

## **Findings for a perception survey on mobile telephony usage by the expat community in Malta**

### **Fieldwork carried out in the fourth quarter of 2019**

#### **Context**

A research study has been commissioned by the MCA in 2019 focusing on the experience of expats in Malta to gauge their experience of local mobile telephony services. The MCA looks at a range of factors including product choices, expenditure on the service, OTT usage and quality of service.

The survey falls within the broad scope of the MCA's market research initiative, whereby perception surveys are carried regularly every two years in order to engage with local businesses and end-users on their experience with local telecoms and postal services. This study's engagement with Malta's expat community widens the MCA's insight to diagnose the performance of local service providers.

#### **Fieldwork**

The MCA commissioned the National Statistics Office (NSO) to carry out this research study, who surveyed 503 expats by means of Computer Assisted Telephone Interview (CATI) between December 2019 and January 2020.

The target population for this survey consisted of all foreign citizens living in private households in Malta, and aged 18 years or more. The number of eligible participants totalled 73,371 persons.

Based on a stratified random sampling process, a total of 1,413 persons were contacted for this survey where 503 participated, while another 748 persons were not eligible to participate.

It is relevant to underline that the study was carried out prior to the UK's formal ratification agreement to leave the EU. 41% of all EU expats surveyed in this research study are from the UK<sup>1</sup>.

#### **Main survey findings**

*Most expats in Malta are subscribed to local mobile telephony providers*

95.3% of all expats have a mobile telephony subscription with local service providers.

On a more disaggregate level, 87.7% of expats say they only have a mobile telephony subscription with local service providers; 7.6% say they have a mobile telephony subscription with a service provider located in another country alongside a subscription with a local service

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<sup>1</sup> Survey was carried out prior to the UK formally exiting the EU by end January 2020. Hence, UK respondents classify under EU in this research study.

provider; and 0.6% say they only have a subscription with a service provider located in another country. 4.2% of respondents say they have no mobile telephony subscription.

#### *Choice by type of plan*

53.4% of all expats in Malta have a pre-paid plan, whilst the rest have a post-paid plan, with the latter type of plan typically subject to a two-year contract term agreement. Significantly, slightly more than half of those with a post-paid subscription say they purchase the service in a bundle alongside other telecom services. In this regard, product preferences for the expat community are pretty much similar to those displayed by the Maltese community.

#### *A largely positive response on quality of service*

74% of all survey respondents say they are satisfied (47.8%) to very satisfied (26.3%) with the quality of service offered by local service providers. This is less than the 95% satisfaction level expressed by Maltese respondents to the latest MCA mobile telephony perceptions survey<sup>2</sup>. The reasons for this gap in response may be several, including that expats may have a far wider experience with different service providers and thus be in a better position to evaluate quality of service. Also, it is not always easy to adjust to a new environment and to fully comprehend the factors that may at times limit quality outcomes, such as in the case of low reception in older Maltese buildings.

#### *An adequate response by local service providers to address faults*

62% of expat survey respondents chose to reply to the question concerning fault resolution, thus indicating that at some point they had an issue or a fault to report to local service providers. Around two thirds of these were 'satisfied' to 'very satisfied' with how local service providers addressed their concerns. However, 15% were not satisfied with the response they received and a further 16% replied they felt 'indifferent' to qualify the response by local service providers.

#### *Bigger awareness on monthly expenditure*

Expat users are more aware than Maltese users when it comes to the monthly expenditure on the mobile telephony service. The expat market research shows that just 5.6% of expat respondents do not know their monthly expenditure on the mobile telephony service, much less than the 17% of Maltese users identified by the latest market research focusing on Maltese users.

In addition, expat users are bigger spenders on the mobile telephony service than is the case with Maltese. This is more likely a result of a bigger dependence by expats on mobile telephony services such as in terms of mobile data usage. Around 33% of expat respondents say they spend between €20 and €49.99 per month on the mobile telephony service (compared with 23% of

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<sup>2</sup> Link to MCA Mobile Telephony Consumer Perceptions Survey, 2019: <https://www.mca.org.mt/articles/overview-findings-perception-survey-concerning-mobile-telephony-usage-malta>

Maltese users) and an additional 14% say they spend €50 or more per month (compared with 4.7% of Maltese users).

#### *Mobile voice calling and OTT voice calling increasingly being used*

89% of all expat respondents with a mobile telephony subscription say they use OTT-based services. This is a very indicative response rate, suggesting that just around 9% of expats do not use mobile data. Of note is that the latest market research focusing on the Maltese community showed that 45% of respondents used OTT-based services.

Usage of OTT services by expats in Malta is predominantly for chatting and voice activities, with around 73% of expat respondents qualifying these services as being 'very often' (at 39%) or 'always' (at 34%) substitutable with standard mobile and messaging services.

#### **Detailed survey findings**

For a more comprehensive picture, a presentation encompassing the main survey findings is available on the MCA website via this link.

#### **Background to the survey function at the MCA**

The MCA has been regularly carrying out the Consumer Perception Surveys on a two-yearly interval since 2008. The main purpose behind this initiative is to gather information on the level of satisfaction of end-users (residential and business) with the products and services offered by local 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 how the needs of end-users have developed over time and how local service providers are dealing with changing demand over the years. Further insights on developments is provided by ad hoc surveys, such as the one addressing perceptions of the expat community in Malta.

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.

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