Telecommunications Customer Satisfaction

Results of Wave 16 of polling undertaken by Roy Morgan Research for Communications Alliance Ltd in September 2017

Research Objectives and Methodology

- 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.*

Polled Base

- 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 16 survey held in September 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 to provide a total market customer satisfaction metric.

Polled Base

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

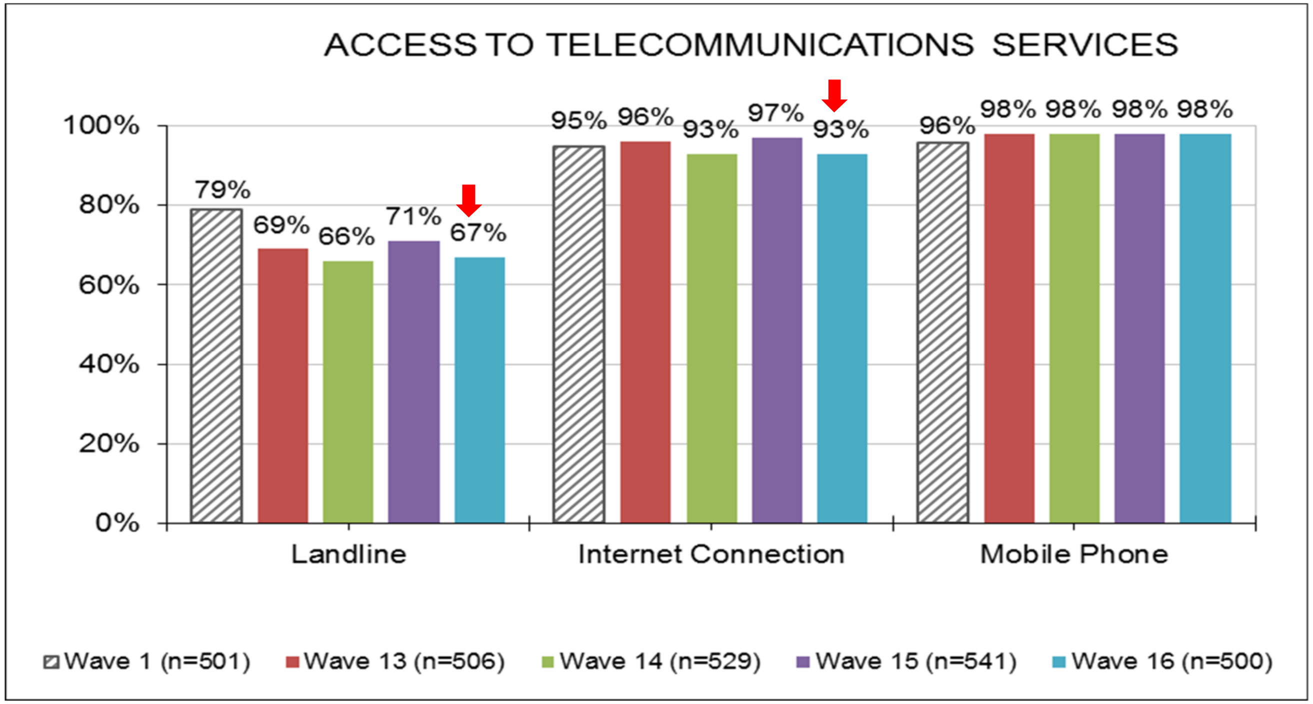
- Percentage increases/decreases between the current and previous waves have been tested for statistical significance – for the current report, the comparison waves are Wave 15 and Wave 16.

- 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

- Consistent with past waves of this research, 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 93% had an internet connection in their household for personal use. Access to a landline or VOIP phone was significantly down, wave on wave, to 67%.

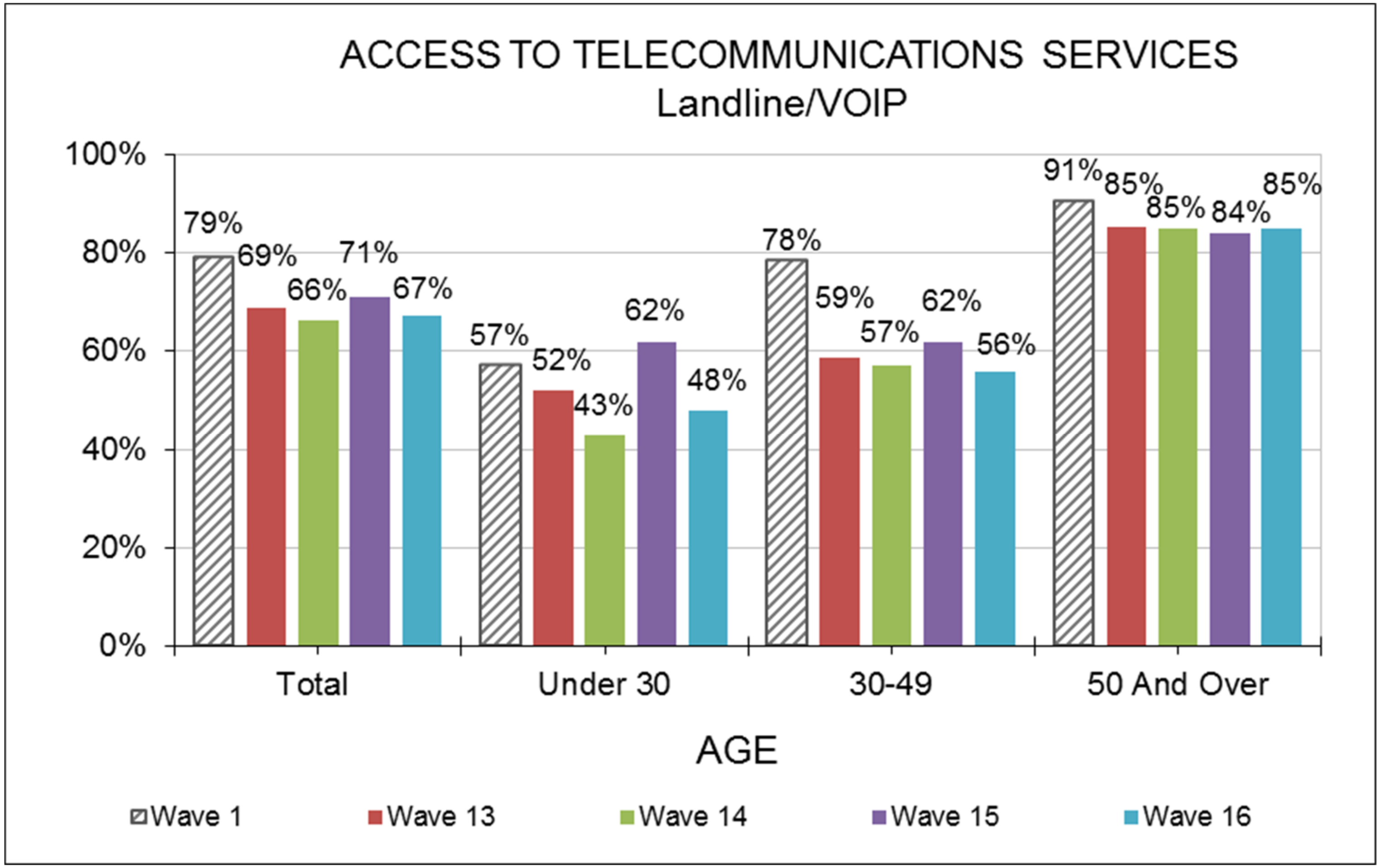


Access

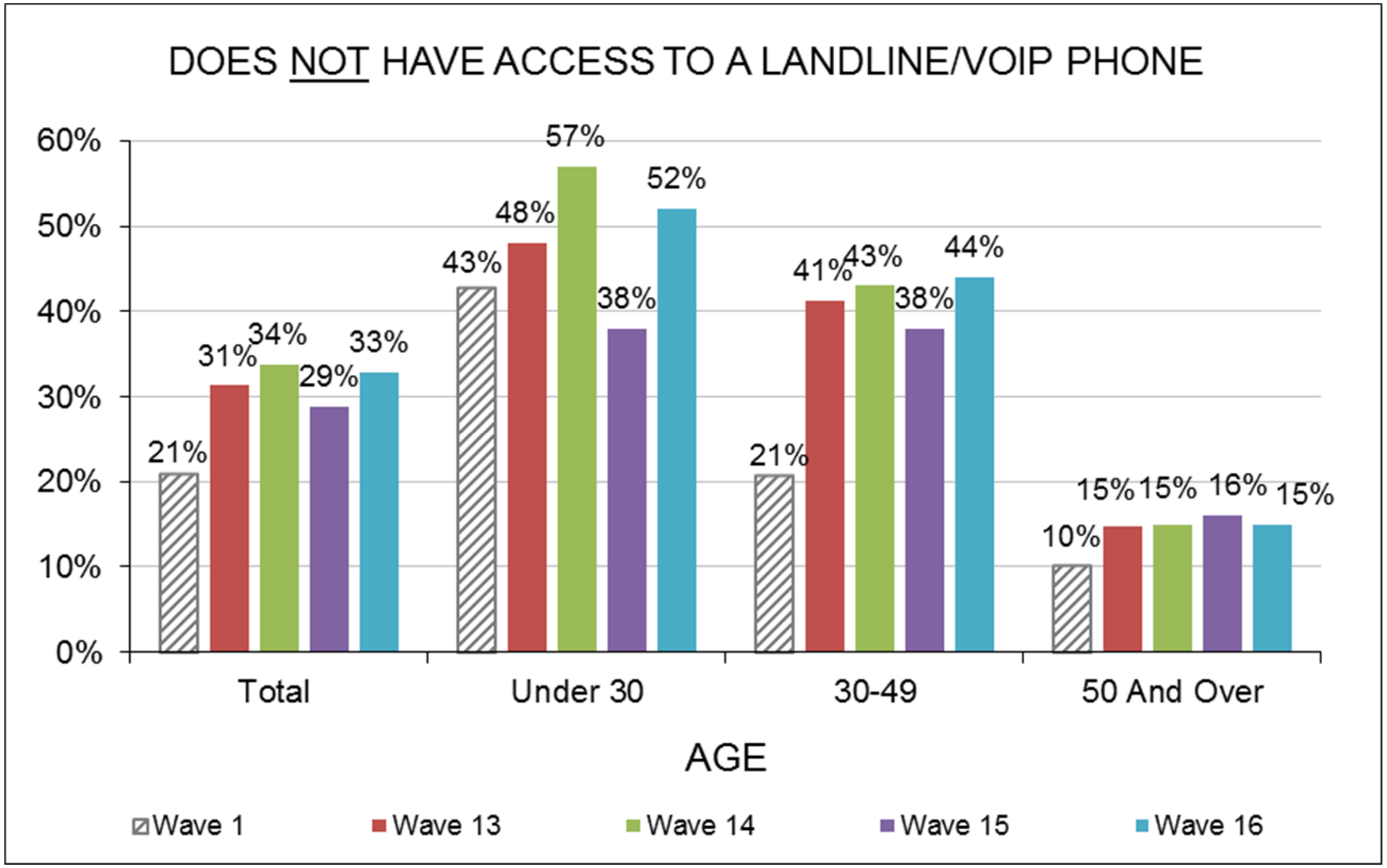
- Access to telecommunication services differed by age with older people aged 50 years and over more likely to have access to a landline/VOIP (85%) than those who were under the age of 30 (48%) and 30-49 (56%).

- Access to a landline/VOIP was significantly lower in Wave 16 compared to Wave 15, which was largely driven by the under 30 segment that dropped significantly from 62% in Wave 15 to 48% in Wave 16.

Access

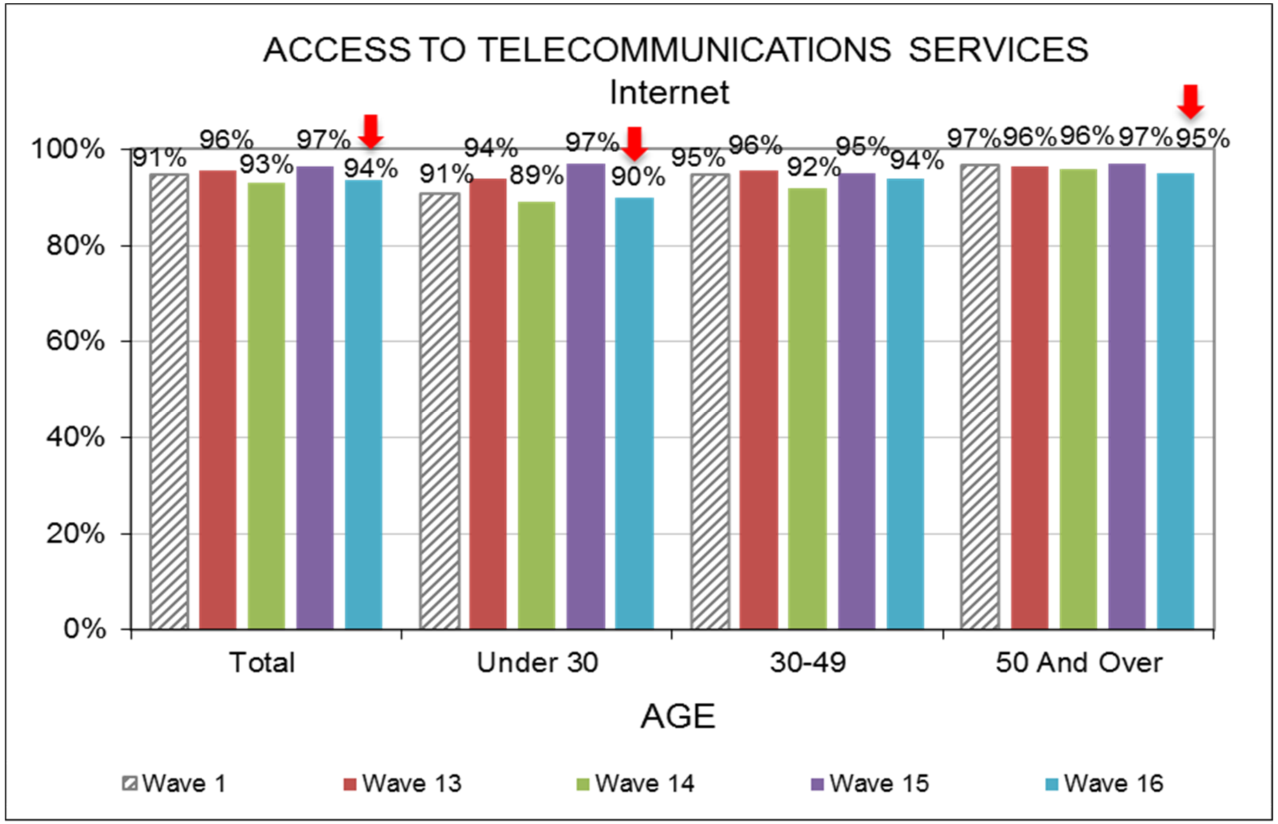

ACCESS TO TELECOMMUNICATIONS SERVICES
Landline/VOIP
100%
80%
60%
40%
20%
0%
79%
69%
66%
71%
67%
57%
52%
43%
62%
48%
78%
59%
57%
62%
56%
91%
85%
85%
84%
85%
Total
Under 30
30-49
50 And Over
AGE
Wave 1
Wave 13
Wave 14
Wave 15
Wave 16

Access


DOES NOT HAVE ACCESS TO A LANDLINE/VOIP PHONE
60%
50%
40%
30%
20%
10%
0%
21%
31%
34%
29%
33%
43%
48%
57%
38%
52%
21%
41%
43%
38%
44%
10%
15%
15%
16%
15%
Total
Under 30
30-49
50 And Over
AGE
Wave 1
Wave 13
Wave 14
Wave 15
Wave 16

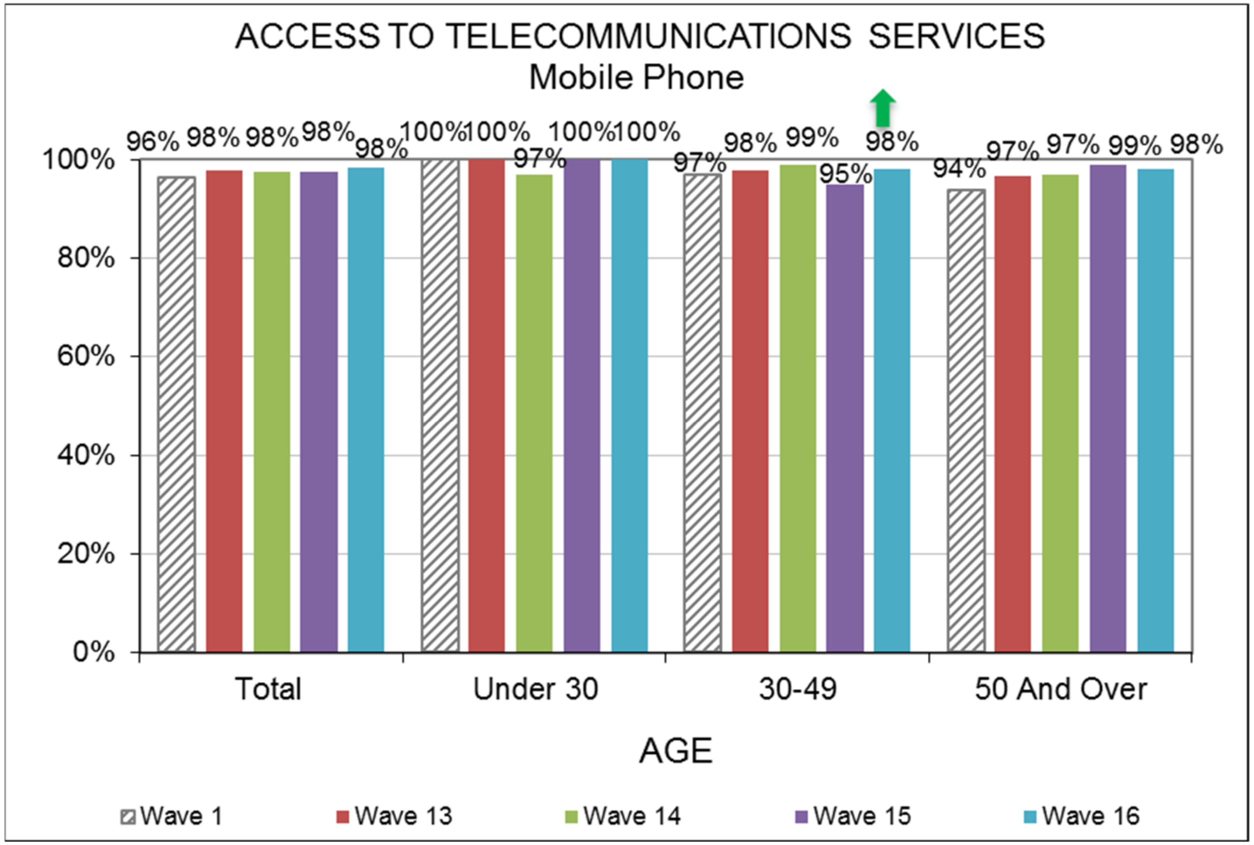
Access

- There was a significant decrease in access to an internet connection in the household for personal use amongst people who had some form of contact with a service provider in the past 6 months across all age brackets; however, at least 90% of each segment had access to an internet connection in the household.



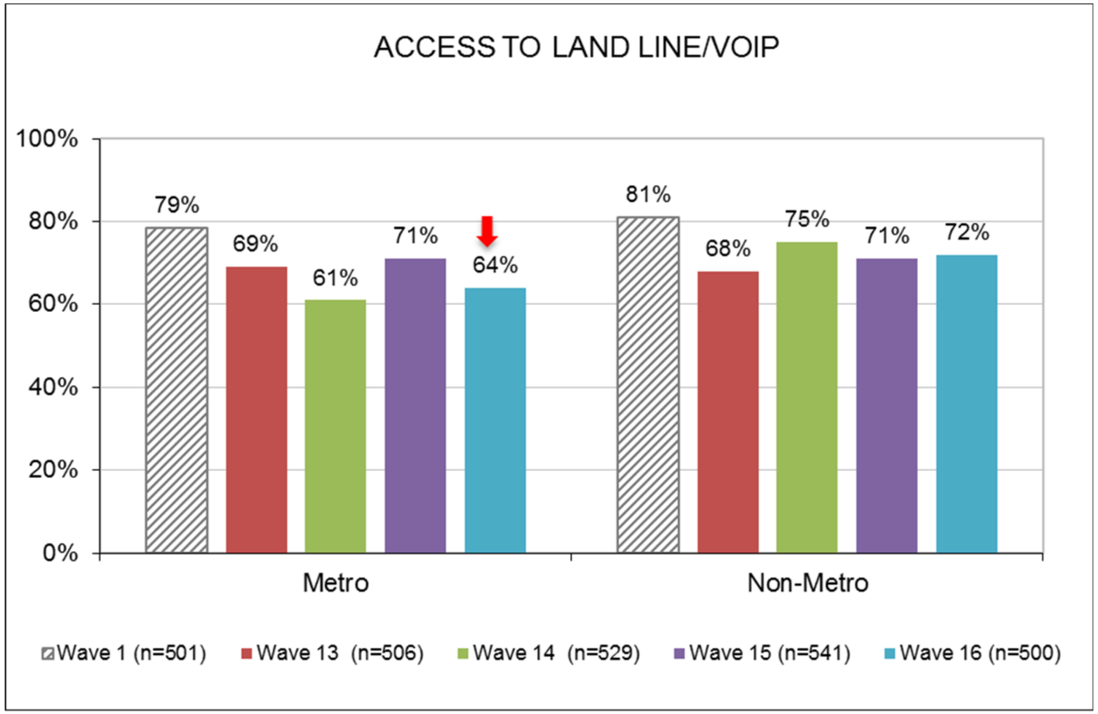
Access

- Access to a mobile phone for personal use has remained high across all waves. There was a significant increase in Wave 16 amongst the 30-49 year old segment that had some form of contact with a service provider in the last 6 months.

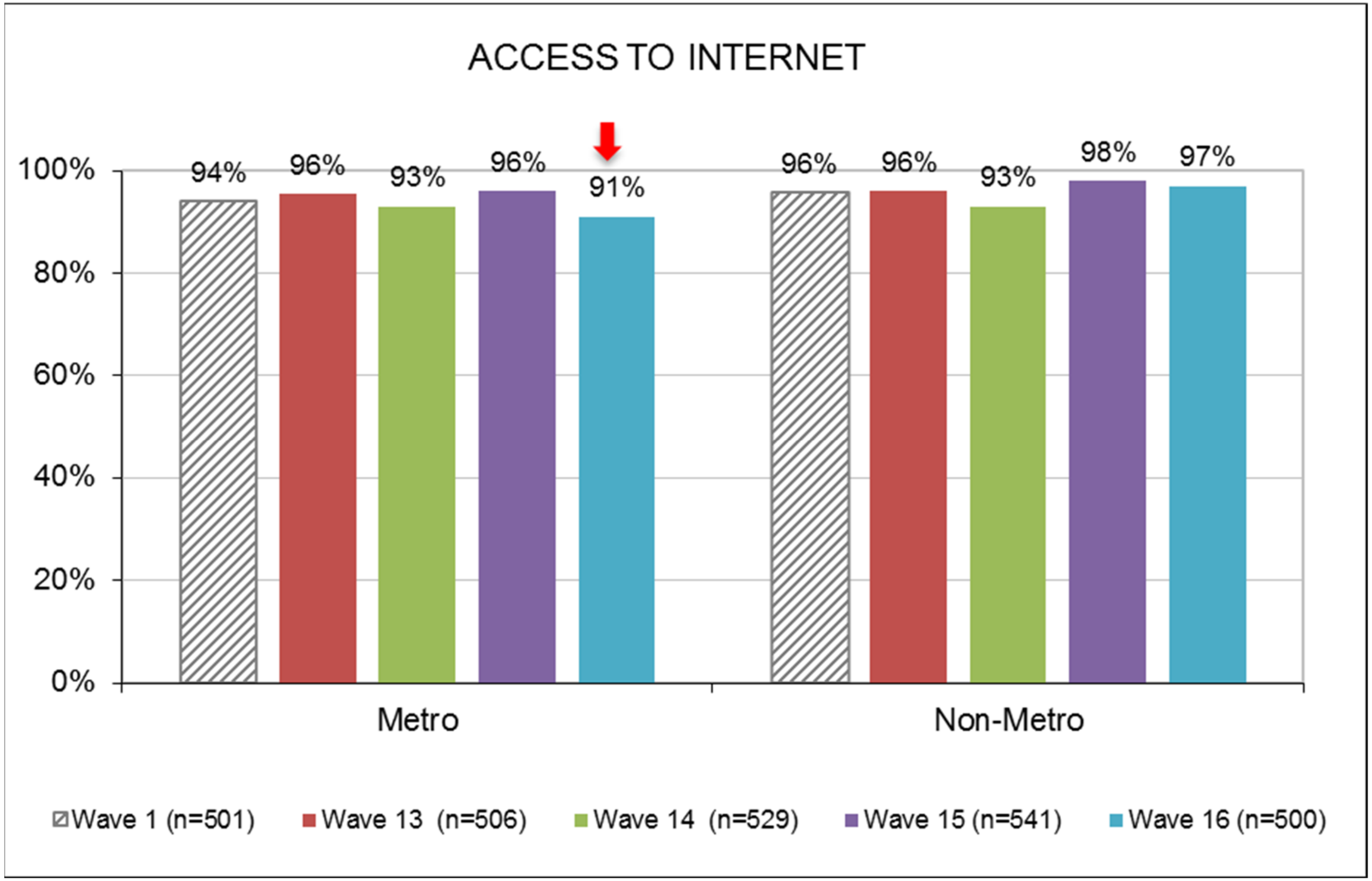


Access

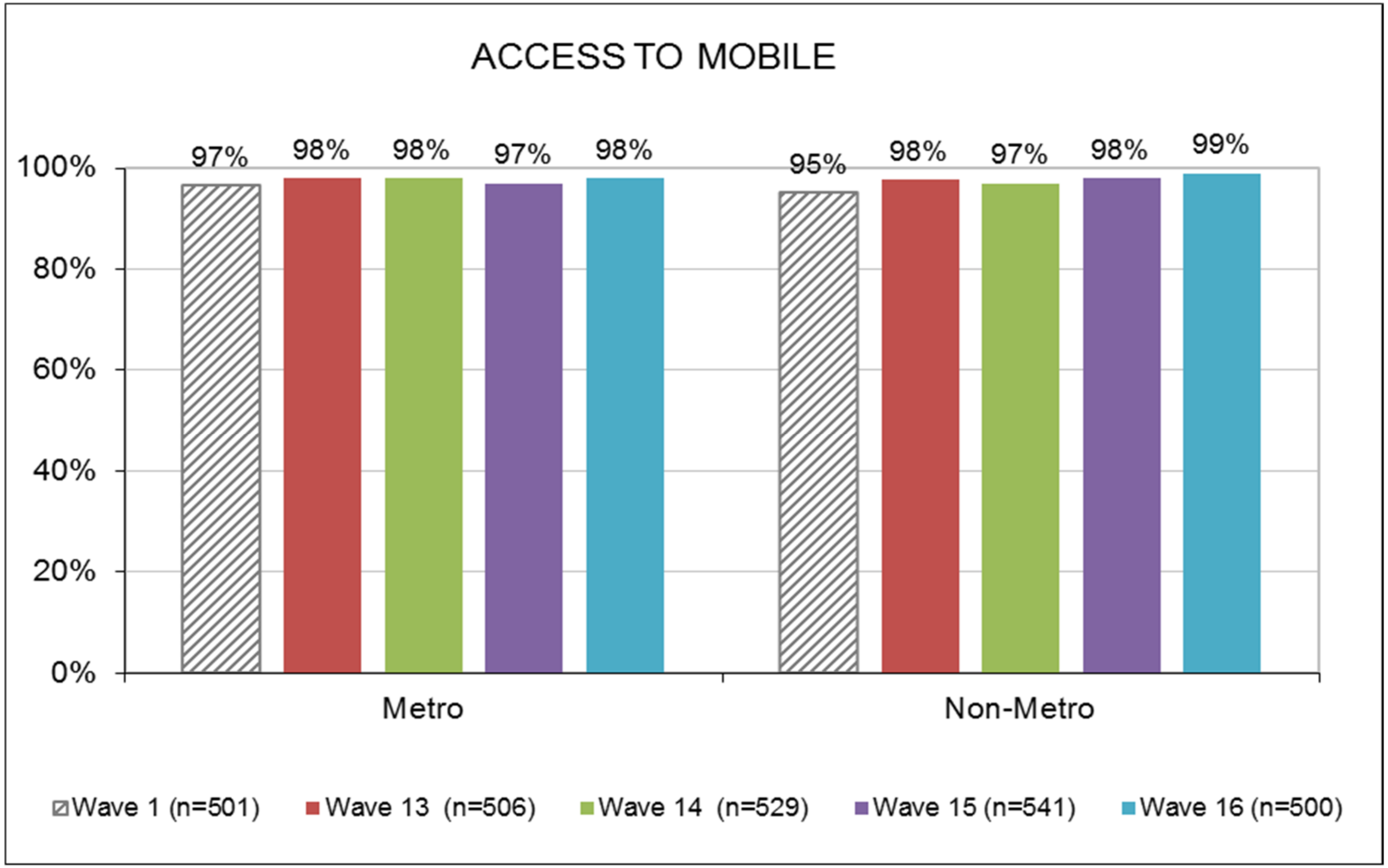
- Access to a landline/VOIP in the household remained steady between Wave 15 and Wave 16 in non-metro areas but dropped significantly in metro areas. A larger proportion of people in non-metropolitan areas in this wave reported having access to an internet connection in the household than those in metropolitan areas. Access to a mobile phone remained steady across waves in both metro and non-metro areas.



Access

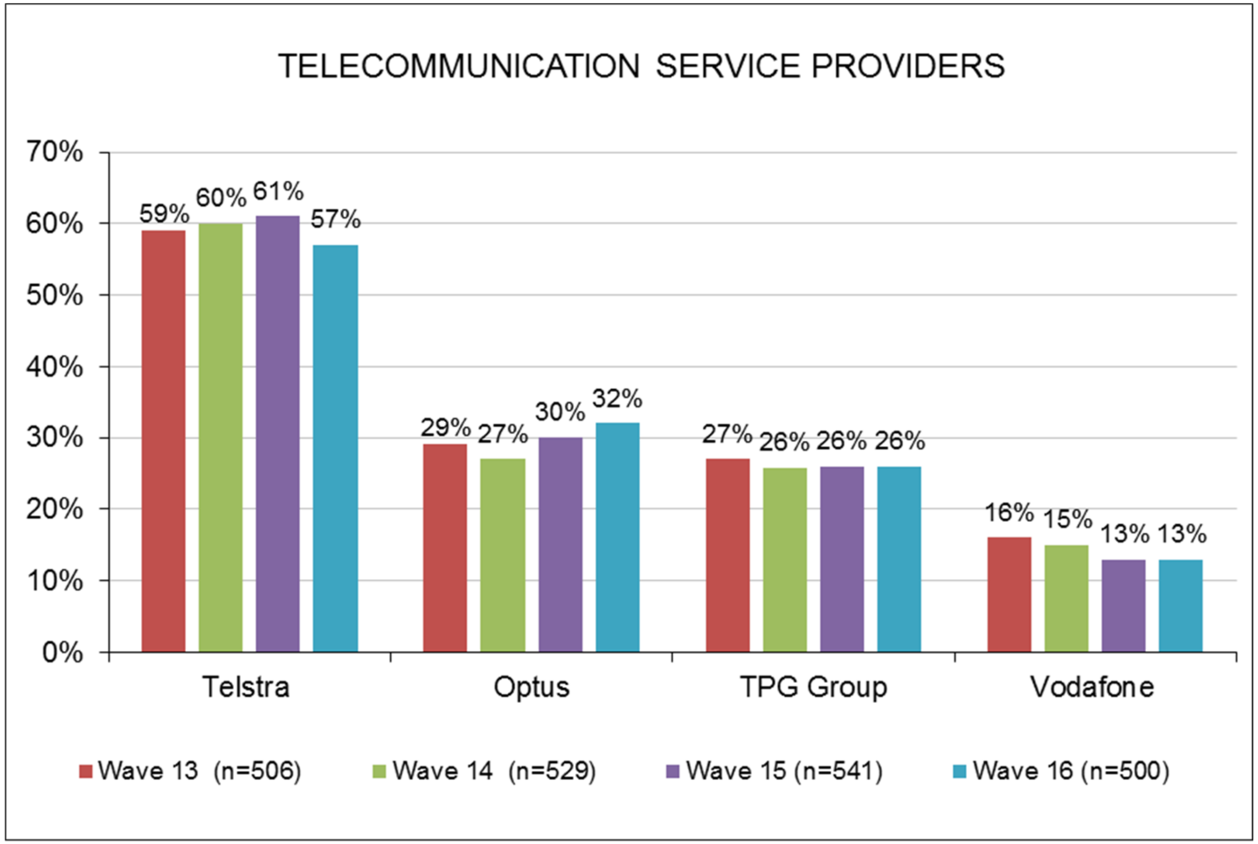

ACCESS TO INTERNET
100%
80%
60%
40%
20%
0%
94%
96%
93%
96%
91%
96%
96%
93%
98%
97%
Metro
Non-Metro
Wave 1 (n=501)
Wave 13 (n=506)
Wave 14 (n=529)
Wave 15 (n=541)
Wave 16 (n=500)

Access


ACCESS TO MOBILE
100%
80%
60%
40%
20%
0%
97%
98%
98%
97%
98%
95%
98%
97%
98%
99%
Metro
Non-Metro
Wave 1 (n=501)
Wave 13 (n=506)
Wave 14 (n=529)
Wave 15 (n=541)
Wave 16 (n=500)

Telecommunications Service Providers[1]

- Telstra[2] (57%) 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] (26%) and Vodafone[4] (13%). There were no significant changes between Wave 15 and Wave 16.



Telecommunications Service Providers

- The proportion of the under 30 segment that used a Telstra service in this wave was lower than the previous wave but not statistically significant. The proportion of the under 30 segment that used a Vodafone service increased significantly (+9%) in Wave 16.

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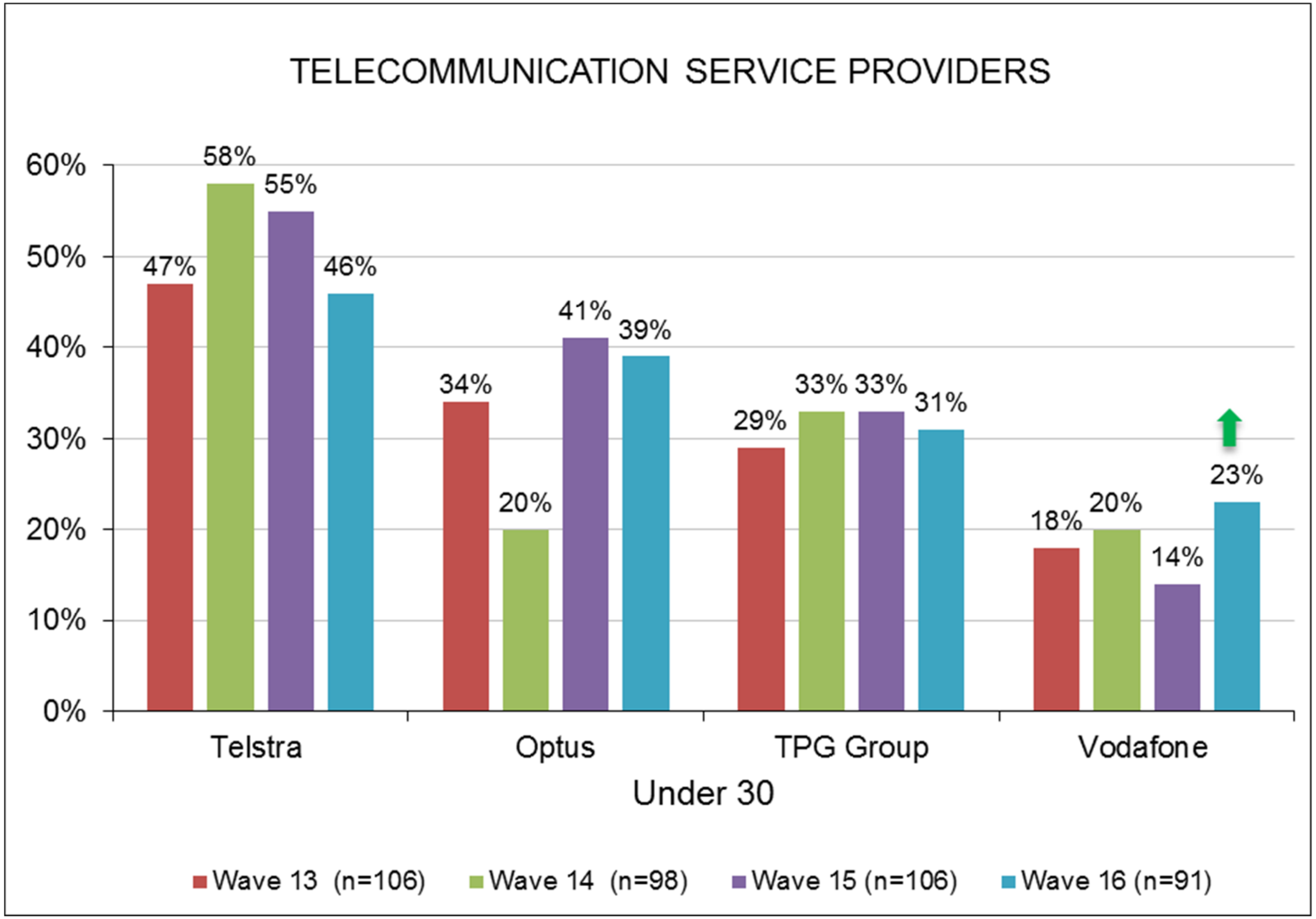
[1]Please note that the target audience of this research is 'Australians aged 18+ who are personal users of a home phone, internet connection or mobile phone AND have had contact with a service provider in the last 6 months'. Therefore, the usage of telecommunication service providers in this report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

[2] The survey captures 'Telstra' and 'Telstra/ BigPond' separately; the data for both these providers has been clubbed under 'Telstra' for this section.

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

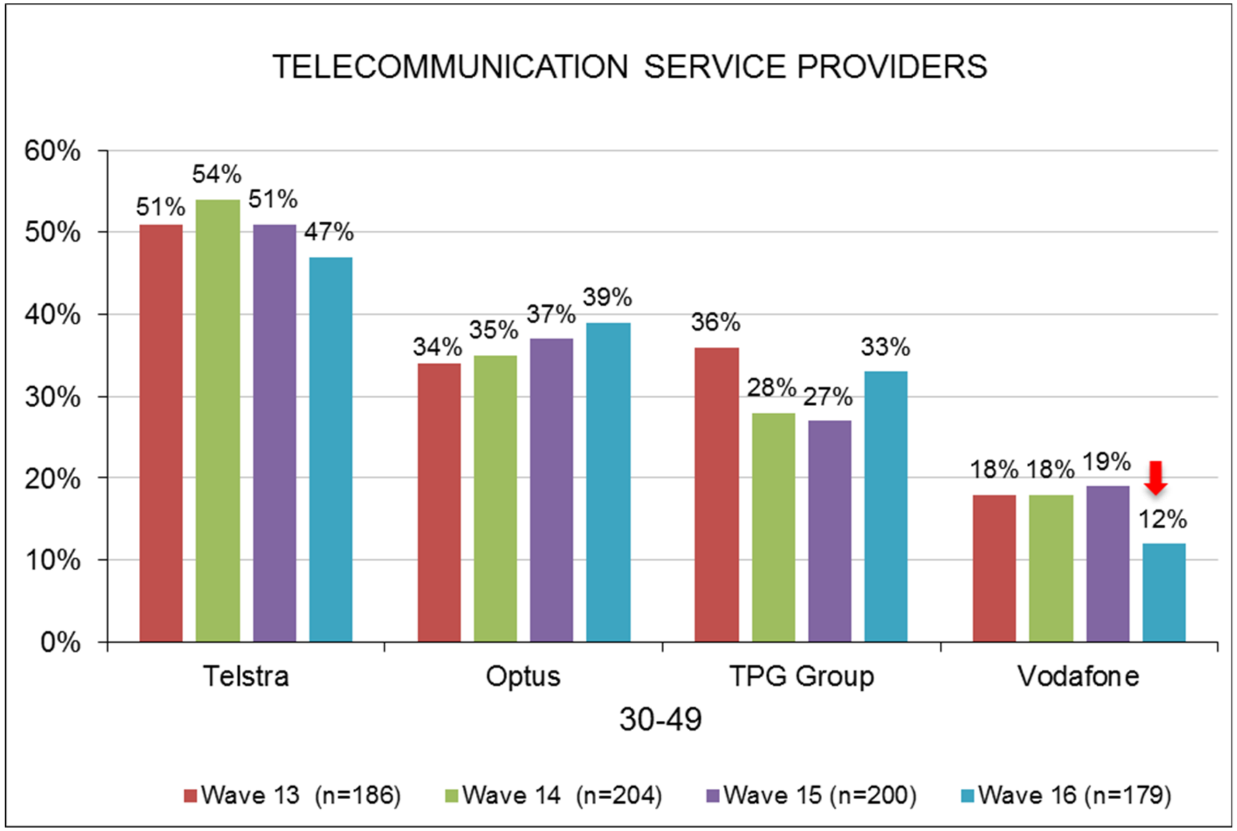
[4]The survey captures '3' and 'Vodafone' separately; the data for both these providers has been clubbed under 'Vodafone' for this section.one service increased significantly (+9%) in Wave 16.

Telecommunications Service Providers



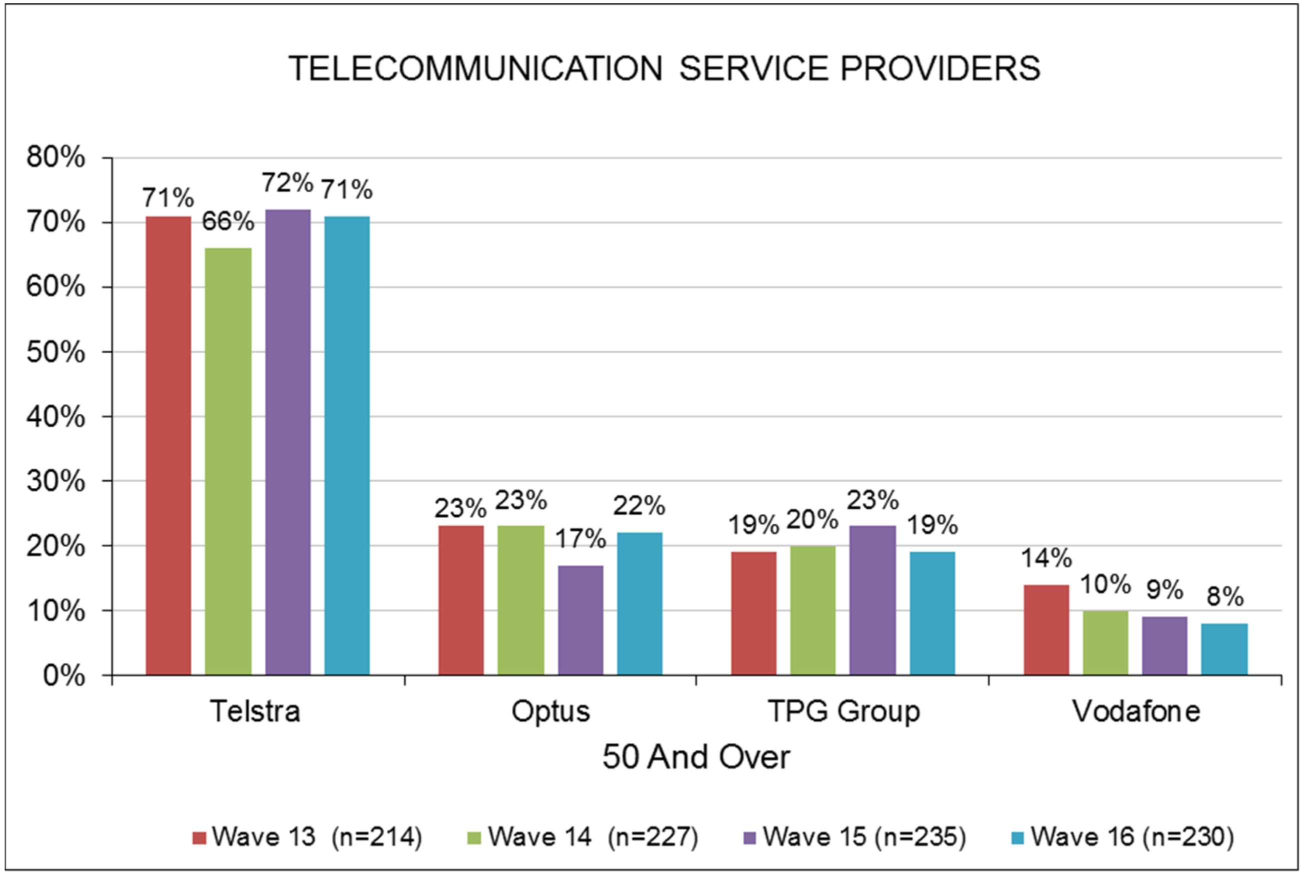
Telecommunications Service Providers

- Among 30-49 year olds who has contact with a service provider in the last 6 months, 47% used a Telstra service in Wave 16. 39% had a service with Optus, 33% had a TPG Group service and 12% had a service with Vodafone which was significantly less than Wave 15 (-7%).



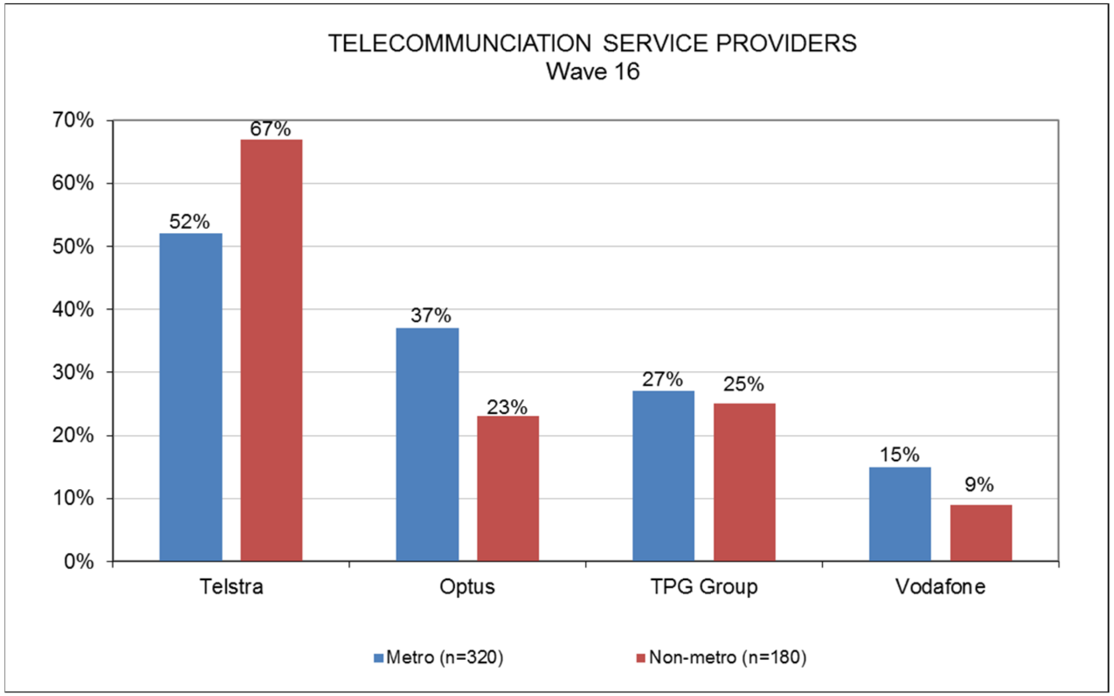
Telecommunications Service Providers

- The 50 and over segment had the highest incidence of people with a Telstra service in Wave 16, followed by Optus (22%), TPG Group (19%) and Vodafone (8%). There were no significant changes between the current and previous waves.



Telecommunications Service Providers

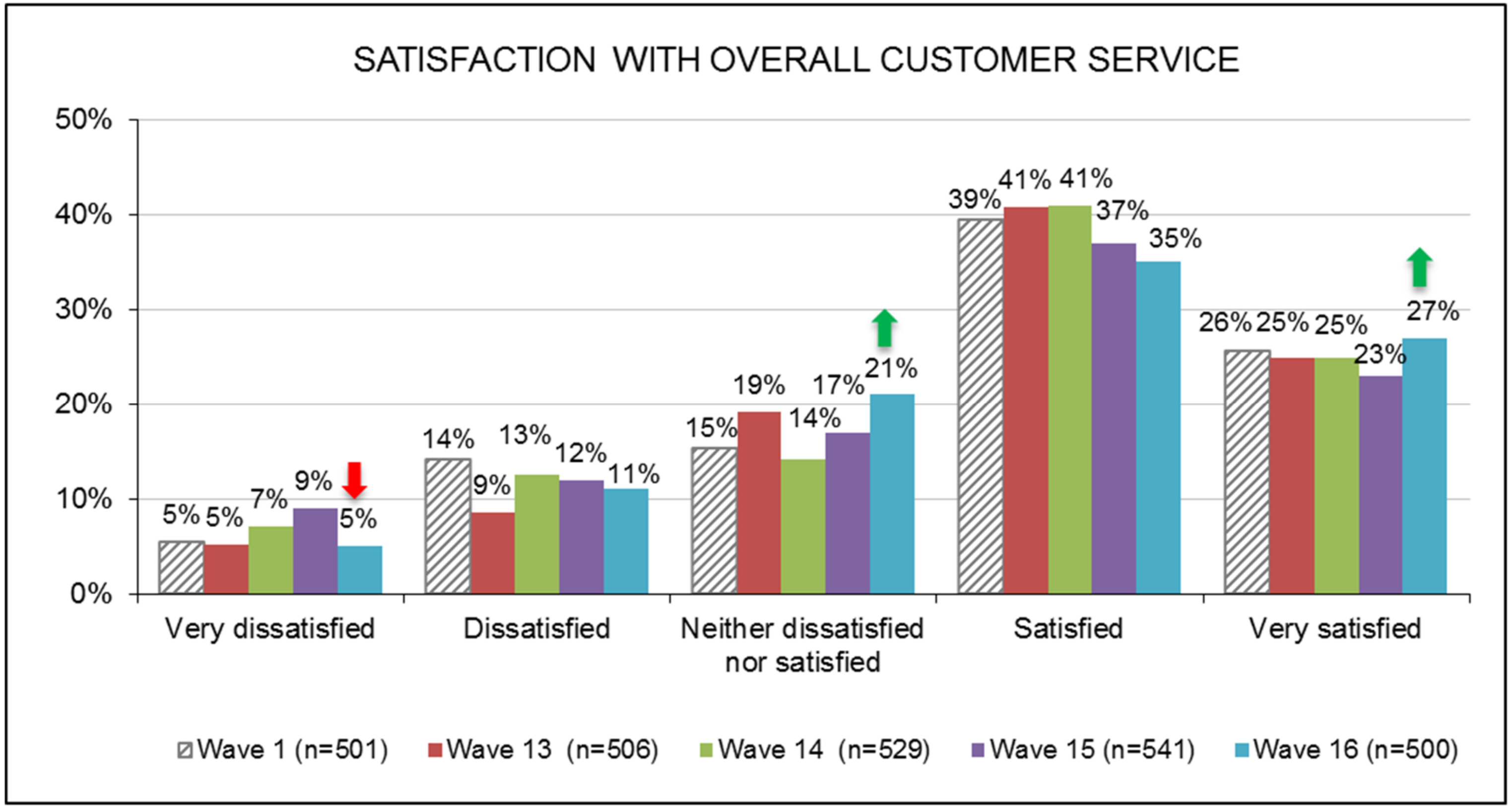
- When usage of telecommunications service providers was examined by peoples' area of residence in Wave 16, the results revealed those that used Telstra services were more common in non-metro areas (67%) than in metro areas (52%). On the other hand, Optus and Vodafone services were more common in metro areas (37% and 15% respectively) than in non-metro areas (23% and 9% respectively). Use of a TPG Group service was fairly even between metro (27%) and non-metro (25%) areas.



Overall Customer Satisfaction

- Satisfaction with the overall level of customer service received by telecommunication providers continued to be high (62%) in Wave 16. There was a significant increase (+4%) in the number of people being very satisfied with the level of customer service received with their most recent contact with a provider.
- One in six (16%) people were dissatisfied with the overall level of customer service received with their most recent contact with a provider and only a small group of people (5%) reported being very dissatisfied which was a significant decrease (-4%) from the previous wave.

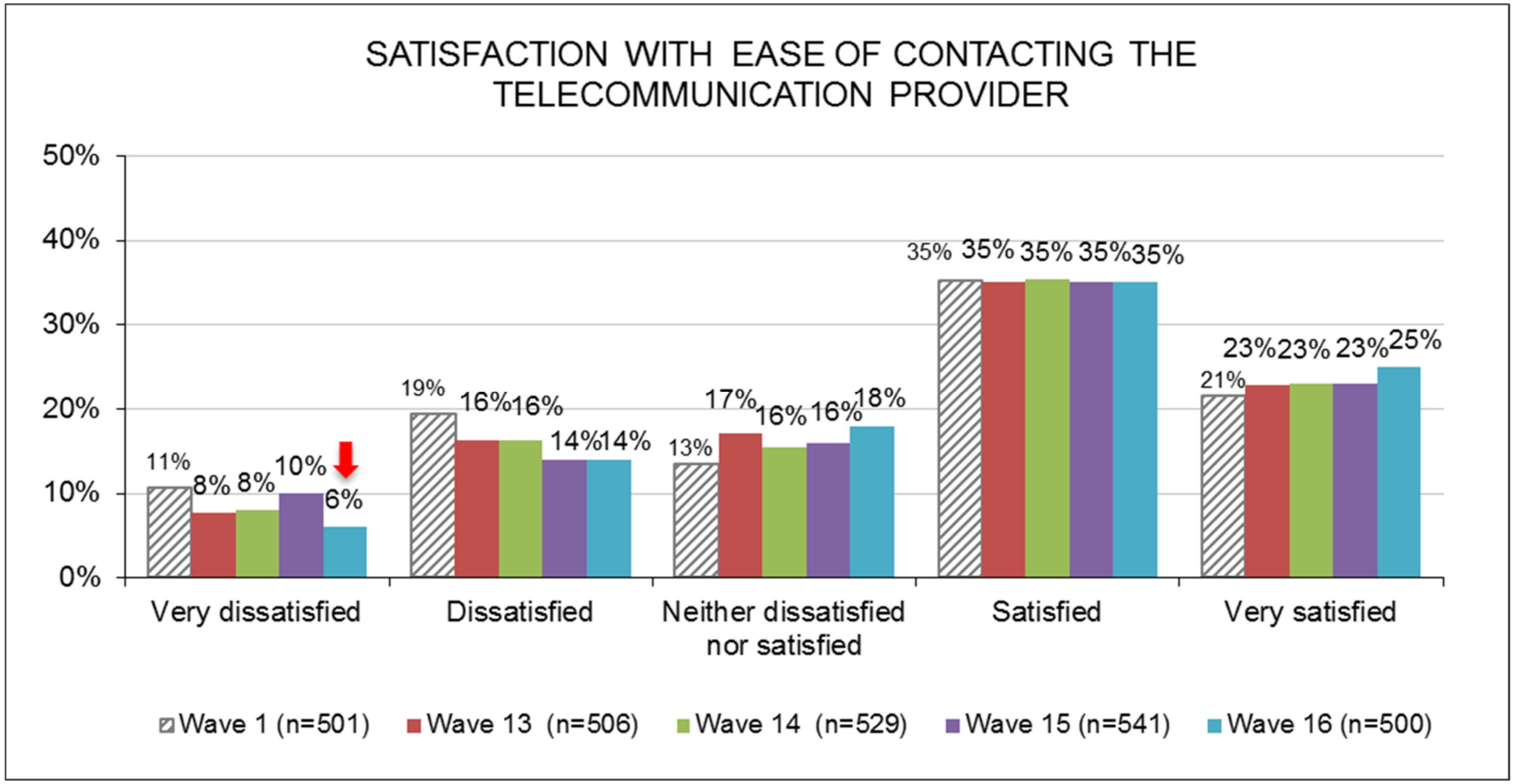
Overall Customer Satisfaction



Ease of Contacting Provider

- In Wave 16, three in five (60%) were satisfied ('Very Satisfied' or 'Satisfied') with the ease of contacting their telecommunications provider with a quarter (25%) indicating that they were very satisfied. This result has remained steady across waves.
- One in five (20%) were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the ease of contacting their provider and only 6% of these people were very dissatisfied which was a significant decrease (-4%) on the previous wave.

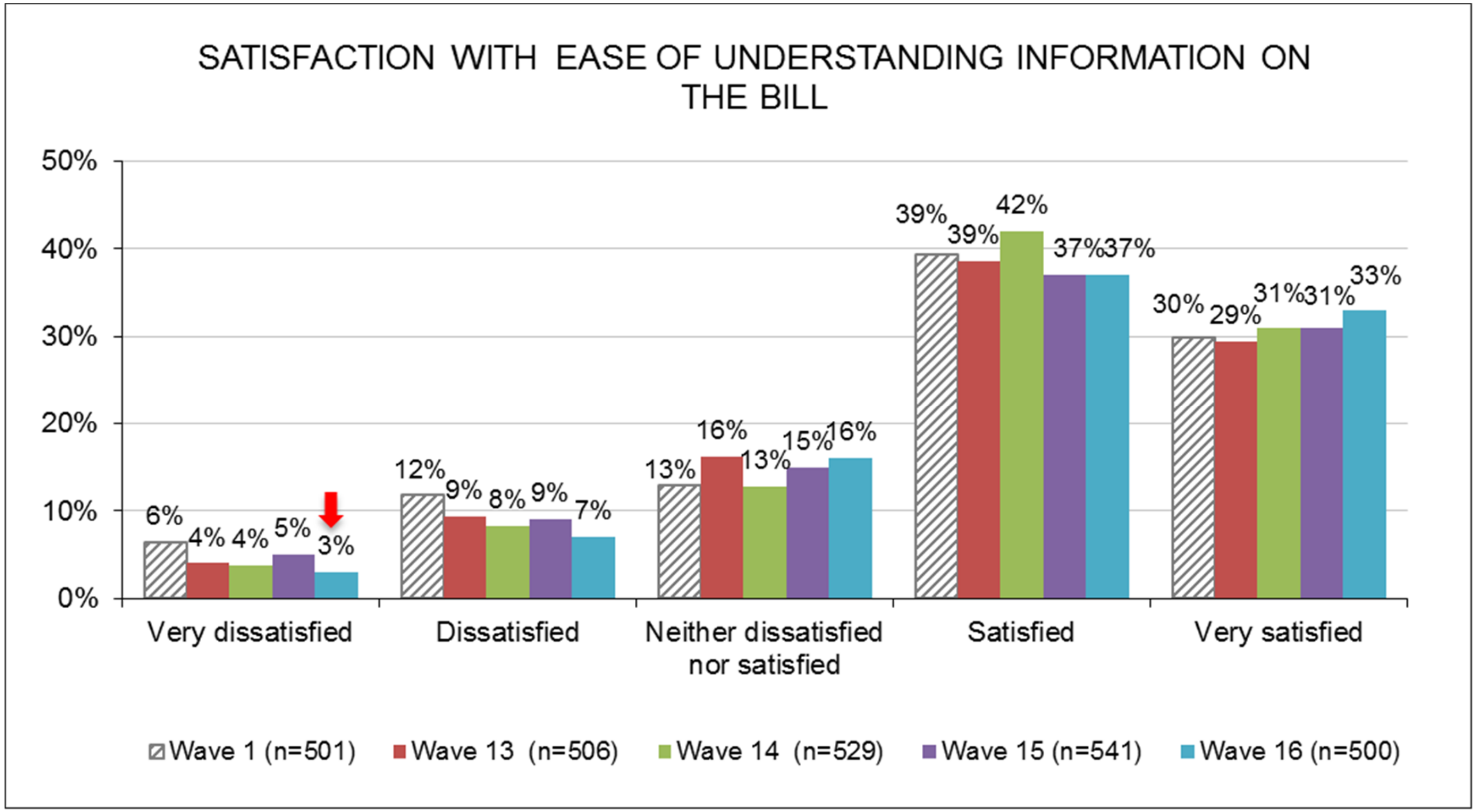
Ease of Contacting Provider



Understanding Bills

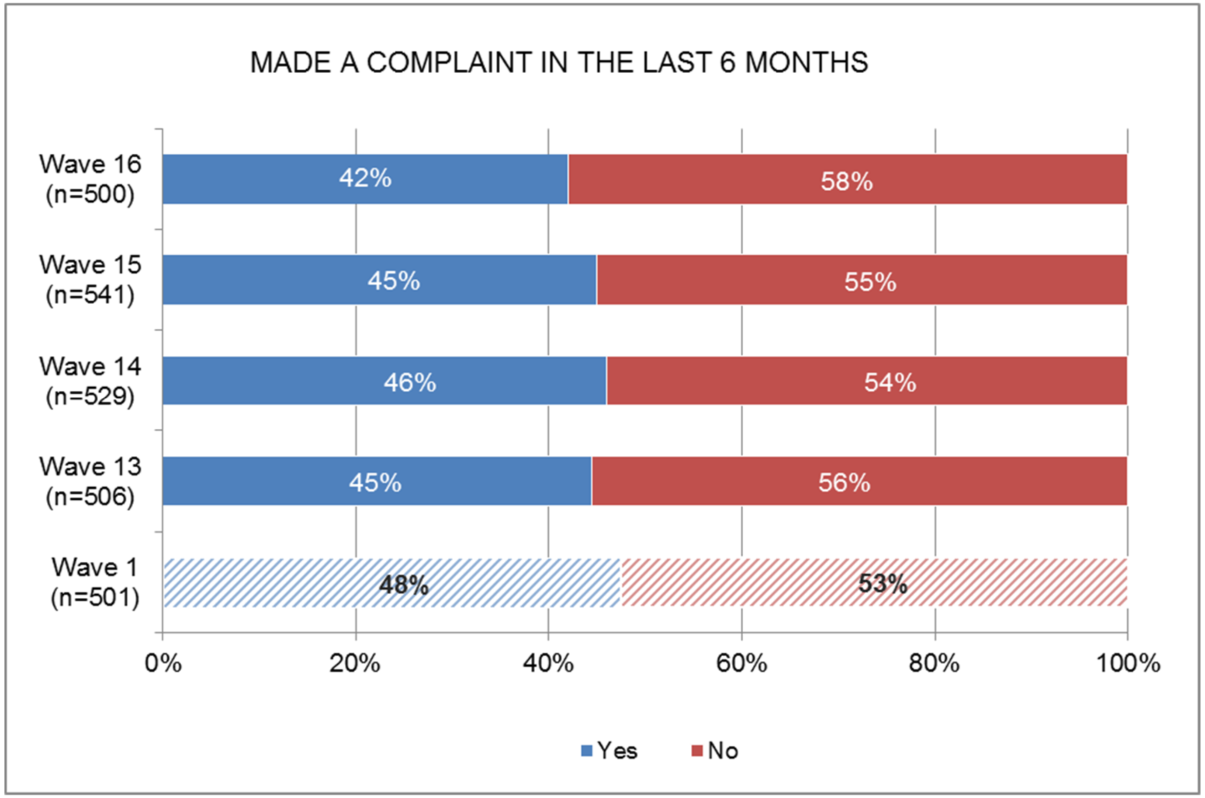
- Satisfaction with ease of understanding bill information continued to be high in Wave 16 with seven in ten (70%) of customers being satisfied ('Very Satisfied' or 'Satisfied').
- Ten per cent were dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the ease of understanding their bill. A small proportion of those customers who were dissatisfied were 'Very Dissatisfied' (3%). The number of people very dissatisfied with the ease of understanding their most recent bill decreased (-2%) significantly in Wave 16 and was half that of the benchmark Wave 1 when it was at 6%.

Understanding Bills



Complaint Handling

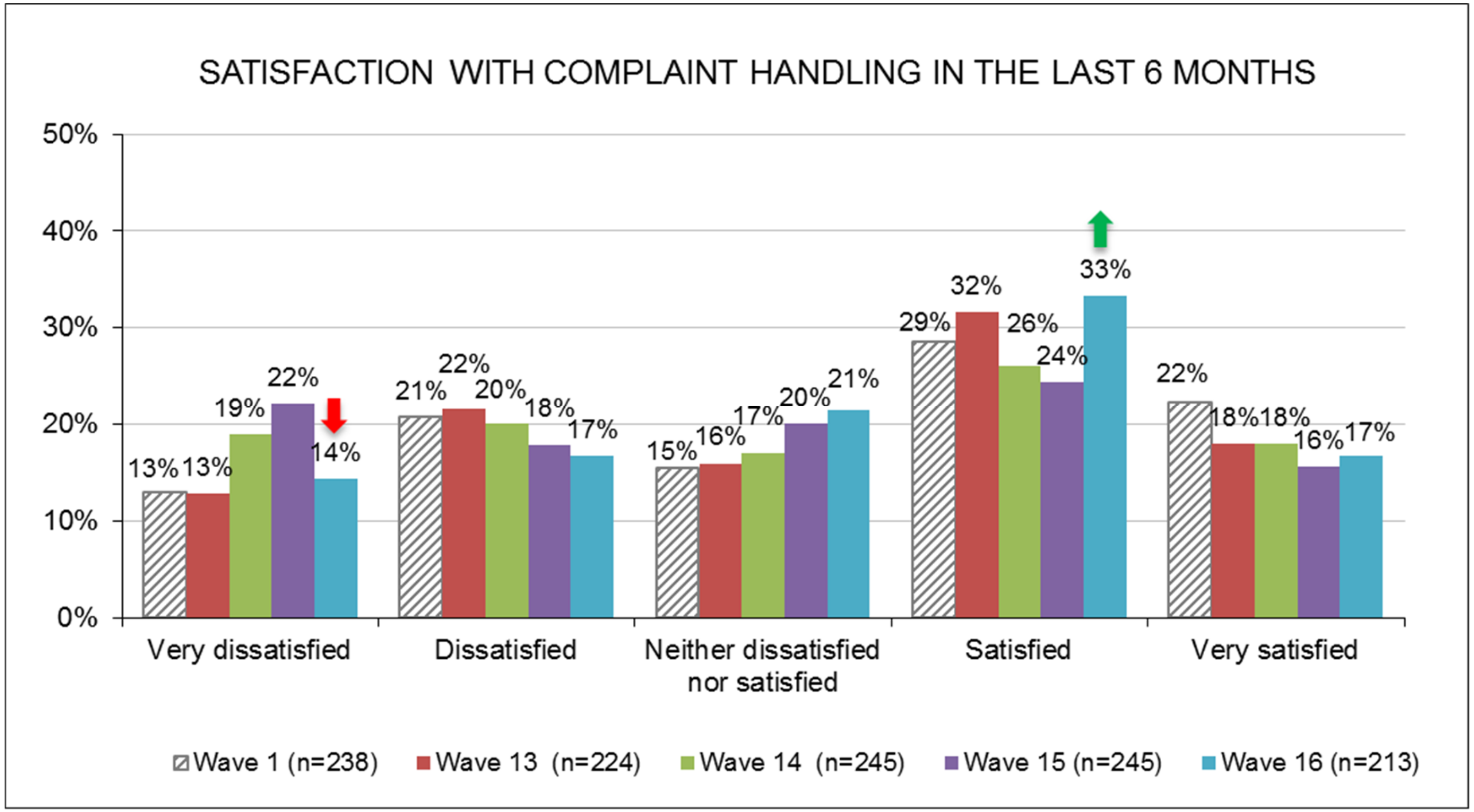
- In Wave 16, 42% of people who had some type of contact with a service provider in the last 6 months had made a complaint to their provider. This was a slight decline (not significant) compared to the last 3 waves and benchmark Wave 1 when the proportion of people who had made a complaint in the last 6 months was 48%.



Complaint Handling

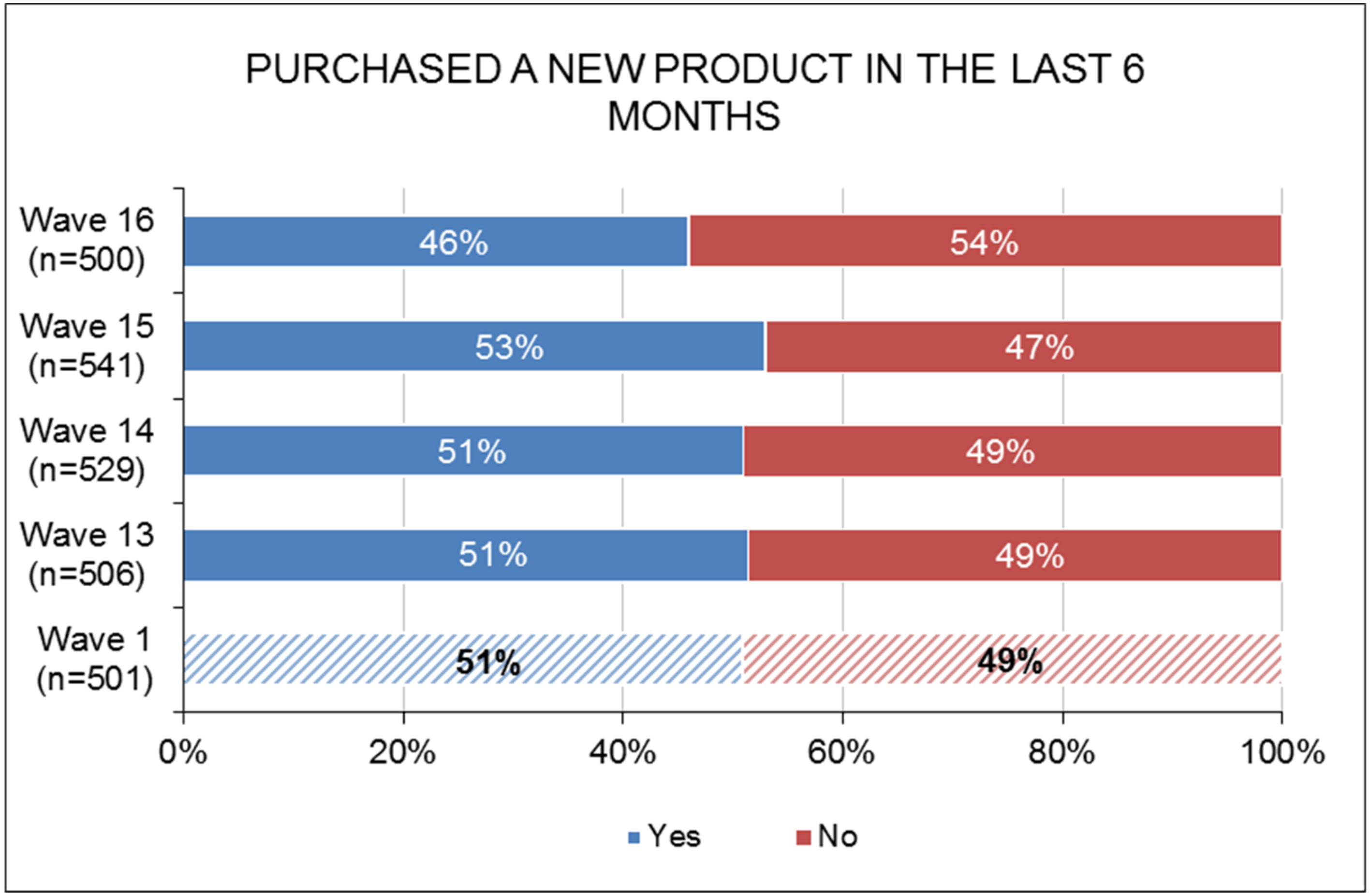
- Overall, one in two (50%) of those who had made a complaint in the last 6 months were satisfied ('Very Satisfied' or 'Satisfied') with how their complaints had been handled. Overall satisfaction increased compared to the last two waves (40% in Wave 15 and 44% in Wave 14) and was similar to the levels measured in Wave 13 and Wave 1 (50% and 51% respectively) of this research. This increase was mainly attributed to the significant increase (+9%) in people who were 'Satisfied'.
- On the other hand, levels of dissatisfaction with the complaint handling process in Wave 16 (31%) were lower than the previous 3 waves and the benchmark Wave 1 (when levels of dissatisfaction were between 34% and 40%). There was a significant decrease in the number of people who were 'Very Dissatisfied' (-8%).

Complaint Handling



Product Satisfaction

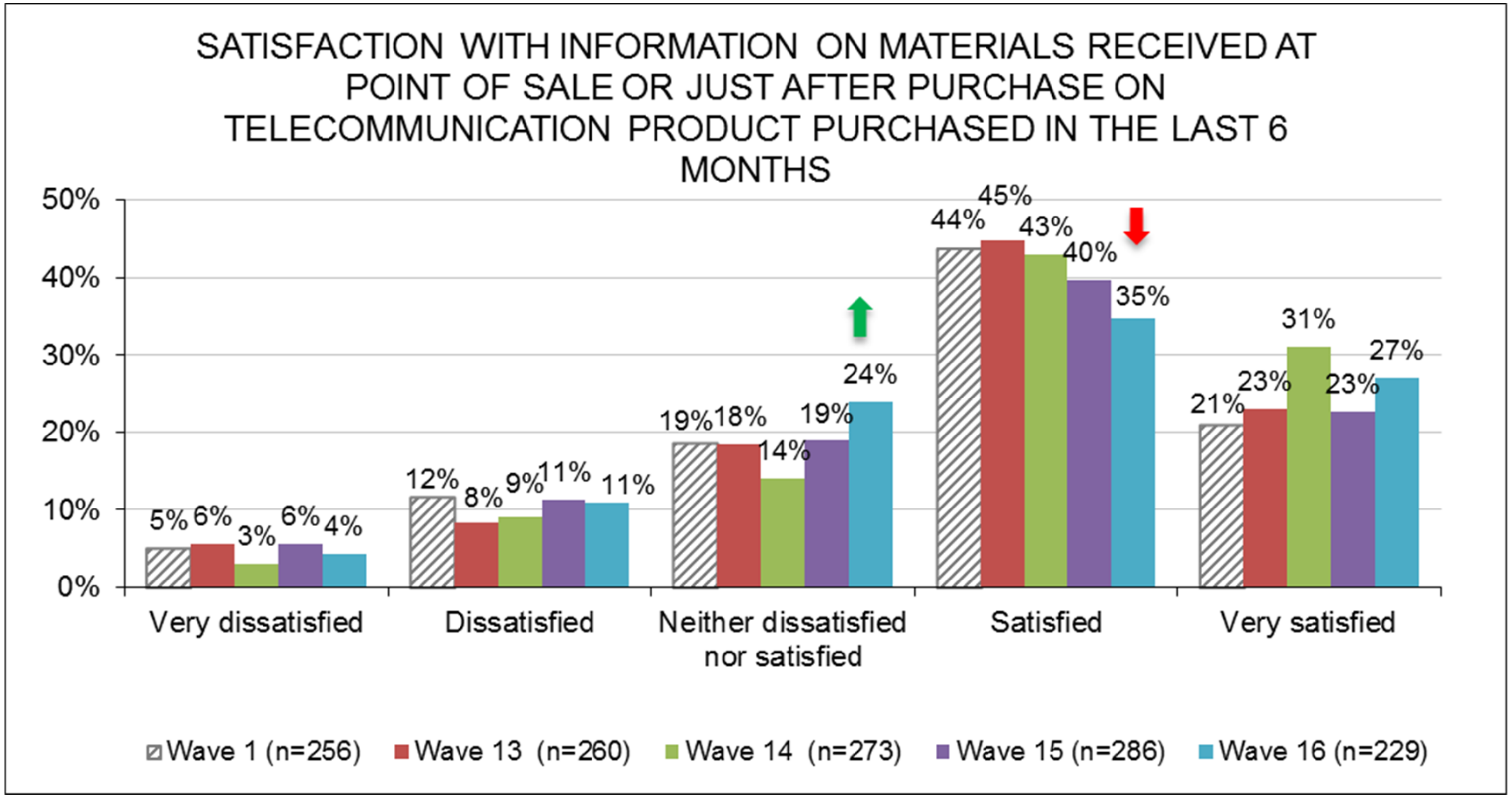
- In Wave 16, 46% of people had purchased a telecommunication product in the last 6 months.



Product Satisfaction

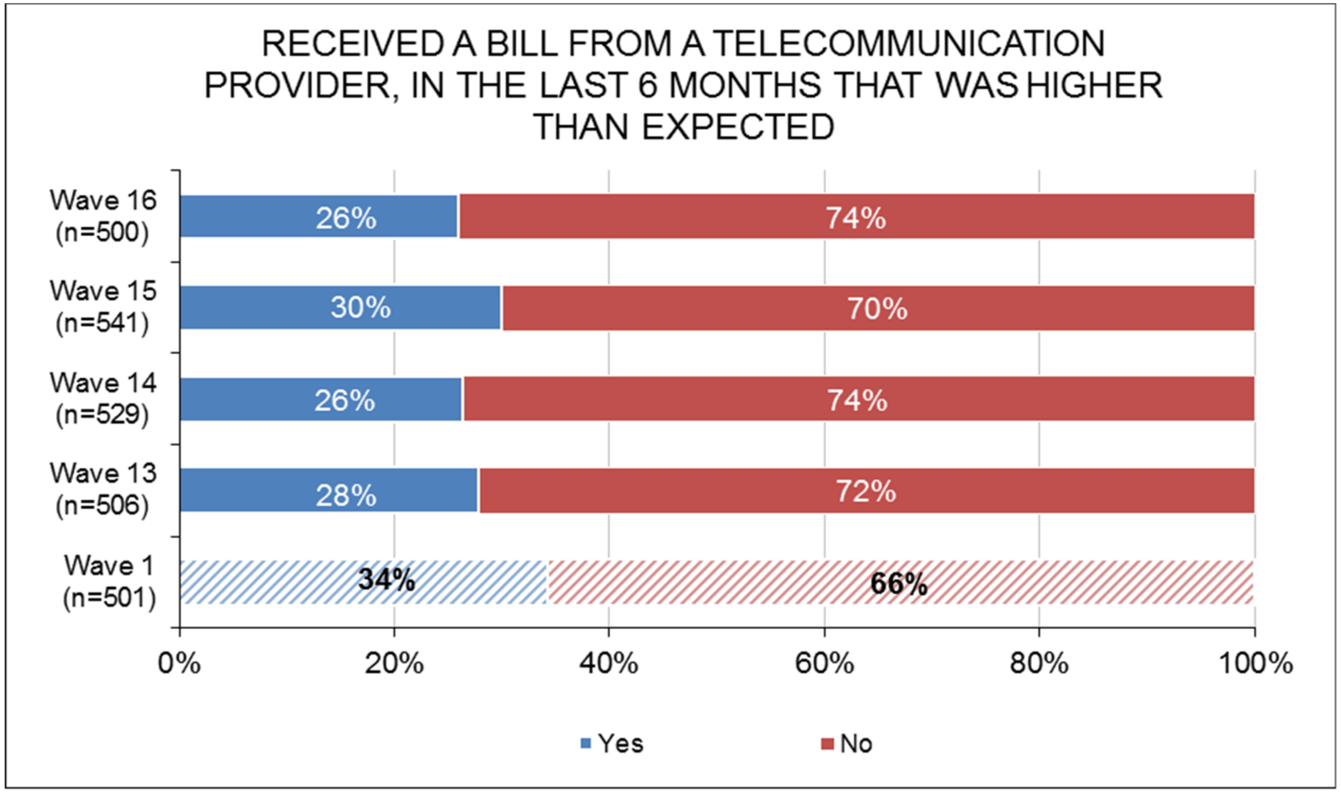
- In Wave 16, 61% of people who had purchased a telecommunications product in the last six months were satisfied ('Satisfied' or 'Very Satisfied') with information on materials received at the point of sale or just after purchase. This level of satisfaction in the current wave was lower than the previous 3 waves as well as the benchmark Wave 1 (when it was between 63% and 74%). There was a statistically significant decrease (-5%) in the number of people who were satisfied in Wave 16 compared to Wave 15.
- Fifteen per cent 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 was a significant increase (+5%) in people who were neither dissatisfied nor satisfied in this wave.

Product Satisfaction



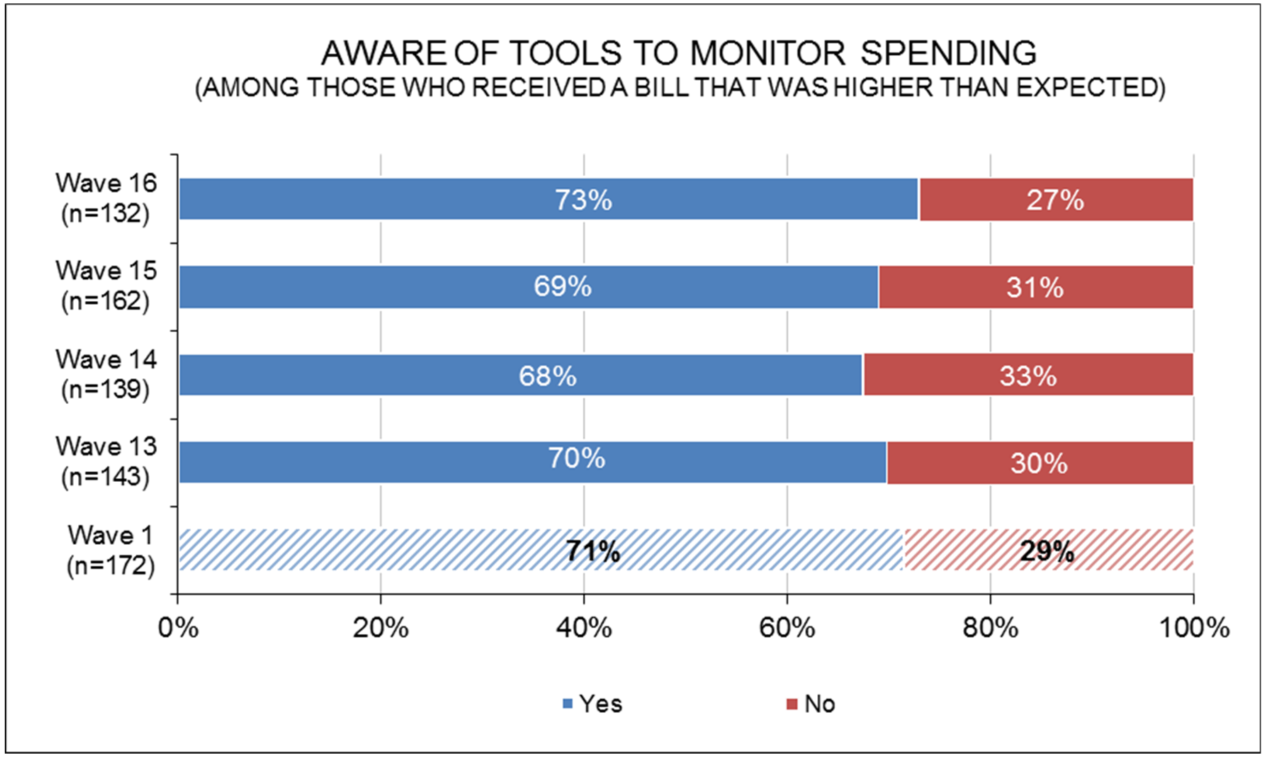
Higher Than Expected Bills

- In Wave 16, one in four people (26%) received a bill from a telecommunications provider in the last six months which was less than Wave 15, although not statistically significant. Compared to the previous 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.



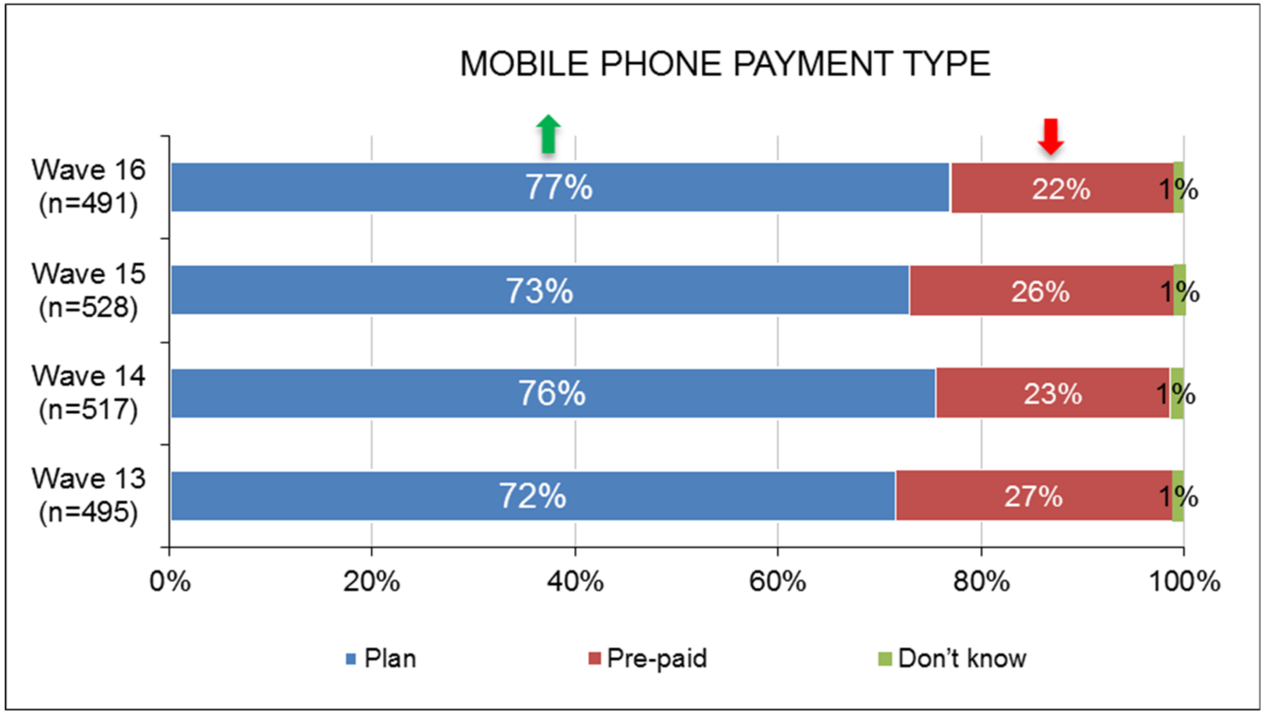
Higher Than Expected Bills

- Almost three in four (73%) 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 than the previous 3 waves (when the awareness levels were as high as 70%) but not significantly higher than the previous wave.



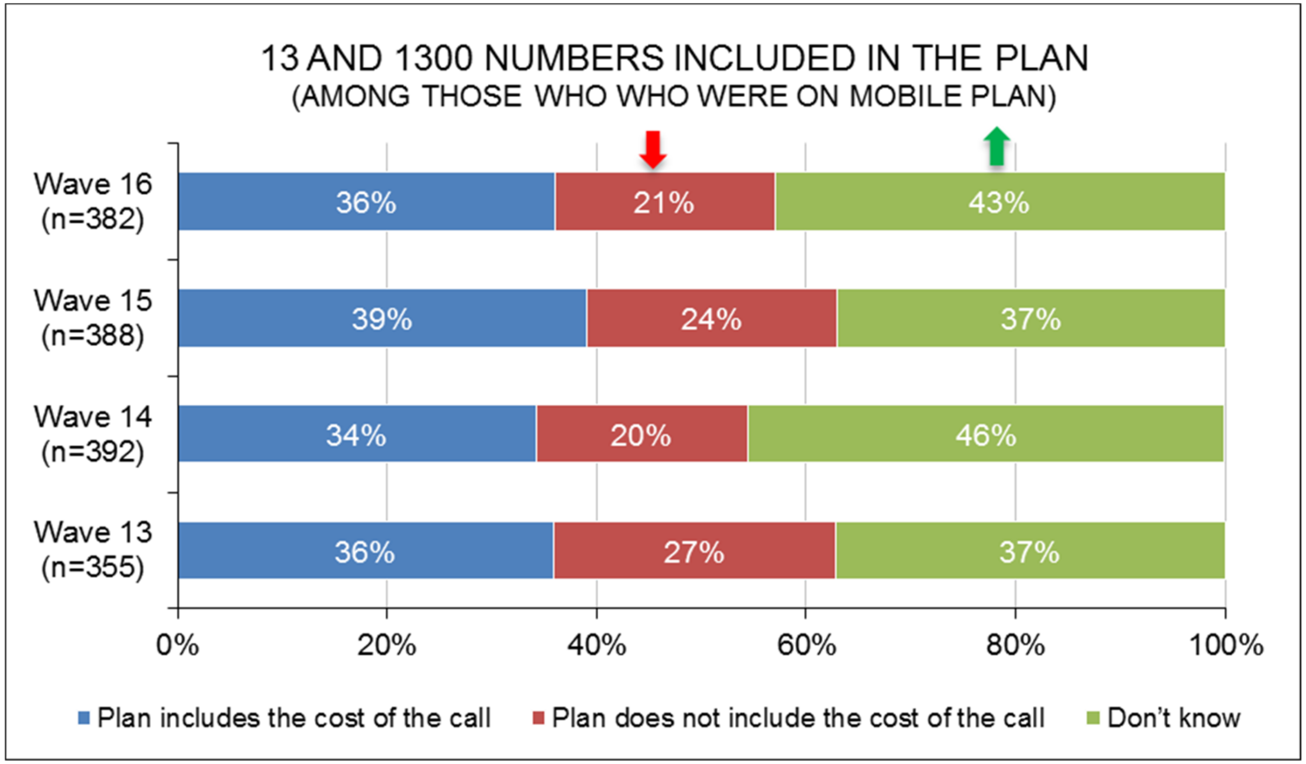
13 and 1300 Numbers

- Just over three-quarters (77%) of people in Wave 16 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. There was a significant increase (+4%) in the number of people on a plan and a significant decrease (-4%) in the number of people with a prepaid mobile phone in this wave compared to Wave 15.



13 and 1300 Numbers

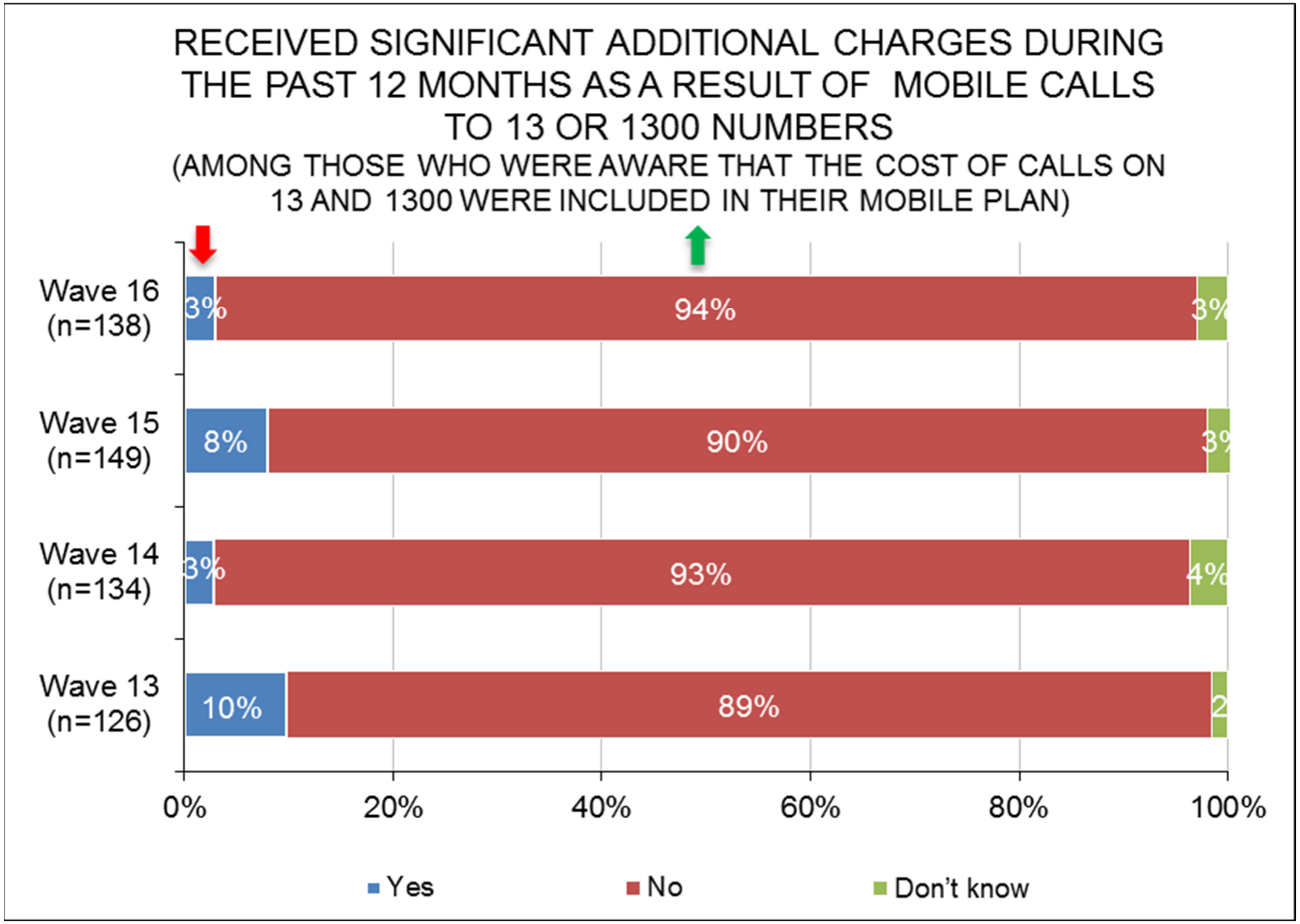
- More than one in three (36%) people on a mobile plan have the cost of 13 or 1300 number calls included as a part of their monthly usage allowance. There was a significant decrease (-3%) in the number of people whose plan did not include the cost of 13 and 1300 number calls and a significant increase (+6%) in the number of people who did not know.



13 and 1300 Numbers

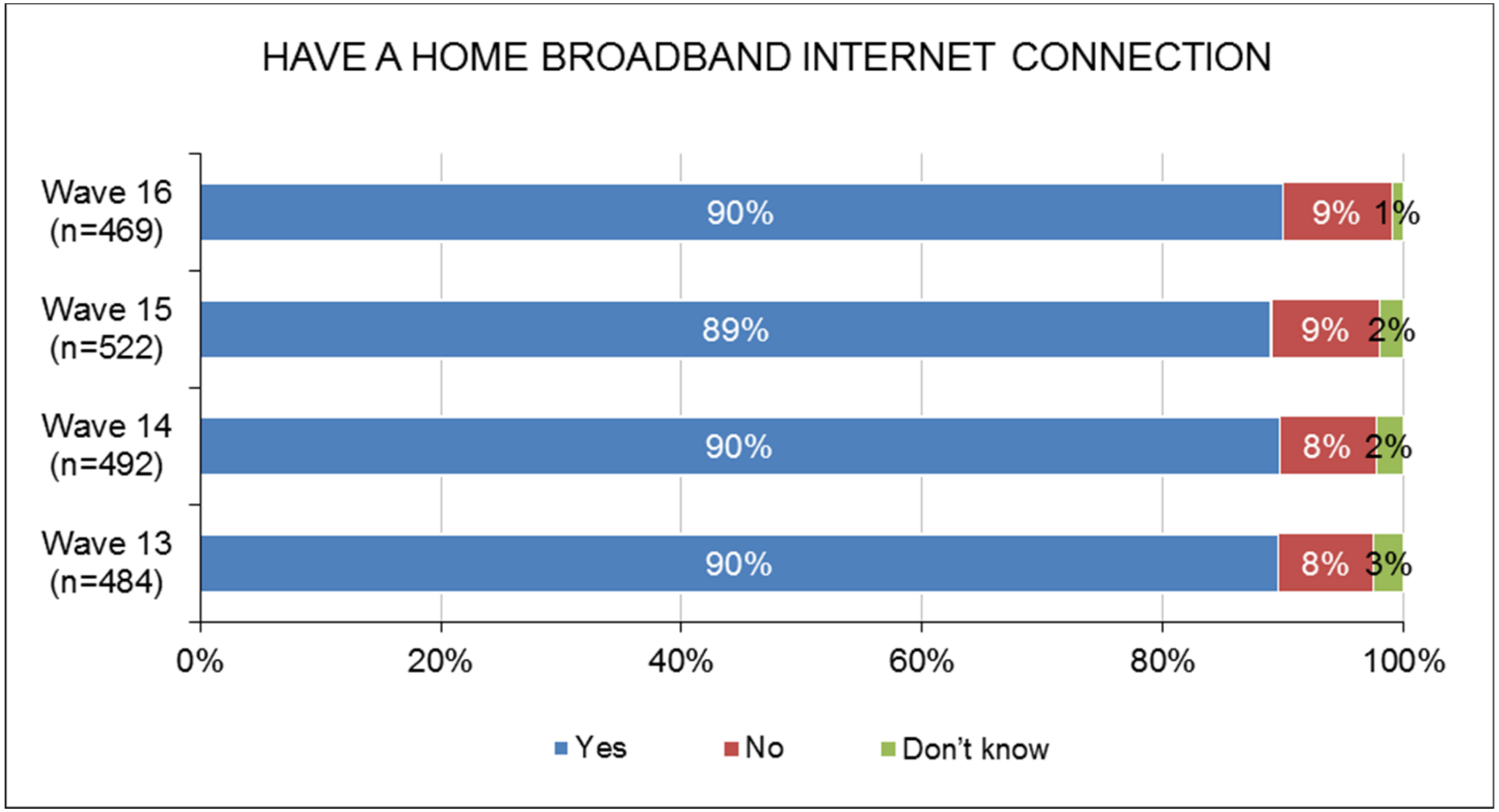
- In Wave 16, only 3% of people whose plan included the cost of calls to 13 and 1300 numbers had an experience in the past 12 months where they had exceeded their monthly call allowance and incurred significant additional charges as a result of mobile calls to 13 or 1300 numbers. This was a significant decrease (-5%) on the previous wave.
- Most people (94%) 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.

13 and 1300 Numbers



Broadband Service

- In Wave 16, 90% who had an internet connection for personal use in the household had a home broadband connection.



Broadband Service

- Among those who had a home broadband connection, the most important factors continued to be 'faster data connection and download/ upload speeds' and 'better connection/ reliability' (29% and 25% respectively)

Broadband Service