

MCA Market Research

Consumer Perceptions Survey – Mobile Telephony

January 2023



MALTA COMMUNICATIONS AUTHORITY

Purpose and Methodology



Purpose

- Get insight on the preferences of household consumers when purchasing mobile telephony services.
- This research informs us on:
 - Availability of mobile connection in Malta and type of contracts;
 - Average monthly expenditure on mobile services;
 - The level of satisfaction with the quality of services consumed;
 - The ability of end-users to switch between products;
 - The quality of the operators' response to faults.

Methodology

EMCS Ltd. carried out the survey between August and October 2022 on behalf of the MCA

Fieldwork

- Circa 20 minute phone interviews.
- 817 survey respondents were selected randomly.
- Only one person per household interviewed, aged 18 and over.

Sample

- Target respondents stratified according to age composition of the Maltese population and also according to mobile telephony market share.
- Survey respondents were distributed across Malta's geographical regions and socio economic categories of the Maltese population.

Responses

- 817 net respondents to the survey;
- Margin of error +/- 3.43% at 95% confidence interval.

Key insights



Key insights

- Almost all respondents have an active mobile telephony connection, with 85% of these having a smartphone.
- The take up of post-paid subscriptions is up, driven by end-users increasingly valuing mobile data and willing to spend more on their mobile telephony subscription to access such data.
- A growing share of end-users on post-paid offers are unaware of how much they spend on mobile telephony on a monthly basis. This development could be rooted in the increase in promotion of direct debit mandates offered by operators, typically discounting the price. A third of all respondents say they spend between €10 to €19 per month.
- Awareness and usage in data services have risen significantly, with 75% of users saying they never go above the data available pre-determined in their plan.
- 80% of respondents claim to be satisfied or highly satisfied with their mobile telephony service. This is lower than recorded in previous 2019 study.
- Propensity to switch providers is low, as respondents are reluctant to switch their service provider, even when they are dissatisfied with the service.
- 71% of respondents upgrade their mobile phones less than once every three years, and out of those who change it, the majority keep their old device at home rather than dispose of it.

Access and Usage

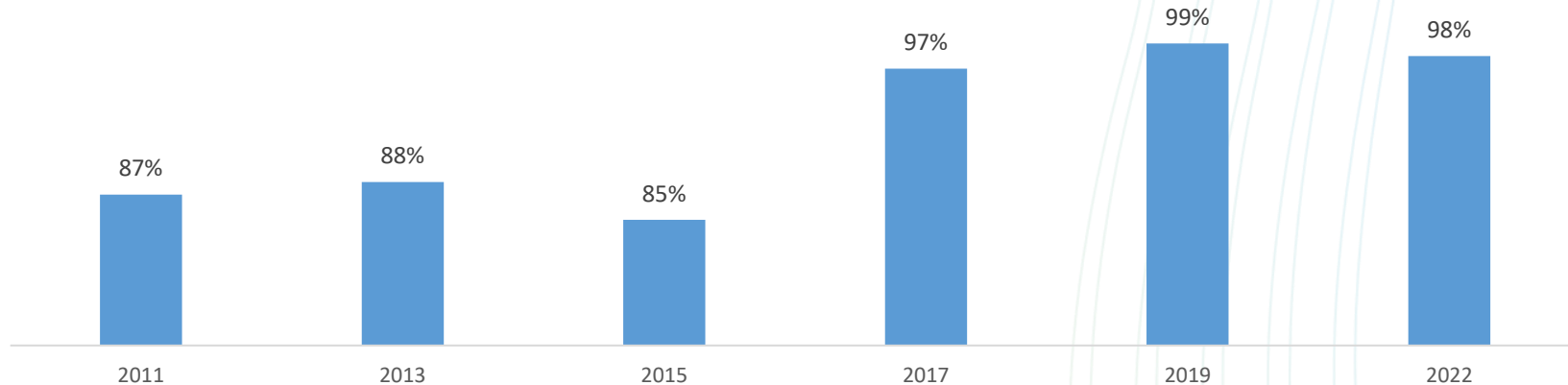


Access to the mobile telephony service

Availability in Maltese households

Number of respondents with a mobile subscription – 800

i.e. 98% of the total number of respondents



- 17 respondents indicated that they do not have a mobile phone.

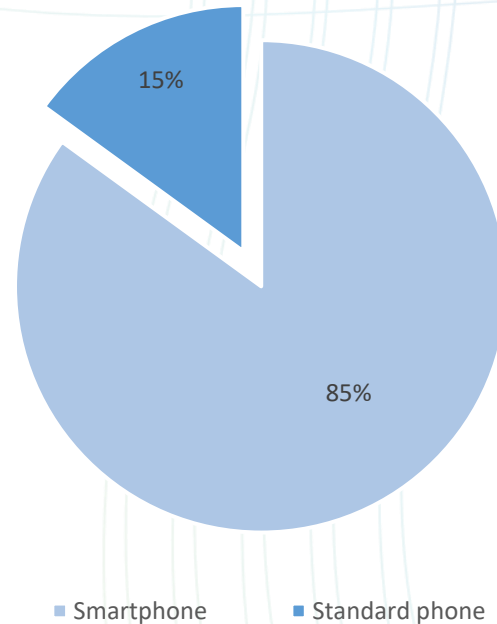
Type of mobile device in use

Type of mobile phone used

Number of respondents with a mobile subscription – 800

i.e. 98% of the total number of respondents

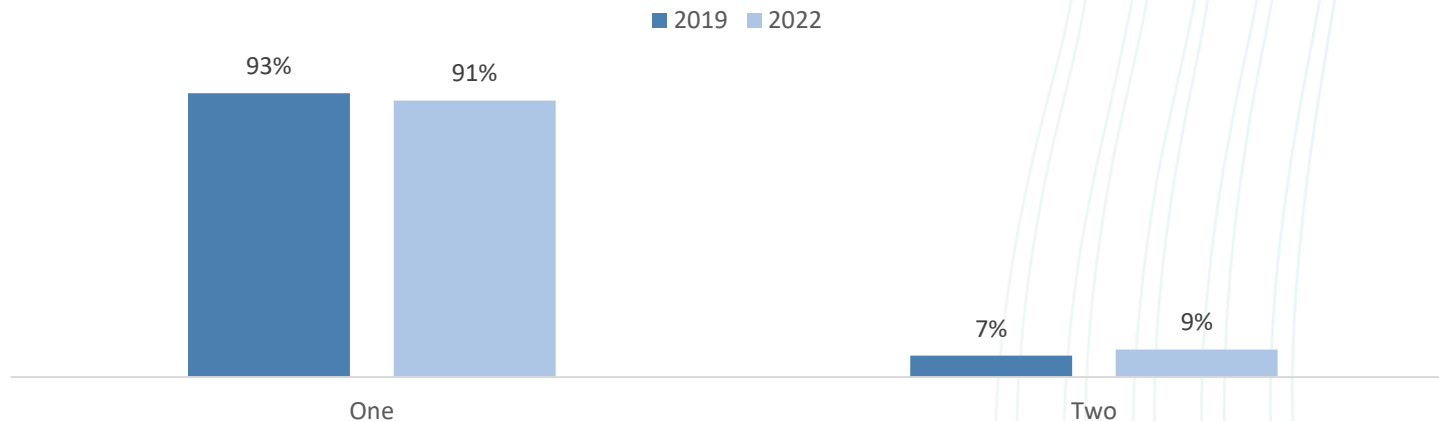
- 85% of respondents who have a mobile device use a smartphone.
- In 2019, this figure stood at 71%.



Number of active connections

Number of active mobile subscriptions per user

Number of respondents with a mobile subscription – 800

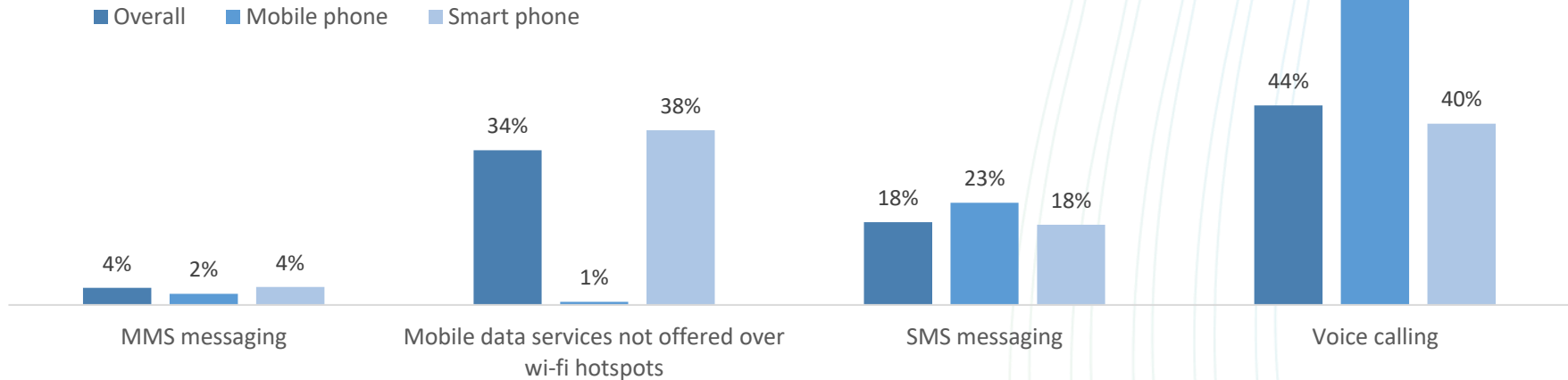


- Similar to 2019, results indicate that the majority of respondents have only one active mobile subscription.

Access to mobile telephony and usage (1 of 3)

Frequency of use by type of service

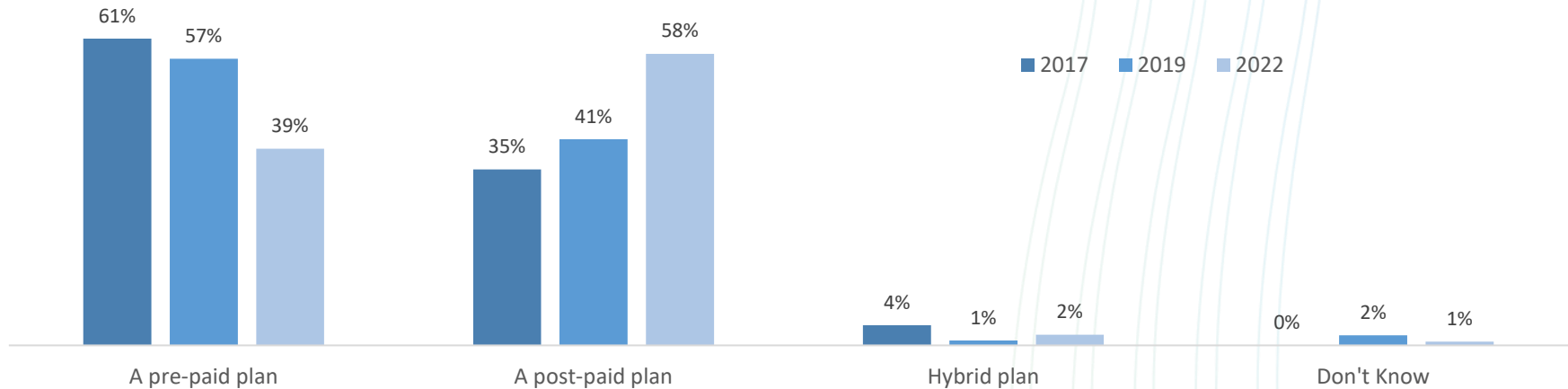
Number of respondents with a mobile subscription – 800



Access to mobile telephony and usage (2 of 3)

Profile of subscriptions – by type of plan

Number of respondents with a mobile subscription – 800



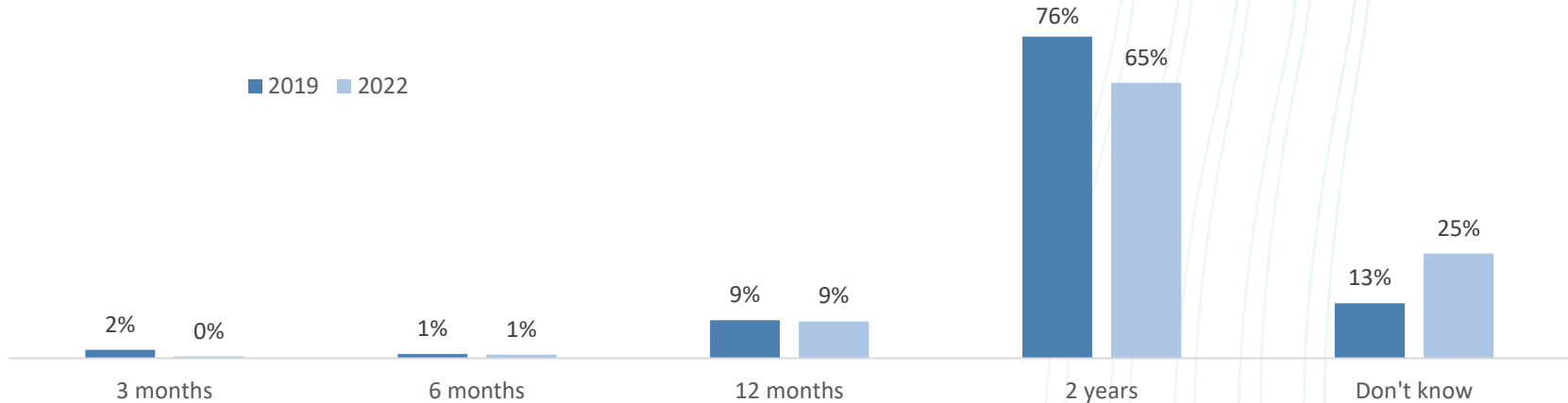
- In the current study, a shift was noted towards the contract-based post-paid plans.
- 58% of respondents indicated having a post-paid plan (a 17-percentage point increase from 2019).

Access to mobile telephony and usage (3 of 3)

Duration of contract of post-paid or hybrid plans

Number of respondents having a post-paid or a hybrid plan – 481

i.e. 60% of the number of respondent with a mobile subscription



- 65% of those who have a post-paid or a hybrid plan indicated that their contract lasts two years.

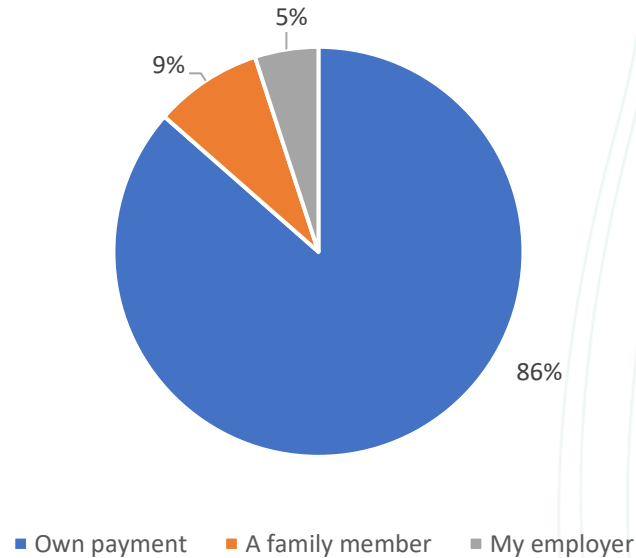
Expenditure



Expenditure on mobile telephony services (1 of 5)

Origination of payment for main subscription

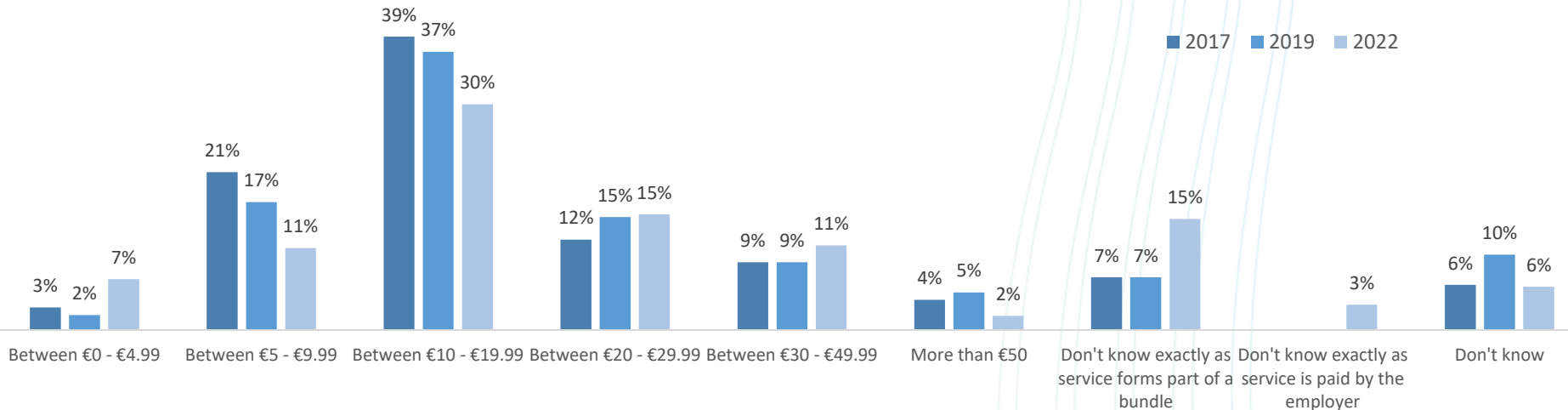
Number of respondents with a mobile subscription – 800



Expenditure on mobile telephony services (2 of 5)

Average monthly expenditure on mobile telephony services (overall)

Number of respondents with a mobile subscription – 800

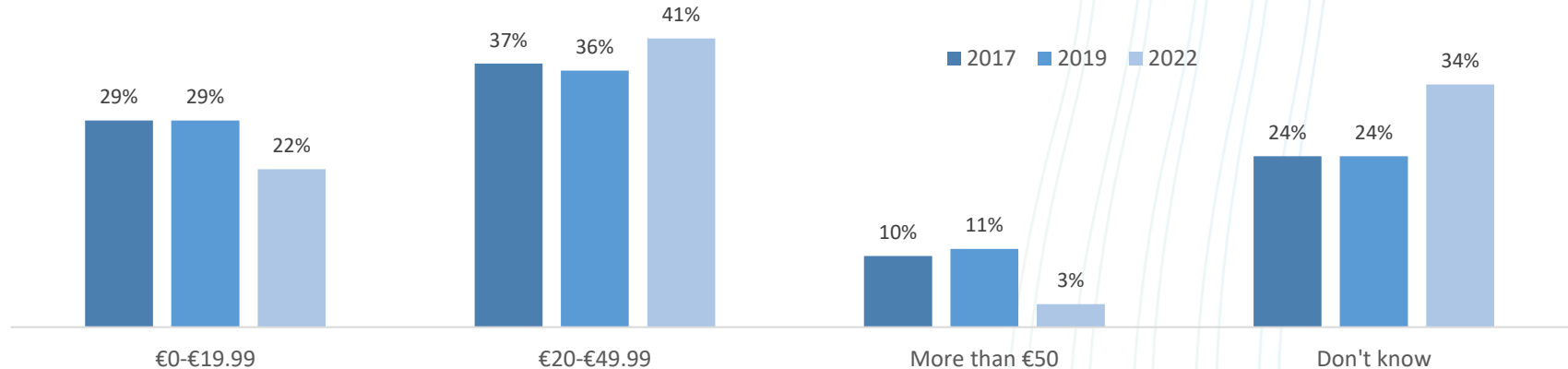


- 30% of respondents indicated a monthly expenditure on mobile service ranging between €10 and €19.99. In 2019, 7% of respondents classified under the same expenditure category.

Expenditure on mobile telephony services (3 of 5)

Average monthly expenditure on post-paid mobile telephony services

Number of respondents having a post-paid subscription - 464

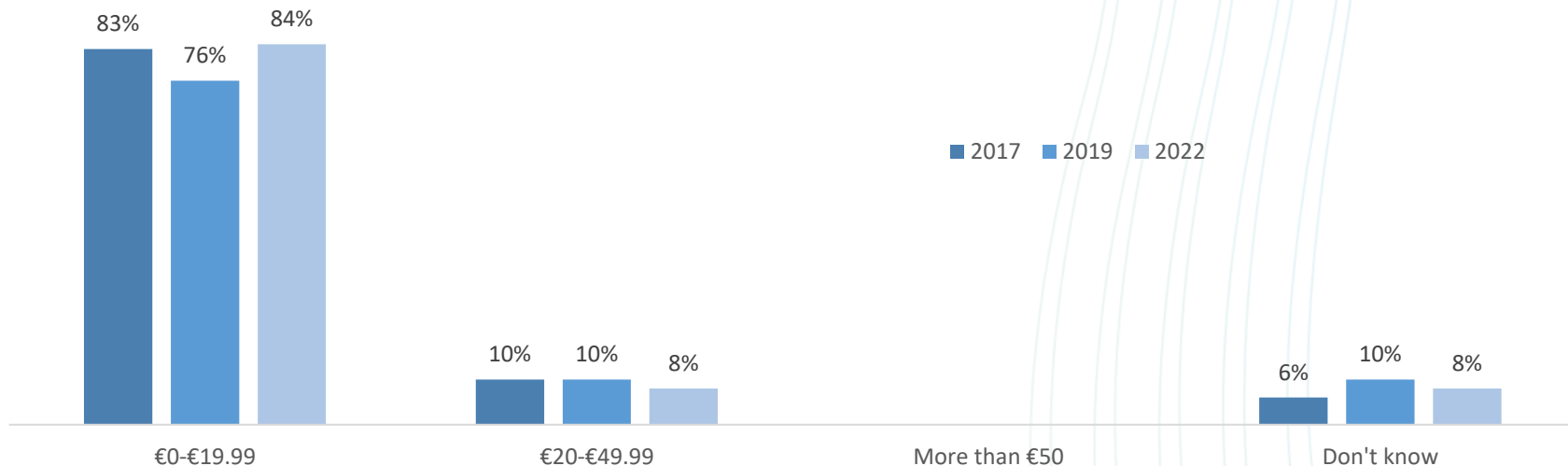


- 63% of respondents on post-paid plans say they spend up to €50 per month on their subscription.

Expenditure on mobile telephony services (4 of 5)

Monthly expenditure on pre-paid mobile telephony services

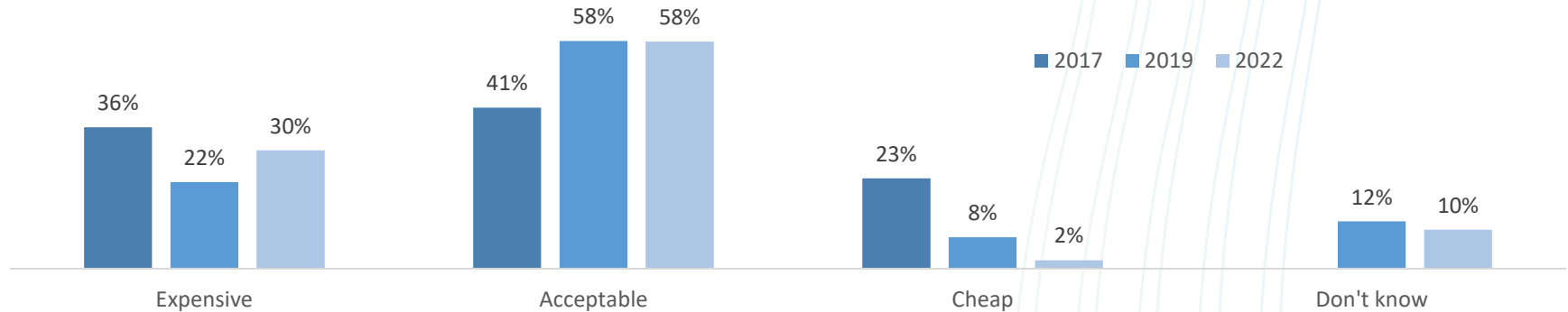
Number of respondents having a pre-paid subscription - 313



Expenditure on mobile telephony services (5 of 5)

Perception on the cost of mobile calls

Number of respondents with a mobile subscription – 800



- Similar to the previous study, 58% of respondents believe that the cost of mobile calls is *acceptable*.
- The number of respondents that perceived the cost to be expensive stood at 30%, up by 8 percentage points from 2019.

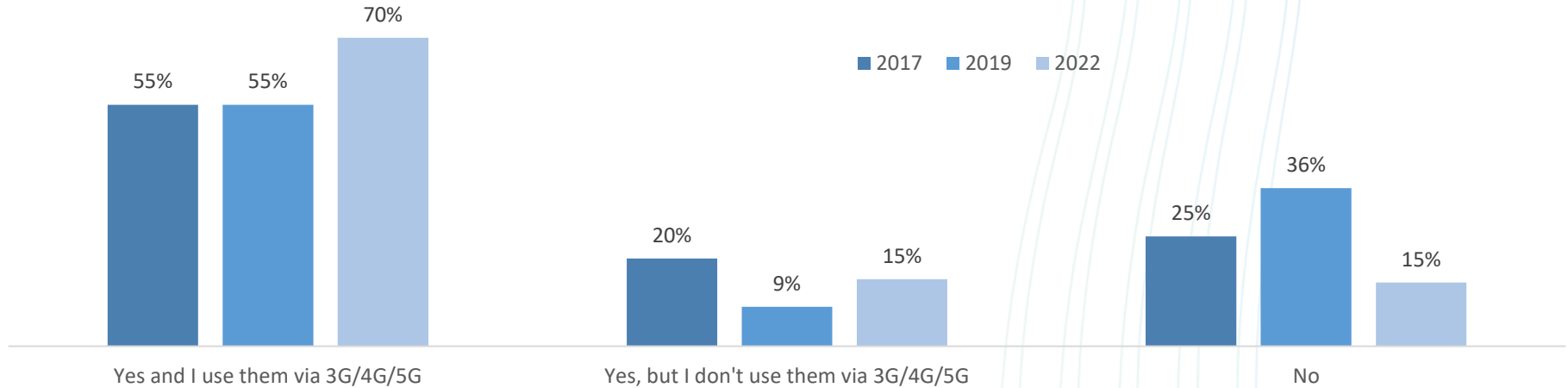
Mobile Data



Usage of mobile data services (1 of 6)

Respondents' awareness and use of mobile data services

Number of respondents with a mobile subscription – 800



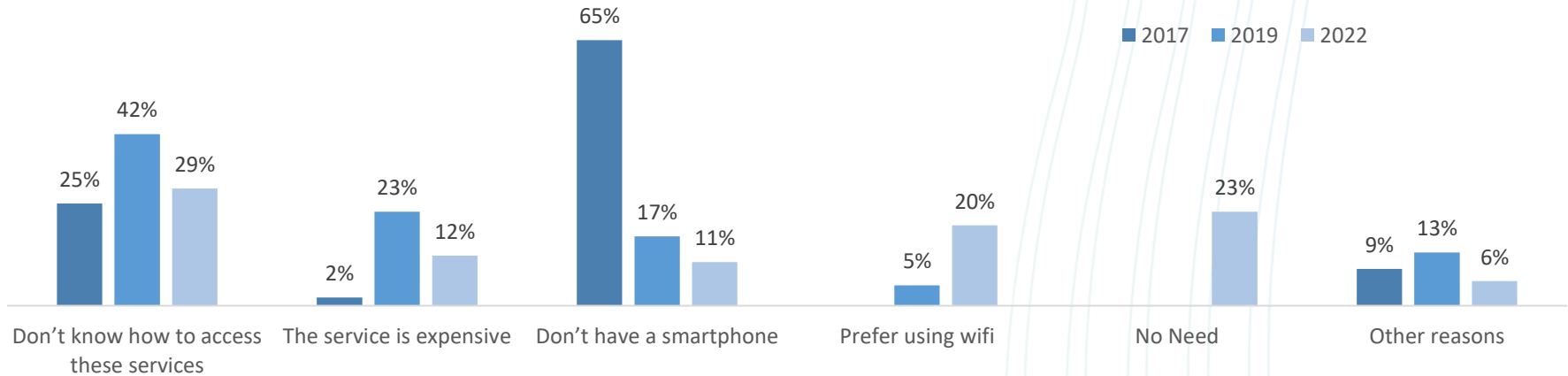
- 70% of end-users make use of mobile data services on their smartphone.
- The vast majority of those not aware of mobile data services over mobile broadband are over 65 years.

Usage of mobile data services (2 of 6)

Reasons for not making use of mobile data services

Number of respondents aware of mobile data services but do not use them – 122

i.e. 15% of the number of respondents having a mobile subscription



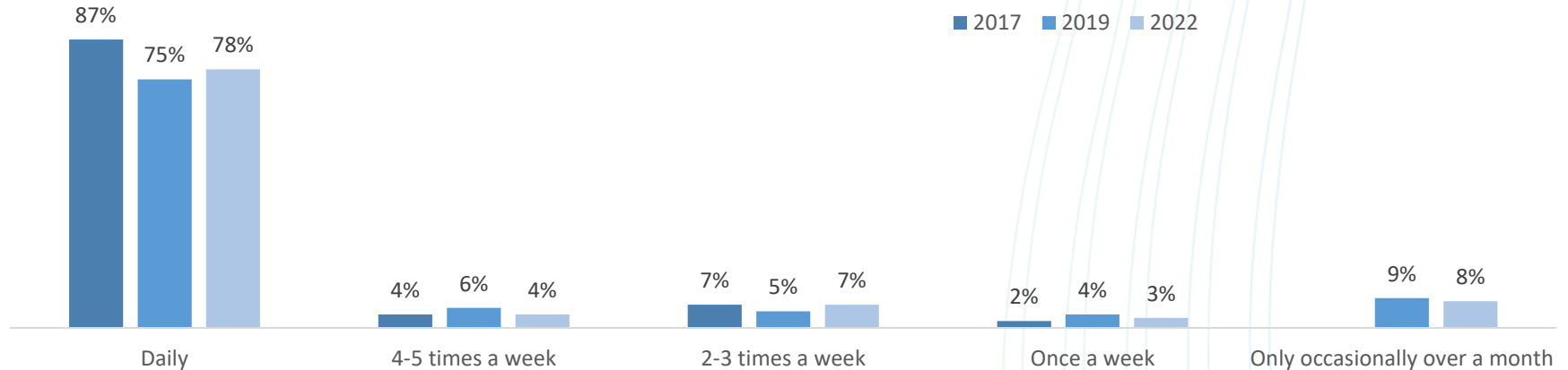
- Main reasons for not using mobile data: (i) do not know how to access these services (29% of respondents); (ii) see no need to use these services (23% of respondents).

Usage of mobile data services (3 of 6)

Frequency of usage of mobile data services

Number of respondents making use of mobile broadband – 562

i.e. 70% of the number of respondents having a mobile subscription

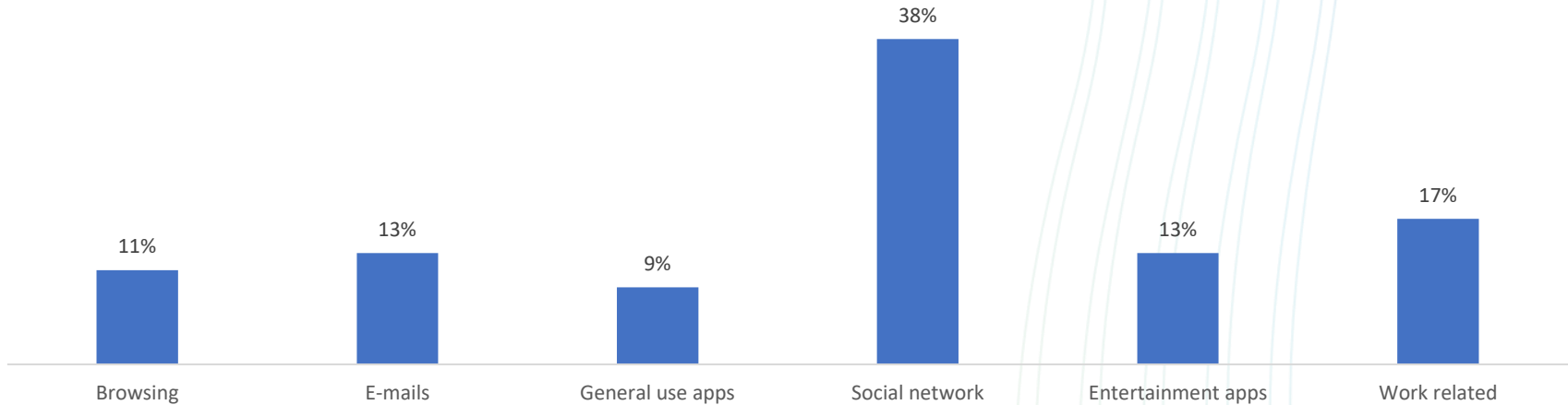


- 78% of respondents say they use mobile data services on a daily basis, up by 3 percentage points since 2019.

Usage of mobile data services (4 of 6)

Reasons for using mobile data services

Number of respondents making use of mobile broadband – 562 (Question was ranked by frequency of usage)

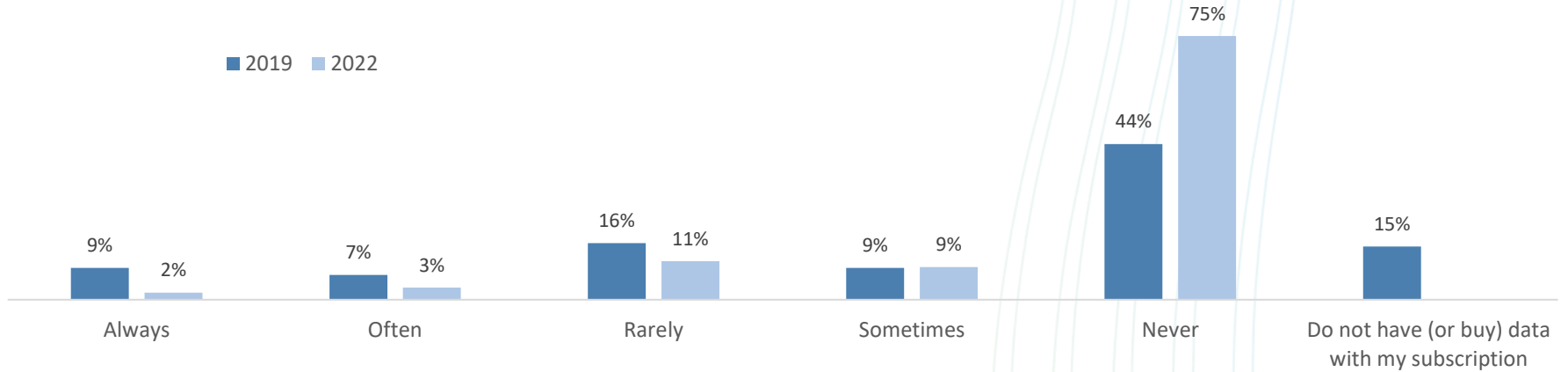


- *Social networking* (38%) and *work-related activities* (17%) are the main activities undertaken by respondents.
- Following these are *entertainment apps* (13%) and *e-mails* (13%).

Usage of mobile data services (5 of 6)

Usage beyond data allowance

Number of respondents making use of mobile broadband – 562
i.e. 70% of the number of respondents having a mobile subscription



- One-fourth of the respondents use more data than available in their allowance / data add-on (41% in the previous study).
- 'Do not have/or buy data with my subscription' was not one of the response options in the current study.

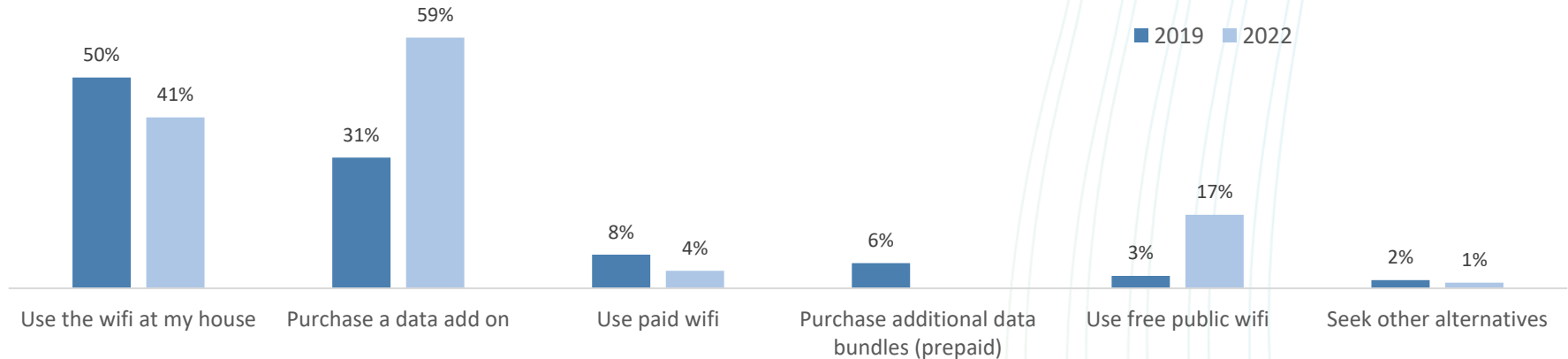
Usage of mobile data services (6 of 6)

Actions undertaken once data allowance is fully consumed

Number of respondents using more data than that available as an allowance or data add-on – 143

(In the current study, respondents could give multiple answers)

i.e. 25% of the number of respondents making use of mobile broadband



- 59% of respondents tend to purchase a data add-on if their data allowance is exceeded.

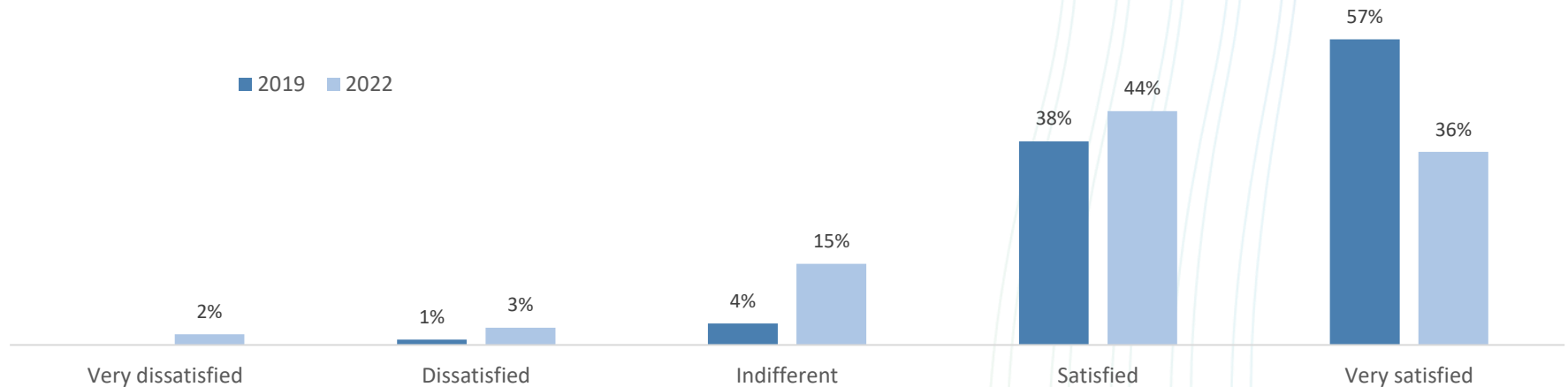
Quality of Service and Switching



Satisfaction with quality of service (1 of 3)

Perceived satisfaction with overall mobile service

Number of respondents with a mobile subscription – 800



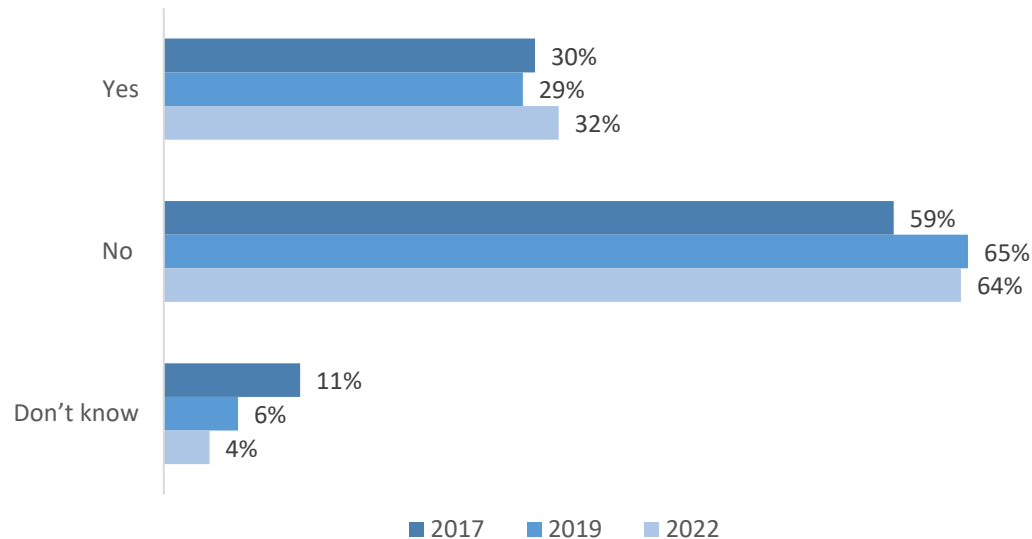
- 80% of respondents say they are satisfied or highly satisfied with their mobile service.

Satisfaction with quality of service (2 of 3)

Switching consideration of respondents saying they are not satisfied or are indifferent to service quality

Number of respondents perceiving their overall mobile service to be unsatisfactory/indifferent – 163

i.e. 20% of the number of respondents having a mobile subscription

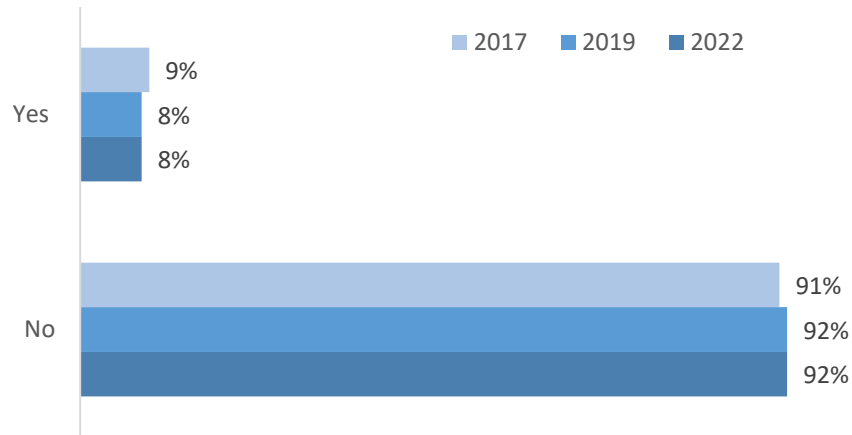


- 64% of respondents would not consider switching service provider, regardless of being indifferent or dissatisfied with their current service.
- This figure is in line with that observed in 2019.

Switching (1 of 3)

Percentage of respondents who switched from one mobile service provider to another within the last two years

Number of respondents with a mobile subscription – 800



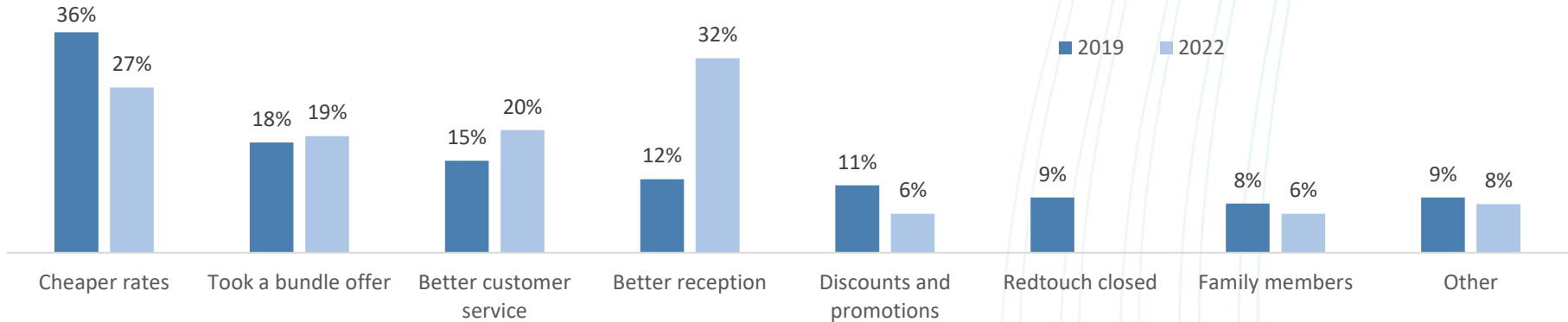
- 92% of respondents did not switch service provider over the past two years. This figure is in line with that in 2019.
- Amongst those that switched, 94% ported their number, whilst the rest did not.

Switching (2 of 3)

Reasons for switching operator

Number of respondents who switched their operator within the last two years – 63

i.e. 8% of the number of respondents having a mobile subscription (*Multiple answers were allowed*)

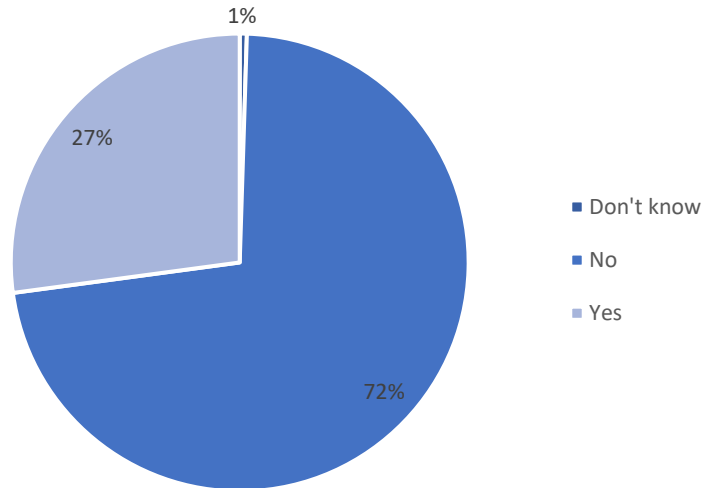


- Current study sees a shift in classification of responses, with *better reception* ranking first, followed by *cheaper rates* and *better customer service*.

Switching (3 of 3)

Percentage of respondents who changed their mobile plan in the last two years

Number of respondents with a mobile subscription – 800



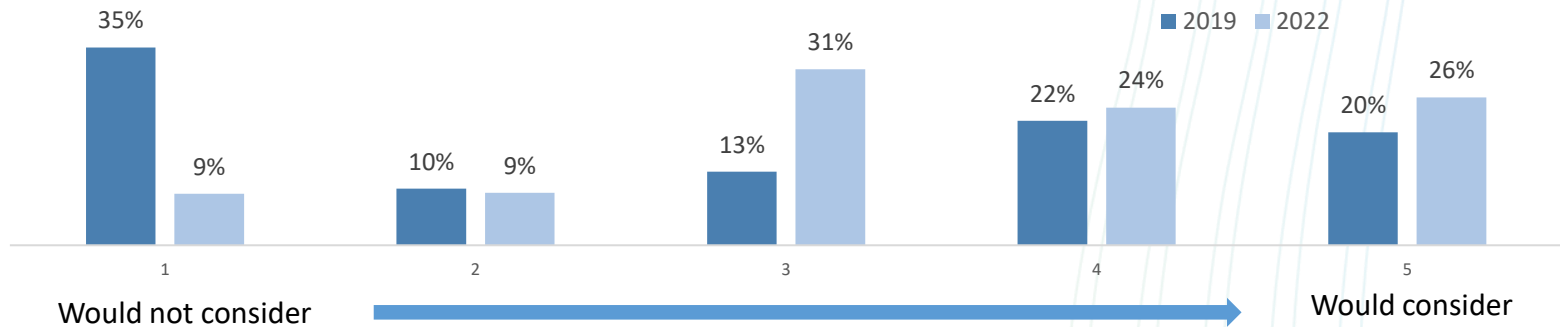
- 27% of respondents have revised their mobile plan within the last two years.
- This figure is up by 12 percentage points since 2019.

Substitutability of broadband

Percentage of respondents who consider mobile broadband as being substitutable for fixed broadband

Number of respondents making use of mobile broadband – 562

i.e. 70% of the number of respondents having a mobile subscription



- Half of the respondents consider mobile broadband as being a good substitute for fixed broadband (42% in 2019), whilst 18% disagree with that statement.
- In 2019, all respondents answered this question, even those who do not make use of mobile broadband.

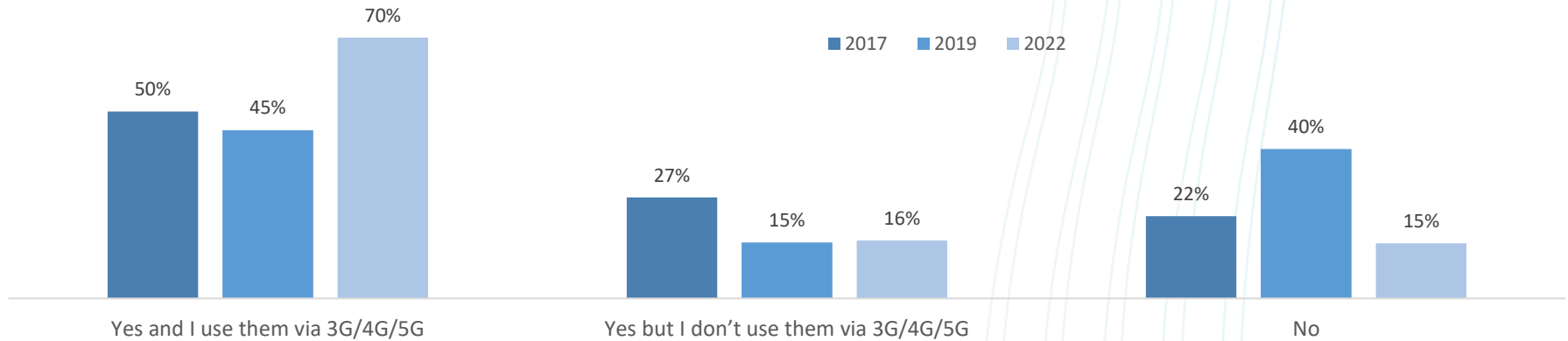
OTT Usage Over Mobile Broadband



OTTs over mobile broadband (1 of 7)

Awareness of the availability of OTTs over mobile broadband

Number of respondents with a mobile subscription – 800



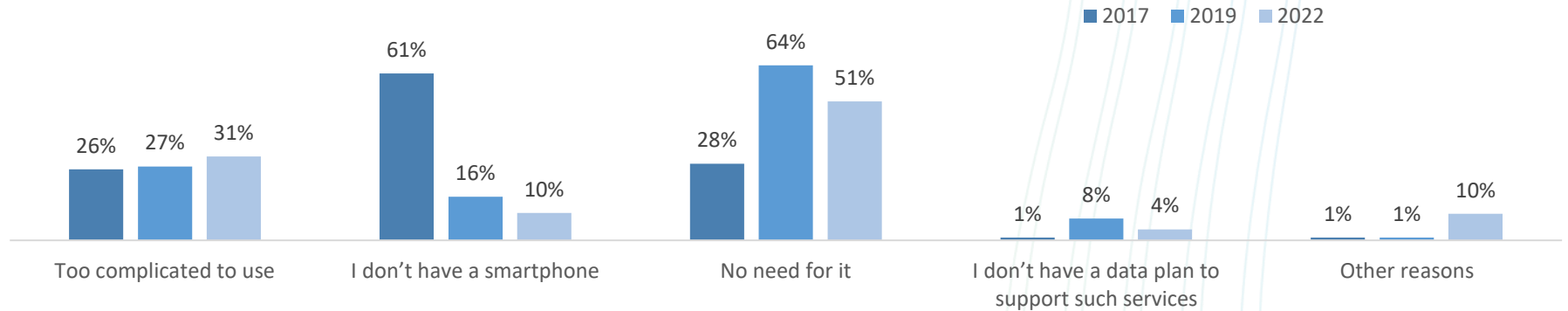
- 70% of respondents are aware of the availability of OTTs over mobile broadband and make use of them (up by 25 percentage points over the previous study), whilst 16% of respondents are aware but do not make use of them.
- The majority of respondents who are not aware of the availability of OTTs over mobile broadband are over 65 years of age.

OTTs over mobile broadband (2 of 7)

Reasons for not making use of OTTs over mobile broadband

Number of respondents who are aware of OTTs but do not make use of them over mobile broadband – 124

i.e. 16% of the number of respondents with a mobile subscription (*Multiple answers were allowed*)



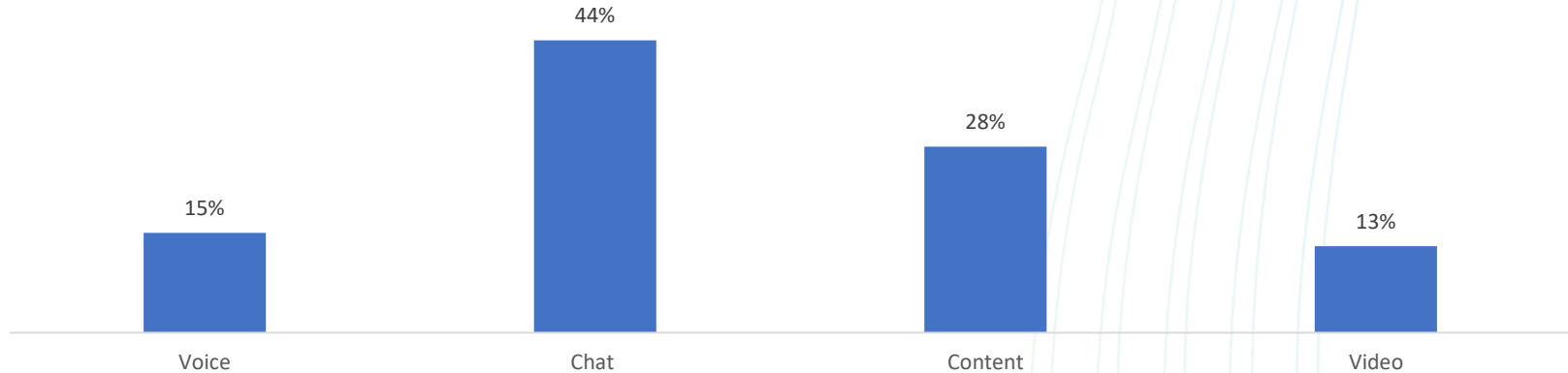
- Similar to the result in 2019, the main reason for not making use of OTTs over mobile broadband is the lack of need for it. Of these, 41% indicated that they make use of home or public Wi-Fi.
- The majority of those who indicated *other reasons* claimed that they are not interested in such services.

OTTs over mobile broadband (4 of 7)

Types of OTT services used over mobile broadband

Number of respondents making use of OTTs over mobile broadband – 558

i.e. 70% of the number of respondents having a mobile subscription (*Question was ranked by frequency of usage*)

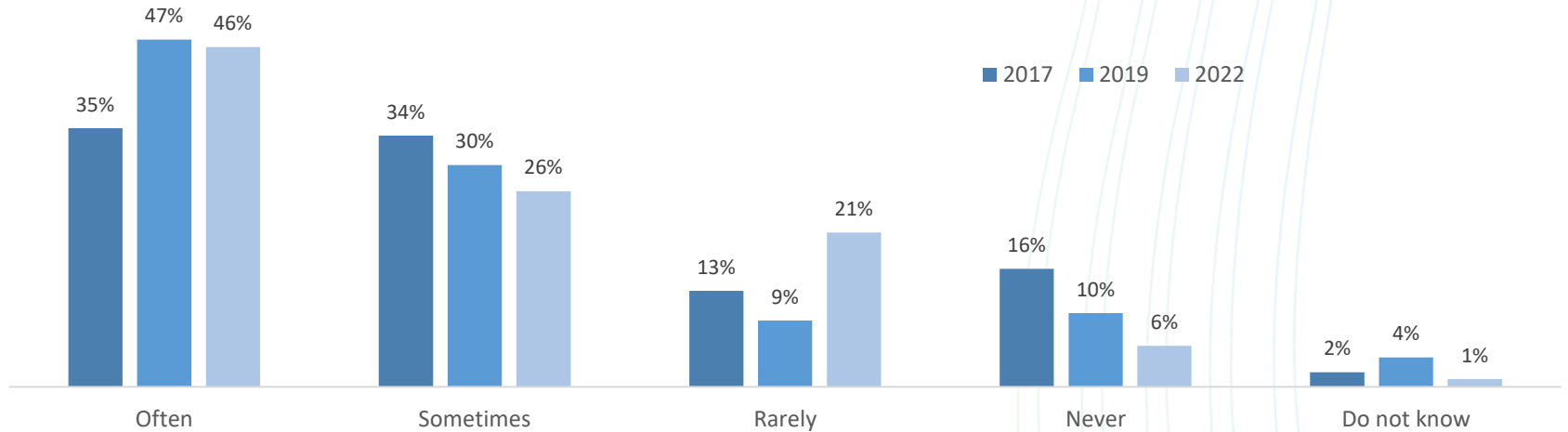


- *Chat* remains the most popular OTT service used over mobile broadband, followed by *content* and *voice*.

OTTs over mobile broadband (5 of 7)

Substitutability of OTT calls to mobile calls

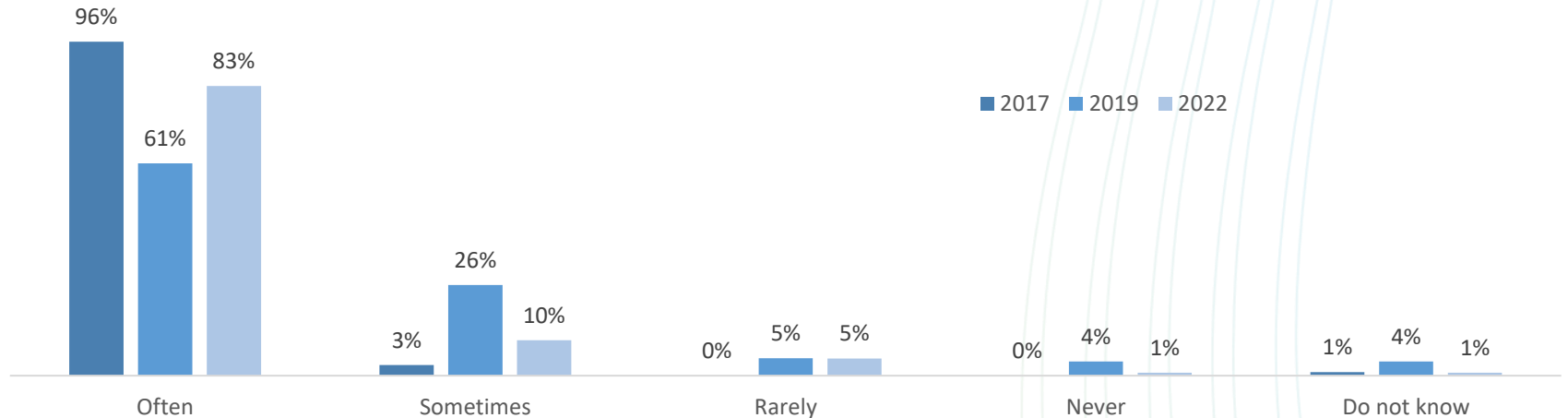
Number of respondents making use of voice call OTTs over mobile broadband – 287
i.e. 51% of the number of respondents making use of OTTs over mobile broadband



OTTs over mobile broadband (6 of 7)

Substitutability of OTT chat messages to mobile SMS

Number of respondents making use of chat OTTs over mobile broadband – 491
i.e. 88% of the number of respondents making use of OTTs over mobile broadband

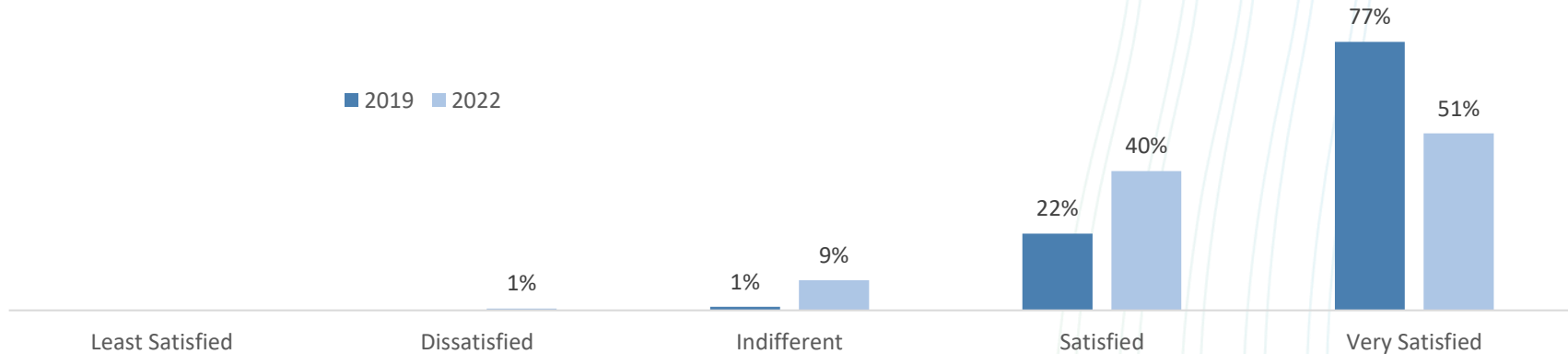


OTTs over mobile broadband (7 of 7)

Satisfaction levels with the use of OTTs

Number of respondents making use of OTTs over mobile broadband – 558

i.e. 70% of the number of respondents having a mobile subscription



- 91% of respondents are satisfied or very satisfied with the quality of OTT-based services.

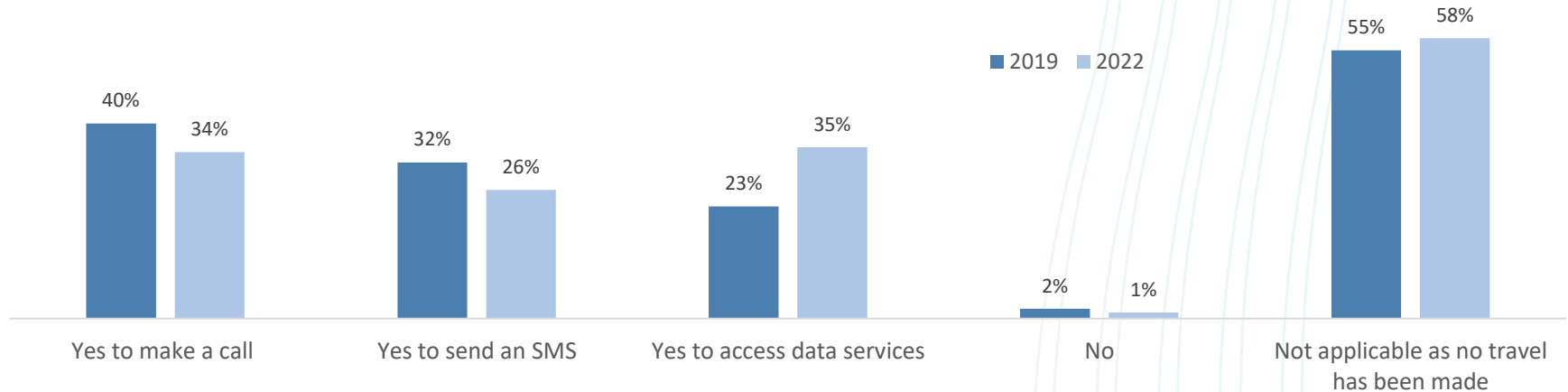
Usage of mobile service while travelling



Usage of mobile while travelling (1 of 2)

Number of respondents who used their mobile phone while travelling

Number of respondents with a mobile subscription – 800 (Multiple answers were allowed)

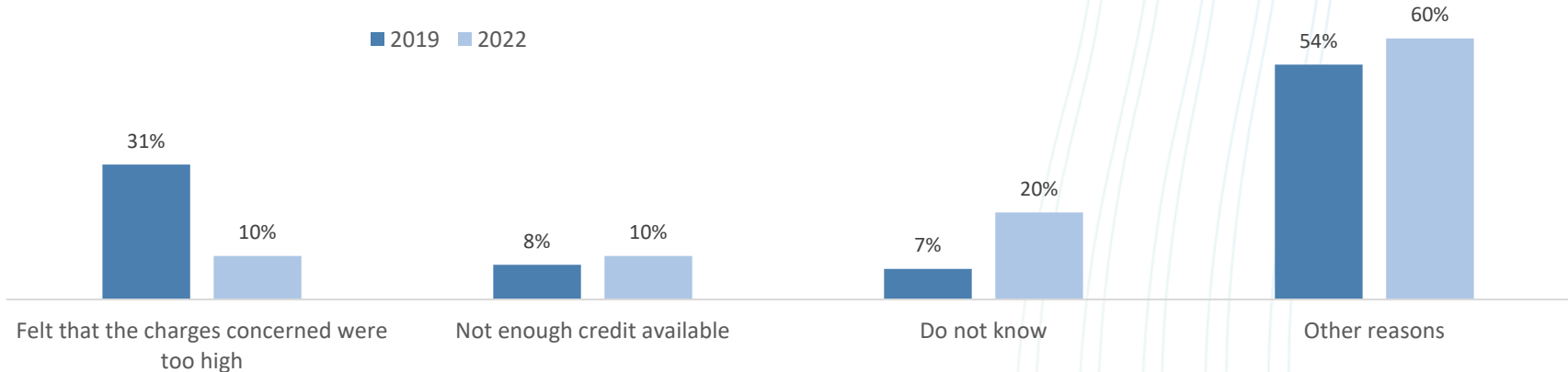


- The number of respondents using their mobile phone while travelling in the last six months to access data services has increased by 12 percentage points when compared to 2019.

Usage of mobile while travelling (2 of 2)

Reasons for not using roaming services while abroad

Number of respondents who did not use mobile telephony services while abroad - 10



- Other reasons: 'used a family member's phone' and 'there was no need'.

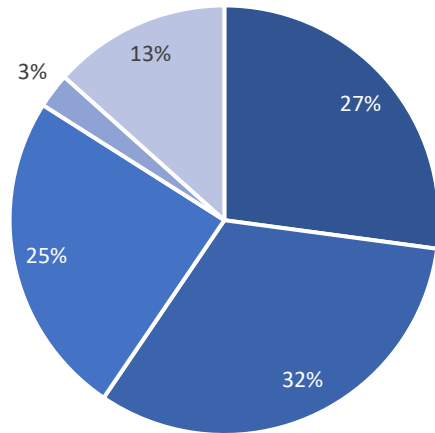
Sustainable measures for mobile service use



Sustainable measures for mobile service use

Relevance of environmentally-friendly measures undertaken by service providers

Number of respondents with a mobile subscription – 800



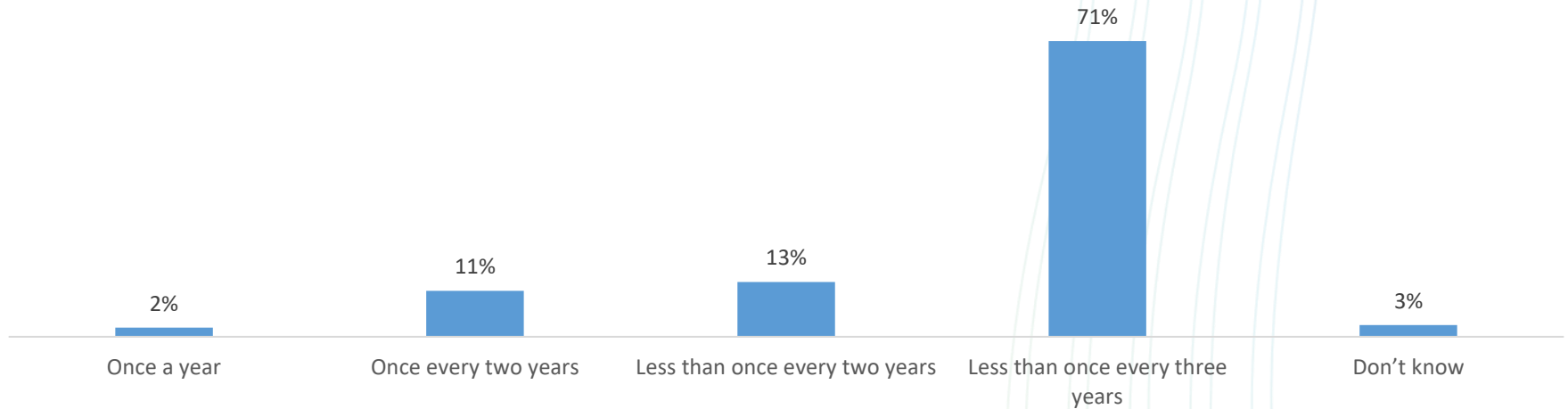
■ Very Important ■ Important ■ Neutral ■ Slightly important ■ Not important

- 59% of respondents say that it is important or very important for them to know that their mobile service provider has environmentally friendly measures integrated in its business operation.

Mobile phone replacement (1 of 2)

Frequency of upgrading one's mobile phone

Number of respondents with a mobile subscription – 800

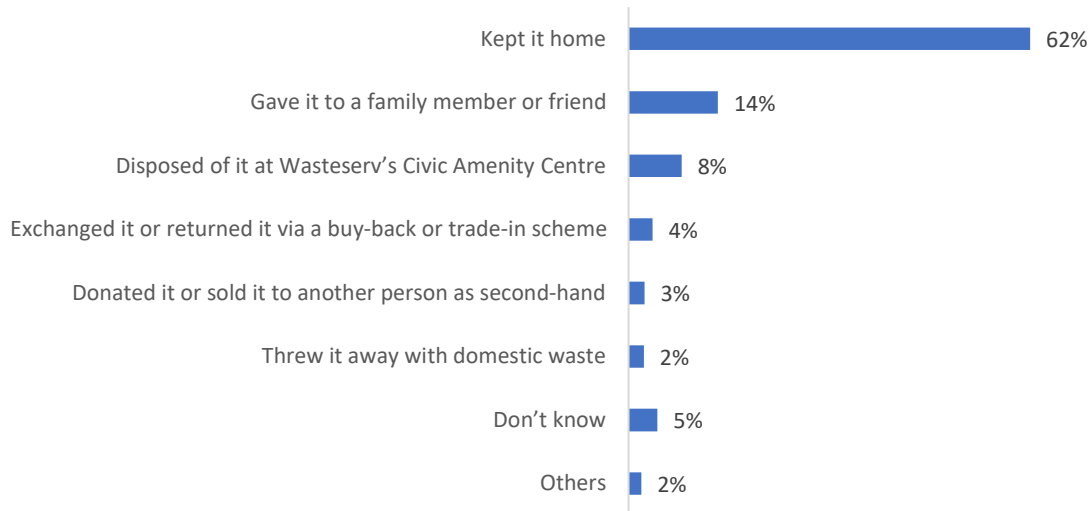


- 71% of respondents upgraded their mobile phones 'less than once every three years'.

Mobile phone replacement (2 of 2)

End-point for unused mobile handsets

Number of respondents with a mobile subscription – 800



- 62% of respondents kept their previous handset home when they last replaced their mobile phone.
- Other respondents indicated that *their phone was lost/stolen and never changed phones.*

THANK YOU



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