

Exploring the service expectation vs. service experience gap

Dr Jeff Rotman

Prof Josh Newton

A/Prof Nichola Robertson



DEAKIN
UNIVERSITY

BETTER
CONSUMPTION
LAB



Executive summary

Executive summary

Survey approach

1500¹ Australian customers were surveyed to assess:

- Their service expectations and experiences across sectors.
- The gap between service expectations and experiences, and the impact on customer outcomes.

Customers perceived a decline in service quality, and their service experience generally fell short of expectations

- Two-thirds perceived a decline in service quality over time.
- Customers placed greatest value on reliability, responsiveness, and transparency, and consistently valued aesthetics least.
- For all sectors and quality dimensions (except aesthetics), customer expectations exceeded their experience. This gap was consistently largest for Government services.
- This phenomenon, which represents a service expectation-experience gap, can lead to increased frustration for customers and service workers alike.
- Feelings of vulnerability and powerlessness were relatively common in customer service interactions.

Customer satisfaction, intention to remain, and word of mouth varied somewhat across sectors

- Banks received the highest satisfaction ratings, along with intention to remain and positive word of mouth, while the lowest level of satisfaction was with Government services.
- Detractors were the largest group across all sectors (except for banks).
- Across sectors, the most valued quality dimension of reliability was also the strongest predictor of satisfaction.

More than half of customers complained when they had an issue, and complaint handling was generally viewed poorly

- Surprisingly, customer satisfaction did not vary by whether customers complained or not, and issue severity was not a consistent predictor of complaining.
- Complaint handling was generally perceived poorly on ease, interaction, speed, and outcome, which was associated with reduced customer satisfaction.
- Customers valued their problem being fixed – and to receive an apology – more than compensation. They also expected quick (within 24 hour) organisational responses to their technology-enabled communications.

¹ For full demographics, see Appendix 6.

¹ Due to attention check fails, the current sample size is 1472.

Executive summary (cont.)

Customer age influenced evaluations and intentions

Those aged 40+ (vs. 18-39-year-olds) tended to:

- Be more satisfied with their current service provider.
- Believe 'the customer is always right' and desire an apology post issue.
- Remain with their current provider but also be more likely to complain if they encountered an issue.

These effects were magnified among those aged 60 and older.

Those under financial pressure tended to feel more vulnerable in their service encounters, while also perceiving larger drops in service quality over time

- Financial pressure predicted greater agreement with questions regarding feeling vulnerable, powerless, and a loss of control.
- Similarly, those under financial pressure had lower satisfaction ratings, felt service had declined, and were more likely to complain.

Some consistent patterns emerged across providers

- Reliability was consistently most valued by customers, and used to describe mobile phone, banking, electricity, home & contents insurance, and Government service providers to varying degrees.
- Reliability – along with responsiveness – was also identified as a top area for improvement across sectors.
- Unsurprisingly, across sectors, promoters reported a superior service experience, followed by passives and detractors.

Service issues and complaint handling perceptions were the strongest predictors of satisfaction, intention to remain, and word of mouth

- Having an issue, regardless of whether one complained, was the strongest predictor of customer outcomes.
- The lower respondents rated the outcome, speed, ease, or general handling of the complaint, the lower their satisfaction with the service provider.
- Complaint handling was a stronger predictor than issue severity of customer outcomes.
- Those who had a very positive complaint handling experience reported equal or better satisfaction with their service provider.

Background and approach

Background: Service expectation vs. service experience gap

Understanding the service expectation vs. service experience gap

Customer service managers and frontline service workers have reported a recent shift in Australian customer sentiment, with many customers indicating that organisations are often no longer meeting their service expectations.

This phenomenon, which represents a service expectation-experience gap, can lead to increased frustration for customers and service workers alike.

Background: Service expectation vs. service experience gap

Aim of the current research

To address these problems, SOCAP-Australia and the Better Consumption Lab team at Deakin University surveyed a nationally representative sample (n = 1,500) of Australians to provide insights into:

- What customers expect from their interactions with service providers.
- The ways that businesses are perceived to be falling short regarding service provision.
- A contemporary snapshot of the service expectation-experience gap.
- The extent to which customer expectations differ across service sectors.
- Service expectations held by different segments of Australian customers.
- Which service expectation-experience gaps are most distressing for customers.
- The impact that different service expectation-experience gaps have on outcomes like customer satisfaction.
- Evidence-based recommendations for organisations to better manage the changing service expectations of Australian customers.

Approach: Service expectation vs. service experience gap

Survey approach

Australian customers were surveyed about their general service expectations, such as:

- Perceived changes in service quality over time.
- Perceived changes in their service expectations over time.
- Organisational communication response expectations.

Customers were also asked about their service expectations, experiences, and recent service interactions across five sectors:

- Mobile
- Banking
- Electricity
- Home Insurance
- Federal Government Services

For each sector, respondents were asked about:

- Their expectations of various service attributes.
- The extent to which organisations in these sectors met these expectations.
- The frequency of and consequences resulting from failed service interactions.

Customer service expectations

Customer expectations: Perceived changes in service quality

Service quality was perceived to have decreased over time

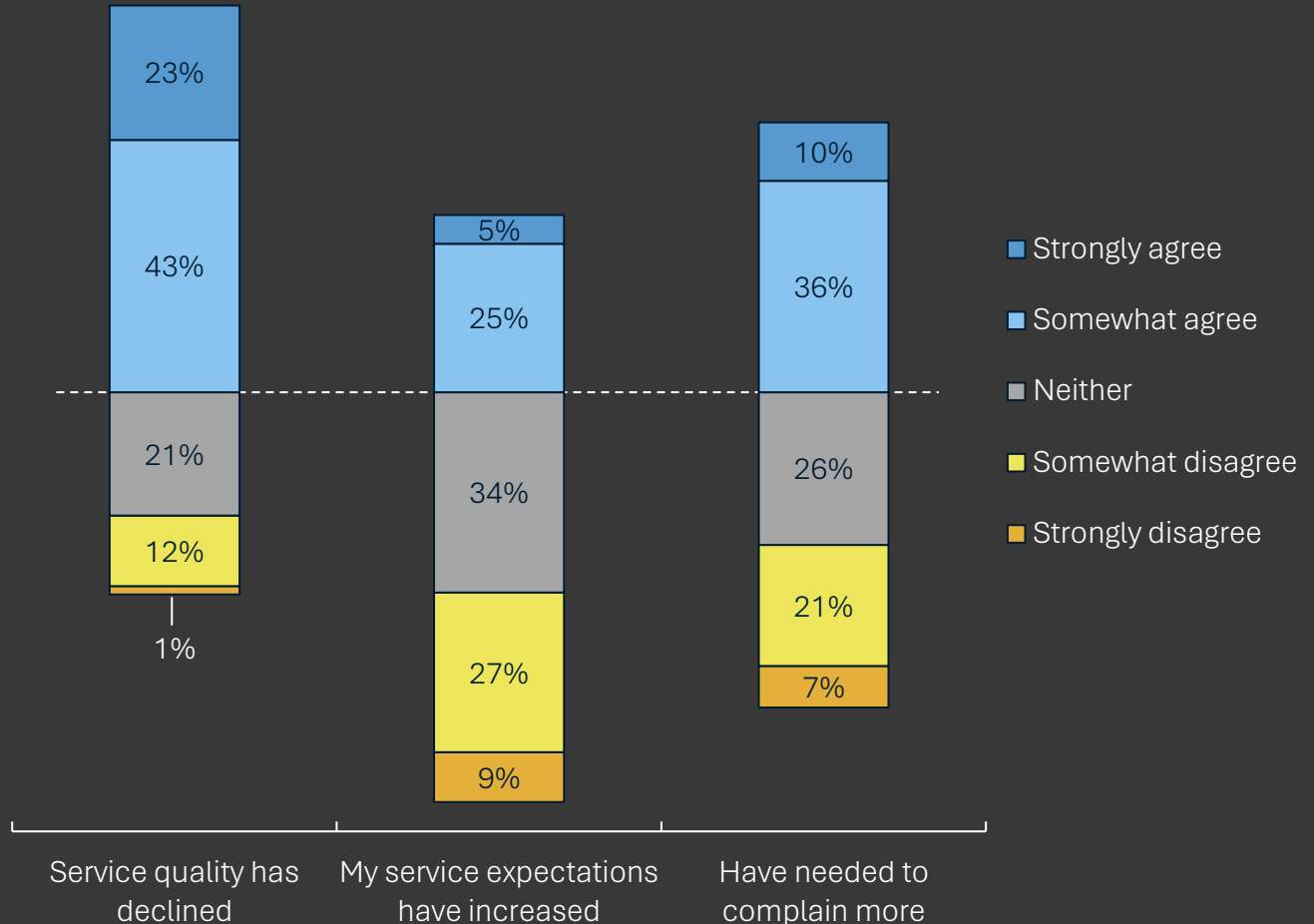
- Two-thirds (66%) believed that service quality had declined.
- Almost half (46%) perceived that they had needed to complain about the quality of service received.

Respondents who were female, older, and experiencing financial pressure were more likely to perceive service quality to have declined

- This perception was most pronounced among those aged 60+*

*Statistics relating to demographic predictors can be found in Appendix 7

Perceptions that service quality has changed over time
Proportion; may not sum to 100% due to rounding error

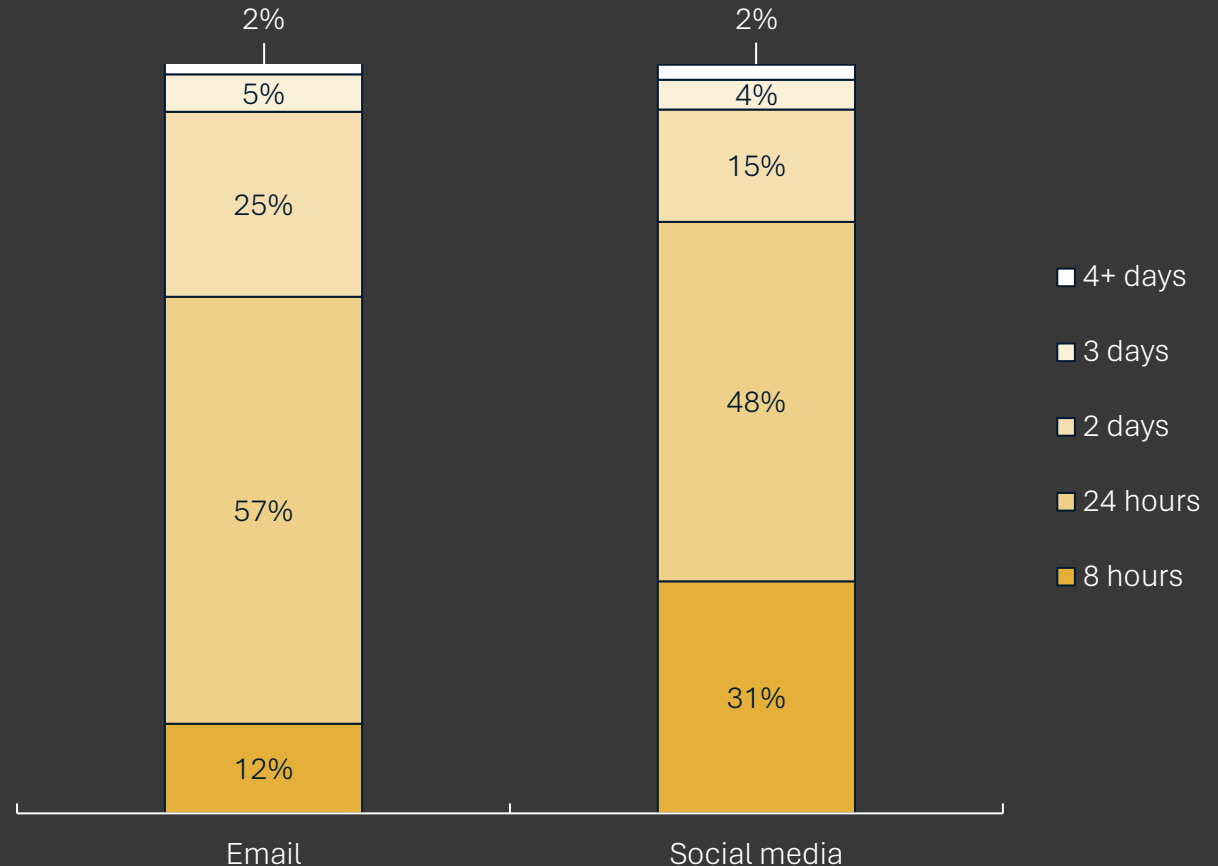


Customer profile: Communication response expectations

Expected organisational response times to communications via different channels
Proportion; may not sum to 100% due to rounding error

Organisational responses to customer communications were expected within one day

- Two-thirds (69%) expected a response to an email within 24 hours.
- An even greater proportion (79%) expected a response within 24 hours to a social media post.
- There was no effect of age.

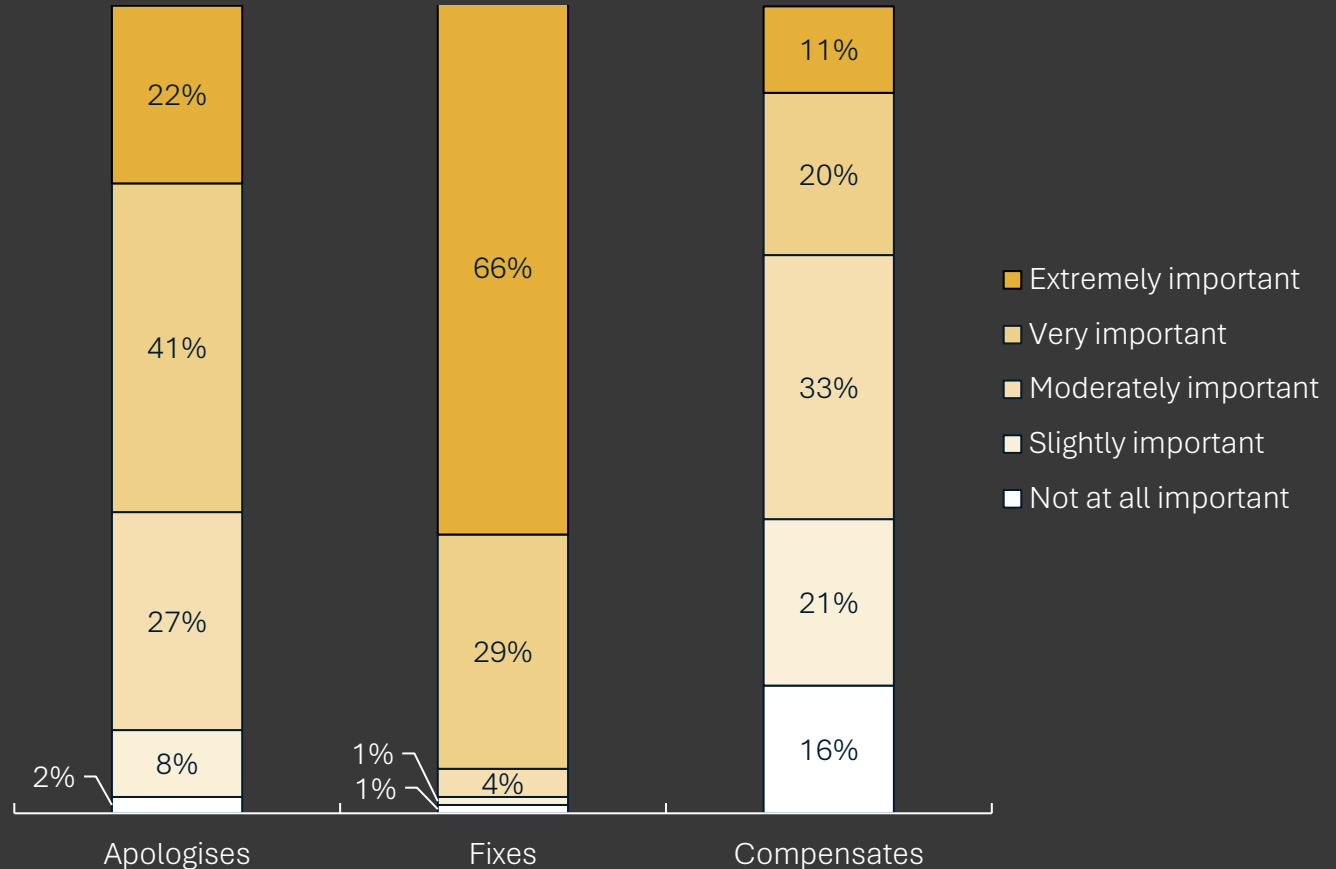


Customer profile: Complaint resolution expectations

Importance of different organisational responses to service failure
Proportion; may not sum to 100% due to rounding error

Complaint resolution and apology were more important than compensation

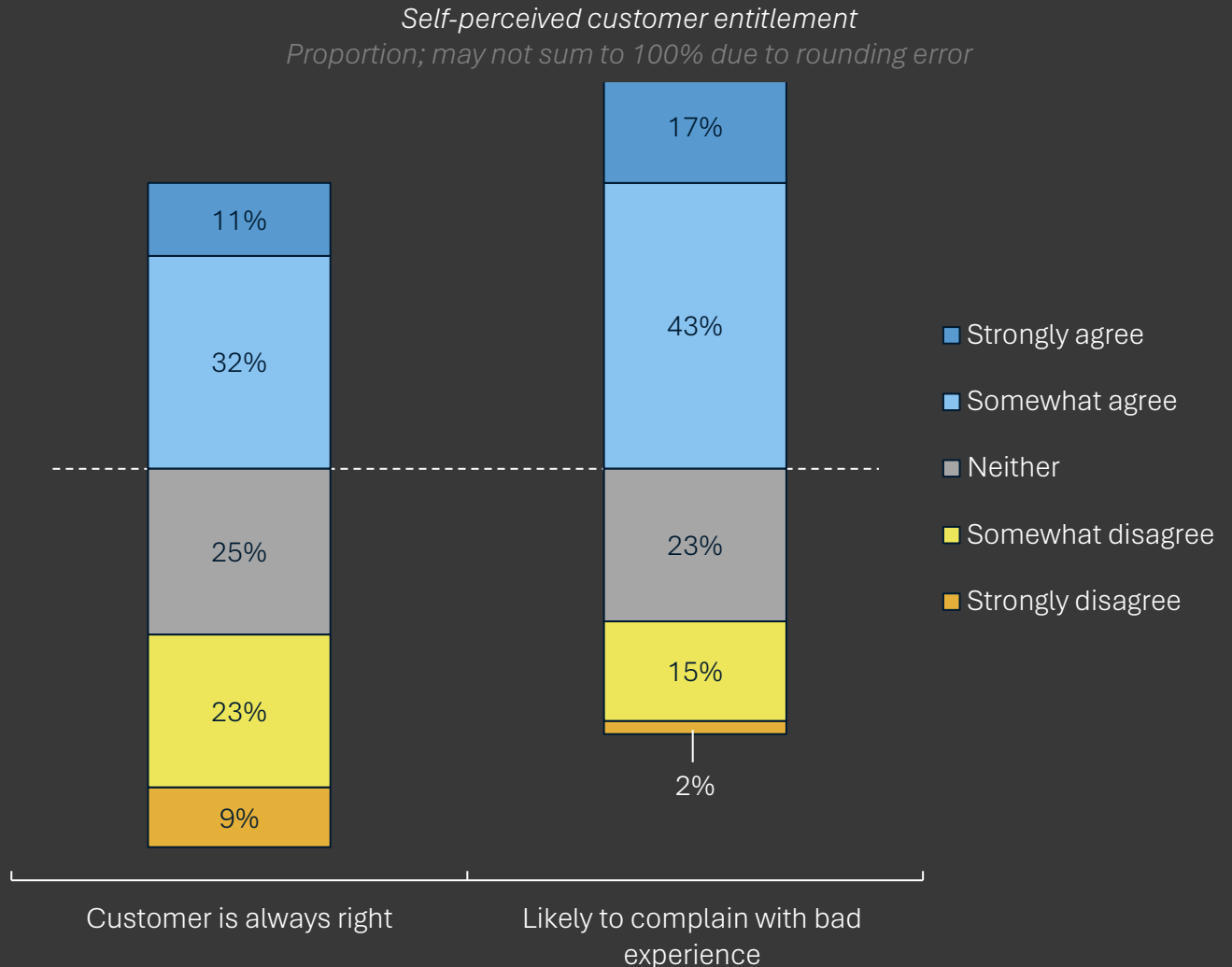
- Unsurprisingly, virtually all (95%) respondents saw fixing the problem as 'very' or 'extremely' important.
- Almost two-thirds (63%) also viewed an apology as 'very' or 'extremely' important.
- Only one-third (31%) viewed compensation as 'very' or 'extremely' important.



Customer profile: Customer entitlement

Almost half of respondents believed in the adage, 'the customer is always right', while more than half were likely to complain about a bad service experience

- 43% of respondents agreed that the customer is always right.
- 60% also indicated being likely to complain after encountering a bad service experience.
- There was a small relationship between agreeing with the saying 'the customer is always right' and being likely to complain following a bad service experience ($\beta = .28$).

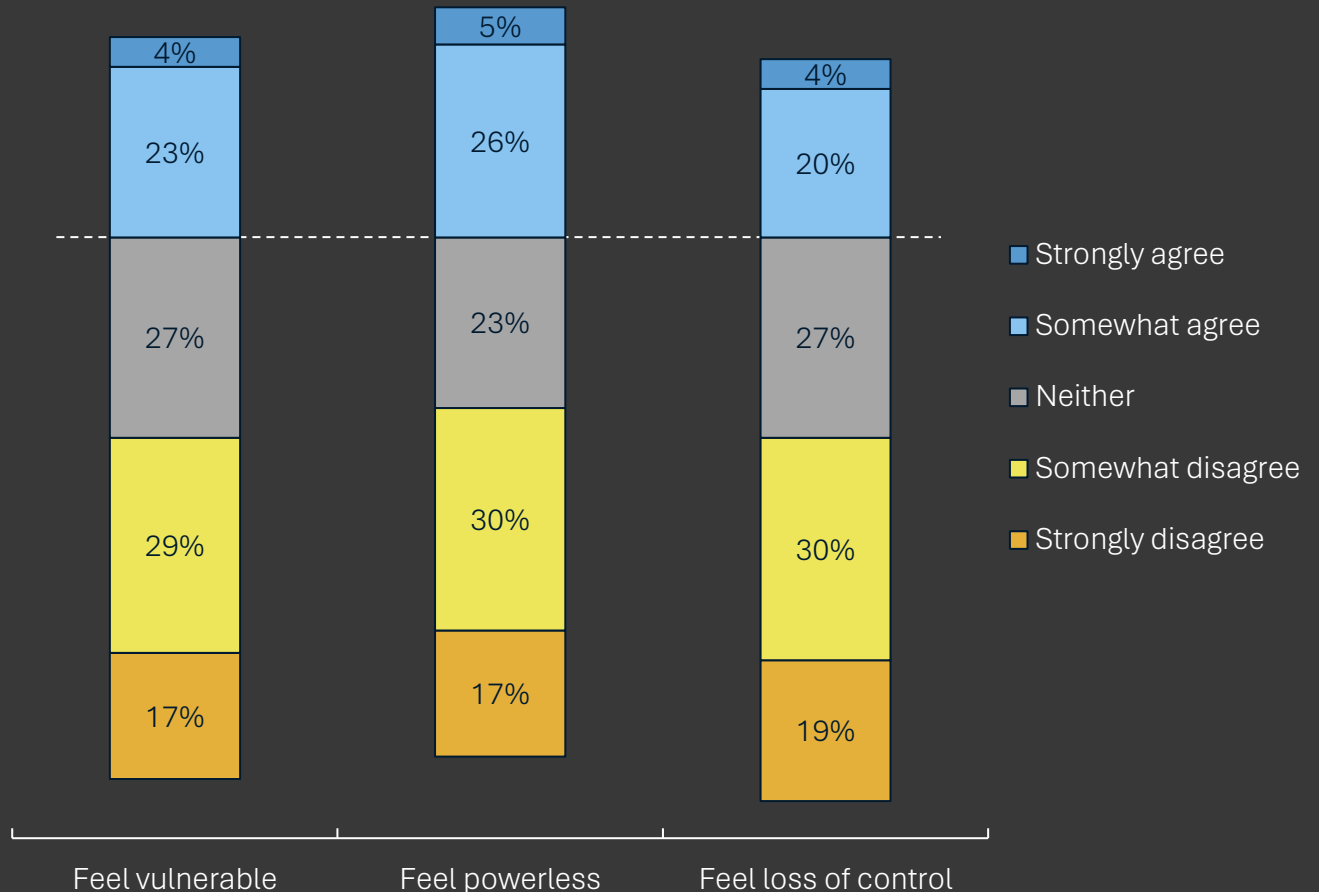


Customer profile: Perceptions of helplessness

Self-perceived helplessness during service interactions
Proportion; may not sum to 100% due to rounding error

Feelings of vulnerability and powerlessness are commonplace during service interactions

- Approximately one-quarter of respondents indicated feeling vulnerable (27%), powerless (31%), or a loss of control (24%) in their interactions with service providers.



Customer service satisfaction

Service satisfaction: By sector

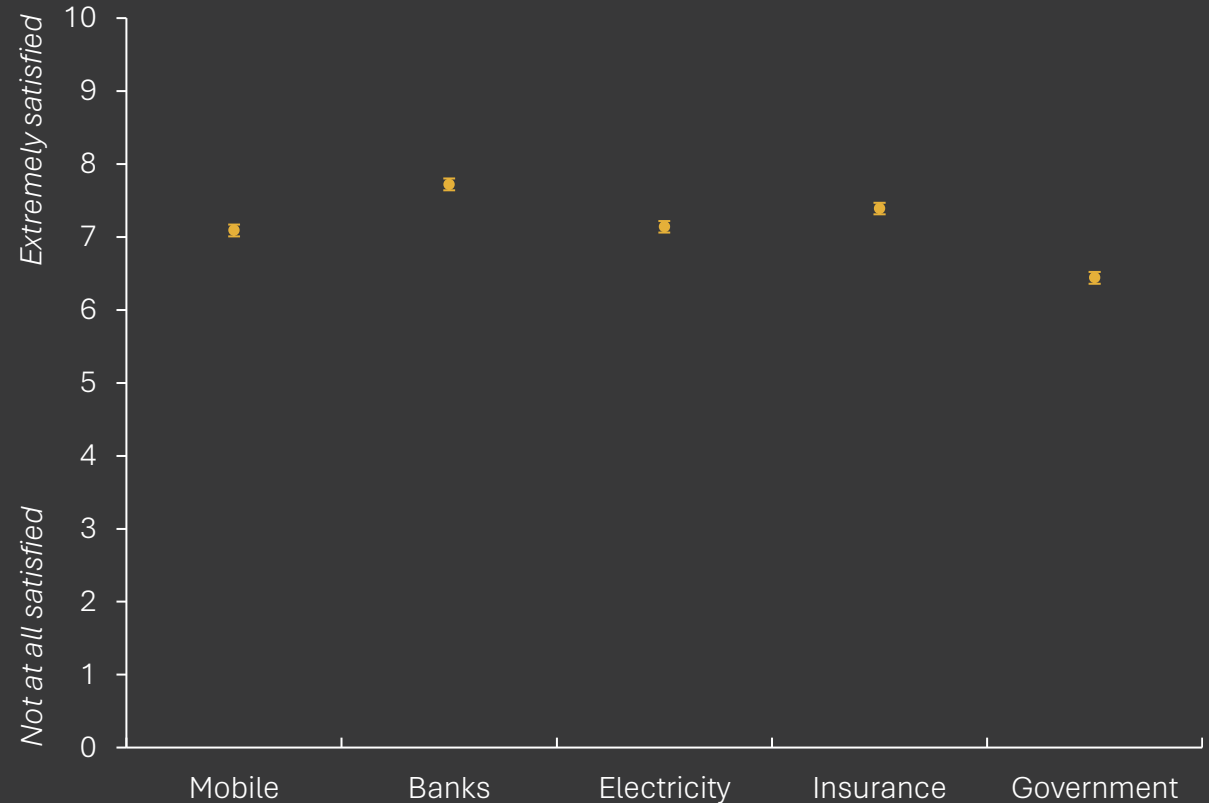
Satisfaction with current service provider was slightly higher for banks

- Banks received the highest average service satisfaction, followed by insurance, electricity, and mobile.

Satisfaction was lowest for Government services

- Respondents reported the lowest levels of service satisfaction with government agencies.

Satisfaction with current service provider in each sector
Average, 95% confidence intervals



Service satisfaction: By sector

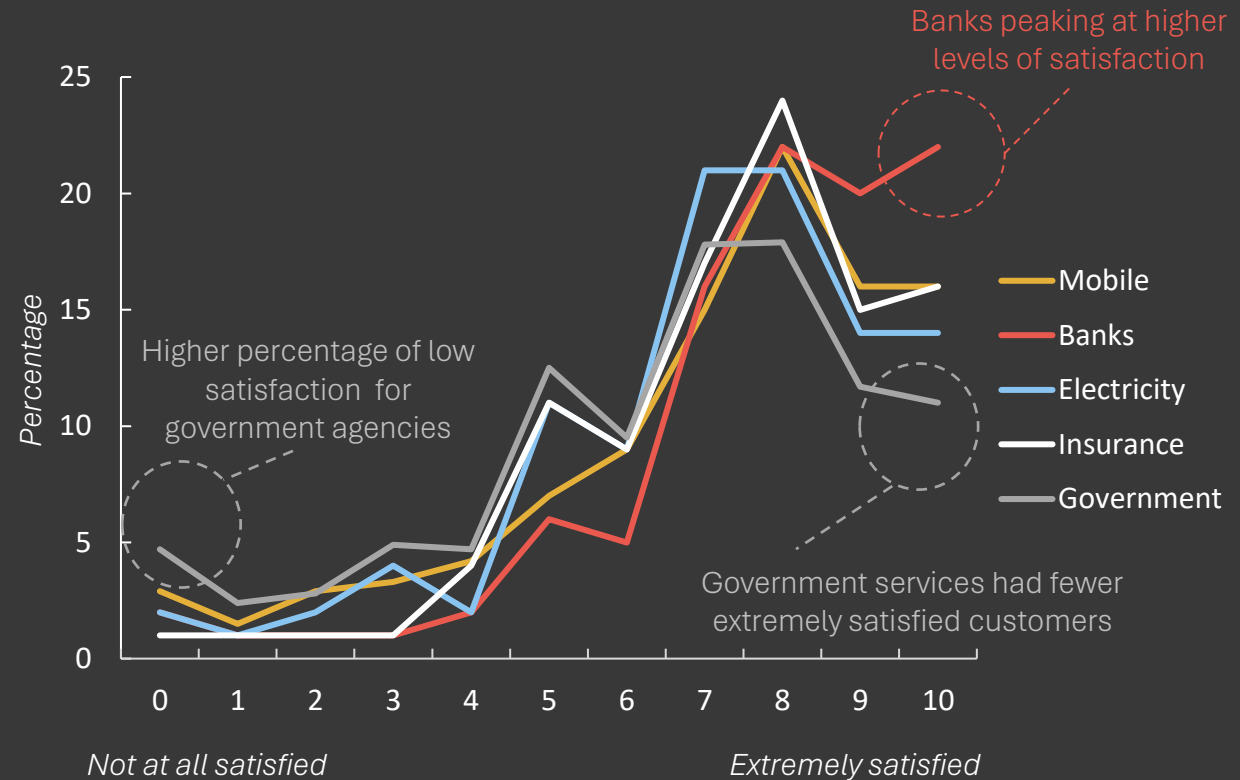
Banking had the highest percentage of extremely satisfied customers

- 42% of banking customers were extremely satisfied (selected 9 or 10) compared to 32%, 31%, and 28% for mobile, insurance, and electricity, respectively.

Government services had the lowest percentage of extremely satisfied customers

- Only 23% of Government service customers rated themselves as being 'extremely satisfied' with the service they received.

Satisfaction with current service provider in each sector



Commercial service providers: Net Promoter Score

Promoters were most prevalent in banking, followed by mobile, insurance, and electricity

- Banks had the highest proportion of promoters (38%), while electricity had the lowest (24%).

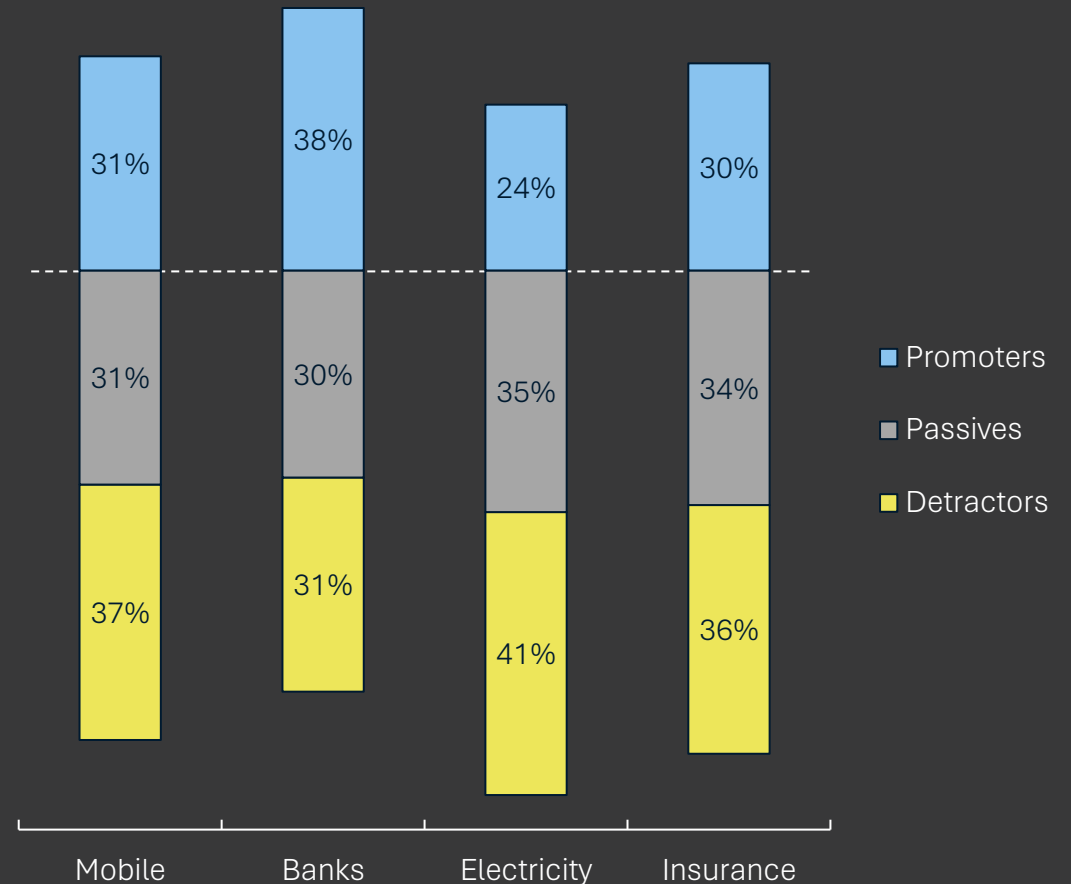
Across sectors, there was a similar proportion of passives

- Passives ranged from 30% (banks) through to 35% (electricity). These customers are merely satisfied.

Detractors were the largest group for all the commercial sectors, except banks

- For electricity (41%), mobile (37%) and insurance (36%), detractors were the largest group, representing unhappy and disloyal customers who may spread negative word of mouth.

Net Promoter Score for each commercial sector
Proportion; may not sum to 100% due to rounding error

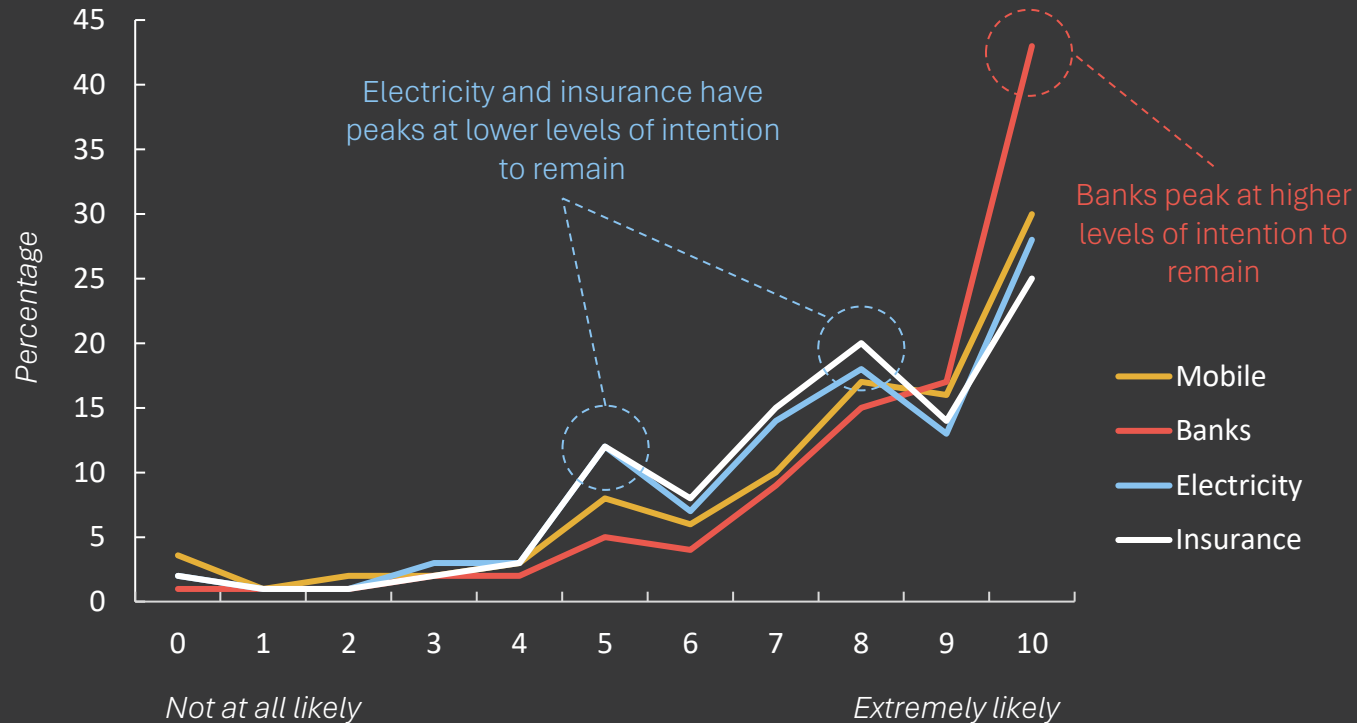


Commercial service providers: Intention to remain

Bank customers' overall greater intention to remain was driven by a larger percentage of respondents with very high remain intentions

- 60% of respondents indicated that they were extremely likely to remain (selected '9 or 10') with their banks, compared to mobile (46%), electricity (41%) and insurance (39%).
- A greater percentage of electricity and insurance customers indicated that they were less likely to remain with their current provider.

Intention to remain with current service provider in each commercial sector



Service expectations vs.
experiences

Approach: Service quality dimensions

Respondents were first asked to rate their general expectations for service on the following service quality dimensions, which were adapted from the internationally recognised SERVQUAL measure (Parasuraman et al., 1988):

- **Reliability:** how consistent and dependable the organisation is in delivering their service.
- **Reassurance:** how confident you are in the organisation's knowledge and courtesy.
- **Empathy:** how much the organisation understands and cares about your needs.
- **Responsiveness:** how prompt and willing the organisation is to help you.
- **Aesthetics:** how visually pleasing the organisation's physical facilities, website, communication materials, etc. are.
- **Transparency:** how open and honest the organisation is.

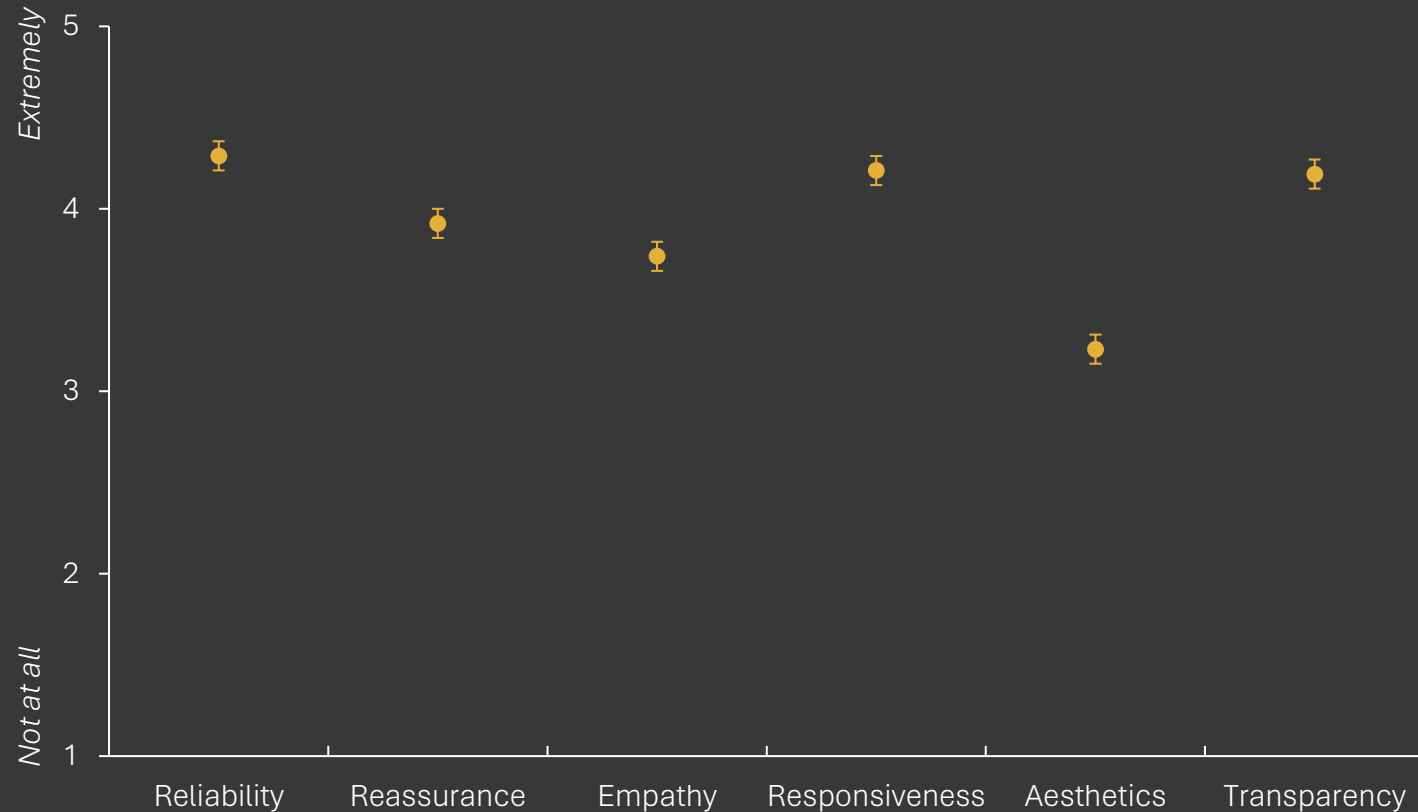
Using these same service quality dimensions, respondents were then asked to rate their expectations for service in each of the focal service sectors as well as for their current service provider within those sectors.

Customer expectations: What customers value

Reliability, responsiveness, and transparency were valued most

- In their interactions with service providers, respondents placed significantly greater value on:
 - Reliability.
 - Responsiveness.
 - Transparency.
- While still important overall, significantly less value was attached to:
 - Reassurance.
 - Empathy
- Aesthetics was consistently valued the least.

Perceived *overall importance* of different service quality dimensions
Average, 95% confidence intervals



Service satisfaction: By sector (prediction)

Reliability predicted satisfaction with current service provider across all sectors

- Reliability was also the strongest predictor, with medium relationships observed for all sectors, except electricity.

Reassurance, responsiveness, and transparency predicted satisfaction for mobile, bank and electricity providers, as well as Government services

- The strength of these relationships was small.

Empathy predicted satisfaction for bank, electricity, and insurance providers

- Once again, the strength of these relationships was small.

Service experience as predictors of satisfaction with current service provider in each sector

| | <i>Mobile</i> | <i>Banks</i> | <i>Electricity</i> | <i>Insurance</i> | <i>Government</i> |
|----------------|---------------|--------------|--------------------|------------------|-------------------|
| Reliability | Medium ↑ | Medium ↑ | Small ↑ | Medium ↑ | Medium ↑ |
| Reassurance | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Empathy | - | Small ↑ | Small ↑ | Small ↑ | Small ↑ |
| Responsiveness | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Aesthetics | - | - | - | - | Small ↑ |
| Transparency | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |

Small ↑ denotes a small but significant positive influence (standardised $\beta = 0.10-0.29$)

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$)

Expectation-experience gap: Reliability

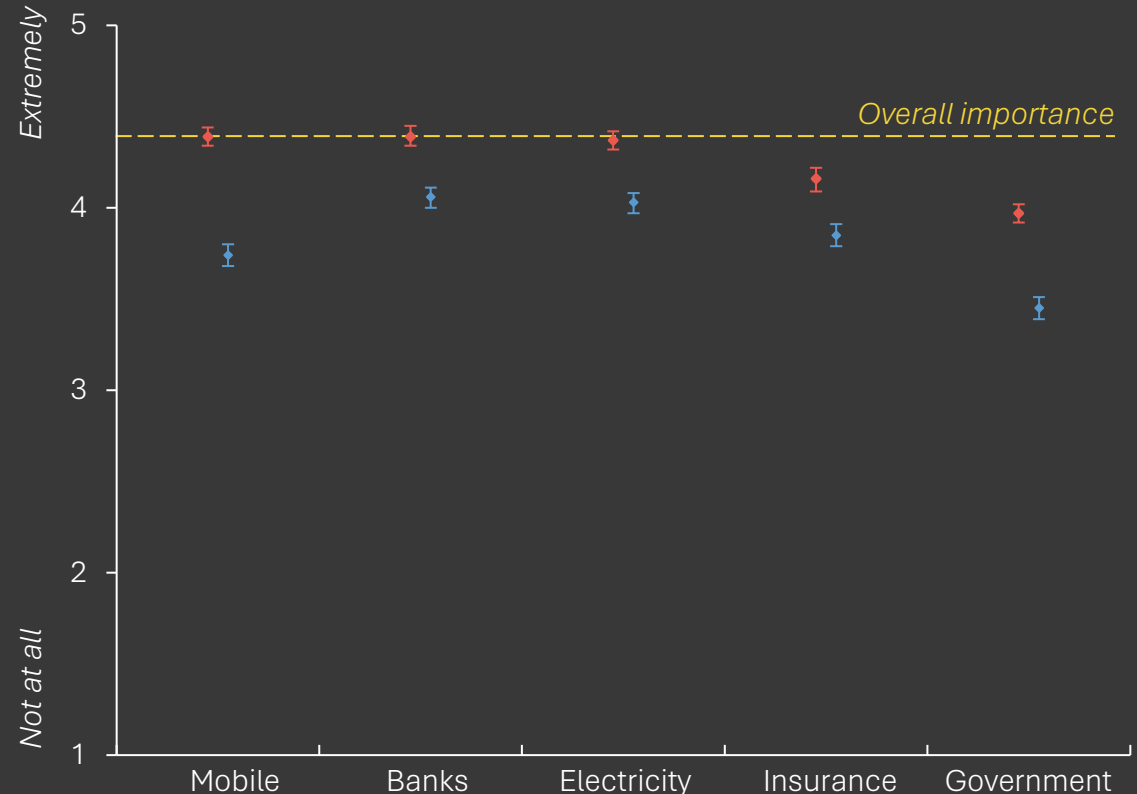
On the most important service quality dimension (i.e., reliability), customer experience fell short of expectations across all sectors

- Banking, electricity, and insurance saw the smallest gap between expectations and experience, while Government services and mobile saw the most pronounced gaps.

Customers held the lowest expectations of reliability for Government services and perceived the poorest service experience

- Customer expectations of reliability were lowest for Government services. Service experience for Government services was also rated most poorly.

Sector-specific *expectations* vs. *experience* of reliability alongside its *overall importance*
Average; 95% confidence intervals



Expectation-experience gap: Reassurance

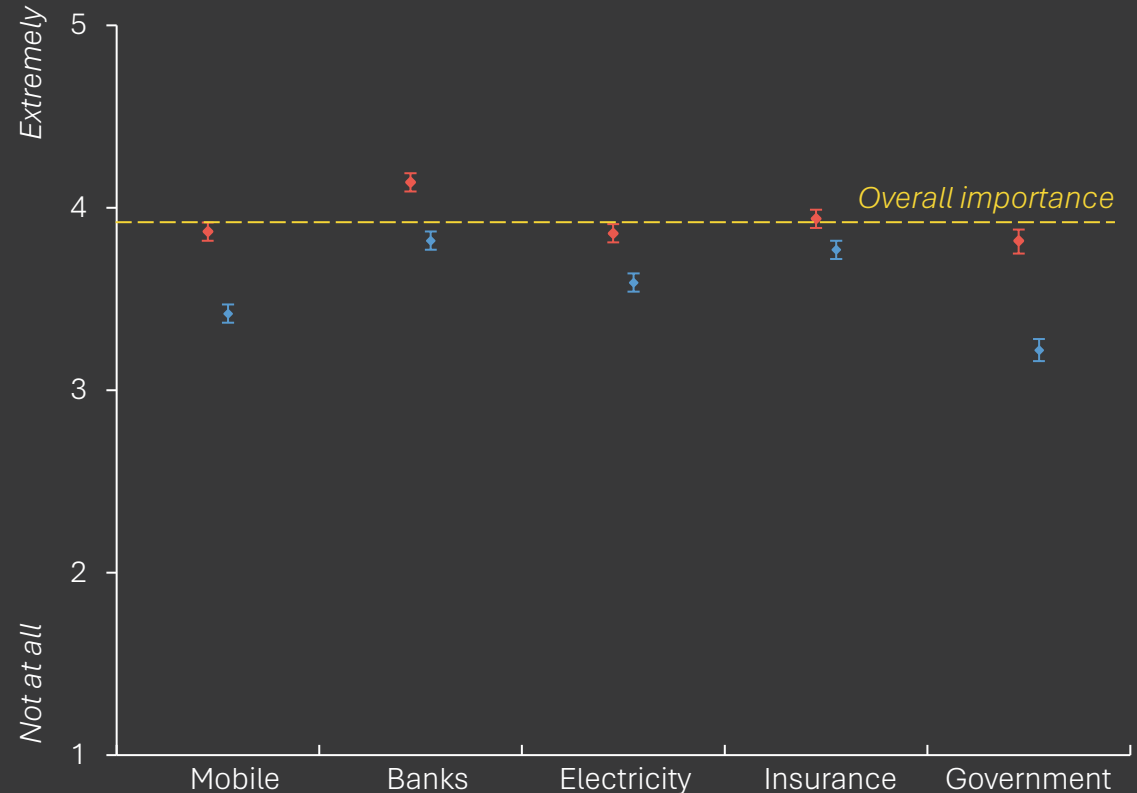
Across all sectors, customer expectations for reassurance were greater than the associated experience

- Insurance, followed by electricity and banks, saw the smallest gaps between expectations and experience on reassurance.

The worst experience for reassurance was found for Government services

- Customers' experience of reassurance was lowest for Government services, and the gap between expectations and experience was greatest for these providers.

Sector-specific *expectations* vs. *experience* of reassurance alongside its *overall importance*
Average; 95% confidence intervals



Expectations/experience gap: Empathy

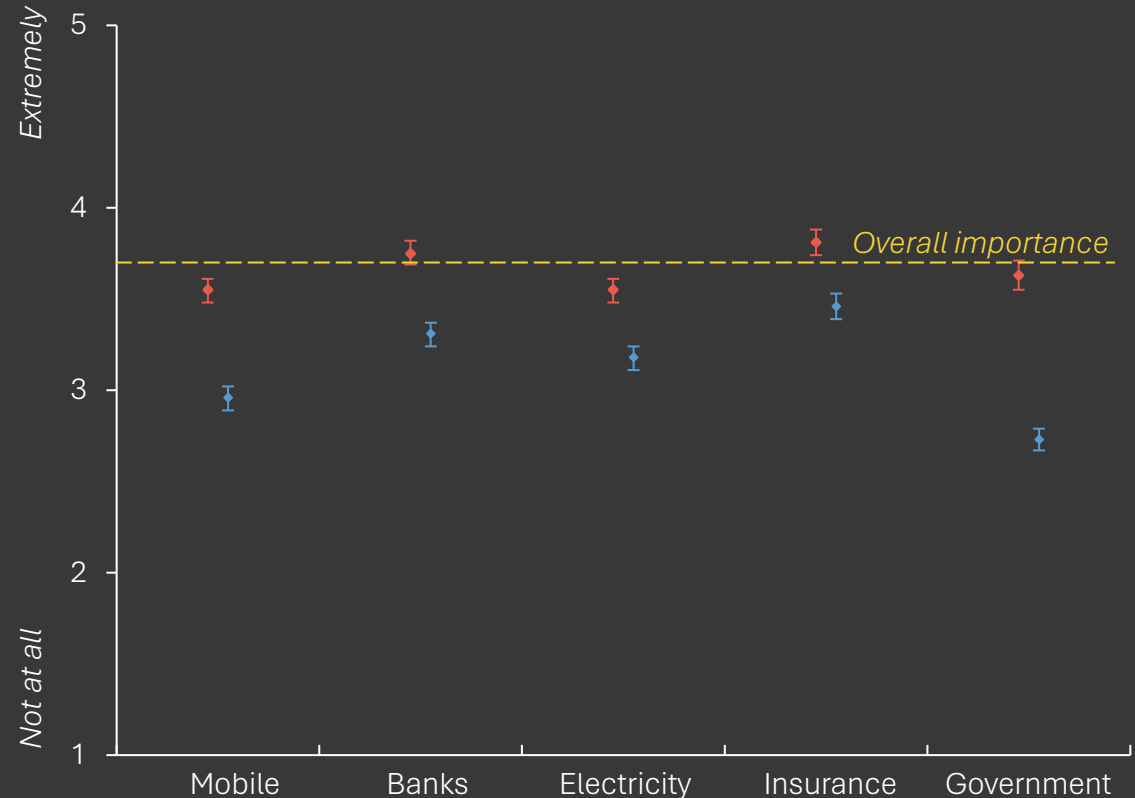
Expectations for empathy exceeded the perceived experience of this service quality dimension across sectors

- Insurance, electricity, and banks had the smallest gap between expectations and experience on the empathy dimension.

The largest expectation-experience gap was for the Government service providers

- Again, the poorest experience of empathy was for the Government services, accounting for this larger gap.

Sector-specific *expectations* vs. *experience* of empathy alongside its *overall importance*
Average; 95% confidence intervals



Expectations/experience gap: Responsiveness

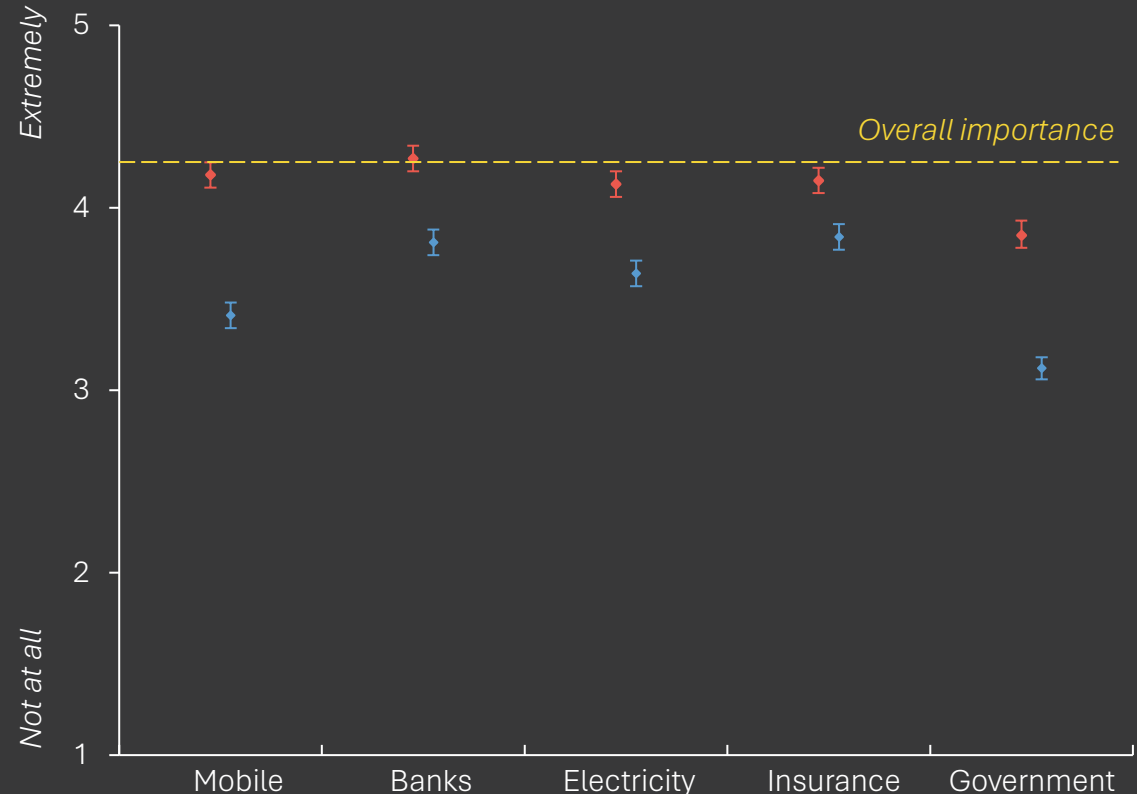
For the second most important quality dimension (i.e., responsiveness), customer expectations exceeded experience across all sectors

- Banking, electricity, and insurance saw the smallest gap between expectations and experience of responsiveness, while the largest gap was found for Government services followed by mobile.

Customers held the lowest expectations of responsiveness for Government services and reported the poorest experience

- Customer expectations of responsiveness were again lowest for Government services. The experience was rated the most poorly for these services too.

Sector-specific *expectations* vs. *experience* of responsiveness alongside its *overall importance*
Average; 95% confidence intervals



Expectations/experience gap: Aesthetics

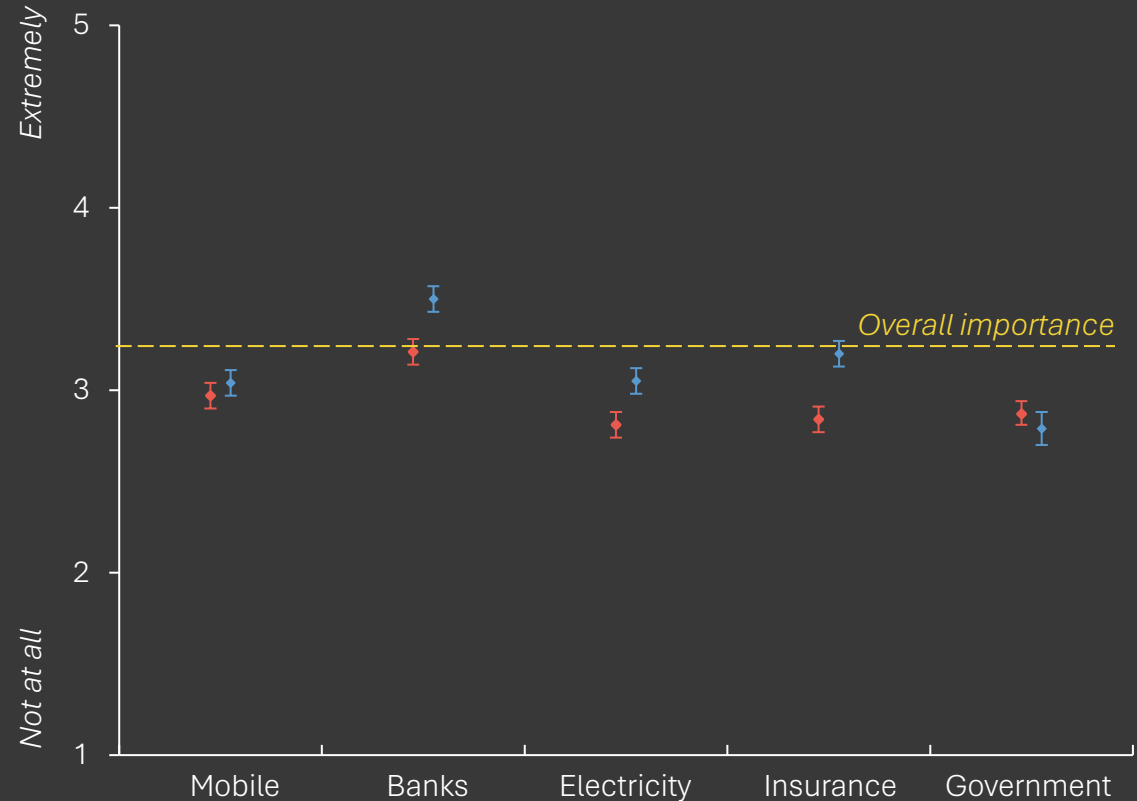
Aesthetics was the least important quality dimension, but in more than half the sectors, the aesthetics experience exceeded expectations

- For banks, insurance, electricity, and mobile, the experience of aesthetics exceeded expectations.

For Government services, customer expectations of aesthetics exceeded the experience, however, the gap was small

- Government services were once again seen as having the worst experience on aesthetics, but expectations did not lag far behind.

Sector-specific *expectations* vs. *experience* of responsiveness alongside its *overall importance*
Average; 95% confidence intervals



Expectations/experience gap: Transparency

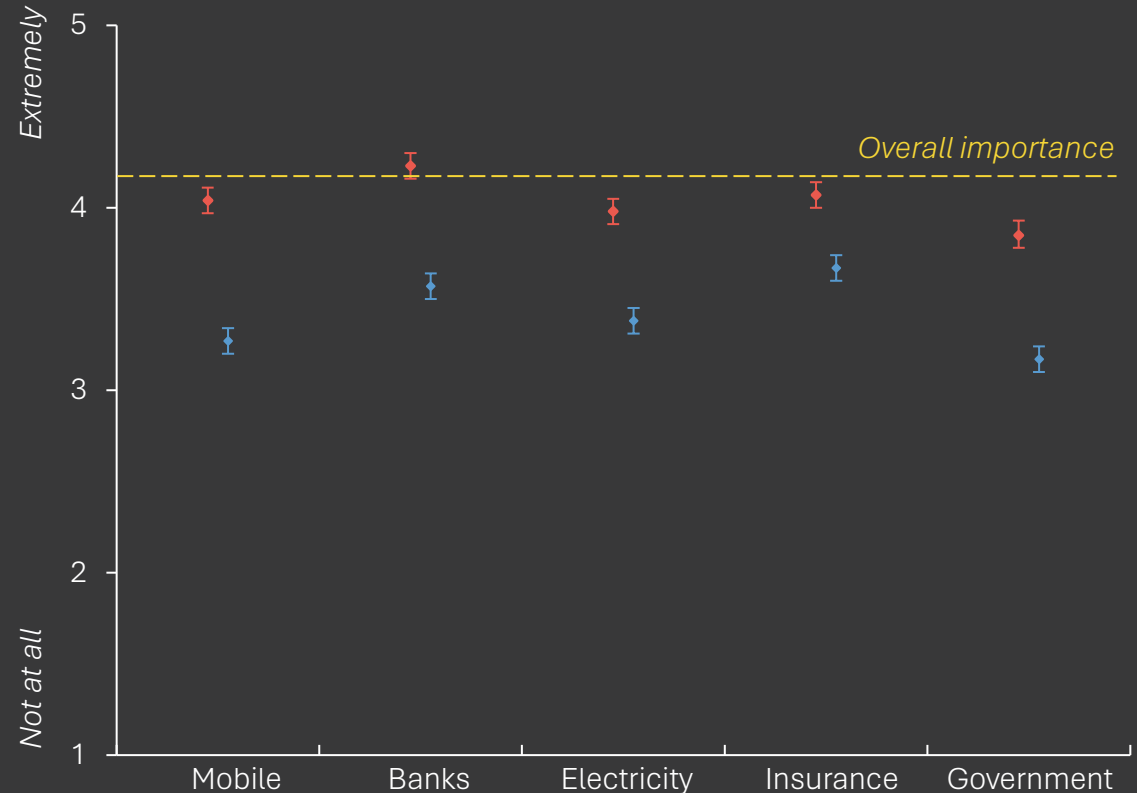
For the third most important quality dimension (i.e., transparency), customer experience fell short of expectations across all sectors

- Banking, electricity, and insurance saw the smallest gap between expectations and experience of transparency. This gap was most pronounced for mobile, followed by Government services.

Customers held the lowest expectations of transparency for Government services and had the poorest experience

- Customer expectations of transparency were lowest for Government services. The experience was also rated most poorly for these Government services.

Sector-specific *expectations* vs. *experience* of responsiveness alongside its *overall importance*
Average; 95% confidence intervals



Commercial service providers

Commercial service providers: Intention to remain (prediction)

Reliability predicted intention to remain across all sectors

- This was particularly the case for mobile and insurance providers, where the reliability dimension had a medium influence on customers' intention to stay.

Transparency had a small influence on intention to remain across most commercial sectors

- This applied to mobile, electricity and insurance.

Responsiveness and reassurance had a small influence on intention to remain for half of the commercial sectors, while empathy only had an influence within a single sector

- Responsiveness applied to banks and insurance.
- Reassurance had an influence on mobile and banks.
- Empathy applied only to electricity.

Service quality dimensions as predictors of intention to remain with current service provider in each commercial sector

| | <i>Mobile</i> | <i>Banks</i> | <i>Electricity</i> | <i>Insurance</i> |
|----------------|---------------|--------------|--------------------|------------------|
| Reliability | Medium ↑ | Small ↑ | Small ↑ | Medium ↑ |
| Reassurance | Small ↑ | Small ↑ | - | - |
| Empathy | - | - | Small ↑ | - |
| Responsiveness | - | Small ↑ | - | Small ↑ |
| Aesthetics | - | - | - | - |
| Transparency | Small ↑ | - | Small ↑ | Small ↑ |

*Small ↑ denotes a small but significant positive influence (standardised $\beta = 0.10-0.29$)
Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$)*

Commercial service providers: Customer retention

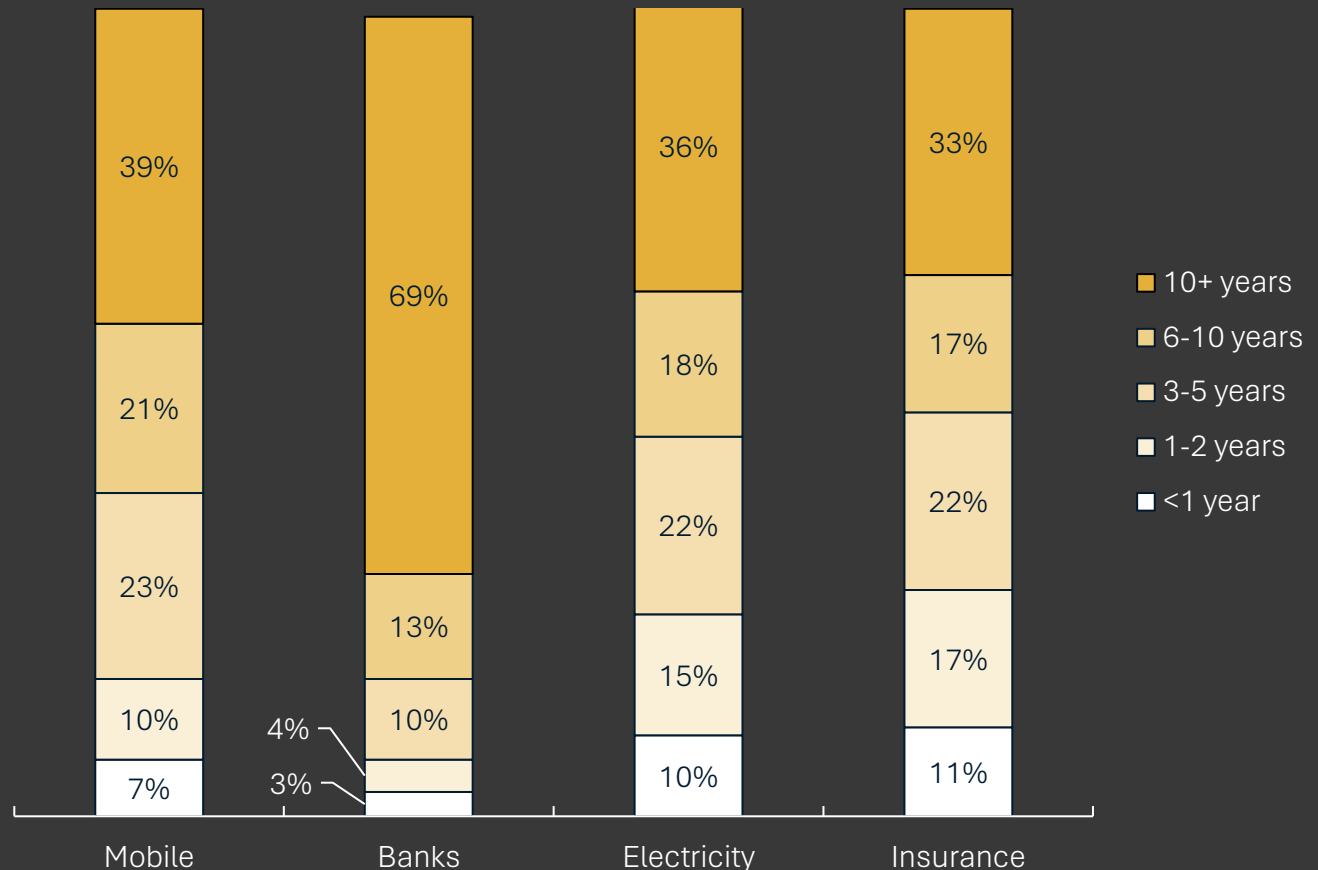
Bank customers had significantly greater tenure (10+ years)

- 69% of bank customers had stayed with their current provider for 10+ years, compared to 33% for insurance, 36% for electricity, and 39% for mobile.

Newer customers (5 years or less) were generally fewer across sectors

- Only 17% of respondents reported having been with their current bank for 5 years or less, while the equivalent proportion for insurance providers was 50%.

Length of time spent with current service provider in each commercial sector
Proportion; may not sum to 100% due to rounding error



Commercial service providers: Service quality vs. cost

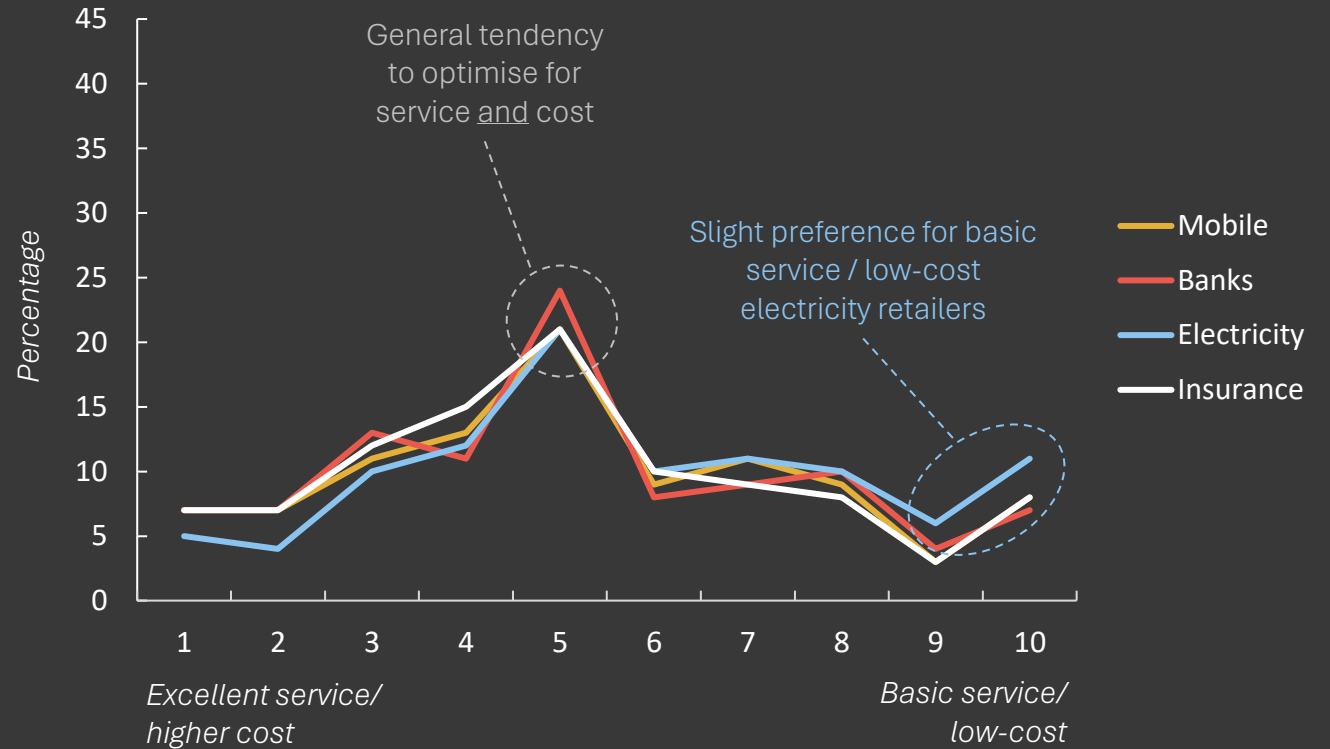
Respondents looked to optimise the service vs. cost trade-off

- Average evaluations across all sectors were close to the mid-point, indicating that respondents were looking to balance service quality against cost.

Respondents were more budget conscious in their choice of electricity retailer

- There was a small but significant tendency for respondents to prefer electricity retailers that offered a basic service / low-cost offering.

Relative importance of service quality vs. cost in each commercial sector



Customer complaints

Complaints

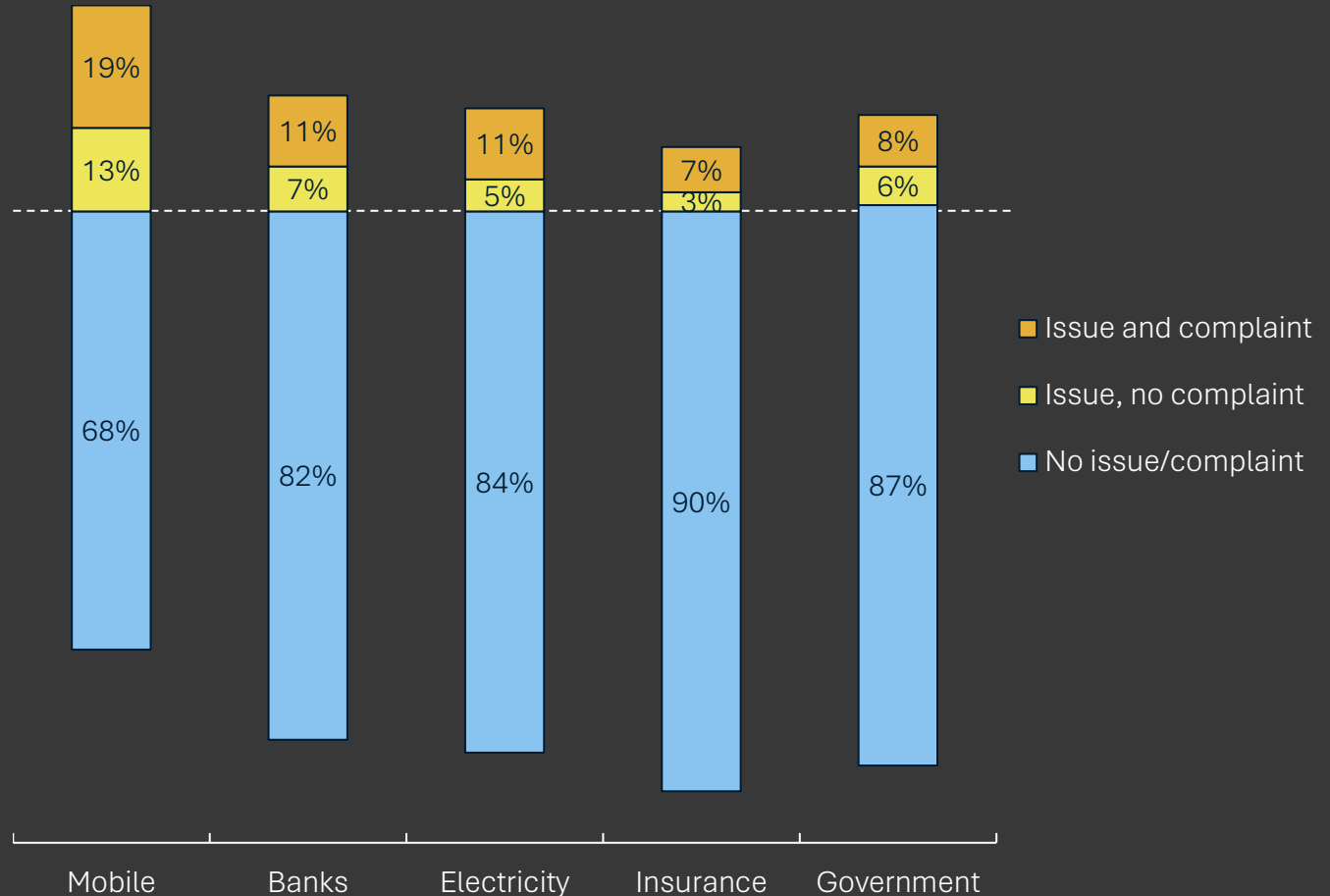
Across sectors, most respondents reported no problems / complaints over the past 12 months

- Mobile had the highest proportion of issues (32%) and complaints (19%), respectively.

More than half of issues resulted in complaints

- Across industries there was a greater percentage of issues with a complaint than issues without a complaint.

Proportion of respondents who had complained in past 12 months by sector
Proportion; may not sum to 100% due to rounding error



Complaints: Impact on service satisfaction

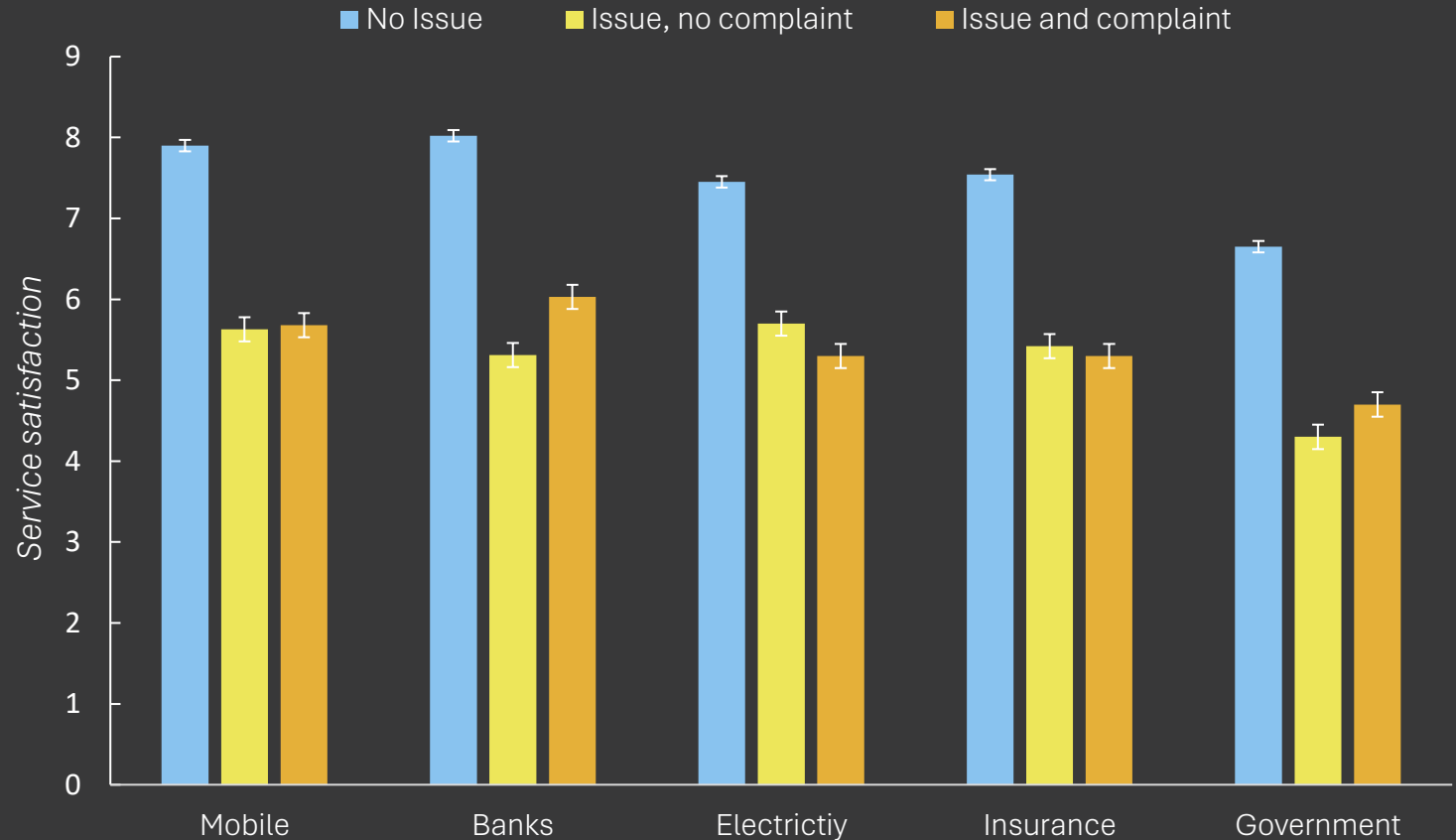
Having an issue resulted in lower service satisfaction

- Having an issue (irrespective of whether a complaint was made) reduced service satisfaction.

For those who had an issue, service satisfaction did not differ whether customers complained or not

- This is of note given that customers making a complaint give organisations an opportunity to turn a dissatisfied customer into a satisfied one.

*Levels of service satisfaction among those who had vs. had not complained, by sector
Average; 95% confidence intervals*

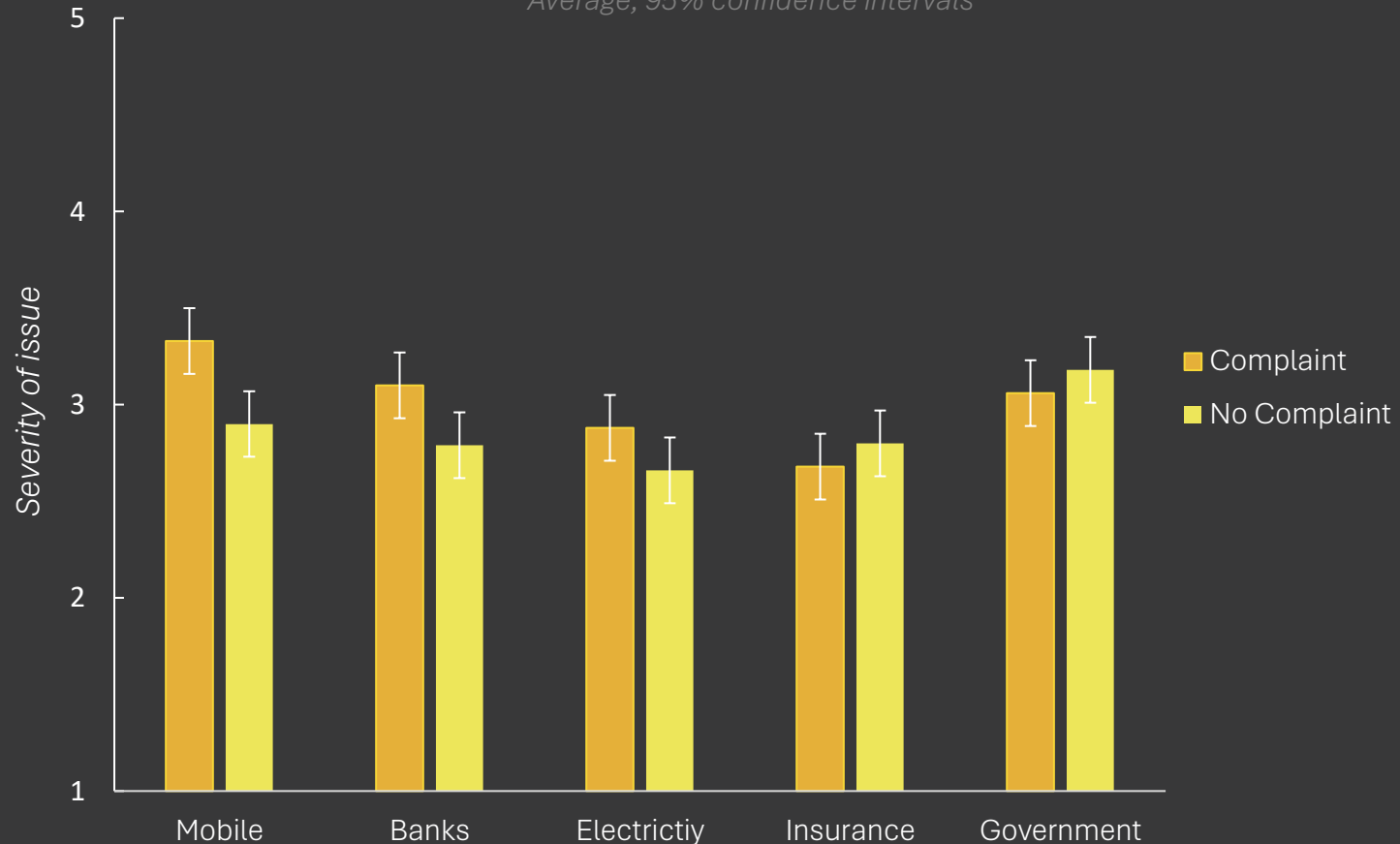


Complaints: Issue severity

Issue severity did not consistently predict complaining behaviour

- Issue severity was higher among those making a complaint for mobile and banking.
- No significant differences in issue severity were found between those who did (vs. did not) make a complaint for electricity, insurance, or Government services.

Issue severity among those who had vs. had not complained, by sector
Average; 95% confidence intervals



Customer complaining experience

Complaining experience: Ease of complaining

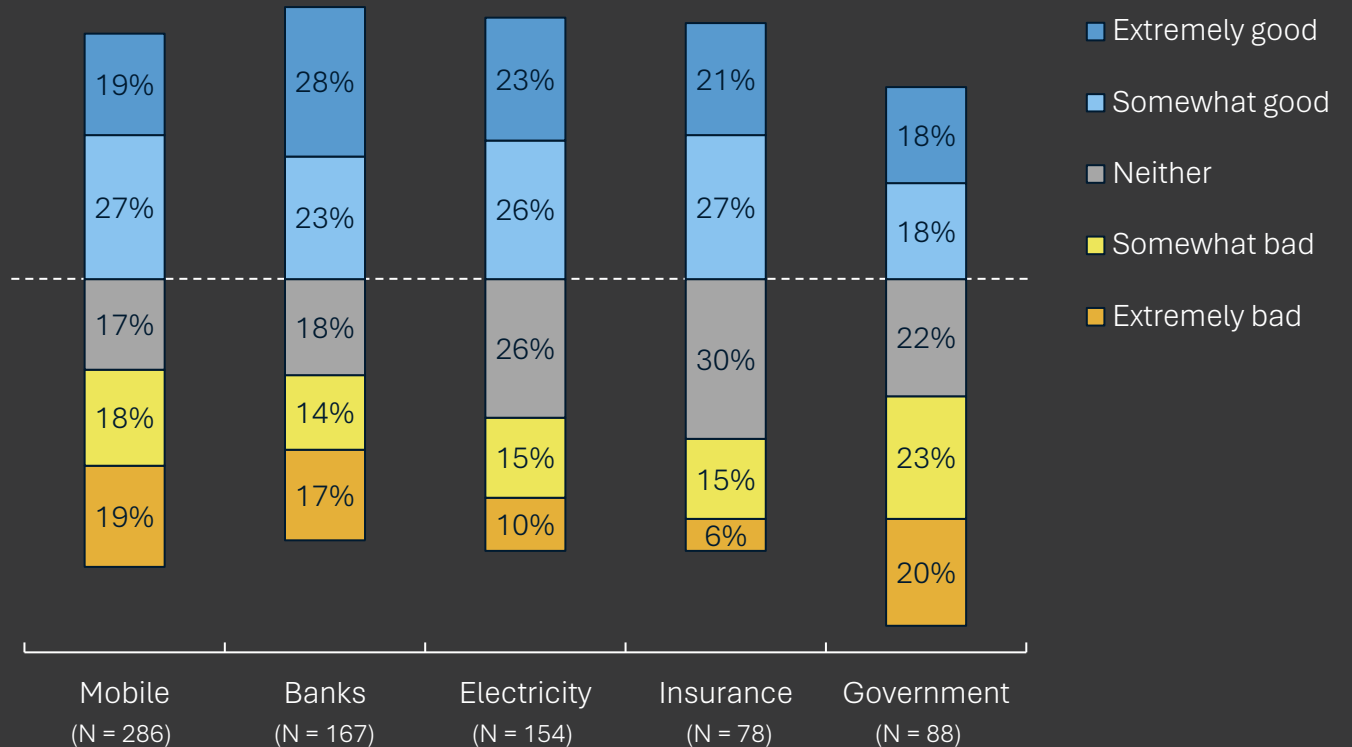
Making a customer complaint is not always easy

- Across all industries, most respondents perceived that it was not easy to make a complaint.

Making a complaint was perceived as somewhat easier in some sectors

- For banks, over half (51%) agreed that making a complaint was easy, followed by electricity (49%) and insurance (48%).

Perceptions of ease of making complaint
Proportion; may not sum to 100% due to rounding error

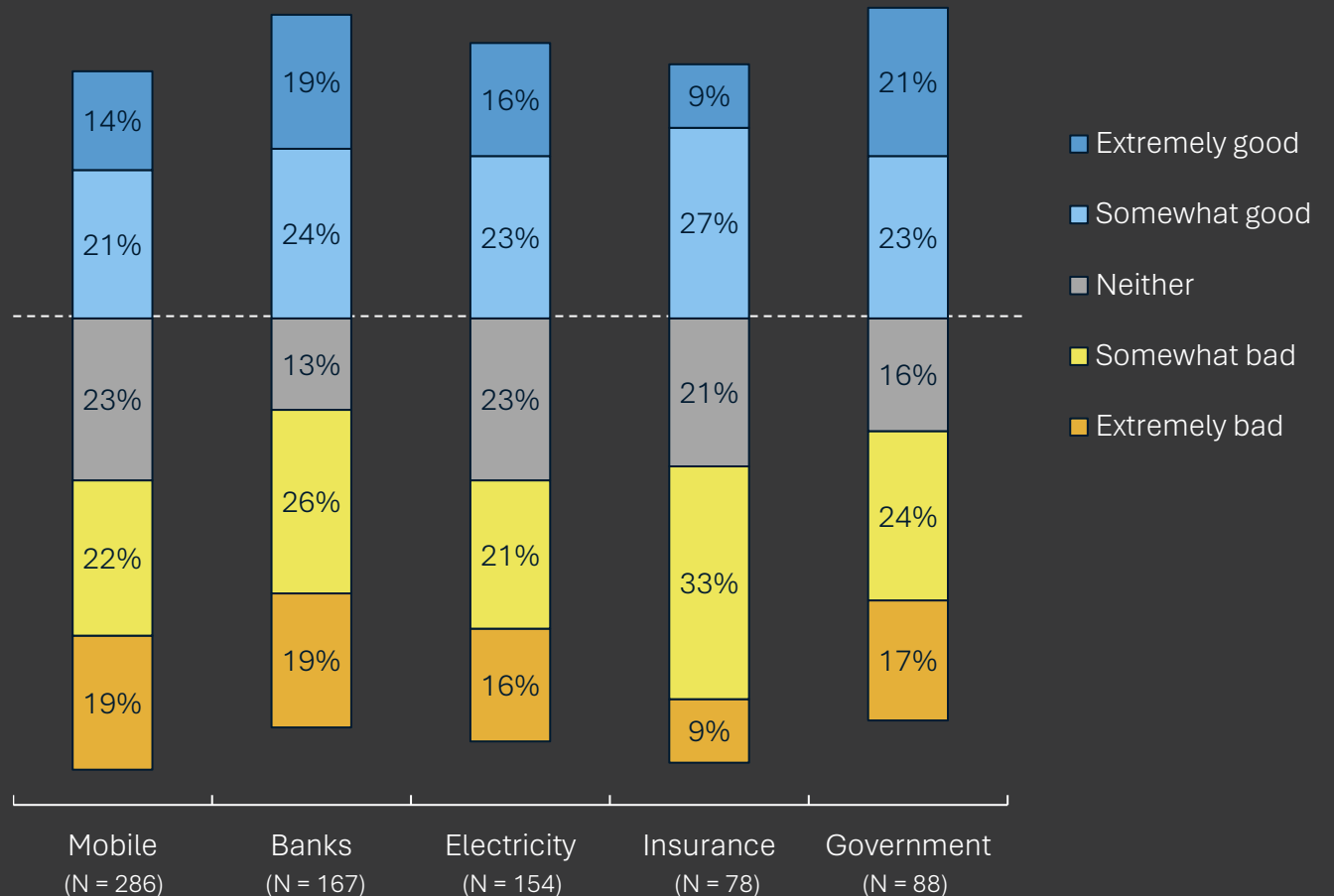


Complaining experience: How complaint was handled by staff

Perceptions of complaint handling by staff
Proportion; may not sum to 100% due to rounding error

Perceived poor complaint handling appears the norm

- A minority of respondents perceived complaint handling as 'extremely' or 'somewhat' good, ranging from 35% (mobile) to 44% (Government services).



Complaining experience: Speed of complaint resolution

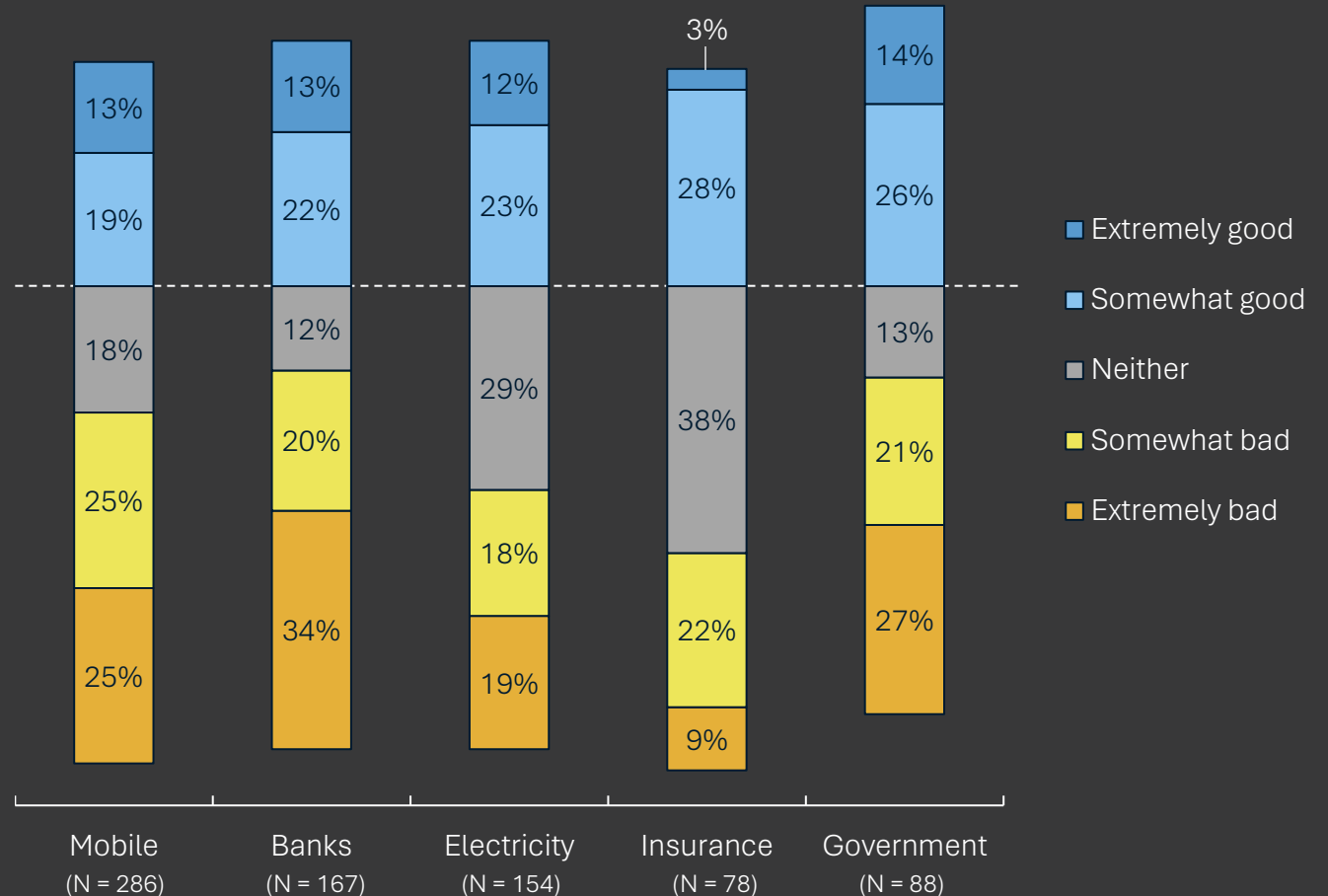
Speed of complaint resolution was widely deemed unsatisfactory

- Speed of complaint resolution was deemed to be particularly poor for banks and mobile, with more than half considering it to be 'somewhat' or 'extremely' bad.

Government services were perceived to perform 'best' on speed of complaint resolution

- For Government services (40%), the time taken to resolve complaints was deemed better than other sectors, although the proportion who were dissatisfied with the speed of complaint resolution was still high (48%).

Perceptions of time taken to resolve complaint
Proportion; may not sum to 100% due to rounding error



Complaining experience: Outcome of complaint

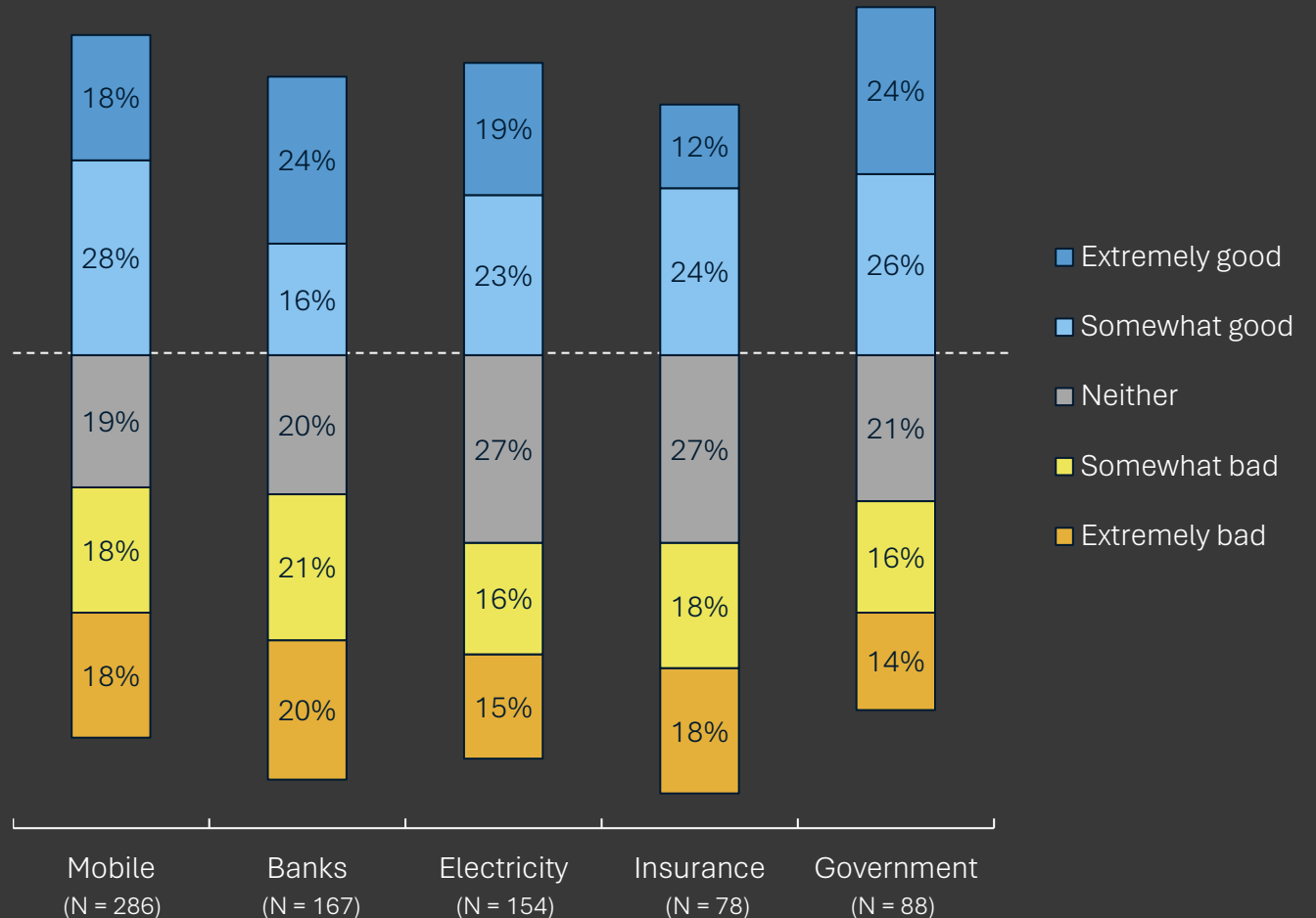
Perceptions of complaint outcome were poorest for banks followed by insurance and mobile

- 41% of respondents perceived the complaint outcome as 'somewhat' or 'extremely' bad for banks, followed by insurance (36%), and mobile (36%).

Government was the best performer for complaint outcome, but off a low base

- Half (50%) of respondents rated Government services as 'extremely' or 'somewhat' good regarding complaint outcome.

Perceptions of complaint outcome
Proportion; may not sum to 100% due to rounding error



Complaining experience: Outcome on service satisfaction (mobile)

Service satisfaction was strongly related to complaint outcomes

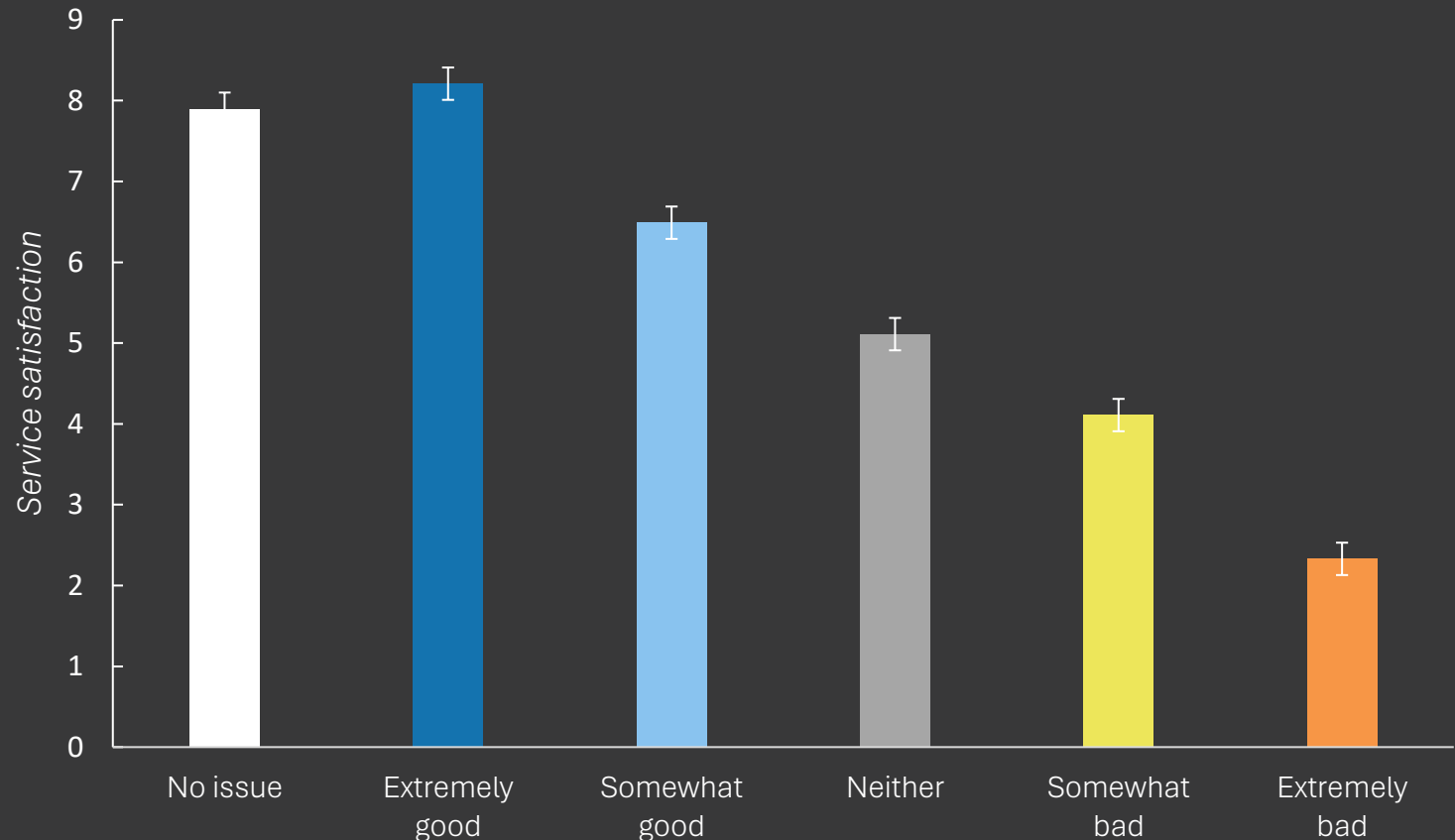
- The lower respondents rated the complaint outcome, the lower their satisfaction with the service provider.

Extremely good complaint outcomes resulted in higher satisfaction

- Those who rated their complaint outcome as 'extremely good' had a small but significantly higher satisfaction rate.

The same pattern of results was generally seen across all sectors

*Levels of service satisfaction among complaint outcome perception
Average; 95% confidence intervals*



Complaining experience: Outcome on service satisfaction (mobile)

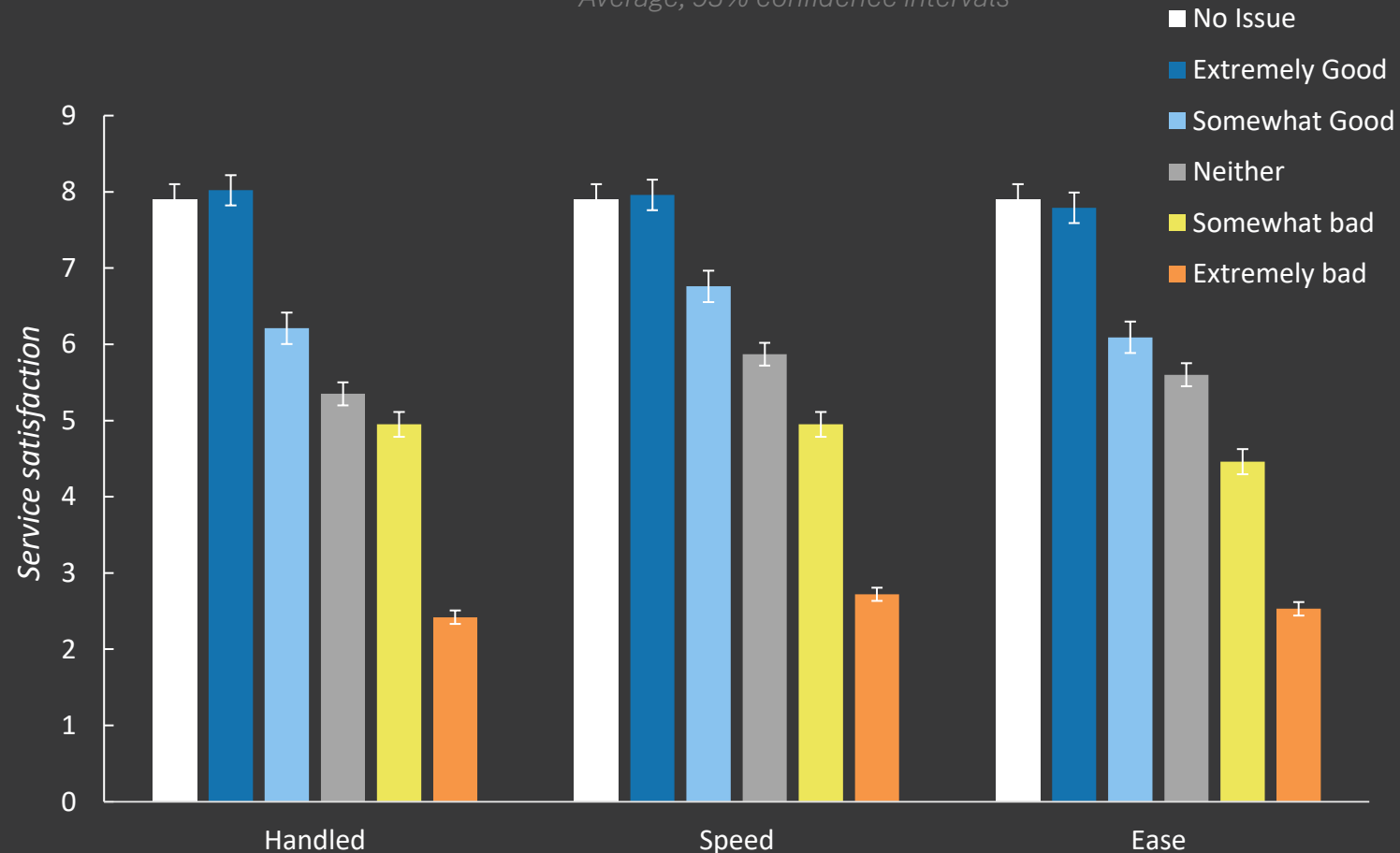
The same pattern of results was seen across the other complaint handling metrics

- The lower respondents rated how the complaint was handled, as well as the speed and ease with which it was handled, the lower their satisfaction with the service provider.

When controlling for service quality, severity of the issue did not predict satisfaction

More financial pressure resulted in lower complaint handling perceptions

Levels of service satisfaction among complaint handling, speed, and perception of ease
Average; 95% confidence intervals



Appendix 1

Mobile phone service providers

Mobile phone service providers: Service expectations

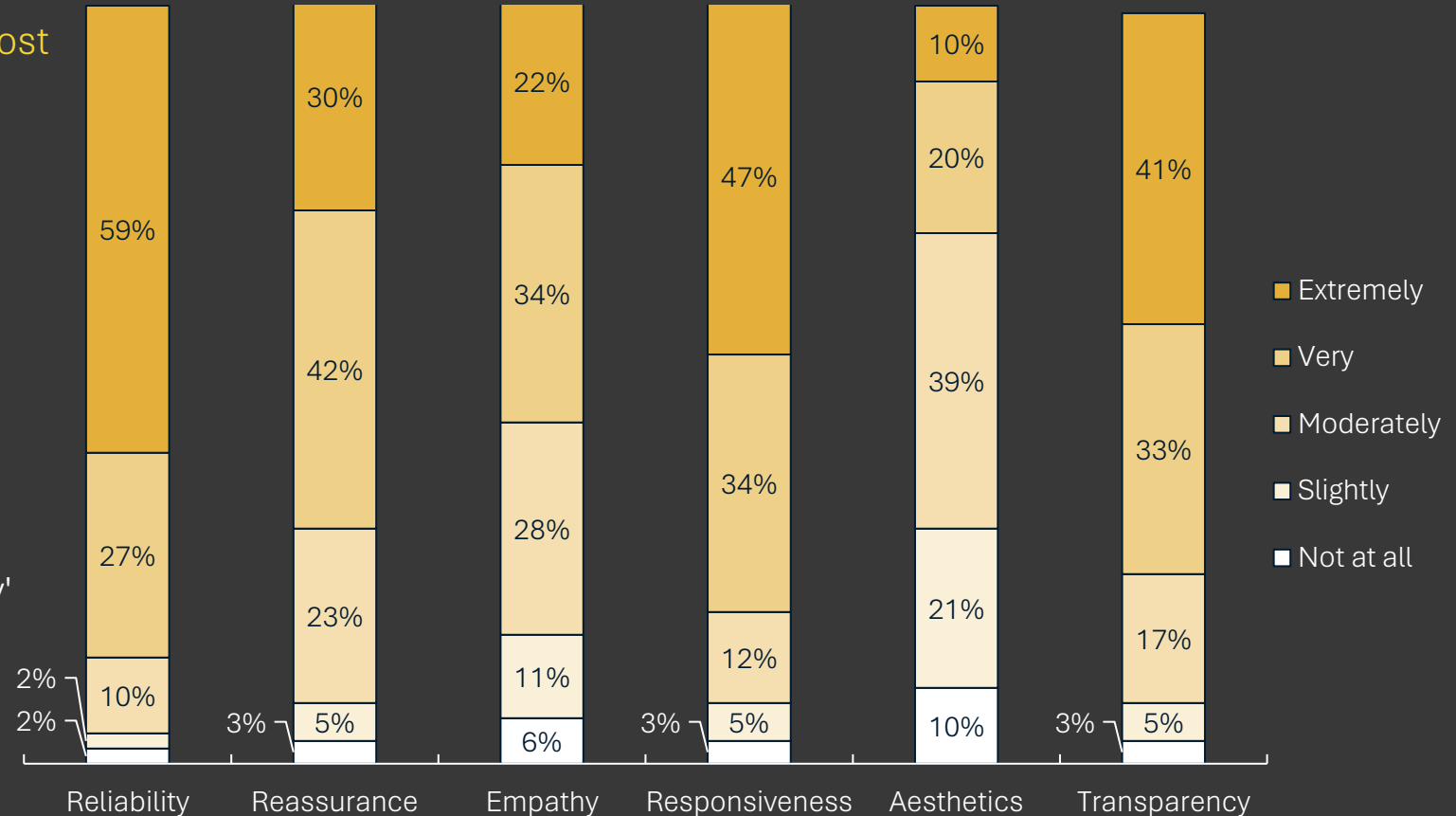
In the mobile phone sector, reliability, responsiveness and transparency were the top three most valued quality dimensions

- Mobile customers placed high importance on reliability (86%), responsiveness (81%), and transparency (74%).

Aesthetics was valued least by mobile customers

- Only 30% of customers viewed aesthetics as 'extremely' or 'very' important.

Perceived value of different service quality dimensions among mobile phone service providers
Proportion; may not sum to 100% due to rounding error



Customer expectations: Mobile

Respondents who were female, older and experiencing financial pressure were more likely to perceive service quality to have declined

- This perception was most pronounced among those aged 60+ (vs. 18-39-year-olds).
- Those experiencing financial pressure (vs. comfort) also reported needing to complain more.

These respondents did not perceive their own service expectations had increased

- This perception was most pronounced for those aged 60+ (vs. 18-39-year-olds).

Demographic predictors of perceptions that service quality has changed over time

| | Outcome | Handling | Speed | Ease |
|----------------------------|----------|----------|---------|------|
| Female [Male] | Small ↑ | Small ↓ | - | |
| Age (40-59) [18-39] | Small ↑ | Small ↓ | - | |
| Age (60+) [18-39] | Medium ↑ | Medium ↓ | - | |
| Regional [Urban] | - | - | - | |
| TAFE [High school] | - | - | - | |
| University [High school] | - | - | - | |
| Fin. struggle [Comfort.] | Small ↑ | Small ↓ | - | |
| Fin. pressure [Comfort.] | Small ↑ | Small ↓ | Small ↑ | |
| Disability [No Disability] | - | - | Small ↑ | |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$)

Mobile phone service providers: Service expectations (segmentation)

Women valued empathy and aesthetics more

- Small increases in the value placed on both empathy and aesthetics were seen for women (vs. men).

Those who were University educated valued reliability more and aesthetics less

- A small increase was found for the value attached to reliability, but less value was placed on aesthetics by this cohort.

Demographic predictors of value of different service quality dimensions among mobile phone service providers

| | <i>Reliability</i> | <i>Reassurance</i> | <i>Empathy</i> | <i>Responsive</i> | <i>Aesthetics</i> | <i>Transparent</i> |
|--------------------------|--------------------|--------------------|----------------|-------------------|-------------------|--------------------|
| Female [Male] | - | - | Small ↑ | - | Small ↑ | - |
| Age (40-59) [18-39] | - | - | - | - | - | - |
| Age (60+) [18-39] | - | - | - | - | - | - |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | Small ↑ | - | - | - | Small ↓ | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

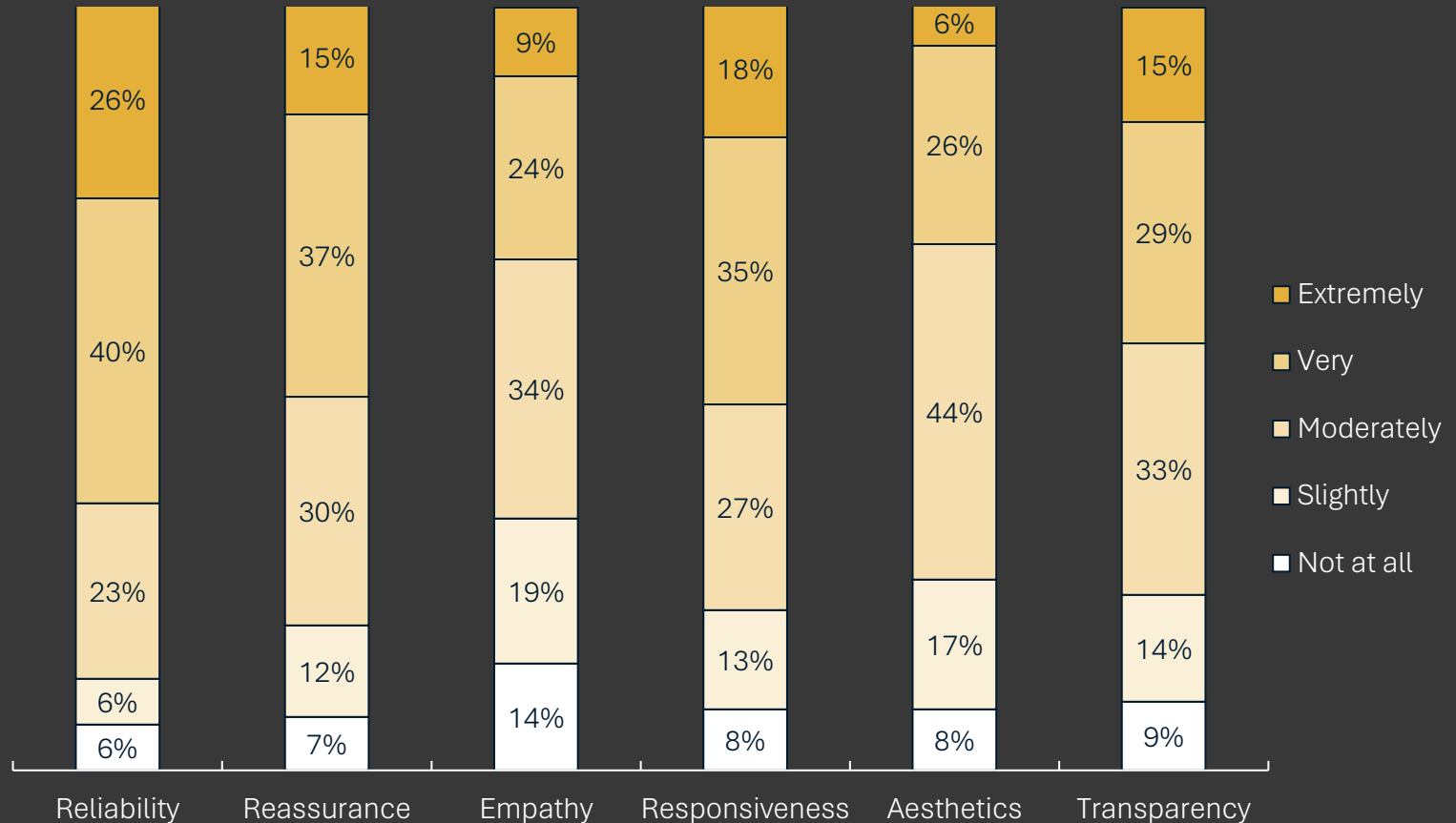
Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Mobile phone service providers: Service experience

How well each service quality dimension describes current mobile phone service provider
Proportion; may not sum to 100% due to rounding error

Mobile providers were described in terms of their reliability, reassurance, and responsiveness

- Two thirds (66%) described their current mobile provider as very/extremely reliable.
- Over half saw them as either very/extremely responsive (53%) or very/extremely reassuring (52%).



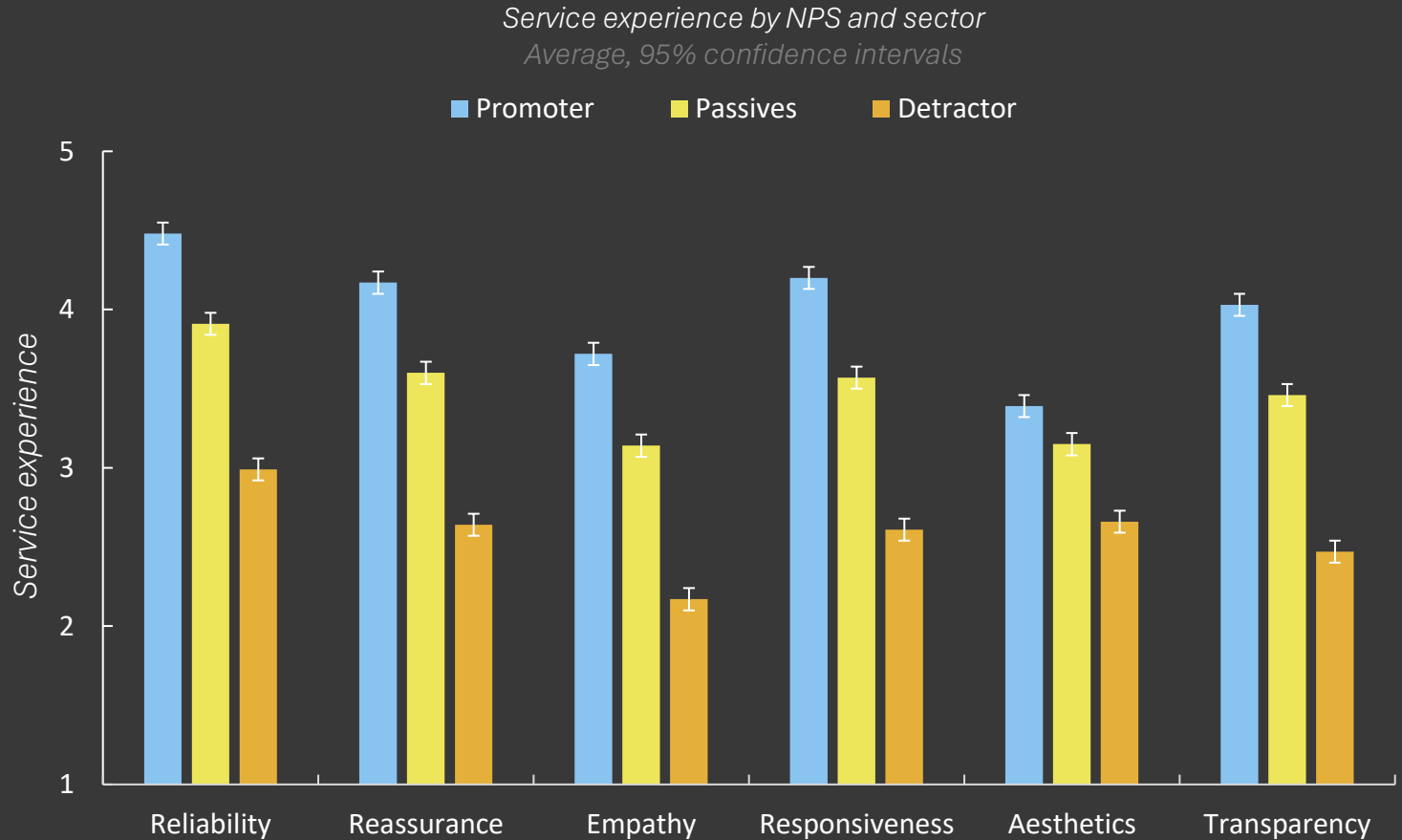
Mobile providers : Service experience x NPS

Promoters perceived a superior service experience on all quality dimensions

- Relative to passives and detractors, promoters reported a better service experience.

Passives also perceived a superior service experience on all quality dimensions compared to detractors

- Relative to detractors, passives perceived a better-quality service experience across all dimensions.



Mobile phone service providers: Service experience (segmentation)

Older consumers had more favourable beliefs across most service quality dimensions

- Relative to 18–39-year-olds, those aged 60+ were more likely to believe that their current provider had good performance on all dimensions, except aesthetics.
- This was also the case for 40-59-year-olds (vs. 18-39) for reliability and reassurance.

Financially pressured customers believed providers were less transparent

Demographic predictors of believing that each dimension well describes current mobile phone service provider

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | Small ↑ | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | - | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | Small ↓ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Mobile phone service providers: Priority improvement areas

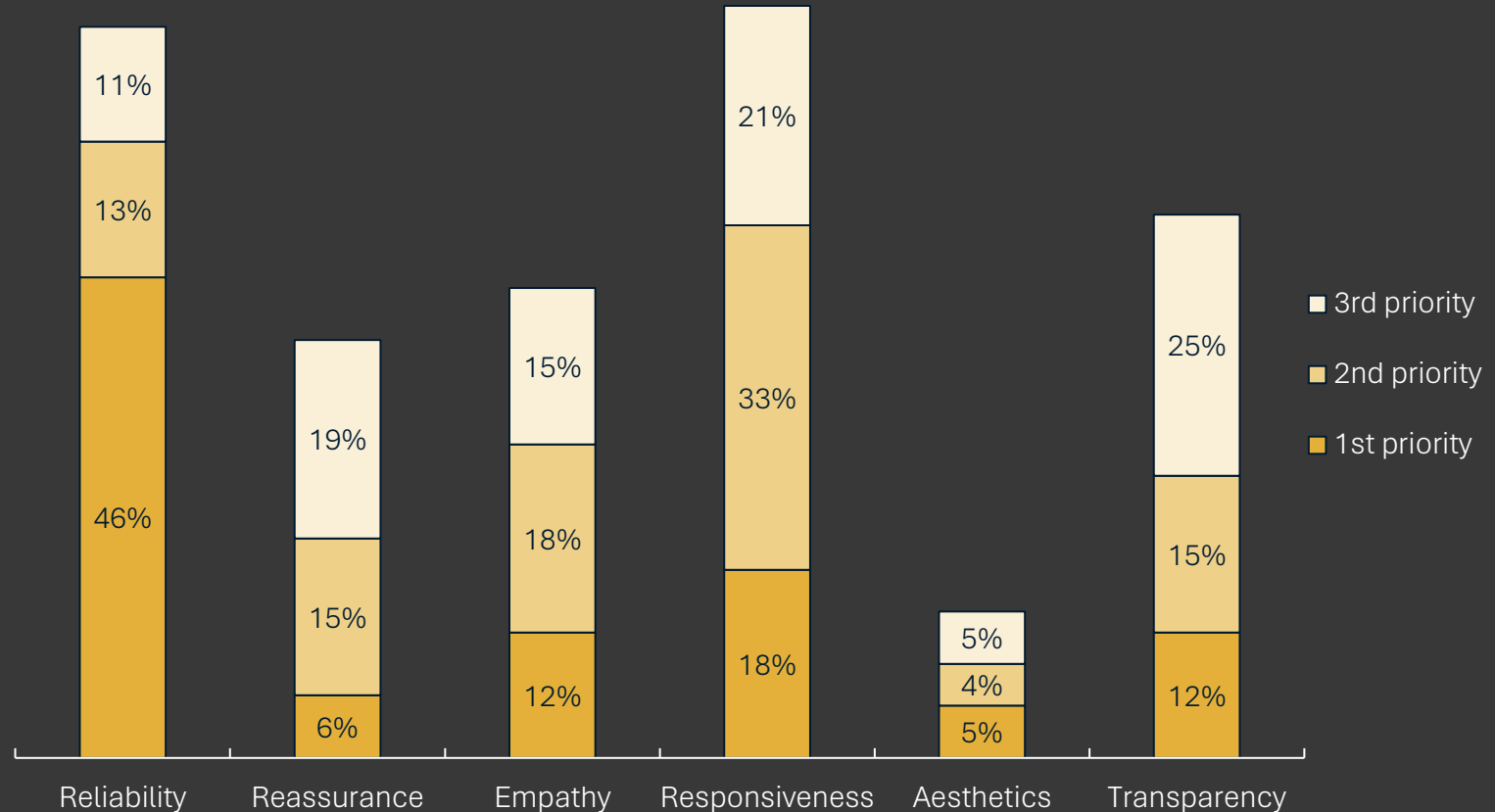
Reliability was the 'number one' service quality dimension to improve

- Almost half of respondents (46%) indicated that reliability was the 'number one' priority for mobile phone providers to improve on.

Responsiveness received the most priority ratings

- Almost three quarters of respondents (72%) selected responsiveness as one of their top three areas for improvement.

*Top three dimensions that current mobile phone service provider should improve
Proportion; total exceeds 100% because respondents could select three dimensions*

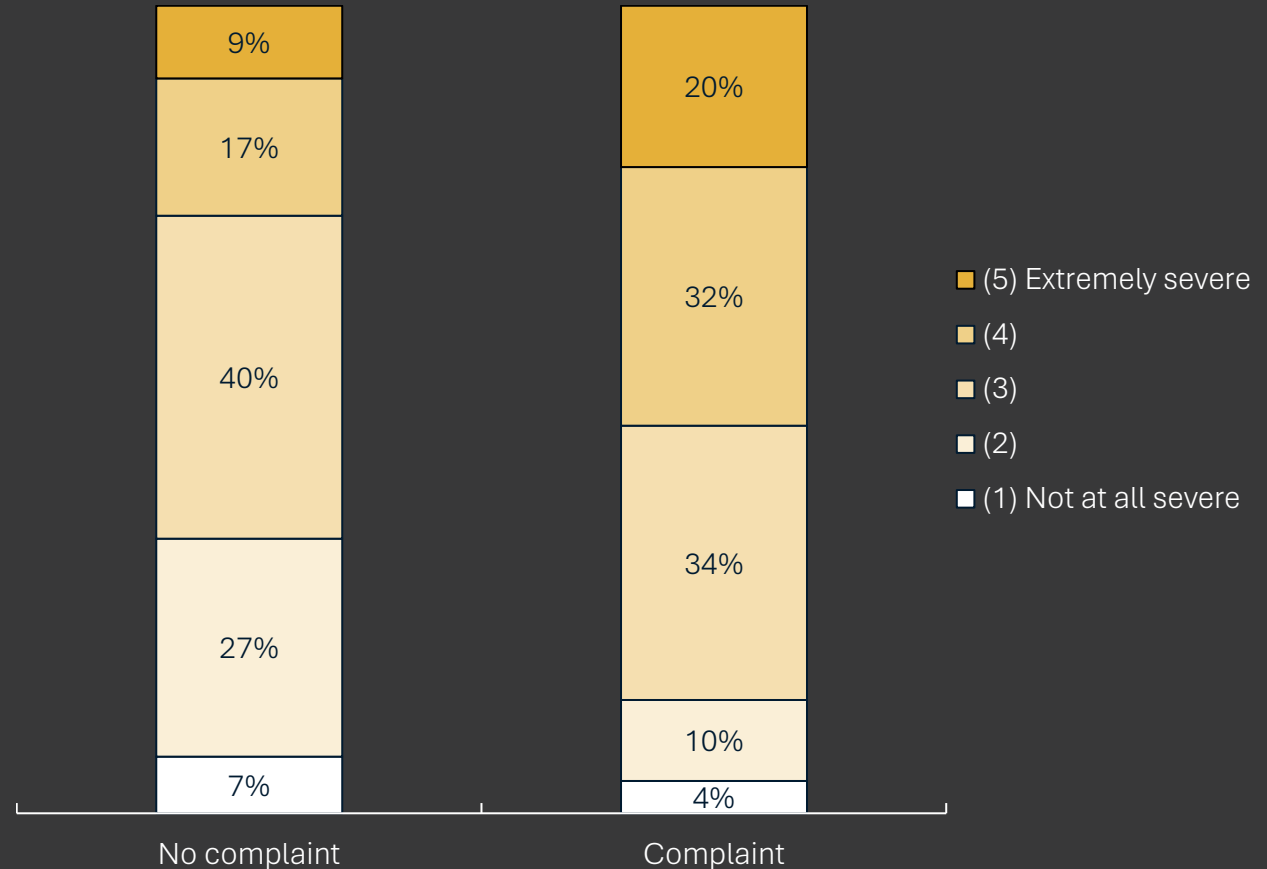


Mobile phone service providers: Issue severity × complaints

*Issue severity (among those who reported one) by whether they complained
Proportion; may not sum to 100% due to rounding error*

Issue severity was related to complaint behaviour

- The two highest issue severity ratings were selected by 52% of complainers (vs. 26% of non-complainers).



Appendix 2

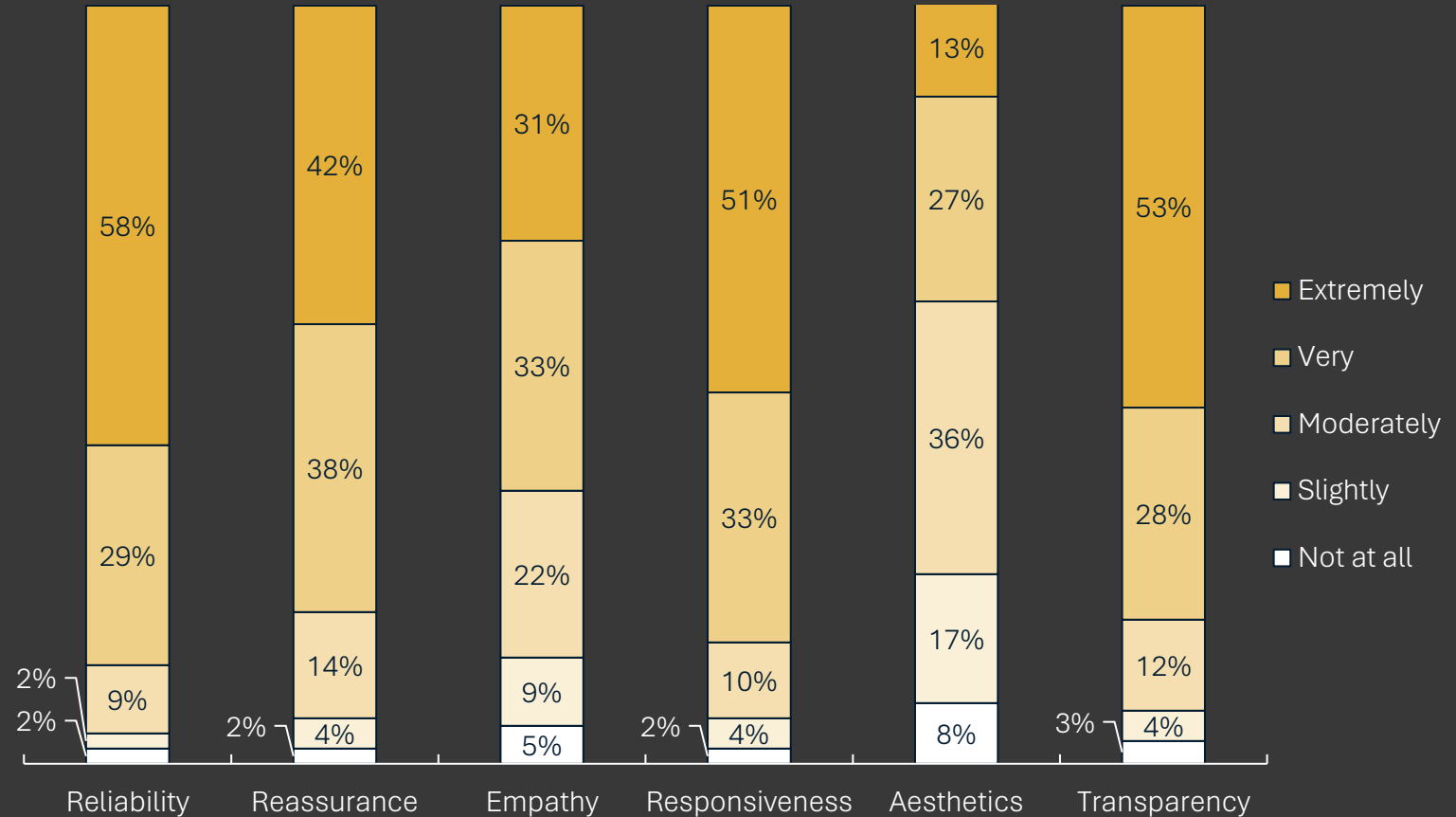
Day-to-day banking providers

Banking providers: Service expectations

Perceived value of different service quality dimensions among banking providers
Proportion; may not sum to 100% due to rounding error

Reliability, transparency, and responsiveness were most valued

- Respondents rated reliability (58%), transparency (53%), and responsiveness (51%) as being extremely important for banking providers.



Banking providers: Service expectations (segmentation)

Women and university educated respondents had higher service expectations

- Women were more likely than men to value reassurance, empathy, responsiveness, and transparency.
- University educated respondents were more likely to value reliability, responsiveness, and transparency relative to those with a high school education.

Demographic predictors of value of different service quality dimensions among banking providers

| | <i>Reliability</i> | <i>Reassurance</i> | <i>Empathy</i> | <i>Responsive</i> | <i>Aesthetics</i> | <i>Transparent</i> |
|--------------------------|--------------------|--------------------|----------------|-------------------|-------------------|--------------------|
| Female [Male] | - | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Age (40-59) [18-39] | - | - | - | - | - | - |
| Age (60+) [18-39] | - | - | - | - | - | - |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | Small ↑ | - | - | Small ↑ | - | Small ↑ |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Banking providers: Service experience

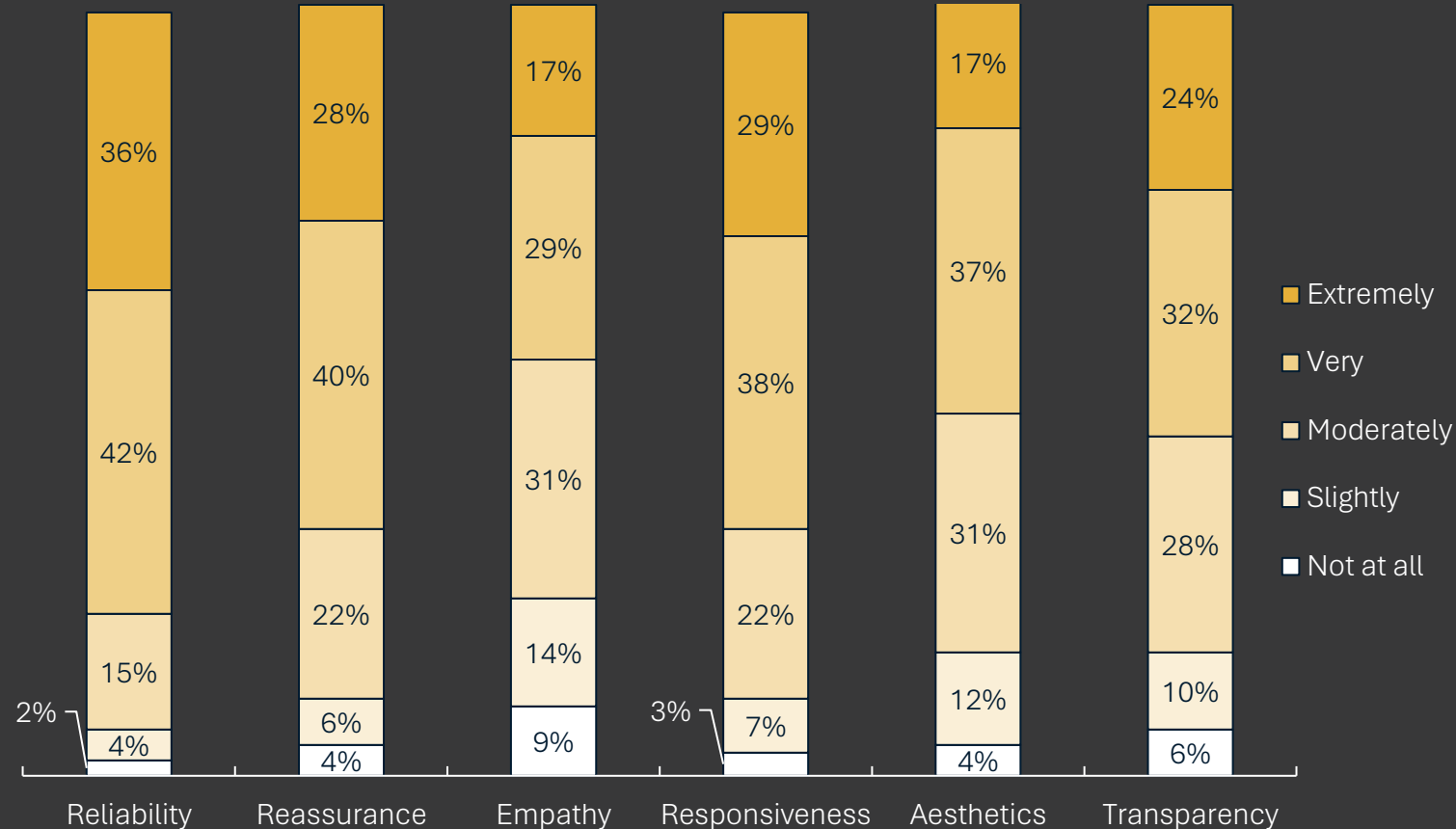
Reliability perceptions of current banking provider were high

- Over three-quarters (78%) thought their bank was 'very' or 'extremely' reliable.

Empathy, transparency, and aesthetic ratings were lower

- Around half of respondents thought their bank was 'not at all', 'slightly', or 'moderately' empathetic (54%), aesthetically pleasing (47%), or transparent (44%).

How well each service quality dimension describes current banking provider
Proportion; may not sum to 100% due to rounding error



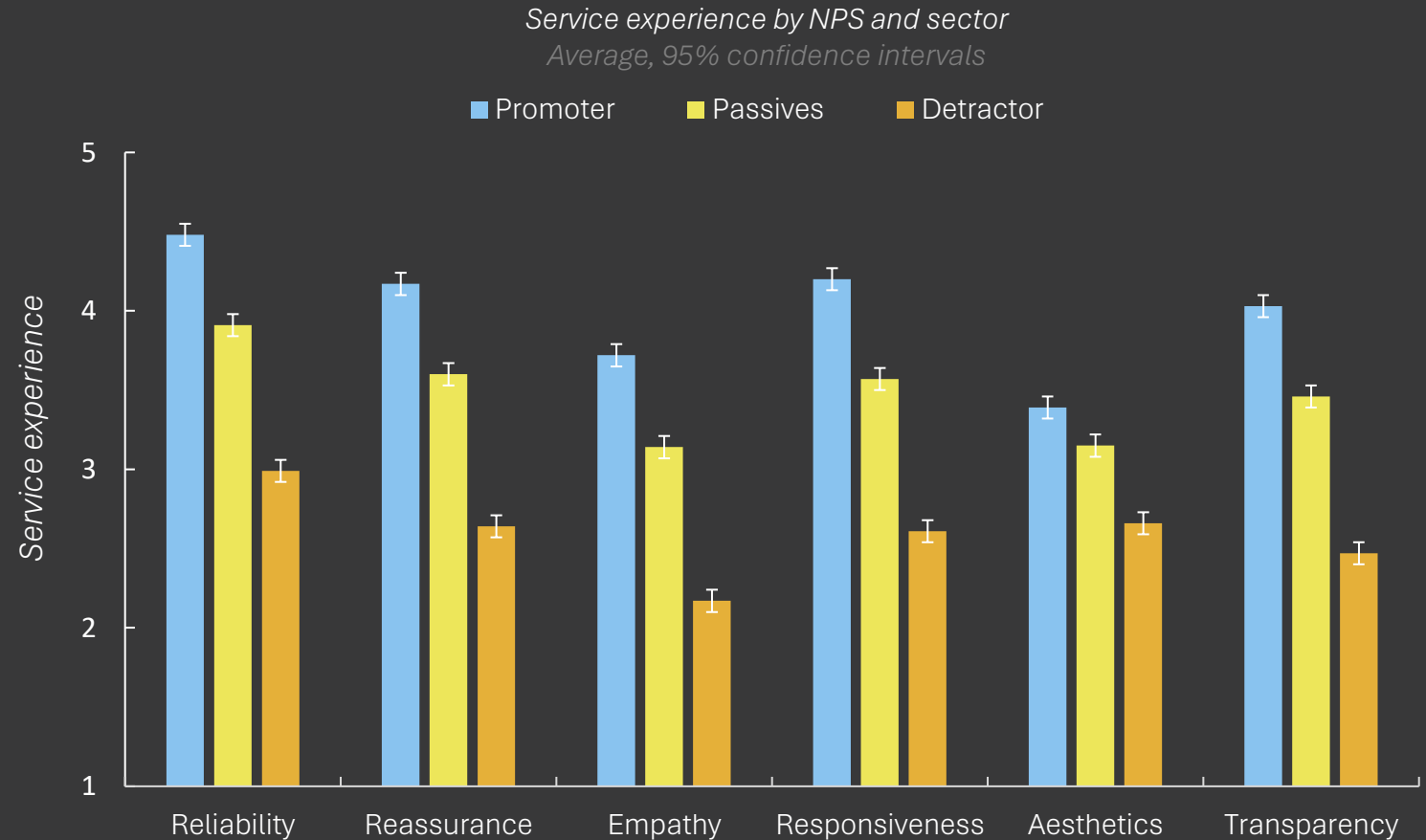
Banking providers: Service experience x NPS

Promoters perceived a superior experience on all service quality dimensions

- Relative to passives and detractors, promoters reported a better service experience.

Similarly, passives perceived superior service for all quality dimensions compared to detractors

- Relative to detractors, passives perceived a better-quality service experience across all dimensions.



Banking providers: Service experience (segmentation)

Women and those 60+ reported slightly better service quality

- Relative to men, women believed their bank was more reassuring and empathetic.
- Those 60+ believed their bank was more reassuring and transparent (vs. 18-39-year-olds).

Financial pressure influenced service experience

- Those reporting financial pressure believed their bank was less reliable and transparent than those who felt financially comfortable.

Demographic predictors of believing that each dimension well describes current banking provider

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | Small ↑ | Small ↑ | - | - | - |
| Age (40-59) [18-39] | - | - | - | - | - | - |
| Age (60+) [18-39] | - | Small ↑ | - | - | - | Small ↑ |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | - | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | Small ↓ | - | - | - | - | Small ↓ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Banking providers: Priority improvement areas

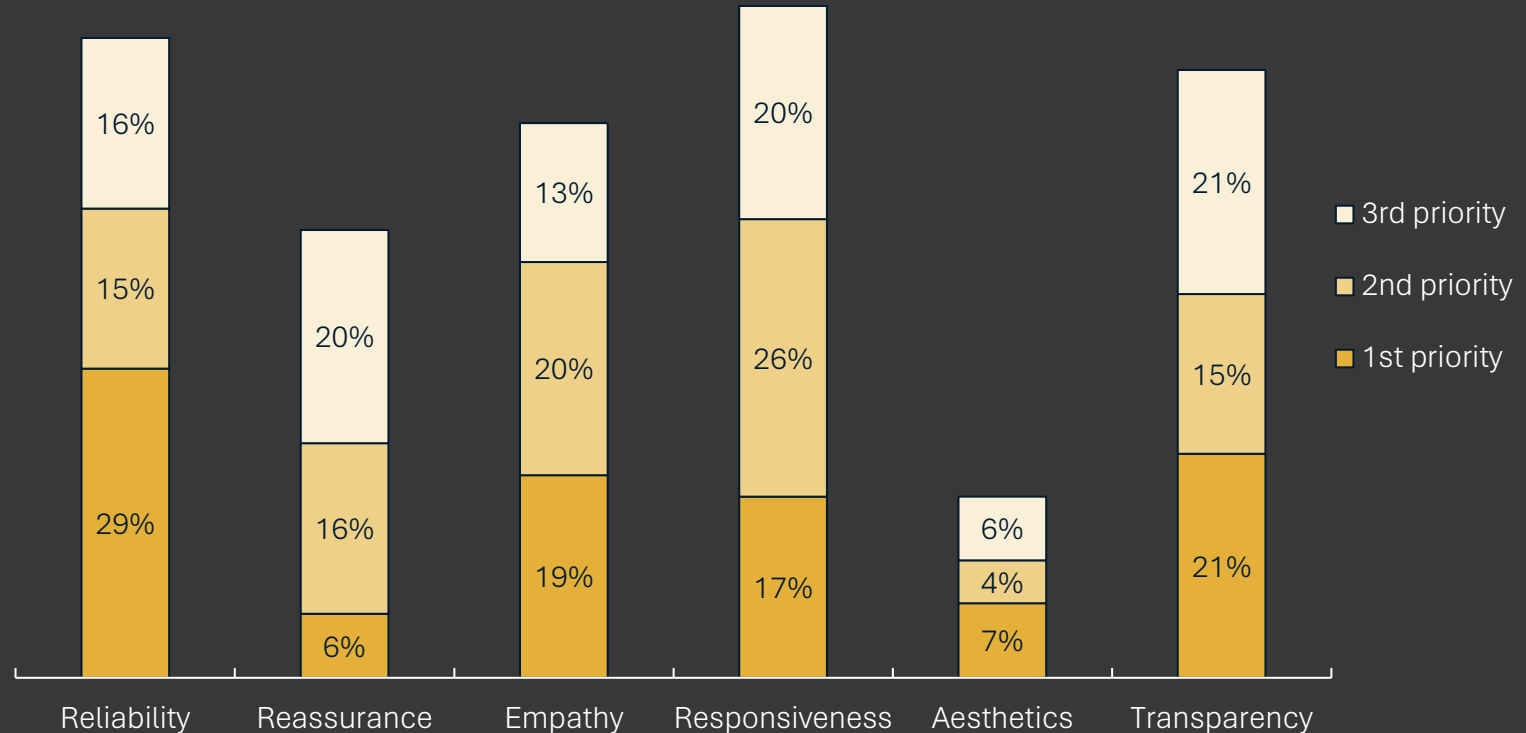
Reliability and transparency were deemed most in need of improvement

- 29% and 21% of respondents rated reliability and transparency, respectively, as being the highest priority areas for improvement.

Responsiveness attracted the most total improvement rankings

- Almost two-thirds (63%) of respondents selected responsiveness as one of their top three areas for improvement.

*Top three dimensions that current banking provider should improve
Proportion; total exceeds 100% because respondents could select three dimensions*

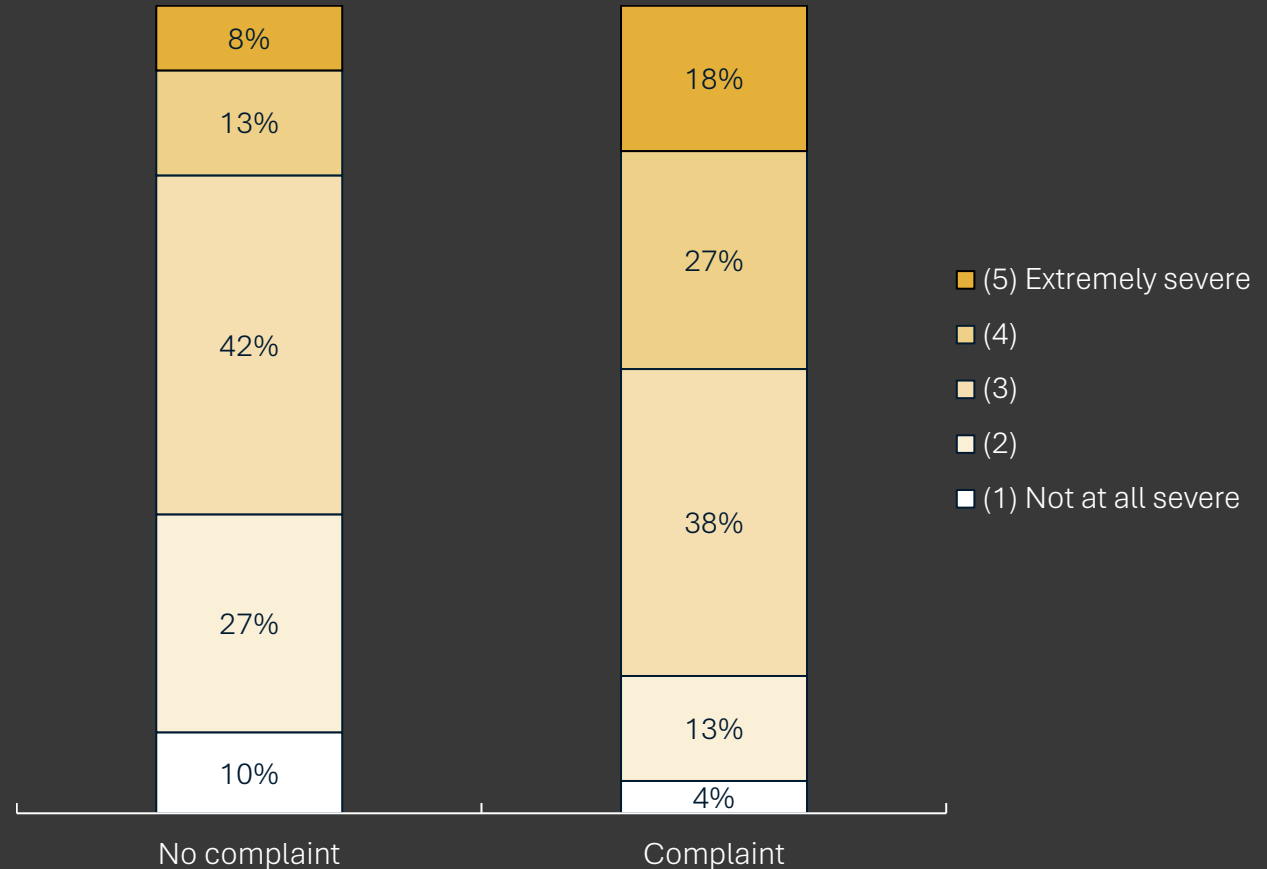


Banking providers: Issue severity × complaints

Issue severity (among those who reported one) by whether they complained
Proportion; may not sum to 100% due to rounding error

Issue severity was related to complaining

- The two highest issue severity ratings were selected by 45% of complainers (vs. 21% of non-complainers).



Appendix 3

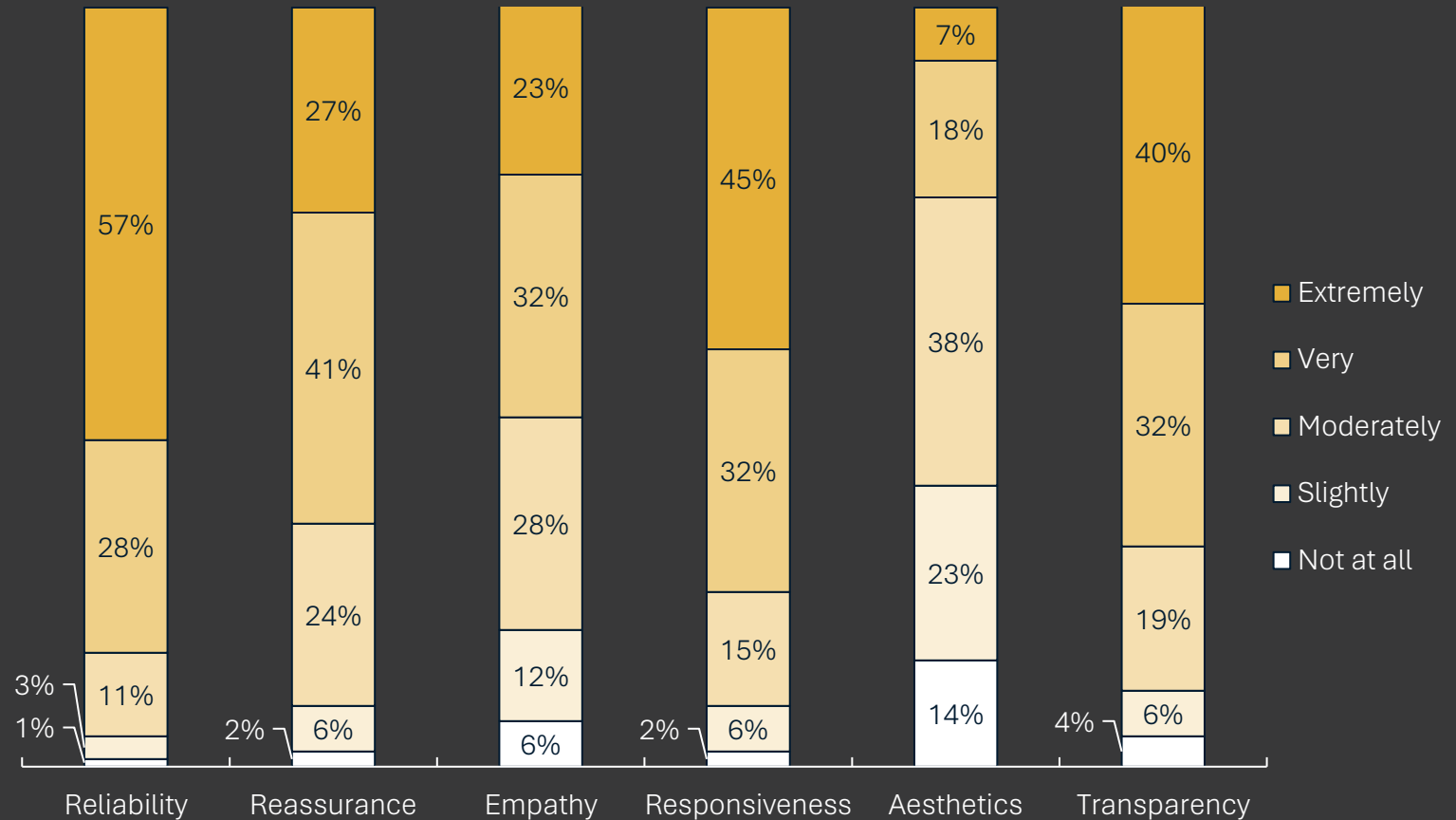
Electricity retailers

Electricity retailers: Service expectations

Perceived value of different service quality dimensions among electricity retailers
Proportion; may not sum to 100% due to rounding error

Reliability and responsiveness were most valued

- 57% and 45% of respondents rated reliability and responsiveness, respectively, as being extremely important for electricity retailers.



Electricity retailers: Service expectations (segmentation)

Women valued reassurance, empathy, and transparency

- Women were more likely than men to value reassurance, empathy, and transparency from electricity retailers.

Those aged 60+ had higher service expectations

- All service attributes (except aesthetics) were valued more highly by those aged 60+ relative to those aged 18-39.

University educated respondents valued functional benefits

- University educated wanted reliable and responsive – but not aesthetic – service.

Demographic predictors of value of different service quality dimensions among electricity retailers

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | Small ↑ | Small ↑ | - | - | Small ↑ |
| Age (40-59) [18-39] | Small ↑ | - | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↑ | - | Small ↑ | Small ↑ | Small ↑ |
| Regional [Urban] | - | - | - | Small ↑ | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | Small ↑ | - | - | Small ↑ | Small ↓ | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Electricity retailers: Service experience

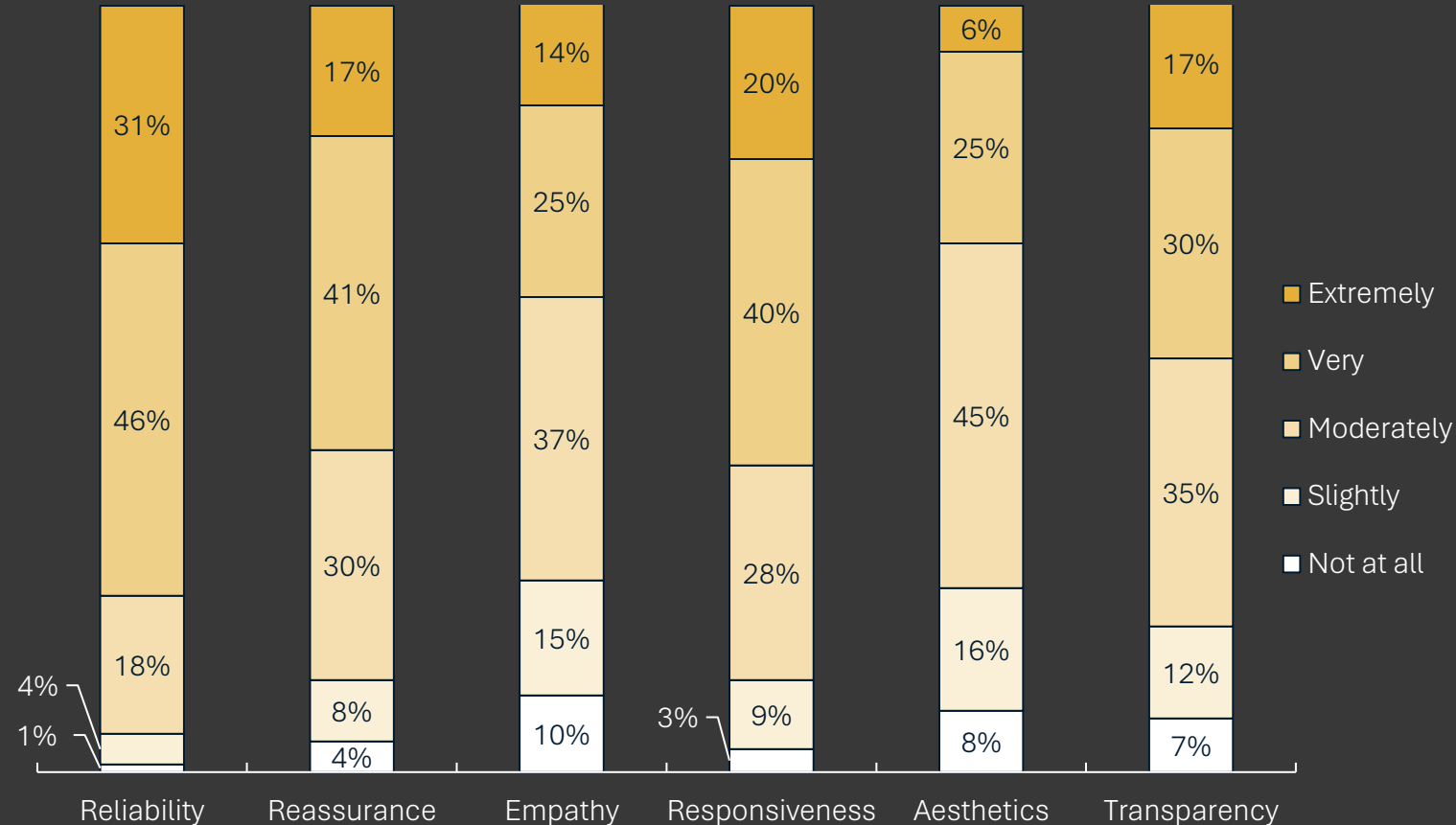
Perceived reliability of current electricity retailer was high

- 77% believed their current electricity retailer was 'very' or 'extremely' reliable.

Fewer viewed their electricity retailer as empathetic or aesthetically pleasing

- 31% believed their current retailer was aesthetically pleasing.
- 39% thought their current retailer was empathetic.

How well each service quality dimension describes current electricity retailer
Proportion; may not sum to 100% due to rounding error



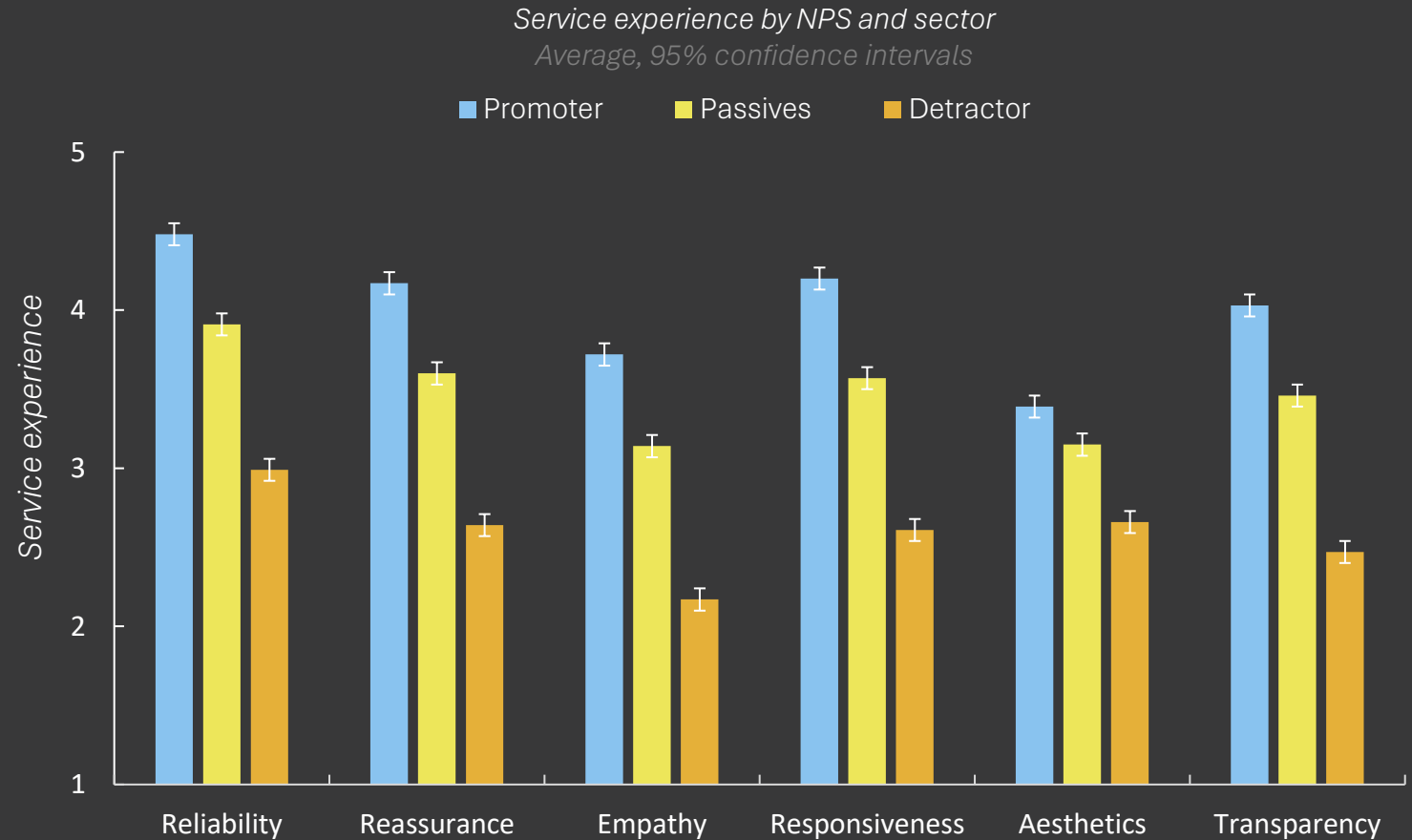
Electricity retailers: Service experience x NPS

Promoters perceived a superior service experience on all quality dimensions

- Relative to passives and detractors, promoters reported a better service experience.

Passives also perceived a superior service experience on all quality dimensions compared to detractors

- Relative to detractors, passives perceived a better-quality service experience across all quality dimensions.



Electricity retailers: Service experience (segmentation)

Women and those 60+ reported a better service experience

- Relative to men, women saw their electricity retailer as being more reassuring, empathetic, and responsive.
- Those aged 60+ thought their current retailer was more reliable, reassuring, empathetic, responsive, and transparent than those aged 18-39 years.

Demographic predictors of believing that each dimension well describes current electricity retailer

| | <i>Reliability</i> | <i>Reassurance</i> | <i>Empathy</i> | <i>Responsive</i> | <i>Aesthetics</i> | <i>Transparent</i> |
|--------------------------|--------------------|--------------------|----------------|-------------------|-------------------|--------------------|
| Female [Male] | - | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Age (40-59) [18-39] | Small ↑ | - | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | - | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

Small ↑ denotes a small but significant positive influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Electricity retailers: Priority improvement areas

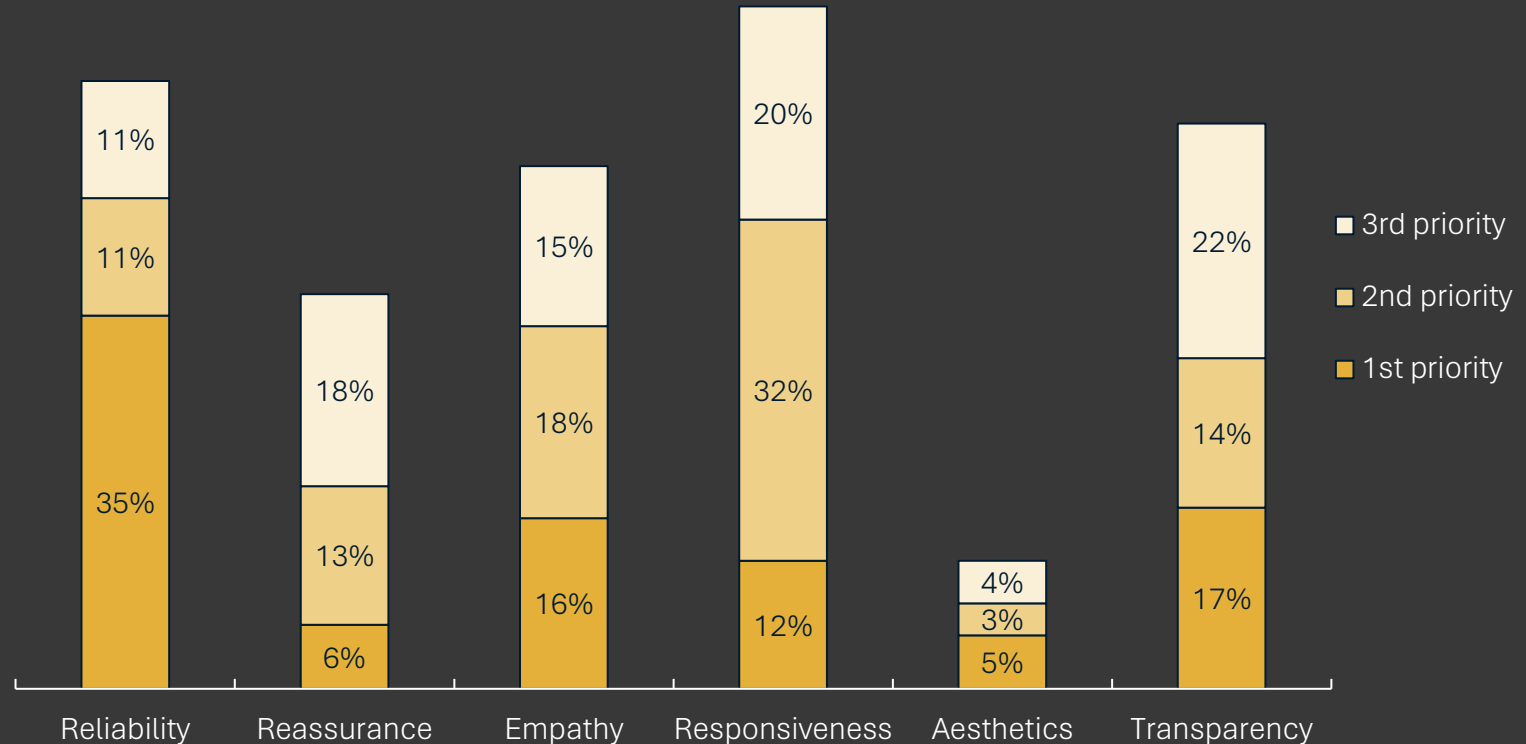
Reliability was a priority area of improvement

- One-third (35%) of respondents rated reliability as the highest priority improvement area.

Responsiveness attracted the most priority ratings

- Two-thirds (64%) of respondents selected responsiveness as one of their top three areas for improvement.

*Top three dimensions that current electricity retailer should improve
Proportion; total exceeds 100% because respondents could select three dimensions*

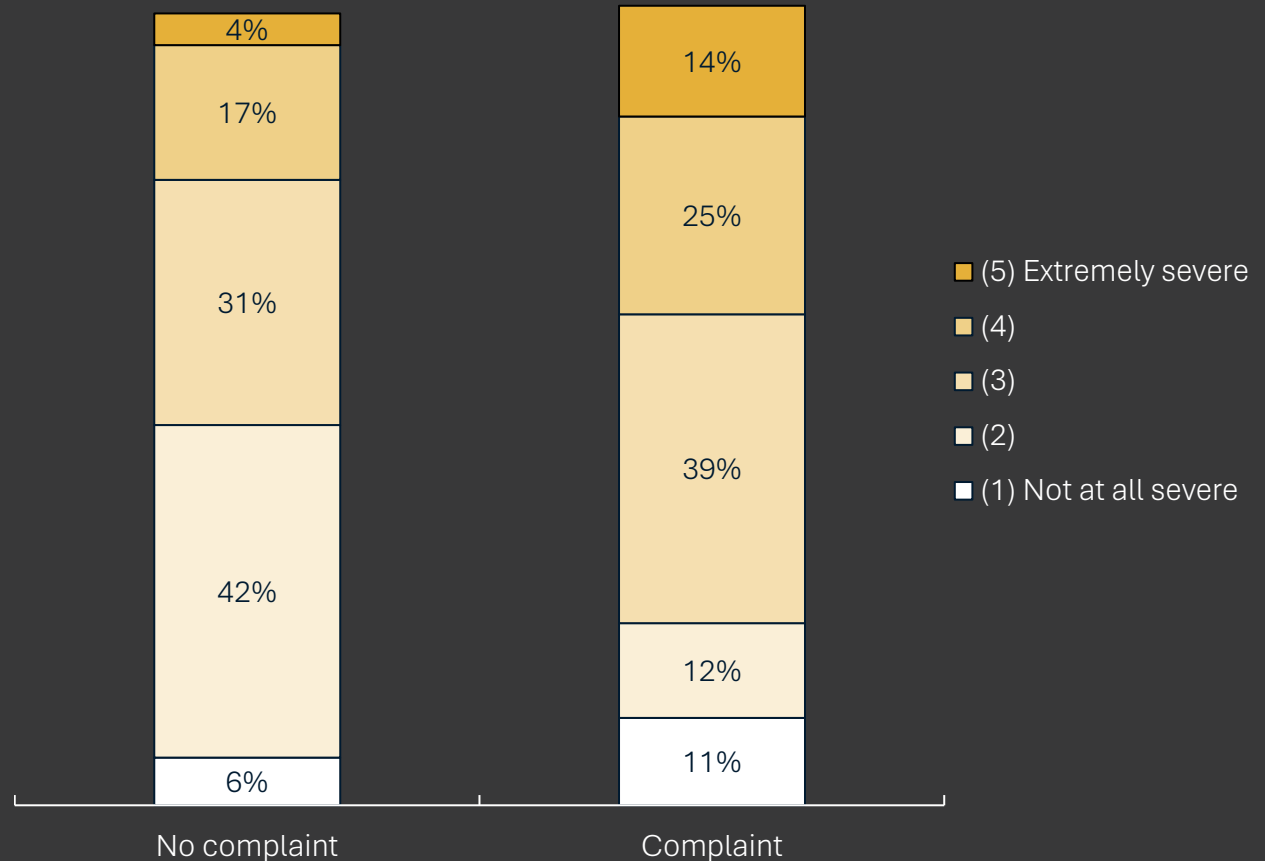


Electricity retailers: Issue severity × complaints

*Issue severity (among those who reported one) by whether they complained
Proportion; may not sum to 100% due to rounding error*

Unsurprisingly, complaints were associated with issue severity

- The two lowest issue severity ratings were selected by 48% of non-complainers (vs. 23% of complainers).
- The two highest issue severity ratings were selected by 39% of complainers (vs. 21% of non-complainers)



Appendix 4

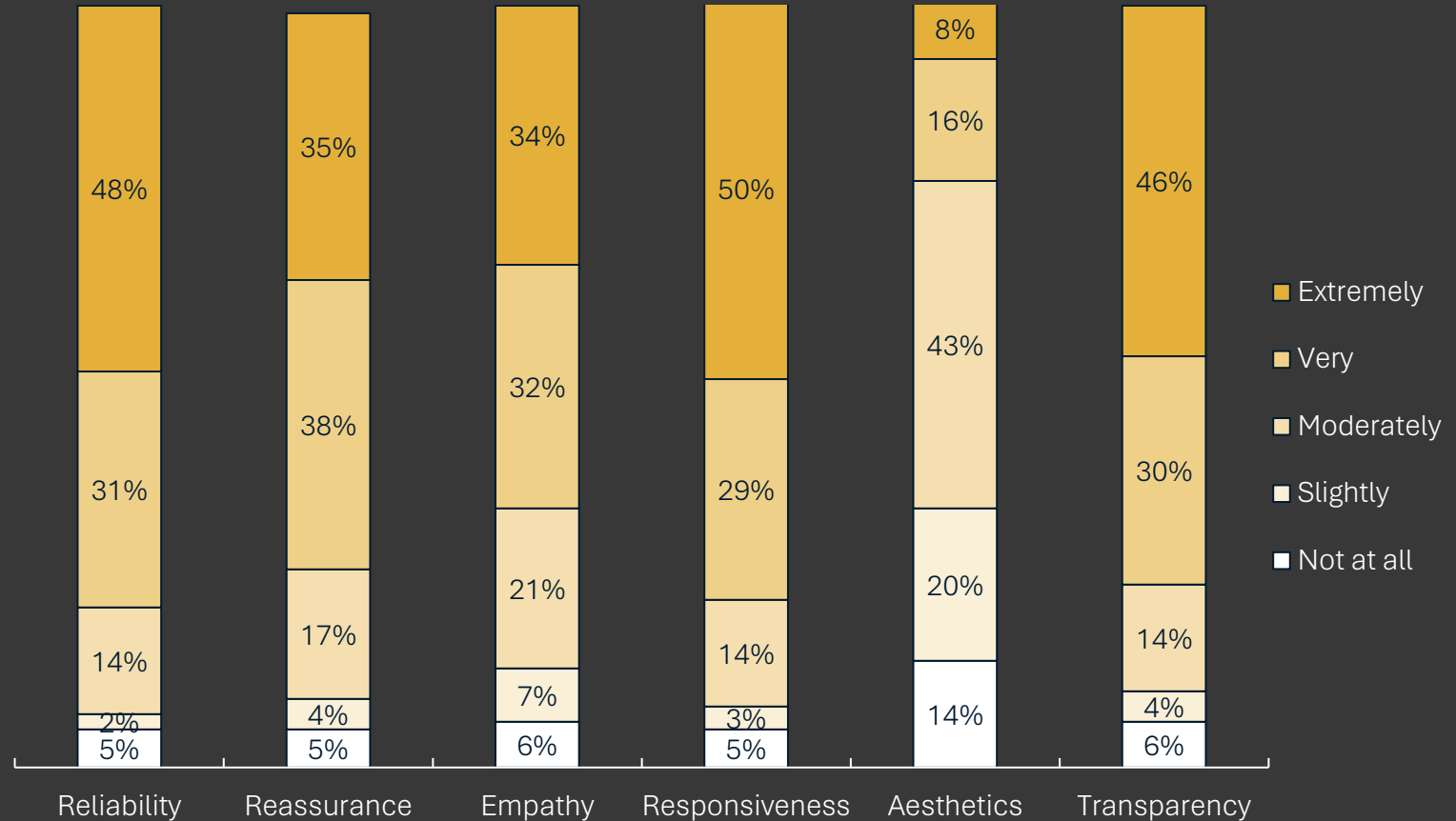
Home & contents insurance

Home & contents insurance: Service expectations

How well each service quality dimension describes current home & contents service provider
Proportion; may not sum to 100% due to rounding error

Home & contents insurance providers were described in terms of responsiveness, reliability, transparency, and reassurance

- Combining 'extremely' and 'very' ratings, home & contents insurance providers were seen as being responsive (79%), reliable (79%), transparent (76%), and reassuring (73%).



Home & contents insurance: Service expectations (segmentation)

Women valued empathy and aesthetics more

- Women (vs. men), by a small amount, placed more emphasis on empathy and aesthetics.

Those who were University educated valued reliability more and aesthetics less

- Relative to those with a high school education, by a small amount, University educated respondents placed greater importance on reliability and less value on aesthetics.

Demographic predictors of value of different service quality dimensions among home & contents service providers

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | - | Small ↑ | - | Small ↑ | - |
| Age (40-59) [18-39] | - | - | - | - | - | - |
| Age (60+) [18-39] | - | - | - | - | - | - |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | Small ↑ | - | - | - | Small ↓ | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Home & contents insurance: Service experience

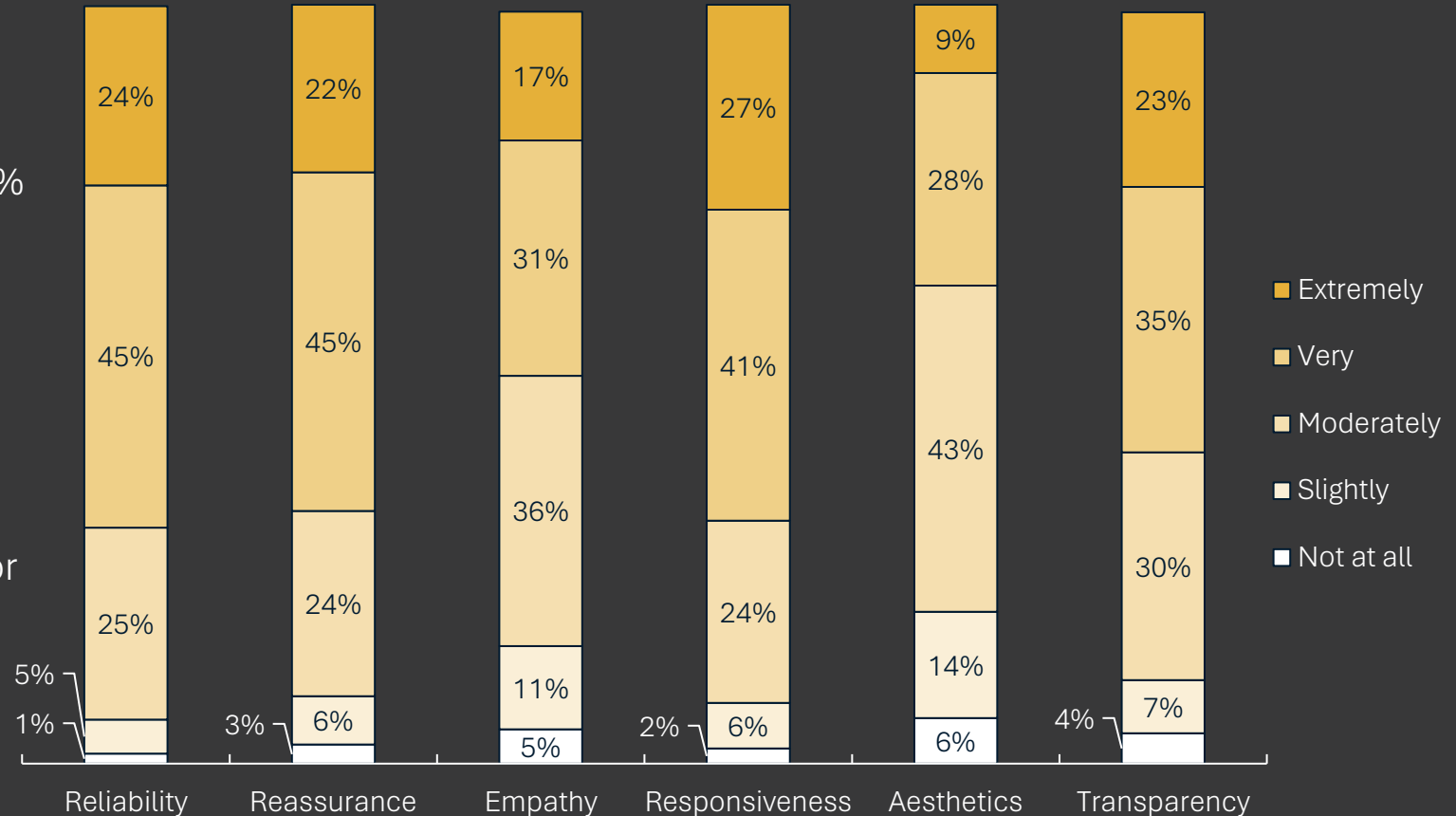
The top three most important service quality dimensions were reliability, responsiveness, and reassurance

- 69% valued reliability, 68% valued responsiveness, and 67% valued reassurance.

Consistent with other sectors, aesthetics was the least valued quality dimension

- Only 37% of respondents indicated that they 'extremely' or 'very much' valued aesthetics.

Perceived value of different service quality dimensions among home & contents service providers
Proportion; may not sum to 100% due to rounding error



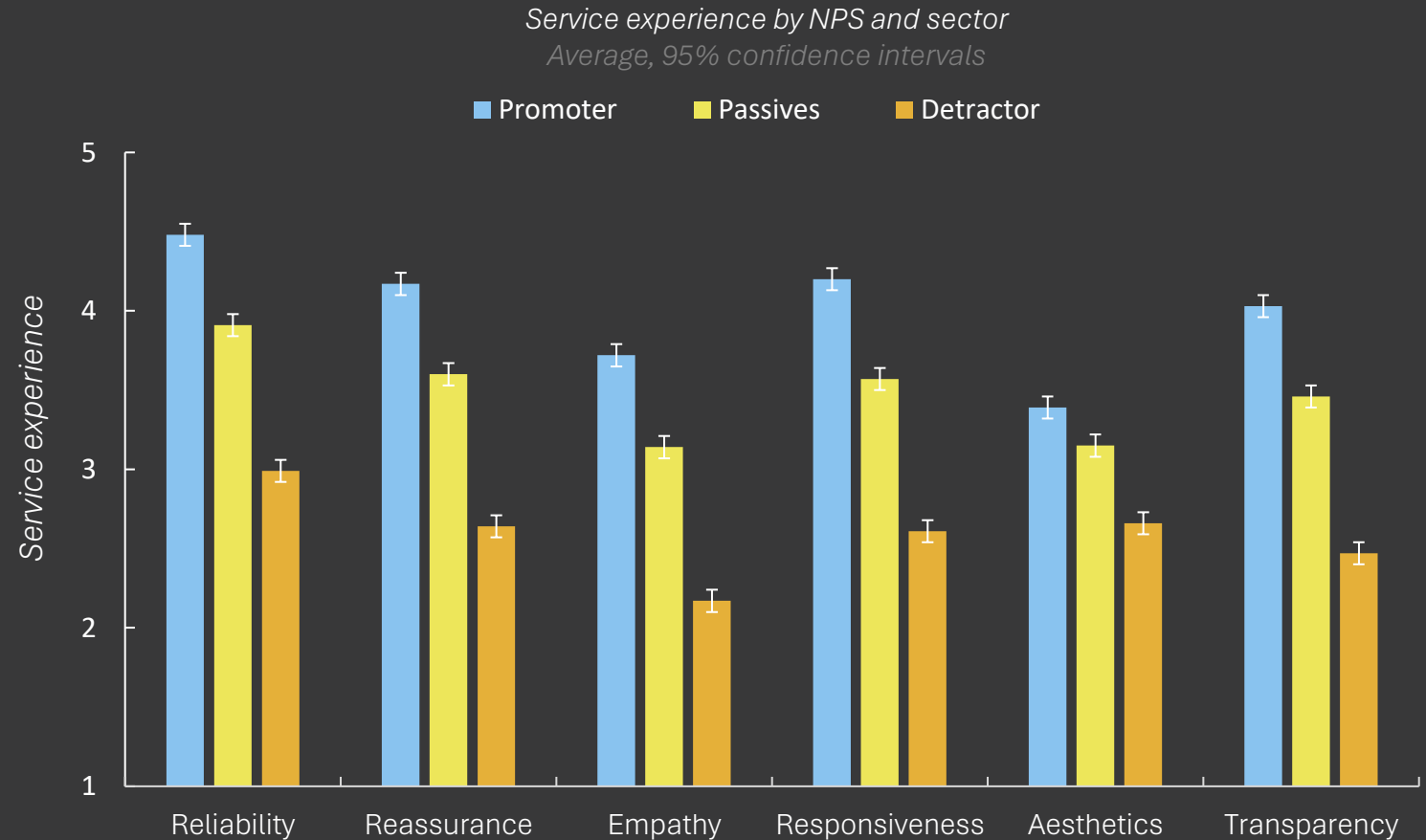
Home & contents insurance: Service experience x NPS

Promoters perceived a superior service experience on all quality dimensions

- Relative to passives and detractors, promoters reported a better service experience.

Similarly, passives perceived a superior service experience on all quality dimensions compared to detractors

- Relative to detractors, passives perceived a better-quality service experience across all dimensions.



Home & contents insurance: Service experience (segmentation)

Those aged 60+ believed each quality dimension (except aesthetics) was slightly more reflective of their current provider relative to those 18-39

- A similar trend applied to those aged 40-59 years, but only for reliability and responsiveness.

Those who felt financially pressured viewed their provider as less transparent

Demographic predictors of believing that each dimension well describes current mobile phone service provider

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | Small ↑ | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | - | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | Small ↓ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Home & contents insurance: Priority improvement areas

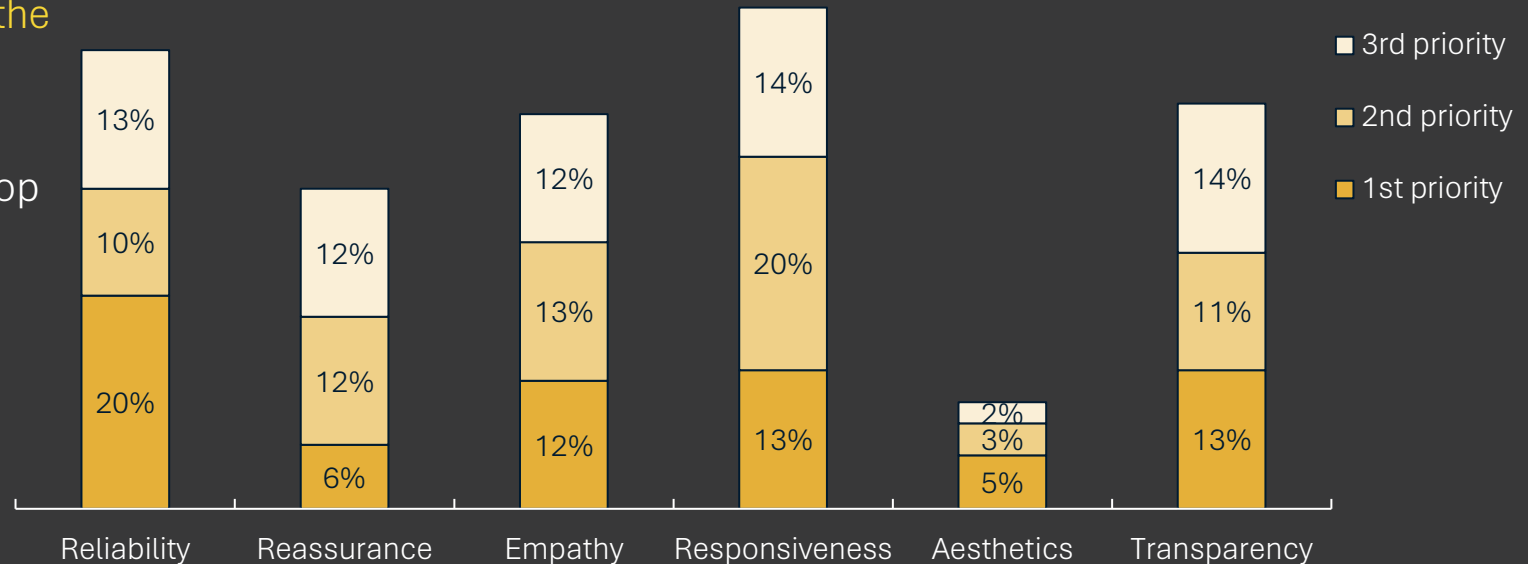
*Top three dimensions that current home & contents service providers should improve
Proportion; total exceeds 100% because respondents could select three dimensions*

The 'number one' area for improvement was reliability

- Almost a quarter of respondents (20%) selected reliability as the top area to improve.

Overall, responsiveness was given the most priority ratings

- Almost half (47%) chose responsiveness as one of their top three areas for improvement.

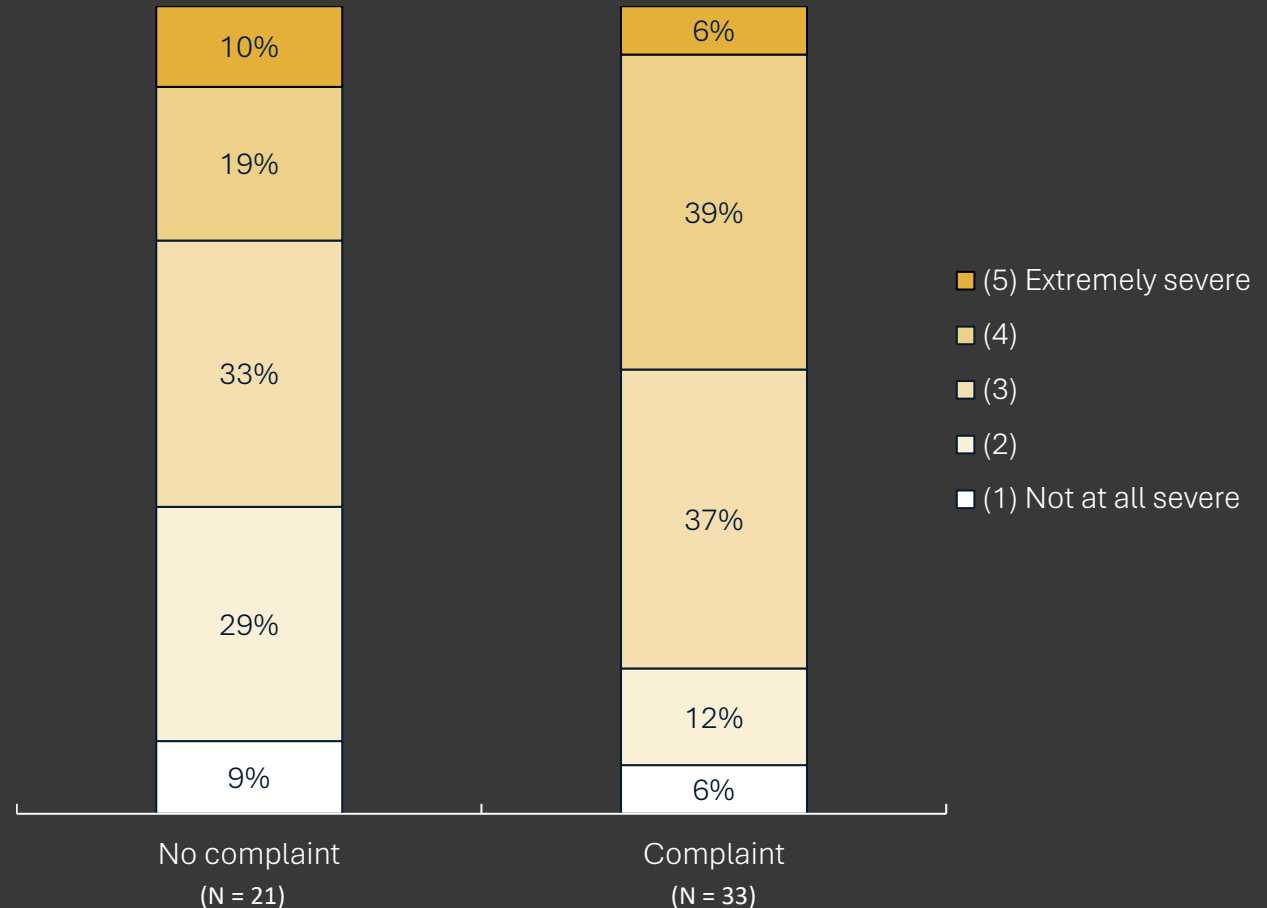


Home & contents insurance: Issue severity × complaints

*Issue severity (among those who reported one) by whether they complained
Proportion; may not sum to 100% due to rounding error*

Issue severity was related to complaining

- The two highest issue severity ratings were selected by 45% of complainers (vs. 21% of non-complainers).



Appendix 5

Government services

Government services: Service expectations

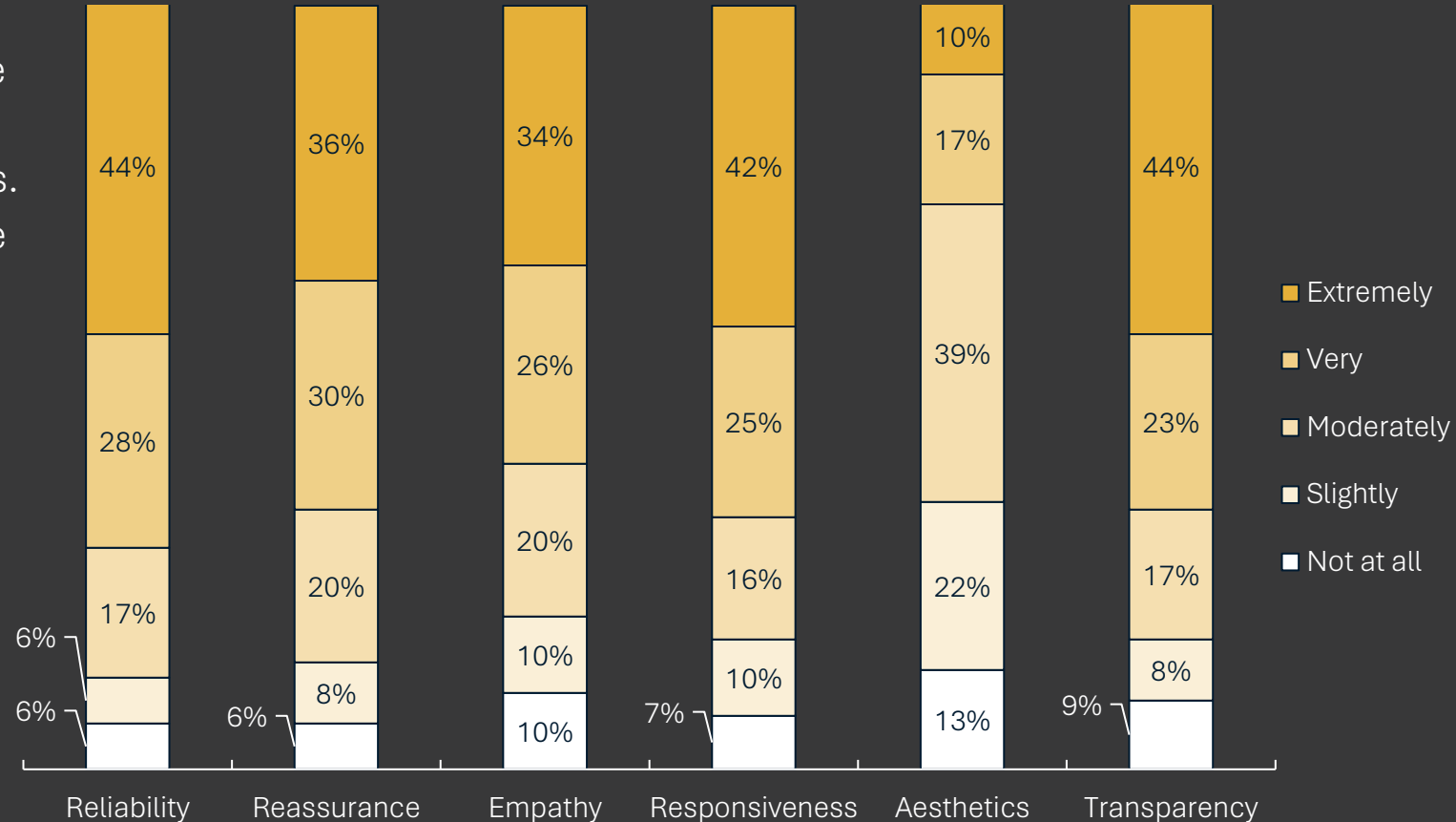
Reliability, transparency, and responsiveness were most valued

- Reliability and transparency were both seen as being ‘extremely’ important by 44% of respondents.
- Responsiveness (42%) was close behind.

Aesthetics was by far the least important quality dimension

- Only 10% of respondents viewed aesthetics as ‘extremely’ important.

Perceived value of different service quality dimensions for government services
Proportion; may not sum to 100% due to rounding error



Government services: Service expectations (segmentation)

Women placed greater importance on empathy and aesthetics

- A small increase in importance for these quality dimensions was seen for women (vs. men).

University educated respondents placed greater value on reliability and less value on aesthetics

- A small increase in the importance of reliability and a small decrease in the importance of aesthetics was seen for this cohort.

Demographic predictors of value of different service quality dimensions among government services

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | - | Small ↑ | - | Small ↑ | - |
| Age (40-59) [18-39] | - | - | - | - | - | - |
| Age (60+) [18-39] | - | - | - | - | - | - |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | Small ↑ | - | - | - | Small ↓ | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | - |

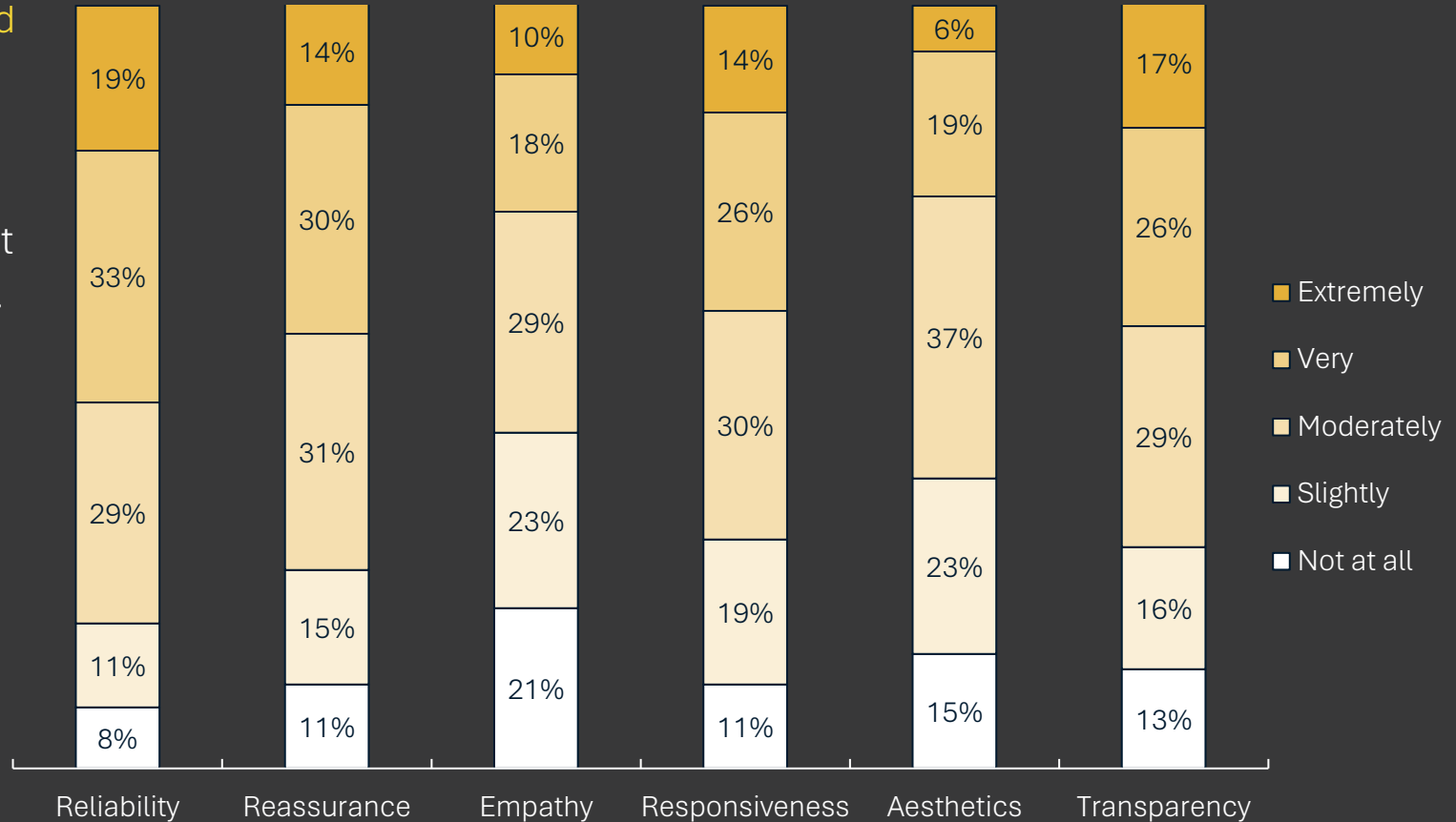
Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Government services: Service experience

How well each service quality dimension describes government services
Proportion; may not sum to 100% due to rounding error

Government services were described in terms of reliability, reassurance, and transparency

- 64% of respondents thought that 'reliability' described Government services 'very' or 'extremely' well.
- The proportion who held equivalent perceptions for 'reassurance' and 'transparency' were 45% and 44%, respectively.



Government services: Service experience (segmentation)

Older consumers had slightly stronger quality beliefs

- Relative to 18-39-year-olds, those aged 60+ years were slightly more likely to believe that each quality dimension (except aesthetics) described Government services.

Feeling financial pressure was associated with Government services seen as intransparent

- This was relative to the financially comfortable group.

Demographic predictors of believing that each dimension well describes government services

| | Reliability | Reassurance | Empathy | Responsive | Aesthetics | Transparent |
|--------------------------|-------------|-------------|---------|------------|------------|-------------|
| Female [Male] | - | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | Small ↑ | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↑ | Small ↑ | Small ↑ | - | Small ↑ |
| Regional [Urban] | - | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - | - |
| University [High school] | - | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - | Small ↓ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Government services: Priority improvement areas

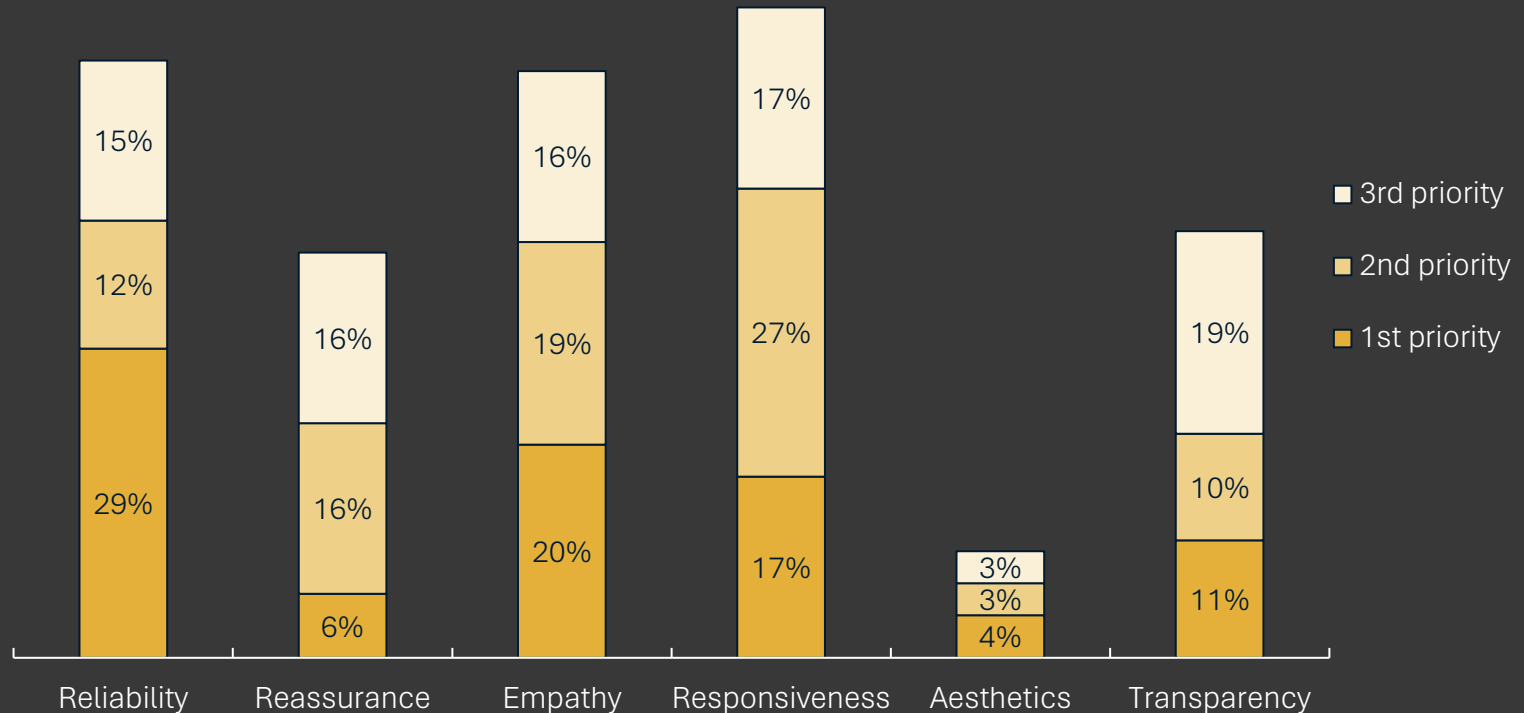
The top priority areas for improvement for Government services were reliability and empathy

- 31% of respondents selected reliability and 23% indicated empathy.

Responsiveness attracted the most priority ratings

- Over two-thirds (68%) of respondents selected responsiveness as one of their top three areas for improvement.

*Top three dimensions that government services should improve
Proportion; total exceeds 100% because respondents could select three dimensions*

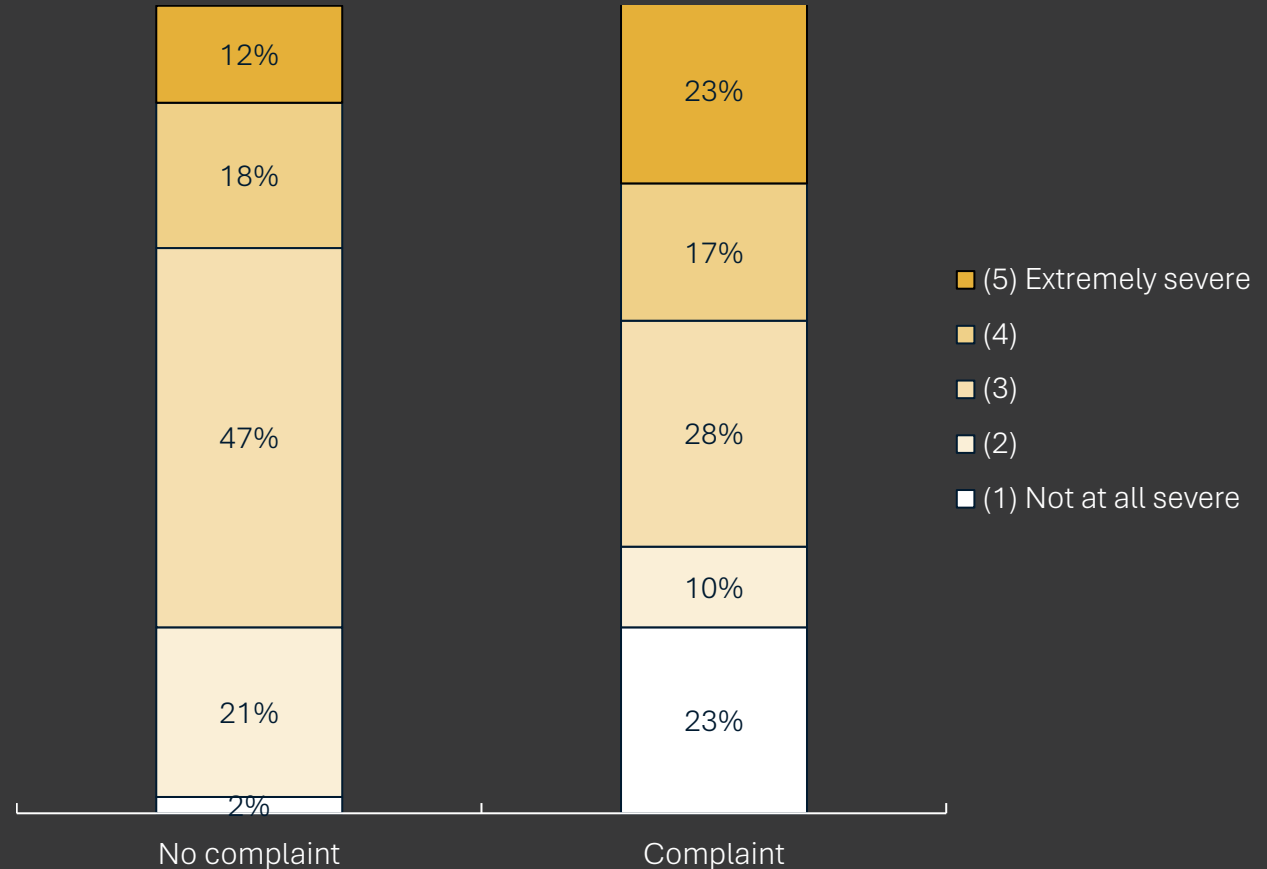


Government services: Issue severity × complaints

The relationship between complaining and issue severity was complex

- The two highest issue severity ratings were selected by 40% of non-complainers (vs. 36% of complainers).
- About a quarter (23%) of complaints were lodged by people who rated their complaint as 'not at all severe' (vs. 2% of non-complainers with similar issue severity).

Issue severity (among those who reported one) by whether they complained
Proportion; may not sum to 100% due to rounding error



Appendix 6

Respondent demographics

Demographics

| | <i>n</i> | % |
|--------------------|----------|-----|
| Gender | | |
| Male | 622 | 45% |
| Female | 775 | 56% |
| Age (years) | | |
| 18-29 | 505 | 36% |
| 40-59 | 493 | 35% |
| 60+ | 406 | 29% |
| State | | |
| New South Wales | 450 | 31% |
| Victoria | 412 | 28% |
| Queensland | 320 | 22% |
| Western Australia | 115 | 8% |
| South Australia | 112 | 8% |
| Tasmania | 31 | 2% |
| Northern Territory | 10 | 1% |
| ACT | 20 | 1% |

| | <i>n</i> | % |
|---------------------------------|----------|-----|
| Location | | |
| Urban | 1127 | 77% |
| Rural | 343 | 23% |
| English as non-primary language | | |
| Yes | 149 | 10% |
| No | 1314 | 90% |
| Disability | | |
| Yes | 262 | 18% |
| No | 1210 | 82% |
| Financial wellbeing | | |
| Financially comfortable | 476 | 32% |
| Financially stretched | 541 | 37% |
| Financially stressed | 424 | 29% |

Proportions may not sum to 100% due to rounding

Demographics

| | <i>n</i> | % |
|------------------------|----------|-----|
| Income | | |
| Less than \$20,000 | 167 | 11% |
| \$20,000 - \$39,999 | 354 | 24% |
| \$40,000 - \$64,999 | 259 | 18% |
| \$65,000 - \$89,999 | 213 | 15% |
| \$89,999- \$149,999 | 242 | 16% |
| \$150,000 or more | 91 | 6% |
| No income / retired | 49 | 3% |
| Prefer not to say | 95 | 7% |
| Identify as Aboriginal | | |
| Yes | 95 | 7% |
| No | 1363 | 93% |
| Prefer not to say | 12 | 1% |

| | <i>n</i> | % |
|------------------------------|----------|-----|
| Education | | |
| Did not complete high school | 84 | 6% |
| High school | 300 | 20% |
| Certificate I/II | 47 | 3% |
| Certificate III/IV | 292 | 20% |
| Advanced diploma | 160 | 11% |
| Bachelor degree | 396 | 27% |
| Graduate diploma | 64 | 4% |
| Postgraduate degree | 124 | 8% |

Proportions may not sum to 100% due to rounding

Appendix 7

Demographic predictors

Customer profile: Perceived changes in service quality (segmentation)

Respondents who were female, older, and experiencing financial pressure were more likely to perceive service quality to have declined

- This perception was most pronounced among those aged 60+ (vs. 18-39-year-olds).
- Those experiencing financial pressure (vs. comfort) also reported needing to complain more.

These respondents did not perceive their own service expectations had increased

- This perception was most pronounced for those aged 60+ (vs. 18-39-year-olds).

Demographic predictors of perceptions that service quality has changed over time

| | <i>Service quality has declined</i> | <i>My service expectations have increased</i> | <i>Have needed to complain more</i> |
|----------------------------|-------------------------------------|-----------------------------------------------|-------------------------------------|
| Female [Male] | Small ↑ | Small ↓ | - |
| Age (40-59) [18-39] | Small ↑ | Small ↓ | - |
| Age (60+) [18-39] | Medium ↑ | Medium ↓ | - |
| Regional [Urban] | - | - | - |
| TAFE [High school] | - | - | - |
| University [High school] | - | - | - |
| Fin. struggle [Comfort.] | Small ↑ | Small ↓ | - |
| Fin. pressure [Comfort.] | Small ↑ | Small ↓ | Small ↑ |
| Disability [No Disability] | - | - | Small ↑ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$)

Customer profile: Complaint resolution expectations (segmentation)

Older respondents placed greater importance on fixing the problem and on receiving compensation

- Relative to those aged 18-39 years, respondents aged 40-59 and 60+ placed greater importance on fixing the problem and on receiving compensation for any service failures they had encountered.

Demographic predictors of importance of different approaches for responding to service failure

| | <i>Apologises</i> | <i>Fixes</i> | <i>Compensates</i> |
|----------------------------|-------------------|--------------|--------------------|
| Female [Male] | - | - | - |
| Age (40-59) [18-39] | - | Small ↑ | Small ↑ |
| Age (60+) [18-39] | - | Small ↑ | Small ↑ |
| Regional [Urban] | - | - | - |
| TAFE [High school] | - | - | - |
| University [High school] | - | Small ↑ | - |
| Fin. struggle [Comfort.] | - | - | - |
| Fin. pressure [Comfort.] | - | - | - |
| Disability [No Disability] | - | - | - |

Small ↑ denotes a small but significant positive influence (standardised $\beta = 0.10-0.29$)

Customer profile: Customer entitlement (segmentation)

Demographic predictors of self-perceived customer entitlement

Older respondents were more entitled

- Those aged 40-59 and 60+ were more likely than their younger counterparts (18-39-year-olds) to hold the belief that 'the customer is always right', and to complain when they had experienced poor service.
- Customer entitlement was particularly pronounced for those aged 60+ (vs. 18-39-year-olds).
- Women (vs. men) were less likely to believe that 'the customer is always right' and less likely to complain.

| | Customer is always right | Likely to complain with bad experience |
|----------------------------|--------------------------|----------------------------------------|
| Female [Male] | Small ↓ | Small ↓ |
| Age (40-59) [18-39] | Small ↑ | Small ↑ |
| Age (60+) [18-39] | Medium ↑ | Medium ↑ |
| Regional [Urban] | - | - |
| TAFE [High school] | - | - |
| University [High school] | - | - |
| Fin. struggle [Comfort.] | - | - |
| Fin. pressure [Comfort.] | - | - |
| Disability [No Disability] | - | - |

Small ↑ denotes a small but significant positive influence (standardised $\beta = 0.10-0.29$)

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$)

Customer profile: Perceptions of helplessness (segmentation)

Perceptions of helplessness in service interactions were somewhat greater for women and those who were financially vulnerable or disabled

- Those who felt financially pressured reported feeling more vulnerable, powerless, and less in control during service interactions than those who felt financially comfortable.

Older consumers were less likely to feel helpless

- Those aged 40-59 years and 60+ (vs. 18-39-year-olds) felt somewhat less helpless in their service interactions.

Demographic predictors of self-perceived helplessness during service interactions

| | <i>Feel vulnerable</i> | <i>Feel powerless</i> | <i>Feel loss of control</i> |
|----------------------------|------------------------|-----------------------|-----------------------------|
| Female [Male] | Small ↑ | Small ↑ | - |
| Age (40-59) [18-39] | Small ↓ | Small ↓ | Small ↓ |
| Age (60+) [18-39] | Small ↓ | Small ↓ | Small ↓ |
| Regional [Urban] | - | - | - |
| TAFE [High school] | - | - | - |
| University [High school] | - | - | - |
| Fin. struggle [Comfort.] | Small ↑ | Small ↑ | Small ↑ |
| Fin. pressure [Comfort.] | Medium ↑ | Medium ↑ | Medium ↑ |
| Disability [No Disability] | Small ↑ | Small ↑ | Small ↑ |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Service satisfaction: By sector (segmentation)

Older respondents were more likely to be satisfied with their current service provider across most sectors

- Older respondents – particularly those aged 60+ – reported being more satisfied with their current service provider than 18-39-year-olds across all sectors (except banks).

Experience of financial pressure (vs. comfort) reduced satisfaction in mobile, insurance, and Government sectors

- Greater financial pressure was associated with lower satisfaction in these sectors.

Demographic predictors of satisfaction with current service provider in each sector

| | Mobile | Banks | Electricity | Insurance | Government |
|----------------------------|---------|-------|-------------|-----------|------------|
| Female [Male] | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | - | Small ↑ | Small ↑ | - |
| Age (60+) [18-39] | Small ↑ | - | Small ↑ | Medium ↑ | Small ↑ |
| Regional [Urban] | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - |
| University [High school] | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - |
| Fin. pressure [Comfort.] | Small ↓ | - | - | Small ↓ | Small ↓ |
| Disability [No Disability] | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$) relative to the [reference group]

Commercial service providers: Intention to remain (segmentation)

Being 60+ had a small positive impact on intention to remain across all commercial sectors

- Those 60+ (vs. 18-39-year-olds) were somewhat more likely to stay with their current service provider.

Being a woman, aged 40-59 years, or financially vulnerable had variably small impacts on intention to stay across different sectors

- Being a woman had a small positive influence on remaining with current electricity provider.
- Being aged 40-59 years (vs. 18-39 years) had a minor positive impact on remaining with current insurance provider.
- Those who reported financially struggling or feeling financially pressured were less likely (vs. those who felt financial comfort) to report intentions to remain for the mobile and insurance sectors, respectively.

Demographic predictors of intention to remain with current service provider in each commercial sector

| | <i>Mobile</i> | <i>Banks</i> | <i>Electricity</i> | <i>Insurance</i> |
|----------------------------|---------------|--------------|--------------------|------------------|
| Female [Male] | - | - | Small ↑ | - |
| Age (40-59) [18-39] | - | - | - | Small ↑ |
| Age (60+) [18-39] | Small ↑ | Small ↑ | Small ↑ | Small ↑ |
| Regional [Urban] | - | - | - | - |
| TAFE [High school] | - | - | - | - |
| University [High school] | - | - | - | - |
| Fin. struggle [Comfort.] | Small ↓ | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | Small ↓ |
| Disability [No Disability] | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta < 0.29$) relative to the [reference group]

Complaint handling: Mobile (segmentation)

Greater financial pressure resulted in perceptions of greater issue severity and worse complaint service perceptions

- Those who identified as financially struggling or under financial pressure were somewhat more likely to perceive issues as more severe and subsequently had lower perceptions in terms of handling, outcome, speed, and, for those under financial pressure, ease.

Those aged 40-59 years and 60+ perceived the issue to be more severe

- However, this did not translate into perceptions of worse complaint service perceptions

Demographic predictors of complaint severity, handling, outcome, speed, and ease

| | Severity | Handling | Outcome | Speed | Ease |
|----------------------------|----------|----------|---------|---------|---------|
| Female [Male] | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | - | - | - | - |
| Regional [Urban] | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - |
| University [High school] | - | - | - | - | - |
| Fin. struggle [Comfort.] | Small ↑ | Small ↓ | Small ↓ | Small ↓ | - |
| Fin. pressure [Comfort.] | Small ↑ | Small ↓ | Small ↓ | Small ↓ | Small ↓ |
| Disability [No Disability] | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Complaint handling: Banks (segmentation)

Greater financial pressure resulted in perceptions of greater issue severity and worse complaint experience perceptions

- As with mobile, those who identified as financially struggling or under financial pressure were more likely to perceive issues as more severe, and subsequently had lower perceptions, particularly in terms of handling and outcome.

Those aged 40-59 years and 60+ perceived the issue to be more severe

- These individuals also perceived poorer speed and (for those 60+) poorer outcomes.

Demographic predictors of complaint severity, handling, outcome, speed, and ease

| | <i>Severity</i> | <i>Handling</i> | <i>Outcome</i> | <i>Speed</i> | <i>Ease</i> |
|----------------------------|-----------------|-----------------|----------------|--------------|-------------|
| Female [Male] | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | - | - | Small ↓ | - |
| Age (60+) [18-39] | Small ↑ | - | Small ↓ | Small ↓ | - |
| Regional [Urban] | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - |
| University [High school] | - | - | - | - | - |
| Fin. struggle [Comfort.] | Small ↑ | Small ↓ | Small ↓ | - | - |
| Fin. pressure [Comfort.] | Small ↑ | Medium ↓ | Small ↓ | - | - |
| Disability [No Disability] | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↓ denotes a significant medium negative influence (standardised $\beta = 0.30-0.49$) relative to the [reference group]

Complaint handling: Electricity (segmentation)

Those aged 60+ perceived greater issue severity and had worse complaint experience perceptions

- Customers aged 60+ more likely to perceive issues as more severe and subsequently had lower perceptions in terms of handling, outcome, and particularly speed.

Female customers had worse complaint experience perceptions, but not issue severity

Customers with a disability perceived significantly greater issue severity

- However, this did not translate into perceptions of worse complaint experiences.

Demographic predictors of complaint severity, handling, outcome, speed, and ease

| | Severity | Handling | Outcome | Speed | Ease |
|----------------------------|----------|----------|---------|----------|------|
| Female [Male] | - | Small ↓ | Small ↓ | Small ↑ | - |
| Age (40-59) [18-39] | - | - | - | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↓ | Small ↓ | Medium ↓ | - |
| Regional [Urban] | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - |
| University [High school] | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | - |
| Fin. pressure [Comfort.] | - | - | - | - | - |
| Disability [No Disability] | Medium ↑ | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↑ denotes a significant medium positive influence (standardised $\beta = 0.30-0.49$) relative to the [reference group]

Complaint handling: Insurance (segmentation)

Greater financial pressure resulted in perceptions of greater issue severity and worse complaint experience perceptions

- As with mobile and banks, those who identified as under financial pressure were more likely to perceive issues as more severe and subsequently had lower perceptions, particularly in terms of speed and ease.

Women and those aged 40-59 years or 60+ had worse complaint handling experiences

- In addition, those aged 60+ perceived greater severity and slower complaint resolution, while those aged 40-59 perceived worse outcomes.

Demographic predictors of complaint severity, handling, outcome, speed, and ease

| | <i>Severity</i> | <i>Handling</i> | <i>Outcome</i> | <i>Speed</i> | <i>Ease</i> |
|----------------------------|-----------------|-----------------|----------------|--------------|-------------|
| Female [Male] | - | Small ↓ | - | - | - |
| Age (40-59) [18-39] | - | Small ↓ | Small ↓ | - | - |
| Age (60+) [18-39] | Small ↑ | Small ↓ | - | Medium ↓ | - |
| Regional [Urban] | - | - | - | - | - |
| TAFE [High school] | - | - | - | - | - |
| University [High school] | - | - | - | - | - |
| Fin. struggle [Comfort.] | - | - | - | - | Small ↓ |
| Fin. pressure [Comfort.] | Small ↑ | Small ↓ | Small ↓ | Medium ↓ | Large ↓ |
| Disability [No Disability] | - | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↓ denotes a significant medium negative influence (standardised $\beta = 0.30-0.49$) relative to the [reference group]

Large ↓ denotes a significant large negative influence (standardised $\beta > 0.50$) relative to the [reference group]

Results for this specific analysis should be interpreted with caution due to the low sample size ($n = 78$)

Complaint handling: Government (segmentation)

Older customers, those with a disability, regional Australians, and those under greater financial stress perceived greater issue severity

- Conversely, those with a University degree perceived less issue severity.

Older customers and those under financial pressure had worse complaint experience perceptions

- Those with a disability and those living in regional Australia did not have worse complaint experiences, despite greater issue severity perceptions.

Demographic predictors of complaint severity, handling, outcome, speed, and ease

| | Severity | Handling | Outcome | Speed | Ease |
|----------------------------|----------|----------|---------|---------|----------|
| Female [Male] | - | - | - | - | - |
| Age (40-59) [18-39] | Small ↑ | Medium ↓ | Small ↓ | Small ↓ | Medium ↓ |
| Age (60+) [18-39] | Small ↑ | Small ↓ | Small ↓ | - | Medium ↓ |
| Regional [Urban] | Small ↑ | - | - | - | - |
| TAFE [High school] | - | - | Small ↓ | - | - |
| University [High school] | Small ↓ | - | - | - | - |
| Fin. struggle [Comfort.] | Small ↑ | - | - | - | - |
| Fin. pressure [Comfort.] | Small ↑ | Small ↓ | - | Small ↓ | - |
| Disability [No Disability] | Small ↑ | - | - | - | - |

Small ↑ and Small ↓ denote a small but significant positive and negative, respectively, influence (standardised $\beta = 0.10-0.29$) relative to the [reference group]

Medium ↓ denotes a significant medium negative influence (standardised $\beta = 0.30-0.49$) relative to the [reference group]

Results for this specific analysis should be interpreted with caution due to the low sample size ($n = 88$)

Research Team

Dr Jeff Rotman

Prof Josh Newton

A/Prof Nichola Robertson



DEAKIN
UNIVERSITY

BETTER
CONSUMPTION
LAB

For further inquiries relating to this data, please contact:

jeff.rotman@deakin.edu.au