
Research Report

TELECOMMUNICATIONS IN REGIONAL AUSTRALIA



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METHODOLOGY AND RESEARCH DESIGN



THE RESEARCH

AIM OF THE RESEARCH

Broadly, the aim of this research was to delve into the minds of regional Australians to explore how they felt about mobile phone coverage, internet access, plans, providers, and policies. This included profiling their current telecommunications behaviour, exploring the preferences for other offerings, and seeing what they knew about the NBN.

The fieldwork was conducted in January 2014

WHO WE TALKED TO...

1000 regional Australians – and we only surveyed those living in regional or rural centres in Australia with a population of 100,000 or less.



750 surveys completed
online



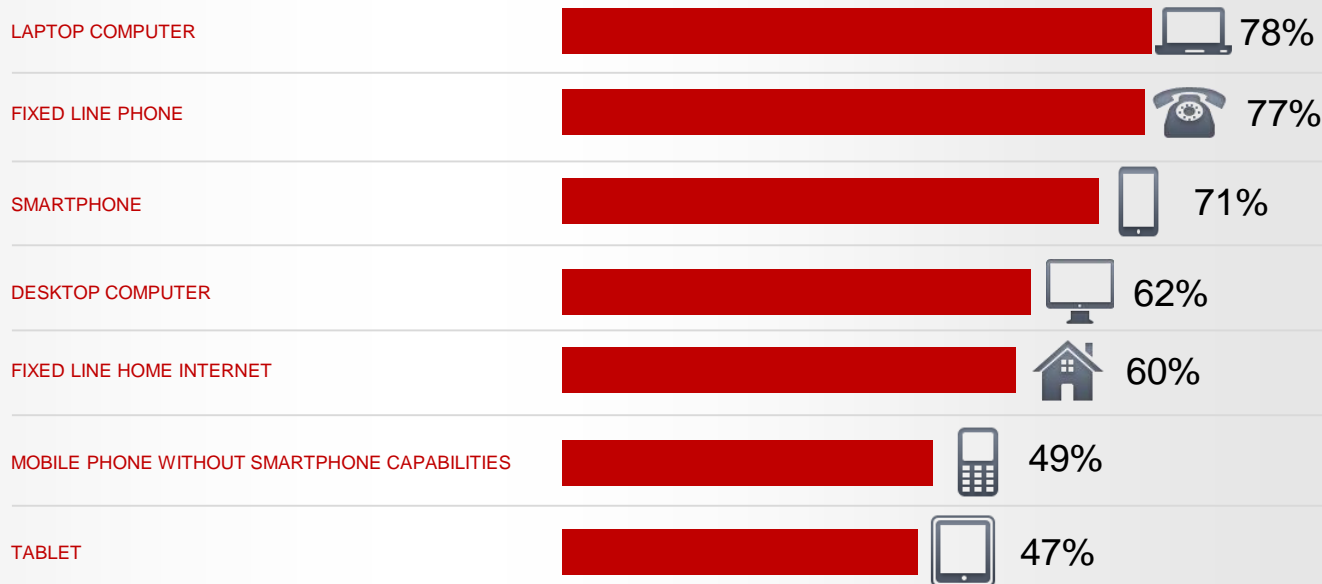
250 surveys completed by
telephone



THE FINDINGS

MOBILES ARE A MUST HAVE... JUST UNDER HALF HAVE A STANDARD MOBILE AND 71% HAVE SMARTPHONES

what they
OWN



Internet connection type

- ADSL: 60%
- mobile broadband (3G/4G): 35%
- Satellite: 7%
- Cable: 3%
- Dial-up: 1%

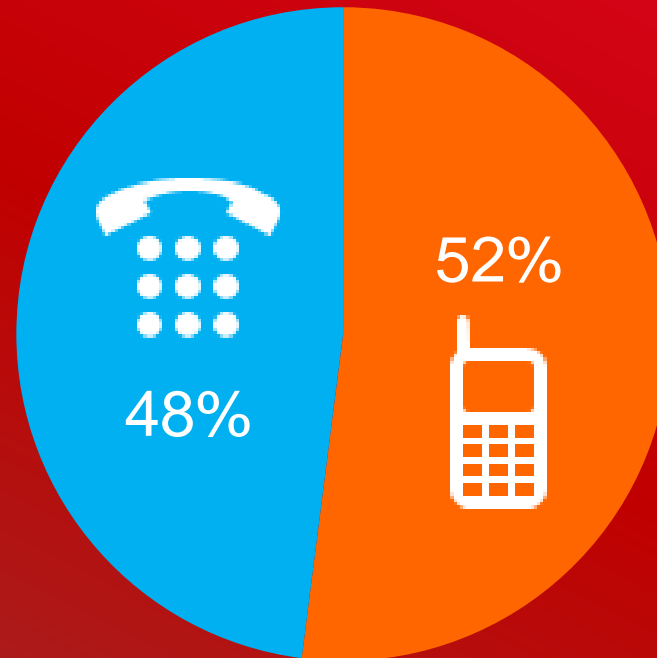
2% did not have any internet connection.



BUT IT'S NOT AN "EITHER/OR" SITUATION...

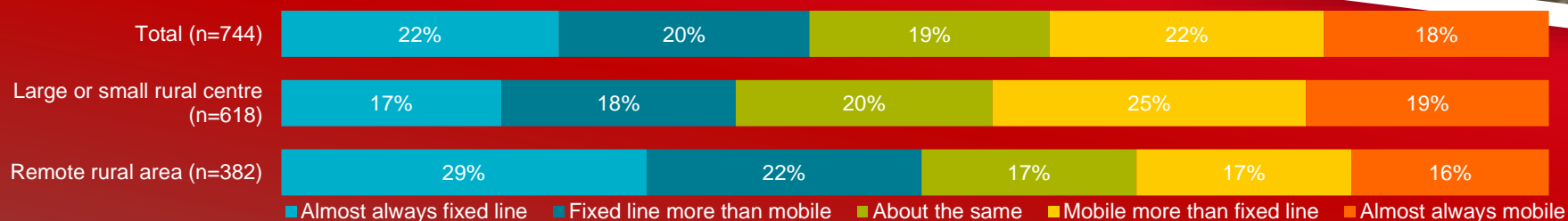
REGIONAL AUSTRALIANS ARE SPLIT IN THEIR PREFERENCE FOR FIXED OR MOBILE

If you had to choose which of the following is MOST important to you, which would it be?



THE LESS REMOTE, THE MORE RELIANCE ON MOBILE PHONE

There is a spread in the usage patterns across mobile and fixed lines...



...but there were statistically significant differences in usage depending on population density...



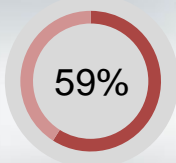
Those living in **MORE POPULATED** areas used their **MOBILE** for calls more than those who live in less populated areas



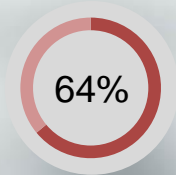
Those living in **LESS POPULATED** areas used their **LANDLINE** for calls more than those who live in more populated areas

...but they expect they will rely on their mobile more in the future...

FOR PHONE CALLS



agreed they expect to use their mobile more than their fixed line in the next 5-10 years



agreed that mobiles will be more essential than fixed line in the next 5-10 years



...I will use mobile services more than fixed line services to make calls



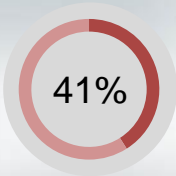
...mobile services will be more essential than fixed to make calls



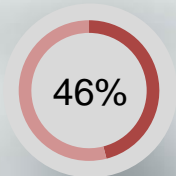
Strongly disagree Somewhat disagree Neither agree nor disagree Somewhat agree Strongly agree

...but they expect they will rely on their mobile more in the future...

FOR INTERNET



agreed that they will use mobile services more than fixed line services to access the Internet in the next 5-10 years



agreed that mobile broadband services will be more essential than fixed line when it comes to accessing the Internet in the next 5-10 years



...I will use mobile broadband (3G/4G) services more than fixed line services to access the internet

11%

16%

32%

25%

16%

...mobile broadband (3G/4G) services will be more essential than fixed to access the internet

8%

12%

35%

28%

18%

Strongly disagree

Somewhat disagree

Neither agree nor disagree

Somewhat agree

Strongly agree

Regional Australians want
CHOICE
and **COVERAGE**
with their mobiles



59%



agreed that they would change providers if another provider offered the same or better coverage

80%



agreed that competitive pricing is the most important aspect of a mobile provider

83%



agreed that being able to choose their mobile provider is important

GOOD COVERAGE = consistently reliable

Respondents defined good coverage as coverage across the whole of Australia, no dropped calls or black spots, consistently high signal strength, and the ability to communicate with others at all times. Many respondents also used Telstra as their benchmark for 'good coverage'.

"Being able to walk around my house and not loose signal. I live out of town and I have no access to a fixed line so mobile coverage is very important to me, if there is an emergency I want the security of knowing my coverage is reliable."

(30-39, female, VIC, small rural area, population 10-25K, online survey)

"Needing to use your phone, and being able to. No lack of signal. No congested mobile network. No dropouts. A product that works the way you want it to, when you want it to."

(18-29, female, QLD, small rural area, population 10-25K, online survey)

"The coverage should be consistent; not in and out all the time. Clarity. Availability/ that you can always get a connection. No black spots."

(60-69, female, TAS, other remote area, population <5K, phone survey)

"I have worked in remote communities in education and it would be better for all members of the community to feel connected to the rest of Australia and to give them opportunities."

(50-59, female, NT, remote centre, population >5K, phone survey)

"To me it's good when you never need to check if you have coverage because it's always there."

(18-29, female, VIC, remote centre, population >5K, online survey)

"A system that works; being able to connect who I want to, when I want, wherever I am at a reasonable price/ quickly."

(70+, female, NSW, rural centre <10K, population, phone survey)

"Consistently receiving greater than 75% of signal strength, inside my home as well as on the nature strip 30 metres down from my home (which is where I have to go now)."

(70+, male, NSW, small rural centre, population 10-25K, online survey)

"A system that works; being able to connect who I want to, when I want, wherever I am at a reasonable price/quickly."

(70+, female, NSW, rural centre, population <10K, phone survey)

"For voice, no dropouts from poor bandwidth of cell tower spacing, for data consistent reasonable speed rather than spasmodic fast speed."

(30-39, male, VIC, large rural centre, population 25-100K, online survey)

"Accessible/ cheap and with good service; Telstra doesn't have good service/ but they are the only ones with good coverage; but I'd really like to see them have some competition."

(50-59, female, NSW, other remote area, population <5K, phone survey)

"...As good as Telstra coverage."

(50-59, male, QLD, small rural centre 10-25K, population, online survey)

"Accessible/ cheap and with good service; Telstra doesn't have good service/ but they are the only ones with good coverage; but I'd really like to see them have some competition."

(50-59, female, NSW, remote area, population <5K, phone survey)

"The ability to connect the mobile network more consistently in regional areas."

(50-59, male, NT, large rural centre, population 25-99K, phone survey)

"Having access in all capital cities and major regional centres, plus rural areas surrounding regional centres."

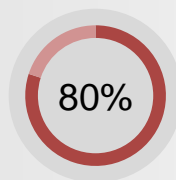
(30-39, female, VIC, small rural area <10K, population, online survey)

"Service covering populated areas and major highways, with 4G service areas increasing rapidly. Mobile service isn't just about voice calls any more data is essential."

(18-29, female, WA, large rural centre, population 25-100K, online survey)

THEY WANT THE NBN TO INCREASE THEIR ACCESS TO TELECOMMUNICATIONS SOLUTIONS

When asked how they would prioritise the use of funding for the NBN (improve mobile coverage or home coverage or choice of provider) their favoured option was one that addressed mobile coverage **and** home coverage **and** choice of provider. They want it all and they want the NBN to deliver.



want the NBN fixed wireless service to also deliver a mobile solution

This reflects the consistent finding of this research: regional Australians want better coverage across all providers, thus increasing their choice of provider.

“

I have worked in remote communities in education and it would be better for all members of the community to feel connected to the rest of Australia and to give them opportunities.

(50-59, female, NT, remote centre >5K, phone survey)

“

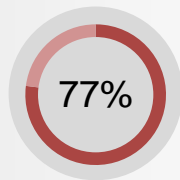
I consider all these areas equally important because people are accessing these services consistently in and out of the home so improved home service alone is not enough. Choice of provider keeps the market competitive as otherwise it leads to complacency and poor customer service if one provider monopolizes the market.

(40-49, female, QLD, large rural 25K100K, online survey)



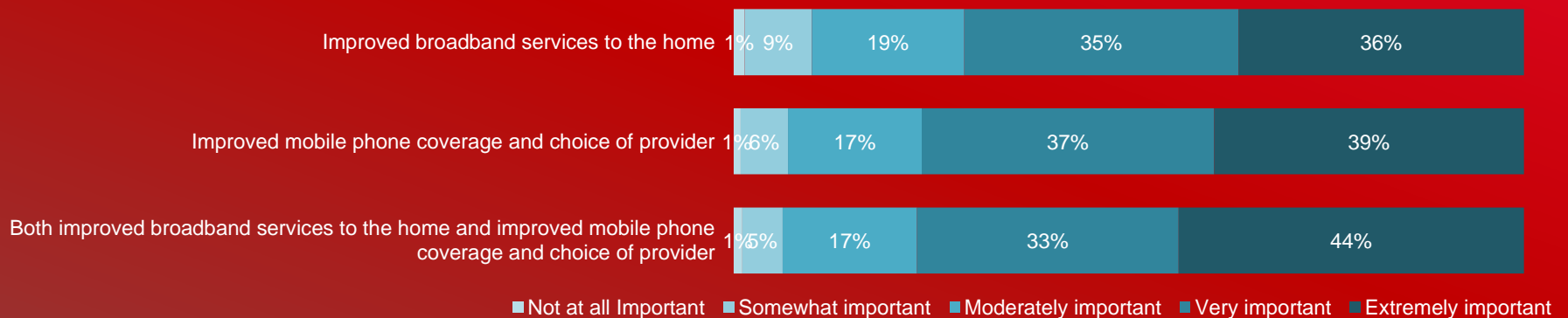
THEY WANT THE NBN TO INCREASE THEIR ACCESS TO TELECOMMUNICATIONS SOLUTIONS

When asked how important a variety of service options were, an “I want it all” mentality emerged. They want the NBN to deliver on all fronts.



Believed it was very/extremely important that Government funding should be provided to both fixed and mobile coverage

If you were in charge of advising the Government on prioritizing the use of funding, how important are each of the following options?



THEY WANT THE NBN TO INCREASE THEIR ACCESS TO TELECOMMUNICATIONS SOLUTIONS

When asked specifically how best to distribute \$100m in government funding to address lack of coverage in regional Australia, respondents preferred the option that benefitted customers of ALL providers. The option in which only one provider can offer its customers better coverage was very unappealing.

82%

believe the Federal Government \$100m black-spot program should be used to deliver a mobile solution for customers of ALL providers

72%

did NOT agree with the idea of government funding to only one mobile provider

\$100m in government funds is provided to help build towers to reduce mobile "blackspots" in regional areas and expand coverage. All mobile providers can use this mobile network to provide services to their customers.



The \$100m is provided to the NBN Co to build towers to reduce mobile "blackspots" in regional areas. Customers of ALL mobile providers can access the new towers and get the benefits of better mobile coverage.



One mobile provider is chosen to access \$100m in government funds to help built towers to reduce mobile "blackspots" in regional areas. However, ONLY their customers can access the new towers and get the benefits of better mobile coverage.



Extremely unappealing Somewhat unappealing Neither appealing nor unappealing Somewhat appealing Extremely appealing

REGIONAL AUSTRALIANS WANT THE NBN TO ADDRESS MOBILE COVERAGE FOR ALL

Survey respondents were given four brief descriptions of NBN Policy options

THESE TWO WERE PREFERRED:



- A policy within the scope of the current NBN project; the NBN allows for access to its infrastructure which would allow more mobile carriers to operate throughout regional Australia. This would give people within these areas more choice when it comes to selecting a mobile service provider and improve mobile coverage.
- Within the same overall construction budget, a policy where in addition to building a fixed-line broadband network the NBN also builds a mobile network which all mobile providers could access, improving coverage and giving customers increased choice of provider.

THIS ONE WAS "OK":

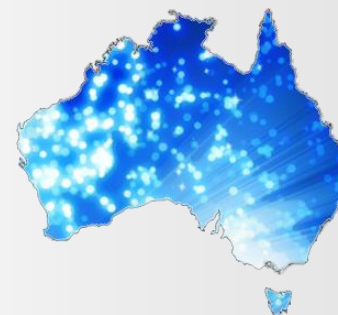


- A policy in which the Government provides funding to telcos to build one set of mobile infrastructure (towers, transmitters etc.). All mobile operators could use this infrastructure (paying for usage) which would improve coverage and give residents increased choice of provider.

THIS ONE WAS REJECTED:



- A policy in which the Government provides funding to telcos for them to build more towers to deliver better mobile coverage to regional households. However, this funding would only serve to benefit ONE mobile provider and its customers exclusively, but these customers would have improved, consistent coverage.



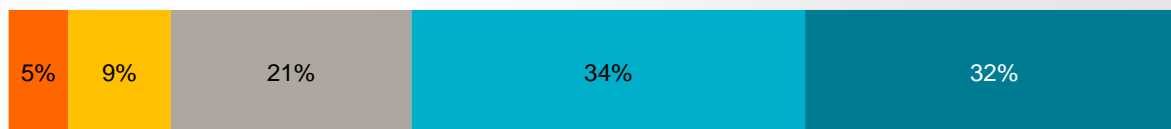
For too long Telstra BigPond has had more or less a monopoly. They're always saying they have the greatest coverage, but my own personal experience is that "that statement is rubbish" in certain areas. They're really only interested in city areas, and where NBN is being rolled out is in the cities. What about people in the bush and regional areas? City folk already have good coverage, but as usual the attitude "bugger the country people" is still adopted. By the way I'm actually a city born and bred person, though I've seen people in country areas suffer.

(60-69, female, NSW, Small rural centre population 10-25K, online survey)

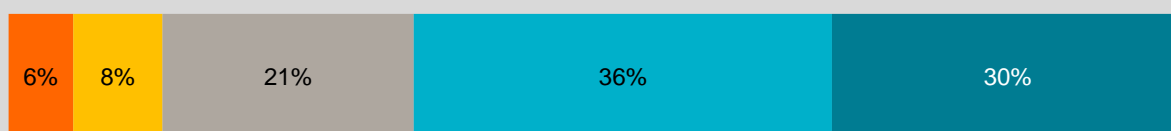
REGIONAL AUSTRALIANS WANT THE NBN TO ADDRESS MOBILE COVERAGE FOR ALL



Within the same overall construction budget, a policy where in addition to building a fixed-line broadband network the NBN also builds a mobile network which all mobile providers could access, improving coverage and giving customers increased choice of provider.



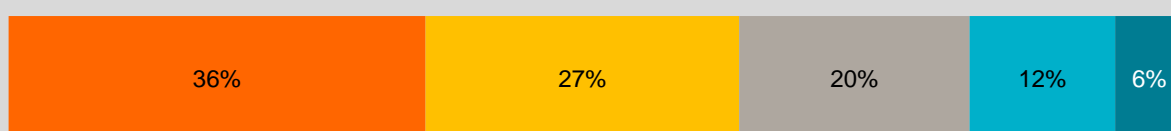
A policy within the scope of the current NBN project; the NBN allows for access to its infrastructure which would allow more mobile carriers to operate throughout regional Australia. This would give people within these areas more choice when it comes to selecting a mobile service provider and improve mobile coverage.



A policy in which the Government provides funding to telcos to build one set of mobile infrastructure (towers, transmitters etc). All mobile operators could use this infrastructure (paying for usage) which would improve coverage and give residents increased choice of provider.



A policy in which the Government provides funding to telcos for them to build more towers to deliver better mobile coverage to regional households. However, this funding would only serve to benefit ONE mobile provider and its customers exclusively, but these customers would have improved, consistent coverage.



■ Extremely unappealing
 ■ Somewhat unappealing
 ■ Neither appealing nor unappealing
 ■ Somewhat appealing
 ■ Extremely appealing

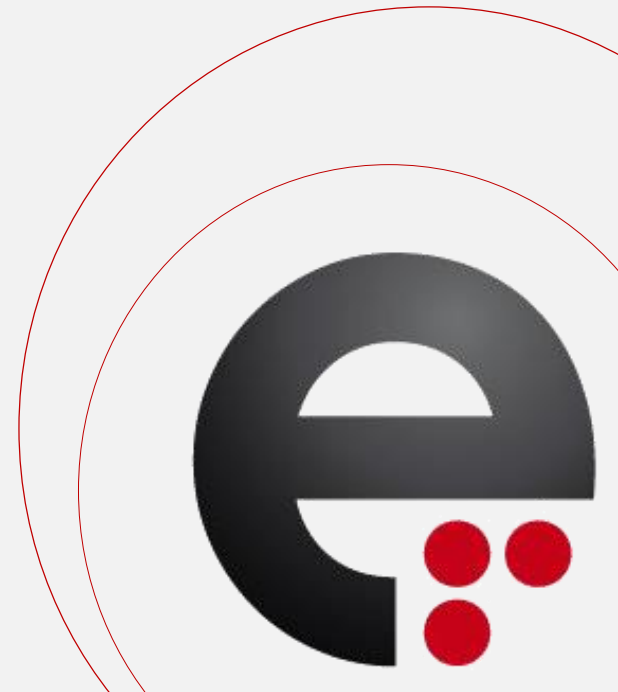
ThankYou



empirica
RESEARCH



APPENDIX



DEMOGRAPHICS

GENDER	n	%
Male	500	50
Female	500	50

AGE	n	%
18-29	254	25
30-39	124	12
40-49	187	19
50-59	162	16
60-69	183	18
70+	90	9

RELATIONSHIP STATUS	n	%
Single	188	19
In a relationship but not married	186	19
Married	531	53
Divorced	43	4
Widowed	29	<1
Other	2	0
Refused	21	2

CHILDREN U/18	n	%
Yes	276	28
No	722	72

STATE	n	%
VIC	190	19
NSW	251	25
QLD	191	19
WA	143	14
Tas.	52	5
ACT	1	0
NT	24	2
SA	148	15

LOCATION	n	%
Large rural centre	353	35
Small rural centre	265	27
Other rural centre	188	19
Remote centre	65	7
Other remote area	129	13

DEMOGRAPHICS

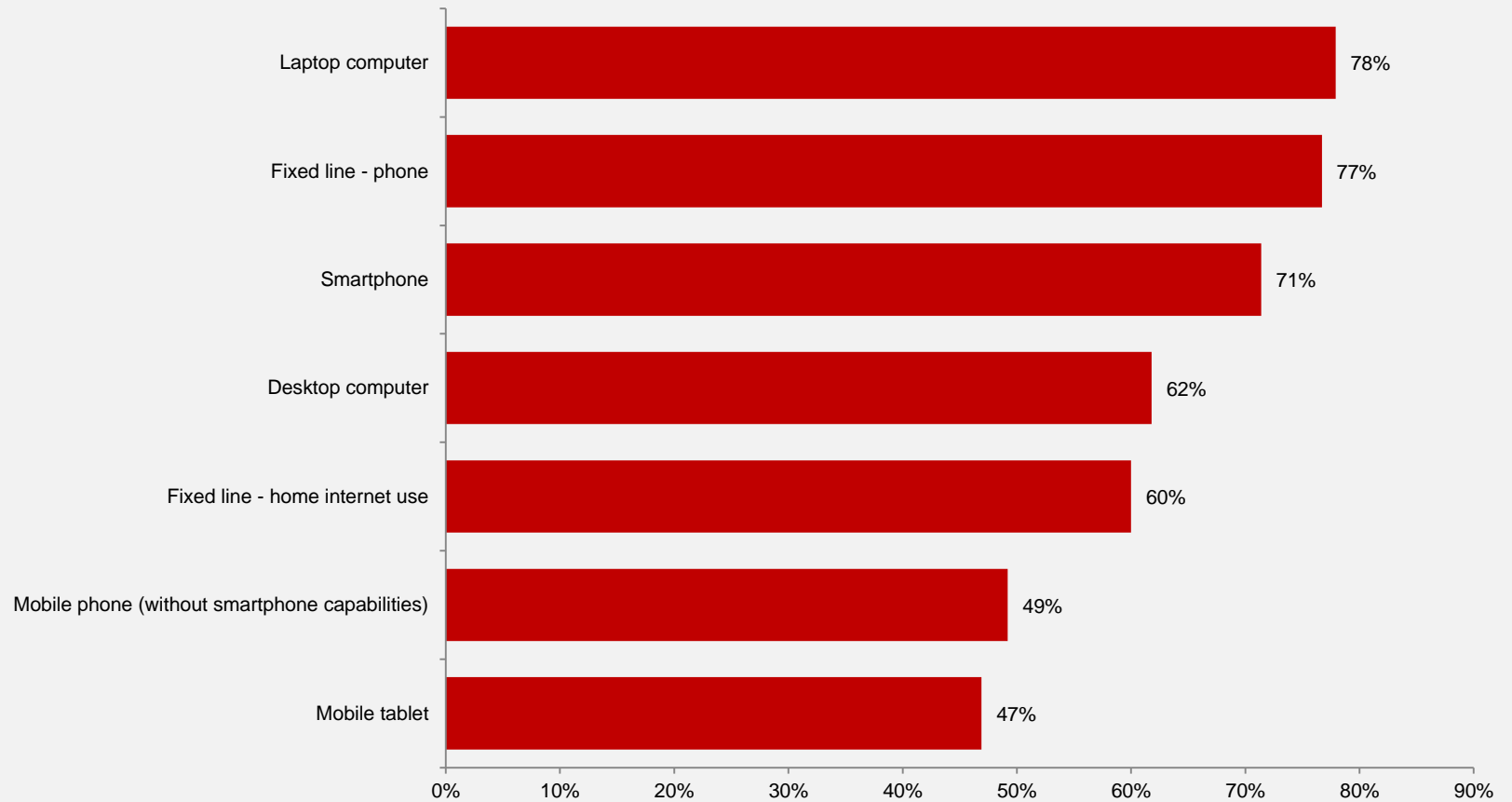
EDUCATION	n	%
Some high school	136	14
Completed high school	226	23
TAFE/trade certificate	217	22
TAFE Diploma	129	13
University undergraduate degree	182	18
University post graduate degree	86	9
Refused	24	2

INCOME	n	%
Less than \$40,000	271	27
\$40,001 - \$60,000	190	19
\$60,001 - \$80,000	138	14
\$80,001 - \$100,000	126	13
\$100,001 - \$120,000	65	7
\$120,001 - \$140,000	46	5
\$140,001 - \$160,000	52	5
\$160,001 or more	56	6
Refused	56	6

EMPLOYMENT	n	%
Student	46	5
Work – full time	294	29
Work – part time	173	17
Stay-at-home parent/partner	90	9
Self employed	67	7
Unemployed	95	10
Other	223	22
Refused	12	1

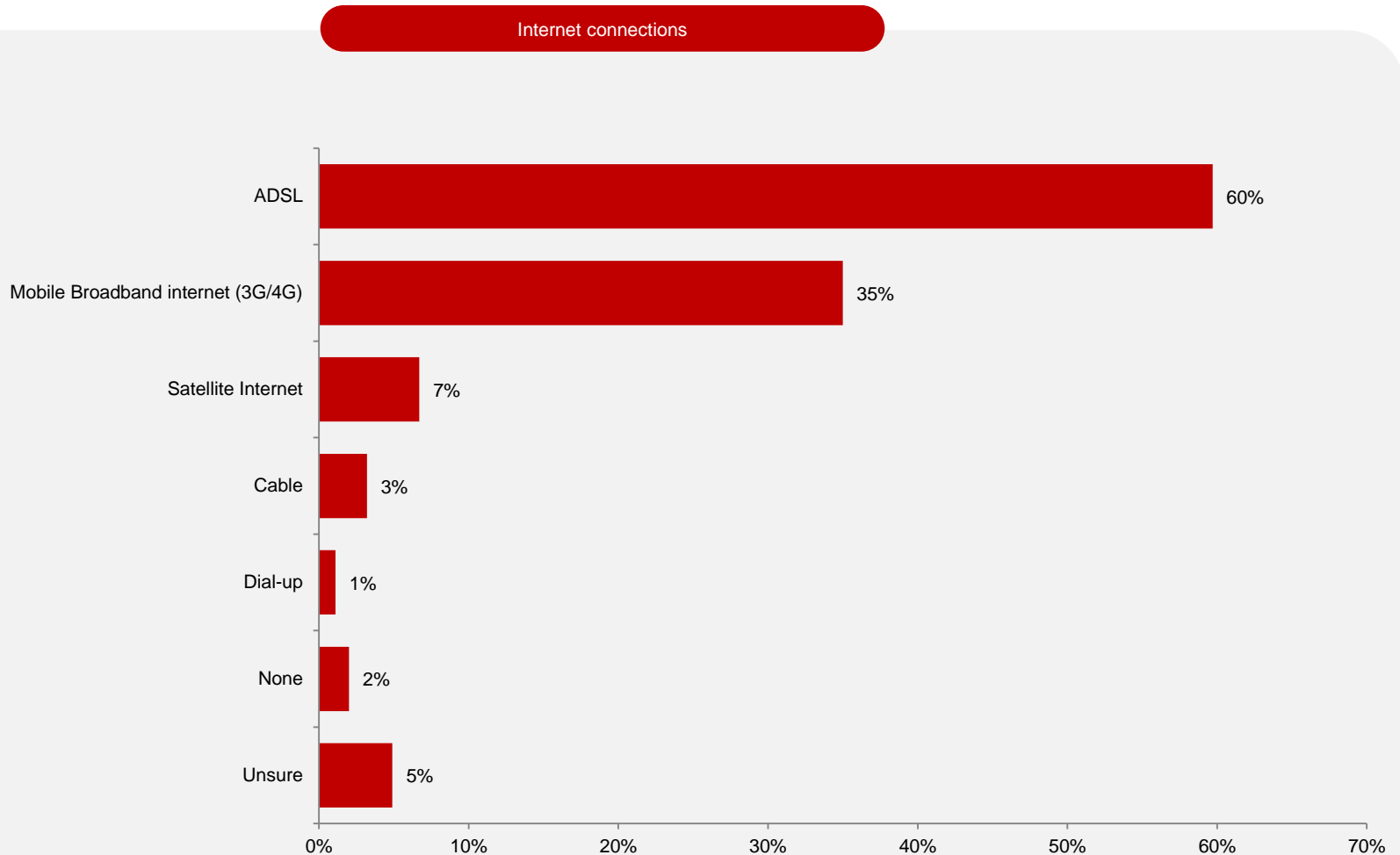
OWNERSHIP OF DEVICES

Household Devices



Q1.11 Which of the following do you have in your household?

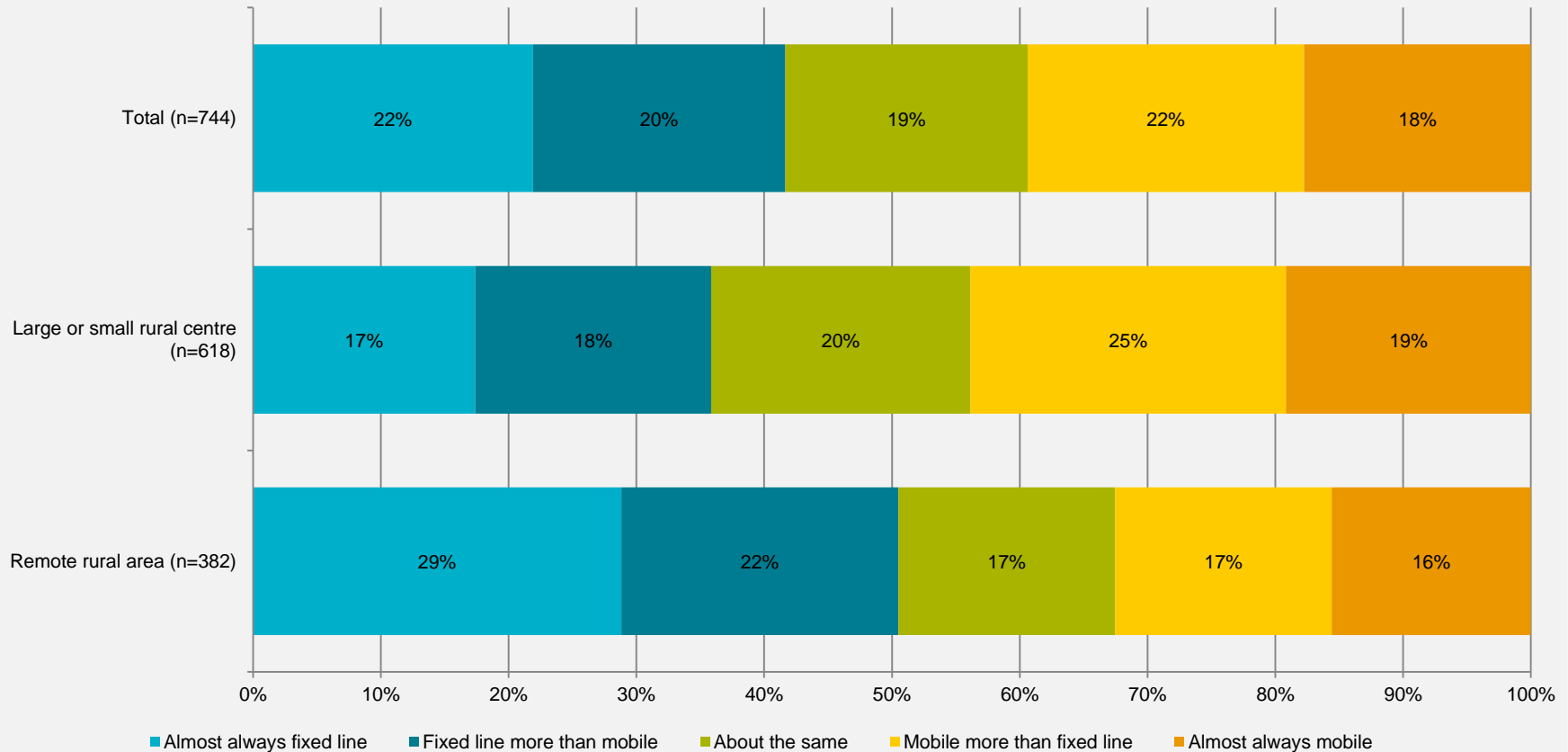
CURRENT INTERNET CONNECTION TYPE



Q2.1 What type of internet connection do you currently use?

CURRENT PHONE CALL USE – MOBILE VS. FIXED

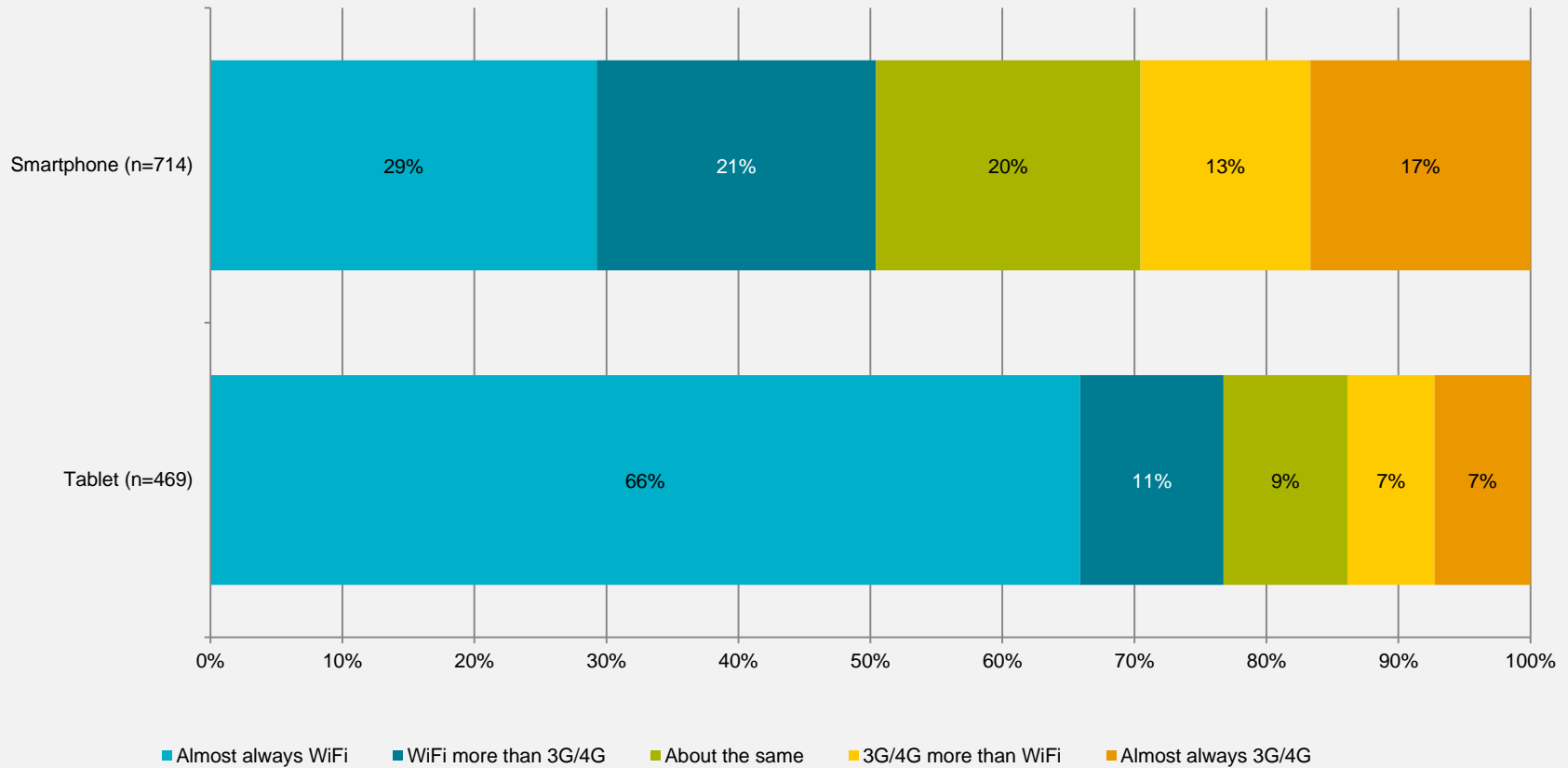
Phone – fixed vs. mobile



Q2.2 How often do you make phone calls on your fixed line compared with your mobile (or smartphone)?

CURRENT INTERNET USE – MOBILE VS. FIXED

Internet – fixed vs. mobile

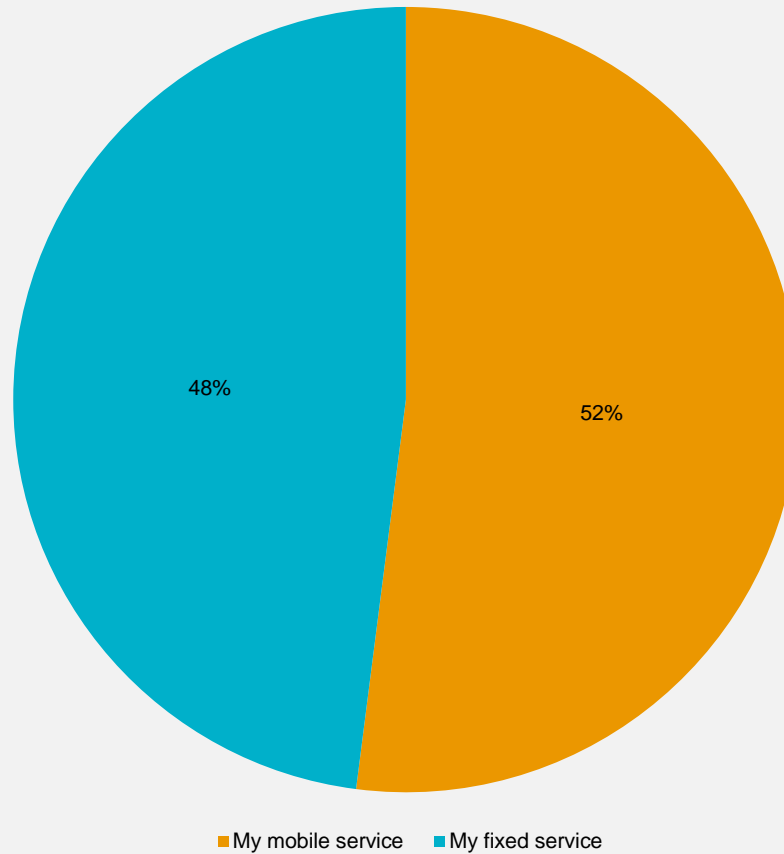


Q2.3 How often do you access the internet on your smartphone via a WiFi connection compared with your mobile broadband (3G/4G) connection?

Q2.4 How often do you access the internet on your tablet via a WiFi connection compared with your mobile broadband (3G/4G) connection?

MOST IMPORTANT – MOBILE VS. FIXED

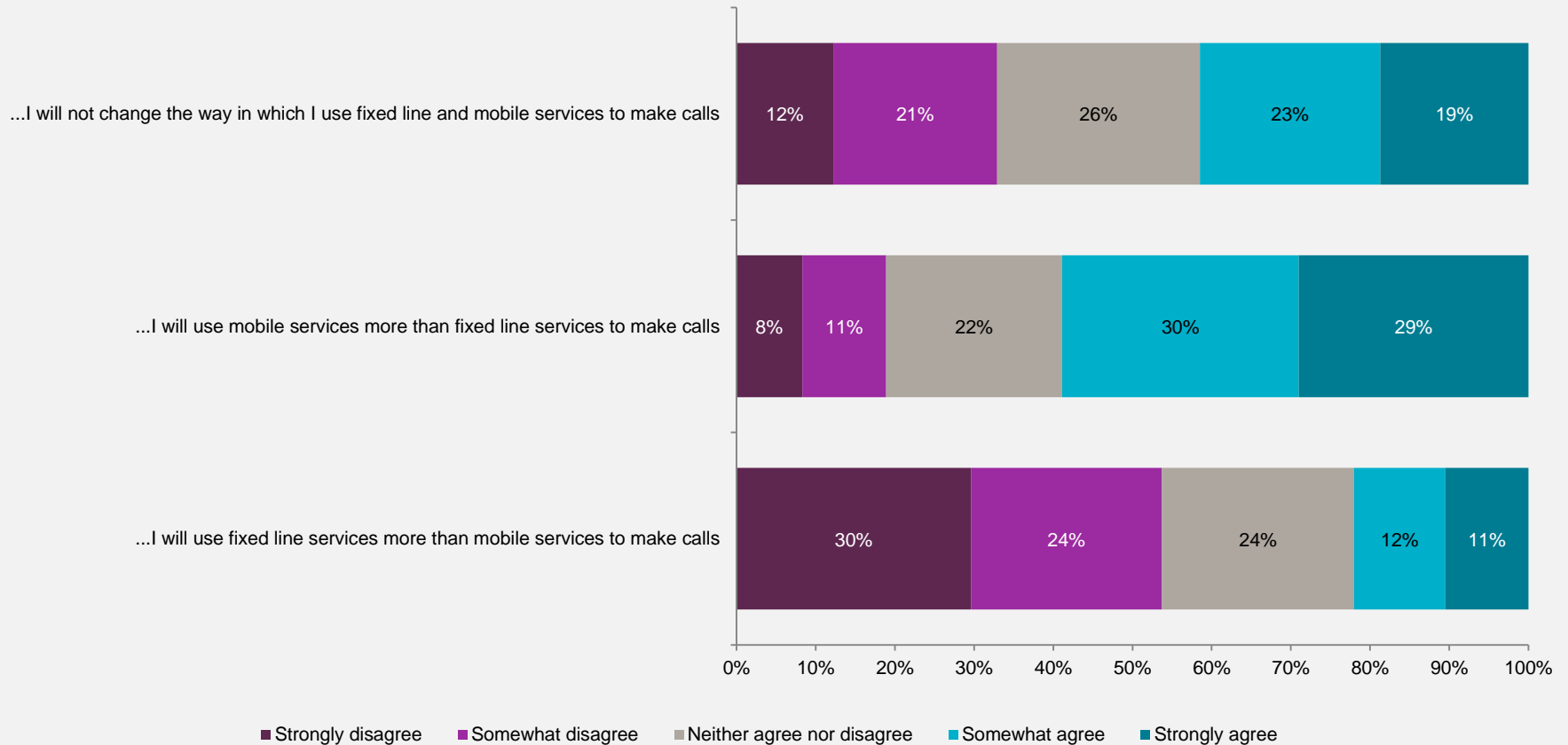
fixed vs. mobile



Q2.5 If you had to choose which of the following is MOST important to you, which would it be?

PREDICTED FUTURE USE – PHONE CALLS

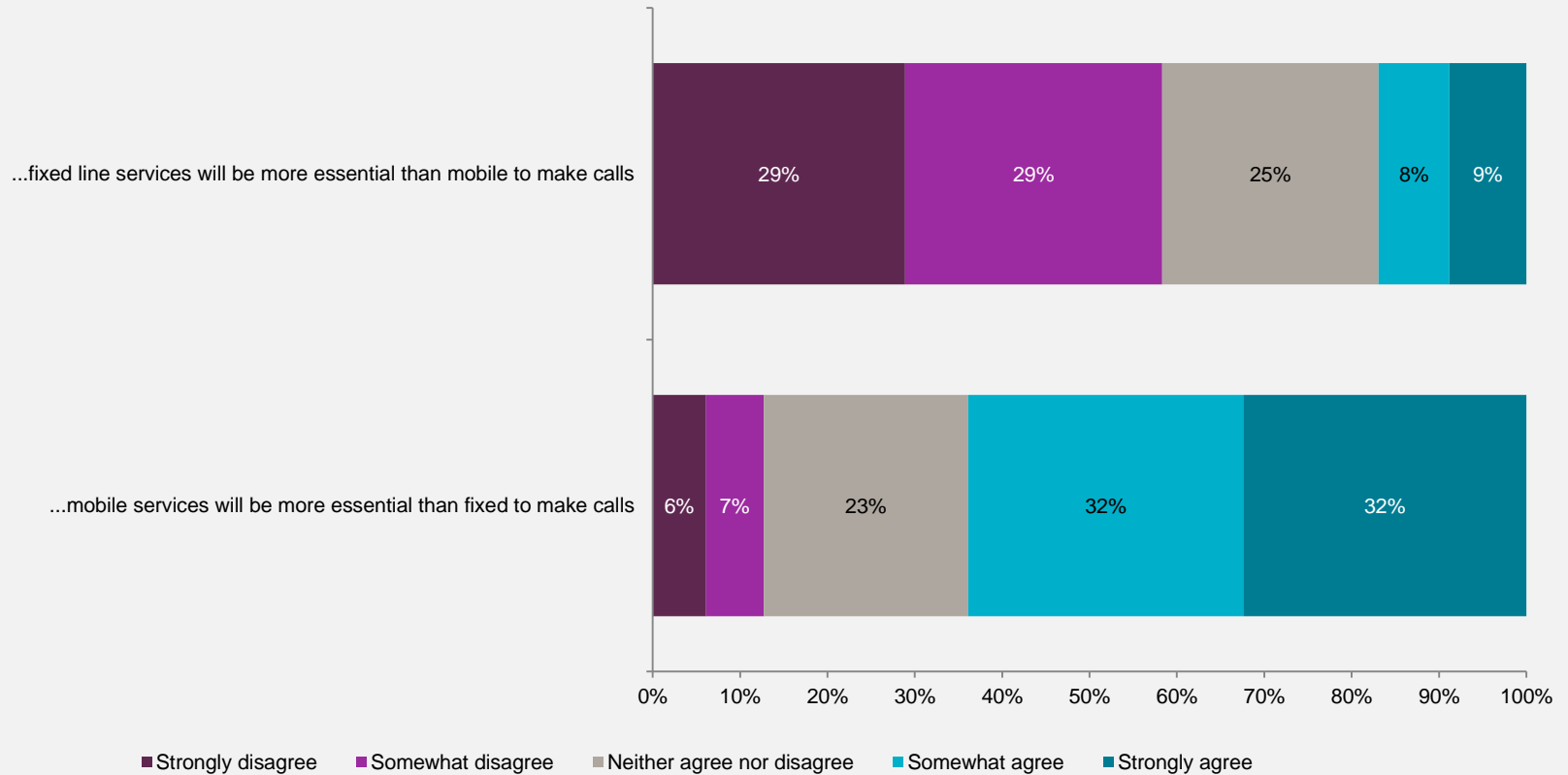
Future of **phone calls** – will fixed or mobile be used more frequently?



Q2.6 Thinking about your **phone calls** in the next 5-10 years, how much do you agree with the following statements?

PREDICTED FUTURE IMPORTANCE – PHONE CALLS

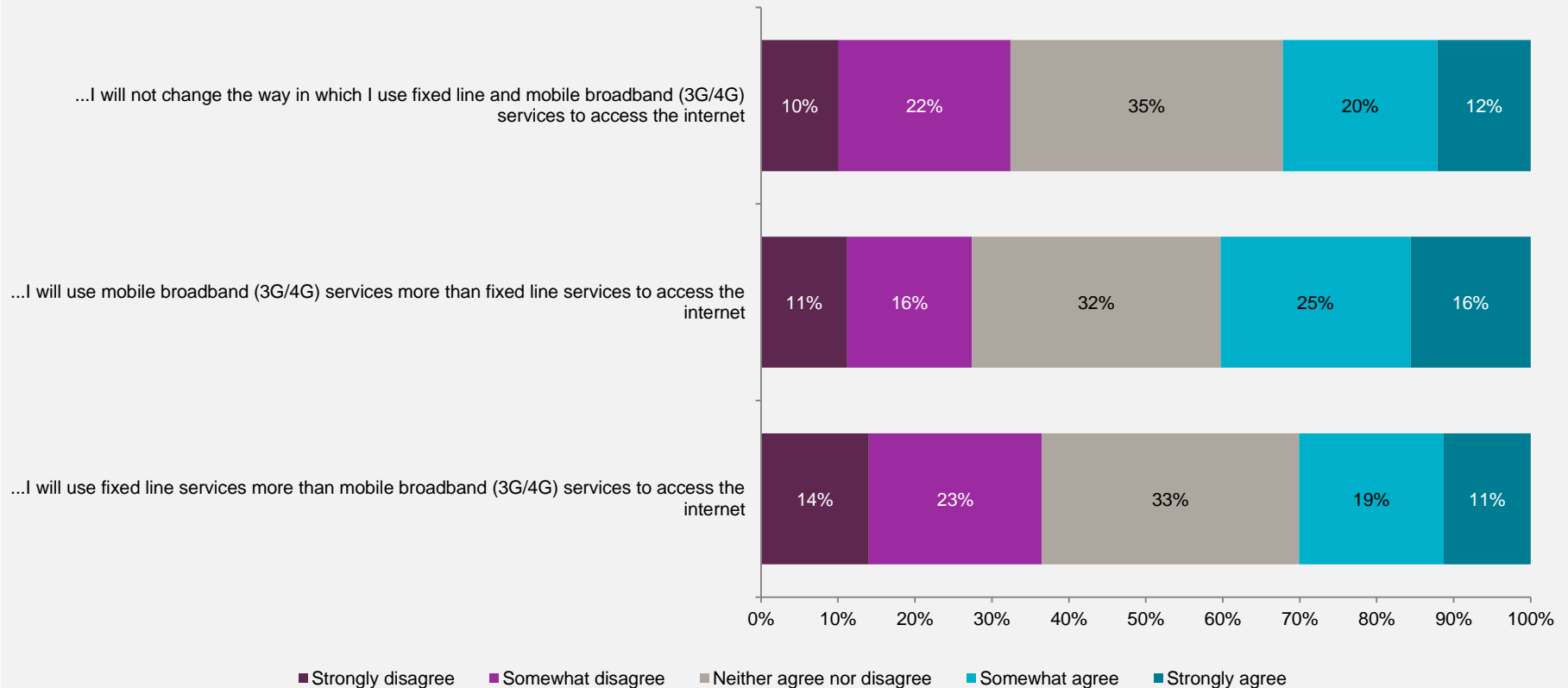
Future of **phone calls** – will fixed or mobile be more essential?



Q2.6 Thinking about your **phone calls** in the next 5-10 years, how much do you agree with the following statements?

PREDICTED FUTURE USE – INTERNET

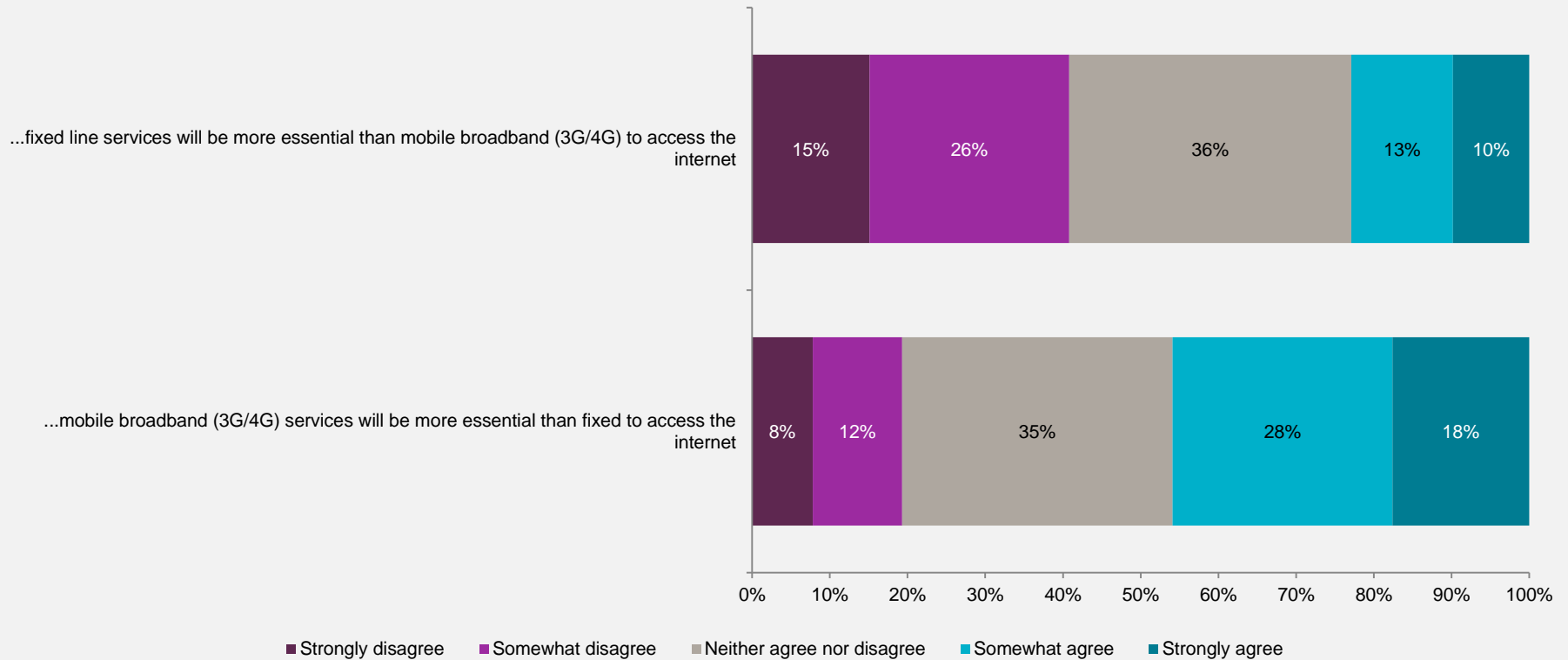
Future of **internet** – will fixed or mobile be used more frequently?



Q2.7 Thinking about your **internet use** in the next 5-10 years, how much do you agree with the following statements?

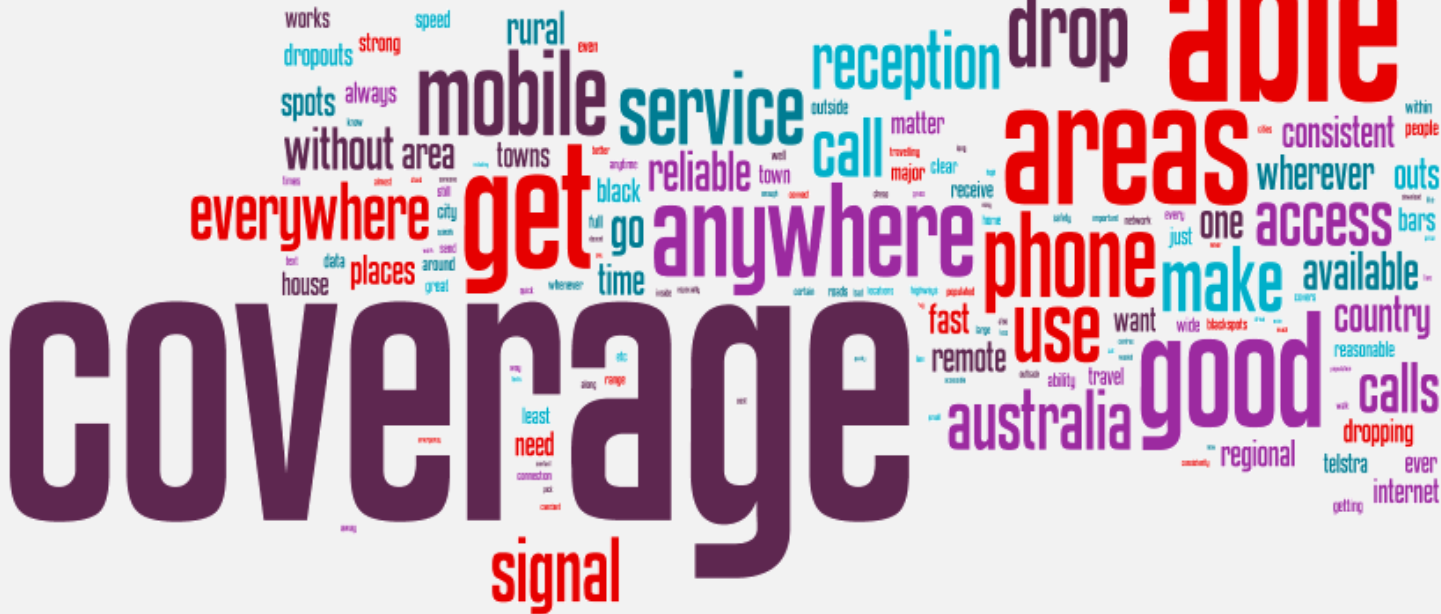
PREDICTED FUTURE IMPORTANCE – INTERNET

Future of **internet** – will fixed or mobile be more essential?



Q2.7 Thinking about your **internet use** in the next 5-10 years, how much do you agree with the following statements?

Good coverage is...



Q4.3 How would you describe 'good mobile coverage'?

DEFINITION OF 'GOOD COVERAGE'

Good coverage is...

"Consistently receiving greater than 75% of signal strength, inside my home as well as on the nature strip 30 metres down from my home (which is where I have to go now)."

(70+, male, NSW, small rural centre 10-25K population, online survey)

"Being able to walk around my house and not lose signal. I live out of town and I have no access to a fixed line so mobile coverage is very important to me, if there is an emergency I want the security of knowing my coverage is reliable."

(30-39, female, VIC, small rural area, 10-25K population, online survey)

"Having access in all capital cities and major regional centres, plus rural areas surrounding regional centres."

(30-39, female, VIC, small rural area <10K population, online survey)

"A system that works; being able to connect who I want to, when I want, wherever I am at a reasonable price/ quickly."

(70+, female, NSW, rural centre <10K population, phone survey)

"Accessible/ cheap and with good service; Telstra doesn't have good service/ but they are the only ones with good coverage; but I'd really like to see them have some competition."

(50-, female, NSW, remote area <5K population, phone survey)

"The ability to connect the mobile network more consistently in regional areas."

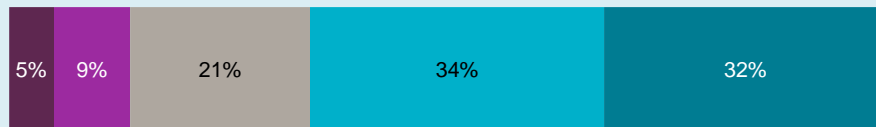
(50-59, male, NT, large rural centre 25-99K population, phone survey)

Q4.3 How would you describe 'good mobile coverage'?

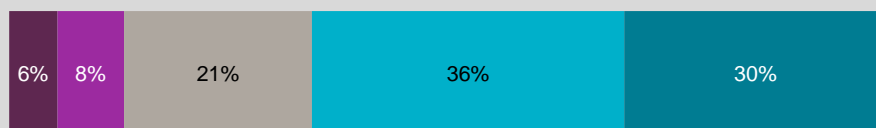
POLICY PREFERENCES

Policy preferences

POLICY OPTION 2: Within the same overall construction budget, a policy where **in addition** to building a fixed-line broadband network the NBN also builds a mobile network which all mobile providers could access, improving coverage and giving customers increased choice of provider.



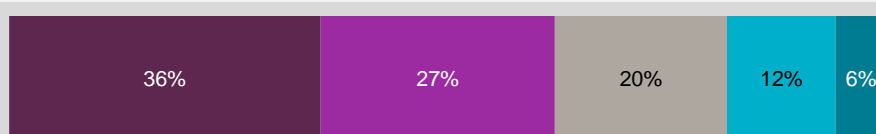
POLICY OPTION 1: A policy within the scope of the current NBN project; the NBN allows for access to its **infrastructure** which would allow more mobile carriers to operate throughout regional Australia. This would give people within these areas more choice when it comes to selecting a mobile service provider and improve mobile coverage.



POLICY OPTION 3: A policy in which the Government provides funding to telcos to build one set of mobile infrastructure (towers, transmitters etc). **All** mobile operators could use this infrastructure (paying for usage) which would improve coverage and give residents increased choice of provider.



POLICY OPTION 4: A policy in which the Government provides funding to telcos for them to build more towers to deliver better mobile coverage to regional households. However, this funding would only serve to benefit **ONE** mobile provider and its customers exclusively, but these customers would have improved, consistent coverage.



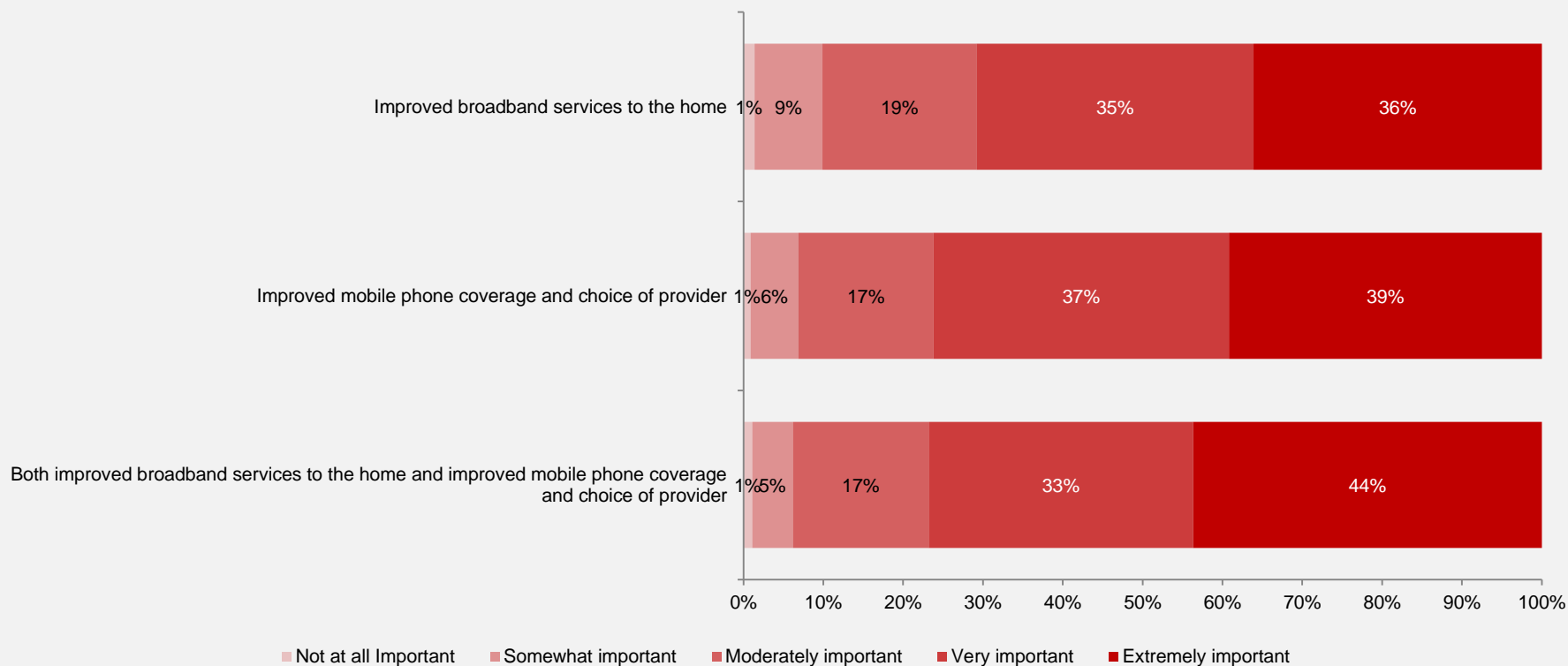
0% 20% 40% 60% 80% 100%

■ Extremely unappealing ■ Somewhat unappealing ■ Neither appealing nor unappealing ■ Somewhat appealing ■ Extremely appealing

Q3.5 Please rate each of the proposed policy options below according to how appealing or unappealing

IMPORTANCE OF SERVICE ASPECTS OF GOVERNMENT FUNDING

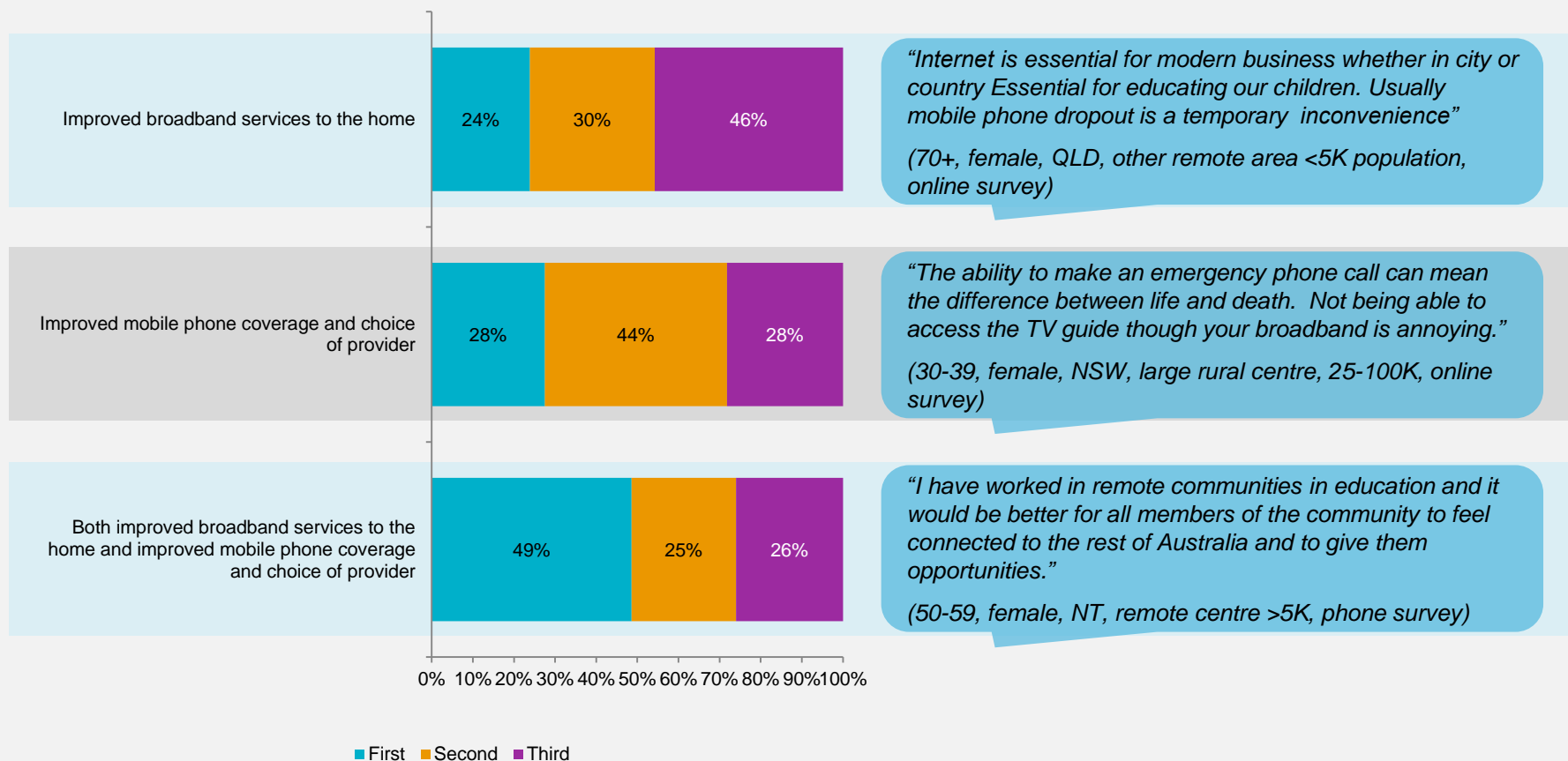
Importance of Government funding



Q4.4 In some cases in regional areas it is not economically viable for commercial providers to invest in improving internet and mobile services due to the vast distances that are needed to cover and the size of population. In these cases the Government may play a role and provide funding. If you were in charge of advising the Government on prioritizing the use of funding, how important are each of the following options?

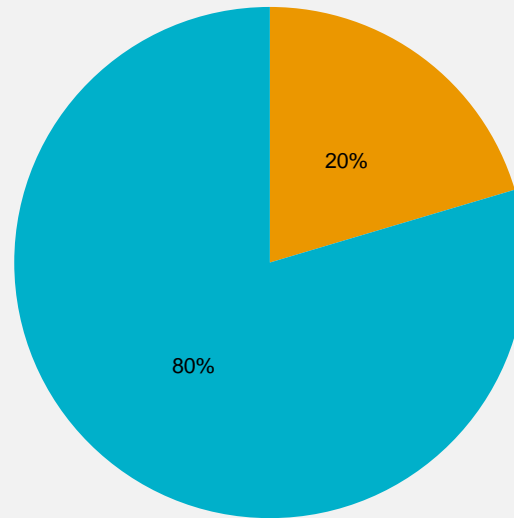
PRIORITY OF GOVERNMENT FUNDING

Prioritisation of Government funding



PREFERENCE FOR HOME VS. HOME + MOBILE

Fibre to the node vs. wireless broadband.

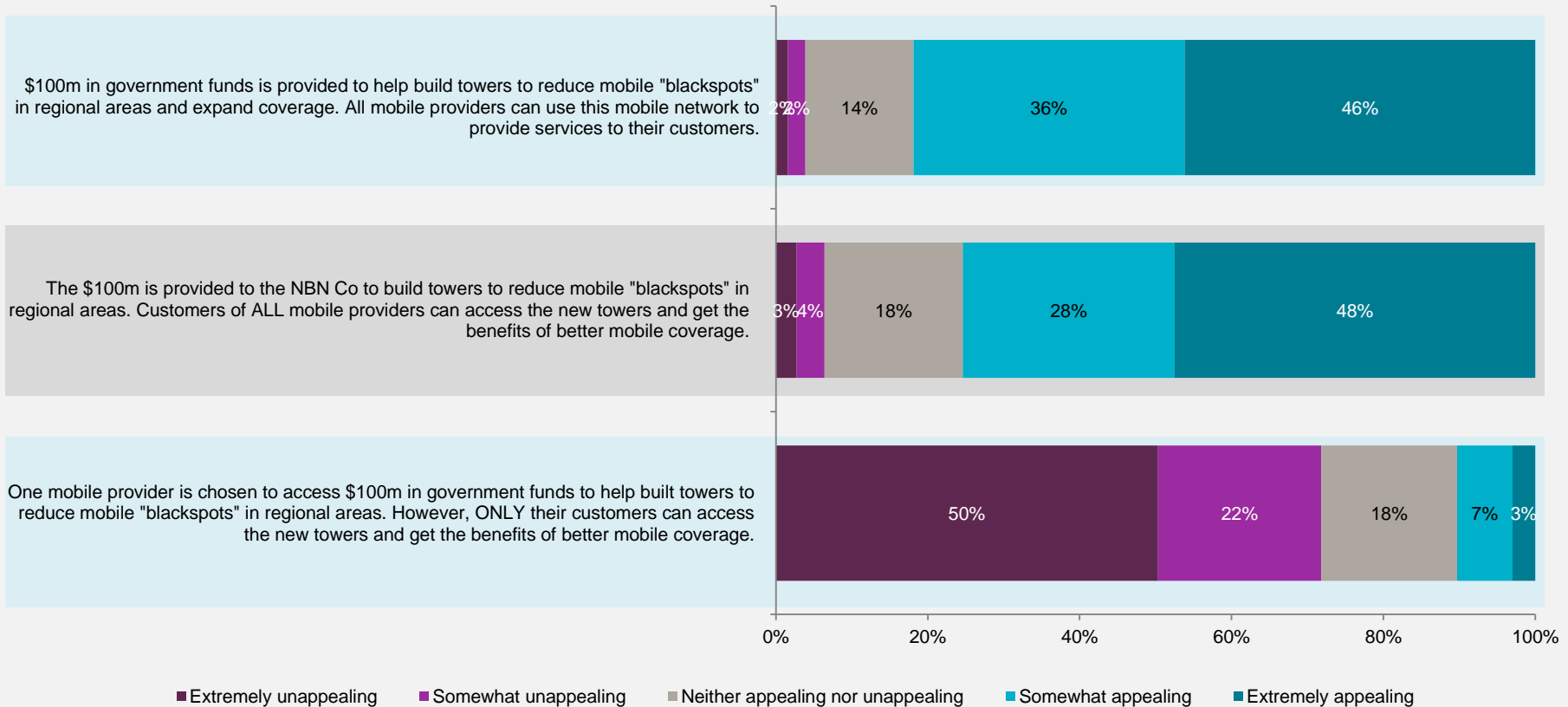


- A fibre to the node broadband that would deliver a typical speed of 25mbps to the home
- A wireless broadband solution that would deliver a typical speed of 25mbps to the home and would also deliver mobile network

Q4.7 Which of the following scenarios is MOST appealing?

ALLOCATION OF GOVERNMENT FUNDING

Preferred allocation of \$100m in Government funds



Q4.9 The current federal government has a policy of providing \$100m to increase mobile coverage in regional areas and address mobile "blackspots" (where there is no mobile coverage). Thinking about how to use those funds most effectively, how appealing or unappealing do you find each of the following options?