# Telecommunications Customer Satisfaction

Results of Wave 17 of polling undertaken by Roy Morgan Research for Communications Alliance Ltd in December 2017

# 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 17 survey held in December 2017.
- 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 16 and Wave 17.

- 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.

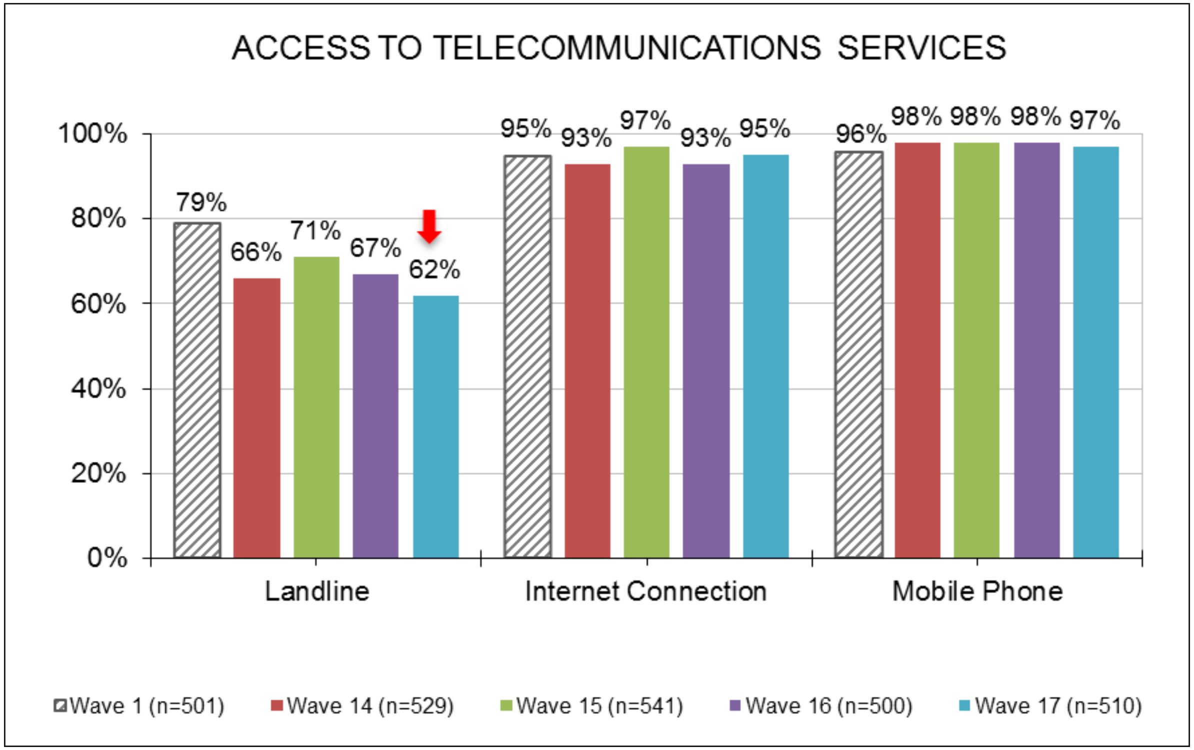
- Special formatting was applied to indicate statistical significance. Where there was a significant increase in the second period, a **green arrow** above the percentage was added and conversely significant decreases were denoted in **red (red arrow for wave on wave trends).** Where there was no significance,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

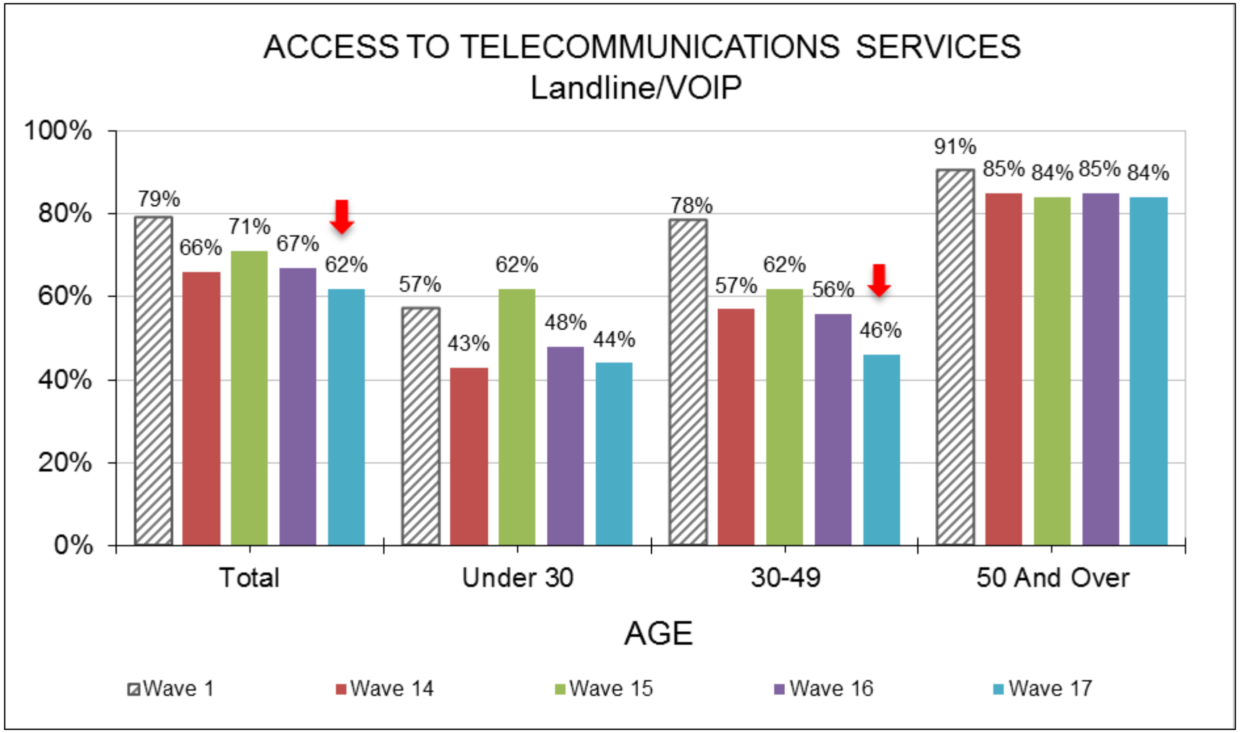
# Access to Telecommunications Services

- 97% 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. Access to a landline or VOIP phone was significantly down, wave on wave, to 62%.

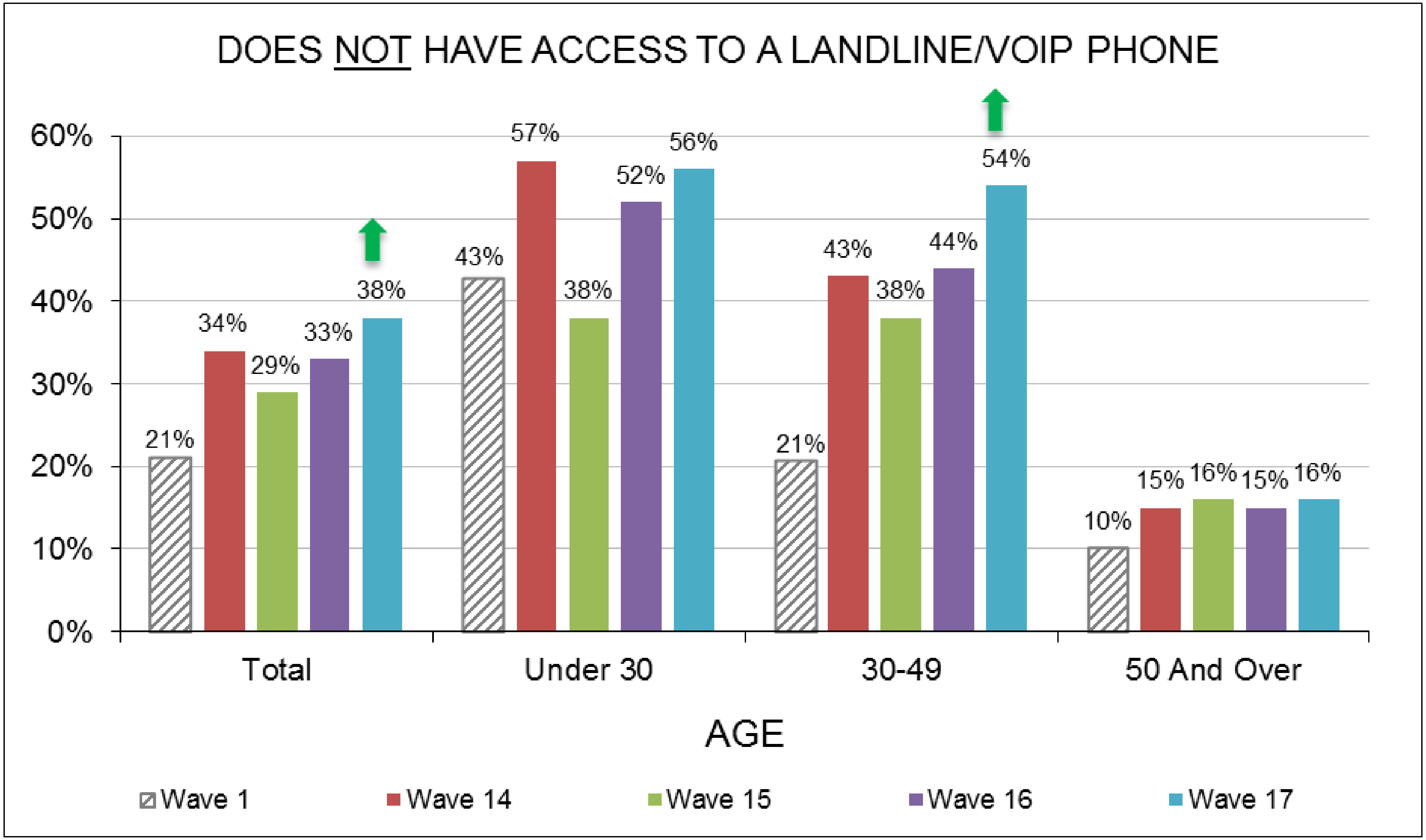


# Access to Landline/ VOIP – By Age

- Access to telecommunication services differed by age with older people aged 50 years and over more likely to have access to a landline/VOIP (84%) than those who were under the age of 30 (44%) and 30-49 (46%).
- Access to a landline/VOIP was significantly lower in Wave 17 compared to Wave 16, which was largely driven by the 30-49 segment that dropped significantly from 56% in Wave 16 to 46% in Wave 17.

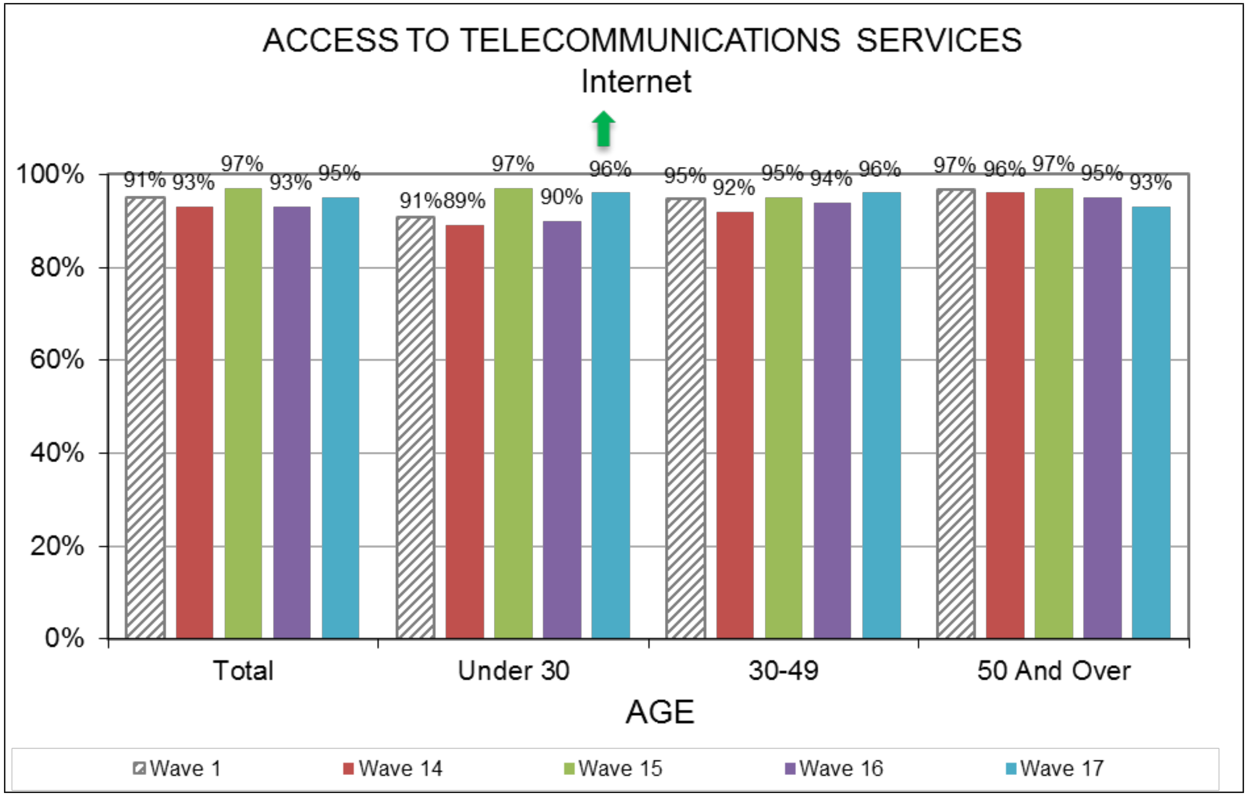


# ‘No’ Access to Landline/ VOIP – By Age



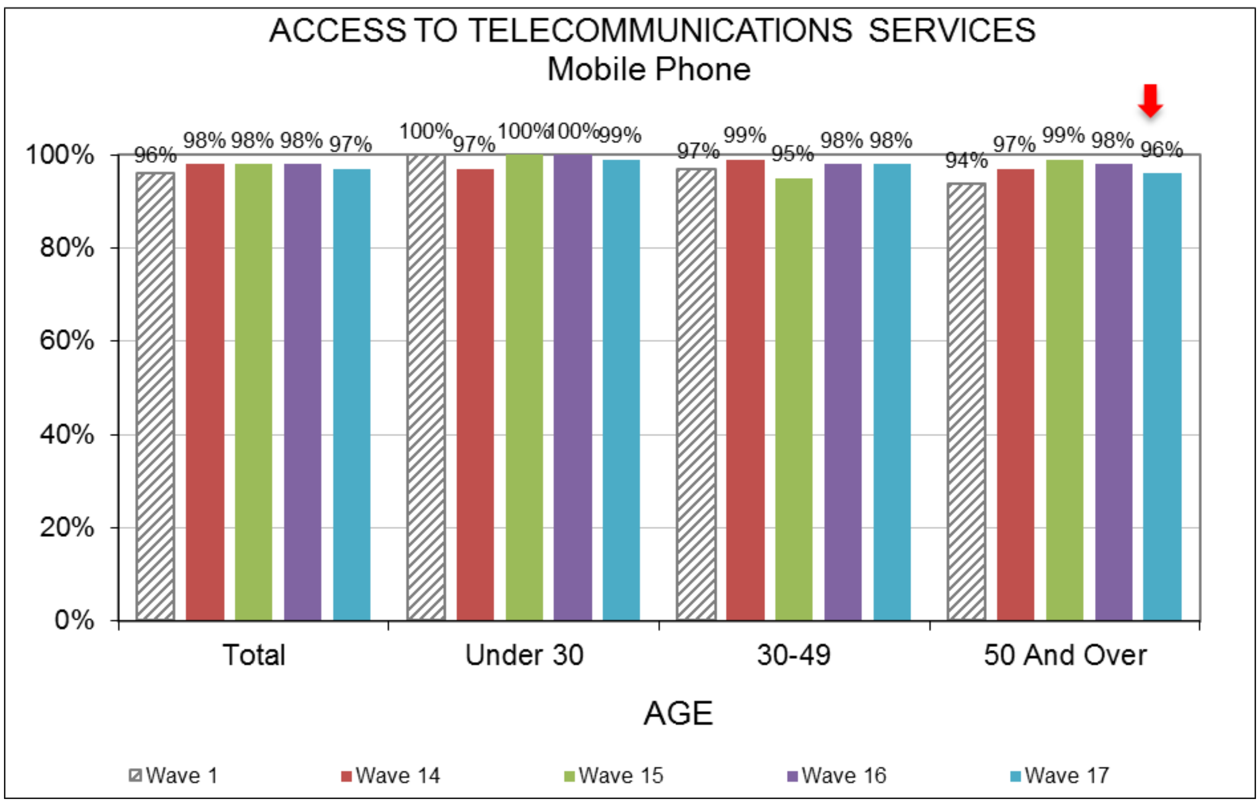
# Access to Internet – By Age

- At least 93% of each segment had access to an internet connection in the household. There was a significant increase in access to an internet connection in the household for personal use amongst the under 30 segment.



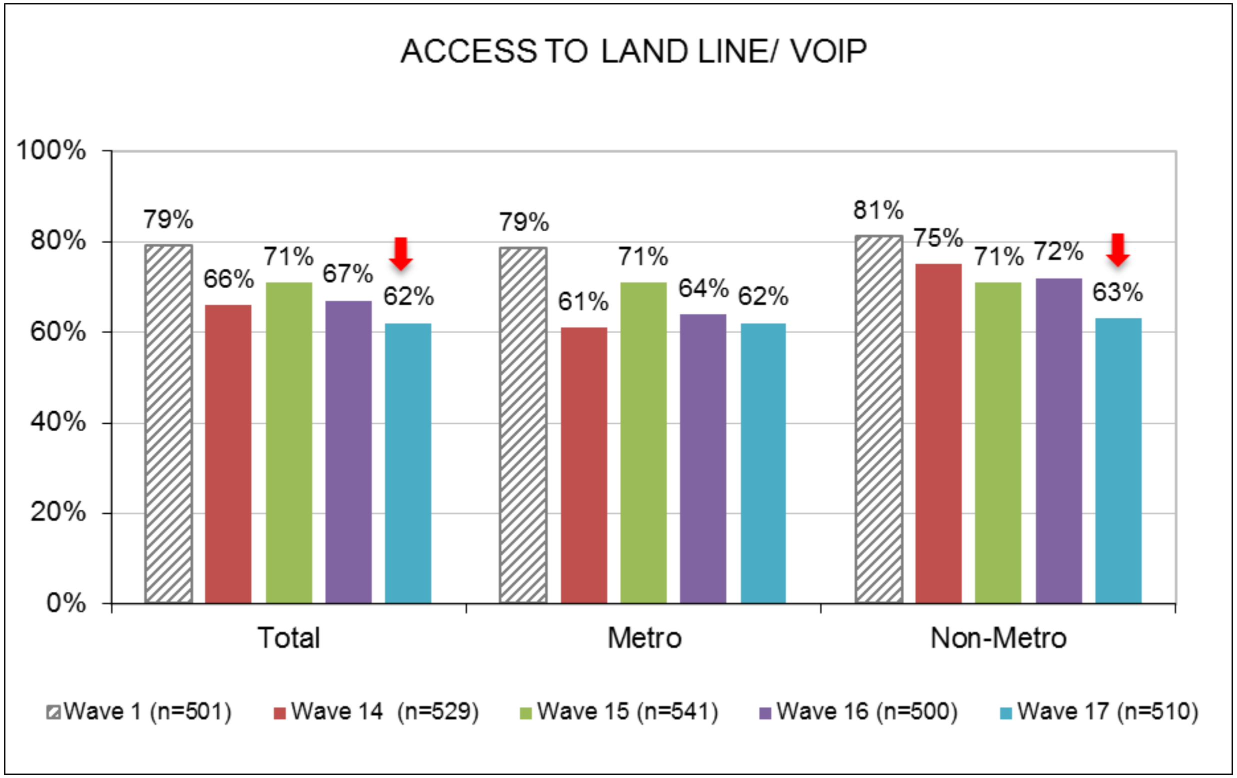
# Access to Mobile Phone – By Age

- Access to a mobile phone for personal use has remained high across all waves. There was a significant decrease in Wave 17 amongst the 50 and over segment that had some form of contact with a service provider in the last 6 months.



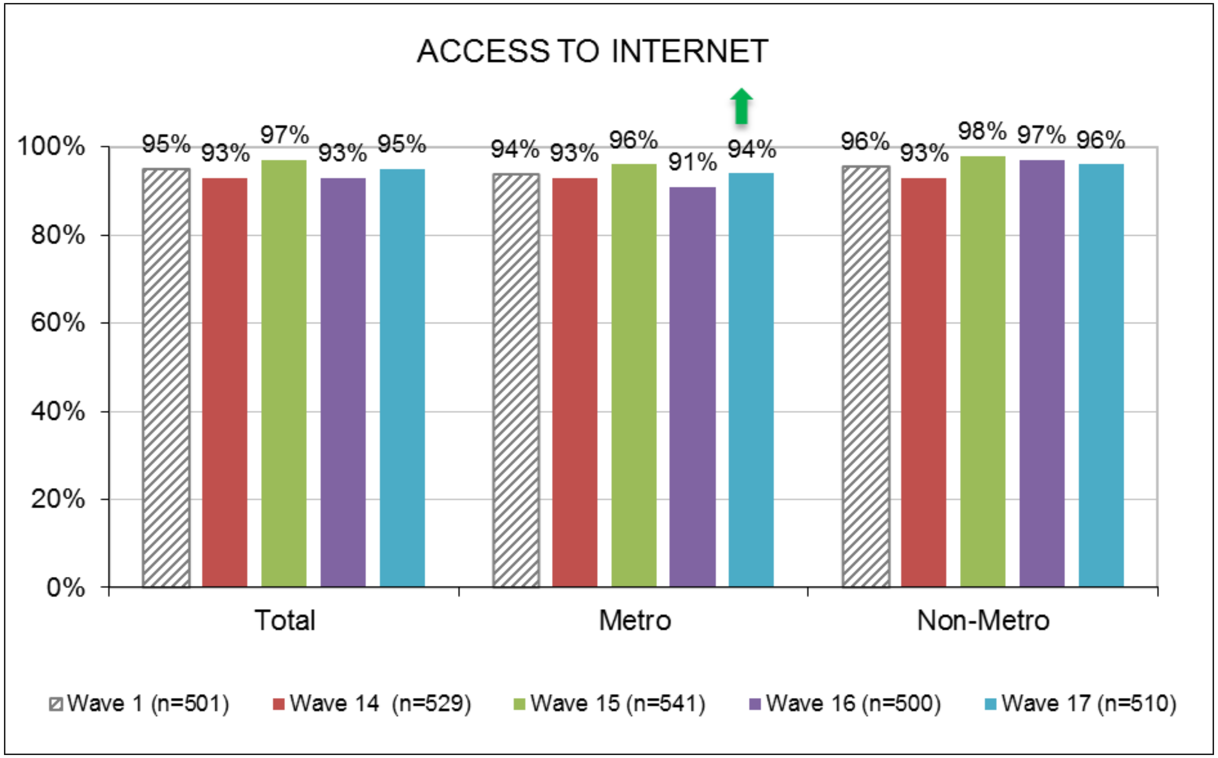
# Access to Landline/ VOIP – Metro vs. Non-metro

- In terms of area of residence, the drop in the access to a landline/VOIP in the current wave was largely driven by non-metro areas that show a significant drop from 72% in Wave 16 to 63% in Wave 17.



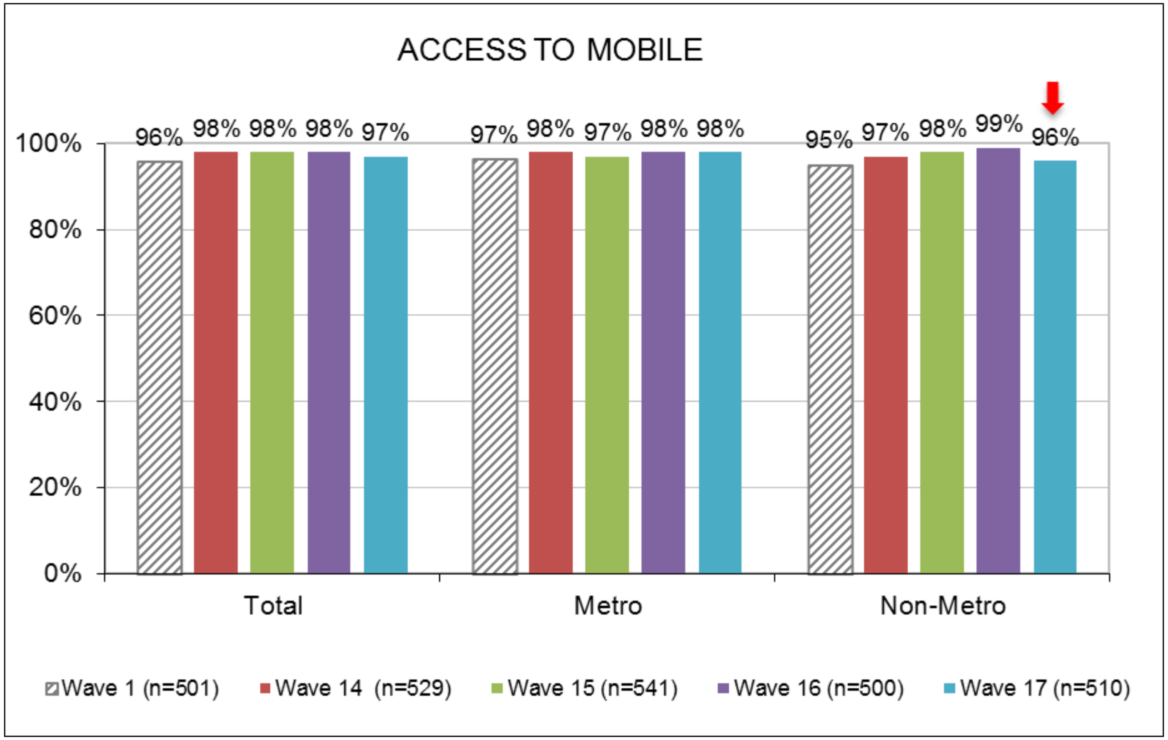
# Access to Internet – Metro vs. Non-metro

- A larger proportion of people in metropolitan areas reported having 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 remained steady between Wave 16 and Wave 17 in metro areas but dropped significantly in non-metro areas.

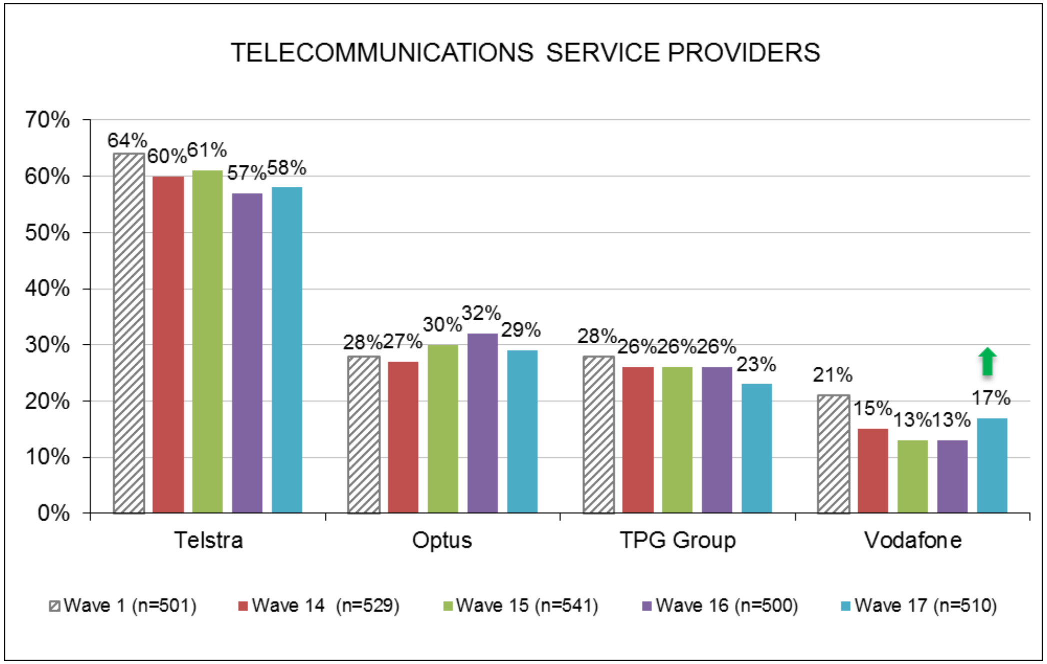


# Telecommunication Service Providers*

**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]

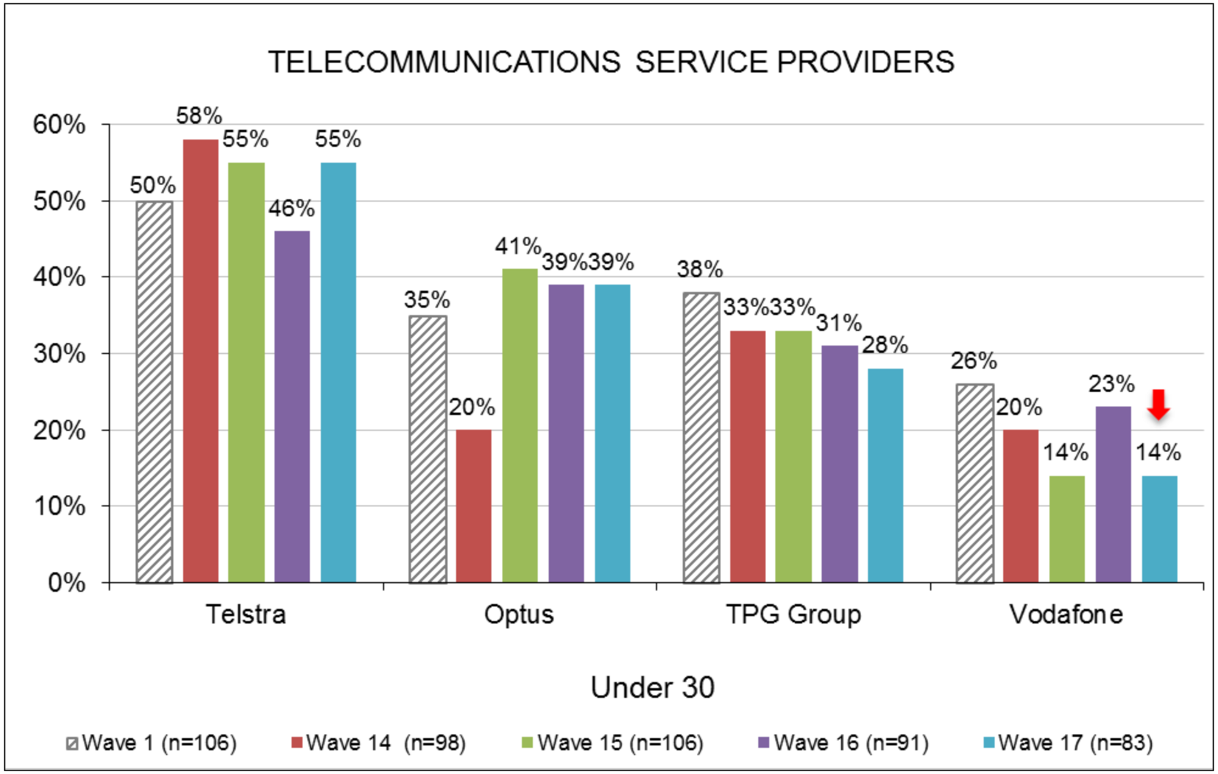
- Telstra[2] (58%) was the leading provider of home phone, mobile phone or internet services used by people who had some form of contact with a service provider in the last 6 months, followed by Optus (29%), TPG Group[3] (23%) and Vodafone[4] (17%). The proportion of people that used a Vodafone service increased significantly (+6%) in Wave 17.




[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'.

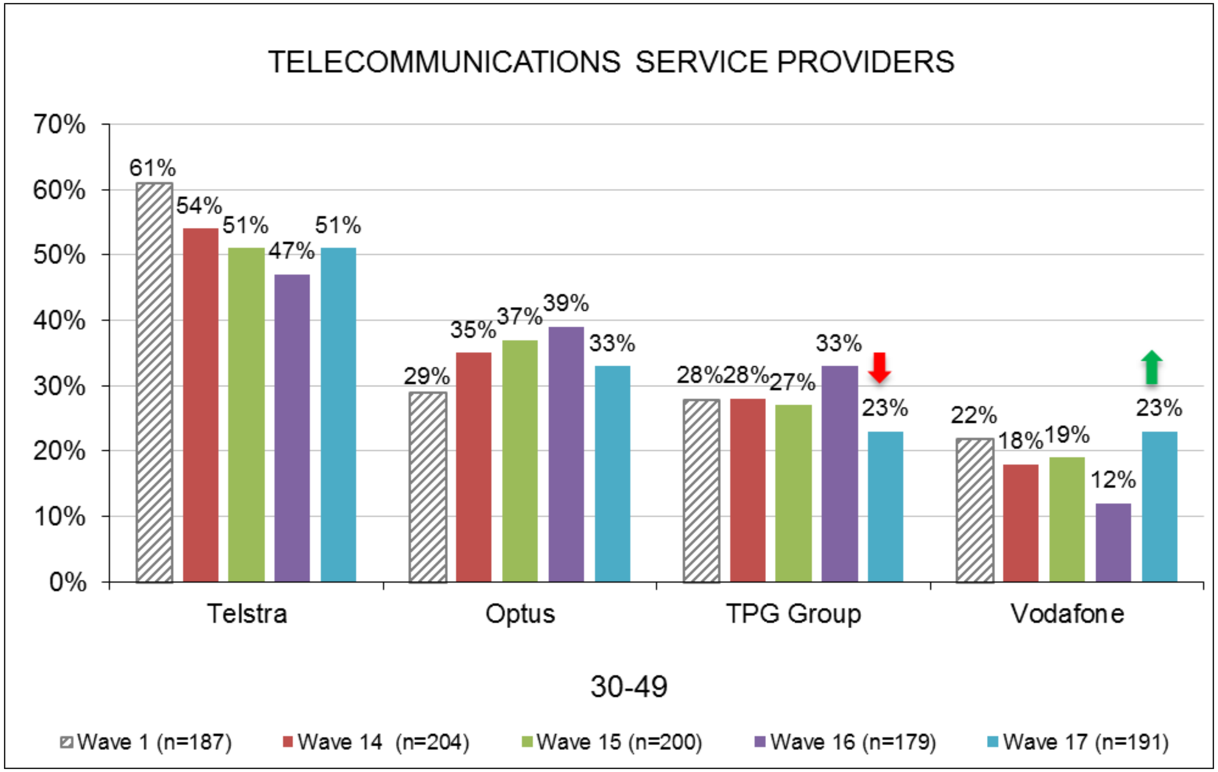
# Telecommunications Service Providers- ‘Under 30’ segment

- The proportion of the under 30 segment that used a Telstra service in this wave was higher than the previous wave but not statistically significant. The proportion of the under 30 segment that used a Vodafone service decreased significantly (-9%) in Wave 17.



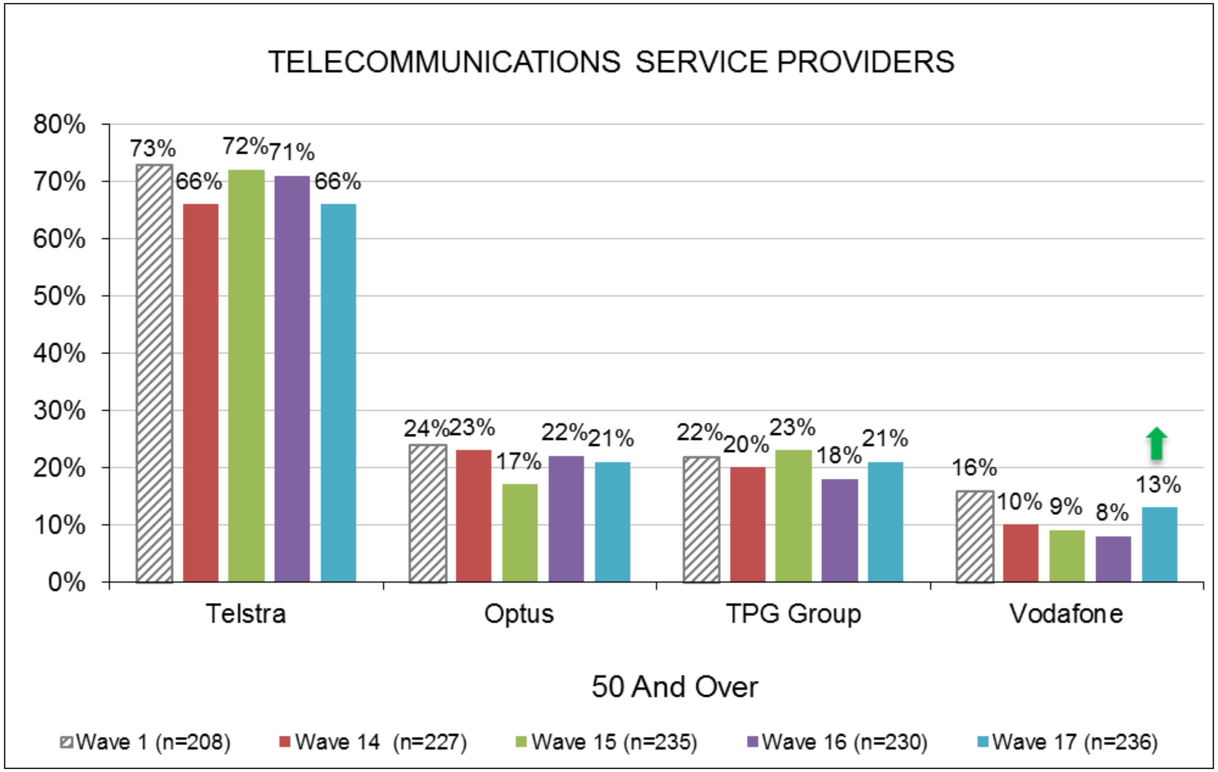
# Telecommunications Service Providers- '30 to 49' segment

- Among 30-49 year olds who had contact with a service provider in the last 6 months, 51% used a Telstra service in Wave 17 and 33% had a service with Optus. 23% had a TPG Group service (which was significantly less than Wave 16); a similar proportion of people had a service with Vodafone (which was significantly more than Wave 16).



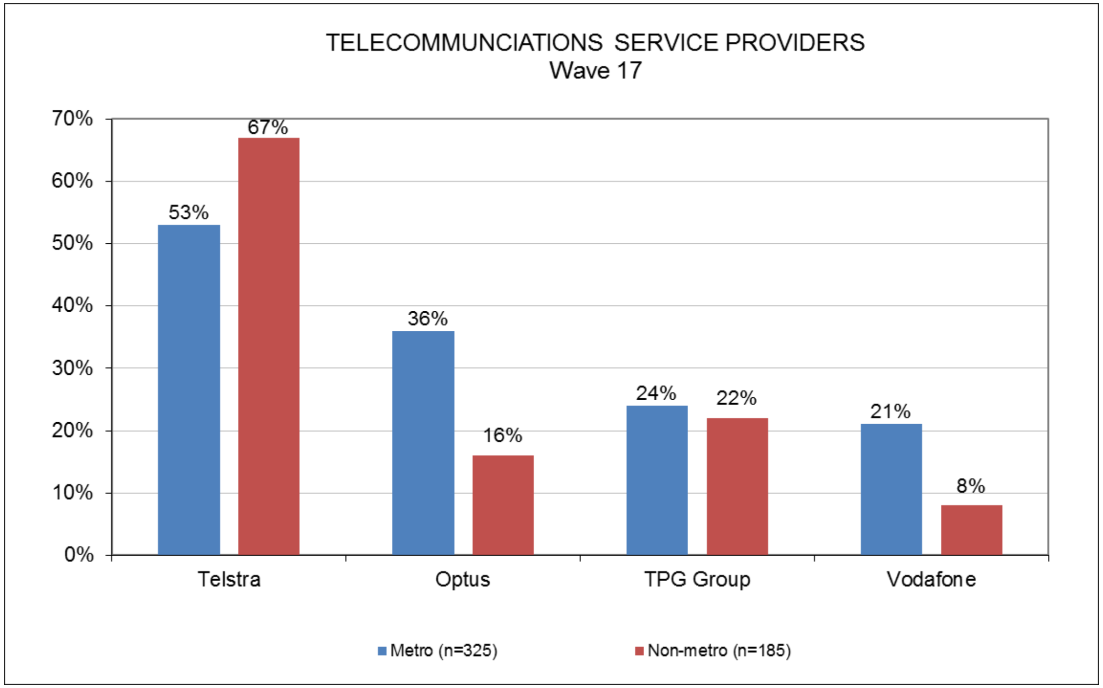
# Telecommunications Service Providers- '50 and over' segment

- The 50 and over segment had the highest incidence of people with a Telstra service in Wave 17, followed by Optus (21%), TPG Group (21%) and Vodafone (13%). The proportion of this segment that used a Vodafone service increased significantly (+5%) in Wave 17.



# Telecommunications Service Providers- Metro vs. Non-metro

- When usage of telecommunications service providers was examined by peoples' area of residence in Wave 17, the results revealed those that used Telstra services were more common in non-metro areas (67%) than in metro areas (53%). On the other hand, Optus and Vodafone services were more common in metro areas (36% and 21% respectively) than in non-metro areas (16% and 8% respectively). Use of a TPG Group service was fairly even between metro (24%) and non-metro (22%) areas.

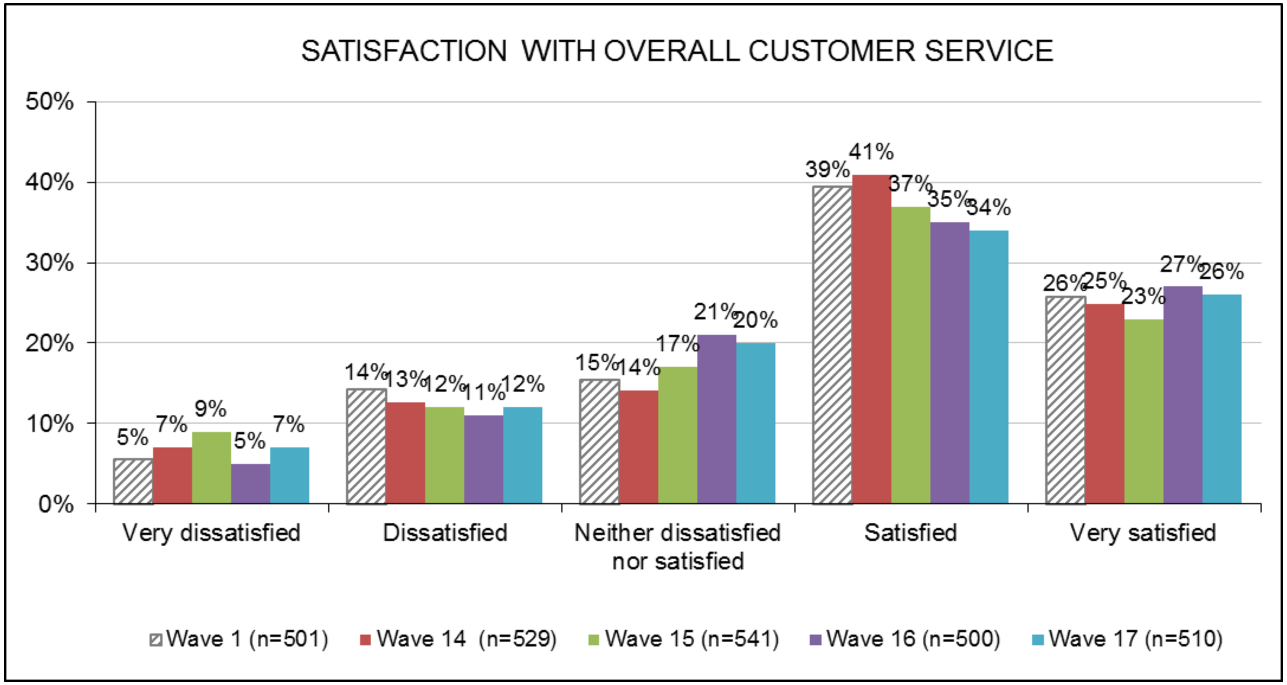


# Satisfaction with Customer Service*

**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*

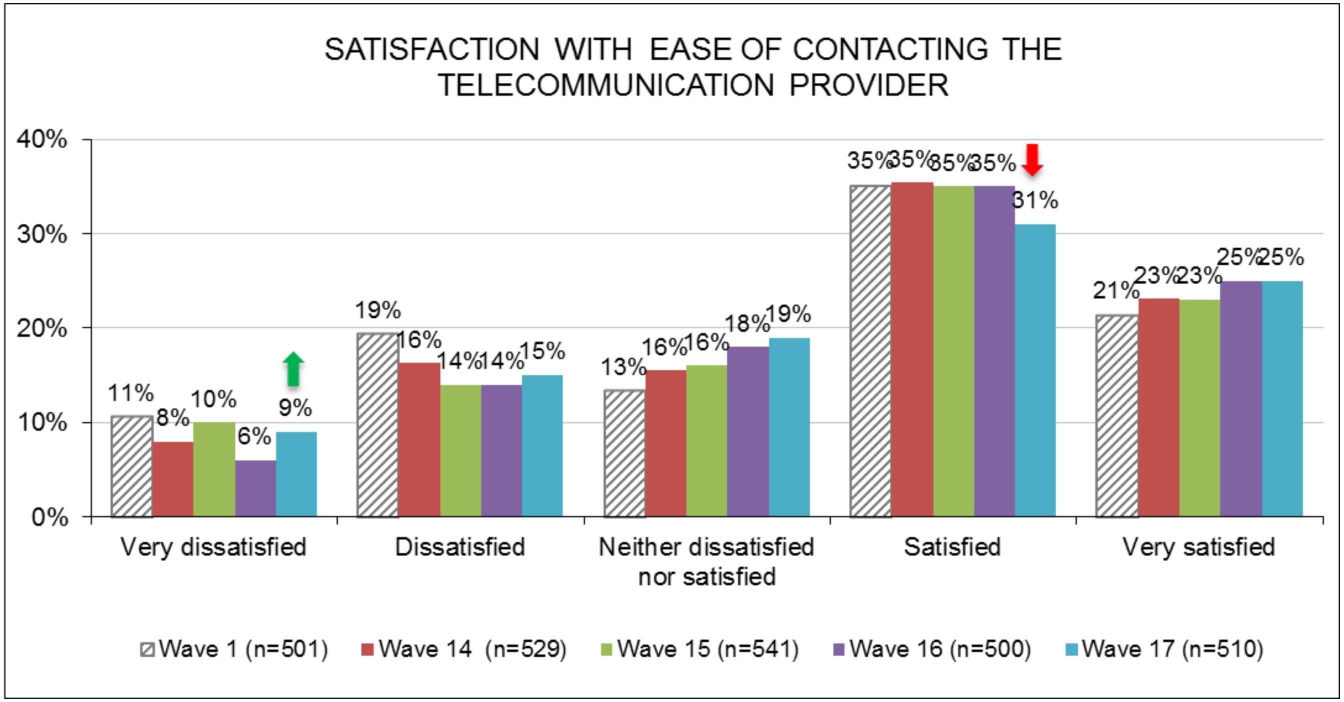
# Satisfaction With Overall Level of Customer Service

- Satisfaction (‘Very Satisfied’ or ‘Satisfied’) with the overall level of customer service received by telecommunication providers continued to be high (60%) in Wave 17. There were no significant changes between the current and previous wave.
- One in five (19%) people were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the overall level of customer service received with their most recent contact with a provider and only a small group of people (7%) reported being very dissatisfied.



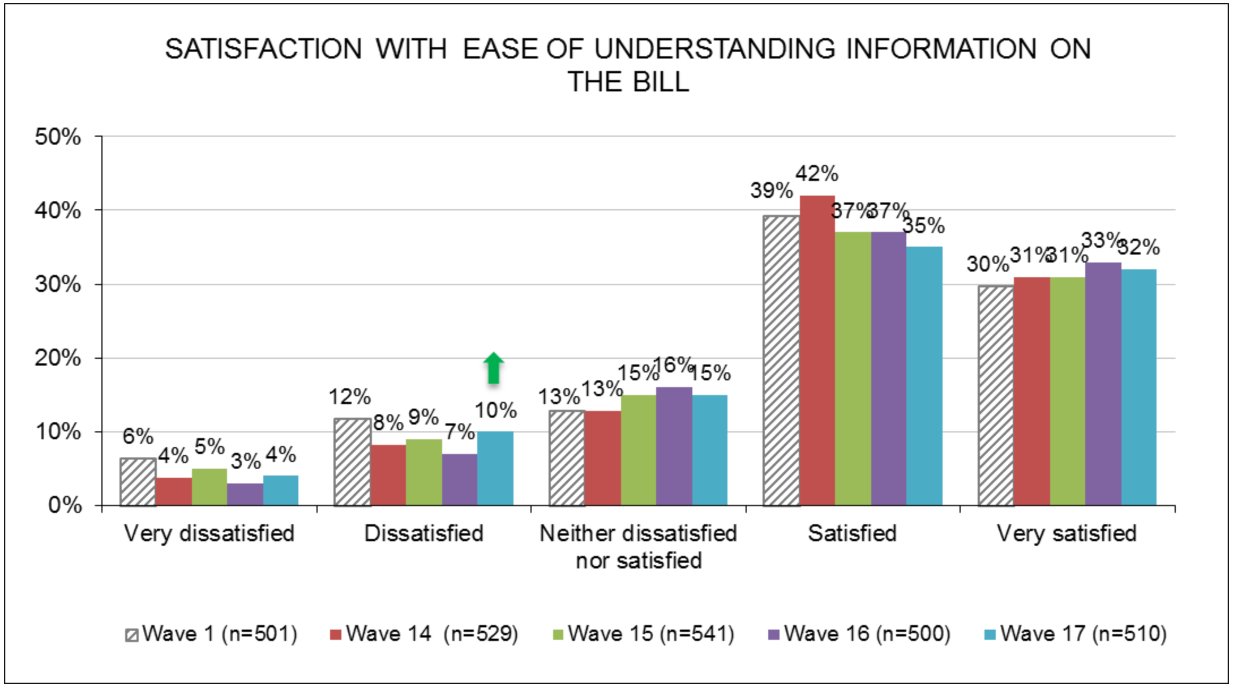
# Satisfaction With Ease of Contacting Telecommunications Provider

- In Wave 17, 56% were satisfied (‘Very Satisfied’ or ‘Satisfied’) with the ease of contacting their telecommunications provider with a quarter (25%) indicating that they were very satisfied. There was a significant decrease (-4%) in the number of people being ‘satisfied’ with the ease of contacting their telecommunications provider.
- Almost one in four (24%) were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the ease of contacting their provider. 9% of these people were very dissatisfied which was a significant increase (+3%) on the previous wave.



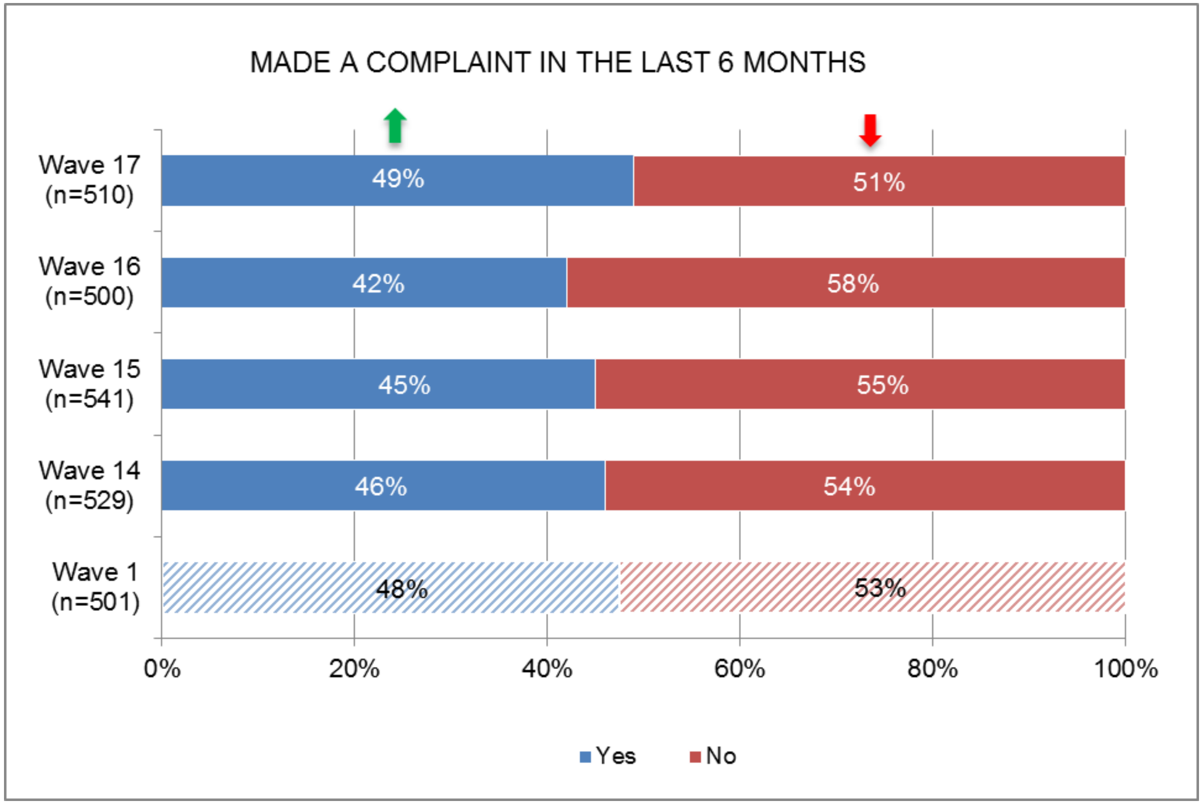
# Satisfaction With Ease of Understanding Information on the Bill

- Satisfaction with ease of understanding bill information continued to be high in Wave 17 with two in three (67%) 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 those customers who were dissatisfied were 'Very Dissatisfied' (4%). The number of people 'dissatisfied' with the ease of understanding their most recent bill increased (+3%) significantly in Wave 17.



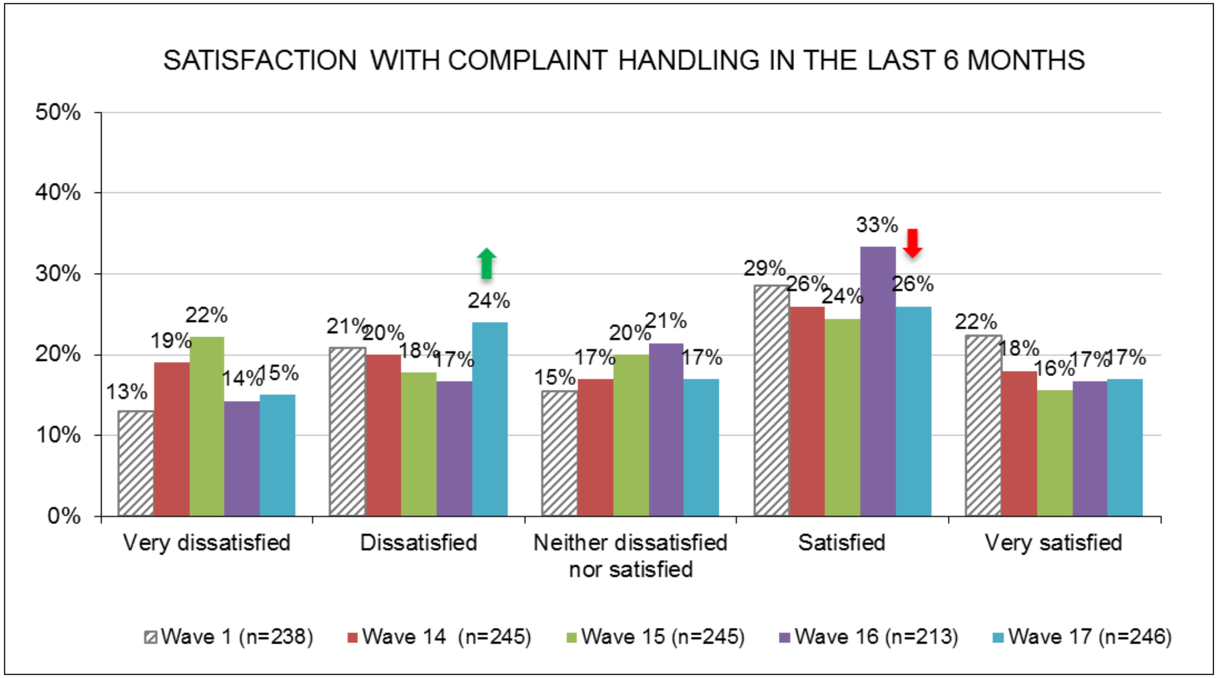
# Satisfaction with Complaint Handling

- In Wave 17, one in two (49%) of those who had some type of contact with a service provider in the last 6 months had made a complaint to their provider. Though, it was a significant increase compared to the last wave when 42% had made a complaint in the last 6 months but was similar to the benchmark Wave 1 when 48% had made a complaint.



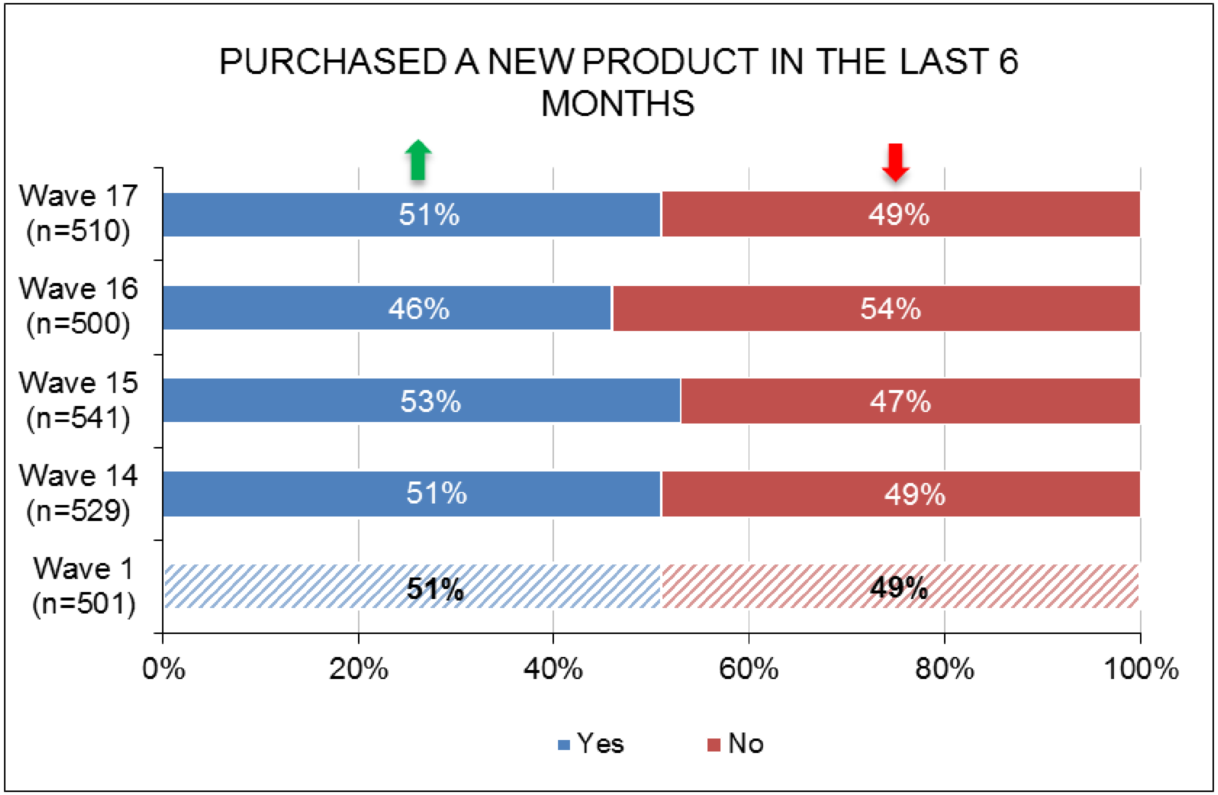
# Satisfaction with Complaint Handling

- Overall, 43% 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 17% indicating that they were very satisfied. There was a significant decrease (-7%) in the number of people being ‘satisfied’ with how their complaints had been handled.
- On the other hand, levels of dissatisfaction with the complaint handling process in Wave 17 (39%) were higher than Wave 16 (when levels of dissatisfaction were 31%). This increase was mainly attributed to the significant increase (+7%) in people who were ‘Dissatisfied’.



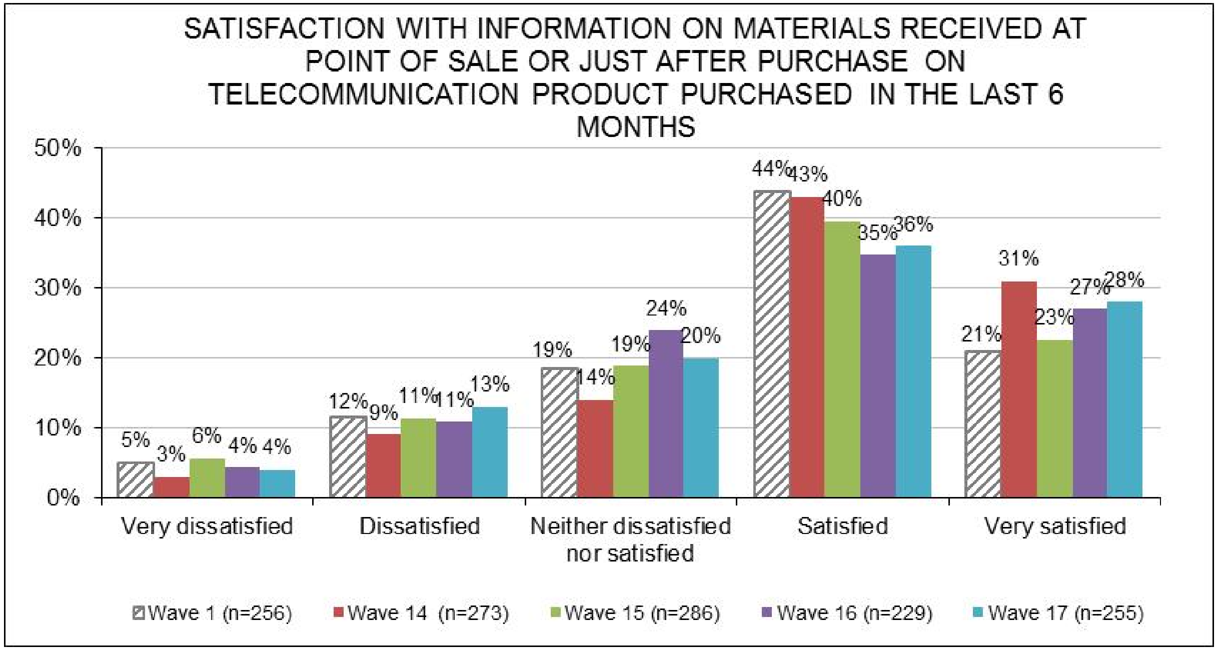
# Satisfaction With Information on Materials Received at POS or Just After Purchase

- In Wave 17, one in two (51%) had purchased a telecommunication product in the last 6 months. This was a significant increase (+5%) compared to Wave 16.



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

- In Wave 17, 64% 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 was higher (though not significant) compared to previous wave (when it was 61%).
- 17% 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, with only a small group of people (4%) being very dissatisfied.
- There were no significant changes between Wave 16 and Wave 17.

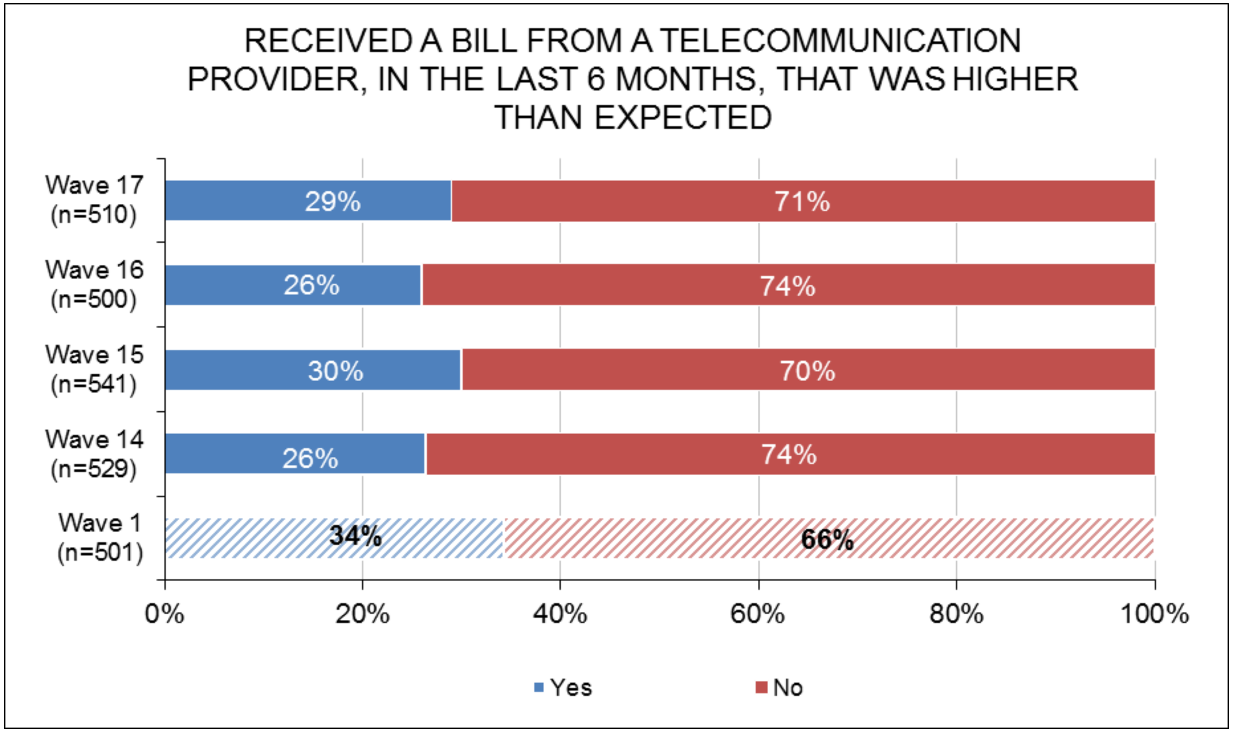


# Billing*

**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*

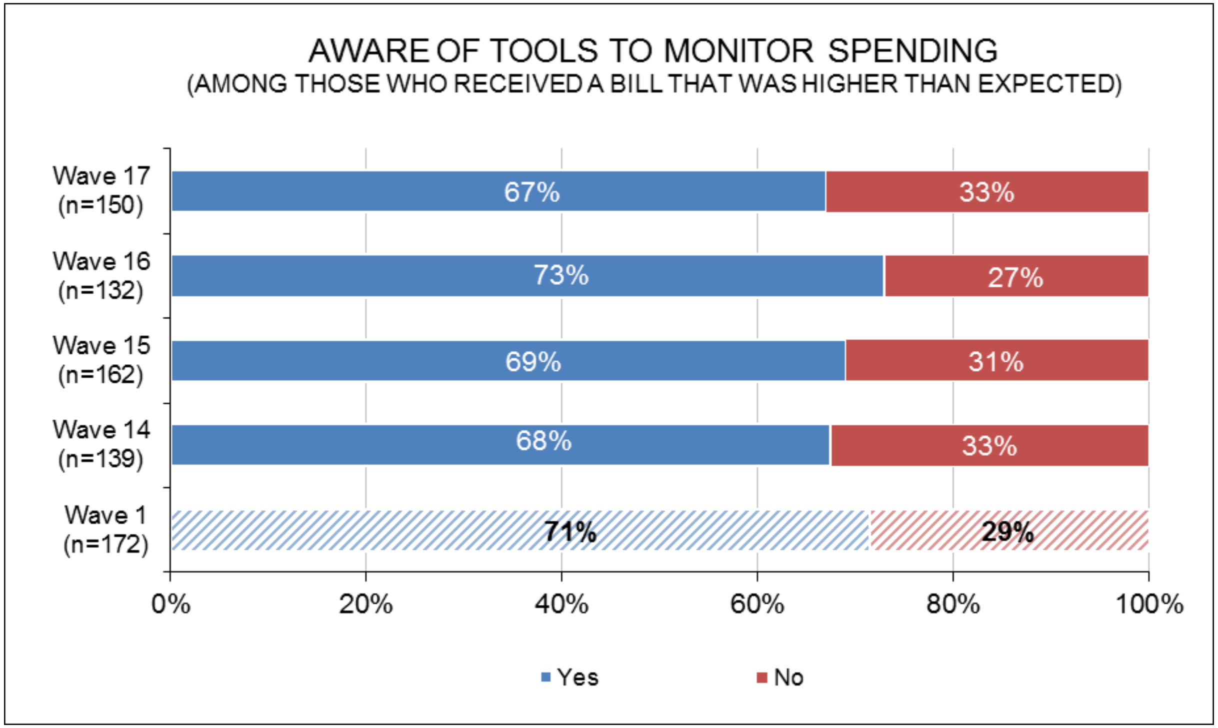
# Higher Than Expected Bills

- In Wave 17, 29% received a bill from a telecommunications provider in the last 6 months that was higher than expected. This proportion was higher than Wave 16, although not statistically significant. Compared to the recent four waves, the benchmark Wave 1 had the highest number (34%) of people who received a bill that was higher than expected in the last 6 months.



# Awareness of Spend Monitoring Tools

- Two in three (67%) 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 lower (though not significantly lower) than the previous 3 waves and the benchmark wave 1 when the awareness levels were between 68% and 73%).

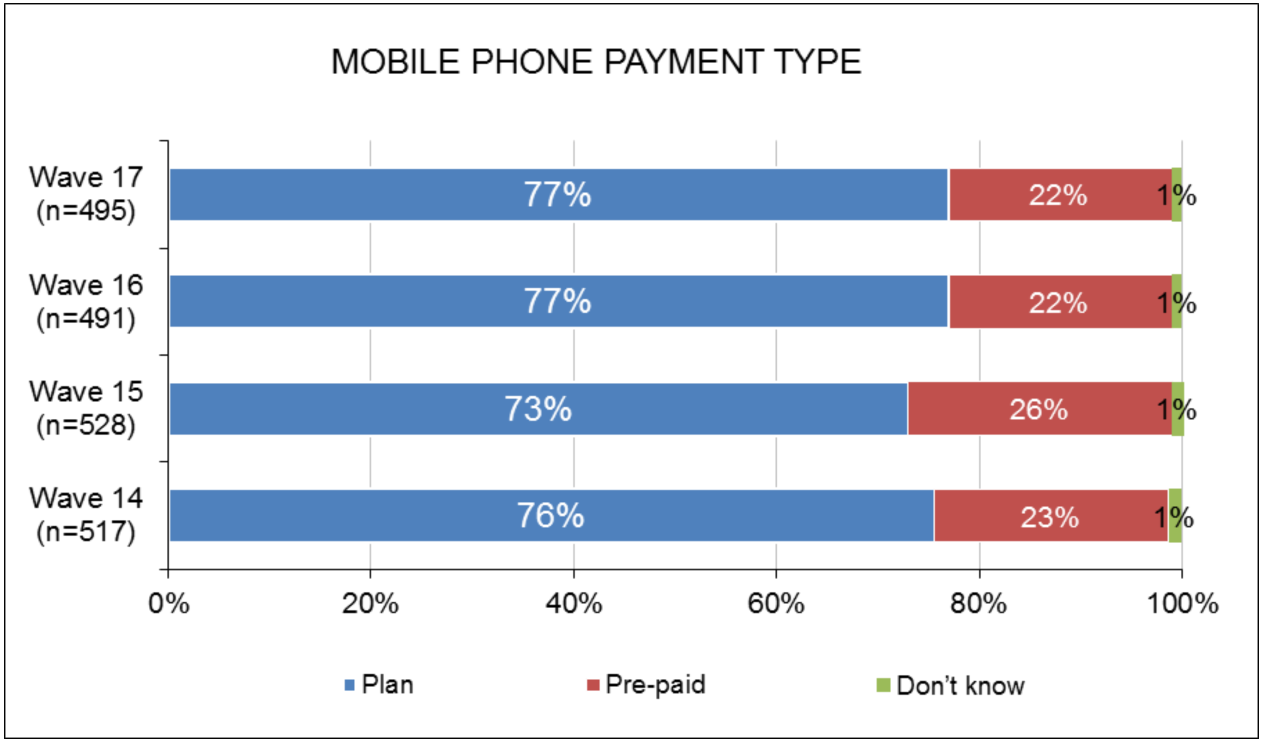


# 13 and 1300 Numbers*

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

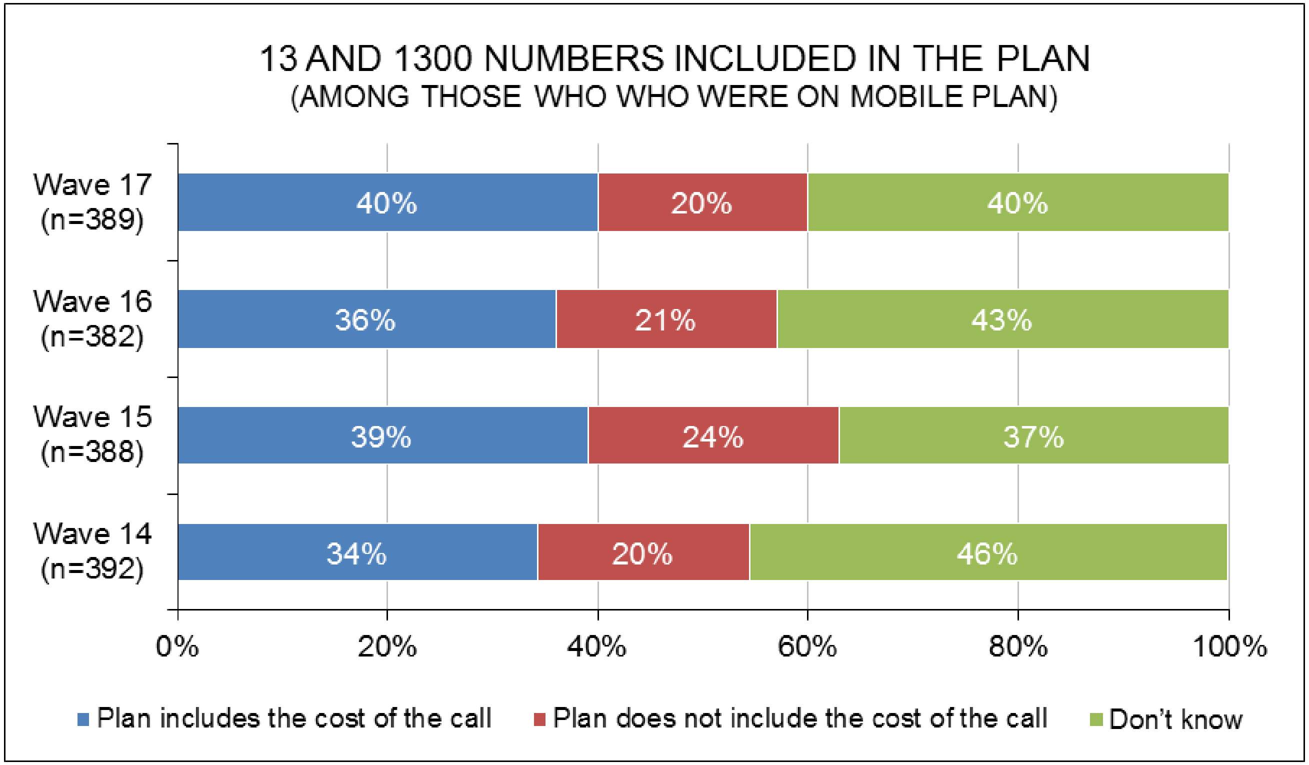
# Mobile Phone Payment Type

- Similar to Wave 16, just over three-quarters (77%) of people in Wave 17 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.



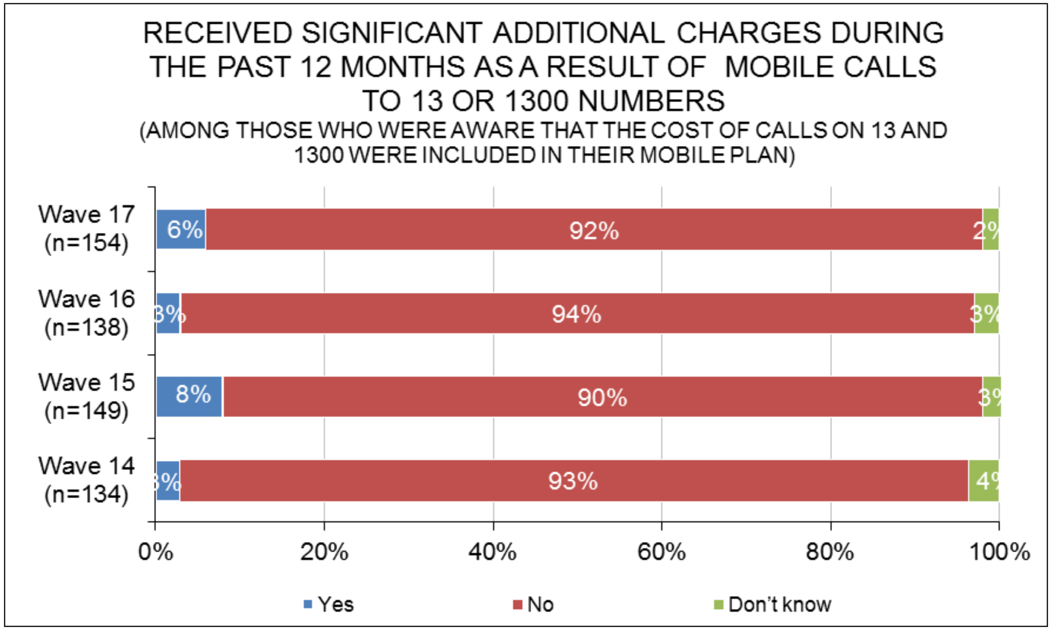
# 13 and 1300 Numbers Included

- In Wave 17, two in five (40%) 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 an increase (though not significant) compared to Wave 16.



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

- In Wave 17, 6% 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 16 and Wave 17.

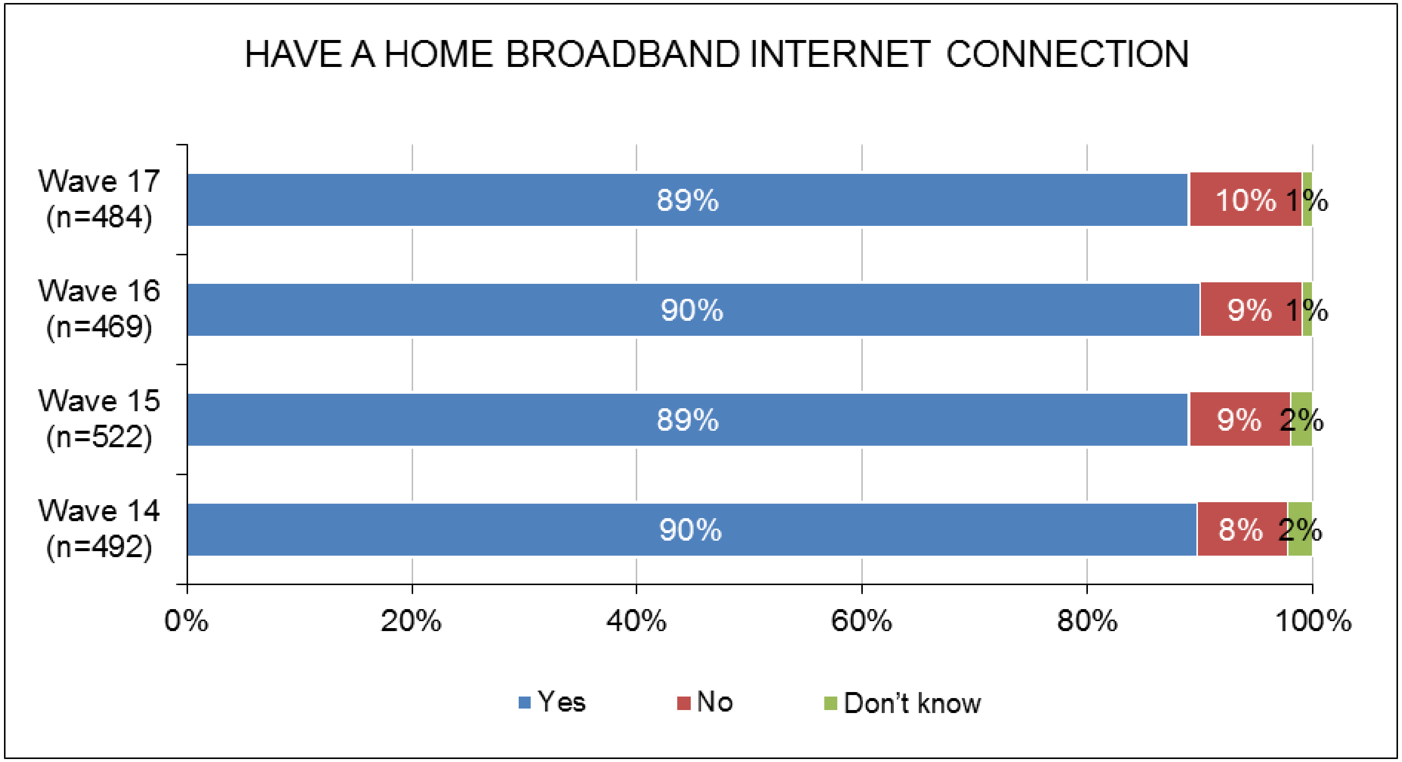


# Broadband Internet Connection*

**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 17, 89% 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, the most important factors when selecting broadband Internet connection are connection reliability (26%), internet speed (23%) and monthly price (20%).