MCA Consumers Perception Survey - Television Services

Presentation of main findings

October 2023

Reference number: MCA/S/23-5101

MALTA COMMUNICATIONS AUTHORITY

Purpose

- The analysis of these survey findings places emphasis on TV services offered in Malta, offering insights into the decision-making process of household consumers when it comes to their choices regarding pay-TV and broadcasting and content services. Several aspects are explored:
  - ✓ Factors determining service preferences and usage;
  - ✓ Expenditure and value perception of pay-TV services;
  - ✓ Customer satisfaction with service quality;
  - ✓ Incidence of service disruptions and operator responses;
  - ✓ End-user switching behaviour.

Methodology

Methodology (1 of 3)

Fieldwork

- Carried out by EMCS Ltd. between March and May 2023.
- Circa 20-minute phone interviews.
- Only one person per household interviewed, aged 18 and over.

Sample

- Randomly selected, with only one respondent per household (aged 18 or over);
- Stratification:
- age composition (18+) of the Maltese population;
- operators’ fixed telephony market share;
- geographical and socio-economic categories.

Responses

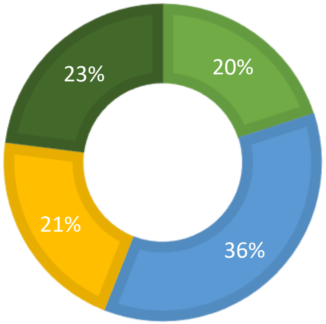
- 808 net valid respondents to the survey;
- Margin of error +/- 3.43% at 95% confidence interval;
- Any refusals / incomplete surveys were removed and replaced with new responses.

Methodology (2 of 3)

Demographics

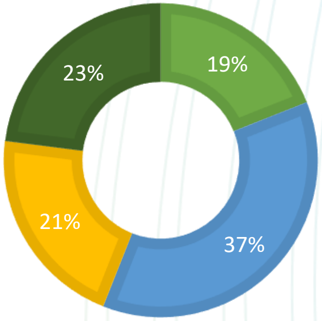
- The sample is equally split in terms of males and females.
- As illustrated hereunder, the sample size is also representative of the local population in terms of age.

Local Demographics



Data extracted from NSO Publication: Trends in Malta 2019

Sample Demographics

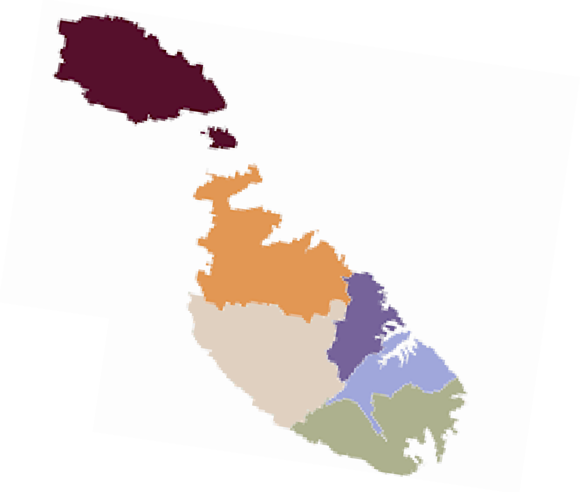


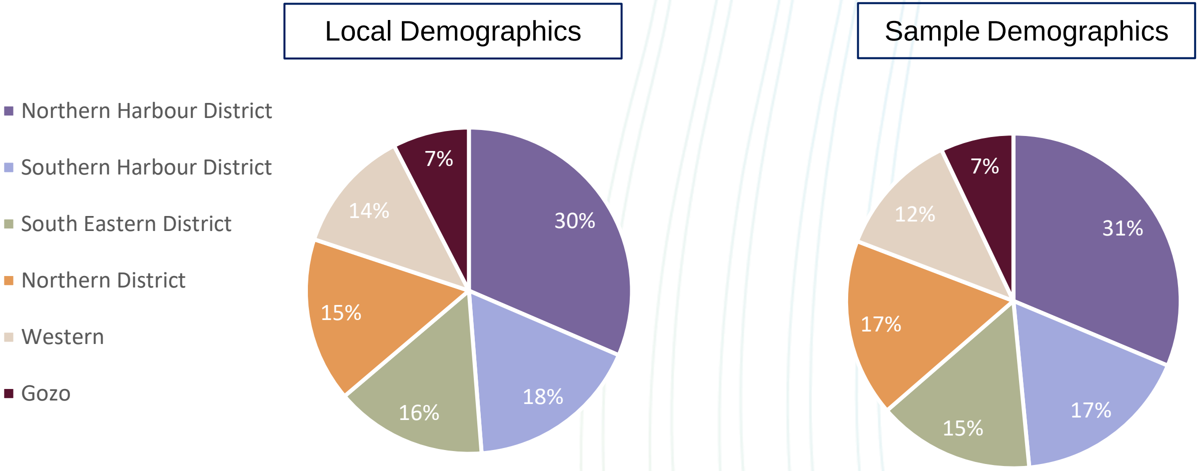
18-29 30-49 50-64 65+

Methodology (3 of 3)

Demographics

- Sample is also representative of the local population in terms of the respondents' location of residence.





Data extracted from NSO Publication:
Trends in Malta 2019

Key insights

Key insights

Access and usage

- Most respondents reported having one or two TV sets at home, at 26% and 47% respectively.
- As their primary TV set, 74% of respondents utilise a smart TV.
- 3% of respondents rely on free-to-air / aerial TV and typically use it to watch Maltese channels.
- 68% of respondents regularly watch TV on plans by GO and Melita, while 19% do not regularly watch services offered by these operators. Epic is not represented in the survey response as this operator only introduced the service a few weeks prior to the survey fieldwork.
- In terms of TV engagement, 41% of respondents mention two members who regularly watch pay-TV, with an additional 23% indicating three members.

Key insights

Expenditure and quality of service

- 90% of respondents purchase main pay-TV subscription as part of a bundle, notably up from 77% reported in 2020.
- 20% of respondents spend between €30 and €49.99 on average per month (26% in 2020), while 16% spend over €50 per month (18% in 2020).
- 20% of respondents buy add-ons to their pay-TV package offered by GO and Melita.
- 72% of respondents are satisfied or highly satisfied with the service, marking a decrease from 94% in 2020.
- 50% of respondents reported disconnections, faults, or other problems with the service in the previous 12 months, down from 67% in 2020.
- 7% of respondents changed providers in the previous 12 months, compared to 4% in 2020.

Key insights

TV apps and alternatives to pay-TV

- Survey study shows increased awareness and usage of TV apps offered by GO and Melita (7% in 2020 to 41% in 2023).
- Study shows a notable increase in app usage for both GO's TV app (1% to 12%) and Melita's NexTV app (1% to 13%).
- Some users consider Android Box TV as a substitute for pay TV services.
- 21% of respondents who use Android-based TV service consider it a suitable alternative to TV services offered by GO and Melita. Main reasons being channel lineup, more affordable price, and greater availability of sports channels.
- A shift towards streaming services is noted as 69% of respondents now watch platforms like YouTube and Netflix for audio-visual content, up from 14% in 2020.

Key insights

DAB+ services

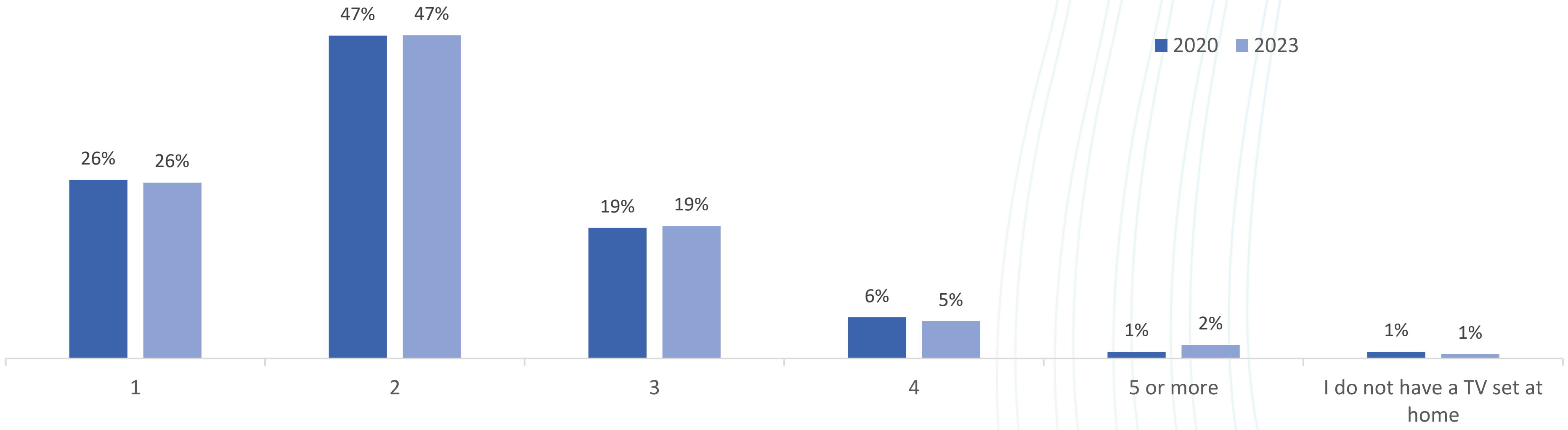
- 19% of respondents have a digital audio broadcast plus (DAB+) radio set, compared to 18% reported in the 2020 study.
- 28% of DAB+ radio owners listen to this service for less than one hour per week; 21% do not listen to DAB+ radio at all.
- Among DAB+ radio listeners, 60% use it as a substitute for FM stations or alternative content on other platforms.
- Satisfaction with DAB+ service decreased to 81% from 97% in 2020.

TV set ownership and platform access

TV set ownership (1 of 3)

Number of TV sets in Maltese households

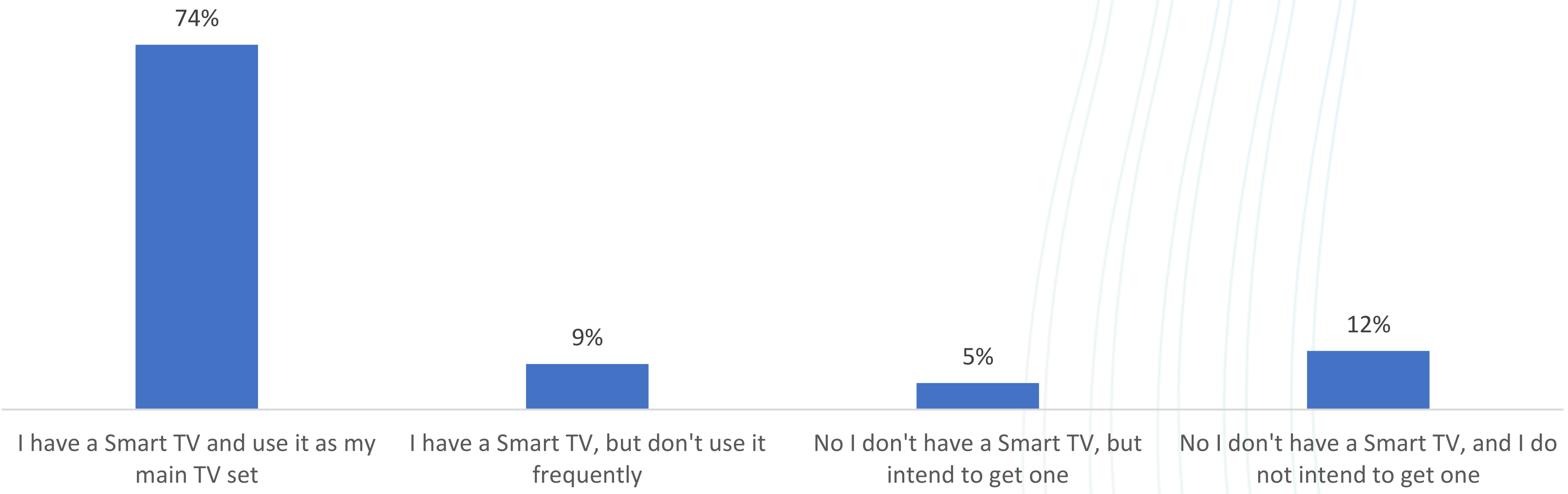
Total number of respondents – 808 (2020: 873)



TV set ownership (2 of 3)

Availability of a Smart TV set at home

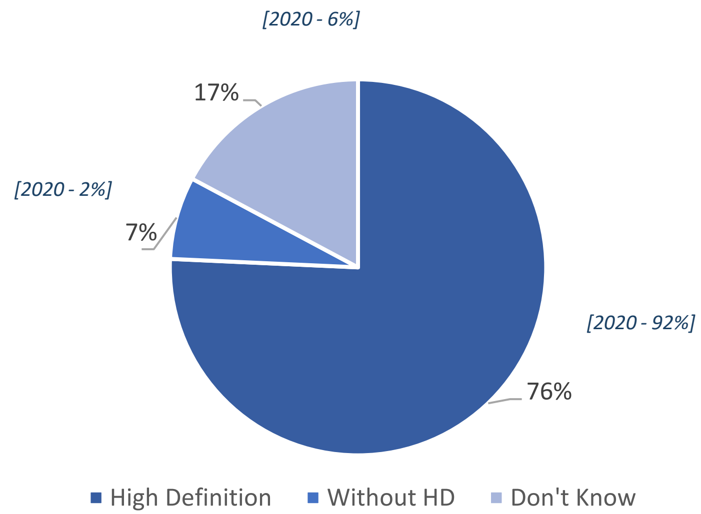
Number of respondents with a TV set at home - 803



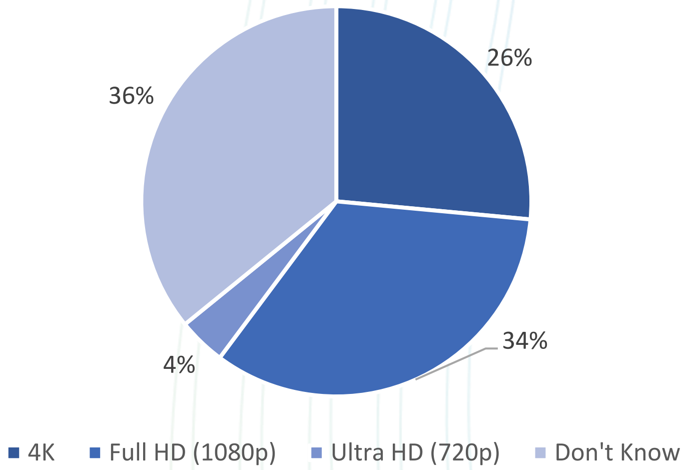
TV set ownership (3 of 3)

Availability of High Definition

Number of respondents with a TV set at home – 803



Number of respondents with an HD TV set – 608

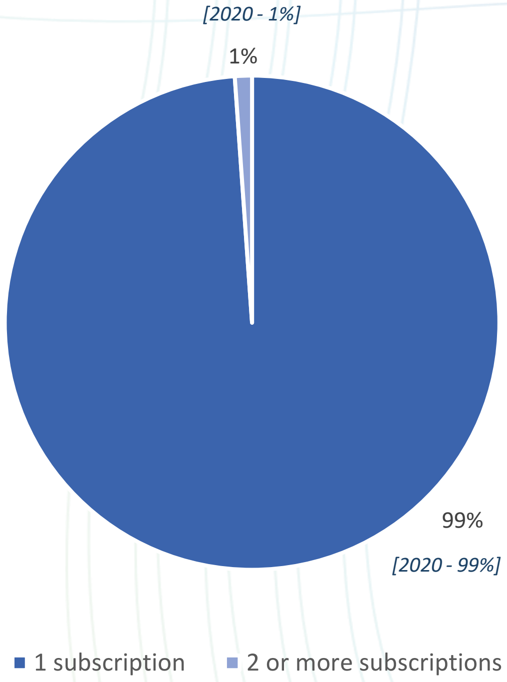


Use of local operators' pay-TV services

Pay-TV service subscription (1 of 8)

Subscriptions with local service providers

Number of respondents with a pay-TV subscription – 716 (2020: 833)



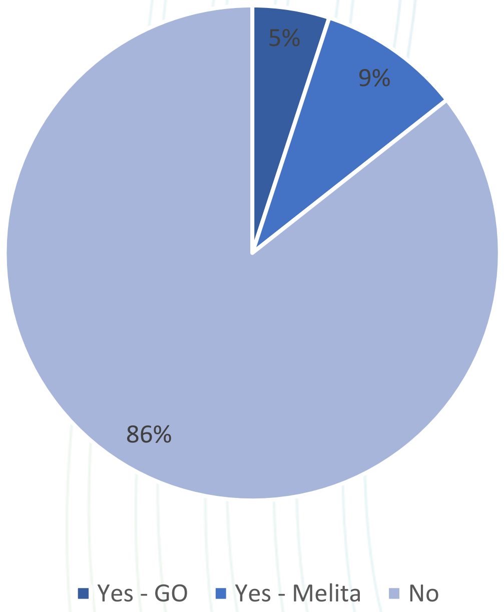
- 716 of respondents have a pay-TV subscription with local service providers (this figure is equivalent to 89% of all survey respondents).
- 99% of these have just one TV subscription with a local service provider (identical outcome in 2020 study).
- 1% have multiple pay-TV subscriptions.

Pay-TV service subscription (2 of 8)

Intention of disconnecting pay-TV subscription with local service providers

Number of respondents with a pay-TV subscription – 716 (2020: 833)

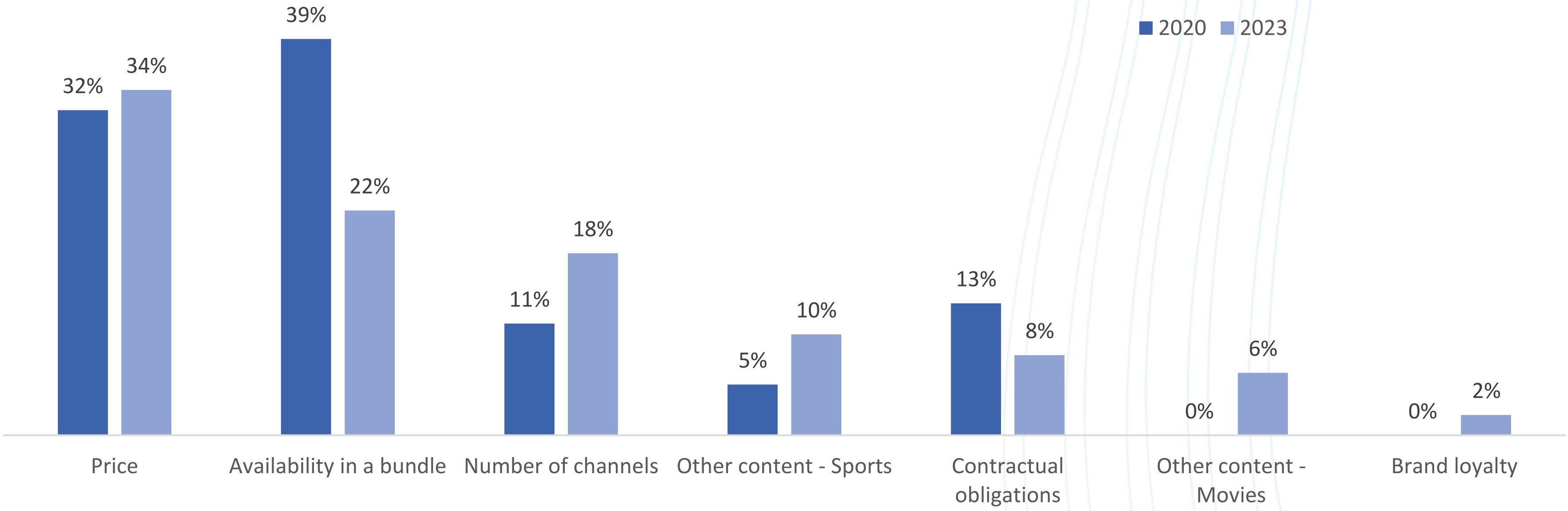
- 86% of respondents with a pay-TV subscription have no plans to disconnect for the next 12 months.
- 14% indicate their intention to disconnect.



Pay-TV service subscription (3 of 8)

Features considered when purchasing a pay-TV subscription from local service providers

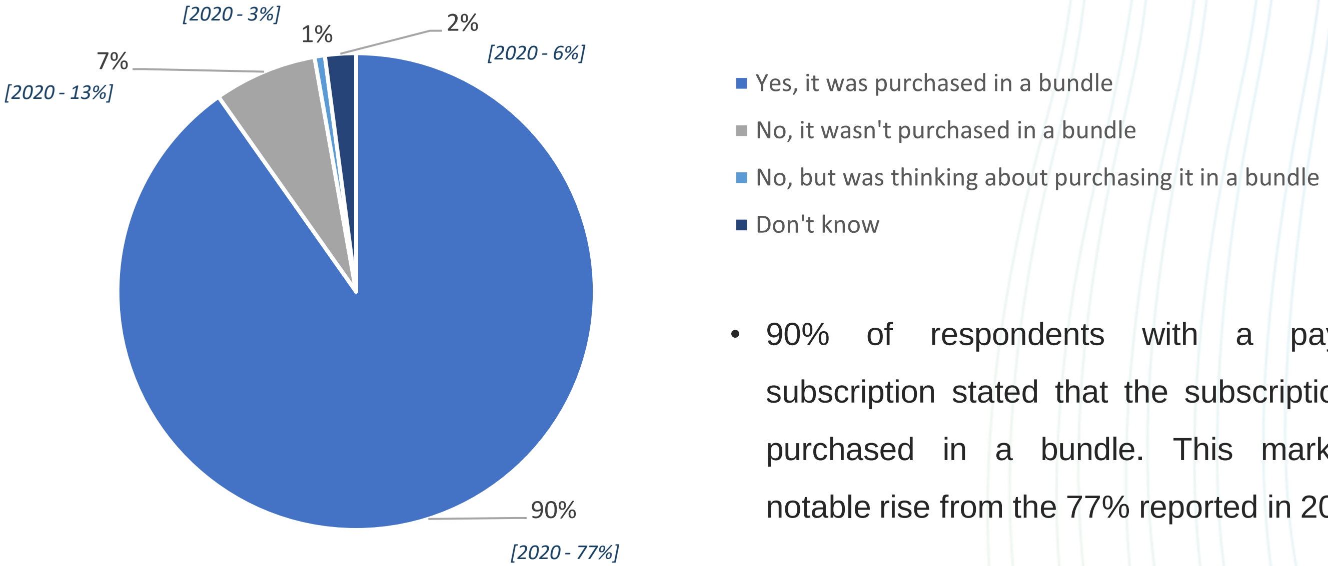
Number of respondents with a pay-TV subscription – 716 (2020: 833)



Pay-TV service subscription (4 of 8)

Bundle purchases

Number of respondents with a pay-TV subscription – 716 (2020: 833)



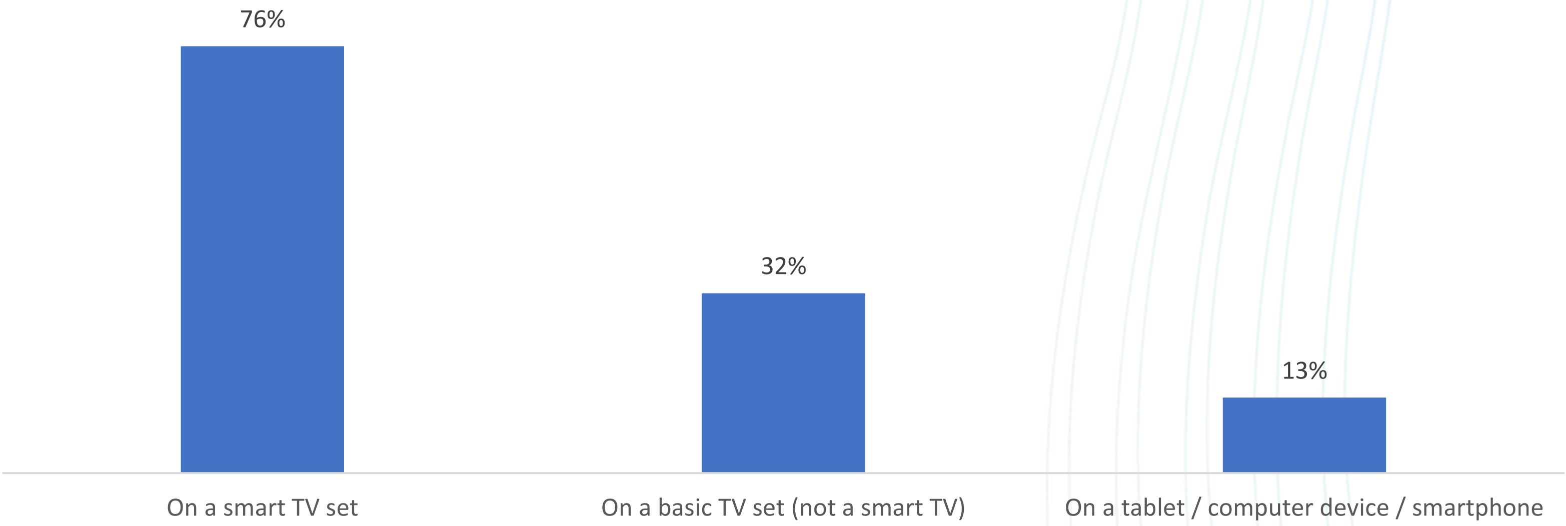
- 90% of respondents with a pay-TV subscription stated that the subscription is purchased in a bundle. This marks a notable rise from the 77% reported in 2020.

Pay-TV service subscription (5 of 8)

Device used to watch TV content from main pay-TV provider

Number of respondents with a pay-TV subscription – 716

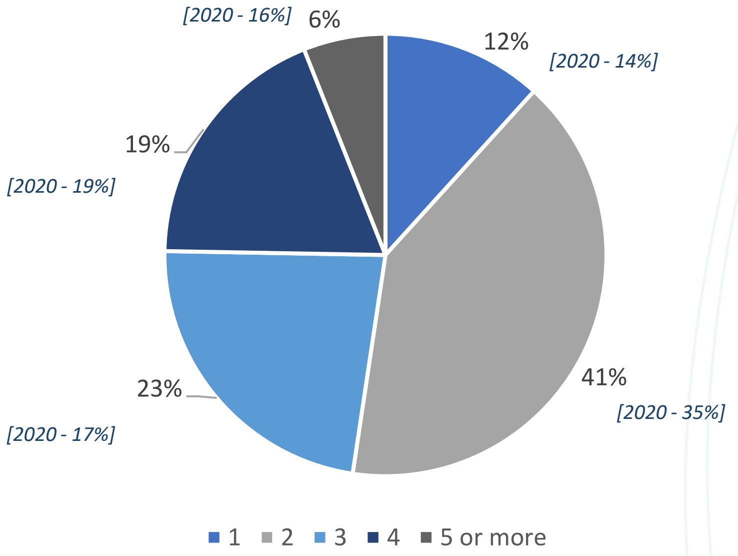
Multiple answers were allowed



Pay-TV service subscription (6 of 8)

Number of household members watching local operators' pay TV services

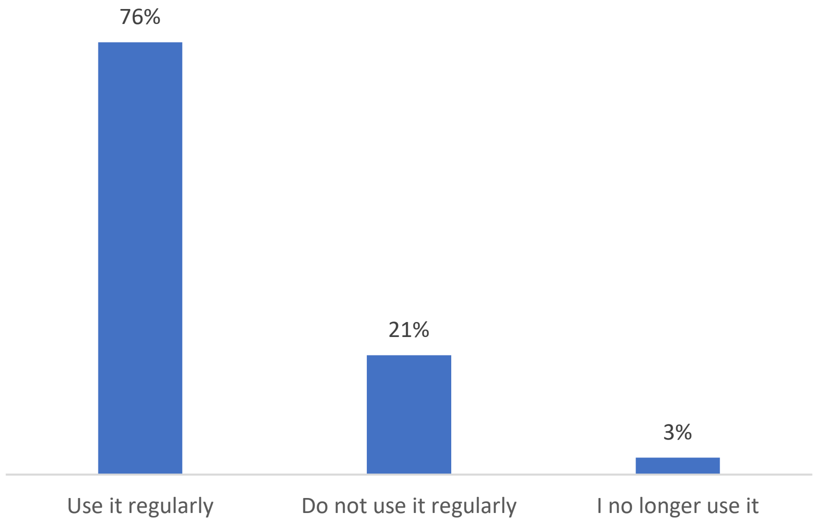
Number of respondents with a pay-TV subscription – 716



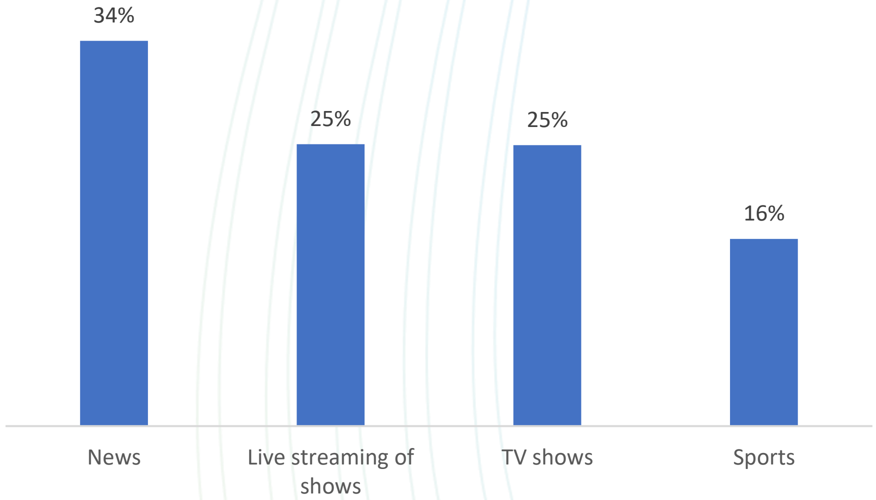
Pay-TV service subscription (7 of 8)

Frequency of pay-TV service use

Number of respondents who have a pay-TV subscription: 716



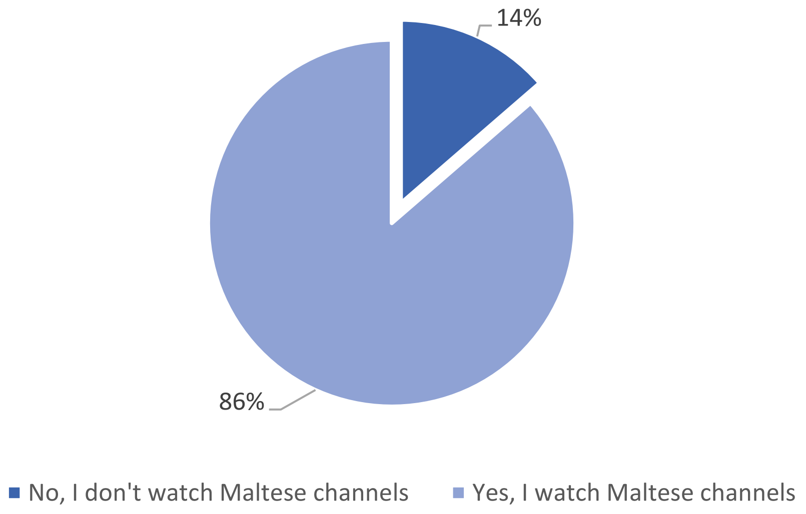
Type of pay-TV content watched



Pay-TV service subscription (8 of 8)

Pay-TV subscribers’ viewing of Maltese channels

Number of respondents who have a pay-TV subscription with a local service provider and use it: 697



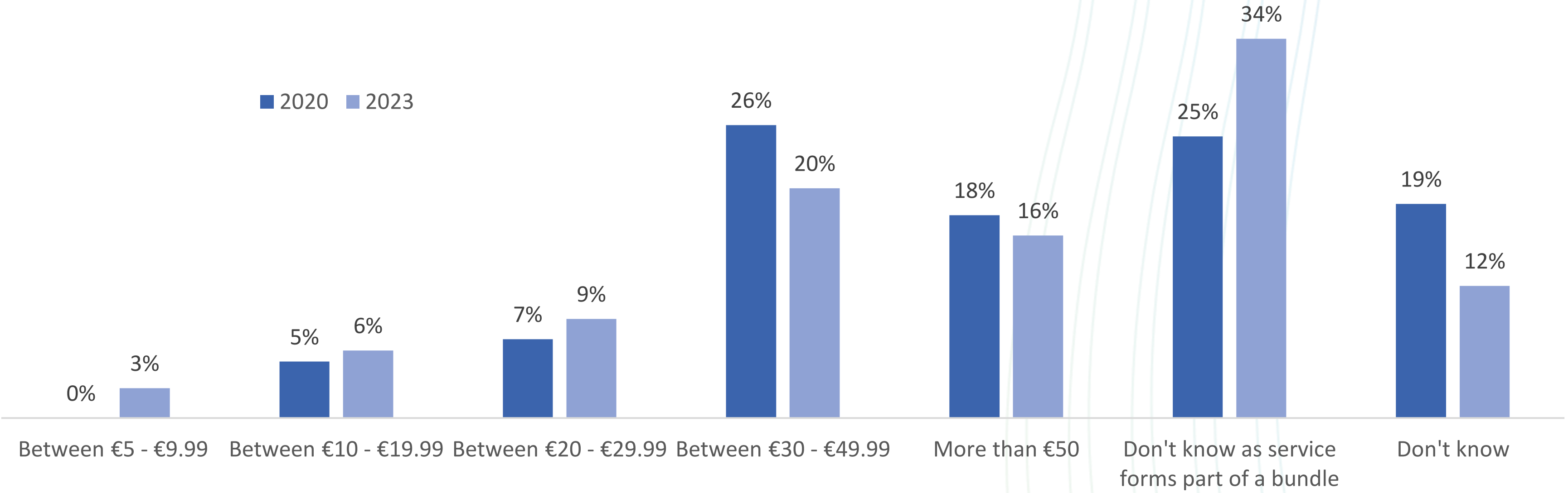
- 86% of respondents with a pay-TV subscription watch Maltese channels.

Expenditure on pay TV subscriptions

Expenditure on pay-TV subscription (1 of 2)

Average monthly expenditure

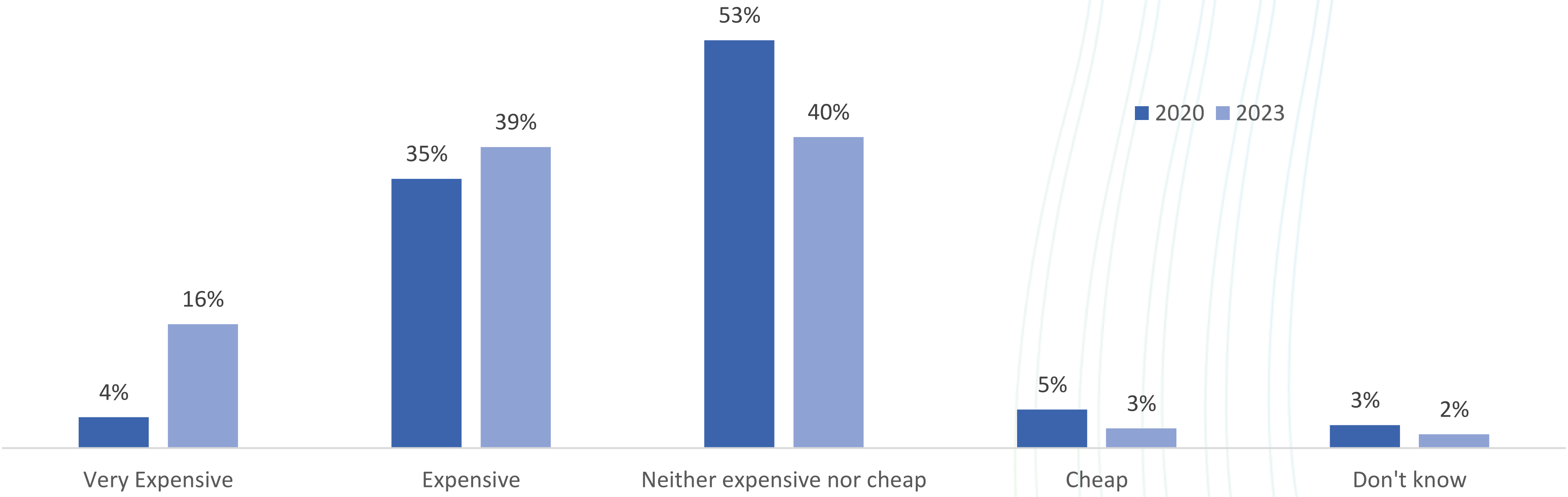
Number of respondents with a pay-TV subscription – 716 (2020: 833)



Expenditure on pay-TV subscription (2 of 2)

Perception on the cost of subscription

Number of respondents with a pay-TV subscription and are knowledgeable of its cost – 391 (2020: 411)

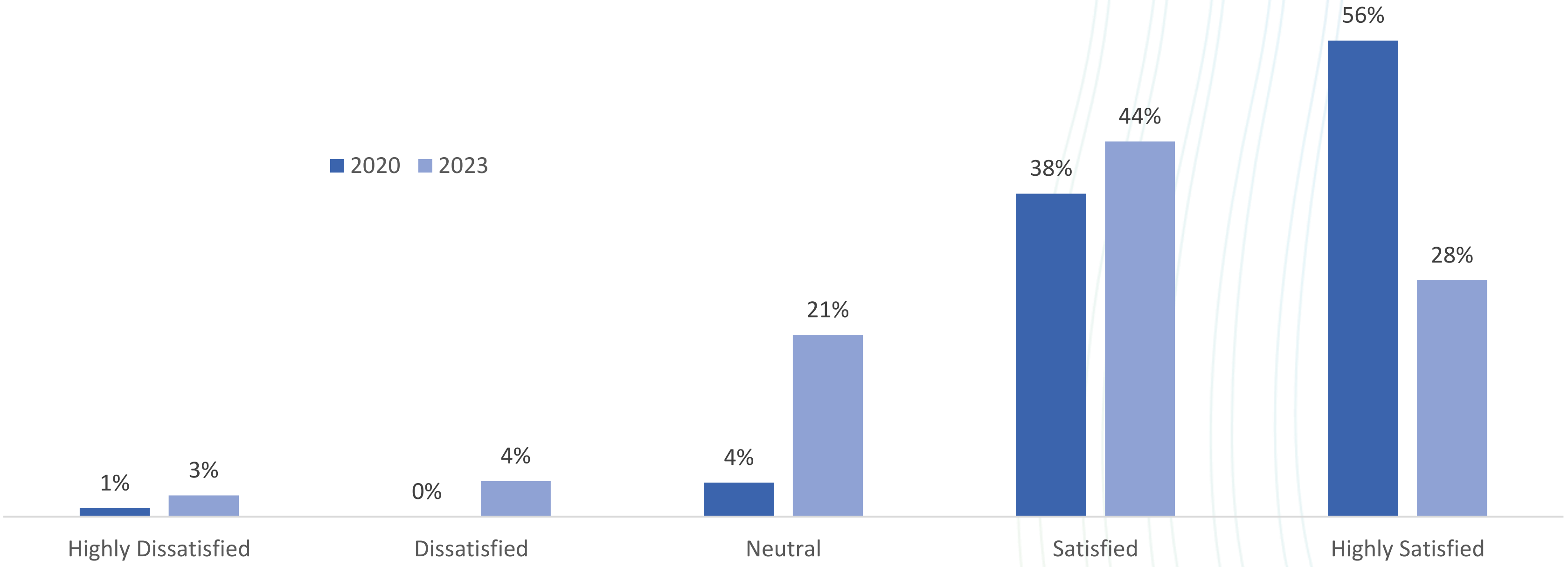


Quality of service and switching

Quality of service (1 of 3)

Perceived satisfaction with service of the pay-TV subscription

Number of respondents with a pay-TV subscription – 716 (2020: 833)

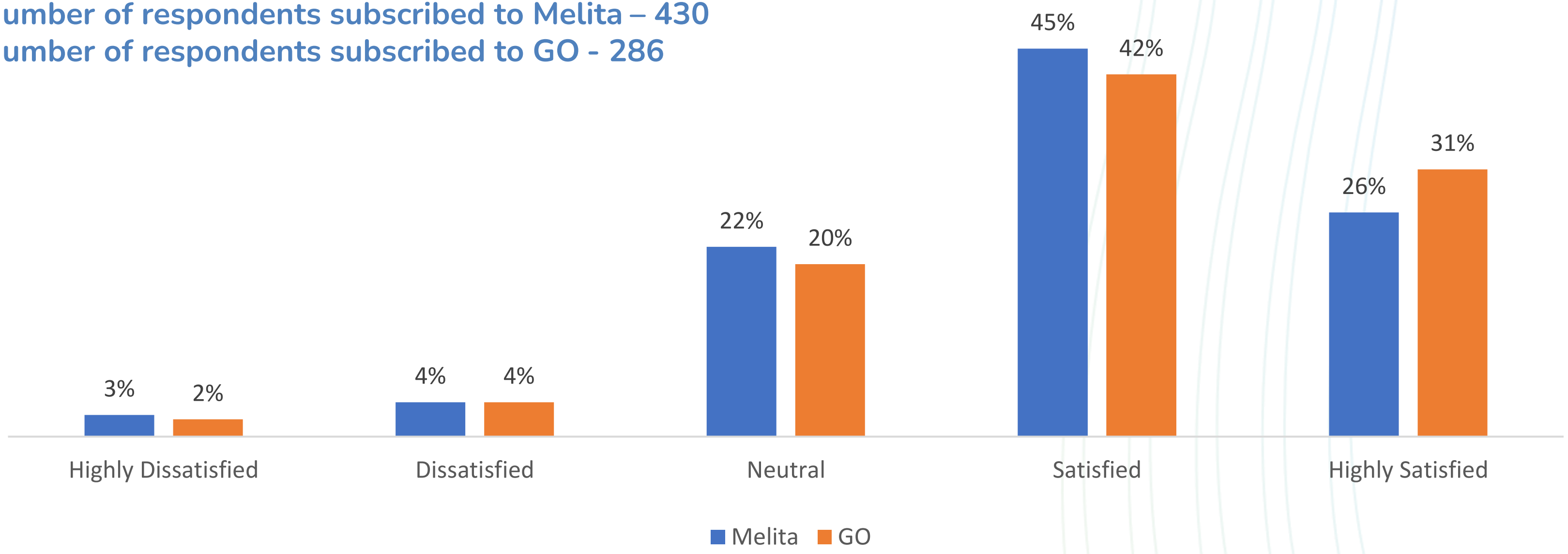


Quality of service (2 of 3)

Perceived satisfaction by operator

Note: Epic isn't indicated, as the initiation of the pay-TV service by this provider occurred just a few days before the survey was conducted.

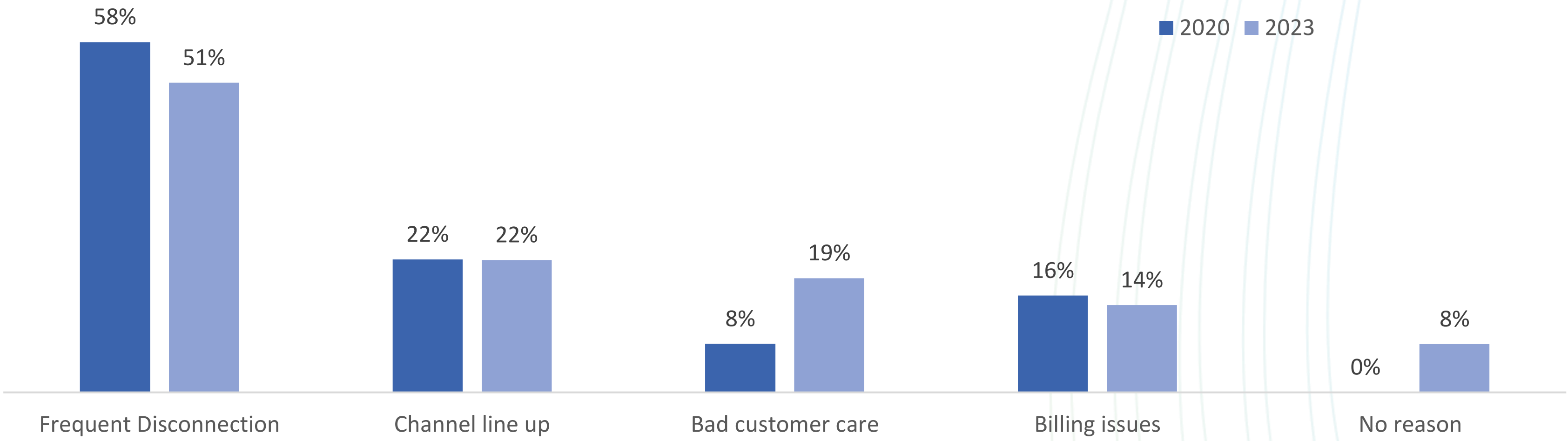
Number of respondents subscribed to Melita – 430
Number of respondents subscribed to GO - 286



Quality of service (3 of 3)

Reasons for expressing dissatisfaction or neutrality towards quality

Number of respondents expressing dissatisfaction or neutrality towards the quality of the service: 201 (2020: 50)
(Respondents could give multiple answers)

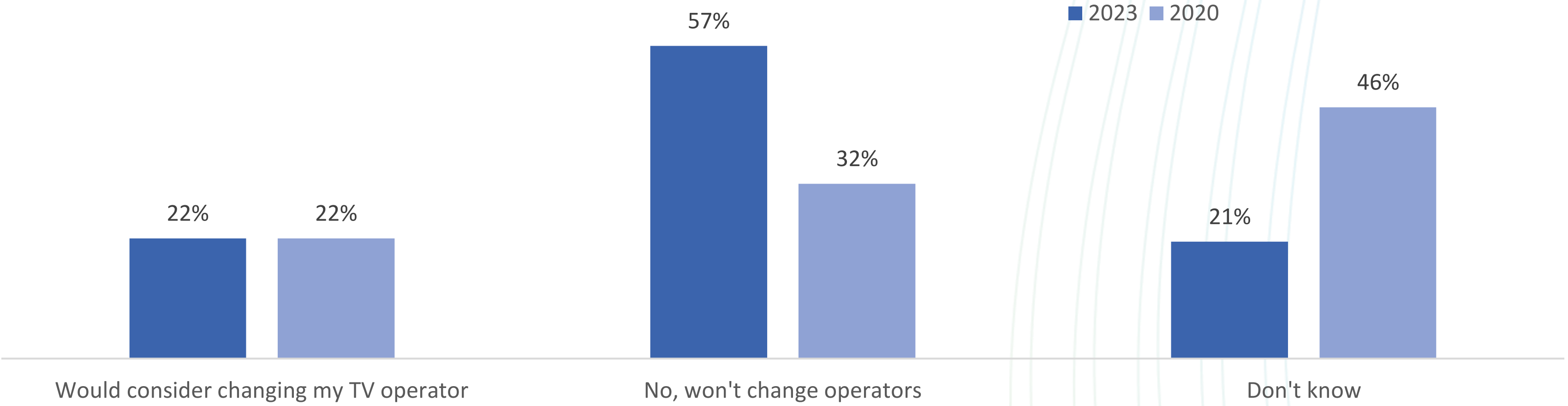


Switching (1 of 4)

Switching considerations for respondents that express dissatisfaction or neutrality with the service

Number of respondents expressing dissatisfaction or neutrality towards the service: 201 (2020: 50)

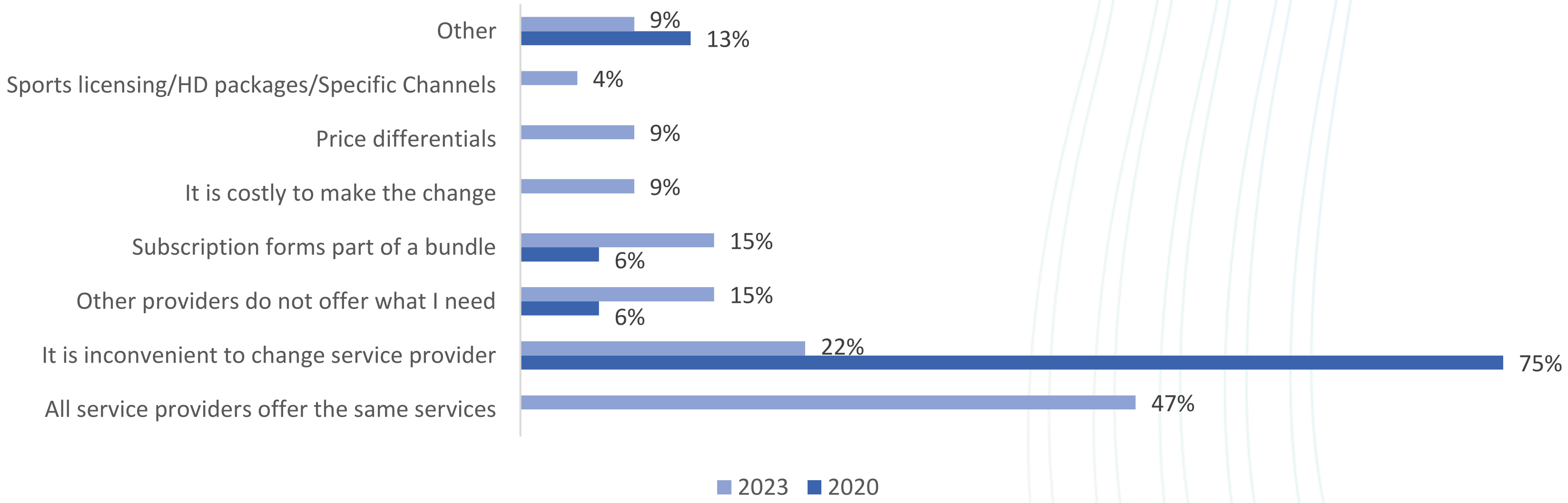
(Respondents could give multiple answers)



Switching (2 of 4)

Reasons for not switching operator even though expressing dissatisfaction with current service

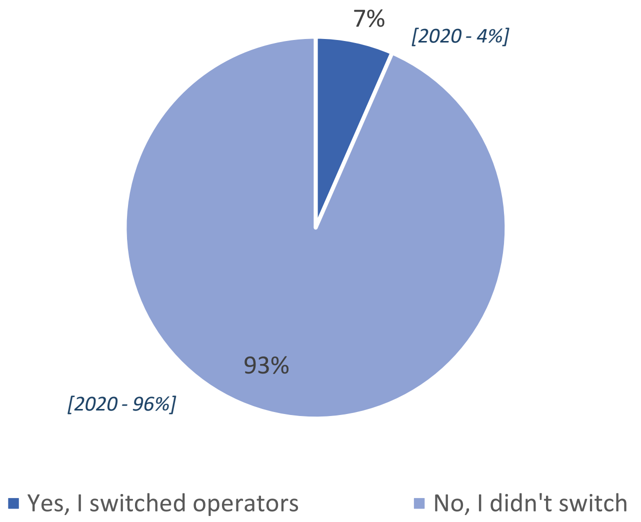
Number of respondents who do not consider changing their main subscription: 115 (2020: 16)
(Respondents could provide multiple answers)



Switching (3 of 4)

Overall trend for pay TV subscribers changing operators in the last two years

Number of respondents with a pay-TV subscription – 716 (2020: 833)

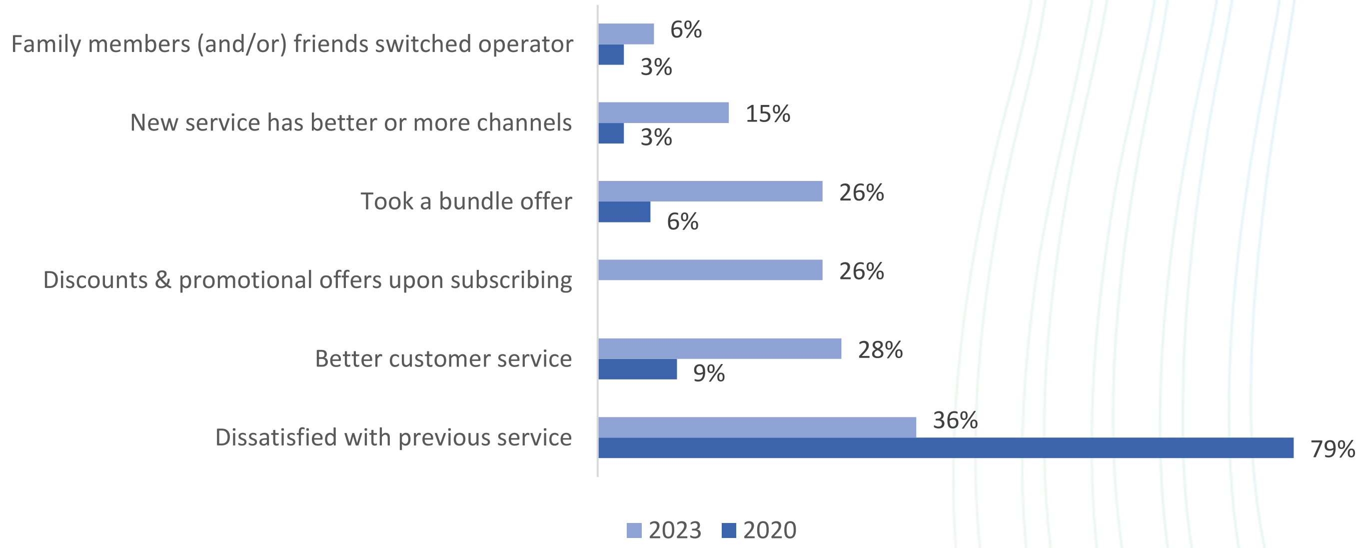


- Within the last two years, 7% of the respondents reported changing from one service provider to another with regards to their pay-TV subscription (4% in 2020).

Switching (4 of 4)

Reasons for changing pay-TV service provider

Number of respondents that switched service provider within the last two years: 47 (2020: 34)
(Respondents could provide multiple answers)

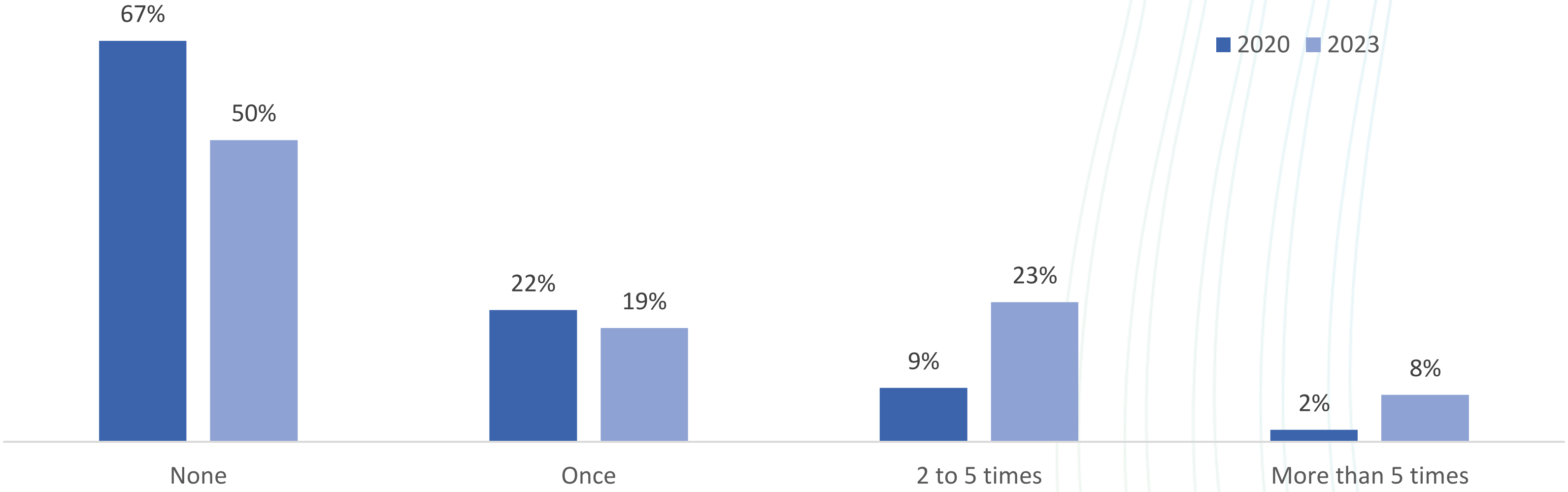


Faults and resolution

Faults and resolution (1 of 4)

Disconnections and faults experienced by pay-TV subscribers over the past 12 months

Number of respondents with a pay-TV subscription – 716 (2020: 833)

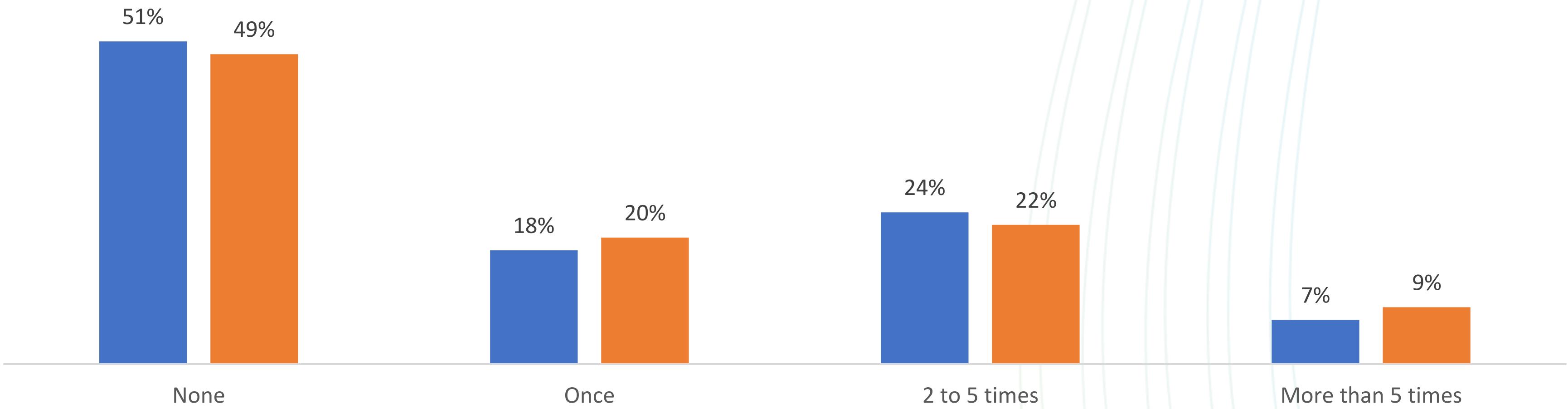


Faults and resolution (2 of 4)

Disconnections and faults experienced in last 12 months, by pay-TV operator

Note: Epic isn't indicated, as the initiation of the pay-TV service by this provider occurred just a few days before the survey was conducted.

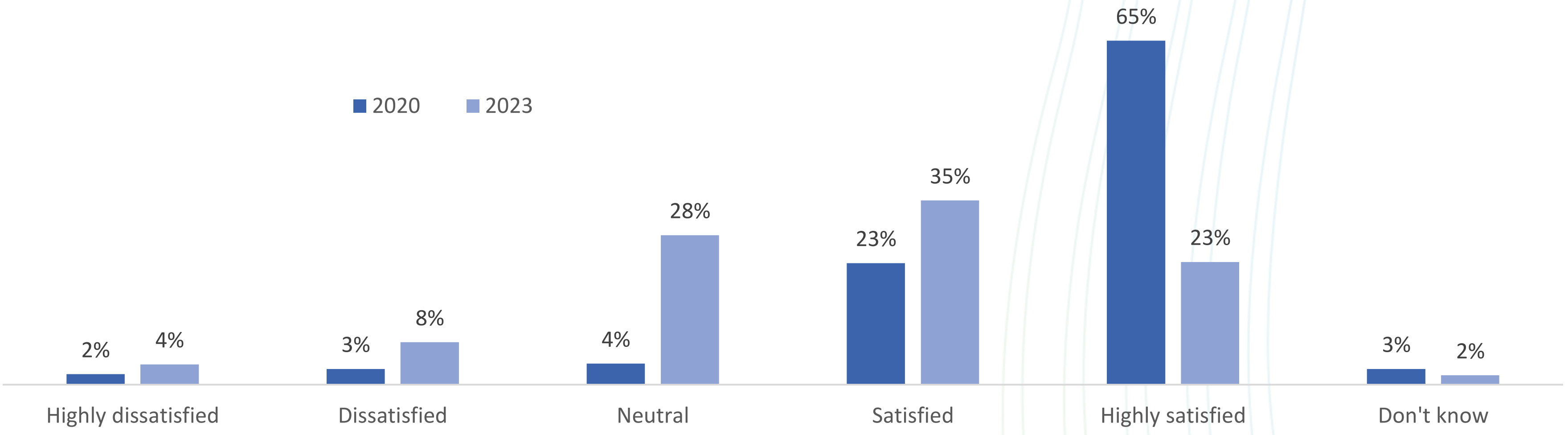
Number of respondents: Melita – 430; GO - 286



Faults and resolution (3 of 4)

Satisfaction level with the response received by operator when reporting such problems

Number of respondents who experienced disconnections, faults or other problems for their pay-TV service: 355 (2020: 274)

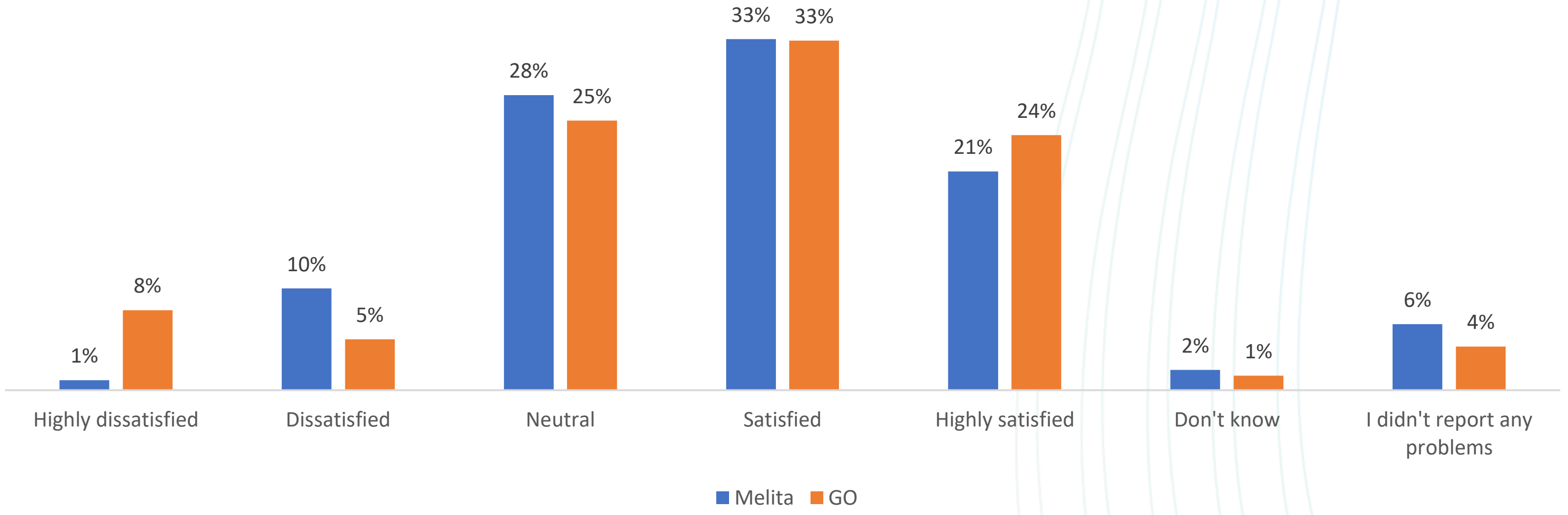


Faults and resolution (4 of 4)

Satisfaction level with the response received by operator when reporting problems, by pay-TV operator

Note: Epic isn't indicated, as the initiation of the pay-TV service by this provider occurred just a few days before the survey was conducted.

Number of respondents: Melita – 209; GO - 146

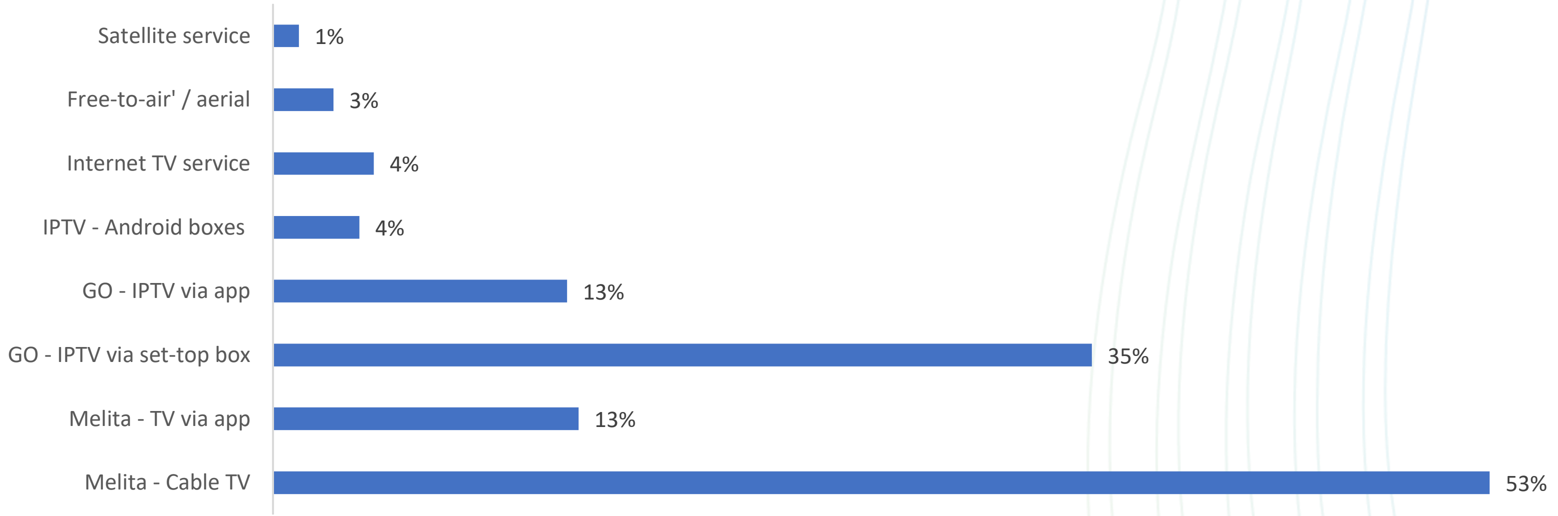


Use of alternatives to pay-TV services

TV platform in use (1 of 3)

Type of TV platform in use

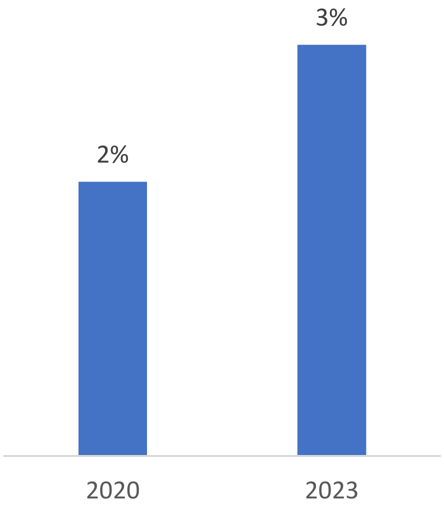
Number of respondents with a TV set at home – 803
Respondents were allowed multiple answers



Free-to-air TV usage (2 of 3)

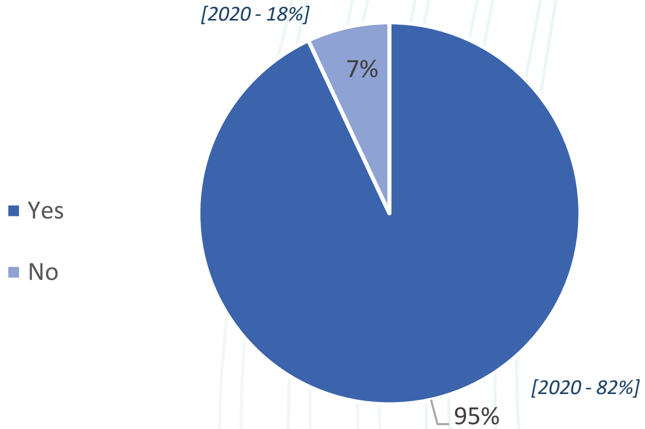
Share of respondents saying they use free-to-air TV service

Number of respondents with a TV set at home – 803 (2020: 867)



Viewership of Maltese TV stations when using free-to-air

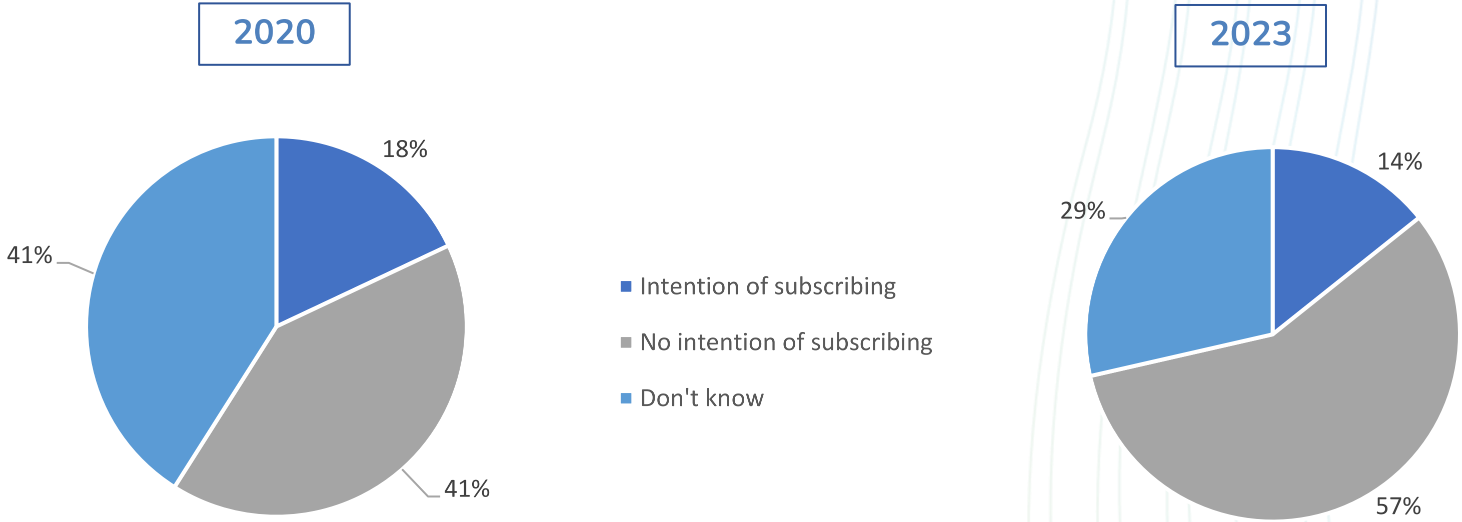
Number of respondents with no pay-TV subscription and using free-to-air: 21 (2020: 17)



Free-to-air TV usage (3 of 3)

Intention of subscribing to a pay-TV service

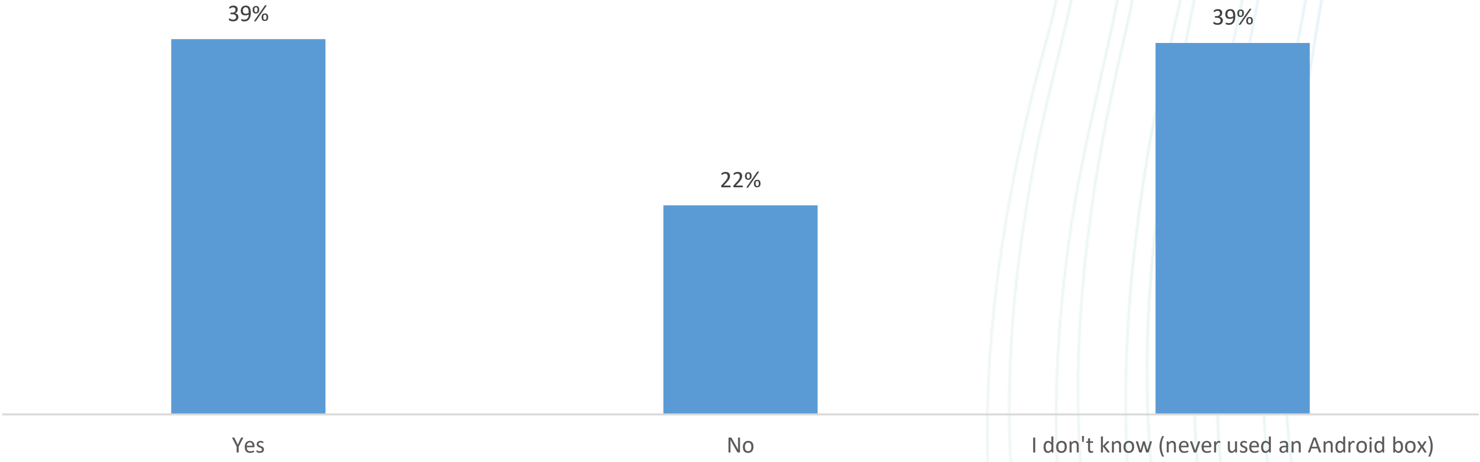
Number of respondents with no pay-TV subscription and using free-to-air: 21 (2020: 17)



Android Box (1 of 4)

Consideration of the Android box as an alternative to pay-TV services

Number of respondents who watch TV through a pay-TV subscription or an Android Box: 746

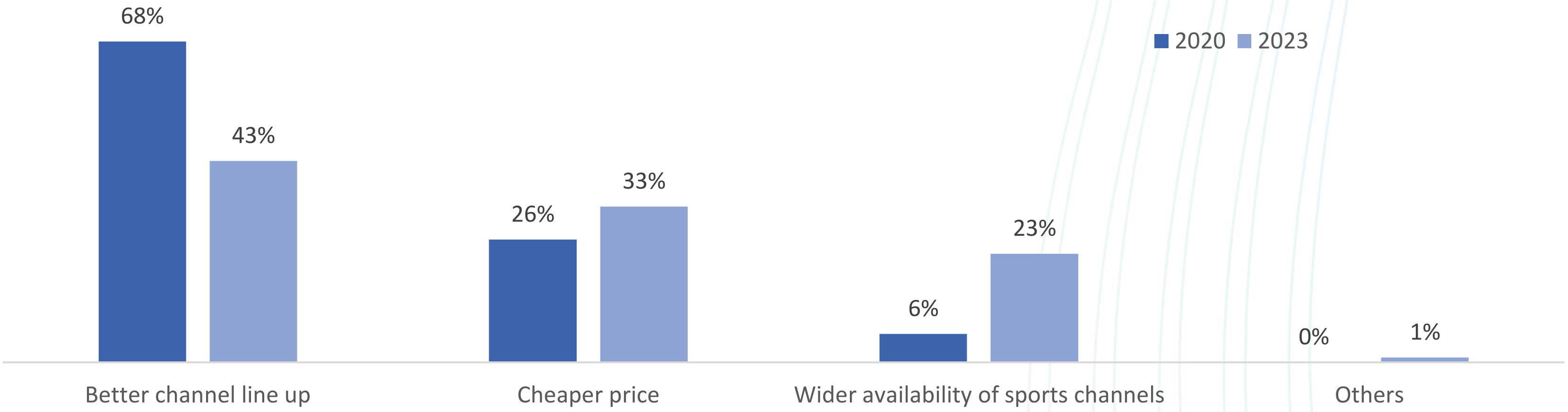


Android Box (2 of 4)

Reasons for using an Android box instead of a pay-TV service

Number of respondents who have an Android Box: 156 (2020: 165)

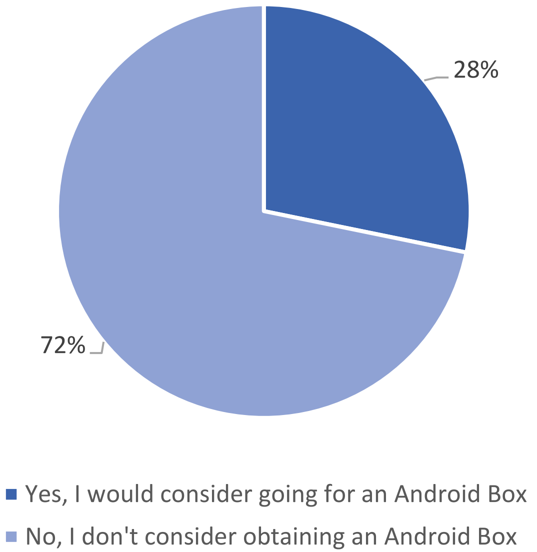
Ranking question



Android Box (3 of 4)

Switching considerations by pay-TV subscribers to an Android box in the next 12 months

Number of respondents with a pay-TV subscription – 716

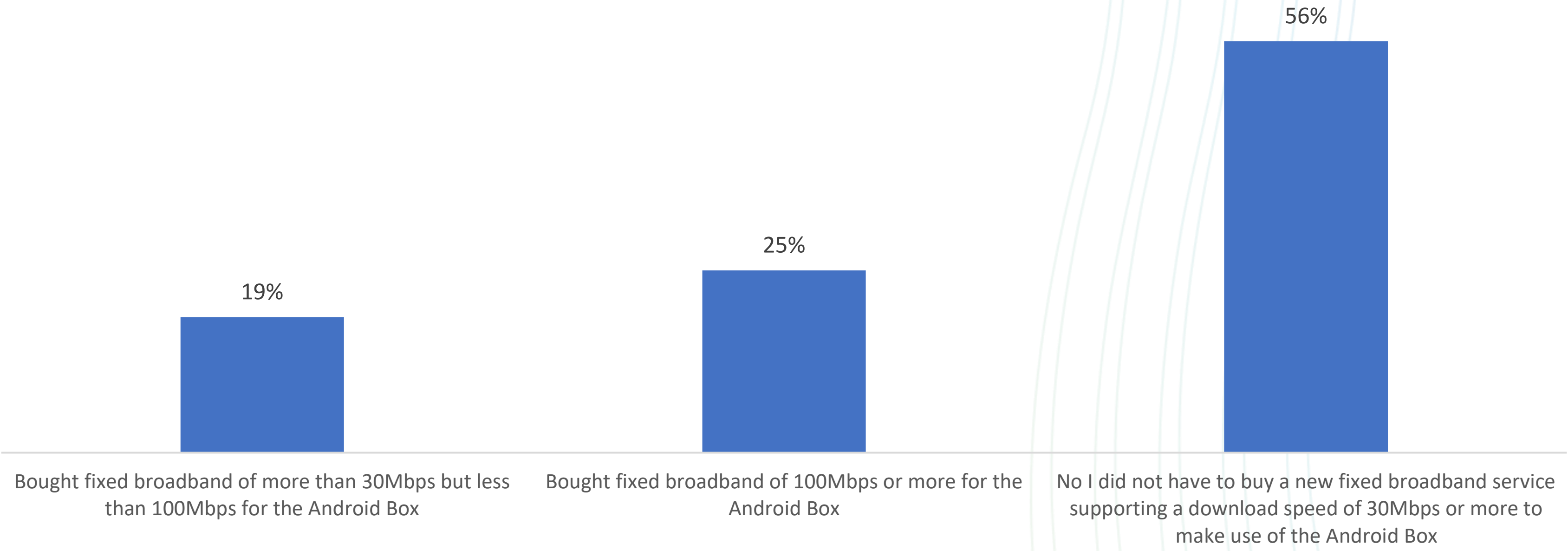


- 28% of the respondents would consider switching.

Android Box (4 of 4)

Internet download speed requirement for Android box users

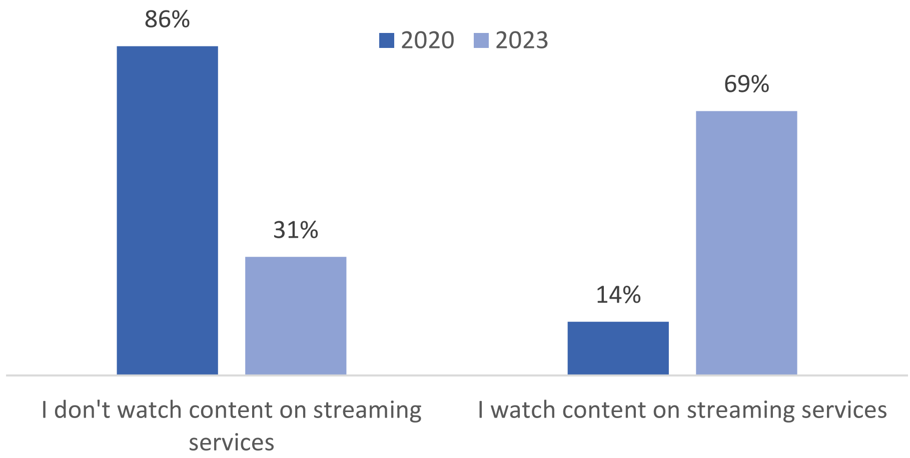
Number of respondents who have an Android Box: 156



Online streaming services (1 of 3)

Use of YouTube, Vimeo, Netflix or Disney Plus and others for audio-visual content

Total number of survey respondents: 808 (2020: 844)

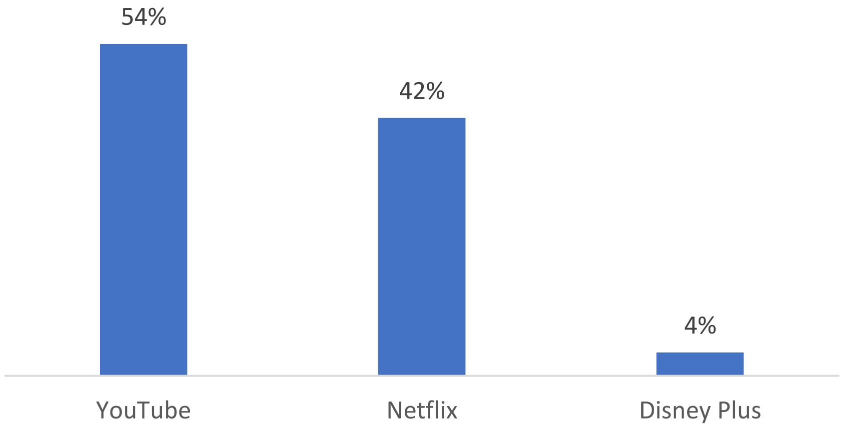


- Trends are changing as most respondents (69%) watch audio-visual content on YouTube, Vimeo, Netflix, Disney Plus.
- This result displays a significant increase from 14% in 2020.

Online streaming services (2 of 3)

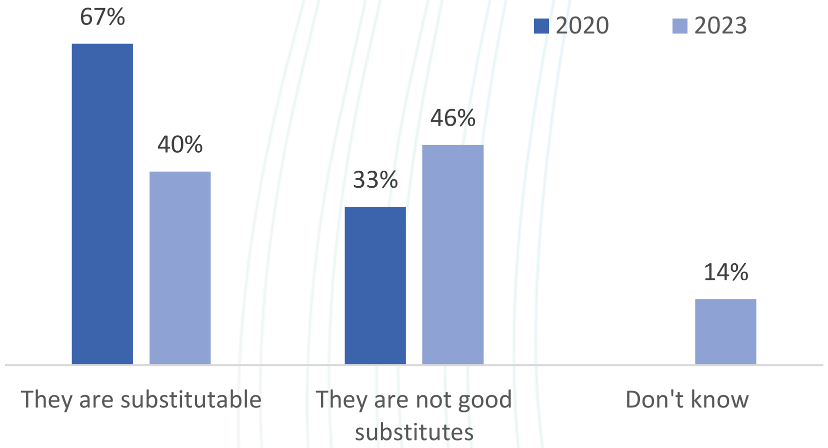
Streaming services used to watch audio-visual content

Number of respondents using online streaming services: 558



Perceived substitutability of online streaming services to pay-TV subscription services

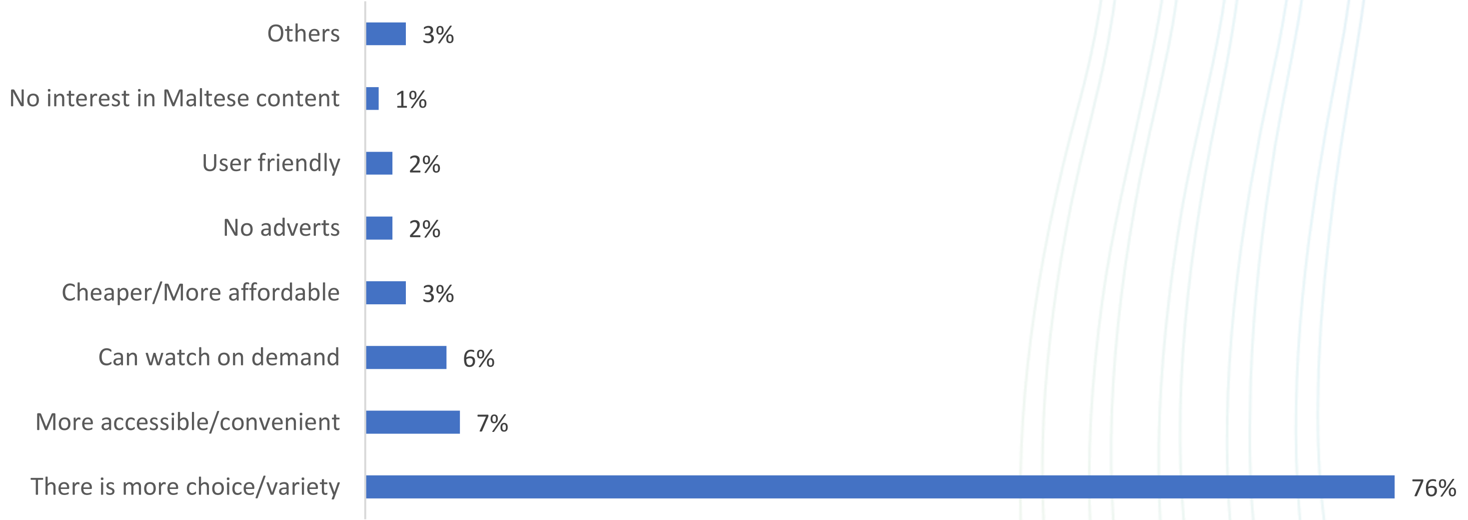
Number of respondents using both online streaming services and pay-TV services: 488



Online streaming services (3 of 3)

Reasons for considering streaming services as a good substitute to pay-TV subscription services

Number of respondents perceiving online streaming services as a good substitute to pay-TV: 197

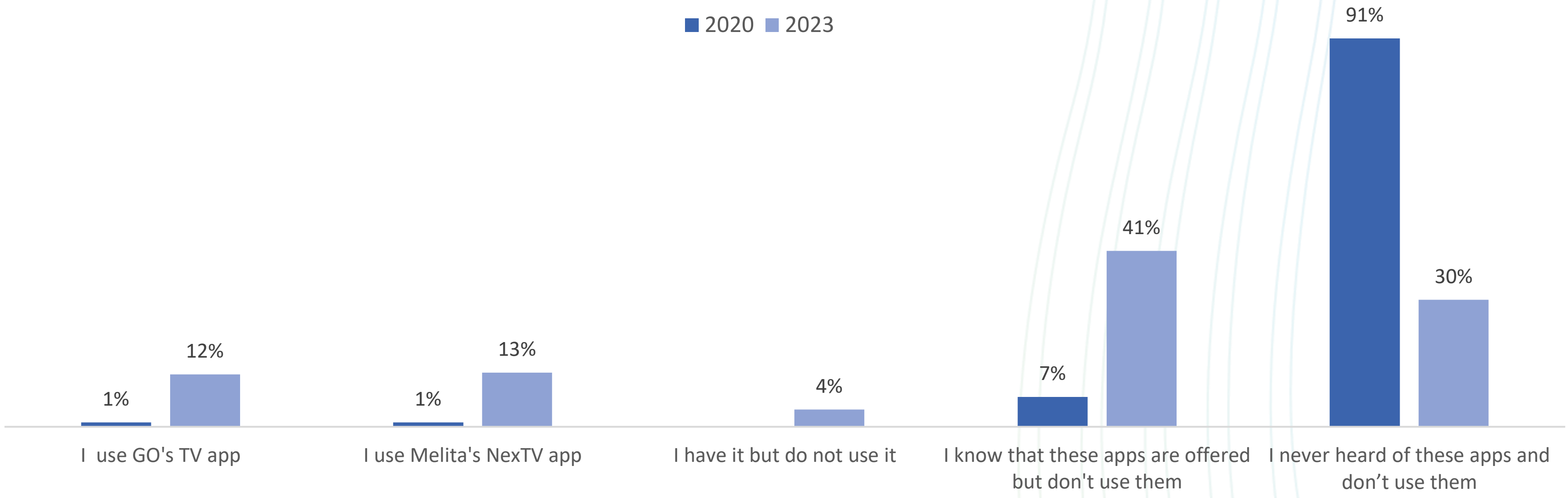


TV apps offered by local operators

Usage of the app-based TV services

Usage of GO's TV app and/or Melita's NexTV app

Number of respondents with a pay-TV subscription – 716

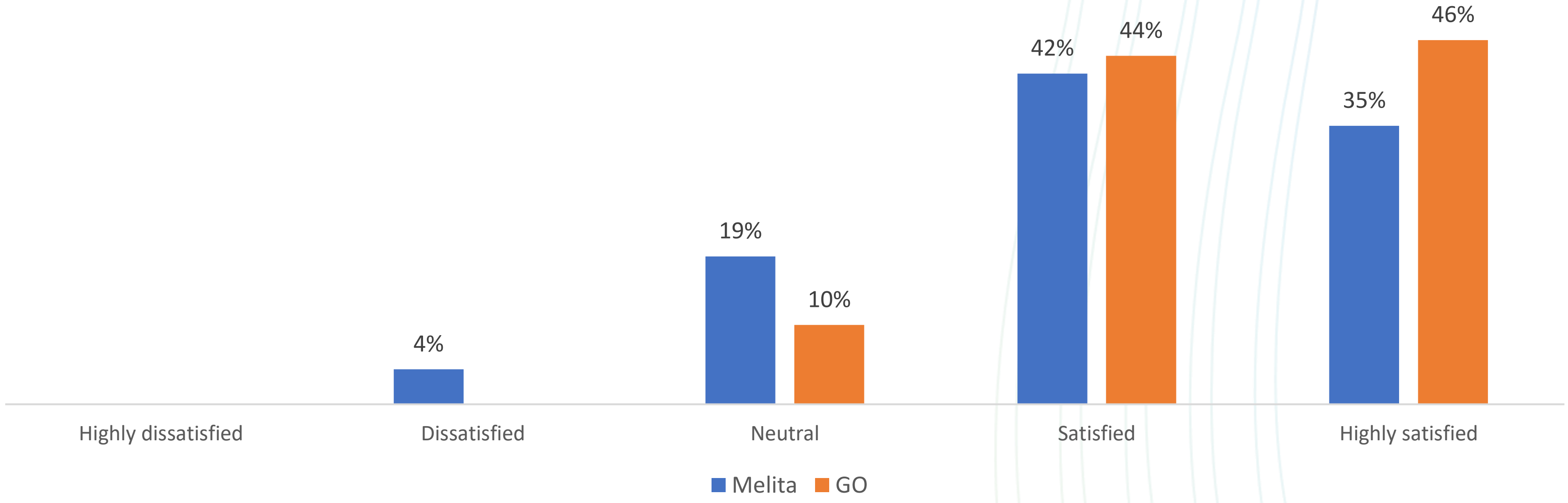


TV apps offered by local operators

Satisfaction with app-based TV services

Satisfaction levels with GO's TV app and/or Melita's NexTV app

Number of respondents who make use of GO's TV app: 88
Number of respondents who make use of Melita's app: 91

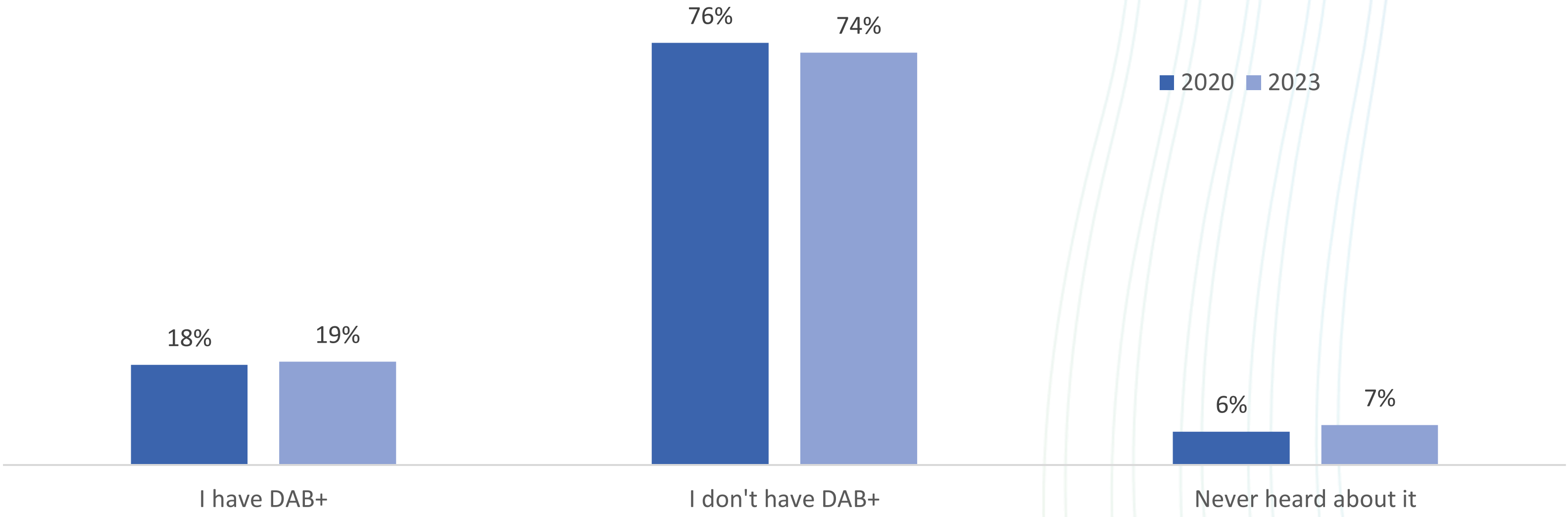


Digital Audio Broadcast (DAB) services

DAB services (1 of 6)

Usage and awareness of digital audio broadcast plus (DAB+) radio set

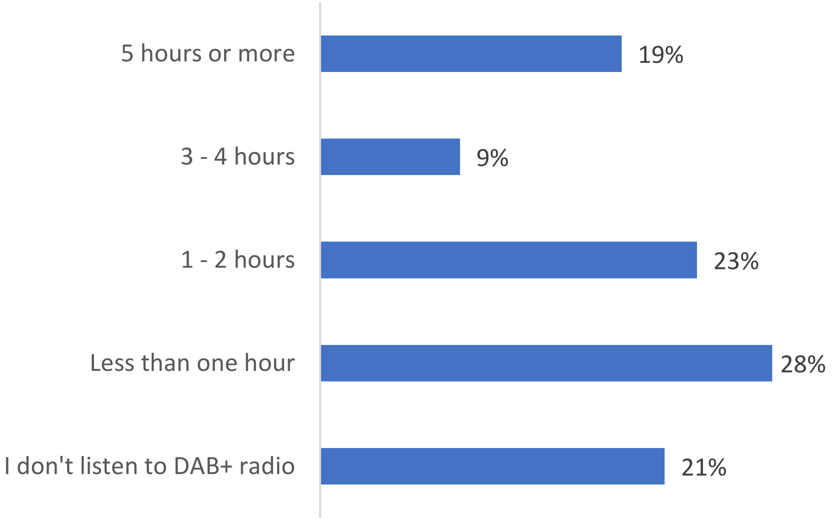
Total number of respondents: 808 (2020: 847)



DAB services (2 of 6)

Time spent listening digital audio broadcast plus (DAB+) radio in a typical week

Number of respondents who indicated having a digital broadcast plus radio set: 150

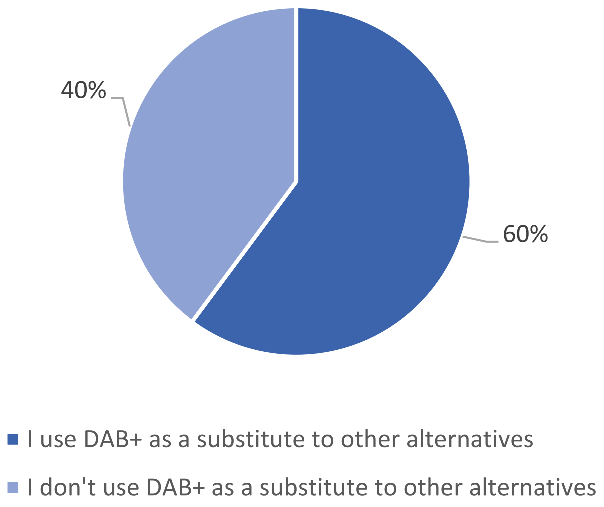


- 21% of the respondents reported not listening to DAB+ radio at all.
- Furthermore, 28% indicated that they listen to DAB+ radio for less than one hour per week.

DAB services (3 of 6)

Substitutability of DAB+ radio instead of FM radio stations or alternative audio content

Number of respondents who listen to DAB+ radio: 118

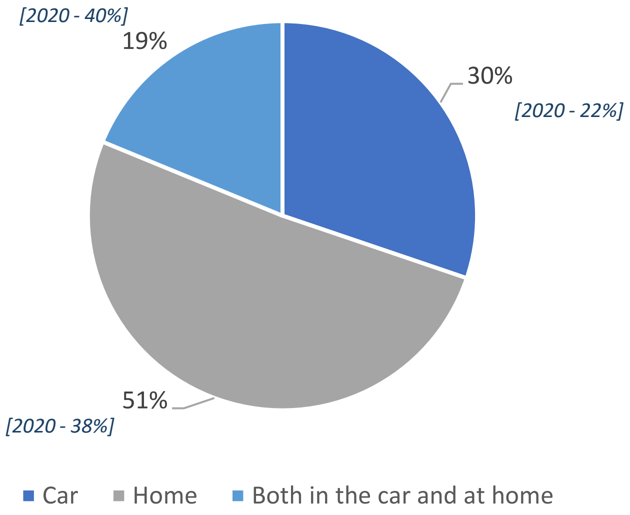


- Amongst those respondents who listen to DAB+ radio, 60% do so as a substitute for FM stations or alternative content offered on other platforms.

DAB services (4 of 6)

Placement of the digital audio broadcast plus (DAB+) radio

Number of respondents who indicated having a digital broadcast plus radio set: 150 (2020: 152)

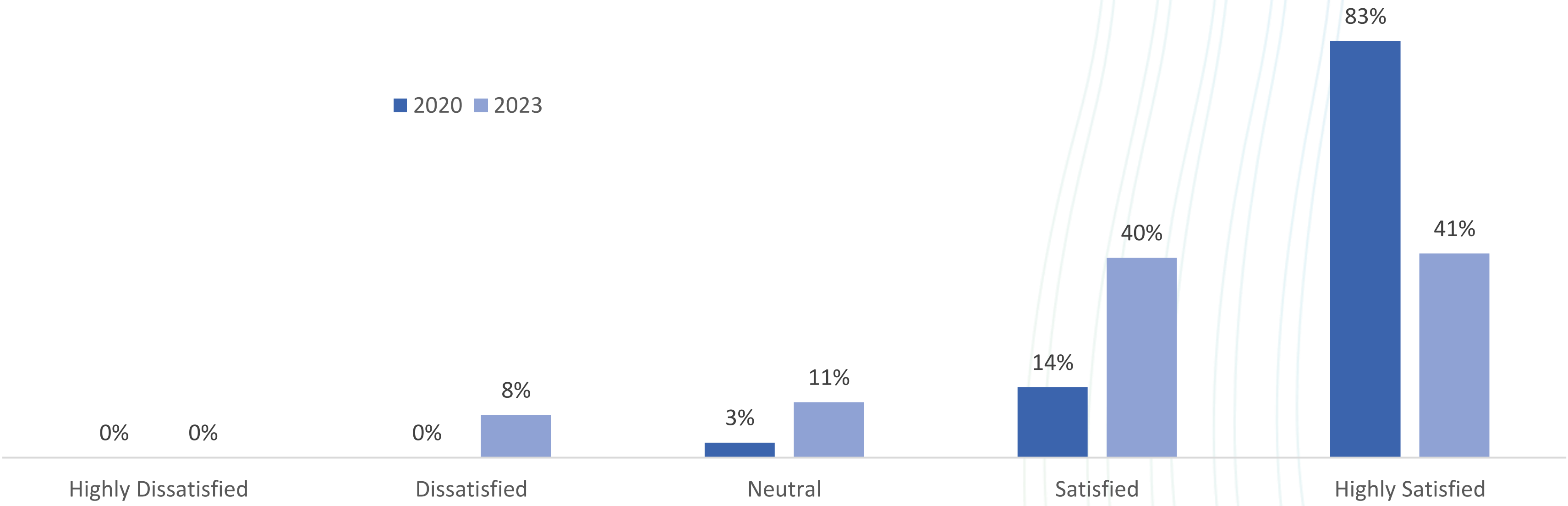


- More than half of the respondents reported having their DAB+ radio set placed at home, while 30% reported having their DAB+ radio set placed in their car.

DAB services (5 of 6)

Satisfaction with quality of DAB+ service

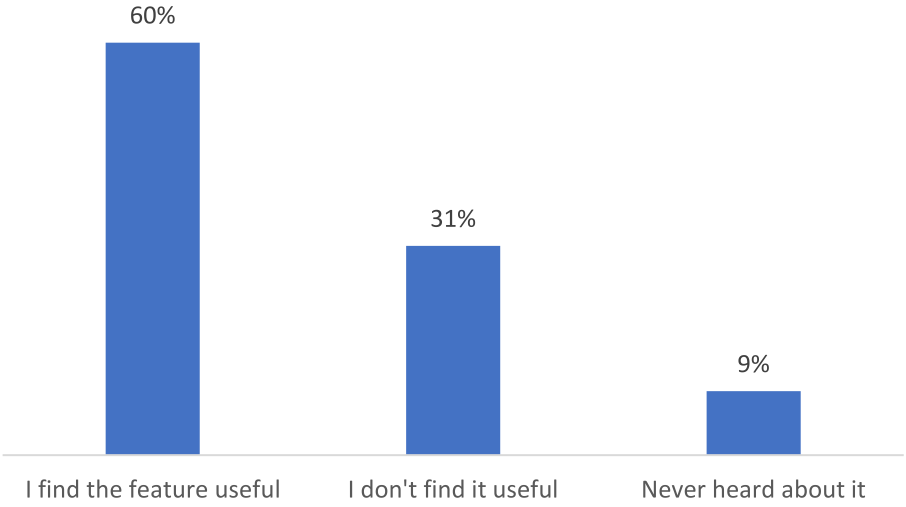
Number of respondents who listen to DAB+ radio: 118 (2020: 152)



DAB services (6 of 6)

Consideration of the in-band information feature of DAB+ radio

Number of respondents who listen to DAB+ radio: 118



- 60% reported finding the feature of in-band information presented on the screen of their DAB+ radio as useful.

THANK YOU

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