Telecommunications Customer Satisfaction

Results of the Thirteenth-wave polling undertaken by Roy Morgan Research for Communications Alliance Ltd from October 2016 – December 2016

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

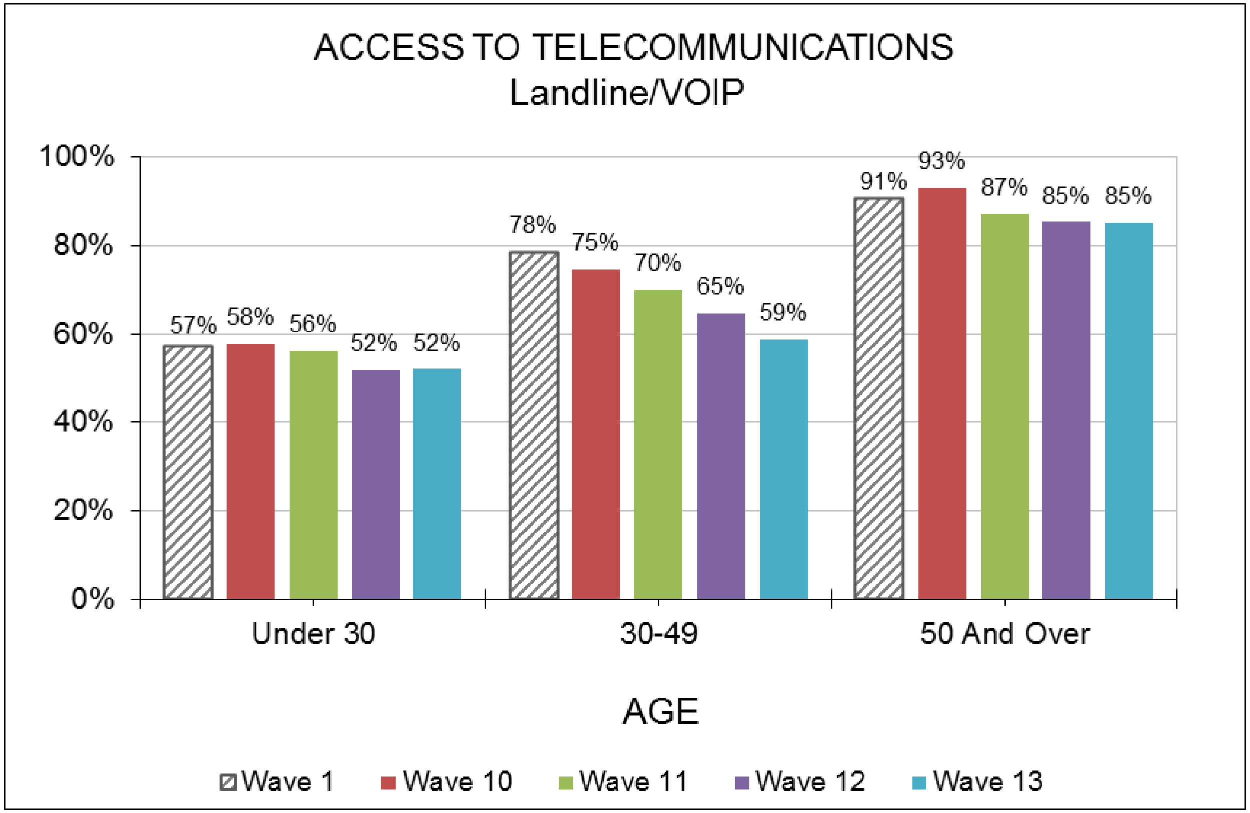
- Communications Alliance indicated its intention to undertake further surveys on a quarterly basis, to enable trend analysis of performance over time. The surveys will be conducted online amongst a representative sample of Australian telecommunication users aged 18 years or older. The methodology and target population remained unchanged across all waves.
- In September 2014 (Wave 7), three additional questions about 13 and 1300 numbers were included in the questionnaire. The graphical representation of the data for reporting was modified in Wave 7. In the first six reports, charts showed results of all waves conducted. Since Wave 7, charts show a comparison of the results of the first wave and four most recent waves of the survey.
- After September 15 (wave 11), the survey was dis-continued for 3 quarters. In July 2016, Communications Alliance indicated its intention to undertake further surveys on a quarterly basis, to enable trend analysis of performance over time. In September 2016 and December 2016, wave 12 and wave 13 were conducted online amongst a representative sample of Australian telecommunication users aged 18 years or older. The methodology and target population remained unchanged across all waves.

Access

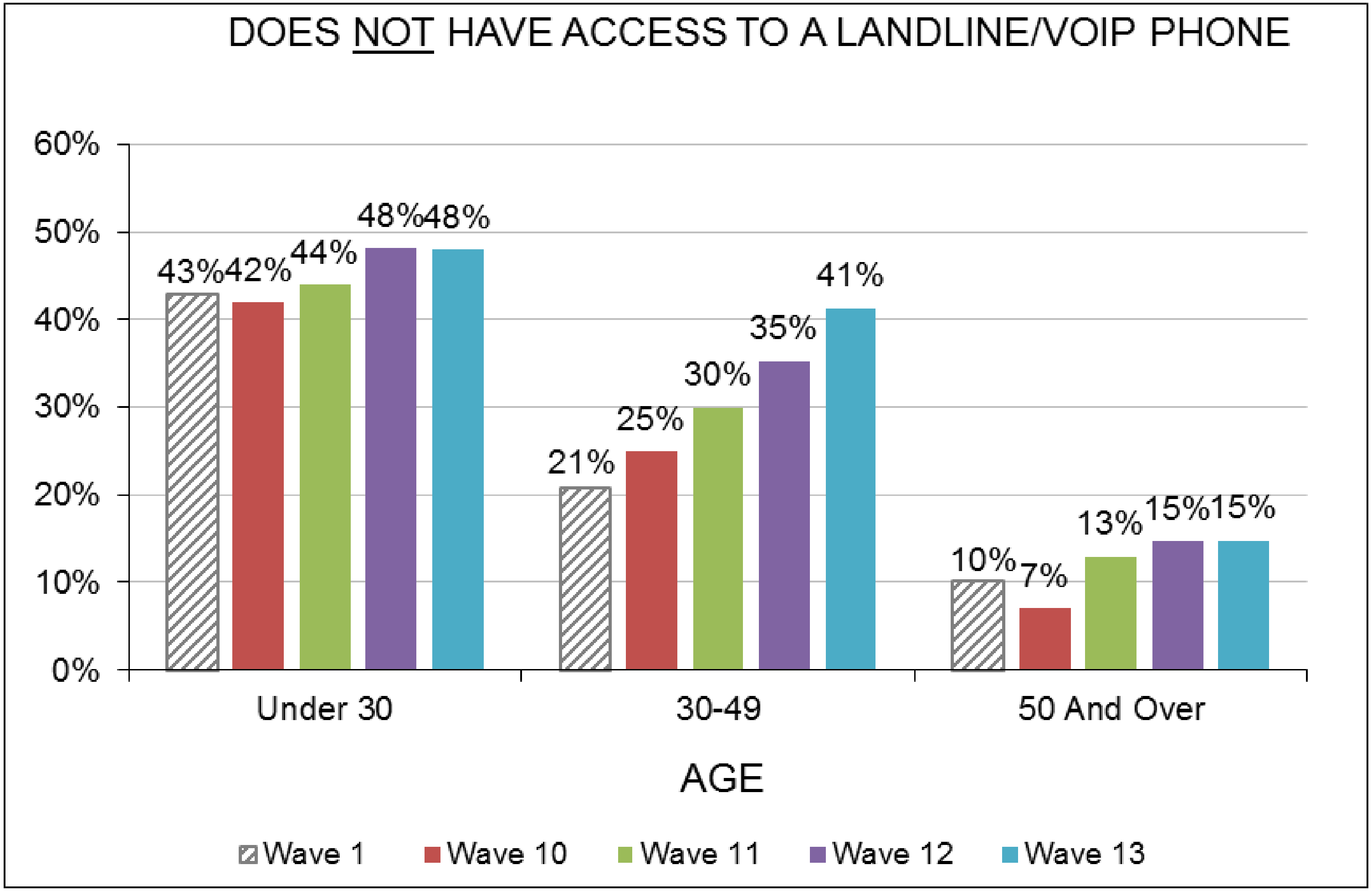
- All survey participants had had some form of contact with at least one telephone or internet service provider in the six months prior to their interview. This contact included activities such as making a purchase, receiving a bill, contacting their provider/s by phone or online (email, chat, website), or making a complaint or a general enquiry.
- This report summarises the key findings of the Wave 13 survey held in December 2016. A couple of additional questions concerned with what is important for consumers when choosing a broadband service were included in the Wave 12 survey. Results for these questions are included in this report.

Access

- Access to telecommunications differs by age with younger people, particularly those under the age of 30 less likely to have access to landline/VOIP (58%) when compared to those who are 30-49 (75%) and 50 years old and over (93%). This pattern is observed across all waves of the study.



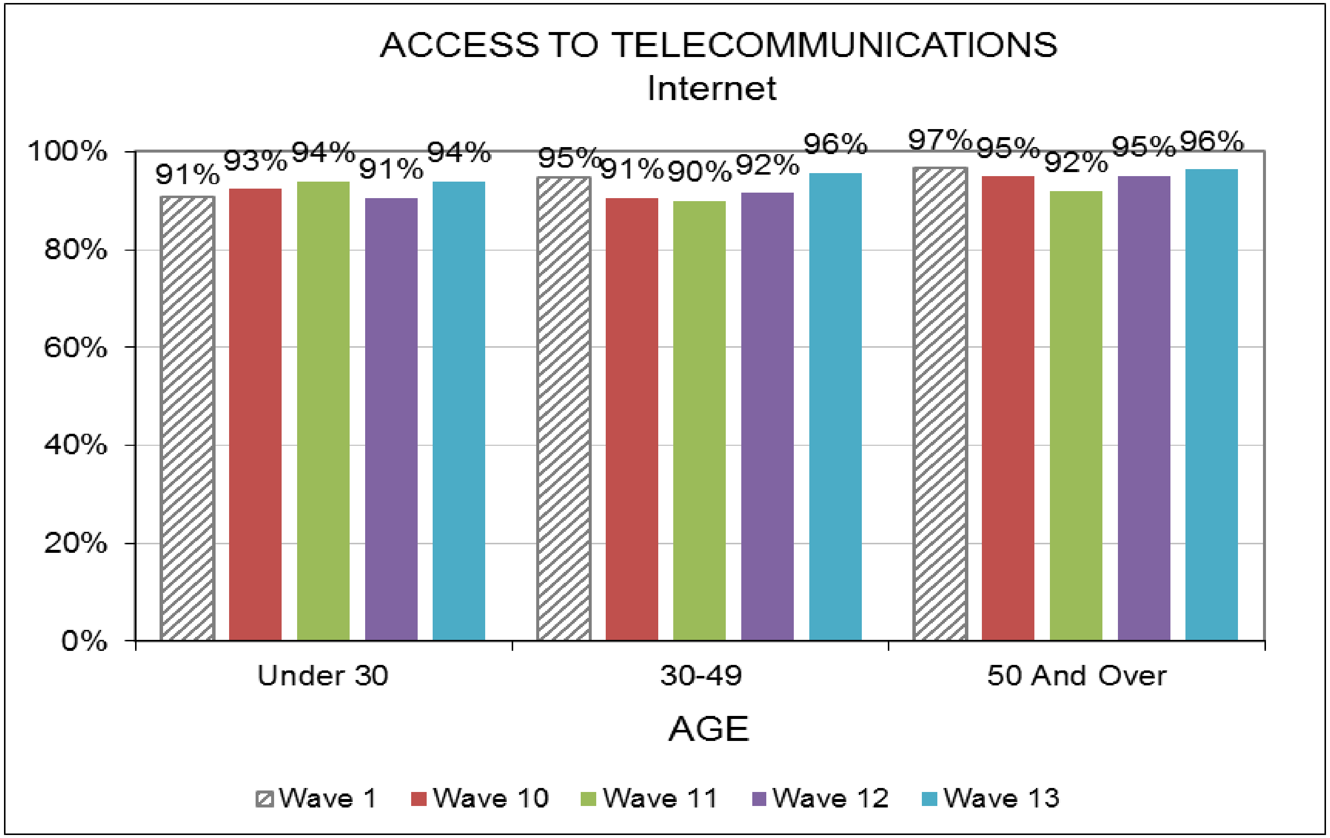
Access



DOES NOT HAVE ACCESS TO A LANDLINE/VOIP PHONE
60%
50%
40%
30%
20%
10%
0%
43%
42%
44%
48%
48%
21%
25%
30%
35%
41%
10%
7%
13%
15%
15%
Under 30
30-49
50 And Over
AGE
Wave 1
Wave 10
Wave 11
Wave 12
Wave 13

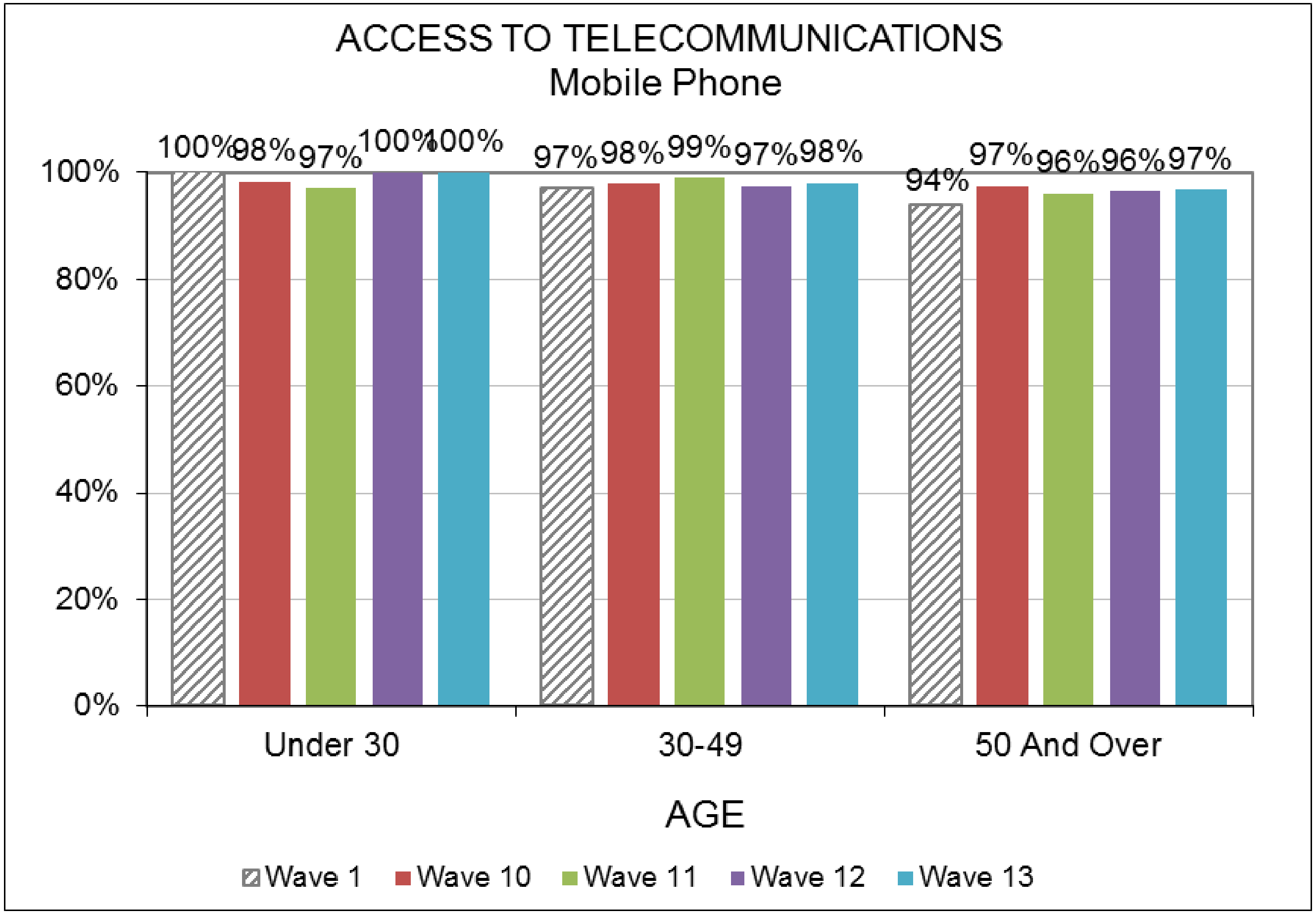
Access

- The Internet is now an established channel of communication with 93% of the population having access to the Internet. There is relatively little differentiation by age in regard to Internet access.



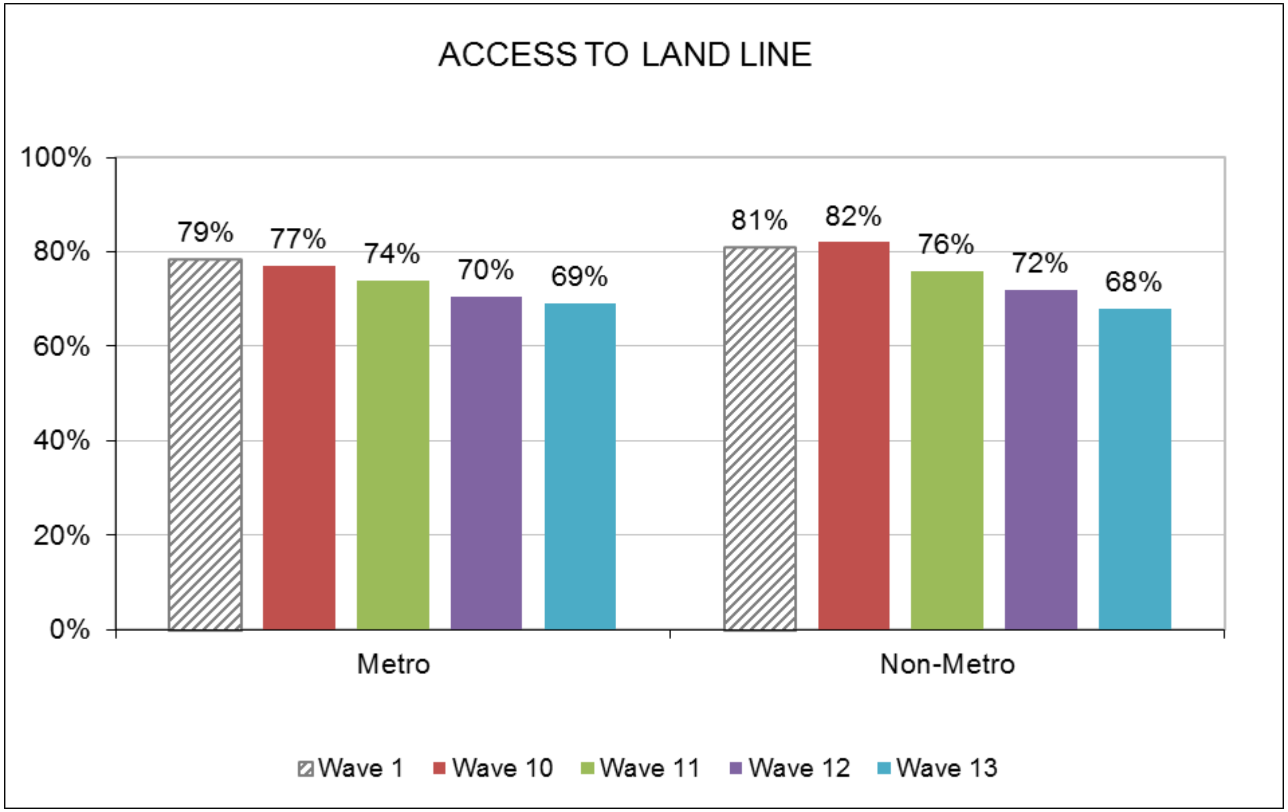
Access

- Mobile access remains stable across all waves of the survey.

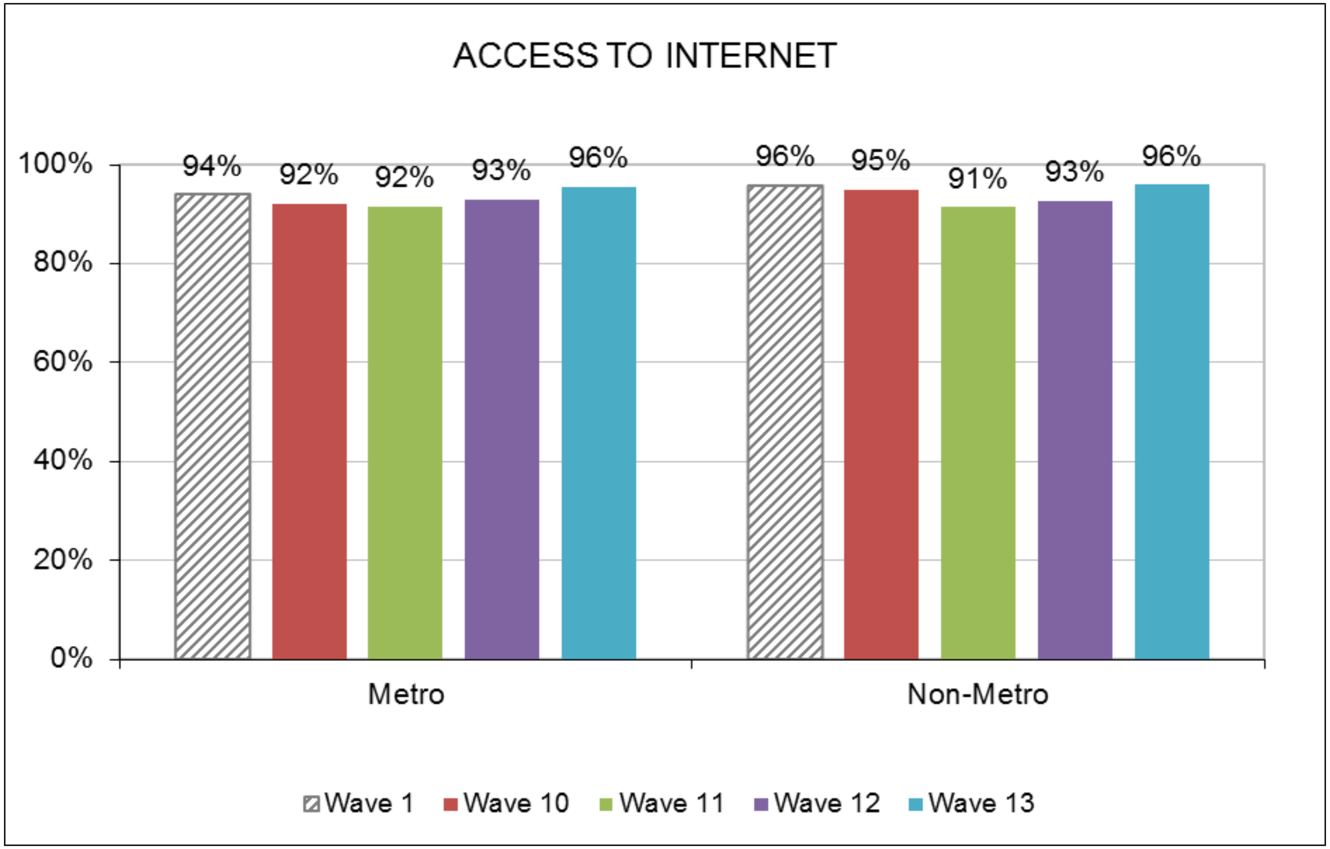


Metro/Non-Metro

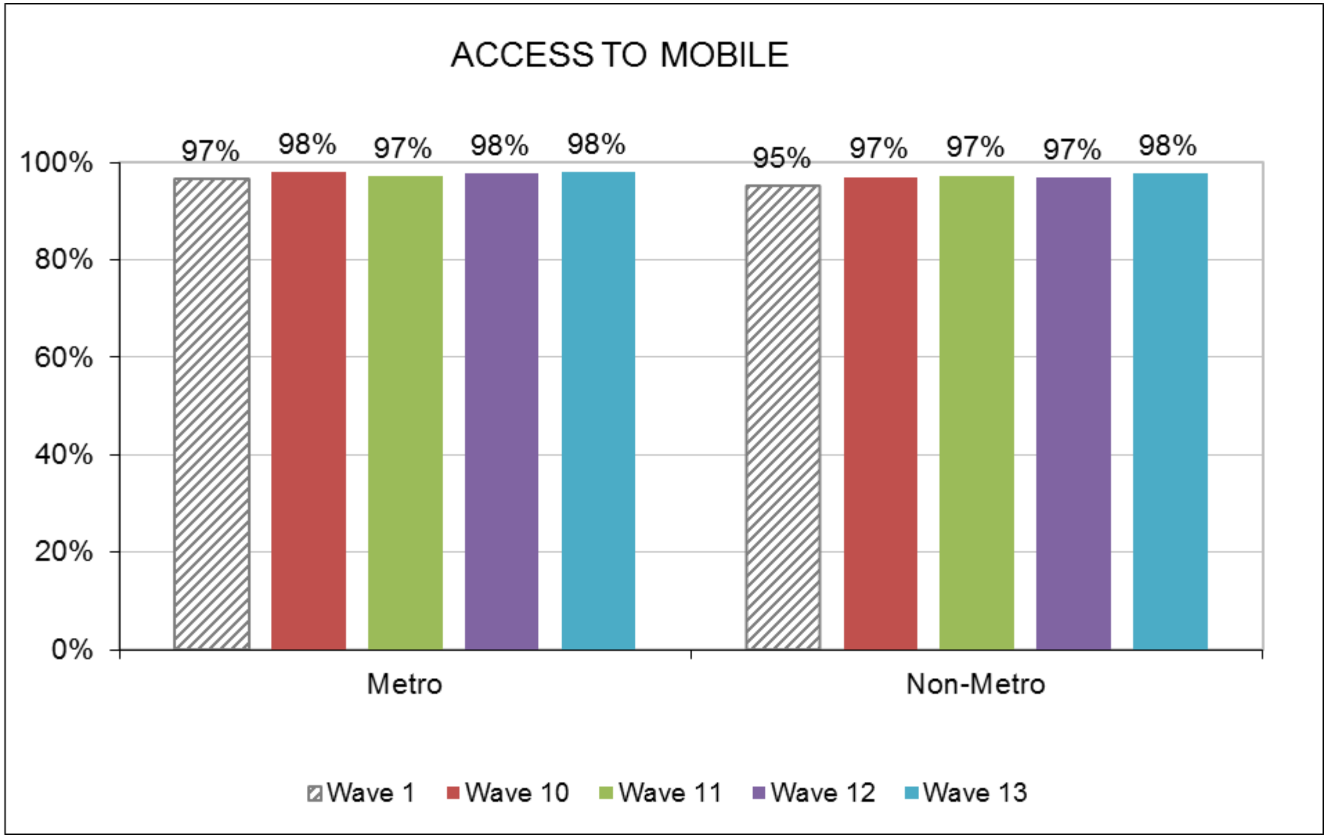
- Till last wave, a slightly larger proportion of respondents in non-metropolitan regions reported having access to land line than those in metropolitan areas, though; this has changed in the most recent wave.



Metro/Non-Metro

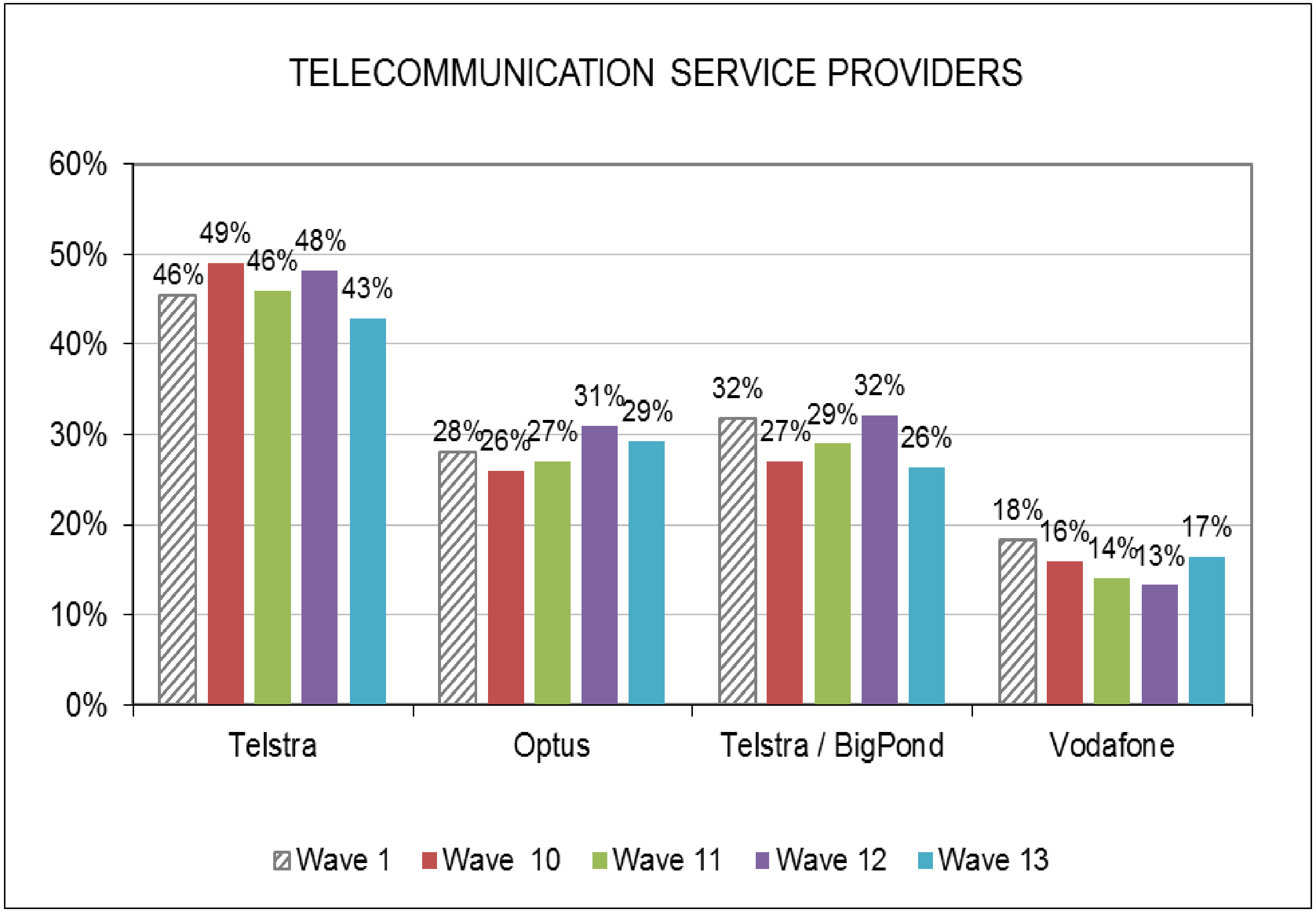


Metro/Non-Metro



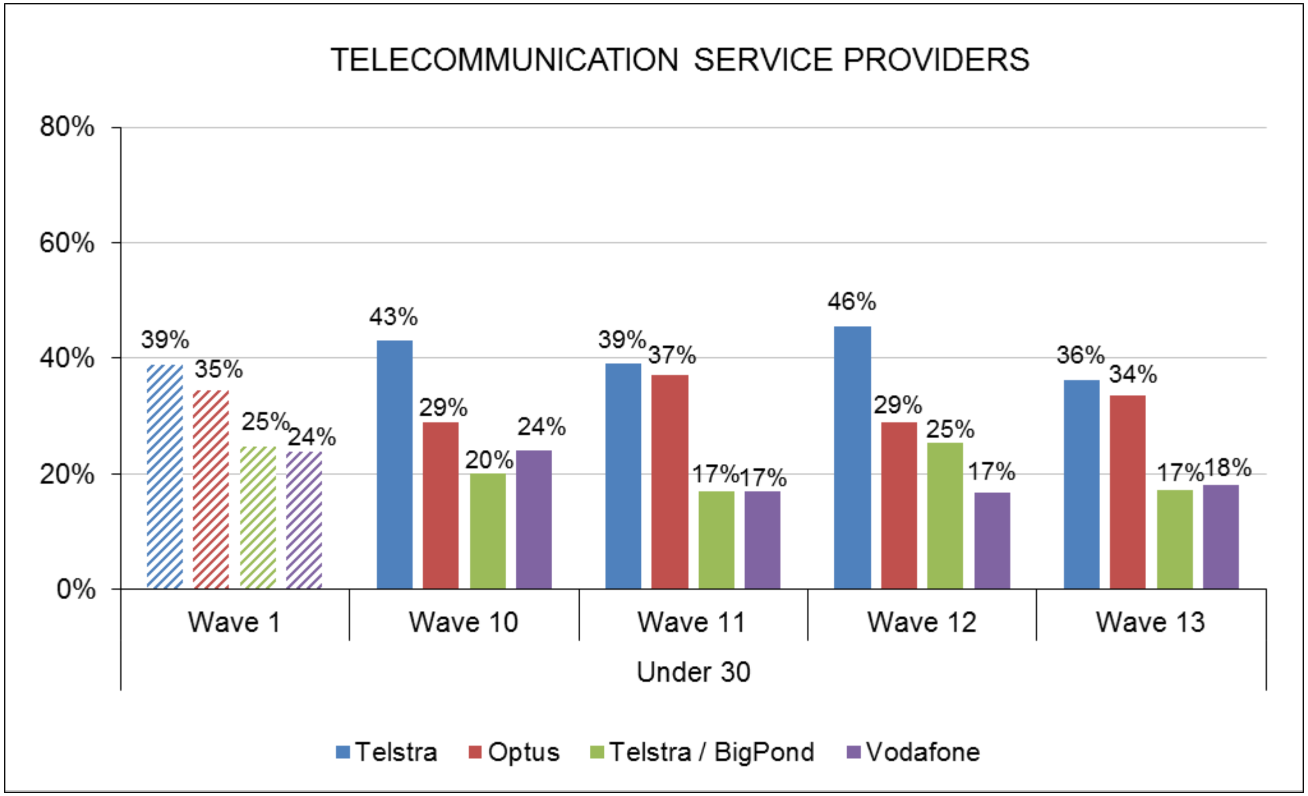
Telecommunications Service Providers

- The most commonly used telecommunication service providers continues to be Telstra (43%), followed by Optus (29%), Telstra/Big Pond (26%) and Vodafone (17%).



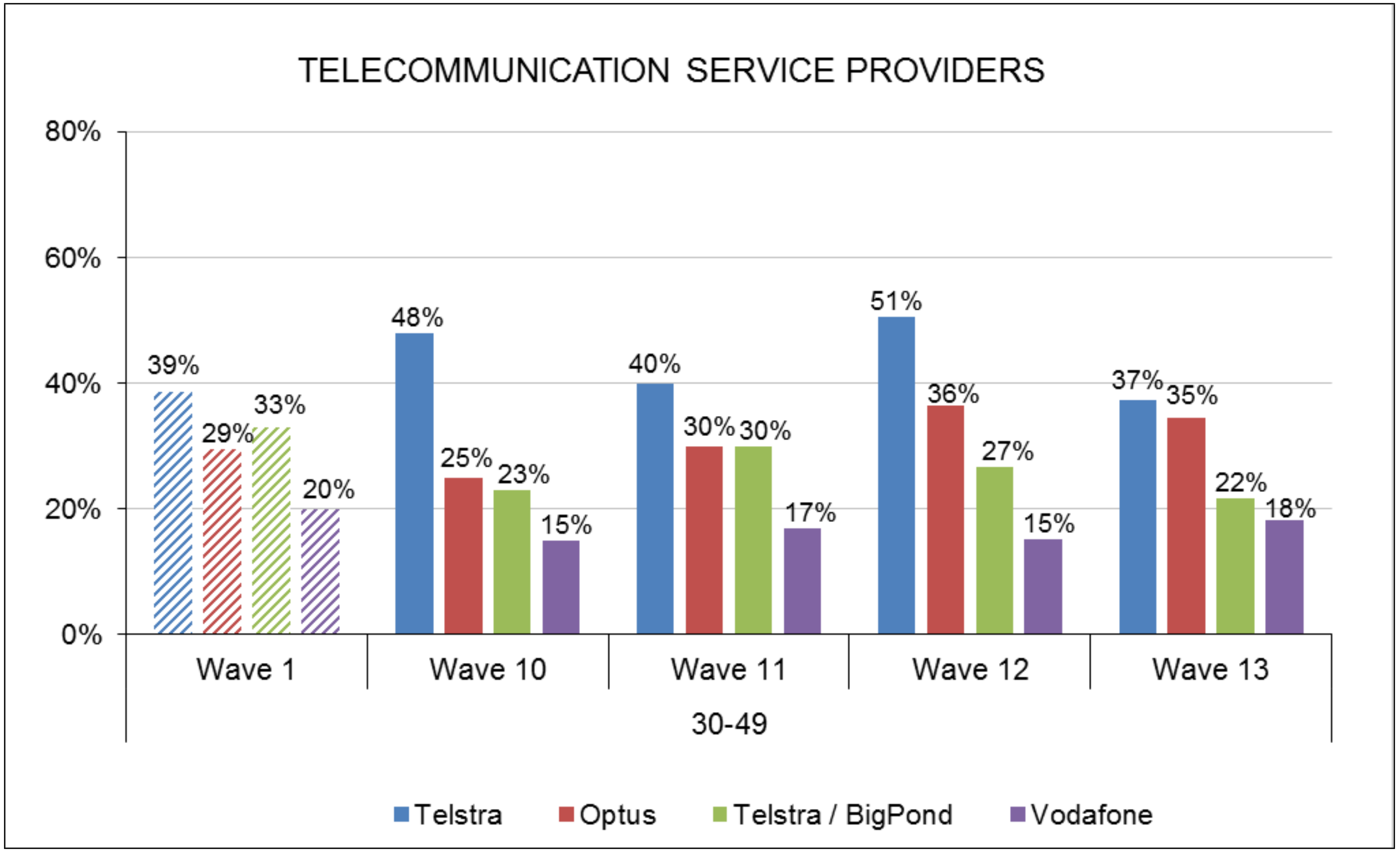
Telecommunications Service Providers

- Telstra's share of those aged under 30 is lower than with the older market and is at a similar level to Optus' share for this age group (36% and 34% respectively).
- Vodafone's usage amongst younger respondents at 18% is similar to Telstra/BigPond (17%).



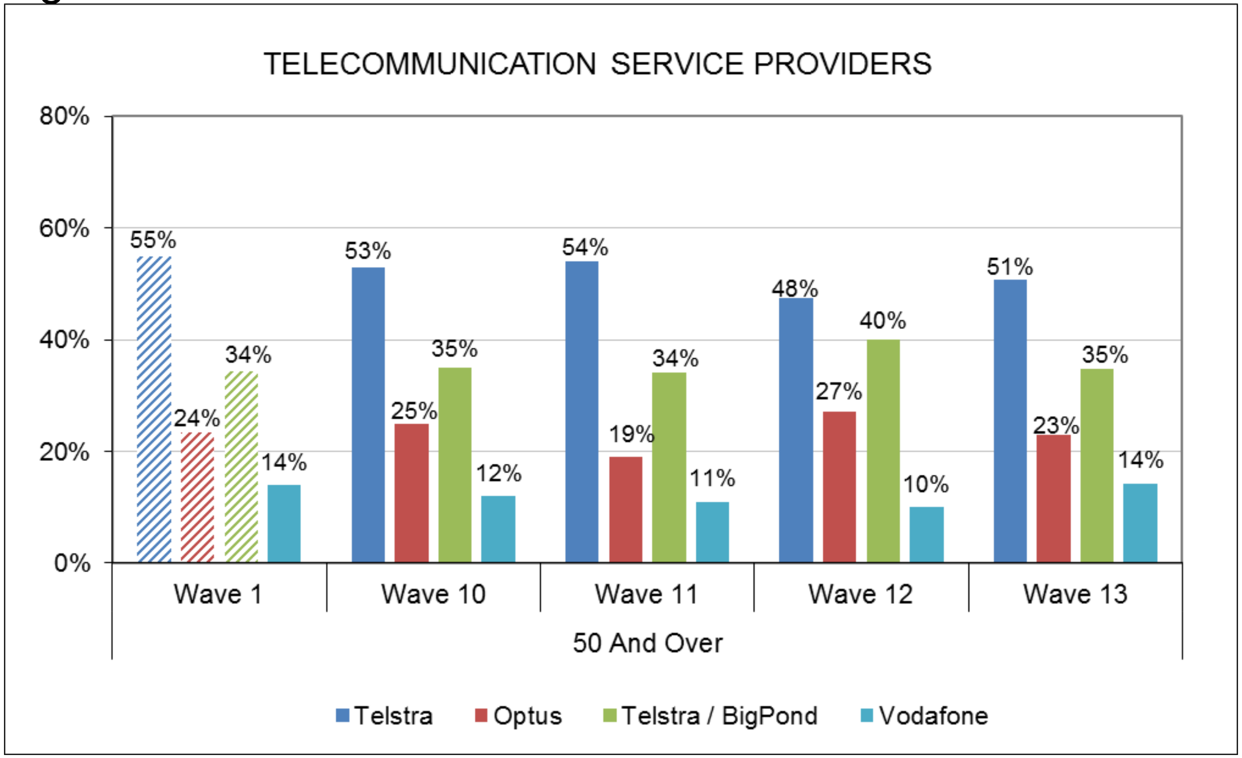
Telecommunications Service Providers

- Results for 30-49 years old customers in Wave 13 showed a drop in Telstra's share to 37% (a level similar to the original measure in Wave 1), with Optus standing close at 35%. Telstra/ BigPond has declined slightly in wave 13 (22%) after rising in the last 2 waves.



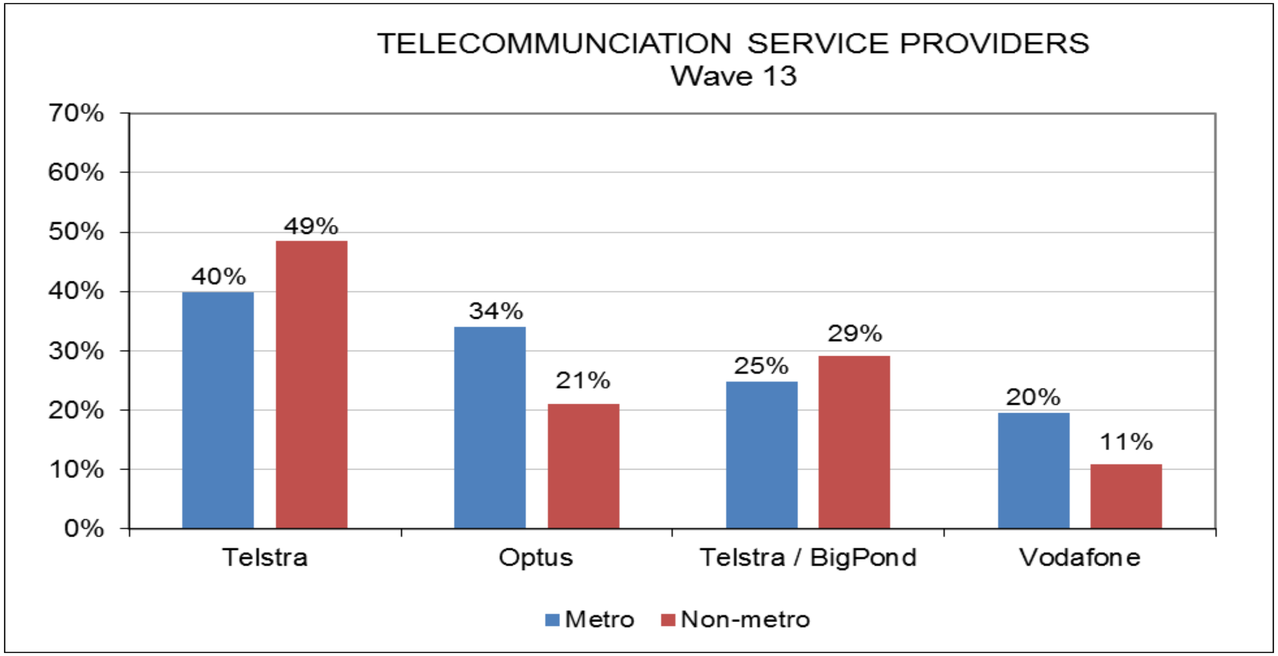
Telecommunications Service Providers

- Telstra strong position with the older sector (50 years and older) continues in Wave 13 with one in two of these respondents (51%) using Telstra. The other service providers' shares are similar to the original measure in Wave 1, with Telstra/BigPond being used by a third (35%) of this group, followed by 23% using Optus and 14% using Vodafone.



Telecommunications Service Providers

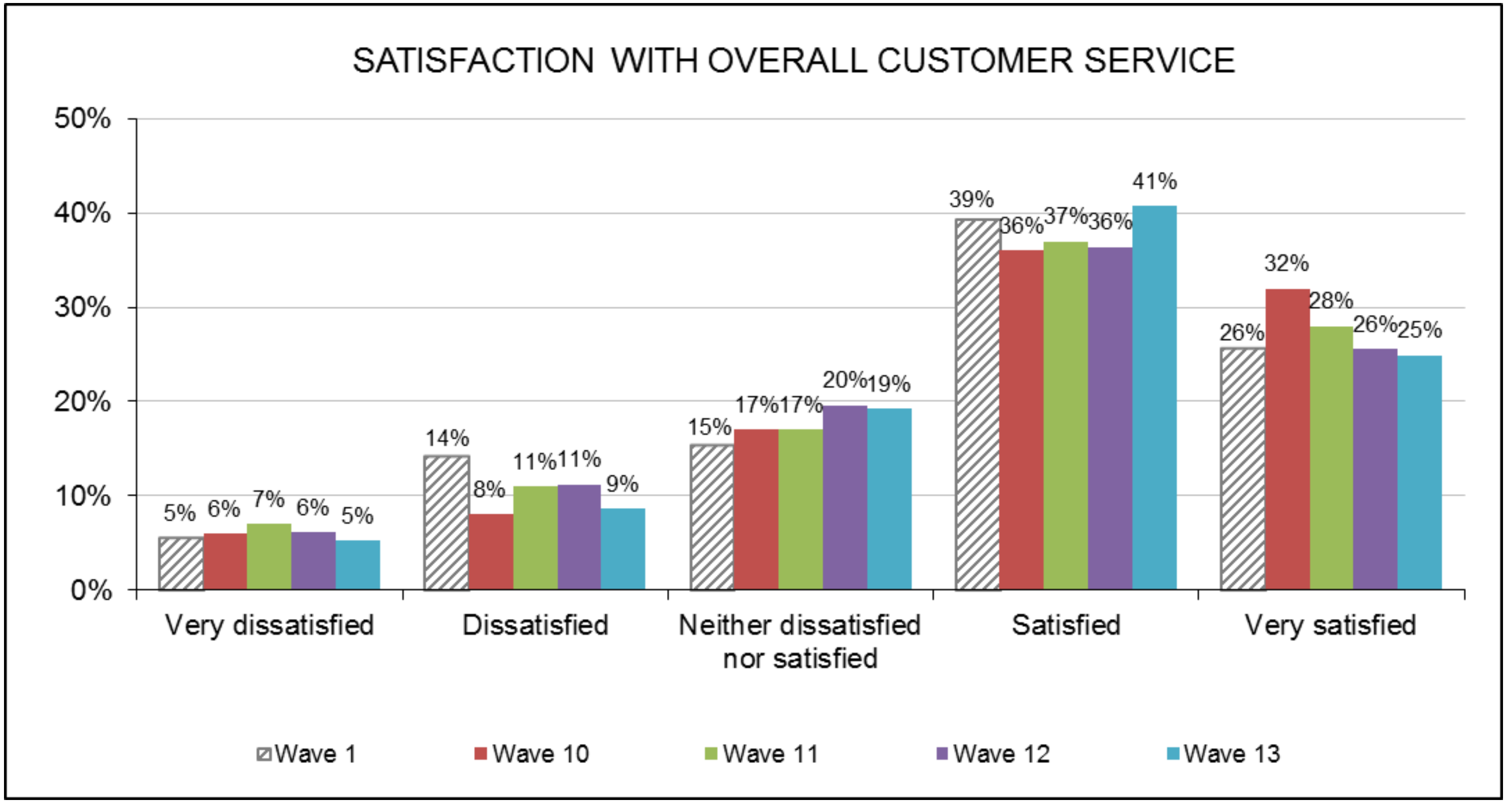
- When selection of telecommunication service providers was examined by area of residence, in Wave 13, the results revealed that Telstra and Telstra/BigPond were more common in non-metro areas (49% and 29% respectively) than in metro areas (40% and 25% respectively). On the other hand, Optus and Vodafone were more common in metro areas (respectively 34% and 20%) than in non-metro areas (21% and 11% respectively).



Overall Customer Satisfaction

- Overall customer satisfaction with the level of service provided by Australian telecommunication providers continues to be high (66%). One in four (25%) customers reported being Very Satisfied and two in five (41%) are Satisfied.
- 14% respondents were Dissatisfied with the customer service in some way, with only a small group of customers (5%) reported being Very Dissatisfied.
- The results demonstrate that the satisfaction with service remains stable over the period with minor fluctuations.

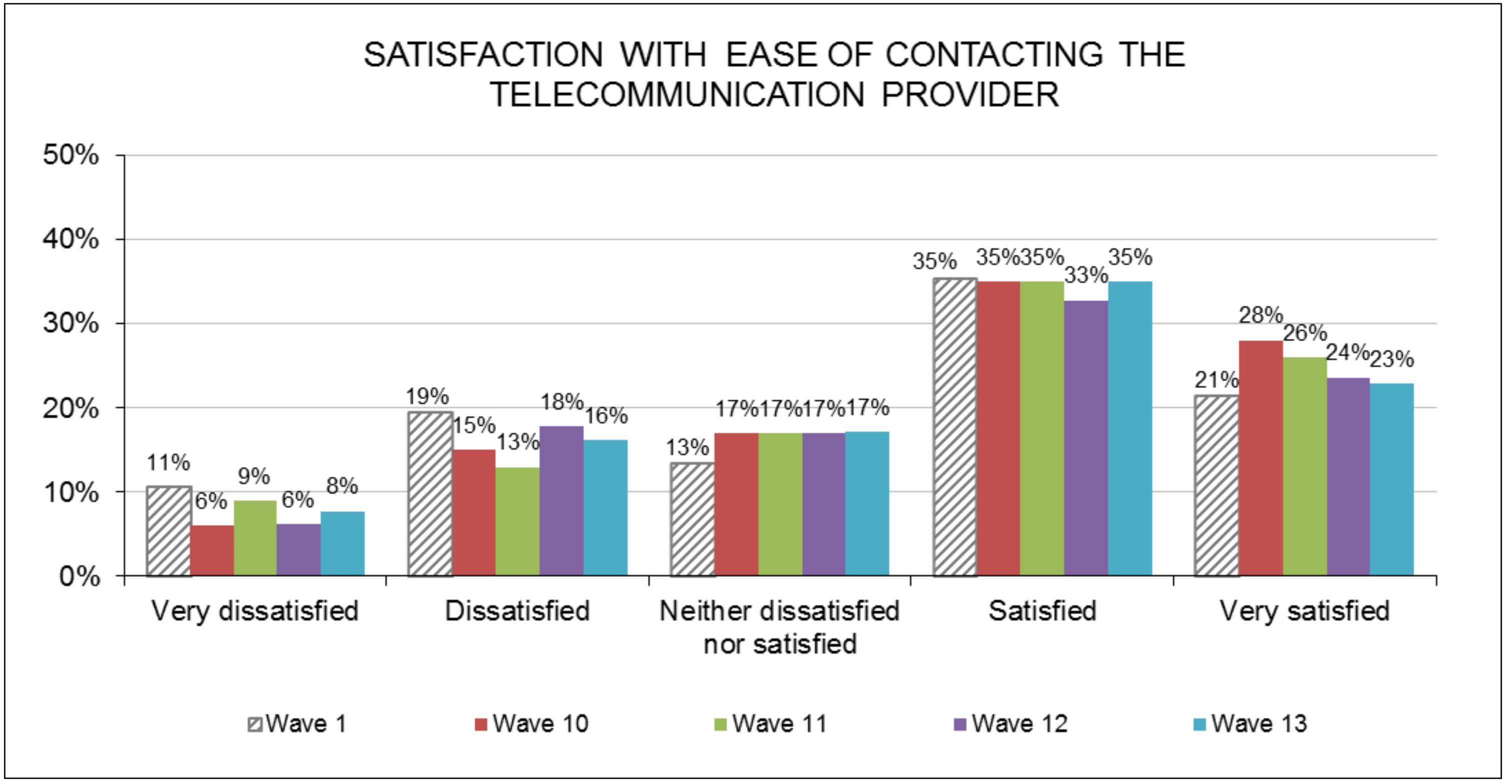
Overall Customer Satisfaction



Ease of Contacting Provider

- In Wave 13, nearly three in five (58%) were Satisfied ('Very Satisfied' or 'Satisfied') with the ease of contacting their telecommunication provider with almost a quarter (23%) indicating that they were Very satisfied.
- Nearly one in four (24%) were Dissatisfied ('Very Dissatisfied' or 'Dissatisfied') with the ease of their contact while a small number of the customers (8%) were Very Dissatisfied.
- Satisfaction with ease of contacting in Wave 13 (58%) is similar to the first wave (56%). Though, dissatisfaction was highest in Wave 1 (30%) and has been held below 25% in the recent four waves.

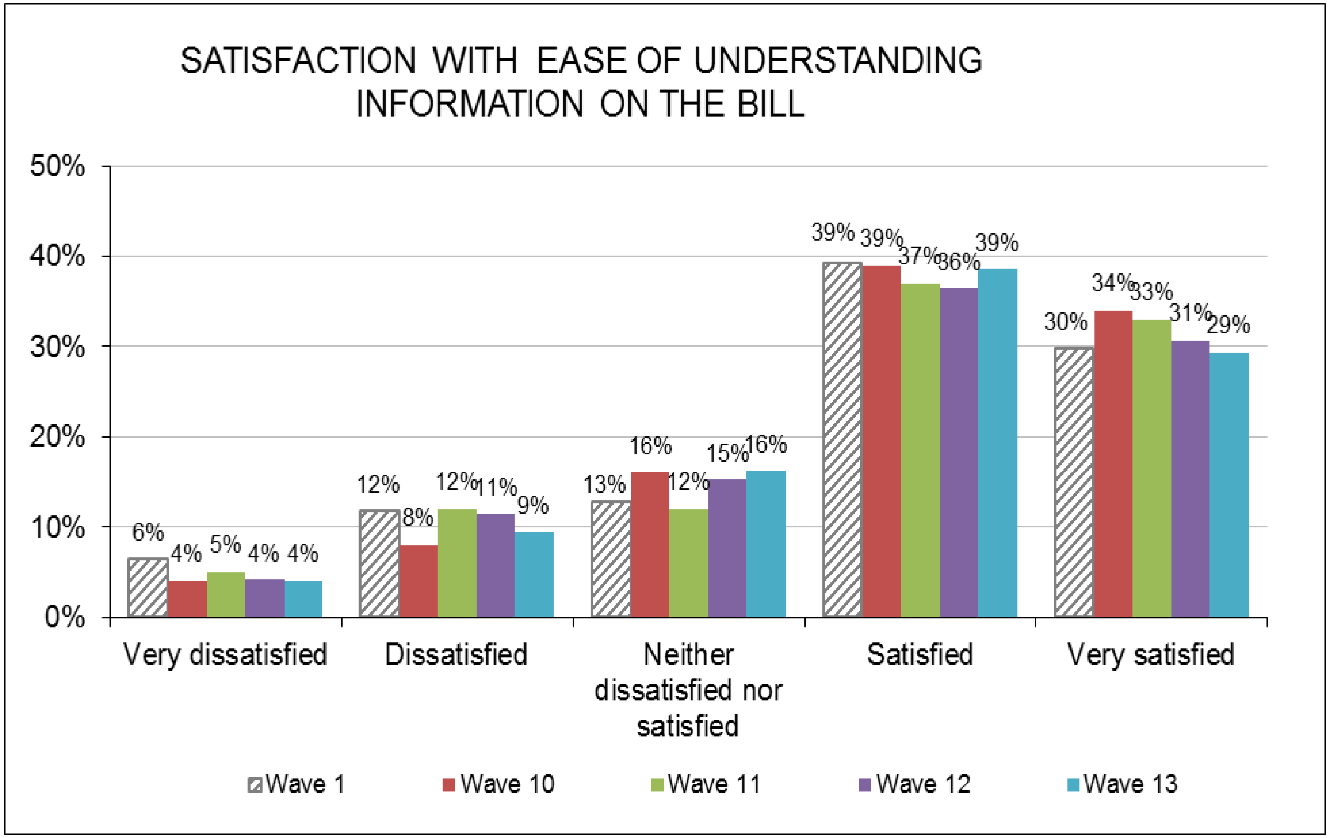
Ease of Contacting Provider



Understanding Bills

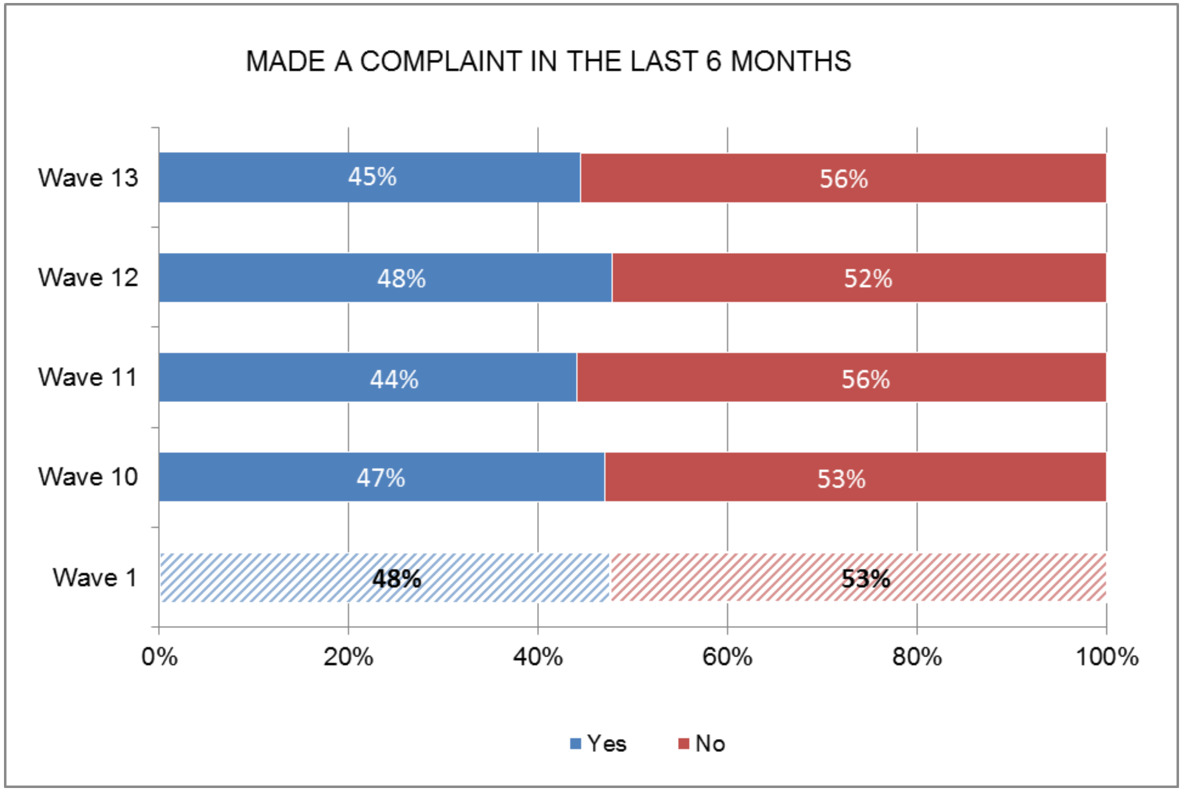
- The satisfaction with ease of understanding bill information continues to be high in Wave 13, with two thirds (68%) of customers being satisfied (‘Very Satisfied’ or ‘Satisfied’), though it’s slightly less compared to the last three waves (when it was minimum 70%).
- 13% were Dissatisfied (‘Very Dissatisfied’ or ‘Dissatisfied’) with the ease of understanding their bill. A small proportion of those customers who were dissatisfied were ‘Very Dissatisfied’ (4%).

Understanding Bills



Complaint Handling

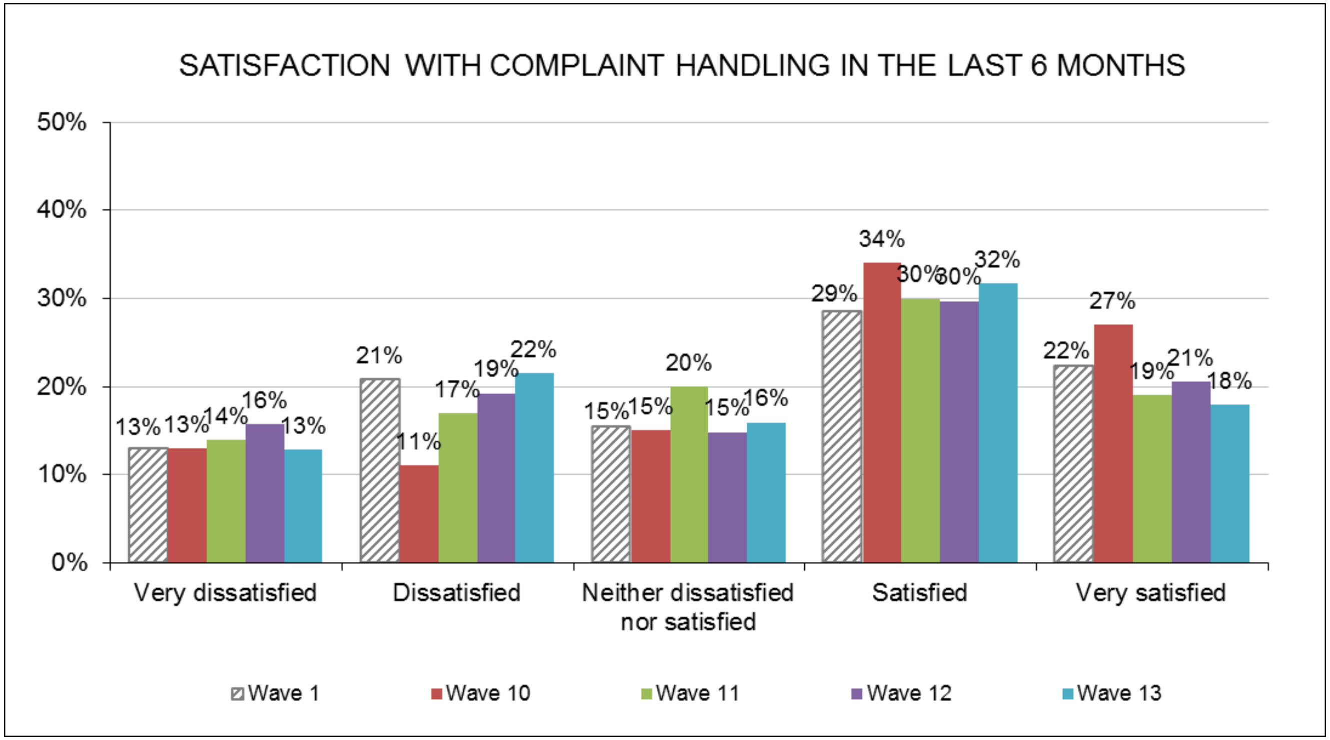
- In Wave 13, 45% of respondents made some form of complaint to their telecommunications provider in the six months prior to their interview. The results demonstrate that the proportion of people who made a complaint remains stable over the period with minor fluctuations.



Complaint Handling

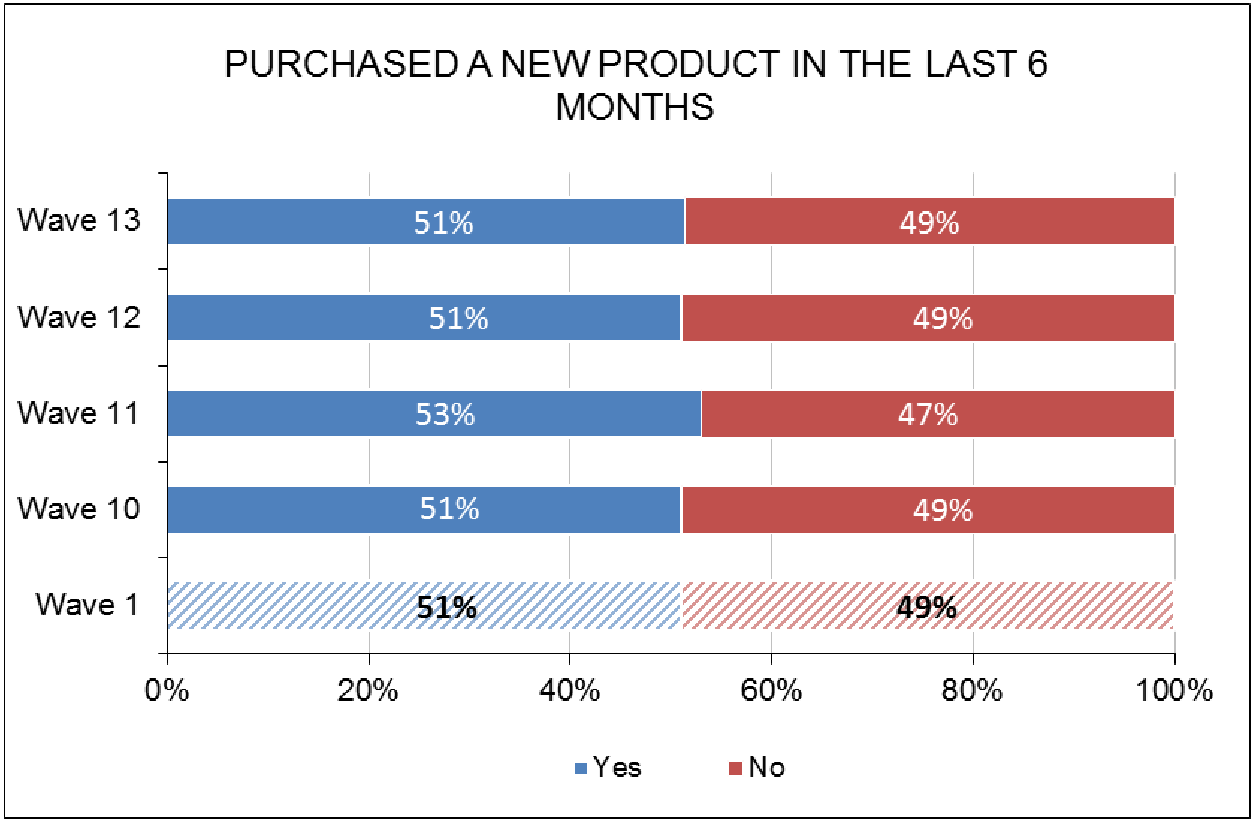
- Overall one in two people (50%) are satisfied (‘Very Satisfied’ or ‘Satisfied’) with how their complaints had been handled over the last 6 months. Out of this, 18% were Very Satisfied
- The levels of dissatisfaction in Wave 13 (35%) were similar to the levels measured in wave 1 (34%) of this research.
- One in six (13%) were ‘Very Dissatisfied’ with the process.

Complaint Handling



Product Satisfaction

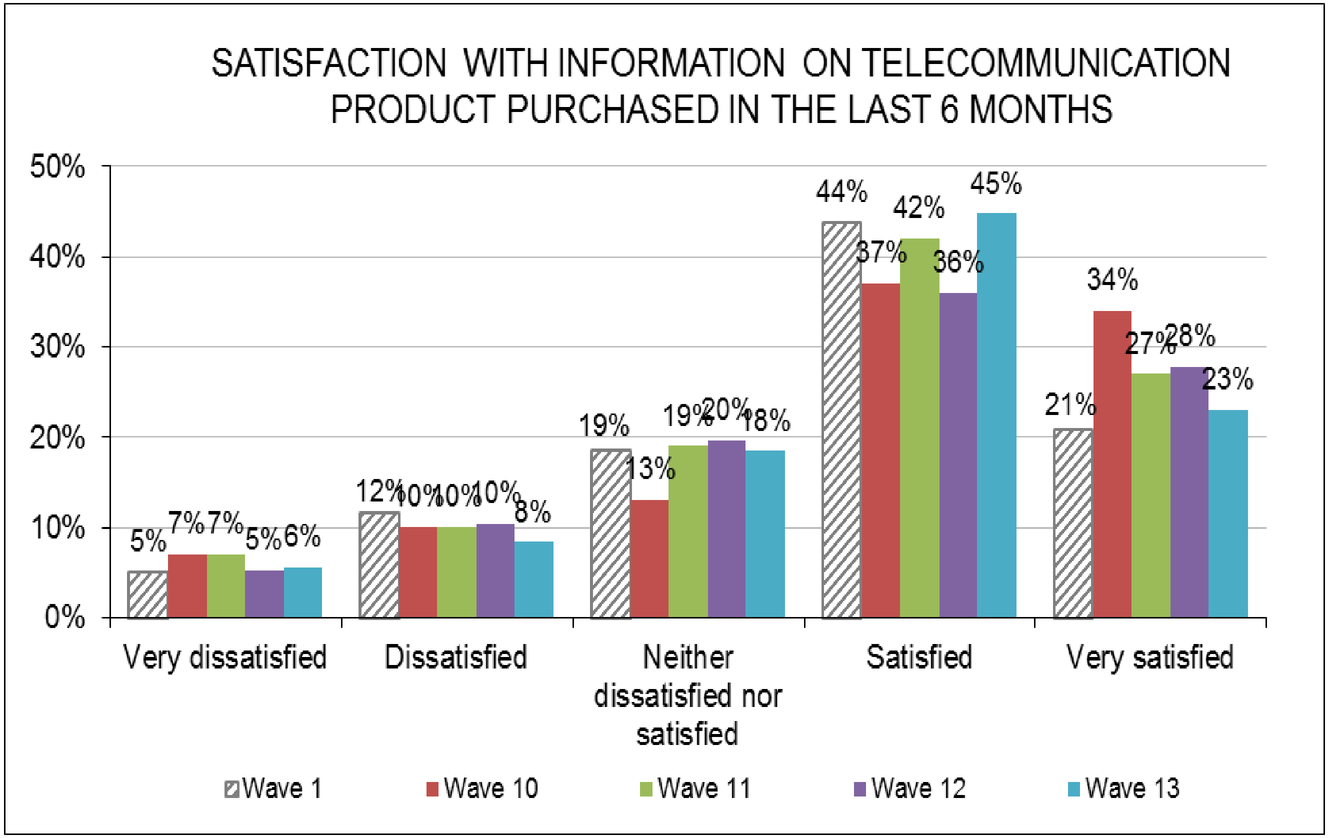
- In Wave 13, half of the respondents (51%) reported that they had purchased a telecommunication product in the six months prior to the survey.



Product Satisfaction

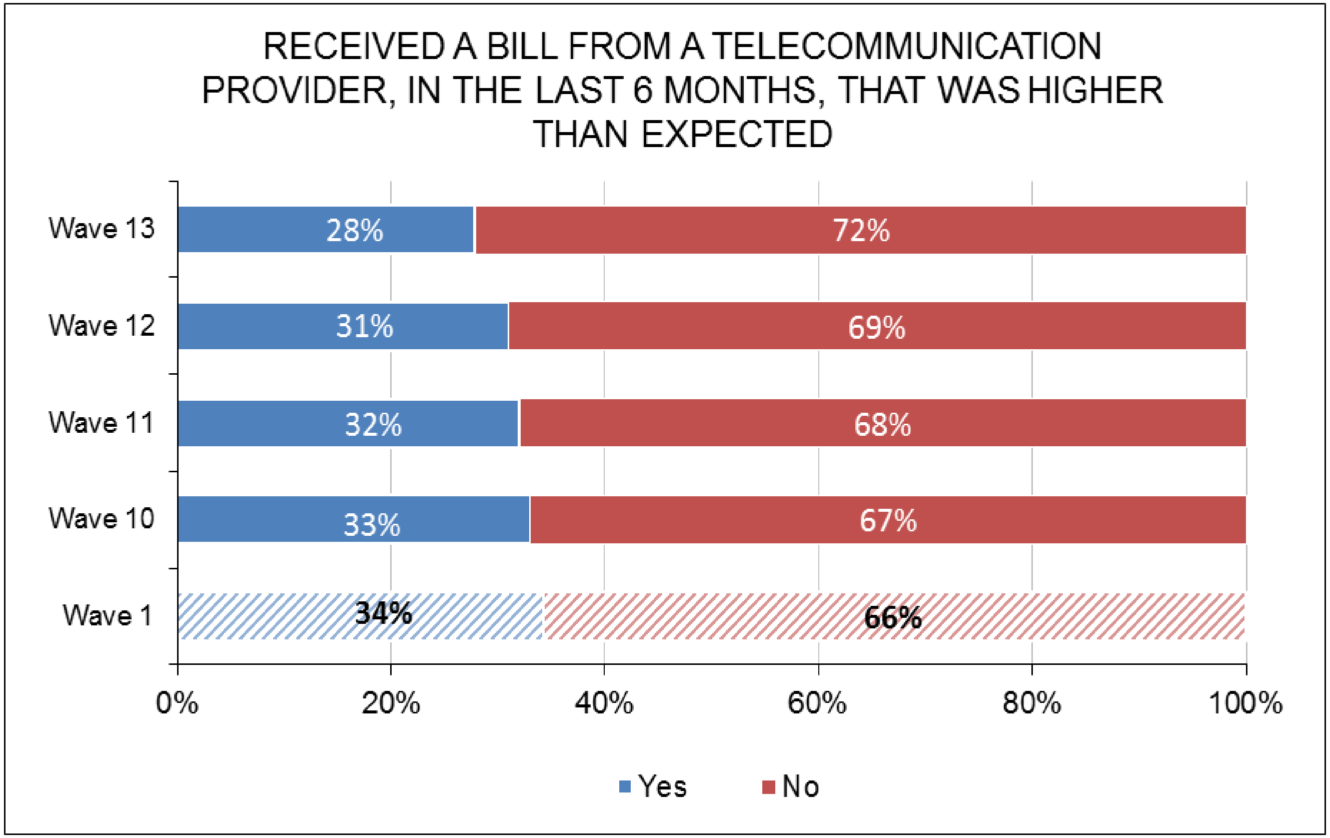
- The overall satisfaction with the information on products continues to be high in Wave 13 with over two in three (68%) being Satisfied ('Very Satisfied' or 'Satisfied'). 23% reported being Very Satisfied, which is slightly less compared to the previous 3 waves (when atleast 27% reported being Very Satisfied) but similar to the benchmark wave 1 (21%).
- 14% were Dissatisfied ('Very Dissatisfied' or 'Dissatisfied') in some way with the information on telecommunication products purchased, which is a slight improvement since Wave 1 (17%).

Product Satisfaction



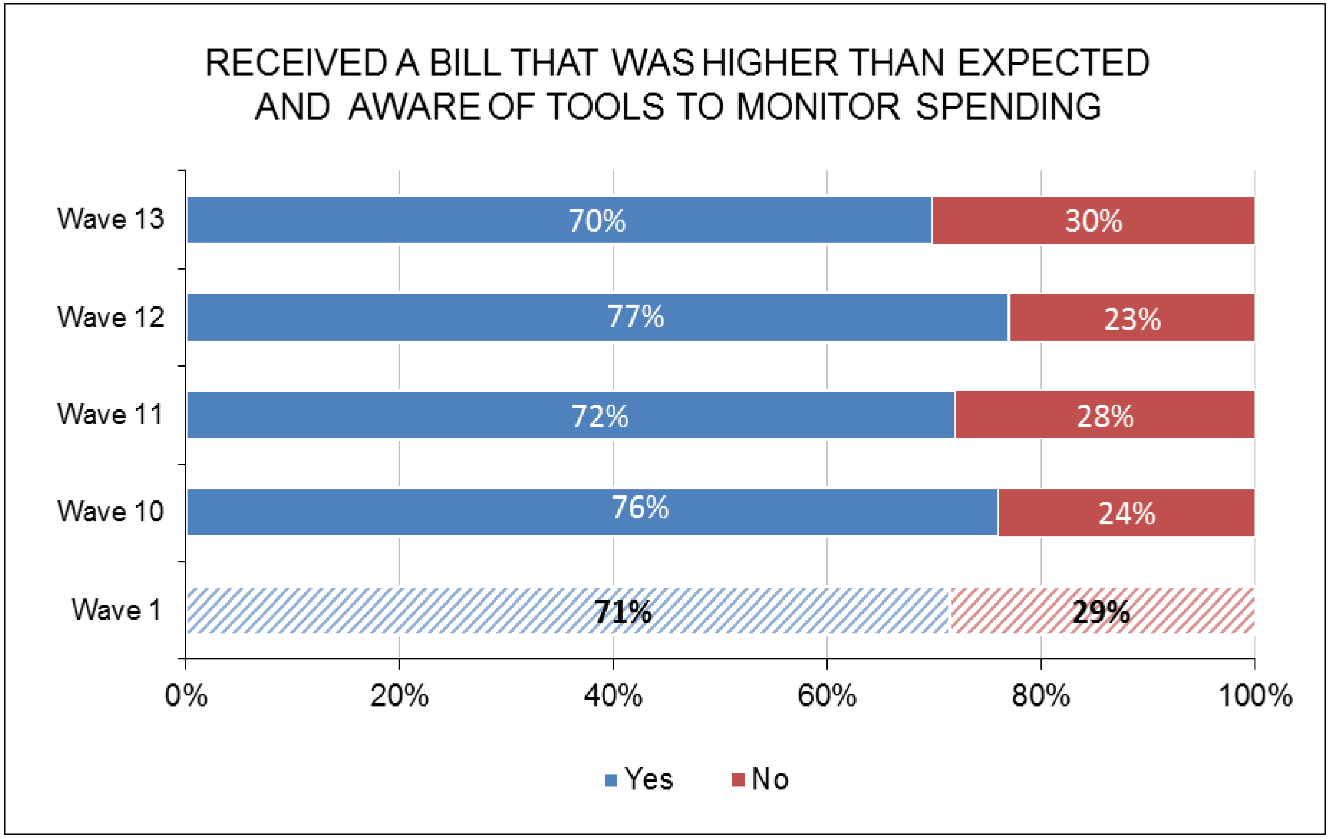
Higher Than Expected Bills

- In Wave 13, less than a third of respondents (28%) received a bill from a telecommunication provider in the last six months that was higher than expected. This is a slight drop compared to the recent 3 waves and also Wave 1.



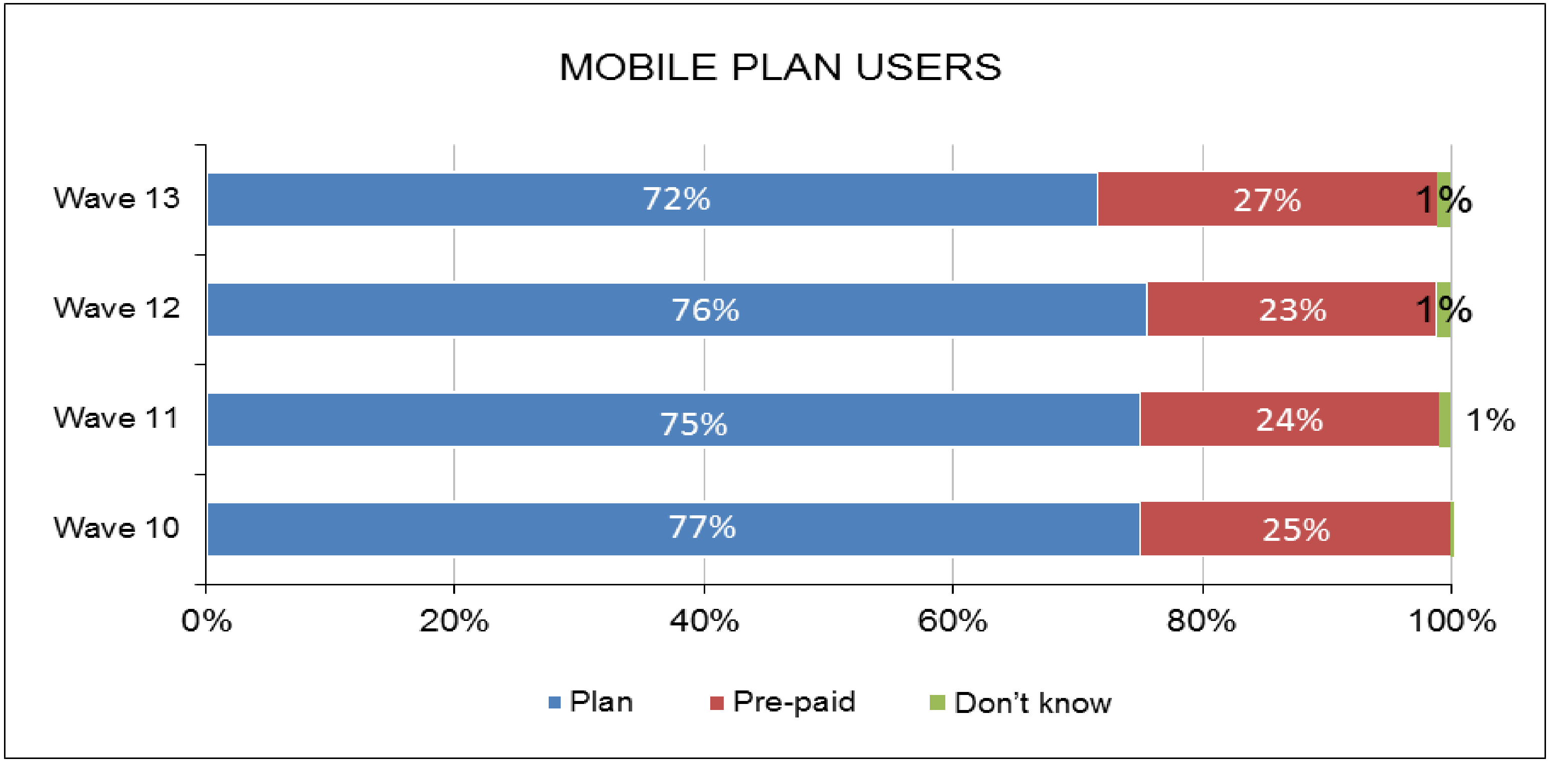
Higher Than Expected Bills

- Seven in ten (70%) were aware that there were tools available to help them monitor their spending with their telecommunication provider. This level of awareness is slightly less compared to the previous 3 waves (when the satisfaction levels were 72% or above) but similar to the benchmark wave 1 (71%).



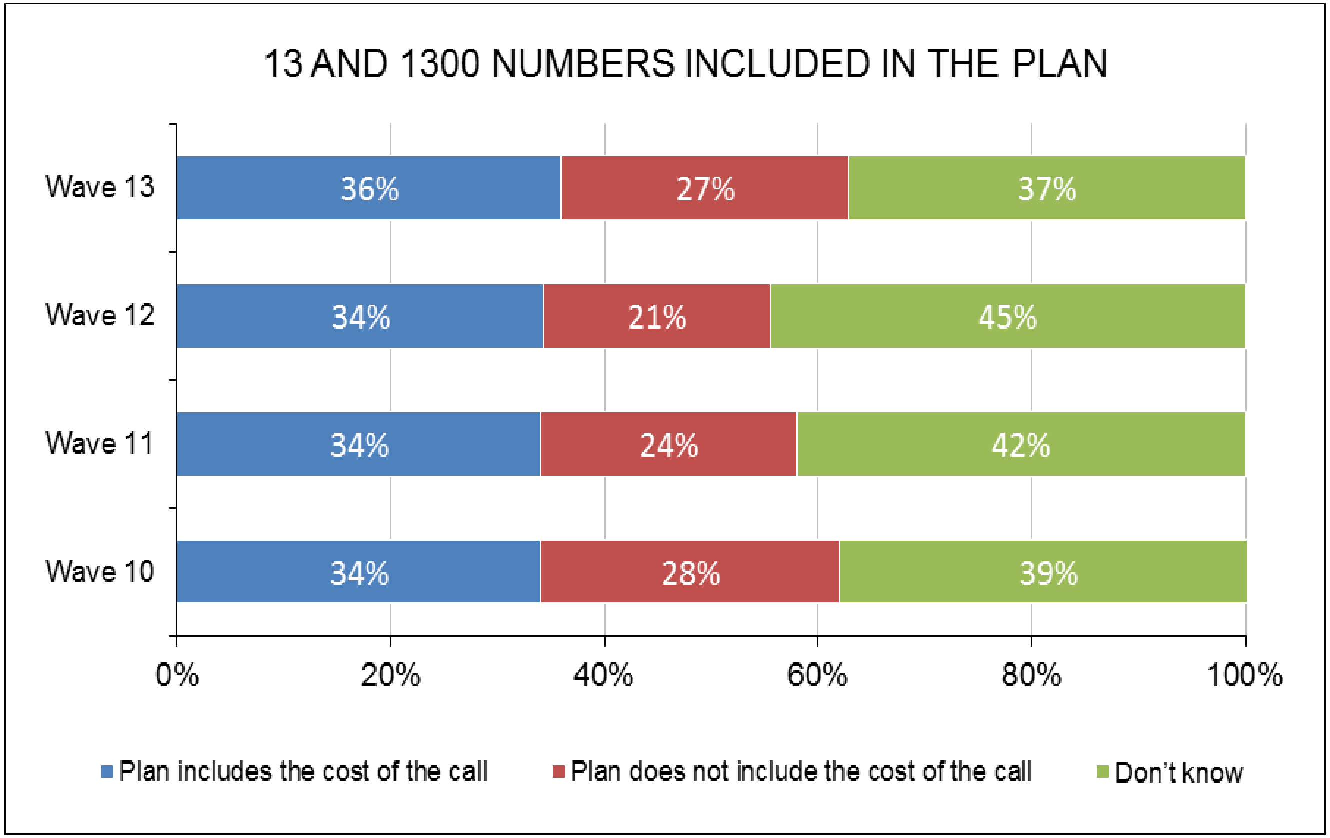
13 and 1300 Numbers

- Consistent with past waves of the research, almost three-quarters (72%) of the Wave 13 respondents who had mobile connection for personal usage said that they were on a mobile plan while a quarter (27%) reported that their calls were pre-paid.



13 and 1300 Numbers

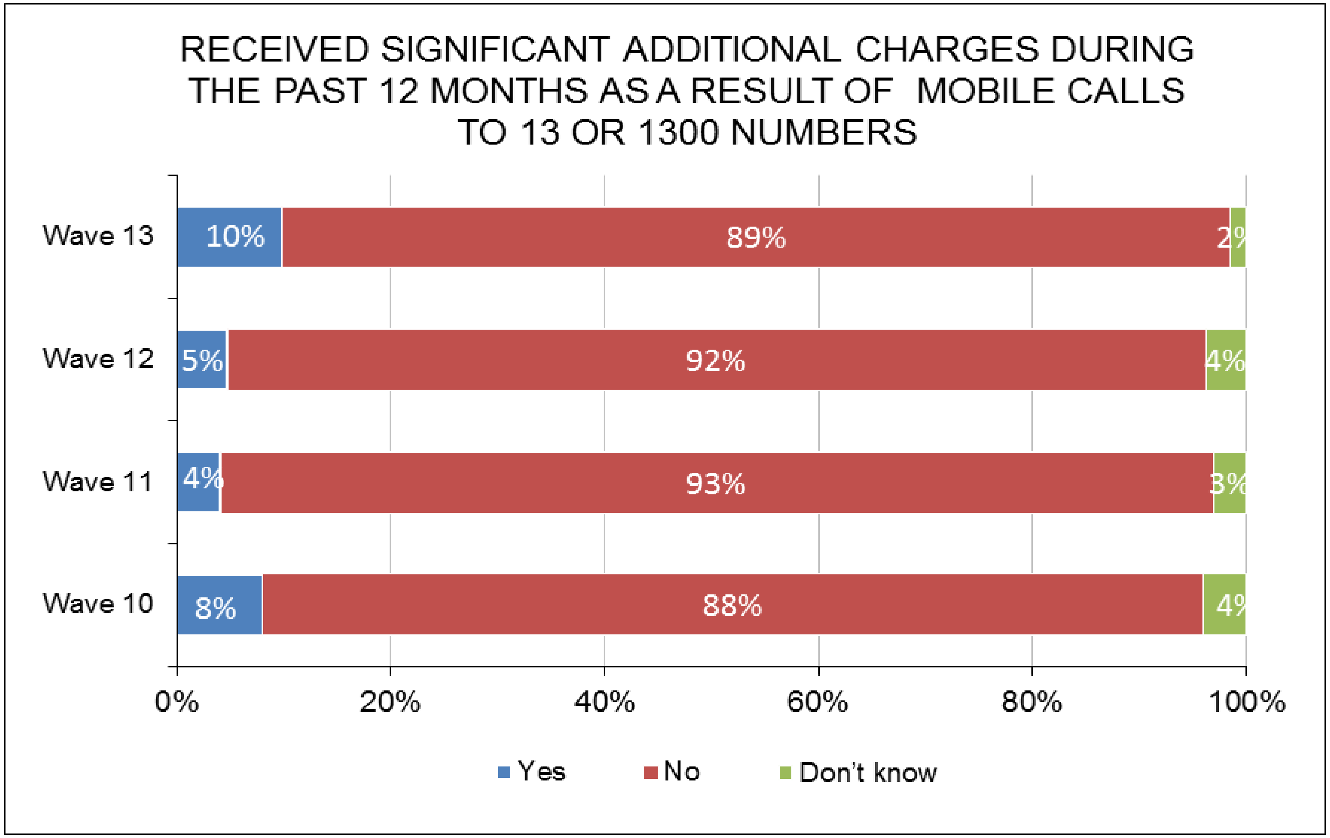
- More than a third (36%) of those respondents who were on mobile plan, were aware that their plan included the cost of calls on 13 and 1300 numbers as a part of monthly usage allowance. This is a slight increase compared to findings in past waves.



13 and 1300 Numbers

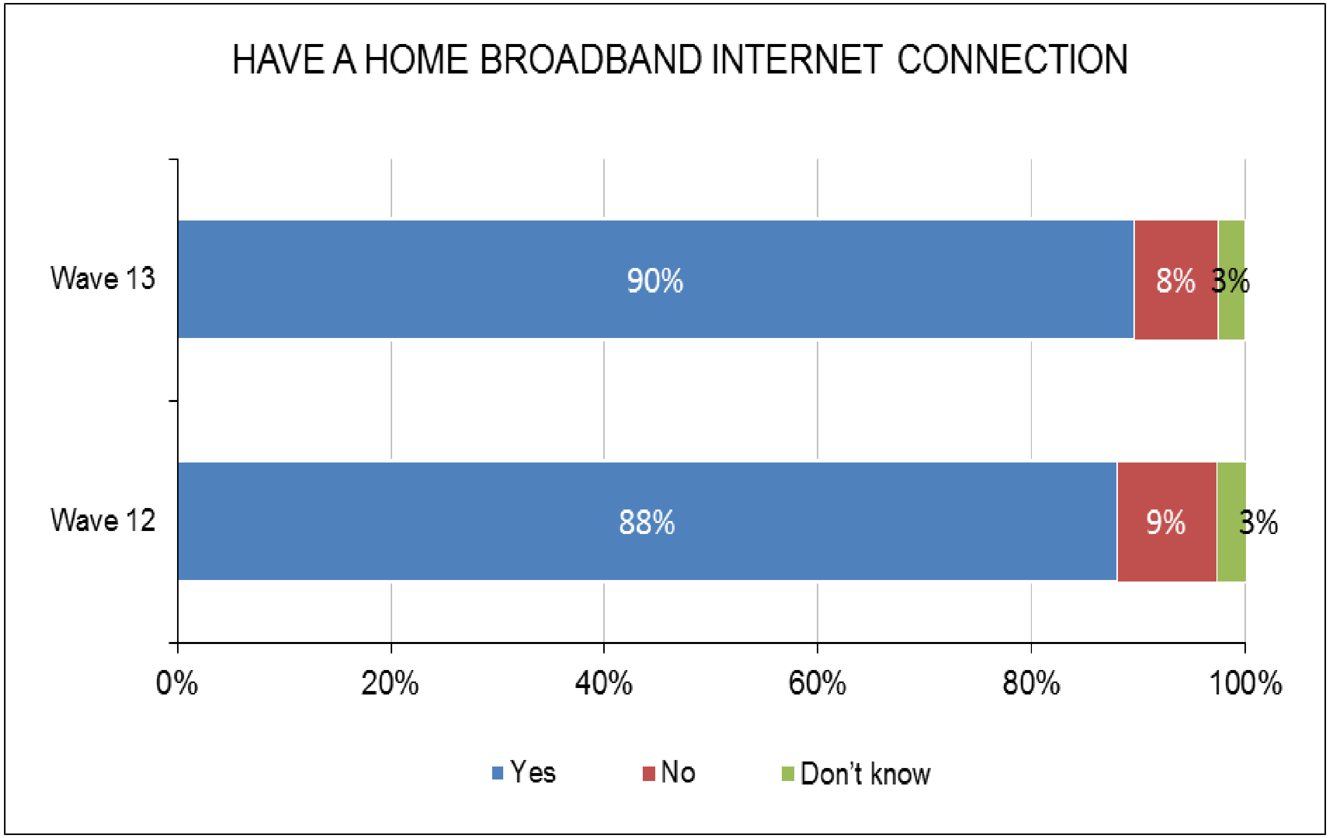
- In Wave 13, one in ten (10%) respondents who were aware that the cost of calls on 13 and 1300 were included in their plan as a part of monthly usage allowance had an experience during the past 12 months where they had exceeded their monthly call allowance and incurred significant additional charges as a result of mobile calls to 13 or 1300 numbers.
- However, most people (89%) who reported that the cost of calls on 13 and 1300 were included in their plan said that they 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 13, nine in ten respondents (90%) having an internet connection at home mentioned that it is a broadband connection.



Broadband Service

- Among those who have a broadband connection, the most important factors continue to be 'faster data connection and download/ upload speeds' and 'better connection/ reliability' (25% and 23% respectively).