QUALITY OF EXPERIENCE FOR END-USERS

Electronic Communication Services

a MISCO INTERNATIONAL REPORT

for MALTA COMMUNICATIONS AUTHORITY

November 2022

INSIGHT | KNOWLEDGE | EXPERTISE

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INTRODUCTION

misco International was commissioned by The Malta Communications Authority to carry out research among the general public with the objective of assessing the experiences, behaviour and opinions regarding electronic services.

The mission of the Malta Communications Authority is ‘to promote and safeguard sustainable competition, customer choice and value for money in the electronic communications, eCommerce and postal sectors; and to facilitate the development of an environment that is conducive to investment, innovation, social inclusion and economic growth’. On the basis of this study, the Malta Communications Authority is seeking to gain further insight on the level of satisfaction of customers of electronic communication services based on their experiences.

Where possible, this report provides a comparison between the service providers within the Maltese market and where such comparisons cannot be drawn, an explanation is provided.

METHODOLOGY

This research was carried out by means of a Computer Aided Telephone Interviewing (CATI) method, with a total of 500 respondents, aged 16 years and over, across Malta and Gozo, according to a quota representative of the population in Malta and Gozo by age and gender and by location. Respondents were persons who have an active role in searching and choosing a service/s and are active users of the service/s. The estimated margin of error is +/-5%, with 95% confidence limits. The sample was also generally representative of the market shares of the main electronic communication service providers.

Telephone numbers were randomly selected using a random digit dialling system.

The questionnaire adopted for this research project was designed by clients, reviewed by **misco** and eventually approved by clients.

Interviewers involved in the project were selected from **misco's** pool of interviewers, who are all experienced and have been trained to carry out market research interviews. All interviewers were briefed on the purpose and method of the research before initiating fieldwork. A purposely trained coordinator supervised all fieldwork to ensure that it was carried out according to specifications.

The interviews were carried out between 18th July and 23rd July 2022. Fieldwork hours for household surveys take place between 16:00 and 20:30 during weekdays and between 09:00 to 13:00 on Saturdays.

Once fieldwork was completed the questionnaires were checked, coded, and passed on for data analysis.

CONFIDENTIALITY

misco International assures clients that the results of this research are treated with strict confidentiality and anonymity. Raw data submitted personally will not be submitted to any third parties.

Questionnaires will be electronically stored in a secure place for a period of two years from the date of invoice. We are 100% committed to protecting confidentiality and therefore research-related material will be deleted in a secure manner, after this period.

misco is a member of ESOMAR and undertakes its work in accordance with the code of practice of this organisation.

In addition to being completely voluntary, participation in this study was dependent on the respondent's informed consent and respondents were given the option to withdraw from the survey at any point.

OVERVIEW

The most common service, respondents are subscribed to, is the mobile telephony service. Just under four-fifths of respondents have a subscription that involves a bundle of services. In terms of market share, GO and Melita seem to share the market for fixed broadband, fixed telephony, and TV. The mobile telephony market is split between the three main providers however GO seems to be the current leader in the market.

Prior to buying a service most users opt to receive initial information from either an outlet or from the service provider's website. Respondents were very positive about the initial information provided and the agent they talked to in order to purchase the service.

Less than half of the respondents stated that they read the terms and conditions prior to purchasing the service and most of whom found the clauses to be understandable. When compared to 2019, a significant decrease is noted in the percentage of individuals who read the terms and conditions.

Just over four out of five respondents do not find the need to refer to the contract whilst using the services however 14% noted that they were not provided with a copy of the contract after signing.

Just over four out of five respondents consider the contact details of their provider accessible. Moreover, telephone remains to be the by far the most preferred and most used channel of communication with the service provider. Just under nine out of ten respondents consider the solutions provided by the service provider to have been effective to address the issues raised.

Just over two-fifths of the respondents stated that they experienced a fault in their service in the last twelve months primarily a fault to their internet service. Little change is noted in the percentage rate of faults experienced when compared to 2019. The majority of faults experienced in all four services were Melita customers. Only a quarter of those who experienced faults were provided with a temporary solution.

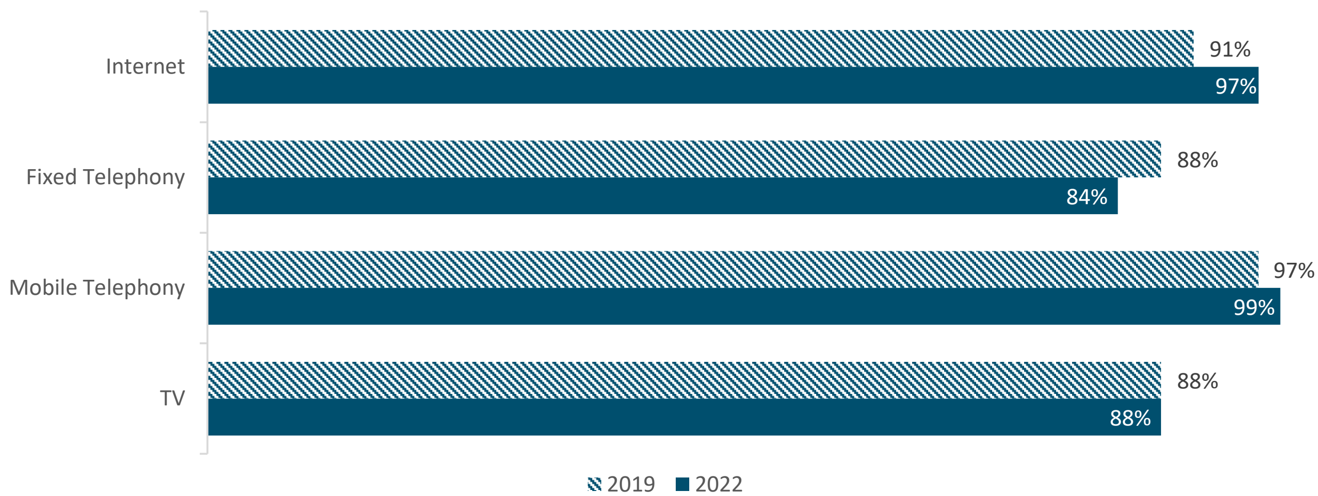
Nearly two-thirds of those subscribed to an internet service, are not aware of their internet download speeds and over four-fifths are not aware of their upload speed. Just under three-fifths of internet users do not know how to conduct an internet speed test.

INTERPRETATION OF RESULTS AND DISCUSSION

ELECTRONIC SERVICES AND SUBSCRIPTIONS

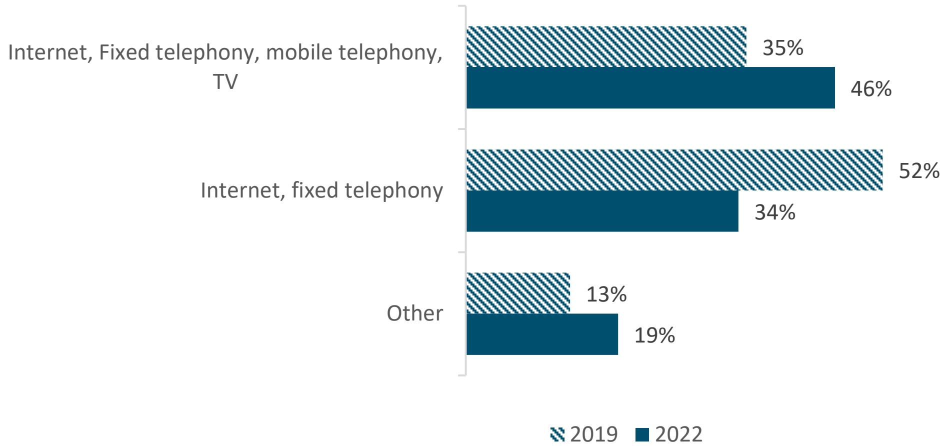
Across the Maltese population, mobile telephony (99%) and internet (97%) are among the most subscribed to electronic services, whereas fixed telephony is the least subscribed to service (84%). Younger respondents are significantly less likely to be subscribed to fixed telephony services and around four-fifths of respondents (78%) are subscribed to a bundle of services.

Chart 1: Q101. Which of the following electronic services are you subscribed to?



Just under half (46%) of those subscribed to a bundle, are subscribed to all four services and 34% are subscribed to a bundle including only internet and fixed telephony. When compared to 2019, a significant increase is noted in the percentage of individuals subscribed to bundles including internet, fixed telephony, mobile and television.

Chart 2: Q102a. Which services does your bundle include?

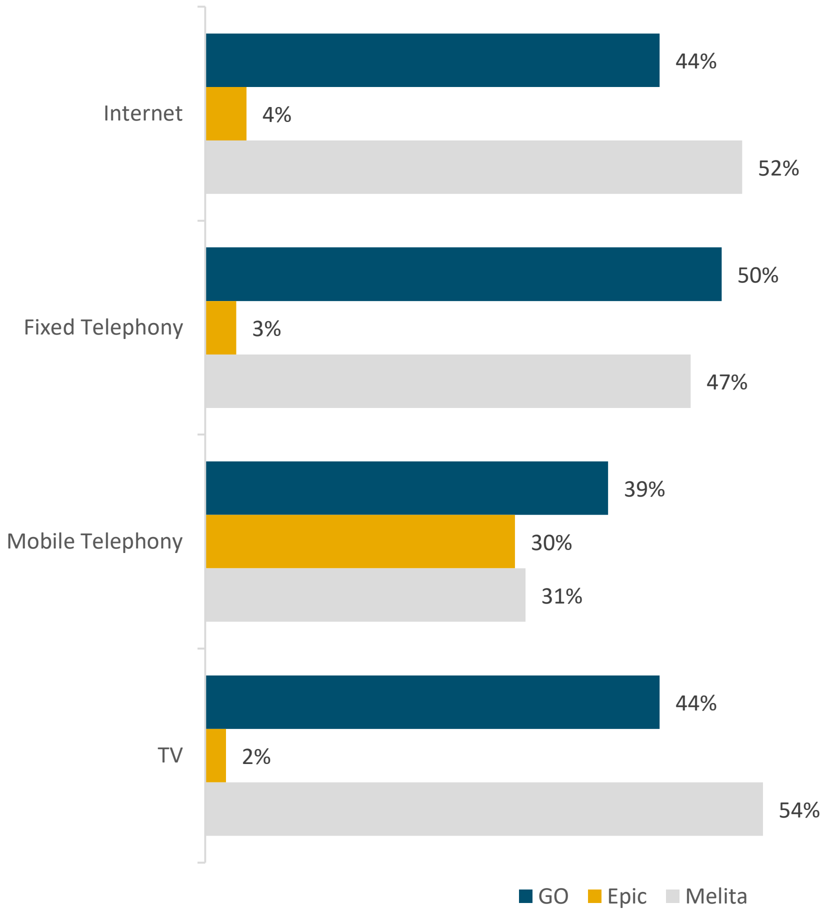


The largest market share among respondents that subscribe for internet on its own is of Melita at 58%. Among this segment, GO has a share of 38%. Among the segment of those who are subscribed to fixed telephony services on their own, GO has the largest share at 54%.

The situation is different for mobile telephony services. Among the segment that subscribes to mobile telephony services on their own, GO has a share of 32% while Epic has a share of 53%. With regards to TV services, 58% are subscribed to Melita and 40% are subscribed to GO.

Upon breaking down the share of respondents subscribed to bundles, one can outline the market shares of the three main providers in Malta in terms of internet service, fixed telephony, mobile telephony and television service. GO and Melita share the majority of the market in terms of internet (GO 44%; Melita 52%), fixed telephony (GO 50%; Melita 47%), and television (GO 44%; Melita 53%). The mobile telephony market is split between the three main providers, with GO leading the market with 39%, followed by Melita (31%) and Epic (30%).

Chart 3: Market share

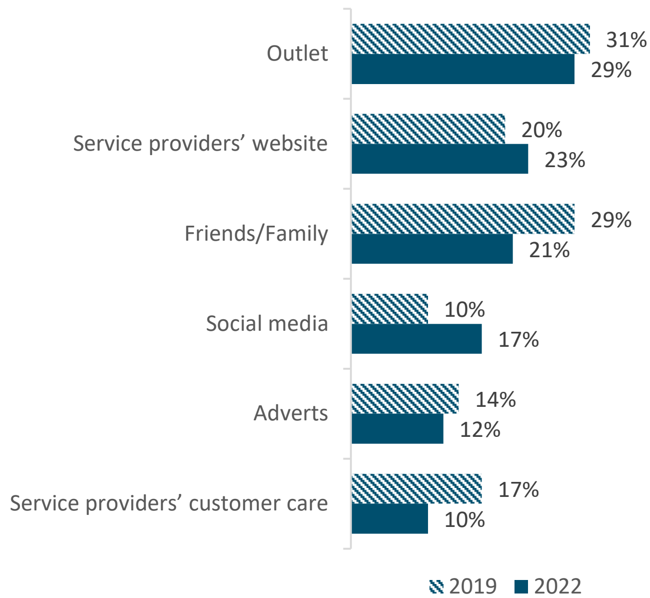


Maltese individuals seem highly unaware of the Telecosts website with only 4% of respondents having heard of it and, only 16% of whom have used it before. Out of the three individuals who have used this website before, one of them found it to be very useful whereas the other two found it to be slightly useful. Among such individuals, only one respondent is likely to recommend the Telecosts website to others.

All respondents were asked to determine where initial information is gathered from prior to buying such telecommunication services. Just over a quarter of respondents (29%) gather information from the providers' outlet, whereas 23% opt to make use of the providers' website. The younger the individual the more likely they are to opt for the service provider's website. Other sources of information used include family/ friends (21%), social media (17%), adverts (12%) and the service providers' customer care (10%).

Most respondents (93%) agreed that the initial information was understandable to an extent and 94% found the agent knowledgeable about the service required.

Chart 4: Q201. The last time you bought any of these services, from where did you gather initial information when shopping for these services? Please mention a maximum of two sources?

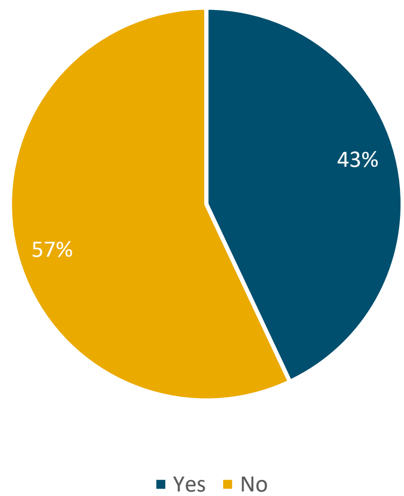


ELECTRONIC SERVICES CONTRACT

Just over a quarter of respondents (27%) have subscribed to a new plan in the last 12 months and just under half of such individuals (49%) were provided with a contract summary besides the detailed contract. Most individuals who were given a contract summary, found it to be very/ extremely useful (63%).

Just over two-fifths (43%) of respondents read the applicable terms and conditions prior to subscribing to a service or services, decreasing significantly when compared to the 54% reported in 2019. Just over a third (78%) of individuals who read the terms and conditions prior to signing the contract, consider the clauses to be understandable. Moreover, most respondents (81%) have not had the need to refer to the contract whilst using the service and 86% were provided with a copy of the contract either as a soft or hard copy.

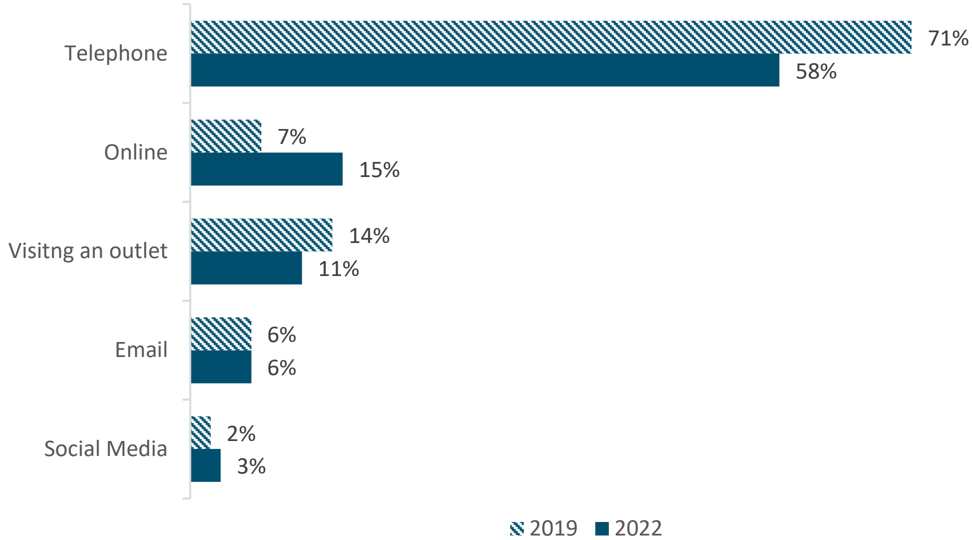
Chart 5: Q301. The last time you bought any of these services, did you read the applicable terms and conditions before subscribing to a service or services?



CONTACTING THE SERVICE PROVIDER

On a scale of one to four where one means not accessible at all and four means very accessible, the contact details of service providers achieved a mean score of 3.3 based on respondents' latest interactions. Although telephone (58%) remains the most preferred customer contact channel, a decrease is noted when compared to 2019 (71%). Online chat/website is the most preferred channel for 15% of respondents and seems significantly more preferred among those aged between 25 and 34.

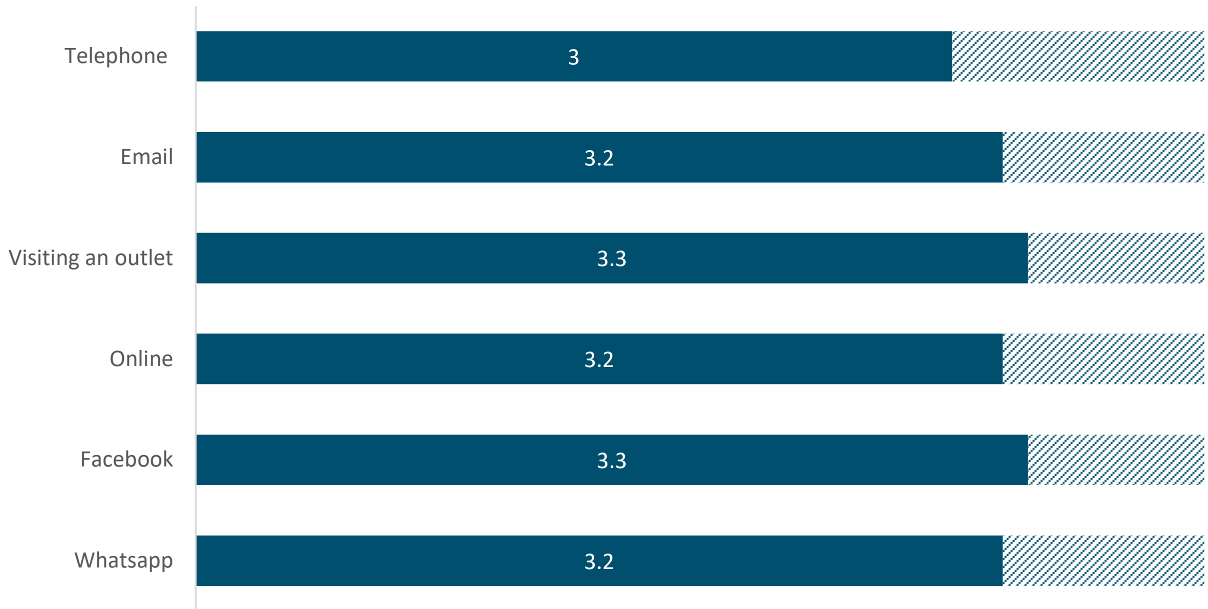
Chart 6: Q402. Which is your most preferred customer contact channel?



In the past six months, 43% of respondents made use of the telephone to contact customer care and 17% opted to use the online chat/ website. Respondents who contacted customer care for any of the telecommunication services, were asked to rate the medium used on a scale of one to four where one meant very poor and four meant extremely good. When compared, telephone achieved the lowest average rating of 3, whereas physical visit to the outlet and Facebook achieved the highest average of 3.3 each. In addition, WhatsApp, email and online each scored an average rating of 3.2. An average score was calculated for all customer care channels to contact service providers. A mean rating of 3.1 was achieved overall.

Given that respondents could be clients of more than one service provider, and it is impossible to know which service provider they had in mind when answering the question, comparisons between service providers in terms of customer care channel satisfaction cannot be drawn.

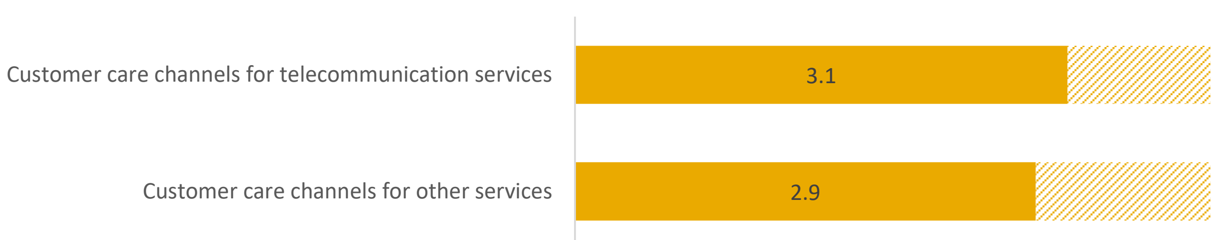
Chart 7: Q408. Please rate each of the customer care channels you used.



Most respondents (89%) agreed that when seeking support from the service provider, solutions were provided in an effective manner.

For comparison, respondents were asked to determine if they made use of any customer care support for services other than telecoms in the past 12 months. A quarter of respondents did seek support, many of whom sought out support for banking (24%) and government services (19%). On a scale of one to four where one meant not satisfied at all and four meant very satisfied, the customer care channels for other sectors achieved an average score of 2.9.

Chart 8: Q408b. Average score for all channels. Q477. How satisfied were you with the quality of the customer care channels you used?



QUALITY OF SERVICE

Just under three-fifths of respondents (59%) stated that, in the last twelve months, they did not experience a fault to any of the services they are subscribed to. This is in line with figures reported in 2019 (56%). A fault was described as a complete service disruption. The majority of those who experienced a fault noted that this was to their internet service (79%). Mobile telephony (16%) services had the least faults experienced however a significant increase when compared to 2019 (4%). Across all four services, Melita customers seem to have experienced the most problems.

Chart 9: Q502. Which service was that?

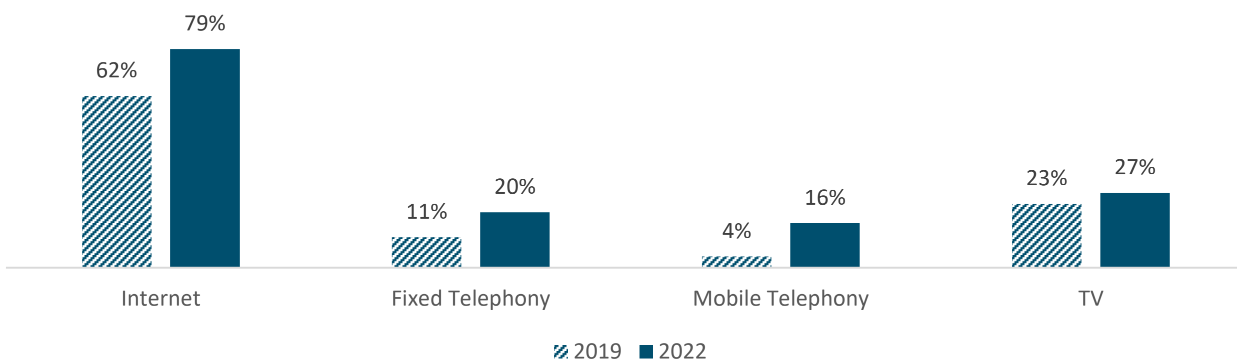


Chart 10: Q503. And who was the service provider?

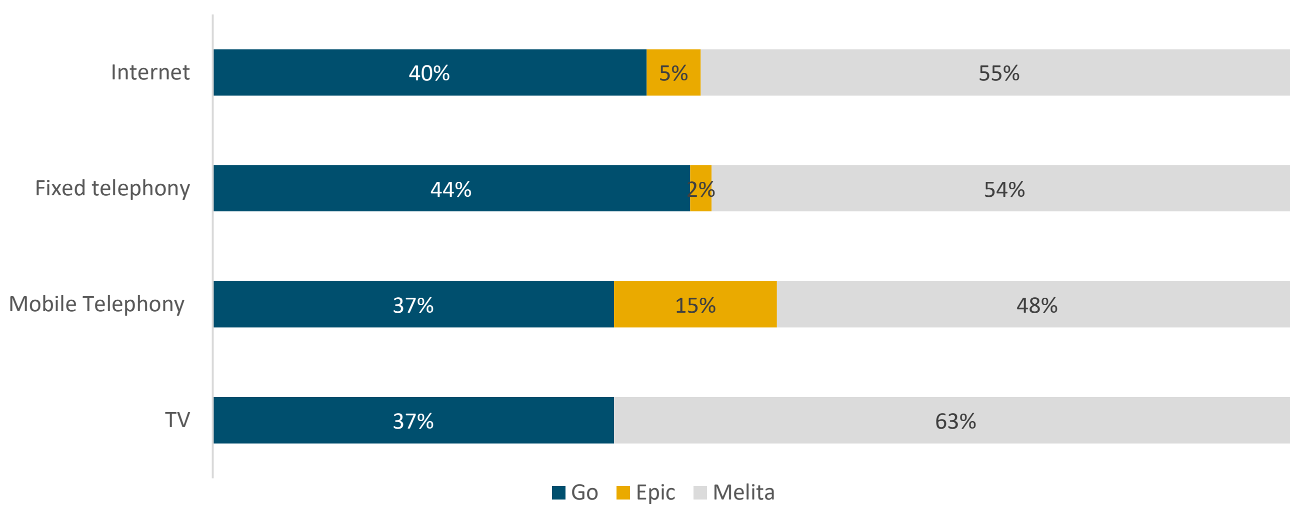


Table 1: Internet providers' market share and share of fault complaints

	Market Share	Incidence of complaints per market share	Share of Complaints
GO	44%	30%	40%
Epic	5%	36%	5%
Melita	52%	35%	55%

Table 2: Fixed telephony providers' market share and share of fault complaints

	Market Share	Incidence of complaints per market share	Share of Complaints
GO	50%	9%	44%
Epic	3%	9%	2%
Melita	47%	11%	54%

Table 3: Mobile telephony providers' market share and share of fault complaints

	Market Share	Incidence of complaints per market share	Share of Complaints
GO	39%	6%	37%
Epic	30%	3%	16%
Melita	31%	10%	48%

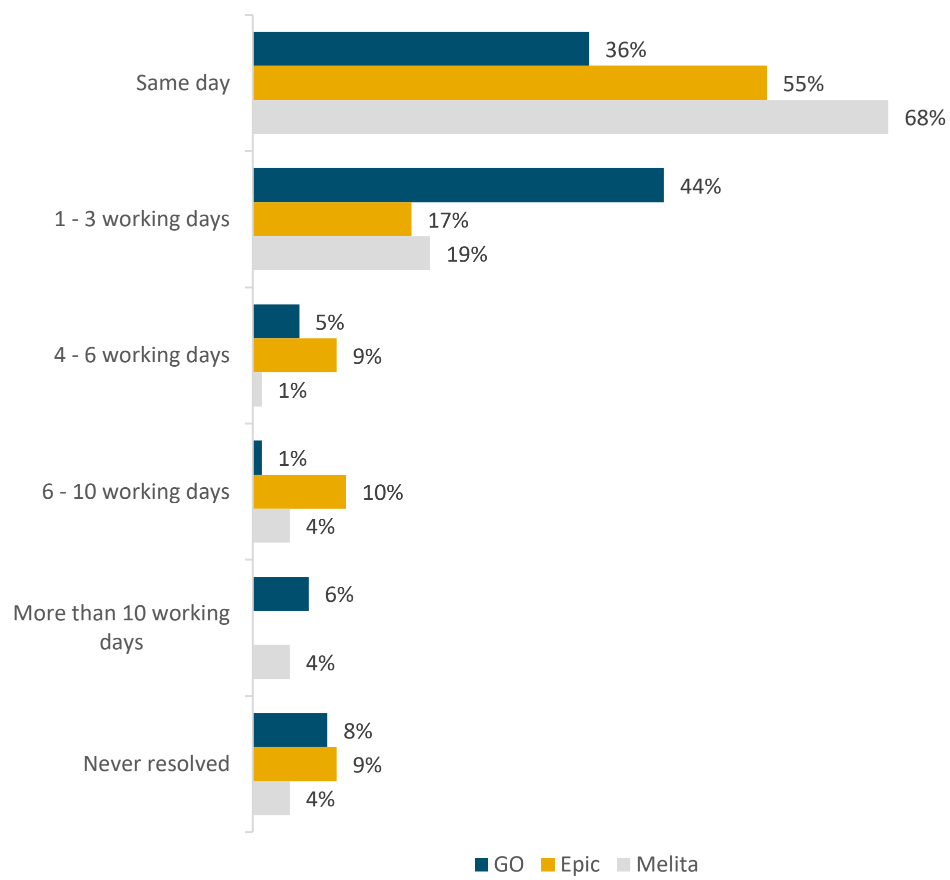
Table 4: TV providers' market share and share of fault complaints

	Market Share	Incidence of complaints per market share	Share of Complaints
GO	44%	10%	37%
Epic	2%		
Melita	53%	14%	63%

The market share outlined in the tables covers those who subscribe to the service alone and also those who subscribe to the service as part of their bundle.

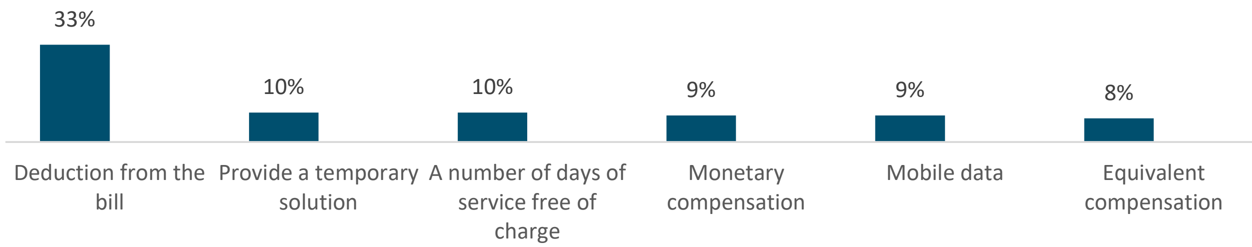
Most service providers manage to resolve faults experienced within the same day (54%) or between one to three working days (29%). Sixty-eight percent of Melita customers, 55% of Epic customers and 36% of GO customers who experienced a fault, had it resolved within the same day. Most of the individuals (74%) who experienced a fault within the last 12 months were not provided with a temporary solution. Among those provided with a temporary solution, 94% were satisfied to an extent with the solution provided. Moreover, only 8% of those who experienced a fault in the last 12 months but were not provided with a temporary solution, were given compensation. Almost three-fifths (59%) of those given compensation, had to request it, however most respondents (84%) were satisfied with the compensation provided.

Chart 11: Q504. How long did it take your service provider to resolve the fault?



Just under three-quarters (72%) of the users who experienced faults but were not given a temporary solution or compensation, were not expecting any compensation. Among those who were expecting some form of compensation or redress wanted a deduction from the bill (33%), a temporary solution (10%) or days of free service (10%). Base size is low for such questions, thus accurate conclusions cannot be drawn.

Chart 12: Q510b. What compensation or redress were you expecting?

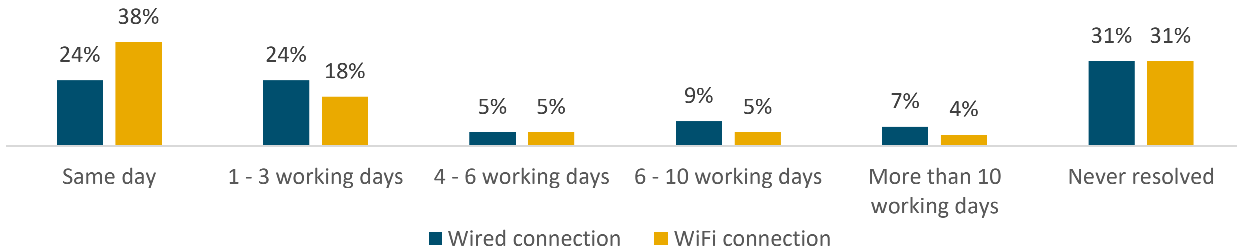


Two-thirds of those subscribed to an internet service, are not aware of their internet download speed and 82% are not aware of their upload speed. Females are significantly more likely to not know their internet upload and download speed. In 2019, 73% were not aware of their internet upload or download speed.

Only 31% of respondents have never experienced fixed internet download or upload speeds that are slower than that marketed when purchased, decreasing from 41% reported in 2019. Just over a third of Melita customers (34%), 28% of GO customers and 23% of Epic customers have never experienced internet that is slowed than what was marketed when purchased. Over half (55%) of those who experienced slow download/ upload speeds were connected to WiFi and 24% noted that slowed speeds were encountered both when connected to WiFi and when connected through a wired connection. Seventy-one percent of Epic internet customers, 56% of Melita customers and 51% of GO customers, experienced slower internet speeds when connected through WiFi. Moreover, 14% of GO internet customers, 13% of Epic customers and 11% of Melita customers experienced slower internet speed when connected through a wired connection and 27% of Melita customers, 22% of GO customers and 9% of Epic customers experienced slower internet through both a wired connection and WiFi. Just under a third of those who experienced slow connection through a wired connection

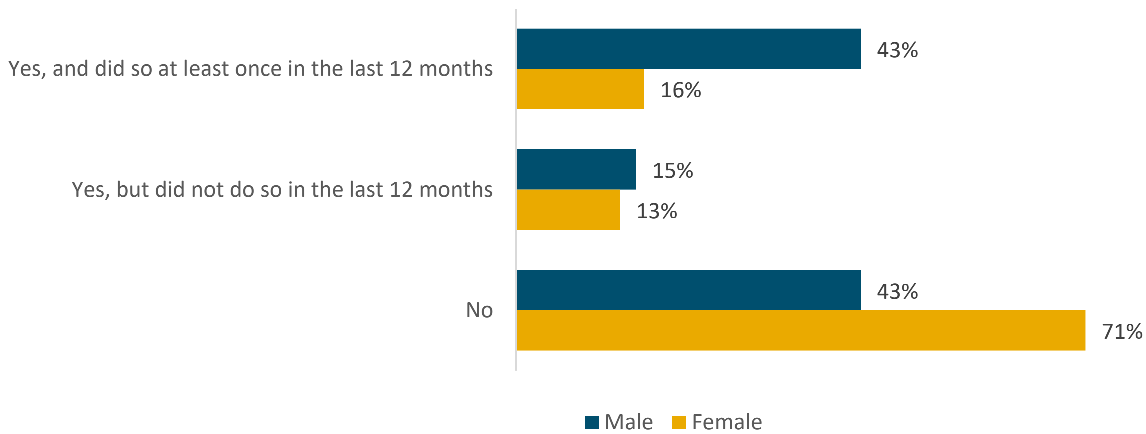
(31%) and through WiFi (31%) were never resolved. A quarter of Melita internet customers and GO customers who experienced slow internet service through a wired connection had their issues resolved within the same day.

Chart 13: Q513. Please indicate how long it took your service provider to resolve the issue?



Over half of respondents (57%) do not know how to conduct an internet speed test, decreasing from the 67% reported in 2019. Only 29% of respondents know how and conducted an internet speed test in the last 12 months. The remaining 14% know how to conduct an internet speed test but have not done so in the last twelve months. Females are more likely than males not to know how to conduct an internet speed test, as are persons aged 45 years and over. Around three-fifths (61%) of those individuals who know how to conduct an internet speed test, do so over a wireless connection.

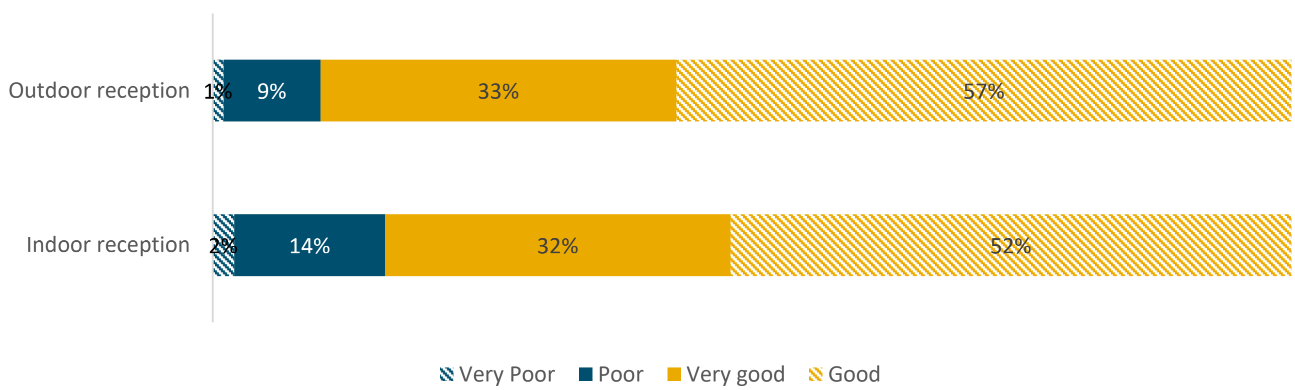
Chart 14: Q514. Do you know how to conduct an internet speed test?



On a scale of one to four where one means very poor and four means very good, outdoor mobile service reception achieved an average score of 3.2, with 90% of respondents finding it good to an extent. On average, all three mobile service providers achieved similar ratings with GO and Epic achieving a mean score of 3.3 and Melita a mean score of 3.1.

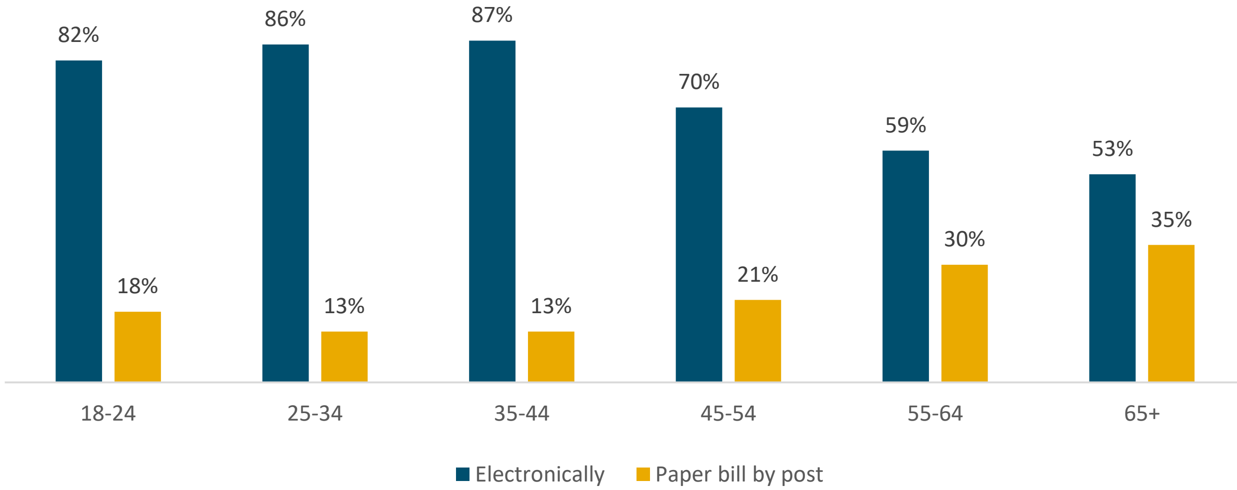
Moreover, indoor mobile reception achieved an average score of 3.1, with 84% of respondents finding it good to an extent. Both ratings decreased when compared to 2019, 3.6 achieved for outdoor reception and 3.5 for indoor reception.

Chart 15: Q516. How do you rate your outdoor mobile service reception? Q517. How do you rate your indoor mobile service reception?



Just under three-quarters (72%) of respondents prefer their bill to be delivered electronically, and 22% prefer a paper bill sent by post. When compared to 2019, preference for electronically sent bills, seems to have increased (53% in 2019). A significant preference for paper bills is noted among persons aged 55 years and over. Almost all respondents (93%) agreed that their bill is easy to understand.

Chart 16: Q601. What bill delivery method do you prefer (if applicable)?

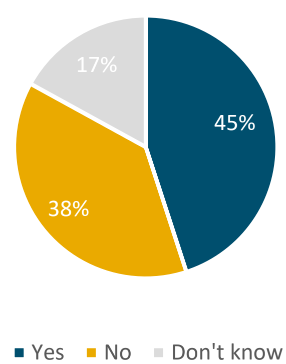


Just over a quarter (26%) of respondents needed to access an itemised bill for their mobile or fixed telephony. Of those who needed to access an itemised bill 91% found it easy to understand.

In line, with figures achieved in 2019, (13%) within the past 12 months, 15% of respondents requested a correction in their bill, and for the majority of them (87%), this led to a correction in the bill. Moreover, 85% of individuals who requested a correction in their bill and were granted one were satisfied with how the matter was handled.

Just under half of the respondents (45%) noted that they received a notification before the initial contract expired.

Chart 17: Q608. Before your initial contract expired, did you receive an alert notification?



During the last 12 months, 95% of respondents did not terminate any services. Three-quarters of those individuals who terminated a service found the information regarding the termination process to be easily accessible. Over half (56%) of those who terminated a service in the last 12 months found the early termination fees to be high, however just over three-fifths (63%) of respondents found the termination process to be efficient to an extent. Base size is low for such questions thus accurate conclusions cannot be drawn.

Overall, most respondents (94%) are satisfied with their experience with the service provider. Younger individuals seem significantly more likely to consider their experience as not so satisfactory. Given that respondents could be clients of more than service provider, and it is impossible to know which service provider they had in mind when answering the question, satisfaction with each service provider cannot be drawn.

Chart 18: Q707. How would you rate your overall experience with your service provider? Are you…?