



Mobile call termination

Research Annex

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Section 1

Research Annex

Background

- 1.1 Ofcom conducted research in October 2006 to specifically look at mobile phone usage among Hutchinson 3g (H3G) users, and particularly among those users who have more than one SIM card.
- 1.2 The research objectives of this survey were to explore:
 - how many H3G users had more than one SIM card, and of these how many used more than one network;
 - why H3G users have more than one SIM card;
 - why H3G users choose their mobile network operator (MNO);
 - H3G users' perceptions of the cost to others of calling the H3G network; and
 - H3G users' perceptions of the costs for them to call others.
- 1.3 Ofcom previously carried out research among mobile phone users in February 2005, January 2006 and May 2006, however, these surveys did not produce large enough samples of H3G users for analysis due to low penetration levels (3% in February 2005).
- 1.4 The January 2006 research indicated that the main reason for using more than one SIM for all mobile users was the ability to split personal and business calls (44%). However, due to small sample sizes it was not possible to determine whether this differed for H3G users to other network users.

Methodology

- 1.5 Ofcom commissioned research with H3G users in October 2006; a total of 448 interviews were conducted. Of this, a minimum quota of 100 was set on 'multi-SIM' users, and 152 were achieved in total. This research was conducted online due to the advantage this offered in contacting a very specific sample. Use of an online methodology means that mobile phone users without access to the internet were excluded from the survey. However, the online methodology was chosen as the most cost and time efficient way of achieving a robust sample of the groups we were interested in. Data was weighted to the UK population of adults aged 15 and over. Fieldwork was conducted by Synovate.

Report content

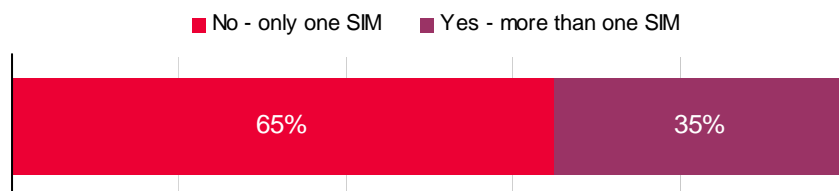
- 1.6 This document presents the key findings from the October 2006 survey and is published simultaneously with *Ofcom's Mobile Call Termination - Statement*¹.
- 1.7 One third of H3G users said that they had more than one SIM card

¹ This can be found at http://www.ofcom.org.uk/consult/condocs/mobile_call_term/statement/

All H3G users interviewed were asked whether they currently used more than one SIM card – 35% said that they did as shown in Figure 1.

Figure 1 Whether used more than one SIM card

Q. Do you have more than one SIM card that you currently use?



Base: 448 H3G users aged 15+

Source: Ofcom survey of H3G users, October 2006

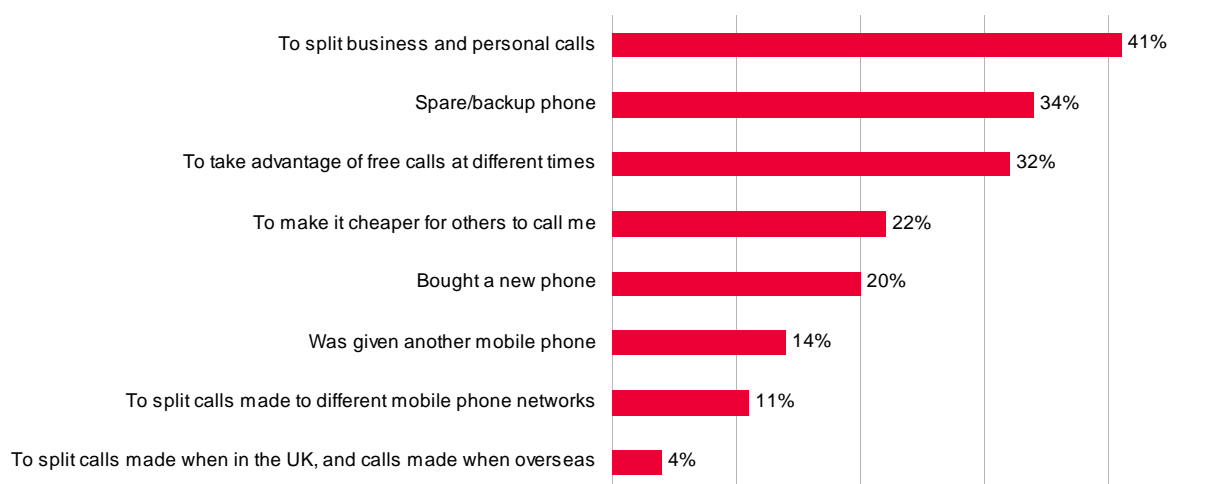
1.8 Of those who said they used more than one SIM, 44% claimed to belong to more than one MNO, this equates to 16% of all H3G users interviewed.

Most common reason for having more than one SIM card to split business and personal calls

1.9 Those who had more than one SIM card were asked why. Figure 2 shows the reasons for those who had more than one SIM card, and also claim to belong to more than one MNO. The most common reasons at around a third or more were to split business and personal calls (41%); as a backup phone (34%); and to take advantage of free calls at different times (32%). Around one fifth said they had more than one SIM to make it cheaper for others to call them, or because they had bought a new phone.

Figure 2 Reasons for having more than one SIM card

Q. And why do you have more than one SIM card?



Base: 74 H3G users aged 15+, who have more than one SIM card, and are connected to more than one network

Source: Ofcom survey of H3G users, October 2006

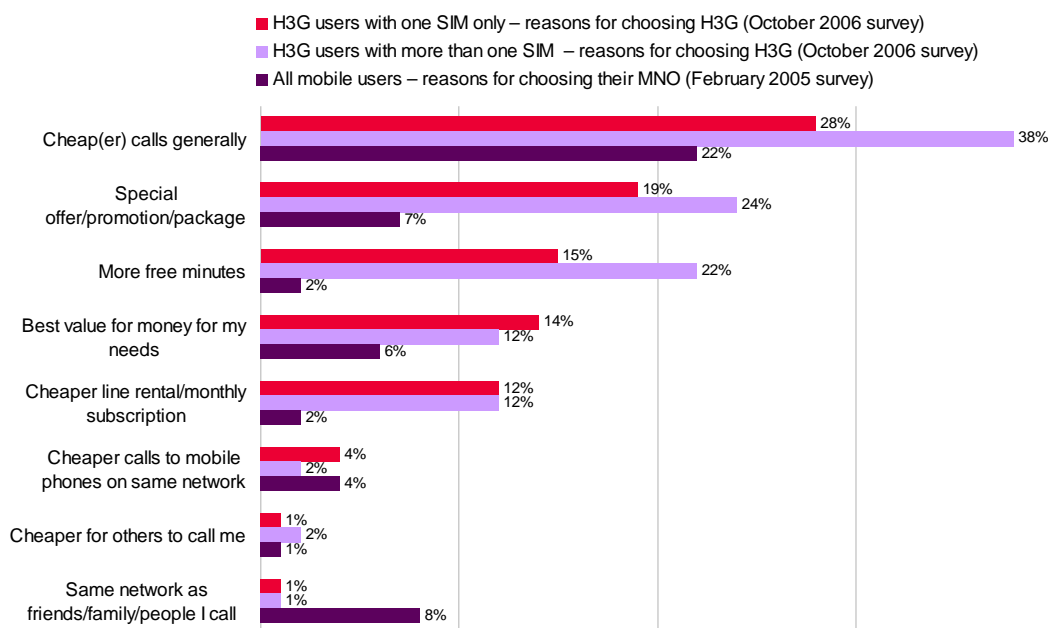
H3G multi-SIM users network choices driven by low cost

- 1.10 Respondents were asked their reasons for choosing their network. For both H3G users with only one SIM, and users with more than one SIM, the most common reasons were: cheaper calls generally (28% and 38% respectively); special offer/promotion/package (19% and 24%); more free minutes (15% and 22%); better value for money (14% and 12%); and cheaper line rental (12% for both).
- 1.11 From Ofcom research in February 2005, among all mobile users², although the most common reasons differed slightly (included being on the same network as calling circle, but did not include more free minutes), smaller proportions of users were in agreement with each statement.
- 1.12 Among all three groups only 2-4% said that they had chosen their network because they could make cheaper calls to mobile phones on the same network. 1-2% said that they had considered whether the network was cheaper for others to call them. Among H3G users, only 1% said that they chose it to be on the same network as their calling circle, in contrast to 8% of all mobile users.
- 1.13 Figure 3 shows the top five most common answers, and other relevant answers.

Figure 3 Unprompted reasons for choosing network

Q. Why did you choose '3'? (October 2006 survey)

Q. Why did you choose <mobile network used most often>? (February 2005 survey)



Base: 296 H3G users aged 15+ with one SIM only; 152 H3G users aged 15+ who have more than one SIM card; 1809 all mobile phone users³

Source: Ofcom survey of H3G users, October 2006; Ofcom survey of mobile users, February 2005

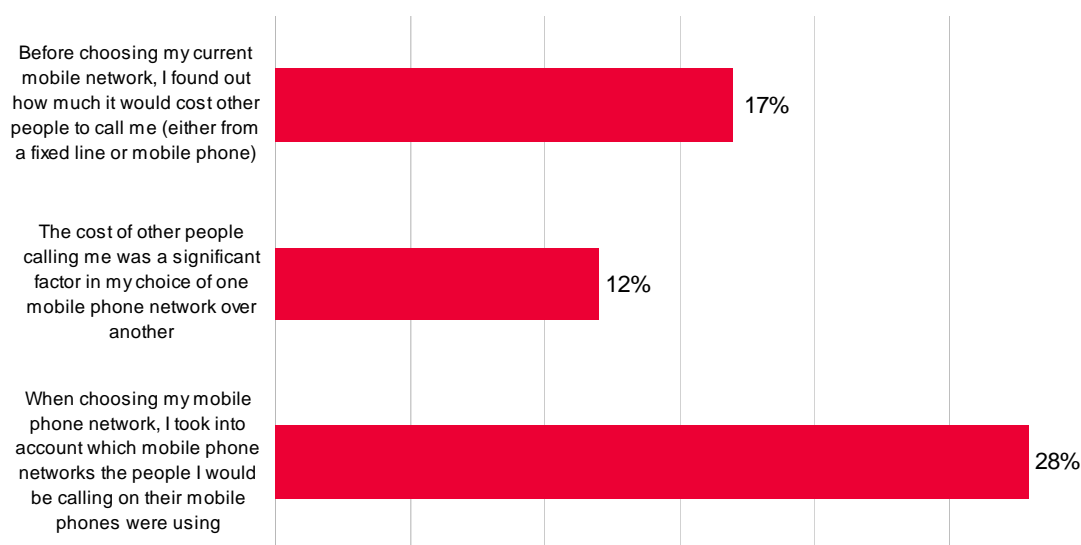
² http://www.ofcom.org.uk/consult/condocs/mobile_call_term/new_mobile.pdf

³ This base includes all mobile users in survey. Previous Ofcom published figures on this research excluded those who had been given their mobile as a present or by their employer.

- 1.14 H3G users were also asked whether they had taken specific things into consideration when choosing the network, as shown in Figure 4. Seventeen per cent said they had found out how much it would cost other people to call them; 12% said the cost of other people calling them was a significant factor in their choice of network; and 28% said they had taken into account which mobile phone networks they would be calling. There was no significant difference between H3G users who only had one SIM, and those who had more than one.

Figure 4 Prompted reasons for choosing network

Q. Please could you tell me which, if any, of the following statements apply to your choice of '3'?



Base: 444 H3G users aged 15+⁴

Source: Ofcom survey of H3G users, October 2006

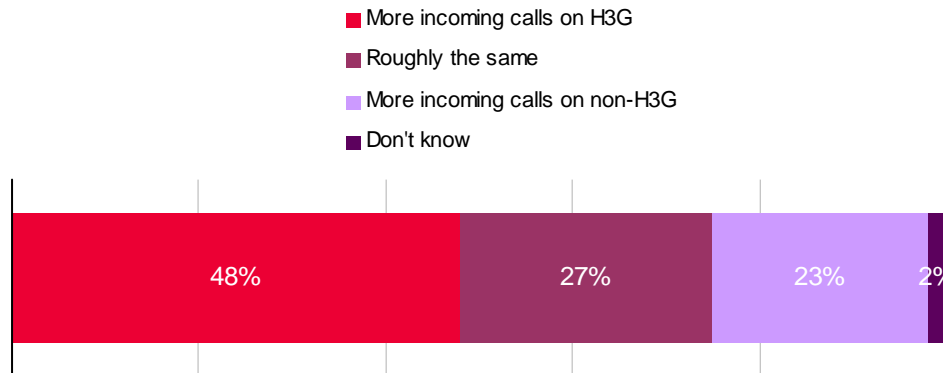
H3G users with more than one SIM estimate half of incoming calls on H3G SIM

- 1.15 The survey asked H3G users who said that they had more than one SIM, to estimate what proportion of incoming calls they received on their H3G SIM and on their other MNO SIM(s). Just under half said they had more incoming calls on their H3G SIM, just over one quarter reported that their calls were split equally, and just under one quarter said they had more incoming calls on their non-H3G SIM, as shown in Figure 5 below:

⁴ This only includes H3G users who said that it was their main network.

Figure 5 Distribution of phone calls received

Q. What proportion of INCOMING calls are received on each SIM? Would you say...



Base: 152 H3G users aged 15+ who have more than one SIM card

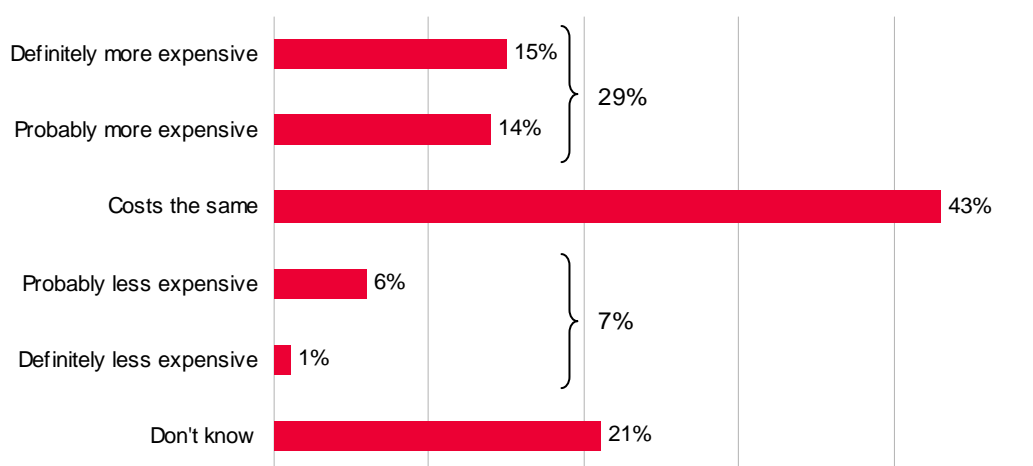
Source: Ofcom survey of H3G users, October 2006

Most H3G users did not think it costs others more to call H3G phones than other networks

1.16 More than two thirds of H3G users either thought it cost others the same to call them on their H3G mobile phone as on other networks (43%), it was cheaper for others to call them on their H3G mobile phone than other networks (7%), or they did not know what the cost implication was (21%). Just under three in ten H3G users (29%) thought that it is definitely or probably more expensive for others to call their H3G phone than other networks.

Figure 6 Perceptions of costs to others to call H3G users

Q. What is your perception of the cost implication for other people to contact you on your '3' mobile phone, compared with calling mobile phones on other networks. Would you say it is...



Base: 448 H3G users aged 15+

Source: Ofcom survey of H3G users, October 2006

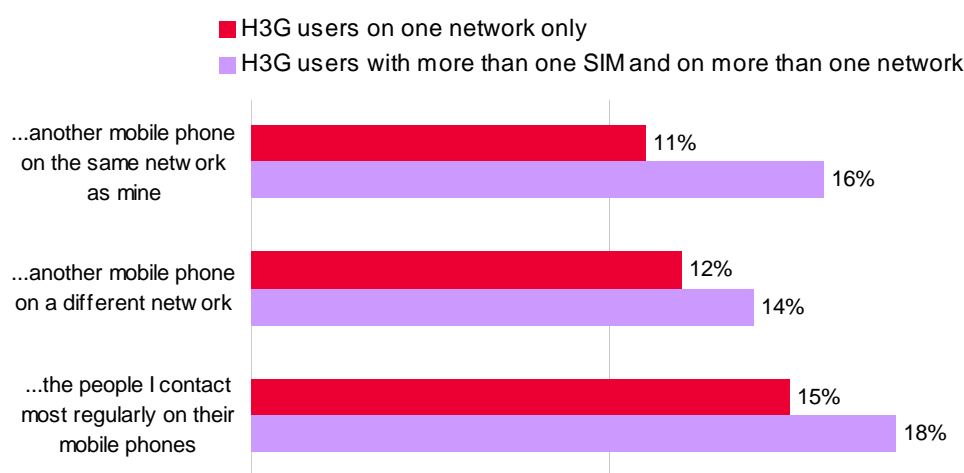
Low awareness of costs of calling others

- 1.17 Less than one sixth of H3G users on one network only claimed that they roughly knew how much it cost them to call mobile phones on the same network (11%), on a different network (12%), and people that they contacted the most on their mobile (15%), as shown in Figure 7. There was no statistically significant difference between the responses of H3G users on one network and those on more than one network (these were 16%, 14% and 18% respectively). For the two groups taken together as all H3G users, the respective figures were 12%, 12% and 15%.

Figure 7 Awareness of cost charges among H3G users

Q. And now thinking about your mobile phone, which, if any, of these statements apply to the calls you make from your mobile phone to other mobile phones?

I know roughly how much it costs to phone...



Base: 376 H3G users on one network only, 79 H3G users on more than one network, all aged 15+

Source: Ofcom survey of H3G users, October 2006