Telecommunications Customer Satisfaction

Results of Wave 19 of polling undertaken by Roy Morgan Research for Communications Alliance Ltd in June 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 19 survey held in June 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 18 and Wave 19.

- 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.

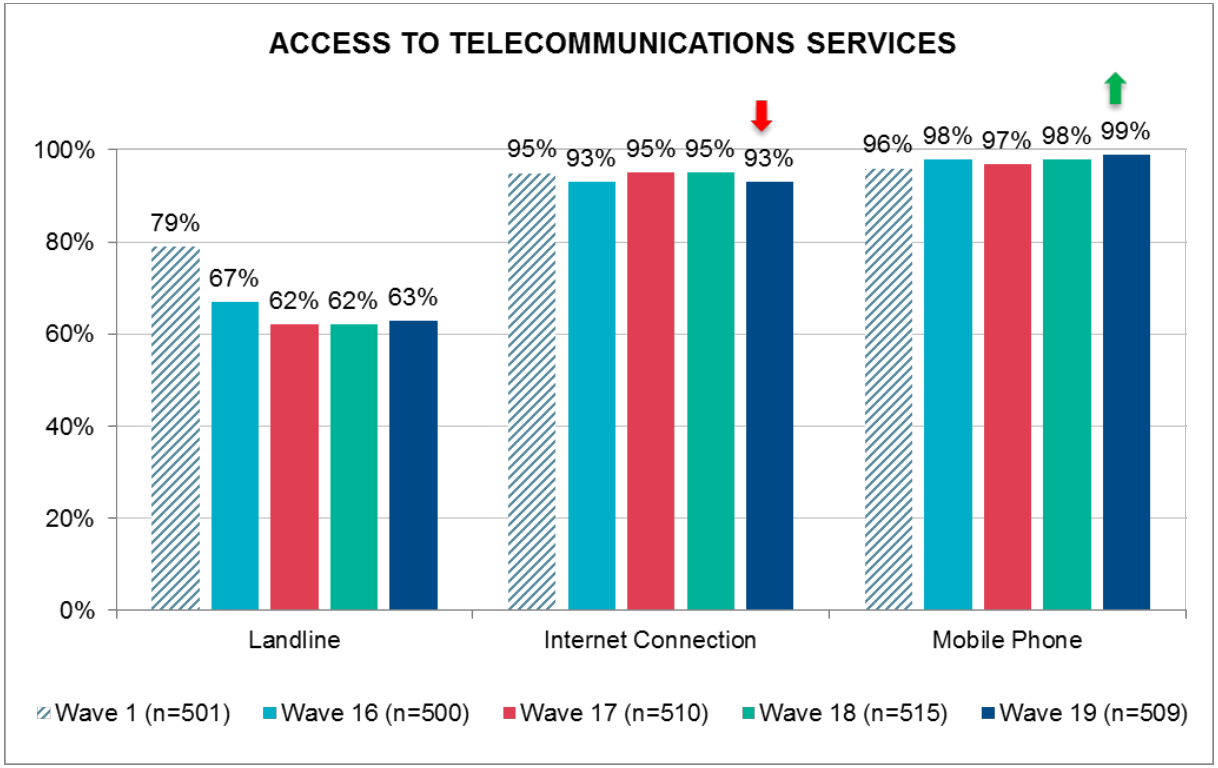
- Special formatting was applied to indicate statistical significance. Where there was a significant increase in the second period, a **green arrow** above the percentage was added and conversely significant decreases were denoted in **red (red arrow for wave on wave trends).** Where there was no significance,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

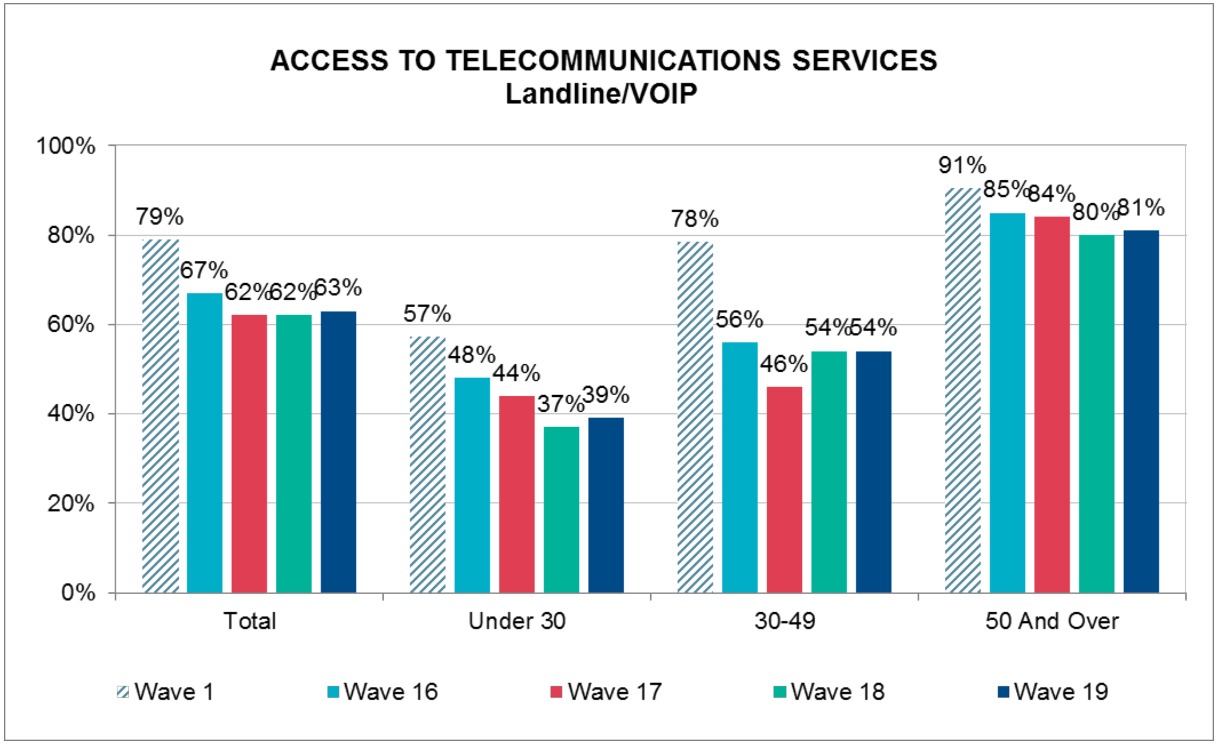
Access to Telecommunications Services

- 99% of people in Wave 19 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 93% had an internet connection in their household for personal use. 63% had access to a landline or VOIP phone.

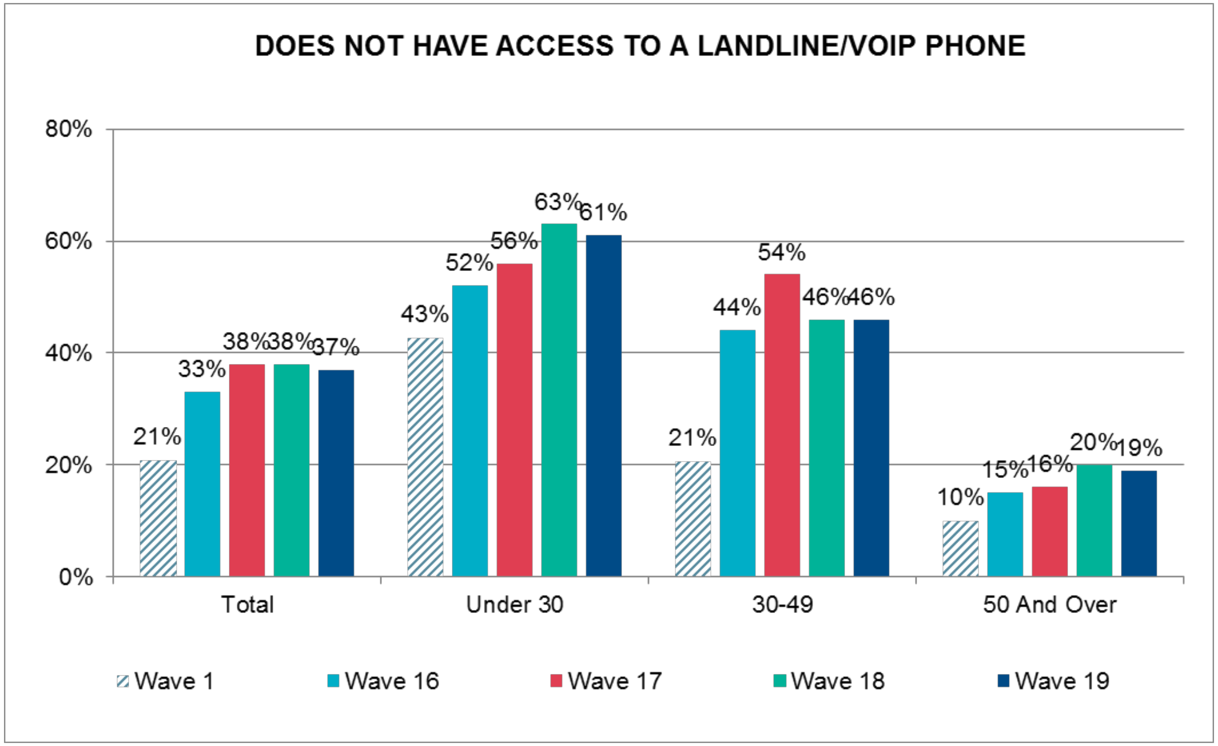


Access to Landline/ VOIP – By Age

- Access to telecommunication services differed by age with older people aged 50 years and over more likely to have access to a landline/VOIP (81%) than those who were under the age of 30 (39%) and 30-49 (54%).
- There were no significant changes in terms of access to a landline/VOIP in the current wave compared to the previous wave.

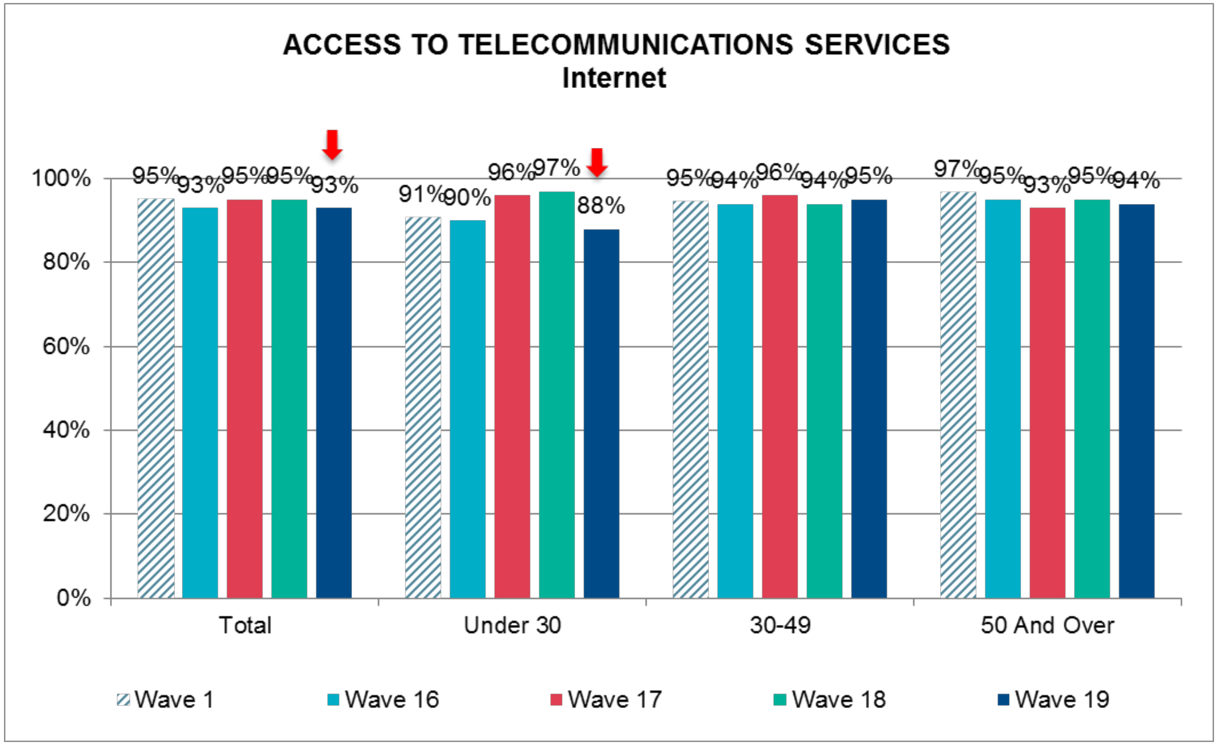


‘No’ Access to Landline/ VOIP – By Age



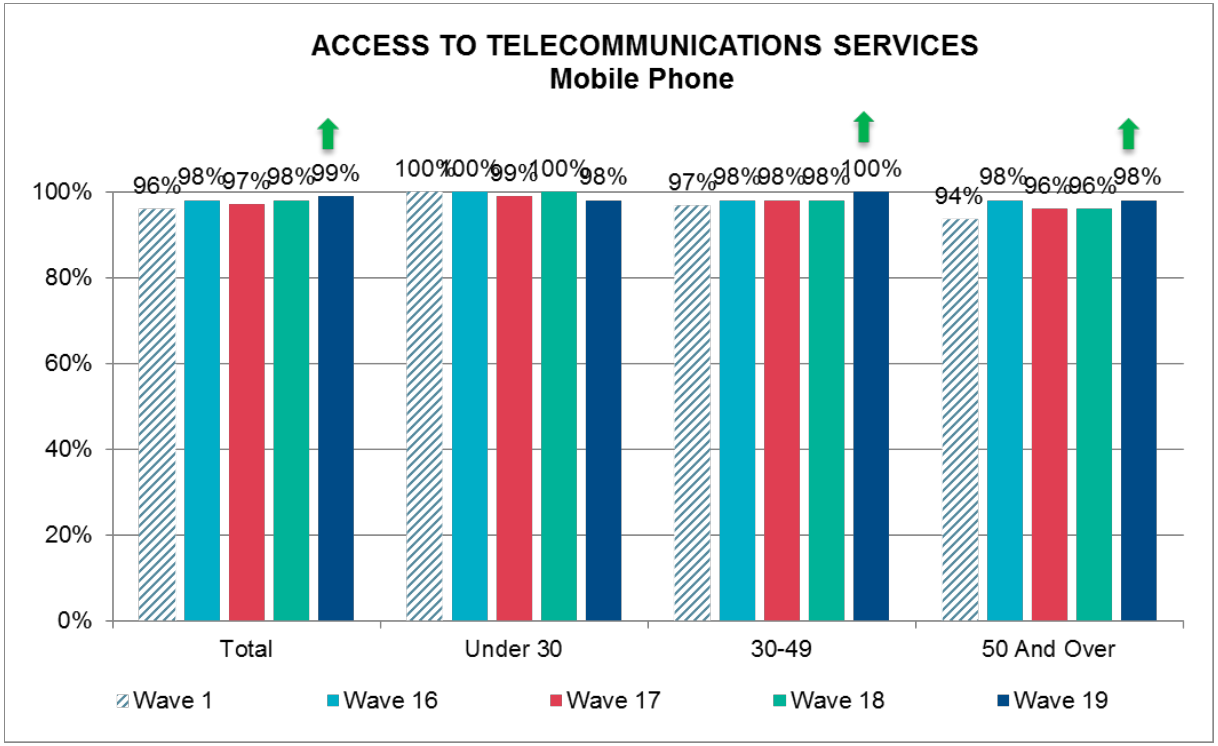
Access to Internet – By Age

- 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 19 compared to Wave 18. This decline was largely driven by the Under 30 segment that dropped significantly from 97% in Wave 18 to 88% in Wave 19.



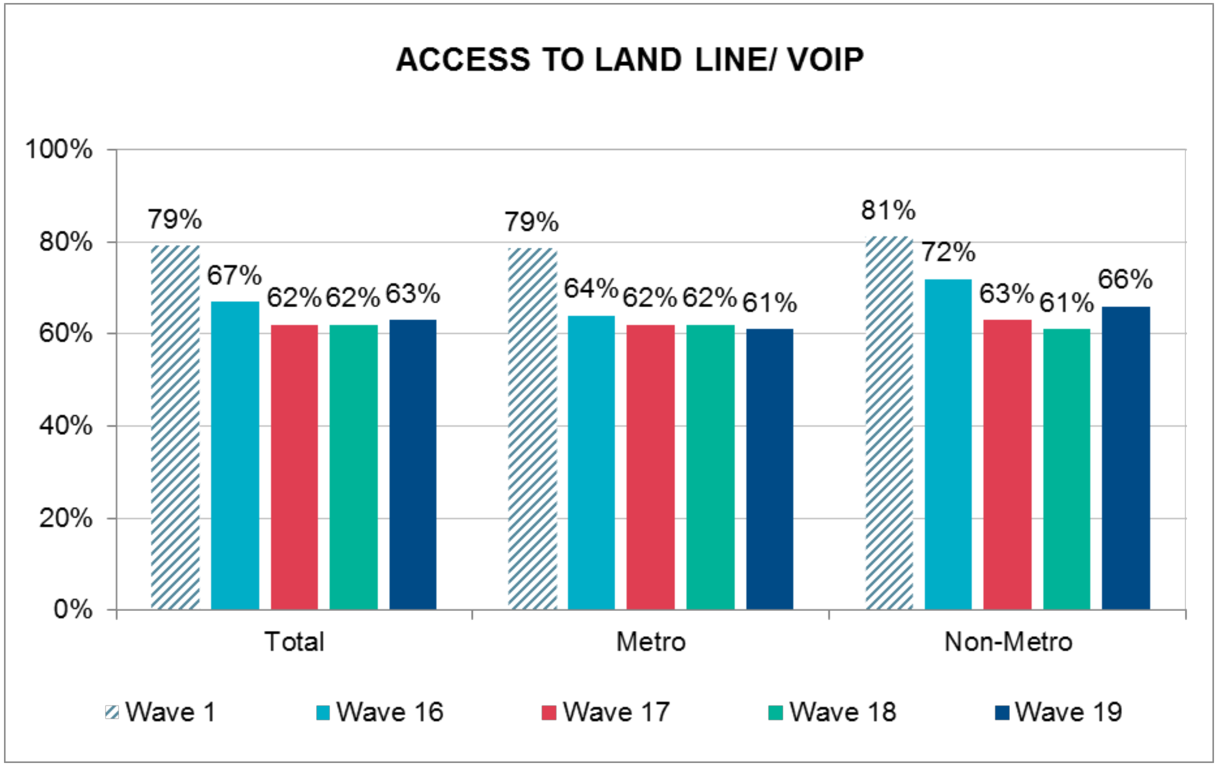
Access to Mobile Phone – By Age

- Access to a mobile phone in 30-49 and 50+ segments was significantly higher in Wave 19 compared to Wave 18, leading to a significant increase overall.



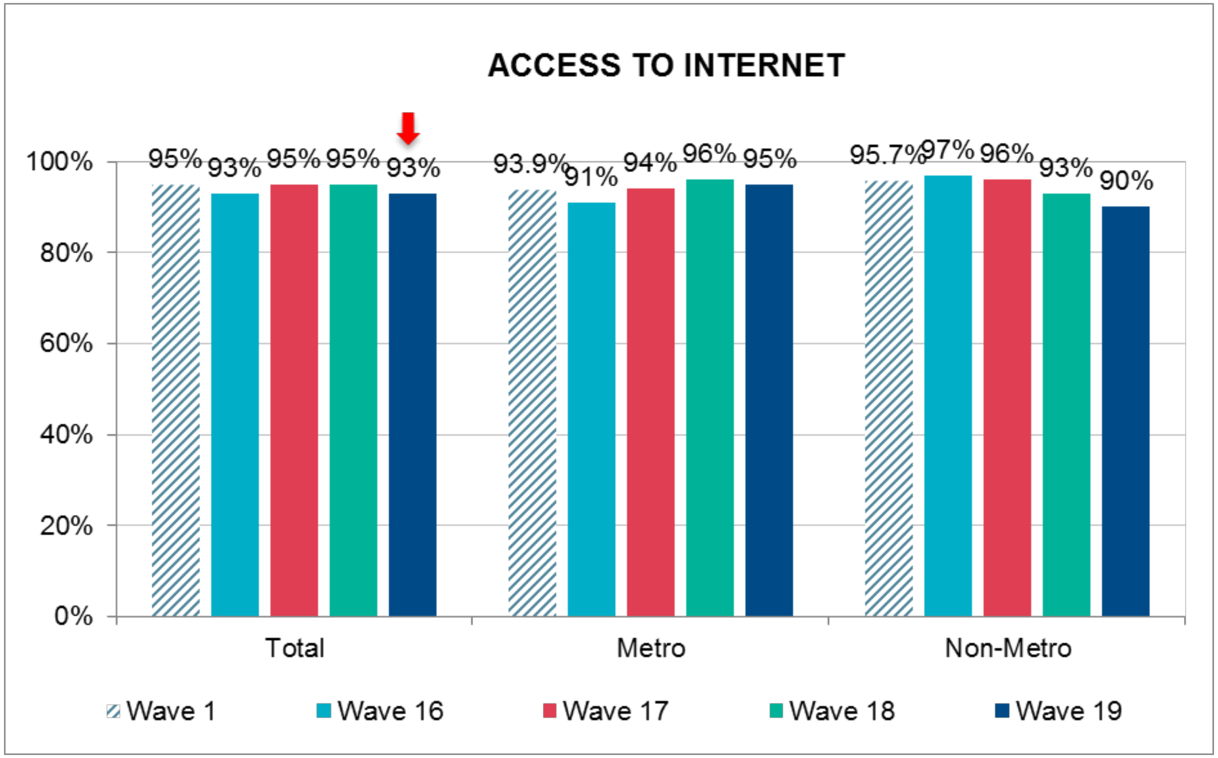
Access to Landline/ VOIP – Metro vs. Non-metro

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



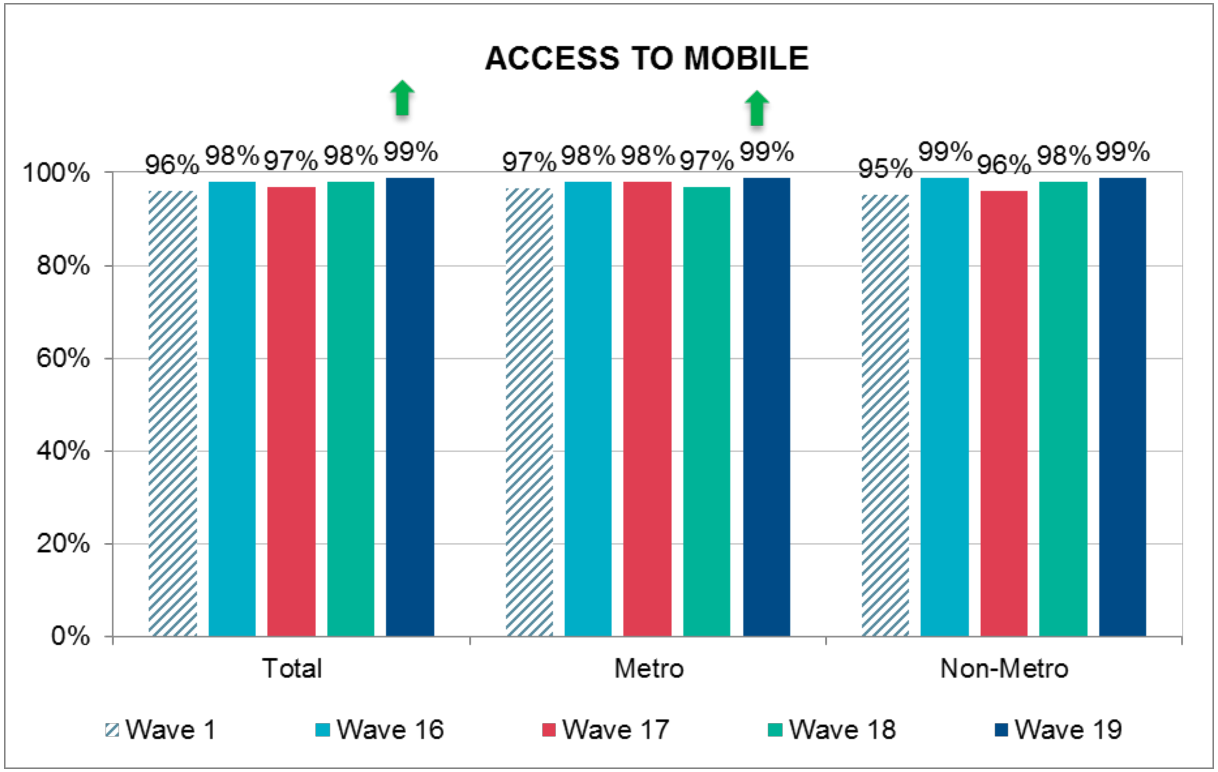
Access to Internet – Metro vs. Non-metro

- Access to an internet connection in both metro and non-metro areas was slightly (not significantly) lower in the current wave compared to the previous wave.



Access to Mobile – Metro vs. Non-metro

- The increase in the access to a mobile in the current wave was largely driven by metro areas that show a significant increase from 97% in Wave 18 to 99% in Wave 19.

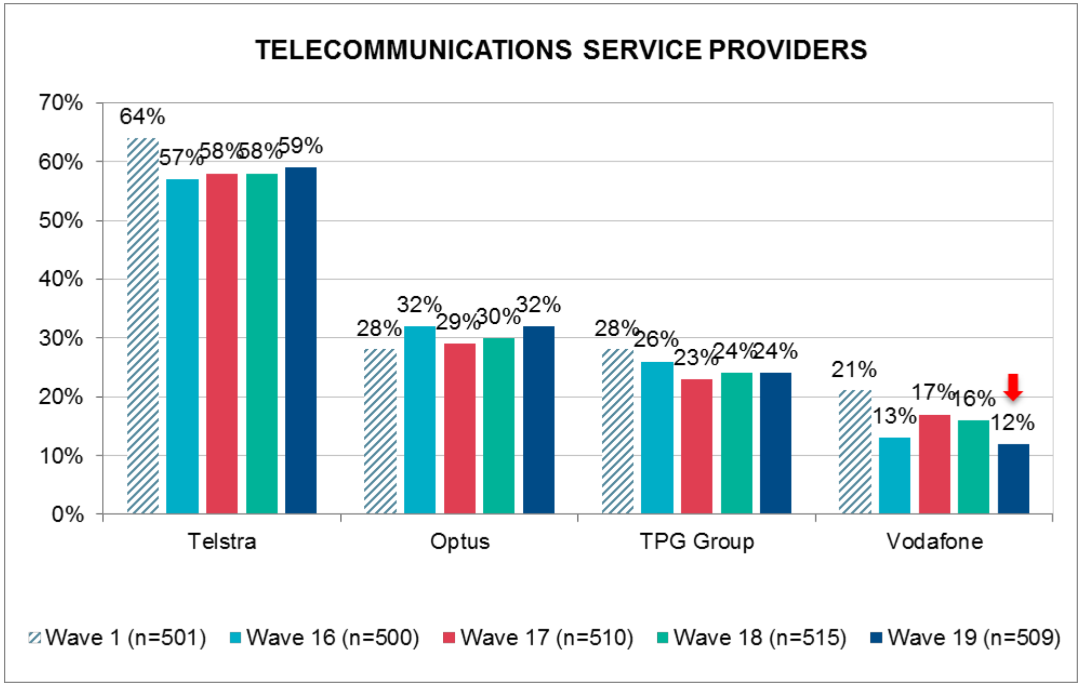


Telecommunication Service Providers*

**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] (59%) 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 (32%), TPG Group[3] (24%) and Vodafone[4] (12%). The proportion of people that used a Vodafone service decreased significantly (-4%) in Wave 19.



[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.

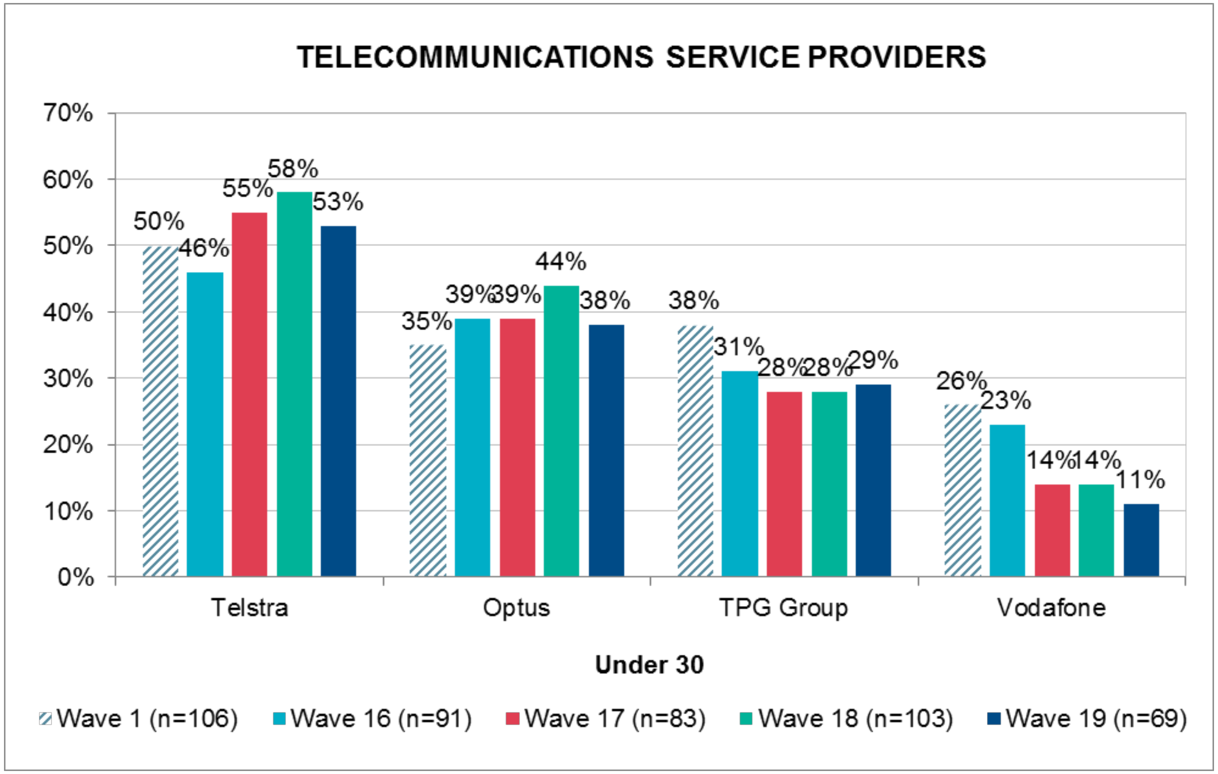
[2] The survey captured 'Telstra' and 'Telstra/ BigPond' separately till Wave 16; the data for both these providers has been clubbed under 'Telstra' for this section till Wave 16. From Wave 17 onwards, the survey only captures 'Telstra'.

[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'.

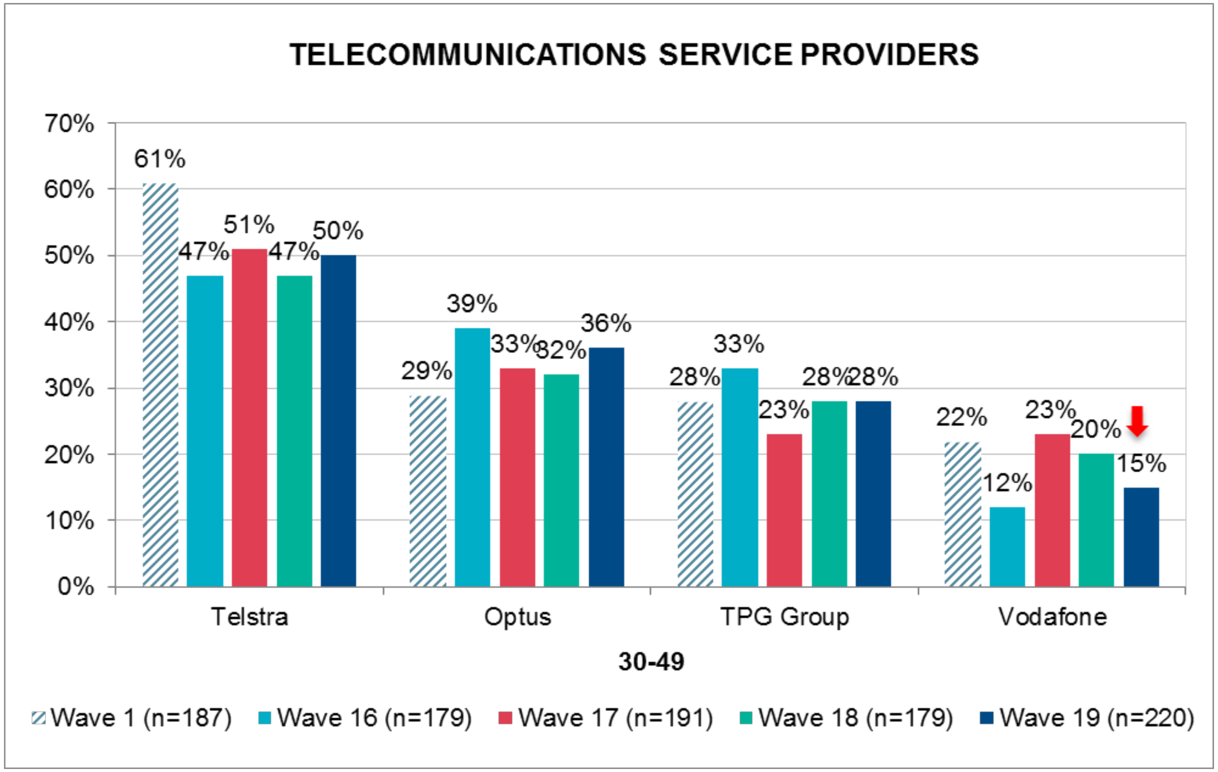
Telecommunications Service Providers- 'Under 30' segment

- Among less than 30 year olds who had contact with a service provider in the last 6 months, 53% used a Telstra service in Wave 19 and 38% had a service with Optus. 29% had a TPG Group service and 11% had a service with Vodafone. Only slight differences between the current and previous wave, there were no significant changes.



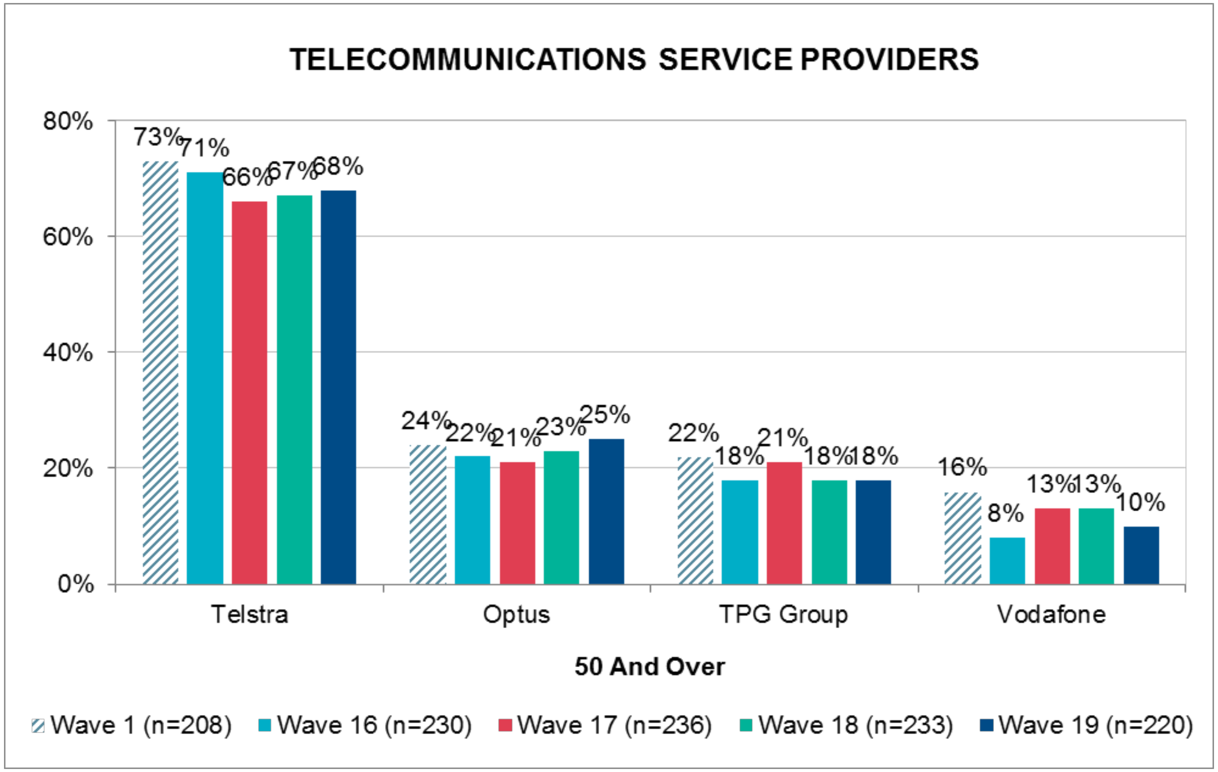
Telecommunications Service Providers- '30 to 49' segment

- Among 30-49 year olds, 50% used a Telstra service in Wave 19, 36% had a service with Optus and 28% had a TPG Group service. The proportion of this segment that used a Vodafone service decreased significantly from 20% in Wave 18 to 15% in Wave 19.



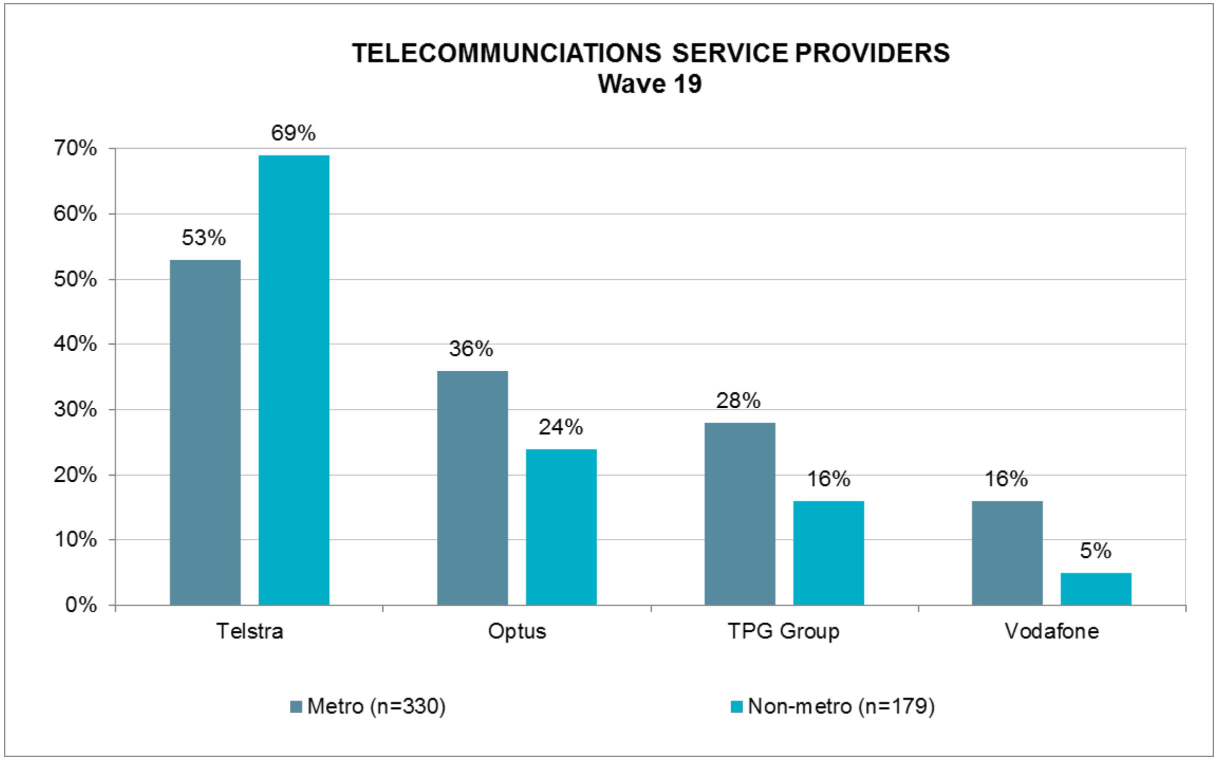
Telecommunications Service Providers- '50 and over' segment

- The 50 and over segment continues to have the highest incidence of people with a Telstra service (68%) in Wave 19, followed by Optus (25%), TPG Group (18%) and Vodafone (10%). 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 19, the results revealed those that used Telstra services were more common in non-metro areas (69%) than in metro areas (53%). On the other hand, Optus, TPG group and Vodafone services were more common in metro areas (36%, 28% and 16% respectively) than in non-metro areas (24%, 16% and 5% respectively).

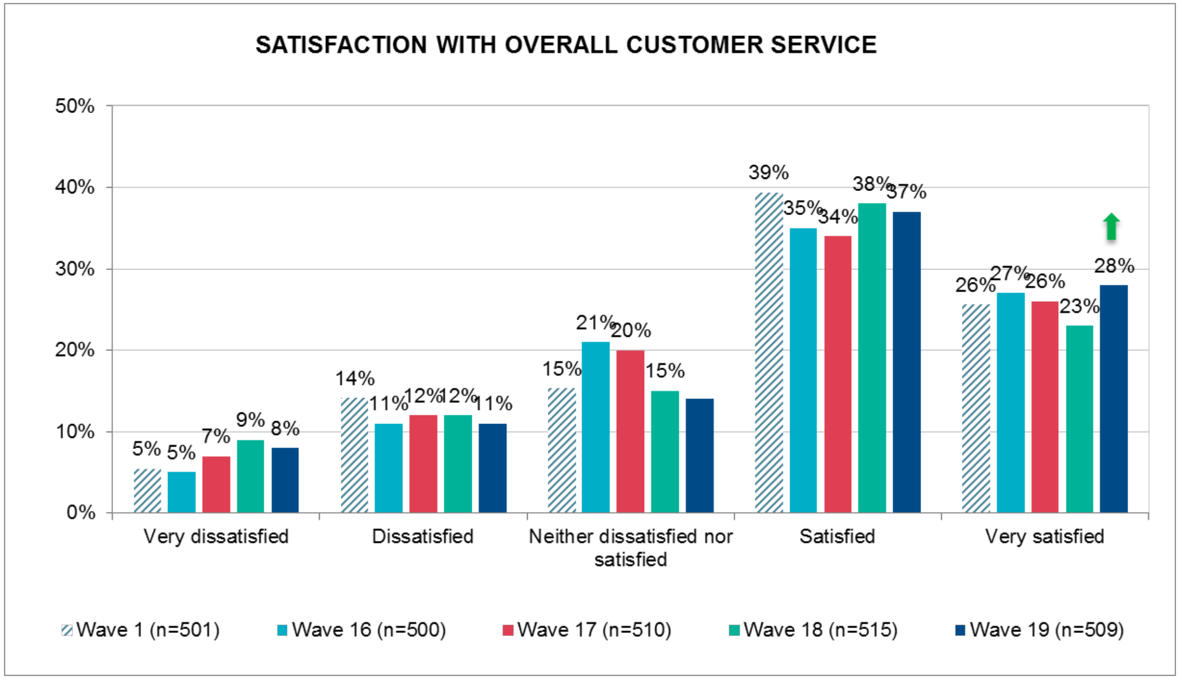


Satisfaction with Customer Service*

**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*

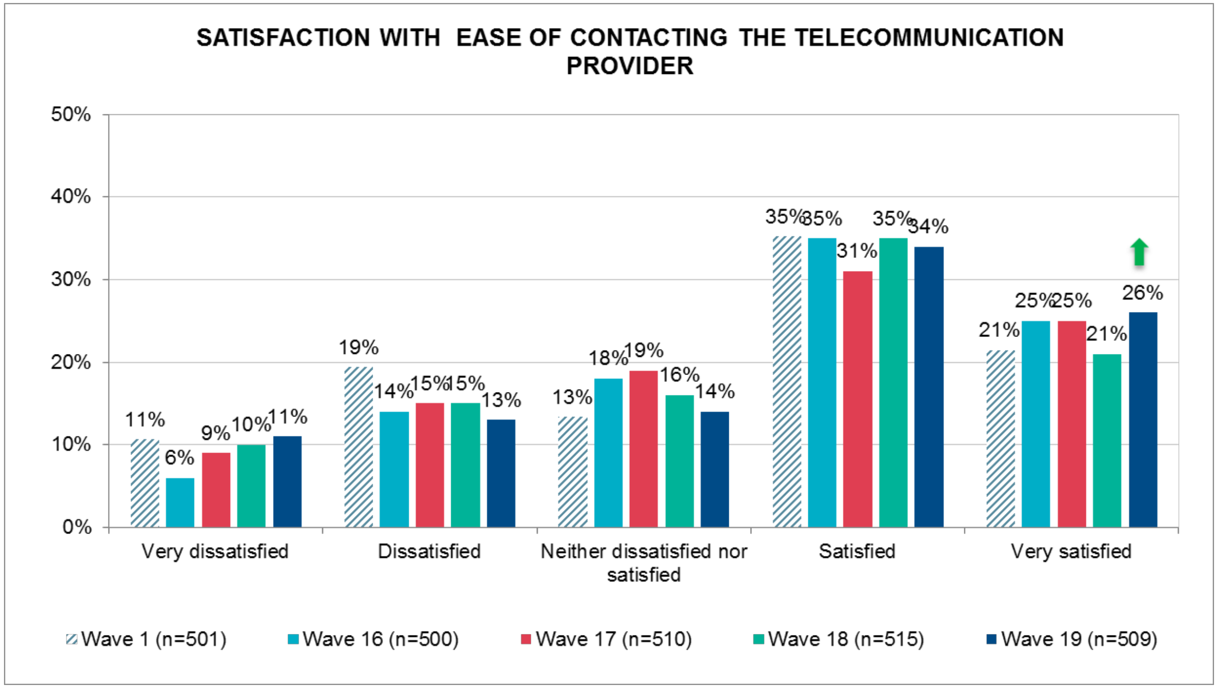
Satisfaction With Overall Level of Customer Service

- In Wave 19, almost two in three (65%) 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.
- One in five (19%) people were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the overall level of customer service received on their most recent contact with a provider. 8% people were very dissatisfied.



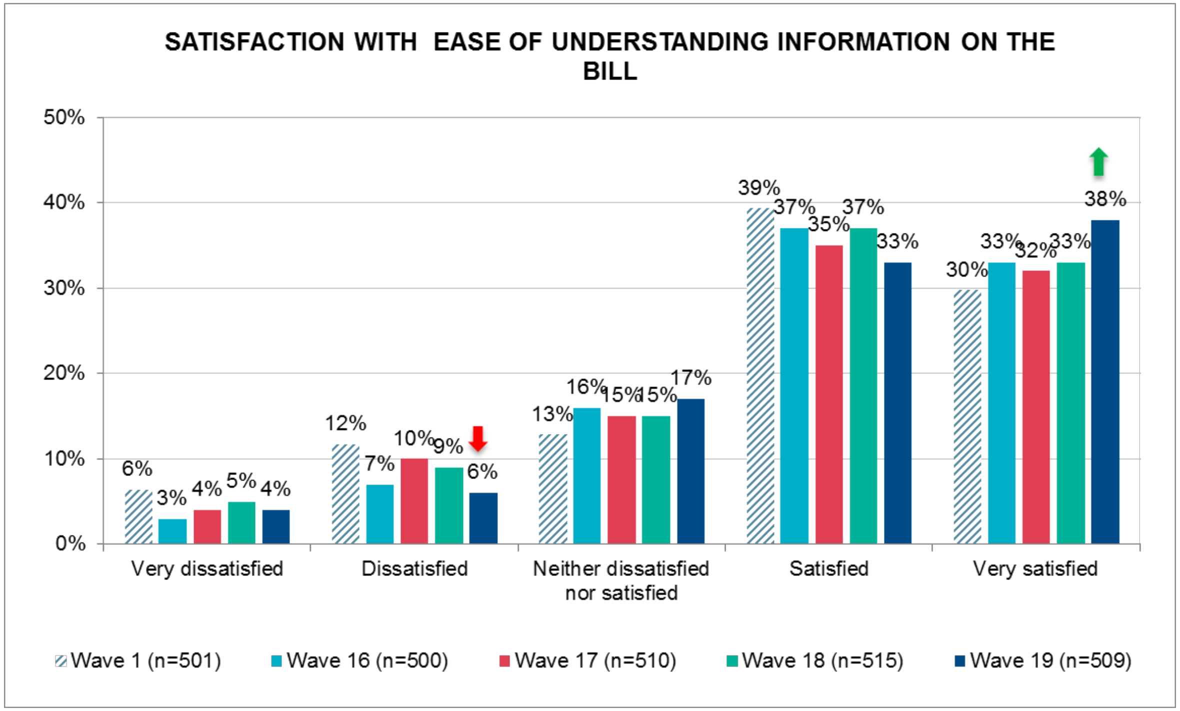
Satisfaction With Ease of Contacting Telecommunications Provider

- In Wave 19, three in five (60%) were satisfied (‘Very Satisfied’ or ‘Satisfied’) with the ease of contacting their telecommunications provider. 26% people were very satisfied which was a significant increase (+5%) on the previous wave.
- One in four (24%) were dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the ease of contacting their provider. 11% people were very dissatisfied.



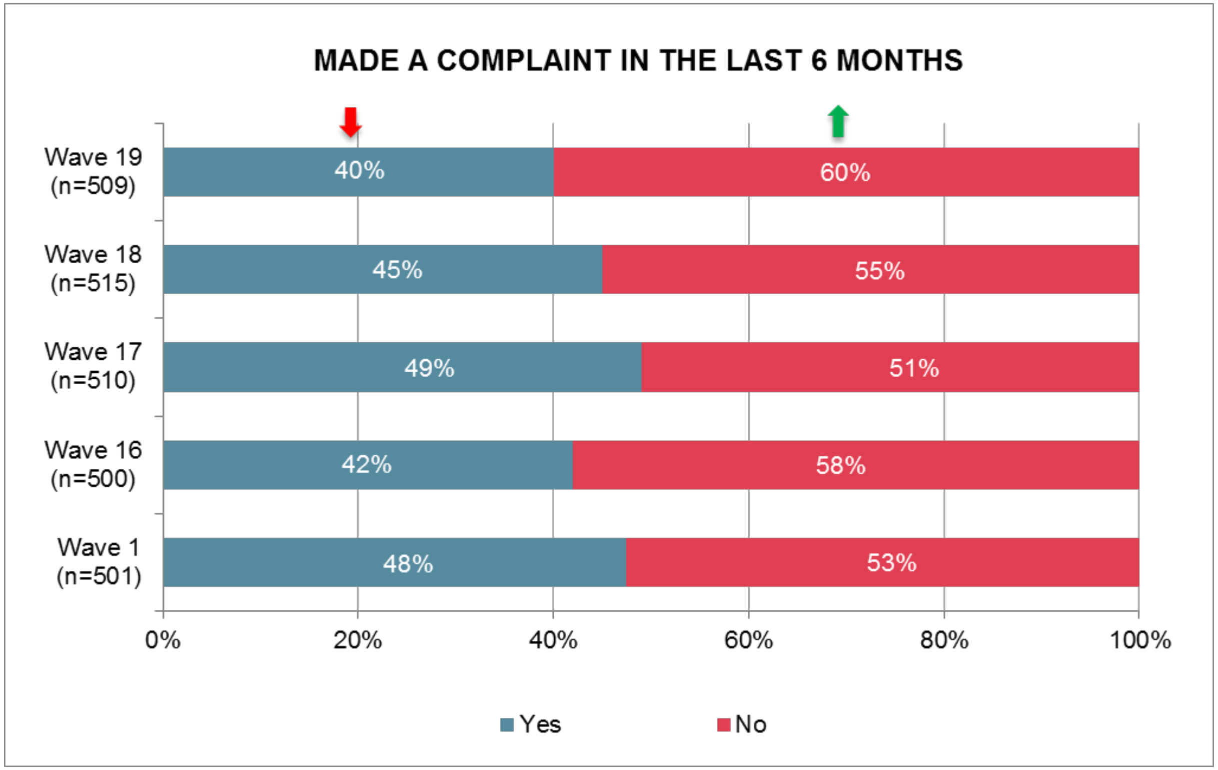
Satisfaction With Ease of Understanding Information on the Bill

- Satisfaction with ease of understanding bill information continued to be high in Wave 19 with seven in ten (71%) customers being satisfied (‘Very Satisfied’ or ‘Satisfied’). There was a significant increase (+5%) in the number of people being ‘very satisfied’ with the ease of understanding bill information.
- The levels of dissatisfaction with the ease of understanding the bill in Wave 19 (10%) were slightly lower than Wave 18 (when levels of dissatisfaction were 14%). This decrease was mainly attributed to the significant decrease (-3%) in people who were ‘Very Dissatisfied’.



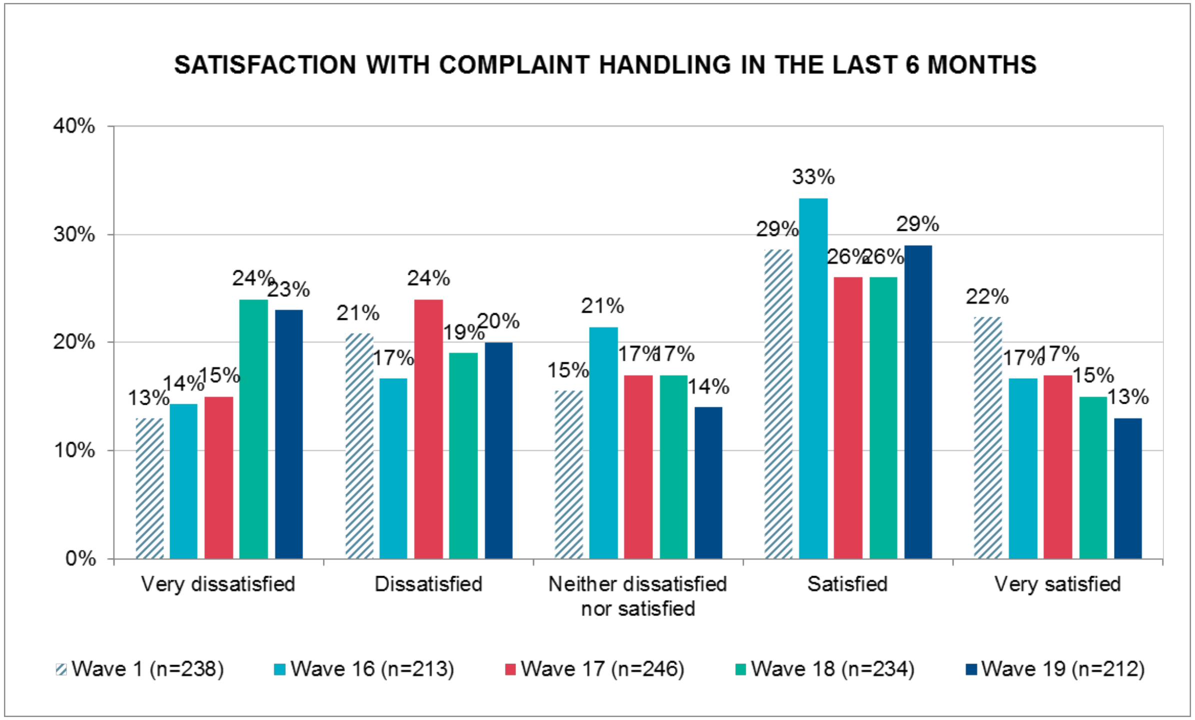
Satisfaction with Complaint Handling

- In Wave 19, 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. This was a significant decrease (-5%) compared to Wave 18.



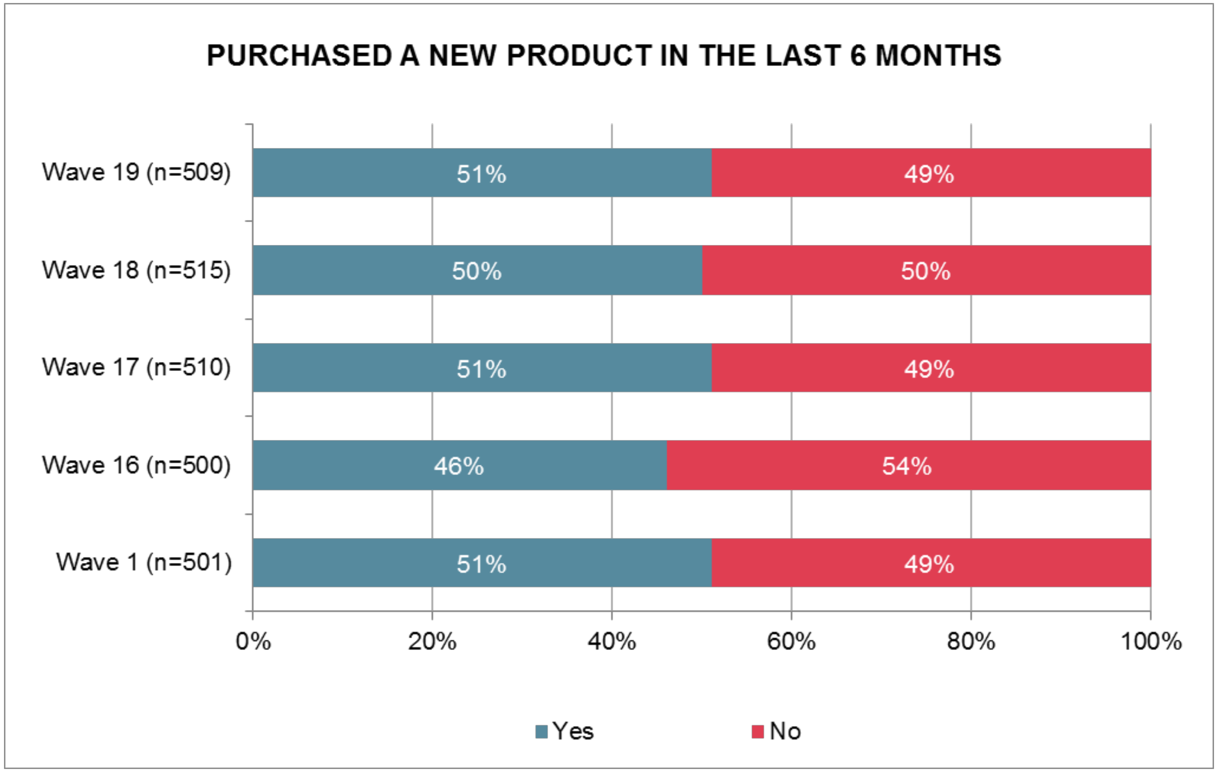
Satisfaction with Complaint Handling

- 42% 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 13% indicating that they were very satisfied.
- 43% of people were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the complaint handling process in Wave 19, with 23% being very dissatisfied.
- There were no significant changes between Wave 18 and Wave 19.



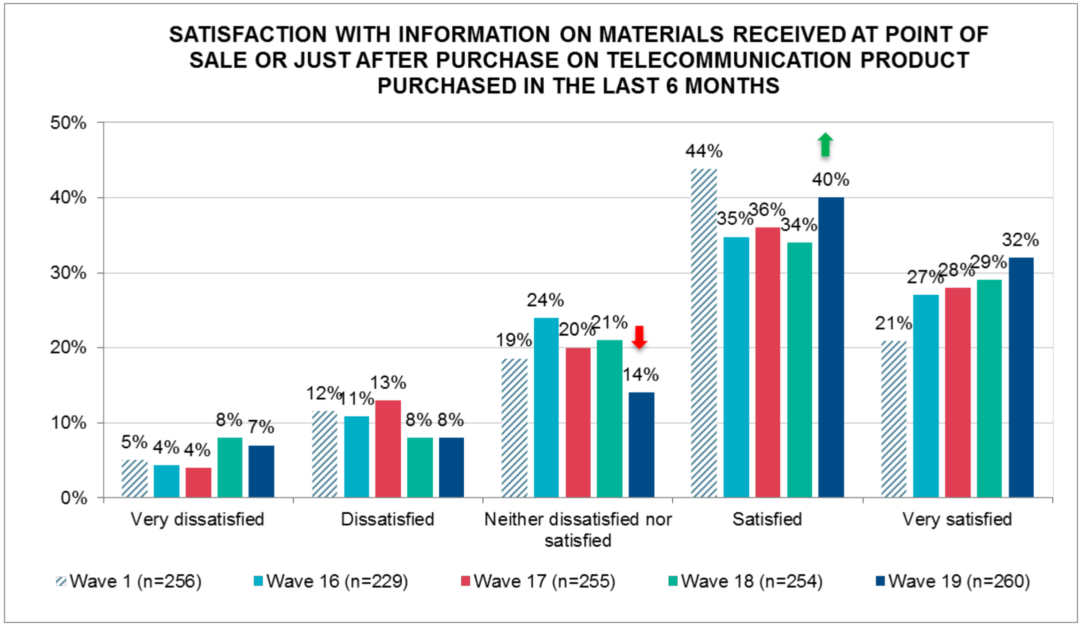
Satisfaction With Information on Materials Received at POS or Just After Purchase

- In Wave 19, one in two (51%) 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 higher in Wave 19 (72%) compared to Wave 18 (63%). This increase was mainly attributed to the significant increase (+6%) in people who were 'Satisfied'.
- 15% of people were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the information received on materials at point of sale or just after purchase. This result has remained mostly steady compared to last wave.
- There was a significant decline (-7%) in people who were neither dissatisfied nor satisfied in this wave.

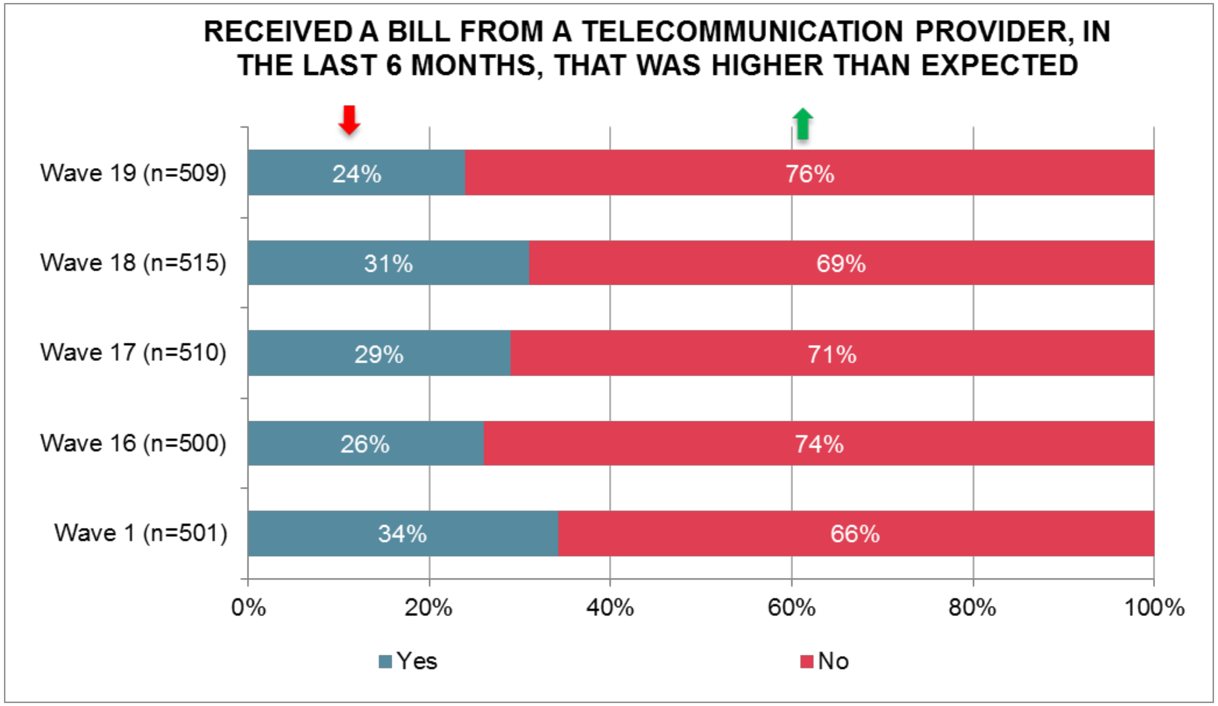


Billing*

**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*

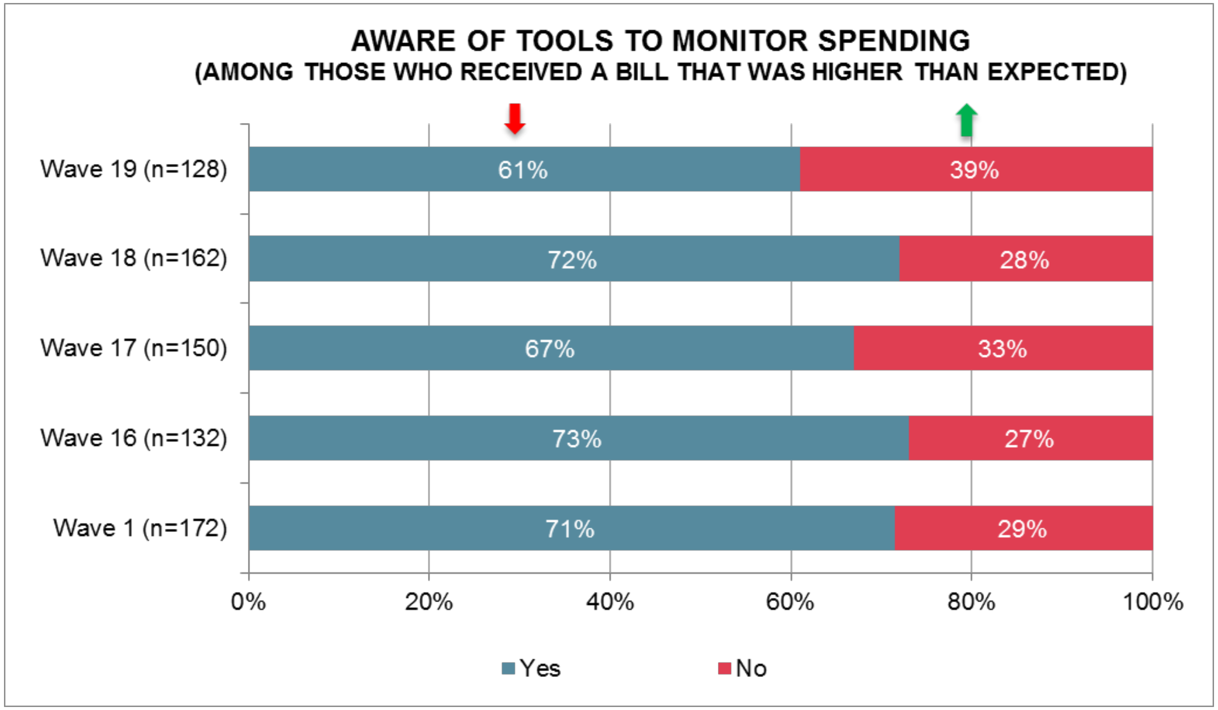
Higher Than Expected Bills

- In Wave 19, 24% received a bill from a telecommunications provider in the last 6 months that was higher than expected. This was a significant decrease (-7%) compared to Wave 18.



Awareness of Spend Monitoring Tools

- 61% 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 significantly lower than the previous wave.

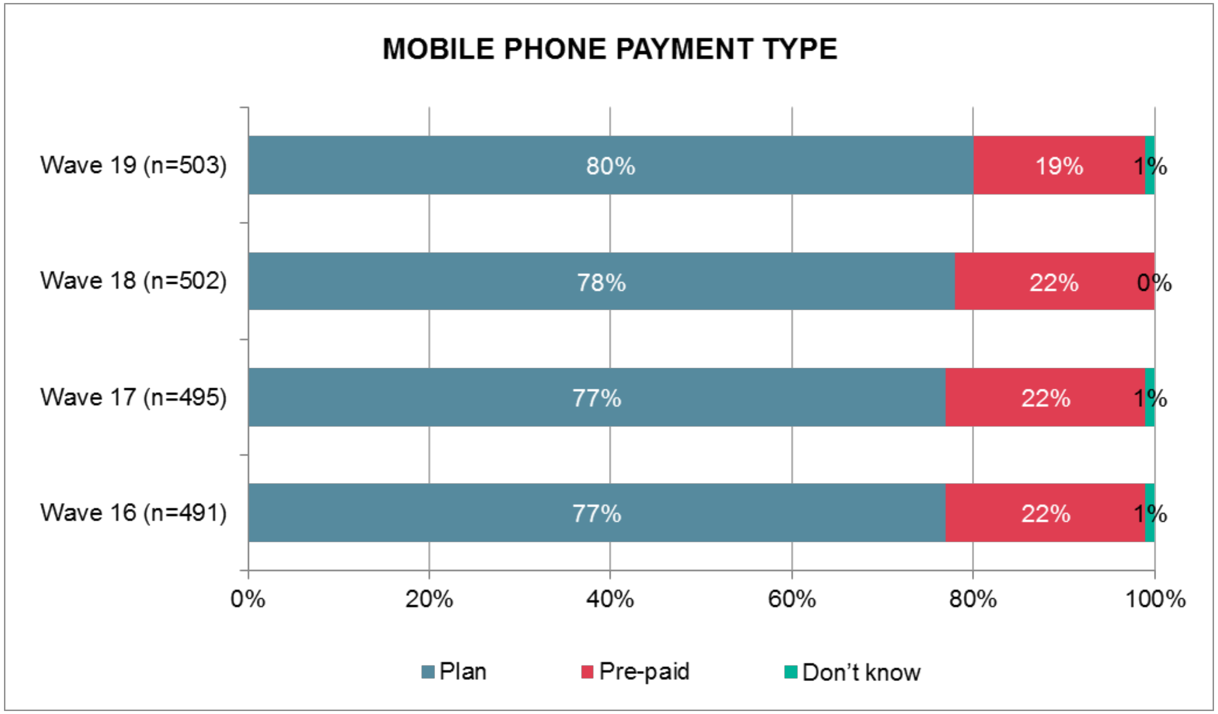


13 and 1300 Numbers*

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

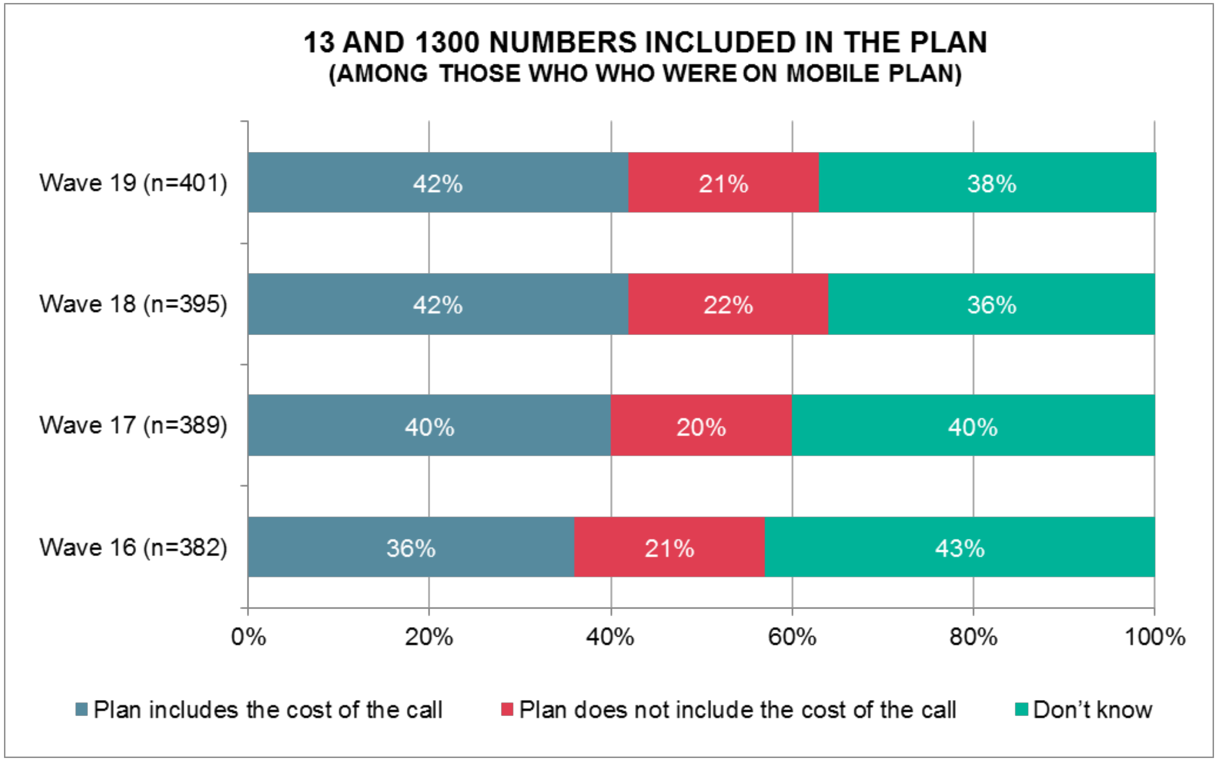
Mobile Phone Payment Type

- Four in five (80%) people in Wave 19 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 19% were pre-paid.



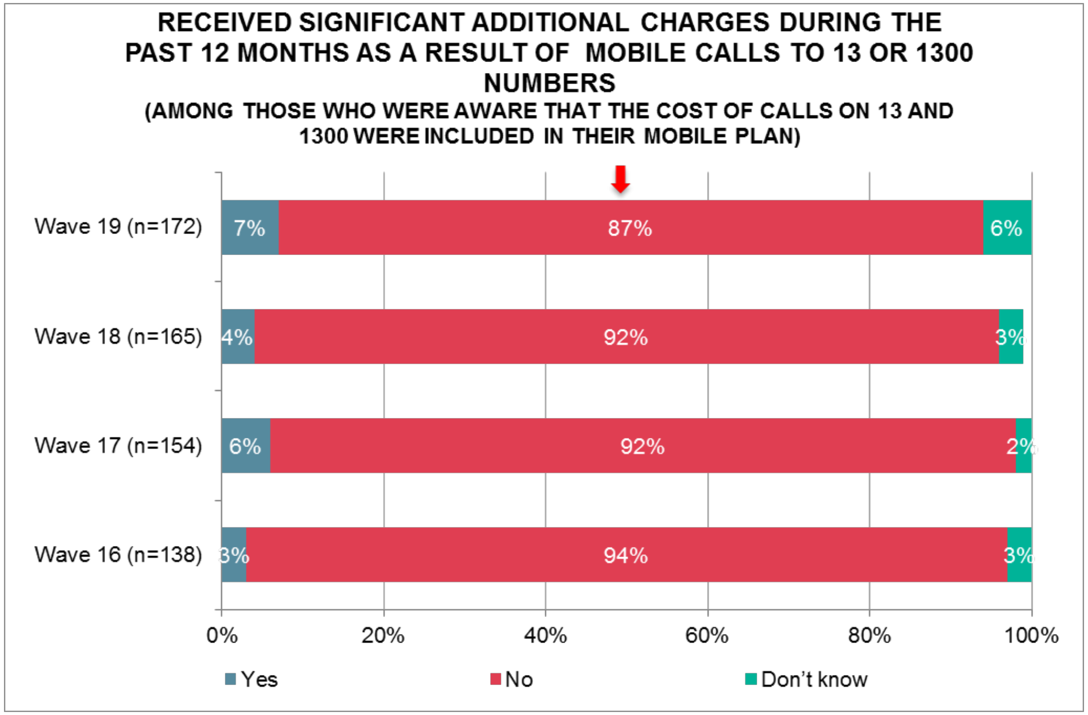
13 and 1300 Numbers Included

- Similar to Wave 18, just over two in five (42%) people on a mobile plan in Wave 19 have the cost of 13 or 1300 number calls included as a part of their monthly usage allowance.



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

- In Wave 19, 7% 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.
- Though most people (87%) who 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, but there was a significant decrease in this proportion (-5%) compared to previous wave.

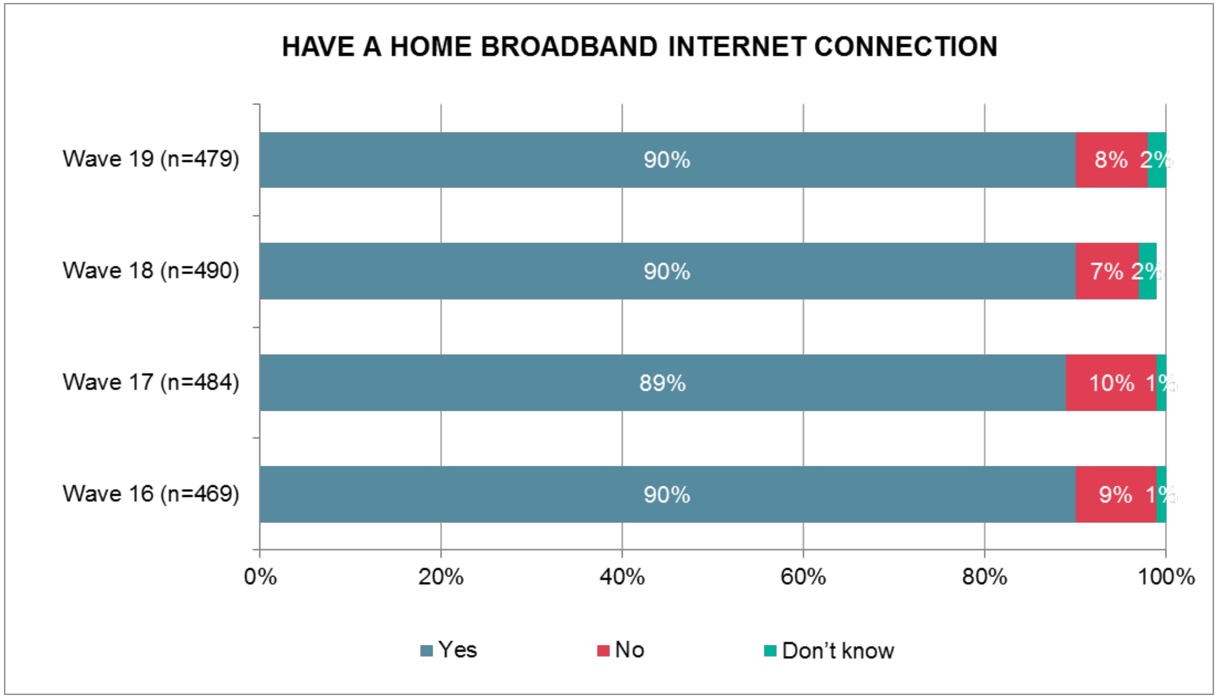


Broadband Internet Connection*

**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

- Similar to last wave, nine in ten (90%) people in Wave 19 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 19, the most important factors when selecting broadband Internet connection are connection reliability (28%), internet speed (20%) and monthly price (19%).