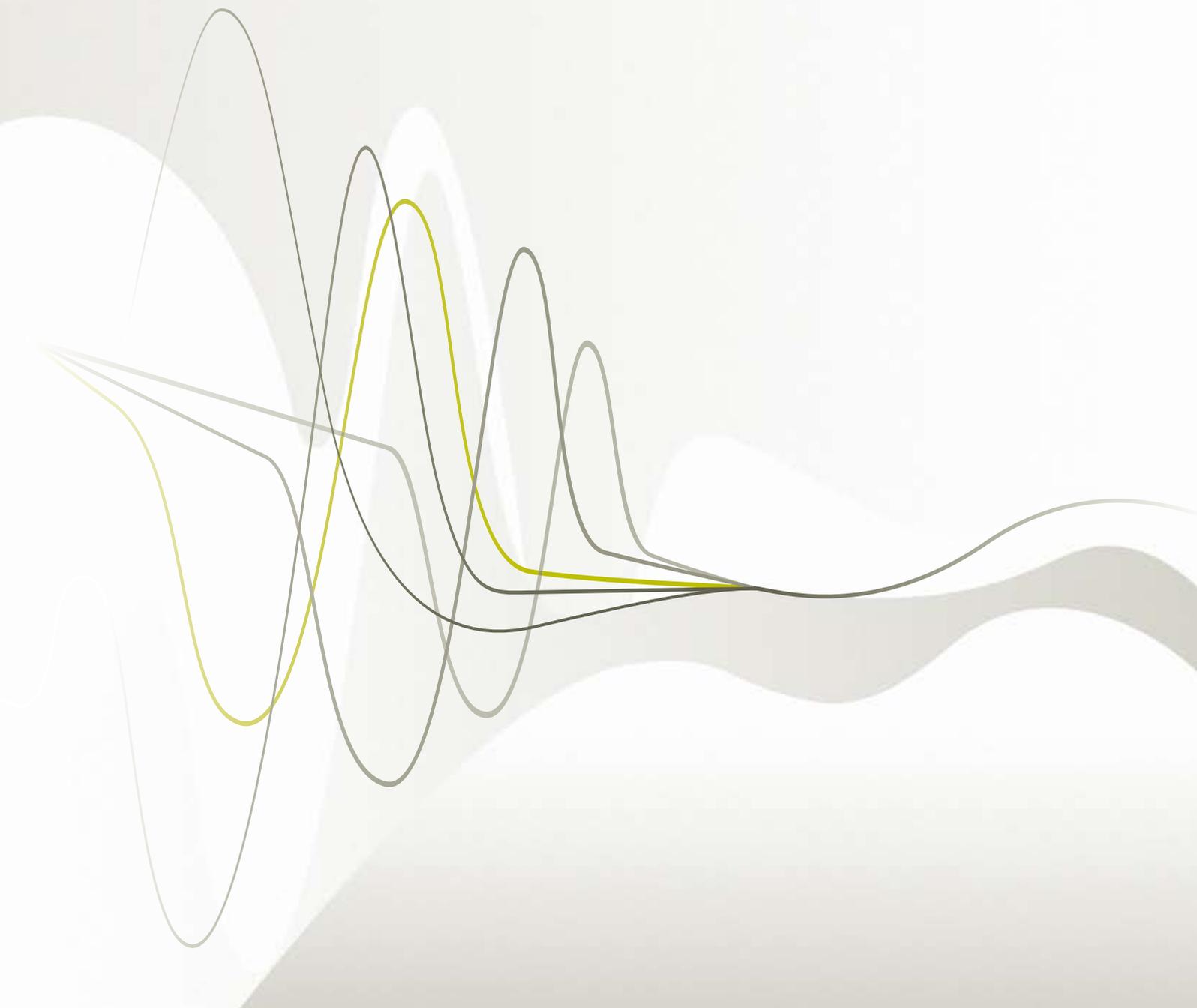


COMMUNICATIONS
CONSUMER
PANEL

Mobile coverage: the consumer perspective

RESEARCH REPORT | OCTOBER 2009



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The Communications Consumer Panel was established under the Communications Act 2003 as an independent, evidence-based, advisory body. Its role is to influence Ofcom, Government, the EU, and service and equipment providers so that the communications interests of consumers and citizens are protected and promoted.

The Consumer Panel is made up of ten part-time members with a balance of expertise in consumer issues in the communications sector. There are members representing the interests of consumers in Scotland, Wales, Northern Ireland and England.

Consumer Panel Members are appointed by Ofcom, subject to approval by the relevant Secretaries of State. They are appointed in accordance with Nolan principles and are eligible for re-appointment. Ofcom also funds the Panel, and provides it with a small advisory team. The team are Ofcom employees, but work for and in the interests of the Panel.

Section 1

Introduction

The Communications Consumer Panel (the Panel) was established under the Communications Act 2003 as an independent advisory body with the role of advising Ofcom, and such other persons as the Panel thinks fit, on the interests of consumers and citizens in the communications sector.

The Panel defines its role more specifically as:

“To influence Ofcom, Government, the EU, and service and equipment providers so that the communications interests of consumers and citizens are protected and promoted.”

The Panel’s remit, as set out in the Act, includes a duty to protect the interests of vulnerable consumers, including the elderly, people with low incomes, people with a disability or people living in rural areas. The Panel’s remit also covers the interests of small businesses. Small businesses are defined as businesses with up to 10 employees.

On 8th July 2009 Ofcom published *Mostly Mobile*, its second consultation on the mobile sector assessment.

The consultation document recognises that mobile communications are becoming increasingly central to UK citizens and consumers. However, it also notes that not all consumers are able to benefit equally from the opportunities that mobile communications provide, and that problems persist with both second and third generation coverage (2G and 3G).¹

In August 2009, the Panel commissioned TNS Research to include and report on a series of questions in its August Omnibus Survey. These questions asked consumers about their experience of 2G mobile coverage, including: how important coverage was to them in comparison with other issues; whether they had experienced problems with coverage, and if so what kind of problems; whether they had taken action to try to resolve these problems.

The findings of the research have informed the Panel’s position on this issue, including its response to *Mostly Mobile*. The Panel’s response to the *Mostly Mobile* consultation can be found on its website: www.communicationsconsumerpanel.org.uk

The Panel hopes that the findings in this report will also be of interest to others working for the communications interests of citizens and consumers.

¹ 2G networks were built primarily for voice traffic and can be used for voice calls and text messaging (SMS). 3G allows simultaneous use of speech and data services and higher data rates, which means it can support services such as internet access, video calls etc.

Section 2

Methodology

This report is based on quantitative analysis of data from TNS Research's August 2009 Omnibus Survey.

The data is collected by TNS interviewers through face-to-face interviews. In addition to the questions on mobile coverage, the survey also collects a variety of socio-demographic information, including each respondent's age, occupation, income, ethnicity and disability status. The survey also asks whether respondents have a landline as well as a mobile, in order to ensure that mobile-only households are included in the sample.

The sample for the survey was c. 2,000 adults, aged 18 and over, in the United Kingdom. All data are weighted to make sure that the sample is representative of the population, compensating for unequal probabilities of selection and the variation in response rates of population subgroups. Therefore we can assume that all estimates are representative of the UK population.

Section 3

Summary of findings

The key findings from the research are that:

- Mobile phone coverage is important to consumers, with respondents rating it as more important than cost when choosing a network provider.
- Over half (56%) of consumers have experienced problems with reception, a third of them (33%) regularly.
- Coverage is particularly important to people who are working. This group are also significantly more likely than those who are not working to experience problems with coverage.
- The most common problem people experience is not spots, where they get no reception at all: 36% of mobile users have experienced this, 18% regularly. The next biggest problem is poor sound quality/breaking up of sound, experienced regularly by 8%.
- Reception at home is most important to consumers, followed by reception while walking.
- When asked to rate the performance of their provider for coverage in different areas, consumers cited reception while travelling by train as the worst performing area. This is also the coverage type that received the lowest importance rating, although consumers still gave it an importance rating of 6.1.
- Overall satisfaction with coverage is relatively high (with customers giving a mean score of 7.7 out of 10). However, people who regularly experience problems with reception have a significantly lower opinion of their provider than people who say they have never experienced a problem.
- A fifth of consumers who have experienced problems have taken action as a result. Amongst these the most common response is to contact their provider's customer service team, although some people have also resorted to buying a new phone or changing provider.

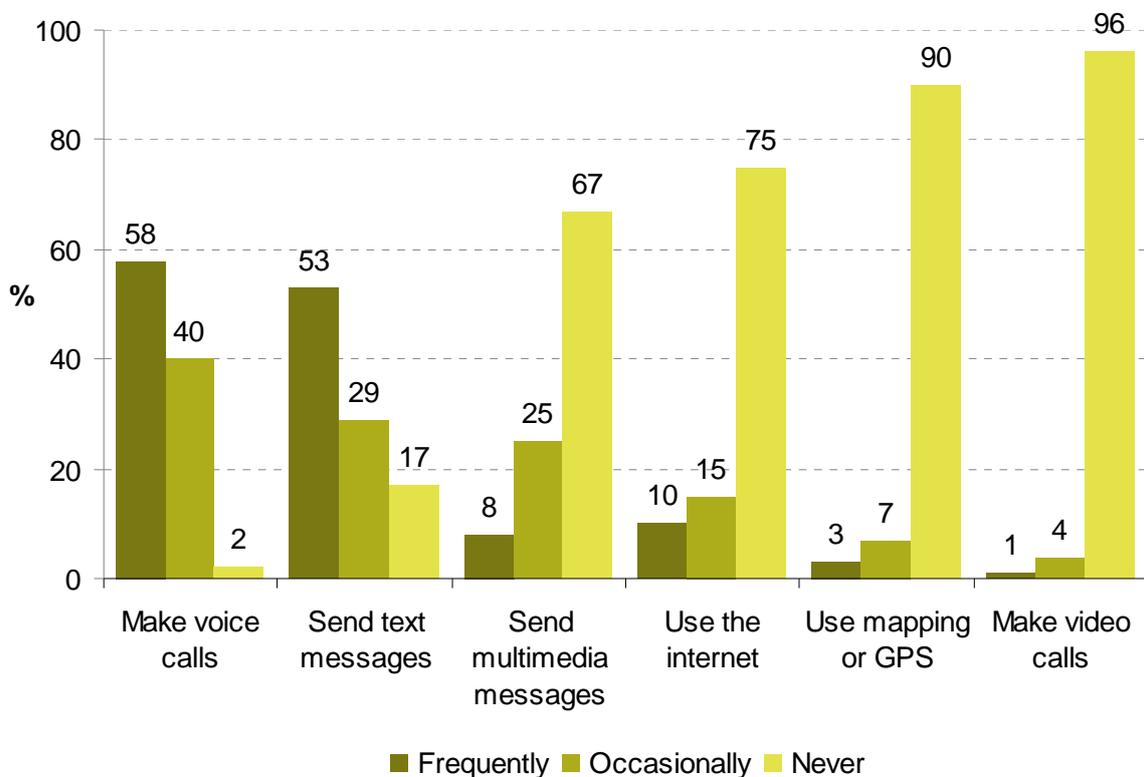
Section 4

Mobile usage

Our research found that 87% of UK adults had a mobile phone for personal use. This ranged from 82% of people in Scotland and Wales, 84% in Northern Ireland and 87% in England.

As figure 1 illustrates (see below), 2G services are the most popular functions, with 98% of mobile users making voice calls and 82% sending text messages. A third (33%) of mobile users say that they send multimedia messages, while a quarter (25%) use the internet on their mobile phones. Only a minority say that they use mapping services (10%) or make video calls (5%) on their mobile phones.

Figure 1: Use of different mobile phone functions



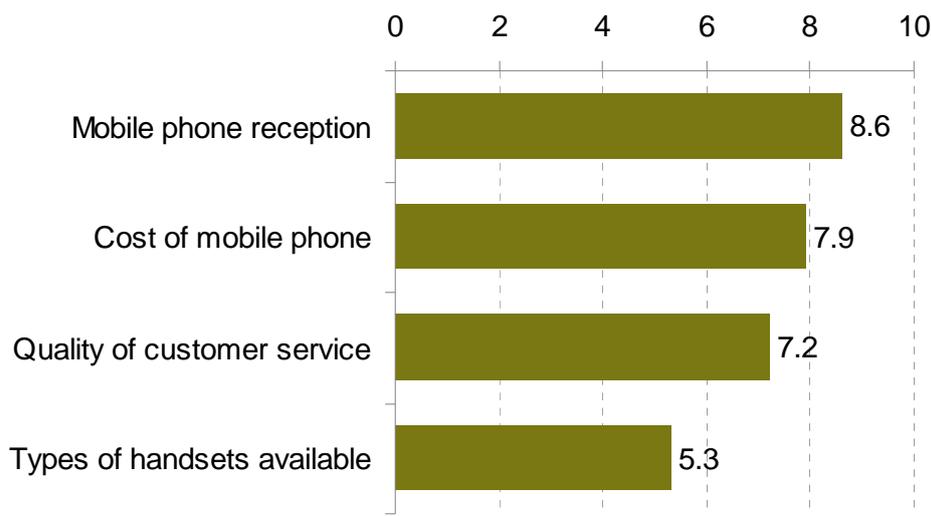
Q. How often do you use your mobile phone to do the following things?
 Base: All those who use a mobile for personal use (n = 1716)

Section 5

Importance of mobile coverage

The research asked respondents about the relative importance of a number of different factors when choosing a mobile phone provider. The responses show that mobile coverage is very important to people. It is the most important factor when choosing a provider, more important than cost, quality of customer service or the type of handset available (see figure 2, below).

Figure 2: Relative importance of mobile coverage when choosing a network provider



Question: Thinking about choosing which network to use, how important are each of the following factors on a scale of 1-10?

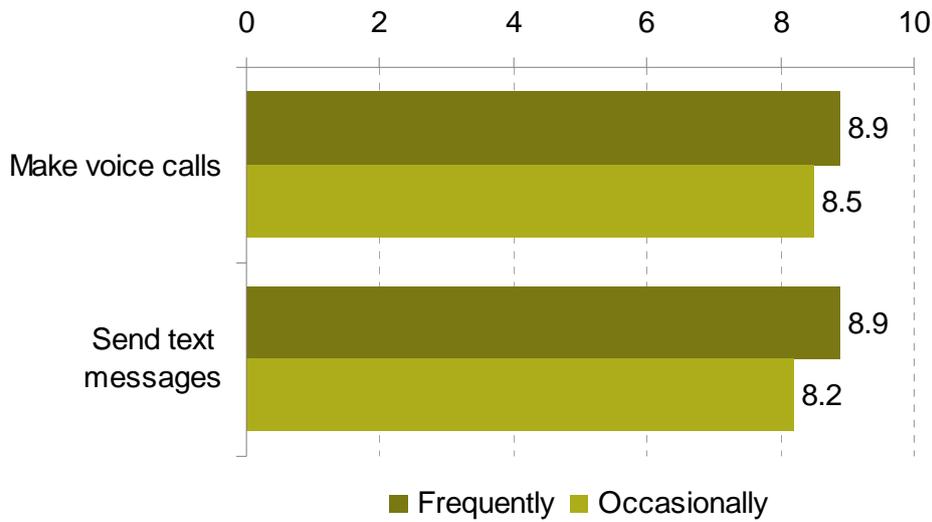
Base: All those who use a mobile for personal use (n = 1716)

As figure 3 shows (see below), the importance of mobile coverage is significantly higher among people who use their mobile phones frequently to make voice calls and send text messages, compared to those who only do these activities occasionally.

The research also asked people how important coverage was to them in different locations and situations. Reception at home was rated as most important, receiving an importance rating of 8.3. This was followed by reception while walking (7.9). Reception while travelling by train received a rating of 6.1 (see figure 4, below). This was the lowest rating of the various options, but still comparatively high when compared to the importance attached to, for instance, the type of handsets available (see figure 2, above).

There were no significant differences in the level of importance ascribed to mobile coverage among different socio-demographic groups, or between the different nations. The exception was between people who are and are not working: coverage was significantly more important to those who are working than those who are not working.

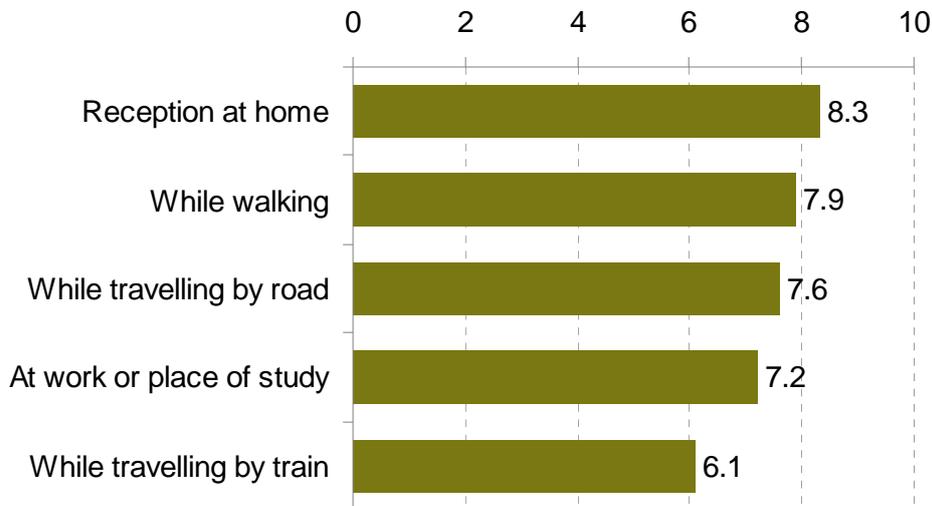
Figure 3: Importance of mobile coverage when choosing a network provider, frequent v. occasional users



Question: Thinking about choosing which network to use, how important is reception to you on a scale of 1-10?

Base: All those who use a mobile for personal use (n = 1716)

Figure 4: Importance of mobile coverage in different locations and situations



Question: Thinking about the quality of reception or signal you get in various places and situations, how important are each of the following to you...?

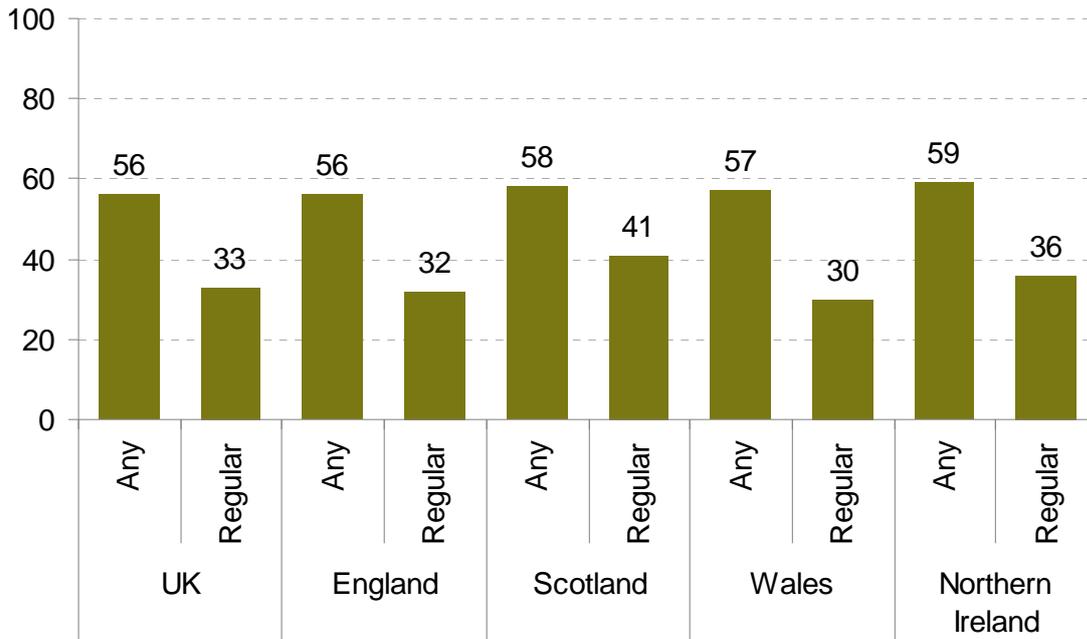
Base: All those who use a mobile for personal use (n = 1716)

Section 6

Problems with mobile coverage

Problems with coverage are common. As figure 5 shows, over half (56%) of UK adults with a mobile phone have experienced problems with coverage, and a third (33%) have experienced problems regularly.

Figure 5: Proportion of UK adults with a mobile phone experiencing problems with coverage

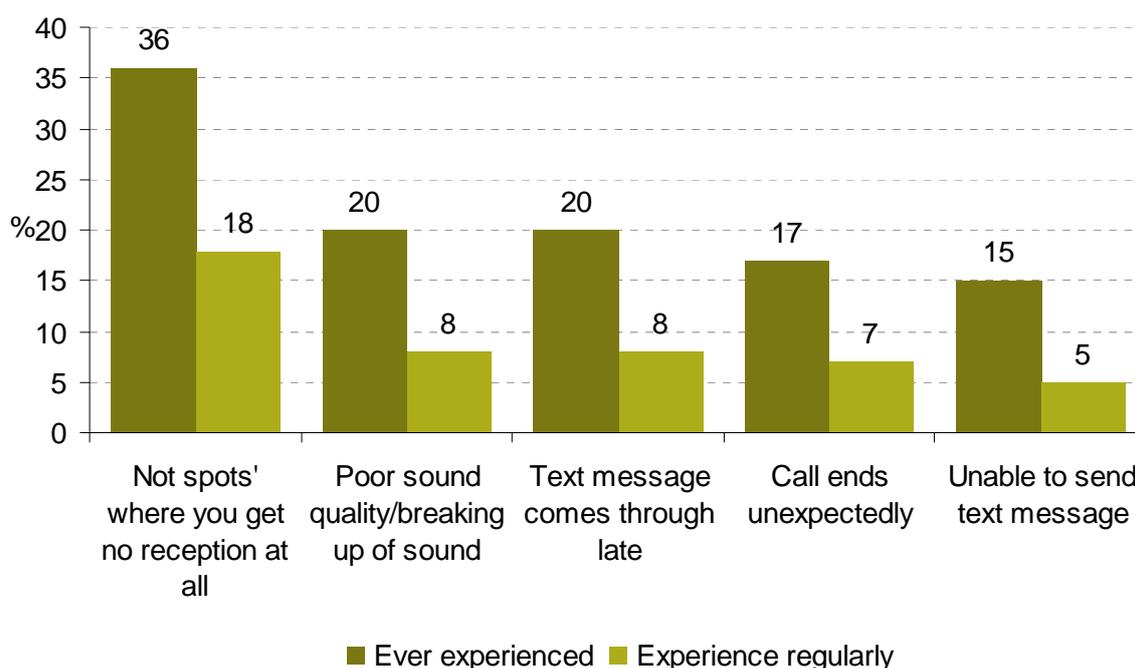


Question: Which of the following problems, if any, have you had in the past in terms of your mobile reception...? Which of them, if any, do you experience regularly?

Base: All those who use a mobile for personal use (UK n = 1716, England n = 1439, Scotland n = 144, Wales n = 84, Northern Ireland n = 50)

Among those who experienced problems, the most common were ‘not spots’, where they received no coverage at all. This was experienced by 36% of mobile users, and was regularly experienced by 18%. The next most common problems were poor sound quality/breaking up of sound and delayed text messages (see figure 6, below).

Figure 6: Types of problems experienced with coverage



Question: Which of the following problems, if any, have you had in the past in terms of your mobile reception...? Which of them, if any, do you experience regularly?
Base: All those who use a mobile for personal use (n = 1716)

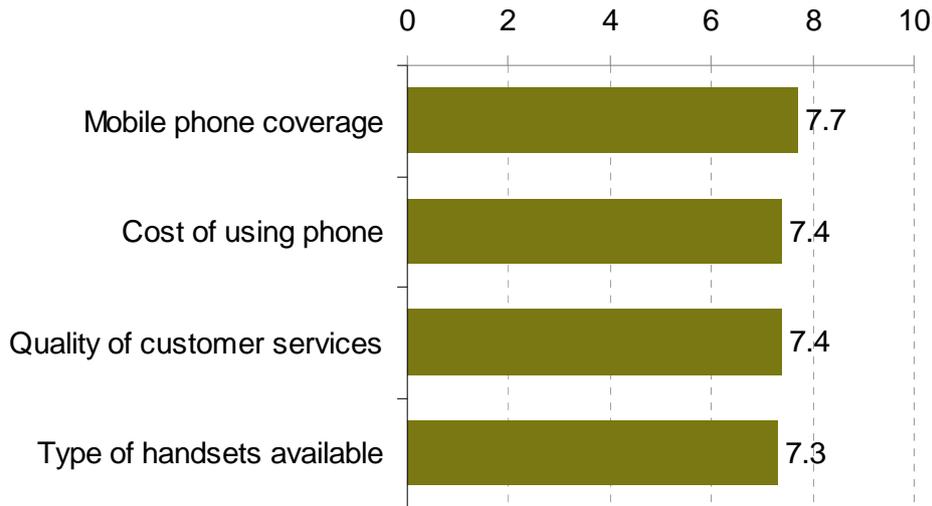
There were no significant differences in the likelihood of experiencing a problem among different groups, or between the different nations, with the exception of those who are and are not working. Those who are working are more likely than those who are not working to have experienced problems with coverage.

Section 7

Coverage and perceptions of network providers

Overall customers do not rate their mobile providers significantly higher or lower for coverage than they do for any of the other areas we asked about² (see figure 7, below)

Figure 7: Rating of provider’s coverage, compared with other areas



Question: Using the same list [list used for the question shown in figure 3], how would you rate your provider on a score of 1-10?

Base: All those who use a mobile for personal use (n = 1716)

There is also no statistically significant difference in the rating people give to their provider for reception in different locations and situations, as figure 8 shows. The exception to this is coverage on trains, which receives a significantly lower rating than other kinds of coverage. As we saw in figure 4, above, people also rate coverage on the train as relatively less important than coverage in areas, although it still receives an importance rating of 6.1.

² Although there are slight differences between the reported scores set out in figure 7, these are not statistically significant.

Figure 8: Rating of provider’s coverage in different locations and situations

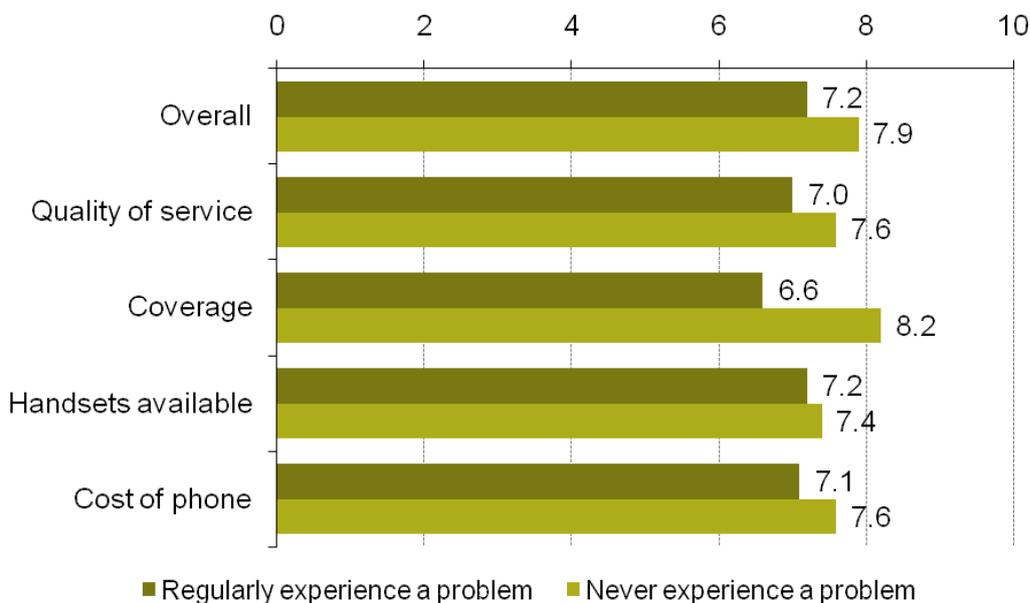


Question: Using the same list [list used for the question shown in figure 4], how would you rate your provider on a score of 1-10?

Base: All those who use a mobile for personal use (n = 1716)

People’s level of satisfaction with their network provider is also related to the extent to which they experience coverage problems. Those people who experience regular problems with coverage have a significantly lower opinion of their provider overall, and for coverage provision, than those who say that they have never experienced a problem (see figure 9, below). People who experience problems also rate their providers significantly lower on quality of service and cost of the phone.

Figure 9: Rating of provider by level of problem experienced



Question: Using the same list [list used for the question shown in figure 3], how would you rate your provider on a scale of 1-10?

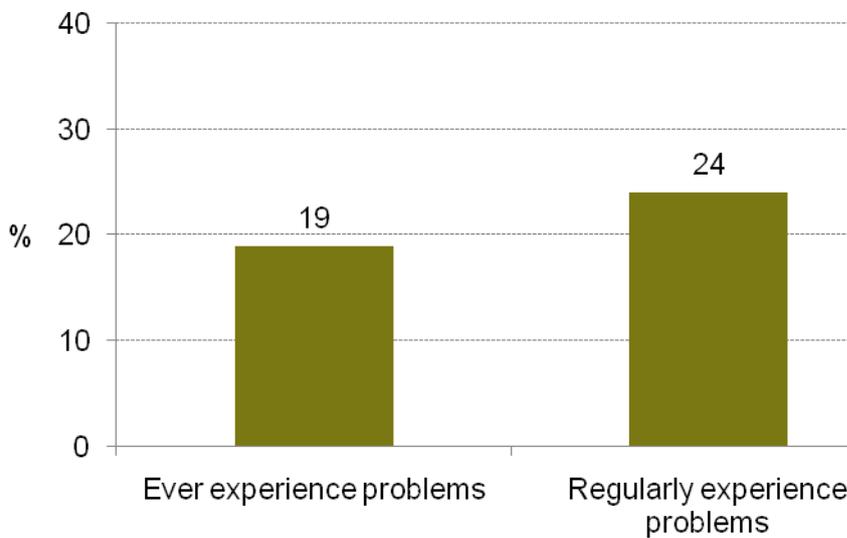
Base: All those who use a mobile for personal use and experience coverage problems regularly (n = 980) / never (n = 739)

Section 8

Action taken to resolve coverage problems

The research also explored the extent to which people take action to try and resolve the problems they experience with coverage. It found that almost a fifth (19%) of people who have problems with coverage have taken some kind of action as a result (see figure 10, below). Among people who regularly experience problems this rises to nearly a quarter (24%).

Figure 10: Percentage of UK consumers experiencing problems who have taken action



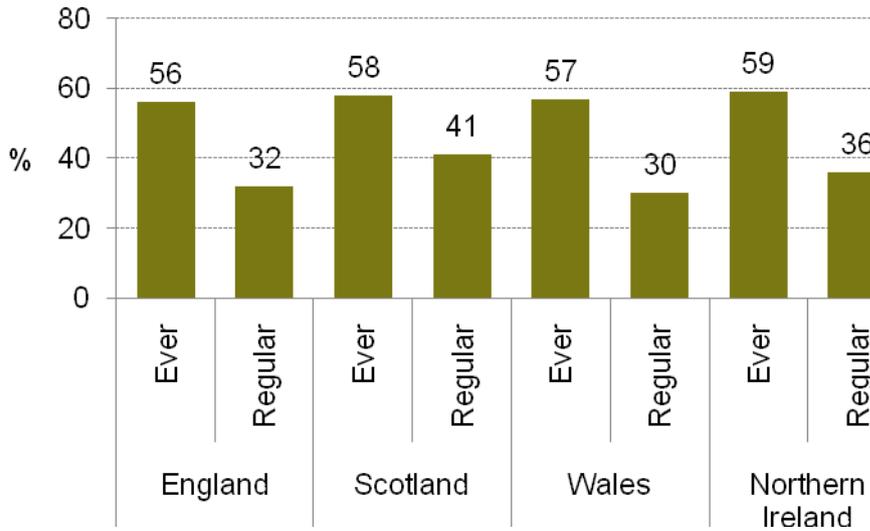
Question: And which of the following have you done in response to the problems you have experienced...?

Base: All those who use a mobile for personal use and experience reception issues (n = 980)

Consumers in Northern Ireland are most likely to experience problems, with 59% ever experiencing problems. However, consumers in Scotland are most likely to experience problems regularly, with 41% reporting this (see figure 11, below).

As figure 12 illustrates (see below), the most popular course of action is to contact customer services, done by 12% of those UK consumers who experience problems. Other strategies include looking for information or advice, either from friends and family (2%) or the internet (2%), stopping using the phone in certain situations (4%), or even in some cases changing networks (2%) or purchasing a new phone (2%).

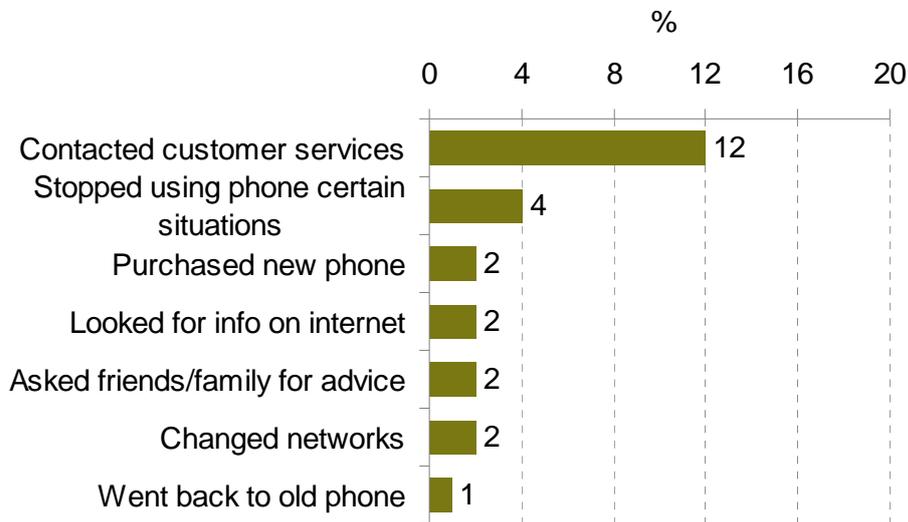
Figure 11: Percentage of consumers experiencing problems who have taken action, by Nation



Question: And which of the following have you done in response to the problems you have experienced...?

Base: All those who use a mobile for personal use and experience reception issues (n = 980)

Figure 12: Percentage of UK consumers experiencing problems who have taken action



Question: And which of the following have you done in response to the problems you have experienced...?

Base: All those who use a mobile for personal use (England n = 803, Scotland n = 83*, Wales n = 47*, Northern Ireland n = 29*)

* Caution, small base size

Section 9

Summary and conclusions

The research shows that mobile coverage is very important to people. It also highlights the fact that large numbers of people experience problems with coverage, many of them on a regular basis. This is despite the fact that official figures indicate that 2G mobile coverage is near-universal³.

Given this, the Panel believes that work is needed to improve 2G coverage, and to provide consumers with accurate, comparable information on the level of coverage they can realistically expect.

In its response to the second consultation on Ofcom's Mobile Sector Assessment, informed by and published alongside this research report, the Panel calls on Ofcom to work with industry to provide consumers with the information, and the coverage, they need.

³ See, for instance, page 55 of the Communications Market Report, published by Ofcom in August 2009, available at <http://www.ofcom.org.uk/research/cm/cmr09/>

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