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CONSUMER PERCEPTION SURVEY – FIXED BROADBAND / NOVEMBER 2022

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A brief overview of findings for a perception survey –

Fieldwork carried out between June and August 2022

*The MCA conducted a new survey on consumer perceptions and behaviours towards the internet service provided in Malta. The survey was carried out from June to August 2022 with a total sample of 800 randomly selected households, stratified according to the geographic regions, age composition of the Maltese population and according to operators’ market share. The fieldwork was carried out by EMCS using telephone interviews (CATI).*

*Almost all households in Malta have an internet connection. Most, prioritise speed and price over other factors when making their choice of service provider. Awareness is also increasing on quality of service with 44% of those surveyed saying they test their download speeds, compared to 23% in 2019. Almost two thirds of households performing the speed tests say they found speeds lower than advertised. Nonetheless, surveyed households assess the service positively, with 54% saying they are satisfied with the quality of the service and a further 20% saying they are very satisfied.*

*These findings and others are outlined in some more detail below.*

*For an even more comprehensive picture, a presentation encompassing the main survey findings is available on the MCA website.*

**Almost all households with an internet connection**

95% of surveyed households have an internet connection. This is a high rate above the EU average, albeit three percentage points lower than that recorded in our earlier survey carried out in 2019. A quarter of those without fixed broadband say they use mobile broadband instead.

The rest encompass those households with residents that consider the service either too complicated to use or unnecessary.

**Download speed is a key factor influencing choice**

34% of surveyed households consider download speed as the leading factor influencing their purchase, up 11 percentage points from 2019. Price and upload speed also ranked as the second and third factors respectively in terms of influence, for 27% and 16% of surveyed households respectively. This year’s survey shows that households are increasingly aware of the importance of download and upload speeds. Also, nothwithstanding the prevalence of households purchasing internet in a bundle, just 12% of those surveyed consider the bundle factor as the primary reason influencing their choices for the internet service.

**People under the age of 18 generally spend their ‘online time’ on entertainment**

57% of surveyed households have at least one family member in their household under 18 years of age. These household members spend 3 to 5 hours online every day for 36% of households qualifying in this category. Survey data also shows that individuals in this age group were generally more likely to engage in activities related to entertainment when making use of internet services. This was confirmed by 31% of surveyed households with 18-year old members. This was closely followed by video games at 26% of surveyed households with 18-year old members in their composition (up 1 percentage point from 2019). In comparison, 14% of surveyed respondent within this category say that their 18-year olds made use of the internet for educational purposes.

**Ultra-fast connections are the norm and more testing of download speeds**

81% of surveyed households say they have an ultra-fast connection supporting a download speed of 100Mbps or more. This represents a 6 percentage point improvement over the respective figure reported in 2019. A further 12% of surveyed households say their broadband speed was in the region of 50Mbps but less than 100Mbps.

Also, 81% of surveyed households with fixed internet perceive their connection speeds as adequate for their day-to-day needs.

Whilst still on the low side, more households are also testing their download speeds, with speed test apps and websites that are available as a means for the end-user to utilise. Only 15% of household respondents say they test their download speed regularly, but less frequently than reported in 2019.

There were more household respondents saying that actual download speeds failed to reach the advertised rates, than respondents finding actual speeds equivalent to marketed ones. Of those respondents that carry out download speed tests, 44% say that the speed measured was equal to that being advertised by the service provider, whereas 38% of respondents found the speed measured to be slightly lower than that advertised. In addition, 18% of respondents say that their speed tests indicated far lower speeds than what their service is expected to deliver.

**Monthly expenditure on the fixed internet service**

86% of surveyed households are aware of their monthly expenditure on the fixed internet service notwithstanding that most purchase the service in a bundle. In all likelihood Maltese fixed internet users associate the cost they pay for the bundle with their internet service, even if purchased alongside fixed telephony and / or TV in a package.

42% of those knowledgeable on their monthly expenditure say they spend more than €50 per month. Another 35% say they spend between €30 to €49 per month.

Of note, is that 59% of respondents knowledgeable of their monthly expenditure feel that their fixed internet service is ‘neither expensive nor cheap’ whilst 40% deem it ‘expensive’ and ‘very expensive’.

**Customers largely satisfied with quality of service**

The survey indicates that most households consider that the fixed internet service works well, with no major concerns reported in terms of quality of service. 74% of respondents say they are satisfied with their current internet service, whilst another 19% say they feel indifferent on this matter. Meanwhile, the percentage of respondents saying they are dissatisfied with the service rose by 2 percentage points since 2019 to 7%.

**Faults are an issue, but service providers offer effective remedial solutions**

66% of household respondents have experienced performance issues with their fixed internet service in the previous 12 months. Of these, 22% reported more than five faults, 50% reported between 2 to 5 faults and 29% reported one fault.

Most of those reporting faults, at 62%, say that their concerns were handled well by their service provider and were satisfied or very satisfied with the response received.

**OTT usage over fixed broadband**

87% of respondents are aware of and access third-party over-the-top (OTT) applications over an internet connection, the majority of which utilise them daily. Satisfaction levels with OTTs went down 11 percentage points from 2019, as more respondents report being indifferent towards the quality parameter.

Among the most popular types of OTT services used are chat and content apps, ranking first and second respectively, similar to 2019. The most commonly used apps for chat OTTs over fixed broadband are sequentially Facebook messenger and WhatsApp, whereas the most frequently used content OTTs are Facebook and YouTube. Of note is the rate of growth that Tiktok has been identified by respondents, ranking fourth amongst content OTTs.

**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.