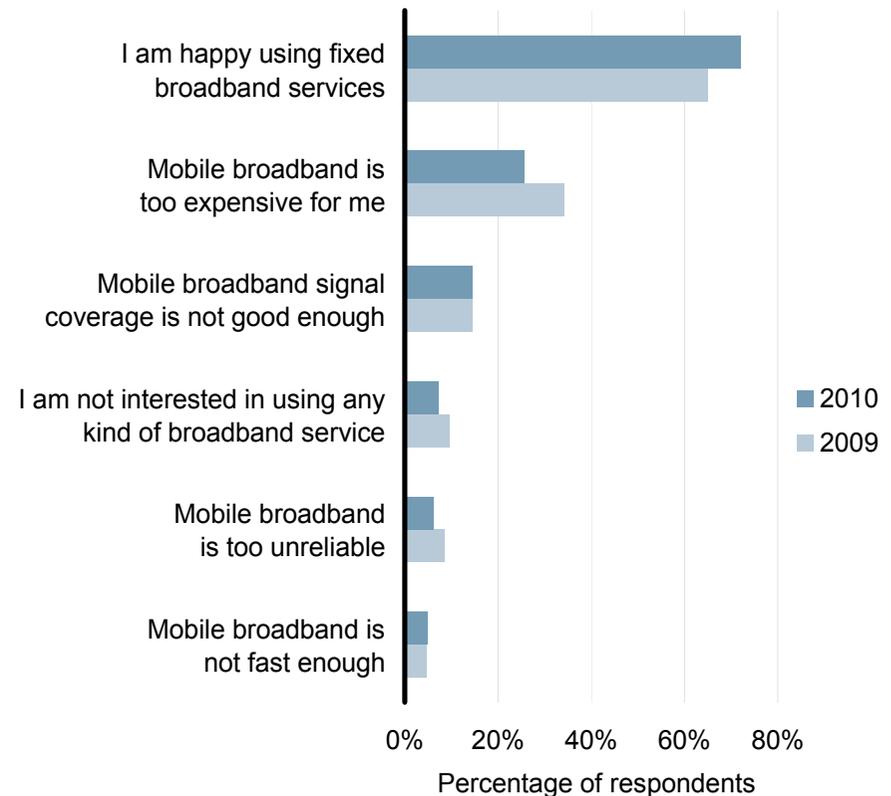


# The chances of converting the majority of those not interested in mobile broadband appear to be limited

- Most of the consumers who are not interested in mobile broadband indicated a high level of satisfaction with fixed broadband. Operators will have limited opportunities to convert these consumers to mobile broadband subscribers, at least in the short term.
- The factors that might attract consumers who are not considering mobile broadband – that is, price reductions and network improvements – would be costly to implement. Given the cost pressure on mobile broadband, operators might benefit more from concentrating on converting sales of people who are interested in the service, rather than on trying to convert the uninterested consumers.
- The proportion of subscribers that mobile broadband service providers cannot reach (either because they are satisfied with fixed services or because they have no interest in broadband) has increased since 2009.

**Figure 14:** Reasons for lack of interest in mobile broadband, 2009 and 2010<sup>1</sup> [Source: Analysys Mason, 2010]

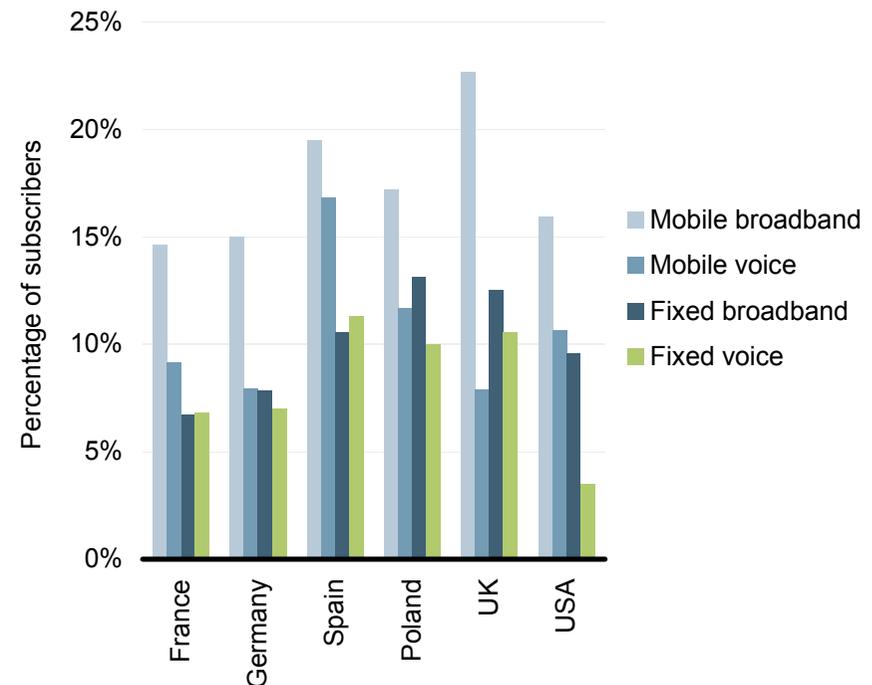


<sup>1</sup> Question: “Why are you not interested in mobile broadband? (select all that apply)”; all respondents who are not interested in mobile broadband; all countries; n = 2533.

## Churn is likely to be higher for mobile broadband than it is for other telecoms services

- At more than 17% on average, the proportion of subscribers who intend to change provider is much higher for mobile broadband than it is for other services.
- This is partly to be expected, because the barriers to churn are lower for mobile broadband than they are for other services:
  - users do not have an associated number
  - users can switch their mobile broadband provider instantly, unlike their fixed service provider
- However, some of the reasons to churn in other services – such as to gain exclusive handsets or access to content – are less relevant to mobile broadband. Operators should focus on quality of experience and price in order to retain customers.
- Customer satisfaction with mobile broadband is relatively low, and we believe that this is the key driver for churn in this market.

**Figure 21:** Proportion of subscribers who intend to change service provider, by service type and country<sup>1</sup> [Source: Analysys Mason, 2010]



<sup>1</sup> Questions: “Do you intend to change your mobile broadband provider in the next six months?”; respondents who have a mobile broadband connection;  $n = 1388$ ; “Do you intend to change your [fixed] Internet service provider in the next six months?”; respondents who have a fixed broadband connection;  $n = 4177$ ; “Which of the following best describes your plans for your landline telephone service in the next year?”; respondents who have a landline telephone service;  $n = 4889$ ; “Which of the following best describes your plans for your mobile service in the next year?”; respondents who have a mobile voice service;  $n = 5283$ .