

Consumer Perceptions Survey – Mobile Telephony *January 2023*

An overview of main findings for a perception survey concerning mobile telephony usage in Malta

The MCA is hereby publishing the findings of a survey gauging consumer perceptions based on their experience in using mobile telephony services offered in Malta. Key themes relate to the level of satisfaction with the service, consumer sensitivities to price changes and propensity to switch. Survey findings also cover the overall experience with customer care and the propensity of residential end-users to use over-the-top (OTT) services over mobile.

The survey was carried out by EMCS on behalf of the MCA via telephone interviews. A total of 963 randomly selected respondents participated in this survey.

Smartphones becoming the norm and increase in post-paid subscriptions

Subscription to a mobile telephony service is almost universal in Malta, with just 2% of all household respondents (all aged above 65 years) not subscribed to the service. Smartphones are the preferred device for mobile connectivity, with 85% of respondents owning one (up from 71% in 2019). Smartphones serve for various activities but are particularly relevant for the consumption of mobile internet (or data) services. Around 70% of respondents access mobile internet services, with the ever increasing use of such services leading to a bigger number of mobile users opting for post-paid (or contract-based) subscriptions. Comparing survey findings for the years 2019 and 2022, take-up of post-paid subscriptions was up by 17 percentage points to 58% of the mobile telephony subscriber base. Just 15% of respondents say that they purchase their mobile telephony subscription in a bundle encompassing other electronic communications services.

Monthly expenditure on the mobile telephony service

76% of surveyed households are aware of their monthly expenditure on the mobile telephony service. Around a third of those knowledgeable on their monthly expenditure say they spend

between €10 to €19 per month on the service. Another 26% say they spend between €20 to €49 per month.

Of note, is that 58% of respondents knowledgeable of their monthly expenditure feel that their expenditure is 'acceptable' whilst 30% deem it 'expensive', the latter figure representing an increase of 8 percentage points from 2019.

Mobile data services are on the rise

Around 70% of respondents with a mobile subscription report that they are aware of and use mobile data services, up by 15 percentage points since 2019. A considerable share of mobile data users say that they access these services on a daily basis, mainly for social networking and work-related activities. 75% of mobile broadband users never use more data than that specified in their plan, but those who do exceed the amount resort to data add-ons to keep using the service once the data allowance is fully consumed.

Customers largely satisfied with quality of service

80% of all survey respondents subscribed to the mobile telephony service with 44% classifying their position as satisfied and another 36% saying they are very satisfied. Overall however, the satisfaction rate is still lower than that observed in the 2019 survey by 15 percentage points. Switching between operators remains low, with 92% of all respondents saying they have not switched operator in the previous two years. Significantly, 64% of those respondents saying they are dissatisfied or indifferent with the current service say they would not switch operator.

Of note, half of respondents making use of mobile internet services consider this as a good substitute for fixed broadband, whereas 18% disagree with that statement.

Strong OTT usage over mobile broadband

70% of respondents are aware of and access third-party over-the-top (OTT) applications over mobile internet. Respondents were also asked on their preferences for the OTT type of applications they utilise and the majority use 'chat' and 'content' OTTs over mobile broadband. Most OTT users would often substitute OTT messaging to mobile messaging, whereas less than half of users often substitute mobile calls with OTT calls.

The 30% of respondents not making use of OTTs over mobile broadband qualify their reason as the lack of need for it, as half of these indicated.

Environmentally-friendly measures in mobile telephony

The survey indicates that 59% of mobile telephony subscribers consider it important that their service provider integrates environmentally-friendly measures in the way it conducts business.

Out of all respondents, 71% of them change their mobile phones with a new one less frequently than once every three years. Furthermore, 62% of respondents say they kept their previous mobile phone home when they bought their new one, whilst another 14% say they gave it to family or friends.

Background to the survey function at the MCA

The MCA has been regularly carrying out the Consumer Perception Surveys since 2008. The main purpose of this exercise is to gather information on the level of satisfaction of local consumers with the products and services offered by electronic communication service providers and the extent to which these providers are able to address the demands of their clients. Given that these surveys have been carried out regularly for a number of years, survey results are indicative of long-term trends, how the needs of end-users have developed over time and how local service providers are dealing with changing demand over the years.

The results of these surveys also serve as an additional source of information for the MCA's regulatory decisions, in order to ensure an environment that is conducive to sustainable competition and investment in view of the growing demands of the future.