National Media and Infocommunications Authority • Hungary

Electronic Communication Services Usage by Households and Individuals 2018

Research summary for the National Media and Infocommunications Authority (Hungarian abbreviation: NMHH)

Ariosz Ltd.

SURVEY METHODOLOGY

A report for NMHH, the Hungarian communications regulator

Service provider: Ariosz Ltd.

Fieldwork period: 02.10.2018 – 06.11.2018

Method: Face-to-face interviews with standardised questionnaire

Sample size: 2016 households and 2016 individuals

Average length of interviews: 49 minutes

Symbols:
data referring to households

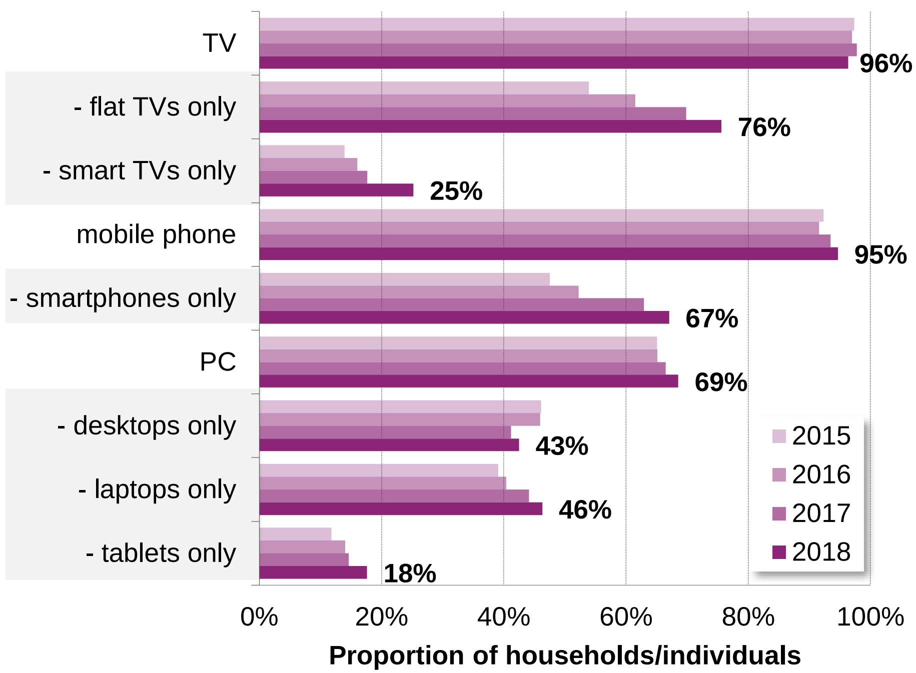
data referring to individuals

Weighting:
In case of households: by size and age distribution of the household, type of settlement, region, and area of incumbent electronic communication service provider.
In case of individuals: by age, gender, level of education, size of household, type of settlement, region, and area of incumbent electronic communication service provider.
Applied weighting method: RIM weighting (multidimensional iterative factor weighting).
Weighting is based on the national microcensus of 2016.

ICT DEVICES

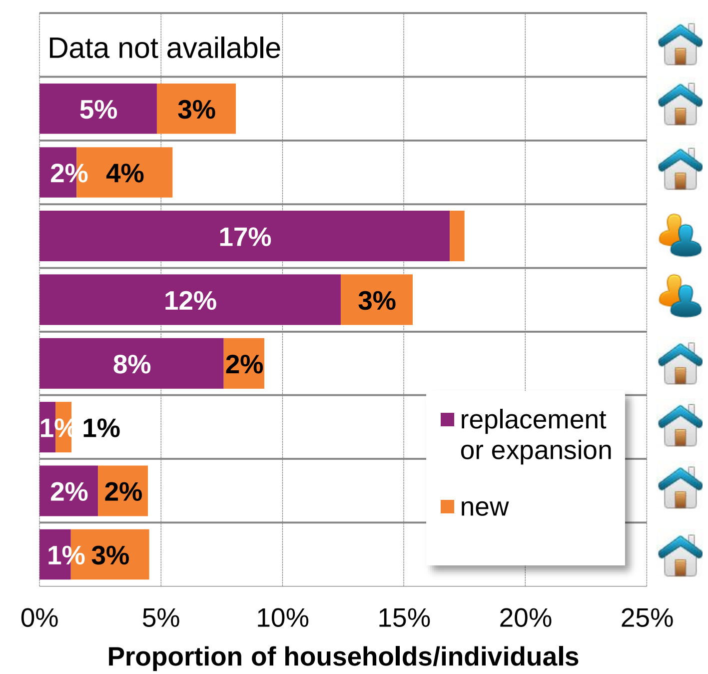
Take-up of smartphones has been increasing: two thirds of the population have already had it. 17% of respondents plan to buy a new mobile in the coming year and most of them want a smartphone.
In 2018, take-up of desktops and laptops was still almost the same in statistical terms, although, laptops will probably take the lead in the near future. 18% of households have a laptop and it may increase with 3 percentage points according to purchasing plans.

Take-up



Basis: all households and individuals aged 14+, respectively (N=4.02 million households and 8.48 million individuals, n=2016)

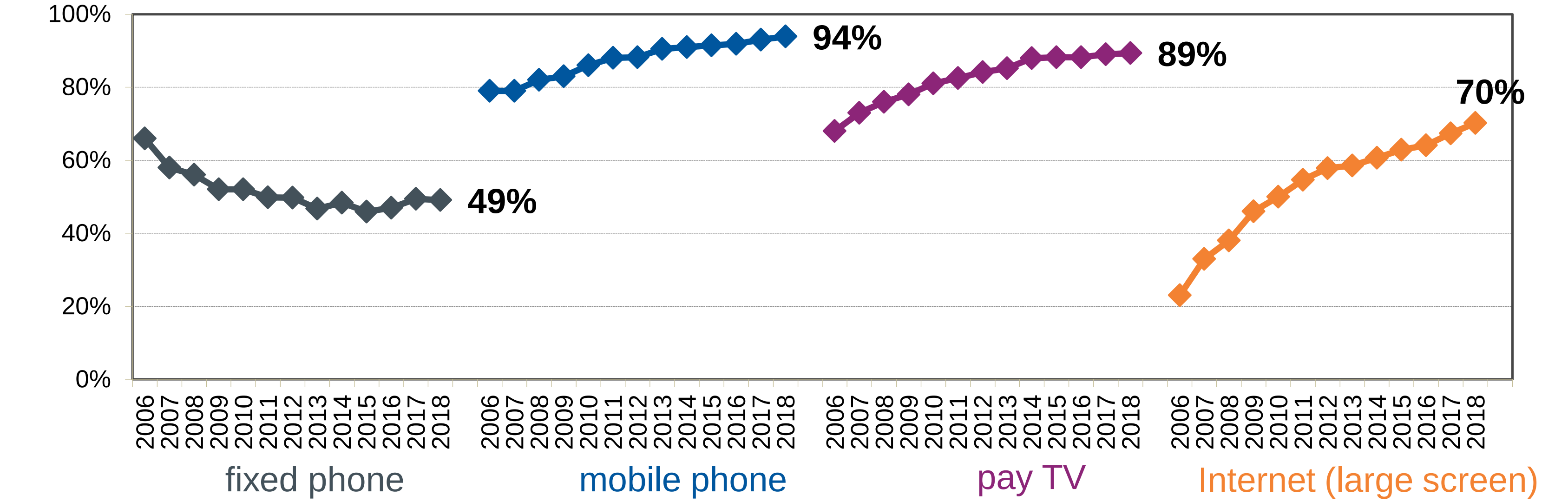
Plans to purchase



Basis: all households and individuals aged 14+, respectively (N=4.02 million households and 8.48 million individuals, n=2016)

HOUSEHOLDS WITH ACCESS TO ELECTRONIC COMMUNICATION SERVICES

The increase in penetration of mobile phones and pay TV services has basically ended while the drop in the number of subscriptions for fixed phone stopped a few years ago. The number of households with (large screen) Internet has been growing, although, since 2017, the proportion of these households has not changed in statistical terms.

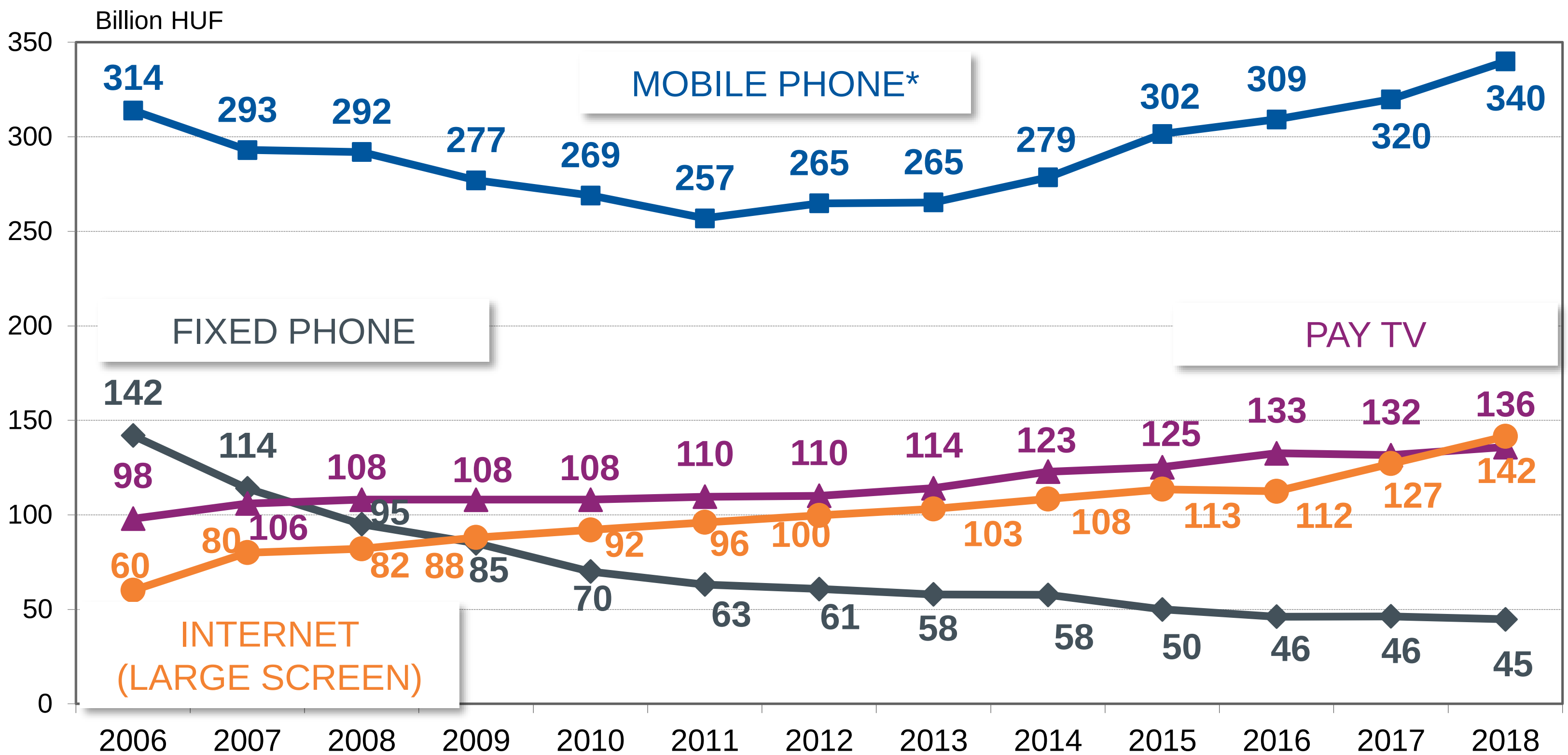


Basis: all households (N=4.02 million households, n=2016)

Number of households, million	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
fixed phone	2.66	2.33	2.24	2.10	2.08	1.99	1.99	1.92	1.99	1.88	1.93	1.99	1.97
mobile phone	3.15	3.17	3.17	3.33	3.44	3.52	3.53	3.71	3.73	3.76	3.78	3.74	3.77
pay TV	2.63	2.82	2.94	3.11	3.23	3.30	3.37	3.50	3.61	3.62	3.62	3.58	3.59
Internet	0.93	1.33	1.49	1.86	2.00	2.19	2.31	2.40	2.49	2.58	2.63	2.71	2.82

SIZE OF THE ELECTRONIC COMMUNICATIONS MARKET (2006-2018)

In 2018, while the size of fixed telephony market was stagnating and pay TV market grew slightly, mobile telephony and large screen Internet markets increased considerably.



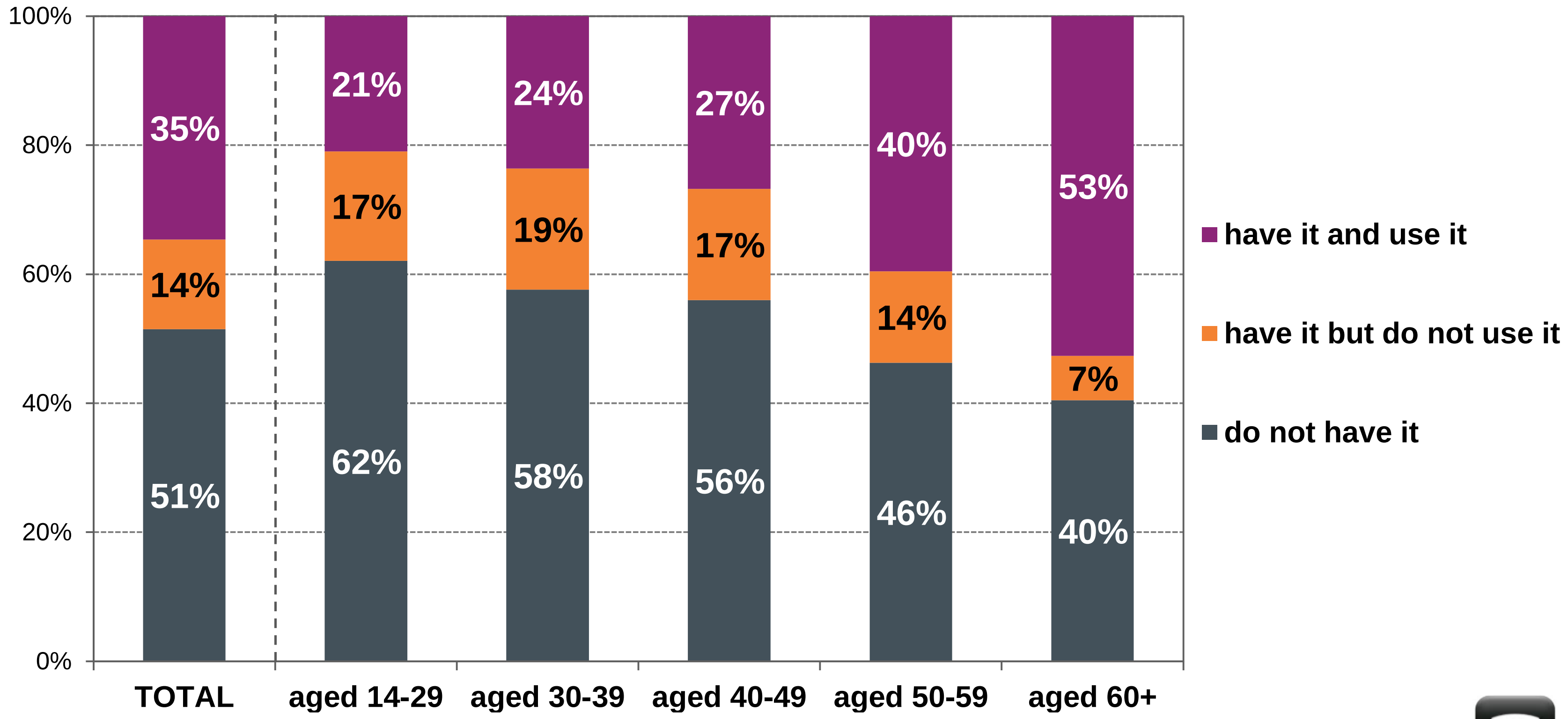
Basis: all households (N=4.02 million households, n=2016)

*Average of monthly spending of households on mobile services, i.e. when consumers could not separate their spending on voice and small screen Internet services, these are added together

Size of the residential market was 662 billion HUF in 2018. (2016: 600, 2017: 625)

SUBSCRIPTION AND USAGE OF FIXED PHONE BY AGE GROUPS

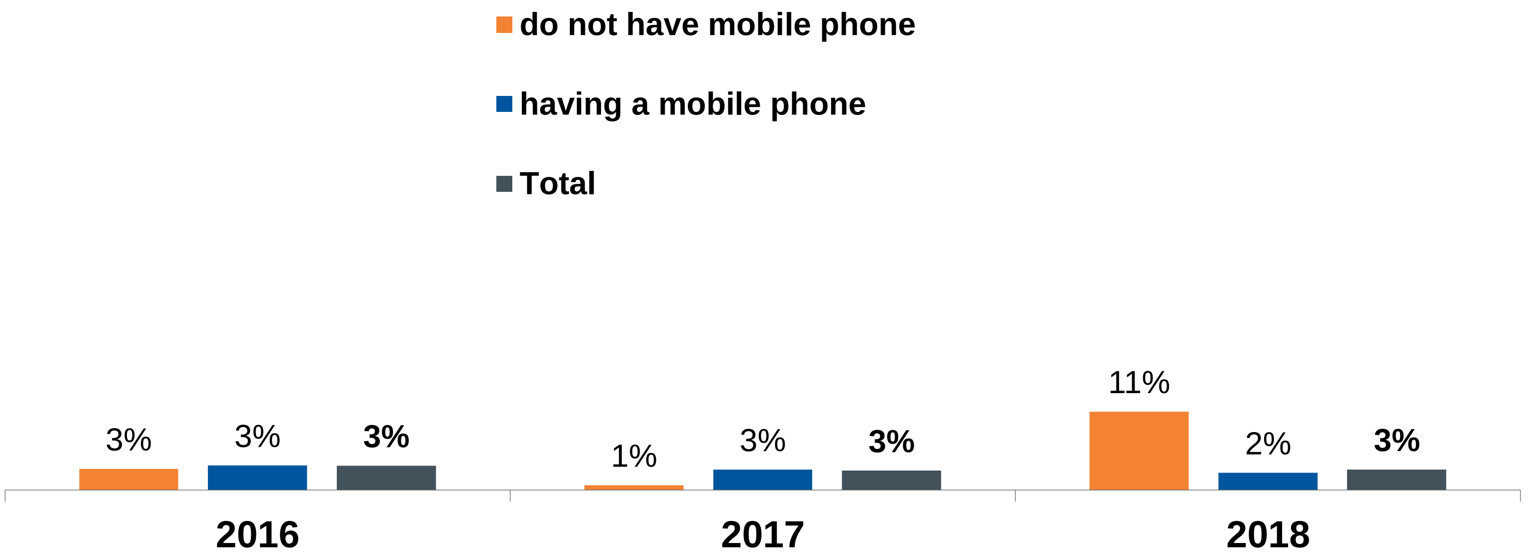
51% of the population aged 14+ live in a household without fixed phone service and another 14% subscribe for this service but do not use it. While nearly half (45%) of people under 30 have fixed phone but never use it, only 12% of subscribers aged 60+ do not use their fixed phone service.



Basis: all individuals aged 14+ (N=8.48 million; n=2016)

USE OF PUBLIC TELEPHONES

3% of people aged 14+ used public telephone in the previous 6 months. It did not change in the last 2 years. In 2018, a considerable difference can be seen between mobile users and people without mobile phone: the latter group used public telephones more often (11%) than people having a mobile phone.

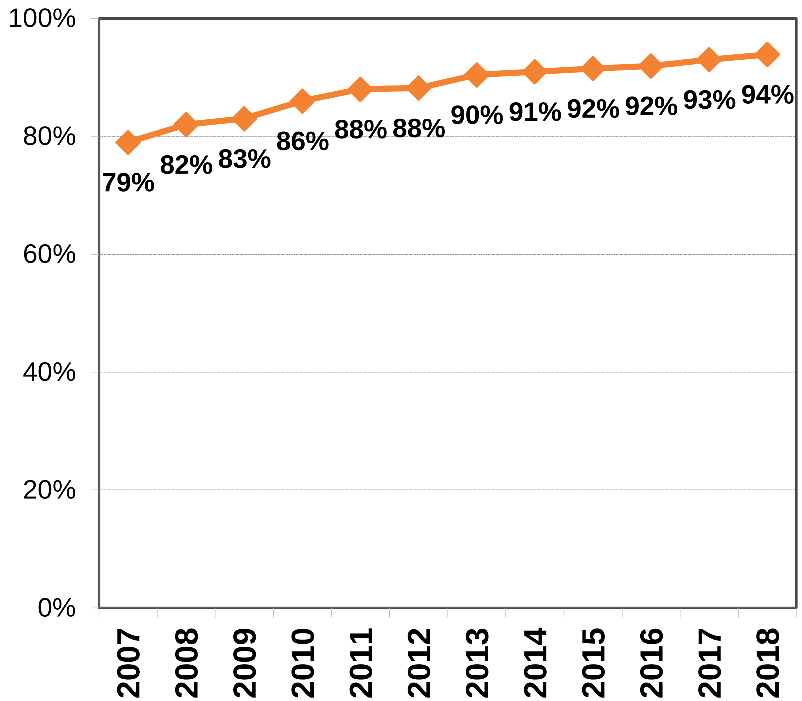


Basis: all individuals aged 14+ (N=8.48 million, n=2016); individuals with mobile phone (N=8.03 million, n=1852); individuals without mobile phone (N=452,000, n=164)

MOBILE PHONE: TAKE-UP

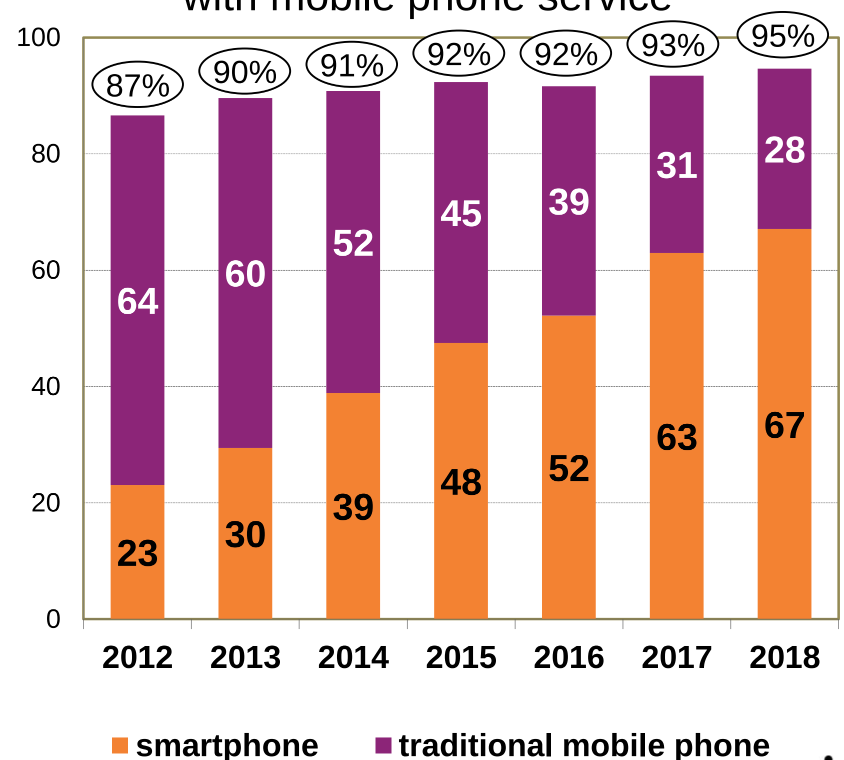
An increase in the take-up of mobile phone service can be noted compared to 2014 as 94% of households have at least one mobile phone by now. Proportion of smartphones has been growing rapidly in the previous years, and as a result, two-third of mobile users have a smartphone in 2018.

Households with mobile phone service



Basis: all households (N=4.106 million households, n=2016)

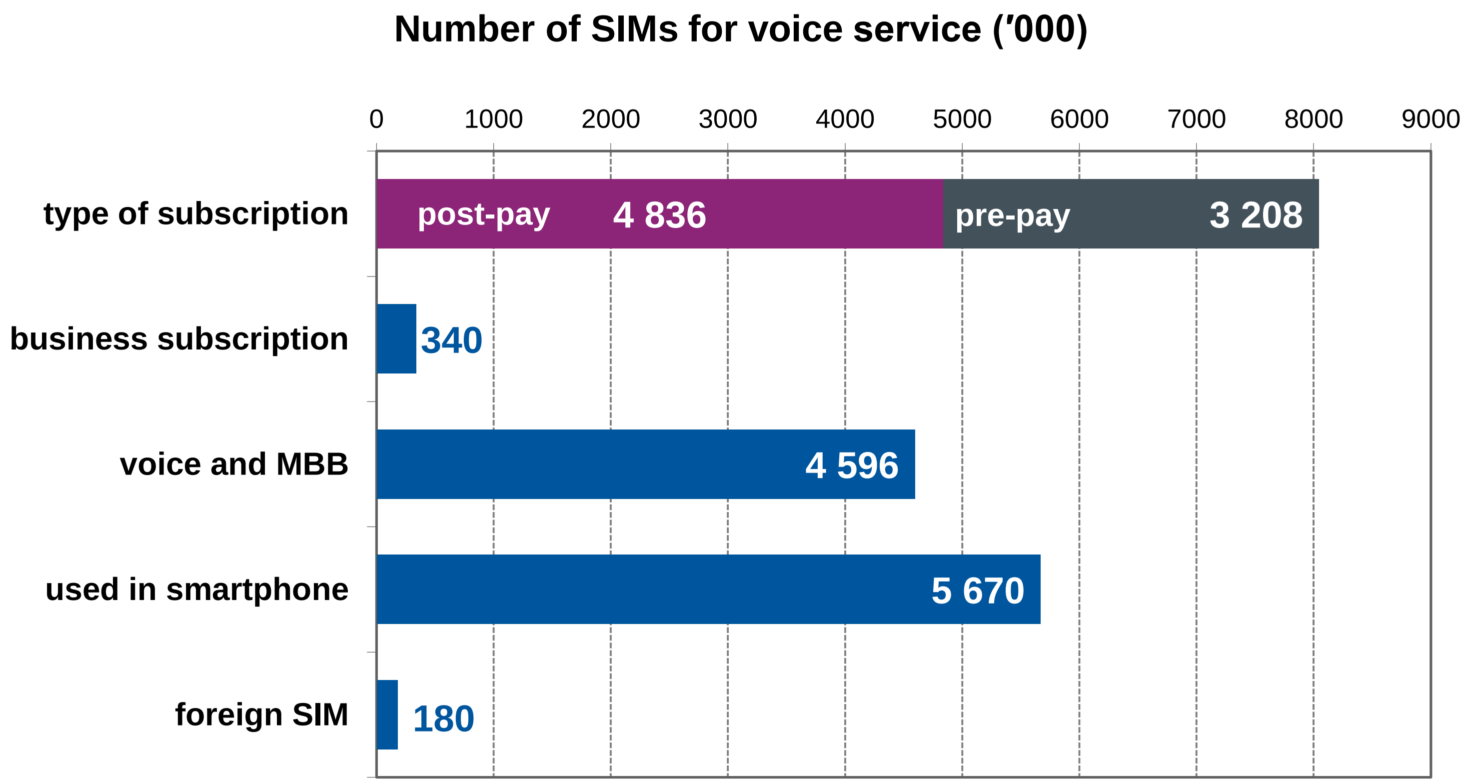
Individuals with mobile phone service



Basis: all individuals aged 14+ (N=8.59 million, n=2016)

SUBSCRIPTION FOR MOBILE PHONE

In 2018, both voice and MBB services have already been activated on 4.6 million SIMs while 5.7 million cards are used in smartphones. There are 340 thousand business subscriptions in the households. In 2018, the number of foreign SIMs has increased to 180,000.

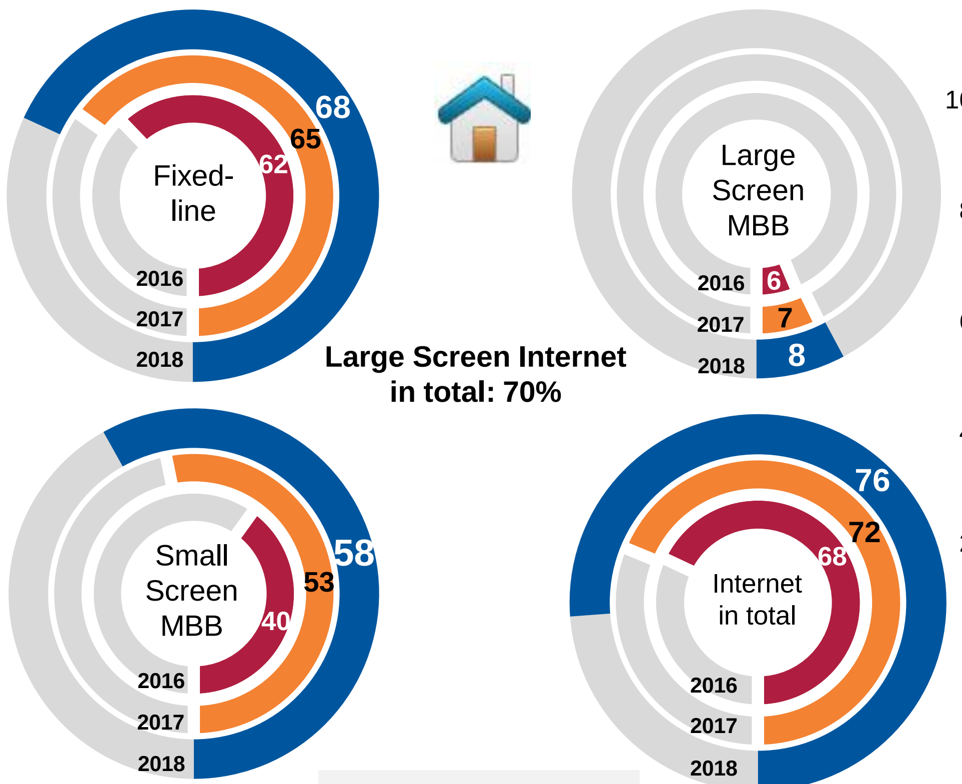


Basis: all subscriptions for mobile phone (N=8.04 million)

INTERNET: DIGITAL MATURITY

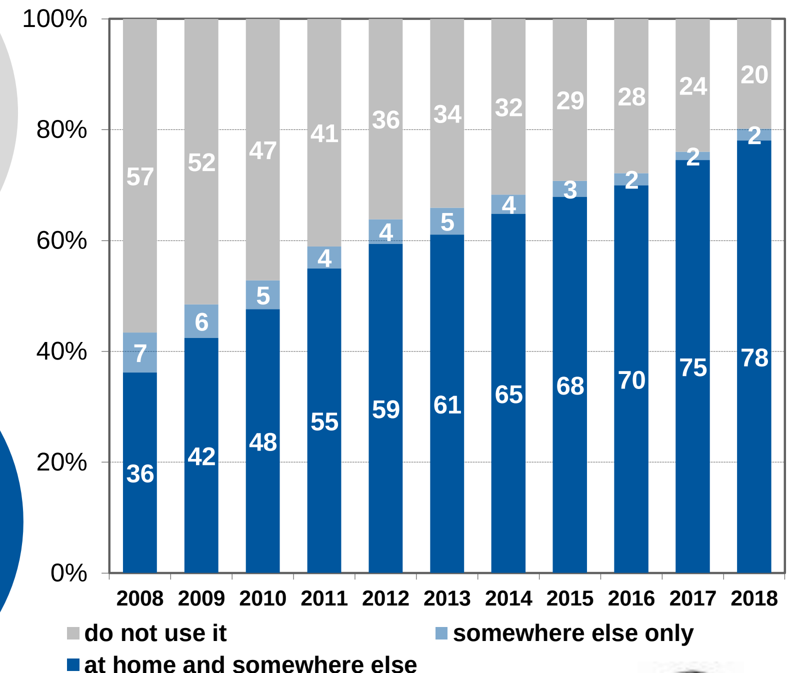
In 2018, the number of households with Internet access could still grow: three-quarter have Internet service at home. Penetration of small screen MBB has also increased significantly with 5 percentage points to 58% this year. A reason behind this may be that most new mobile offers provide voice and MBB in bundle. Proportion of Internet users has constantly increased and reached 80% by 2018.

Internet access in the households



Basis: all households (N=4.02 million; n=2016)

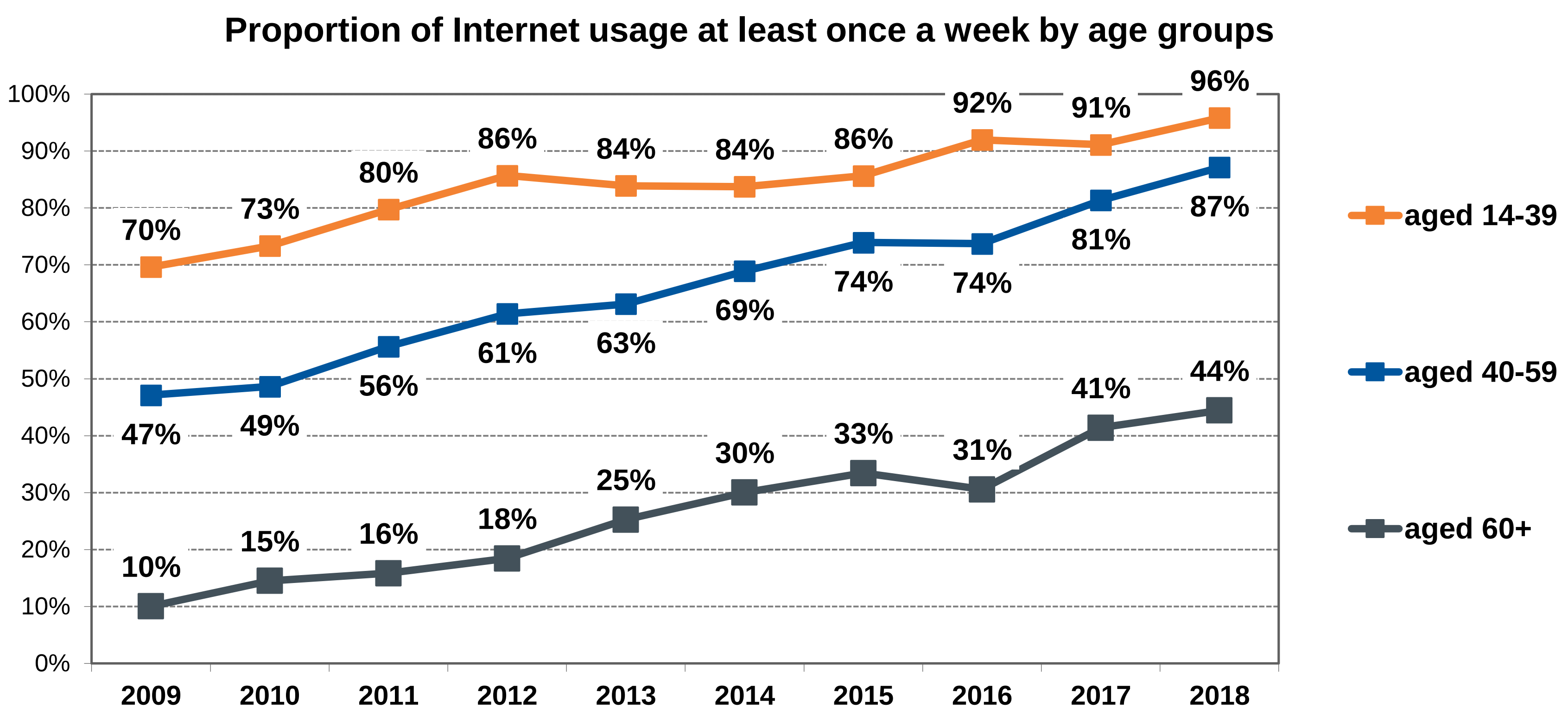
Place of large screen Internet usage



Basis: individuals aged 14+ (N=8.481 million; n=2016)

INTERNET USAGE AT LEAST ONCE A WEEK

Proportion of people aged 14-39 accessing the Internet at least on a weekly basis is over 90%. The number of frequent Internet users among middle-aged people has grown significantly with 6 percentage points to 87%. 44% of the elderly use the Intrenet weekly.

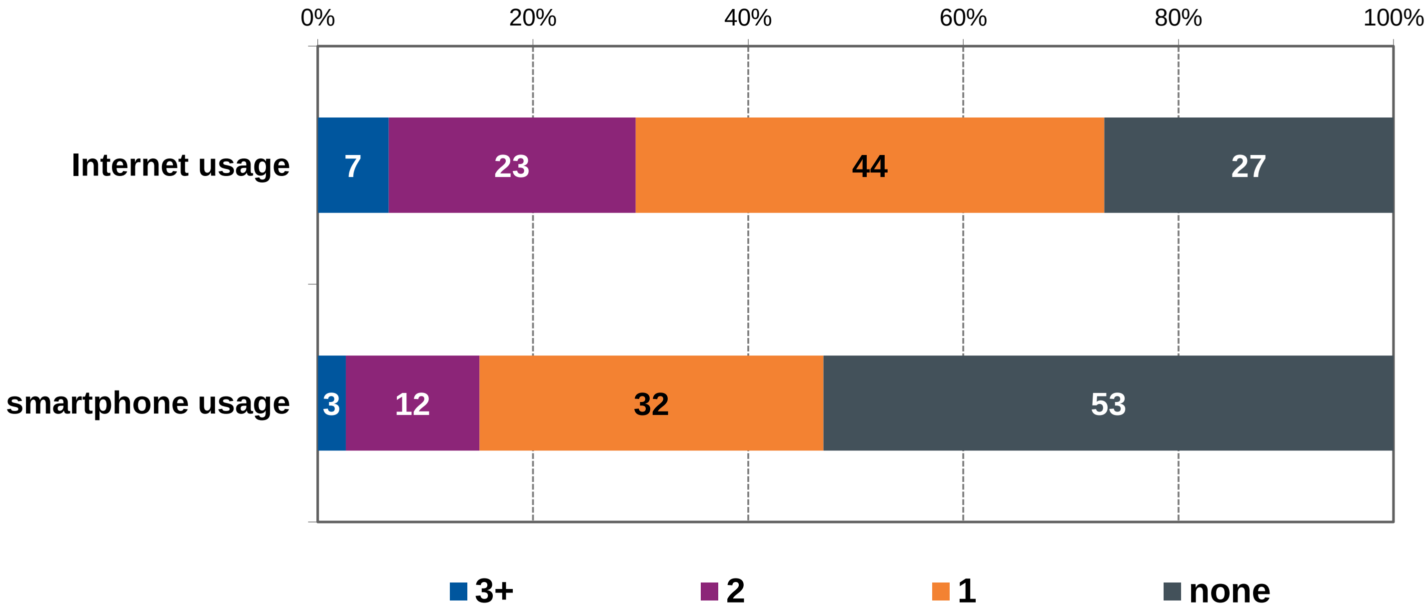


Basis: individuals aged 14+ (N=8.481 million; n=2016)

INTERNET AND SMARTPHONE USAGE AMONG CHILDREN

In 73% of households with a member aged 0-18 at least one child uses the Internet on any device while in 47% at least one child has a smartphone. 66% of people under 19 (1.2 million) use the Internet and 38% (692,000) use a smaprthone.

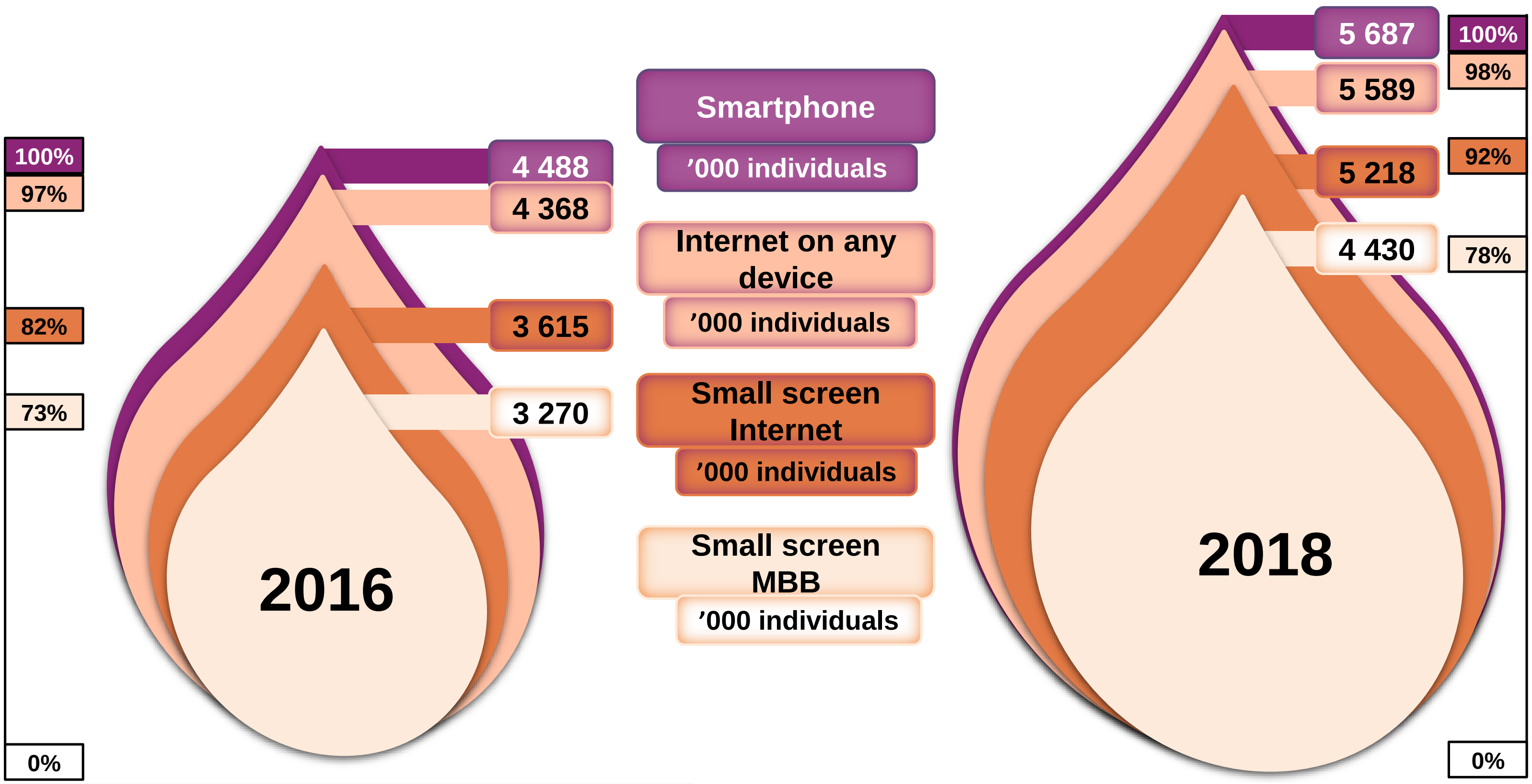
Number of children aged 0-18 using the Internet / smartphone in the household?



Basis: households with a member aged 0-18 (N=1.074 million, n=455)

INTERNET AND SMARTPHONE USAGE AMONG ADULTS

About all (98%) of smartphone users access the Internet by any device and any technology. 92% of smartphone users browse the Internet via their phone and 78% of them use MBB. More smartphone users access the Internet with their mobile by wifi or MBB compared to 2016.



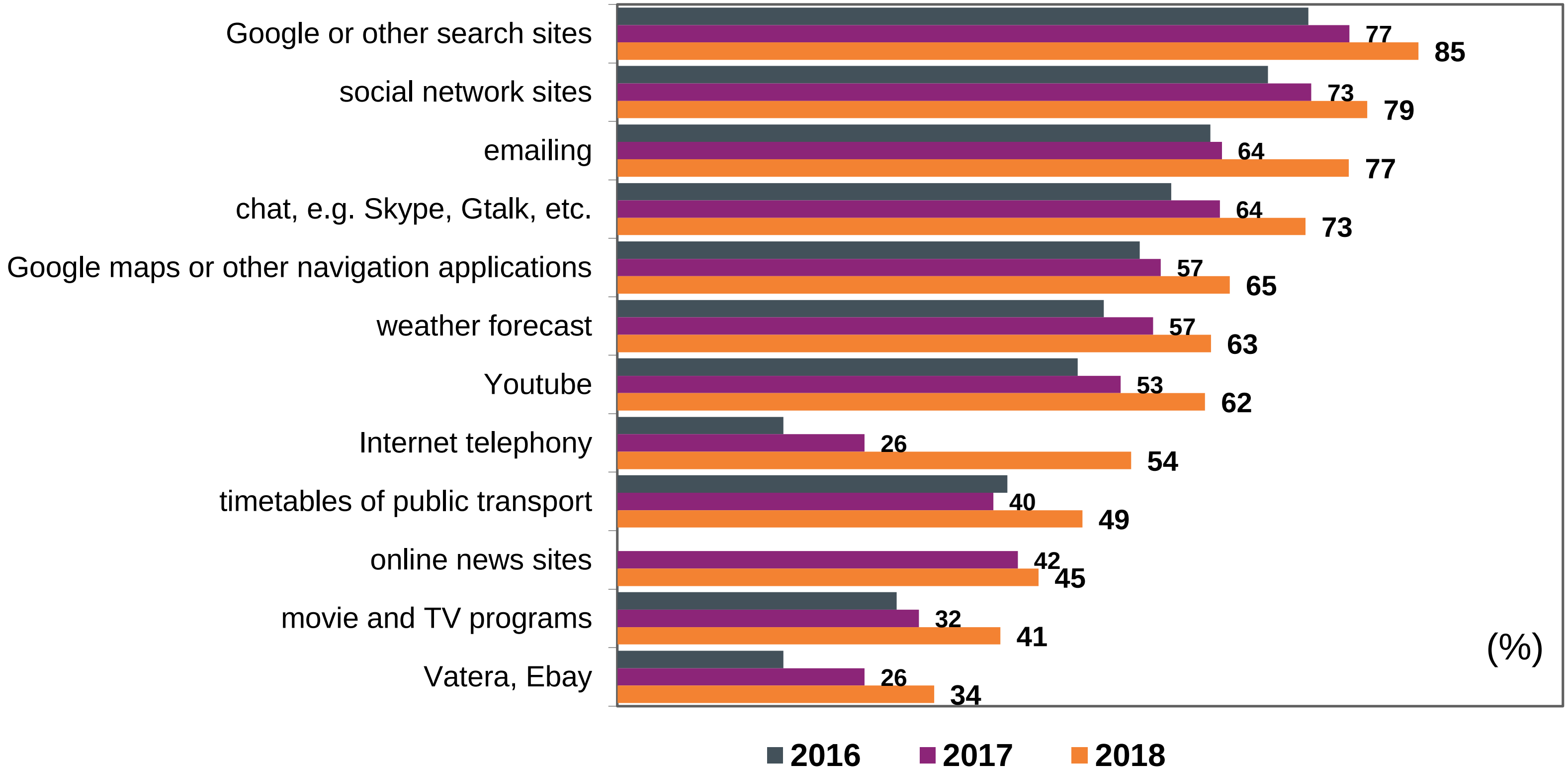
Basis: smartphone users (N=4.49 million; n=787)

Basis: smartphone users (N=5.687 million; n=1175)

INTERNET USAGE ON SMARTPHONES

Since 2017, in generally speaking, the use of all apps and sites has increased, so smartphone users use their device more actively. The most widespread activities are still browsing, social networking, and emailing. Besides, use of Internet telephony and online marketplaces has also grown significantly.

In general, do you use the following applications and sites on your mobile phone?

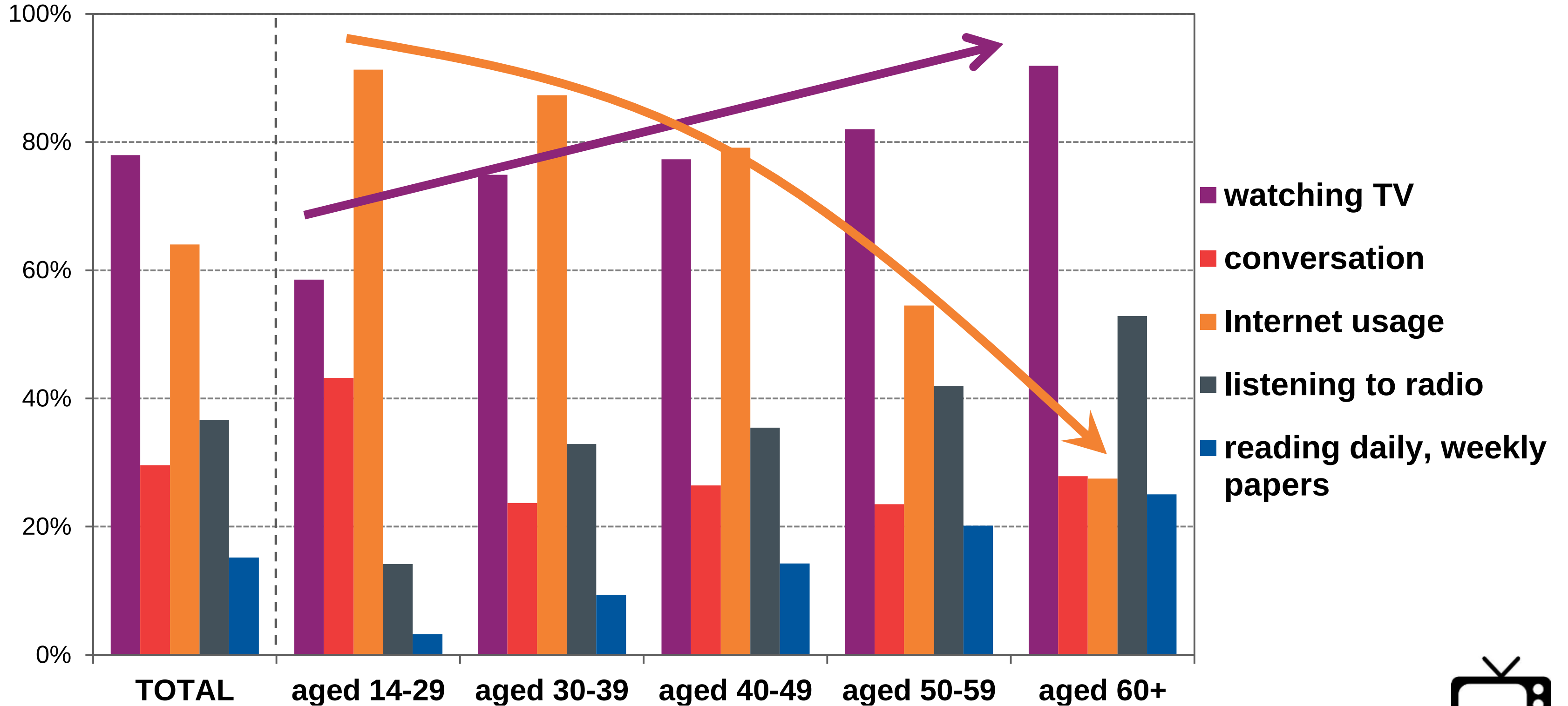


Basis: smartphone users aged 14+ (N=5.687 million; n=1175)

LEISURE TIME ACTIVITIES

Regarding some leisure activities done on a daily basis, watching TV is the most widespread, however, people under 50 use the Internet more often or as often as watching TV. 91% of people aged 14-29, 87% of people aged 30-39, 79% of people aged 40-49 while only 28% of people aged 60+ use the Internet daily. In contrast, more people aged 60+ read newspapers and listen to the radio than the youth do.

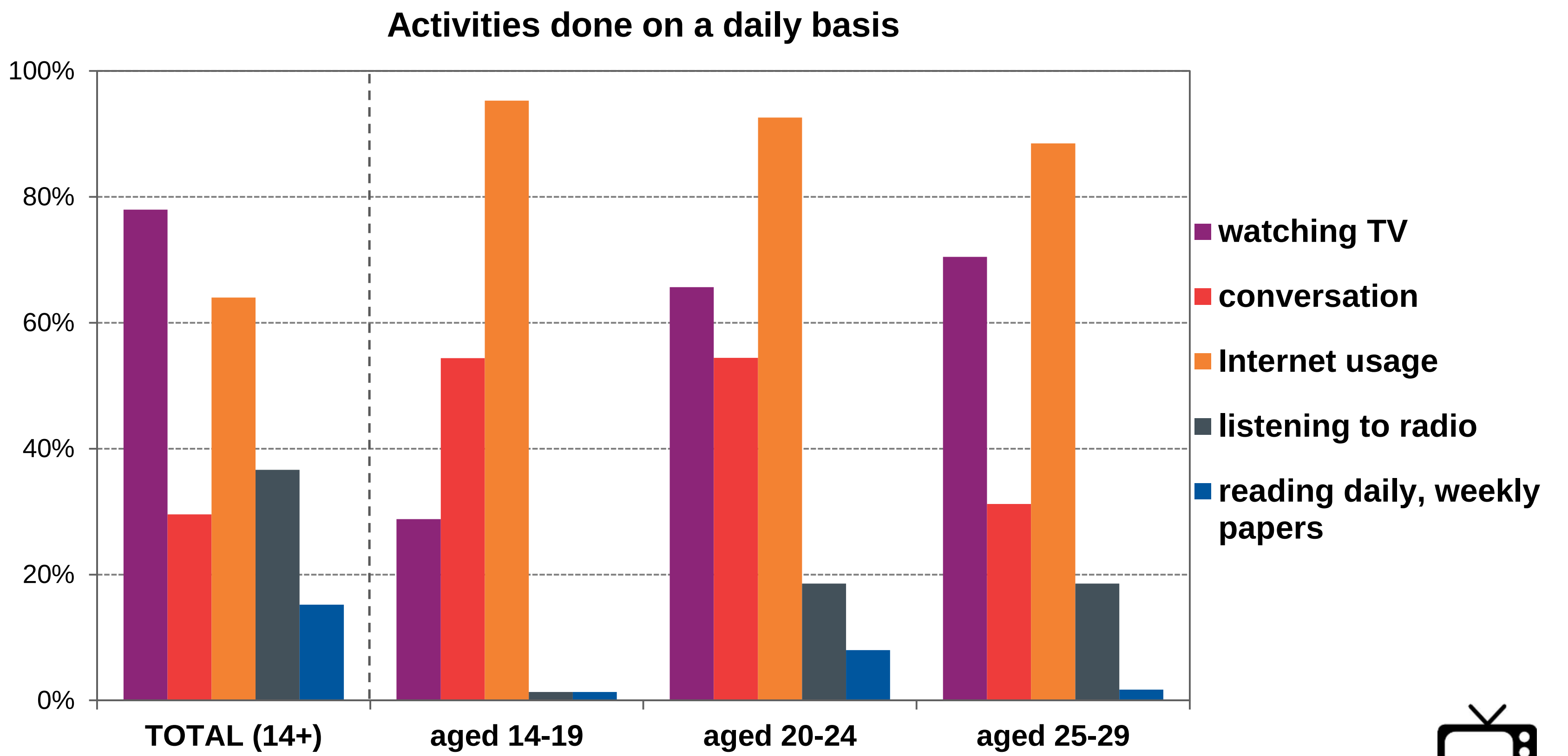
Activities done on a daily basis



Basis: individuals aged 14+ (N=8.48 million; n=2016)

LEISURE TIME ACTIVITIES AMONG THE YOUTH

Taking a closer look on communication habits of the youth (under 30), a considerable difference can be noticed between people under and over 20. Hardly any people under 20 listen to the radio or read the press and much less watch TV every day compared to people 20+. All young people prefer the Internet to TV, but these two activities become closer in older youth groups.

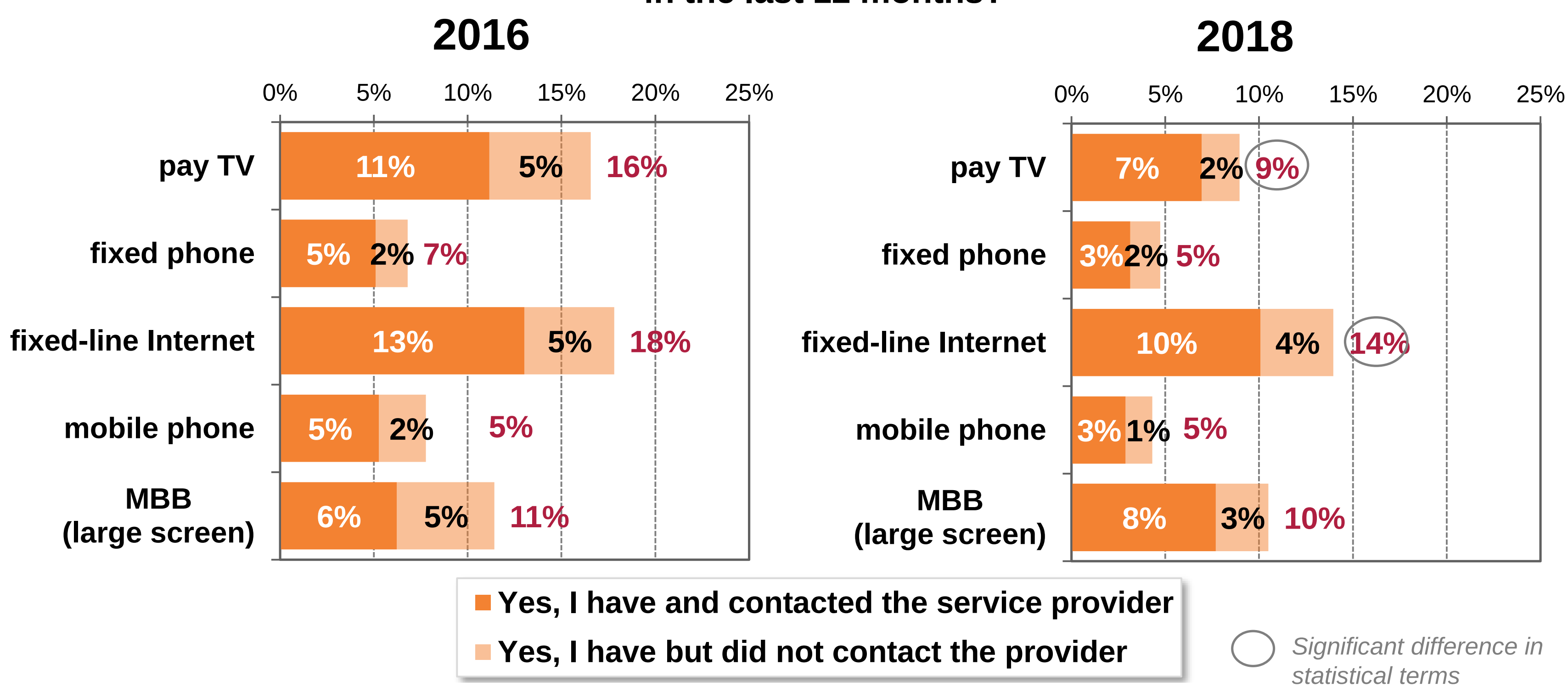


Basis: individuals aged 14+ (N=8.48 million; n=2016)

CONSUMER COMPLAINTS BY MARKET SEGMENTS

17% of households experienced some kind of problems with electronic communication services during the last 12 months (19% in 2016). In 2018, less consumers complained about their TV and fixed-line Internet service compared to 2016. Most problems were perceived in relation to fixed-line Internet services. The majority of subscribers contacted their service provider in case of a problem, just as it was the case the year before.

Have you experienced any problem when using the following services in the last 12 months?

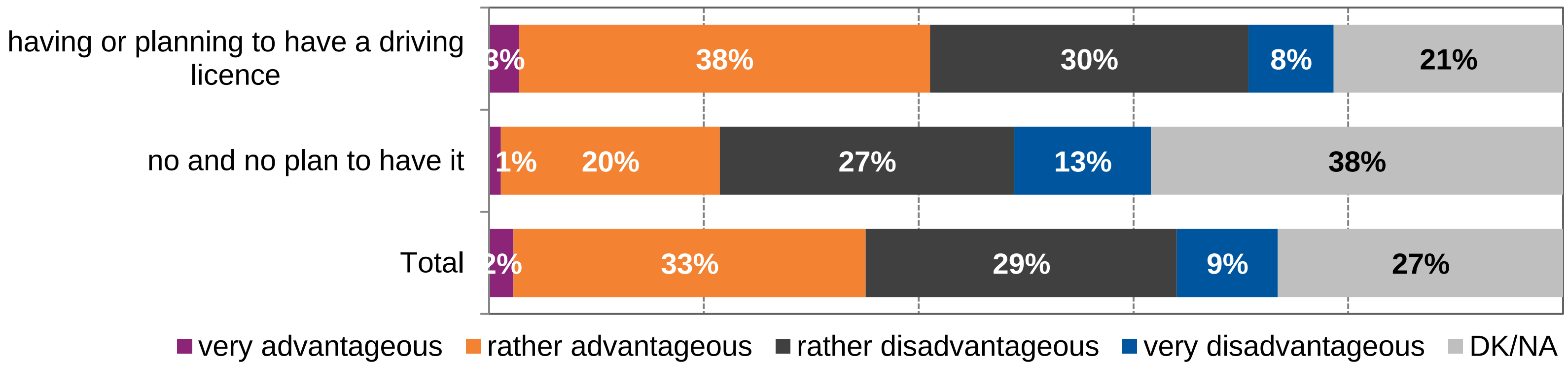


Basis: households having the given service

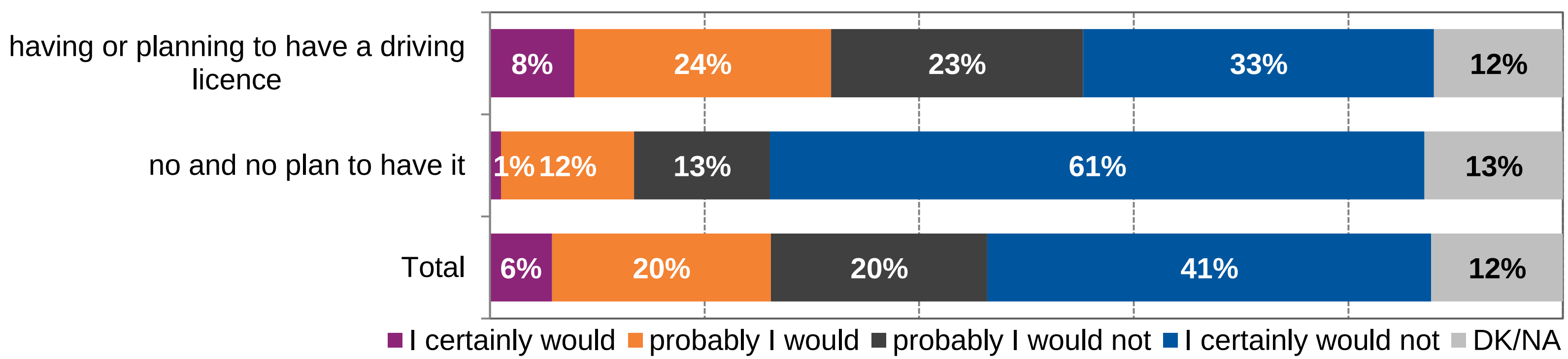
SMART CAR – POSSIBLE ACCEPTANCE

About the same proportion of people think the spread of smart cars to be advantageous than to be disadvantageous, although, many people could not form an opinion about this question (mostly people without driving licence). However, only one third of present and potential car drivers would use a self-driving smart car if they had the opportunity.

If driverless self-driving cars become widespread, in generally speaking, will it be rather adventageous or rather disadvantageous for people?



If you had the opportunity, would you use a driverless self-driving smart car like this*?



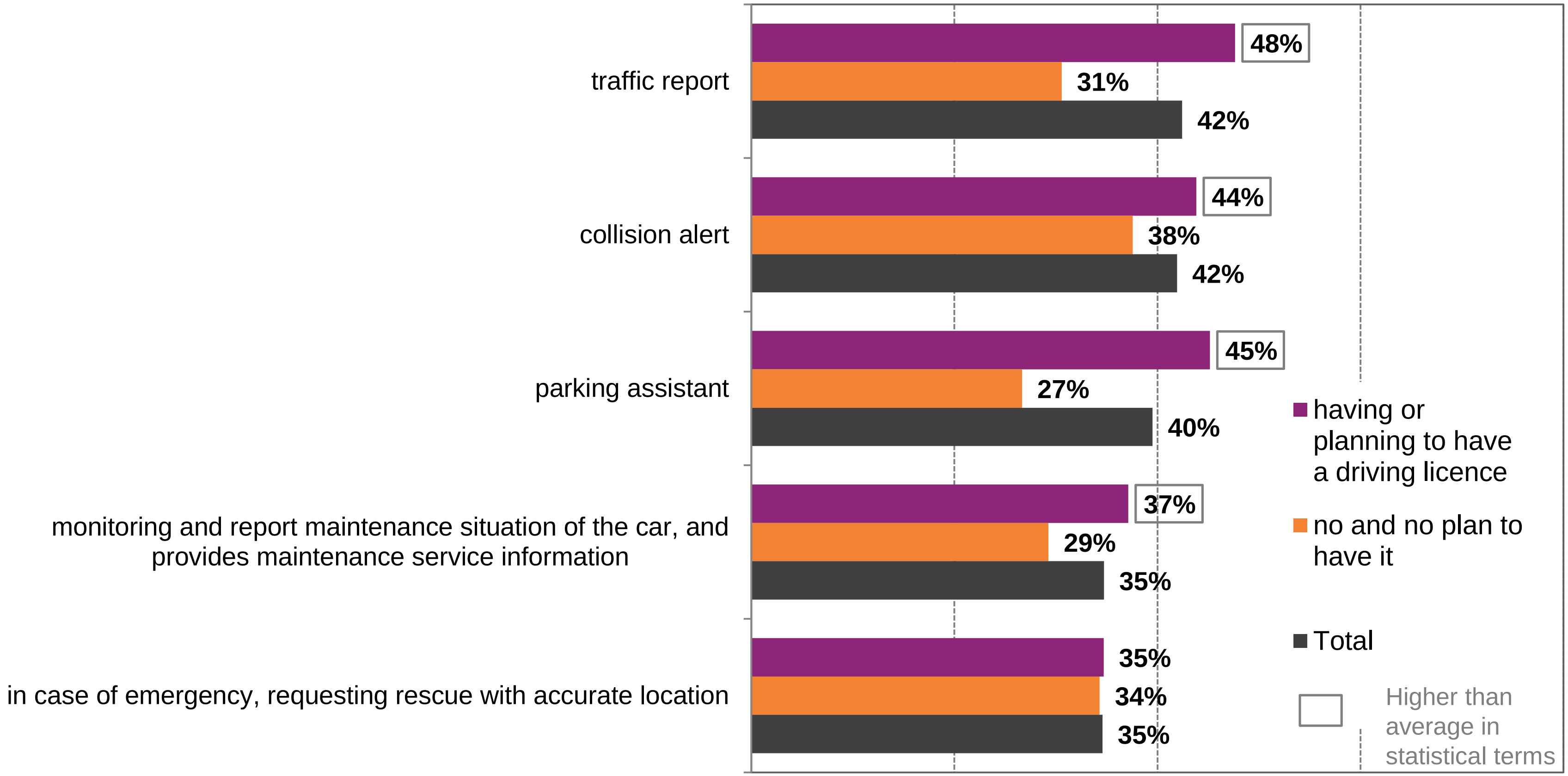
Basis: individuals aged 14+ (N=8.48 million; n=2016)

*Before this question, several characteristics and possible effects of smart cars from different angles were explained for respondents of the survey

SMART CAR – THE 5 MOST IMPORTANT FEATURES

Respondents had to choose the 5 most important functions of smart cars from a list of 20. People said traffic alert, collision alert, and parking assistant to be the most important features. Comfort services and the self-driving function itself seem to be less important for Hungarians.

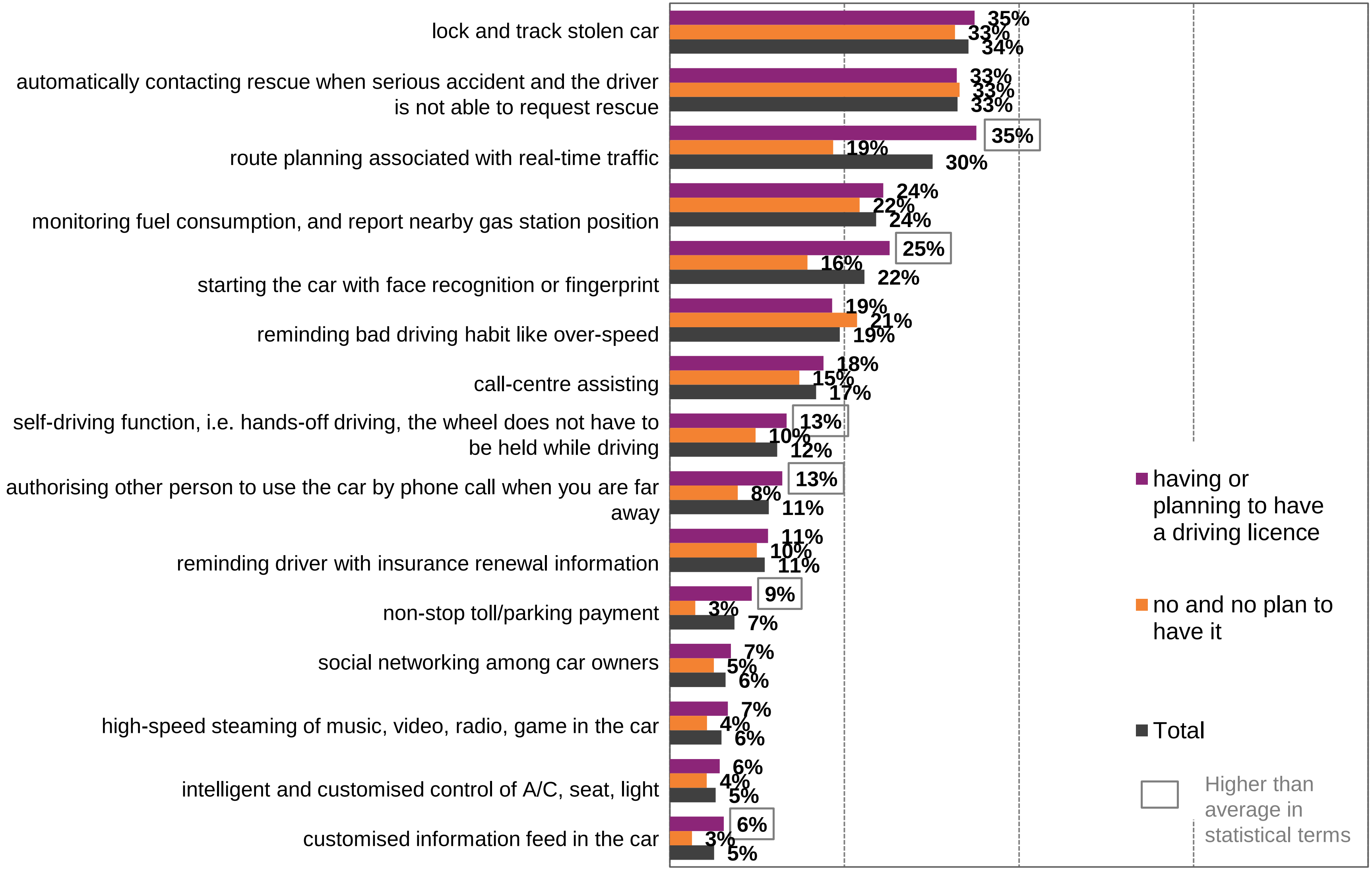
The 5 most important functions of smart cars



Basis: individuals aged 14+ (N=8.48 million; n=2016)

SMART CAR – OTHER FUNCTIONS

Other important functions of smart cars

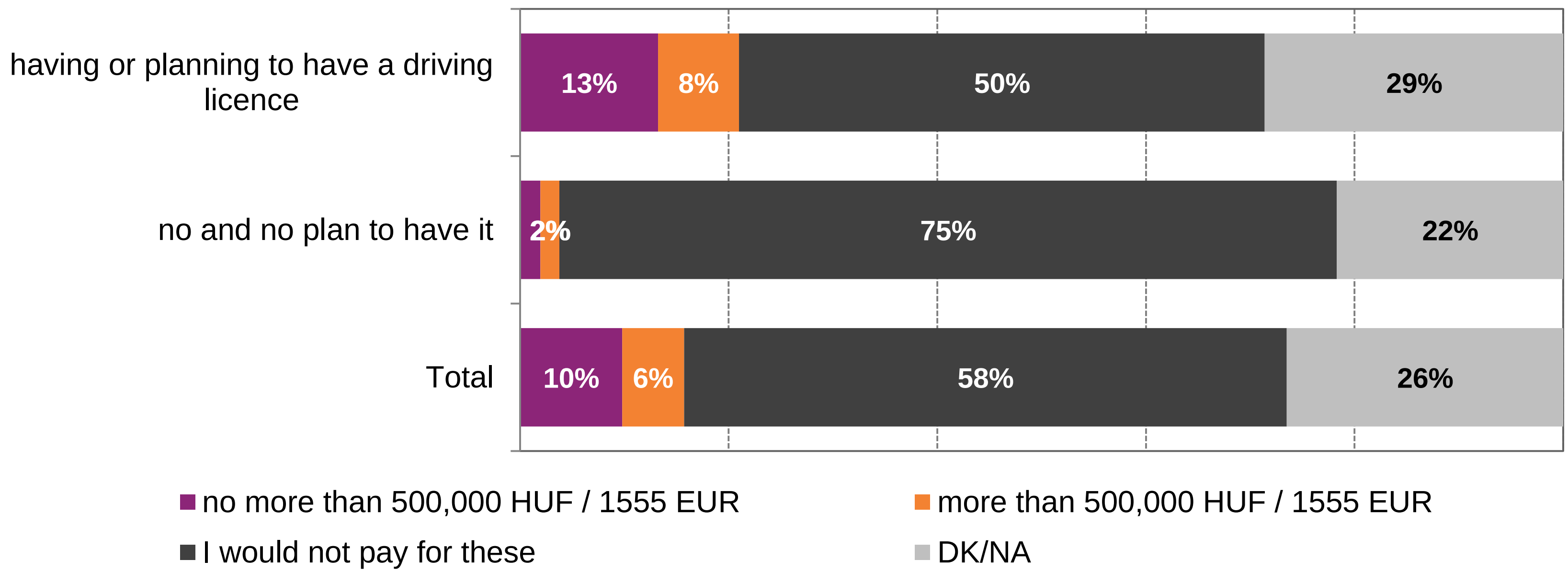


Basis: individuals aged 14+ (N=8.48 million; n=2016)

SMART CAR – WILLINGNESS TO PURCHASE

Only 16% of the population aged 14+ would pay for the special features of smart cars, although, two-third of them would not pay more than 500,000 HUF, i.e. 1555 EUR. More people having or planning to have a driving licence would pay (21%), however, 50% of present and potential drivers would not pay for the functions of a smart car.

How much would you pay for a car with these 5 most important functions you mentioned at the previous question?



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