

Discover your *edge*

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1 in 5 smartphone users often go over their data limits

Do you often bite off less than you can chew? It's halfway through the month and you're halfway home on the train and halfway through a video—and (yet again) you stream right past whatever data limit you figured should surely be enough. You're not alone: three million Australian smartphone users aged 14+ (19% of them) often go over their mobile data limit, Roy Morgan Research shows.

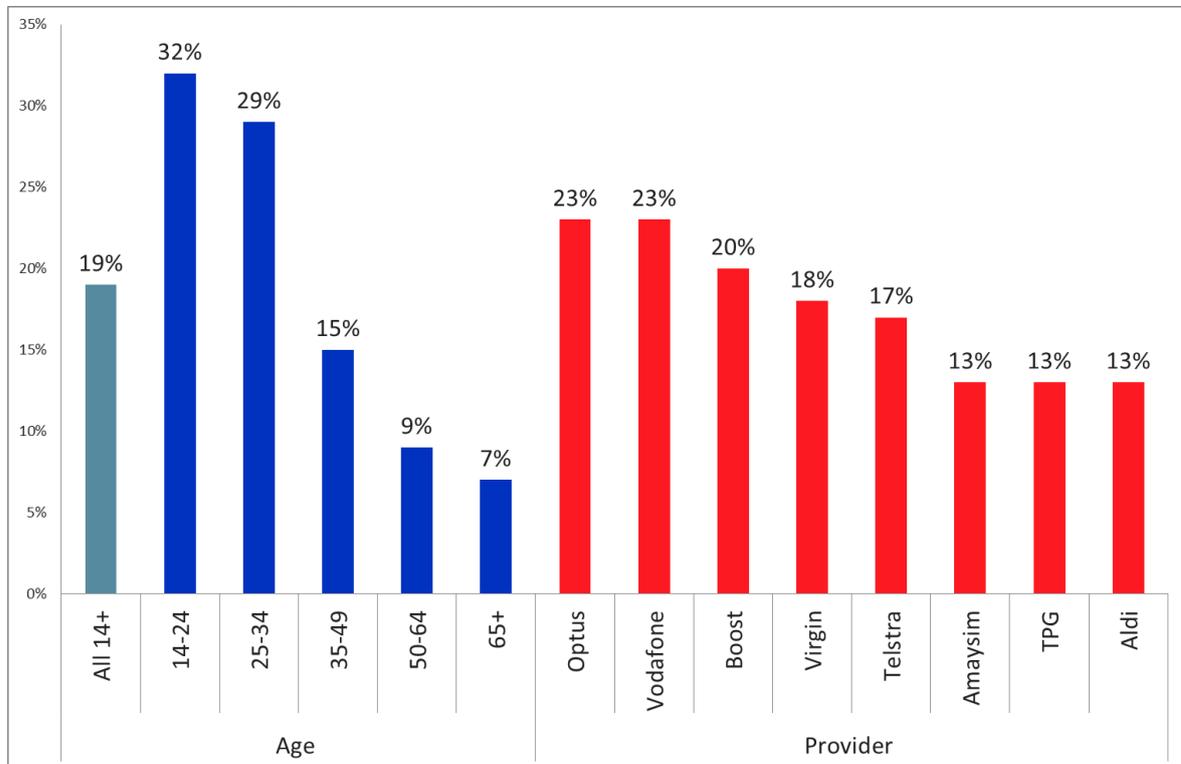
Almost a third of smartphone users aged 14-24 (32%), and almost as many aged 25-34 (29%), often find they've taken their last byte too soon. This tendency to go over the limit drops sharply among smartphone users aged 35-49 (15%), and continues to decline with age.

But mobile data consumption isn't really about how old people are, more how they use the device. Younger people just tend to get the most out of their smartphones, doing a wide range of internet activities, including those that consume a lot of data.

Younger smartphone users (aged 14-34) are over eight times more likely than their 50-plus counterparts to be streaming video or music on their smartphones. So it's no surprise that so many often go over the data limit.

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Percent of smartphone users by Age and Provider who often go over their data limit



Source: Roy Morgan Single Source Australia, July 2015 – June 2016 n = 10,145 Australian smartphone owners 14+

Over three in five Australians aged 50-plus now use a smartphone, but nearly *half* of them still treat the device like a regular old dumb phone: only 55% do *any* internet activities at all via their smartphone in an average four weeks. What a waste of perfectly good data limits!

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Consequently, only 9% of smartphone users aged 50-64 and 7% of those aged 65-plus often exceed their data limits.

There's also some variation in how many of each providers' customers say they often go over their data limit. Smartphone users connected with Optus or Vodafone are the most likely (23%), and those with Boost are also a bit more likely than average (20%).

18% of smartphone users with Virgin often run out of allocated data, ahead of 17% of those with Telstra. Smartphone customers of Amaysim, TPG and ALDI Mobile are least likely to say they often go over the data limit (13%).

Michele Levine, CEO – Roy Morgan Research, says:

"As smartphone usage ballooned, especially on the 4G network, so too did usage of data-heavy service like video streaming. In 2014, the Telecommunications Industry Ombudsman reported that consumer complaints about excess data charges were on the rise—but a year later they had declined dramatically.

"Mobile service providers had cottoned on that predatory billing wasn't doing them any favours in a competitive market, and that finding solutions to 'bill shock' was as much in their own interests as their customers' long-term.

"Optus led the way in mid-2013, moving to a flat \$10 rate for an extra gigabyte of data on eligible plans rather than a per-megabyte charge up to 25 times higher. The next network owner to change its excess data charge was Vodafone, and customers with these two providers are now the most likely to say they often go over their limit (and perhaps pay the provider an extra \$10 of revenue without feeling gouged). Conversely, it may well be that those with Amaysim, TPG or Aldi Mobile are being extra-careful with their data because of a greater concern about extra usage charges.

"The \$10 top-up is now the industry standard (with varying terms across providers), with a range of add-on data packs and data-sharing options also available.

"20% of smartphone owners say a bigger data allowance was one of the reasons they chose their current mobile service provider. Among those who switched provider in the past year, data allowance was an even bigger issue: one in three switchers cite the size of their data allowance as a reason.

"Now that four in five Australians have a smartphone, there's few new market entrants left to win. Customer satisfaction, reasons for choosing and switching, and mobile service usage habits and data allowance needs are the issues that the providers need to monitor consistently and understand in-depth if they want to win, keep, and upsell customers."

To learn more about Roy Morgan's telecommunications data please call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com

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