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Low internet service provider customer satisfaction provides opportunities for innovative offerings

Today almost everyone in Australia accesses the internet (97%) whether it is at home, work, school, the library or while they're out and about. That means internet service providers are relevant to us all - even if we don't spend a lot of time thinking about them.

Internet service providers (ISPs) deliver home broadband via NBN or ADSL connections and mobile broadband. Consumers have to select from a sometimes dizzying range of options and plans: varying amounts of data per month; different promised data speeds; with or without devices included; and with or without add-ins such as streaming services. Then they have to weigh up competing claims about network coverage and connection reliability, and contracts tailored to suit anyone's preference.

In theory, having so much choice should make for very happy customers. In reality, customer satisfaction in internet service providers as a whole averages only 75%. That puts it way down at number 24 out of the 32 industries for which Roy Morgan continuously takes this measure.

Within that overall result there are marked differences between individual ISP scores.

One of the strategies used by Australia's major telecommunication companies to capture a larger share of the overall market is to have multiple brands targeting specific demographics. These different brands get very different results. Telstra, easily the largest internet service provider in Australia, offers a perfect example, with its Telstra ISP brand trailing far behind its discount subsidiary brand Belong for customer satisfaction.

Australia's second-largest internet service provider, TPG, is in the midst of closing a \$15 billion merger with Vodafone (Australia's third-largest telecommunications and mobile provider). Even before the merger TPG encompasses several Internet subsidiary brands, including iiNet, Internode and Westnet.

All have been good performers, with Internode winning the Annual Roy Morgan Customer Satisfaction Award for 2019 and both TPG and iiNet scoring above average in the most recent monthly results.

In contrast, the country's third-largest ISP, Optus, has the lowest customer satisfaction of the leading brands and was the only major provider to lose customers over the last year.

Michele Levine, Roy Morgan CEO, says the trend for larger players to offer multiple brands gives them the opportunity to adjust their offerings and messaging for specific target markets, but smaller independent players are also growing market share by working hard to satisfy their customers:

"In such a competitive market, where it is easy for dissatisfied customers to take their business elsewhere, the consumer rules. A company that makes the effort to really understand its customers, ensure they are the 'the right customers for the brand', and satisfies them better than the competition, has the best chance of success.

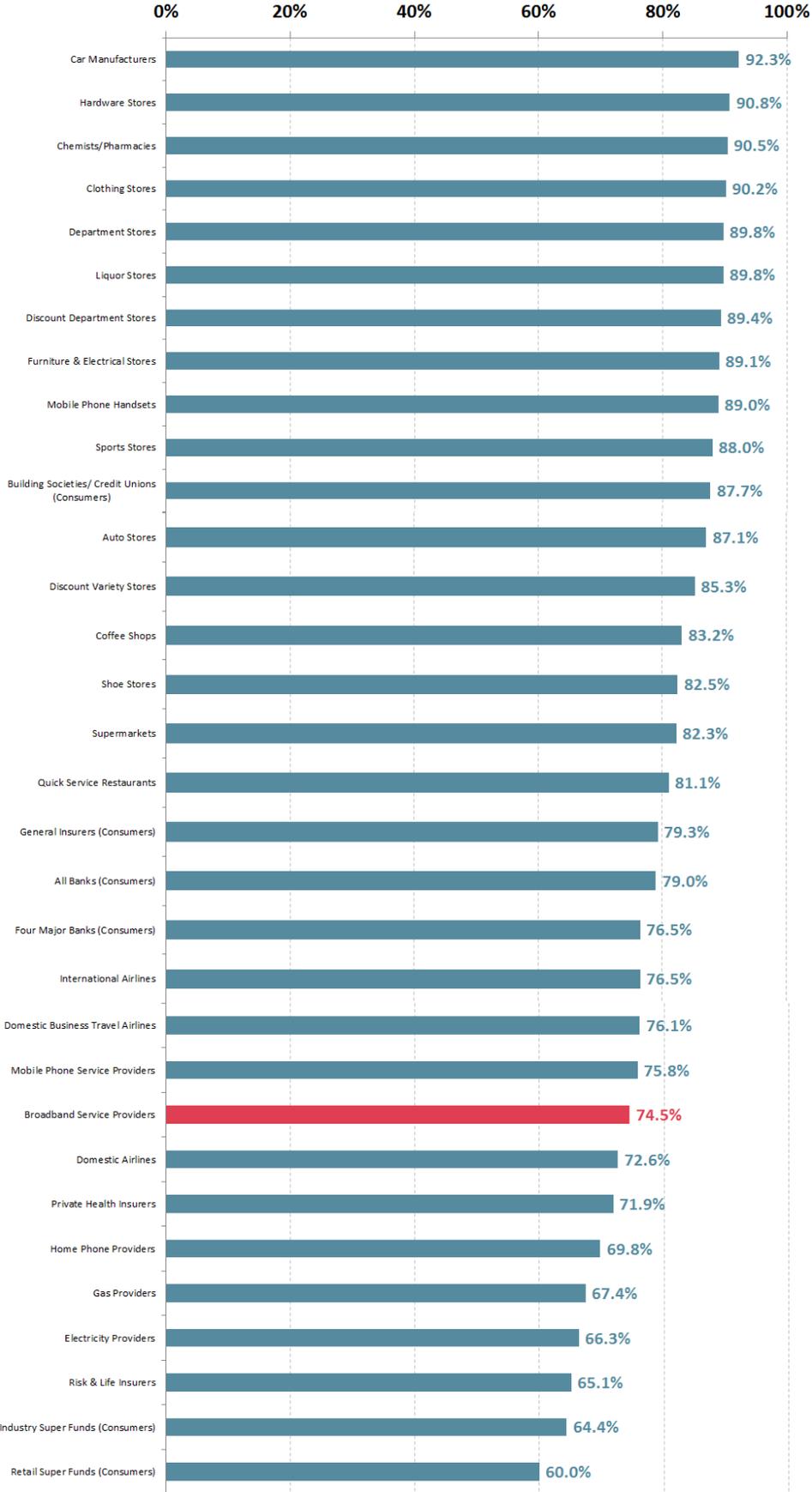
"Of course the financial success of any one company relies on having not only a growing number of satisfied customers - it also needs to ensure the customers are 'the right customers for them' and that the product or service can be delivered at a profit.

"Smaller internet service providers are keeping the big telcos on their toes, offering competitive deals and growing their market share. Independent company Aussie Broadband is a case in point. One of Australia's smaller internet service providers, it is also one of the fastest growing, thanks in large part to a focus on customers which has seen it named as the latest monthly winner of the Roy Morgan Customer Satisfaction Award.

"To go even deeper on this or any other topic, just ask Roy Morgan, home of Australia's most comprehensive consumer insight data."

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Roy Morgan Customer Satisfaction Rankings – By Industry (ISPs are 24th of 32)



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Related research findings

For further in-depth analysis, see the [internet service provider customer satisfaction report](#) or find out more about consumers who use [Internode, Telstra, Optus, TPG, iiNet and many others](#).

For further comment or more information about Roy Morgan's telco and ISP consumer data please contact:

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Roy Morgan Customer Satisfaction Awards

While the Roy Morgan Customer Satisfaction Awards focus on satisfaction ratings, there is far more in-depth data available. Roy Morgan tracks a huge range of variables including customer satisfaction, engagement, loyalty, advocacy and NPS across a wide range of industries and brands. This data can be analysed by month by brand, and importantly, by competitive set. Detailed data and analysis are included in the Roy Morgan Internet Service Provider Customer Satisfaction Report.

Check out the new Roy Morgan Customer Satisfaction Dashboard at <https://www.customersatisfactionawards.com>.

About Roy Morgan

Roy Morgan is Australia's largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 75 years' experience collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
10,000	±1.0	±0.9	±0.6	±0.4
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2