Communications Regulatory Authority
State of Qatar
هيئة تنظيم الاتصالات
دولة قطر

Consumer Satisfaction Survey Executive Summary

September 22, 2015

Introduction

The State of Qatar's unique and diverse population of around 2 million impacts consumers' opinions about telecom products and services consumed. For example, 65 percent of Qatar's population are between 25-45 years of age, 20 nationalities are represented in the population, and expats comprise 87percent of the population. Qatar has 100 percent mobile penetration and an Internet penetration of 96 percent at a household level. In addition, at 54 percent, 3G penetration in Qatar is much higher compared to the regional (MENA) average of 34 percent.

The Communications Regulatory Authority, whose mandate is to encourage and support an open and competitive communications sector that brings a broad range of advanced, innovative, and reliable service to the people of Qatar at reasonable prices, conducted a comprehensive Customer Satisfaction Survey to better help it fulfill its mission. The study, conducted in the fourth quarter of 2014, is meant to statistically measure Quality of Service (QoS) and customer satisfaction with respect to delivery of telecommunications services from their respective service providers, prices charged, and consumer rights protection.

RESEARCH BACKGROUND

CRA commissioned AMRB, LLC to conduct both qualitative and quantitative research to evaluate the performance of telecom services and make recommendations to help CRA fulfill its mission. In all, 9 focus groups with telecom consumers and 2,526 face-to-face interviews were conducted across all demographic and geographic segments. In addition, AMRB held detailed in-person discussions with key leadership within CRA and the two service providers. Some of the key objectives of this research activity were to assess consumers' awareness of CRA, their satisfaction with quality of services, market competitiveness, and consumer rights protection, among others.

Feedback from the consumers was collected through CAPI (Computer Assisted Personal Interviewing) technique and the data collected was analyzed using various statistical techniques such as regression, and factor analysis, among others. To ensure a good comparison, the data collected was benchmarked with results of consumer satisfaction across four key countries -- Singapore, UK, Australia and UAE. Furthermore, feedback from Qatar's telecom users was compared with the globally renowned Walker Stakeholder Relationship Database (SRD) - at a global and North America level.

CONSUMER FEEDBACK

The Overall Picture

With consistent increase in subscriptions, adoption of new technologies, and penchant for innovation by the service providers, the telecom sector in Qatar is one of the most progressive in the region. The three main reasons consumers in Qatar give for using communication services are the need to be connected, to procure information, and as a source of entertainment. Consumers place a much higher importance on mobile connectivity than fixed line services, perhaps a result of an increase in adoption of smart devices in the market.

Currently, around 88 percent of telecom users in the country are satisfied with the quality of services provided by their respective service providers; 12 percent are dissatisfied with the services received. Considering the various global norms, this indicates room to improve the overall services provided to consumers.

Research suggests that while customers are highly satisfied with network coverage and availability, pricing, rate plans and complaint resolution are the key areas for improvement. Among the two operators, while no significant differences are observed, Ooredoo consumers are relatively more satisfied with overall quality of services compared with Vodafone consumers. This finding is probably the result of Ooredoo being the incumbent operator and Vodafone being the new entrant.

Telecom consumers in Al Daayen municipality are less satisfied with their services compared with those in other municipalities. Among various product lines, dissatisfaction is the highest for Internet (Copper) service, which should be remedied with quick and smooth transition to fiber broadband. It is also worth noting that prepaid users are relatively less satisfied than postpaid users. Overall, females and 15-24 year olds are more dissatisfied with quality of service than the overall population. In addition, the survey points to the need to enhance the overall experience of females and Qataris with the customer care center interactions.

Quality of Services (QoS)

Eighty-eight percent of the telecom consumers in Qatar are satisfied with their telecom services. Satisfaction levels in Qatar are relatively better than the Walker global benchmark (84 percent) and on par with countries such as UK, Australia and Singapore. More than 90 percent of the consumers surveyed are satisfied with network related aspects, such as 'network availability and spread', 'voice and SMS' and also 'data services'. Satisfaction levels on network related aspects in Qatar are better than those in other countries.

Overall, provision of services is a very strong area for the telecom sector in Qatar with more than 95 percent of consumers satisfied on various aspects including ease of purchasing the connection, sales agent interaction, initial supply time, and minimum service period for the product. There is however, a need to make the activation process easier with 12 percent dissatisfied with the process. This probably can be done by reducing customer involvement during the process.

Only about one-third of survey respondents feel that the telecom services provided in Qatar are extremely/ very competitive. Thus there is room in the Qatar's telecom market to offer still better services and be seen as more competitive.

Migration from Copper to Fibre

Given the telecom sector's priority to migrate Internet copper consumers to fiber broadband, it is important to provide customers with a satisfactory experience. An overwhelming majority (94 percent) of customers who have experienced the switching process are satisfied with it. Further, among those who have migrated from copper to fibre, 90 percent of them are satisfied with the quality of broadband after the switch and only a miniscule 1 percent of the switchers feel that the quality has declined. A high level of satisfaction with broadband is very encouraging for the growth of Qatar's telecom market.

Pricing and Tariffs

Only around 30 percent of the consumers surveyed feel that the prices in Qatar's telecom market are very competitive and only 22 percent of consumers perceive the prices for various services to be low.   The transient population, in particular, perceives the services to be highly priced. In addition, discontent in pricing is highest among copper Internet users-- 41 percent perceive the service as highly priced -- and fixed line users, with 24 percent believing the service as highly priced. On a positive note, perceptions of price among telecom consumers in Qatar are more positive than Walker's benchmarks.

About 20 percent of the consumers believe the charges for various services to be highly priced. International calling and roaming charges, in particular, are perceived to be expensive. Consumers' opinion about pricing is quite similar across various product lines.

More than 90 percent of consumers are satisfied with 'clarity of rate plans' and 'clear terms and conditions'. However, 19 percent of customers are dissatisfied with 'variety of rate plans', an area of concern among both Ooredoo and Vodafone customers.

While 90 percent of the consumers are satisfied with current tariff publications, only 5 percent of the consumers are aware of the fact that CRA is mandated to have tariffs published by the service providers. About 40 percent of consumers would prefer tariffs to be published on the CRA website.

Given a similar pricing/offer structure of the two operators for mobile voice and data services, consumers may not benefit greatly from options such as Mobile Number Portability (MNP). Only about one-third of consumers are aware of MNP and just a small fraction (less than 3 percent) claims to have used it in the past. Also, with 28 percent dissatisfaction with the MNP process, there is a need to make the process more customer friendly.

Protection of Consumer Rights

One of CRA's major mandates is to protect telecom consumers from misleading and unfair practices of the service providers. Thus the survey measured how consumers feel about the operators' promotional messages and clarity of advertising. More than 90 percent of the consumers surveyed are satisfied with reduced spamming and clarity of advertising/ communication by the service providers. Further, there is hardly anyone who feels that communications from service providers are misleading. However, 11 percent of consumers are dissatisfied with options provided by service providers to opt out of promotional messages, indicating a need for service providers to strictly adhere to guidelines issued by CRA with respect to advertising/ promotions.

Additionally, CRA has issued guidelines to protect the public from exposure to Electromagnetic Fields (EMF) radiations within the frequency range of cellular mobile services. Only about one-fourth of the consumers surveyed are aware of adverse health effects of EMF radiations, and as such, consumers haven't raised any issue with their service provider or with CRA thus far.

Complaint Resolution

One of the key mandates for CRA is to ensure a dispute resolution system that is transparent, fair, speedy, and effective. Only 7 percent of customers claimed to have raised a complaint with their service providers in the past six months. Those complaints relate mainly to network coverage and connectivity related issues. Based on the Service Regulatory Framework 2014 published by CRA, 95 percent of the complaints should be resolved within five working days. However, only 37 percent of the customers who filed a complaint claimed that their issue was resolved within a five-day timeframe. This is an area of concern for both mobile and fixed services. Further there is significant dissatisfaction on speed of resolution of a complaint as well as with complaints being resolved within a committed time period.

It is also worth noting that about one-third of the consumers surveyed are aware of the process for getting their complaints resolved in case these complaints are not resolved by their service providers.

Currently, there is a very small proportion of customers who use non-traditional modes -- such as social media, Qatar government Call Center (Hukoomi), mobile applications from CRA or service providers -- to raise their complaints. Thus there is significant scope to enhance usage of online modes of communication by consumers, backed-up by adequate and swift action, eliminating the potential gap between expectations and reality.

Customer Loyalty and Image Perceptions about Service Providers

While Ooredoo customers are more loyal toward their service provider than Vodafone customers –27 percent are 'Truly Loyal' to Ooredoo compared with 16 percent for Vodafone), the customer loyalty in the telecom sector in Qatar is weaker than global benchmarks.

Customers using fiber broadband, fixed voice, and data SIM services are relatively more loyal compared to those using other services. Also, as expected, the postpaid consumers are more loyal as compared to prepaid consumers, according to this survey.

The perception of service providers was also explored.   Only moderate endorsements are observed for both Ooredoo and Vodafone. With just around 50 percent positive endorsements for each of them, there is room to enhance the perception of service providers across most of the image parameters, such as leader in the mobile industry, brand preferred over others, reputation, responsive, trustworthy, and transparent in dealings.

Customer Experience with Service Providers across Key Touch-Points

Customers interact with their service provider in three key ways -- in-person visits to company outlets, phoning a customer care center, or online interaction through social media or mobile apps). Both operators are equally active across all the three touch-points.

Company Outlet: Almost one-third of the customers who visited a service providers' outlet in the last six months from the time the survey took place did so for payment or billing related activities followed by 20 percent of customers who visited the outlet to obtain information on various plans. A majority of customers (for both Ooredoo and Vodafone) are satisfied with their visits to a company outlet.

Customer Care Call Center: About one-fourth (26 percent) of telecom consumers in Qatar claimed to have contacted the call center in the last six months, while one-third have never phoned the call center. The most important reason for contacting the Vodafone call center is for network/ coverage issues (36 percent) while for Ooredoo it is about obtaining information on rate plans (27 percent). Customers' experience with customer care is quite unsatisfactory with high dissatisfaction on "wait time" being the key area of concern for both Ooredoo and Vodafone. There is a clear need to focus on improving wait time and turnaround time (for resolving query/ problem/complaint) at the call centers.

Online Platforms: With 88 percent penetration, telecom users in Qatar are heavy users of Internet-related services. In terms of social media usage, Facebook followed by Twitter are the two key platforms used by both the service providers as well as by the consumers for interaction related to telecom services. Given high Internet penetration, there is significant room to increase consumer interaction with service providers over various social media platforms. Concentrated efforts are required to address consumer queries, requests, and issues over social media with utmost efficiency.

With only about 6 percent of consumers using mobile apps provided by service providers, there is a need to enhance awareness of mobile apps and encourage more consumers to use them. Most of the mobile app users are quite satisfied, which is a good indicator and motivator for its future growth.

CONCLUSION

While the survey reveals that around 88 percent of telecom users in the country are satisfied with the quality of services provided by their respective service providers, there is room to improve the overall services provided to consumers, considering the various global norms.

The major areas for improvement include pricing, rate plans, and complaint resolution. In addition, promotion of MNP services, building awareness about the benefits of green billing, and conducting a comparative study of pricing across other countries are also recommended. Consumer feedback also reveals four key considerations for CRA:

CRA's Awareness and Mandate

- Concentrated campaigns focused on CRA's mandate, promotion of of new technological adoptions and initiatives such as green bills should be undertaken.
- Tariffs should be duly published on a suitable platform and consumers should be

communicated with in order to manage their expectations.

Quality of Services

- CRA needs to ensure that service providers actively promote MNP service and have clear norms in place to ensure timely porting and strong customer experience
- Communicate the benefits of green billing and target universal green billing within a specified time period.

Market Competitiveness

- Conduct a comparative study of pricing across other countries to understand the pricing policy in Qatar vis-à-vis other countries.
- Look at the feasibility of introducing another operator (either a full-service provider or MVNO) into the market

Complaint Resolution

- Complaints not resolved within 30 days should be automatically escalated to CRA and service providers should file a monthly summary report with CRA of complaints registered and resolved to CRA
- Establish clear Service Legal Agreements and ensure that service providers deal with complaints generated via social media. There is also a need for CRA to monitor Qatar's telecom social media space on a continuous basis.

Consumer Rights Protection

- CRA needs to strictly ensure that service providers adhere to the guidelines related to opting out of promotional messages.
- Establish clear timelines for fiber broadband rollout plan that existing or new service providers need to comply with.