Telecommunications Customer Satisfaction

Results of Wave 18 of polling undertaken by Roy Morgan Research for Communications Alliance Ltd in March 2018

Research Objective

- Roy Morgan Research is tracking customer satisfaction among Australian telecommunications customers.

- Quarterly polling monitors:
  - overall customer satisfaction; and
  - customer experience viz. four transactional touch points relating to Telecommunications Consumer Protections (TCP) Code provisions; and
  - fulfils in part the agreed co-regulatory requirement to create trackable performance metrics re customer service and complaint handling.

Touch Points

- ***Customer Information*** *– satisfaction with information provided at point of sale or post purchase,*
- ***Billing*** *– ease of understanding the Telco bill*
- ***Spend Management*** *– experience with, and awareness of, tools to monitor and manage spend with the Telco Service Provider and how this aligns with "Bill Shock" experiences, and*
- ***Complaint Handling*** *– satisfaction levels amongst those who have raised a complaint with their Telco Service Provider, particularly in regard to how the process was handled and the outcome of the complaint.*

Methodology

- The first wave of the research was conducted in March 2013 and the survey has been conducted on a quarterly basis since then, with the exception of 3 quarters (December 15, March 16 and June 16). This report summarises the key findings of the Wave 18 survey held in March 2018.
- Around 500 online interviews are conducted per wave, amongst a representative sample of Australian population in terms of gender, age (18+) and location (State, metro and non-metro). Results are weighted to current ABS population estimates.

Target Audience

The target respondent for the research has been defined as:

- Males and females aged 18+
- Having at least one of these three items for personal usage - home phone, internet connection and mobile phone
- Had some form of contact with at least one telephone or internet service provider in the six months prior to their interview. This contact included activities such as making a purchase, receiving a bill, contacting their provider/s by phone or online (email, chat, website), or making a complaint or a general enquiry.

The methodology and target population remained unchanged across all waves.

Significance Testing

- Percentage increases/decreases between the current and previous waves have been tested for statistical significance – for the current report, the comparison waves are Wave 17 and Wave 18.

- In this report, a significant decrease or increase was defined at the 90% confidence level. That is, the increase or decrease between the defined periods was certain 90% of the time.

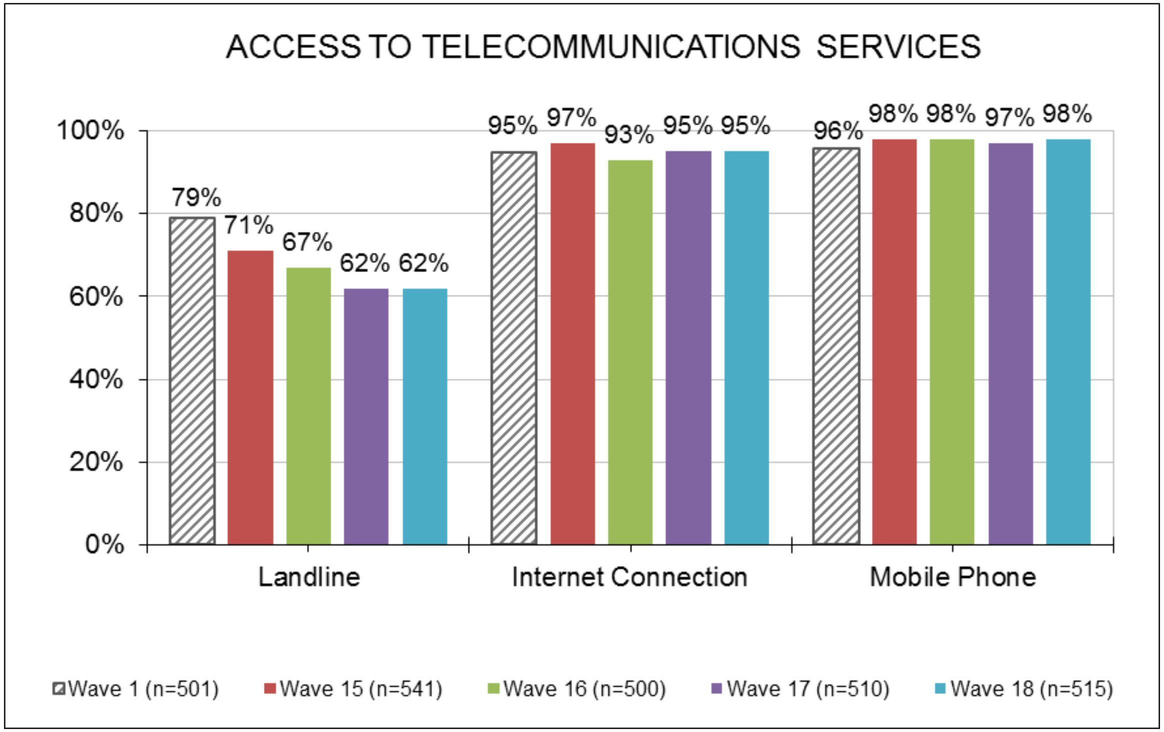
- Special formatting was applied to indicate statistical significance. Where there was a significant increase in the second period, a **green arrow** above the percentage was added and conversely significant decreases were denoted in **red (red arrow for wave on wave trends).** Where there was no significance, there was no arrow indicating an increase/decrease between waves.

Access to Telecommunications Services*

**Target Audience: 18+; have a home phone, mobile phone and/or internet connection; and had contact with one (or more) service provider(s) in the last 6 months*

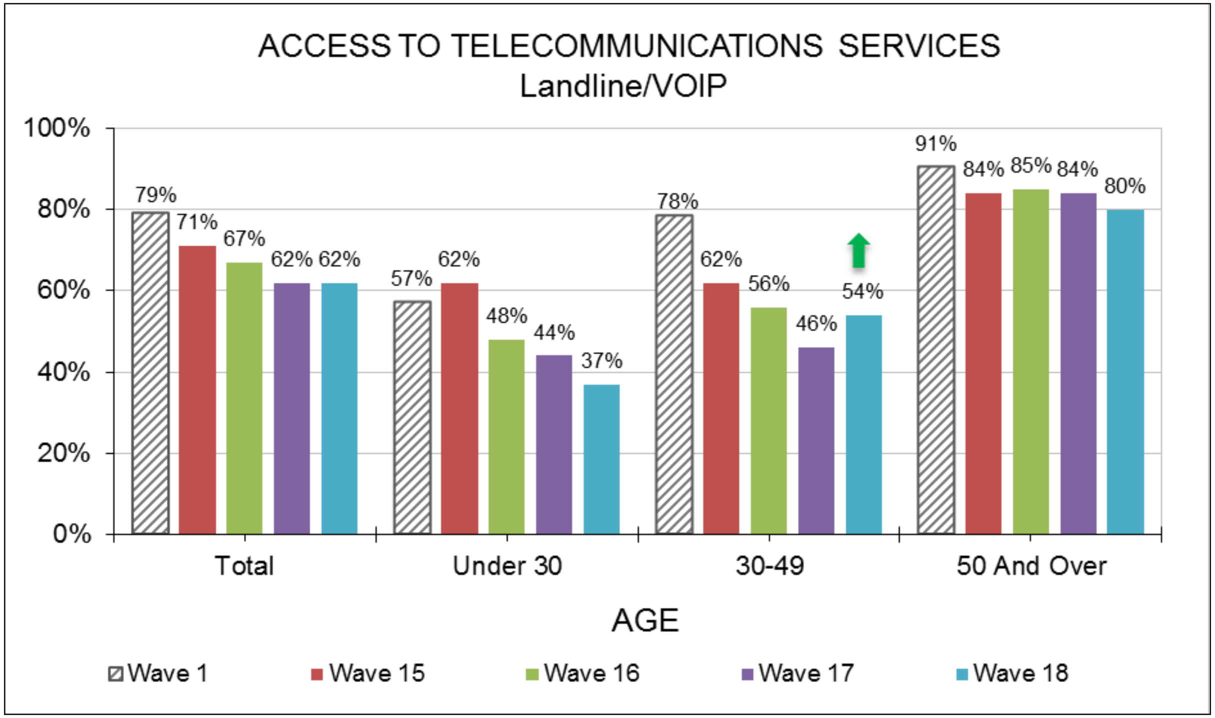
Access to Telecommunications Services

- 98% of people who had some form of contact with a service provider in the last 6 months had a mobile phone available for their personal use while 95% had an internet connection in their household for personal use. 62% have access to a landline or VOIP phone.

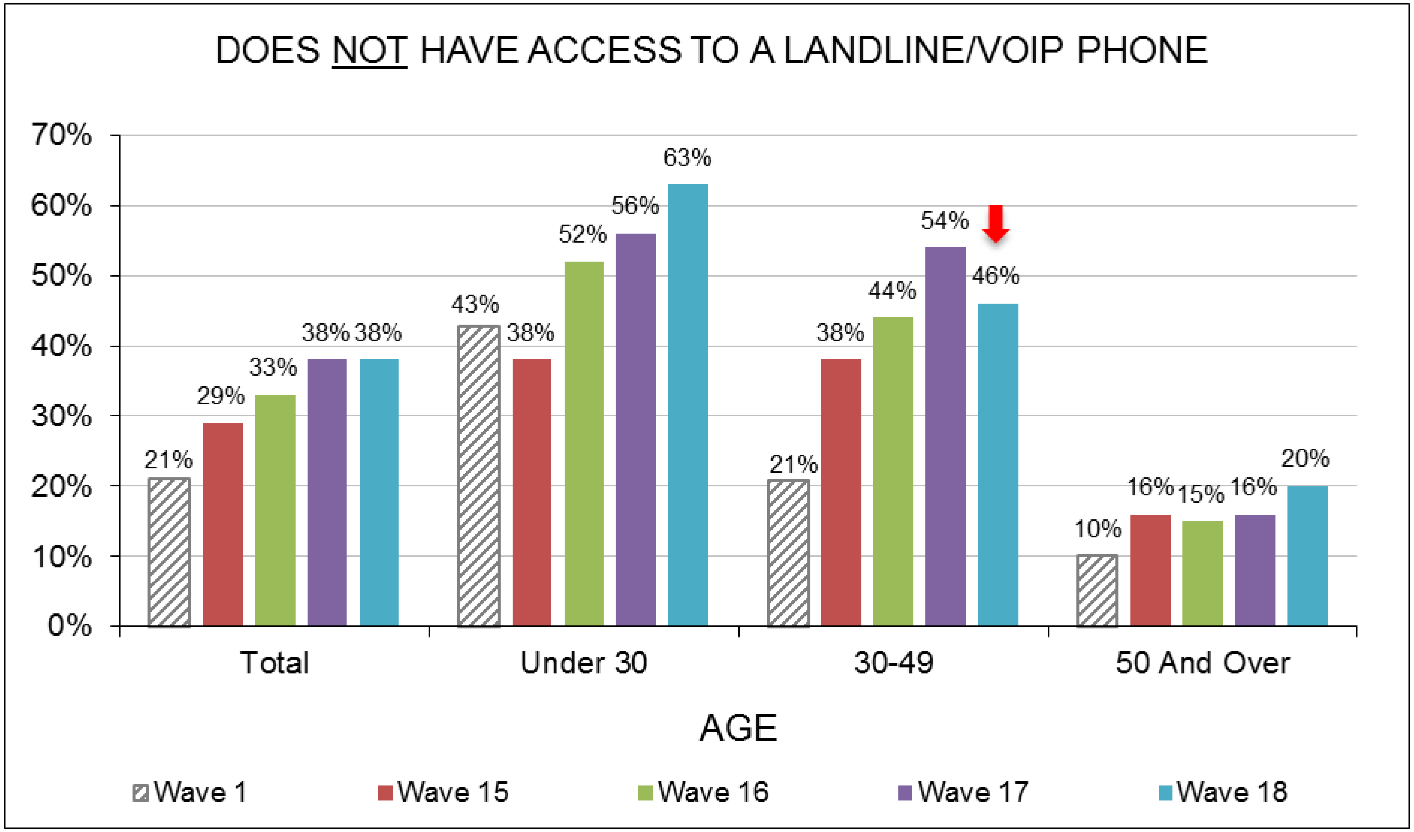


Access to Landline/ VOIP – By Age

- Access to telecommunication services differed by age with older people aged 50 years and over more likely to have access to a landline/VOIP (80%) than those who were under the age of 30 (37%) and 30-49 (54%).
- Access to a landline/VOIP in 30-49 segment was significantly higher (54%) in Wave 18 compared to Wave 17 (46%).

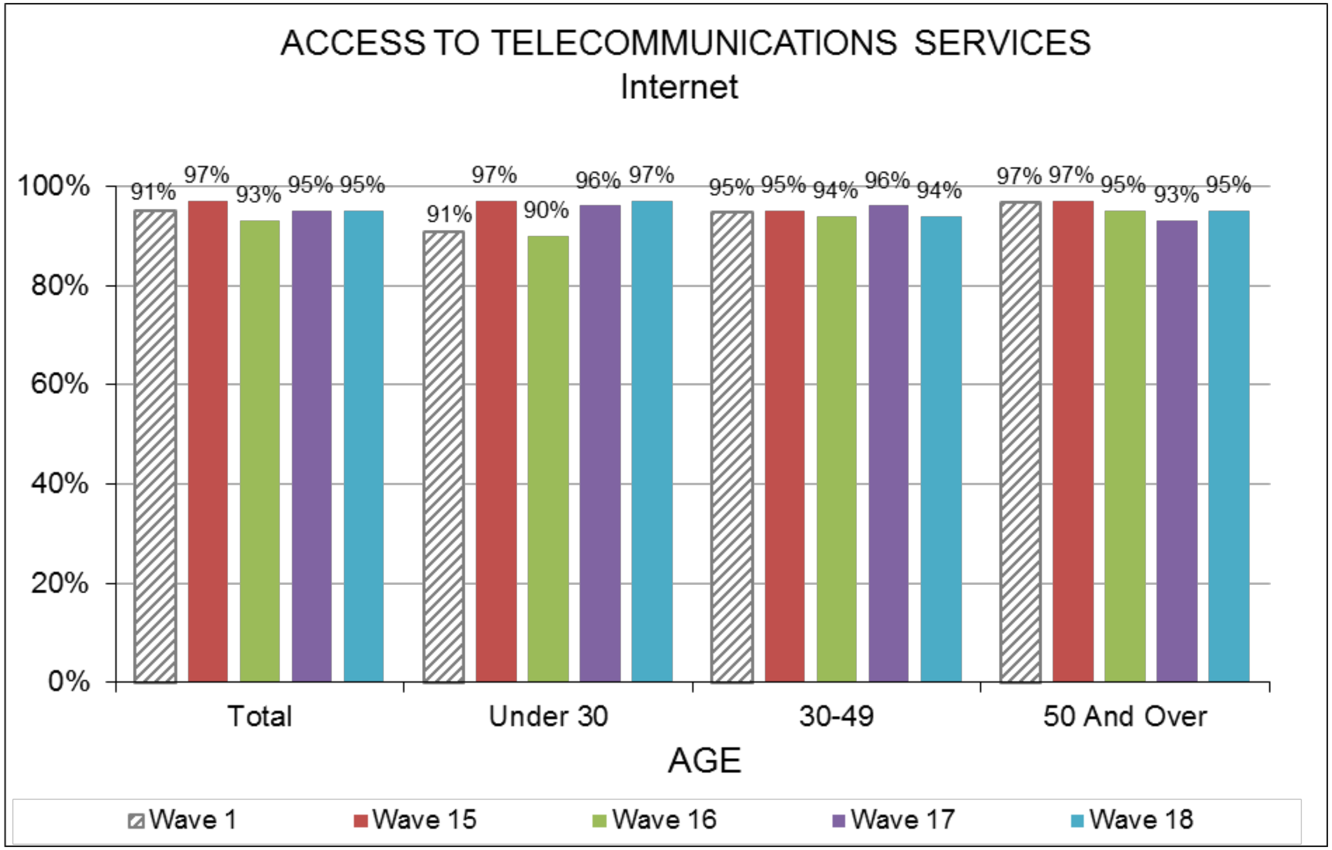


'No' Access to Landline/ VOIP – By Age



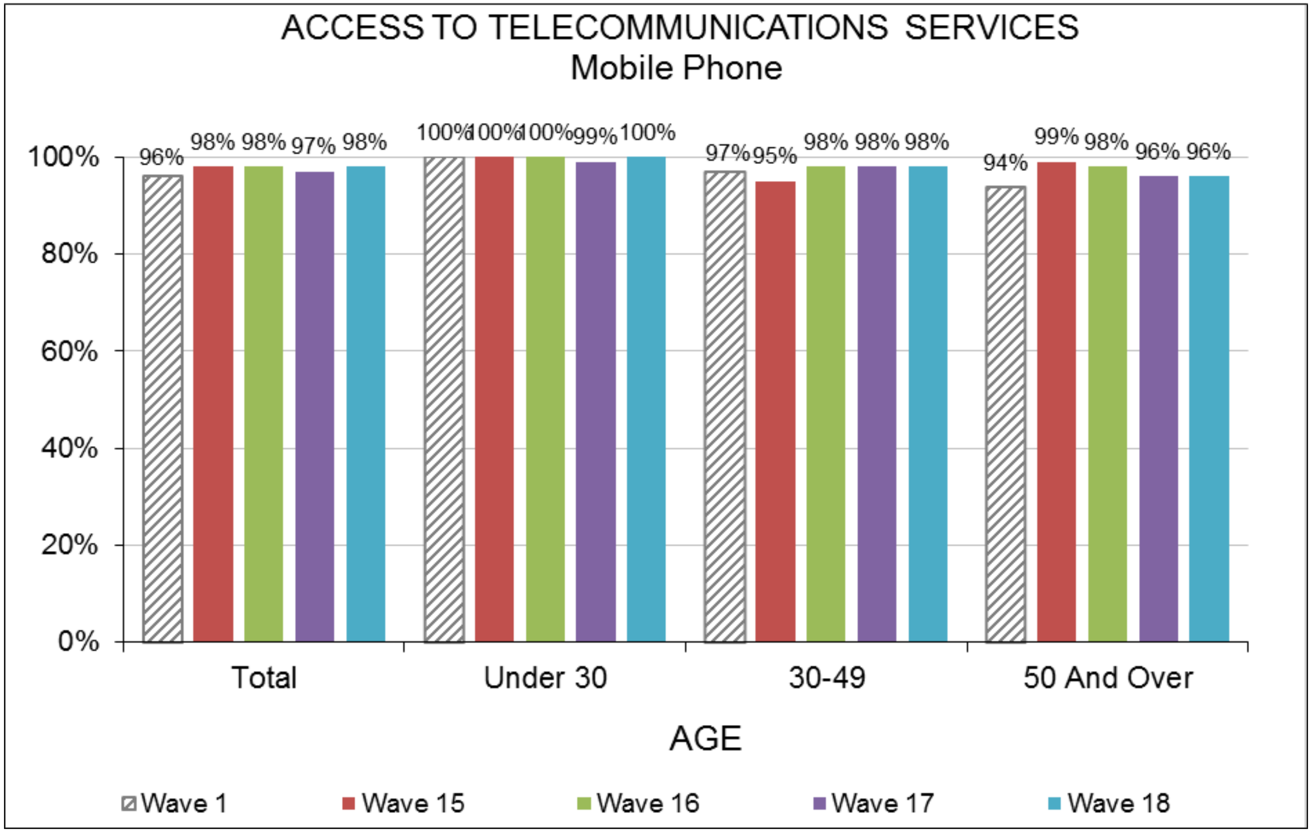
Access to Internet – By Age

- Access to an internet connection remained steady between Wave 17 and Wave 18 across segments. At least 94% of each segment had access to an internet connection in the household.



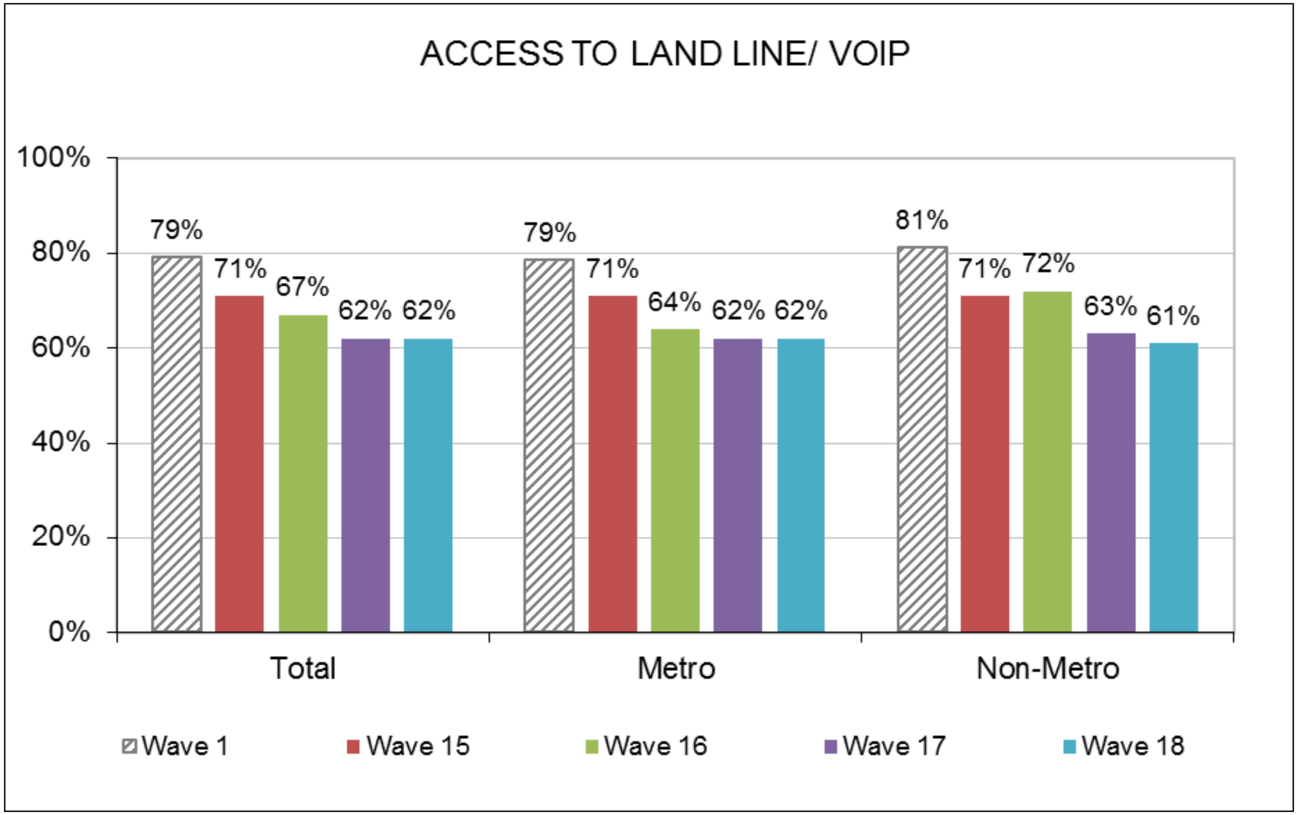
Access to Mobile Phone – By Age

- Access to a mobile phone for personal use has remained high across all waves, no significant changes compared to last wave.



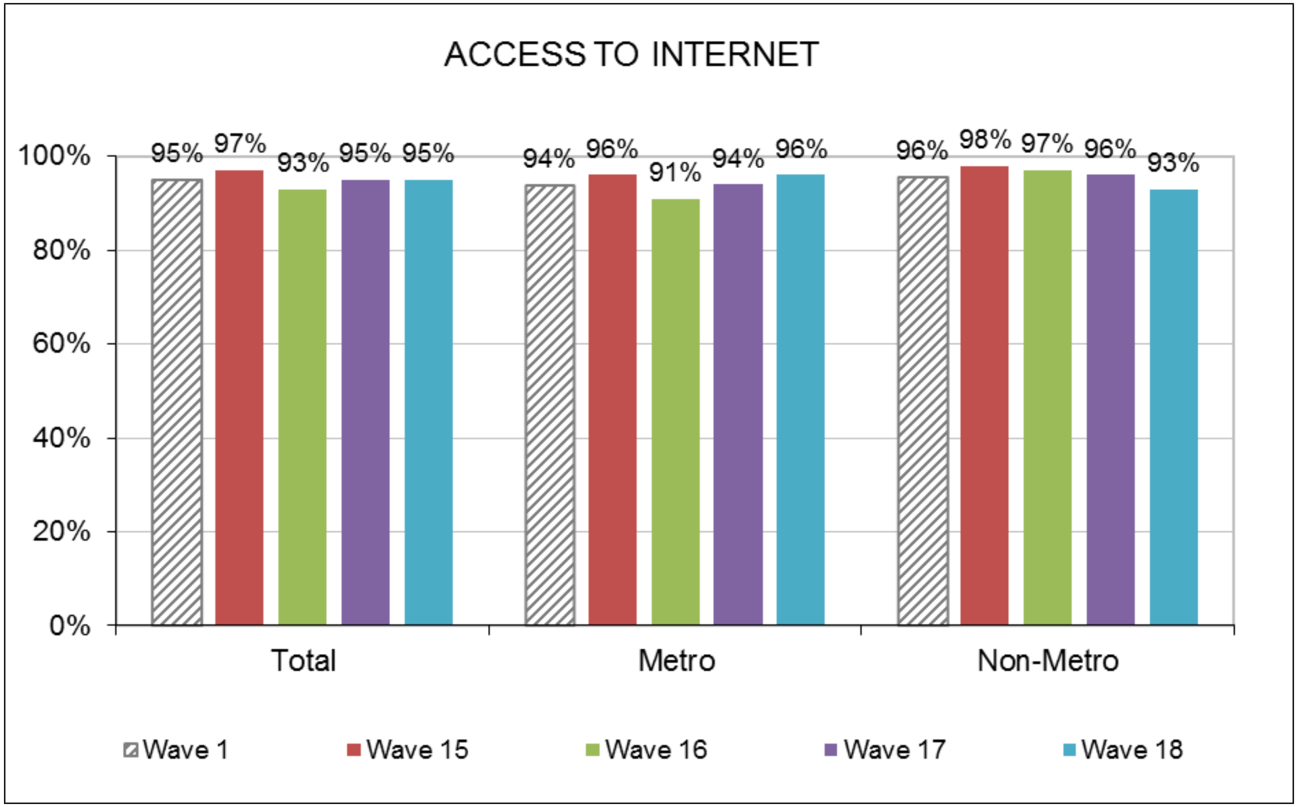
Access to Landline/ VOIP – Metro vs. Non-metro

- In terms of area of residence, the access to a landline/VOIP in the household remained steady between Wave 17 and Wave 18 across both metro and non-metro areas.



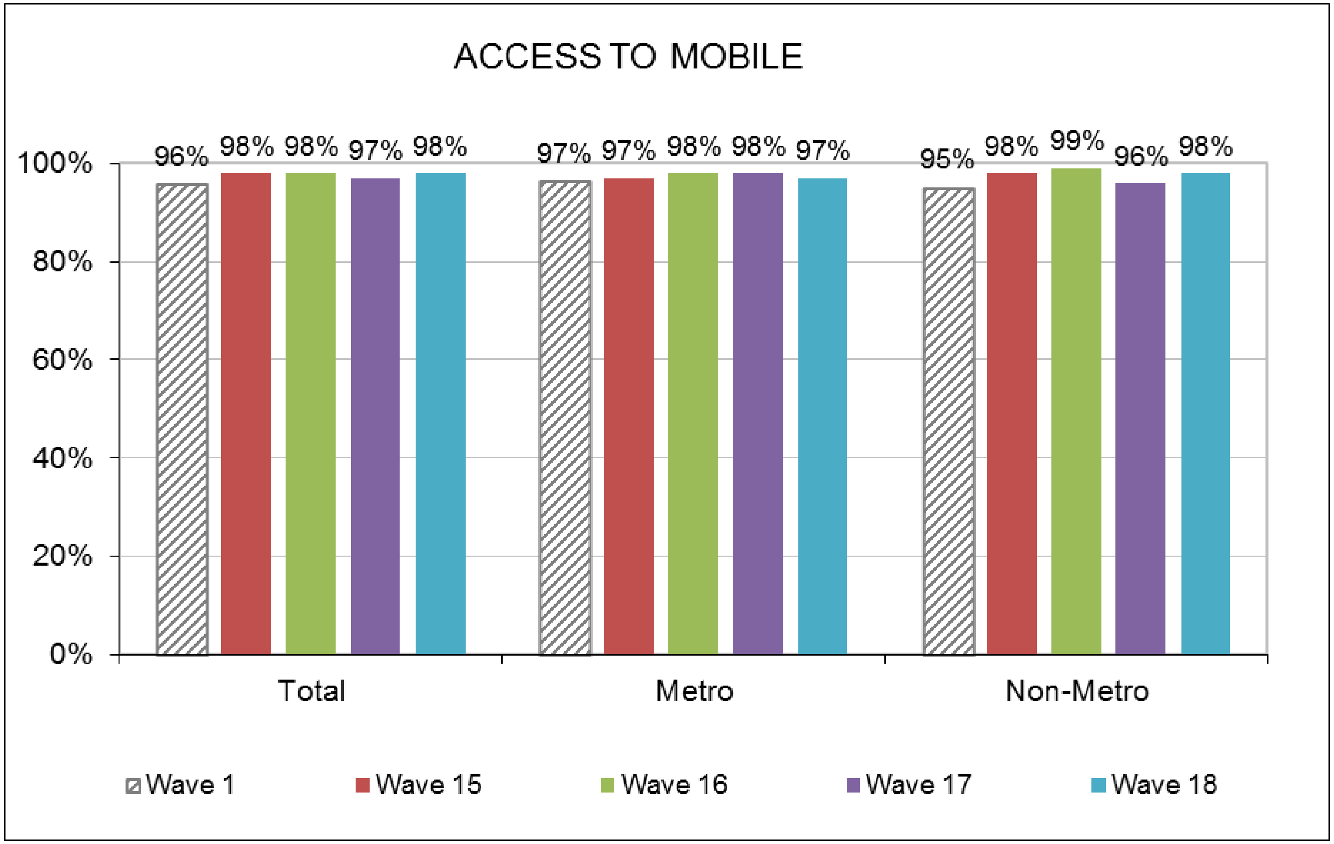
Access to Internet – Metro vs. Non-metro

- There were no significant changes by area in terms of access to an internet connection in the current wave compared to the previous wave.



Access to Mobile – Metro vs. Non-metro

- Access to a mobile also remained steady between Wave 17 and Wave 18 across metro and non-metro areas.

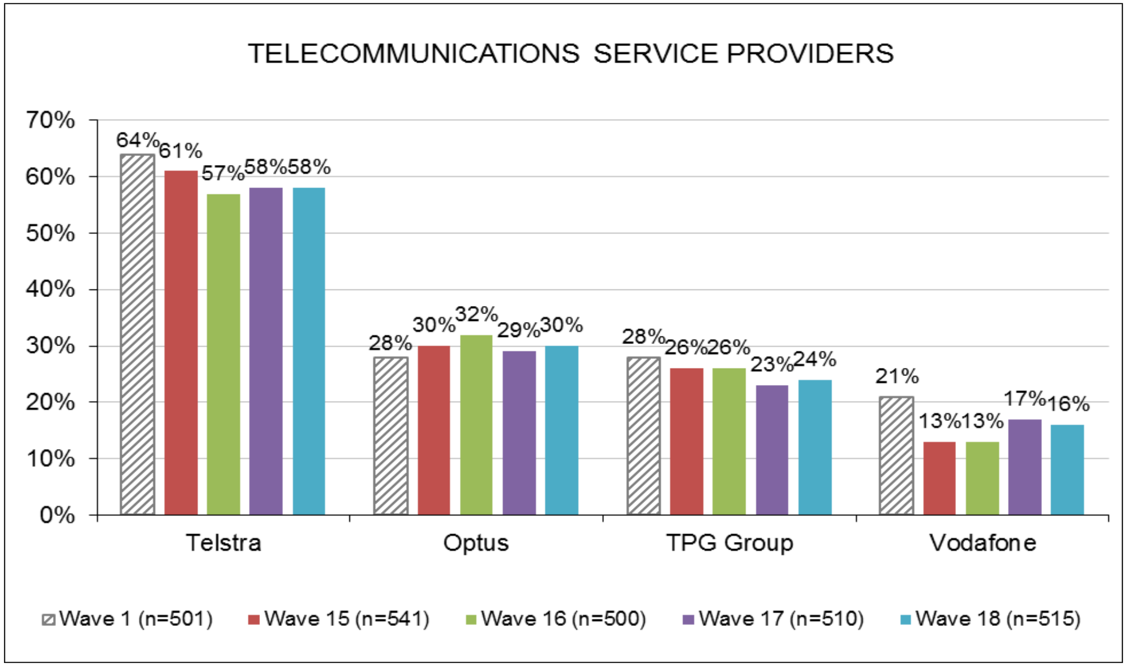


Telecommunication Service Providers*

**Target Audience: 18+; have a home phone, mobile phone and/or internet connection; and had contact with one (or more) service provider(s) in the last 6 months*

Telecommunications Service Providers[1]

- Telstra (58%) was the leading provider of home phone, mobile phone or internet services used by people who had some form of contact with a service provider in the last 6 months, followed by Optus (30%), TPG Group (24%) and Vodafone (16%). There were no significant changes between Wave 17 and Wave 18.



[1]Please note that the target audience of this research is 'Australians aged 18+ who are personal users of a home phone, internet connection or mobile phone AND have had contact with a service provider in the last 6 months'. Therefore, the usage of telecommunication service providers in this report is based on a segment of the Australian population and not on a representative sample of the overall population.

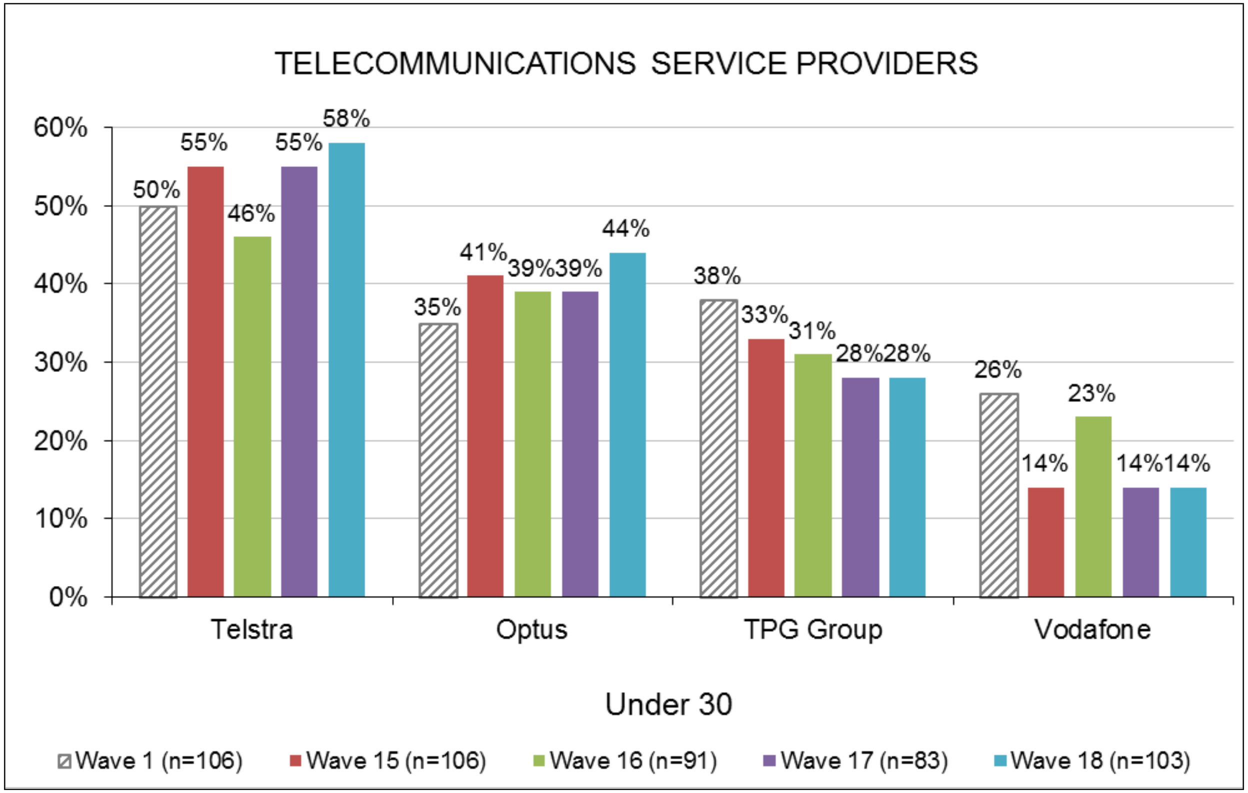
[2] The survey captured 'Telstra' and 'Telstra/ BigPond' separately till Wave 16; the data for both these providers has been clubbed under 'Telstra' for this section till Wave 16. From Wave 17 onwards, the survey only captures 'Telstra'.

[3]'TPG Group' includes the following brands: 'TPG', 'Adam', 'iiNet', 'Internode', 'Netspace' and 'Westnet'.

[4]The survey captured '3' and 'Vodafone' separately till Wave 16; the data for both these providers has been clubbed under 'Vodafone' for this section till Wave 16. From Wave 17 onwards, the survey only captures 'Vodafone'.

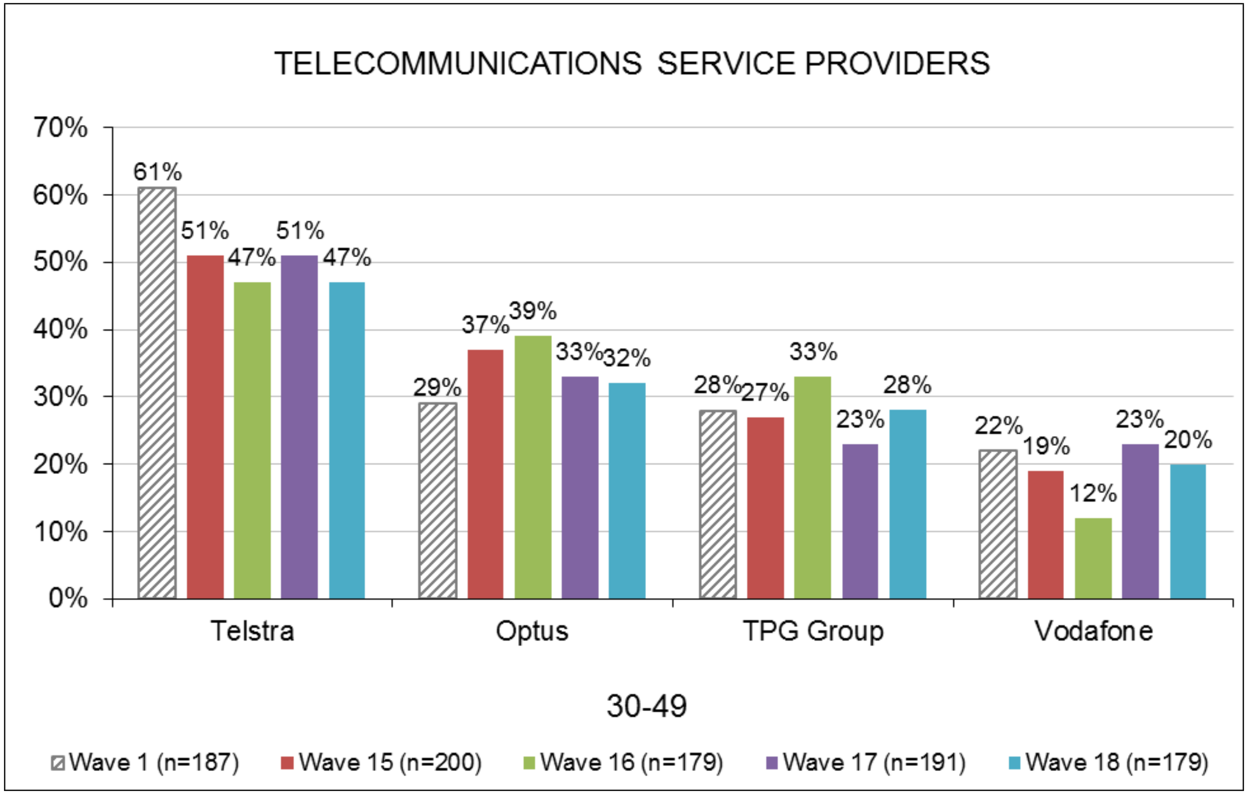
Telecommunications Service Providers- 'Under 30' segment

- The proportion of the under 30 segment that used a Telstra and Optus service in this wave was higher than the previous wave (+3% and +5% respectively) but not statistically significant. Similar to Wave 17, 28% used TPG Group service and 14% used Vodafone service in Wave 18.



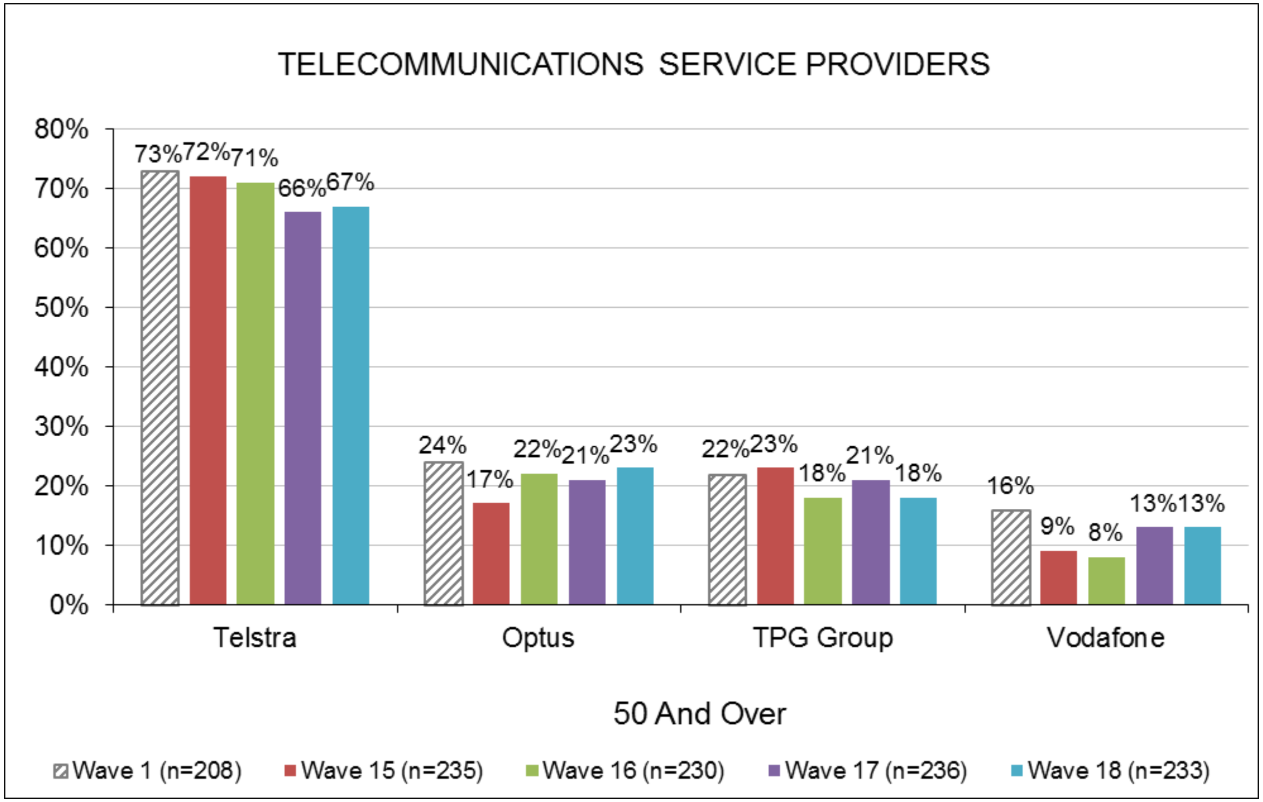
Telecommunications Service Providers- '30 to 49' segment

- Among 30-49 year olds who had contact with a service provider in the last 6 months, 47% used a Telstra service in Wave 18 and 32% had a service with Optus. 28% had a TPG Group service and 20% had a service with Vodafone. Only slight differences between the current and previous wave, there were no significant changes.



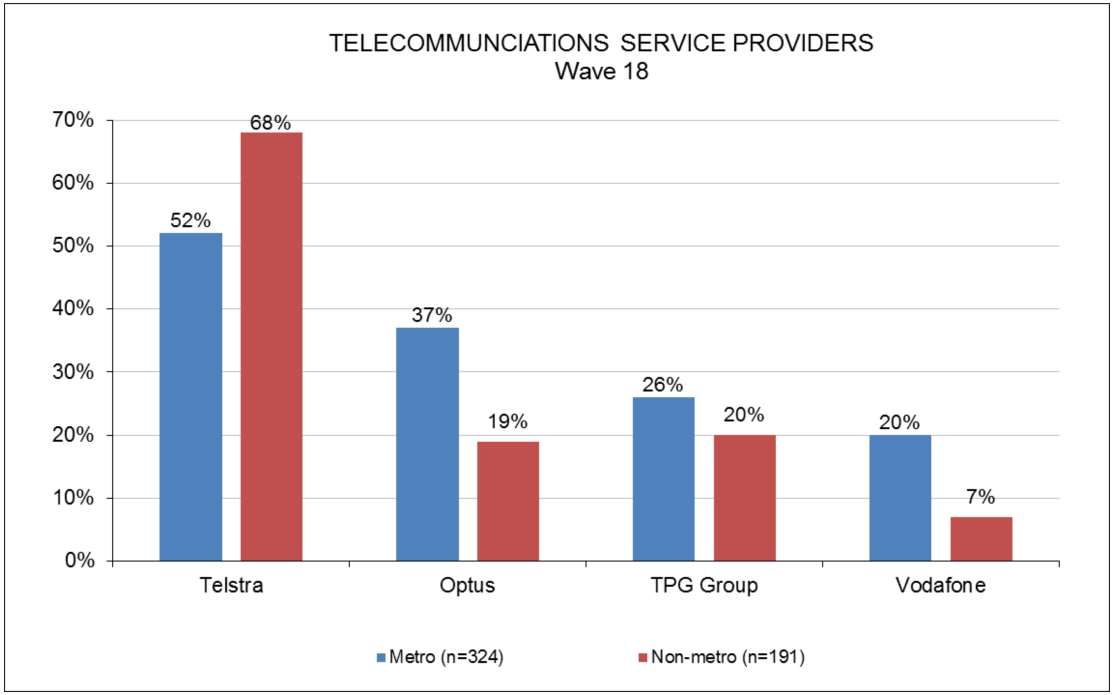
Telecommunications Service Providers- '50 and over' segment

- The 50 and over segment continues to have the highest incidence of people with a Telstra service (67%) in Wave 18, followed by Optus (23%), TPG Group (18%) and Vodafone (13%). There were no significant changes between the current and previous waves.



Telecommunications Service Providers- Metro vs. Non-metro

- When usage of telecommunications service providers was examined by peoples' area of residence in Wave 18, the results revealed those that used Telstra services were more common in non-metro areas (68%) than in metro areas (52%). On the other hand, Optus, TPG group and Vodafone services were more common in metro areas (37%, 26% and 20% respectively) than in non-metro areas (19%, 20% and 7% respectively).

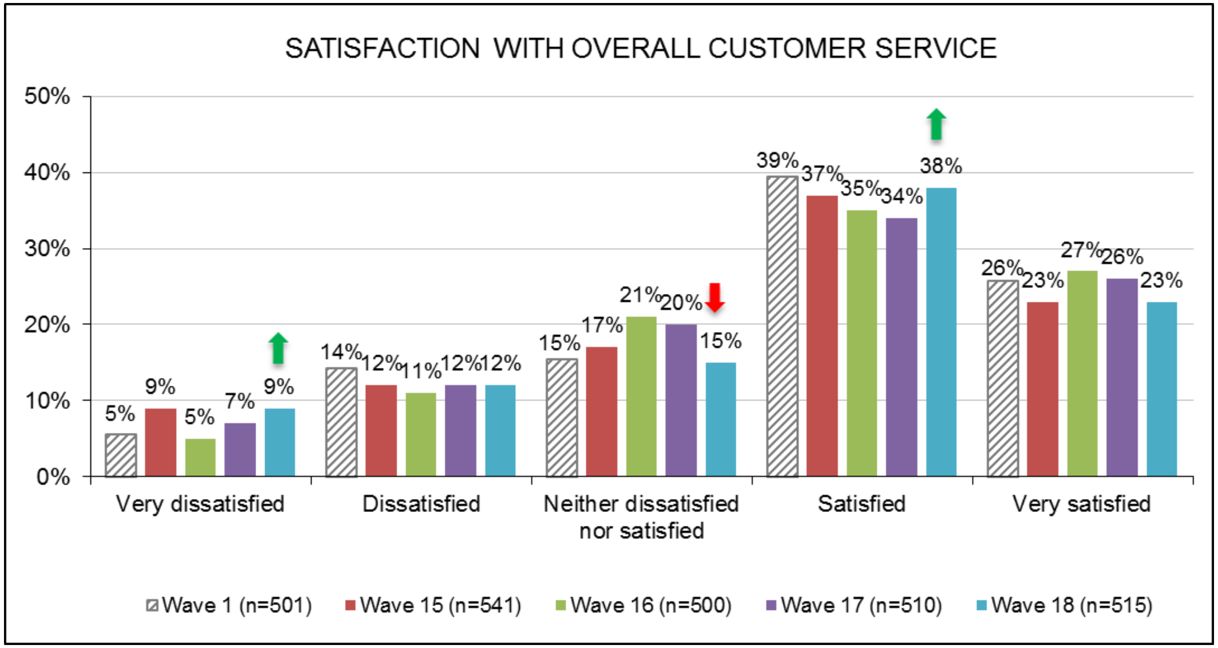


Satisfaction with Customer Service*

**Target Audience: 18+; have a home phone, mobile phone and/or internet connection; and had contact with one (or more) service provider(s) in the last 6 months*

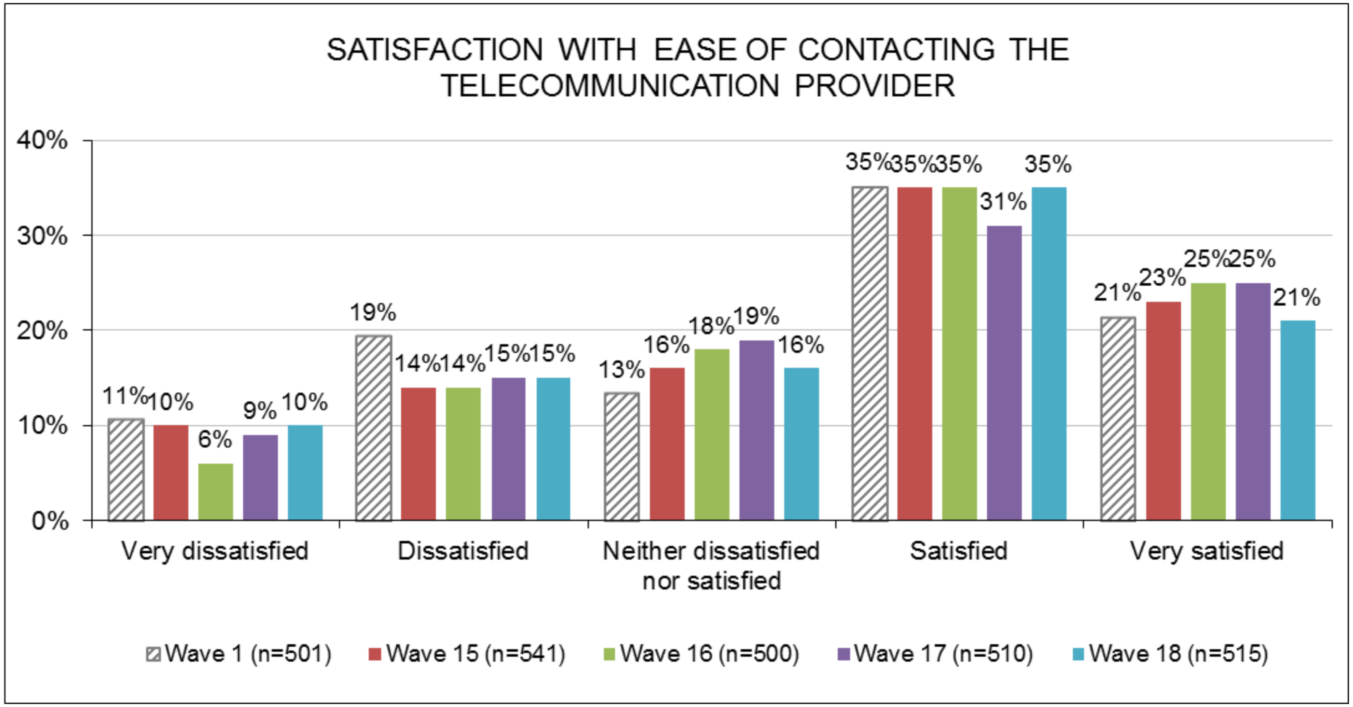
Satisfaction With Overall Level of Customer Service

- Satisfaction (‘Very Satisfied’ or ‘Satisfied’) with the overall level of customer service received by telecommunication providers continued to be high (61%) in Wave 18. There was a significant increase (+4%) in the number of people being ‘satisfied’ with the level of customer service received.
- One in five (21%) people were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the overall level of customer service received with their most recent contact with a provider. 9% of these people were very dissatisfied which was a significant increase (+2%) on the previous wave.
- There was a significant decline (-5%) in people who were neither dissatisfied nor satisfied in this wave.



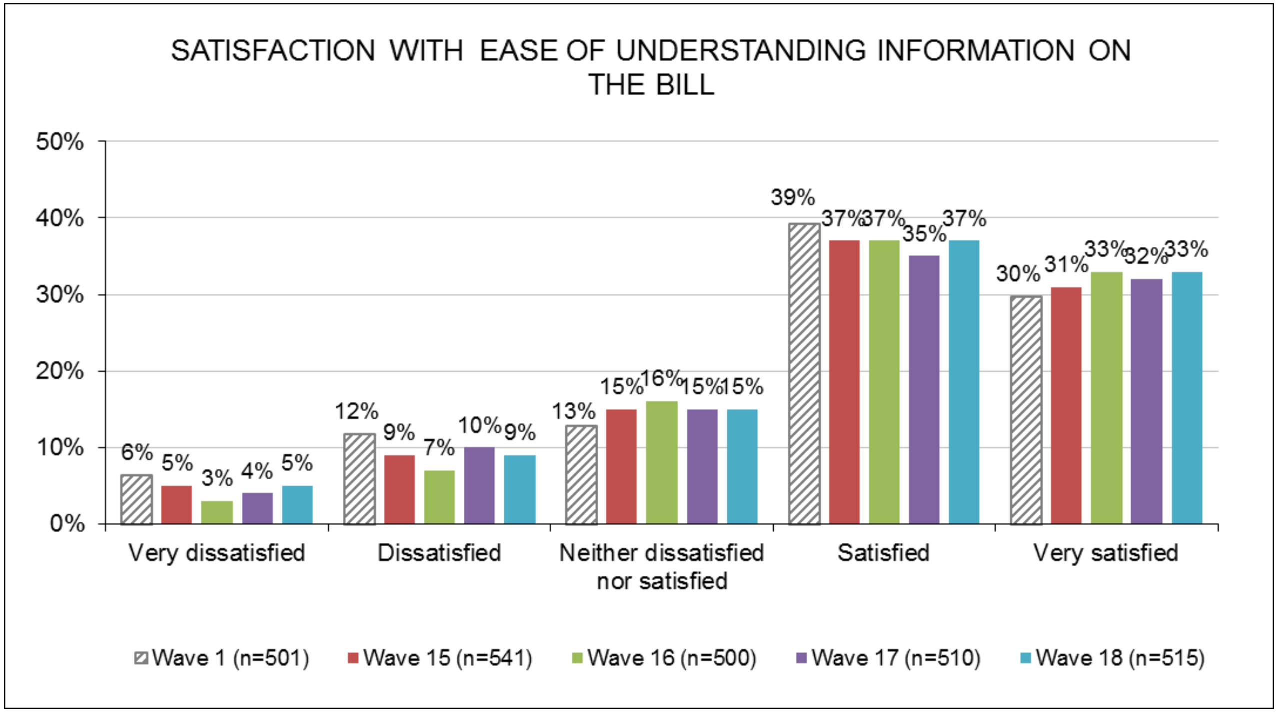
Satisfaction With Ease of Contacting Telecommunications Provider

- In Wave 18, 56% were satisfied (‘Very Satisfied’ or ‘Satisfied’) with the ease of contacting their telecommunications provider with 21% indicating that they were very satisfied.
- One in four (25%) were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the ease of contacting their provider. 10% of these people were very dissatisfied.
- There were no significant changes between Wave 17 and Wave 18.



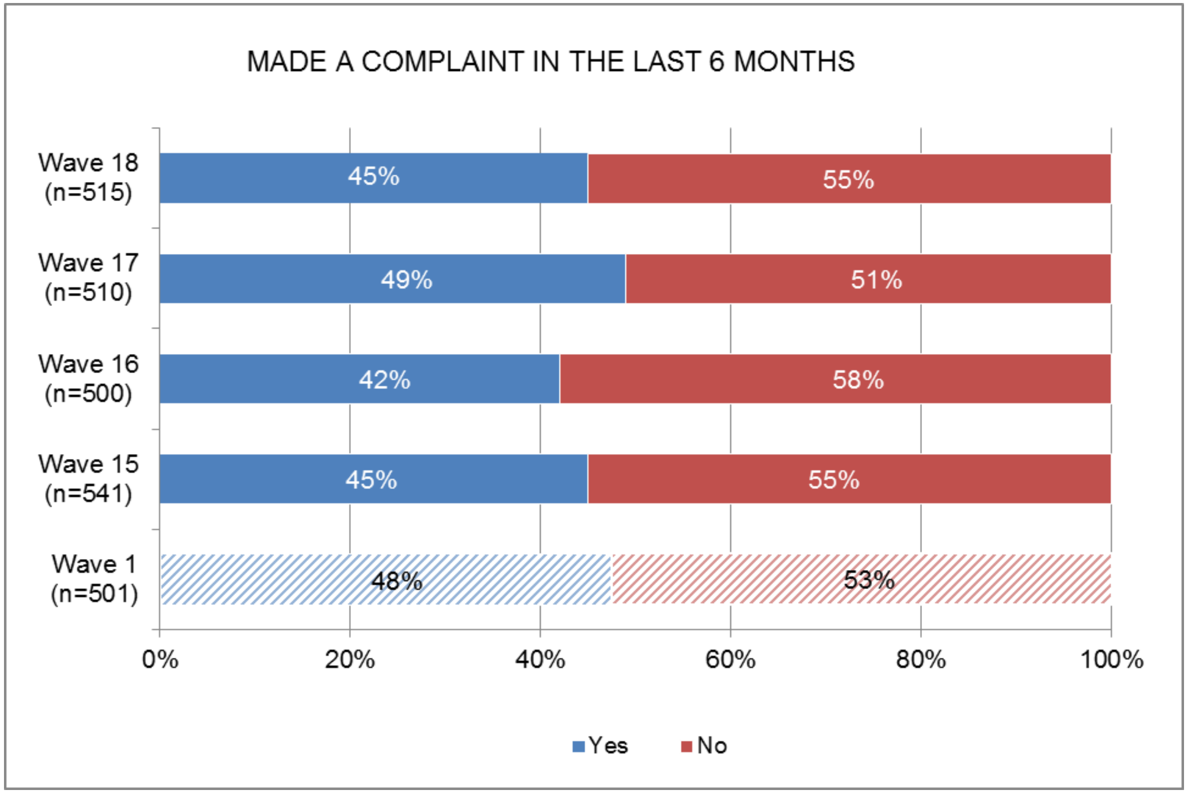
Satisfaction With Ease of Understanding Information on the Bill

- Satisfaction with ease of understanding bill information continued to be high in Wave 18 with seven in ten (70%) of customers being satisfied ('Very Satisfied' or 'Satisfied').
- 14% were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the ease of understanding their bill. A small proportion of customers (5%) were very dissatisfied.
- There were no significant changes between the current and previous waves.



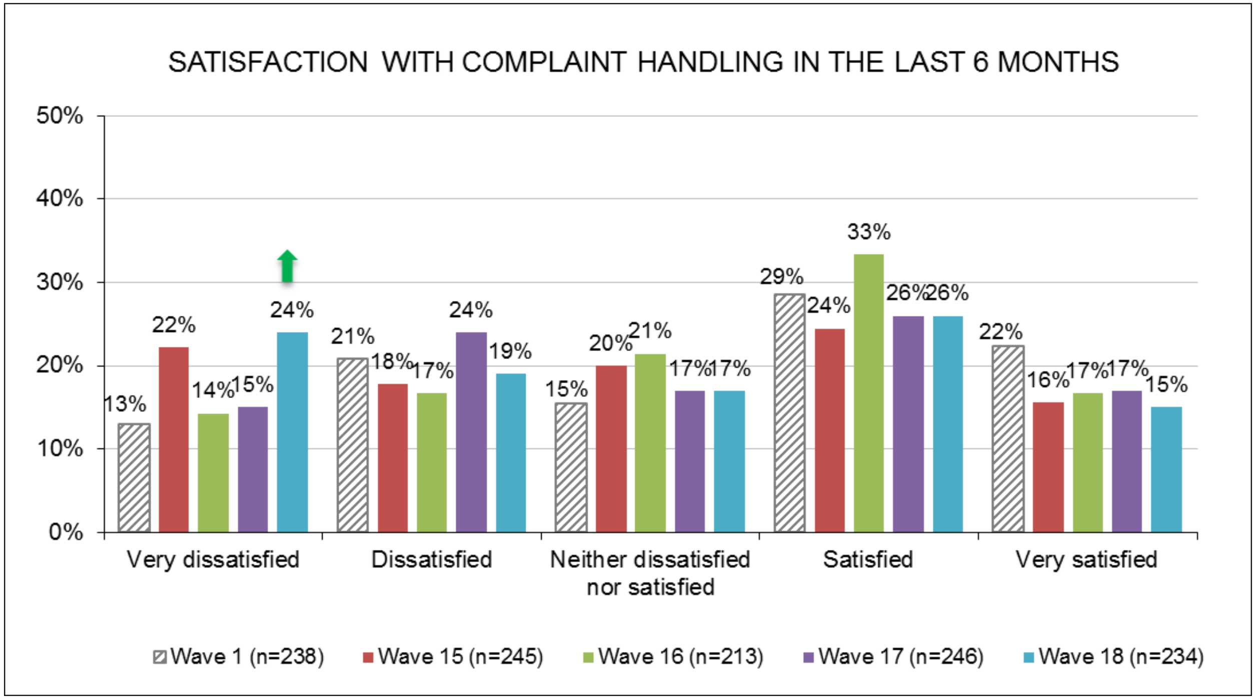
Satisfaction with Complaint Handling

- In Wave 18, 45% of those who had some type of contact with a service provider in the last 6 months had made a complaint to their provider.
- This was a slight decline (not significant) compared to the last wave when the proportion of people who had made a complaint in the last 6 months was 49%.



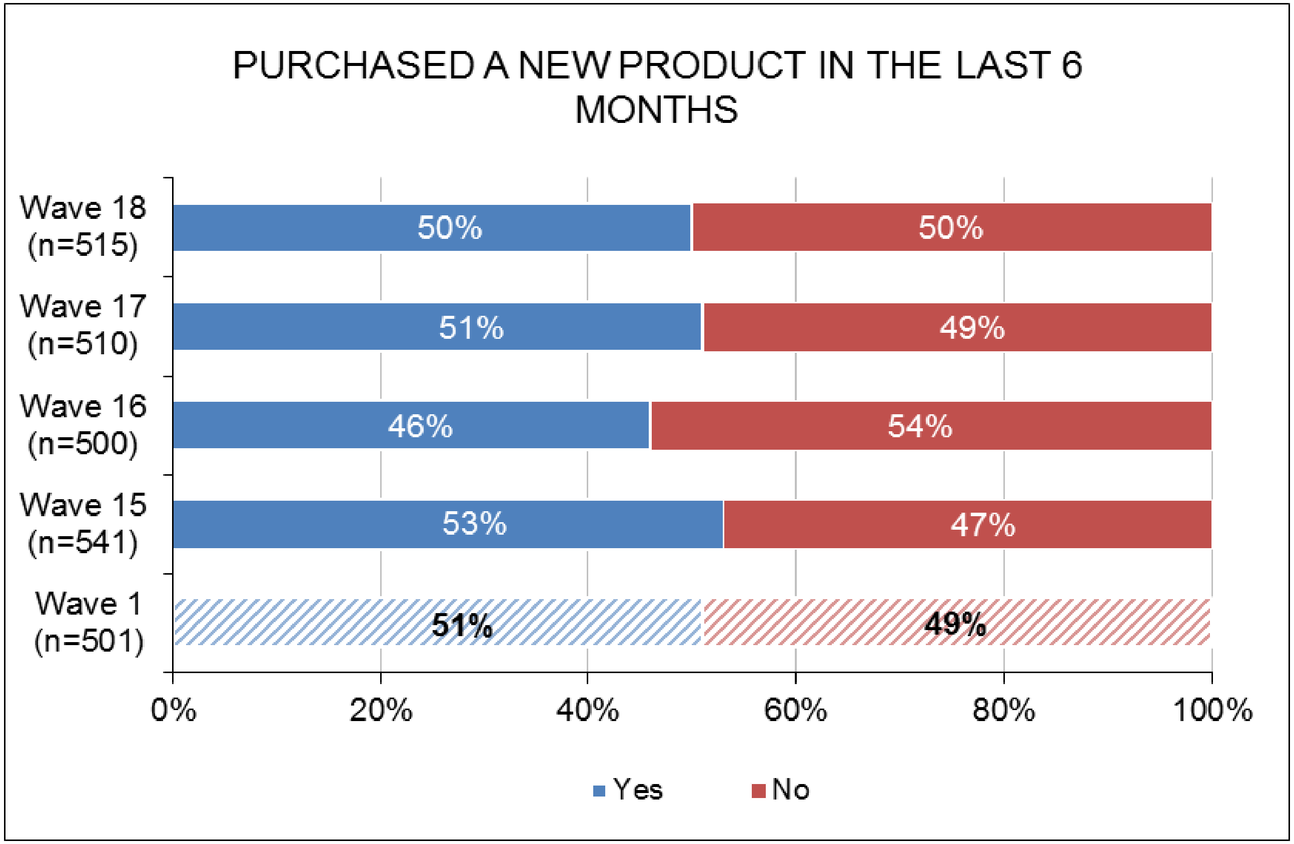
Satisfaction with Complaint Handling

- Two in five (41%) of those who had made a complaint in the last 6 months were satisfied ('Very Satisfied' or 'Satisfied') with how their complaints had been handled, with 15% indicating that they were very satisfied. This result has remained mostly steady across waves.
- On the other hand, levels of dissatisfaction with the complaint handling process in Wave 18 (43%) were slightly higher than Wave 17 (when levels of dissatisfaction were 39%). This increase was attributed to the significant increase (+9%) in people who were 'Very Dissatisfied'.



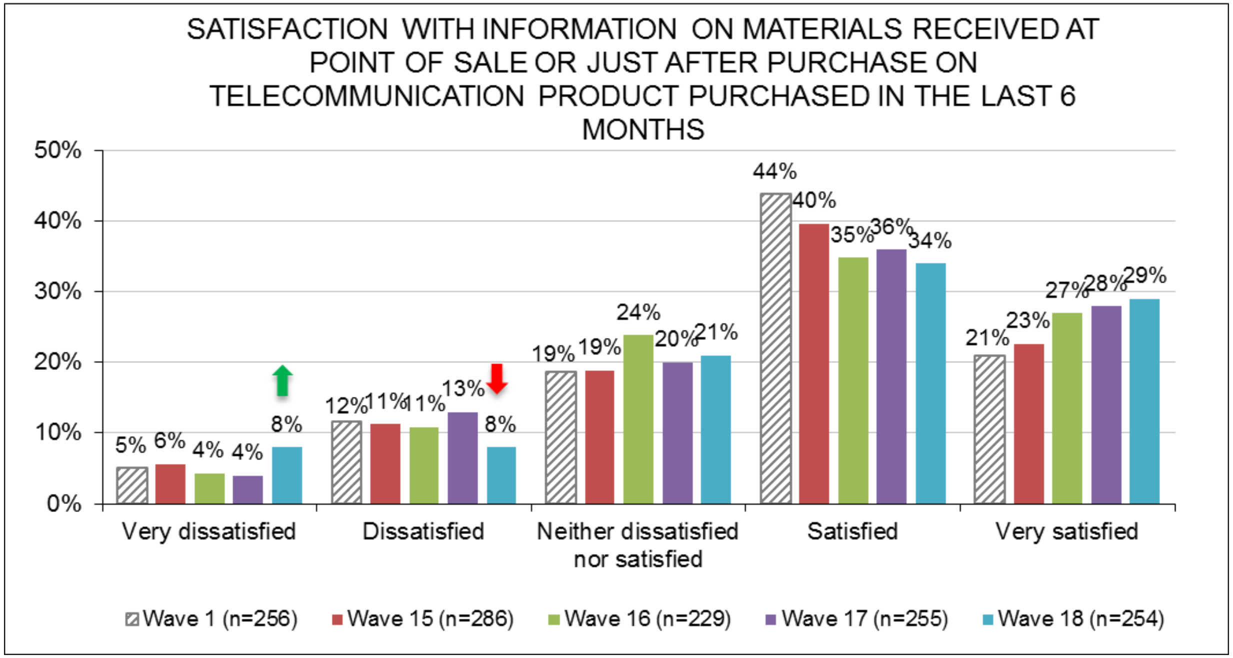
Satisfaction With Information on Materials Received at POS or Just After Purchase

- In Wave 18, one in two (50%) had purchased a telecommunication product in the last 6 months.



Satisfaction With Information on Materials Received at POS or Just After Purchase

- In Wave 18, 63% of people who had purchased a telecommunications product in the last six months were satisfied (‘Satisfied’ or ‘Very Satisfied’) with information on materials received at the point of sale or just after purchase. This level of satisfaction in the current wave is similar to the previous wave.
- 16% of people were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) in some way with the information received in any material at point of sale or just after purchase. 8% people reported being ‘very dissatisfied’ (which was a significant increase of 4% on the previous wave) and another 8% were ‘dissatisfied’ (a significant decrease of 5% compared to previous wave).

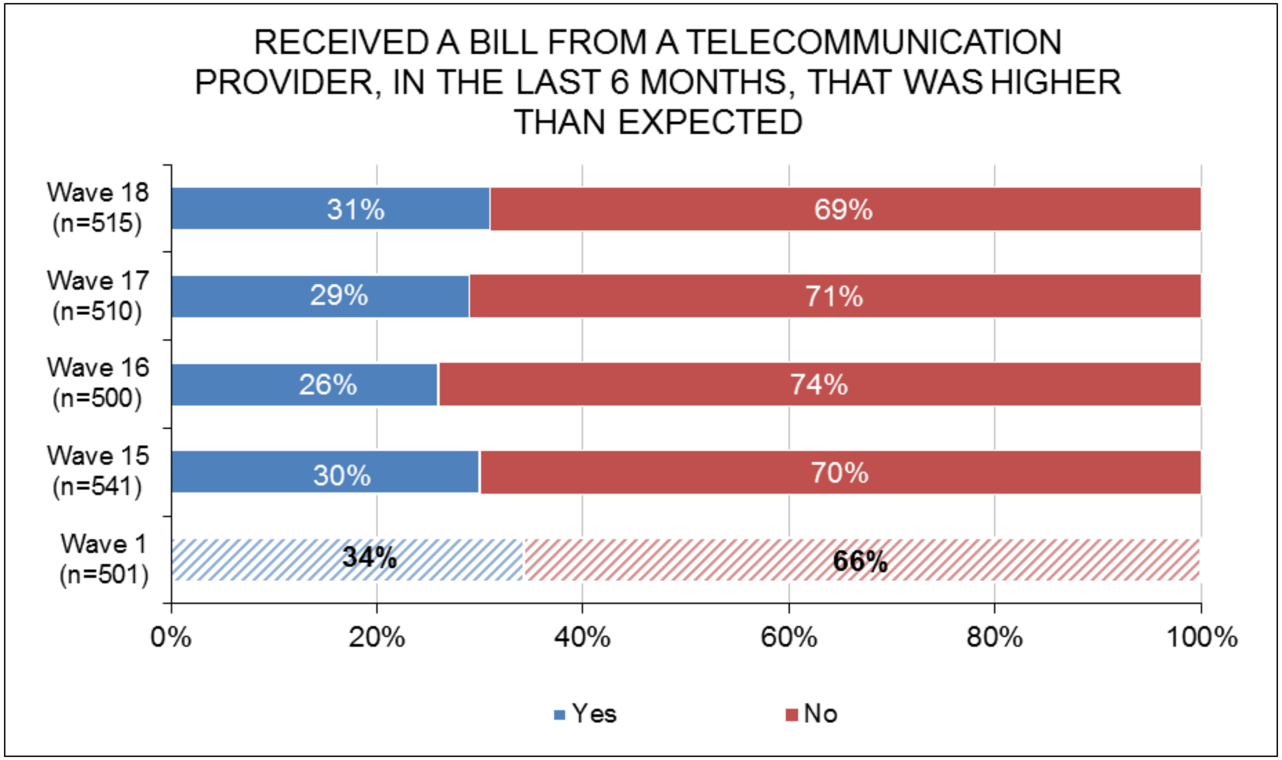


Billing*

**Target Audience: 18+; have a home phone, mobile phone and/or internet connection; had contact with one (or more) service provider(s) in the last 6 months*

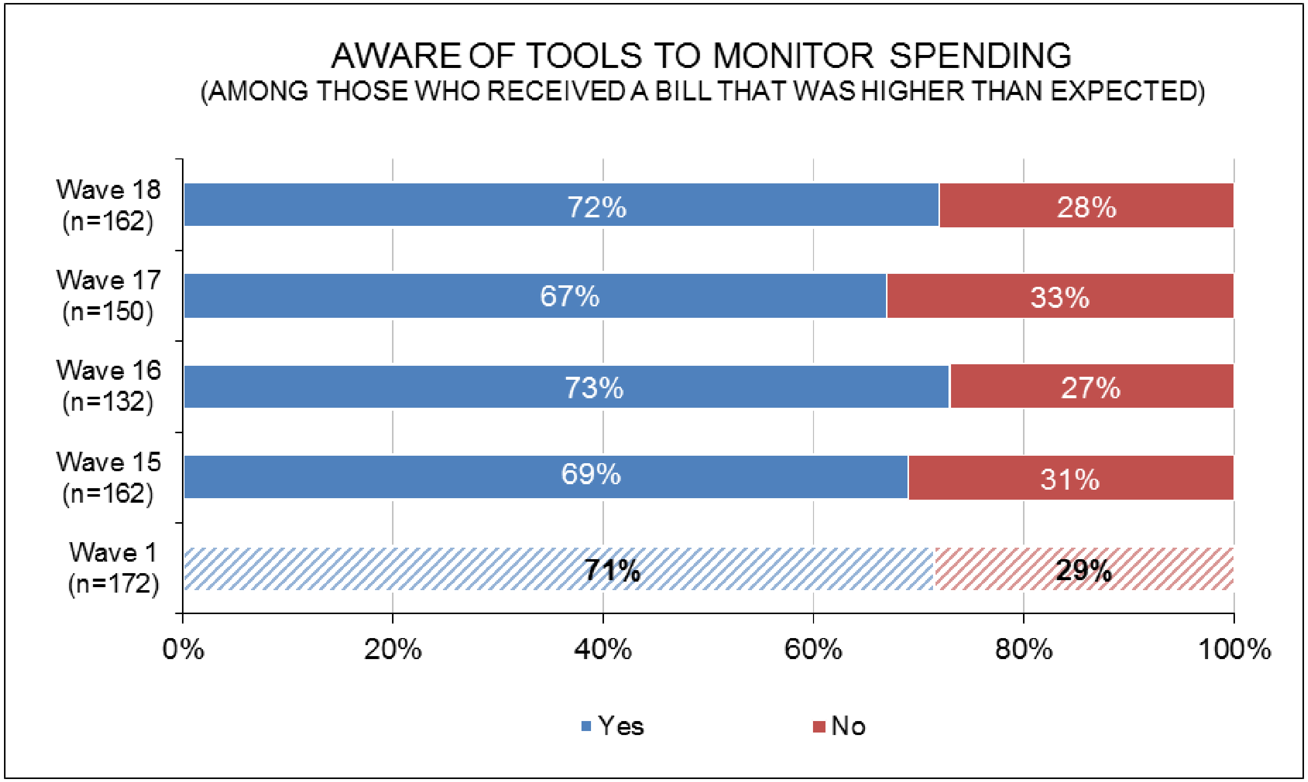
Higher Than Expected Bills

- In Wave 18, 31% received a bill from a telecommunications provider in the last 6 months that was higher than expected. This proportion was slightly higher than Wave 17, although not statistically significant.



Awareness of Spend Monitoring Tools

- 72% of those who received a bill that was higher than expected were aware that there were tools available to help them monitor their spending with their telecommunications provider. This level of awareness was slightly higher (though not significantly higher) than the previous wave.

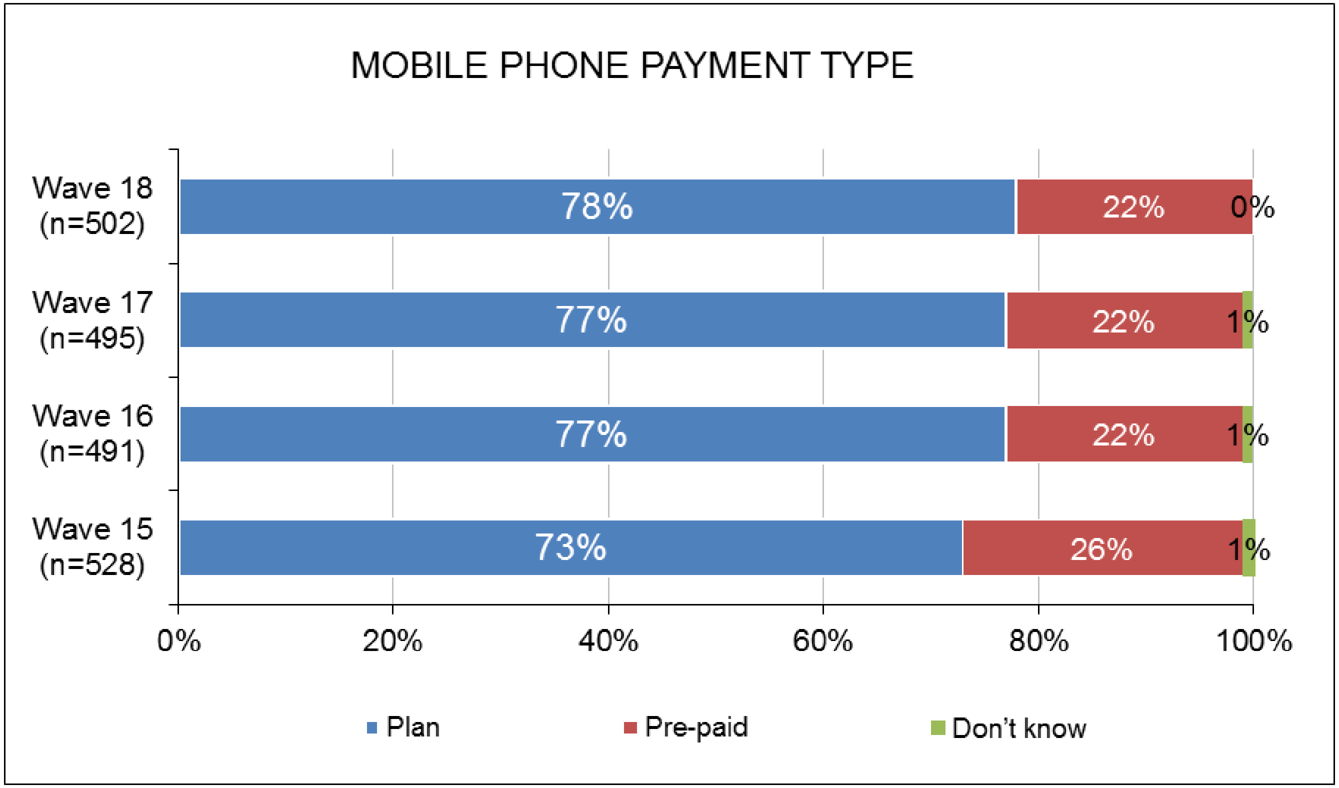


13 and 1300 Numbers*

**Target Audience: 18+; have a mobile phone; and had contact with one (or more) service provider(s) in the last 6 months*

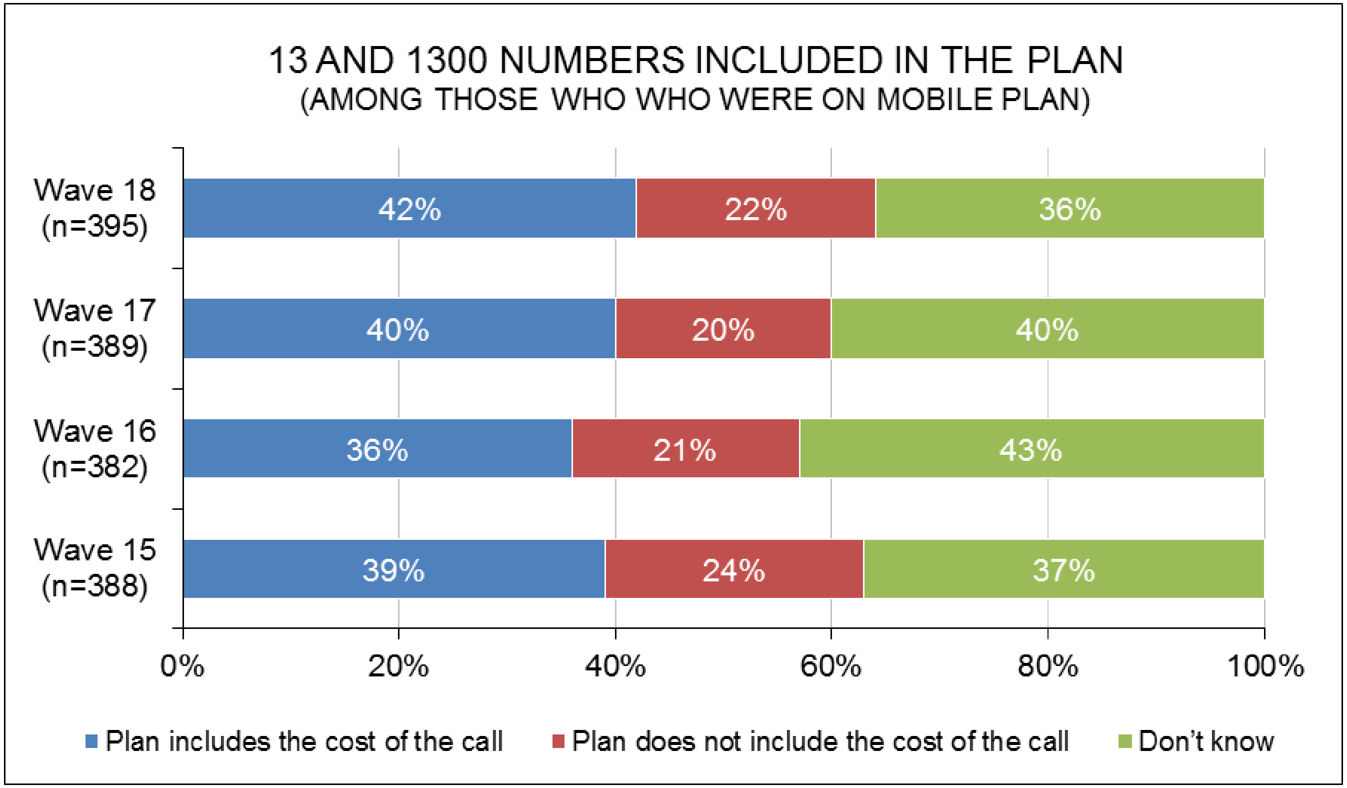
Mobile Phone Payment Type

- Similar to Wave 17, over three-quarters (78%) of people in Wave 18 who had a mobile phone for personal use and had contact with a service provider in the last 6 months were on a mobile plan while 22% were pre-paid.



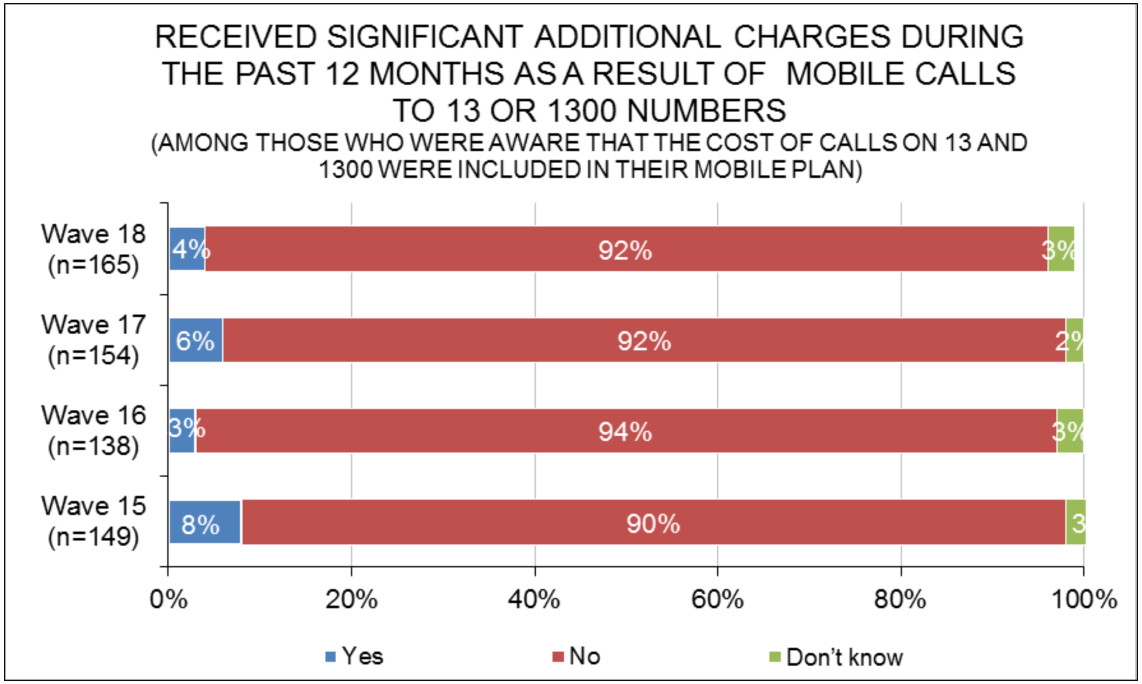
13 and 1300 Numbers Included

- In Wave 18, just over two in five (42%) people on a mobile plan have the cost of 13 or 1300 number calls included as a part of their monthly usage allowance. This was a slight increase (though not significant) compared to Wave 17.



Additional Charges As a Result of Calls to 13 or 1300 Numbers

- In Wave 18, 4% of people whose plan included the cost of calls to 13 and 1300 numbers had an experience in the past 12 months where they had exceeded their monthly call allowance and incurred significant additional charges as a result of mobile calls to 13 or 1300 numbers. Most people (92%) that were on a plan that included the cost of calls to 13 and 1300 numbers did not incur significant additional charges as a result of mobile calls to 13 or 1300 numbers.
- There were no significant changes between Wave 17 and Wave 18.

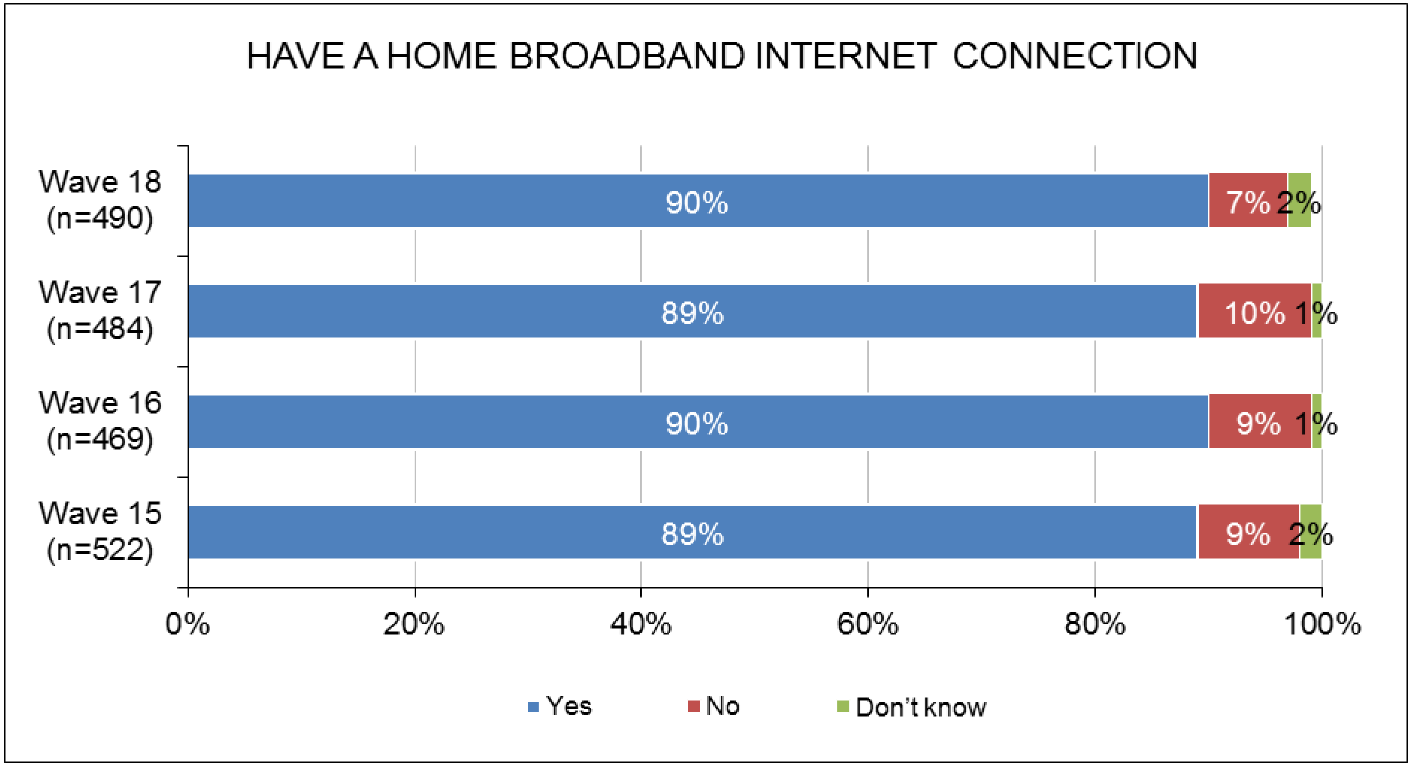


Broadband Internet Connection*

**Target Audience: 18+; have an internet connection; and had contact with one (or more) service provider(s) in the last 6 months*

Broadband Internet Connection

- In Wave 18, nine in ten (90%) of who had an internet connection for personal use in the household had a home broadband connection.



What is Important When Choosing a Broadband Service

- Among those who had a home broadband connection in Wave 18, the most important factors when selecting broadband Internet connection are connection reliability (27%), internet speed (22%) and monthly price (21%).