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## Mobile phone competition heats up in Sydney CBD

Competition among the major mobile phone providers for Sydney CBD workers has intensified with the recent opening of the new Vodafone store next to the Optus Flagship store and the nearby Telstra store. Although Telstra dominates the mobile phone market across Australia, Vodafone remains the top mobile phone provider among workers in the Sydney CBD, followed by Telstra, Optus and a group of smaller players.

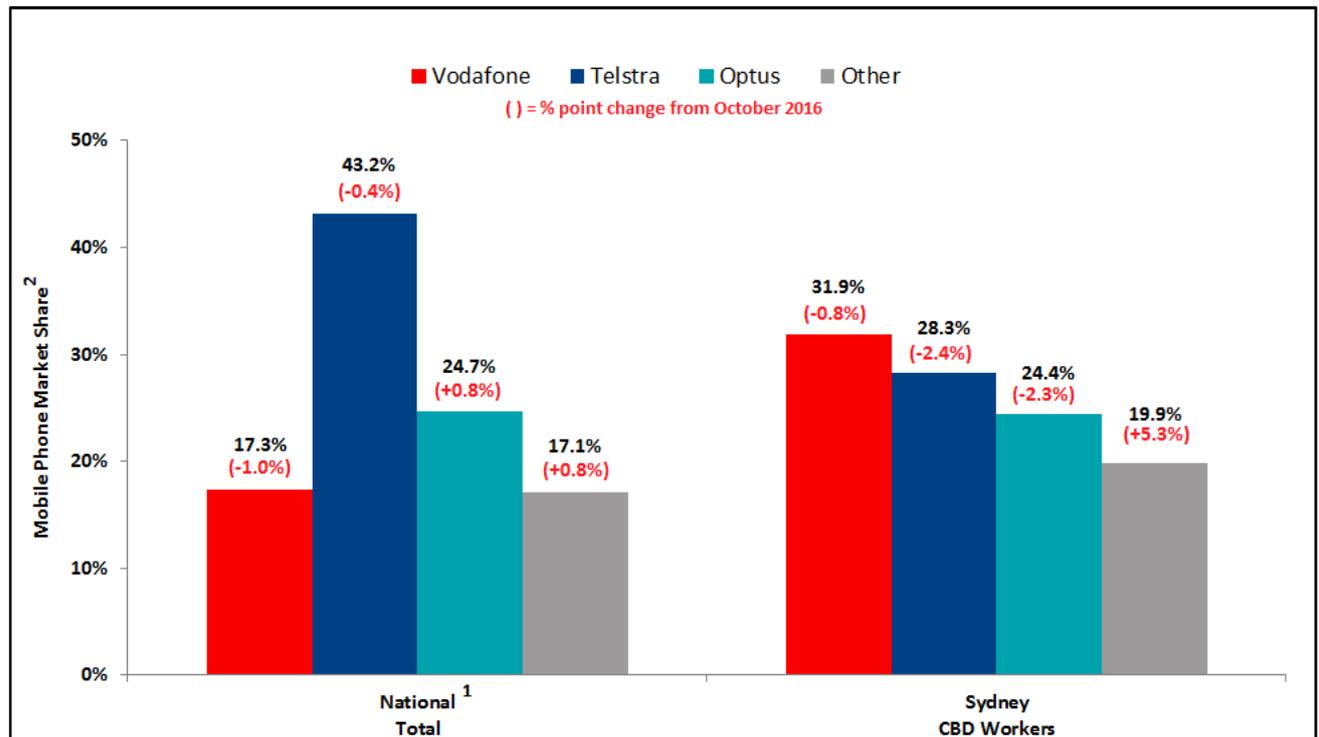
These are the latest findings from Roy Morgan's Single Source (Australia) which is based on a survey of over 50,000 consumers per annum.

### Vodafone increases lead over the year

In the six months to October 2017, Vodafone held 31.9% of the market among Sydney CBD workers, down from 32.7% in October 2016. They were followed by Telstra with 28.3% (down 2.4% points) and Optus 24.4% (down 2.3% points).

With all three of the major players showing a decline over the last 12 months, gains were seen from other smaller players, which combined, now account for 19.9% (up 5.3% points). Among the smaller players, gains were mainly as a result of increases in share from Virgin and TPG.

### Mobile Provider Market Shares - Sydney CBD Workers



1. Australians 14+ 2. Respondents may have more than one phone, with more than one provider **Source:** Roy Morgan Single Source. May to October 2016, n= 23,141; May to October 2017, n= 23,322, Sydney CBD, May to October 2016, n=443; May to October 2017, n=426. Note 0.6% of Australians 14+ and 1.0% of Sydney CBD Workers can't say their service provider.

Mobile phone providers' share of the Sydney CBD workers is very different from their total national share. Telstra clearly dominates nationally with 43.2%, followed by Optus (24.7%), Vodafone (17.3%) and others (17.1%).

**Norman Morris, Industry Communications Director, Roy Morgan Research says:**

*"The mobile phone market among Sydney CBD workers is significant, with an annual turnover estimated at \$373 million, across 520,000 consumers. Competition is very strong, with the major three players much closer in market share than they are for Australia overall. This is highlighted by the fact that the new Vodafone Flagship store has opened beside Optus and over the road from Telstra. Currently Vodafone is the market leader, most likely in part due to its larger share of Sydney CBD outlets.*

*"While the three major players dominate the Sydney CBD with 84.6% share, it is important to note that this is down from 90.1% 12 months ago. Over this period, the smaller players have increased their share from 14.6% to 19.4%, indicating that competition goes beyond the big three.*

*"A major challenge for mobile phone providers in this market is that Sydney CBD workers are much more likely to switch mobile providers than Australians overall. Other major differences are that they are more likely to have been born overseas and as a result make more international calls, be male and have higher education. This market appears to be less loyal and more demanding of the services and service that they get from their mobile provider, when compared to the general population.*

*"Optimising mobile phone store location is important and can be achieved by using Roy Morgan's geodemographic tool [Helix Personas](#), which can profile the areas around current stores and pinpoint optimal locations for new stores. In this market we have seen that Sydney CBD workers are mainly from two Helix Communities, they are Leading Lifestyles and Metrotechs. These two groups account for only 35.9% of the Australian population, but make up 73.1% of the Sydney CBD workers mobile phone market. By understanding what drives these important segments and where they are located, store location can be optimised."*

**For comments or more information about Roy Morgan Research's telecommunications research and Helix Personas, please contact:**

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**About Roy Morgan Research**

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United

Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years' experience in collecting objective, independent information on consumers.

### Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2