Telecommunications Customer Satisfaction

Results of polling undertaken by Roy Morgan Research for Communications Alliance Ltd

Wave 21 – January 2019

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 2015, March 2016 and June 2016). This report summarises the key findings of the Wave 21 survey held in January 2019.

- 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 20 and Wave 21.

- 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.

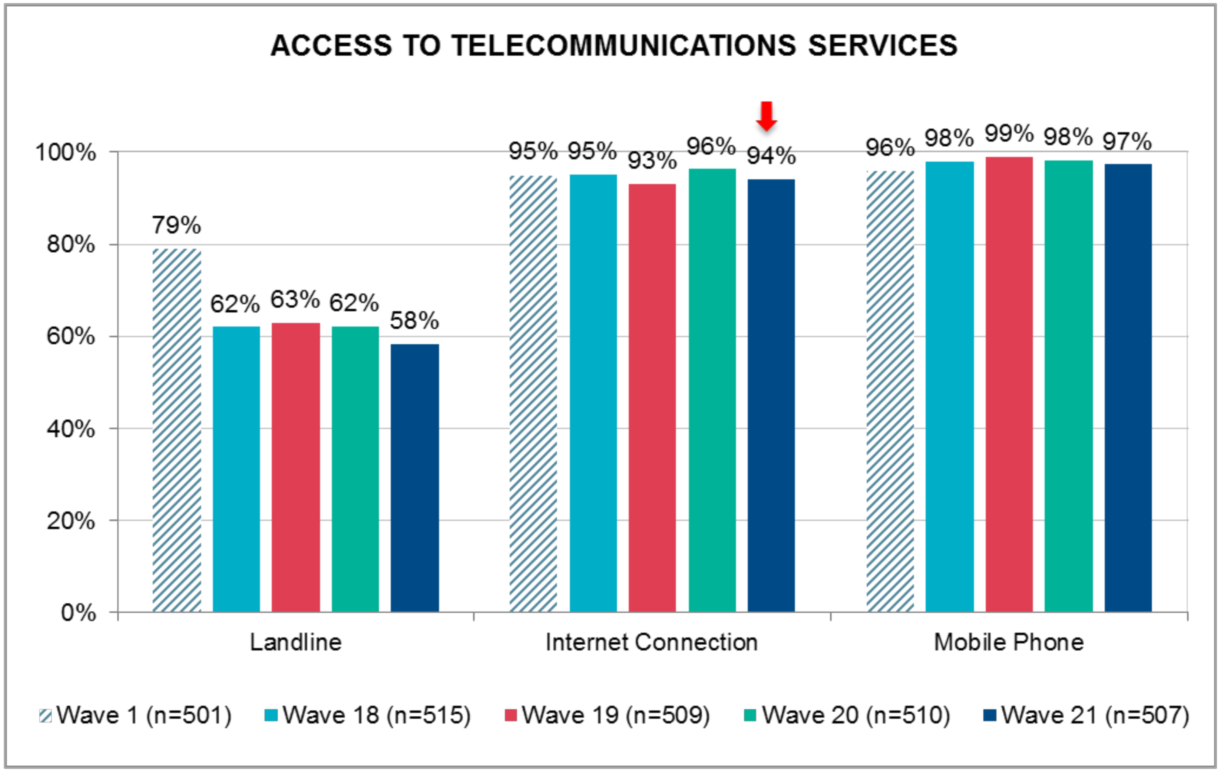
- Special formatting was applied to indicate statistical significance. Where there was a significant increase in the second period, a **green arrow** above the percentage was added and conversely significant decreases were denoted in **red (red arrow for wave on wave trends).** Where there was no significance,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

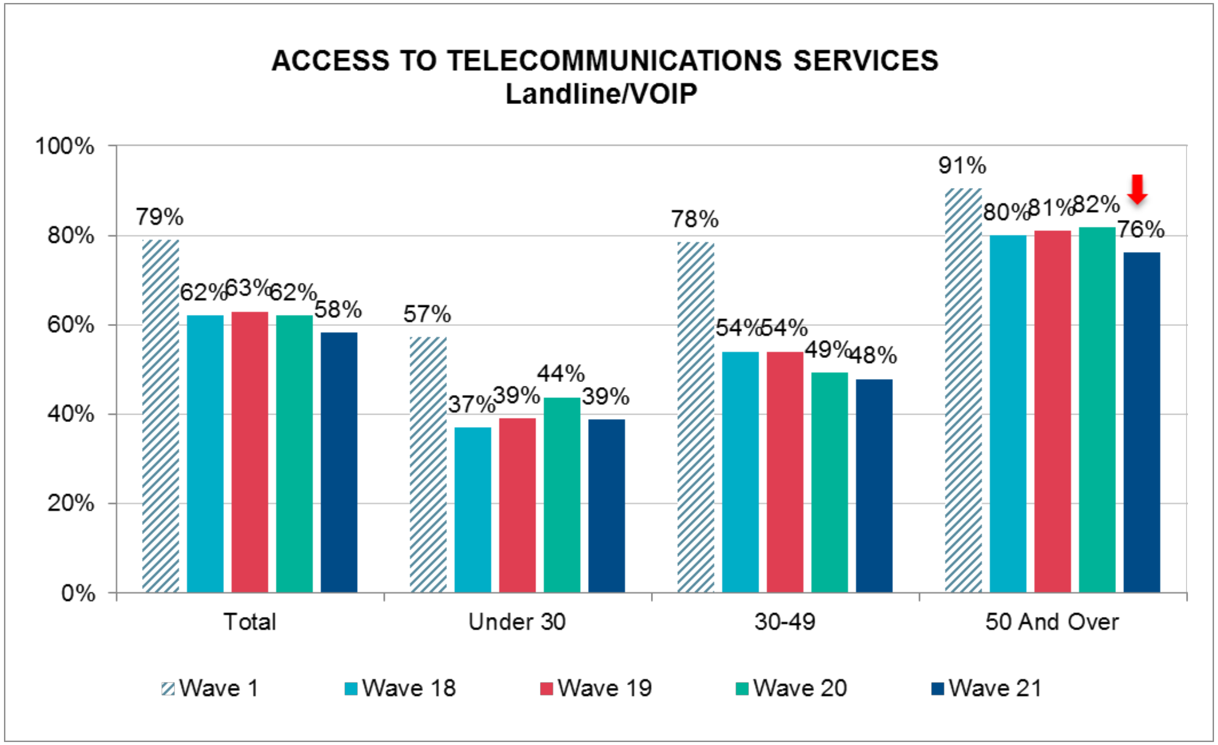
Access to Telecommunications Services

- 97% of people in Wave 21 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 94% had an internet connection in their household for personal use. 58% had access to a landline or VOIP phone.

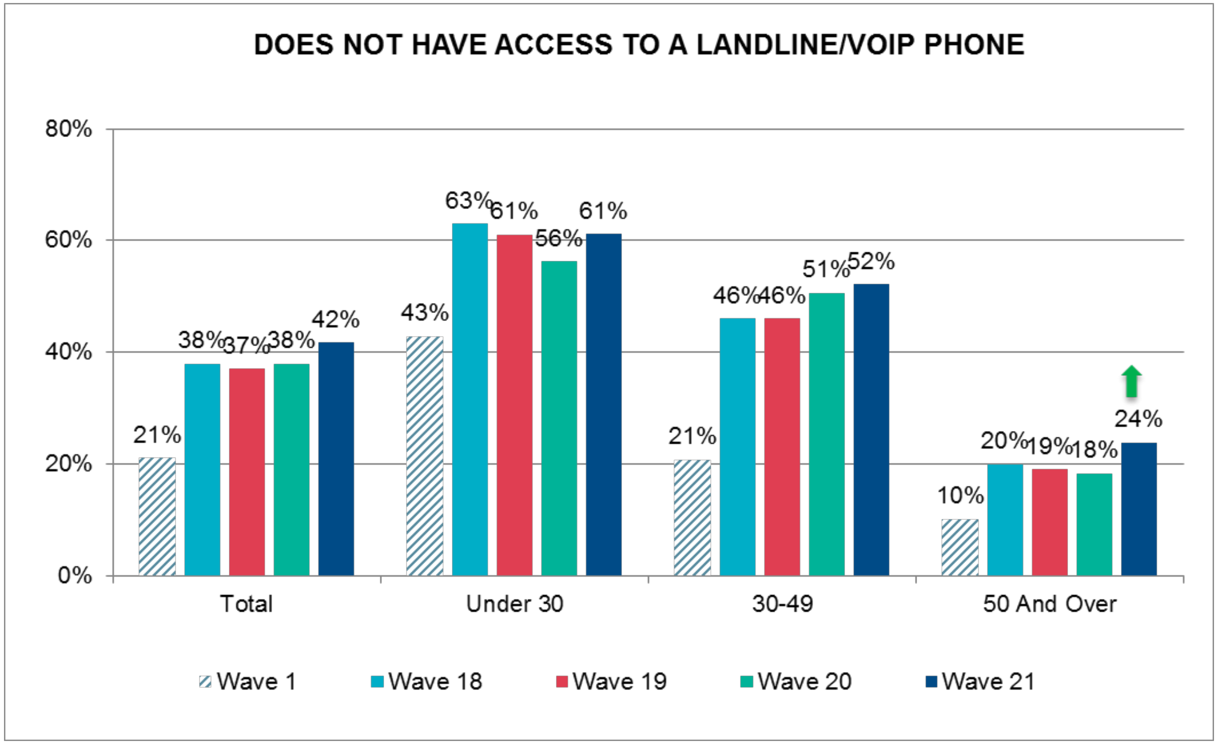


Access to Landline/ VOIP – By Age

- Access to telecommunication services differed by age, with older people aged 50 years and over more likely to have access to a landline/ VOIP (76%) than those who were under the age of 30 (39%) and 30-49 (48%).
- Despite a significant decrease in access to landline/VOIP within the 50 and over segment from Wave 20 to Wave 21, there was no significant change in the current wave compared to the previous wave overall.

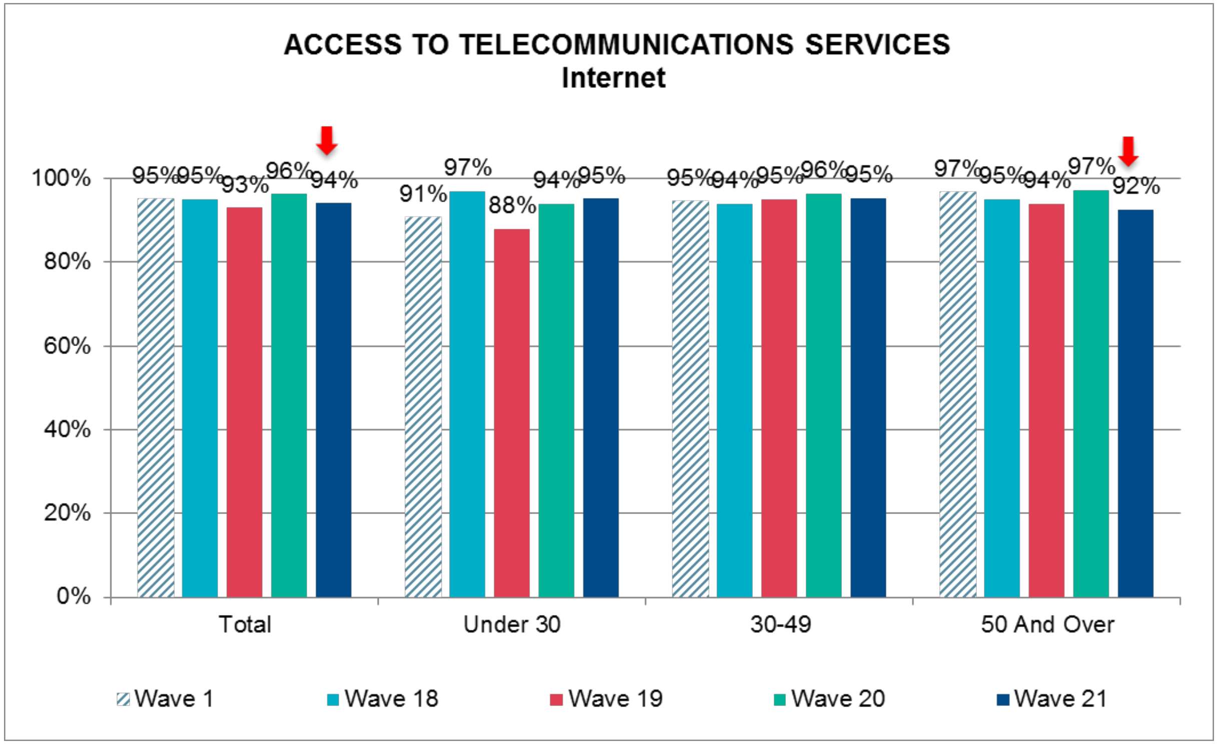


‘No’ Access to Landline/ VOIP – By Age



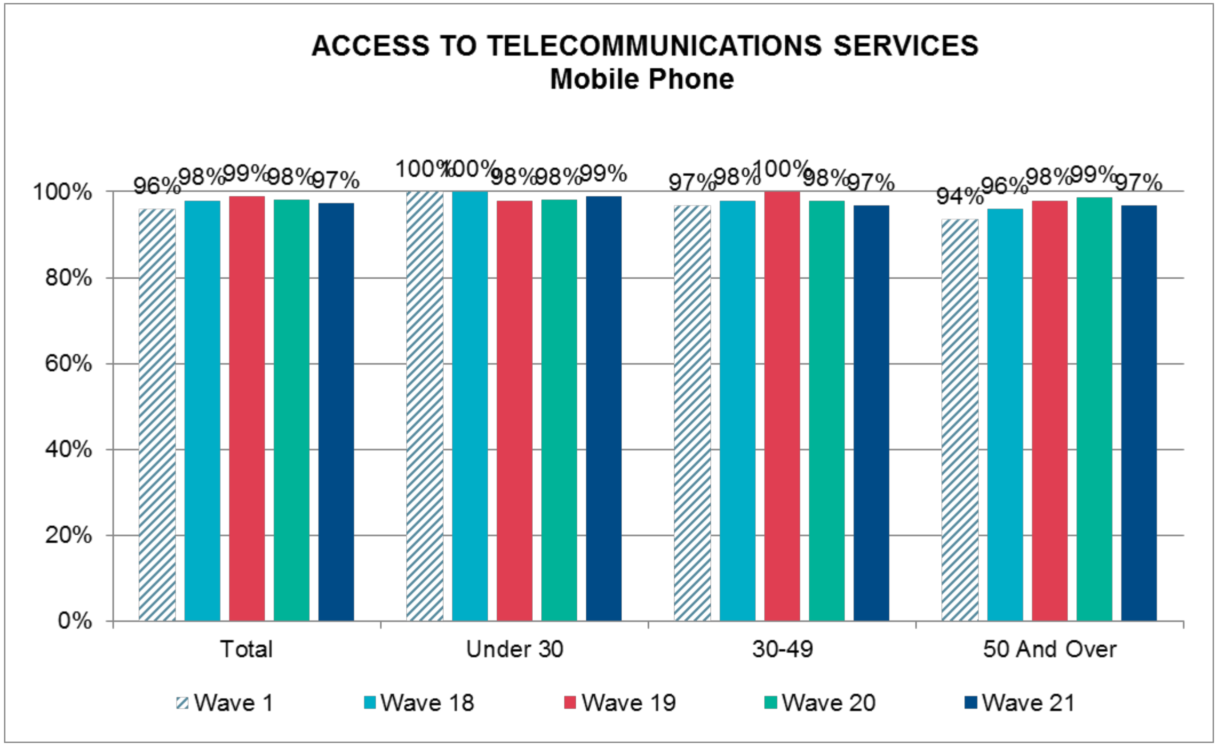
Access to Internet – By Age

- Access to an internet connection, amongst people who had some form of contact with a service provider in the past 6 months, was significantly lower in Wave 21 compared to Wave 20. This decline was largely driven by the 50 and over segment that dropped significantly from 97% in Wave 20 to 92% in Wave 21.



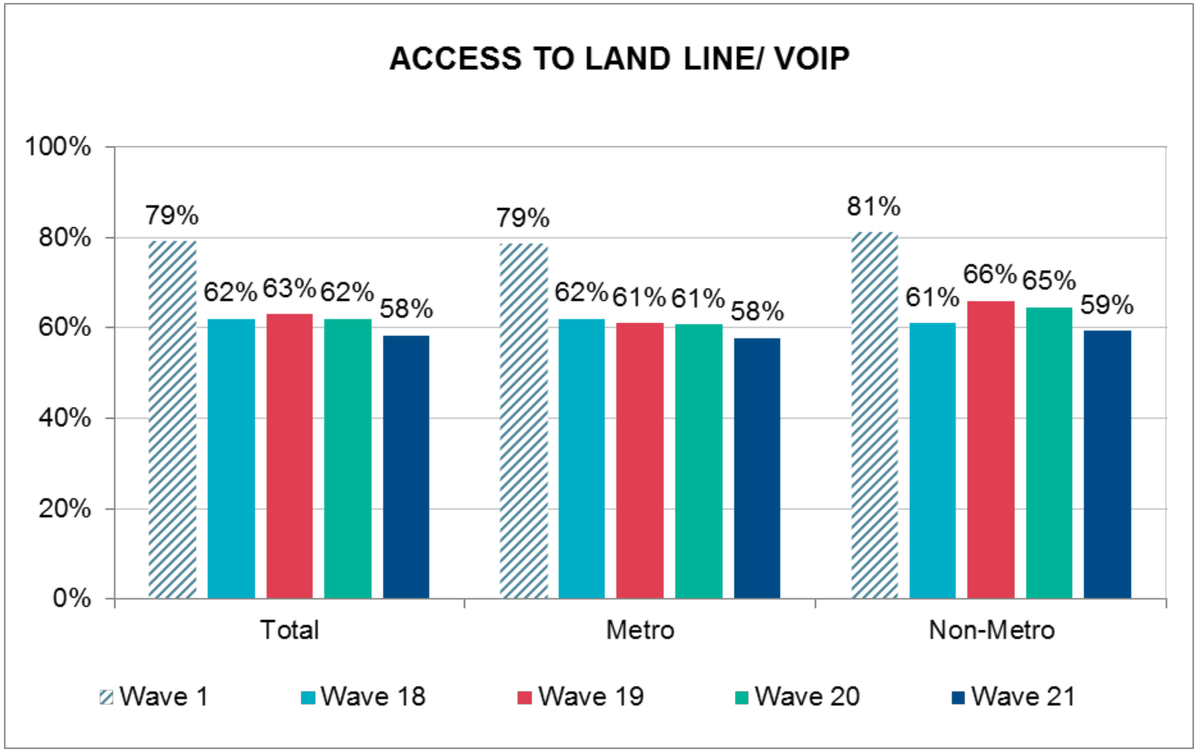
Access to Mobile Phone – By Age

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



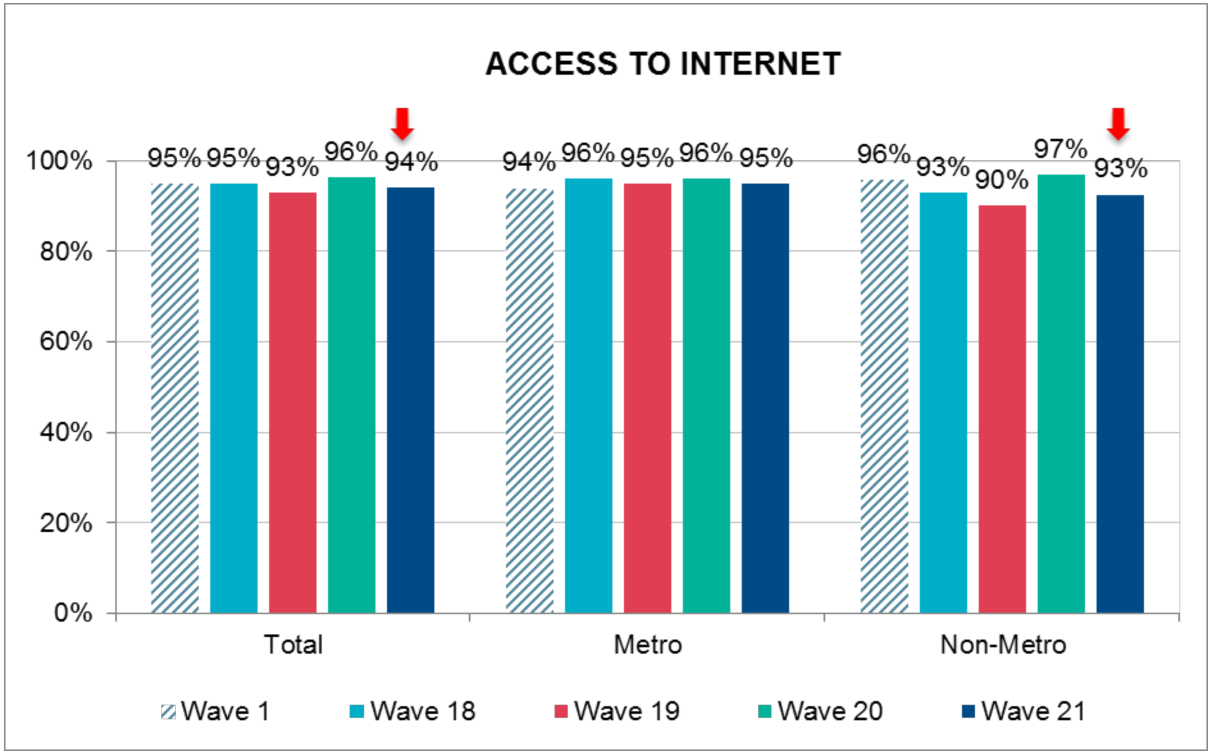
Access to Landline/ VOIP – Metro vs. Non-metro

- There were no significant changes by area in terms of access to a landline/VOIP in the current wave compared to the previous wave.



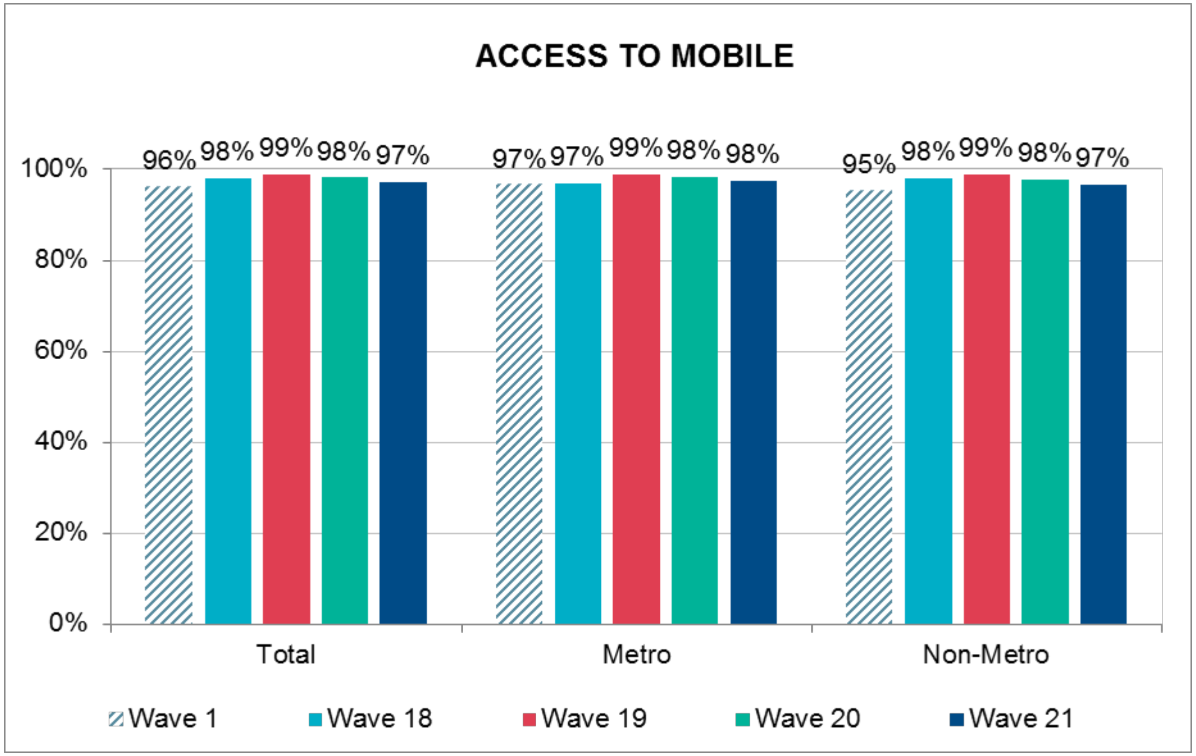
Access to Internet – Metro vs. Non-metro

- The access to an internet connection declined significantly in the current wave, and was largely driven by non-metro areas that show a significant decrease from 97% in Wave 20 to 93% in Wave 21.



Access to Mobile – Metro vs. Non-metro

- Access to a mobile remained steady between Wave 20 and Wave 21 across metro and non-metro areas.

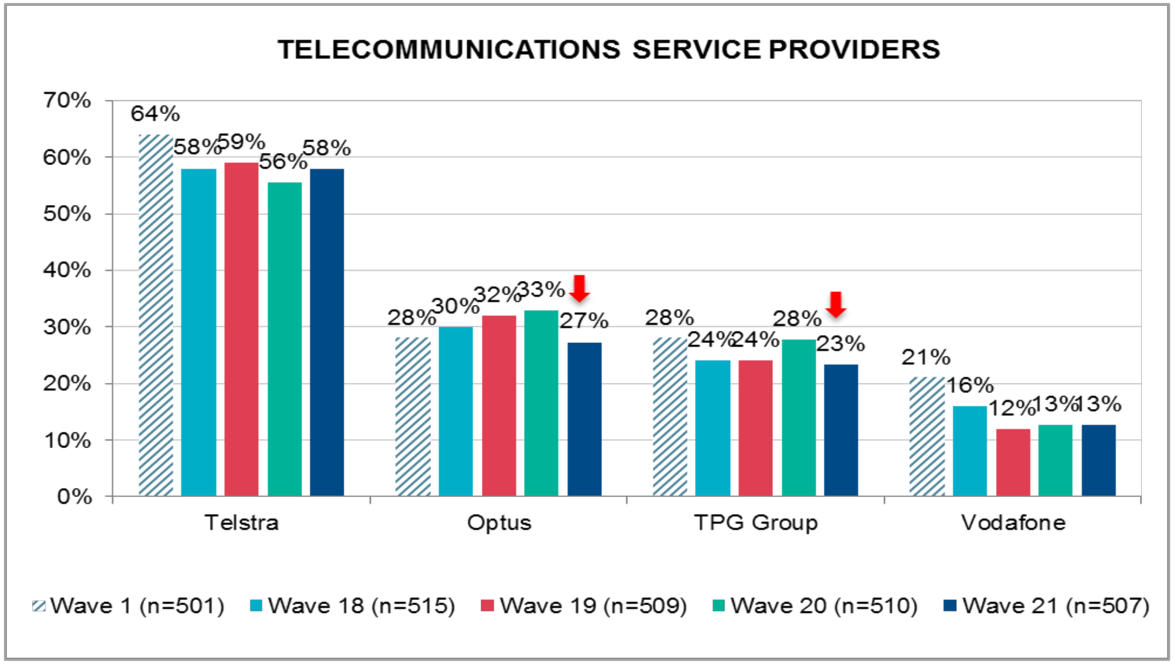


Telecommunication Service Providers*

**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]

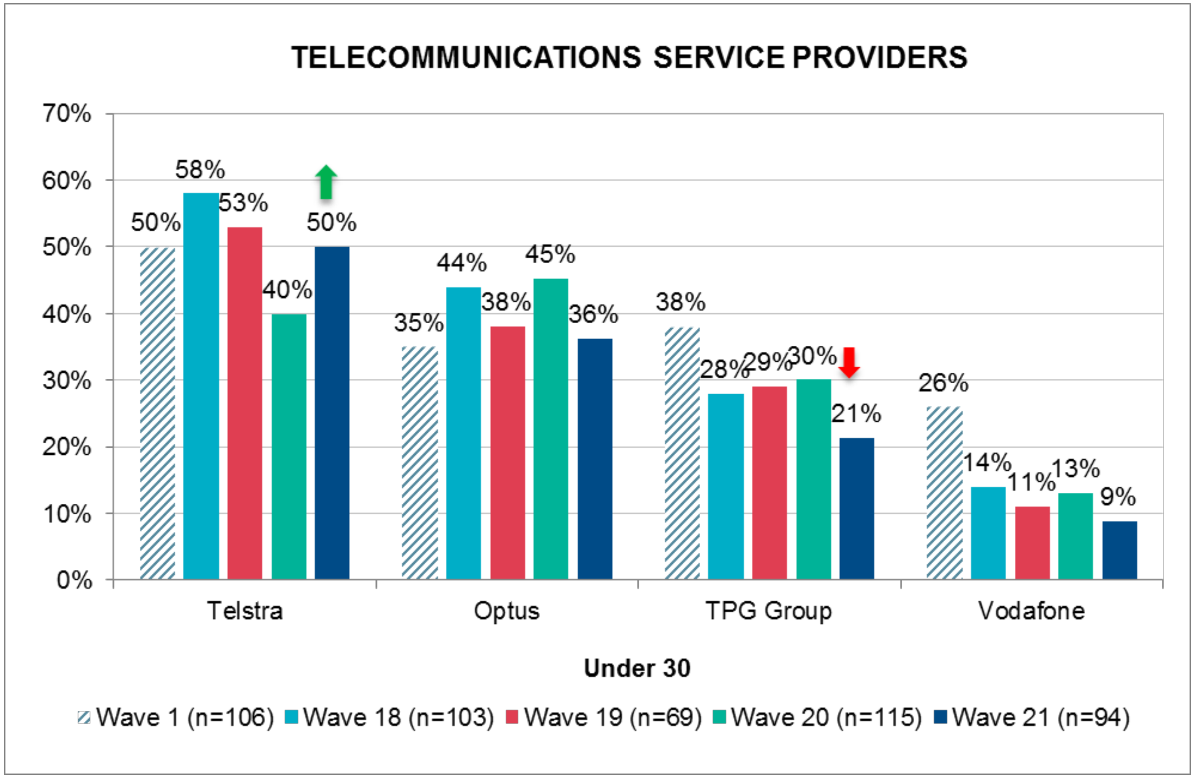
- Telstra[2] (58%) was the leading provider of home phone, mobile phone or internet services used by people who had some form of contact with a service provider in the last 6 months, followed by Optus (27%), TPG Group[3] (23%) and Vodafone[4] (13%). The proportion of people that used Optus or TPG Group service decreased significantly in Wave 21.



[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'.

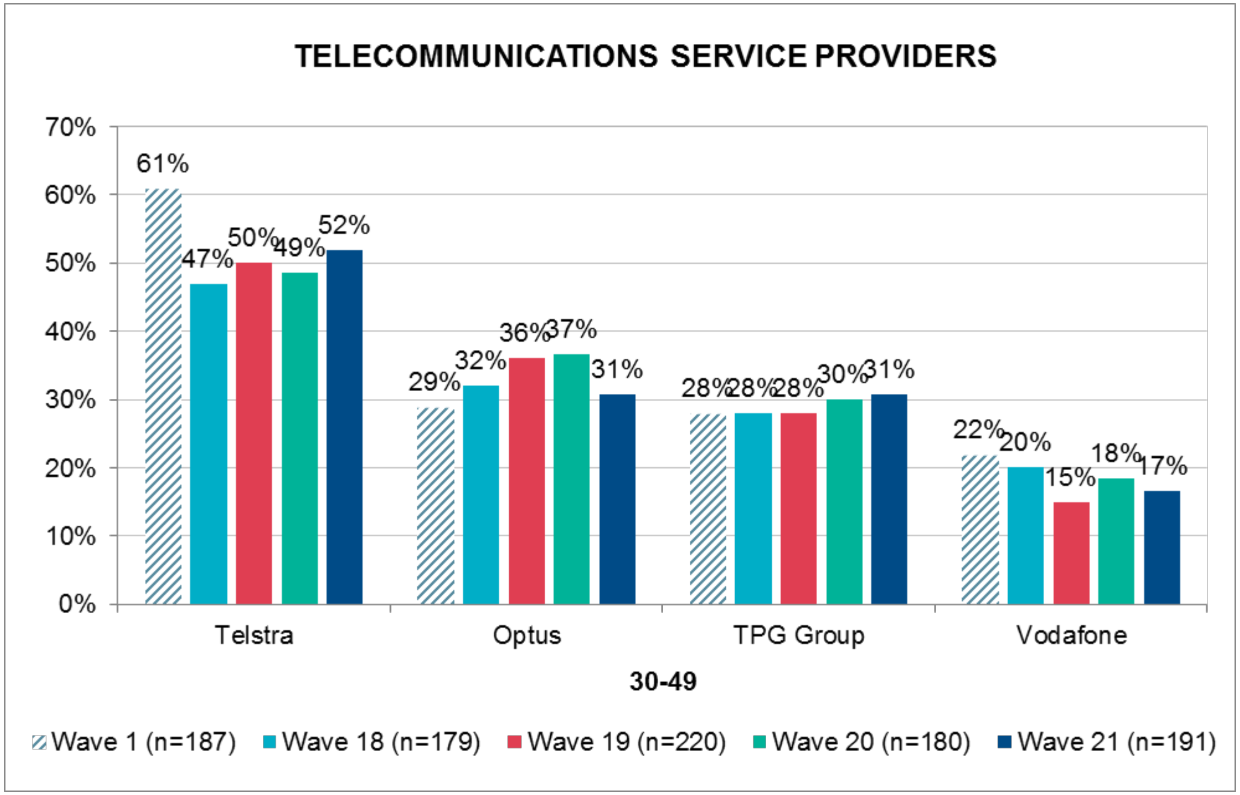
Telecommunications Service Providers- 'Under 30' segment

- Among less than 30 year olds who had contact with a service provider in the last 6 months, 50% used a Telstra service in Wave 21, increasing significantly from 40% in Wave 20.
- 36% had a service with Optus, 21% had a TPG Group service (significant decline from 30% in previous wave) and 9% had a service with Vodafone.



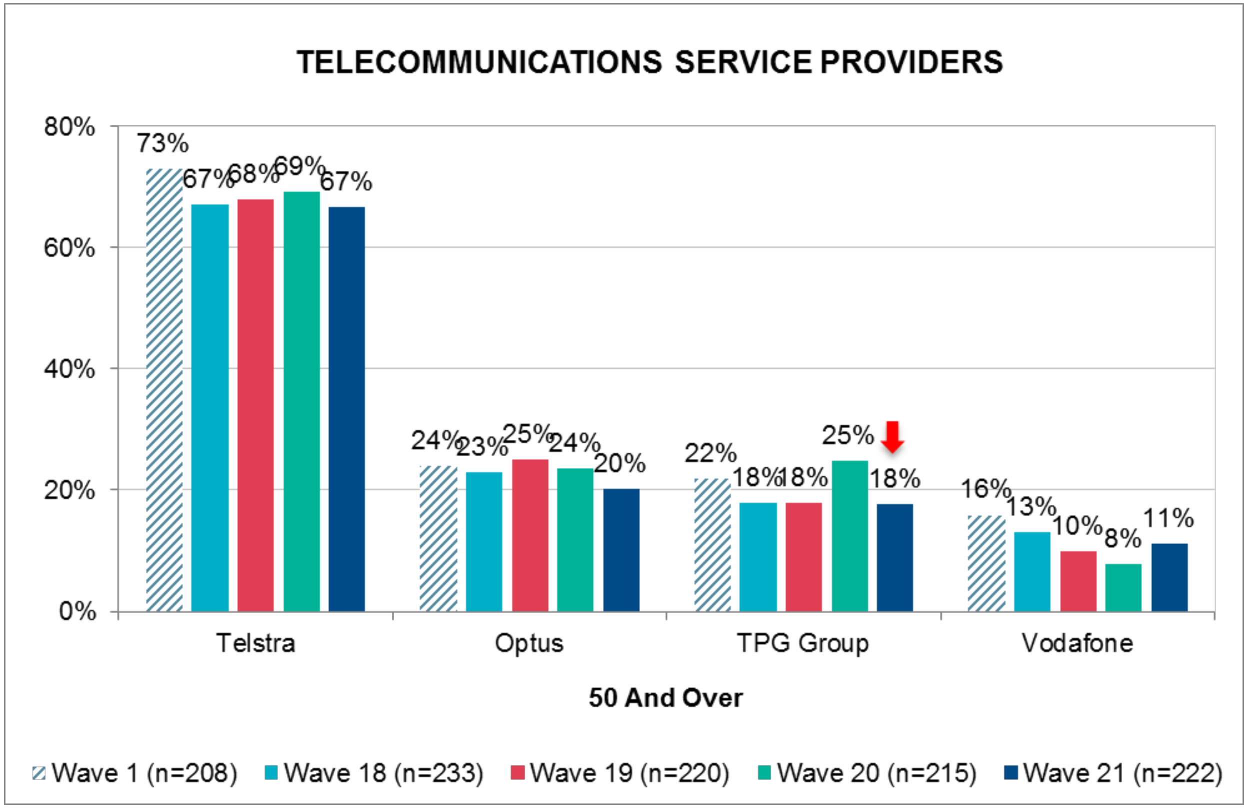
Telecommunications Service Providers- '30 to 49' segment

- Among 30-49 year olds, 52% used a Telstra service in Wave 21, 31% had a service with Optus, 31% had a TPG Group service, and 17% had a service with Vodafone. There were no significant changes between the current and previous waves.



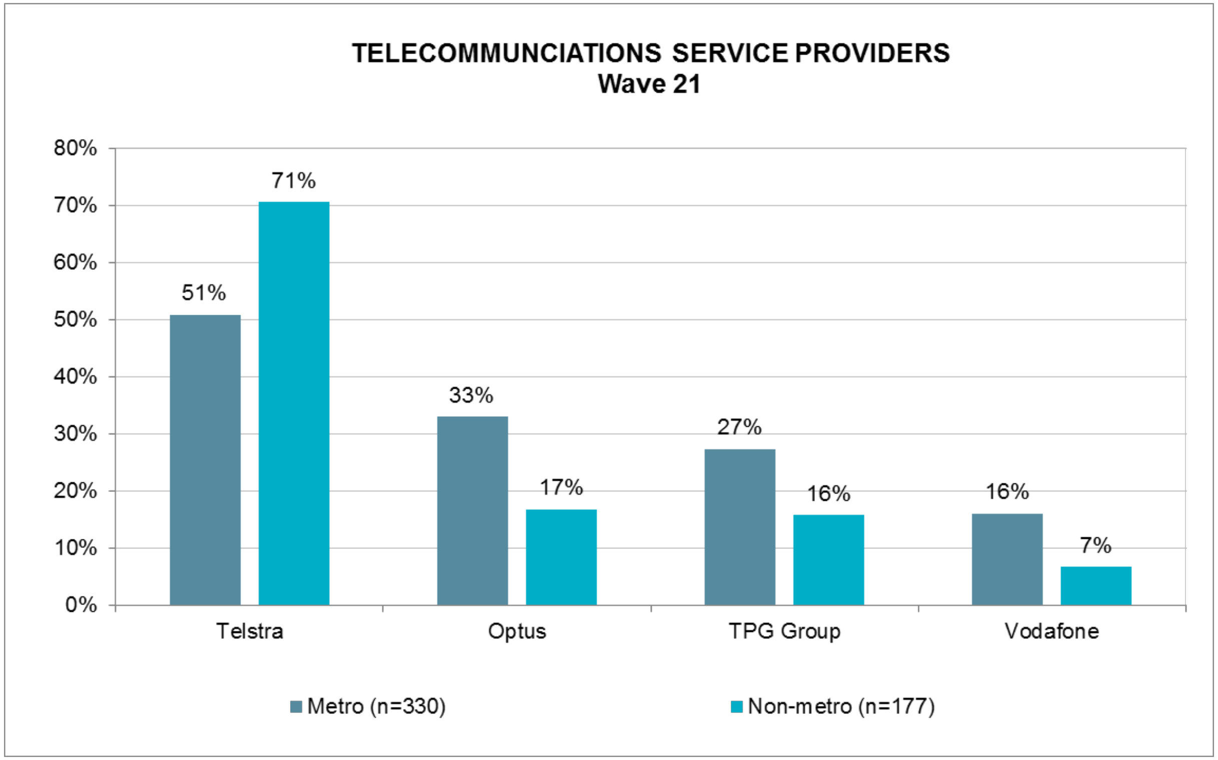
Telecommunications Service Providers- ‘50 and over’ segment

- The 50 and over segment continues to have the highest incidence of people with a Telstra service (67%) in Wave 21. This was followed by Optus (20%), TPG Group (which declined significantly from 25% in Wave 20 to 18% in Wave 21), and Vodafone (11%).



Telecommunications Service Providers- Metro vs. Non-metro

- When usage of telecommunications service providers was examined by people's area of residence in Wave 21, the results revealed those that used Telstra services were more common in non-metro areas (71%) than in metro areas (51%). On the other hand, Optus, TPG group and Vodafone services were more common in metro areas (33%, 27% and 16% respectively) than in non-metro areas (17%, 16% and 7% respectively).

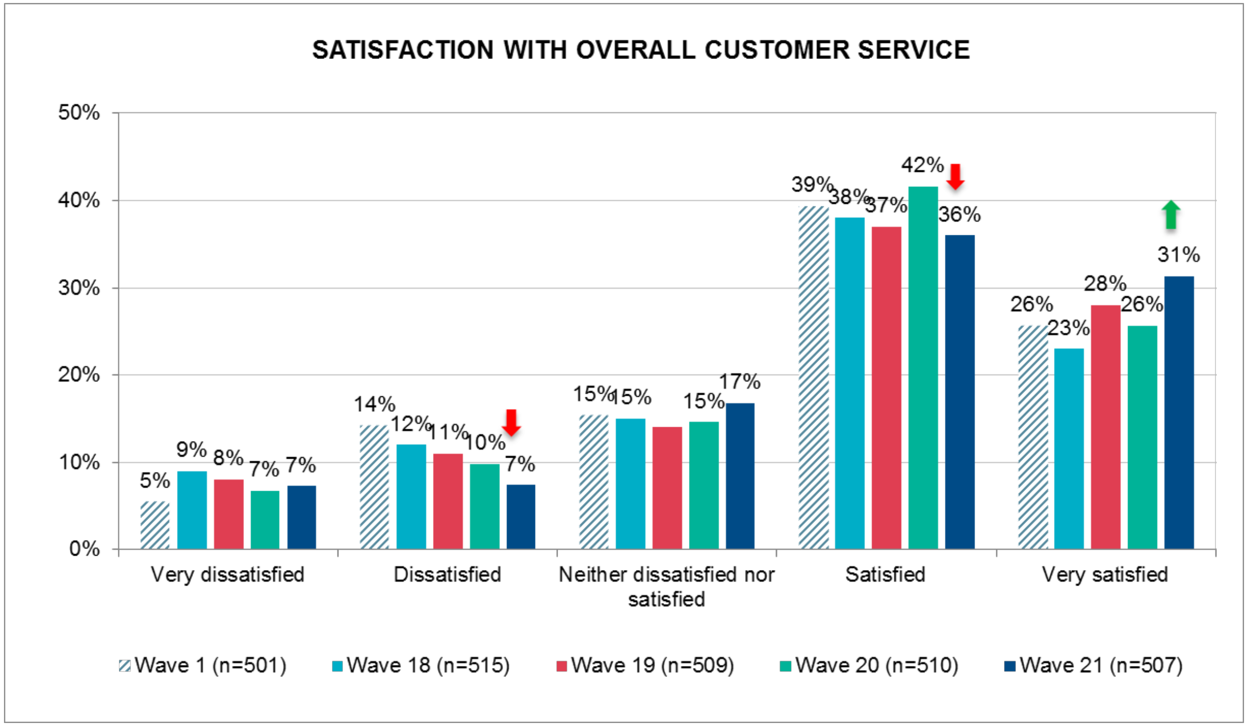


Satisfaction with Customer Service*

**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*

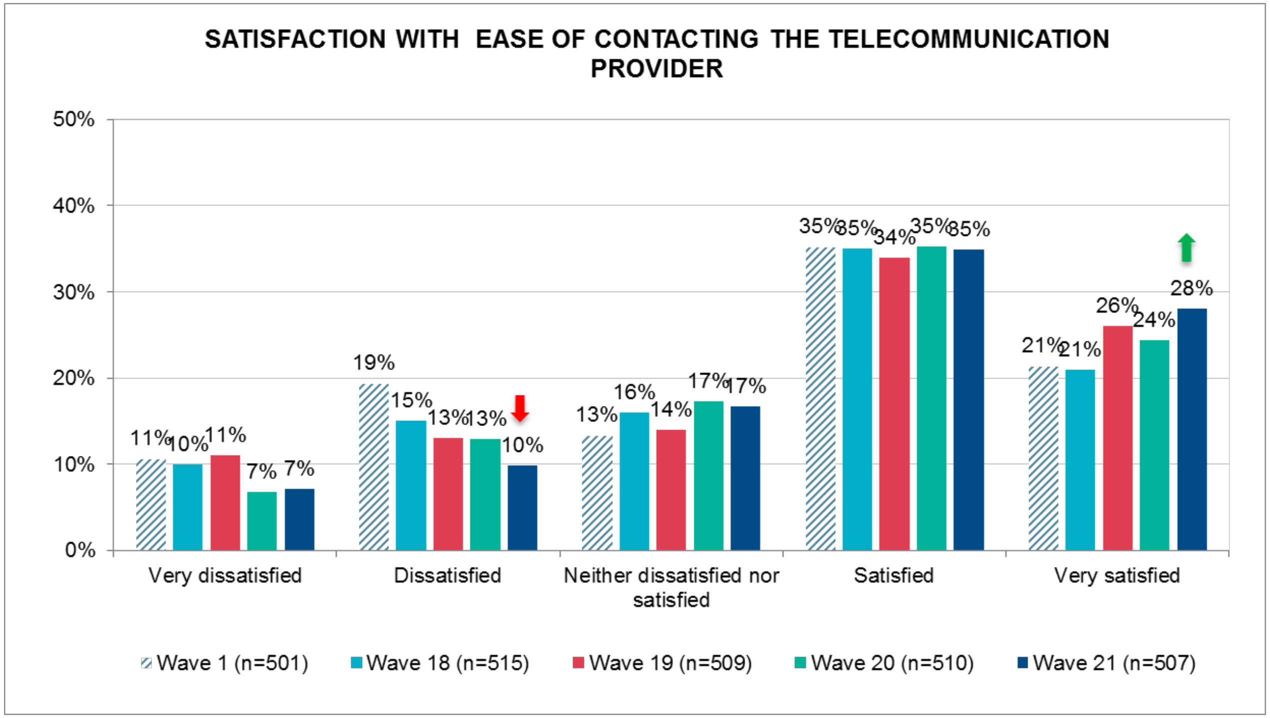
Satisfaction With Overall Level of Customer Service

- In Wave 21, two in three (67%) were satisfied ('Very Satisfied' or 'Satisfied') with the overall level of customer service received on their most recent contact with a telecommunication provider. There was a significant increase (+5%) in the number of people being 'very satisfied' with the level of customer service received.
- 15% people were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the overall level of customer service received on their most recent contact with a provider. Similar to Wave 20, 7% people were 'very dissatisfied' in Wave 21. However, there was a significant decline (-3%) in people who were 'dissatisfied' in this wave.



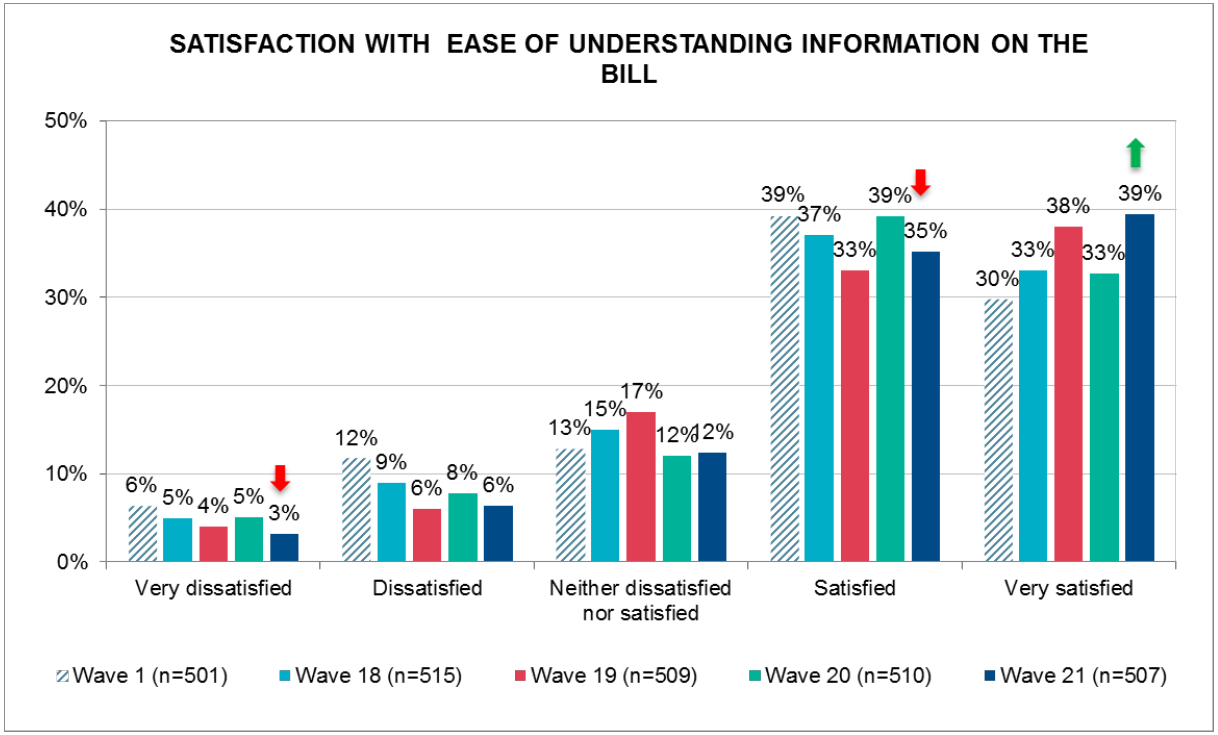
Satisfaction With Ease of Contacting Telecommunications Provider

- In Wave 21, more than three in five (63%) were satisfied (‘Very Satisfied’ or ‘Satisfied’) with the ease of contacting their telecommunications provider. 28% of people were ‘very satisfied’, which was a significant increase (+4%) on the previous wave.
- 17% people in Wave 21 were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the ease of contacting their provider, compared to 20% in Wave 20. The number of people ‘dissatisfied’ decreased significantly (-3%) compared to Wave 20.



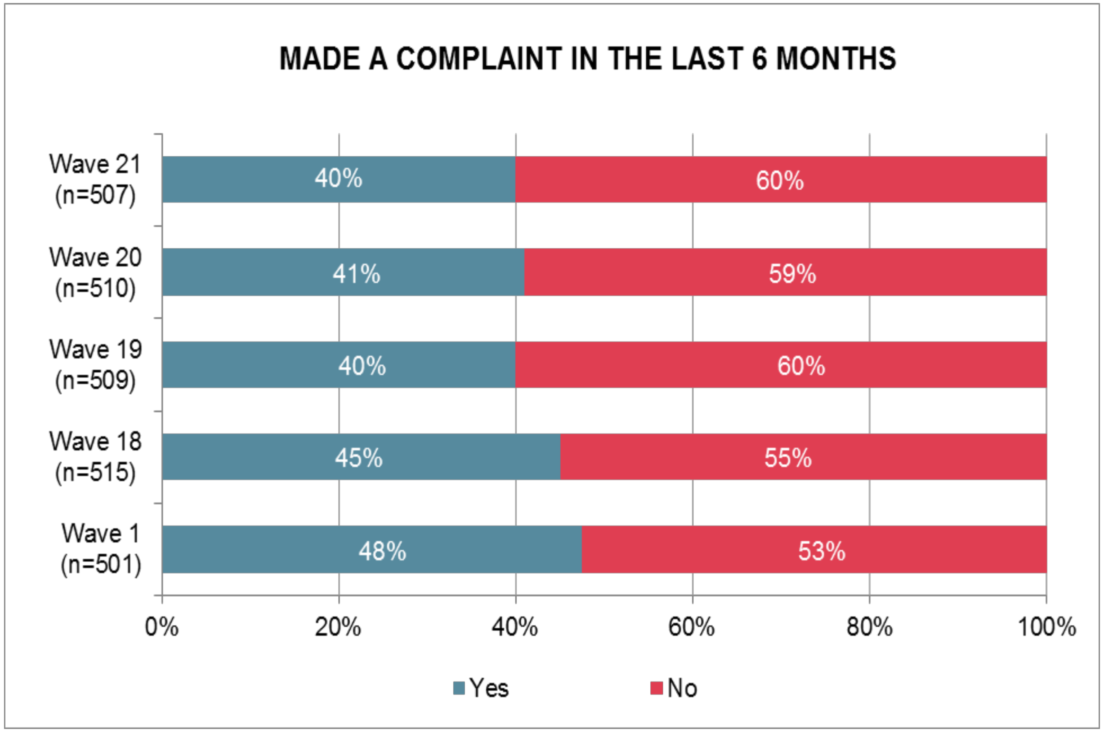
Satisfaction With Ease of Understanding Information on the Most Recent Bill

- Satisfaction with ease of understanding bill information continued to be high in Wave 21 with three in four (75%) customers being satisfied ('Very Satisfied' or 'Satisfied'). There was a significant increase (+6%) in the number of people being 'very satisfied' with the ease of understanding bill information, while the number of people 'satisfied' decreased significantly (-4%).
- The levels of dissatisfaction with the ease of understanding the bill in Wave 21 (10%) were lower than Wave 20 (when levels of dissatisfaction were 13%). 3% of people were 'very dissatisfied', which was a significant decrease (-2%) on the previous wave.



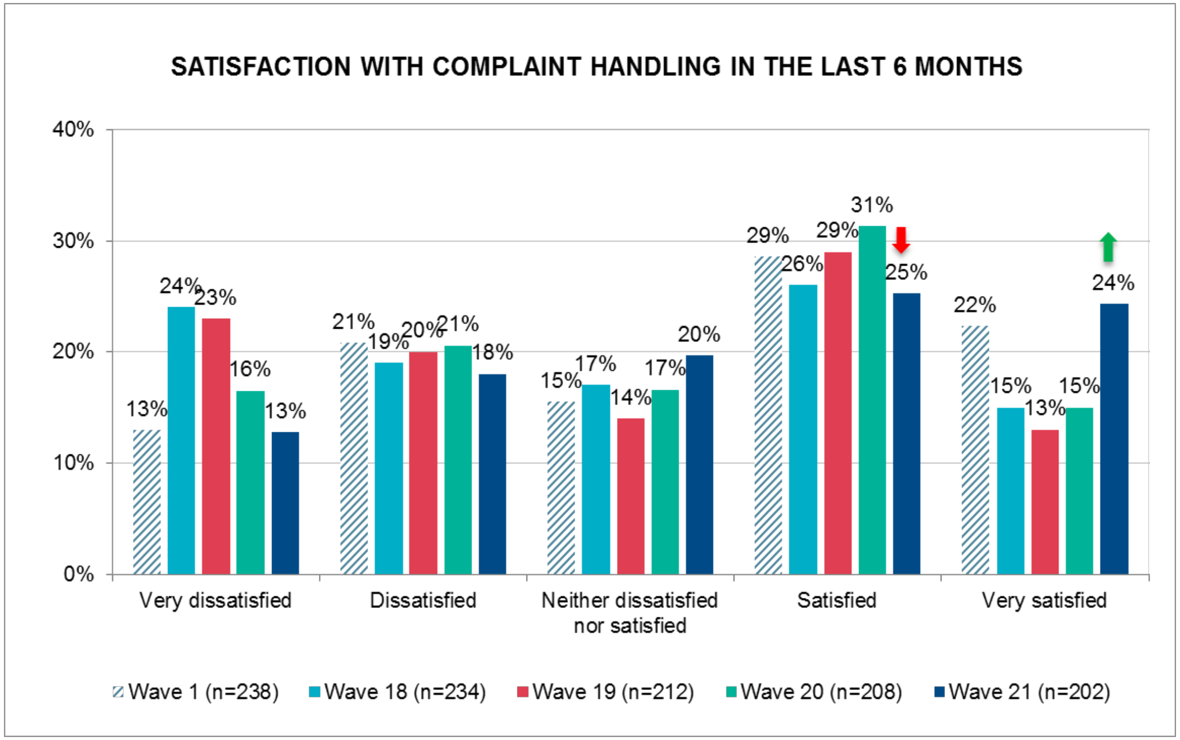
Satisfaction with Complaint Handling

- In Wave 21, two in five (40%) of those who had some type of contact with a service provider in the last 6 months had made a complaint to their provider.
- There were no significant changes from the previous wave.



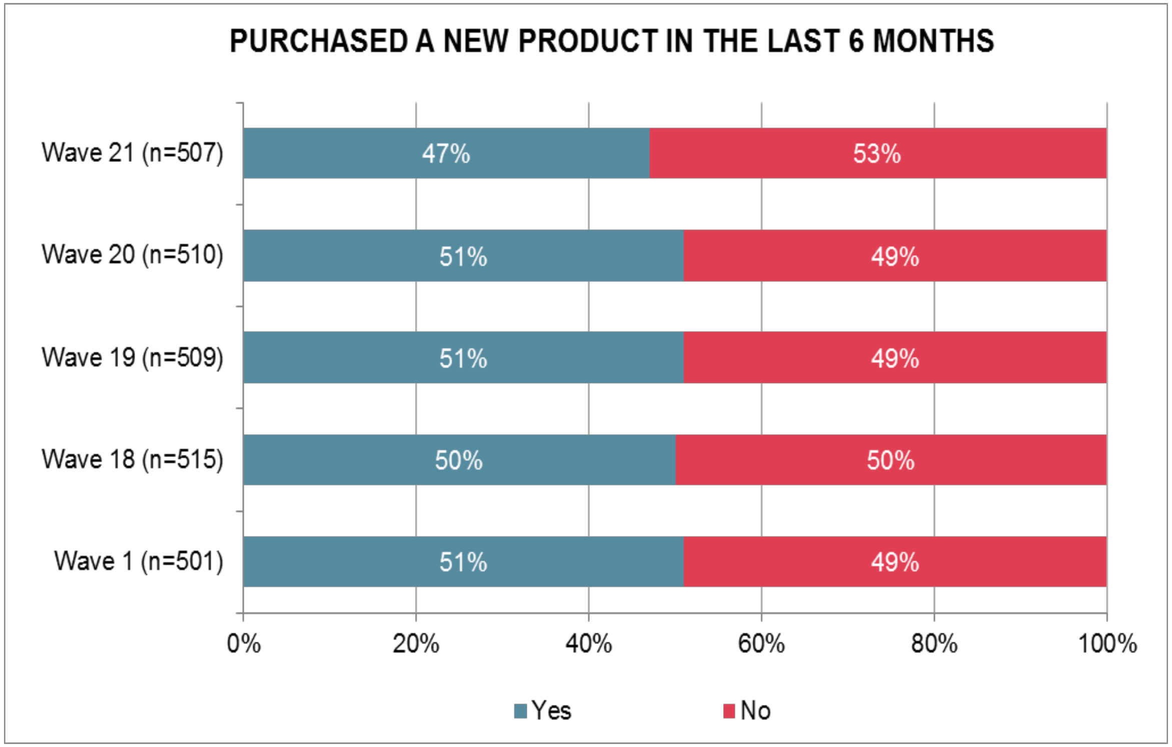
Satisfaction with Complaint Handling

- Half (50%) 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. 24% people were 'very satisfied', which was a significant increase (+9%) on the previous wave.
- 31% of people were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the complaint handling process in Wave 21. Slight (not significant) decrease in dissatisfaction compared to Wave 20.



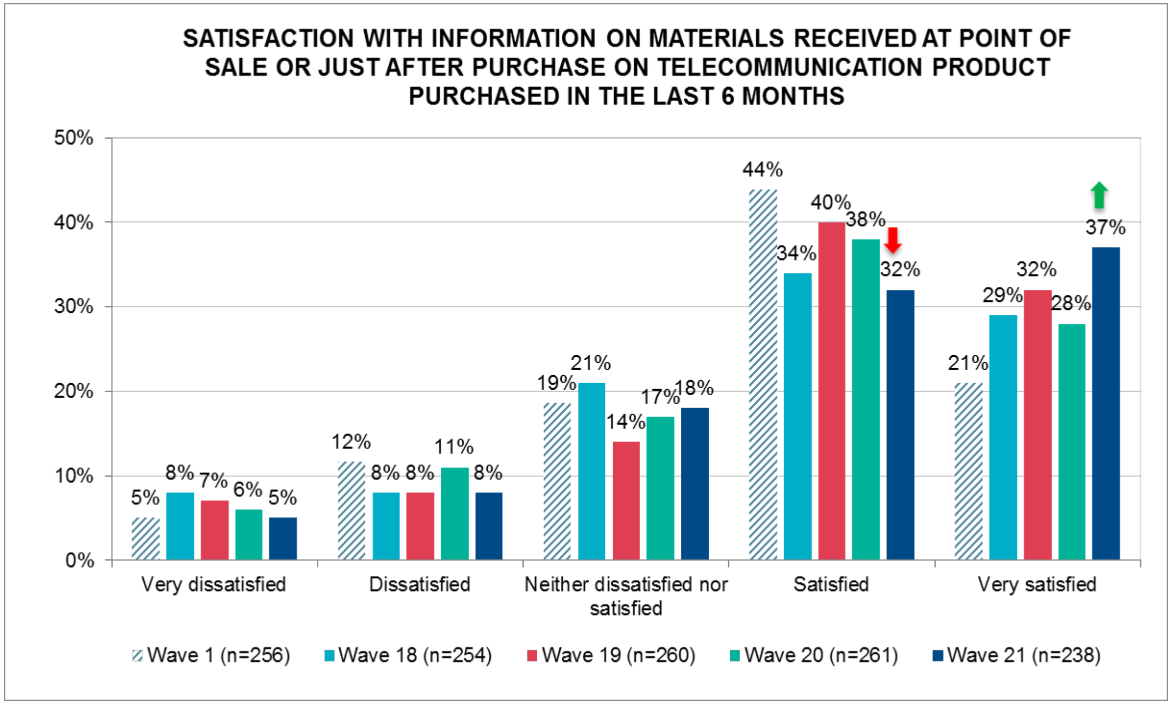
Satisfaction With Information on Materials Received at POS or Just After Purchase

- In Wave 21, less than half (47%) had purchased a telecommunication product in the last 6 months.



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

- The levels of satisfaction ('Satisfied' or 'Very Satisfied') with information on materials received at the point of sale or just after purchase, among people who had purchased a telecommunications product in the last six months, were slightly higher in Wave 21 (69%) compared to Wave 20 (66%). This increase was attributed to the significant increase (+9%) in people who were 'Very Satisfied'.
- 13% of people in Wave 21 (compared to 17% in Wave 20) were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the information received on materials at point of sale or just after purchase.

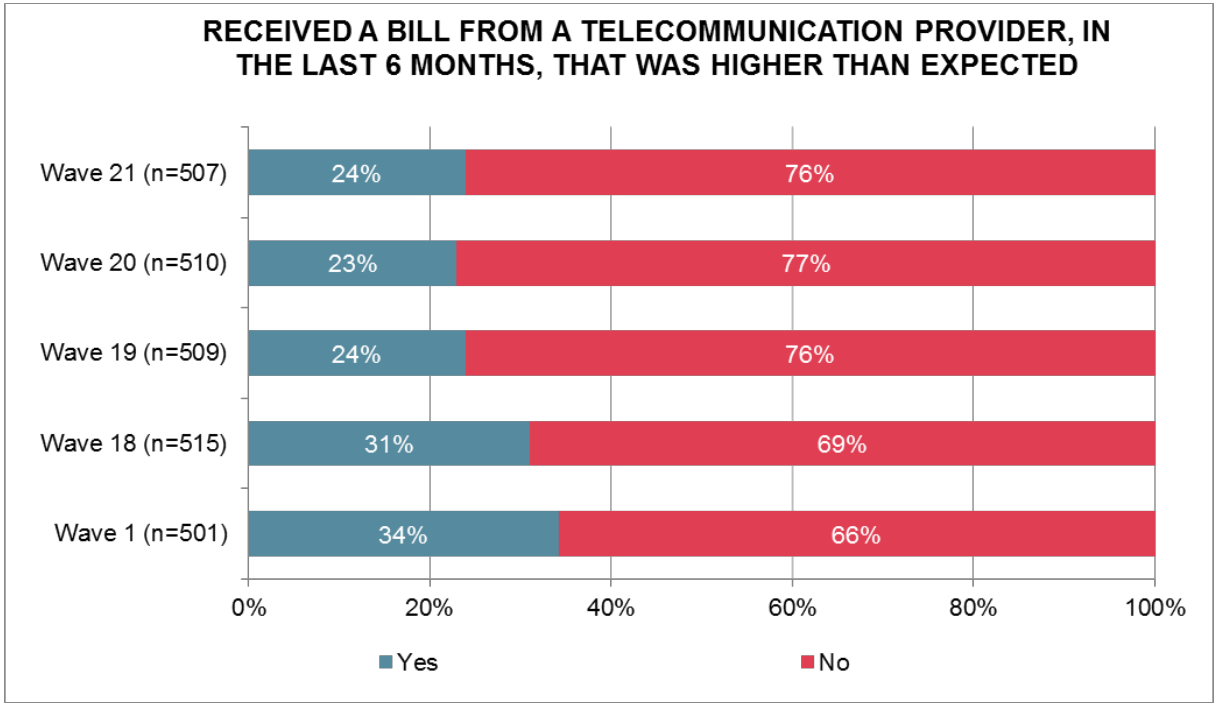


Billing*

**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 21, 24% received a bill from a telecommunications provider in the last 6 months that was higher than expected. This was fairly consistent with the numbers in Wave 20 (23%).



Awareness of Spend Monitoring Tools

- Two-thirds (66%) 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. There were no significant changes from Wave 20 to Wave 21.