

**Consumers' use of mobile telephony  
Q14 August 2003**

**27 October 2003**

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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 fourteenth wave of Oftel's quarterly residential consumer survey, conducted in August 2003. 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 demographic and social characteristics.

1.3 The survey was conducted for Oftel by MORI amongst 2099 UK adults<sup>1</sup> during August 2003, of whom 73% claimed to have a mobile. The report has been prepared by Oftel<sup>2</sup>, based on the results provided by MORI.

1.4 This report covers:

- Use of mobile phones
- Use of advanced mobile services
- Reactions to incoming calls from unidentifiable numbers
- Interest in a service that bars calls from withheld or restricted numbers

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

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<sup>1</sup>This survey was conducted amongst a representative sample of UK adults aged 15+, 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.

<sup>2</sup> Because the survey was 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 2099 consumers is about 1-2%. 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 MORI or any decisions taken by any person in reliance on the report.

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## Chapter 2

### Summary

#### Headline figures

- 73% of UK adults own/use a mobile phone, 85% of households have at least one mobile
- 6% of UK homes have a mobile as their only method of telephony
- 71% of mobile customers use a pre-paid package, 26% subscribe to a monthly contract and 3% use an all-in-one package
- 7% of mobile customers use some form of photo or video messaging/ calling
- 36% of mobile customers at least occasionally do not answer calls to their mobile from an unrecognised or unidentified source
- Nearly 4 in 10 (37%) mobile customers are interested in a service that automatically blocks calls from withheld or restricted numbers

*Little change in use of mobile telephony – penetration and use of packages remain stable*

2.1 The mobile phone market has remained fairly stable in terms of penetration, packages and suppliers used for the last 9 months.

*7% of mobile customers use advanced services such as photo and video messages*

2.2 7% of mobile customers currently use their mobile for taking and sending photo messages, taking and sending video clips or making video calls – photo messages accounts for the majority of this. Photo messages are most popular amongst young males.

*36% of mobile customers at least occasionally do not answer calls if they do not recognise the number or the caller's name or number is not displayed*

2.3 Most consumers say that their handset has a CLI feature enabling them to see the caller's name or number before answering a call. Under some circumstances CLI is not displayed – if the caller withholds the number for example. If CLI is not displayed, 36% of mobile customers say that they would at least occasionally not answer. Consequently this could disadvantage up to 36% of all mobile customers, as these consumers may not answer some calls that they would like to take because the caller's identification is not shown on their handset. Groups that are least likely to answer calls from unknown sources include younger mobile customers (40% of 15-34 year olds), females (39%) and C2DE social groups (38%).

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*Nearly 4 in 10 mobile customers say they would be interested in using service that automatically blocks calls from numbers that have been withheld or restricted.*

2.4 37% of all mobile customers express interest in using a service that blocks calls from withheld or restricted numbers. Interest is highest amongst AB (41%) and DE (41%) social groups and unsurprisingly is higher amongst those that never answer this type of call (62%).

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## Main findings

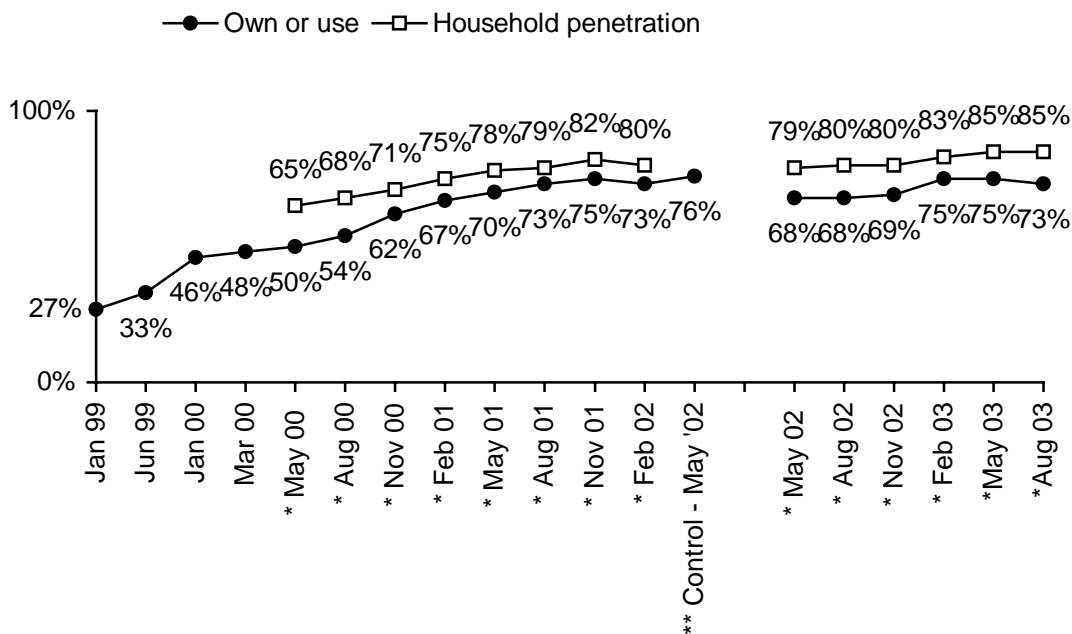
### Chapter 3

### Mobile phone usage

#### Penetration of mobile telephony

3.1 Household penetration of mobile phones remains stable at 85%, following an increase in the Nov '02 to May '03 period. The apparent fall in the proportion that personally own or use a mobile is within the survey's error margins, hence has remained stable for 9 months.

**Figure 3a: Mobile growth - % UK\* adults and households who have a mobile phone**  
Base: UK adults aged 15+, Aug 03 (Base: 2099)



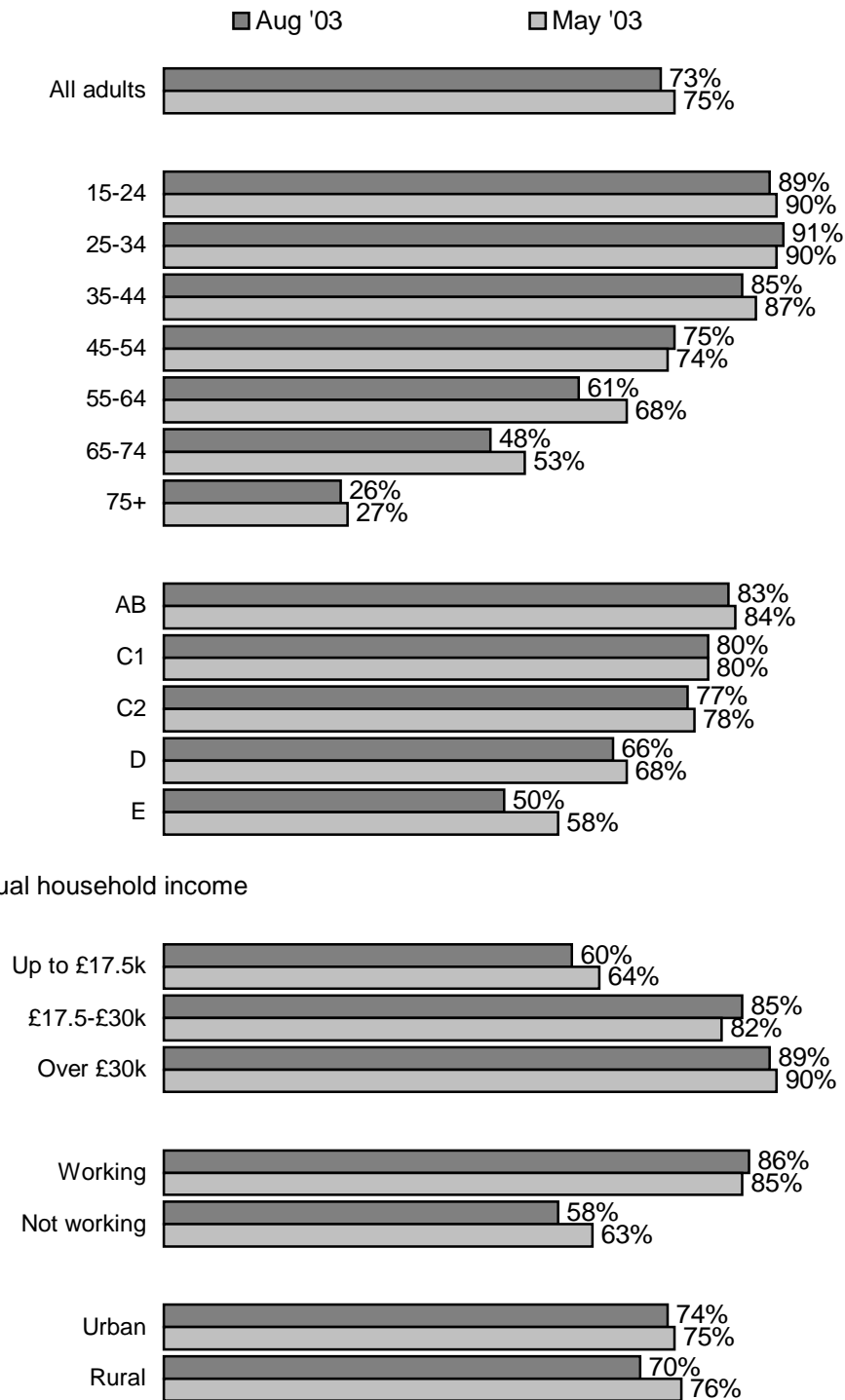
\* Note - Figures up to March 2000 are based on GB population and are taken from MORI's Technology Tracker. Figures from May 2000 onwards include Northern Ireland and therefore represent the UK adult population.

\*\* sample and methodology was changed in May '02, figure using previous sample to indicate continuous trend.

3.2 Penetration remains highest amongst younger consumers, ABC1 social grades and higher income groups. As reported previously, consumers living in rural areas are as likely as those in urban areas to use a mobile phone. A full breakdown of the profile of mobile customers is shown in figure 3b.

**Figure 3b: UK adults with mobiles**

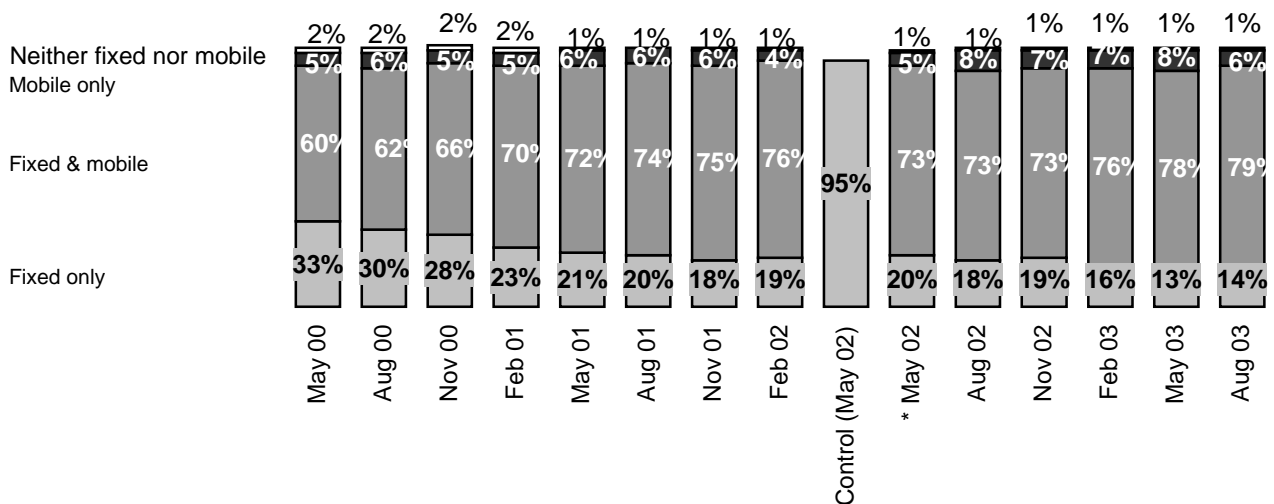
Base: UK adults aged 15+, Aug 03 (Base: 2009)



3.3 Fixed phone penetration amongst UK households has risen slightly to 93% this quarter, from 91% in May '03, as shown in figure 3c. This might be associated with a rise in PC ownership and Internet penetration, both of which experienced significant growth between May and August '03. PC ownership rose from 18% in February '02 to 34% amongst mobile only households this quarter. Given that full access to the Internet via a PC at home is largely dependant on having a fixed line, mobile only homes may be obtaining fixed lines for Internet access. The long term trend however remains stable at just over 90% and we shall continue to monitor this to assess whether the change represents a shift in the market and consumer behaviour.

**Figure 3c: Penetration of fixed and mobile telephony in UK homes**

Base: UK homes, Aug 03 (Base: 2009, less than 1% 'don't knows' have been excluded)



\* Sample was changed in May '02 - results were broadly unaffected and control sample was conducted to establish whether any changes were due to sample or 'real' changes in the market. Note – rounding of data results in occasional months showing totals of more or less than 100%

3.4 There has been little change in supplier use according to industry subscriber figures or in type of package used. Less than 1% claim to use "3" as their most often used supplier.

### Use of advanced services

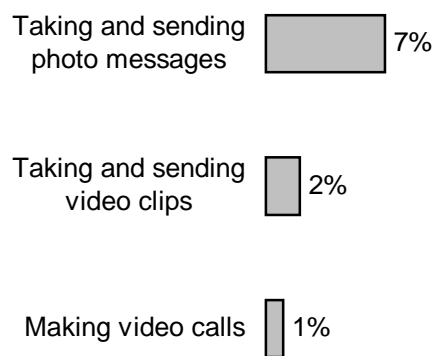
3.5 Some new mobile handsets feature technology that allows users access to advanced services such as sending photo messages, sending video clips and making video calls. Current claimed use of these services is shown in figure 3d. 7% of mobile customers claim to take and send photo messages, 2% take and send video clips and 1% make video calls. As the majority of those using the two 'video' services also use photo messaging, a total of 7% of mobile customers claim to use at least one of these services. About a fifth of those using 'video' services say that "3" is the mobile supplier they use most often.

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3.6 Taking and sending photo messages is most popular amongst males (9%), 15-34 year olds (11%), higher income groups (8% of those households with an income of £30k pa or above). 3 in 10 of those who tend to buy the latest phone services soon after they come out currently use photo messaging, indicating that the service is still very much at the 'early adopters' stage of take up. Overall, over half of current users of advanced services are young males (aged 15-34).

**Figure 3d: Use of advanced mobile services (prompted)**

Base: UK mobile customers aged 15+, Aug '03 (Base: 1524)



## Chapter 4

### Caller line identification

4.1 Caller line identification (CLI) information, available on many mobile phones, displays details of the caller's name or number when an incoming call is received.

4.2 However, CLI can be withheld for a number of reasons. Most recently, use of so-called "GSM Gateways" has meant that if calls are routed over such gateways, the CLI information may be unavailable on the receiving handset. The Radiocommunications Agency (RA) has recently consulted on the use of mobile gateways. Its findings were announced on 18<sup>th</sup> July 2003 and are available on the RA's website: <http://radio.gov.uk>. The research findings in this section will be used to inform continued industry discussion on the use of mobile gateways, by evaluating consumers' use of CLI information.

4.3 Consumers' interest in a service that allows them to block calls to their mobile phone from withheld or restricted numbers is measured to inform policy issues relating to implementation of the EU Privacy directive by mobile network operators.

#### Reactions to incoming calls from unfamiliar or unidentified numbers

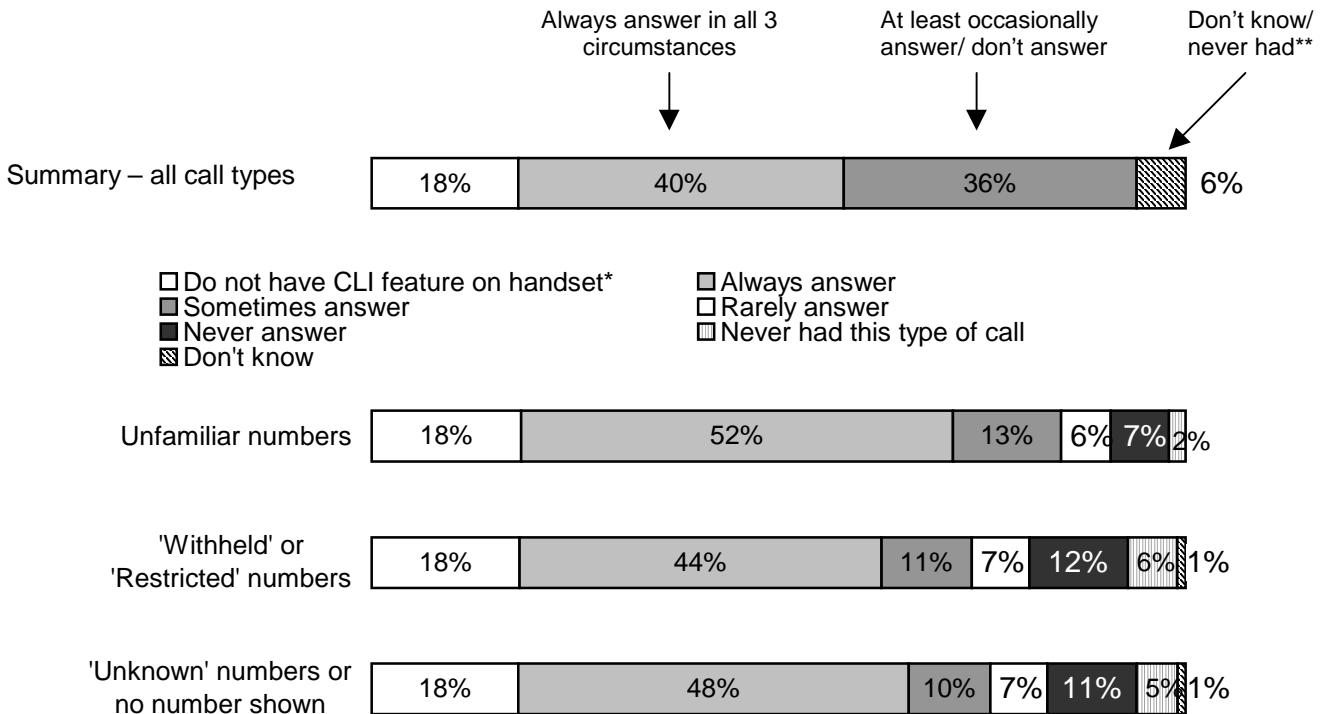
4.4 8 in 10 (82%) mobile customers say that their handset has a CLI feature that allows them to see the caller's name or number before answering an incoming call. The remainder either have mobile phones that do not have this feature or are perhaps unaware of it. There is a significant and noticeable relationship between age and claimed ownership of handsets with a CLI feature. Older consumers are less likely to claim to have this facility (57% of those aged 55 and over).

4.5 Figure 4a shows what consumers claim to do when receiving calls on their mobile phone from a number that they do not recognise, when the display shows 'withheld' or 'restricted' (when the caller has asked not to have their number displayed) and when the display shows 'unknown' or does not show any number at all.

4.6 36% of mobile customers at least occasionally choose not to answer calls from an unrecognised or unidentified source. 7% never answer calls where a telephone number or caller's name is not displayed and 4% never answer any calls from non-recognisable or unfamiliar sources. Overall, older mobile customers are less likely to use CLI data on their handset to decide not to answer a call (26% of over 55s). Those that do so however tend never to answer unrecognisable or unfamiliar calls, making this group more likely than average never to answer these calls.

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**Figure 4a: Consumer reactions to calls from unfamiliar of unidentified numbers**  
 Base: UK mobile customers aged 15+, Aug '03 (Base: 1524)



NB due to rounding not all bars add up to 100%

\*Includes 5% who don't know if they have CLI feature on handset

\*\* Includes respondents that claimed to always answer one type of call but never received or didn't know about others

4.7 Females and younger consumers are most likely to screen the calls from unfamiliar or unidentifiable numbers using CLI. Older consumers (despite being less likely overall to screen calls using CLI) and C2DE social grades are the most likely *never* to answer their mobile when the caller's number is not recognised or identifiable.

4.8 The main reason for not answering a call in these different circumstances is a general dislike of answering the phone without knowing who is calling. Thinking that the call is likely to be a marketing call was another frequent reason given. The full list of reasons is shown in figure 4b.

**Figure 4b: Reasons for not answering calls from unfamiliar or unrecognised numbers (unprompted)**

Base: UK adults with mobiles that have a CLI facility, who do not answer all the calls to their mobile in each circumstance, Aug '03

	Unfamiliar numbers Base: 401	'Withheld' or 'Restricted' numbers Base: 441	'Unknown' numbers/ no number shown Base: 420
Don't like answering phone if don't know who is calling/ Don't want to speak to anyone I don't know	41%	39%	41%
I am suspicious of these types of calls	-	26%	29%
Likely to be a marketing call	24%	25%	21%
All the numbers I want to answer are stored in my phone	18%	-	-
Too busy	3%	2%	-
Other	13%	9%	13%
Don't know	7%	5%	6%

4.9 Mobile network operators' use of mobile gateways to carry calls can, in some cases, mean that CLI information cannot be displayed on the call receiver's handset. Consequently this could disadvantage up to 36% of all mobile customers, as these consumers may not answer some calls that they would like to take because the caller's identification is not shown on their handset. A quarter of these (9% of all mobile customers) say they rarely or never answer these call types. The remainder choose not to answer calls from unknown sources on a more occasional basis.

4.10 As the tendency to occasionally not answer calls from unknown sources is highest amongst younger mobile customers (40% of 15-34 year olds), females (39%) and C2DE social groups (38%) it is these consumer groups that would be most affected by the loss of CLI information that may result from routing calls via mobile gateways.

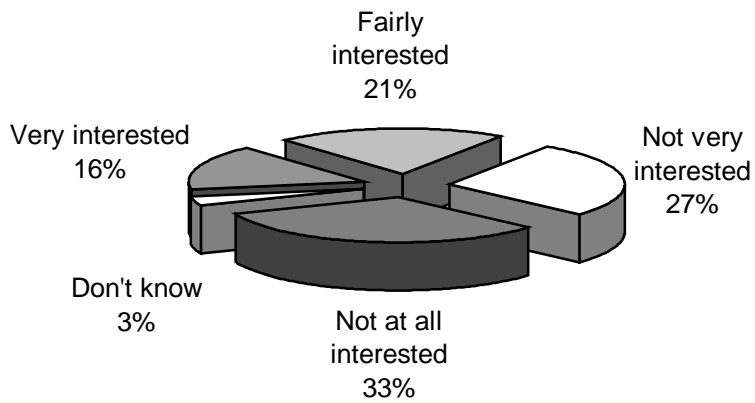
**Interest in using a service that bars calls from withheld or restricted numbers**

4.11 6 in 10 mobile customers are not interested in using a service that automatically stops calls from withheld or restricted numbers. The remainder (apart from 3% who were unsure) say that they would be interested – 16% were very interested. Interest is highest amongst AB (41%) and DE (41%) social groups, and unsurprisingly amongst those that tend to get the latest telephone products or services soon after they come out (51%). Interest is also significantly higher, at 6 in 10 (62%, amongst those that never answer calls from withheld or restricted numbers.

4.12 It should be noted that this does not necessarily mean that 4 in 10 mobile customers would actually use such a service, should it become available, as previous

research has clearly shown that claimed intentions rarely materialise in the same level of take-up. What can be a more reliable indicator, however, is the 6 in 10 mobile customers claiming they are not interested in this service.

**Figure 4c: Interest in a service that bars calls from 'withheld' or 'restricted' numbers**  
Base: UK mobile customers aged 15+, Aug '03 (Base: 1524)



## Annex A

### Q14 residential questions on mobile phone use

ASK ALL

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

- One
- Two
- Three
- Four or more
- None
- Don't know

ASK WHO HAVE A MOBILE PHONE IN HOUSEHOLD

**Q2.** Do you personally use a mobile phone?

- Yes
- No
- Don't know

ASK IF PERSONALLY USE A MOBILE PHONE

**Q3.** Which mobile phone network supplier do you personally use most often?

- O2 [formerly BTCellnet
- T Mobile [formerly One2One]
- Orange
- Virgin
- Vodafone
- "3"
- Other
- Don't know

ASK IF PERSONALLY USE A MOBILE PHONE

**Q4.** Which of these statements best describes the mobile package you personally use most often? Just read out the letter that applies.

- A Pre-paid / pay as you go package (ie after paying a one-off fee for the phone, "top up" is bought as and when required)
- B Monthly contract (ie line rental and call charges are paid each month)
- C 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)

- Other
  - Don't know
-

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ASK IF PERSONALLY USE A MOBILE PHONE

- Q5.** Thinking about your mobile phone handset, does it allow you to see the caller's name or number before you answer?

Yes  
No  
Don't know

ASK IF PERSONALLY USE A MOBILE PHONE AND ABLE TO SEE NAMES/NUMBERS

- Q6.** Taking your answer from this card, what do you usually do when you receive one of the following types of call to your mobile phone? Firstly....

- a) A number that you do not recognise
- b) When the display shows 'withheld' or 'restricted' – these are shown when the caller has asked not to have their number displayed
- c) When the display shows 'unknown' or does not show any number at all

I always answer this type of call  
I sometimes answer this type of call  
I rarely answer this type of call  
I never answer this type of call

ASK IF DON'T ANSWER UNRECOGNISABLE NUMBERS

- Q7.** Why don't you answer [all of the] calls to your mobile from numbers that you do not recognise?

ASK IF DONT ANSWER RESTRICTED/WITHHELD CALLS

- Q8.** Why don't you answer [all of the] calls to your mobile from withheld or restricted numbers?

ASK IF DON'T ANSWER CALLS WHERE NUMBER NOT SHOWN

- Q9.** Why don't you answer [all of the] calls to your mobile where the number is not shown or 'unknown'?

ASK IF PERSONALLY USE A MOBILE PHONE

- Q10.** How interested would you be in using a service that automatically stops you from receiving calls from numbers that have been withheld or restricted? These are numbers that the caller has asked not to be displayed.

Very interested  
Fairly interested  
Not very interested  
Not at all interested  
Don't know

ASK IF PERSONALLY USE A MOBILE PHONE

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**Q11.** Do you currently use any of the following services via a mobile phone? Firstly...

- a) Taking and sending photo messages
- b) Taking and sending video clips
- c) Making video calls

Yes

No

Don't know

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