Oftel Office of Telecommunications

Consumers' use of mobile telephony

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Chapter 1

Introduction

1.1 This report provides an overview of the key findings of consumer behaviour in the mobile market, taken from the eleventh wave of Oftel's quarterly residential consumer survey, conducted in November 2002. Results from previous waves are used for comparison purposes where appropriate and referred to throughout this report.

1.2 The report provides trend information and examines differences between consumers with different social characteristics. The sample and methodology were changed in May 2002. It is important to understand these changes and the effect this has on the results. Please see annex A for further details.

1.3 The survey was conducted for Oftel by Recom (Research in Communications) amongst 2312 UK adults[1] during November 2002, of whom 69% claimed to have a mobile. The report also includes results from an ad-hoc survey conducted for Oftel by ICM Research amongst 1001 GB adults[2] aged 18+ with fixed line phones during October 2002. The report has been prepared by Oftel[3], based on the results provided by Recom and ICM Research.

1.4 This report covers:

- UK penetration of mobile phones, networks, packages and services used;
- Which consumers are using mobiles;
- Choice of package and switching behaviour;
- Use of mobile phones abroad;

[1] This survey was conducted amongst a representative sample of UK adults, reflecting the UK profile of sex, age, social grade, region and employment status and representative of cabled/non cabled areas, rural/urban areas and levels of deprivation. Data has also been weighted to ensure the sample is representative of the UK adult population.

[2] This survey was conducted amongst a representative sample of GB adults, reflecting the GB profile of sex, age, region and housing tenure. Data has also been weighted to ensure the sample is representative of the GB adult population.

[3] Because the surveys were conducted amongst a sample of adults, rather than the whole population, the data may be subject to a small margin of error. The error margin for the total sample of 2312 consumers is about 1-2%, for around 1000 consumers it is around 2-3% but higher amongst smaller subgroups. All data shown is weighted data. Unweighted base sizes are shown on charts and tables to show the number of people who were asked the question. Results referred to as 'significantly' different, have been tested at the 95% level of confidence and hence are outside of the error margins and therefore can be considered real changes. The report should not be seen as recommended best buys and should not therefore be relied upon when making purchase decisions. Oftel has conducted its own checks on the data in this report and whilst we consider it to be correct, Oftel accepts no liability in respect of any of the results provided to it by Recom and ICM or any decisions taken by any person in reliance on the report.

- Use of text messages instead of voice calls; and
- Customer satisfaction.

1.5 A copy of the questions is attached in annex B. Topics to be researched each quarter are requested by Oftel project teams and results feed into current investigations and reviews in individual market areas.

Chapter 2 - Summary findings

Headline figures

- 69% of UK adults own/use a mobile phone, 80% of households have at least one mobile;
- 72% of mobile customers use a pre-paid package, 25% subscribe to a monthly contract, 3% use an all in one package;
- 36% of mobile customers frequently send text rather than make mobile (voice) calls;
- 34% of mobile users have used their mobile abroad – 46% of these were satisfied with the cost of using abroad; and
- 93% were satisfied with their mobile service overall.

Mobile ownership remains stable and pre-pay remains the most popular package

2.1 Mobile ownership remains relatively unchanged over the last year and stands at 69%[4] amongst the revised sample.

2.2 Drop reported last quarter in fixed penetration due to mobile only usage sustained this quarter

2.3 Mobile ownership remains higher amongst younger age groups. Pre-pay packages remain the most popular payment option in the UK.

There has been a significant increase in switching from last quarter and 45% of mobile customers would consider switching payment package type if it was considerably cheaper for their needs

2.4 Over a third (34%) of mobile customers have ever switched network – an increase from 26% in August. As noted in previous reports, this apparent rise in switching might partly reflect consumer confusion surrounding the recent re-branding of O2 (formally BTCellnet) and T-mobile (formally One2One) so some caution should be applied in attributing this rise to ‘real’ switching. We will continue to monitor consumers’ switching behaviour in the mobile market. Younger customers and monthly subscription users remain amongst those most likely to switch.

2.5 45% said they would consider switching payment package type if it was significantly cheaper for their needs – three quarters (76%) of these would consider switching networks if the cheapest of their required payment package was not with their current supplier. Post-pay package users were more likely to consider switching to a pre-pay package (60%) than pre-pay customers were to switch to a post-pay package (37%).

[4] Lower than 73% reported in February 2002 (Q8) due to sample changes and greater inclusion of deprived areas where mobile ownership is lower than average

A third of mobile customers have used their mobile abroad

2.6 34% of mobile customers have used their mobile phone abroad – an increase from 19% in August 2001. Those most likely to have used their mobile abroad were those aged 35-54, higher social groupings and those on post-pay packages.

2.7 3 in 5 (61%) of those who had used their mobile abroad claim to be aware exactly or roughly how much it costs to use their mobile abroad and 40% of those who had used their mobile abroad frequently were satisfied with the cost of using their mobile abroad. However 53% said that the actual cost of using their mobile abroad was more than they had expected and 37% claimed they would use their mobile phone abroad less in the future because of the impact of cost. 45% said that their usage would not be affected by cost.

Some consumers sending text messages instead of making voice calls in various circumstances

2.8 At varying levels of frequency, 7 out of 10 mobile customers send text messages rather than making voice calls from their mobile – just over a third (36%) do so frequently. Around 2 in 5 mobile customers' send texts rather than making fixed voice calls in a variety of circumstances.

2.9 Convenience and cost are the main reasons consumers are choosing to send texts instead of voice calls, be it fixed or mobile calls. Half claimed to send text messages when their home fixed line was tied up or connected to the Internet. 2 in 5 (41%) claimed to send text messages as it was cheaper than calling another mobile network.

Satisfaction with overall mobile service remains stable this quarter; mobile customers are slightly less satisfied with overall phone service than fixed line customers

2.10 93% are satisfied with their overall mobile service. Satisfaction is slightly but significantly less than current satisfaction with the fixed market (96%). Satisfaction with both these markets remain higher than for the Internet (90%).

2.11 Satisfaction is highest with choice of services and choice of packages and tariffs. Satisfaction with cost of calling people on other networks is lower and is also rated as a comparably important aspect of service by mobile customers – 52% considered this to be very important. Satisfaction with overall value for money has fallen from 87% in August to 84% this quarter. Recent changes in tariff structure by some operators have meant that prices may have risen for some infrequent, pre-pay users.

Main findings

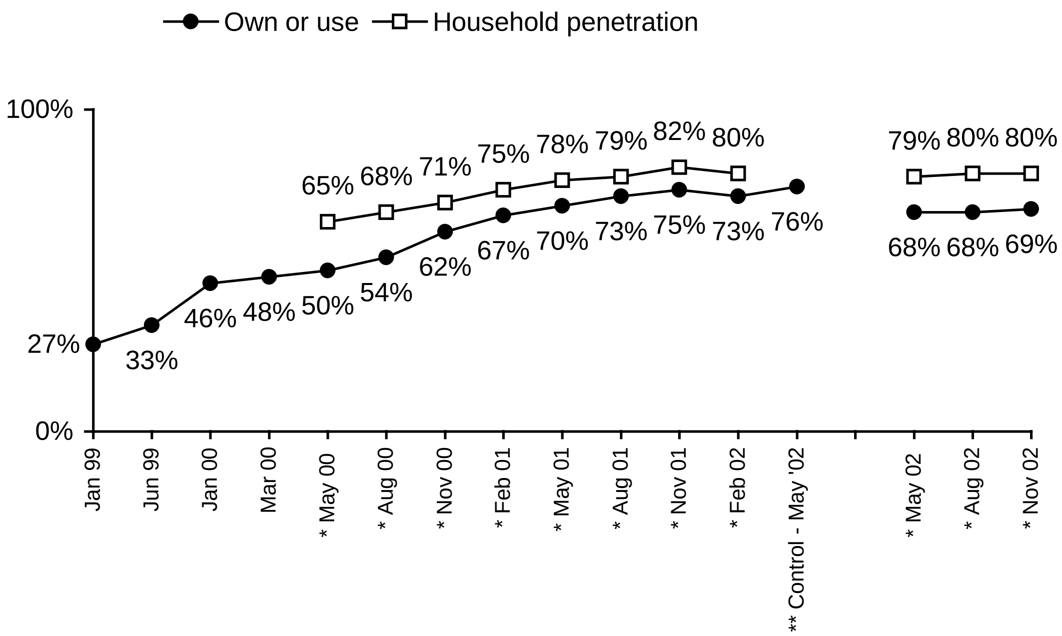
Chapter 3

Mobile phone usage

3.1 Mobile ownership has remained stable between August and November, at 69% (approximately 32 million adults). Results shown in figure 3a indicate that penetration level has been slowing for some time, and has remained virtually unchanged in the last 15 months.

3.2 A further 11% of adults said they live in a household with at least one mobile phone, keeping the current level of mobile ownership within UK households stable at 80% (this equates to around 20 million households).

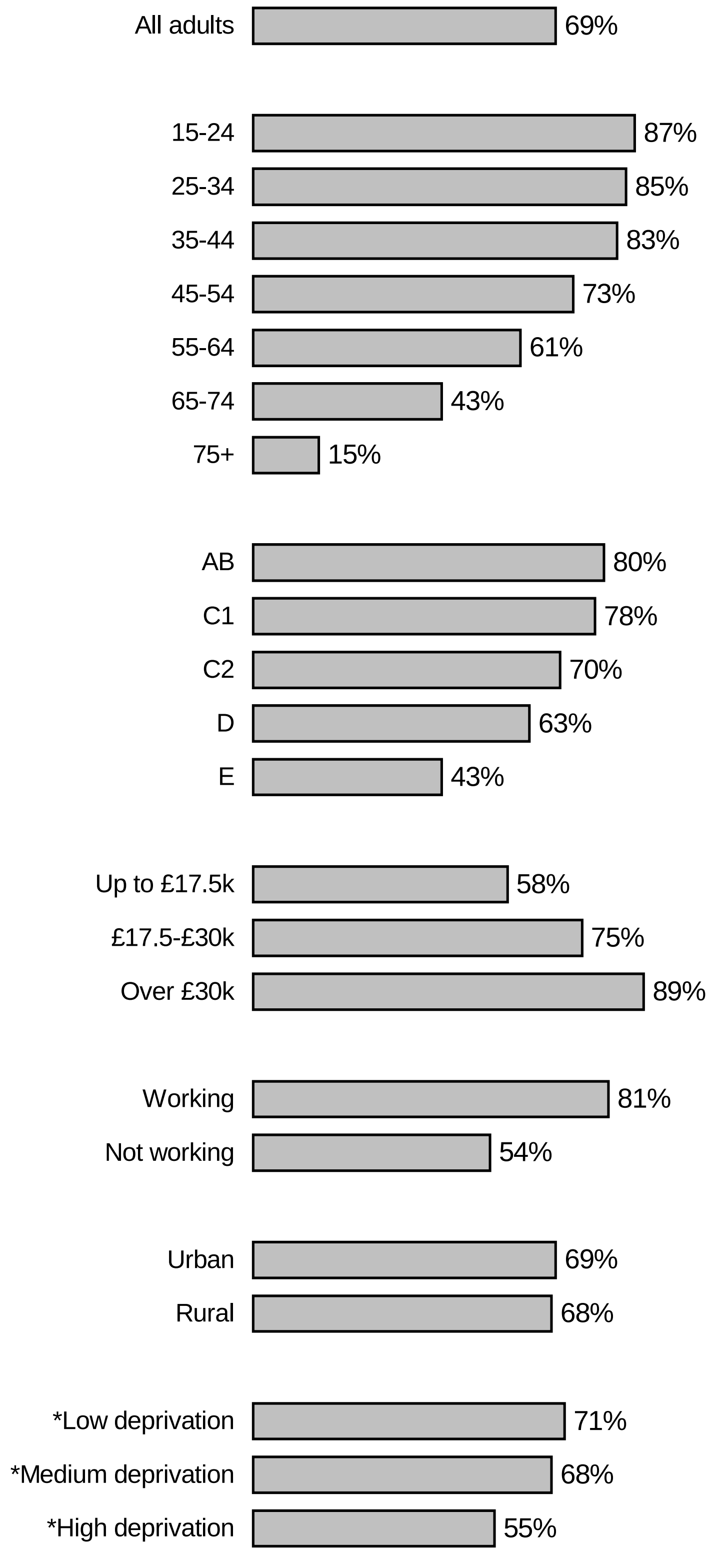
Figure 3a: Mobile growth - % UK* adults and households who have a mobile phone
Base: UK adults, November '02 (Base: 2312)



* Note - Figures up to March 2000 are based on GB population and are taken from MORI's Technology Tracker. Figures from May 2000 onwards include Northern Ireland and therefore represent the UK adult population. Sampling method changed in May '02 – see annex A for further details

** figure using previous sample to indicate continuous trend

Figure 3b: UK adults with mobiles
Base: UK residential consumers aged 15+, November '02 (Base: 2312)

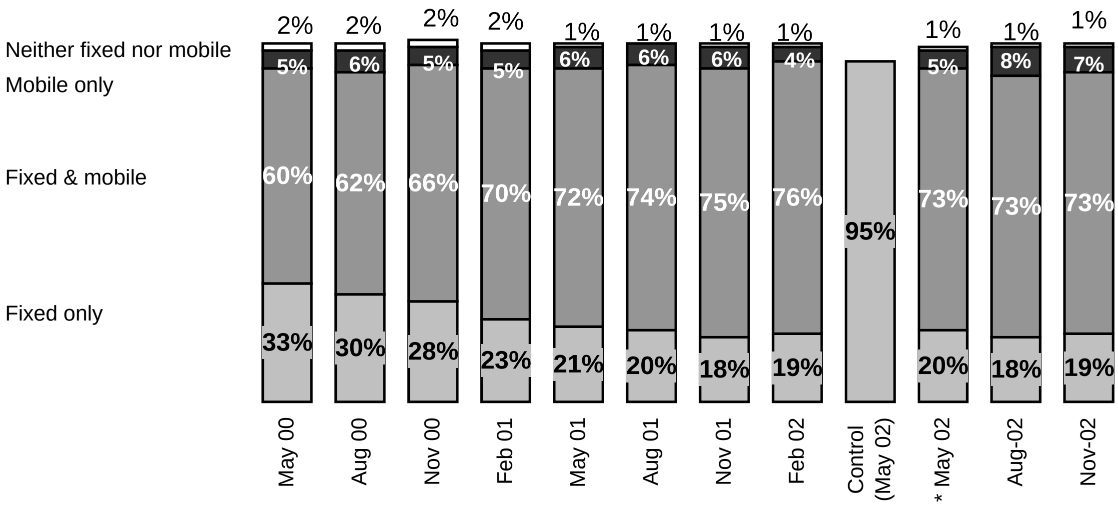


**NB GB Only*

3.3 Figure 3b shows mobile penetration amongst different demographic groups. Mobile ownership remains prominent amongst under 55's, higher social grades, working adults and those with an annual income in excess of £17,500.

3.4 Fixed phone penetration amongst UK households currently stands at 92%, hence the previous fall in fixed phone penetration experienced in August 2002 has been sustained. The fall was caused primarily by younger and lower income groups reverting from fixed ownership to mobile only usage - these groups have a greater propensity to debt and / or disconnection issues, hence affecting fixed penetration.

Figure 3c ***Penetration of fixed and mobile telephony in UK homes***
Base: UK homes, Nov 02 (Base: 2312, less than 1% 'don't knows' have been excluded)



** Sample was changed in May (see annex A)*
Note – rounding of data results in occasional months showing totals of more or less than 100%

Mobile only homes

3.5 The rise in the percentage of UK homes that are using a mobile phone and don't have a fixed line reported last quarter has been sustained, currently standing at 7%. Mobile only customers remain predominantly younger (15-34), low income groups and DE social grades. 4 in 5 of this group claim to be on a pre-paid package.

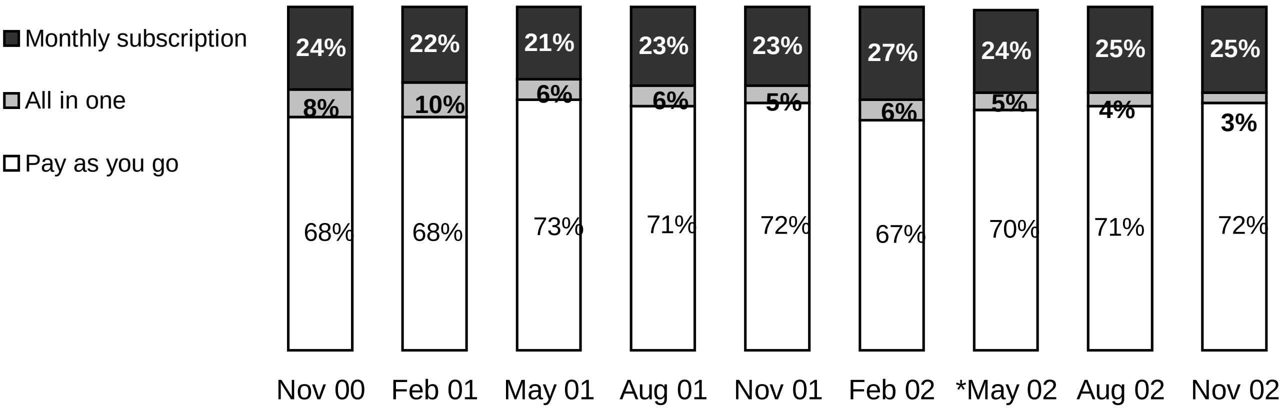
Chapter 4

Consumers' use of mobile packages and suppliers

Packages used

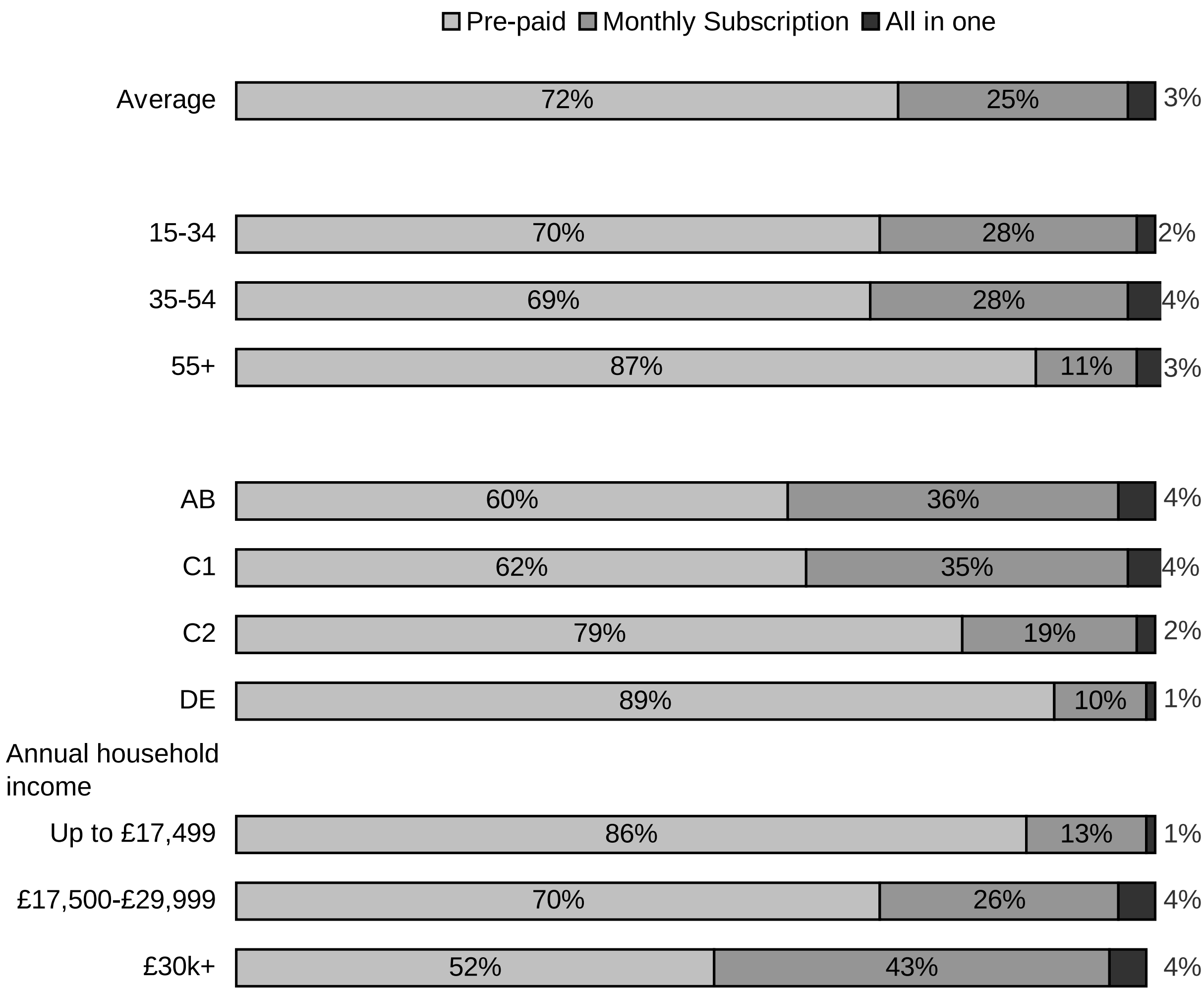
4.1 Pre-paid mobile packages remain the most popular, used by 72% of adult mobile customers in the UK. There has been little change in the last six months in the overall profile of packages used.

Figure 4a: Profile of mobile package usage
Base: UK mobile customers aged 15+ Nov '02 (Base: 1529, 2% 'don't know/other' have been excluded)
**Note that sample and method changed in May 2002 – see Annex A*



4.2 Older mobile owners, those in lower income groups and in lower social groups, are more likely than average to have a pre-pay mobile phone. Higher income groups and social grades and younger mobile customers are more likely than average to use a monthly subscription package, as shown in figure 4b.

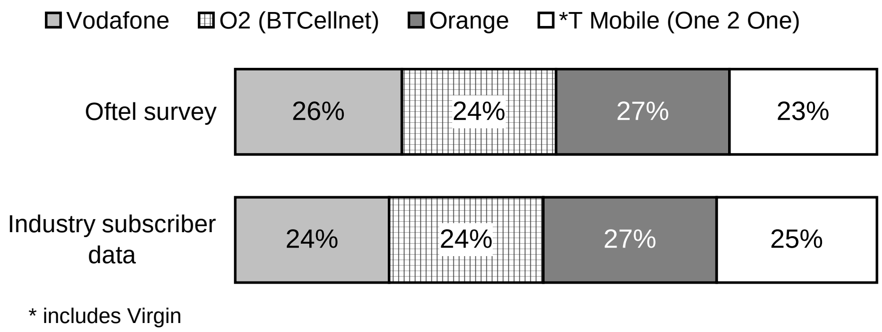
Figure 4b: Distribution of mobile packages across demographic groups
Base: UK mobile customers aged 15+, November '02 (Base: 1529, 'don't know/other' have been excluded)



Suppliers used

4.3 Figure 4c shows a comparison between Oftel's survey and published sources of mobile market share information (in terms of numbers of subscribers using each of the four networks). The results indicate that the survey remains broadly reflective of the current mobile market in terms of the proportion of customers using each network. It should be noted that industry figures include business subscribers.

Figure 4c: % mobile customers using each network
Base: UK mobile customers aged 15+, Nov '02 (Base: 1529, 2% 'don't know/other' have been excluded)
Industry data: Fintec Mobile Communications, November '02

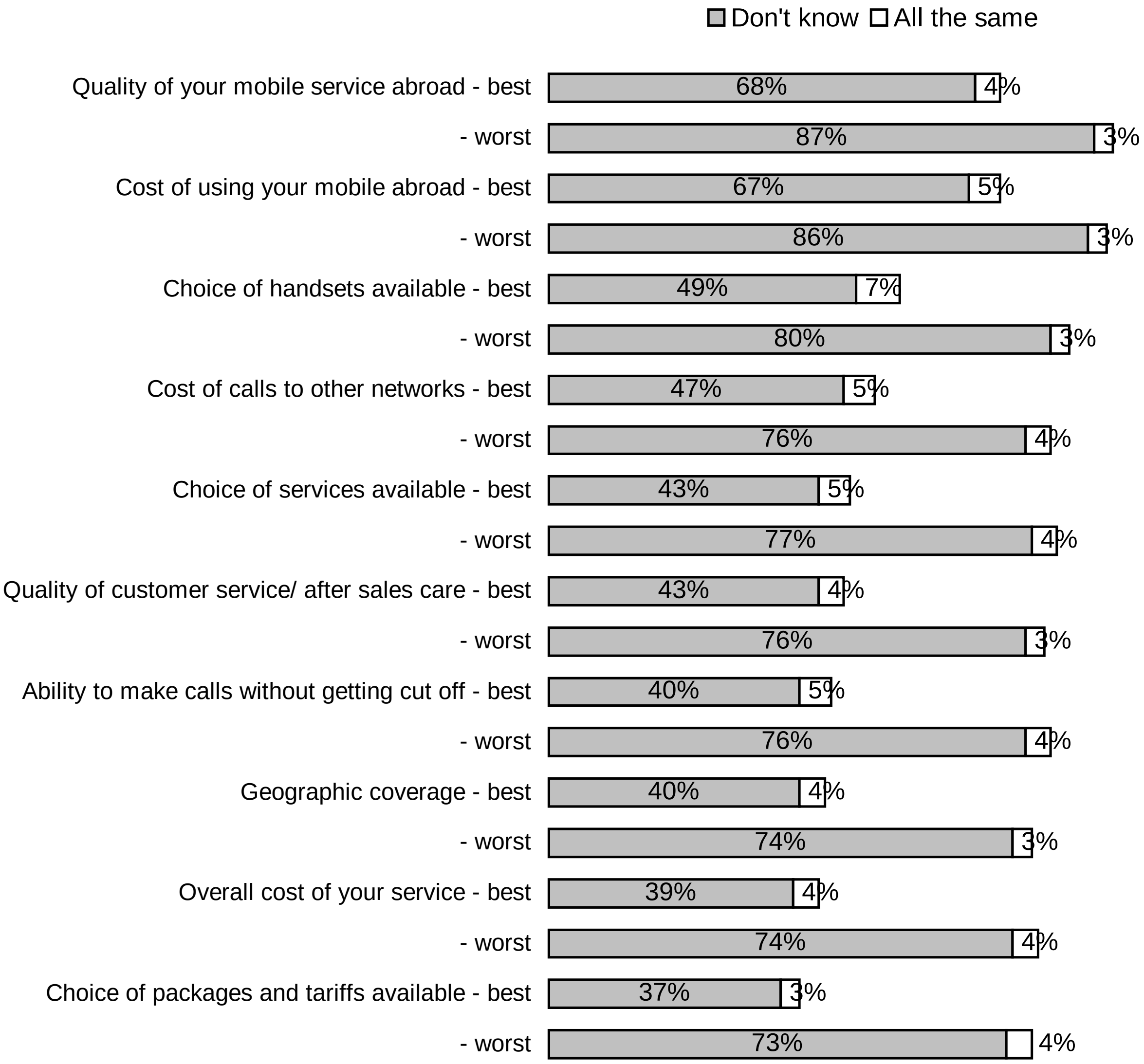


NB rounding of data may result in totals of 99% or 101%

Perceptions of mobile networks

4.4 Mobile customers were asked which networks they thought were best and worst (fig 4d) in several aspects of service. In all service aspects the most common answer given was 'don't know', indicating that many mobile customers do not have views on whether a network provides the best service in various aspects – perhaps due to lack of experience with other networks as don't know was a more common answer amongst those who have never switched networks. Those who indicated that they didn't know which network is the best were more likely to be older (35+) and using pre-pay packages, and mobile users who selected a network as the best were unsurprisingly most likely to select the network that they use themselves. Areas where customers had the most knowledge/ or at least greater ability to express an opinion (where over half gave an opinion on the best network) included choice of packages and services, quality of customer service, ability to make calls without being cut off, geographic coverage and cost. 'Don't know' answers were even more prevalent when mobile customers were asked which network was worst in aspects of service.

Figure 4d: Opinion on best and worst mobile networks in various aspects of service
Base: UK mobile customers aged 15+, Nov '02 (Base: 1529)



Choice of package and switching behaviour

4.5 Reasons for choosing mobile packages are shown in figure 4e.The most common reason given for why mobile users chose their payment package type was that it was 'cheapest for my needs'. A quarter (26%) of pre-pay package users stated that they chose their package because of the ability to control costs/ monitor spend. Inclusive minutes were mentioned by 1 in 5 post-pay package users as a reason for using this type of package.

Figure 4e: Reasons for choice of package
Base: Mobile users aged 18+, Oct '02

	Pre-pay (Base 419) %	**Post-pay (Monthly subscription & all-in-one) (Base 230) %**
Cheapest for my needs	38	33
Ability to control costs/ monitor spend	26	18
Reassurance of knowing what monthly spend will be	17	17
Don't use it enough	10	1
Received as a gift	7	4
Ease of direct debit	-	19
Benefit of inclusive minutes	-	20
Suitable for my needs/ happy as I am	5	5
Better quality service (coverage/ reception)	4	8
Only use it in emergencies	4	1
Pre-pay not widely available when first got mobile	-	9
Better customer service	3	7
Better choice of handsets	2	10
Company phone/ part of a company package	-	4
Other	2	5
Don't know	15	12

4.6 Just over a third (34%) of mobile customers have ever switched mobile network or service provider – a significant rise from 26% in August. This rise has been driven mainly by pre-pay customers. The rise in switching is accompanied by some shifts in pre-pay market share between the networks. As noted in previous reports, this apparent rise in switching might partly reflect consumer confusion surrounding the recent re-branding of O2 (formally BTCellnet) and T-mobile (formally One2One) so some caution should be applied in attributing this rise to 'real' switching. Oftel will continue to monitor switching behaviour in the mobile market. Younger consumers and post-pay users remain amongst those most likely to switch network.

4.7 45% of mobile owners said that they would consider switching from pre-pay to post-pay or vice versa, if it was significantly cheaper for their needs. Younger (18-24 year olds) mobile phone owners were more likely to consider this (63%), as were higher spending customers and those who had previously switched supplier. Post-pay package users were more likely to consider switching to a pre-pay package (60%) than pre-pay customers were to switch to a post-pay package (37%). Reasons why mobile users would not consider switching are shown in figure 4f. The most popular reasons given by both pre-pay and post-pay package users indicated satisfaction with their existing packages, such as 'like ability to control costs' and 'happy as I am/ suits my needs'. Barriers to switching, such as perceptions of having to change phone number or handset were less evident.

Figure 4f: Reasons why wouldn't consider changing package if it was significantly cheaper for needs
Base: Mobile phone owners aged 18+ who would not consider changing package, Oct '02

	Pre-pay (Base 260) %	**Post-pay (Monthly subscription & all-in-one) (Base 85*) %**
Like ability to control costs	27	15
Happy as I am/ suits my needs	16	20
Don't use it often/ much	19	2
Like convenience of direct debit	-	14
Only use in emergency	7	-
Don't want to change network	6	10
Can't imagine cheaper package	6	8
Don't want to change phone number	4	10
Don't want to change handset	2	9
Quality/ coverage not as good	2	3
Customer service not as good	2	1
Range of services not as good	1	2
Other	11	13
Don't know	7	11

* Base size less than 100 so apply caution

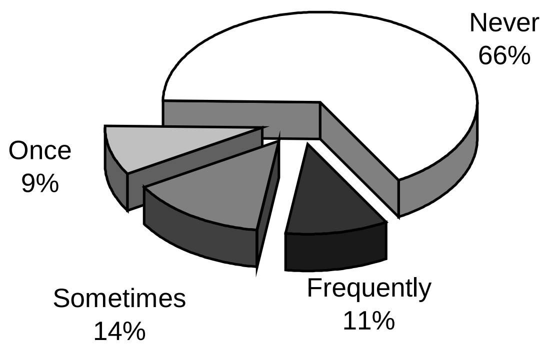
4.8 Three quarters (76%) of those who would consider switching package type stated that they would or may be prepared to switch to a different network if the cheapest package was not with their current supplier. Lower spending mobile customers were more likely to indicate that they would consider this switch. Pre-pay customers were more likely to consider switching networks (82%) than post-pay customers (70%).

Chapter 5

Use of mobile phones abroad

5.1 A third (34%) of mobile customers have ever used their mobile abroad (figure 5a) – an significant increase from 19% in August 2001. This increase is apparent amongst all age groups and social groupings, with the largest increase being amongst 35-54 year old (rising from 21% in August ’01 to 39%). 1 in 10 (11%) mobile customers claim to use their mobile abroad frequently. Figure 5b shows that those most likely to have used their mobile telephone abroad include those aged 35-54, ABC1 social groups, those with higher household incomes and those using post-pay mobile packages.

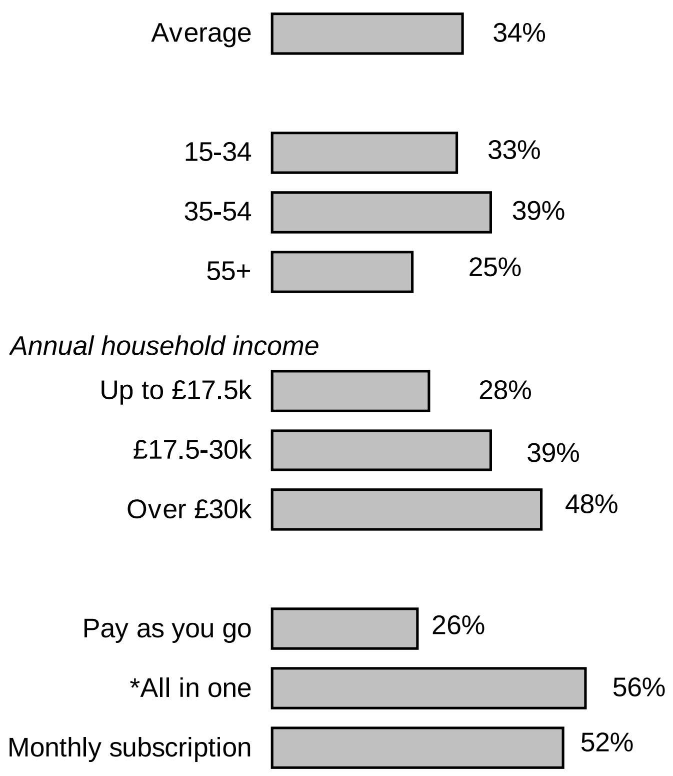
Figure 5a: % UK mobile customers using their mobile abroad
Base: UK mobile users, Nov ‘02 (Base: 1529, 2% don’t knows have been excluded)



5.2 A quarter (25%) of mobile customers claim to be aware exactly or roughly how much it costs to use their mobile abroad. This figure rises to 61% amongst those who have ever used their mobile phone abroad. Of those who had used their mobile abroad and who claimed to know roughly or exactly how much it costs 16% did not think that they were charged for incoming calls, similar to findings in February ’02. A further 15% didn’t know if they were charged for incoming calls, indicating that some who claimed to be aware how much it costs to use abroad were not aware of some specific charges.

5.3 Awareness of cost of using a mobile abroad has dropped significantly since October 2001, when 32% of all mobile customers and 74% of those that had ever used their mobile abroad were aware exactly or roughly how much it cost to use their mobile abroad. The drop in awareness has been driven by under 55s, a similar group to that driving the increase in those who have ever used their mobile abroad. This could indicate that new users abroad are less likely to be aware of the cost of using their mobile phone abroad.

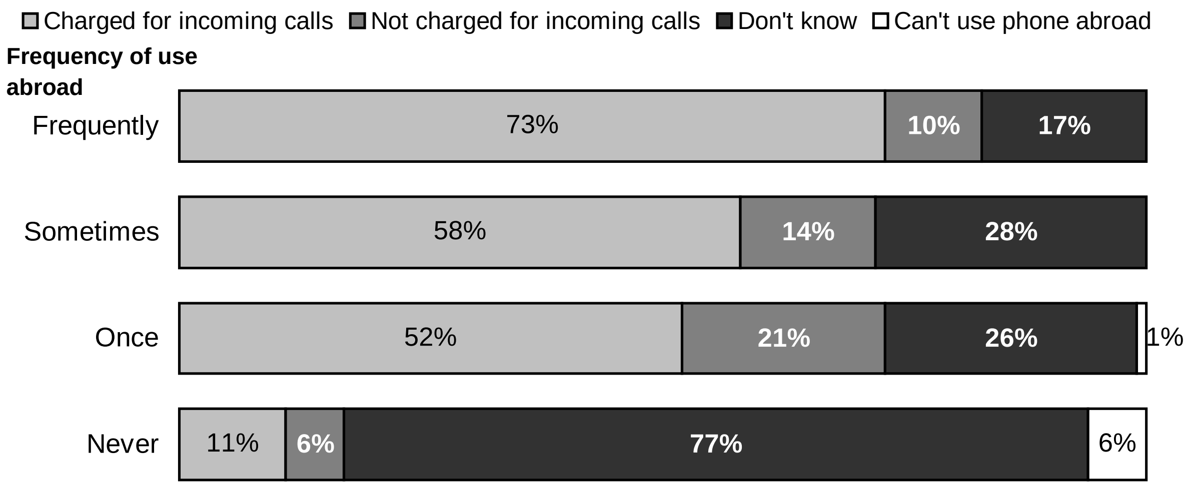
Figure 5b: % that have ever used mobile phone abroad
Base: UK mobile customers aged 15+, Nov '02 (Base: 1592, 'don't knows' have been excluded)



** Base size less than 100 so apply caution*

5.4 When receiving an incoming call to your mobile while abroad more often than not you will incur charges. Overall, 28% of mobile users said that they were charged for receiving incoming calls to their mobile when using it abroad, rising significantly among those who had used their phone abroad, as seen in fig 5c. Customers who have never used their phone abroad were understandably less familiar with charges they could incur receiving incoming calls to their mobile when abroad.

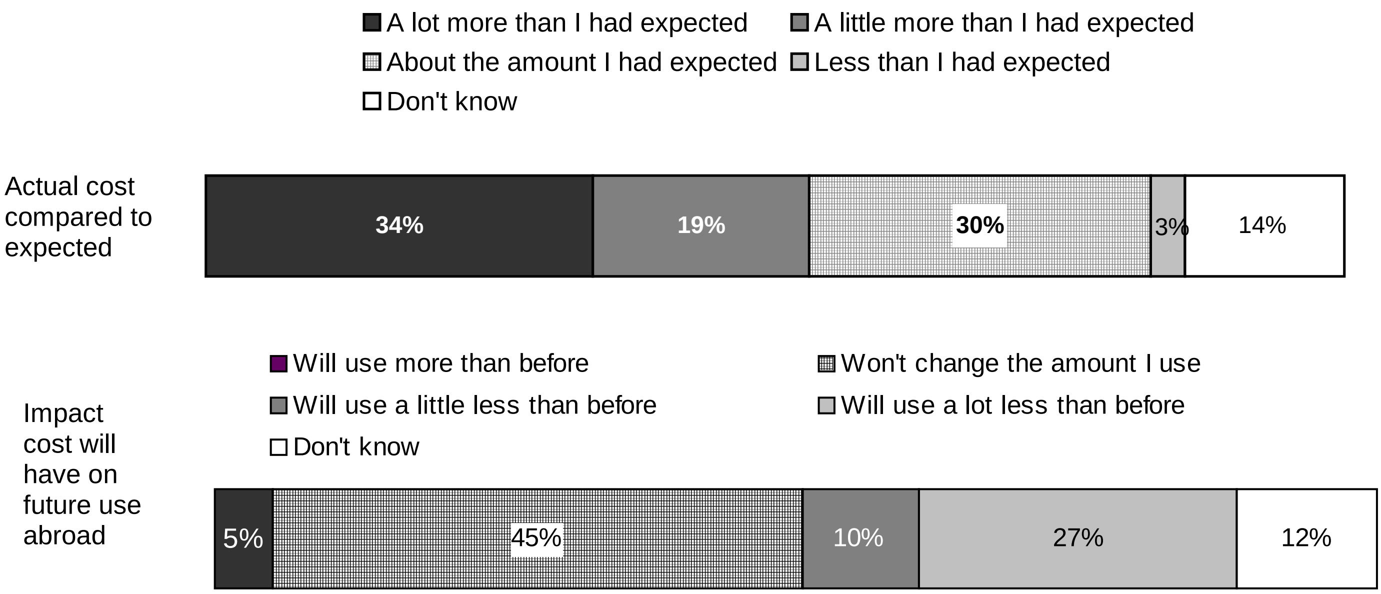
Figure 5c: Awareness of charge for receiving incoming calls when abroad by frequency of use abroad
Base: UK mobile users, Nov 02 (Base 1529)



5.5 Over half (53%) of those who had used their mobile phone abroad found that the actual cost of using their mobile abroad was more than they had expected (34% said a lot more), as shown in figure 5d. There is little difference according to mobile operator used.

5.6 45% of those who have used their mobile phone abroad indicated that the impact of cost won’t change the amount they use their mobile abroad. However, nearly 4 in 10 (37%) indicated that they think they will use their mobile less in future when abroad because of the cost. 5% said they would use their mobile abroad more, as shown in figure 5d, perhaps indicating a previous overestimation of costs.

Figure 5d:Opinion of actual cost of using mobile when abroad compared to expected cost and the potential impact on future usage
Base: UK adults who have used their mobile abroad, Nov 02 (Base: 497)



5.7 Unsurprisingly, those who perceived that the actual cost of using their mobile abroad to be more than they had expected were more likely to think that they will use their mobile less when abroad in future, as shown in figure 5e (61% compared to 14% of those who found the actual cost to be about the amount they had expected). This figure rises to 71% amongst those who found the actual cost to be a lot more than they had expected.

Figure 5e: Impact of actual cost of calling abroad compared to expected cost on future mobile usage abroad
Base: UK adults who have used their mobile abroad, Nov '02 (Base: 497)

	Won't change amount use abroad	Will use a lot less than before	Will use a little less than before	Will use a little more than before	Will use a lot more than before	Don't know/ no answer
All used mobile abroad	**45%**	**27%**	**10%**	**3%**	**2%**	**12%**
Cost a lot more than expected	21%	58%	12%	2%	5%	2%
Cost a little more than expected*	46%	25%	19%	4%	-	6%
Cost about the amount expected	75%	7%	7%	4%	-	7%

* *Base size less than 100 so apply caution*

Satisfaction with cost of using mobile abroad

5.8 51% of all mobile customers indicated that they were satisfied with the cost of using their phone abroad, however this excludes over half who didn't express an opinion, the majority of whom had never used their mobile abroad. Satisfaction drops significantly to 40% amongst those who have used their mobile abroad frequently. 46% of those who have ever used their mobile phone abroad were satisfied with the cost of doing so. Of those who were claimed to know roughly or exactly how much it costs to use their mobile abroad, 42% were satisfied with this cost.

5.9 45% of mobile users considered the cost of using a mobile abroad to be important, unsurprisingly this was significantly more important to those who had used their mobile abroad frequently (84%). 77% of those who had ever used their mobile abroad considered cost of using a mobile abroad to be important.

5.10 Just under half (48%) of mobile customers considered the quality of mobile service abroad to be important, understandably this figure is significantly higher (88%) among those who have used their mobile abroad frequently. 80% of those who had ever used their mobile phone abroad considered the quality of mobile service abroad to be important.

Chapter 6

Use of text messages instead of voice calls

6.1 7 out of 10 mobile customers send text messages rather than making voice calls from their mobile phones at varying levels of frequency. See figure 6a below.

Figure 6a: Frequency of use of text messages rather than mobile voice calls
Base: Mobile customers, Oct '02 (Base: 751)

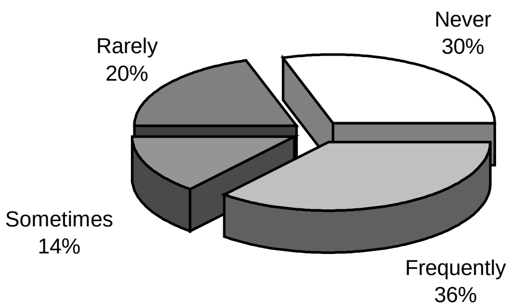
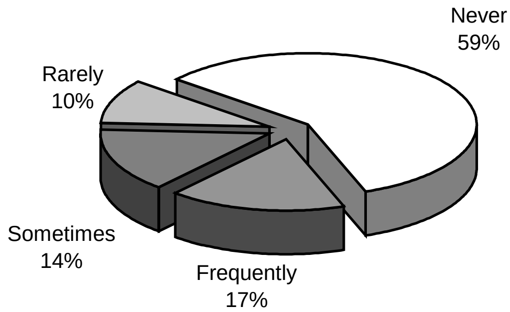


Figure 6b: Frequency of use of use text messages rather than fixed voice calls
Base: Mobile customers, Oct '02 (Base: 751)



6.2 In comparison, around half as many (42%) mobile customers claim to send text messages instead of making calls from their *fixed line* phone at home at varying levels of frequency - 17% frequently, as shown in figure 4b above. In total 16% of mobile customers claim to frequently send texts instead of calls from both fixed and mobile phones.

6.3 Generally women, younger consumers, C1C2 social grades and homes with children are the most frequent senders of text rather than voice calls.

When do texts take preference to voice calls?

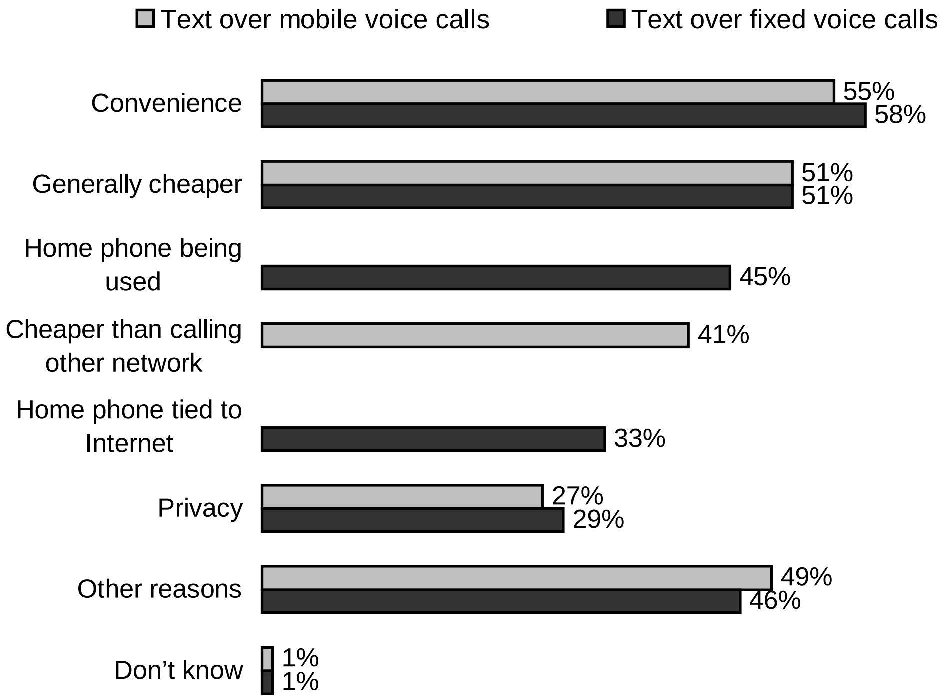
6.4 Mobile customers claiming to send text messages rather than voice calls largely do so for convenience and cost reasons, as shown in figure 6c below, responses are not mutually exclusive hence total more than 100%.

6.5 Satisfaction with the cost of calling other mobile networks is low in comparison to other aspects of mobile service and it appears from this research that some customers are actively choosing not to call off-net mobiles and use text instead.

6.6 In comparison, half of mobile customers send text messages rather than making voice calls from their home *fixed* line when it is either being used by someone else (45%), or tied to the Internet (33%).

Figure 6c: Reasons for sending text rather than voice calls, prompted

Base: Mobile customers ever use text rather than voice calls from fixed and/or mobile, Oct '02 (Base: 507)



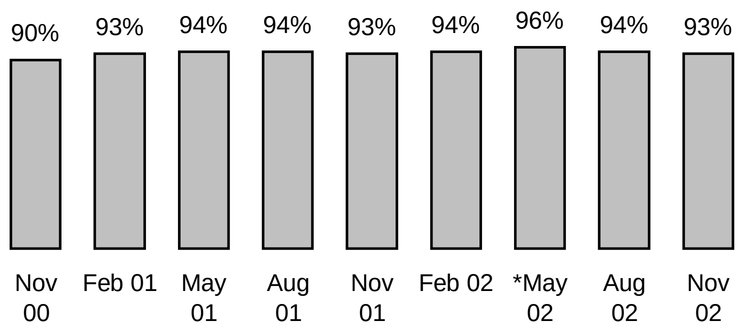
Chapter 7

Customer satisfaction

7.1 Satisfaction with overall mobile phone service stands at 93% this quarter – overall satisfaction has remained broadly stable since February 2001.

7.2 Overall satisfaction with mobile service remains slightly, but significantly lower than satisfaction levels in the fixed telecoms market (96%). Satisfaction levels in both these markets remain slightly higher than reported for the Internet market (90%).

Figure 7a: % UK mobile customers satisfied with overall mobile phone service
Base: UK mobile customers aged 15+, Nov '02 (Base: 1529, 1% 'don't knows' have been excluded)



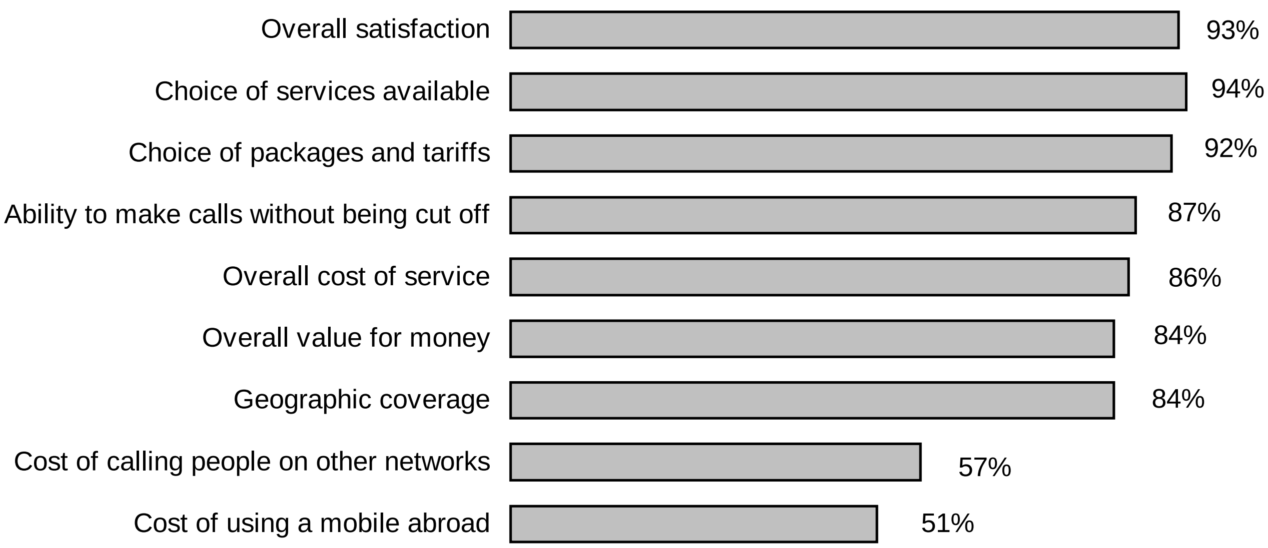
*Note sample changed in May 2002, see annex A

7.3 Satisfaction with overall value for money has fallen significantly, to 84% this quarter (from 87%). Recent changes in tariff structure by some operators have meant that prices may have risen for some infrequent, pre-pay users. Satisfaction will continue to be monitored. Monthly subscription users continue to have a slightly lower satisfaction level with value for money than pre-pay customers.

7.4 Satisfaction is lowest with the cost of calling people on other networks[5] and with the cost of using a mobile abroad, as shown in figure 7b.

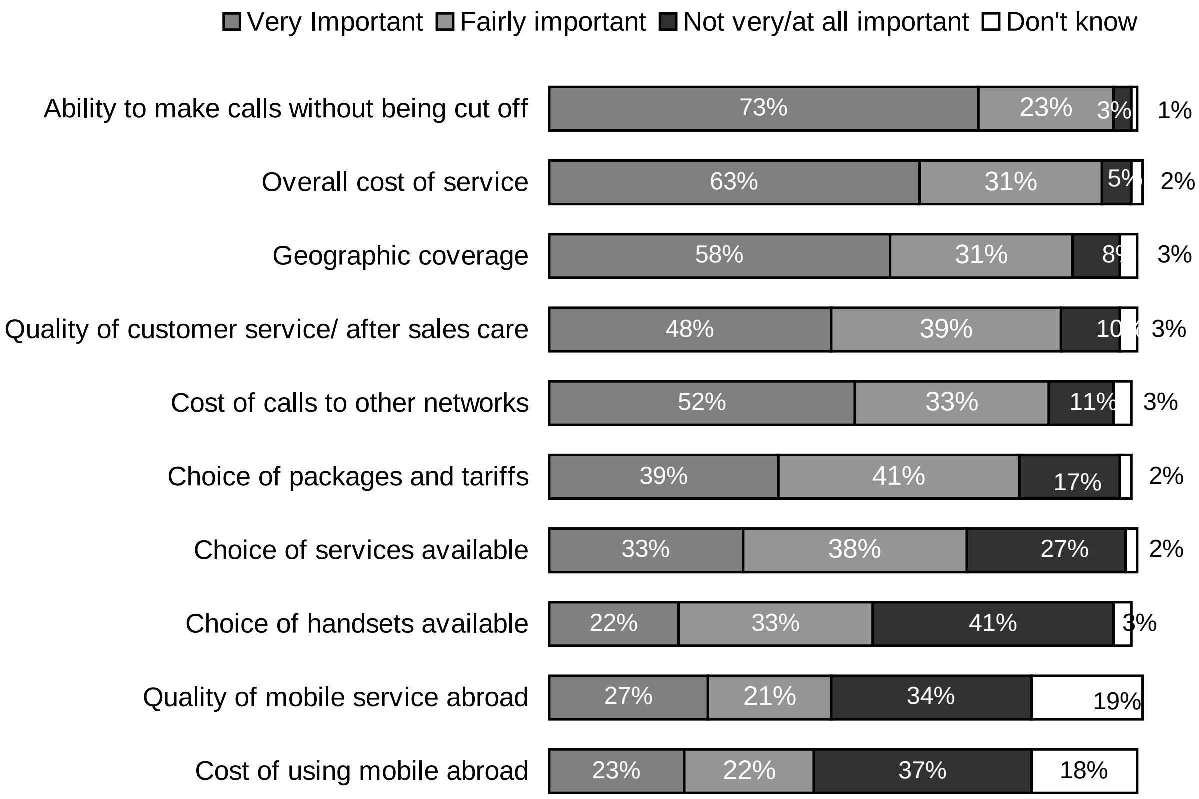
[5] A minor change in wording in this quarter does not appear to have affected results (previously *How satisfied are you with the price of calls to mobiles on different networks to yours?)*

Figure 7b: % UK mobile customers satisfied with aspects of service
Base: UK mobile customers aged 15+, November '02 (Base: 1529, 'don't knows' have been excluded)



7.5 Figure 7c shows how important mobile customers rated different aspects of service. Ability to make calls without being cut off, overall cost of service and geographic coverage were rated as the most important of these service aspects, all with 6 in 10 or above rating as very important. The cost of calling people on other networks is identified as an area of comparatively low satisfaction and is also rated as a comparably important aspect of service by mobile customers – over half (54%) considered this to be very important. Customers who rated an aspect as unimportant were less likely to offer an opinion on how satisfied they were with that particular aspect. Those who thought an aspect was unimportant and did offer an opinion on satisfaction did not rate service aspects any differently from those who rated them as important.

Figure 7c: % UK mobile customers rate aspects of service as important
Base: UK mobile customers aged 15+, November '02 (Base: 1529)



Annex A

Details of changes to Oftel's quarterly residential survey, May 2002

In April 2002, Oftel changed the market research agency we use to conduct the fieldwork for our UK quarterly residential surveys. At the same time we took the opportunity to refine the sample and methodology used to conduct these surveys.

The changes are as follows:

Methodology
Our surveys were previously carried on a national in home, face-to-face, CAPI omnibus survey. They are now conducted as a stand-alone Oftel survey (i.e. not on a shared omnibus), conducted on paper rather than CAPI, and remain in home and face-to-face.

The advantages of this new methodology include:

- giving us more flexibility in terms of who and where we interview (see below for further details);
- shorter interview for respondents (reducing potential respondent fatigue) as it is now a stand-alone Oftel survey, and is not combined with a variety of other topics on an omnibus survey; and
- enabling respondents to focus on telecoms issues specifically (and hence provide potentially better quality answers) rather than thinking about the variety of diverse topics that can appear on an omnibus

Sample
The sample remains a representative sample of UK adults aged 15+, representative in terms of age, gender, social grade, working status, and region.

The changes include:

- Greater representation of rural and deprived areas (due to the limitations of an omnibus in reaching some of these areas); and
- Controls are now set on the proportion of interviews conducted in cabled and non-cabled areas to ensure they are included in their natural proportions. Since the omnibus is not telecoms-specific, cabled status was left to fall out naturally, and no quotas were set on the number of interviews in cabled vs non-cabled areas.

These refinements enable us to control or investigate in greater detail issues that are particularly likely to influence telecoms usage. The implications of these changes are that some of the results will be affected. To understand what changes are due to these sample and methodology changes, and what changes are real changes in the market, the key tracking questions were repeated on the omnibus in May, in parallel to the new survey.

The main measures affected are take-up of mobile and Internet. These are lower amongst the new sample as would be expected given the higher proportion of deprived areas now included in the sample – respondents who traditionally are less likely to have these technologies. Results from both surveys are discussed where appropriate in the report to distinguish changes resulting from the sample and real changes in consumer behaviour. This should enable the reader to place the new figures (from which subsequent quarters' trend data will continue) in the context of the previous trend data.

Annex B

Q11 November 2002 residential questionnaire – Mobile questions

Q1. How many mobile phones in total do you and members of your household have or use?

Q2. Do you personally have or use a mobile phone?

Q3. Which mobile phone supplier do you personally use?

O2 (BTCellnet)
T Mobile (One 2 One)
Orange
Virgin
Vodafone

Q4. Which of these statements best describes the mobile package you have?

Pre paid package ie after paying a one-off fee for the phone, “top up” is bought as and when required
Monthly subscription contract ie line rental and call charges are paid each month
All in one package ie phone and any line rental is paid in advance and calls are either billed monthly or paid by call vouchers

Q5 How satisfied are you with the following?

Your mobile service overall
Choice of packages and tariffs available
Choice of services available through your mobile (e.g. Internet, text messaging, voicemail)
Cost of using your mobile abroad
Ability to make calls without getting cut off
Overall cost of your service
Overall value for money from your mobile phone supplier
Cost of calling people on other networks
Geographic coverage of your network

Very satisfied
Fairly satisfied
Not very satisfied
Not at all satisfied

Q6 How important do you personally consider the following aspects of your mobile service?

Choice of packages and tariffs available
Choice of service available (e.g. Internet, text messaging, voicemail)
Quality of customer service/after sales care
Ability to make calls without getting cut off
Overall cost of your service
Cost of calls to other networks
Choice of handsets available
Geographic coverage
Cost of using your mobile abroad
Quality of your mobile service abroad

Very important
Fairly important
Not very important
Not at all important

Q7. Can you tell me which network or networks you personally think is best on each of the following aspects of service?

Choice of packages and tariffs available
Choice of services available (e.g. Internet, text messaging,voicemail)
Quality of customer service/ after sales care
Ability to make calls without getting cut off
Overall cost of your service
Cost of calls to other networks
Choice of handsets available
Geographic coverage
Cost of using your mobile abroad
Quality of your mobile service abroad

O2
T-Mobile
Orange
Virgin
Vodafone
All the same

Q8. Can you tell me which network or networks you personally think is worst on each of the following aspects of service?

Choice of packages and tariffs available
Choice of services available (e.g. Internet, text messaging,voicemail)
Quality of customer service/ after sales care
Ability to make calls without getting cut off

Overall cost of your service
Cost of calls to other networks
Choice of handsets available
Geographic coverage
Cost of using your mobile abroad
Quality of your mobile service abroad

O2
T-Mobile
Orange
Virgin
Vodafone
All the same

Q9. Have you ever changed your mobile phone or service provider? If YES, When was this?

Q10. How often, if ever, have you used your mobile when visiting abroad?

Frequently
Sometimes
Once
Never

Q11. Which of the following best describes how much you know about the cost of using your mobile abroad?

I know exactly how much it costs to use my mobile abroad
I know roughly how much it costs to use my mobile abroad
I don’t really know how much it costs to use my mobile abroad

Q12. Are you charged, for receiving incoming calls to your mobile when you use it abroad?

Q13. Thinking about the actual cost of using your mobile abroad compared with what you thought it would cost , would you say it cost more than you’d expected, less than you’d expected, or was about the amount you’d expected?

A lot more than I had expected
A little more than I had expected
About the amount I had expected
A little less than I had expected
A lot less than I had expected

Q14 And what impact do you think the cost will have on your future mobile usage when abroad?

Won’t change the amount I use
Will use a lot less than before
Will use a little less than before
Will use a little more than before

Ad-Hoc Questions

1. How often, if ever, do you send text messages instead of making a call from your **mobile** phone?

Frequently
Sometimes
Rarely
Never

2. Thinking about when you send mobile text messages rather than make calls from your mobile, which, if any, of the following statements apply to you?

I send text messages because cheaper generally
I send text messages instead of calling a different network because cheaper
I send text message because more convenient / easier
I send text messages for privacy
I send text messages instead of calling for some other reason

3. How often, if ever, do you send text messages instead of making a call from your **fixed** phone at home?

Frequently
Sometimes
Rarely
Never

4. Thinking about when you send mobile text messages rather than make calls from your fixed phone at home, which if any, of the following statements apply to you?

I send text messages instead of fixed calls because cheaper
I send text message instead of fixed calls because more convenient / easier
I send text messages instead of fixed calls for privacy
I send text message when home phone is being used by someone else
I send text messages when home line is connected to the Internet
I send text messages instead of making fixed calls for some other reason

5. Why did you choose a [pre-pay package rather than post-pay] / [post-pay package rather than pre-pay]

6. Would you consider switching to a [pre-pay package] / [post-pay package] if you found out that it was significantly cheaper for your needs?

Yes definitely
Yes maybe
No probably not
No definitely not

7. Would you be prepared to switch to a different network if the cheapest [pre-pay package] / [post-pay package] was not with your current supplier?

Yes definitely
Yes maybe
No probably not
No definitely not

8. Why would you not consider changing to a [pre-pay package] / [post-pay package] if you found out that it was significantly cheaper for your needs?

9. Have you ever used a [pre-pay package] / [post-pay package] in the past?