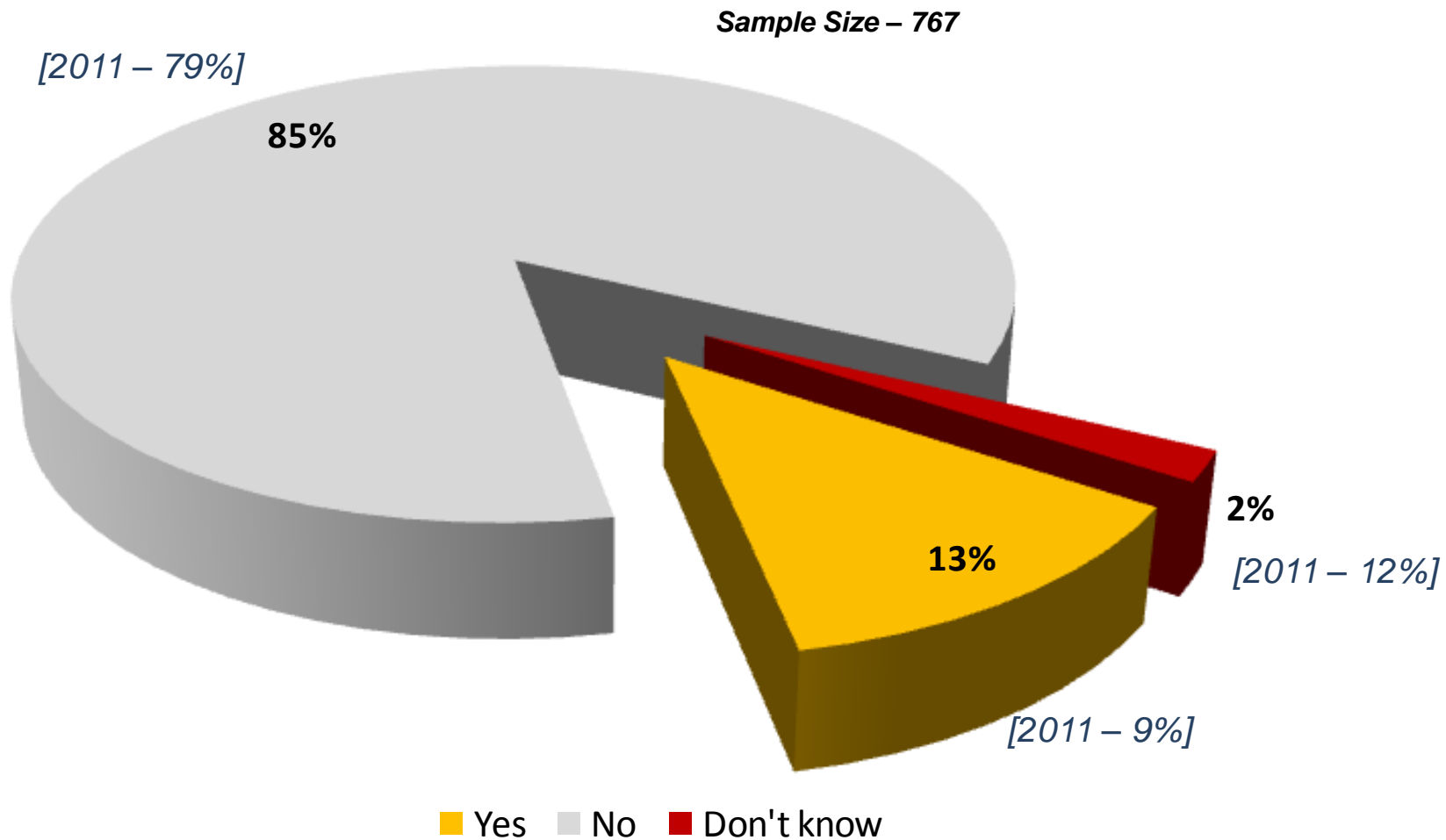
Very Easy Easy Difficult Not useful

Are you aware of the freephone number '180' through which you can identify if the number you are calling is with the same operator (on-net) or not (off-net)?

Sample Size – 767



During the last two years did you revise your mobile plan?



6. Main Highlights

- 88% of respondents have a mobile phone – vs. 77% according to the 2007 survey
- 9% of respondents remain reluctant to get a mobile in the future
- 9% of those that have a mobile have more than one line
- Prepaid subscriptions remain predominant over post-paid . Post-paid subscriptions grew by 4 ppt. over 2011
- Prepaid subscribers are generally more aware of their monthly mobile expenditure – only 5% don't know how much they spend
- The majority of prepaid subscribers fall in the lower spending brackets
- 32% of post-paid subscribers spend more than €30 a month on mobile services
- Compared to the 2011 survey consumer perceptions on mobile tariff rates have improved, with more than half of those who know how much it costs to make a call from the mobile perceive these rates to be acceptable
- 95% of respondents who said they travelled abroad over the last 2 years claimed to have used their mobile phone while being abroad

- 43% would change their mobile operator if tariff rates were to increase – 34% say they would call less
- Compared to the 2011 survey – higher use of smart phones; 37% today vs. 16% in 2011
- 88% of those who claim to have a smart phone (or 33% of all mobile phone users) say they use mobile phone internet
- 12% make calls over the Internet through their mobile
- 48% of those with a smart phone are subscribed to a specific mobile data plan – significant growth compared to 26% in the 2011 survey
- 57% respondents with a specific data plan would switch to Wifi if available
- Satisfaction levels have been maintained – 88% of respondents with a mobile line are satisfied or highly satisfied with the level of service
- 18% changed their operator over the past 2 years
- 15% of respondents aware of the freephone number '180'



Thank You