MALTA COMMUNICATIONS AUTHORITY

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Fixed Telephony Usage Perception Survey

An overview of the findings for a perception survey concerning fixed telephony usage in Malta

Fieldwork carried out between June and July 2023

The MCA is publishing the findings of a survey designed to assess how consumers perceive fixed telephony services in Malta. This survey provides insights from the consumer's perspective, covering various aspects such as pricing sensitivity, decision-making related to switching providers, the effectiveness of customer care procedures, and the overall quality of the customer service experience.

It's worth noting that the previous survey for fixed telephony services was conducted a few months before the onset of the COVID-19 pandemic, specifically between July and September 2019. In contrast, the current survey marks the first review of these telephony services after the pandemic, resulting in a justified four-year gap between the two surveys, rather than the usual two-year interval. This historical context is crucial when comparing the results of both surveys.

It appears that the pandemic did have an impact on certain communication patterns, and to some degree, these changes have endured in this case by way of an accelerated decline in the adoption of fixed telephony services.

EMCS Consulting conducted the survey, reaching out to 802 randomly selected households through telephone interviews (CATI) on behalf of the MCA.

Key Findings

Less households have fixed telephone at home

Approximately 80% of the households surveyed reported having a fixed telephone subscription, marking a significant decline of 19 percentage points compared to the figures from 2019. Equally noteworthy is the fact that 18% of those without subscriptions expressed no intention to acquire one in the future, a stark contrast to the less than 1% recorded in 2019. This decline can be primarily attributed to the popularity of mobile telephony as a viable alternative, whilst the utilization of over-the-top services may have also played a part for the decline in fixed telephony usage.

Despite a reported 20% decline in fixed telephony service subscriptions since 2019, a substantial 76% of current subscribers showed no intention of discontinuing their subscriptions, marking a significant increase from the 48% reported in 2019. The decision to retain the service primarily hinges on its perceived utility.

46% of respondents say that the service is bundled with other services.

Expenditure and call rates

60% of respondents lacked awareness of their monthly spending on fixed telephony services. Notably, the percentage of respondents who were unaware due to purchasing the service in a bundle increased from 39% in 2019 to 55% in 2023.

Most respondents subscribe to the entry-level plans, considering that their reported expenditure was in the '€0 - €9.99' monthly outlay category. The percentage of respondents under this category increased from 7% in 2019 to 20% in 2023.

33% of respondents stated they were unaware of the applicable fixed-to-mobile call rates. Among the remaining two-thirds, opinions were evenly split, with 30% perceiving these rates as expensive, while 31% considered them reasonable.

Lower perceived satisfaction and limited propensity to switching

Although 73% of respondents conveyed either high satisfaction or satisfaction with the quality of service provided by their service provider, this marks a decline of 10 percentage points compared to 2019. However, this may be due to a 12% of respondents saying they do not use the service.

The rest conveyed either a response of 'least satisfied,' 'dissatisfied,' and 'indifferent'. Most of these expressed no intention to change their service operators. Among those who were not contemplating a switch, 34% identified bundling as the primary reason for staying with their current provider. This was followed by the belief that all service providers offer the same services (for 24%) and the inconvenience associated with changing operators (for 23%).

Disconnections and faults and the quality of operators' remedial actions

58% of respondents indicated no disconnections or faults with their fixed line telephony service. However, 23% reported encountering between two and five faults in the year preceding the survey. Among those who reported at least one fault, 55% expressed satisfaction or high satisfaction with the response they received from their service provider. It's worth noting that these satisfaction levels were significantly lower by 22 percentage points compared to the 2019 figures.

The relevance of over-the-top platforms (OTTs)

The proportion of respondents who frequently turn to OTT platforms as a viable alternative to fixed telephony services has increased from 41% in 2019 to 51% in 2023. Simultaneously, those who use OTTs selectively have risen from 19% in the prior survey to 25% in 2023. Moreover, the percentage of respondents who claimed they never used OTTs has decreased significantly, from 23% in 2019 to 12% in 2023.

Among those who said they do not use OTT, 76% cited a lack of knowledge about how to use OTT platforms as their primary barrier. Interestingly, the proportion of respondents who refrained from using OTTs due to a lack of internet access has significantly declined, dropping from 42% in 2019 to 13% in 2023.

Background to the survey function at the MCA

The MCA has conducted a consumer perception survey on approximately a biennial basis since 2008. As previously mentioned, the four-year gap since the 2019 survey was a result of the disruptive global events brought about by the COVID-19 pandemic, which had significant impacts on economic activity and daily life. Conducting the current survey according to schedule in 2021 would have been affected by the pandemic's constraints, potentially leading to skewed results. Such results would have limited historical relevance, as they would not have accurately reflected a typical situation on the ground.

The survey results published in this document serve as an additional source of information for the MCA's regulatory decisions, thus also serving to create an environment conducive to sustainable competition and investment.

Methodology and Fieldwork

The methodology employed in the most recent series of consumer surveys, including sampling, questionnaire design, fieldwork, and weighting processes, closely mirrored the approaches used in previous surveys. The research methodology incorporated Telephone Computer-assisted Interviewing (CATI).

The sample stratification selected participants based on the age distribution of the Maltese population. Additionally, interviews were conducted across all six official geographic regions of Malta and included diverse socio-economic groups within the Maltese population.

For a more comprehensive overview of the key survey findings, you can access a presentation on the MCA website using the following link.