Canadian Radio-television and Telecommunications Commission | Conseil de la radiodiffusion et des télécommunications canadiennes

Online Consultation on Mobile Wireless Services in Canada
Final Report

Prepared for Canadian Radio-television and Telecommunications

January 2020

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Canada

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This report presents the results of an online questionnaire available for completion by all Canadians. In total, 28,705 people aged 16 and older who have a cell phone for personal use provided feedback between December 3 and December 31, 2019.

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INTRODUCTION

The Canadian Radio-television and Telecommunications Commission (CRTC) commissioned Phoenix Strategic Perspectives Inc. (Phoenix SPI) to conduct research to better understand the needs, behaviours and habits of Canadians when it comes to wireless services.

Background and Objectives

In recent years, Canadians have come to rely on mobile wireless services in many aspects of their lives: to communicate with each other, for entertainment, to conduct business, to interact with all levels of government, and to further their education. At the same time, mobile wireless services are enabling Canadian businesses to increase efficiency and productivity, which in turn enables them to remain competitive in the global marketplace.

The retail mobile wireless service market continues to be the largest and fastest-growing telecommunications market sector in Canada. In 2018, retail mobile wireless services generated revenues of $27.1 billion, representing an increase of $2.6 billion, or 10.7%, over 2017 revenues. The number of Canadian subscribers continues to grow, with total subscribers reaching 33.2 million in 2018, an increase of 4.8% from the previous year.

In Telecom Notice of Consultation 2019-57, issued on February 28, 2019, the CRTC began a proceeding to review the wireless market with a focus on: (1) competition in the retail market, (2) wholesale regulation, and (3) the future of mobile wireless services in Canada. Interested parties will make written submissions on each of these issues and will also make oral representations at a public hearing. Parties' submissions will be considered by the Commission, and ultimately the Commission will determine if any changes to the regulatory regime are required to ensure: (1) the regulatory regime remains relevant, (2) the needs of Canadians continue to be met, and (3) the policy objectives set out in the Telecommunications Act are being achieved.

The CRTC engaged the services of Phoenix SPI to conduct a study designed to help the Commission better understand the needs, behaviours and habits of Canadians when it comes to mobile wireless services. This resulted in two reports, both on the public record of the proceeding: (1) A public opinion research (POR) report; and (2) a consultation report.

Methodology

This study involved two initiatives: POR and a consultation. The POR involved a representative telephone survey to understand the views of Canadians on related issues. The results of that survey are presented under separate cover. In addition to the representative telephone sample, the questionnaire was made available online for completion on a voluntary basis by all Canadians. This consultation offered Canadians who have an interest in the subject an opportunity to provide feedback to the CRTC. In total, 28,705 Canadians who indicated that they have a personal cell phone completed the online questionnaire between December 3 and 31, 2019. **The results of this consultation are not representative of the Canadian population.**

Political Neutrality Certification

I hereby certify, as a Senior Officer of Phoenix Strategic Perspectives, that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Policy on Communications and Federal Identity of the Government of Canada and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not contain any reference to electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leader.

Signed:

Alethea Woods, President
Phoenix Strategic Perspectives

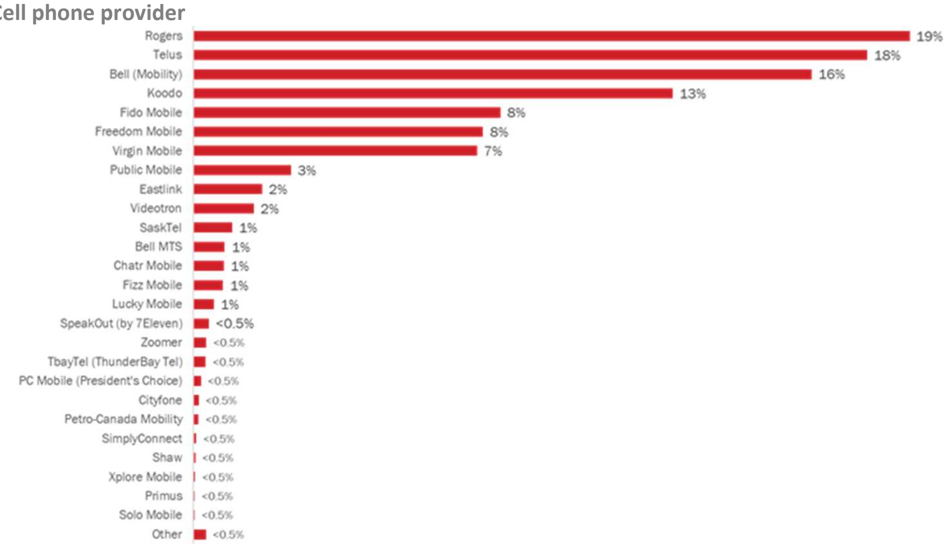
CONSULTATION FINDINGS

1. Current Cell Phone Providers

Rogers, Telus and Bell top list of cell phone providers

When asked which cell phone provider participants use, most mentioned Rogers (19%), Telus (18%) and Bell Mobility (16%). The full range of cell phone providers identified by respondents can be found in figure 1.

Figure 1: Cell phone provider

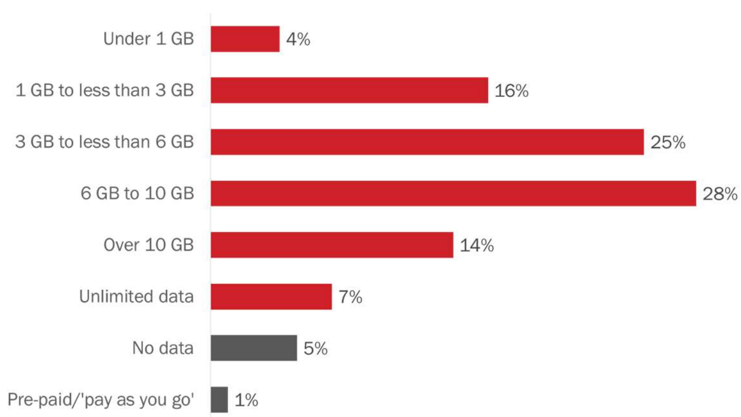


Q2. Who is your cell phone provider?
Base: n=28,705; all respondents

Almost all participants have data included in their cell phone plans

Ninety-four percent say they have data included in their cell phone plans. As presented in figure 2, the amount of data included in plans varies from under 1 GB (4%) to unlimited (7%). Additionally, 5% say they do not have data included in their cell phone plans, while very few (1%) have a "pre-paid" or "pay as you go" plan which includes no data.

Figure 2: Data included in cell phone plan

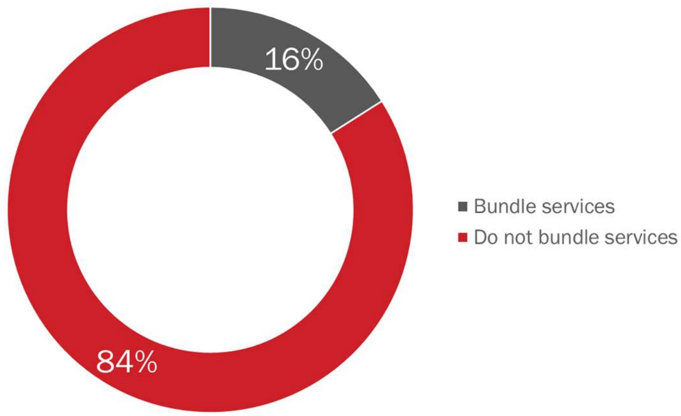


Q3. How much data is included in your cell phone plan?
Base: n=28, 705; all respondents.

One in six say they bundle cell phone service with other services

Sixteen percent of respondents who subscribe to a wireless plan bundle their cell phone service with other services from their provider. The majority (84%) do not.

Figure 3: Bundling cell phone services

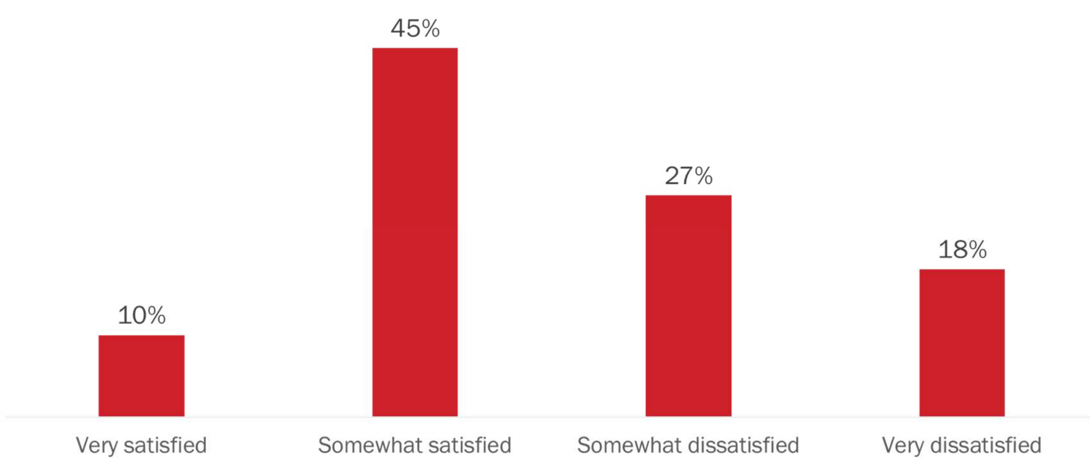


Q4. Do you bundle your cell phone service with other services from your provider?
Base: n=28,304; all respondents who subscribe to a wireless plan.

Half are satisfied with their cell phone provider

Half (55%) say they are satisfied with their current cell phone provider, although satisfaction is more likely to be moderate than high.

Figure 4: Satisfaction with current cell phone provider

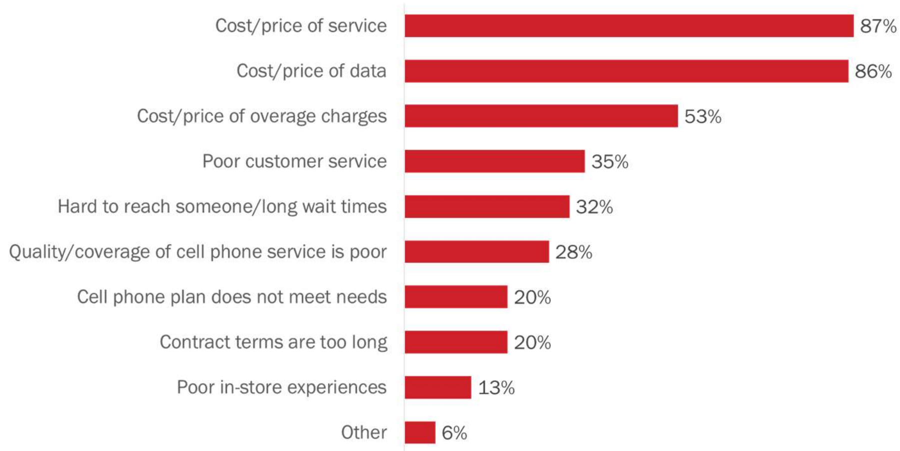


Q5. Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied with your current cell phone provider?
Base: n= 28,705; all respondents.

Cost is main reason for dissatisfaction with cell phone providers

Participants who are dissatisfied with their current cell phone provider (n=12,873) attribute their dissatisfaction to the cost—specifically: the cost of their cell phone service (87%), the data (86%), and overage charges (53%). The full range of reasons are depicted in figure 5.

Figure 5: Reasons for dissatisfaction with current cell phone provider



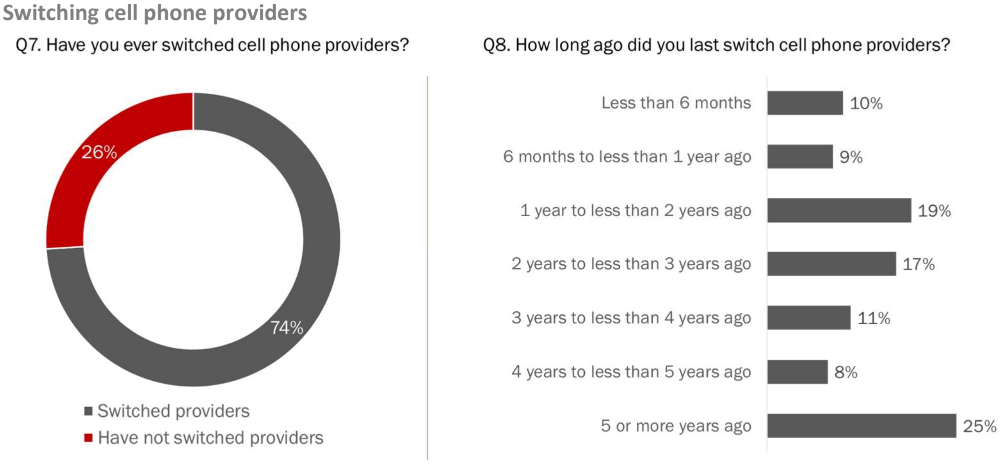
Q6. Why are you dissatisfied with your current cell phone provider? [multiple responses accepted]
Base: n= 12,873; respondents who were dissatisfied with their current cell phone providers.

2. Switching Cell Phone Providers

Three in four have switched providers; 74% did so within the last 5 years

Three-quarters of participants with a cell phone say they have switched cell phone providers. Among those who switched providers (n=21,361), 74% did so within the last five years. In contrast, one in four say they last switched cell phone providers five or more years ago.

Figure 6: Switching cell phone providers



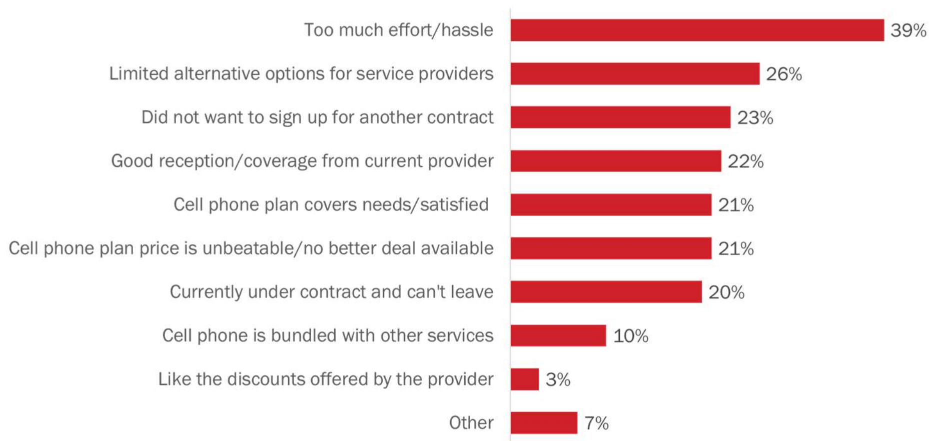
[LEFT] Q7. Have you ever switched cell phone providers?
Base: n=28,705; all respondents.

[RIGHT] Q8. How long ago did you last switch cell phone providers?
Base: n=21,361; respondents who switched providers.

Respondents stayed with current provider because it would be too much hassle to switch

Participants who have not switched cell phone providers (n=7,344) were asked why they have chosen to stay with their current provider. The main reason respondents stayed with their current provider was because they think it would be too much effort or hassle to switch (mentioned by 39% of those who provided feedback). The full range of reasons are depicted in figure 7.

Figure 7: Reasons for staying with current cell phone provider

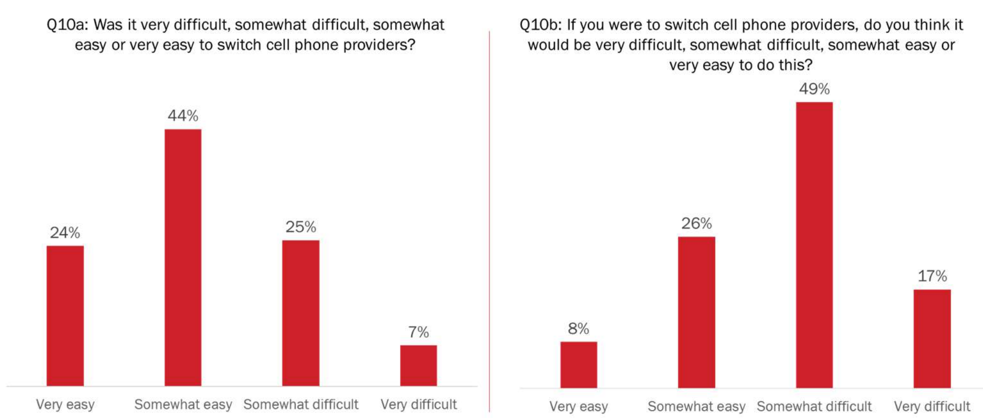


Q9. What is the main reason you have stayed with your current cell phone provider? [multiple responses accepted]
Base: n=7,344; respondents who stayed with their current cell phone providers.

Experience and perceptions of switching cell phone providers do not align

Just over two-thirds (68%) of those who switched cell phone providers (n=21,361) say it was somewhat or very easy to do. In contrast, only 34% of those who have not switched cell phone providers (n=7,344) think it would be easy to do, while two-thirds (66%) say it would be difficult to switch providers.

Figure 8: Ease of switching cell phone provider: Experience + Perceptions

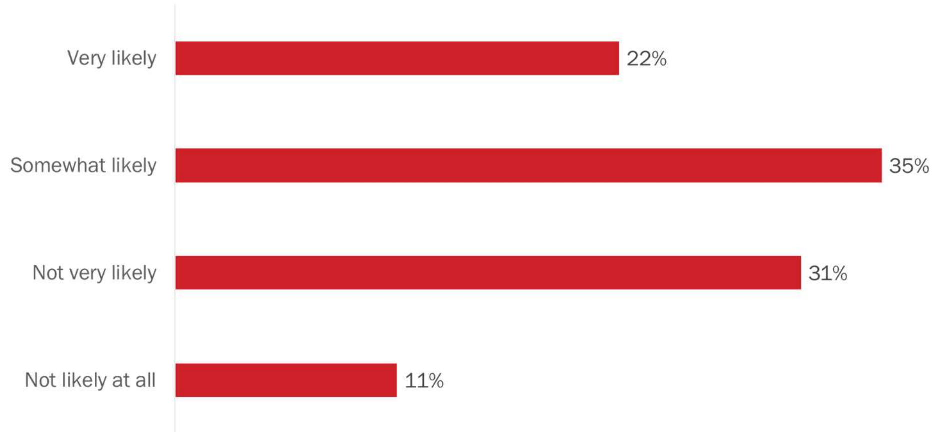


[LEFT] Q10a: Was it very difficult, somewhat difficult, somewhat easy or very easy to switch cell phone providers?
Base: n= 21,361; respondents who switched cell phone providers.
[RIGHT] Q10b: If you were to switch cell phone providers, do you think it would be very difficult, somewhat difficult, somewhat easy or very easy to do this?
Base: n= 7,344; respondents who haven't switched cell phone providers.

More than half the participants are not likely to switch cell phone providers

Nearly six in 10 (57%) participants say they are not likely to switch cell phone providers at the end of their contract.

Figure 9: Likelihood of switching cell phone providers

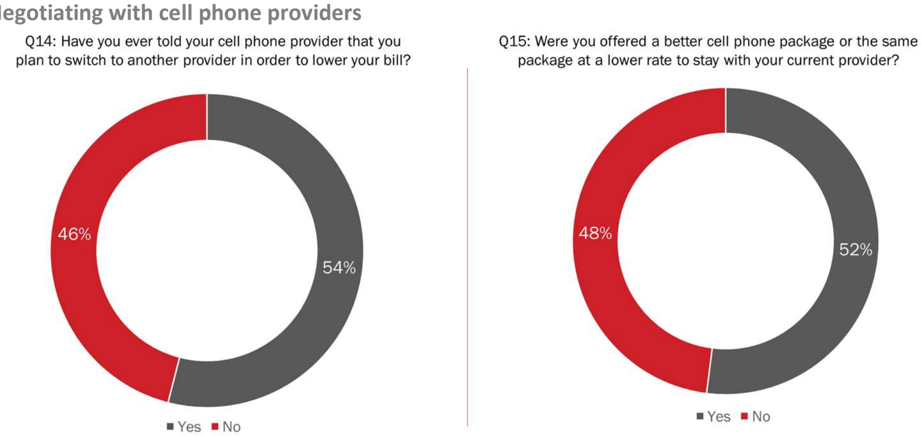


Q11. At the end of your contract with your current cell phone provider, will you be very likely, somewhat likely, not very likely or not at all likely to consider switching to another provider?
Base: n= 28,705; all respondents.

Half of those who told their provider they planned to switch were rewarded

Fifty-four percent of participants say they told their cell phone provider they plan to switch to another provider in order to lower their bill. Additionally, of those who have done so (n=15,477), half say their provider offered them a better cell phone package or the same package at a lower price to stay.

Figure 10: Negotiating with cell phone providers



[LEFT] Q14: Have you ever told your cell phone provider that you plan to switch to another provider in order to lower your bill?
Base: n= 28,705; all respondents.
[RIGHT] Q15: Were you offered a better cell phone package or the same package at a lower rate to stay with your current provider?
Base: n= 15,477; those who told their provider they're leaving to lower their bill.

3. Flanker Brands

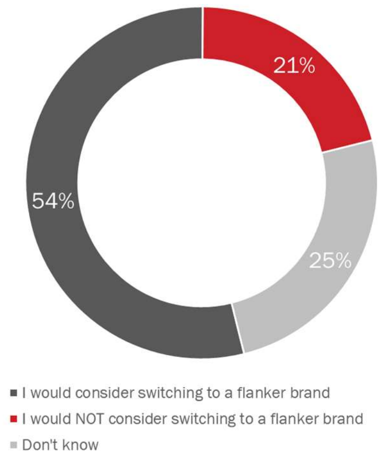
Half would consider switching to a flanker brand

Nearly six in 10 of those who provided feedback do not use a flanker brand for their cell phone services. When these respondents (n=16,766) were asked if they would ever consider switching to a flanker brand, 54% say they would consider it.

Participants were provided with the following description of a flanker brand:

“A flanker brand is a brand used by a large cell phone provider to offer services and plans under a different name and often at a lower price. For example, Virgin mobile, FIDO, and Koodo are flanker brands.”

Figure 11: Switching to a Flanker Brand

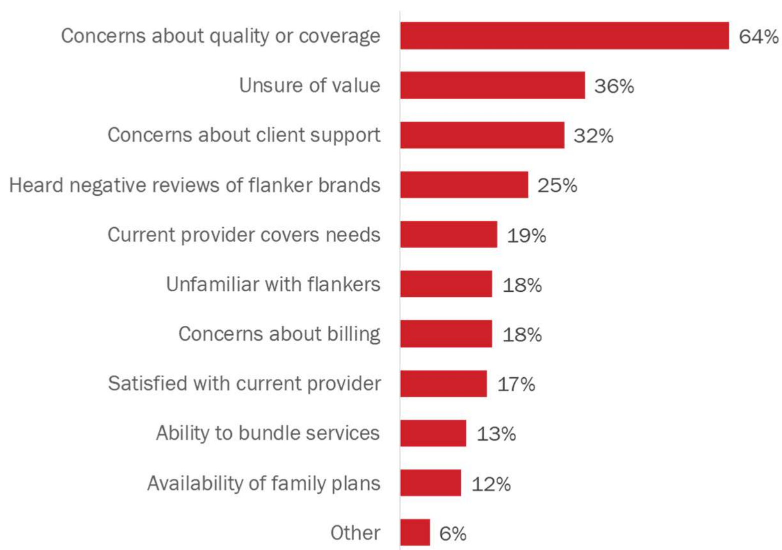


Q12: Would you ever consider switching to a flanker brand?
Base: n= 16,765; respondents who do not use a flanker brand.

Concerns about quality/coverage is the main reason for not considering a flanker brand

When asked why they would not switch to a flanker brand, nearly two-thirds (64%) pointed to concerns about the quality or coverage of flanker brands. The full range of reasons are depicted in figure 12.

Figure 12: Reasons for not switching to a Flanker Brand



Q13: Why would you **not** consider switching to a flanker brand?
Base: n= 3,480; respondents who wouldn’t switch to a flanker brand
[Multiple responses accepted]

4. Cell Phone Services in Canada

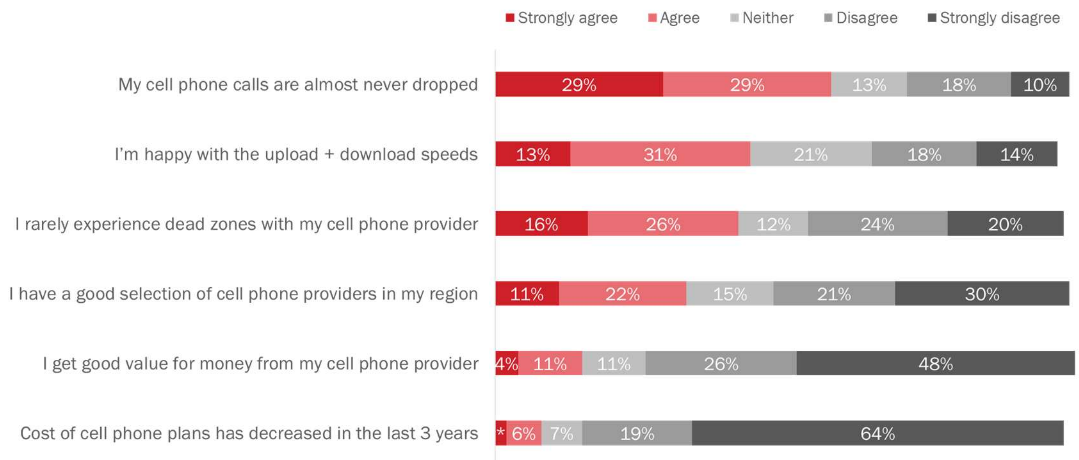
Varying perceptions of Canada's cell phone services

Participants were asked to rate their level of agreement with the following statements:

- The cost of cell phone plans has decreased in the last three years.
- I get good value for money from my cell phone provider.
- My cell phone calls are almost never dropped.
- I'm happy with the upload and download speeds I get with my cell phone provider.
- I rarely experience dead zones with my cell phone provider.
- I have a good selection of cell phone providers in my region.

The majority agree that their cell phone calls are almost never dropped (58%, with 29% saying they strongly agree). Forty-four percent are happy with the upload and download speeds they get with their cell phone provider, and four in 10 agree that they rarely experience dead zones with their provider. One in three say they have a good selection of providers in their region (the majority-51%-disagree that this is the case). Fewer agree that they get good value for money from their cell phone provider (15%) and that the cost of cell phone plans have decreased in the last three years (8%). In fact, most participants disagree that they get good value (74%) and that the cost of plans have decreased (83%).

Figure 13: Perceptions of cell phone services in Canada

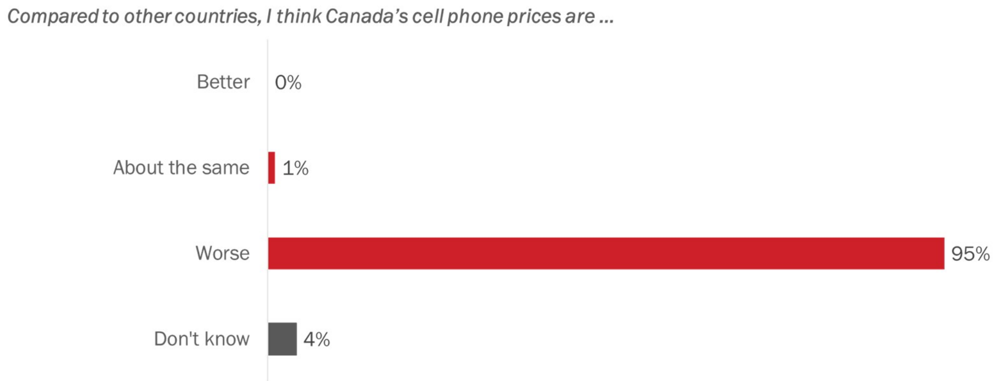


Q16. Please tell me how much you agree or disagree with each of the following statements using a scale of one to five.
Base: n=28,705; all respondents. Don't know/refused: ranged from 0% to 4%.
*Values of 2% of less are not depicted in graph

More than nine in 10 say Canada's cell phone prices are worse compared to other countries

More than nine in 10 (95%) of those who provided feedback think Canada's cell phone prices are worse than prices compared to other countries. The rest think Canada's cell phone prices are about the same (1%) or do not know how prices compare (4%).

Figure 14: Views on cell phone prices in Canada



Q17. In your view, are Canada's cell phone prices better, worse or about the same as what you would find in other countries?
Base: n= 28,705; all respondents.

PROFILE OF PARTICIPANTS

The following tables present the demographic characteristics of Canadians who participated in the consultation.

Age	n	%
Under 18	86	<0.5
18 to 24	1,652	6
25 to 34	7,261	25
35 to 54	10,189	35
55 to 64	2,935	10
65 or older	2,211	8
Prefer not to answer	4,371	15

Gender	n	%
Male	20,569	72
Female	7,341	26
Self identify (using another term)	158	1
Prefer not to answer	637	2

Region	n	%
Atlantic Canada	4,383	15
Quebec	2,304	8
Ontario	11,922	42
Saskatchewan and Manitoba	1,497	5
Alberta	3,490	12
British Columbia	4,971	17
North	97	<0.5%
Prefer not to answer	41	<0.5%

Education	n	%
Grade 8 or less	72	<0.5%
Some high school	652	2
High school diploma or equivalent	4,228	15
Registered Apprenticeship / trades certificate or diploma	1,990	7
College, CEGEP or other non-university certificate or diploma	6,789	24
University certificate or diploma below bachelor's level	2,649	9
Bachelor's degree	7,310	25
Post-graduate degree above bachelor's level	3,937	14
Prefer not to answer	1,078	4

Household Income	n	%
Under $20,000	1,287	4
$20,000 to just under $40,000	3,075	11
$40,000 to just under $60,000	3,942	14
$60,000 to just under $80,000	4,140	14
$80,000 to just under $100,000	4,233	15
$100,000 to just under $150,000	5,360	19
$150,000 and above	3,357	12
Prefer not to answer	3,311	12

APPENDIX

Questionnaire

Thank you very much for your willingness to take part in this Canadian Radio-television and Telecommunications Commission (CRTC) survey on Wireless Services in Canada. Your feedback will help the Commission better understand the needs, behaviours and habits of Canadians when it comes to wireless services.

The online survey forms part of the CRTC's review of mobile wireless services that began in February 2019. The information obtained from the online survey will help determine whether the needs of Canadians are being met.

The research is being conducted by Phoenix Strategic Perspectives, an independent research firm. The survey should take no more than 5 minutes to complete, and your responses will be treated in confidence.

If you have any questions about the survey, please contact Philippe Azzie of Phoenix SPI by telephone at 613-260-1700, ext. 222 or by email at research@phoenixspi.ca.

[EVERYONE]

A. Are you at least 16 years of age?

01. Yes	[CONTINUE]
02. No	[THANK/TERMINATE]

B. Do you work in any of the following areas?

01. Advertising or Market Research or Public Relations
02. The media (i.e. TV, radio, newspapers)
03. Telecommunications
04. Competition Bureau
05. Innovation, Science and Economic Development Canada (ISED)
06. Canadian Radio-television and Telecommunications Commission (CRTC)
None of the above

C. In what year were you born?

Record year: ____________
Prefer not to say

D. In which province or territory do you live?

01. Newfoundland and Labrador
02. Prince Edward Island
03. Nova Scotia
04. New Brunswick
05. Quebec
06. Ontario
07. Manitoba
08. Saskatchewan
09. Alberta
10. British Columbia
11. Yukon
12. Northwest Territories
13. Nunavut
Prefer not to say

E. For the purposes of this survey, could you please provide your gender?

01.Female
02.Male
03.I self identify using another term
Prefer not to say

---

1. Do you currently have a cell phone for your <u>personal</u> use? [DO NOT READ LIST]

01. Yes [CONTINUE]
02. No [THANK/TERMINATE]
TERMINATE IF "DON'T KNOW" OR "REFUSED"

2. Who is your cell phone provider?

01. Bell (Mobility)
    Virgin Mobile
    Lucky Mobile
    Solo Mobile
    Bell MTS
02. Rogers
    Fido Mobile
    Chatr Mobile
    Cityfone
    Primus
    Zoomer
    SimplyConnect
03. Telus
    Koodo

Public Mobile
04. Shaw
Freedom Mobile
05. Videotron
Fizz Mobile
06. SaskTel
07. Eastlink
08. Sogetel
09. Xplore Mobile
10. Iristel
Ice Wireless
Sugar Mobile
11. SSi Mobile
12. TbayTel (ThunderBay Tel)
13. TNW Wireless
14. Lynx Mobility
15. K-Net Mobile
16. SpeakOut (by 7Eleven)
17. Petro-Canada Mobility
18. PC Mobile (President's Choice)
88. Other (specify)

3. How much data is included in your cell phone plan?

01. Under 1GB
02. 1 to less than 3 GB
03. 3 to less than 6 GB
04. 6 to 10 GB
05. Over 10 GB
06. Unlimited
07. Data is not included in my plan
08. Do not subscribe to a wireless plan (i.e., uses a prepaid or "pay as you go" plan)

[DO NOT ASK IF Q3 = 08]

4. Do you bundle your cell phone service with other services from your provider?

01. Yes
02. No

[ASK ALL]

5. Are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied with your current cell phone provider?

01. Very satisfied
02. Somewhat satisfied
03. Somewhat dissatisfied

04. Very dissatisfied

[ASK IF Q5 = 03 or 04]

6. Why are you dissatisfied with your current cell phone provider? [ACCEPT MULTIPLE RESPONSES]

01. Cost/price of service
02. Cost/price of data
03. Poor customer service [unspecified]
04. Hard to reach someone/long wait times to speak to a customer representative
05. Poor in-store experiences
06. Quality (coverage) of cell phone service is poor
07. Contract terms are too long
08. My cell phone plan does not meet my needs [unspecified]
09. Cost/price of overage charges
88. Other (specify)

7. Have you ever switched cell phone providers?

01. Yes
02. No

[ASK IF Q7 = 01]

8. How long ago did you last switch cell phone providers?

01. Less than 6 months
02. 6 months to less than 1 year
03. 1 year to less than 2 years ago
04. 2 years to less than 3 years ago
05. 3 years to less than 4 years ago
06. 4 years to less than 5 years ago
07. 5 or more years ago

[ASK IF Q7 = 02]

9. What is the main reason you have stayed with your current cell phone provider? [ACCEPT MULTIPLE RESPONSES]

01. My cell phone plan covers my needs/I'm satisfied
02. I didn't want to sign up for another contract
03. Cell phone plan price is unbeatable/No better deal available
04. Too much effort/hassle
05. Currently under contract and can't leave
06. Because my cell phone is bundled with other services
07. I like the discounts I get because my cell phone is bundled with other services
08. I have limited alternative options for service providers

09. Good reception/coverage from my current provider
88. Other (specify)

10. [IF Q7 = 01] Was it very difficult, somewhat difficult, somewhat easy or very easy to switch cell phone providers? [IF Q7 = 02] If you were to switch cell phone providers, do you think it would be very difficult, somewhat difficult, somewhat easy or very easy to do this?

01. Very difficult
02. Somewhat difficult
03. Somewhat easy
04. Very easy

[DO NOT ASK IF Q3 = 08]

11. At the end of your contract with your current cell phone provider, will you be very likely, somewhat likely, not very likely or not at all likely to consider switching to another provider?

01. Very likely
02. Somewhat likely
03. Not very likely
04. Not likely at all
05. Not under contract

[ASK IF Q3 = 08 OR Q11 = 05]

12b. [IF Q11 = 05: In that case…] In the next year or so, are you very likely, somewhat likely, not very likely or not at all likely to consider switching to another provider?

01. Very likely
02. Somewhat likely
03. Not very likely
04. Not likely at all

[ASK IF Q2 ≠ A FLANKER BRAND]

12. Would you ever consider switching to a flanker brand? A flanker brand is a brand used by a large cell phone provider to offer services and plans under a different name and often at a lower price. For example Virgin mobile, FIDO, and Koodo are flanker brands.

01. Yes	[SKIP TO Q14]
02. No	[CONTINUE]
03. I don't know	[SKIP TO Q14]

13. Why would you not consider switching to a flanker brand? [ACCEPT MULTIPLE RESPONSES]

01. Availability of family plans
02. Ability to bundle services
03. Concerns about quality or coverage

04. Unfamiliar with flankers
05. Unsure of value
06. Concerns about client support
07. Concerns about billing
08. Current provider covers my needs
09. I'm satisfied with my current provider
10. I've heard negative reviews of flanker brands
88. Other (specify)

14. Have you ever told your cell phone provider that you plan to switch to another provider in order to lower your bill?

01. Yes	[CONTINUE]
02. No	[SKIP TO Q16]

15. Were you offered a better cell phone package or the same package at a lower rate to stay with your current provider?

01. Yes
02. No

16. How much do you agree or disagree with each of the following statements? [RANDOMIZE LIST]

a. The cost of cell phone plans has decreased in the last three years.
b. I get good value for money from my cell phone provider.
c. My cell phone calls are almost never dropped. [DROPPED CALL DESCRIPTION: A dropped call occurs when you are disconnected from the person you are speaking with due to a cellular interruption]
d. I'm happy with the upload and download speeds I get with my cell phone provider.
e. I rarely experience dead zones with my cell phone provider. [DEAD ZONE DESCRIPTION: A dead zone is an area in which there is no cell phone service available].
f. I have a good selection of cell phone providers in my region.

17. In your view, are Canada's cell phone prices better, worse or about the same as what you would find in other countries?

01. Better
02. Worse
03. About the same
99. Don't know

These final questions are for statistical classification purposes. Be assured that your responses will be held in strict confidence.

18. Which of the following categories best describes your total household income? That is, the total income of all persons in your household combined, before taxes.

01. Under $20,000
02. $20,000 to just under $40,000
03. $40,000 to just under $60,000
04. $60,000 to just under $80,000
05. $80,000 to just under $100,000
06. $100,000 to just under $150,000
07. $150,000 and above

19. What is the highest level of formal education that you have completed?

01. Grade 8 or less
02. Some high school
03. High School diploma or equivalent
04. Registered Apprenticeship or other trades certificate or diploma
05. College, CEGEP or other non-university certificate or diploma
06. University certificate or diploma below bachelor's level
07. Bachelor's degree
08. Post graduate degree above bachelor's level

Thank you. Those are all the questions we have for you today. We greatly appreciate your participation in this research.

To consult the CRTC's Notice of Consultation on the review of mobile wireless services, please click here.

[CLOSING LINK: https://crtc.gc.ca/eng/archive/2019/2019-57-1.htm]