MCA Market Research

Consumer Perceptions Survey for Fixed Telephony

Presentation of main findings

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Purpose

The analysis of these survey findings places emphasis on fixed telephony services offered in Malta, offering insights into the decision-making process of household consumers when it comes to their choices regarding these services.

Several aspects are explored including :

- Factors determining service preferences and usage;
- Expenditure and value perception of fixed telephony services;
- Customer satisfaction with service quality;
- Incidence of service disruptions and operator responses;
- End-user switching behaviour.

Methodology

EMCS Ltd. carried out the survey on behalf of MCA between June and July 2023

Fieldwork

- Approximately 20-minute Computer Assisted Telephone Interviews (CATI)
- Targeted sample – private individuals in Maltese households

Sample

- Only one respondent per household (aged 18 or over)
- Sample age demographics reflect NSO's local demographic distribution
- Stratification:
  - age composition (18+) of the Maltese population;
  - operators' fixed telephony market share;
  - geographical and socio-economic categories.

Responses

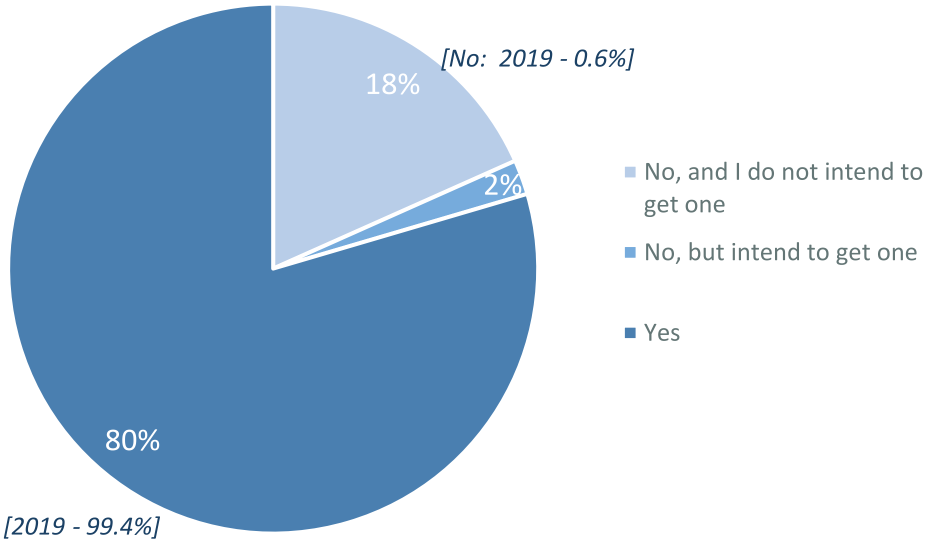
- 802 net valid respondents were collected
- Margin of error +/-3.46% at 95% confidence interval
- Any refusals / incomplete surveys were removed and replaced with new responses

Access and type of subscription

Access and subscription (1)

Access to fixed telephony service

Respondents – 802

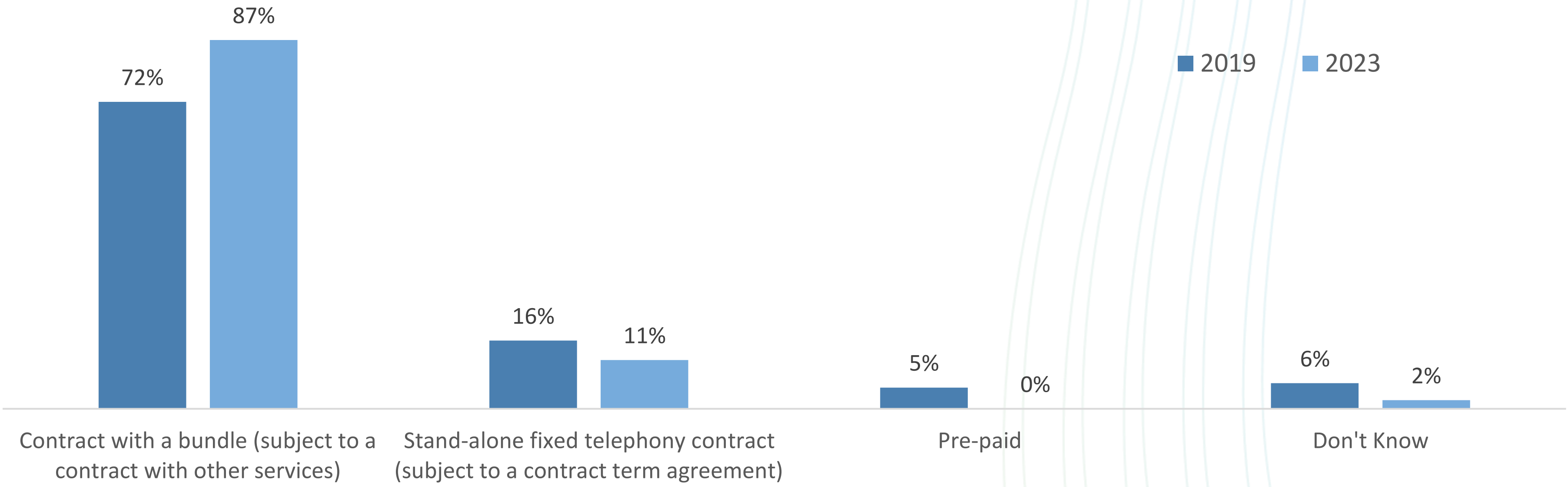


- 80% of respondents have a fixed telephony subscription at home
- A 19-percentage points decline compared to 2019.
- 2% of respondents without a fixed telephony service expressed the intention to acquire one in the near future.

Access and subscription (2)

Type of fixed telephony subscription (bundle vs stand-alone)

Respondents with a subscription – 638 or 79.6% of all respondents

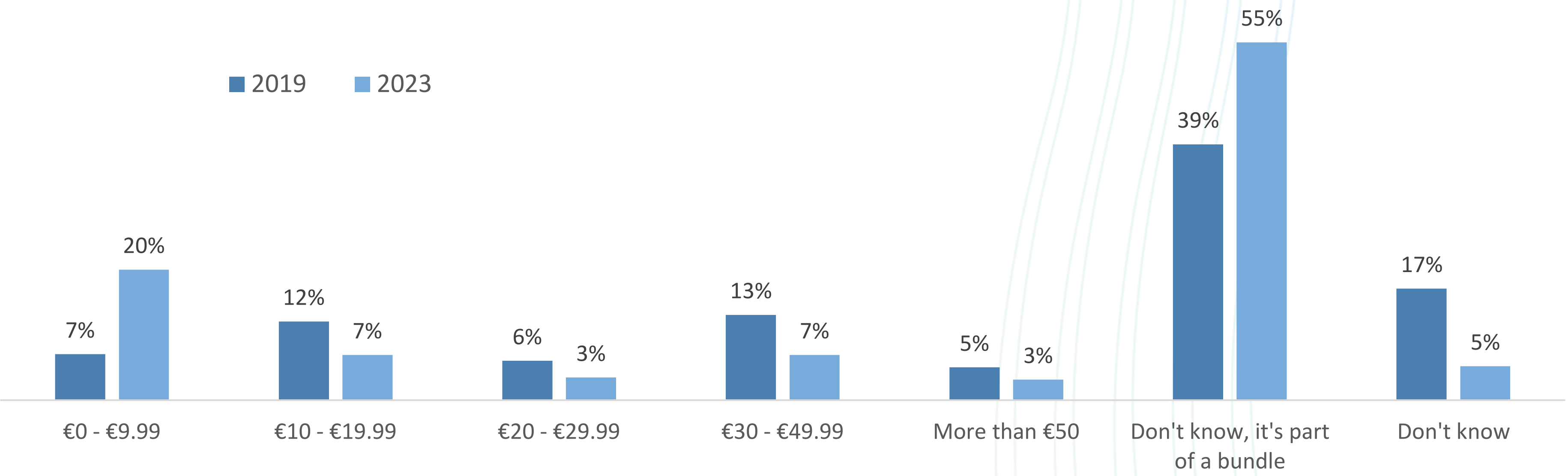


Expenditure, quality of service and switching

Expenditure (1)

Average monthly expenditure on main subscription

Respondents with a subscription – 638 or 79.6% of all respondents

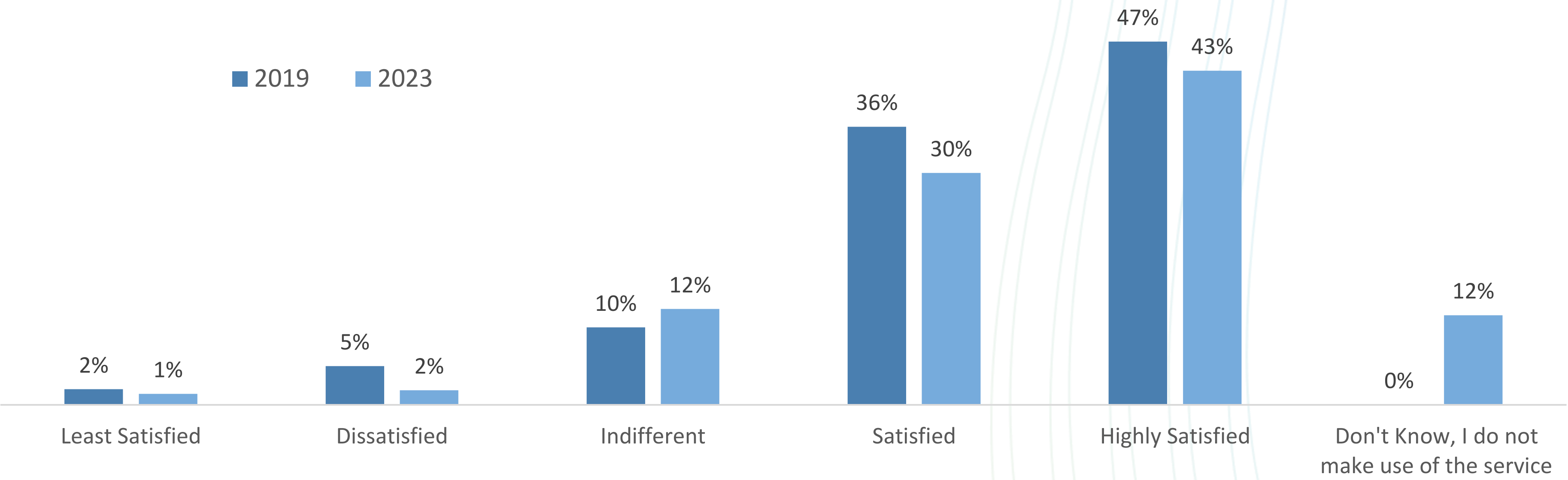


Expenditure on main fixed telephony subscription

Quality of service and switching (2)

Level of satisfaction with main fixed telephony subscription

Respondents with a subscription – 638 or 79.6% of all respondents

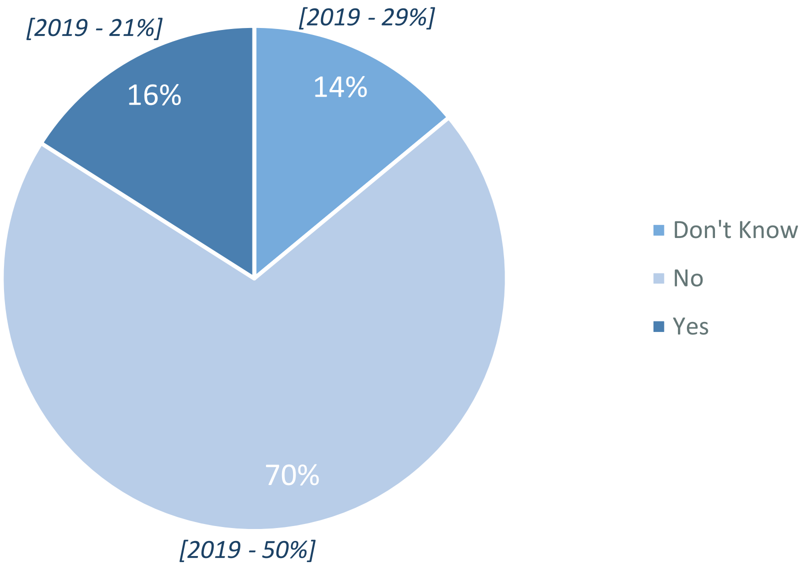


Quality of service and switching (3)

Propensity of dissatisfied / indifferent customers to switch service provider

Number of respondents not satisfied or indifferent with the quality of their main fixed telephony subscription.

Sample size : 100



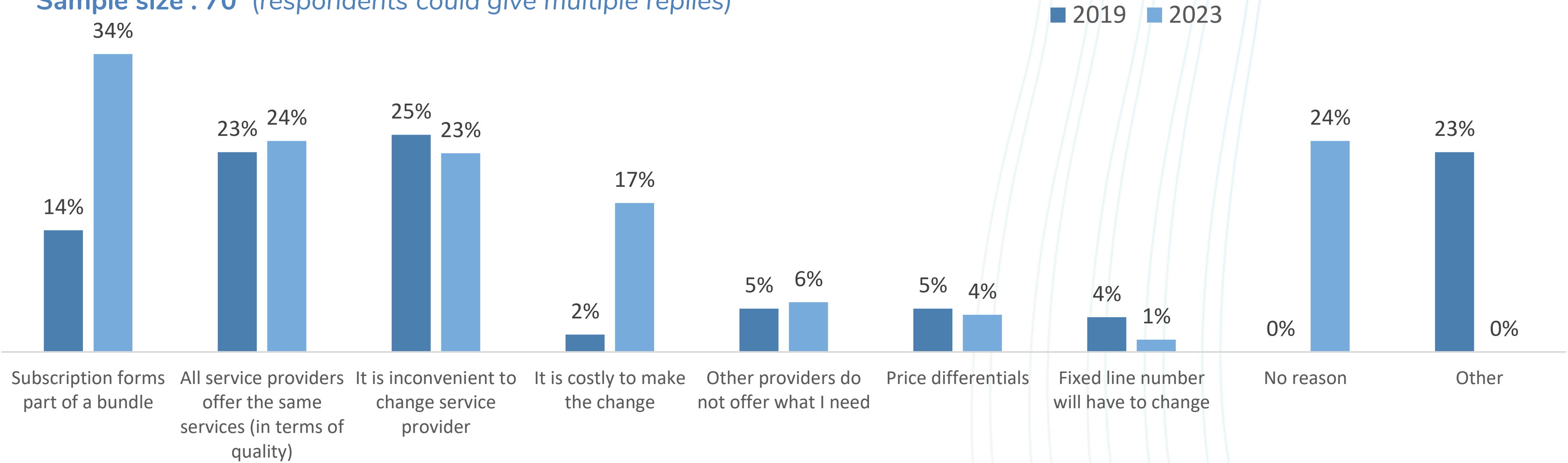
- 14% unsure about considering a switch, marking a decrease from 29% in 2019.
- 70% say they have no intention to switch, which reflects a notable increase of 20 percentage points from the figures recorded in the previous study.

Quality of service and switching (4)

Reasons for not switching / porting

Number of respondents not satisfied or indifferent with their main fixed telephony service and would not consider switching to another service provider

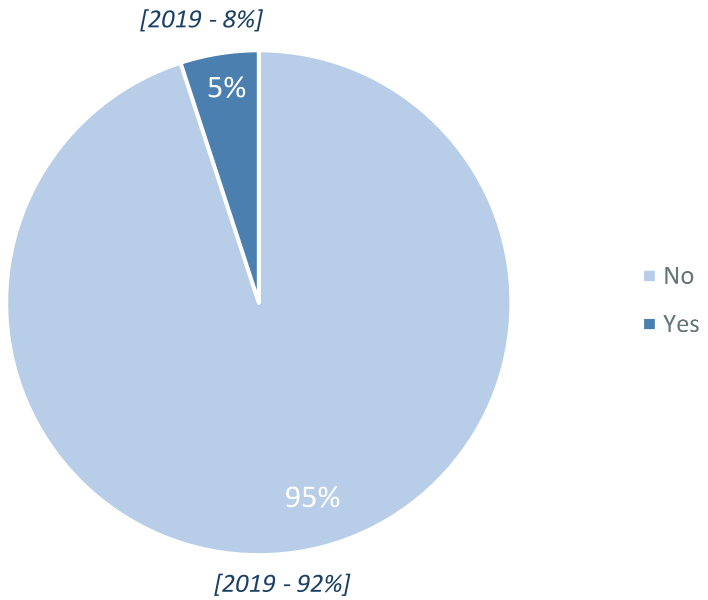
Sample size : 70 *(respondents could give multiple replies)*



Quality of service and switching (5)

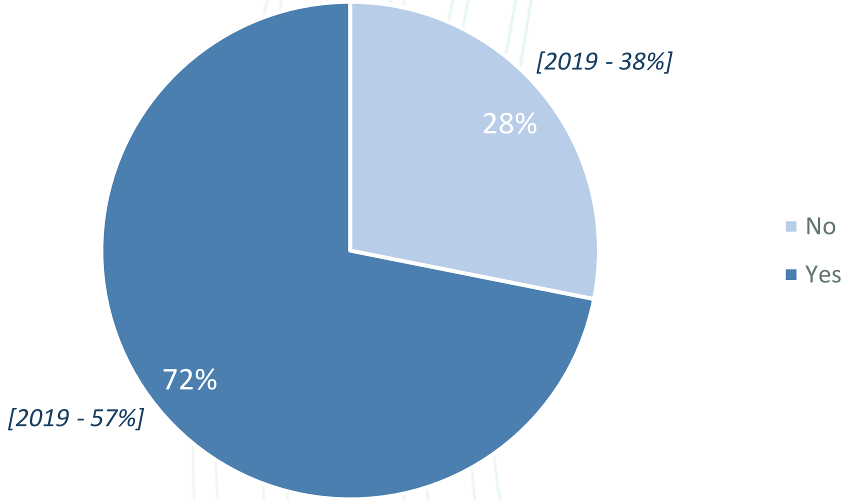
Switching behaviour in the last two years

Number of respondents with a fixed telephony subscription – 638



Porting of numbers when switching

Number of respondents that switched service provider in the last two years – 32

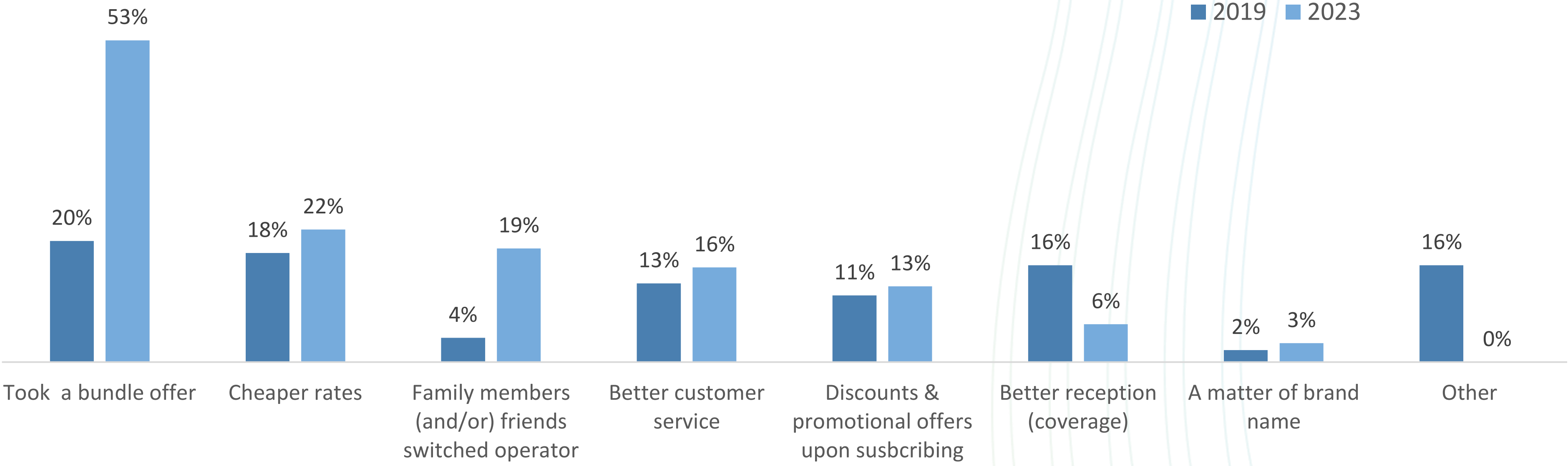


Quality of service and switching (6)

Reasons for switching / changing the fixed telephony operator

Number of households that switched service providers in the last two years

Sample size: 32 *(Respondents could give multiple replies)*

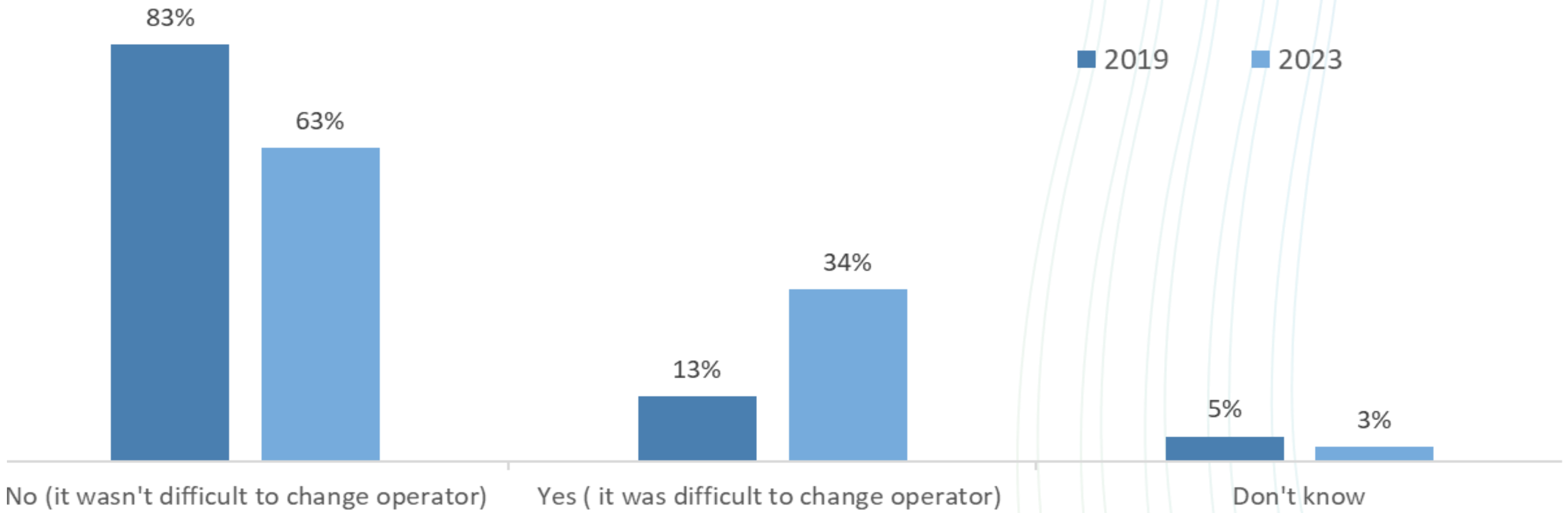


Quality of service and switching (7)

Assessing the difficulty of switching service provider

Number of households that switched service providers in the last two years.

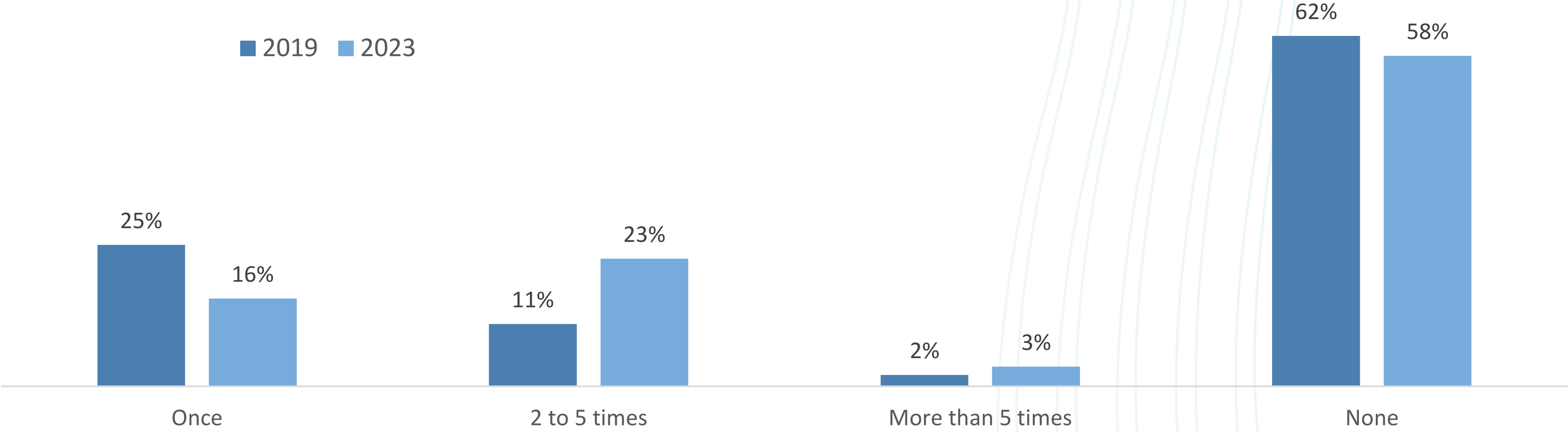
Sample size: 32



Quality of service and switching (8)

Disconnections, faults or other problems experienced in the last 12 months

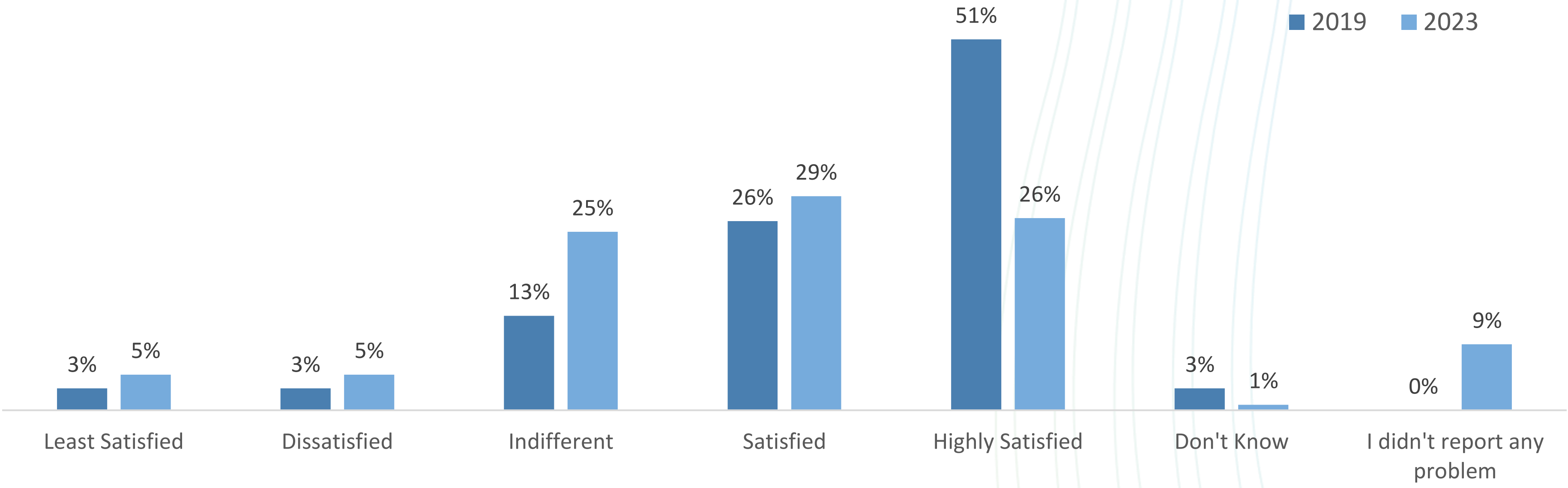
Number of households with a fixed telephony subscription – 638



Quality of service and switching (9)

Satisfaction levels with the response of the service provider to reported faults

Number of households that have reported at least one fault in the last 12 months – 265

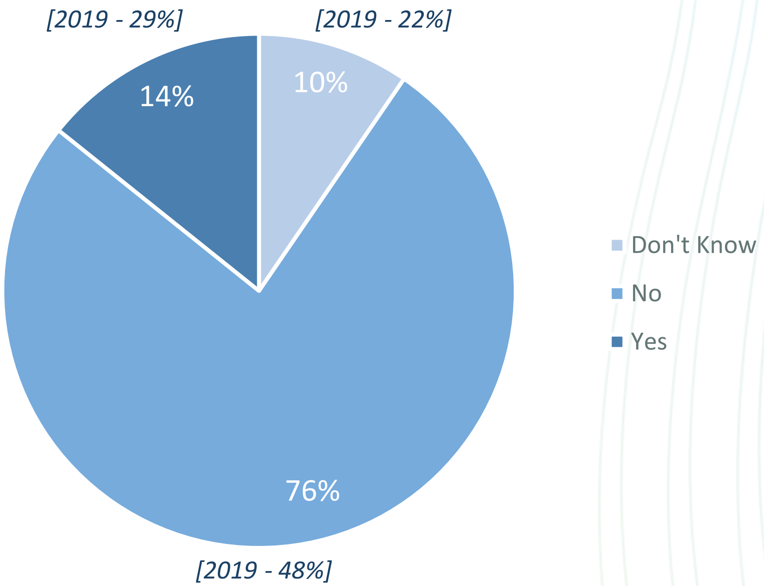


Potential termination of service and alternatives

Potential termination of service and alternatives (1)

Intention to terminate fixed line connection in the next 12 months

Number of households with a fixed telephony subscription – 638

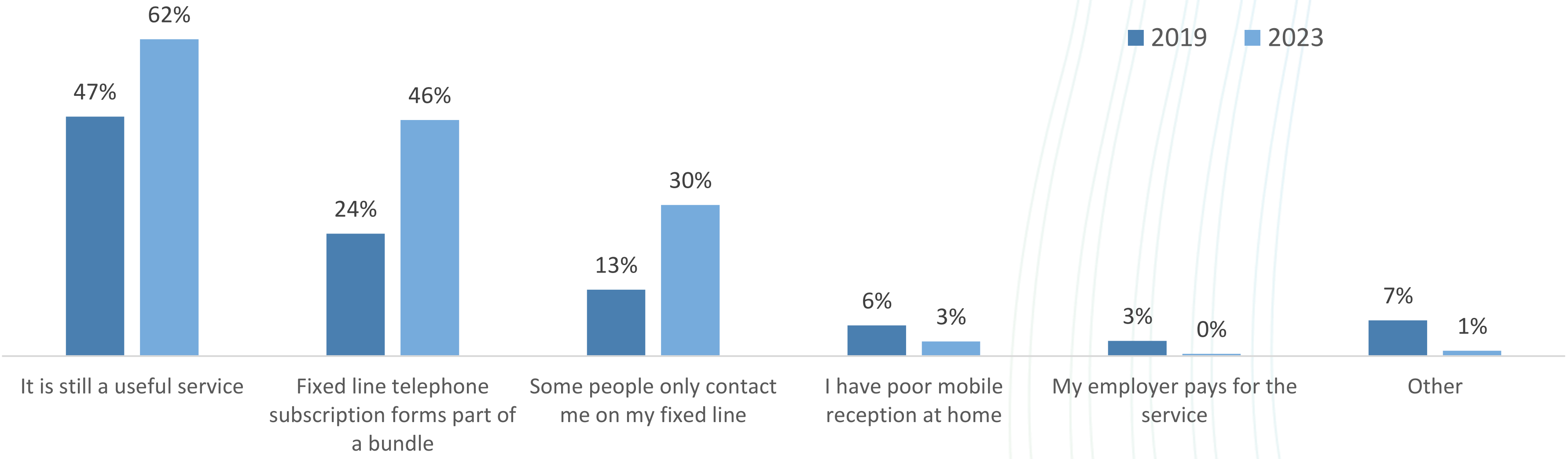


Potential termination of service and alternatives (2)

(If no) Reasons for not terminating fixed line connection

Number of households that would not terminate fixed line connection – 486

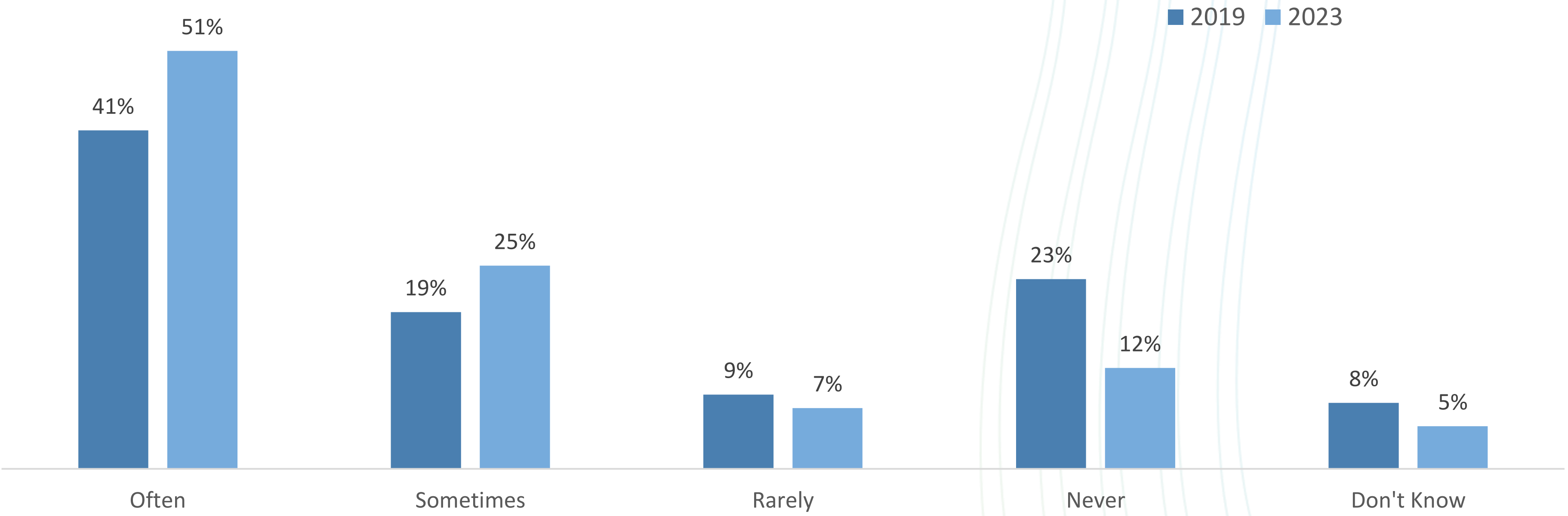
(In the current study respondents could give multiple replies, while in 2019 this was a single choice question)



Potential termination of service and alternatives (3)

Substitutability of OTT calls to a traditional fixed telephony calling

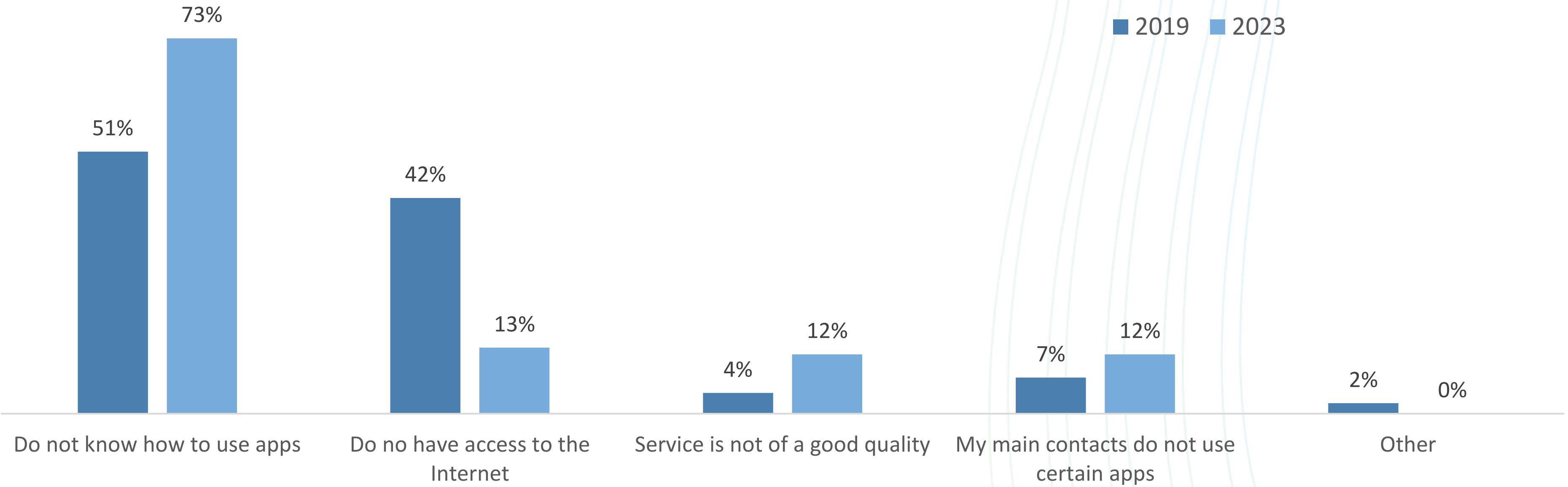
Number of households with a fixed telephony subscription – 638



Potential termination of service and alternatives (4)

Reasons for not making use of OTT services, if such services were never used

Number of households indicating that calls made using third party apps are never good substitutes to calls made via fixed telephony suscription – 78 *(respondents could give multiple replies)*

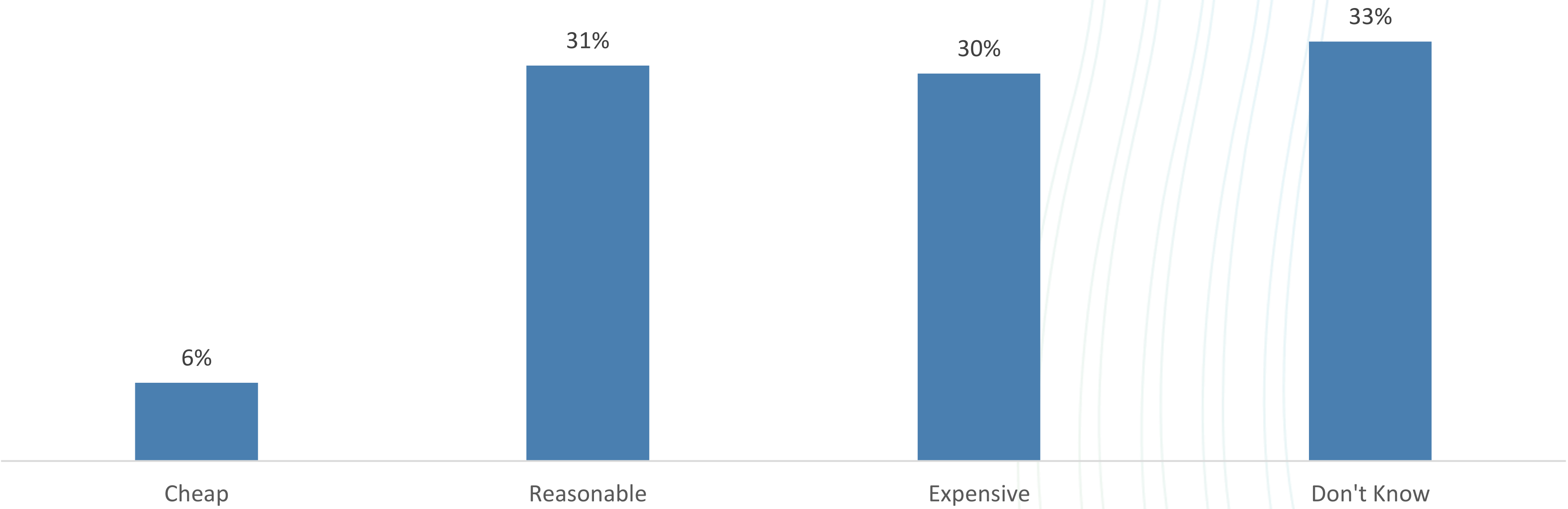


Knowledge on call rates

Knowledge on call rates (1)

Perceptions towards fixed-to-mobile call rates

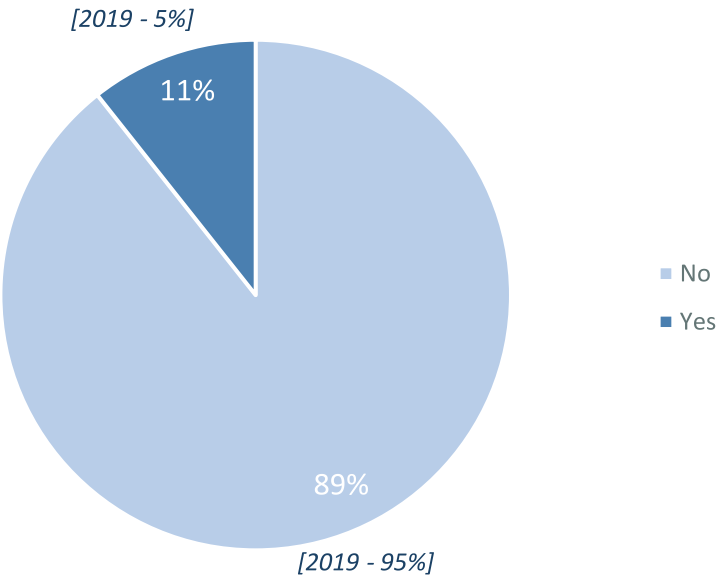
Number of households with a fixed telephony subscription – 638



Knowledge on call rates (2)

Customer awareness on cost of international calls from a fixed telephone

Number of households with a fixed telephony subscription – 638



- 89% of respondents are not aware of the costs associated with making a one-minute call from a fixed line to an international number.
- This percentage reflects a slight improvement from the figures recorded in 2019, where 95% of households were unaware of the specific call rates.

Key insights (1of 2)

- 80% of respondents have a fixed telephone service, a 19 percentage points decline from 2019
- The overwhelming majority (97%) possess a single fixed telephone subscription, almost the same as in 2019
- Fixed telephony service as part of a bundle increased by 15 percentage points from 2019 to 87% in 2023
- 73% are satisfied or highly satisfied with their fixed telephony service
- 70% of respondents expressing unsatisfaction with the service have no intention to change their present service provider

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Key insights (2 of 2)

- 58% of respondents reported no disconnections or faults with the service in the 12 months prior to the survey
- 14% of users have expressed an intention to discontinue the service within the forthcoming 12 months, while 10% are uncertain about their decision to do so.
- The majority (62%) who have no intention to terminate the service believe it is still a useful service, whilst 46% will retain the service because it is part of a bundle
- The majority (51%) believe that over-the-top (OTTs) services are often a good substitute to fixed line telephony, up by 10 percentage points from 2019 .
- The majority (73%) of the respondents who do not use OTT services is due to lack of digital skills to use the app.
- 89% of the respondents are not aware of the cost to make a one-minute call from a fixed line telephone to an international number

Other findings (1)

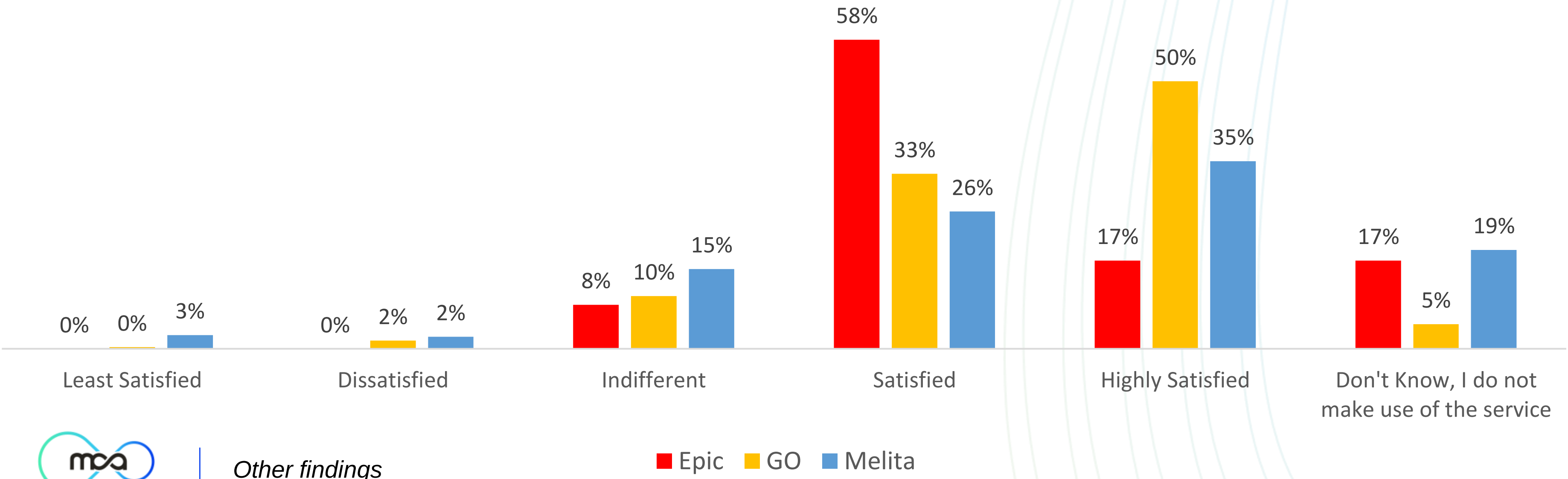
Level of satisfaction with the main fixed telephony subscription by service provider

Number of households subscribed to Epic – 12

Number of households subscribed to GO – 321

Number of households subscribed to Melita – 305

(The main connection was chosen for respondents with multiple subscriptions)



Other findings (2)

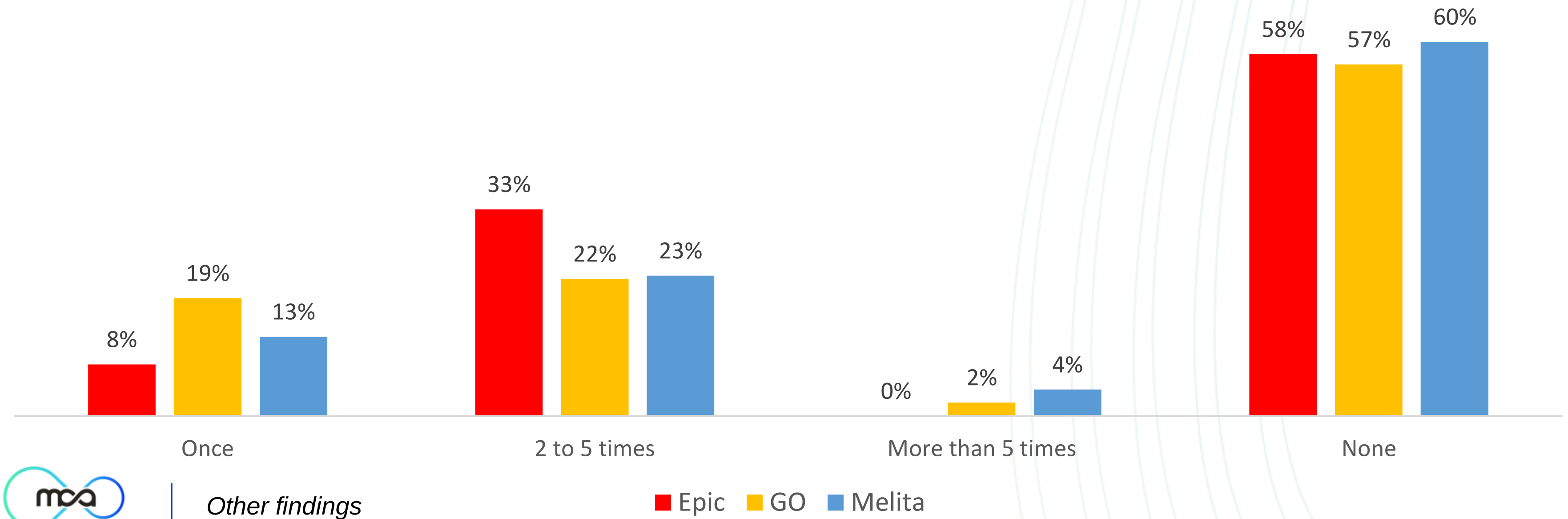
Disconnections, faults or other problems in the last 12 months by service provider

Number of households subscribed to Epic – 12

Number of households subscribed to GO – 321

Number of households subscribed to Melita – 305

(The main connection was chosen for respondents with multiple connections)



Other findings (3)

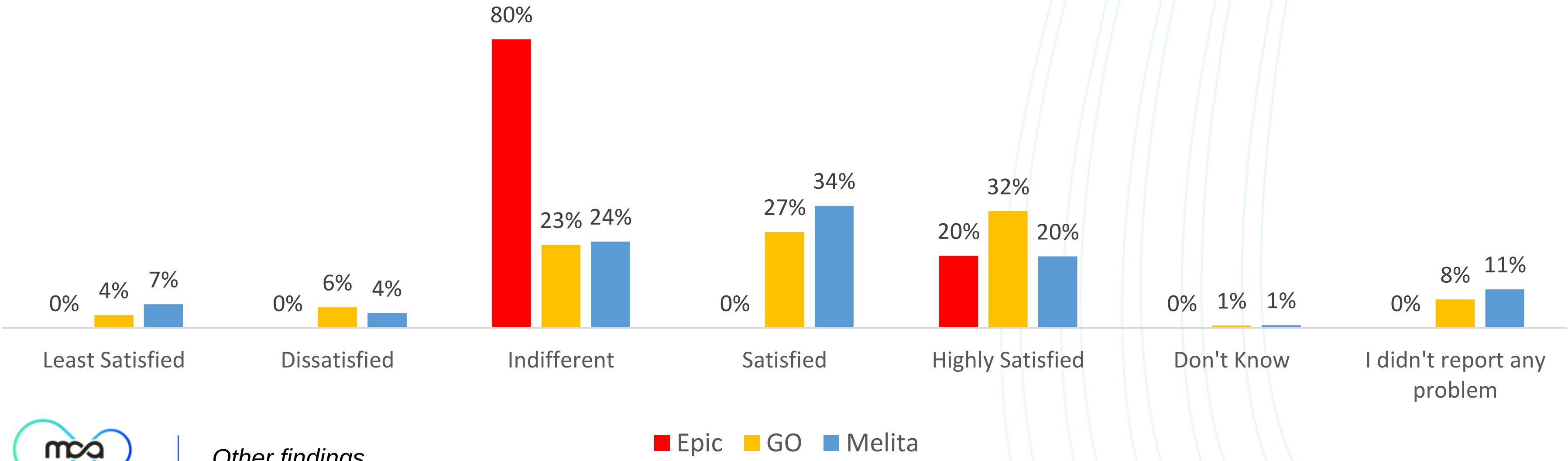
Satisfaction levels with the response of the service provider to reported faults

Number of households subscribed to Epic that experienced at least one disconnection during the last 12 months 5

Number of households subscribed to GO that experienced at least one disconnection during the last 12 months – 139

Number of households subscribed to Melita that experienced at least one disconnection during the last 12 months – 121

(The main connection was chosen for respondents with multiple connections)



Other findings (4)

Perceptions towards Fixed-to-Mobile call rates

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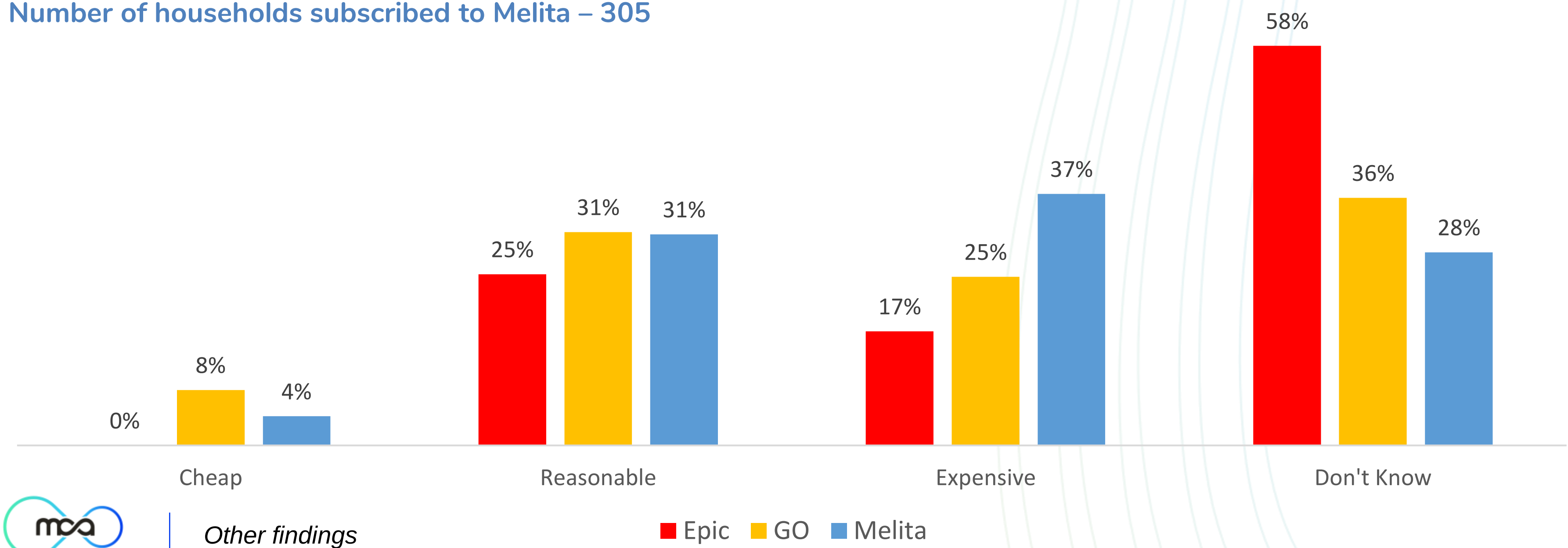

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