Perceptions of fixed telephony users in Malta

Based on survey findings

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General information

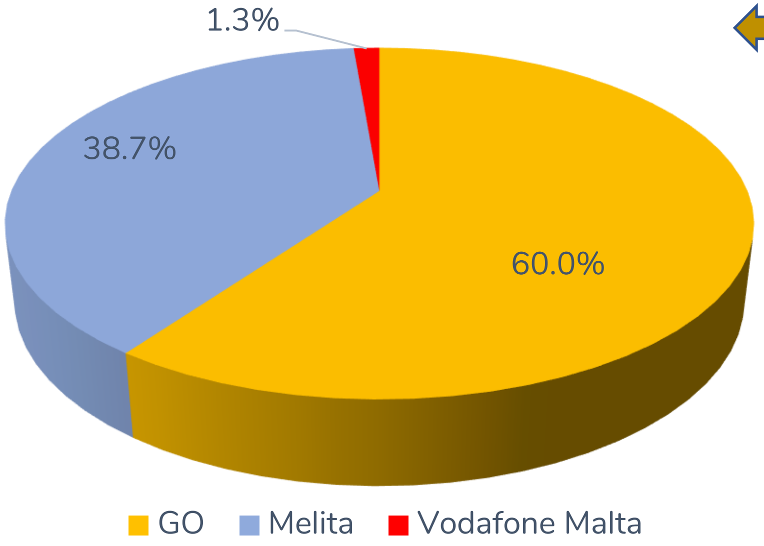
- Focus on perceptions of Malta's fixed telephony services in third quarter of 2019.
- EMCS carried out fieldwork on behalf of MCA.
- Sample based on private individuals in Maltese households.
- 99.4% of all respondents say they have a fixed telephony subscription.
- Current survey results comparable with findings for 2011; 2013; 2015; and 2017.

Fieldwork	Eligibility	Response
• Stratified random sampling; • Computer Assisted Telephone Interview (CATI); • Targeted sample – private individuals in Maltese households.	• Age range: 18+; • Malta's six official geographic regions.	• 809 net respondents; • Any refusals / incomplete surveys were re-allocated to achieve the above indicated sample; • Margin of error 4% at 95% confidence interval.

Profile of respondents with a subscription (1 of 3)

99.4% of respondents say they have a fixed telephony connection at home, i.e. 804 survey respondents. The shares represented in the charts displayed on the slides are based on this figure.

Share of respondents by operator



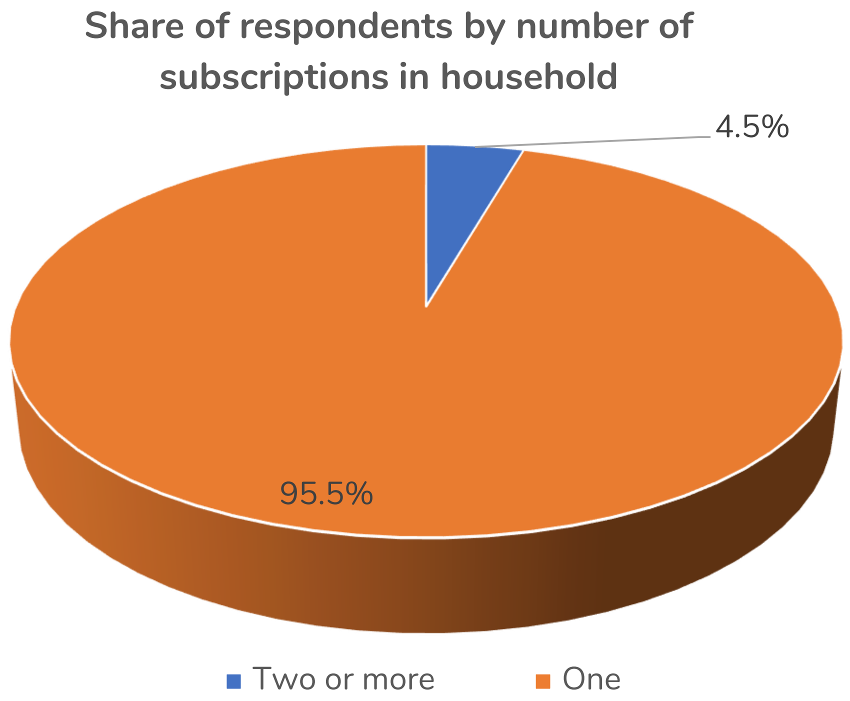
Focus is solely on private individuals in Maltese households. Actual figures quoted in MCA publications include both business and individuals, hence the difference.

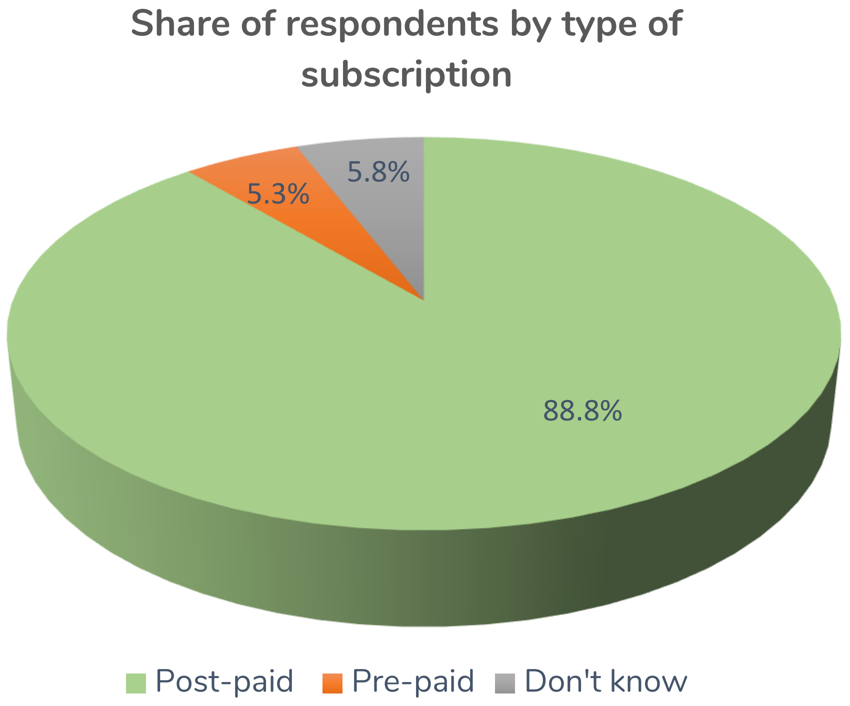
Overall subscriber market shares as per latest DRS publication

Survey average	vodafone	GO	melita
	3.6%	54.7%	41.1%

	Survey average	vodafone	GO	melita
%age of respondents by operator – 18 to 49 years of age	53.6%	72.7%	51.8%	55.7%
%age of respondents by operator – 50 years or more	46.4%	27.3%	48.2%	44.3%
%age of respondents with a post-paid plan	90%	100%	95%	100%
%age of respondents with a multiple subscription	4.5%	54.5%	5%	9%

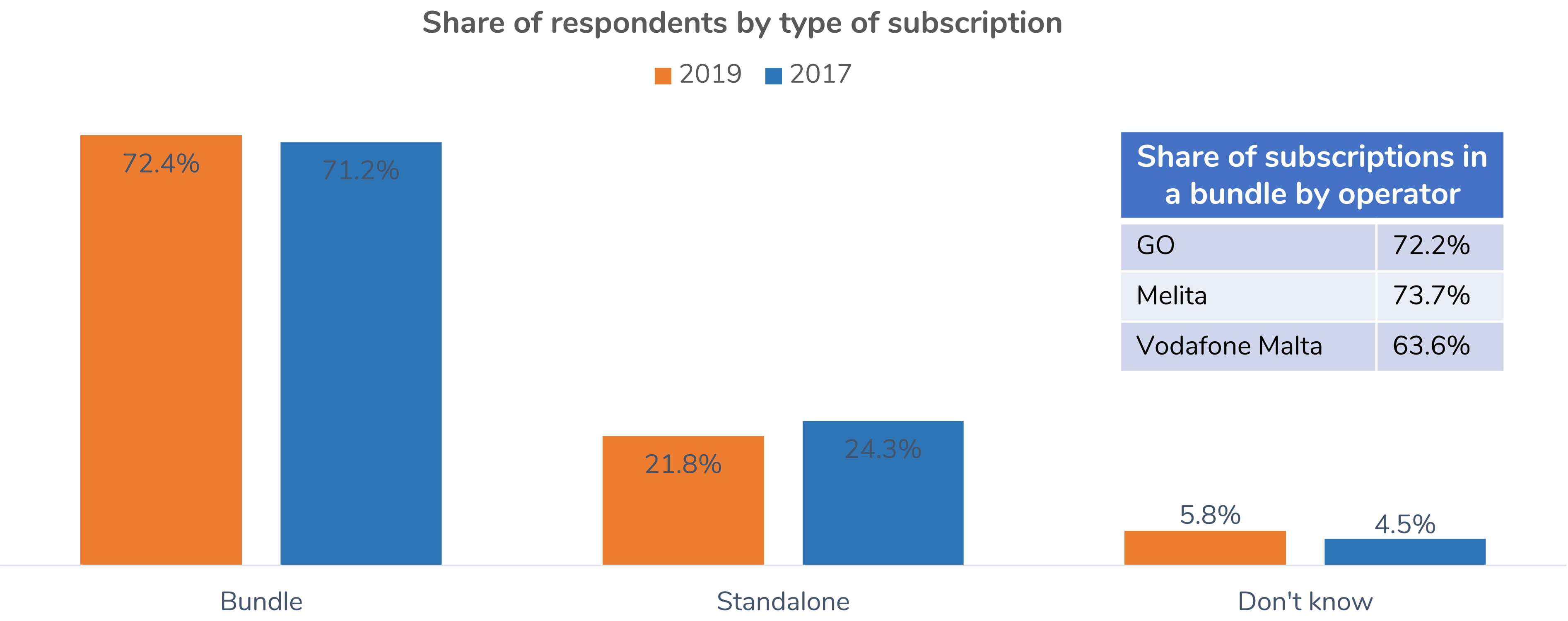
Profile of respondents with a subscription (2 of 3)





Most households have a single fixed line telephony subscription, on a post-paid contract. The share of respondents with multiple subscriptions has however gone up marginally from 4.2% in 2017 to 4.5% in 2019.

Profile of respondents with a subscription (3 of 3)



Share of subscriptions in a bundle by operator	
GO	72.2%
Melita	73.7%
Vodafone Malta	63.6%

Bundling has very much become the norm among consumers, with 72% of respondents saying they purchase their fixed telephony subscription in a bundle, marginally up from 71% in 2017.

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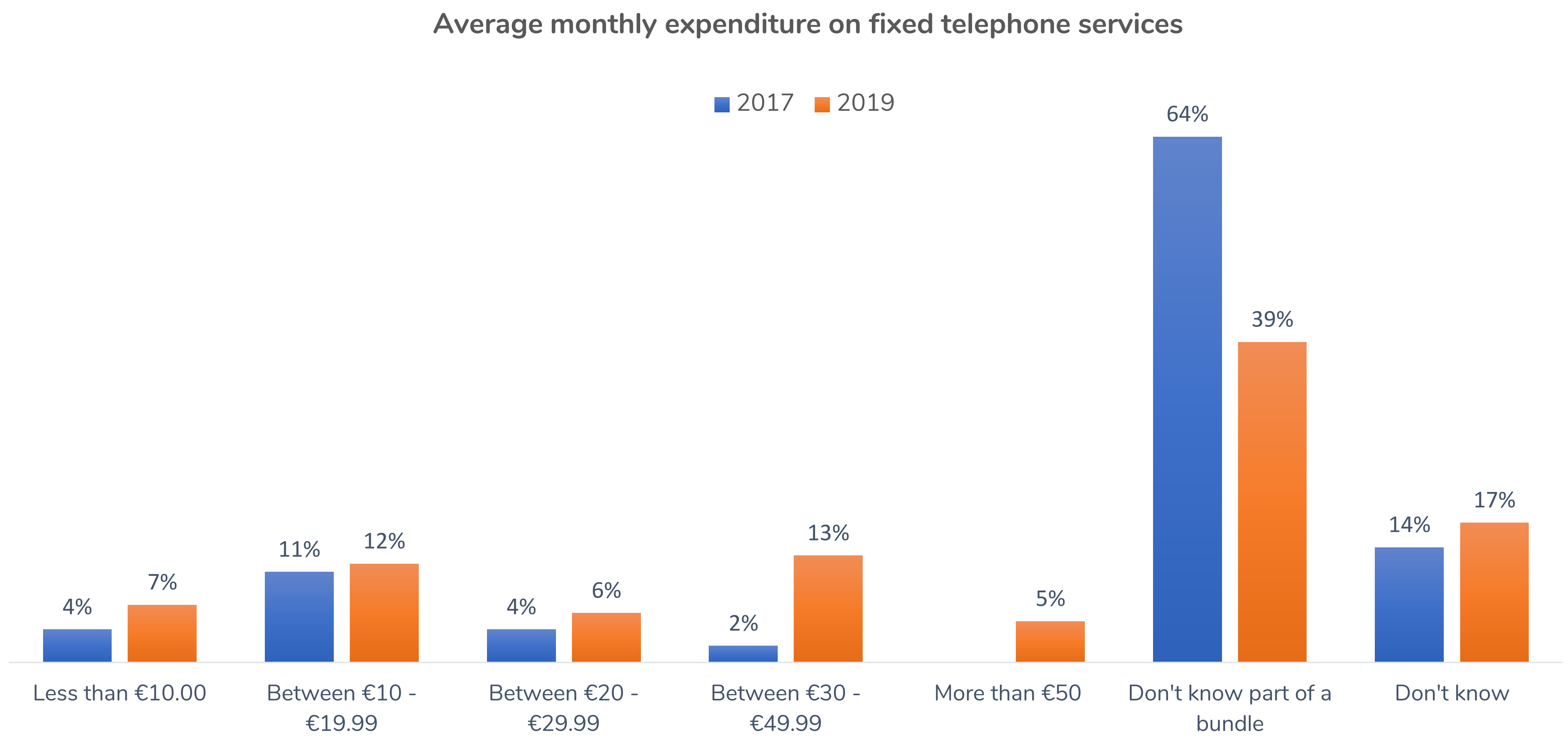
Monthly expenditure (1/2)

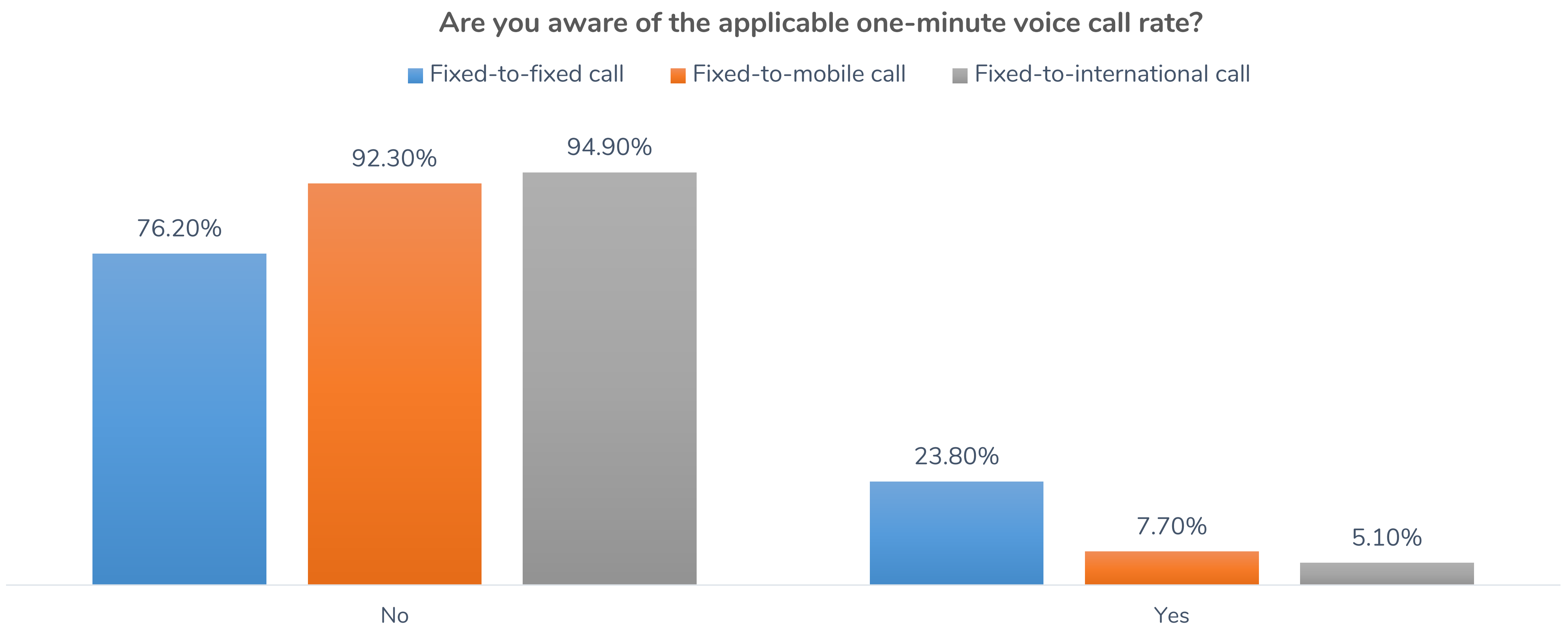
Monthly expenditure by type of plan	Overall 2015	Overall 2017	Overall 2019	Post-paid in a bundle	Post-paid stand-alone	Pre-paid
Up to €9.99	12.0%	4.0%	7.5%	5.2%	15.2%	16.3%
€10.00 to €19.99	11.0%	11.0%	12.2%	7.2%	31.8%	18.6%
€20.00 to €49.99	6.0%	7.0%	19.9%	20.3%	17.4%	23.3%
€50 or more	2.0%	-	5.3%	6.0%	2.3%	4.7%
Don't know	11.0%	14.0%	14.5%	61.3%	33.3%	37.2%
Don't know – part of a bundle	59.0%	64.0%	40.6%			

	Survey average	vodafone	GO	melita
Up to €19.99	19.3%	36.3%	15.6%	26.0%
€20.00 to €49.99	19.3%	36.5%	21.2%	15.9%
€50 or more	5.2%	9.1%	4.6%	6.8%
Don't know	56.2%	18.1%	58.6%	51.3%

Monthly expenditure (2/2)

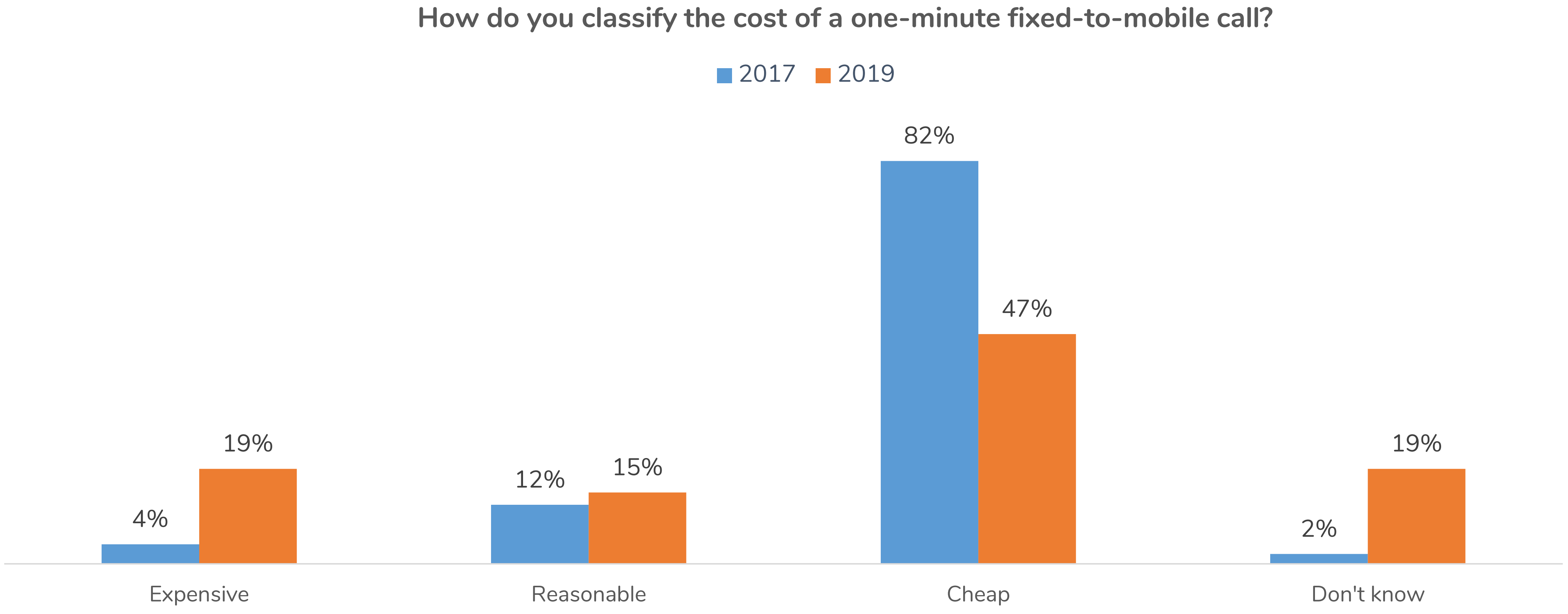


Awareness of cost of voice calling



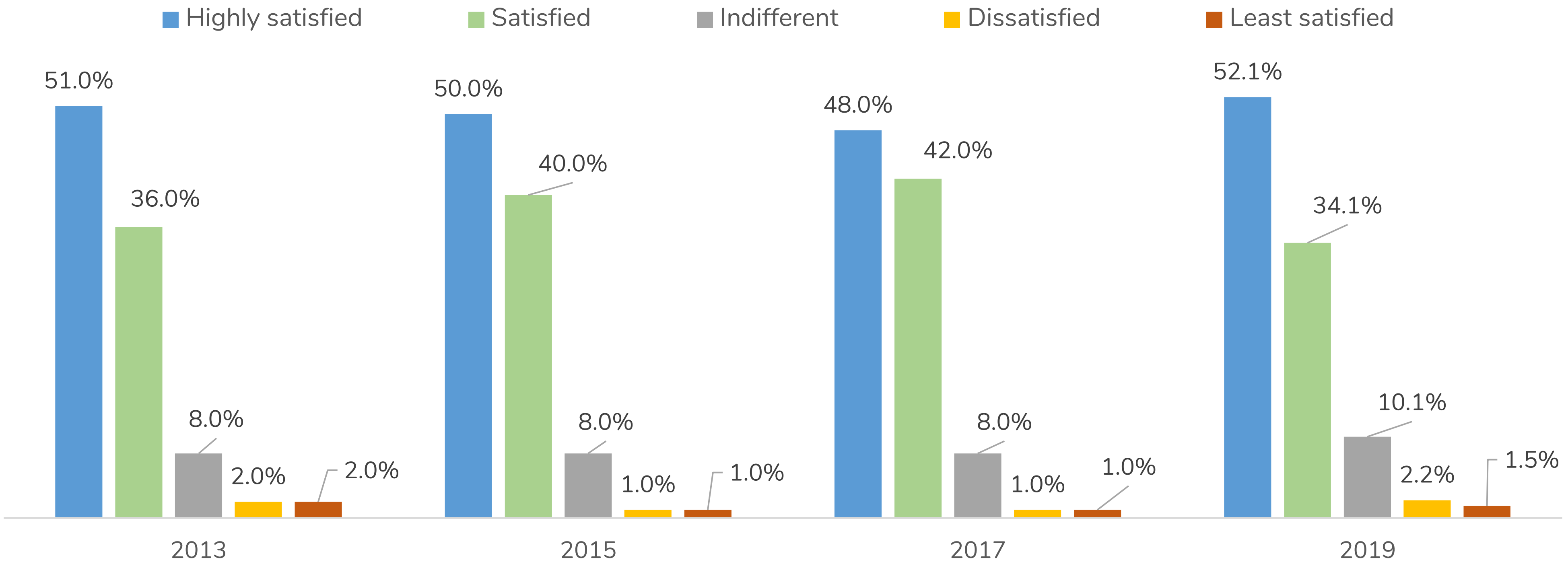
Note: Respondents largely unaware of the cost of a one-minute fixed telephony voice, in line with the previous studies.

Perceived cost of a one-minute FTM voice call



62 respondents say they are aware of the cost of a one-minute fixed-to-mobile voice call. 47% find the applicable one-minute voice call rate to be 'cheap'.

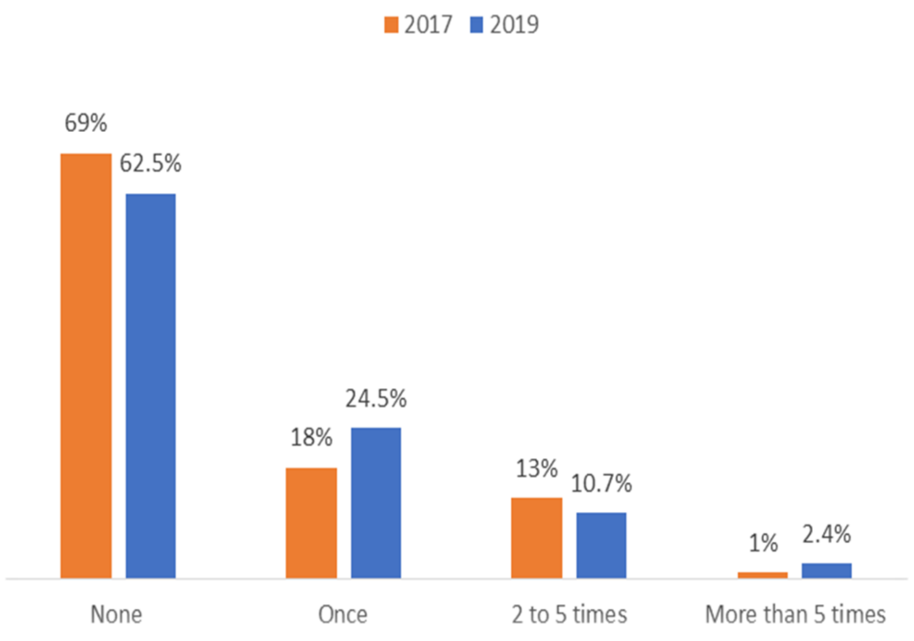
Satisfaction with quality of service



In 2019, 86% of respondents claim to be satisfied to highly satisfied with their fixed telephony service, in line with 2017 results.

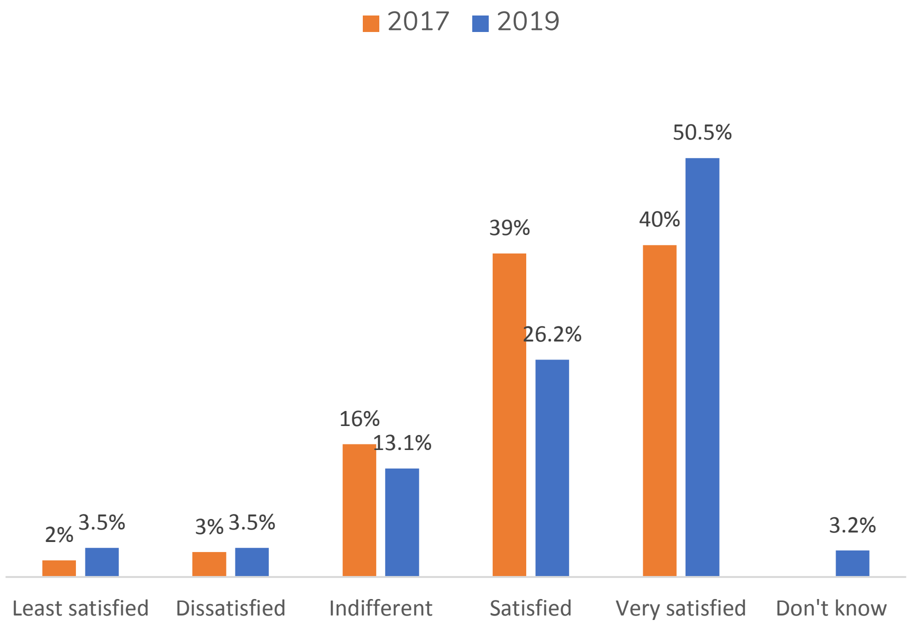
Fault reporting & resolution

Number of faults reported in the previous 12 months

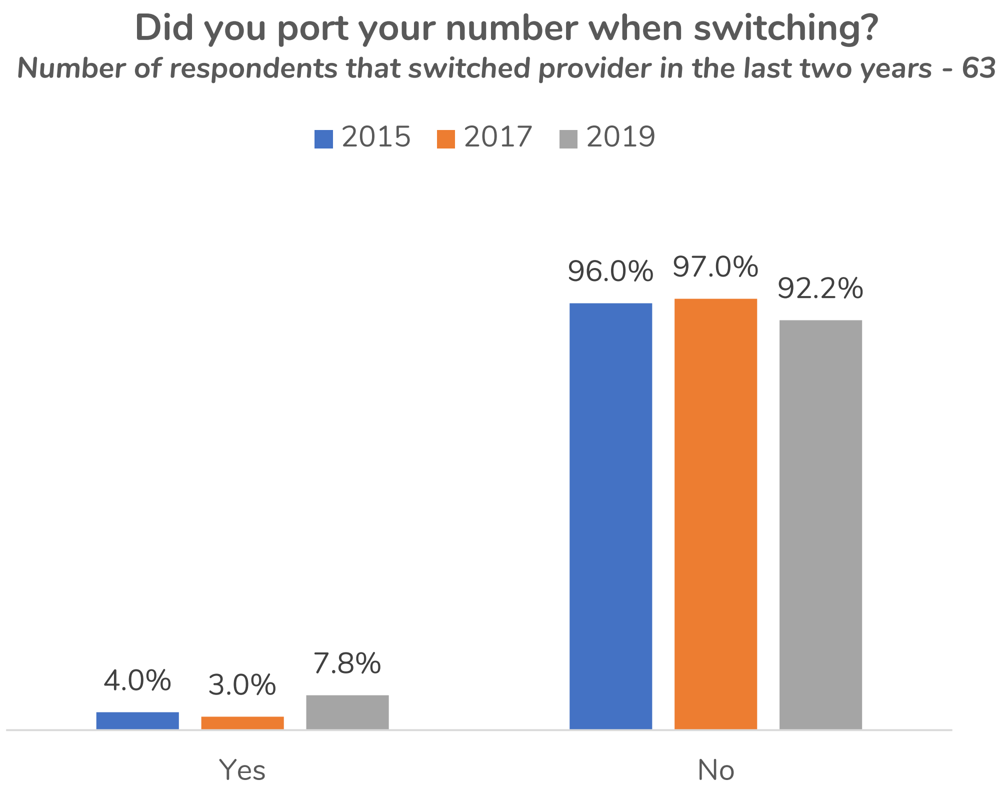


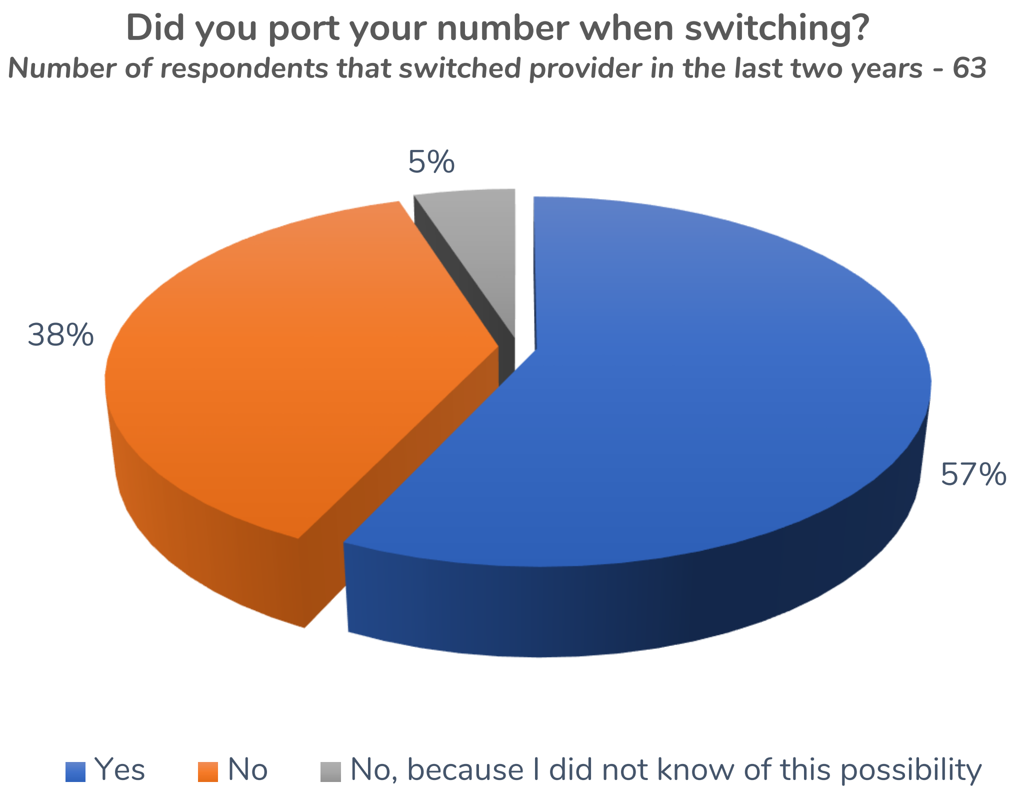
Satisfaction with fault resolution

Number of respondents reporting one or more faults - 302



Switching behaviour (1 of 4)



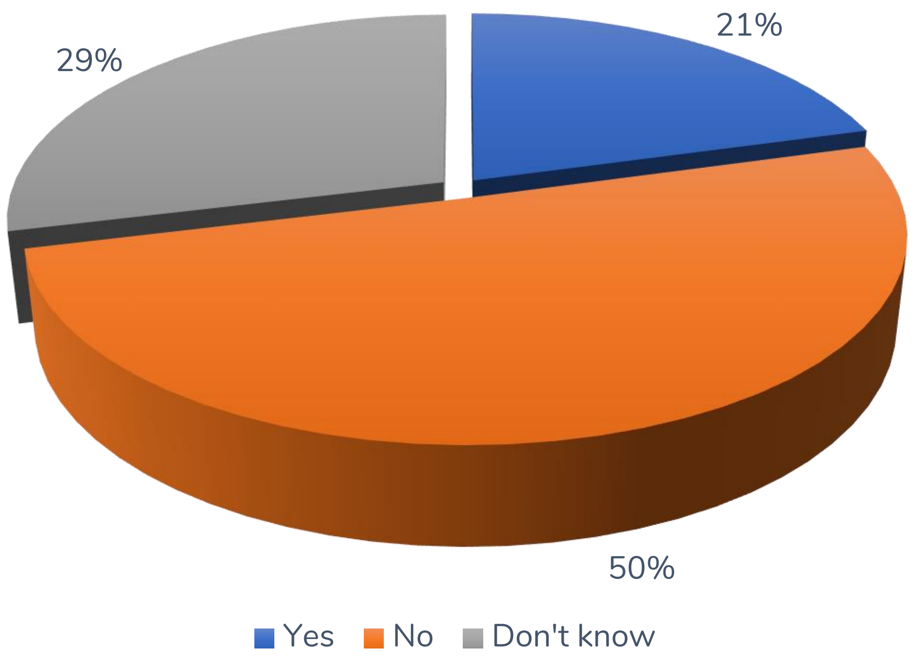


The majority of respondents have not switched from one service provider to another over the last two years. Amongst those who did, switching decision was typically based on bundling availability, rates, reception and customer service received.

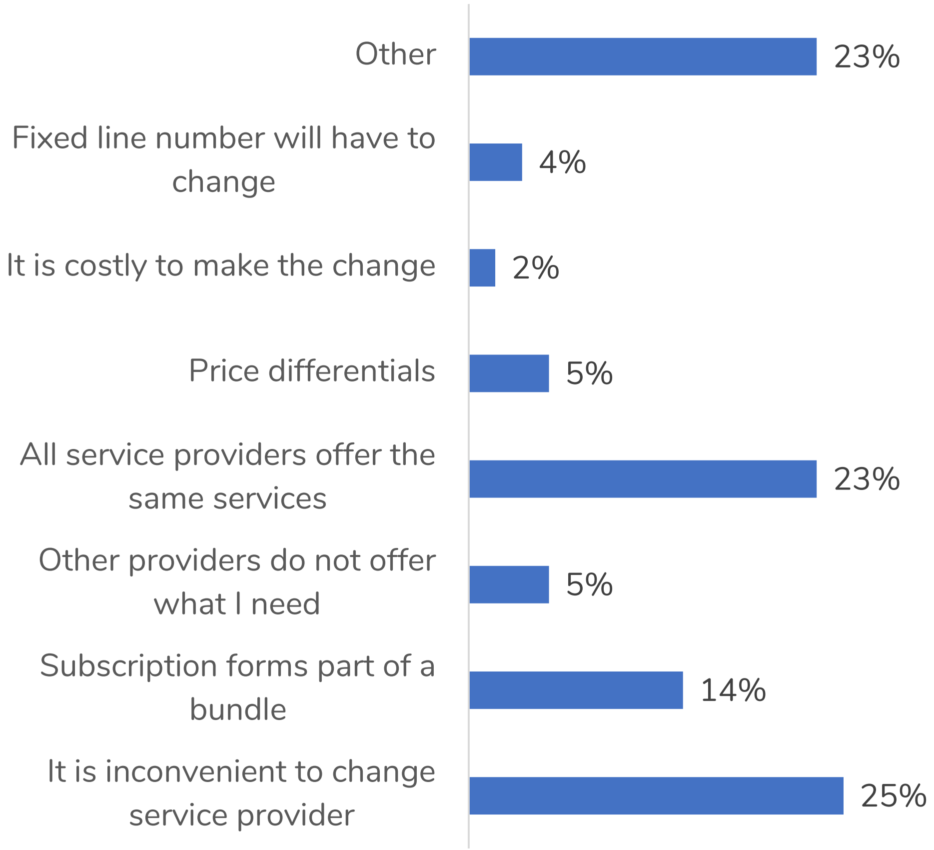
Switching behaviour (2 of 4)

Propensity to switch service provider by respondents saying they are least satisfied / dissatisfied / indifferent with quality of service

Number of respondents saying they are not satisfied or indifferent to the service- 111



Reasons for not switching service provider

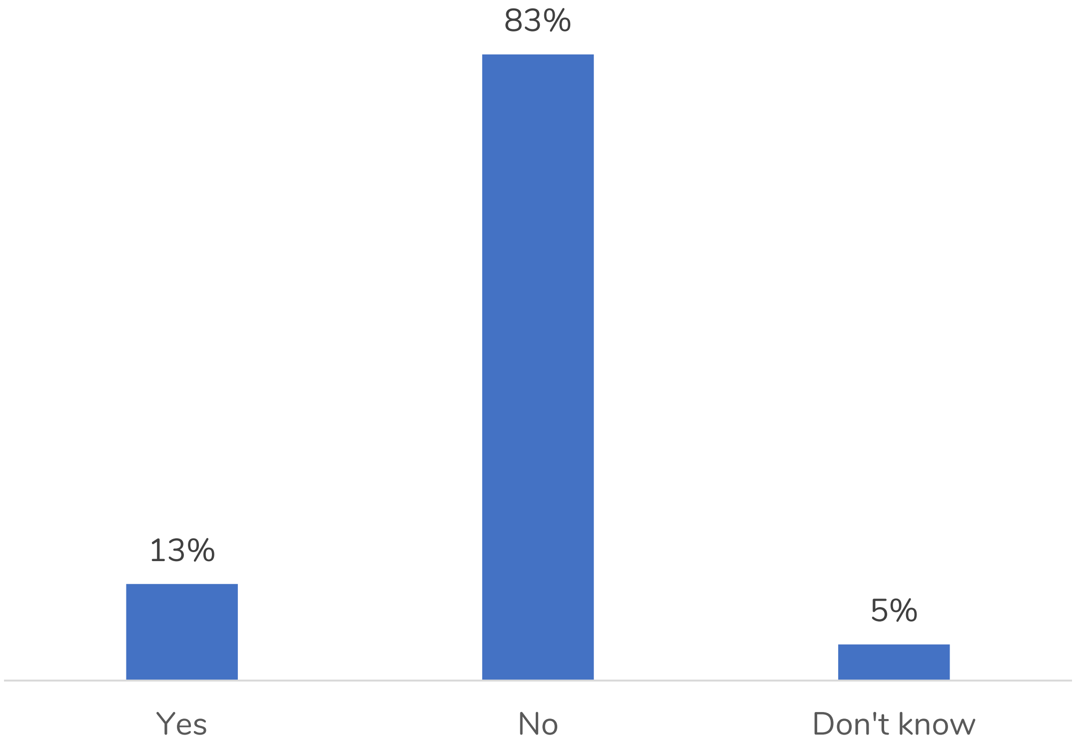


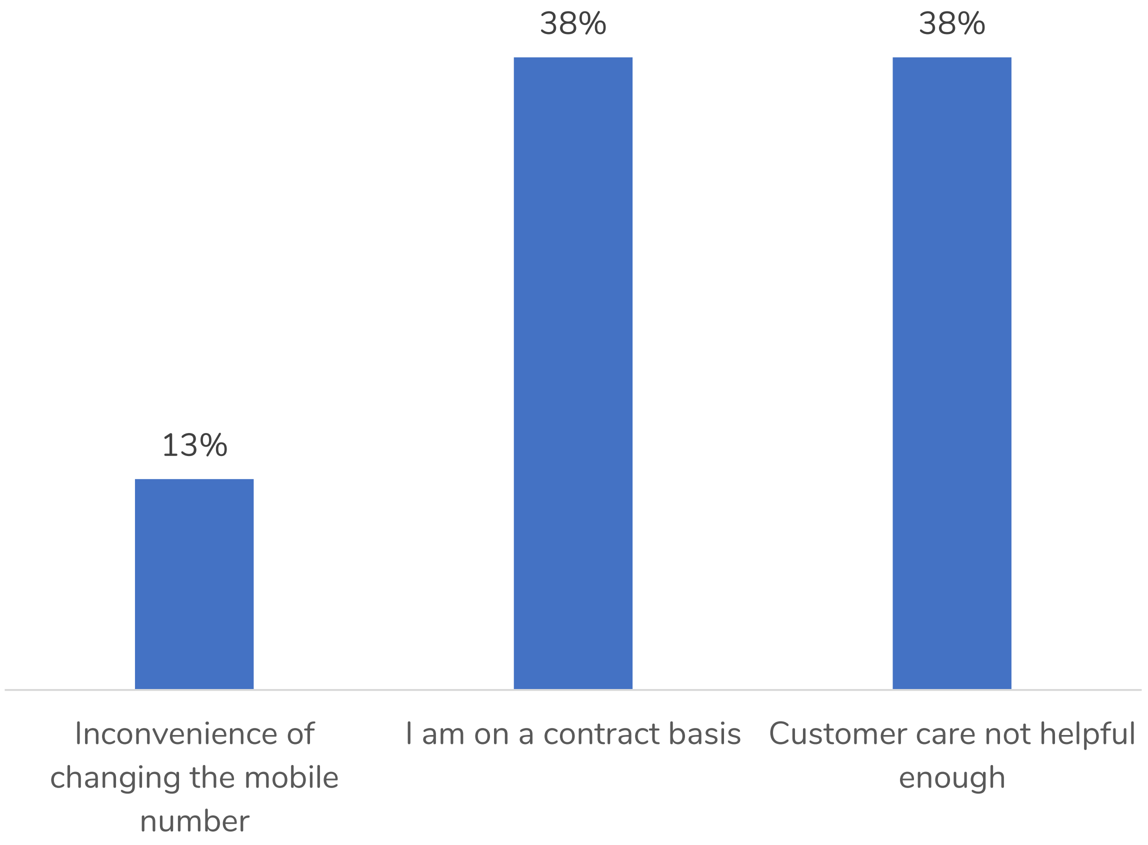
Switching behaviour (3 of 4)

Was it difficult to switch from one fixed telephony operator to another?

If yes, why was it difficult to switch?

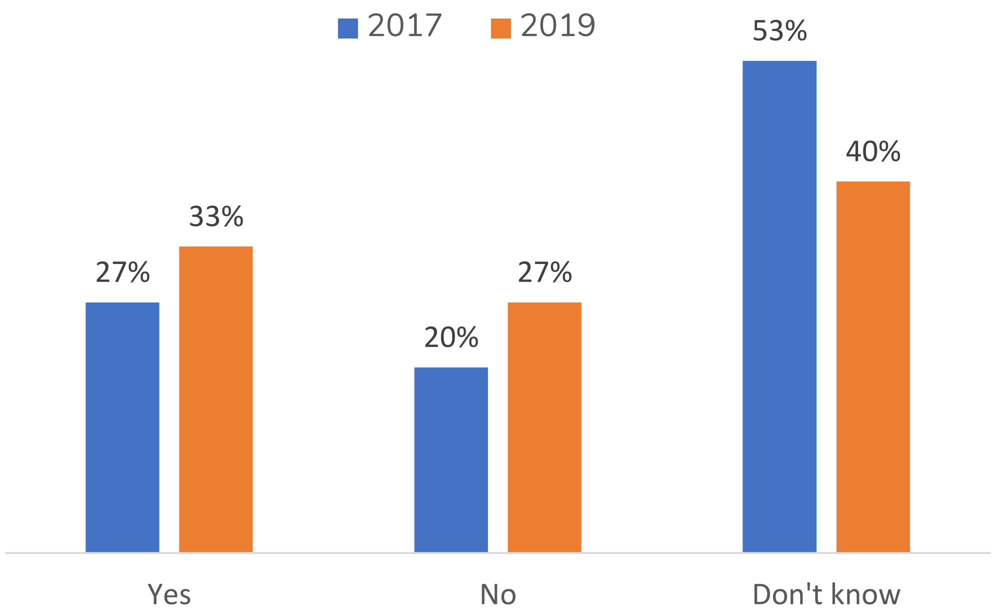
Number of respondents who switched service provider - 63





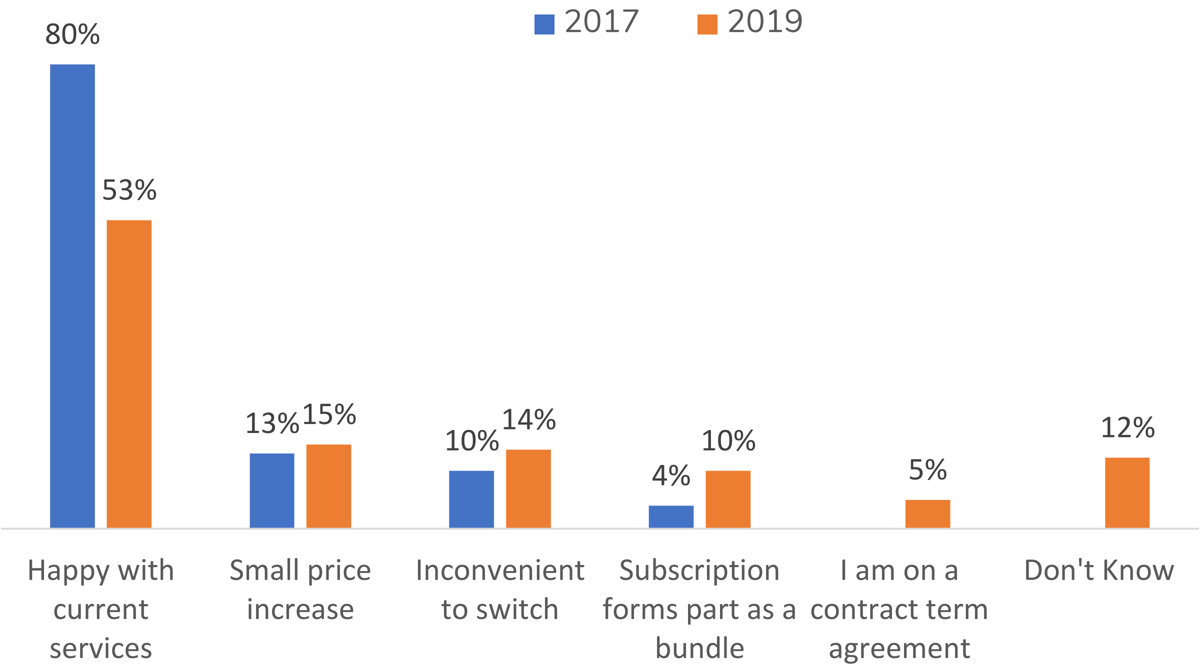
Switching behaviour (4 of 4)

Propensity to switch in the event of a 10% increase in the monthly access fee for the service



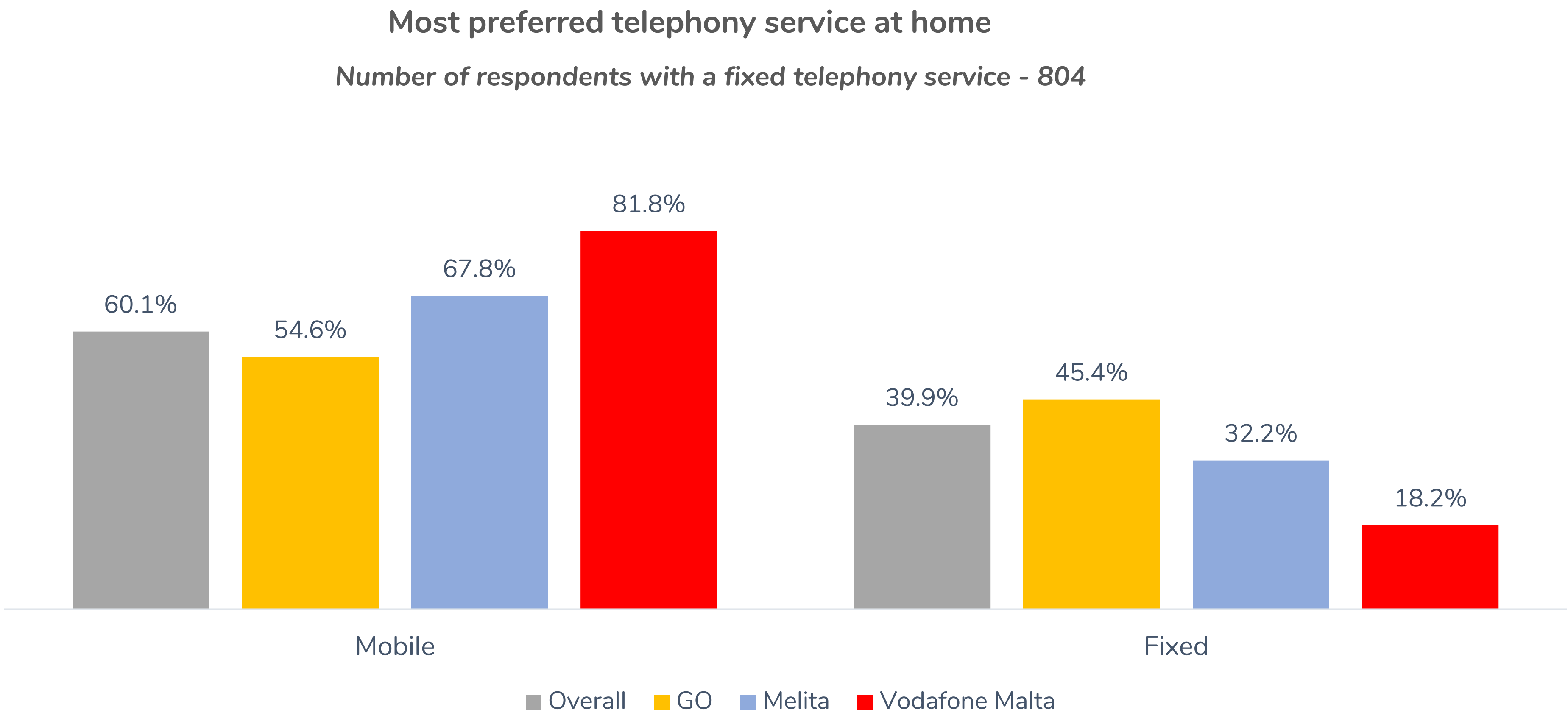
What are the main reasons for not switching in the event of a 10% increase in the monthly access fee?

Number of respondents who would not switch in the event of a 10% increase in price – 220 (multiple responses possible)



Note: In the 2019 survey, the question was asked with a 10% increase in the monthly access fee. In the 2017 survey, the question referred to a 5 to 10% increase in price.

Substitutability - mobile vs fixed telephony (1 of 4)

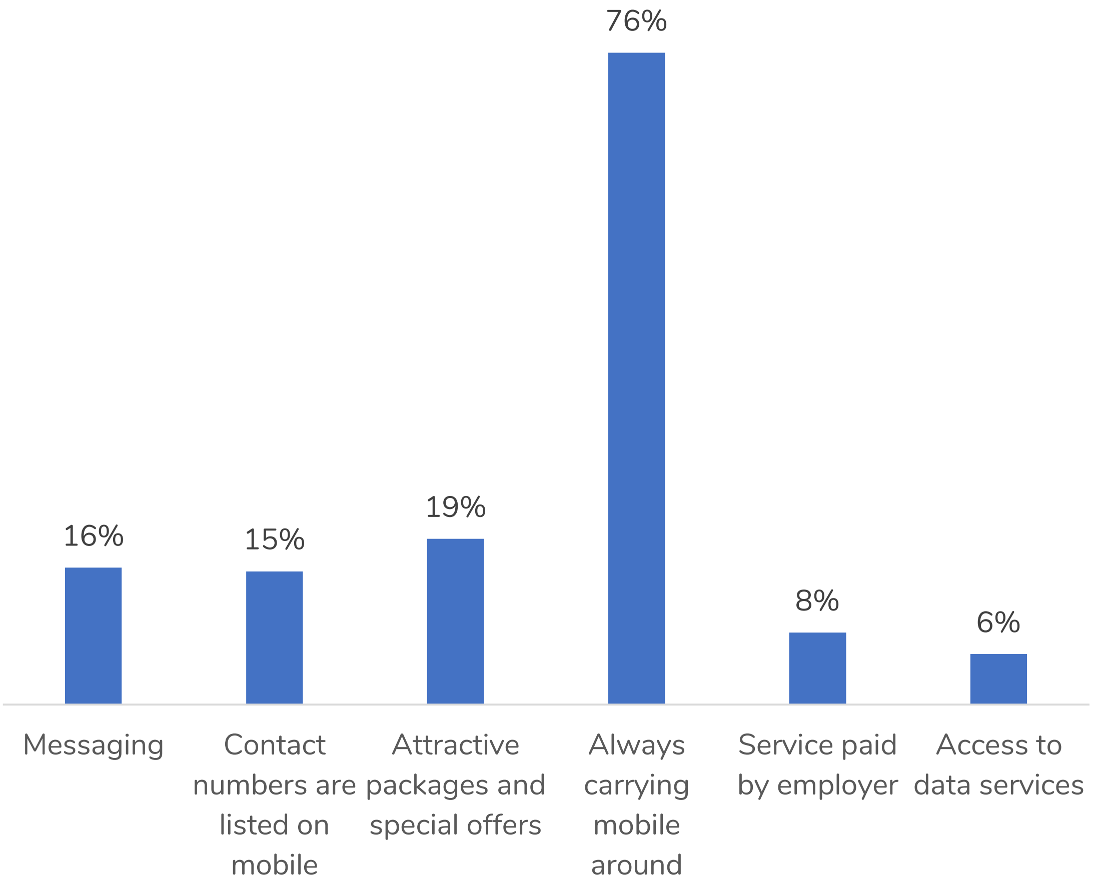


With 60% responses, individuals prefer the mobile telephony service at home, rather than the fixed telephony. This is a notable shift in preferences over the previous study, which showed that 63% preferred using the fixed telephony service when at home.

Substitutability - mobile vs fixed telephony (2 of 4)

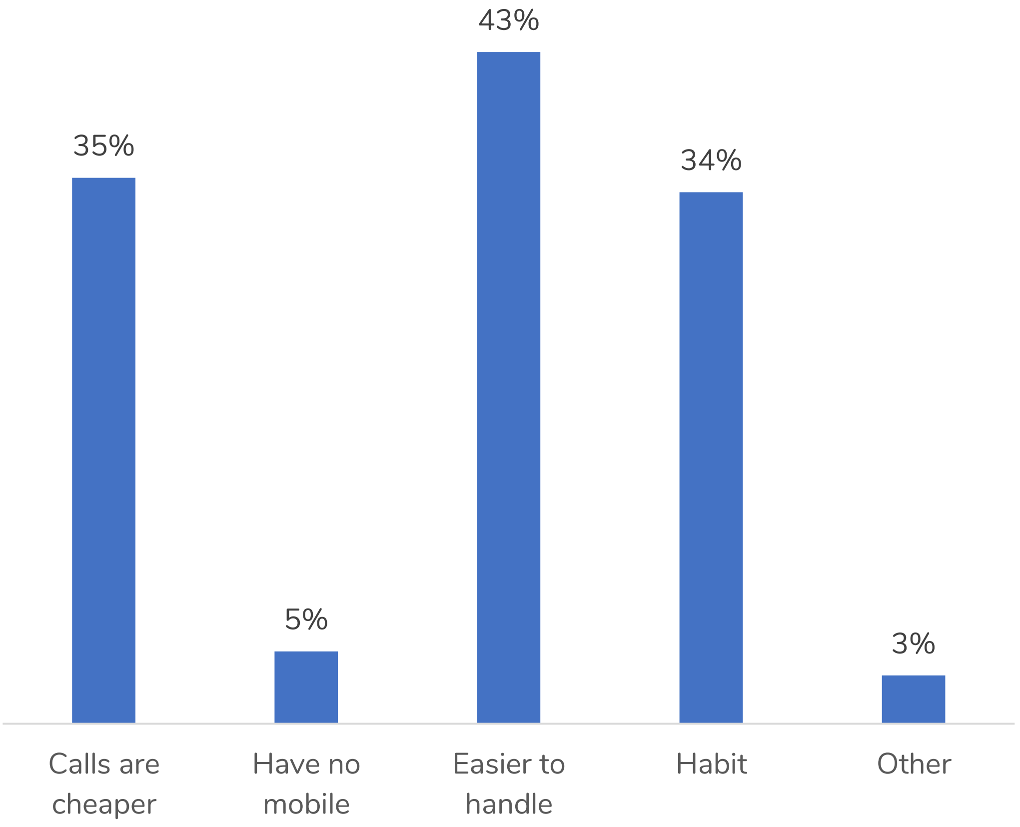
If preferred service is mobile telephony, why?

Number of respondents saying mobile telephony is preferred - 478
Multiple responses possible



If preferred service is fixed telephony, why?

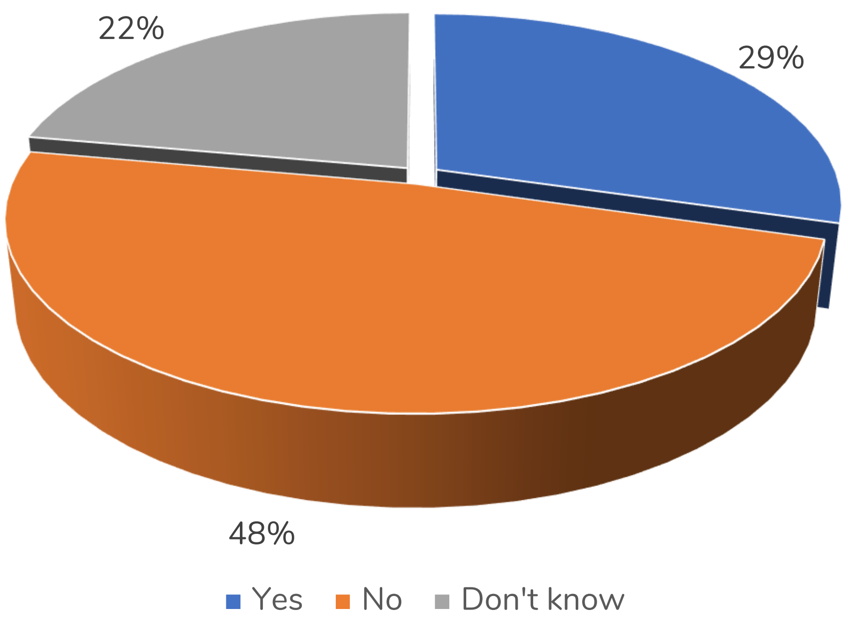
Number of respondents saying fixed telephony is preferred – 326
Multiple responses possible



Substitutability - mobile vs fixed telephony (3 of 4)

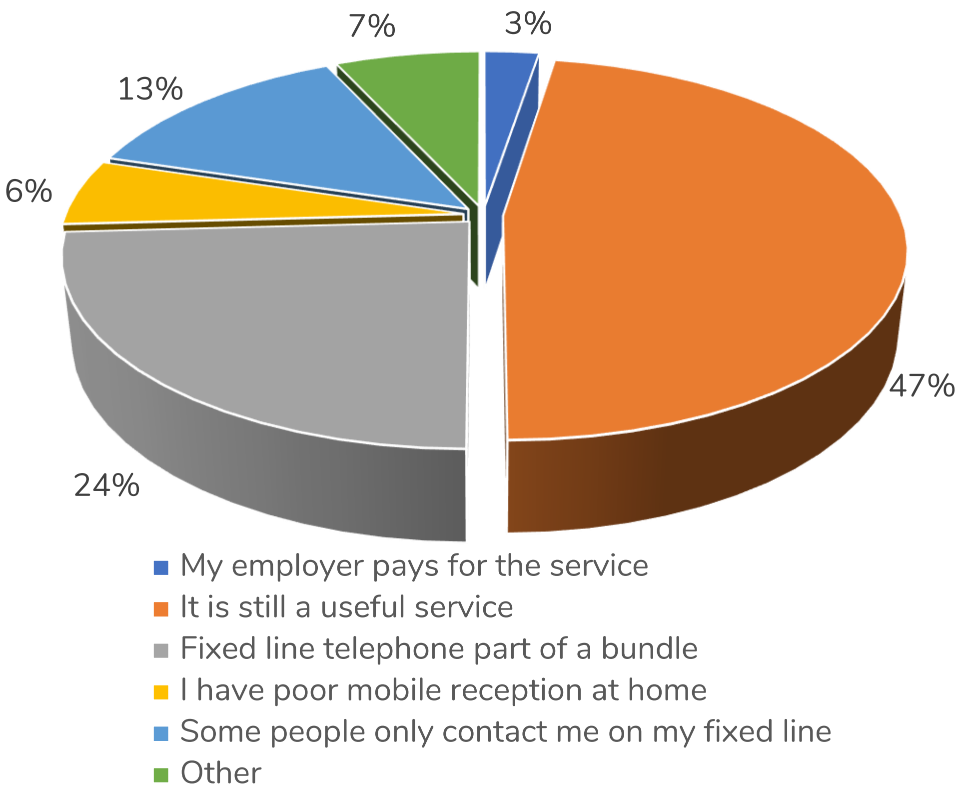
Propensity to terminate fixed line connection in the next 12 months if mobile telephony is preferred

Number of respondents saying mobile telephony is preferred – 478



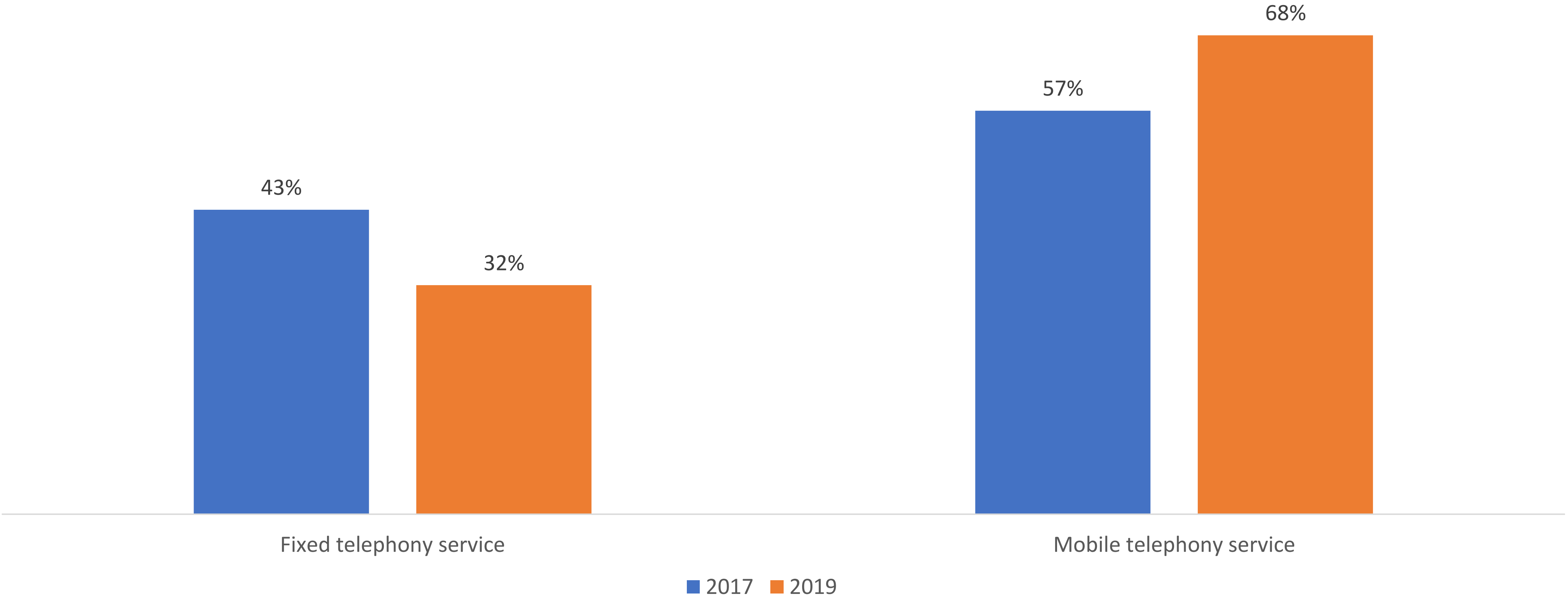
If not terminating, what is the main reason for keeping the fixed telephony service?

Number of respondents saying they would not be terminating fixed line connection - 232



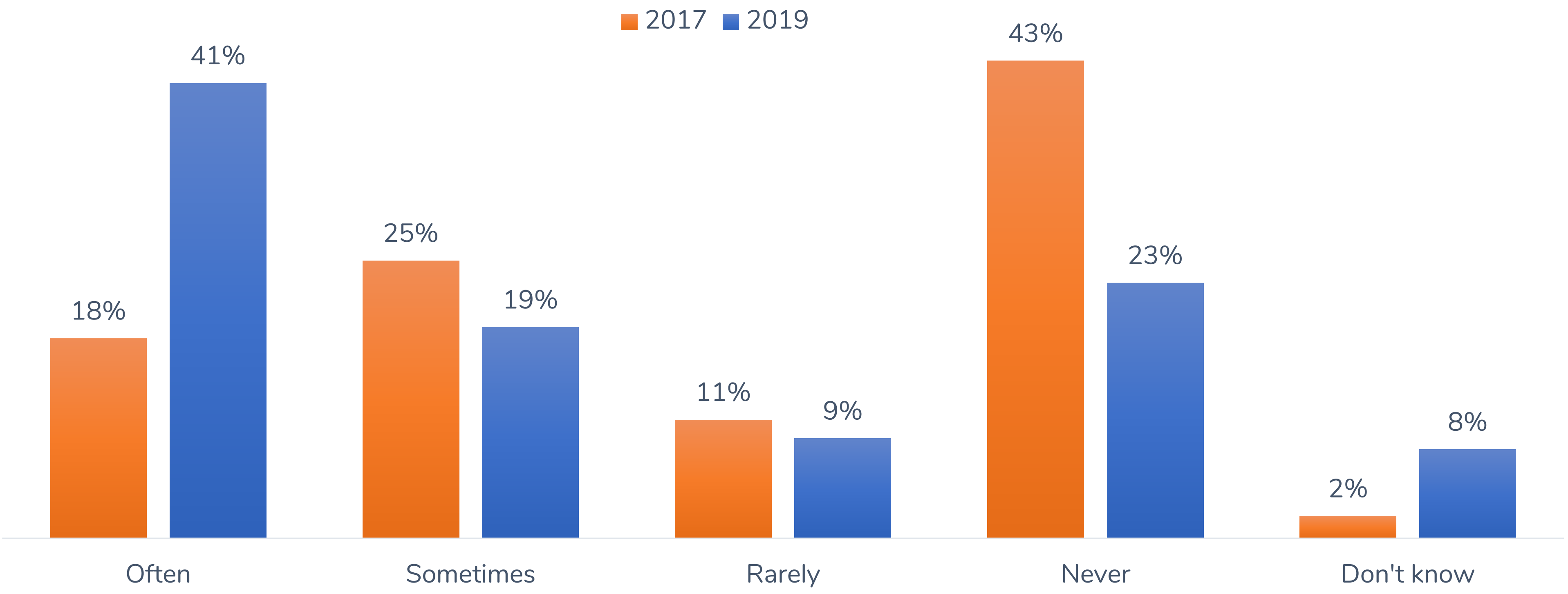
Substitutability - mobile vs fixed telephony (4 of 4)

If a fault had to take place in a telephony service, would you be more inconvenienced if it were fixed telephony or mobile telephony?



Substitutability - OTT vs fixed telephony (1 of 2)

Are OTT-based calls substitutable to fixed telephony calls?

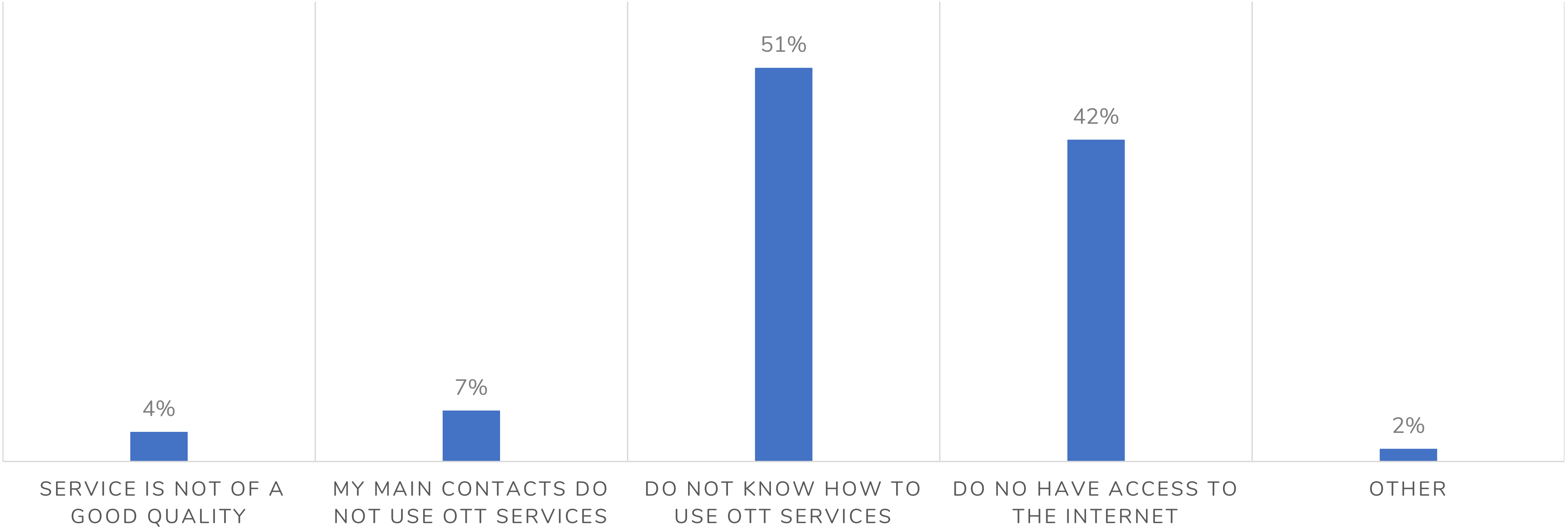


More people are considering OTT calls to be a good substitute to fixed telephony calls.

Substitutability - OTT vs fixed telephony (2 of 2)

Why do you think OTT-based calls are never a substitute to fixed telephony calls?

Number of respondents who say OTT-based calls never a substitute to fixed telephony calls – 181 (multiple responses possible)



Final remarks

- The residential market is mature with 99% of households reporting a fixed telephony connection.
- 72% of households are subscribed to a post-paid plan, and proportion of respondents with fixed telephony in a bundle edging up.
- High levels of satisfaction expressed on the overall quality of the service and quality of fault resolution.
- Switching very limited, with 92% of respondents saying they did not switch operator in the previous two years. Significantly, a third of respondents say they would switch if provider raises monthly access fees by 10%.
- Monthly expenditure on the service is perceived to be going up, but 56% of respondents with a fixed telephony subscription are not aware of the monthly expenditure for the service.

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