Commission for
Communications Regulation

Market Review: Voice Call Termination on Individual Mobile Networks

Appendix A: Market Research prepared by The Research Perspective Ltd. on behalf of ComReg, June 2011

Consultation and Draft Decision

Reference: ComReg 12/46a

Date: 23/05/2012

Mobile Voice Call Termination research

Results

Prepared by The Research Perspective Ltd
On behalf of The Commission for Communications Regulation
June 2011

Background Consumer and SME survey: Background

❖ ComReg commissioned consumer and SME research on the Irish mobile phone retail market to support the **M**obile **V**oice **C**all **T**ermination (MVCT) Market Analysis process and as an input to a preliminary assessment of the SMS market

❖ Topics included within the research

- Mobile phone usage profile (including prevalence and use of Smart Phones)
- Fixed line phone ownership and usage among mobile phone users
- Payment and plan details and choices
- Switching behaviour and criteria for selection of operator
- Awareness of call and SMS texting costs
- Awareness of mobile network called and incoming mobile network
- Price sensitivity to increases in cost of calls/text
- Usage policies and monitoring (SME only)

Background : Measurement

Residential survey

- The final sample was verified against available databases and research to confirm its representivity and market coverage in relation to:
  - Demographic and socio-economic indicators
  - Operators and prepay/billpay
  - Different levels and purposes of usage
- No material issues arose in relation to missing data
  - Level and patterns of *Don't know* were fully assessed as part of the analysis

SME survey

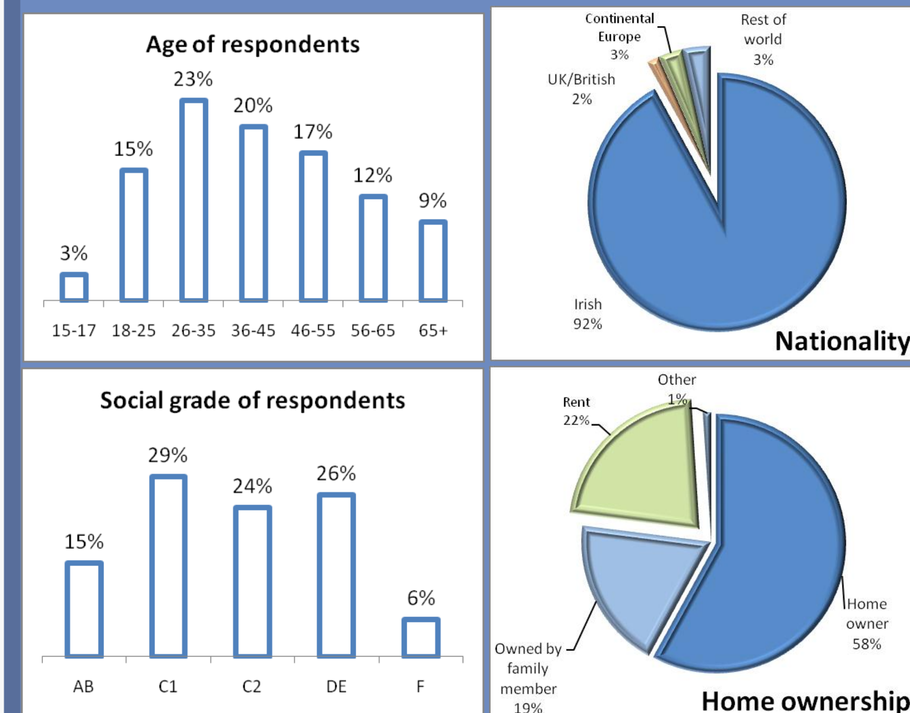
- The final sample was verified against available databases and research to confirm its representivity and market coverage in relation to:
  - Company size and sector
  - Operators and prepay/billpay users
  - Different levels and purposes of usage
- No material issues arose in relation to missing data
  - Where question level missing responses occur, no interpolation or reweighting was used (occurrences and level of missing is not deemed sufficient to impact on results)

Notes on results presented

- Results for Meteor and eMobile are merged and reported as Eircom Mobile group
- For fixed line, results for Perlico are included within Vodafone results
- Percentage breakdowns are rounded to the nearest whole number to retain accuracy of results. This means that figures presented on charts may not sum to 100% due to rounding
- Survey questions are shown, where appropriate, to remove any ambiguity
  - In some cases, responses from multiple questions are combined to produce the displayed result, in which case all questions are shown

Demographics of respondents: Residential

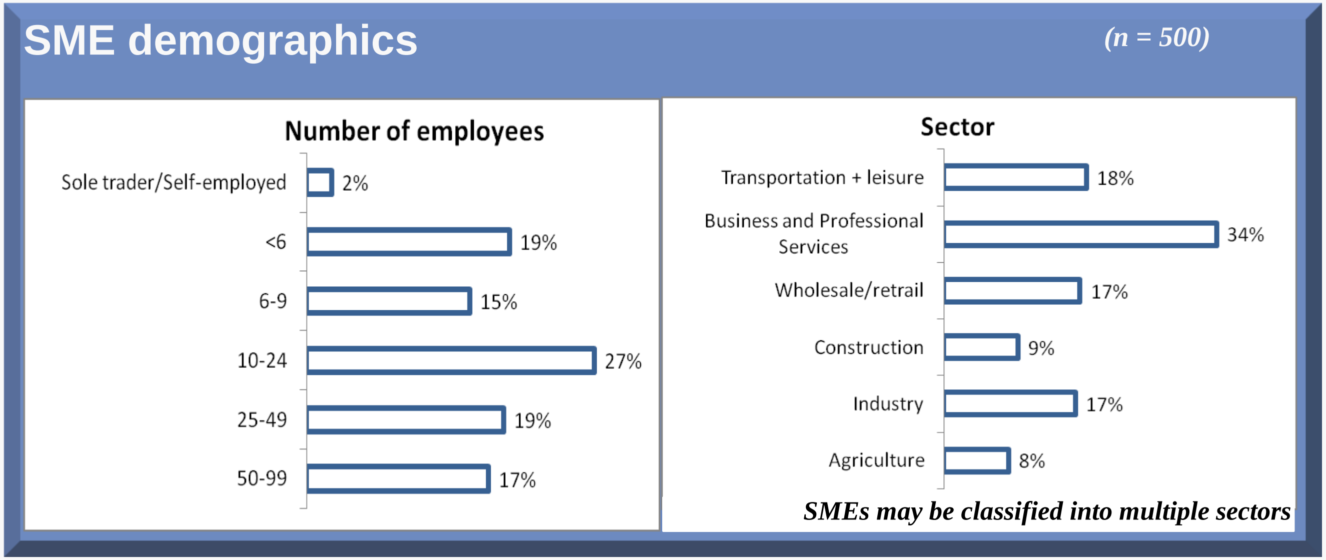
Consumers' demographics *(n = 1128)*



- Consumer survey fully representative of the national population
  - Approximate match to 2006 CSO figures for age and nationality profile
  - Home ownership status and social class inline with available national data on home ownership
  - Employment status was also recorded with 12% self-classifying as unemployed

Note: Social grade is measured using the NRS social grade scale (ABC1C2DEF) maintained by the Market Research Society

Demographics of respondents: SME



- SME survey sample included quotas by number of employees to reflect total employment
  - This approach is consistent with previous ComReg SME research and ensures the responses are representative of market volume
- Sector classification derived from NACE codes
  - Note: 4% of respondents classified in more than 1 sector

CONSUMER RESULTS

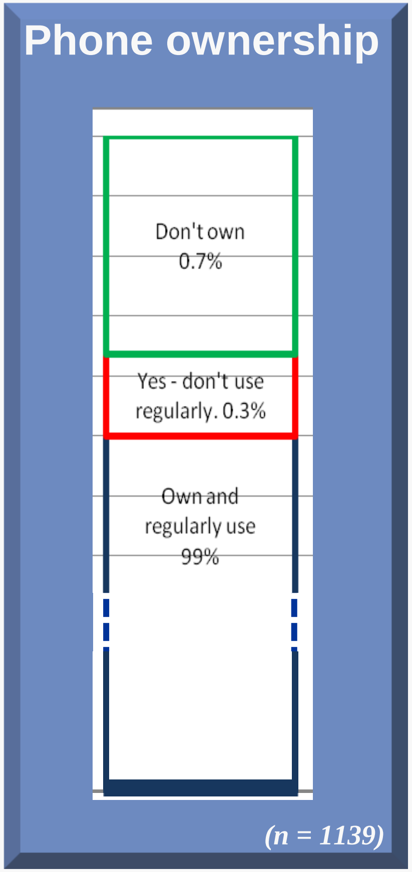
Background consumer survey: Measurement

- ❖ The consumer survey was a face to face survey administered to a representative sample across Ireland – using 75 different sampling points
  - The 20 minute survey was conducted in March/April 2011 – a total of 1,128 responses were achieved across the pilot and full survey
- ❖ Valid survey respondents were those who own and regularly use (at least once a month) a mobile phone – either bill pay and pre pay
- ❖ Quotas were established to ensure representivity across age, gender, socio-economic background and location
- ❖ Customers of all current mobile phone providers in the Irish market were potentially represented among the respondents
  - Respondents were a random sample of all mobile phone users and proportions of respondents
- ❖ Response data was assessed in terms of its internal reliability using the Cronbach's Alpha[1] test with results exceeded 0.75

[1]: Cronbach's Alpha is a test of internal consistency to gauge reliability with a benchmark score of .7 recommended

CONSUMER PHONE OWNERSHIP AND USAGE PATTERNS

Consumer: Percentage of active mobile phone users

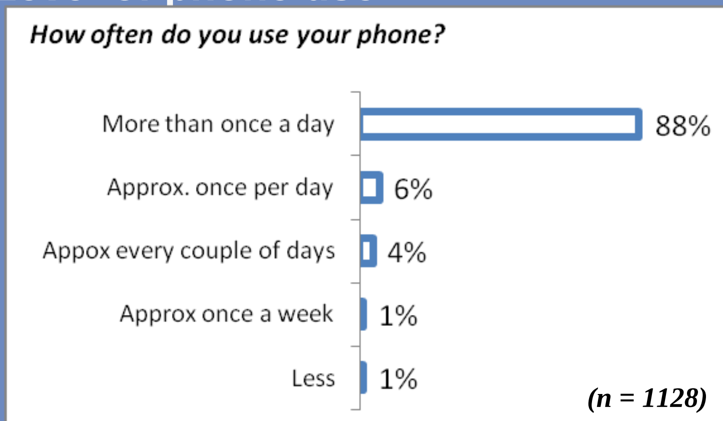


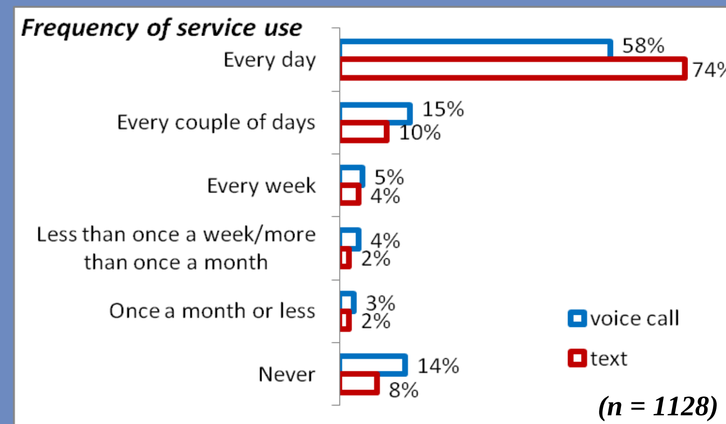
SURVEY QUESTIONS:
Q: Can I confirm that you own and regularly (at least once a month) use a mobile phone?
Q: Do you own a mobile phone you don't regularly use?

- 99.3% of respondents own a mobile phone with 99% using their mobile phone regularly
  - 10% use their mobile phone for both business and personal purposes
- Criteria for exclusion from the consumer survey were
  - Consumers who did not own a mobile phone or do not use it at least once a month
  - Consumers with only a mobile phone used exclusively for business purposes

Consumer: Frequency of use of mobile phone call and text services

Level of phone use



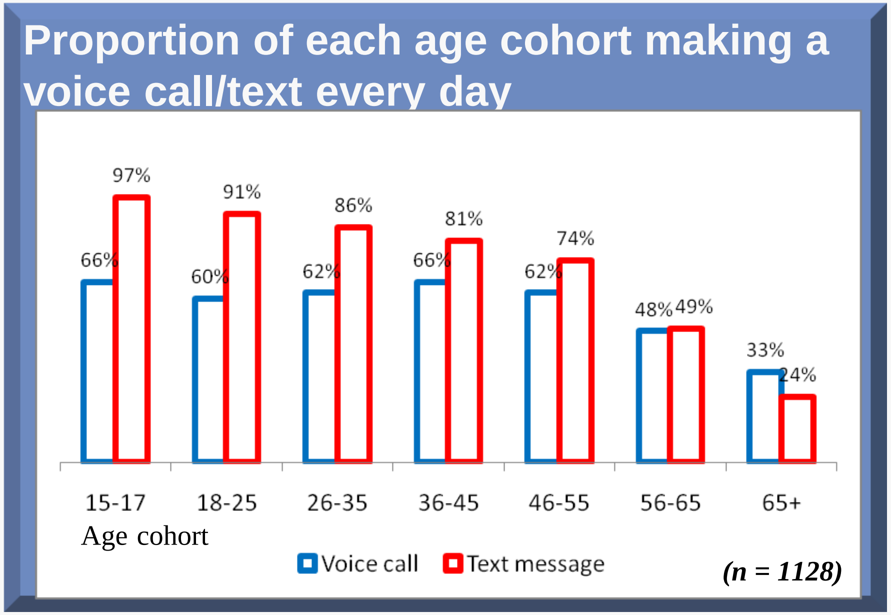


SURVEY QUESTION:
Q: And how often do you use your mobile phone?

SURVEY QUESTION:
Q: . Could you indicate how often you use any of the following services on your mobile phone?
- ***Voice call***
- ***Text messaging***

- Most consumers (94%) use their mobile phone every day
  - 88% use their mobile phone more than once a day (Based on an analysis of each respondent's responses to both questions)
- Text is more often used every day (74%) than voice calling (58%)

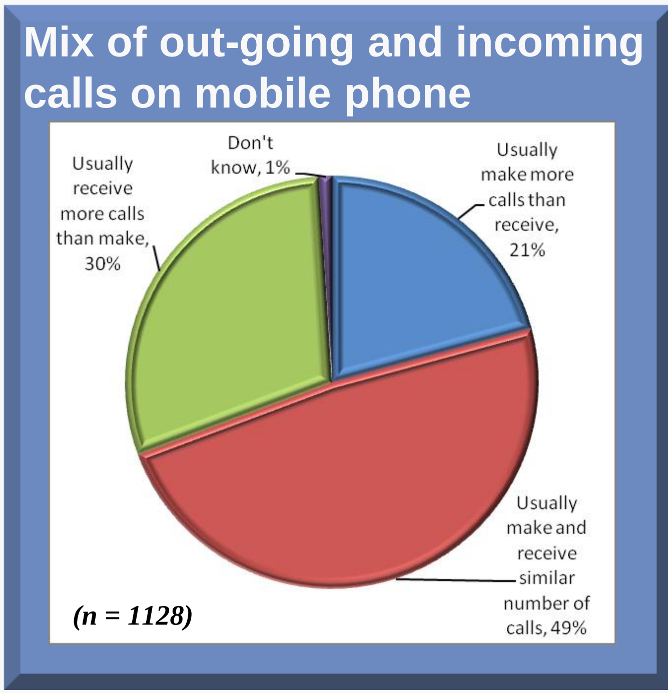
Consumer: Frequency of use - demographics



- The proportion of consumers making daily voice calls is broadly similar up to the 56-65 age cohort
- For each age cohort lower than 56-65 the proportion sending text messages daily is significantly higher than the proportion making voice calls each day
- However, this balance changes with age, with a higher proportion of those aged 65+ making daily voice calls than the proportion sending daily text messages

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

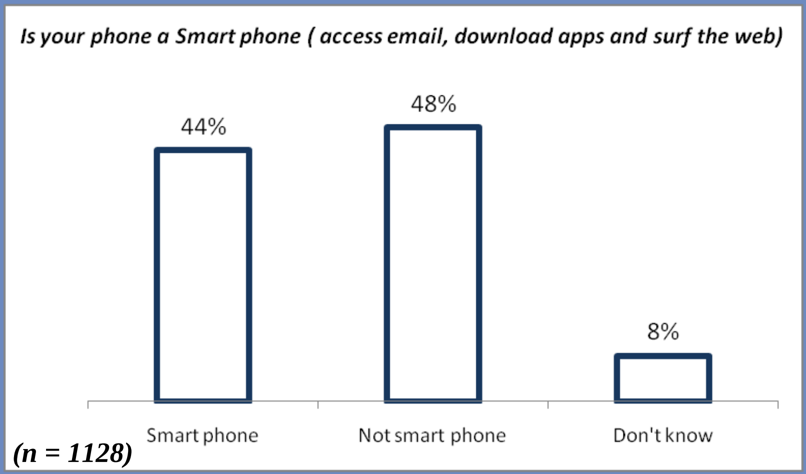
Consumer: Mix of out-going and incoming calls on mobile phone



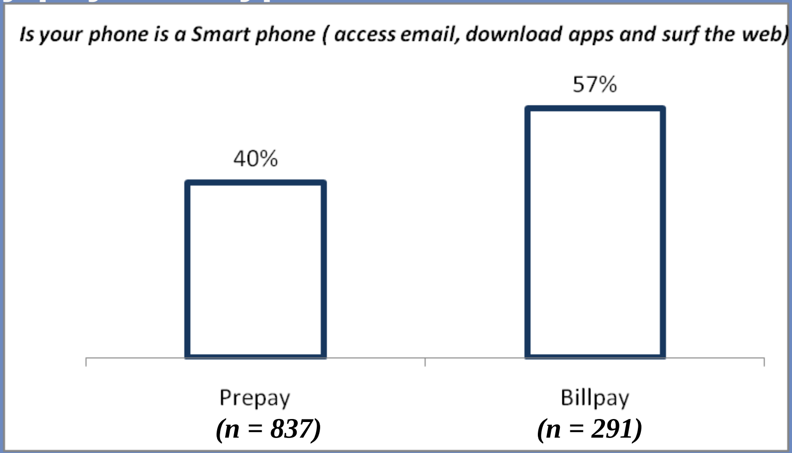
SURVEY QUESTION:
Q: . Thinking about the calls you make and receive on your mobile phone, which of the following best describes you usage in a typical month

Consumer: Level of smart phone ownership

Level of smart phone ownership



Level of smart phone ownership by payment type



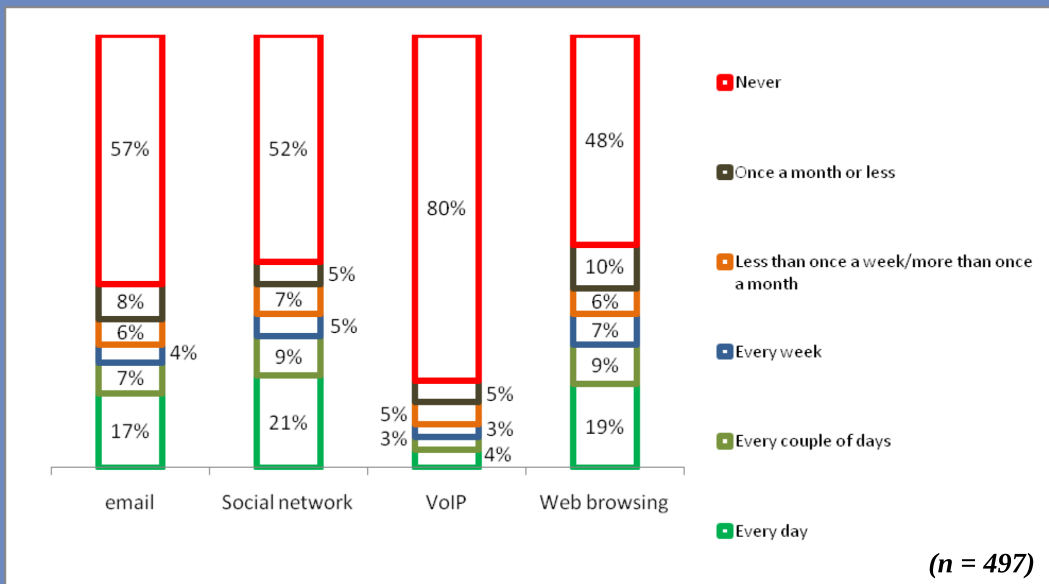
SURVEY QUESTION:
Q: Which of the following best describes the capabilities of your mobile phone?

- ***My mobile phone allows me to access email, download apps and surf the web***
- ***My mobile phone does not allow me to access email, download apps and surf the web***

- Smart phones are owned by 44% of the consumer population
  - Consumers with Prepay phones are less likely to own a Smart Phone than consumers with billpay phones

Consumer: Smart phone enabled communications and services

Level of use of smart phone functionality



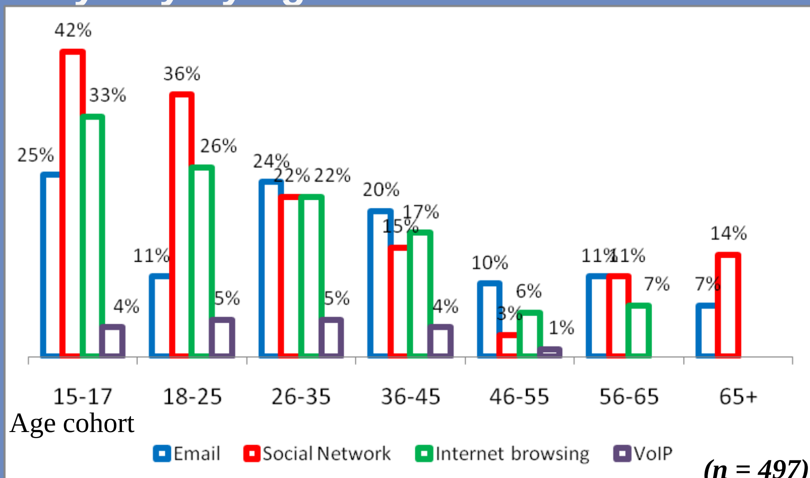
SURVEY QUESTION:
Q: Could you indicate how often you use any of the following services on your mobile phone?
- ***Email on your mobile phone***
- ***Social networks (such as Facebook, MySpace, Bebo and twitter) on your mobile phone***
- ***VoIP, Skype, Internet call, on your mobile phone***
- ***Internet Browsing (data use for surfing web, downloading video or ring tones etc..) on your mobile phone***

- Among the 44% of consumers who own a Smart Phone, approximately half of smart phone owners use email, social networks or web browsing on their mobile phones with approximately 20% using these services every day
  - In contrast VoIP is used by 20% of smart phone owners with 4% using it every day
- 63% use one or more of email, social networks, VoIP or web browsing
  - Based on an analysis of each respondent's responses to this set of questions

Note: Terms such as VoIP and Social networking were explained to respondents with reference to leading providers of these services (i.e. Skype, Facebook etc)

Consumer: Smart phone enabled communications and services demographics

Use email/social network on smart phone every day by age cohort



SURVEY QUESTION:
Q: Could you indicate how often you use any of the following services on your mobile phone?

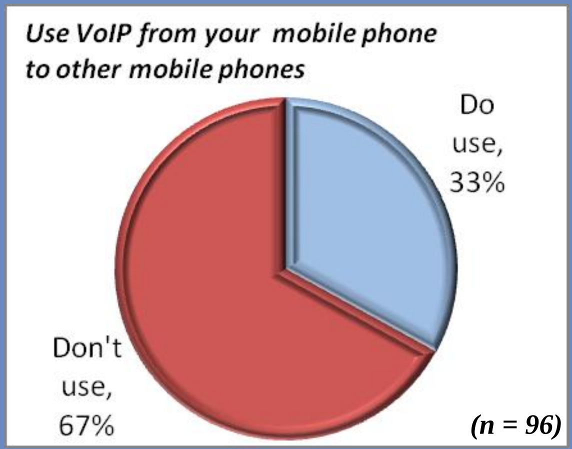
- ***Email on your mobile phone***
- ***Social networks (such as Facebook, MySpace, Bebo and twitter) on your mobile phone***
- ***VoIP, Skype, Internet call, on your mobile phone***
- ***Internet Browsing (data use for surfing web, downloading video or ring tones etc..) on your mobile phone***

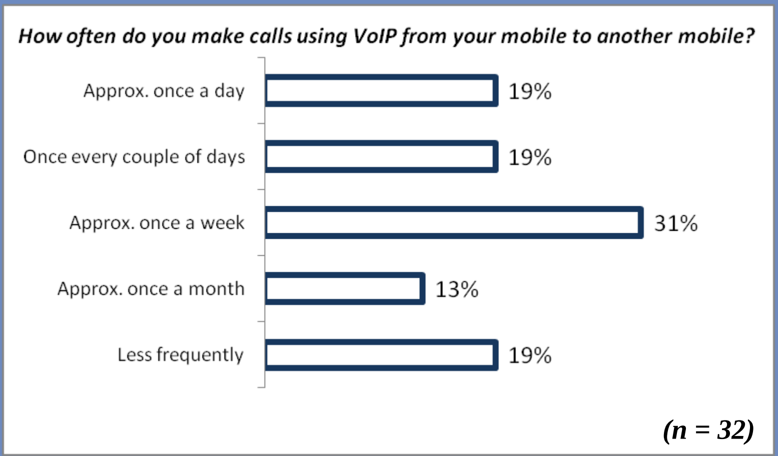
❖ Among smart phone users, access to social networking sites is the most commonly used smart phone data service in the under 25 age cohort with email most commonly used in the 26-35 age cohort

- Apart from those aged 46-55, social networking is used by more than 10% of Smart Phone users

Consumer: Use of VoIP for mobile phone to mobile phone communication

Use of VoIP on mobile phone (Smart phone owners only)





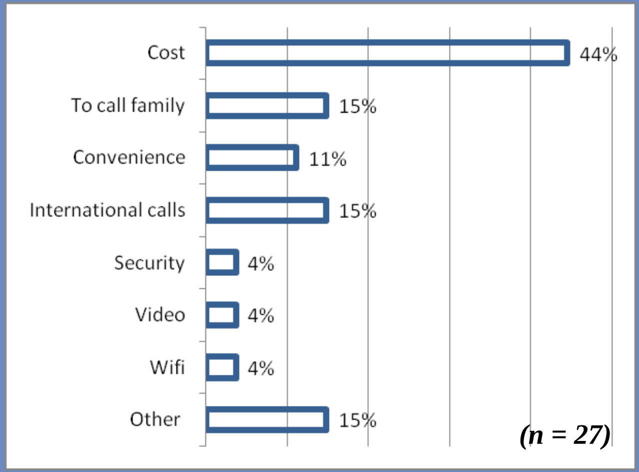
SURVEY QUESTION:
Q: Do you use any of Skype, Internet calls or VoIP on your mobile, to contact somebody on their mobile?

SURVEY QUESTION:
Q: And how often do you make Skype, Internet calls or VoIP on your mobile, to contact somebody on their mobile?

- Less than 3% of all mobile phone users use VoIP to make calls to other mobile phones
  - 44% of consumers own smart phones, 20% of these use VoIP and of these 33% use it to contact other mobile phones
- Even among this small group of users, usage of VoIP to call other mobiles remains much lower than the equivalent usage of text or voice calls.
  - 19% of these make VoIP to another mobile phone every day. In contrast, voice calls are made every day by 58% of all mobile phone owners

Consumer: Reasons for using VoIP for mobile phone to mobile phone communication

Reasons for using VoIP for mobile to mobile calls (among those using VoIP for mobile phone to mobile phone calls)

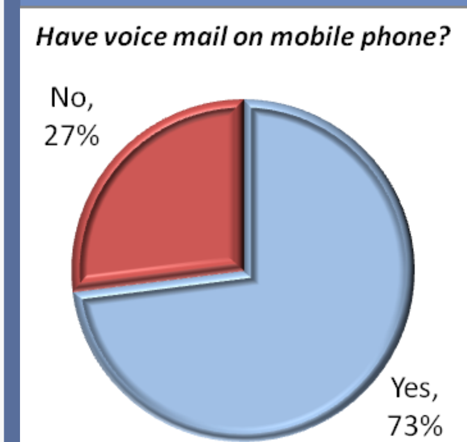


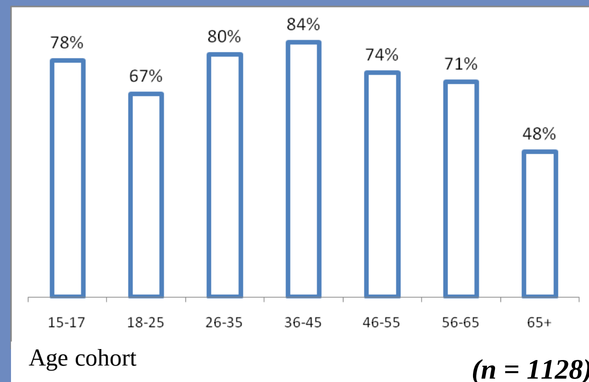
SURVEY QUESTION:
Q: Why do you use Skype, internet calls or VoIP on your mobile to contact somebody on their mobile?

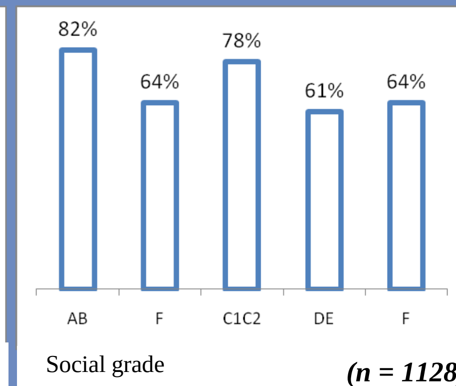
- ❖ Among consumers who use VoIP for mobile to mobile calls and who gave a reason for using it, cost was the most common reason (44%)
  - Calls to family in general and international calls were cited by 15% of the respondents each

Consumer: Other mobile phone services – use of Voice mail

Voice mail service on mobile phone







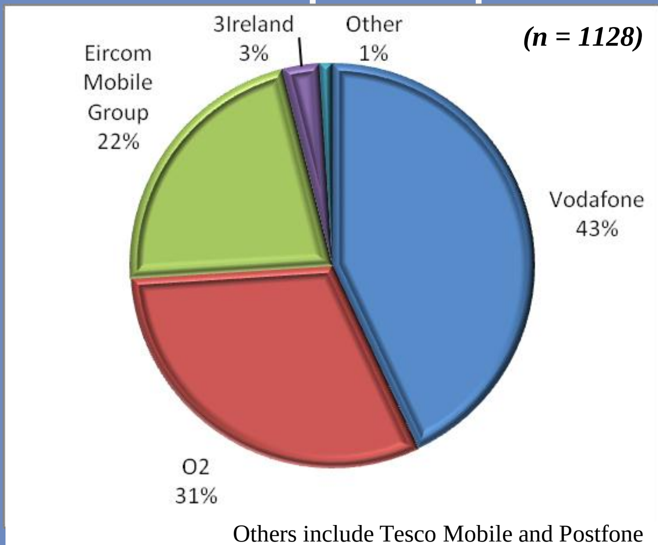
SURVEY QUESTION:
Q: And do you have voice mail on your mobile phone?

- 73% of consumers state that they use voice mail on their mobile phone
  - 89% of billpay consumers have voice mail; 68% of prepay consumers have voicemail
- Voice mail usage is highest in the AB social grade but still used by almost of 2/3 of other social grades
  - The linkage with social grade may be related to the additional cost associated with use of voice mail with some service providers
  - Note: AB social grades correspond to professional people, middle and senior managers and senior and mid-ranking civil servants as well as owners of small businesses

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

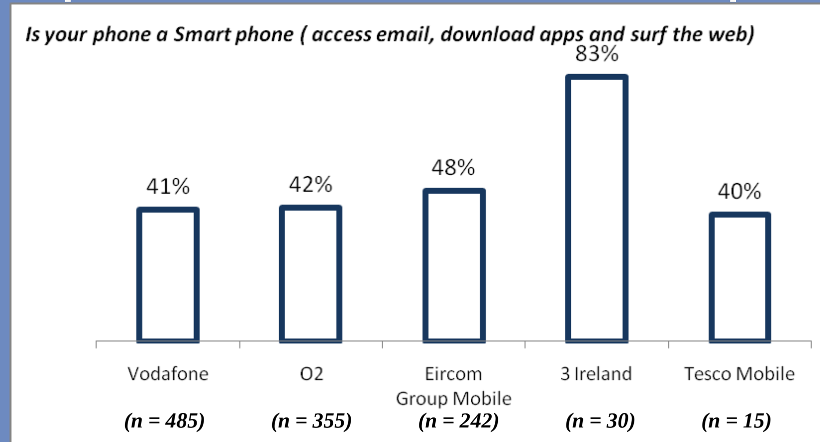
Consumer: Mobile phone operators' market share and proportion of customers with smart phones

Current mobile phone operator



SURVEY QUESTION:
Q: Who is your current mobile phone operator for your main personal mobile phone?

Proportion of customers with smart phone

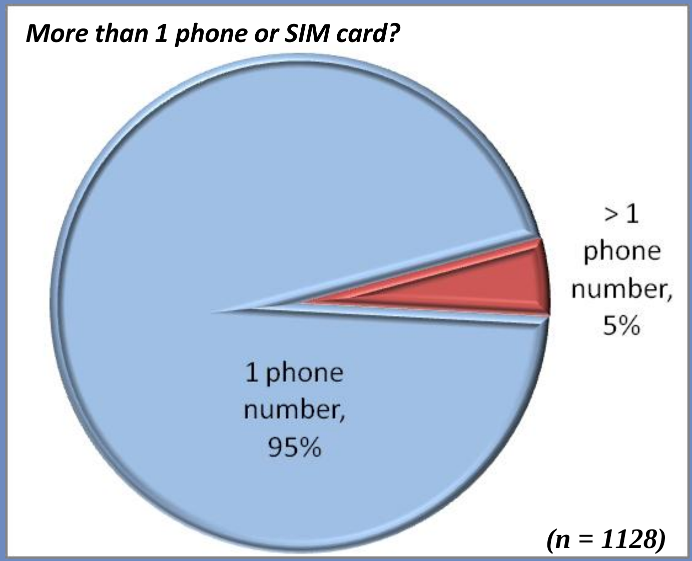


SURVEY QUESTION:
Q: Which of the following best describes the capabilities of your mobile phone?
- *My mobile phone allows me to access email, download apps and surf the web*
- *My mobile phone does not allow me to access email, download apps and surf the web*

- ❖ Market shares are broadly inline with operator market shares reported in ComReg Q4-2010 report
  - The top three mobile phone operators control 95% of the market
- ❖ Level of smart phone ownership is similar across the operators with the largest market share. However, 3 Ireland has a much higher level of smart phone ownership (83%)

Consumer: Ownership and use of multiple mobile phone numbers

Use more than 1 mobile phone number



SURVEY QUESTION:
Q: How many active (used in the last month) mobile phone numbers do you have (each number might correspond to a separate phone or you might have several active (used in the last month) SIM cards which you swap into a single phone)?

- There is a low level of multiple phone number ownership with 95% of consumers having one mobile phone number

Consumer: Profiling ownership of and use of multiple mobile phone numbers

Profile of 5% of consumers with more than 1 mobile phone number

Of mobile phone owners...

Have multiple for business or personal

Regularly use 1 phone for personal calls – the other phone is used mostly for business calls	2.0%
Regularly use more than 1 phone for personal calls	2.7%

Multiple mobile phones or SIM cards

Regularly use 1 phone and more than 1 SIM	1.8%
Regularly use more than 1 phone	2.9%

Number of mobile phones & SIM cards

Regularly use 2 phones/SIM cards	3.7%
Regularly use more than 2 phones/SIM cards	1.0%

Of those who regularly use more than 1 phone for personal calls:

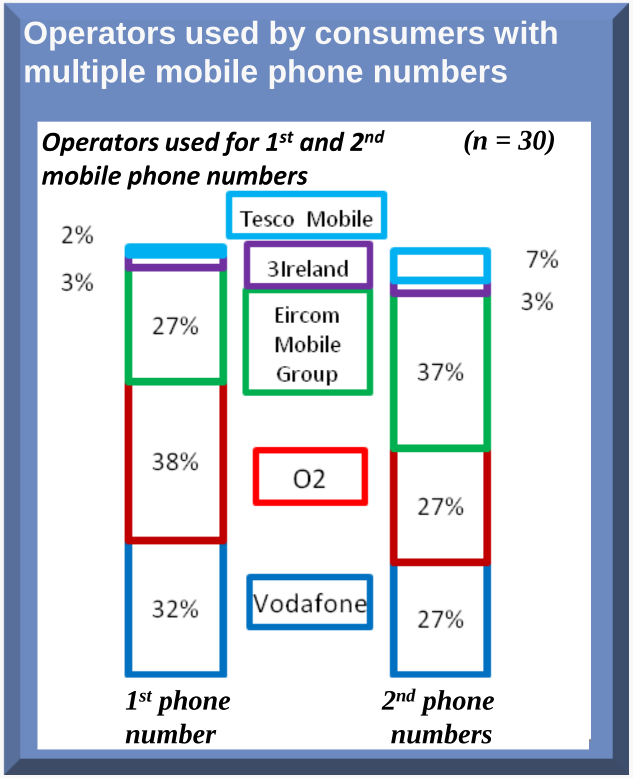
Regularly use 1 phone and more than 1 SIM	1.0 %
Regularly use more than 1 phone	1.7%

Regularly use 2 phones/SIM cards	2.3%
Regularly use more than 2 phones/SIM cards	0.4%

(n = 1128)

- ❖ There are 4.7% of mobile phone users with more than 1 mobile phone number;
- ❖ 2.7% have multiple phone numbers for personal calls
  - 1.0% have multiple SIMs that they use for personal calls; 1.7% have multiple phones that they use for personal calls
  - 2.3% have 2 phones or SIMs and 0.4% have more than 2 phones or SIMs that they use for personal calls

Consumer: Mobile phone operators used by consumers with multiple mobile phone numbers



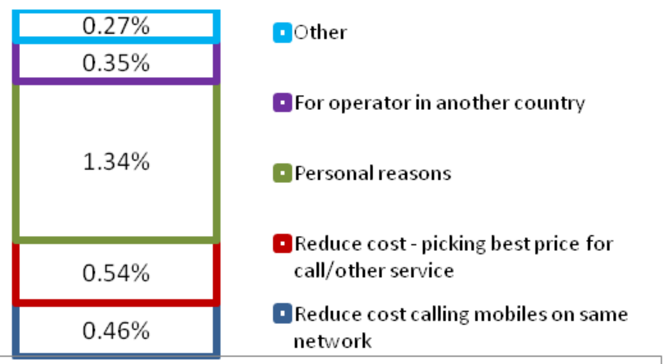
- Of the 2.7% of consumers with multiple phone numbers for personal calls, 56% use the same operator for their primary and secondary mobile phones
    - This is equal to 1.5% of the entire population of mobile phone users

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

Consumer: Multiple personal mobile phone numbers - purpose

Reason for having multiple mobile phone numbers

Why do you have more than one mobile phone number - for personal calls? (unprompted)

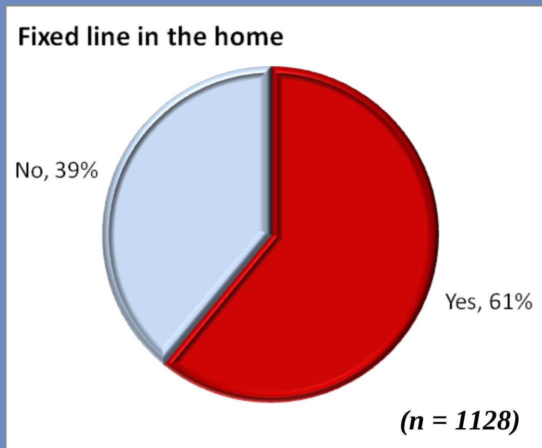


(n = 30 with % calculation base 1128)

- 2.7% of the mobile phone owning population reported regularly using multiple mobile phone numbers ***for personal calls*** (as distinct from a phone number used for business calls)
  - These consumers were asked to state why they had multiple mobile phone numbers.
- 1.0% of the mobile phone owning population have multiple phone numbers for cost reasons
  - Personal reasons are the most common reason for having multiple mobile phones for personal calls – equating to 1.43% of the mobile phone owning population

Consumer: Presence of fixed line phone in home among mobile phone users and reasons for not having fixed line phone

Presence of fixed line in the home



SURVEY QUESTION:
Q: In your home, do you have a home phone line (also sometimes called a fixed line phone), provided by companies such as Eircom, UPC, Imagine or Digiweb?

Reasons for not having a fixed line phone in home

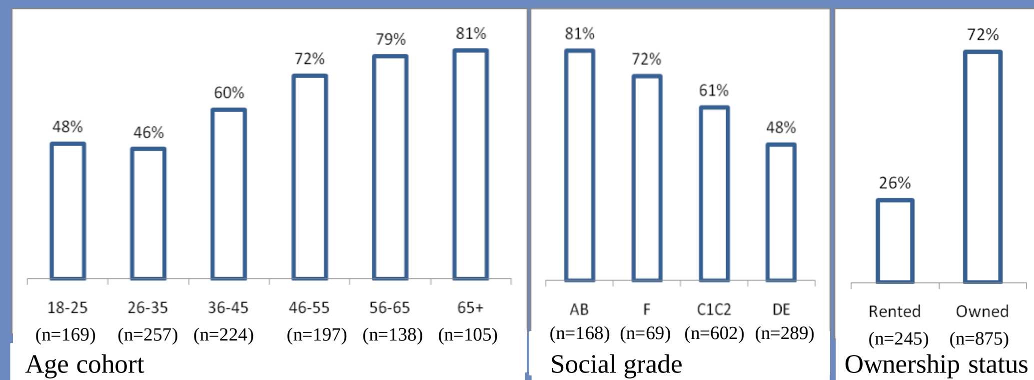
Reason for not having a fixed line phone (n=435)	%
To save money	53%
Prefer to use only mobile phone	42%
Not my decision	15%
Other	4%
Don't know	1%

SURVEY QUESTION:
Q: Why don't you have a home phone line? (unprompted)
- *To save money*
- *Prefer to use only mobile phone*
- *Not my decision*
- *Other*
- *Don't know*

- A majority (61%) of respondents reported the presence of a fixed line phone in their home
- Of those without a fixed line home phone, the most common reason given for this was to save money
  - 53% of consumers without a fixed line phone at home gave cost related reasons for this

Consumer: Fixed line phones in home – demographic profile

Percentage of each demographic group with a fixed line phone in home

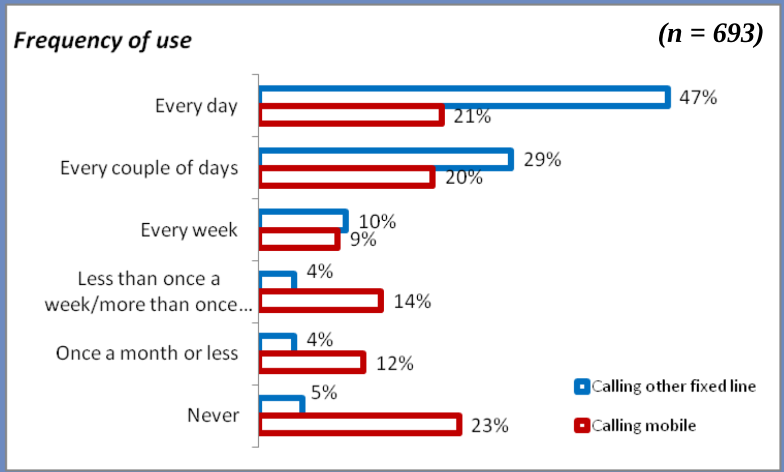


- Fixed line phone ownership is linked to age and social grade
  - Compare average rate of ownership of 47% among those under 35 with 80% among those over 56
- Consumers who rent their home are much less likely to have a fixed line phone (26%) than those who live in a home they or a family member owns (72%)
- Respondents who describe themselves as non-Irish/non-British are also much less likely to have a fixed line phone (39%)

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

Consumer: Fixed line phone at home – Outgoing call frequencies

Fixed line call frequency among mobile phone users with fixed line phones at home



SURVEY QUESTION:
Q: Please indicate how frequently you use your home phone line for the following purposes?
- *To call other fixed line phones*
- *To call mobile phones*

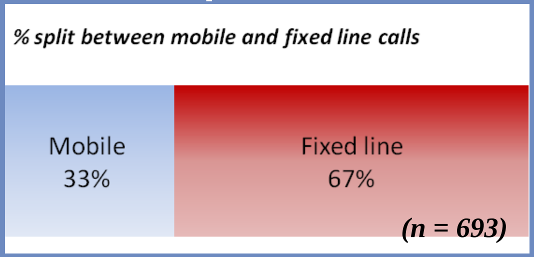
❖ Over twice as many consumers use their fixed line phone every day to call other fixed line phones (47%) as use their fixed line phone every day to call mobile phones (21%)

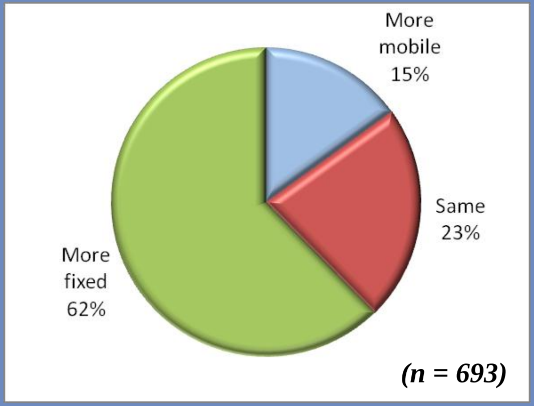
❖ 52% make either/both calls to fixed line/mobile phones every day
- Calculated from an analysis of the individual responses to the two questions
- Compare with 58% who make a voice call from their mobile every day

❖ 5% make no out-going calls on their fixed line phone
- Calculated from an analysis of the individual responses to the two questions

Consumer: Fixed line phone at home – Split of calls to mobile and fixed line phones

Split of calls to mobile and fixed line phones from fixed line phones at home





SURVEY QUESTION:
Q: Thinking about the calls you make from your home phone line in a typical month, could you state the proportion of calls which are to mobile phones and which are to fixed line phones?

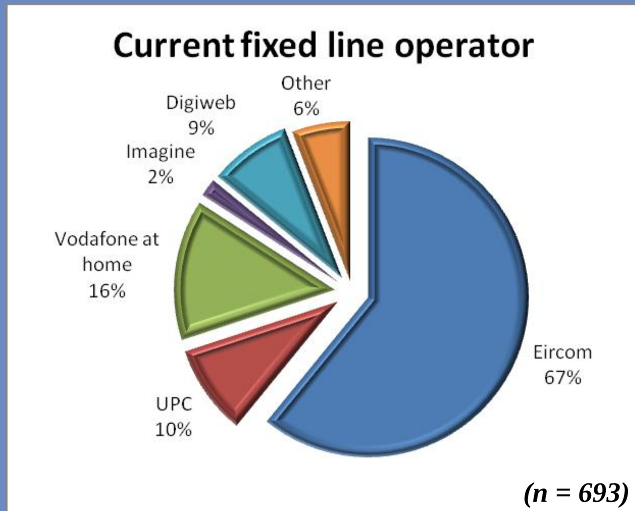
SURVEY QUESTION:
Q: Thinking about the calls you make from your home phone line in a typical month, which of the following most accurately describes your usage?

- ***I make the same amount of calls to mobile phones as I make to fixed line phones***
- ***I make more calls to mobile phones than I make to fixed line phones***
- ***I make more calls to fixed line phones than I make to mobile phones***

- ❖ Consumers with fixed line phones at home were asked to categorise the mix of calls made from their fixed line phone to other fixed line and mobile phones in a typical month
- ❖ Fixed line home phones are much more likely to be used for calling other fixed line than mobile
  - Consumers estimate that they make twice as many calls to fixed line phones as mobile phones

Consumer: Fixed line phones at home – operator market share

Current fixed line phone operator



SURVEY QUESTION:

Q: Which company provides your home phone line service?

- ***Eircom***
- ***UPC***
- ***Vodafone at home***
- ***Imagine***
- ***Digiweb***
- ***Other, please specify***

❖ Eircom holds a majority of the fixed line at home market (67%) with three other operators holding approximately 35% between them

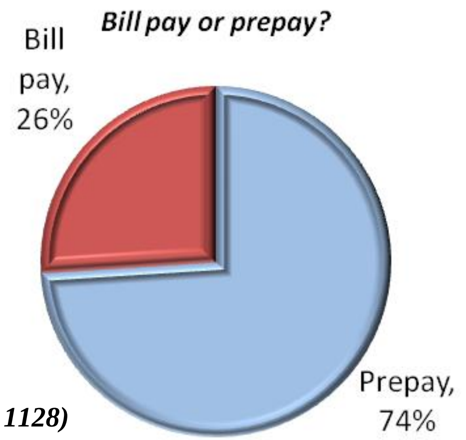
- Note*:* Figure for *Vodafone at home* includes 3% of consumers who stated their current operator was Perlico

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

CONSUMERS: PAYMENT METHOD AND PLAN

Consumer: Mobile phone payment method

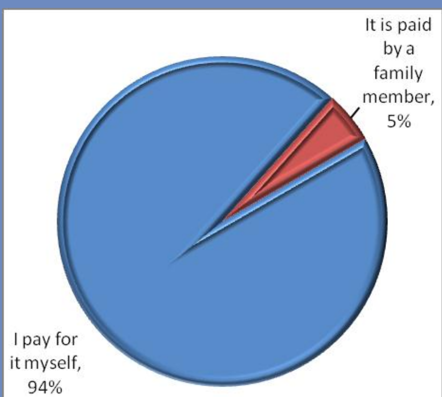
Payment method



(n = 1128)

SURVEY QUESTION:
Q: Is your mobile plan/package a prepay package (where you buy credit before you can make a call) or bill pay package (where you have a contract with your operator and subsequently receive a bill for calls, texts or other services you used in the previous month)?

Person who pays for phone usage



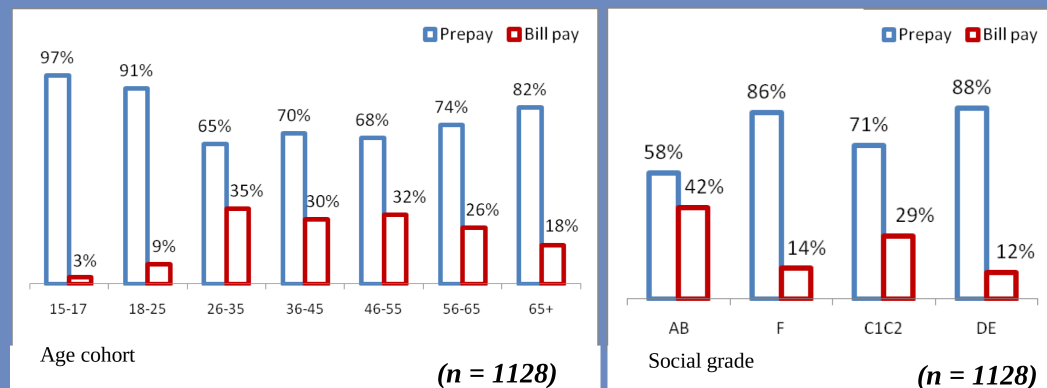
(n = 1128)

SURVEY QUESTION:
Q: Returning to your personal mobile phone, who pays for your mobile phone usage?

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

Consumer: Mobile phone payment method - demographics

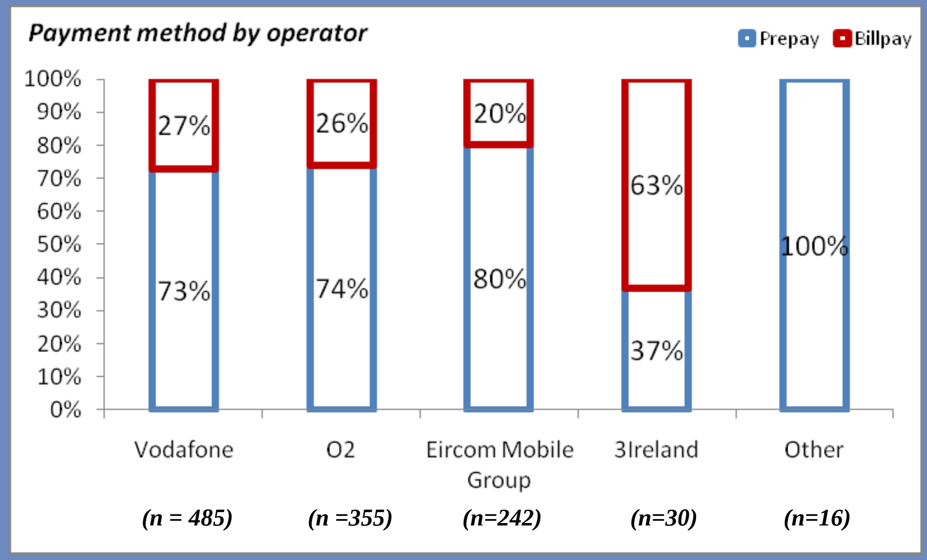
Payment method by age cohort and social grade



- ❖ Billpay is the most common payment method among the middle age cohorts (26 – 55 years old) with much lower levels of billpay among the under 25 and over 65
  - The highest level of prepay is among 26-35 consumers (35%)
- ❖ Payment method is also linked to social grade with 42% of AB respondents using billpay compared to 12% of DE respondents

Consumer: Mobile phone payment method - by mobile phone operator

Payment method – by mobile phone operator

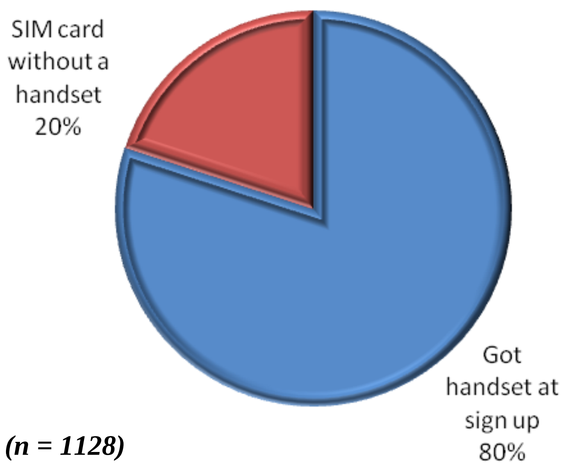


- The distribution of payment methods varies greatly by operator
  - Other includes customers of Tesco Mobile and Postfone
- Vodafone and O2 customers show similar patterns to the overall market – contrasting with 3Ireland which has a majority of billpay customers and the other smaller operators which are exclusively prepay

Consumer: Mobile phone – handset purchase

Handset – time of purchase

Did you buy a handset when signing up with your current operator?



(n = 1128)

SURVEY QUESTIONS:

Q: When you first signed up to your mobile plan/package did you also purchase a mobile phone at the same time (you might have changed your phone since then - we are interested in when you first signed-up to your plan or package)?

Q: Did you buy the phone at the same time as signing up to your operator or did you buy a SIM card without a phone?

- ***Bought the phone at the same time as signing up***
- ***Bought a SIM card without a phone***
- ***How much did you pay for your mobile phone?***

Mobile phone handset – average costs

If handset purchased at sign-up to current operator… (n=851)	Overall	Billpay	Prepay
Average cost of new phone	€96	€102	€86

SURVEY QUESTION:

Q: How much did you pay for your mobile phone?

- 80% took ownership of a new mobile phone when signing up with their operator
    - 4% got the phone for free
- Among respondents who bought a mobile phone, the average cost was €96
    - The average cost among billpay customers was higher at €102 compared to €86 for prepay customers

Consumer: Mobile phone handset costs by mobile phone operator

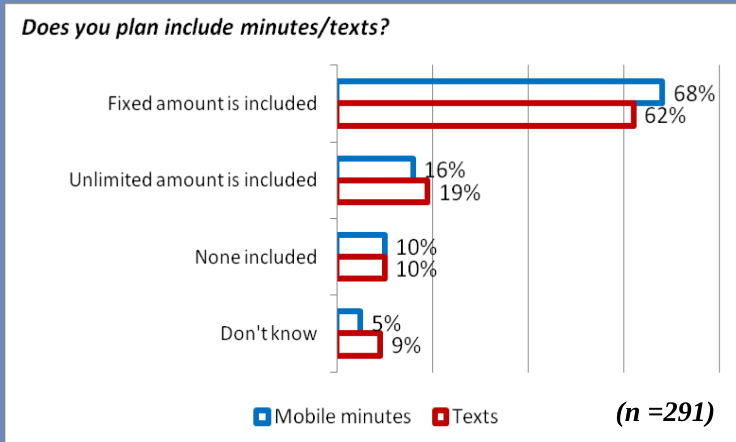
Mobile phone handset – average costs

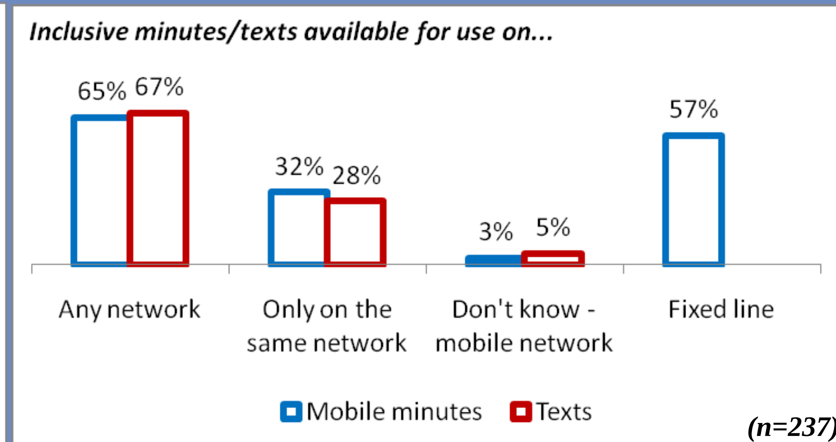
If handset purchased at sign-up to current operator... (n=851)	Overall	Vodafone	O2	Meteor	3 Ireland
Average cost of new phone (includes both prepay and billpay consumers)	€96	€90	€90	€89	€116

- ❖ Costs variation between operators should be considered in the context of smart phone usage
  - Average costs based on all respondents able to recall amount paid

Consumer: Billpay plan inclusions

Overview of plan – bill pay





SURVEY QUESTION:
Q: Does your mobile plan/package include a set number of inclusive minutes/texts which you can use to make calls at no extra cost (2 questions)
- ***Yes, a fixed amount is included***
- ***Yes, an unlimited amount is included***
- ***None included***
- ***Don't know***

SURVEY QUESTION:
Q: Can you use your inclusive minutes to make calls to people on any mobile network or only to people on the same mobile network as you?
- ***Any network***
- ***Only on the same network***
- ***Don't know***

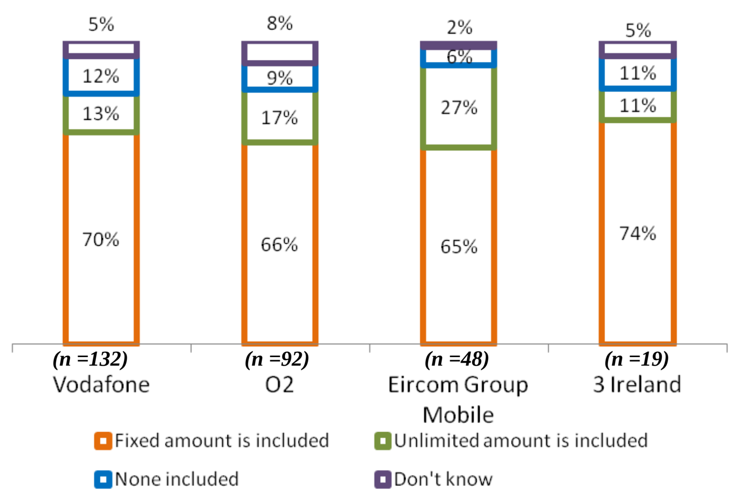
Q: Can you use your inclusive minutes to make calls to fixed line phones?

- ❖ A majority of billpay plans include mobile calls, texts and fixed line calls in the bundle
  - 30% also include a set data allowance
- ❖ 95% of billpay consumers are aware of the types of calls included within the bundle

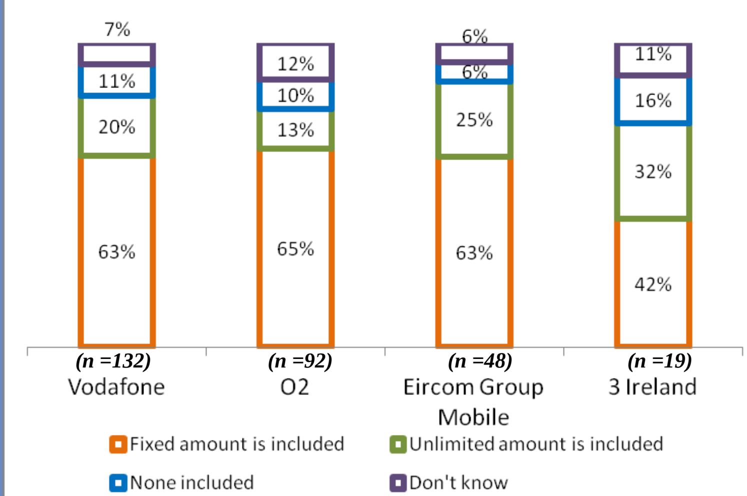
Consumer: Billpay plan inclusions by operator

Overview of plan – bill pay

Does your plan include minutes?



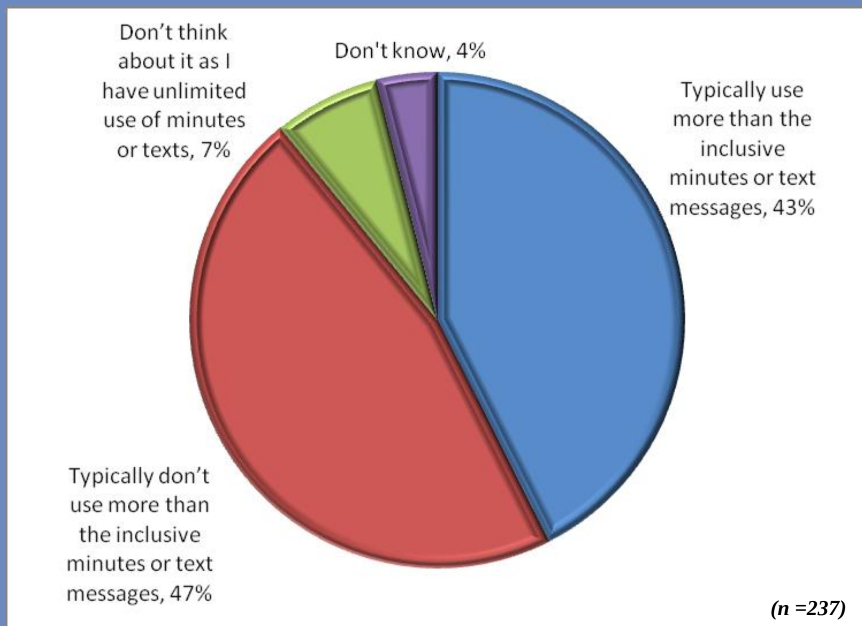
Does your plan include texts?



Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

Consumer: Billpay use of inclusive minutes and texts

Bill pay – usage of inclusive minutes and texts

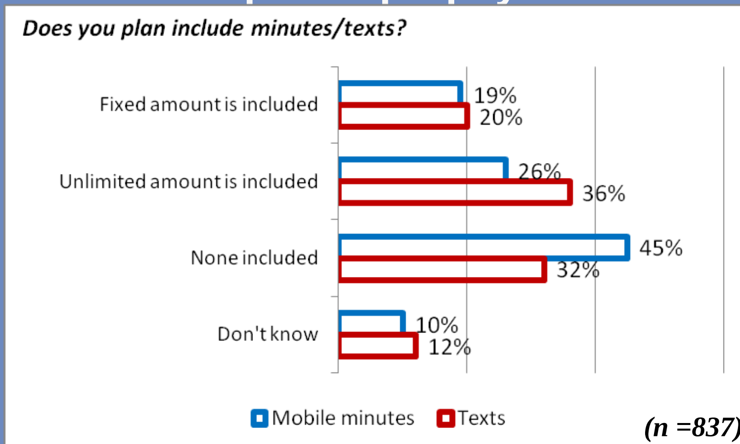


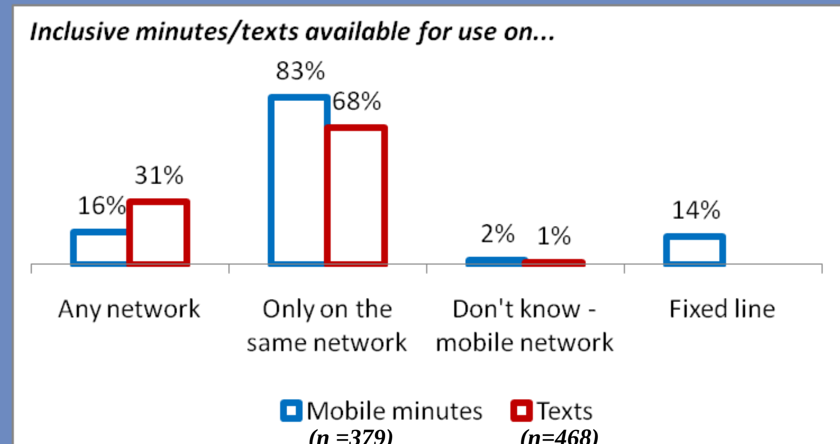
SURVEY QUESTION:
Q Do you typically use more than your set amount of inclusive minutes and text messages? (if inclusive minutes or texts are included in the package)

- Of the respondents who had inclusive minutes or texts included in their plan/package, 43% stated that they used more the inclusive amount of texts/calls

Consumer: Prepay plan inclusions

Overview of plan – prepay





SURVEY QUESTION:
Q: Does your mobile plan/package include a set number of inclusive minutes (texts) which you can use to make calls at no extra cost
- ***Yes, a fixed amount is included***
- ***Yes, an unlimited amount is included***
- ***None included***
- ***Don't know***

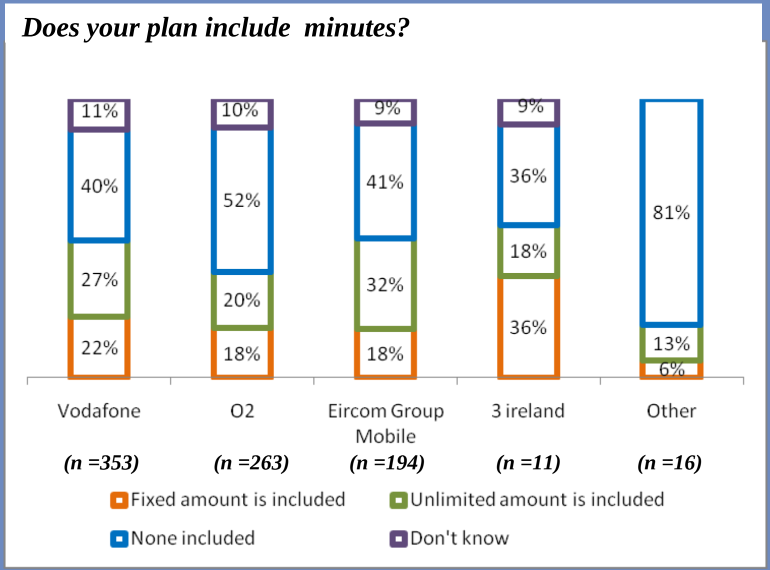
SURVEY QUESTION:
Q: Can you use your inclusive minutes to make calls to people on any mobile network or only to people on the same mobile network as you?
- ***Any network***
- ***Only on the same network***
- ***Don't know***

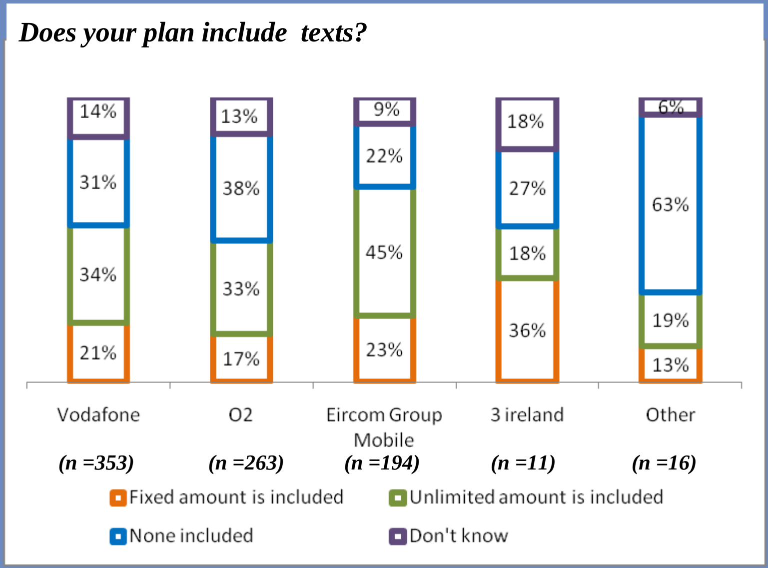
Q: Can you use your inclusive minutes to make calls to fixed line phones?

- A majority (55%) of prepay customers believe their plan includes no free minutes or don't know
- Where minutes and texts are provided, they are often restricted to the operator's network only
  - Among those with included minutes, 83% of plans limit included calls to the same network while 68% limit included texts to the same network

Consumer: Prepay plan inclusions by operator

Overview of plan – prepay

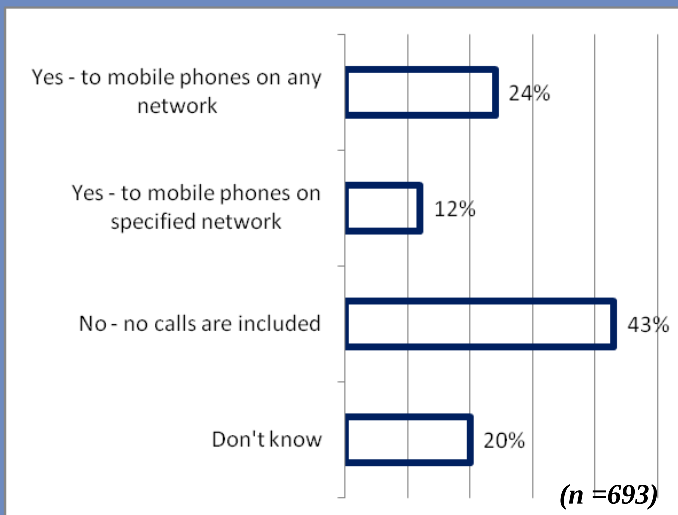




Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

Consumer: Fixed line plan inclusions

Inclusion of minutes to call mobile numbers from your fixed line at no extra cost



SURVEY QUESTION:
Q: Does your home phone line plan/package include a set number of minutes that can be used to make calls to mobiles at no extra cost?

- 43% of fixed line plans include no minutes to call mobile numbers at no extra cost
  - 20% of consumers with fixed line phones do not know if this is included or not.

Consumer: Summary of monthly costs

Prepay

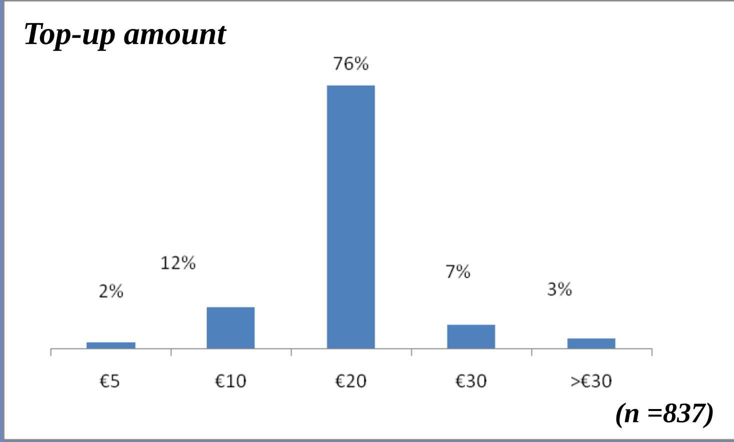
- ❖ The average monthly cost among prepay consumers was €32.15
  - Calculated from reported frequency and amount of top-up
- ❖ 60% of respondents estimated that they topped up once a month for €20

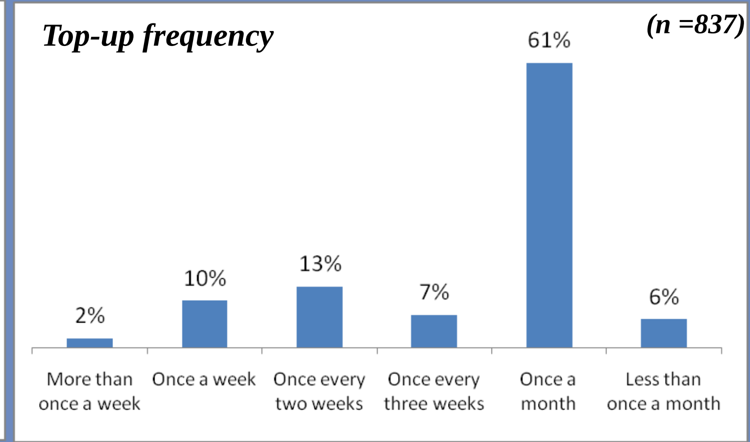
Billpay

- ❖ The average monthly base plan/package cost was €46.68 and average total monthly bill reported as €53.89
- ❖ 48% of consumers without unlimited calls/texts reported using more than the included amount

Consumer: Prepay – monthly costs

Top-up amount and frequency





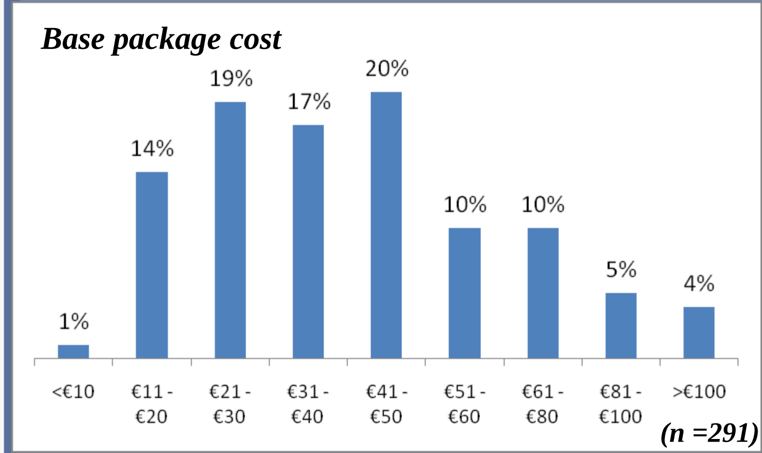
SURVEY QUESTION:
Q. How much credit do you typically buy when you are topping up your mobile phone?
- ***€5***
- ***€10***
- ***€20***
- ***€30***
- ***More than €30 (Please specify)***

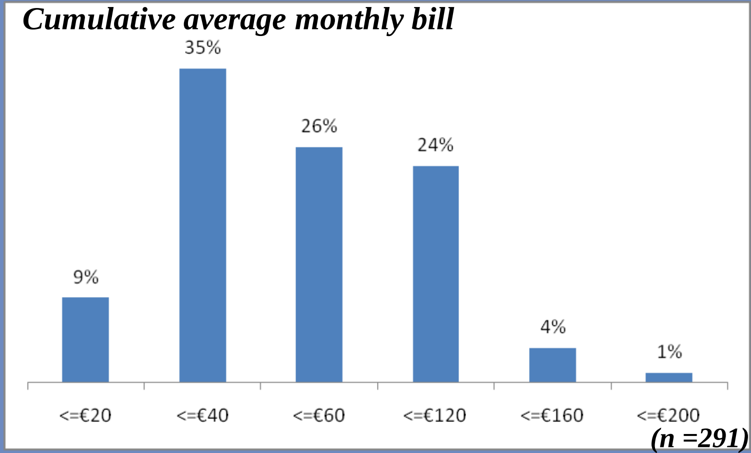
SURVEY QUESTION:
Q. Approximately how often do you top up your mobile phone?
- ***More than once a week***
- ***Once a week***
- ***Once every two weeks***
- ***Once every three weeks***
- ***Once a month***
- ***Less than once a month***

- Overall 60% of respondents estimated that they topped up once a month for €20
  - Calculated from analysis of combined answers to top-up amount and frequency questions
- The average monthly cost among prepay consumers was €32.15
  - Calculated from reported frequency and amount of top-up

Consumer: Billpay – monthly costs

Top-up amount and frequency





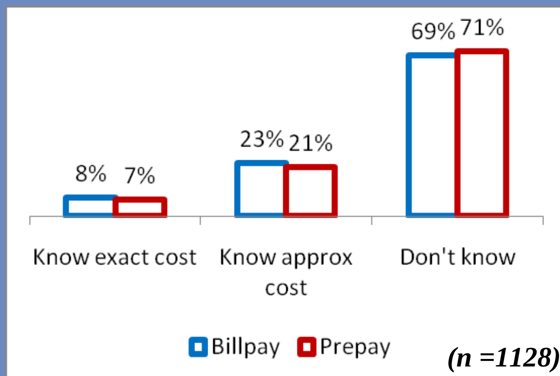
SURVEY QUESTION:
Q. How much does your basic mobile plan/package cost per month (i.e. the recurring cost of your plan/package before taking into account the cost of any additional calls or other services which are not included in your basic package)?

SURVEY QUESTION:
Q. . And what would your total monthly mobile bill typically be (i.e. including the basic cost of your plan/package and the cost of any additional calls or other services which are not included in your basic plan/package)?

- The average monthly base package cost was €46.68 and average total monthly bill reported as €53.89
- 48% of consumers without unlimited calls/texts reported using more than the included amount

Consumer: Claimed knowledge of unit call/text costs and variations based on time of day/week

Knowledge of units call/text costs

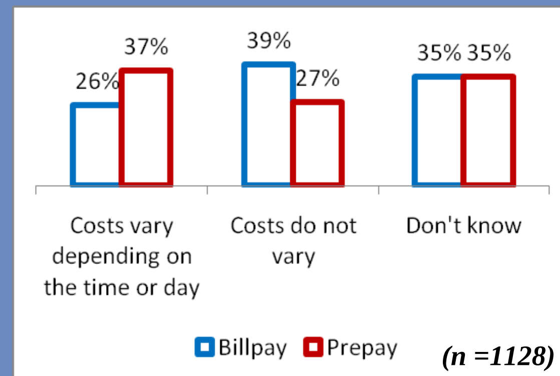


SURVEY QUESTION:

Q. Could you state whether you know the costs for calls and text messages?

- ***Know the exact cost of calls and texts***
- ***Know the approximate cost of calls and texts***
- ***Don't know or not sure of the cost of calls and texts***

Knowledge of cost variations



SURVEY QUESTION:

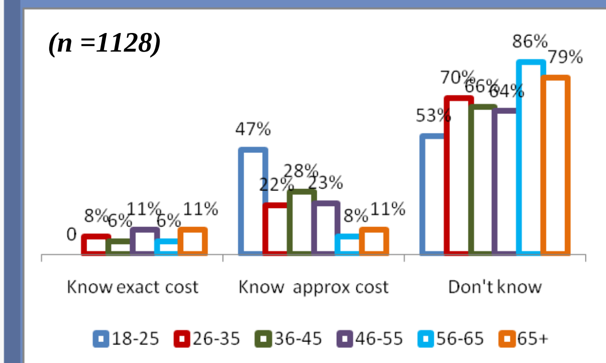
Q. Do the costs of making calls or texts on your plan/package vary according to when calls or texts are made (daytime, evening, weekend)?

- ***Costs vary depending on the time or day***
- ***Costs do not vary***
- ***Don't know***

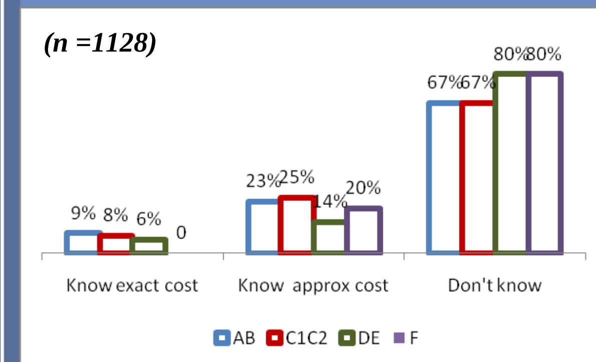
❖ Most consumers cannot state the unit cost of calls or texts and approx a third do not know if costs vary by time or day

Consumer: Claimed knowledge of unit call/text costs – demographics

Knowledge of units call/text costs by age cohort



Knowledge of units call/text costs by social grade



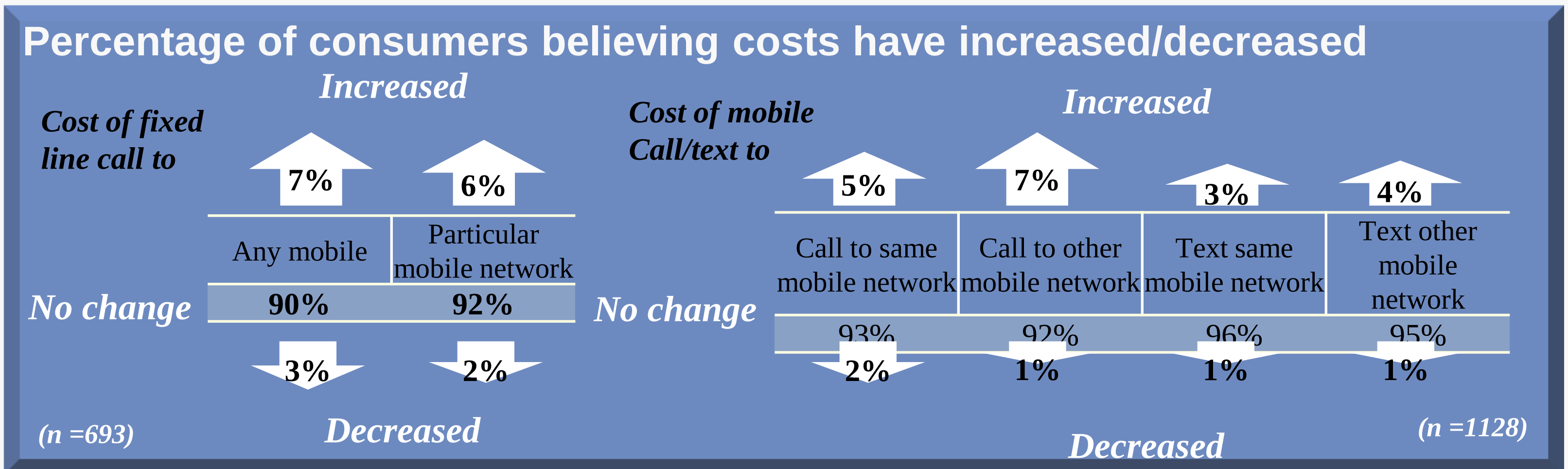
❖ Claimed knowledge of unit costs is lower among consumers in the DE social grade and among older age cohorts

Consumer: Estimated call/text prices among consumers stating knowledge of prices

Recalled cost of **(Among consumers with stated knowledge of costs)**	**Bill pay: Average estimate**	**Prepay: Average estimate**
Calls to mobiles on different networks	26c (n=56)	26.5c (n=167)
Calls to mobiles on same network	25.6c (n=35)	20.1c (n=103)
Calls to fixed line phones	33.1c (n=47)	32c (n=117)
Texts to mobiles on different networks	18.2c (n=60)	14.7c (n=165)
Texts to mobiles on same network	15.5c (n=37)	12.7c (n=93)

- ❖ Figures are only based on consumers who stated either approximate or exact knowledge
  - Excludes respondents with zero cost due to inclusion of unlimited calls in their plan
  - Recall that most consumers stated they did not know or were not sure of call/text prices

Consumer: Perceived recent changes in fixed line and mobile phone call/text costs



SURVEY QUESTION:

Q. Thinking of your use of your mobile over the last 12 months, have you noticed any changes in the cost of making calls?

- ***Yes***
- ***No***

Q. Have you noticed the cost of any of the following [CALL TYPES] changing (and indicate whether you believe the cost has increased or decreased)?

❖ Over 90% of consumers believe that prices for calls/texts from fixed and mobile phones to mobile phones have not changed in the last 12 months

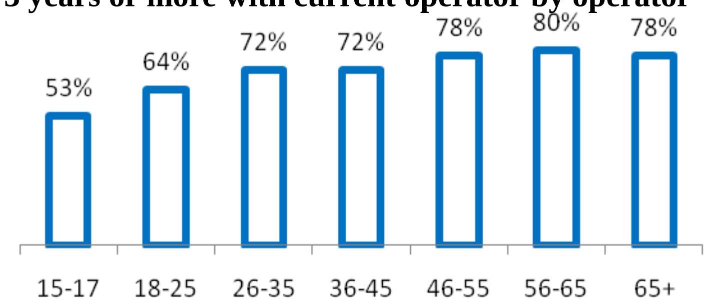
CONSUMER: SWITCHING

Consumer: Length of time with current mobile phone operator

Length of time with current mobile phone operator

Length of time with current operator (n=1128)	All	Prepay	Billpay
Less than 1 year	8%	6%	12%
Between 1 year to 18 months	4%	4%	3%
More than 18 months and up to two years	4%	4%	5%
Between 2 and 3 years	11%	10%	11%
3 years or more	73%	75%	67%

3 years or more with current operator by operator



Age cohort *(n =1128)*

SURVEY QUESTION:
Q. How long have you been with your current operator?

- *Within last year*
- *Within last year to 18 months*
- *More than 18 months and up to two years*
- *Between 2 and 3 years*
- *3 years or more*
- *Don't know*

❖ Most consumers (73%) have been with their current mobile phone operator for 3 or more years

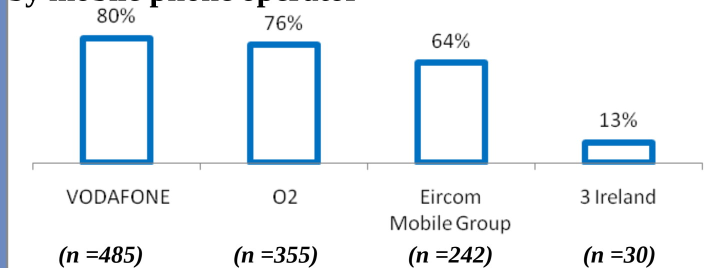
- There is a lower proportion of Billpay (67%) in this group than Prepay(75%)
- Level of retention increases with increasing age cohort

Consumer: Length of time with current mobile phone operator by mobile phone operator

Length of time with mobile phone operator

Length of time with current mobile phone operator (n=1128)	%
Length of time with current operator (n=1128)	8%
Less than 1 year	4%
More than 18 months and up to two years	4%
Between 2 and 3 years	11%
3 years or more	73%

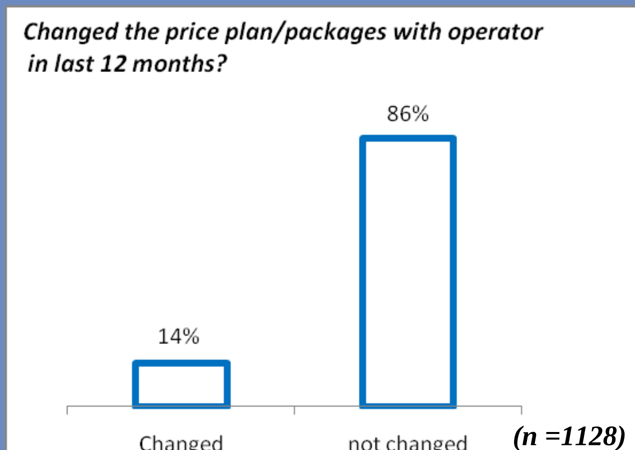
3 years or more with current mobile phone operator by mobile phone operator



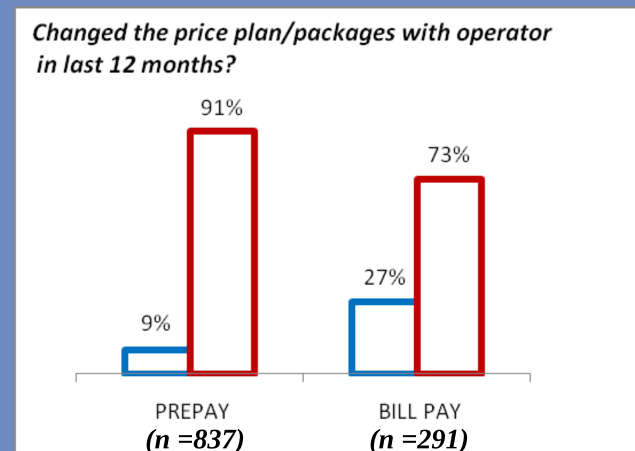
SURVEY QUESTION:
Q. How long have you been with your current operator?
- ***Within last year***
- ***Within last year to 18 months***
- ***More than 18 months and up to two years***
- ***Between 2 and 3 years***
- ***3 years or more***
- ***Don't know***

Consumer: Level of switching mobile phone plans (with same mobile phone operator)

Level of plan switching with current operator



Level of plan switching with current operator by payment method



SURVEY QUESTION:

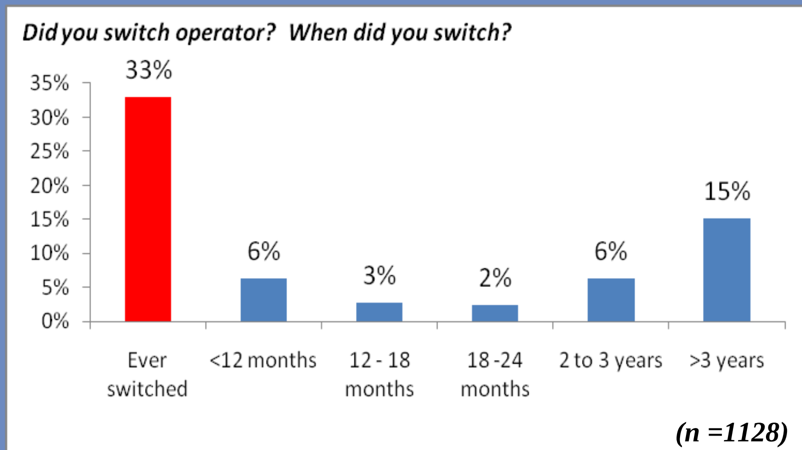
Q. Have you switched the price plan/packages you are on with your operator in the last 12 months?

- *Yes*
- *No*

- Changing of plans (without switching operator) is low at 14% in the last 12 months
- Given the apparent level of promotion around plans, the level of switching appears low

Consumer: Level of switching mobile phone operator

Level of switching mobile phone operators



SURVEY QUESTIONS:

Q. How long have you been with your current operator?

- ***Within last year***
- ***Within last year to 18 months***
- ***More than 18 months and up to two years***
- ***Between 2 and 3 years***
- ***3 years or more***
- ***Don't know***

Q Were you previously with another mobile phone operator?

- ***Yes***
- ***No***

❖ 33% of consumers stated that they have ***ever*** switched and 6% stating that they switched in the previous 12 months

❖ Given the apparent level of promotion around price and plan, the level of switching appears low

- This is particularly striking among consumers on prepay where contract related issues do not apply and 40% of these consumers report that they have ever switched

Consumer: Approach to determining factors influencing mobile phone operator switching

1. Select any three factors

SURVEY QUESTION:
Q. Thinking about when you chose your current mobile operator, please select the top three reasons out of the following set of possible reasons which were important to your decision to choose your mobile operator?

2. Select most important factors

SURVEY QUESTION:
Q. Out of those [THREE SELECTED], which was the most important reason?

❖ Approach forces respondents to prioritise reasons and then focus on a single reason

1. Respondents were asked to select the top three reasons out of a list of 13 presented reasons
   - This allowed respondents to pick a potentially wide range of reasons
   - Note: Not all respondents picked three reasons – some selected one or two
2. Respondents were then asked to pick a single most important reason

Consumer: Stated reasons for selection of mobile phone operator: Top three

Top three reasons for selection of current mobile phone operator

Top 3 reasons (% of respondents selecting each reason as a top three reason)	Switchers (n=373)	All respondents (n=1128)
My friends or family are mostly on this network and selection of same network reduces the cost of calling them	60%	60%
Cost of texts to same mobile networks	42%	34%
Number of inclusive call minutes included	27%	24%
Cost of calls to the other mobile networks	21%	17%
Network Coverage/Network Reliability	20%	25%
Cost of calls to same mobile networks	18%	16%
The range of handsets available	12%	8%
The level of customer service offered by the operator	8%	9%
The price of the handsets	7%	6%
Other	4%	5%
Trusted brand/mobile service provider	3%	9%
Cost of data services such as Facebook, email and internet	2%	1%
Don't know	2%	5%
Availability of mobile broadband service as part of the bundle	1%	1%

- ❖ The most commonly selected top three reason for the selection of a new operator was to be on the same network as family or friends
  - The importance of this factor may contribute to the overall level of switching reported
- ❖ Respondents who are still with their original mobile phone operator select similar reasons to respondents who have switched mobile phone operator

Consumer: Stated reasons for selection of mobile phone operator: Most important reason

Most important reason for selection of current mobile phone operator*

Top reason (% of respondents selecting each reason as the most important reason)	Switchers (n=366)	All respondents (n=1072)
My friends or family are mostly on this network and selection of same network reduces the cost of calling them	40%	42%
Number of inclusive call minutes included	11%	7%
Cost of texts to same mobile networks	10%	7%
Network Coverage/Network Reliability	9%	14%
Cost of calls to the other mobile networks	7%	4%
The range of handsets available	5%	2%
No one reason more important than the others	5%	9%
Cost of calls to same mobile networks	4%	5%
The price of the handsets	2%	2%
Other	2%	2%
Cost of data services such as Facebook, email and internet	1%	0%
The level of customer service offered by the operator	1%	1%
Don't know	1%	1%
Availability of mobile broadband service as part of the bundle	1%	0%
Trusted brand/mobile service provider	0%	2%

(*:excludes respondents who did not select any reason for selection of operator)

- The most commonly selected top reason for the selection of a new operator was also to be on the same network as family or friends
  - This factor was almost 4 times more important than the next rated reason
- Respondents who are still with their original mobile phone operator select similar reasons to respondents who have switched mobile phone operator

Consumer: Stated reasons for selection of mobile phone operator - prepay and bill compared (all respondents)

Top three reasons for operator selection comparing prepay and billpay

Top 3 reasons (% of respondents selecting each reason as a top three reason)	Prepay (n=837)	Billpay (n=291)
Cost of calls to same mobile networks	17%	11%
Cost of texts to same mobile networks	35%	32%
My friends or family are mostly on this network and switching reduces the cost of call to and from them	62%	55%
Cost of calls to the other mobile networks	16%	20%
Number of inclusive call minutes included	19%	39%
The range of handsets available	8%	9%
The price of the handsets	7%	4%
Network Coverage/Network Reliability	24%	29%
Trusted brand/mobile service provider	8%	12%
Cost of data services such as Facebook, email and internet	1%	1%
The level of customer service offered by the operator	8%	11%
Availability of mobile broadband service as part of the bundle	1%	1%
Other	6%	3%
Don't know	5%	5%

Most important reason for operator selection comparing prepay and billpay*

Top reason (% of respondents selecting each reason as the most important reason)	Prepay (n=795)	Billpay (n=277)
Cost of calls to same mobile networks	5%	2%
Cost of texts to same mobile networks	8%	5%
My friends or family are mostly on this network and switching reduces the cost of call to and from them	46%	32%
Cost of calls to the other mobile networks	4%	5%
Number of inclusive call minutes included	4%	16%
The range of handsets available	2%	3%
The price of the handsets	2%	2%
Network Coverage/Network Reliability	12%	19%
Trusted brand/mobile service provider	2%	2%
Cost of data services such as Facebook, email and internet	0%	0%
The level of customer service	1%	1%
Availability of mobile broadband service as part of the bundle	0%	0%
Other	2%	1%
No one reason more important than others	9%	9%
Don't know	2%	1%

(*:excludes respondents who did not select any reason for selection of operator)

Consumer: Stated reasons for selection of mobile phone operator - prepay and bill compared (switchers)

Top three reasons for operator selection comparing prepay and billpay

Top 3 reasons (% of switchers selecting each reason as a top three reason)	Prepay (n=256)	Billpay (n=117)
Cost of calls to same mobile networks	18%	16%
Cost of texts to same mobile networks	44%	36%
My friends or family are mostly on this network and switching reduces the cost of call to and from them	65%	49%
Cost of calls to the other mobile networks	19%	26%
Number of inclusive call minutes included	20%	41%
The range of handsets available	13%	9%
The price of the handsets	8%	3%
Network Coverage/Network Reliability	18%	26%
Trusted brand/mobile service provider	3%	4%
Cost of data services such as Facebook, email and internet	2%	3%
The level of customer service offered by the operator	7%	9%
Availability of mobile broadband service as part of the bundle	0%	1%
Other	4%	4%
Don't know	2%	2%

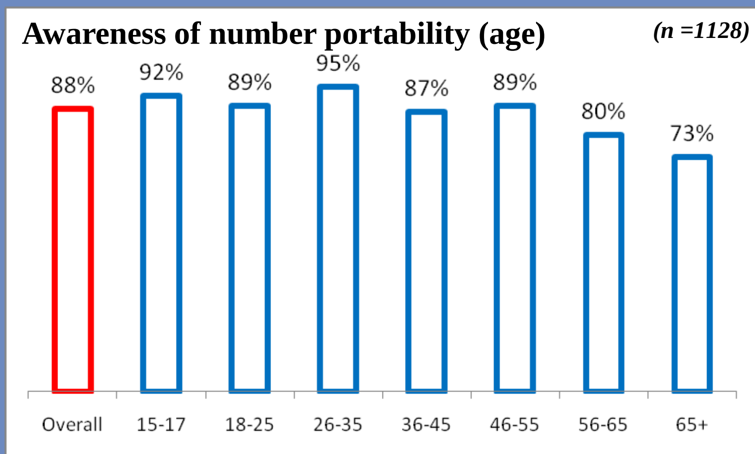
Most important reason for operator selection comparing prepay and billpay*

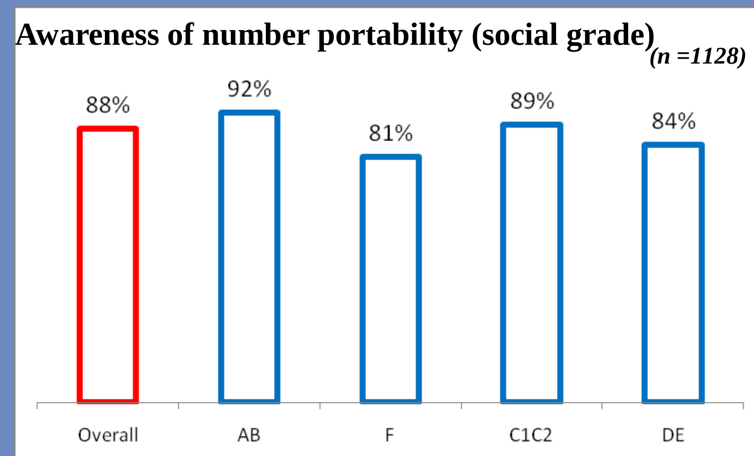
Top reason (% of switchers selecting each reason as the most important reason)	Prepay (n=246)	Billpay (n=113)
Cost of calls to same mobile networks	4%	3%
Cost of texts to same mobile networks	13%	4%
My friends or family are mostly on this network and switching reduces the cost of call to and from them	47%	30%
Cost of calls to the other mobile networks	5%	11%
Number of inclusive call minutes included	7%	20%
The range of handsets available	5%	4%
The price of the handsets	2%	3%
Network Coverage/Network Reliability	6%	15%
Trusted brand/mobile service provider	0%	0%
Cost of data services such as Facebook, email and internet	1%	1%
The level of customer service	2%	0%
Availability of mobile broadband service as part of the bundle	0%	0%
Other	2%	2%
No one reason more important than others	5%	7%
Don’t know	1%	1%

(*:excludes respondents who did not select any reason for selection of operator)

Consumer: Other switching factors – number portability

Awareness of number portability





SURVEY QUESTION:
Q. If you were to change your mobile service provider, which of the following is correct?

- ***I can keep my old number on the new mobile network if I want to***
- ***I have to change number when I switch to the new mobile network***
- ***Don't know***

❖ Most consumers (88%) are aware of number portability
- Lack of knowledge would be a potential barrier to switching
- The level of knowledge is high across all age cohorts although comparatively lower among 56+
- The level of knowledge is also high across social grades

Consumer: Other switching factors – moving between billpay and prepay

- ❖ Analysing movements between billpay and prepay among switchers shows
  - Few move from bill pay to prepay (9% of prepay switchers were previous billpay)
  - More are likely to move in the other direction (44% of billpay switchers were previously prepay)
- ❖ This suggests a lack of recessionary impact on payment method

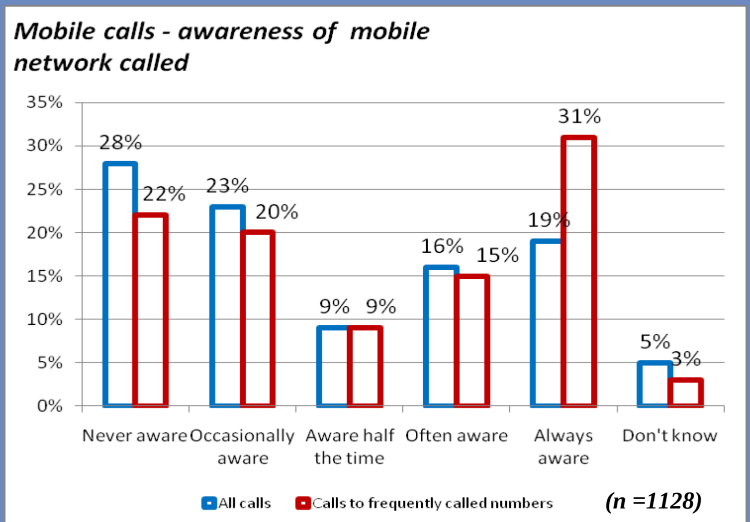
SURVEY QUESTIONS:
Q. When you were with your previous operator, was your mobile plan/package a prepay package (where you buy credit before you can make a call) or bill pay package (where you have a contract with your operator and subsequently receive a bill for calls, texts or other services you used in the previous month)?

- ***Prepay***
- ***Bill pay***
- ***Don't know***

CONSUMER: AWARENESS OF NETWORK

Consumer: Awareness of calling from own mobile phone to any other mobile phone

Awareness of mobile network called from own mobile phone



SURVEY QUESTIONS:
Q. When you are calling from your mobile phone, to what extent are you aware of which mobile network you are calling?

Q. When you are calling your most frequently called mobile numbers from your mobile phone, to what extent are you aware of which mobile network(s) you are calling?

Reasons for lack of awareness of mobile network called

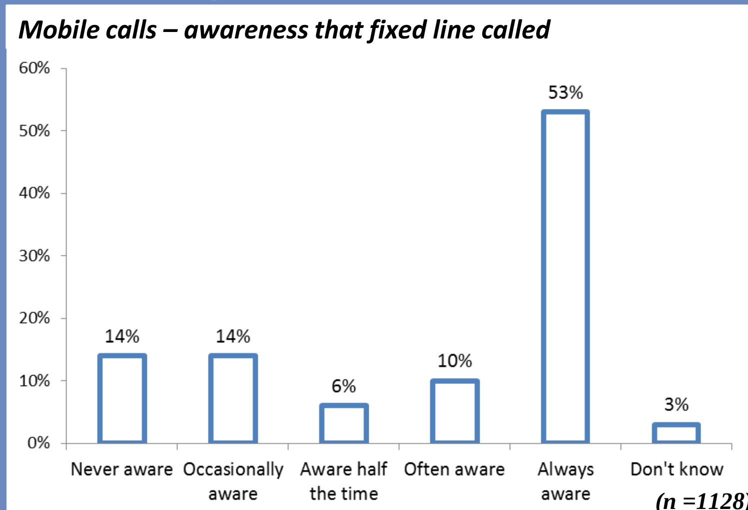
Why are you not always aware? (unprompted) (n=867)	%
I mostly make calls from my mobile phone s address book and don't see or think of the number	35%
I can't tell from the mobile number which network the person is on	33%
Don't think about the network the other person is on	21%
It doesn't matter to me because the calls are included for free in my plan/package	3%
It doesn't matter to me what network they are on, if I need to call I just call	16%
Other	2%

SURVEY QUESTION:
Q. Could you explain why you are not always aware of the mobile network you are calling? (unprompted)

- Awareness of the mobile network being called varies greatly
  - Awareness is higher for frequently called numbers
- Lack of awareness is often related to the use of address books or lack of knowledge of the off network call tone

Consumer: Awareness of calling from own mobile phone to a fixed line phone

Awareness that fixed line called from own mobile phone



SURVEY QUESTIONS:
Q. When you are calling from your mobile phone, to what extent are you aware whether the number you are calling is a fixed line phone?

Reasons for lack of awareness that fixed line is called

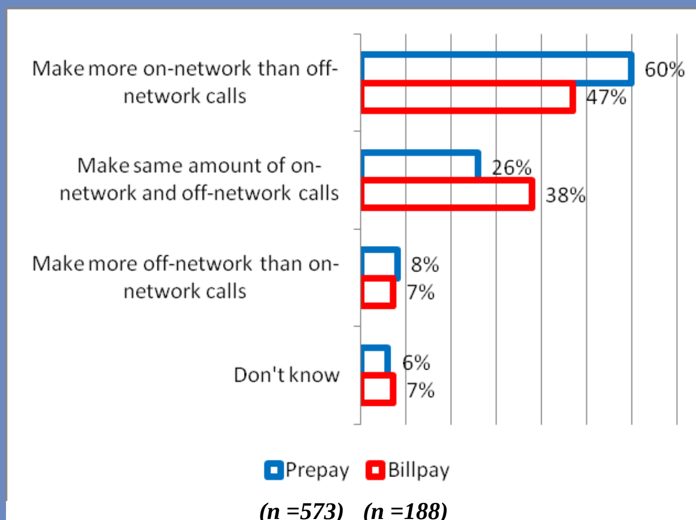
Why are you not always aware? (unprompted) (n=498)	%
It doesn't matter to me whether the person is on a fixed line phone, if I need to call I just call	41%
I mostly make calls from my mobile phone s address book and don't see or think of the number	32%
It doesn't matter to me because the calls are included for free in my plan/package	22%
Other	2%

SURVEY QUESTION:
Q. Why are you not always aware? (unprompted)

- There is a higher level of awareness when a fixed line phone is called compared to awareness of the mobile network called
- Awareness is often related to the use of address books. However the most often mentioned reason is it doesn't matter whether the other person is on a fixed line phone, if the person needs to call, they just call

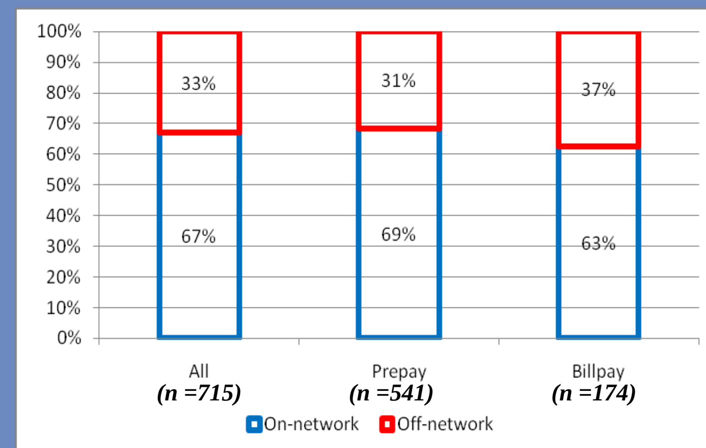
Consumer: Estimated profile of on-network and off-network calls

Estimated breakdown of on-network and off-network calls (among those with awareness of the network being called)



SURVEY QUESTION:
Q. Thinking about the calls you make from your mobile phone to other mobile phones in a typical month, which of the following most accurately describes your usage?

Estimated percentage breakdown between on-network and off-network calls (among those with awareness of the network being called and those who provided an estimate of the split)

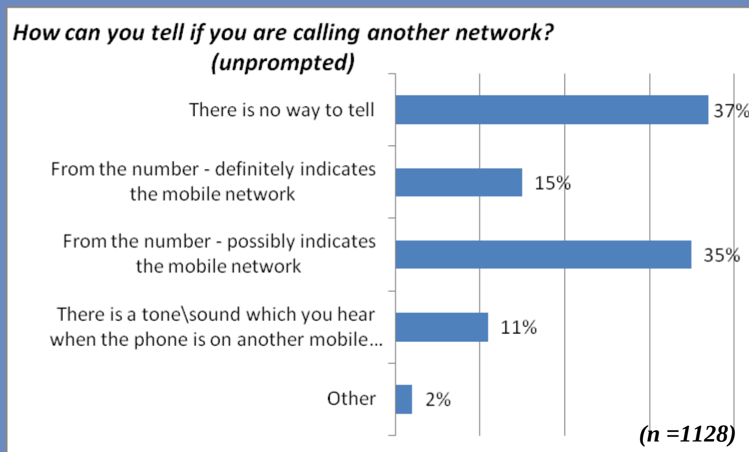


SURVEY QUESTION:
Q. Thinking about the calls you make from your mobile phone to other mobile phones in a typical month, could you estimate the proportion that are to mobile phones on your network and the proportion that are to mobile phones other networks (use percentages)?

- Most consumers believe they make more calls to mobile phone numbers on the same network as they are than to mobile phone numbers on different networks
  - On average, consumers estimate that they make 2/3 of calls from their mobile phone to mobile phones on the same network as they are

Consumer: Awareness of off-network call tone

How can you tell which mobile network is called

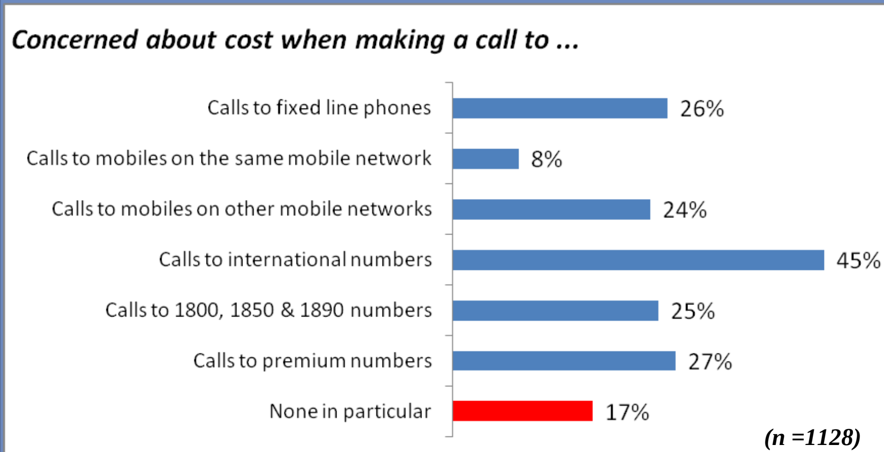


SURVEY QUESTION:
Q. Are there any ways that you can tell if the number you are calling is on another mobile network? (unprompted)

- Of the consumers who claim not always to be aware of network they are calling, most are unaware of the off-network tone signal (89%) and therefore are unlikely to be accurately assessing the mobile network they are calling
  - 37% believe there is no way to tell which mobile network is being called

Consumer: Concerns about the mobile phone cost associated with particular call types

Concerns about cost of mobile phone call types

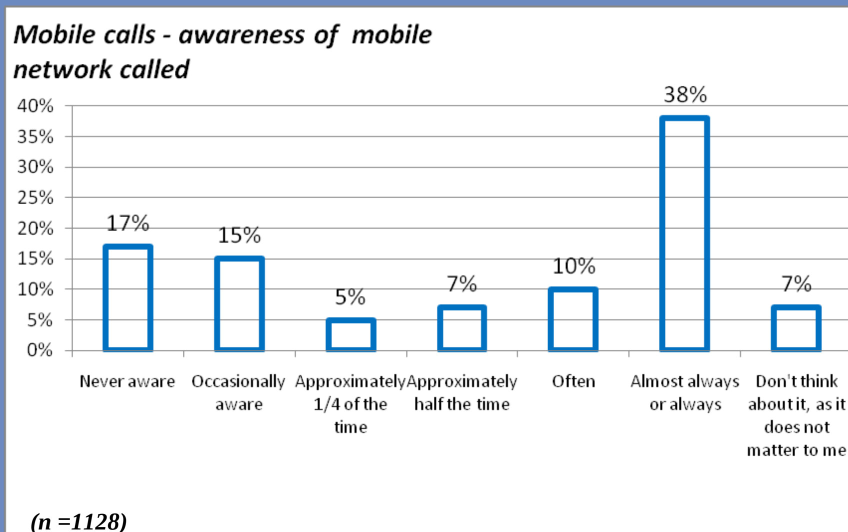


SURVEY QUESTION:
Q. Are there any particular types of phone calls that you are concerned about when considering the cost of a call from your mobile phone?

- ❖ Consumers are most likely to be concerned about the cost of international calls (45%)
- ❖ All categories of off-network calls cause similar levels of concern (approx 25%)

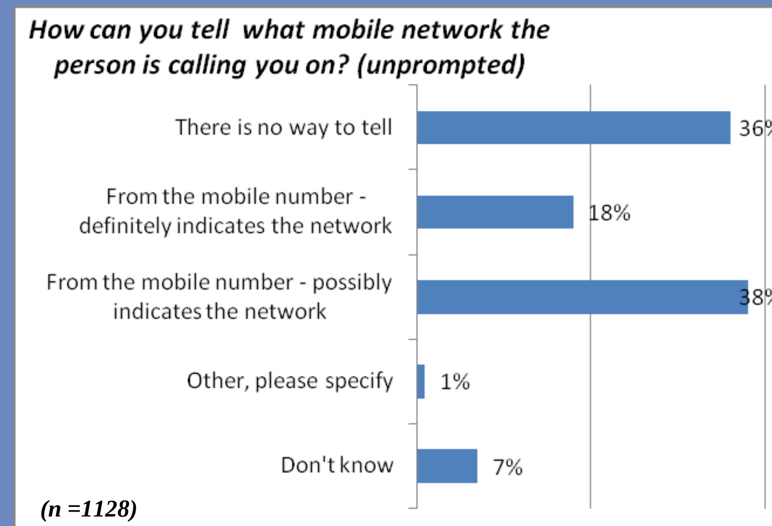
Consumer: Incoming calls: Awareness of call originated from mobile or fixed line

Awareness of call originating from fixed line or mobile phone network



SURVEY QUESTION:
Q. If someone is calling you on your mobile, to what extent would you know if they are calling from a fixed line network or a mobile network?

How can you tell which mobile network the incoming is coming from?

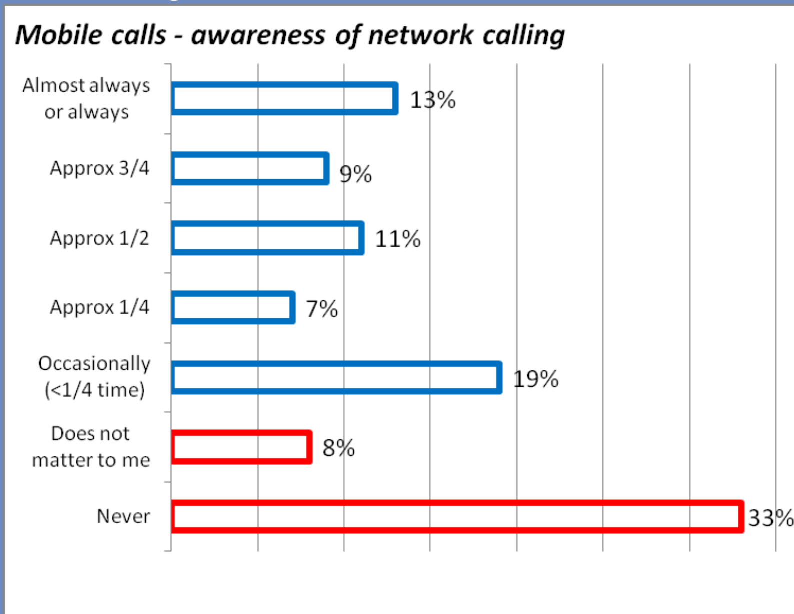


SURVEY QUESTION:
Q. Are there any ways that you can tell what mobile network the person calling you on? (unprompted)

- Most (75%) consumers state that they are aware of whether the incoming call is from a mobile or fixed line network at least some of the time
- 36% of respondents realise that there is no way to tell the network originating an incoming call

Consumer: Incoming mobile calls: Awareness of originating network

Incoming call costs: Awareness, concern and impact on behaviour

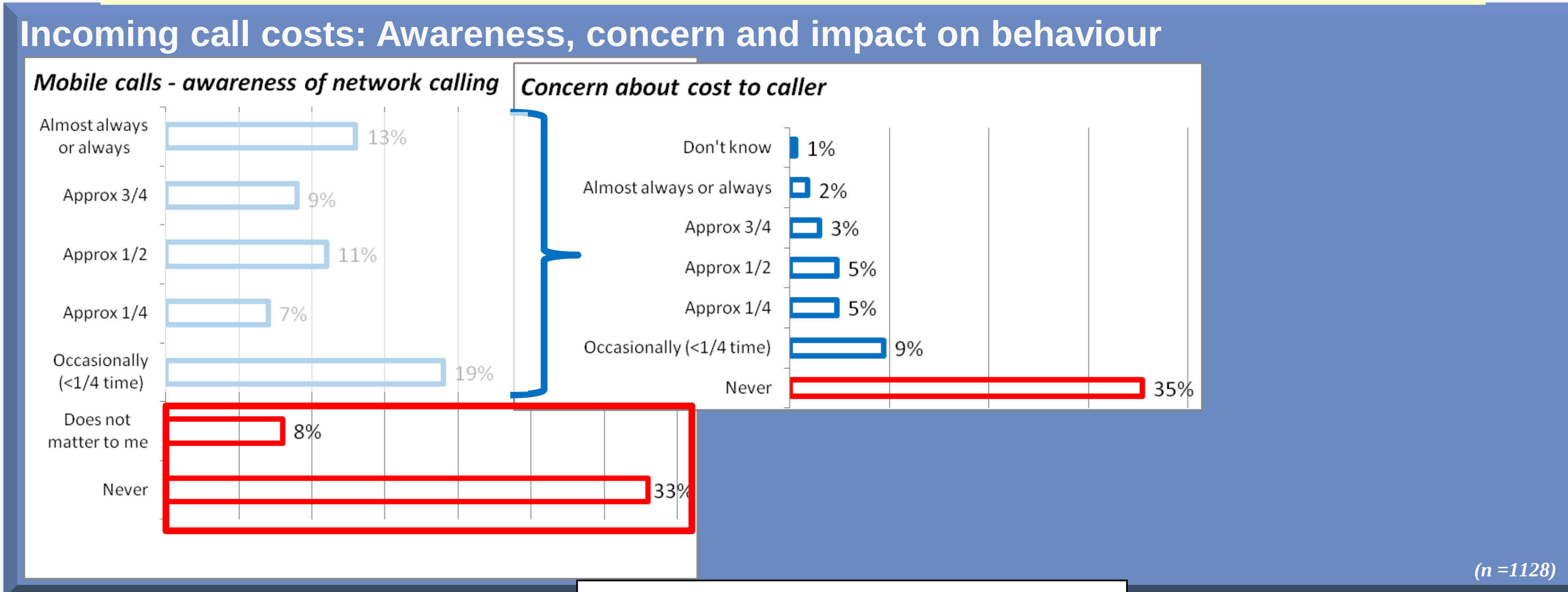


(n =1128)

SURVEY QUESTION:
Q. If someone is calling you on your mobile, to what extent do you know what mobile network they are calling from?

- 33% of consumers state that they are never aware of the network originating an incoming call to their mobile phone

Consumer: Incoming mobile calls: Concern about cost of an off-network incoming call

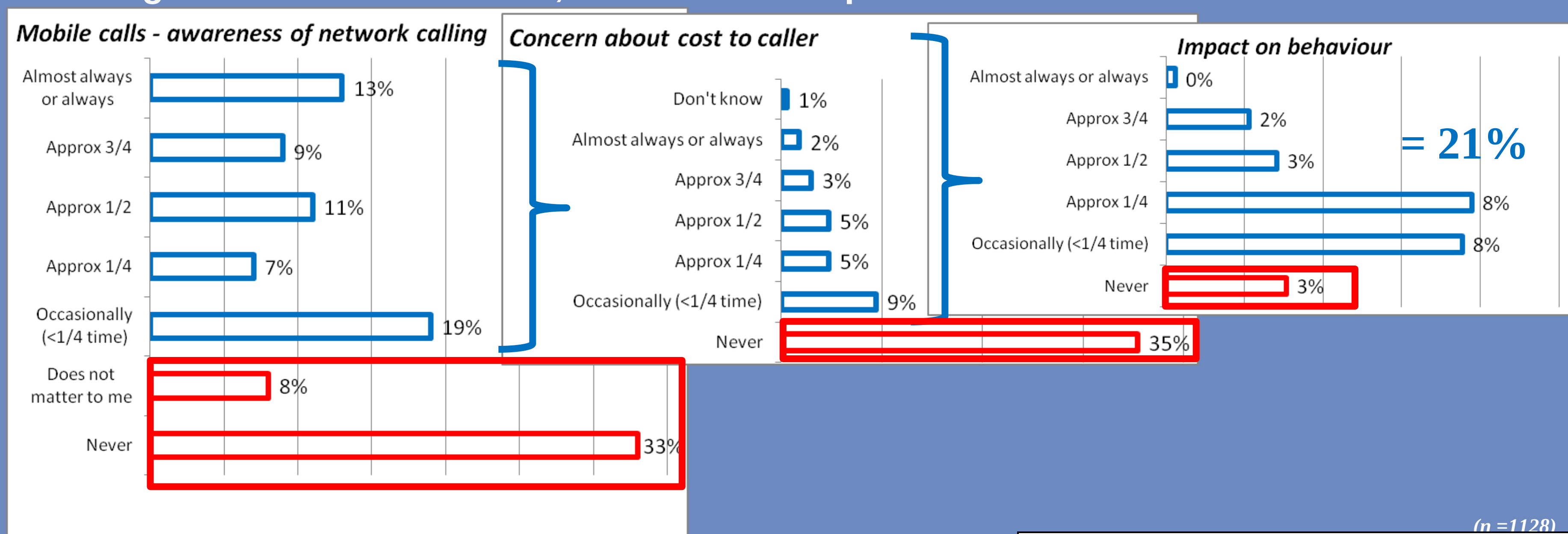


SURVEY QUESTION:
Q.When you see an incoming call on your mobile, do you consider what the call will cost the person calling?

- Excluding those consumers who are never aware/don't care about the network originating an incoming call, 35% are never concerned about the cost of an incoming call

Consumer: Incoming mobile calls: Awareness and impact on behaviour

Incoming call costs: Awareness, concern and impact on behaviour



SURVEY QUESTION:
Q. Does this ever cause you change how you treat their calls?

❖ Excluding those consumers who are never aware/don't care about the network originating an incoming call/never concerned about the cost of an incoming call, 21% state that they would change their behaviour in response to concern about the cost to an incoming caller

Consumer: Incoming mobile calls: Reported behaviour changes by call context and potential action

Frequency of behaviour change by incoming call context (n=1128)	When it is a friend or family member who has limited financial means or phone credit	When it is a friend or family member in general	For any caller who I can identify –	For any caller
Occasionally - less than a quarter of the time	3.53%	3.53%	4.11%	5.49%
Approximately a quarter of the time	3.92%	3.72%	3.33%	3.92%
Approximately half the time	3.92%	4.11%	4.90%	4.11%
Often - Around three quarters of the time	3.72%	3.72%	3.72%	1.96%
Almost always or always	3.53%	3.53%	1.96%	1.18%

SURVEY QUESTION:
Q. You mentioned that you consider what it costs people on other networks to call you. Under what circumstances does this cause you to change how you treat their calls?

Frequency of adoption of potential actions (n=1128)	Don't answer the call at all	Don't answer their call but phone them back	Don't answer their call but text them instead	Answer their call but shorten the length of the call
Occasionally - less than a quarter of the time	4.31%	4.70%	5.29%	6.86%
Approximately a quarter of the time	2.74%	3.13%	3.33%	3.72%
Approximately half the time	2.16%	2.94%	2.74%	2.74%
Often - Around three quarters of the time	1.18%	1.37%	1.37%	2.74%
Almost always or always	1.18%	0.78%	0.59%	1.96%

SURVEY QUESTION:
Q. When you are aware that the caller is on another network, do you take any of the following actions?

- All percentages are of the entire respondent set (all regular mobile phone users)

CONSUMER: Price Sensitivity

Testing price sensitivity

- **Objective:**
  - Determine the degree of sensitivity among retail consumers to increased charges when calling/texting from (i) a mobile to another mobile network and (ii) a fixed line phone to a mobile network and any resultant impact on potential switching to different communications methods
- **Methodology**
  - **Scenario presented:** If a major mobile phone operator (apart from own) increases in the cost of calls/texts by a specified amount (approximately 5% and 10% increases over current charges), would the consumer
    - Notice the change
    - Change behaviour
    - How behaviour would change (rated from list of potential changes)
  - **Permutations tested:**
    - Each respondent asked 6 scenarios: Call from mobile into network (1c & 3c increase), call from fixed line into network (1c & 3c increase), text from mobile into network (1c & 3c increase)
  - Note: Questionnaire described the scenario in *consumer friendly* manner

Consumer: Example of price Sensitivity testing question flow (1 cent increase to call cost from mobile)

1. Explain scenario

SURVEY QUESTION:
Q. Imagine if your mobile operator increased the per minute cost of making calls to a mobile on a specific mobile network - one that is a different network to your mobile network. For example: You are with [CURRENT MOBILE OPERATOR NAME[. Imagine if the cost when you call one other mobile network, say [RANDOMLY SELECT OTHER MAJOR MOBILE OPERATOR NAME], was higher than when you call your own or any other mobile networks.

2. Capture if price increase would be noticed

SURVEY QUESTION:
Q . If the cost of calling this one other specific mobile network was increased by 1 cent per minute, do you believe that you would notice the price increase?

If increase noticed

3. Capture if behaviour would change

SURVEY QUESTION:
Q . As a consequence of this 1 cent per minute increase in the cost of calling this specific mobile network, do you believe that you would change your behaviour when considering calling people on this other mobile network?
- *Yes - definitely would change behaviour*
- *Yes - maybe change behaviour*
- *No*
- *Don't know*

If behaviour changes

4. Capture how behaviour would change

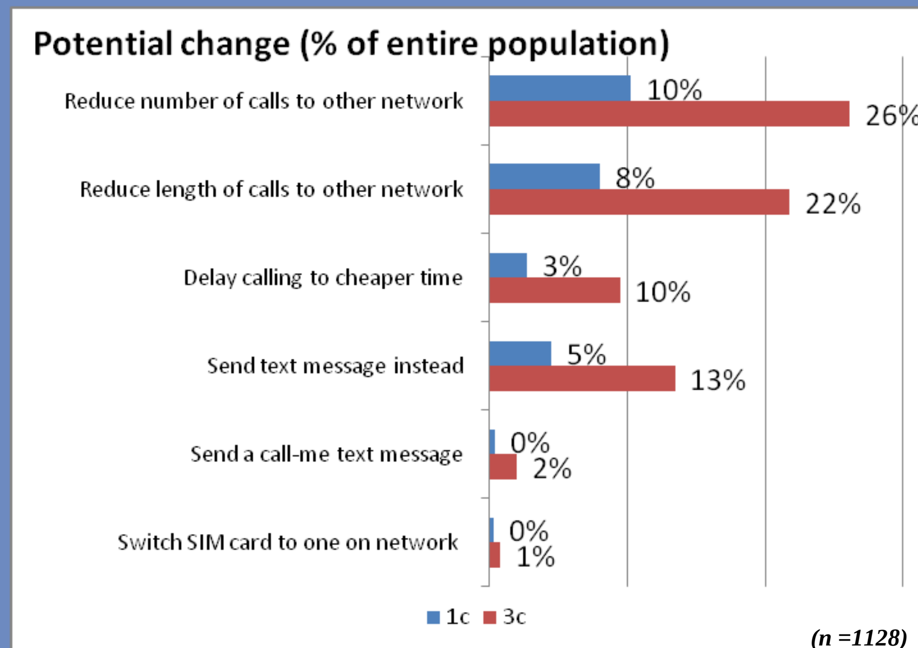
SURVEY QUESTION:
Q . In what ways would you change your behaviour? Select up to 3
Q. How often would each behaviour change occur?
[LIST OF POTENTIAL BEHAVIOUR CHANGES PRESENTED]

Consumer Price Sensitivity– Mobile voice calls

Impact of price increases on mobile calls to person on other mobile phone network

	From mobile	
(n=1128)	1c	3c
Would notice	18%	45%
Would change behaviour	15%	40%

(n=1128)	1c	3c
Definitely change behaviour	9%	26%
Maybe change behaviour	6%	14%



- All percentages are of the entire respondent set (all regular mobile phone users)
  - Note 1: Respondents could select either that they would definitely change or would maybe change behaviour. These are combined in estimate of proportion liable to change behaviour
  - Note 2: Respondents were able to select up to three potential changes shown in graph on right

Price Sensitivity – Mobile voice calls: Detail of expected behaviour change

1 cent increase (n=1128)	Reduce number of calls to other network	Reduce length of calls to other network	Delay calling to cheaper time	Send text message instead	Send a call-me text message	Switch SIM card to one on network
Never	0.51%	0.32%	0.08%	0.00%	0.00%	0.00%
Occasionally - less than a quarter of the time	2.57%	1.60%	0.63%	0.45%	0.09%	0.00%
Approximately a quarter of the time	0.72%	0.72%	0.44%	0.09%	0.18%	0.00%
Approximately half the time	2.26%	1.36%	0.36%	0.63%	0.09%	0.00%
Often - Around three quarters of the time	2.26%	1.76%	0.52%	1.13%	0.00%	0.00%
Almost always or always	1.65%	1.84%	0.63%	2.03%	0.00%	0.27%
Don’t know	0.41%	0.32%	0.08%	0.18%	0.09%	0.00%

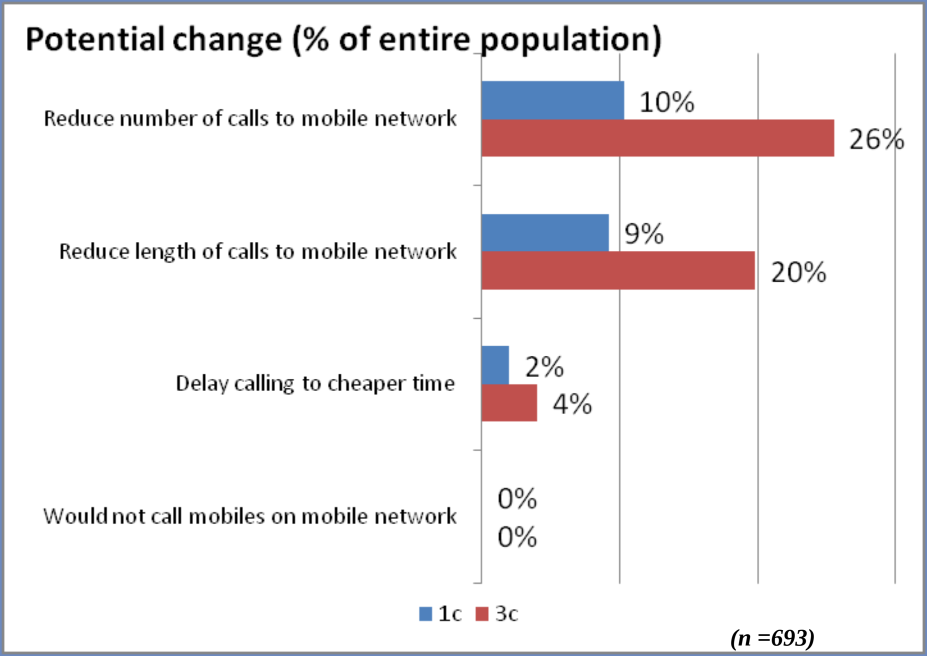
3 cent increase (n=1128)	Reduce number of calls to other network	Reduce length of calls to other network	Delay calling to cheaper time	Send text message instead	Send a call-me text message	Switch SIM card to one on network
Never	0.78%	0.22%	0.56%	0.13%	0.09%	0.00%
Occasionally - less than a quarter of the time	5.73%	3.88%	2.07%	1.73%	0.61%	0.09%
Approximately a quarter of the time	2.61%	2.37%	0.75%	0.93%	0.09%	0.00%
Approximately half the time	4.69%	3.66%	1.97%	2.26%	0.61%	0.09%
Often - Around three quarters of the time	5.21%	4.52%	1.32%	3.59%	0.09%	0.27%
Almost always or always	5.99%	6.03%	2.73%	4.52%	0.26%	0.27%
Don’t know	0.78%	0.86%	0.09%	0.40%	0.09%	0.00%

- All percentages are of the entire respondent set (all regular mobile phone users)
  - Note: Respondents were able to select up to three potential changes

Consumer Price Sensitivity – fixed line voice calls

Impact of price increases on fixed line calls to person on other mobile phone network

	From fixed line	
n=693	1c	3c
Would notice	20%	40%
Would change behaviour	15%	34%



- All percentages are of the entire respondent set (all regular mobile phone users)
  - Note: Respondents were able to select up to three potential changes

Price Sensitivity– fixed voice calls: Detail of expected behaviour change

1 cent increase (n=693)	Reduce number of calls to that network	Reduce length of calls to that network	Delay calling to cheaper time	Not call that network
Never	0.42%	0.18%	0.00%	0.14%
Occasionally - less than a quarter of the time	1.35%	1.48%	0.42%	0.28%
Approximately a quarter of the time	0.73%	0.55%	0.28%	0.14%
Approximately half the time	1.97%	1.20%	0.42%	0.14%
Often - Around three quarters of the time	1.45%	2.03%	0.28%	0.00%
Almost always or always	3.95%	3.60%	0.59%	1.15%
Don't know	0.62%	0.28%	0.00%	0.14%

3 cent increase (n=693)	Reduce number of calls to that network	Reduce length of calls to that network	Delay calling to cheaper time	Not call that network
Never	0.34%	0.00%	0.29%	0.15%
Occasionally - less than a quarter of the time	3.38%	2.57%	0.88%	0.30%
Approximately a quarter of the time	2.36%	2.77%	0.00%	0.00%
Approximately half the time	3.04%	3.95%	0.59%	0.45%
Often - Around three quarters of the time	2.70%	5.14%	1.17%	0.71%
Almost always or always	4.56%	4.94%	1.30%	2.18%
Don't know	0.51%	0.59%	0.00%	0.00%

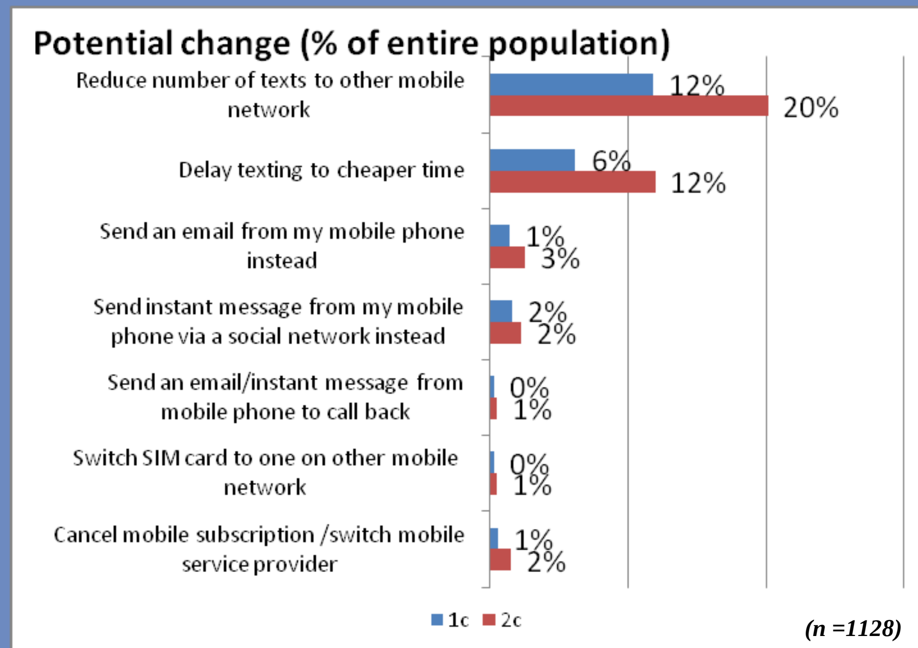
- All percentages are of the entire respondent set (all regular mobile phone users)
  - Note: Respondents were able to select up to three potential changes

Consumer Price Sensitivity– text messages

Impact of price increases on texting to person on other mobile phone network

	Text messaging	
n=1128	1c	2c
Would notice	17%	30%
Would change behaviour	14%	26%

(n=1128)	1c	2c
Definitely change behaviour	9%	17%
Maybe change behaviour	5%	9%



❖ All percentages are of the entire respondent set (all regular mobile phone users)

- Note 1: Respondents could select either that they would definitely change or would maybe change behaviour. These are combined in estimate of proportion liable to change behaviour
- Note 2: Respondents were able to select up to three potential changes shown in graph on right

Price Sensitivity– text message: Detail of expected behaviour change

1 cent increase (n=1128)	Reduce the number of texts to other network	Delay texting to cheaper time	Send an email from my mobile phone instead	Send an instant message from my mobile phone	Send call-me email or instant message	Switch SIM card to one on network
Never	0.36%	0.06%	0.09%	0.35%	0.09%	0.00%
Occasionally - less than a quarter of the time	2.26%	1.18%	0.35%	0.18%	0.09%	0.09%
Approximately a quarter of the time	1.43%	0.87%	0.09%	0.00%	0.00%	0.00%
Approximately half the time	1.90%	1.05%	0.27%	0.35%	0.00%	0.09%
Often - Around three quarters of the time	2.38%	1.30%	0.18%	0.45%	0.00%	0.09%
Almost always or always	2.97%	1.30%	0.18%	0.18%	0.09%	0.09%
Don‘t know	0.48%	0.37%	0.27%	0.10%	0.09%	0.00%

2 cent increase (n=1128)	Reduce the number of texts to other network	Delay texting to cheaper time	Send an email from my mobile phone instead	Send an instant message from my mobile phone	Send call-me email or instant message	Switch SIM card to one on network
Never	0.82%	0.36%	0.35%	0.44%	0.00%	0.00%
Occasionally - less than a quarter of the time	3.26%	2.79%	0.88%	0.53%	0.00%	0.00%
Approximately a quarter of the time	2.45%	1.46%	0.08%	0.27%	0.00%	0.00%
Approximately half the time	4.69%	1.82%	0.45%	0.53%	0.00%	0.00%
Often - Around three quarters of the time	4.28%	2.55%	0.45%	0.18%	0.00%	0.00%
Almost always or always	4.28%	2.55%	0.35%	0.27%	0.00%	0.00%
Don’t know	0.61%	0.49%	0.08%	0.00%	0.00%	0.00%

❖ All percentages are of the entire respondent set (all regular mobile phone users)

- Note: Respondents were able to select up to three potential changes

SME RESULTS

Background SME survey: Measurement

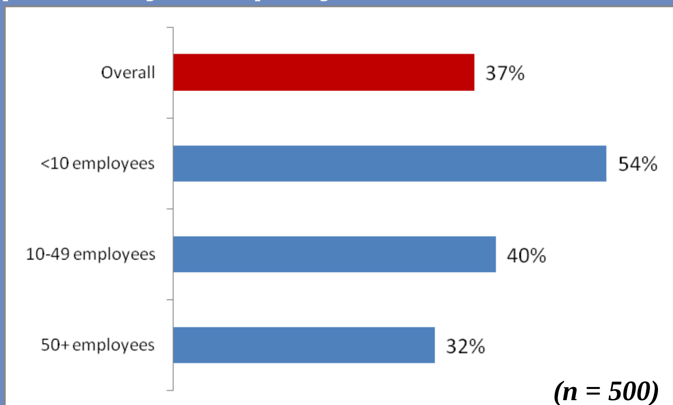
- The SME survey was a CATI-based telephone survey
  - The 16 minute survey was conducted in April 2011 – a total of 500 responses were achieved
- The survey respondent was the person in the organisation who is responsible or jointly responsible for selecting the current mobile supplier(s) and for deciding and managing policies around mobile phone usage or switching mobile phone service providers
  - Survey is representative of market volume (i.e. The number of phones per company)
- Quotas were established to ensure representivity by company size
  - Survey is representative of market volume (i.e. The number of phones per company)
  - NACE code defined sectors monitored
- Businesses with either bill pay and pre pay mobile phones (or a mix) were valid for the SME response base
- Response data was assesses in terms of its internal reliability using the Cronbach's Alpha test[1], results exceeded 0.7

[1]: Cronbach's Alpha is a test of internal consistency to gauge reliability with a benchmark score of .7 recommended

SME PHONE OWNERSHIP AND USAGE PATTERNS

SME: Provision of mobile phones to employees

% of employees supplied with a mobile phone by company size



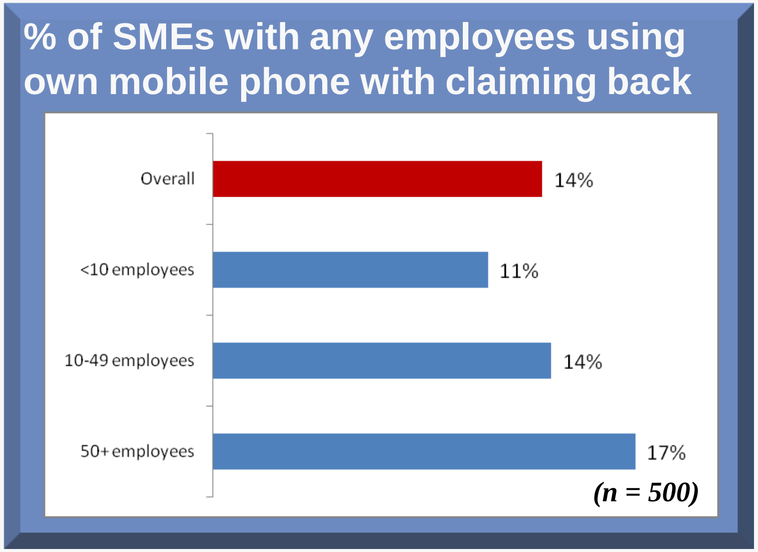
Average number of mobile phones provided per employee

Average number of mobile phones per employee (n=500)	<10 employees	10-49 employees	50+ employees
%	0.53	0.40	0.32

SURVEY QUESTION:
Q. How many employees have a mobile phone number provided by the business (as distinct from claiming expenses based on the use of their own personal mobile phone for business purposes)?

- ❖ Overall 37% of employees in SMEs were provided with mobile phones
  - 99% of SMEs provide some employees with mobile phones
- ❖ A greater proportion of employees in smaller businesses are supplied with mobile phones by their employers - reflecting the typical profile of smaller businesses
  - Over half of employees in business with less than 10 employees were provided with phones compared to approximately 1/3 of employees in firms with more than 50 employees

SME: Prevalence of employees expensing mobile phone calls from own mobile phone



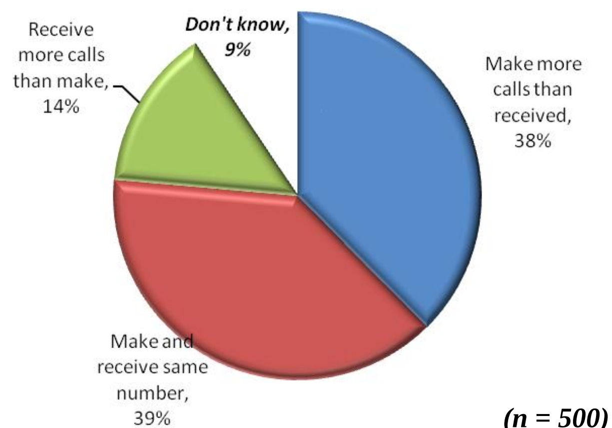
SURVEY QUESTION:
Q. How many employees use their own personal mobile phone for business purposes and claim expenses based on this use?

- A small minority of businesses (14%) allow employees to use their own mobile phone and claim back mobile phone expenses
  - This occurs more often in larger SMEs (17%) reflecting the lower proportion providing mobile phones

SME: Mobile Phone usage patterns: Balance of incoming and outgoing calls

Split between incoming and out-going calls to business' mobile phones

Typical balance between incoming and out-going



(n = 500)

SURVEY QUESTION:

Q. Thinking about the use of business mobile phones in your organisation. Thinking about the calls the business makes and receive on business mobile phones, which of the following best describes the company's usage in a typical month

- ***We usually make more calls than we receive***
- ***We usually make and receive a similar number of calls***
- ***We usually receive more calls that we would make***
- ***Don't know***

❖ Survey respondents were asked to classify the business mobile phone usage patterns

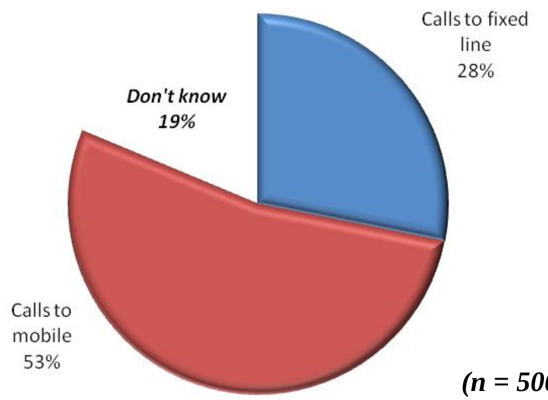
❖ SMEs users typically make more calls than they receive on their mobile phones

- 38% make more calls, 14% receive more calls

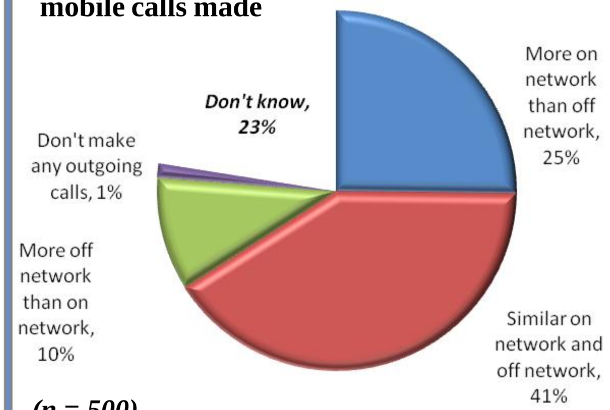
SME: Mobile Phone out-going call usage patterns

Usage pattern: out-going to fixed line and mobile, Including on-network/off-network

Typical balance of calls made to mobiles and fixed lines



Typical balance between on-net and off-net mobile calls made



SURVEY QUESTION:
Q. Thinking about the calls made from your business' mobile phones in a typical month, could you state the proportion of calls which are to mobile phones and which are to fixed line phones?

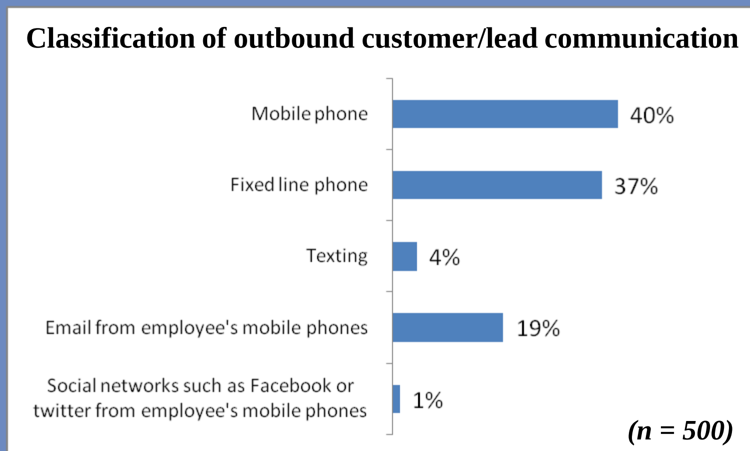
SURVEY QUESTION:
Q. Thinking about the calls made from business mobile phone to other mobile phones in a typical month, which of the following most accurately describes usage?

- ***Similar amounts of calls to mobile phones on your network as to mobile phones on other mobile networks***
- ***More calls to mobile phones on your network than to mobile phones on other mobile networks***
- ***More calls to mobile phones on other networks than to mobile phones on your mobile network***
- ***Don't make any outgoing calls***
- ***Don't know***

❖ SMEs stated that
- More calls (53%) from the business' mobile phones are made to other mobile phones
- More calls from its mobile phones are made to other mobile phones on the same network than to mobile phones on other networks

SME: Classification of outbound communication

Classification outbound customer communication



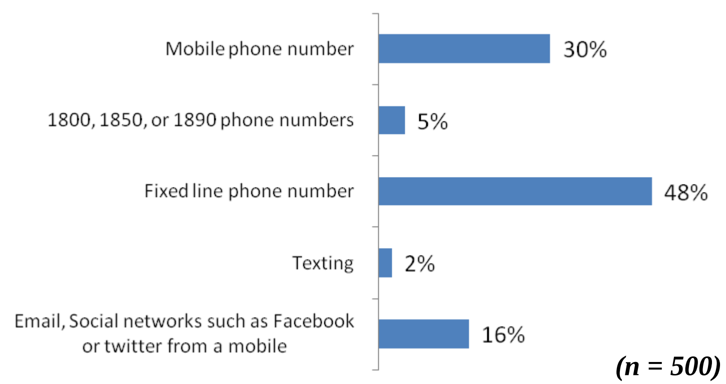
SURVEY QUESTION:
Q. Thinking of the different ways which your business communicates with current or potential customers, please estimate the percentage breakdown of this outbound communication (where your business Is making contact rather than someone contacting the business) which is by mobile phone, fixed line phone, text messaging, email and use of social networks from your mobile phone

- ❖ The significance of mobile phones in outbound communication to customers and potential customers is clear
  - 40% of inbound communication is based on mobile phone usage
- ❖ The level of email outbound communication from mobile phone and email/instant messaging/twitter inbound communication is probably overstated
  - Although the questions specified mobile phone originated communication, it is possible that non-mobile originated communication was included in these figures

SME: Classification of inbound communication

Classification inbound customer communication

Classification of inbound customer/lead communication



(n = 500)

SURVEY QUESTION:
Q. Thinking of the different ways which your current and potential customers communicate with you, estimate the percentage breakdown of this inbound communication (where your customers are making contact with you) between mobile phone, fixed line phone, text messaging, email and use of social networks

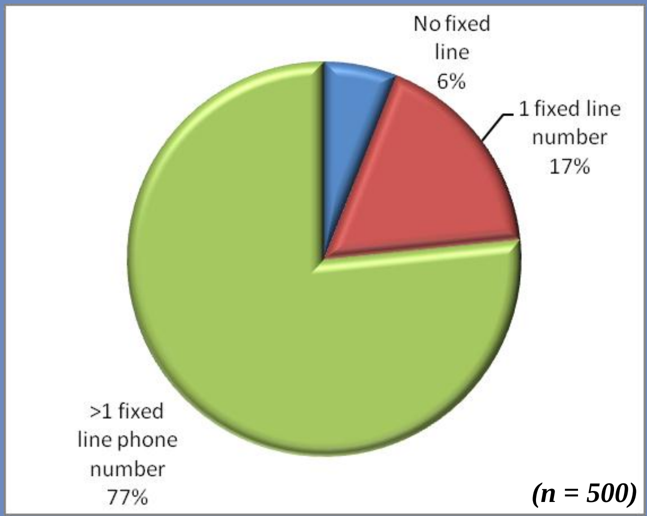
SURVEY QUESTION:
Q. You have stated that you receive incoming calls on both fixed and mobile phone numbers. Why are both used?

- ***Allows customers to contact employees who may not be in the office***
- ***Allows customers to use the cheapest method of contacting the business***

- While lower than for outbound communication, the significance of mobile phones in inbound communication from customers and potential customers is also clear
  - 30% of inbound communication is based on mobile phone usage
- Of the 78% of SMEs which receive inbound communication on both mobile and fixed line phone, 89% state this is to enable contact with employees not in the office with 11% stating that it is to reduce the cost impact on the customer making the call
  - Question asked only of respondents who stated that they received communications on both fixed line and mobile phones (n=367)

SME: Prevalence of fixed line phones among SMEs with business provided mobile phones

% of SMEs with a fixed line phone number (as well as mobile phones)



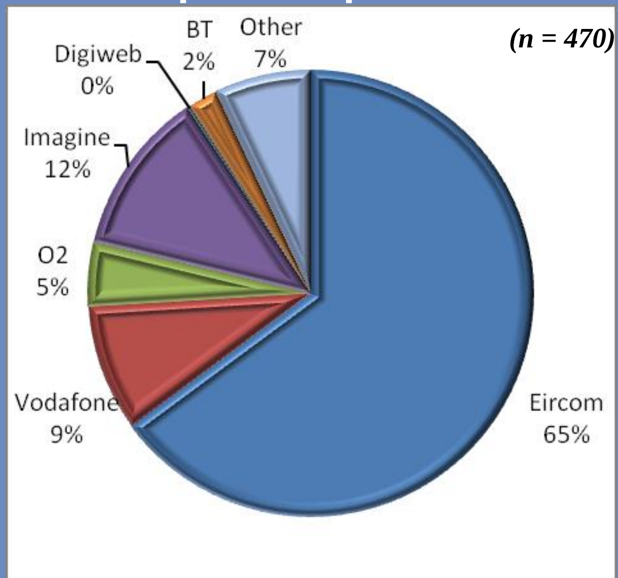
Prevalence of fixed line phone number (n=500)	<10 employees	10-49 employees	50+ employees
% with one or more fixed line	94%	93%	94%
Average number of fixed line per employee	0.65	0.35	0.28

SURVEY QUESTIONS:
Q. Does your business have fixed line phones, provided by companies such as Eircom, BT, Imagine or Digiweb or a fixed line phone supplied by your mobile operator?
Q. Do you have more than 1 fixed line phone number?

- SMEs were asked about the number of fixed line phone numbers that their business has
- The proportion of SMEs with fixed line phones does not materially vary by increasing business size

SME: Fixed line phone operators market shares

Fixed line phone operators market share

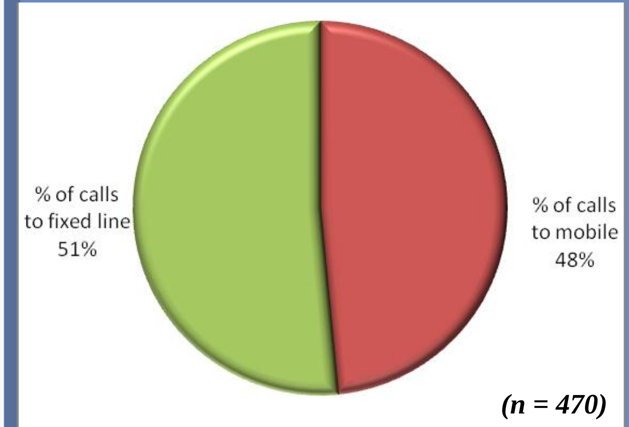


Mobile phone operator market share	Num employees <10 (n=172)	10-49 (n=217)	50+ (n=81)
Eircom	65%	67%	58%
Vodafone	10%	8%	10%
O2	3%	5%	6%
Imagine	15%	10%	12%
Digiweb	0%	0%	0%
BT	0%	4%	2%
Other	7%	6%	11%

- Eircom holds the largest market share with 65% of SMEs with fixed line phones

SME: Fixed line phones out-going calling patterns

Split of out-going calls from business' fixed line phones

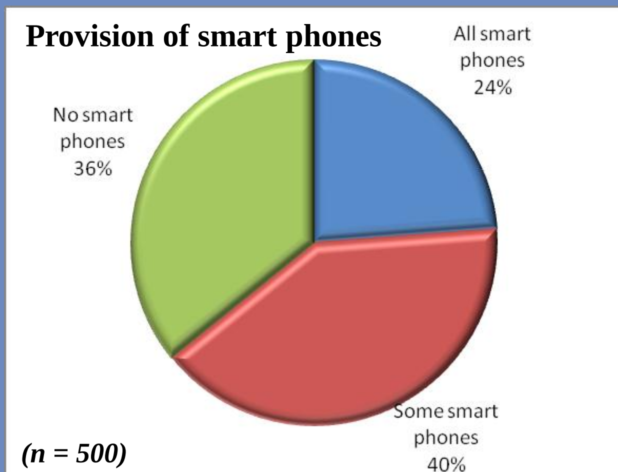


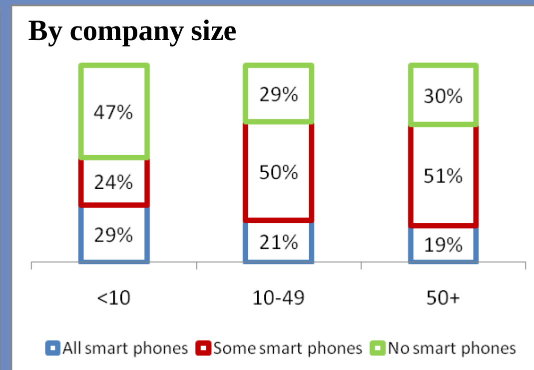
SURVEY QUESTION:
Q. Thinking about the calls made from your main business fixed phone line in a typical month, could you state the proportion of calls which are to mobile phones and which are to fixed line phones?

- ❖ Approximately equal proportion of calls are made from the business' fixed line phones to mobile phones and other fixed line phones
  - 4% of SMEs with fixed line phones (n=470) state that they make no calls to mobile phone numbers

SME: Prevalence of Smart phones

Proportions of SMEs providing some or exclusively smart phones





SURVEY QUESTIONS:
Q. What proportion of employees are supplied with a smart phone provided by the business (such as an iPhone, an android phone, a blackberry or a windows phone or other phones types which provide access to email, the ability to browse the internet and use certain applications such as instant messaging)?

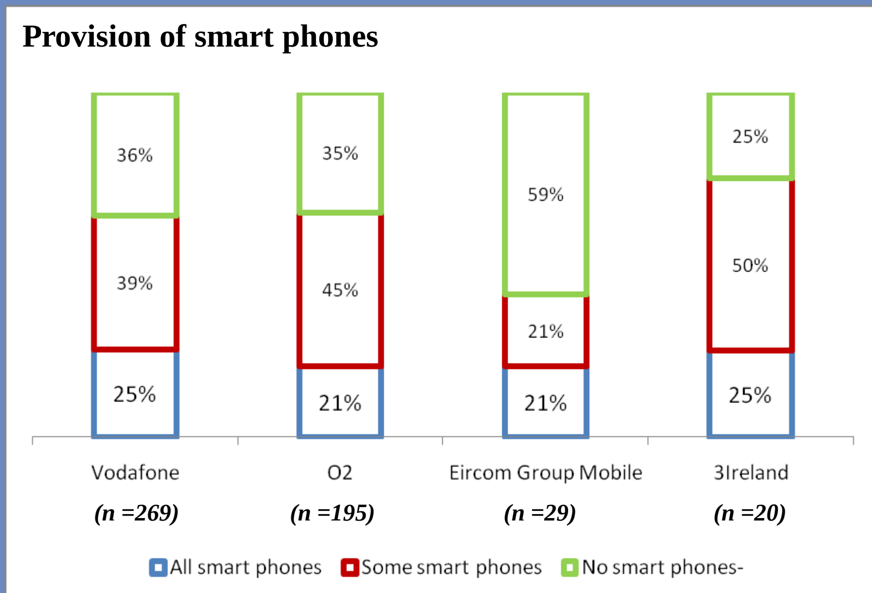
- *All smart phones*
- *Some smart phones*
- *No smart phones*

Q. Does your business encourage those employees with business supplied smart phones to use skype to call other mobile phones?

- ❖ Smart phones are provided to at least some employees in 64% of SME with the highest level of provision in SMEs with less than 10 employees
  - However, almost half of SMEs with less than 10 employees provide no smart phones
- ❖ Among those businesses which provide smart phones, a small proportion encourage the use of VoIP to call other phones (15%)

SME: Level of Smart phone provision by mobile phone operator

Proportions of SMEs providing some or exclusively smart phones by operator

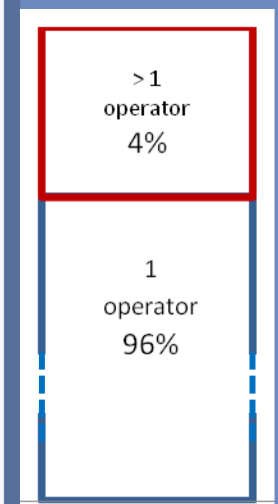


SURVEY QUESTION:
Q. What proportion of employees are supplied with a smart phone provided by the business (such as an iPhone, an android phone, a blackberry or a windows phone or other phones types which provide access to email, the ability to browse the internet and use certain applications such as instant messaging)?

- *All smart phones*
- *Some smart phones*
- *No smart phones*

SME: Number of mobile phone operators

Number of mobile operators used and reasons for using more than 1 operator



(n = 497)

Reasons for using more than 1 operator (unprompted) (n=497)	Type	%
Employees have different usage patterns which are best provided for by using different operators	***Cost***	0.8%
To reduce cost - allowing employees to call other mobiles on the same network	***Cost***	0.6%
Some employees are on existing contracts with a minimum term and therefore these employee's phones cannot be switched to another operator	***Legacy***	0.6%
Network coverage	***Coverage***	0.6%
Reduce cost - allowing employees to pick the best price for a call or other service (such as unlimited calls or cheaper costs at different times)	***Cost***	0.4%
Availability of particular types of phone (such as iPhones)	***Handset***	0.2%

SURVEY QUESTION:
Q. Do you use a single mobile operator for all of the mobile phone numbers provided by the business to employees
- ***Yes***
- ***No - more than 1 mobile operator***

Q. Why do you use more than 1 mobile phone operator? (unprompted)

- ❖ Almost all (96%) of SMEs use a single mobile phone operator for all business supplied phones
  - 4% use more than 1 operator
- ❖ Among the small group of SMEs that use multiple operators reasons are diverse with 45% related to cost

SME: Prevalence of and reasons for employees being provided with mobile phone numbers with more than one mobile phone operator

- 2% of SMEs which provide employees with mobile phones have individual employees with mobile phone numbers with more than one operator
- Of these, 82% state that this allows employees to call mobiles on the same network to reduce cost

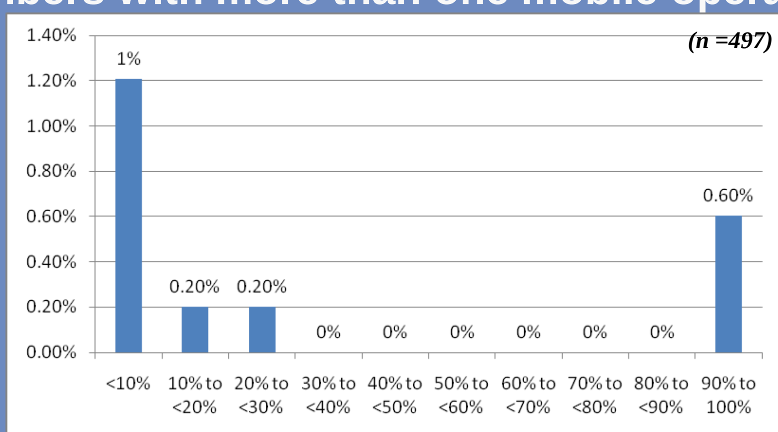
SURVEY QUESTION:

Q. Do any of your employees have an active (used in the last two weeks) business supplied mobile phone numbers with more than one operator (each number might correspond to separate phones which are on different mobile networks or you might have several active (used in the last two weeks) SIM cards from different operators which you swap into a single phone)?

Q. Why do some employees have active (used in the last two weeks) mobile phone numbers with more than one operator?

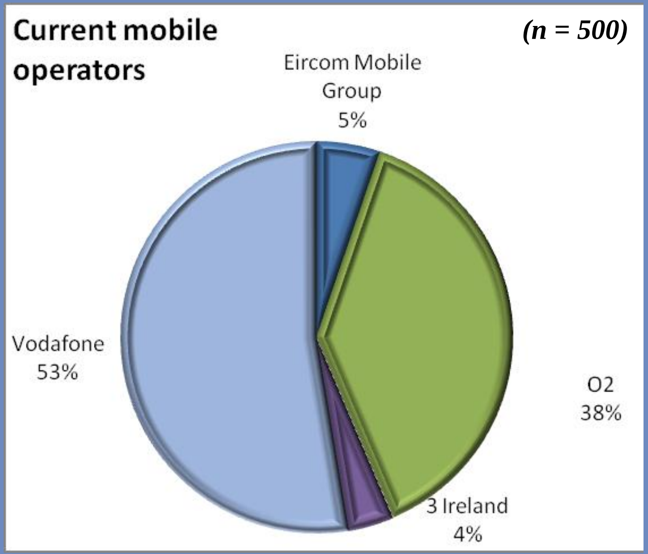
Q. Approximately, what percentage of employees with a business mobile phone have more than one active business supplied mobile phone number?

Proportion of employees with mobile phone numbers with more than one mobile operator



SME: Mobile phone operators market shares

Mobile phone operators market share



	Num employees		
Mobile phone operator market share	<10 (n=185)	10-49 (n=229)	50 (n=86)
Vodafone	49%	55%	54%
O2	41%	36%	40%
3 Ireland	3%	5%	1%
Eircom Group Mobile	7%	4%	5%

- The two largest operators share 91% of the overall market
  - This increases to 94% among SMEs with more than 50 employees

SME: PLANS

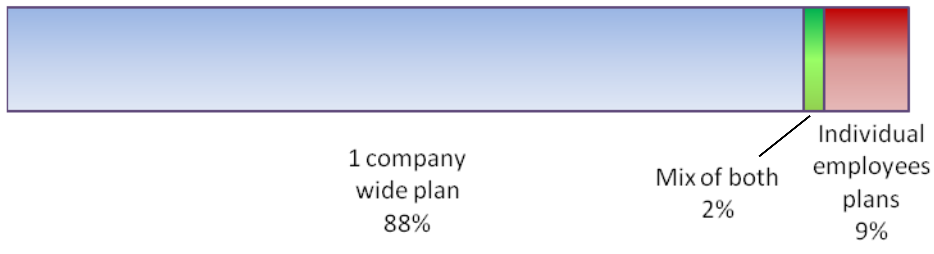
Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: Prevalence of company wide and individual employee mobile phone plans/packages

Types of mobile phone plans

Does your business have a single company wide plan or plans per employee

(n = 461)



❖ Most (88%) SMEs have a single company wide plan

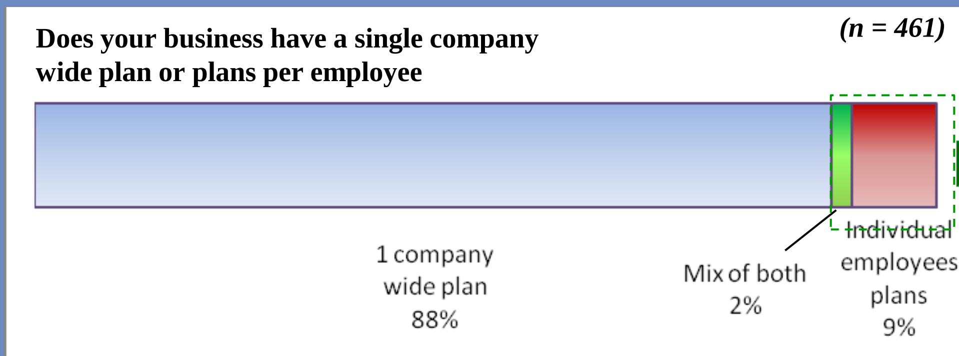
SURVEY QUESTION:

Q. Some businesses have all business supplied mobile phone numbers are on a single company plan with a single set of prices and features that are shared across all employees; other business may have multiple plans for individual employees with different prices and features. Are all of the employees on a single shared company mobile plan do you have different mobile plans for different employees

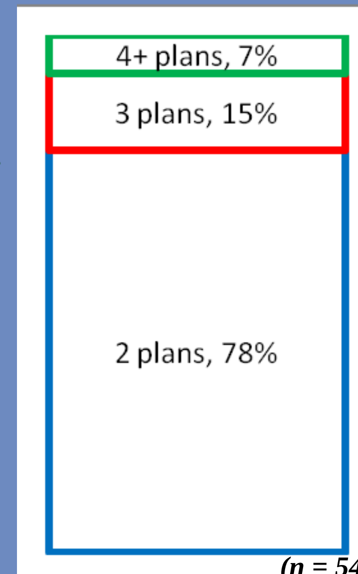
- ***All employees with a mobile phone number paid for by the business are on the same company wide plan***
- ***Employees are on different plans with different prices and options applying***
- ***A mix of the above***

SME: Number of mobile phone plans/packages

Types of mobile phone plans



Number of plan (if multiple)



SURVEY QUESTION:
Q. How many different plans or bespoke packages are there for the business supplied mobile phones in your business?

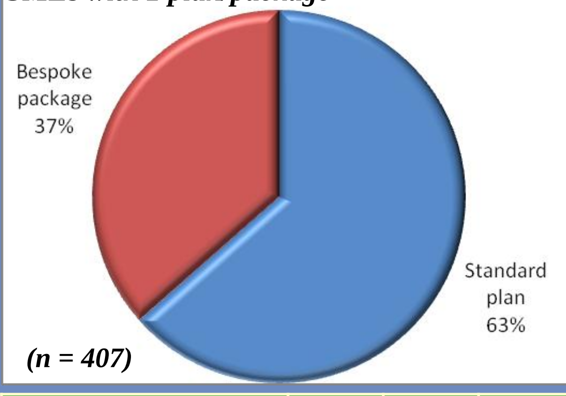
- *2 different plans*
- *3 different plans*
- *4 or more different plans*

❖ Of those with multiple plans, most (78%) have 2 plans

SME: Prevalence of standard and bespoke mobile phone plans/packages

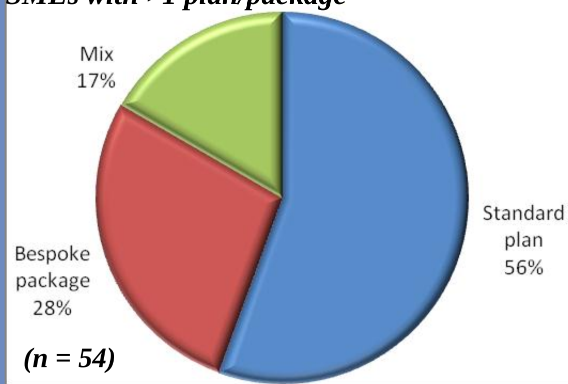
Bespoke/standard mobile phone plan split

SMEs with 1 plan/package



Number of employees	<10	10-49	50+
% with bespoke plan	24%	35%	49%

SMEs with >1 plan/package



Number of employees	<10	10-49	50+
% with bespoke plan	24%	23%	57%

SURVEY QUESTIONS:
Q. Is your business on a standard mobile plan from your operators or on a bespoke package designed to match your business' needs?
- ***Standard plan***
- ***Bespoke package***

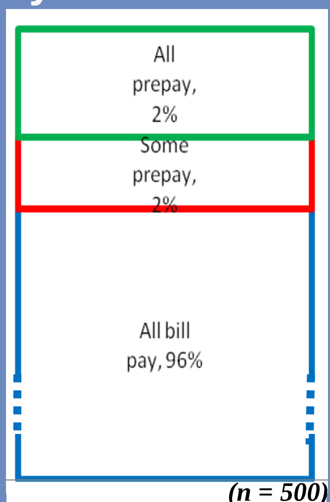
SURVEY QUESTIONS:
Q. How many different plans or bespoke packages are there for the business supplied mobile phones in your business?

- ***2 different plans***
- ***3 different plans***
- ***4 or more different plans***

- A majority of SME state that they use standard plans
  - Adoption of bespoke packages increases with the number of employees – SMEs with more than 50 employees are over twice as likely to have bespoke plans as those with less than 10

SME: Mobile phone plan/package features

Payment method

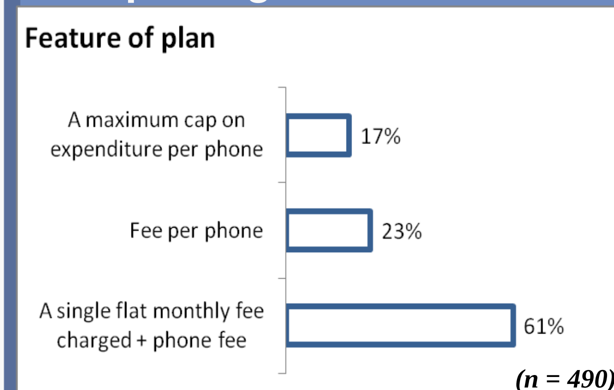


SURVEY QUESTION:

Q. What percentage of the phones provided by the business to employees are on prepay packages as opposed to bill pay package?

- ***All bill pay***
- ***Some prepay***
- ***All prepay***

Plan/package features*



(*: Excludes don't knows (approximately 6%)

SURVEY QUESTION:

Q. Thinking about the mobile phone plan(s) or bespoke package(s) that your business has, please indicate if each of the following features are included in the prices you are being charged

- ***A single flat monthly fee charged to the company with an additional fee for each active mobile phone number on your account. There may be a separate and additional charge for each active mobile phone***
- ***A fixed monthly fee per active mobile phone number***
- ***Does you plan have a maximum cap on the expenditure per mobile phone number***
- ***Free mobile phones***

❖ Almost all SMEs (96%+) use bill pay exclusively
  - This research focused on gathering information about billpay only

❖ Most common plans incorporate a flat fee and a monthly phone fee
  - 58% of plans include free phones

SME: Mobile phone plan/package price details

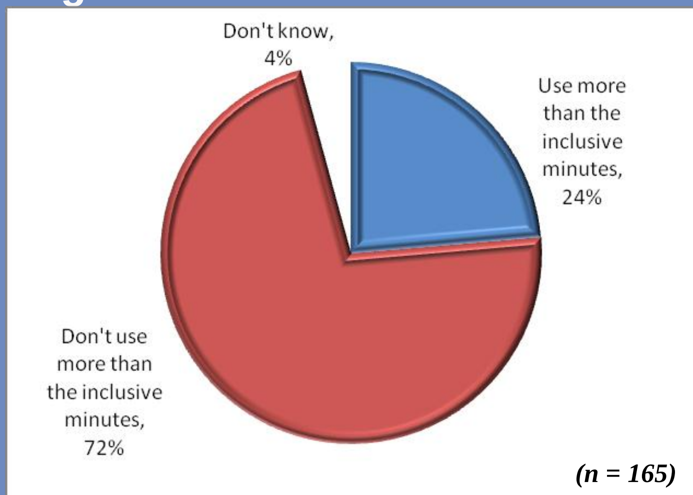
(n=461)	Minutes for calls between employees	Minutes for calls - on network	Minutes for calls - any network	Any fixed line	Texts between employees	Texts - on network	Texts - any network	Data allowance
Don't know	9%	12%	16%	16%	18%	18%	20%	19%
No minutes/texts included	13%	13%	24%	20%	18%	21%	26%	34%
Unlimited amount	60%	53%	30%	34%	41%	39%	28%	19%
Specific amount	18%	22%	30%	30%	23%	22%	25%	28%

Among SMEs with specific amount	Minutes for calls between employees	Minutes for calls - on network	Minutes for calls - any network	Any fixed line	Texts between employees	Texts - on network	Texts - any network	Data allowance
Shared across all employees	56%	58%	61%	57%	57%	57%	57%	39%
A specific amount for each employee	40%	36%	36%	39%	38%	39%	39%	56%
Don't know	4%	6%	4%	3%	5%	4%	4%	5%

- Respondents with plans/packages for multiple employees were asked to recall aspects of plan
- If plan included a specific amount of calls/texts/data allowance, respondents then stated if it was shared across employees or limited to one employee

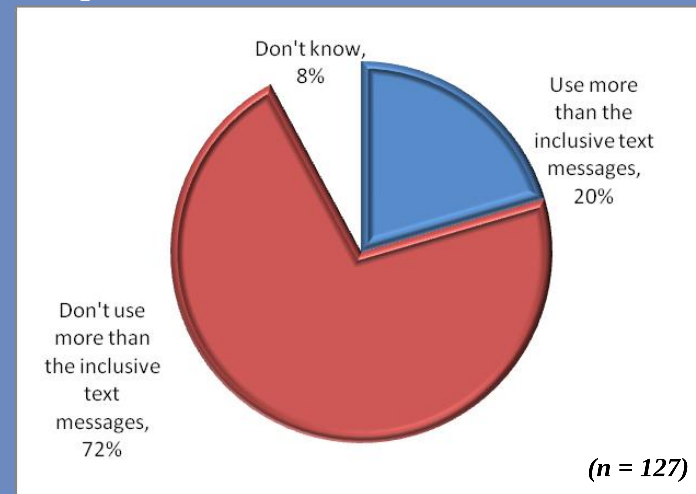
SME: Mobile plan/packages – use of inclusive minutes and texts

Usage of inclusive minutes



SURVEY QUESTION:
Q. On average do the employees use more than the set amount of inclusive minutes?

Usage of inclusive texts

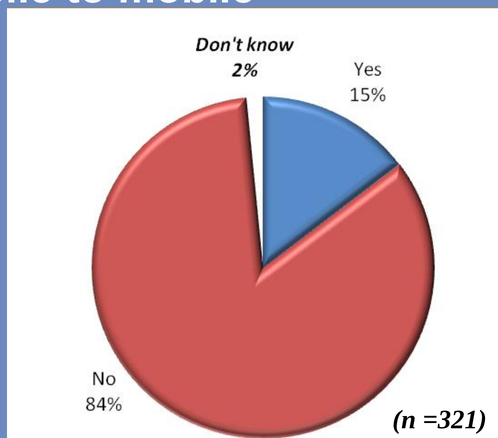


SURVEY QUESTION:
Q. On average do the employees use more than the set amount of inclusive text messages?

❖ Most SMEs with plans including a specified amount of call minutes or texts report that their employees do not use more than the allocation of inclusive call minutes (72%) or texts (72%)

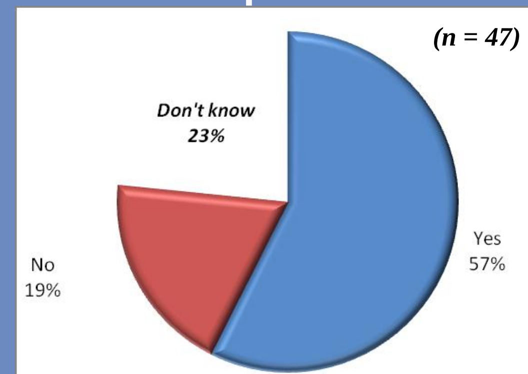
Use of VoIP

Encourage use of VoIP for calling mobile to mobile



SURVEY QUESTION:
Q. Does your business encourage those employees with business supplied smart phones to use skype to call other mobile phones?

Inclusion of free VoIP mobile to mobile calls in plan*



***: Among SME's encouraging use of VoIP mobile to mobile calls**

SURVEY QUESTION:
Q. Does your mobile phone plan let you make a Skype call from your mobile to another mobile for free?

- 15% of SMEs which supply employees with phones capable of using VoIP encourage its use
  - A majority (57%) of these state that these calls are free as a feature of their plan

SME: Potential impact of removal of employee to employee rates

(n=500)	Overall	Number of employees <10	11-49	50+
Reduce the number of calls between company mobiles	19%	16%	20%	23%
Make greater use of email to communicate between employees	26%	23%	27%	29%
Make greater use of texting between employees	18%	15%	19%	20%
Use the fixed line for calls between employees	15%	16%	11%	20%
Lobby mobile operators to reintroduce cheaper/free calls	28%	24%	32%	28%
Make no change	28%	30%	28%	24%

SURVEY QUESTION:
Q. How would your business respond if all mobile operators ceased offering cheaper rate or free calls between your company mobiles? Please select any of the following statements which match what you believe your business would do? [MULTIPLE SELECTION ALLOWED]

- Removal of the current discounting of employee to employee calls would lead to behaviour change in 72% of businesses
- Increased use of email is the most commonly stated behaviour change
  - Larger companies identified this option than smaller companies

SME: Knowledge of inclusions in fixed line phone plan

Knowledge of inclusions in fixed line phone plan

Fixed line phone plan/package includes...	% of SMES
Minutes for calls to mobile phones – any network	16%
Minutes for calls to mobile phones – specified network	8%
No inclusive minutes	53%
Don't make out-going calls	2%
Don't know	20%

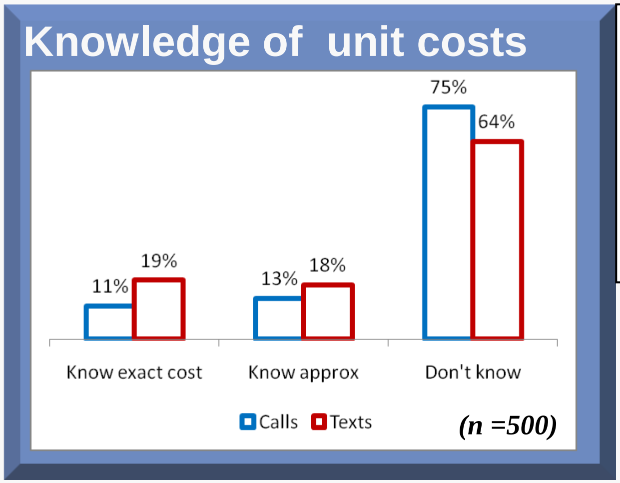
(n =470)

SURVEY QUESTION:
Q. Does your main fixed phone line plan or package include a set number of minutes that can be used to make calls to mobiles at no extra cost??
READ OUT

- ***Yes - to mobile phones on any network***
- ***Yes - to mobile phones on specified network***
- ***No - no calls are included***
- ***Don't make any outgoing calls***
- ***Don't know***

❖ A high proportion (20%) of SMEs do not know the features of their fixed line phone plan
❖ A majority of fixed phone plans have no included minutes

SME: Claimed knowledge of unit call/text costs and variations based on time of day/week



SURVEY QUESTION:
Q. Could you state whether you know the cost of making calls from mobiles on your business' plan or bespoke package?

- ***Know the exact cost of calls***
- ***Know the approximate cost of calls***
- ***Don't know or not sure of the cost of calls***

❖ Most SME ***cannot*** state the cost of calls or texts with only a minority stating exact knowledge

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

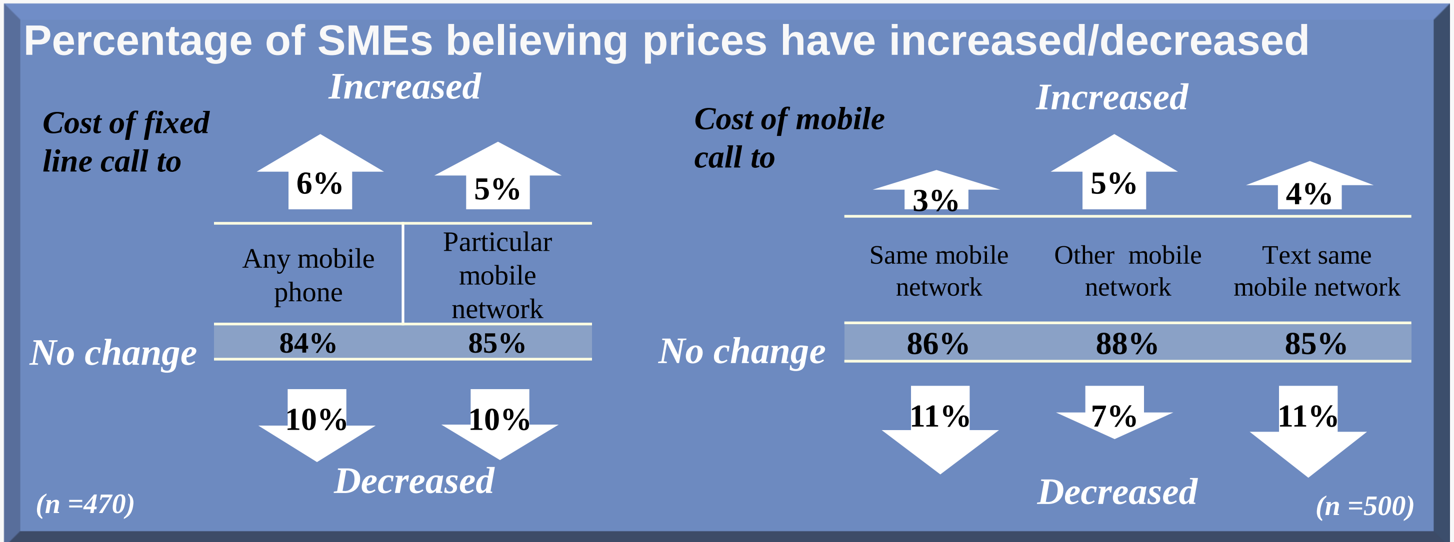
SME: Estimated mobile call/text prices among SMEs stating knowledge of prices

Price estimates among SMEs with stating knowledge of costs

Recalled cost of (Among SME decision makers with stated knowledge of costs)	**Average price estimate**
Calls to mobiles on different networks	8.0c (n=47)
Calls to mobiles on same network	6.4c (n=38)
Calls between employees on same network	6.1c (n=11)
Calls to fixed line phones	16.1c (n=68)
Texts to mobiles on same network	10.5c (n=12)

- ❖ Figures are based on SME respondents who stated either approximate or exact knowledge
  - Note: Due to the low level of knowledge present among SMEs, these estimates are based on small sample sizes

SME: Perceived recent changes in fixed line and mobile phone call costs



SURVEY QUESTIONS:
Q. Thinking of your business' mobile phone costs, have you noticed any changes over the last twelve months?
- ***Yes***
- ***No***

Q. Have you noticed the cost of any of the following [CALL TYPES] changing (and indicate whether you believe the cost has increased or decreased)?

- ❖ Similar proportions of SMEs believe fixed line prices and mobile phone prices have changed over the previous 12 months
  - In each case, this is approximately 16%

SME: Monthly mobile phone costs

Monthly mobile phone costs

		Overall	<10 employees	11-49 employees	50+ employees
Total monthly cost	Base package/plan and usage	€ 777.40 (n=337)	€ 268.09	€ 723.20	€ 2,543.21
	Base	€ 464.57 (n=209)	€ 190.97	€ 476.18	€ 938.22
Monthly cost per employee with mobile phone	Base package/plan and usage	€ 81.00 (n=337)	€ 91.12	€ 76.59	€ 103.56
	Base	€ 48.40 (n=209)	€ 30.97	€ 50.43	€ 38.21

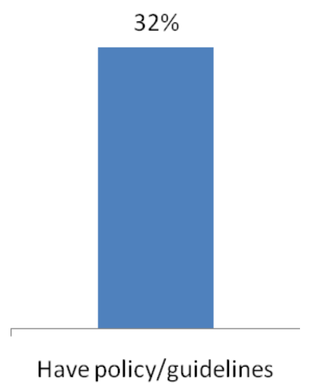
SURVEY QUESTIONS:
Q. What would the total recurring monthly mobile cost typically be for all employees with business mobile phones including the basic cost of the plan/package/bespoke deal and the cost of any additional calls or other services which are not included in your basic plan or package deal but excluding the cost of a fixed line phone which may be supplied by the same operator?

Q. What approximately is the total recurring plan monthly mobile cost typically be for all of the employees before taking into account the cost of any additional calls or other services which are not included in the basic package)?

- ❖ Knowledge of expenditure is relatively low with many SMEs unable to provide an estimate of the total cost or base cost
  - 61% were able to estimate their total monthly expenditure
  - 42% were able to estimate the base cost their plan/package

SME: Prevalence and types of mobile phone usage policies and guidelines in place

Usage policies/ guidelines in place



(n =500)

SURVEY QUESTION:
Q. Does your company have a policy or guidelines on how your employees can or should use their business mobile phones?

Types of usage governed in SMEs with policies/guidelines

Policy/guidelines in place for... (n=160)	%
Making a business call from a company mobile to any other mobile phone	59%
Using a company fixed line phone or company mobile phone when making a business calls to other mobiles	54%
Making a business call from a company mobile to another employee on their company mobile	48%
Making a mobile phone call for work purposes to mobiles on the same mobile network to that used by the company	43%
Making a mobile phone call for work purposes to mobiles on other networks (different to the company mobile network)	39%
Sending a text message for work purposes	37%
How much an data services can be used by employee (such as app downloads, email, social networking etc)	24%
When an employee can call or text from one company mobile phone to another company mobile phone	25%
None of these	26%

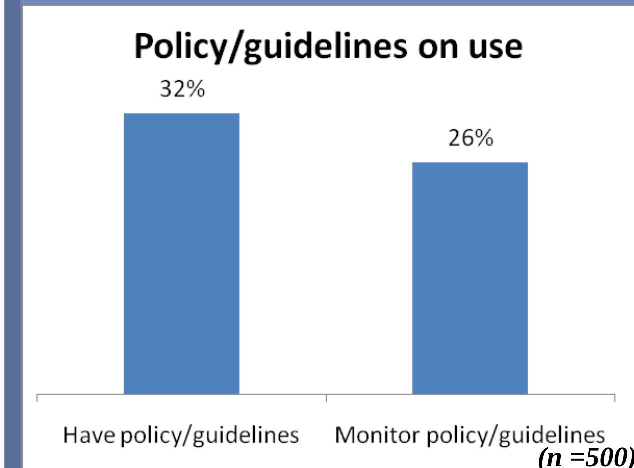
SURVEY QUESTION:
Q. Does the policy or guidelines specify what the employee should do for each of the following activities?

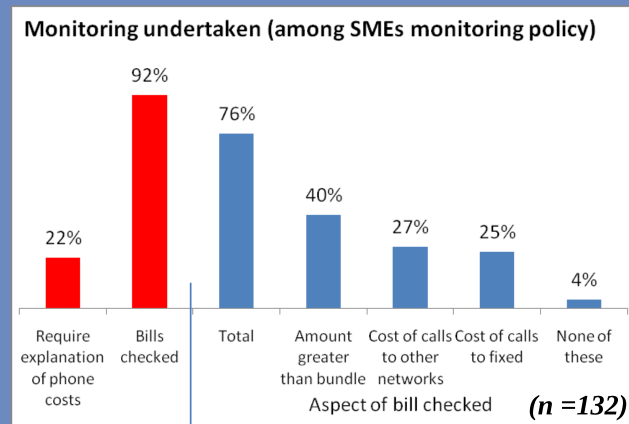
- SMEs were asked if they had policies or guidelines about use of business provided mobile phones
  - Those who had policies in place, we asked to identify the types of usage governed

Prepared by The Research Perspective on behalf of The Communications Regulation

SME: Monitoring of usage policies/guidelines

Monitoring of mobile phone usage policies/guidelines





SURVEY QUESTION:
Q. How do you monitor the employee usage policy?
- ***Require employees to explain usage costs for their business phone regularly***
- ***Check bills and query any large unexplained usage***

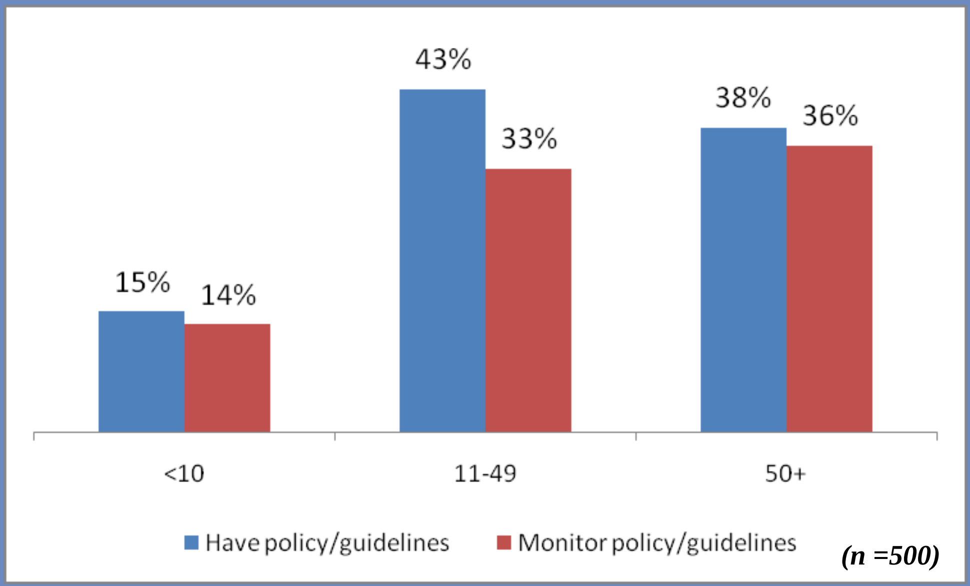
Q. Which of the following are checked on each bill?
- ***The total amount***
- ***If the amount is greater than the bundle price***
- ***The cost of calls to mobiles on other networks***
- ***The cost of calls to fixed line phones***
- ***None of these***

SURVEY QUESTION:
Q. Does your business actively monitor the policy?

- 26% of SMEs have and actively monitor usage policy/guidelines
- Of the SMEs who actively monitor usage policy/guidelines, 92% check bills
  - This is equal to 24% of all SMEs

SME: Prevalence and monitoring of employee mobile phone usage policies by company size

Policies and employee usage policy/guidelines – by size of SME



SURVEY QUESTION:
Q. Does your company have a policy or guidelines on how your employees can or should use their business mobile phones?

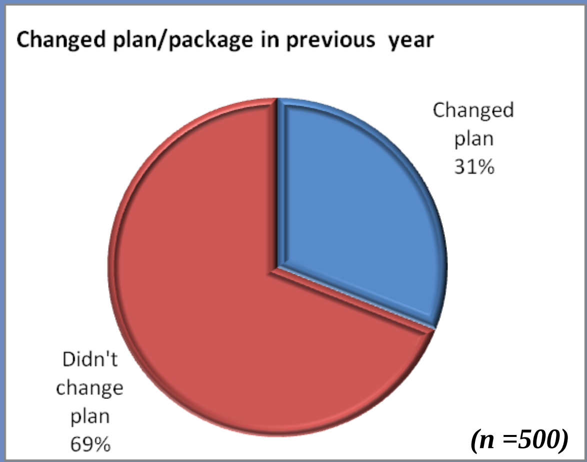
❖ Usage policies are most common among SMEs with more than 10 employees

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: SWITCHING

SME: Switching mobile phone plans/packages (while staying with the same operator)

Proportion of SMEs who changed plan/package in last 12 months



SURVEY QUESTION:
Q. Has your business switched plans or bespoke packages in the last 12 months?

Reasons for plan/package change

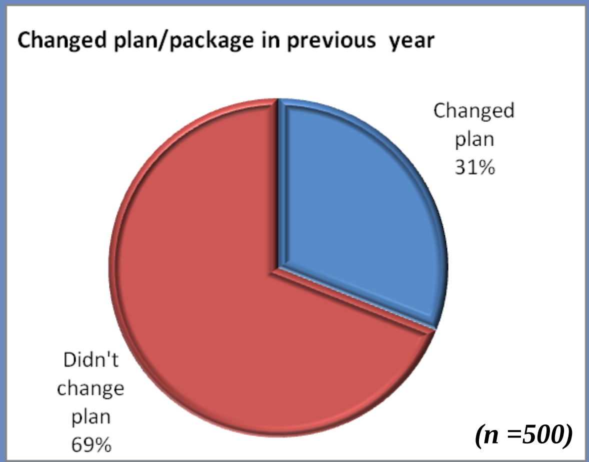
Reasons for changing plan (unprompted) (n=155)	%
To reduce the overall cost of making mobile calls	54%
To reduce the overall cost of all calls	49%
To avail of a different type of service (such as data)	12%
To allow employee to use a different type of handset phone	3%
Other	13%

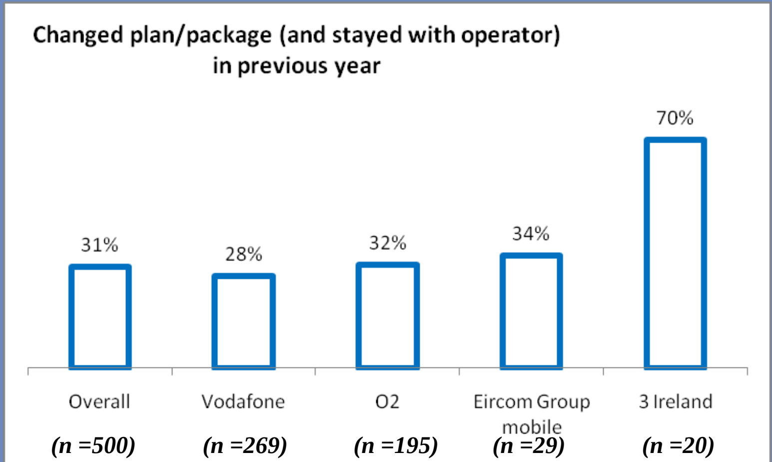
SURVEY QUESTION:
Q. Why did your company switch plans?

- A high proportion of SMEs have changed package/plan with their current supplier within the previous year
- Cost related issues were the primary drivers for these changes
  - Of the 13% (of SMEs which had changed package/plan) that gave other reasons, the most common (3%) was that the change in plan was driven by contact from the mobile phone operator

SME: Switching mobile phone plans/packages (while staying with the same operator) by operator

Changing plan with current mobile phone operator in last 12 months





SURVEY QUESTION:
Q. Has your business switched plans or bespoke packages in the last 12 months?

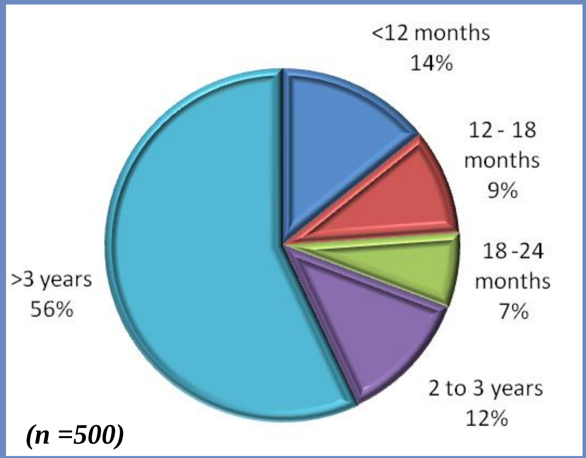
SURVEY QUESTION:
Q. Has your business switched plans or bespoke packages in the last 12 months?

- Rate of switching plans (without switching operator) is highest among 3Ireland customers at 70%

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

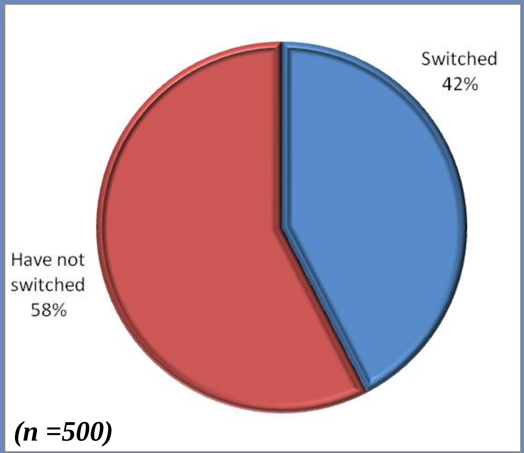
SME: Length of time with current mobile phone operator and switching

Length of time with current mobile phone operator



SURVEY QUESTION:
Q. How long has your business been with your current mobile operator?
- *Within last year*
- *Within last year to 18 months*
- *More than 18 months and up to two years*
- *Between 2 and 3 years*
- *3 years or more*
- *Never*

Have switched mobile phone operator

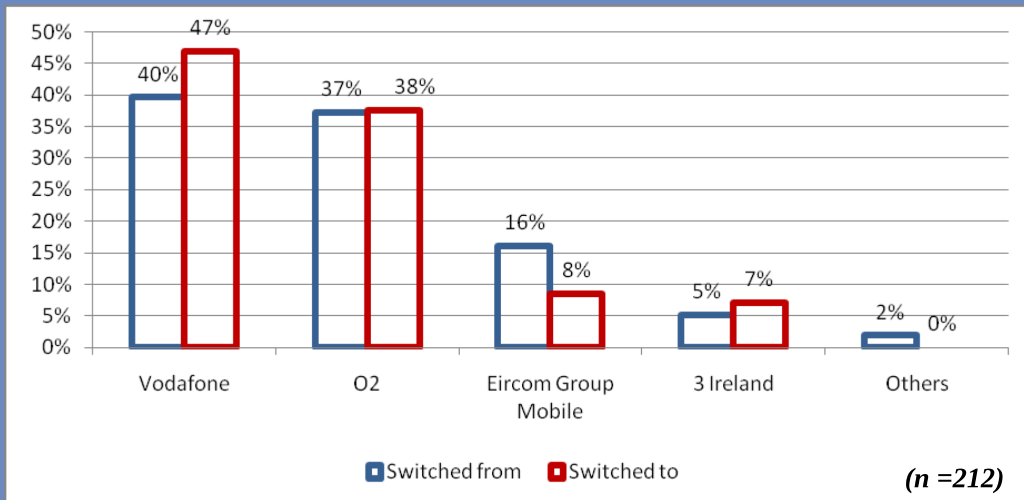


SURVEY QUESTION:
Q. Was your business previously with another mobile phone operator?

- ❖ A majority of SMEs have remained with their operator for more than 3 years
- ❖ 58% state that they have never switched operator

SME: Mobile phone operator switching flows

Current and previous mobile phone mobile operator



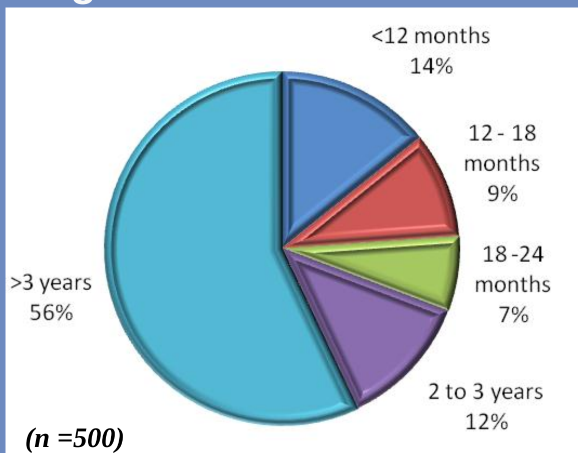
SURVEY QUESTIONS:
Q. Which mobile phone operator was your business previously with?
Q. Which of the following is your current mobile phone operator?

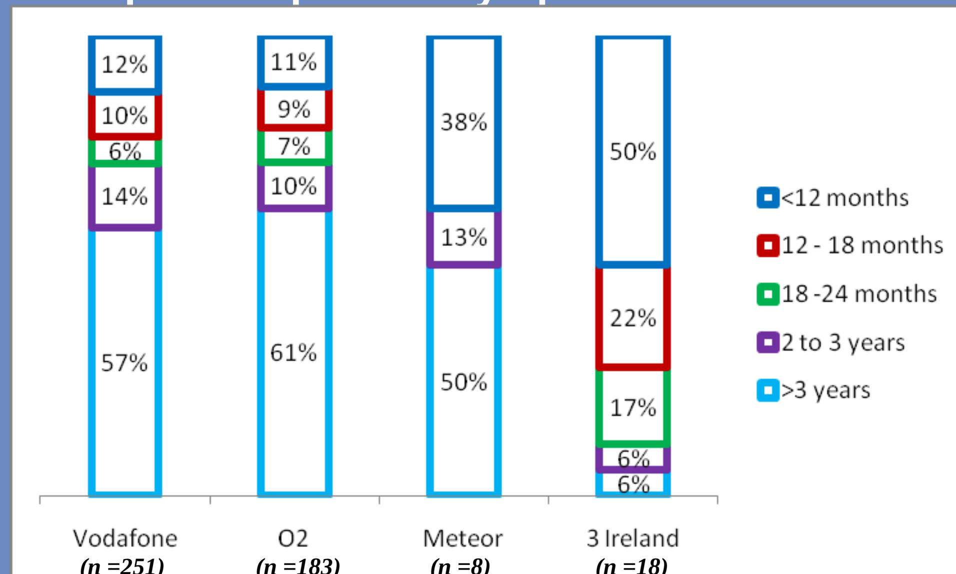
- Respondents who had switched provided the name of their previous mobile phone operator
- Results show a net flow of switchers to Vodafone and from Eircom Group Mobile

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: Length of time with current mobile phone operator by operator

Length of time with current mobile phone operator by operator





SURVEY QUESTION:
Q. How long has your business been with your current mobile operator?

- ***Within last year***
- ***Within last year to 18 months***
- ***More than 18 months and up to two years***
- ***Between 2 and 3 years***
- ***3 years or more***
- ***Never***

❖ A majority of customers of the largest three operators (by market share) have been with their current operator for more than 3 years

SME: Approach to determining factors influencing mobile phone operator switching

1. Select any three factors

SURVEY QUESTION:
Q. Thinking about when your business last changed mobile operator, please select the top three reasons out of the following set of possible reasons which were important to the decision to choose that mobile operator?

2. Select most important factors

SURVEY QUESTION:
Q. Out of those [THREE SELECTED], which was the most important reason?

- ❖ Approach forces respondents to prioritise reasons and then focus on a single reason

1. Respondents were asked to select the top three reasons out of a list of 13 presented reasons
   - This allowed respondents to pick a potentially wide range of reasons
   - Note: Not all respondents picked three reasons – some selected one or two
2. Respondents were then asked to pick a single most important reason

SME: Stated reasons for selection of mobile phone operator: Top three

Reasons identified by decision maker (n=146)	Top 3 reason
Cost of calls to same mobile networks	44%
Cost of calls between employees on same mobile network	34%
Network Coverage/Network reliability	29%
Amount of inclusive minutes included	27%
Cost of calls to the other mobile networks	18%
Other	16%
The costs of calls from other networks	14%
Cost of texts to same mobile networks	13%
Number of inclusive call minutes included in the plan	12%
The level of customer service	12%
The cost of calls made by my customers to my business	6%
The price of the handsets	4%
Cost of data services such as email and internet usage from the mobile phone	3%

- Of SMEs that have switched in the past, network coverage and costs of calls to mobiles on the same network were most often identified as top three reasons for mobile phone operator selection
  - Only those decision makers involved in the switching decision were asked these questions (69% of all switchers)

SME: Stated reasons for selection of mobile phone operator: Most important reason

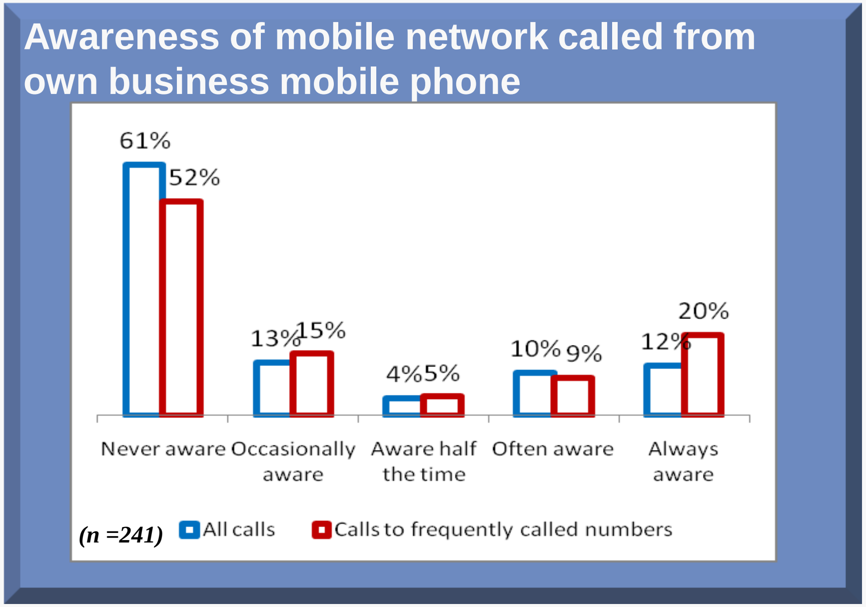
Cost related issues

Reasons identified by decision maker (n=146)	Top reason
No single reason more important than the others	23%
Network Coverage/Network reliability	18%
Cost of calls to same mobile networks	13%
Other reasons	8%
Cost of calls to the other mobile networks	8%
Amount of inclusive minutes included	6%
Cost of calls between employees on same mobile network	5%
Number of inclusive call minutes included in the plan	5%
The level of customer service	5%
The costs of calls from other networks	3%
Cost of data services	1%
Availability of the mobile as part of a bundle of other services such as fixed phone line or mobile broadband	1%
The cost of calls made by my customers to my business	1%
The price of the handsets	1%
Cost of texts to same mobile networks	0%

- Network coverage/reliability is the most commonly identified most important reason (18%)
- However, call cost related reasons were identified as the most important factor by 40% of SMEs
- When asked to select the most important reason (out of the three selected) 23% specified no single reason was more important that the rest

SME: AWARENESS

SME: awareness of calling mobile phone network from own business mobile phone



SURVEY QUESTIONS:
Q. When you are calling from your business mobile phone, to what extent are you aware of which mobile network you are calling?

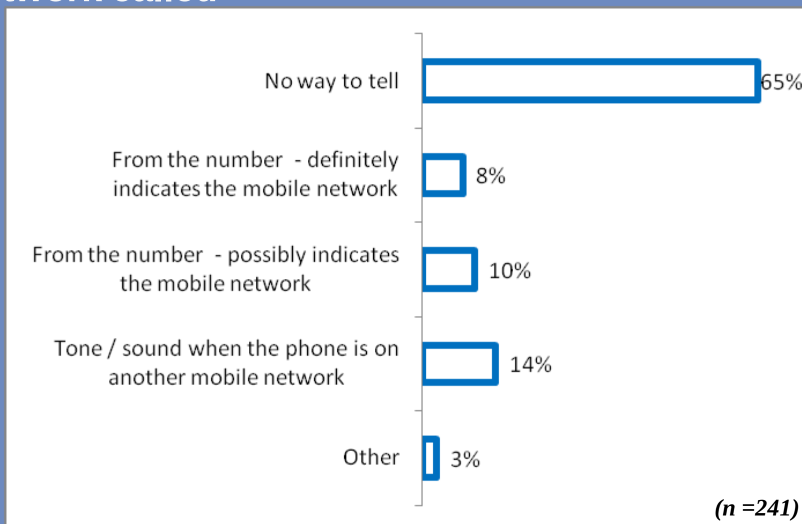
Q. When you are calling your most frequently called mobile numbers from your business mobile phone, to what extent are you aware of which mobile network(s) you are calling?

- ❖ A majority of SME decisions makers with mobile phones provided by the business are in general never aware of the mobile network called (61%) with 52% unaware of the mobile network called for frequently called mobile phone numbers
  - Only SME decision makers with mobile phones provided with mobile phones for work purposes were asked awareness questions
  - Comparing the responses of the SME Decision makers with those of consumers, it appears that they are less aware of the network they are calling than general consumers

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: Awareness of mobile phone network call tone and reasons for lack of awareness

How can you tell which mobile network is called? - among decision makers not always aware of network called



SURVEY QUESTION:
Q. Are there any ways that you can tell if the number you are calling is on another mobile network?

Reason for not always being aware of mobile network called(with frequently called numbers)- among decision makers not always aware of network called

Why are you not always aware? (unprompted) (n=194)	%
I mostly make calls from my mobile phone s address book and don't see or think of the number	26%
I can't tell from the mobile number which mobile network the person is on	35%
Don't think about the network the other person is on	10%
It doesn't matter to me because the calls are included for free in my plan/package	9%
It doesn't matter to me what network they are on, if I need to call I just call	10%
Other reasons/don't know	10%

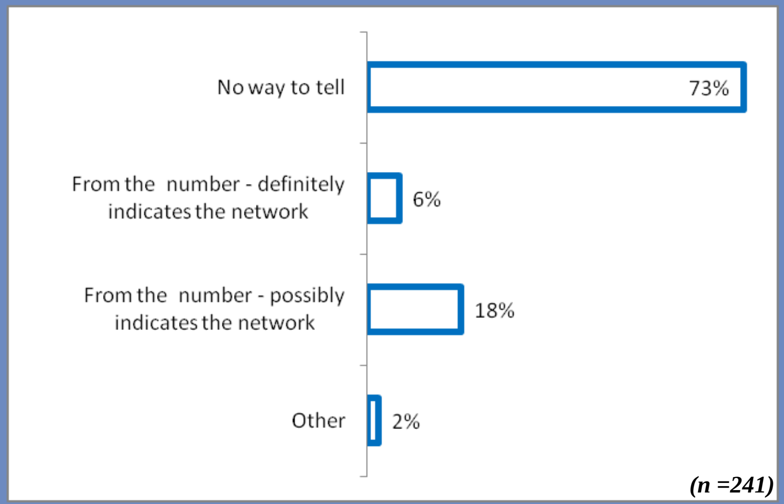
SURVEY QUESTION:
Q. Could you explain why you are not always aware of the mobile network you are calling?

- Among those not always aware of the mobile phone network they are calling in general, 65% believe there is no way to determine network – compare to 37% among consumers
  - Of the 88% of SME respondents who are not always aware, 86% were not aware of the off-network call tone

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: Incoming mobile phone call – awareness of originating network

How can you tell which mobile network originating an incoming call?

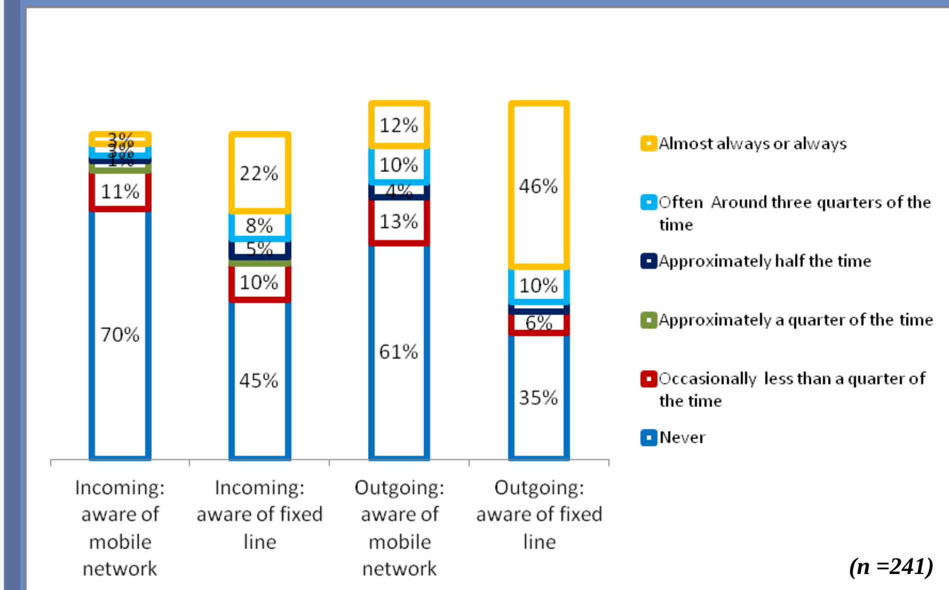


SURVEY QUESTION:
Q. Are there any ways that you can tell what mobile network the person calling you is on?

- Most (73%) of SME decision makers recognised that there is no way to determine the network originating an incoming mobile phone call
  - 6% believe that the number indicates the network

SME: Awareness of incoming/outgoing call types

Awareness of types of incoming and outgoing calls



SURVEY QUESTIONS:

Q. If someone is calling you on your business supplied mobile, to what extent do you know what mobile network they are calling from?

Q. If someone is calling you on your business supplied mobile, to what extent would you know if they are calling from a fixed line network or a mobile network?

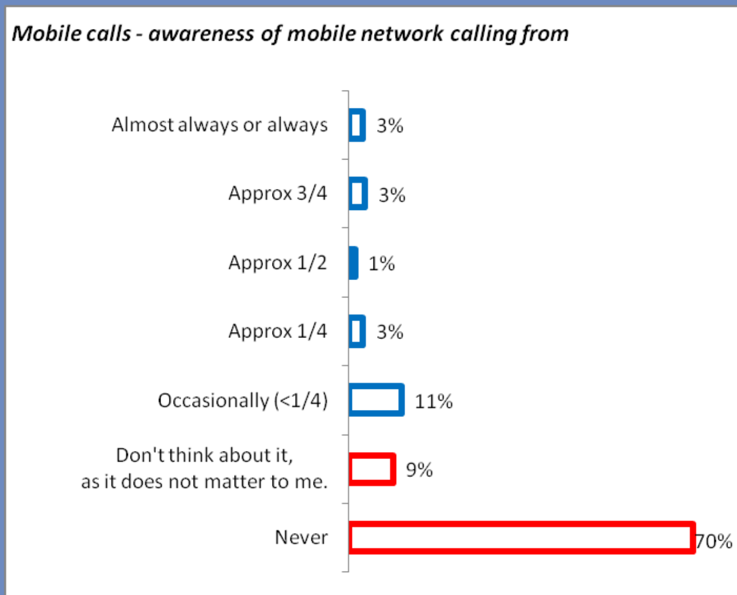
Q. When you are calling from your business mobile phone, to what extent are you aware of which mobile network you are calling?

Q. When you are calling from your business supplied mobile phone, to what extent are you aware whether the number you are calling is a fixed line phone?

- Most SME decision makers are not aware of the destination of out-going calls and source of incoming mobile calls
  - A higher proportion have a level of awareness of calls as originating from fixed line phones (55%) and of calls from their business supplied mobile phone to fixed line phones (65%) than of calls to and from mobile networks

SME: Incoming mobile calls: Awareness and impact on behaviour

Incoming call costs: Awareness, concern and impact on behaviour



(n =241)

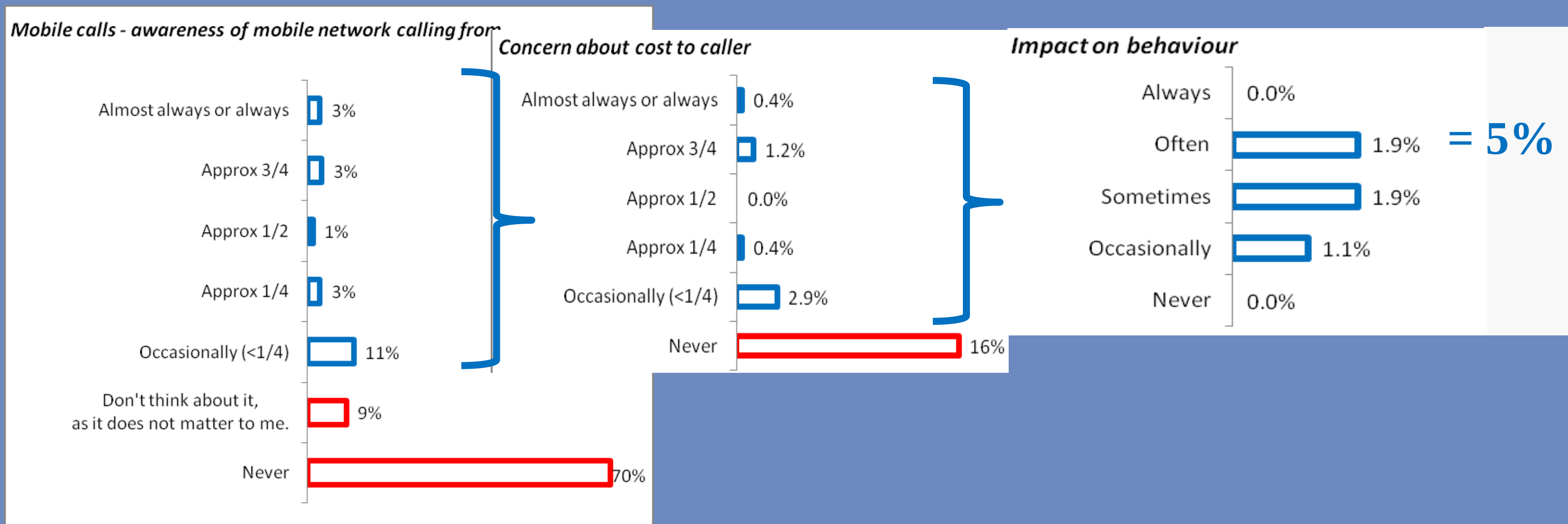
SURVEY QUESTION:
Q. If someone is calling you on your business supplied mobile, to what extent do you know what mobile network they are calling from?

- 21% of SME decision makers are aware to some degree of the originating network of an incoming mobile phone call

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation

SME: Incoming mobile calls: Awareness and impact on behaviour

Incoming call costs: Awareness, concern and impact on behaviour



(n =241)

SURVEY QUESTION:
Q. When you see an incoming call on your business supplied mobile, do you consider what the call will cost the person calling?

SURVEY QUESTION:
Q. Does this ever cause you change how you treat their calls?

❖ Excluding those SME decision makers who are never aware/don’t care about the network originating an incoming call/never concerned about the cost of an incoming call, 5% state that they would change their behaviour in response to concern about the cost to an incoming caller

SME: Incoming mobile calls: Reported behaviour changes by call context and potential action

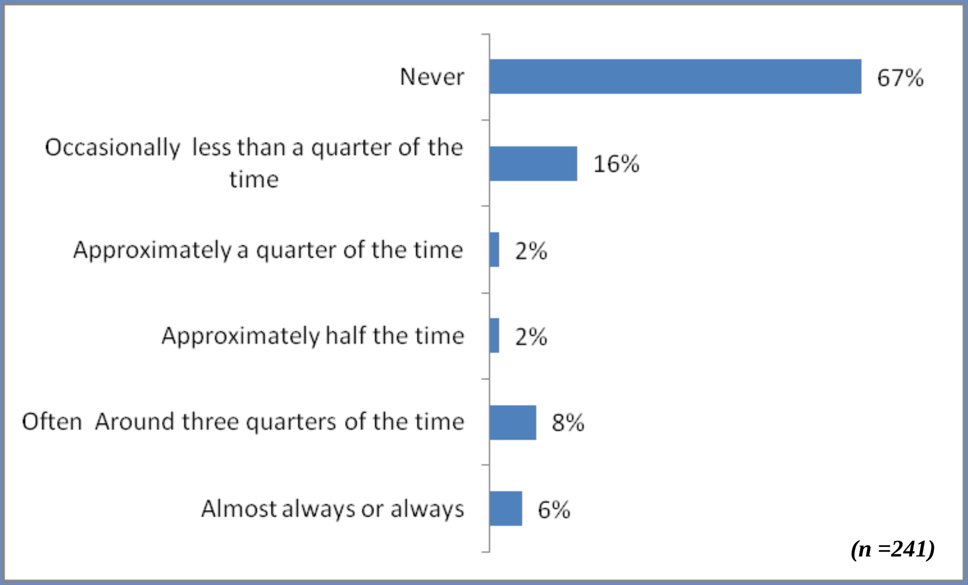
Frequency of adoption of potential actions (n=241)	Don't answer the call at all	Don't answer their call but phone them back	Don't answer their call but text them instead	Answer their call but shorten the length of the call
Occasionally - less than a quarter of the time	0%	0.4%	0.4%	1.2%
Approximately a quarter of the time	0%	0%	0.4%	0.4%
Approximately half the time	0%	0%	0%	1.7%
Often - Around three quarters of the time	0%	0.4%	0%	1.2%

SURVEY QUESTION:
Q. When you are aware that the caller is on another network, do you take any of the following actions?

- All percentages are of the entire set (all SME decision makers with business supplied mobile phone)

SME: Frequency of thinking about the cost of out-going calls to other mobile networks

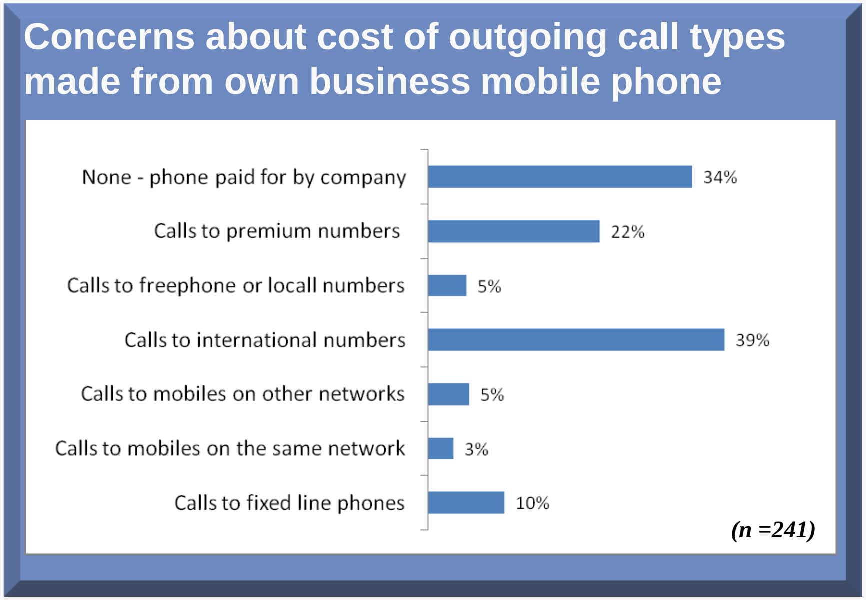
Frequency of thinking about the cost of an outgoing call to another mobile network from own business mobile phone



SURVEY QUESTIONS:
Q. When making a call from your business mobile to another mobile network, how often do you think about the cost of the call?

- A majority (67%) SME decision makers stated that they do not think about the cost of an outgoing call to another mobile network from their own business supplied mobile phone
  - 14% think about the cost ¾ of the time or more

SME: Concerns about the cost associated with particular mobile phone call types

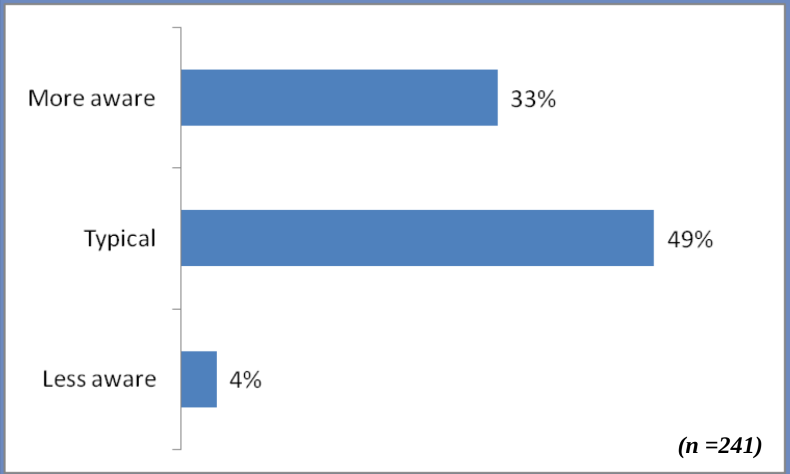


SURVEY QUESTION:
Q. Are there any particular types of phone calls that you personally are concerned about when considering the cost of a call from your business supplied mobile phone?

❖ Cost concerns are focused primarily on international calls and calls to premium numbers
- 34% of decision makers do not worry about any categories of call from a cost perspective
- 5% are concerned about the costs associated with calls to other networks

SME: Assessment of awareness among employees by decision makers

Awareness level of decision maker compared to average employee with business mobile phone



SURVEY QUESTION:

Q. Thinking about your responses to the previous questions, do you think that...

- ***You are quite typical of the level of awareness of the employees with business supplied mobile phones***
- ***You are more aware than the average employee with business supplied mobile phones***
- ***You are less aware than the average employee with business supplied mobile phones***

- ❖ Responses in this section were based on the responses of decision makers in SMEs with business supplied mobile phones
- ❖ Decision makers were the targeted respondents for the SME survey
  - Defined to be the person who is responsible for selecting the mobile operator and usually the person who decided on usage policy
- ❖ Most believe that their awareness of usage and cost issues is typical (49%) or greater (33%) than the typical employees with a business supplied mobile phones

SME: Price Sensitivity

Testing price sensitivity

- **Objective:**
  - Determine the degree of sensitivity among retail consumers (SMEs) to increased charges for mobile phone calls or texts to another mobile network and potential switching to different communications methods
- **Methodology**
  - **Scenario 1 presented:** If a major mobile phone operator (apart from own) increases in the cost of calls/texts by a specified amount (approximately 5% and 10% increases over current charges),
    - Would the SME notice the change
    - Would the SME change behaviour (and estimate of likely volume of communication change)
    - How would the behaviour change (rated from list of potential changes)
  - **Permutations tested:**
    - Each respondent asked 4 scenarios: Call from business mobile into network (1c & 3c increase), call from business fixed line into network (1c & 3c increase)
  - **Scenario 2 presented:** If own mobile phone operator increases in the cost of calls by a specified amount (approximately 5% and 10% increases over current charges), would customers contacting the SME notice and change behaviour and would the SME take action to mitigate against this
    - Tested at a 1c and 3c increase

Consumer: Example of price Sensitivity testing question flow (1 cent increase to call cost)

1. Explain scenario

SURVEY QUESTION:
Q. Say if the per minute cost of making calls to a mobile on a specific mobile network increased - one that is a different network to your mobile network . For example: You are making a call from your business fixed line or from your mobile supplied by [CURRENT MOBILE OPERATOR NAME].

2. Capture if price increase would be noticed

SURVEY QUESTION:
Q. Imagine if the cost when you call someone on a different mobile network, say [RANDOMLY SELECT OTHER MAJOR MOBILE OPERATOR NAME], was increased by 1CENT per minutes, do you believe that your business would notice the price increase?

If increase noticed

3. Capture if increase would have impact on behaviour

SURVEY QUESTION:
Q . As a consequence of this 1 CENT per minute increase in the cost of calling this specific mobile network, do you believe that it would have an impact on how your business communicates with its customers?

- *Yes - definitely would have an impact on the way it communicates with its customers*
- *Yes - maybe have an impact on the way it communicates with its customers*
- *No*

If behaviour changes

4. Capture impact on communication mix and potential compensating actions

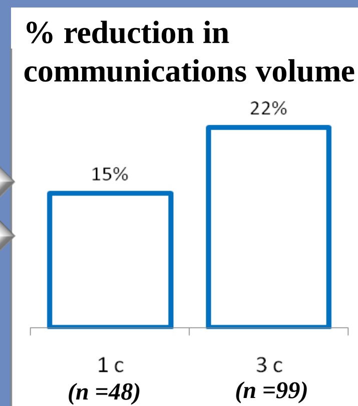
SURVEY QUESTIONS:
Q . Thinking about the percentage breakdown of the outbound communication (where your business is making contact), estimate how this could impact overall amount of communication from employees to your customers or potential customers and the breakdown into types of communication)?
Q. Are there any other actions that your business might consider taking.In each of the following cases please state on a scale
of 1 to 5 where 5 is very likely to make the change and 1 is not at all likely to make the change whether you would or
would not make the described change?
[LIST OF POTENTIAL BEHAVIOUR CHANGES PRESENTED]

SME Price Sensitivity–
Mobile phone voice outbound calls

Impact of price increases on other network on communications volume

(n=500)	From mobile	
	1c	3c
Would notice	30%	58%
Would change behaviour	14%	32%

(n=1128)	1c	3c
Definitely change behaviour	6%	18%
Maybe change behaviour	8%	14%

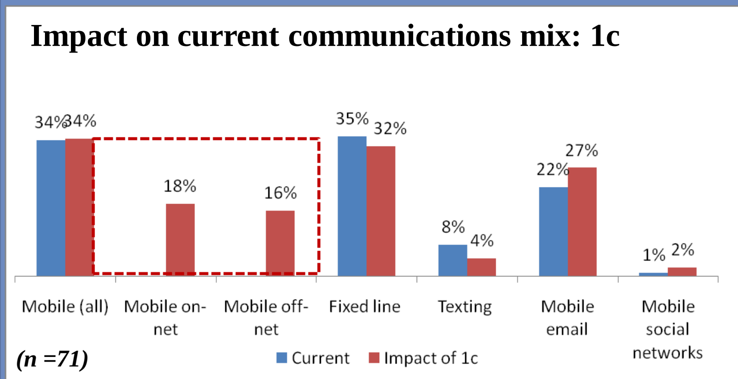


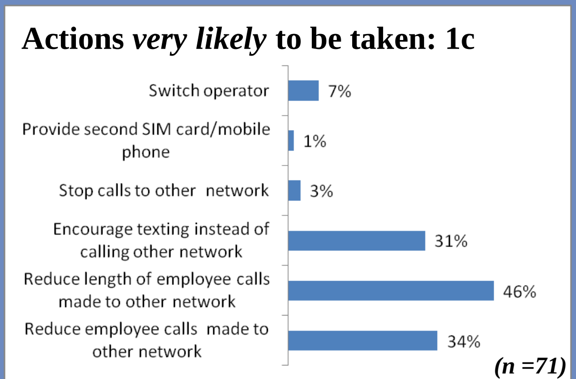
(n=500)	Reduction in total SME communications	
	1c	3c
% reduction	2.1%	7.0%

- Overall percentage decrease associated with the price increase is calculated from the % that stated that they would change behaviour and the average % decrease predicted by these businesses
  - Note 1: Respondents could select either that they would definitely change or would maybe change behaviour. These are combined in estimate of proportion liable to change behaviour
  - Note 2: Estimate of % reduction based on respondents who stated that they would change behaviour and were able to provide an estimate of the percentage change
- Impact on overall communications volume at 1c is 2.1% and at 3c is 7.0%

SME Price Sensitivity–
Mobile phone voice outbound calls: 1 cent

Impact on communications mix among SMEs noticing price increase





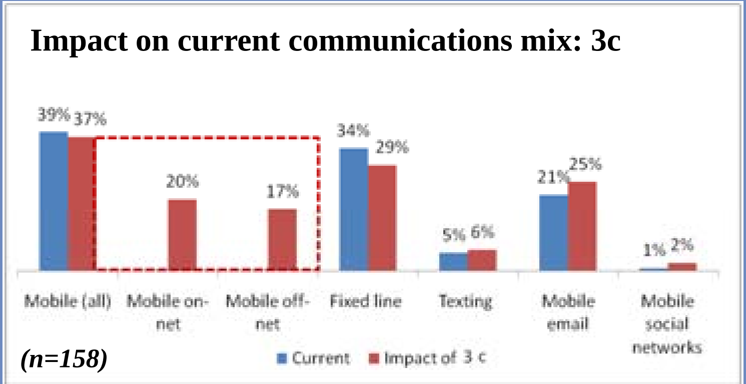
SURVEY QUESTION:
Q . Thinking about the percentage breakdown of the outbound communication (where your business is making contact), estimate how this could impact overall amount of communication from employees to your customers or potential customers and the breakdown into types of communication?

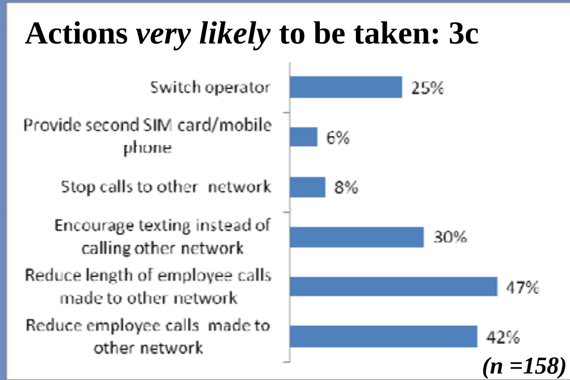
SURVEY QUESTION:
Q . Are there any other actions that your business might consider taking.In each of the following cases please state on a scale of 1 to 5 where 5 is very likely to make the change and 1 is not at all likely to make the change whether you would or would not make the described change.

- With a 1c price increase, there are minor changes in the communications mix when compared to respondents' estimate of the current mix
- Among the 14% of SMEs stating that they would change behaviour at 1 cent, call length reduction is most often cited as very likely to be encouraged (46%)

SME Price Sensitivity–
Mobile phone voice outbound calls: 3 cent

Impact on communications mix among SMEs noticing price increase





SURVEY QUESTION:
Q . Thinking about the percentage breakdown of the outbound communication (where your business is making contact), estimate how this could impact overall amount of communication from employees to your customers or potential customers and the breakdown into types of communication)?

SURVEY QUESTION:
Q . Are there any other actions that your business might consider taking.In each of the following cases please state on a scale of 1 to 5 where 5 is very likely to make the change and 1 is not at all likely to make the change whether you would or would not make the described change.

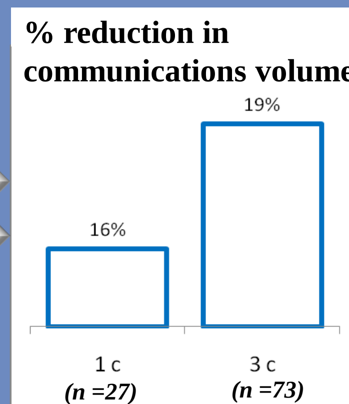
- With a 3c price increase, there are also minor changes in the communications mix
- Among the 32% of SMEs stating that they would change behaviour at 3 cent, call length reduction and a reduction in the number of calls were most often cited as very likely to be encouraged (47% and 42% respectively)
  - 25% state as very likely that they would switch mobile phone operator. This is equal to 8% of all SMEs which provide mobile phones to employees

SME Price Sensitivity–
Fixed line phone outbound calls

Impact of price increases on other network on communications volume

(n=470)	From fixed line	
	1c	3c
Would notice	25%	47%
Would change behaviour	10%	25%

(n=1128)	1c	3c
Definitely change behaviour	4%	12%
Maybe change behaviour	6%	13%



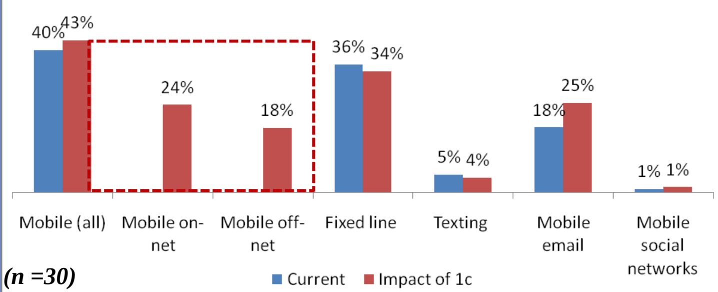
(n=500)	Reduction in total SME communications	
	1c	3c
% reduction	1.6%	4.8%

- ❖ Overall percentage decrease associated with the price increase is calculated from the % that stated that they would change behaviour and the average % decrease predicted by these businesses
  - Note 1: Respondents could select either that they would definitely change or would maybe change behaviour. These are combined in estimate of proportion liable to change behaviour
  - Note 2: Estimate of % reduction based on respondents who stated that they would change behaviour and were able to provide an estimate of the percentage change
- ❖ Impact on overall communications volume at 1c is 1.6% and at 3c is 4.8%

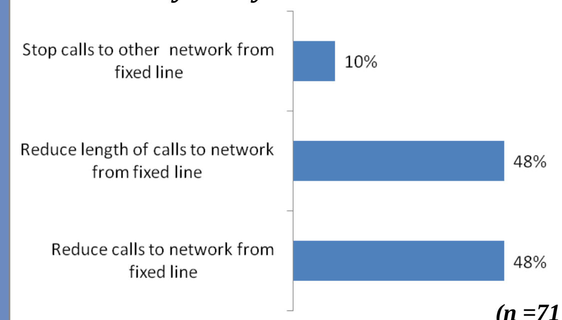
SME Price Sensitivity–
Fixed line outbound calls: 1 cent

Impact on communications mix among SMEs noticing price increase

Impact on current communications mix: 1c



Actions *very likely* to be taken: 1c



SURVEY QUESTION:
Q . Thinking about the percentage breakdown of the outbound communication (where your business is making contact), estimate how this could impact overall amount of communication from employees to your customers or potential customers and the breakdown into types of communication)?

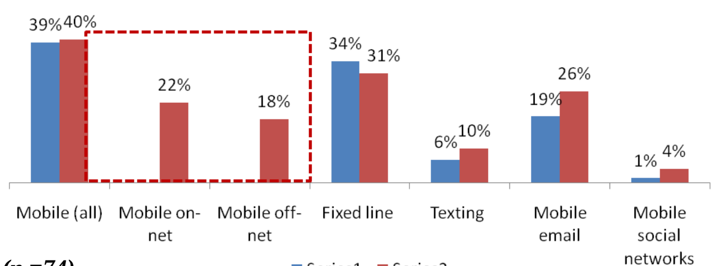
SURVEY QUESTION:
Q . Are there any other actions that your business might consider taking.In each of the following cases please state on a scale of 1 to 5 where 5 is very likely to make the change and 1 is not at all likely to make the change whether you would or would not make the described change.

- With a 1c price increase, there are minor changes in the communications mix
- Among the 10% of SMEs stating that they would take action, call length reduction (48%) and reduction in the number of calls made (48%) are most often cited as very likely to be encouraged among employees as the action undertaken

SME Price Sensitivity–
Fixed line outbound calls: 3 cents

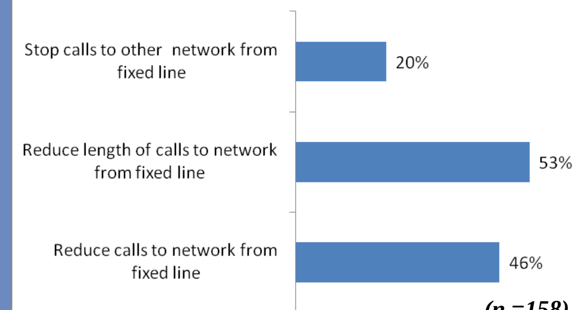
Impact on communications mix among SMEs noticing price increase

Impact on current communications mix: 3c



(n =74)

Actions *very likely* to be taken: 3c



(n =158)

SURVEY QUESTION:
Q . Thinking about the percentage breakdown of the outbound communication (where your business is making contact), estimate how this could impact overall amount of communication from employees to your customers or potential customers and the breakdown into types of communication)?

SURVEY QUESTION:
Q . Are there any other actions that your business might consider taking.In each of the following cases please state on a scale of 1 to 5 where 5 is very likely to make the change and 1 is not at all likely to make the change whether you would or would not make the described change.

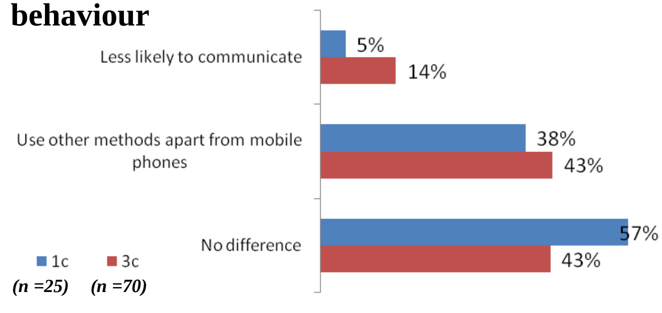
- The responses to a 3 cent price increase are very similar to those at the 1 cent level
- Among 25% of SMEs stating that they would change behaviour, call length reduction (53%) and reduction in the number of calls made (48%) are most often cited as very likely to be encouraged among employees as the action undertaken

SME Price Sensitivity
– Inbound calls to business mobile phones

Impact of price increases on other network on communications volume

(n=500)	inbound communication from any source to SME's network	
	1c	3c
Would notice	17%	41%
Would change behaviour	5%	14%

Predicted impact of increase on customer behaviour



(n=500)	1c	3c
Definitely change behaviour	2.4%	8%
Maybe change behaviour	2.4%	6%

(n=500)	1c	3c
Would be less likely to make contact with my business	1%	6%
Would use other ways of making contact apart from the business' mobile phones	10%	18%

SURVEY QUESTION:
Q. As a consequence of this x CENT per minute increase, do you believe that your business would make any changes to address this change?

SURVEY QUESTION:
Q. As a consequence of this x CENT per minute increase, what do you believe the likely impact would be on your customers' behaviours?

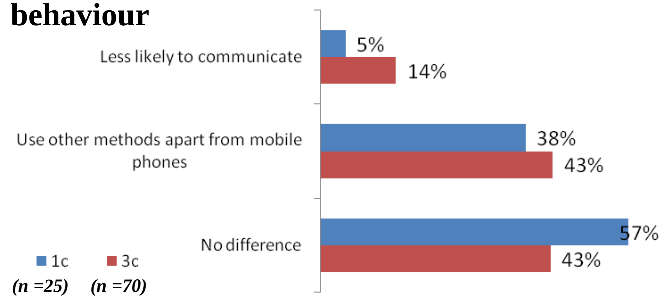
❖ SMEs are less likely to change behaviour as a consequence of the impact of a price rise on their customers. This reflects the belief that only a small proportion of customers will be less likely to communication with the SME if such price increases were implemented

SME Price Sensitivity
– Inbound calls to business mobile phones

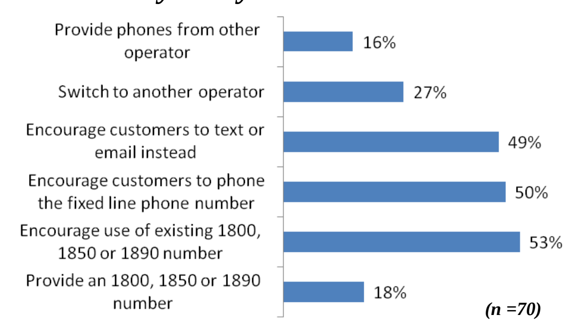
Impact of price increases on other network on communications volume

(n=500)	inbound communication from any source to SME's network	
	1c	3c
Would notice	17%	41%
Would change behaviour	5%	14%

Predicted impact of increase on customer behaviour



Actions *very likely* to be taken: 3c



Sample size for 1c too small For reporting of actions
(n =6)

- Among SMEs who would change behaviour, most common response is to encourage fixed line/email communications to save money

Summary

Consumer summary I

Consumers: Usage

- 88% use their mobile phone more than once a day with 74% texting and 58% making voice calls every day
- Text messaging is more often used every day than voice calling for ages up to 55 with 91% of 18-25 year olds using texting every day compared to 60% making voice calls every day
- Among consumers with smart phones who are less than 25 years old, Social networking (such as Facebook) is more often used than email from smart phones – 36% of 18-25 year olds use Facebook every day compared to 11% who use email

Consumers: Switching

- Awareness of number portability is high at 88%
- 33% have ever switched operator and 73% have been with their current operator for 3 years or more
- Most important reason for selecting a particular operator is that friends and family are on the same network (most important reason for 42% of consumers)

Consumer summary II

Consumers: Phones and pricing plans

- 44% own a smart phone with 28% using smart phone features and 20% using these services every day
- 61% live in a home with a fixed line phone – this is lowest among 18-25 year olds where 46% have a fixed line phone in their home
- The most common reason for not having a fixed line phone is cost – 53% of those without a fixed line phone state this as the reason
- 74% of consumers pay with prepayment
- The average amount paid for a mobile phone when purchased at sign-up is €96
- For prepayment consumers, the average monthly amount spent on top-ups is €32.15
- For billpay consumers, the average monthly amount spent is €53.89
- 70% do not know the cost they pay for calls and texts

Consumers: Awareness of network/fixed line called

- 72% of consumers claim to be aware of the mobile network called
- However, only 11% are aware of the tone which is the only reliable indicator that the call is to another network
- Consumer cost concerns focus on international call costs. Calls to other networks, to 1800/1850/1890 and premium numbers concern approximately 25% of consumers
- 25% claim to be concerned about the cost implications of an incoming call from another network and 21% state that they sometimes change their behaviour because of this – by not answering the call or phoning back

SME summary

SME: Usage

- 37% of SME employees are provided with a mobile phone by their employer
- This is greatest among SMEs with less than 10 employees (54%) and declines within increasing size of business
- SMEs rely on mobile phones for 40% of their outbound customer communication and 30% of inbound communication comes from mobile phones

SME: Phones, pricing plans are awareness

- 64% of SMEs provide smart phones for some or all of their employees
- 24% of SMEs provide only smart phones
- 96% of SMEs use 1 mobile phone operator and 8*% have a single plan for all employees
- 75% of SMEs do not know the cost of call; 64% do not know the cost of texts
- 32% of SMEs have policies/guidelines on employee phone use and 26% monitor these guidelines
- In 92% of SMEs bills are checked for compliance with the policy/guidelines
- The average monthly cost for SMEs per employee with mobile phone is €48.40
- SME decision makers are similarly unaware as consumers are of the network called and the cost associated with different types of call

Prepared by The Research Perspective on behalf of The Commission for Communications Regulation