



Australian Government

**Department of Broadband,
Communications and the Digital Economy**

SURVEY OF TELSTRA NEXT G PRODUCT AVAILABILITY AND ADVICE



Australian Government

Department of Broadband,
Communications and the Digital Economy

Introduction

In late 2007, in the context of Telstra's proposed switch-off of their CDMA network and the transition of customers from that network to their Next G network, the Department of Broadband, Communications and the Digital Economy commissioned a survey of Telstra's Next G product availability and advice. The purpose of the survey was to test the availability of phones and to sample the advice being provided to customers at the point of sale with regard to appropriate handsets for extensive rural and regional use.

The survey used the technique of 'mystery shopping', a qualitative survey technique which is widely used by retail organisations to test real conditions in stores, assess the performance of sales staff and gauge consumer experience. The technique entails one or more 'mystery shoppers' (who are trained and employed in this capacity by a survey company) visiting points of sale. The 'mystery shoppers' act as customers with a specific profile of need and they ask sales staff a set list of questions about the retail product or service under analysis. The responses of sales staff are recorded by the 'mystery shopper' within standardised parameters. Responses are collated and analysed to ascertain patterns of response or experience.

The Telstra Next G survey was undertaken for the Department during November and December 2007 by an accredited specialist company in the field (HOED Mystery Shopping), working in partnership with an experienced market research company (ACA Research) to provide an analysis of the shopping results.

In total, 72 shops were surveyed across Australia, covering every state and territory. The sample included Telstra-badged shops (38 shops) and shops belonging to four other major retailers of Telstra Next G products (34 shops). The 72 shops covered all capital cities (25 shops identified as metropolitan in the analysis) and a large number of regional centre locations (47 shops identified as regional in the analysis). The Department chose to weight the sample of stores 2:1 in favour of regional centres to reflect the location and needs of customers more likely to be switching from CDMA to Next G and/or more likely to require phones which provide maximum regional and rural coverage. Metropolitan shops were also surveyed because some metropolitan customers need to travel widely throughout Australia, leading to the need for



Australian Government

**Department of Broadband,
Communications and the Digital Economy**

maximum regional and rural coverage. To the greatest degree possible, the general location of the 38 Telstra-badged shops and the other retailers surveyed was the same. That is to say, where a Telstra-badged shop was surveyed in a certain town or suburb, the aim was also to survey another retailer of Telstra products in the same or nearby location.

The survey tested three different customer profiles, applied consistently throughout the surveyed shops. All three profiles included the need for widespread regional and rural phone coverage. The aim was to visit each of the 72 shops three times, using a different 'mystery shopper' and a different profile on each occasion. The questions asked for each profile were identical, to allow for systematic analysis of the results.

The total number of shopping visits over the 72 stores was 210, of which 197 were able to be analysed. The remaining 13 visits were left out of the analysis to prevent overweighting due to duplication.

The number of shops surveyed in each state/territory was based on the proportion of the Australian population in each jurisdiction. However, some additional stores were surveyed in states/territories that are physically larger (thus requiring more travel between regional centres—e.g. WA, SA, QLD), even though their share of the Australian population may be smaller. The final breakdown of shop locations was ACT/NSW—19 (53 shopping visits), Victoria/Tas—16 (46 shopping visits), QLD—14 (38 shopping visits), WA—12 (29 shopping visits), SA/NT—11 (31 shopping visits).

The 38 Telstra-badged shops surveyed represent a sample of over 13 per cent of all the 288 Telstra shops listed on the Telstra website. Because of the large number of non Telstra-badged retail outlets selling Telstra Next G products, it was not possible to conduct a larger sample of these other retailers within the timeframe available. However, it should be noted that the 34 shops from other retailers belong to four major chain retailers that the Department understands are amongst Telstra's largest other retail outlets.


Given the widespread locations of the stores surveyed, and the weighting toward regional and Telstra-badged stores, the Department considers that the results of the survey provide sound insights into the experience of customers who might seek to purchase the best Next G phones to allow them widest coverage in regional and rural locations.

The detailed results of the survey are provided in statistical form in the following pages.

**Report on the
Survey of Telstra Next G product
availability and advice for the
Department of Broadband, Communication
and the Digital Economy**

**(previously the Department of Communications,
Information Technology and the Arts)**

December 2007

 **Objectives & Methodology**

 **Sample Profile**

 **Summary**

 **Research Findings**

- Telstra Next G Coverage
- Telstra Blue Tick
- Telstra Next G Car Kit / Aerial
- Overall Customer Experience



Research Objectives

To test the availability of Next G phones suitable for rural/regional use (particularly those phones identified with a Blue Tick).

To ascertain the advice given to people who should be directed to Blue Tick phones because of their particular profile of use and circumstances.

Data Collection

Face-to-face mystery shopping survey, conducted Australia-wide by HOED Holdings Pty Ltd.

Conducted between 12th November – 11th December 2007.

Standard questionnaires were used covering three possible profiles of use. The profiles and questionnaires were focused on the needs of people intending to use Next G phones in rural and regional locations.

Sampling

The survey consists of a total of 210 shopping visits, each using one of the three possible profiles. 197 shopping visits have been used for analysis (the remaining 13 excluded because of inadvertent duplication).

The shopping visits were conducted in 25 metropolitan and 47 regional shops, covering 38 Telstra-badged shops and 34 other retailers of Telstra Next G phones.

The shop locations covered all states and territories roughly proportional to their relative share of the Australian population as a whole.

Analysis

Results for the 197 respondents were segmented by:

- Telstra-badged stores and other retailers of Telstra Next G phones
- State
- Locality (Metro / Regional)

All statistically significant differences between the subgroups of the above demographics are presented in the relevant tables.

Key to Terms

In the following analysis:

- “Telstra stores/shops” or “Telstra” refers to those 38 Telstra-badged stores, identified from Telstra’s own website list of stores, which were surveyed.
- “Other stores/shops” or “Other” refers to those 34 stores belonging to four other retail chains selling Telstra Next G phones, which were surveyed.
- “Staff members” refers to the sales staff in the particular stores with whom the mystery shoppers interacted in the course of the survey.
- “Me” refers to the mystery shopper.

Guide to Table Formats in This Report

NB: Data figures are examples only

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Provided the shopper with pamphlets on Telstra Next G and CDMA	32%	36%	26%	47%	30%	21%	28%	23%	30%	33%
Telstra Next G Blue Tick phones are prominent and well signed in the store	52%	68%	31%	51%	54%	71% ▲	38% ▼	39% ▼	43%	57%

Subgroup

Segment

'N' is the number of respondents answering a question – either in total or within a subgroup or segment.

A green triangle highlights a statistically significantly higher result than other subgroups within the segment (highlighted with a red triangle) e.g. in any row where a cell is highlighted with a green triangle, there are statistical differences between the subgroup groups labelled in the column headers.

In this example, the 71% for Queensland is statistically significantly higher than the 38% for WA or the 39% for SA/NT.

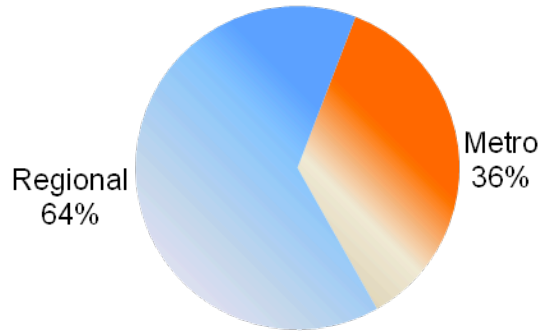
Sample Profile



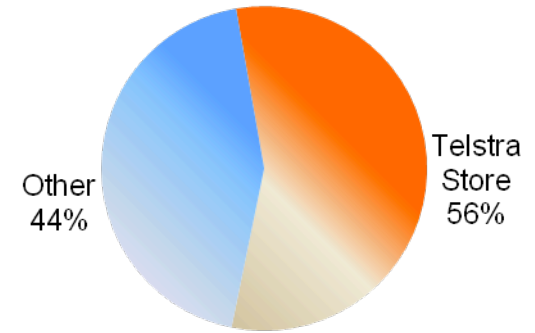


Sample Profile

Locality



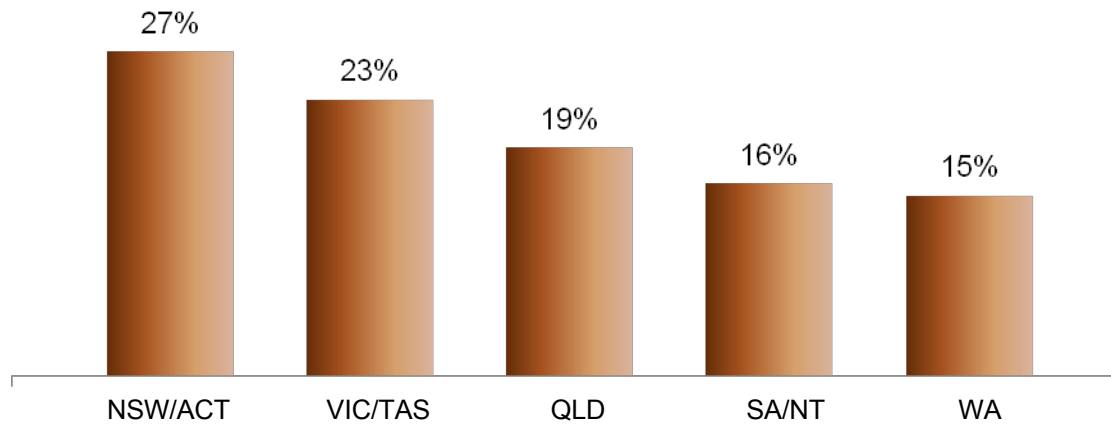
Store Type Visited



N = 197

N = 197

State



N = 197

Summary





Telstra Next G Coverage:

- Approximately half of the staff members surveyed provided shoppers with reasonable information about Telstra Next G coverage in regional/rural or remote areas; 21% did not provide any useful information to shoppers about coverage.

Telstra Next G Blue Tick phones:

- 83% of stores had immediate availability of Blue Tick handsets; 17% of stores could order in Blue Tick handsets for shoppers with a wait of between 2 days and 2 weeks.
- Over half of all staff members (59%) explained the details of Telstra Next G Blue Tick mobile phones to shoppers.
- Less than half of staff members (41%) fully endorsed and recommended Blue Tick phones.
- Around 20% of shoppers stated that they did not receive any information about Blue Tick phones, even after prompting the staff member.
- A small proportion of staff members (2%) actually advised shoppers against Blue Tick phones. Staff members giving this kind of advice in both cases were significantly more likely to be from Other stores than Telstra stores.



Overall Summary

Telstra Next G Car Kit/ Aerial:

- Less than half of shoppers (44%) felt that they received the right advice about car kits or aerials to maximise coverage.

Overall Customer Experience:

- A significantly higher proportion of Telstra staff members were able to accurately determine the shoppers' needs and guide shoppers to appropriate phones.



Compared to Other stores, a significantly higher proportion of Telstra stores....

- Provided comprehensive detail of the coverage available for Next G versus CDMA (38% vs. 15%)
- Had Telstra Next G Blue Tick phones well signed and prominent in the store (68% vs. 31%)
- Provided information about coverage when:
 - travelling from town to town (62% vs. 36%)
 - travelling to remote regions (60% vs. 43%)
 - at home or at smaller townships/ farms/ stations/ property areas (63% vs. 36%)
- Explained Telstra's Next G coverage in rural Australia (63% vs. 43%)
- Overcame shoppers' concerns and reinforced the Telstra Next G service in regional/ rural areas (84% vs. 70%)
- Explained the details of the Telstra Next G mobile phones with Blue Tick (74% vs. 41%)
- Fully endorsed and recommended Blue Tick phones to shoppers (51% vs. 28%)
- Tried to convince shoppers that they were making the wrong choice of a cheaper/ alternative phone that was NOT Blue Tick approved when that was focused on by the shopper (76% vs. 52%)
- Explained that a compatible car kit/ aerial is required to enhance mobile coverage (54% vs. 34%)
- Provided the right advice about handset/ car kit/ aerial that should be purchased for the intended use (55% vs. 29%)
- Advised shoppers that with Telstra Next G, to get the best coverage would require a car kit with external aerial (31% vs. 8%)
- Fully endorsed and recommended compatible car kits to shoppers (27% vs. 7%)
- Had shoppers that were 'Very satisfied' with the explanation they received regarding Telstra Next G coverage issues (41% vs. 8%)



Compared to Other stores, a significantly higher proportion of Telstra stores....

- Were able to understand the needs of shoppers:
 - Asked questions to understand why the shopper wanted to have a Telstra Next G mobile phone (71% vs. 54%)
 - Asked about shoppers' total usage requirements (69% vs. 49%)
 - Presented appropriate information for the shopper's profile (64% vs. 43%)
 - Identified the shopper's user profile (as outlined by the scenario) and adapted their presentation and sales abilities to meet those needs (68% vs. 44%)
- Had shoppers that stated they would 'definitely' have gone on to purchase a Next G phone based on the staff member's presentation (32% vs. 12%)

Compared to metropolitan stores, a significantly higher proportion of regional stores....

- Provided information about coverage when travelling from town to town (57% vs. 39%)
- Provided information about coverage when at home or at smaller townships/ farms/ stations/ property areas (60% vs. 32%)
- Explained pre-paid Next G options (53% vs. 37%)
- Had shoppers that stated they would 'definitely' have gone on to purchase a Next G phone based on the staff member's presentation (29% vs. 14%)

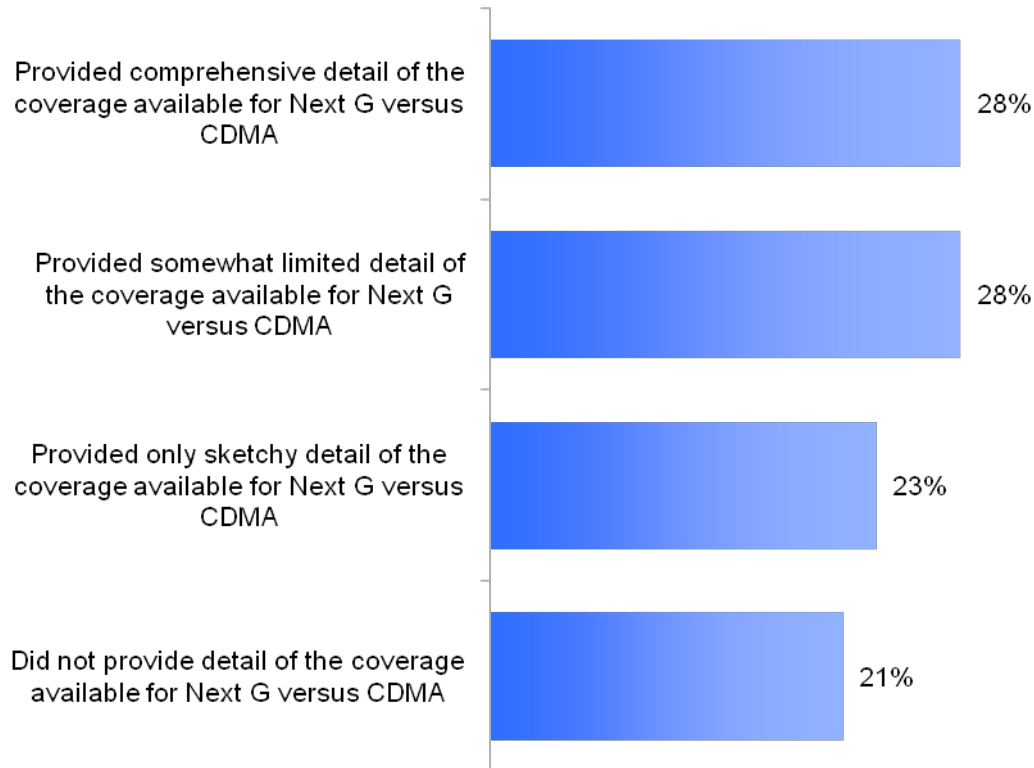
Research Findings



Telstra Next G Coverage

- Next G and CDMA
- Next G Coverage

Information offered by staff member comparing Next G and CDMA coverage



28% of staff members provided shoppers with comprehensive detail of the Telstra Next G coverage compared to CDMA. A further 28% provided shoppers with limited detail of coverage, while around one in five staff members did not provide any detail of Next G coverage versus CDMA.

Information offered by staff member comparing Next G and CDMA coverage

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Provided comprehensive detail of the coverage available for Next G versus CDMA	28%	38% ▲	15% ▼	26%	24%	26%	41%	26%	24%	30%
Provided somewhat limited detail of the coverage available for Next G versus CDMA	28%	30%	27%	28%	37%	29%	24%	19%	35%	25%
Provided only sketchy detail of the coverage available for Next G versus CDMA	23%	20%	27%	21%	24%	29%	10%	29%	25%	21%
Did not provide any useful detail of the coverage available for Next G versus CDMA	21%	13% ▼	31% ▲	25%	15%	16%	24%	26%	16%	24%

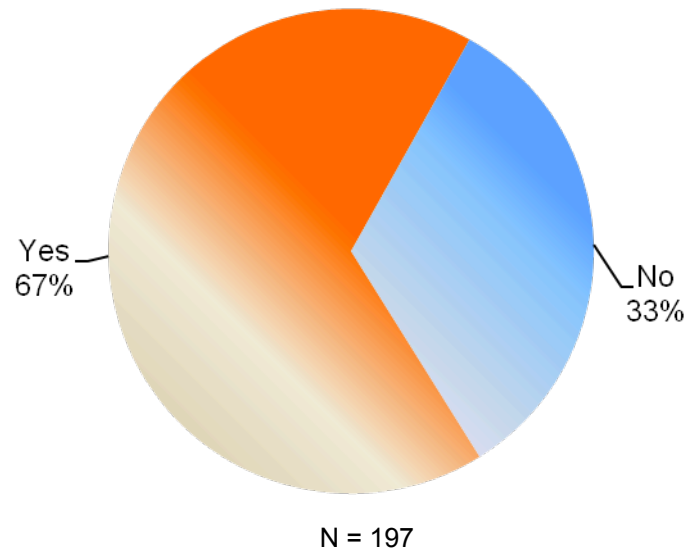
▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

A significantly higher proportion of Telstra dealers provided shoppers with comprehensive detail on Next G coverage in comparison with CDMA coverage, as compared to Other stores. Conversely, staff members from Other stores are significantly more likely to provide no useful detail to shoppers. While not statistically significant, staff members in stores in WA tended to provide a higher level of detail than staff members in stores from any other state.

Staff member's explanation about rural coverage

Did the staff member explain that you do not have a choice because the CDMA is being replaced by Telstra Next G?



67% of staff members explained to shoppers that they did not have a choice about upgrading because CDMA is being replaced by the Next G network.

Staff member's explanation about rural coverage

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Explained at any stage that there is no consumer choice because CDMA is being turned off and replaced with Telstra Next G	67%	71%	61%	70%	61%	50% ▼	79% ▲	77% ▲	65%	68%

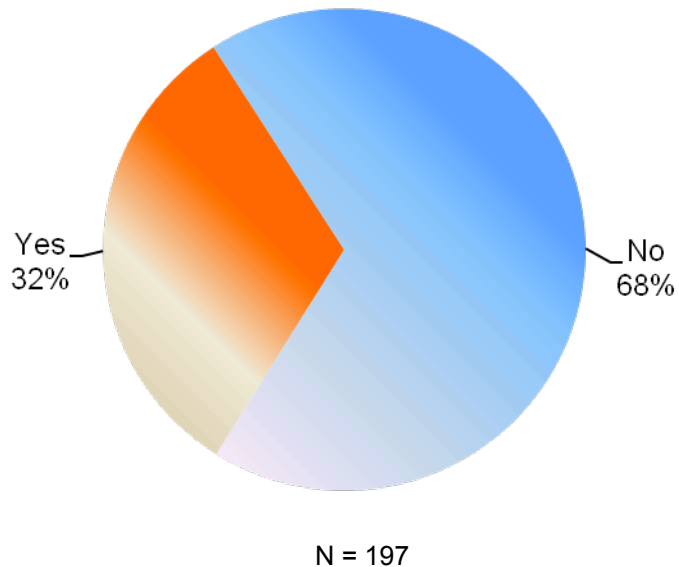
▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

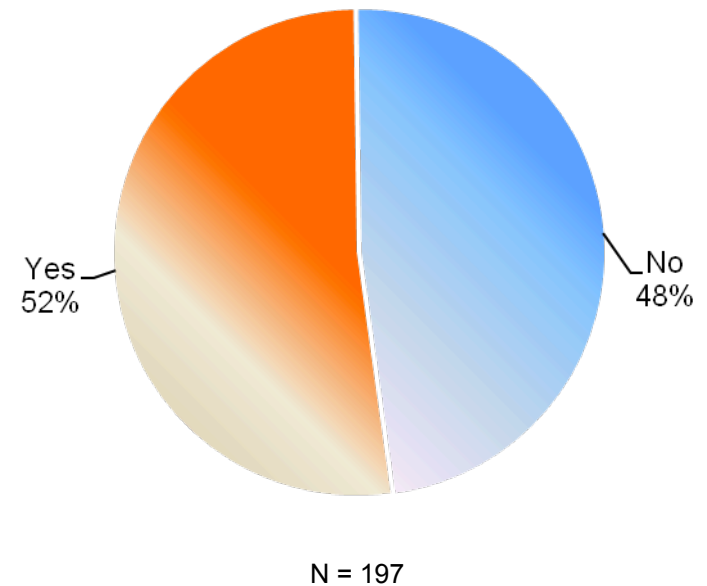
A significantly higher proportion of shoppers in WA and SA/NT were provided information regarding the phase out of CDMA than shoppers in other states, particularly QLD.

Supplementary visual information provided about Telstra Next G and CDMA

Did the staff member provide you with pamphlets on Telstra Next G and CDMA?



Were Telstra Next G Blue Tick phones prominent and well signed in store?



Approximately a third of staff members surveyed provided shoppers with pamphlets on Telstra Next G and CDMA services. Just over half of the stores surveyed had well signed and prominent displays of Telstra Next G Blue Tick phones.

Supplementary visual information provided about Telstra Next G and CDMA

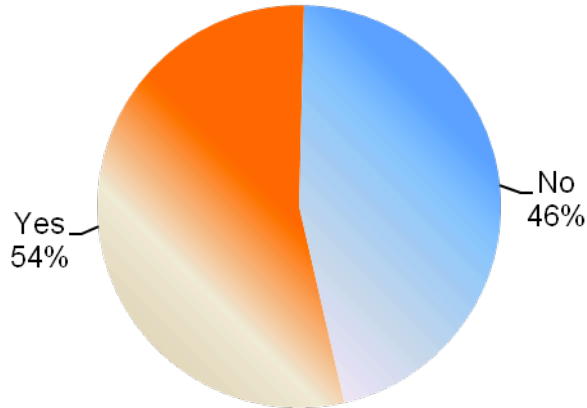
Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Provided the shopper with pamphlets on Telstra Next G and CDMA	32%	36%	26%	47% ▲	30%	21% ▼	28% ▼	23%	28%	33%
Telstra Next G Blue Tick phones are prominent and well signed in the store	52%	68% ▲	31% ▼	51%	54%	71% ▲	38% ▼	39% ▼	44%	56%

- ▲ Significantly higher result within demographic
- ▼ Significantly lower result within demographic

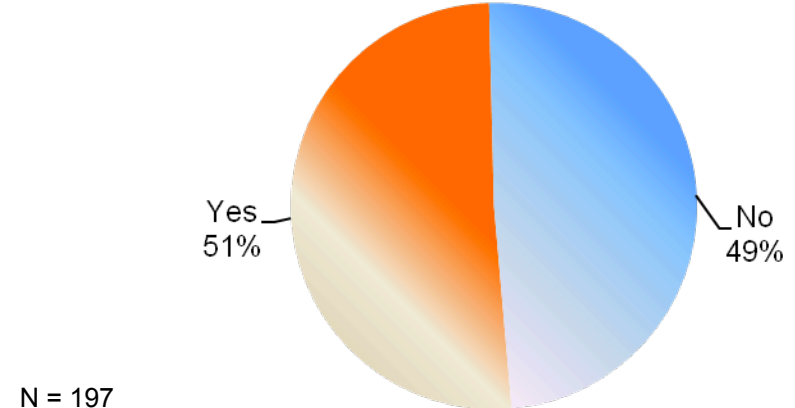
A significantly higher proportion of shoppers in NSW/ACT were provided with pamphlets regarding Next G and CDMA than shoppers in QLD or WA. Blue Tick phones were significantly more prominent in Queensland compared to WA or SA/NT, as well as being more prominent in Telstra's shops.

Staff member's explanation about rural coverage

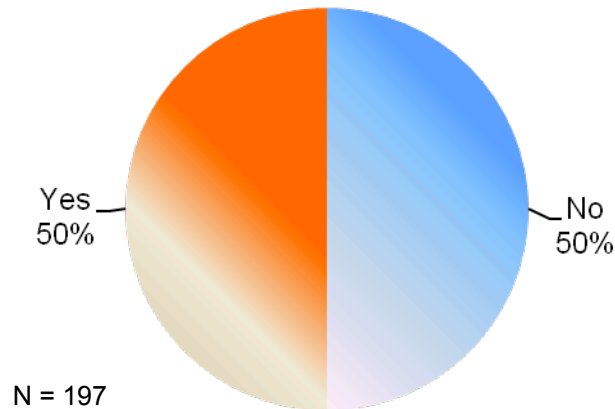
Did the staff member spontaneously explain Telstra's Next G coverage in rural Australia?



Did the staff member provide information about coverage when travelling from town to town?

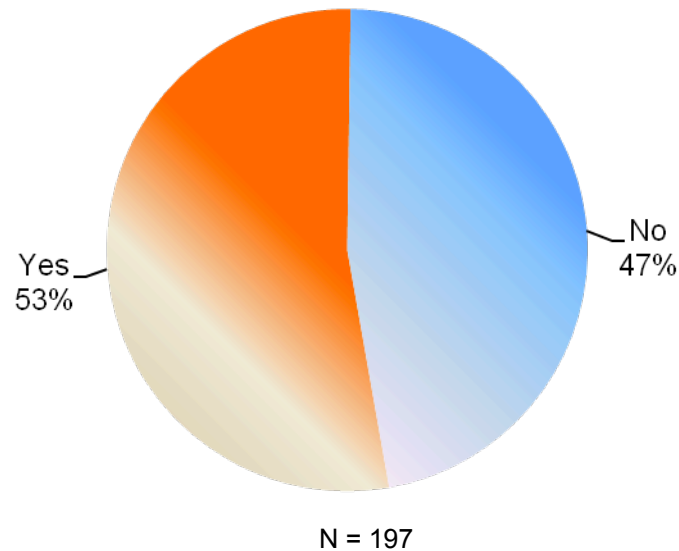


Did the staff member provide information about coverage when at home or at smaller townships/ farm/ station/ property areas?



Staff member's explanation about rural coverage

Did the staff member provide information about coverage when travelling to more remote regions?



53% of staff members provided shoppers with information about coverage while travelling to more remote areas.

Staff member's explanation about rural coverage

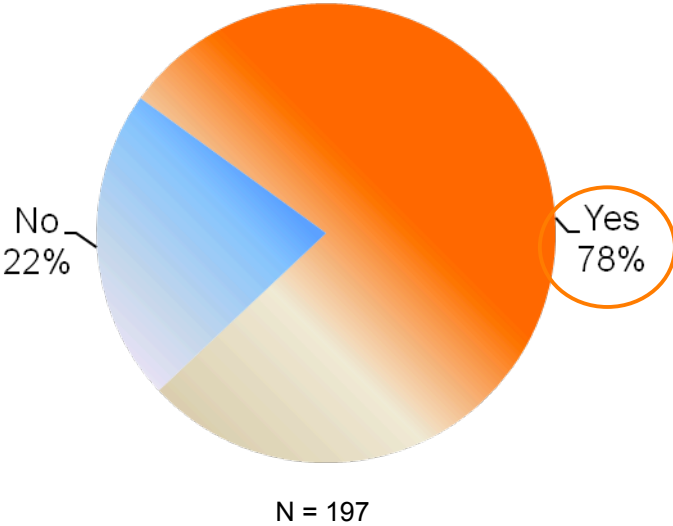
Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Spontaneously explained Telstra's Next G coverage in rural Australia	54%	63% ▲	43% ▼	60%	61%	55%	38%	48%	58%	52%
Provided information about coverage when travelling from town to town	51%	62% ▲	36% ▼	49%	50%	47%	59%	52%	39% ▼	57% ▲
Provided information about coverage when at home or at smaller townships/ farm / station/ property areas	50%	61% ▲	36% ▼	47%	52%	47%	62%	45%	32% ▼	60% ▲
Provided information about coverage when travelling to more remote regions	53%	60% ▲	43% ▼	49% ▼	44% ▼	50% ▼	76% ▲	55%	49%	55%

▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

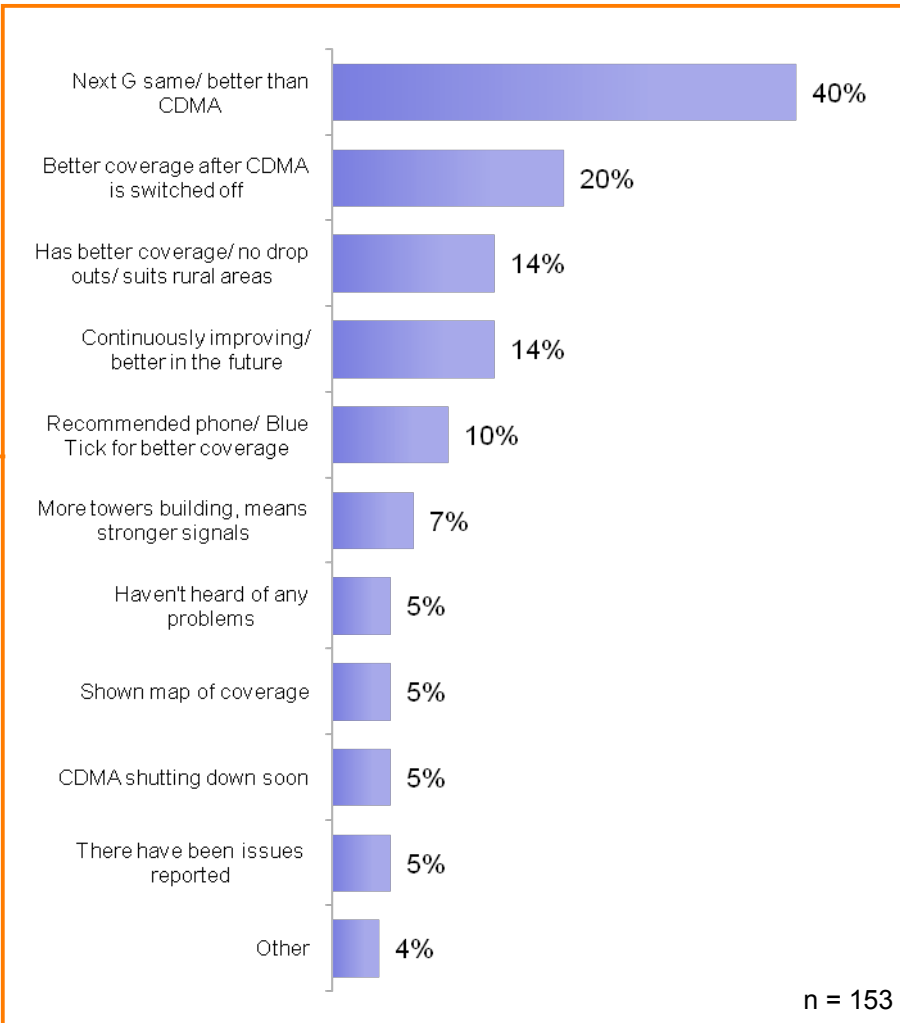
Overall in regard to rural coverage, Telstra stores significantly outperformed Other stores in the information that they provided to shoppers. A significantly higher proportion of staff members in regional stores provided information about coverage when at home, at a smaller township, farm, station or when travelling from town to town.

Did the staff member overcome your concerns about comparative coverage between CDMA and Next G and reinforce the Telstra Next G service in regional/rural areas?



- In 78% of shopping visits, the staff member was able to overcome the concerns raised about comparative coverage between CDMA and Next G and to reinforce the Telstra Next G service.
- The most common response from staff members was that the Next G network's coverage was either the same or better than CDMA.

Comments on coverage from staff members*:



*N.B: Responses sum to more than 100% due to multiple responses by some respondents.

Staff member's response to concerns about comparative coverage between CDMA and Next G

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Overcame concerns and reinforced the Telstra Next G service in regional/rural areas	78%	84% ▲	70% ▼	76%	89% ▲	71% ▼	83%	68% ▼	79%	77%

- ▲ Significantly higher result within demographic
 ▼ Significantly lower result within demographic

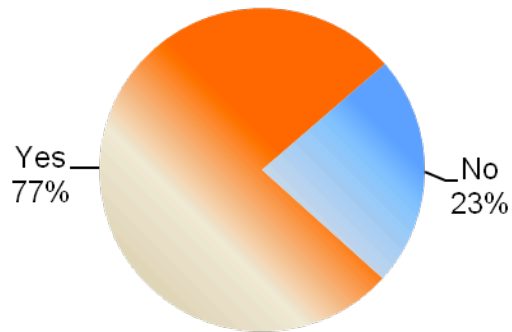
Telstra shops and VIC/TAS-based shops overcame shopper concerns and reinforced the Telstra Next G service in regional and rural areas with significantly greater frequency than Other shops and shops in QLD and SA/NT. There was no real difference between metropolitan and regional shops.



Telstra Next G phones and
Telstra Next G Blue Tick phones

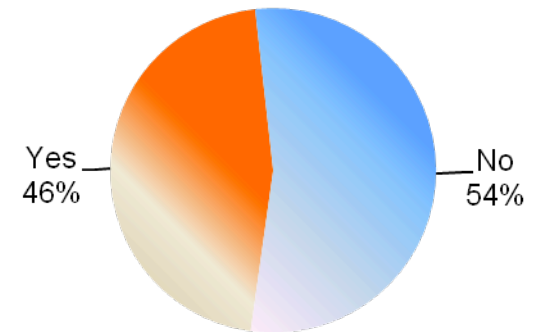
Staff member's explanation of Next G phones and Next G Blue Tick phones

Did the staff member explain the details of the Telstra Next G mobile phone models, particularly suited for regional/ rural handheld mobile coverage?



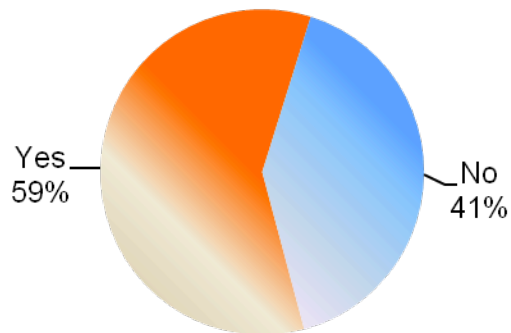
N = 197

Did the staff member promote the features of the Next G phones?



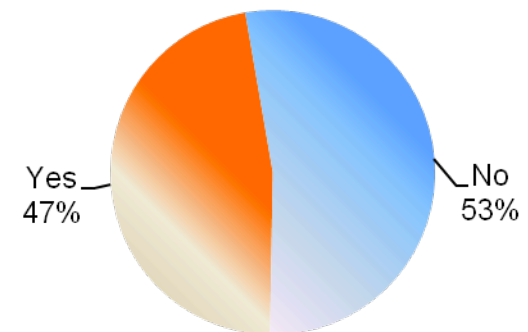
N = 197

Did the staff member explain the details of the Telstra Next G mobile phones with Blue Tick?



N = 197

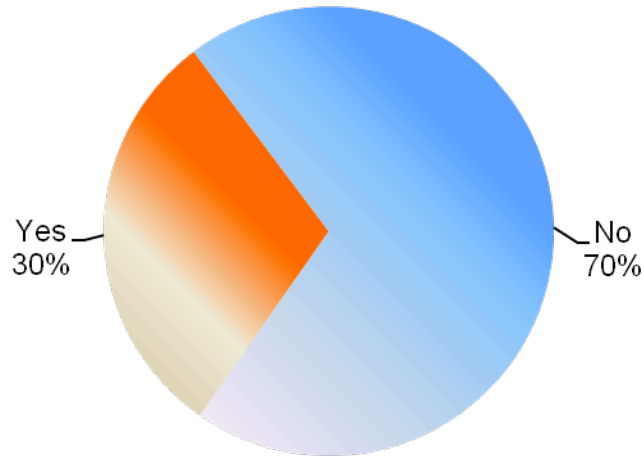
Did the staff member explain pre-paid Next G options?



N = 197

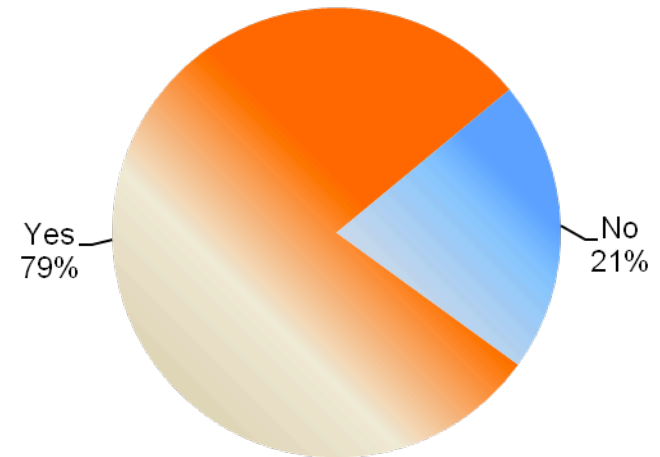
Staff member's explanation of Next G phones and Next G Blue Tick phones

Did the staff member explain the specific Blue Tick pre-paid Next G options that would suit requirements?



N = 197

When discussing the Telstra Next G coverage, did the staff member explain the available handset options and various prices?



N = 197

Staff member's explanation of Next G phones and Next G Blue Tick phones

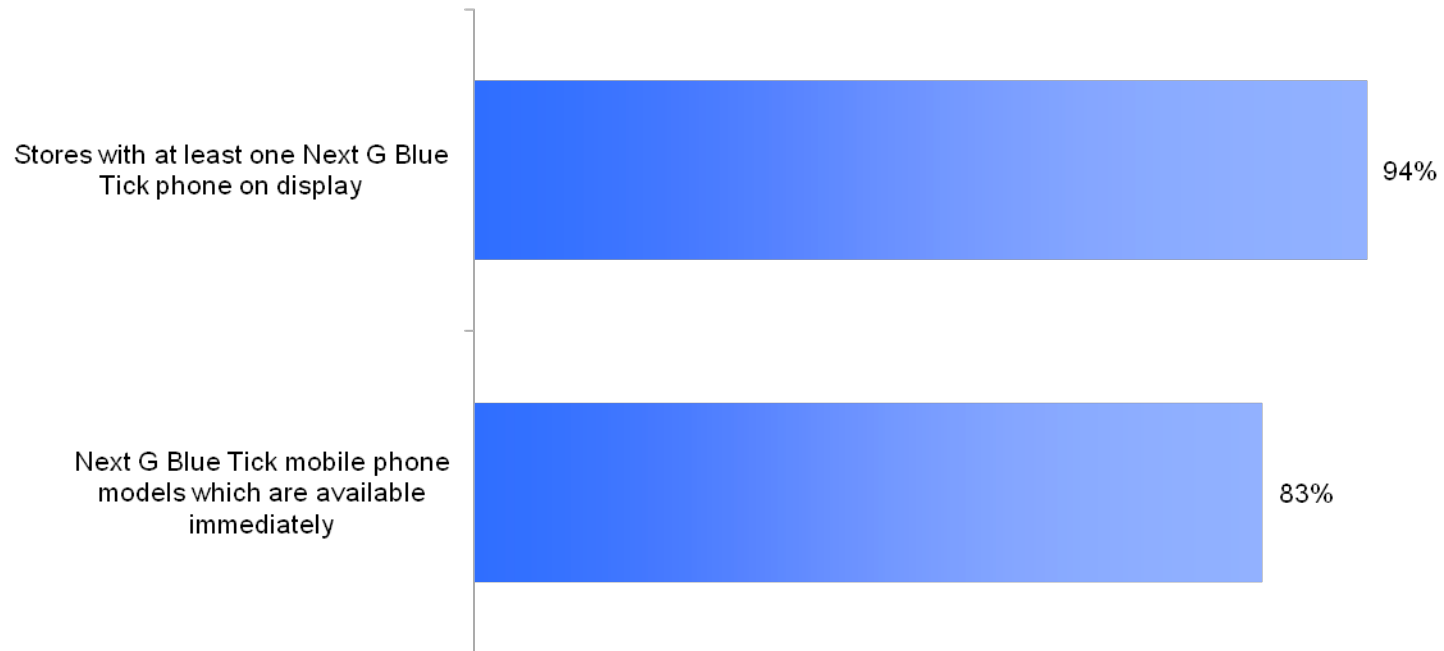
Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Explained the details of the Telstra Next G mobile phone models, particularly suited for regional / rural handheld mobile coverage	77%	81%	71%	72%	87% ▲	82% ▲	83% ▲	58% ▼	86%	71%
Promoted the features of the Next G phones	46%	57% ▲	33% ▼	38% ▼	39%	47%	55%	61% ▲	44%	48%
Explained the details of the Telstra Next G mobile phones with Blue Tick	59%	74% ▲	41% ▼	59%	57%	71%	52%	58%	56%	61%
Explained pre-paid Next G options	47%	50%	44%	36% ▼	44%	53%	66% ▲	48%	37% ▼	53% ▲
Explained specific Blue Tick pre-paid Next G options that would suit requirements	30%	37% ▲	21% ▼	21% ▼	30%	34%	41% ▲	29%	23%	34%
Explained available handset options & various prices	79%	83%	73%	77%	85%	84%	72%	71%	83%	76%

▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

In comparison to Other stores, a significantly higher proportion of Telstra stores promoted the features of the Next G phones as well as explained the details of Next G phones with Blue Tick and explained specific Blue Tick pre-paid options that would suit the shopper's requirements



Telstra Next G Blue Tick phones in store



In 94% of shopping visits, a Next G Blue Tick phone was on display for the shopper to view, while in 83% of shopping visits, a Blue Tick handset was available to the shopper immediately. This difference is a reflection of display and demonstration stock.

Telstra Next G Blue Tick phones in store

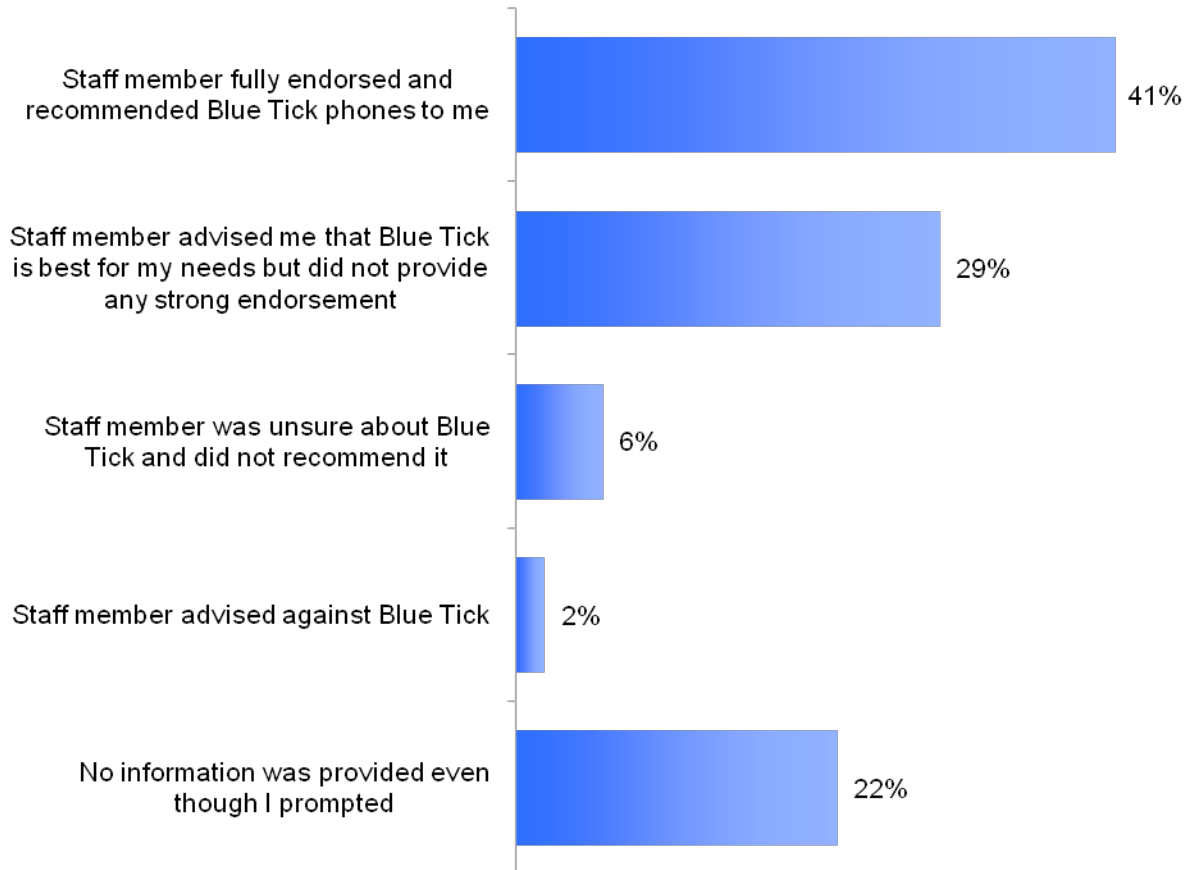
Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Stores with at least one Next G Blue Tick phone on display	94%	98%	88%	93%	98%	97%	97%	84%	96%	93%
Next G Blue Tick mobile phone models which are available immediately	83%	85%	80%	79%	89%	82%	83%	81%	89%	79%

-  Significantly higher result within demographic
-  Significantly lower result within demographic

Whilst not statistically significant, Telstra stores tend to have Next G Blue Tick phones on display with greater frequency than Other stores. Telstra stores and metro stores also tend to have higher levels of immediate availability for the Blue Tick phones, than Other stores and regional stores.



Staff member's presentation of the Telstra Next G Blue Tick phones



41% of staff members fully endorsed and recommended Blue Tick phones, while a further 29% advised shoppers that a Blue Tick phone was the best option for their needs but did not provide a strong endorsement. Even after prompting, around one in five staff members did not provide any information about Blue Tick phones to shoppers.

Staff member's presentation of the Telstra Next G Blue Tick phones

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Staff member fully endorsed and recommended Blue Tick phones to me	41%	51% ▲	28% ▼	38%	28% ▼	58% ▲	45%	42%	41%	41%
Staff member advised me that Blue Tick is best for my needs but did not provide a strong endorsement of it	29%	30%	28%	30%	37% ▲	16% ▼	38% ▲	23%	30%	29%
Staff member was unsure about Blue Tick and did not recommend it	6%	4%	8%	8%	4%	8%	3%	3%	7%	5%
Staff member advised against Blue Tick	2%	4%	1%	2%	2%	3%	0%	7%	0%	4%
No information was provided even though I prompted	22%	12% ▼	35% ▲	23%	28%	16%	14%	26%	23%	21%

▲ Significantly higher result within demographic

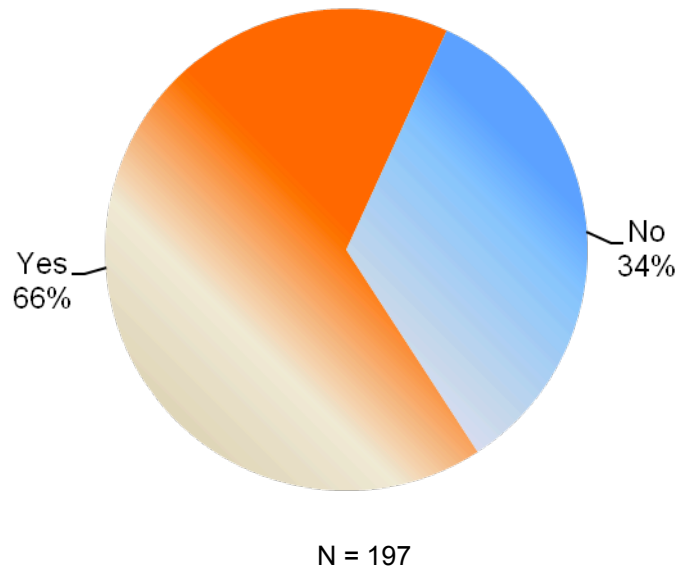
▼ Significantly lower result within demographic

A significantly higher proportion of staff members in Telstra stores fully endorsed and recommended Blue Tick phones to shoppers, in comparison to staff members in Other stores. Stores in QLD were significantly more likely to endorse and recommend Blue Tick phones than stores in VIC/TAS.

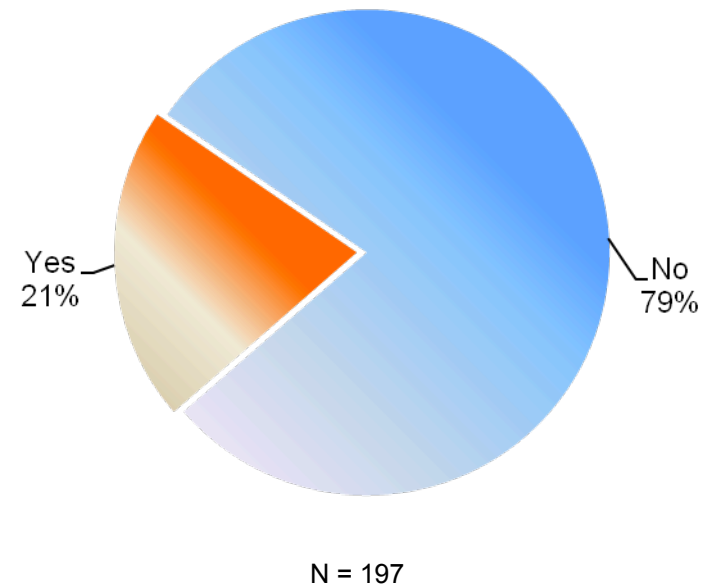
Staff members in Other stores were significantly more likely not to provide information, even when prompted.

Guidance from staff members on appropriate choice of phones

When you focused on a cheaper/alternative phone that is NOT Blue Tick approved, did the salesperson try to convince you that this is the wrong choice?



Did the staff member promote the mobile phone features over and above the coverage for your needs in rural/regional areas?



Two thirds of staff members in the survey tried to convince shoppers that going for a cheaper/alternative non-Blue Tick phone was the wrong choice for optimal regional/rural use. One in five staff members (21%) appeared to focus on the features of the mobile phone over and above the coverage of the network.

Guidance from staff members on appropriate choice of phones

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Staff members try to convince a shopper that they are making a wrong choice when a cheaper/alternative phone that is NOT Blue Tick approved is focused on	66%	76% ▲	52% ▼	60%	74%	71%	62%	58%	68%	64%
Staff members promote mobile phone features over and above the coverage for your needs in rural/regional areas	21%	27% ▲	13% ▼	23%	17%	13%	21%	32%	24%	18%

▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

Telstra staff members tried to convince shoppers that a non-Blue Tick phone was the wrong choice with greater frequency than Other stores. However, a significantly higher proportion of Telstra staff members also promoted the Next G phone's features over and above coverage issues.

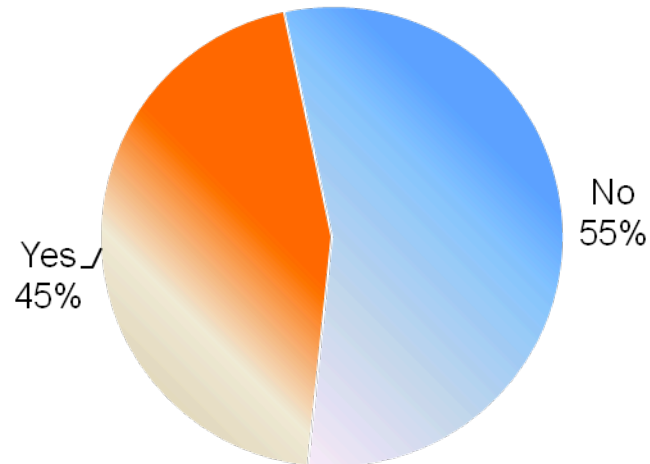


Telstra Next G Car Kit/Aerial

- Explanation of Next G Car Kit
- Staff member's Presentation



At any stage during your visit, did the staff member explain that you require a compatible car kit/ aerial to enhance mobile coverage?

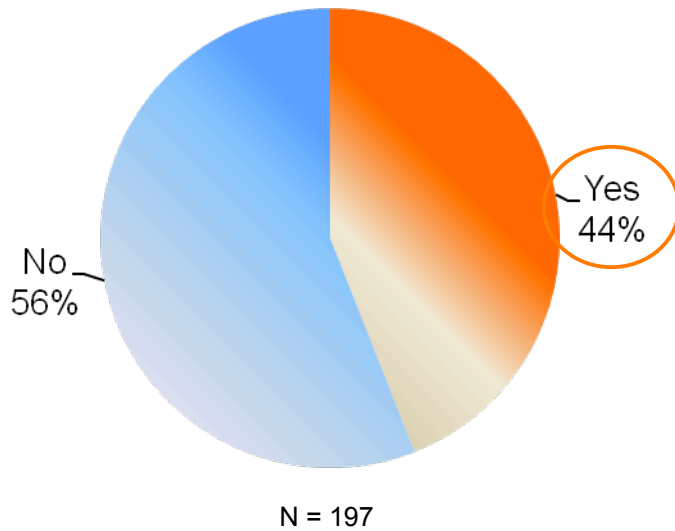


A little under half (45%) of the staff members explained to customers that they would require a compatible car kit/ aerial in order to enhance mobile coverage.



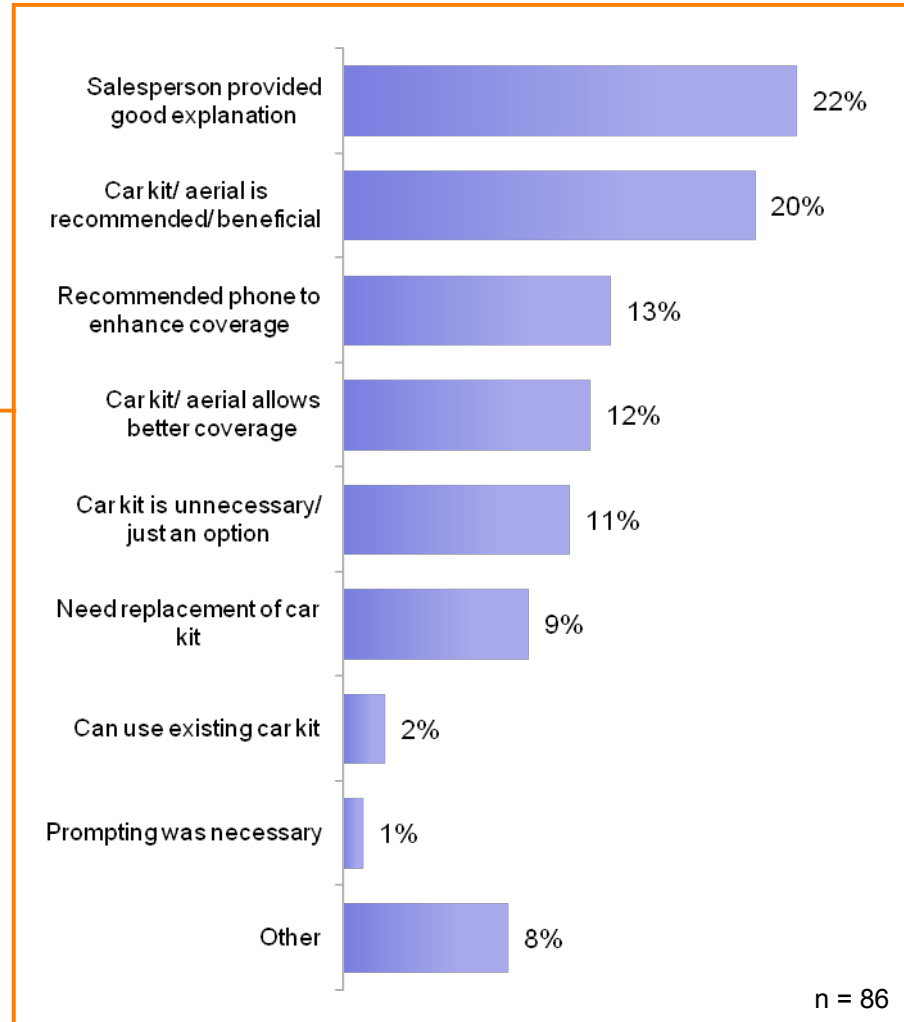
Explanation of Next G Car Kit

Overall, do you feel that the staff member provided you with the right advice about the handset/ car kit/ aerial that you should be buying?



Less than half of shoppers (44%) felt that they were provided with the right advice about the equipment they should be buying.

Comments mentioned by the staff member:



Staff member's explanation of the Next G / Blue Tick Car Kit

	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Explained that a compatible car kit / aerial is required to enhance mobile coverage at some stage during the visit	45%	54% ▲	34% ▼	49%	37%	53%	52%	36%	45%	45%
Provided the right advice about the handset/car kit/aerial that should be purchased for the intended use	44%	55% ▲	29% ▼	43%	50%	45%	41%	36%	47%	42%

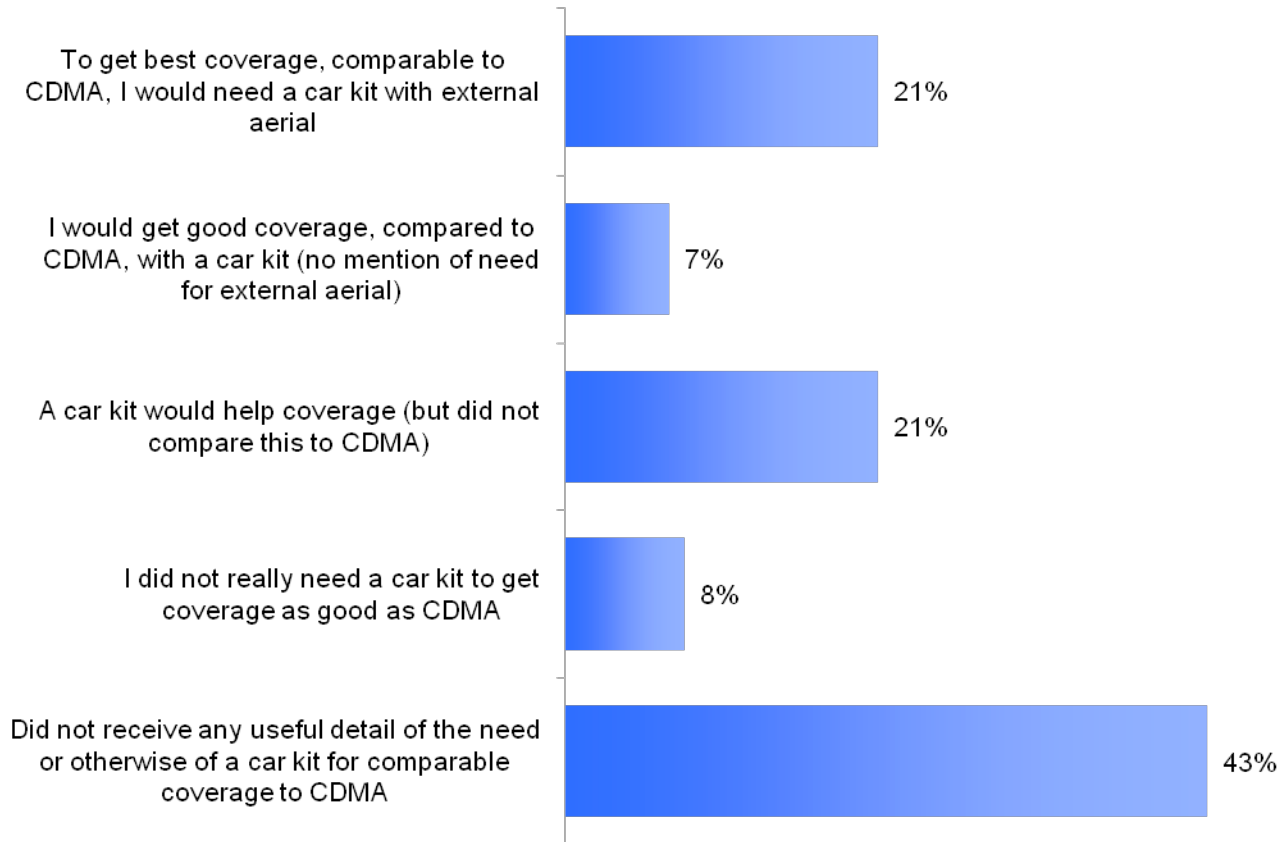
▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

Telstra staff members explained the requirement of having a compatible car kit and related advice with significantly greater frequency than Other stores.



Description of the staff member's presentation of the need for a car kit to get Next G / Blue Tick coverage comparable to CDMA



Only 21% of shoppers were advised that in order to get comparable coverage to CDMA, they would need a car kit with external aerial. The majority of shoppers (43%) did not receive any useful detail of the need, or otherwise, of a car kit for comparable coverage to CDMA.

Description of the staff member's presentation of the need for a car kit to get Next G / Blue Tick coverage comparable to CDMA

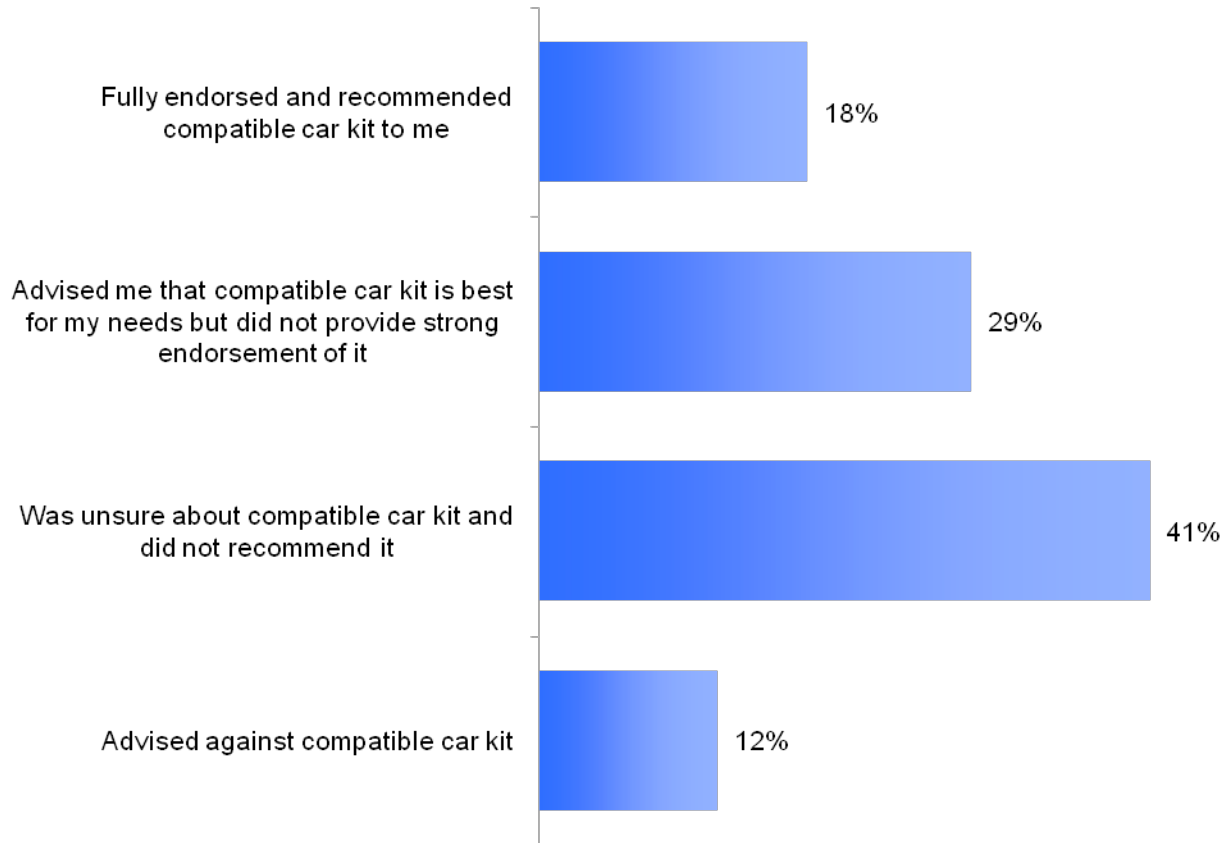
	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Advised me that with Telstra Next G, to get the best coverage, comparable to CDMA, I would need a car kit with an external aerial	21%	31% ▲	8% ▼	17% ▼	15% ▼	24%	41% ▲	13% ▼	20%	21%
Advised me with Telstra Next G that I would get good coverage, compared to CDMA, with a car kit (did not mention need for external aerial)	7%	5%	11%	8%	4%	8%	3%	13%	10%	6%
Advised me that with Telstra Next G a car kit would help coverage (but did not compare this coverage to CDMA)	21%	22%	20%	25% ▲	26% ▲	29% ▲	7% ▼	10%	17%	23%
Advised me that with Telstra Next G I did not really need a car kit to get coverage as good as CDMA	8%	10%	6%	4% ▼	17% ▲	8%	0%	10%	9%	8%
Did not give me any useful detail of the need or otherwise of a car kit for comparable coverage to CDMA with Telstra Next G	43%	33% ▼	56% ▲	47%	37%	32%	48%	55%	45%	42%

- ▲ Significantly higher result within demographic
- ▼ Significantly lower result within demographic

A significantly higher proportion of Other stores did not provide shoppers with any useful detail around the need for a car kit to get comparable coverage to CDMA.



Description of the staff member's presentation of the need for a car kit to get Next G / Blue Tick coverage comparable to CDMA



Less than one in five staff members (18%) fully endorsed and recommended a compatible car kit to shoppers. 41% of staff members were unsure about compatible car kits and did not recommend any, while 12% of staff members went so far as to advise against a car kit.

Description of the staff member's presentation of the need for a car kit to get Next G / Blue Tick coverage comparable to CDMA

	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Staff member fully endorsed and recommended compatible car kit to me	18%	27% ▲	7% ▼	17%	15%	24%	24%	13%	16%	20%
Staff member advised me that compatible car kit is best for my needs but did not provide strong endorsement of it	29%	31%	28%	34% ▲	35% ▲	32%	28%	13% ▼	32%	28%
Staff member was unsure about compatible car kit and did not recommend it	41%	32% ▼	52% ▲	40%	33% ▼	34% ▼	41%	61% ▲	35%	44%
Staff member advised against compatible car kit	12%	11%	13%	9%	17%	11%	7%	13%	17%	9%

▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

A significantly higher proportion of Telstra stores fully endorsed and recommended a compatible car kit as compared with Other stores. Similarly, a significantly higher proportion of staff members in Other stores were unsure about compatible car kits and failed to recommend one.

SA/NT stores were unsure and failed to recommend a car kit in significantly greater proportions than stores in VIC/TAS and QLD.



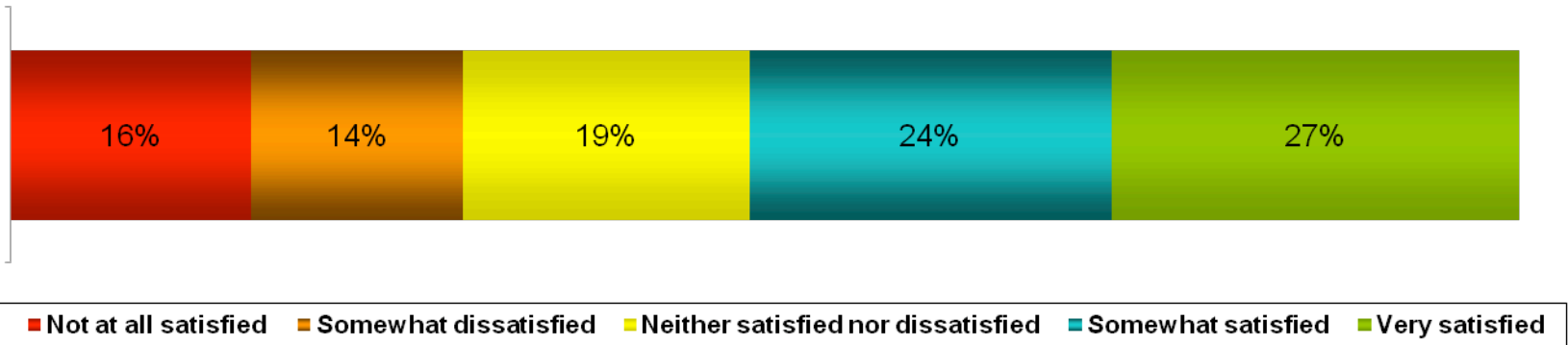
Overall Customer Experience

- Overall Satisfaction
- Determining Customer Needs
- Purchase Intentions



Overall Satisfaction

Overall, how satisfied were you with the explanation of Telstra Next G coverage issues for your profile?



Just over half (51%) of shoppers were satisfied with the explanation they received about the Telstra Next G coverage issues. One in three shoppers were dissatisfied at the explanation they received.

Overall satisfaction with the explanation of Telstra Next G coverage issues

	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/NT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Very satisfied	27%	41% ▲	8% ▼	28%	22%	26%	28%	29%	25%	27%
Somewhat satisfied	24%	21%	29%	17% ▼	35% ▲	24%	31%	16%	30%	21%
Neither satisfied nor dissatisfied	19%	20%	19%	23%	20%	21%	7%	23%	20%	19%
Somewhat unsatisfied	14%	12%	17%	11%	15%	18%	14%	13%	11%	16%
Not at all satisfied	16%	7% ▼	27% ▲	21%	9%	11%	21%	19%	14%	17%

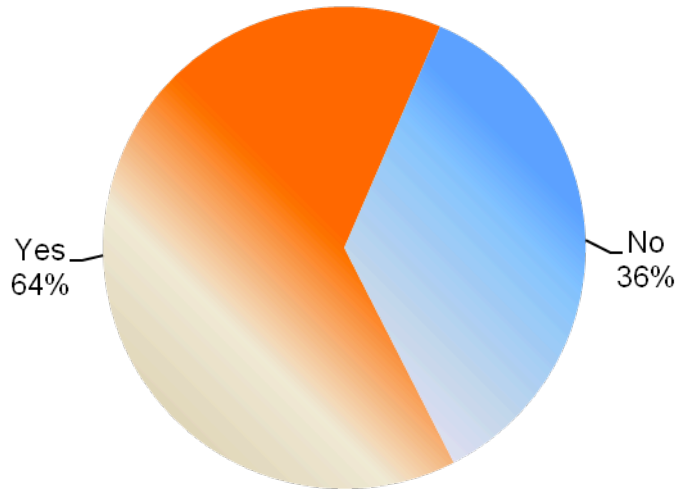
▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

Shoppers that visited Telstra stores were “Very Satisfied” with the explanation provided to them regarding Next G coverage issues in significantly greater proportion compared to shoppers in Others stores. Conversely, a significantly higher proportion of shoppers in Other stores were not at all satisfied with the explanation they received.

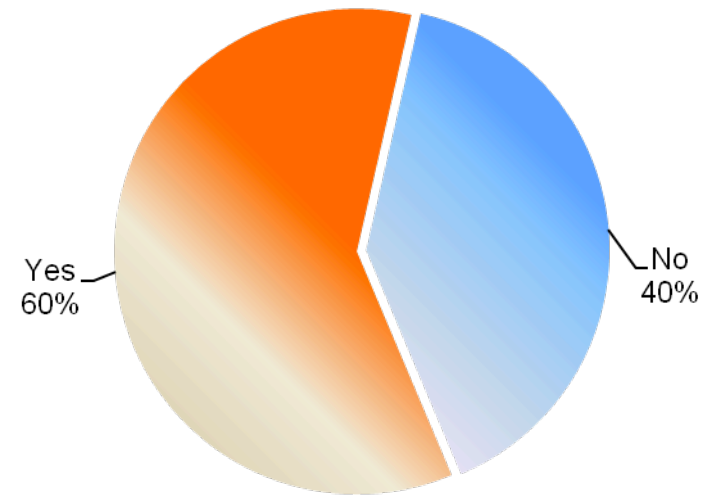
Staff member's understanding of shopper needs

Did the staff member ask questions to understand why you want to have a Telstra Next G mobile?



N = 197

Did the staff member ask you about your total usage requirements?

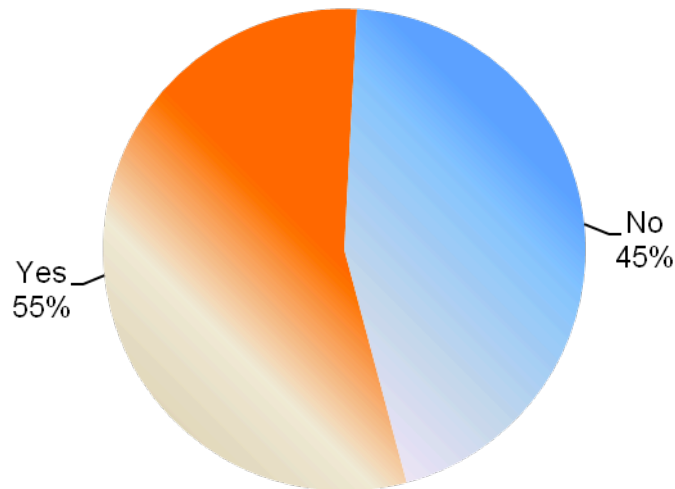


N = 197

In 64% of cases, the staff member asked the shopper questions to understand why they wanted to have a Telstra Next G mobile and also asked about their total usage requirements.

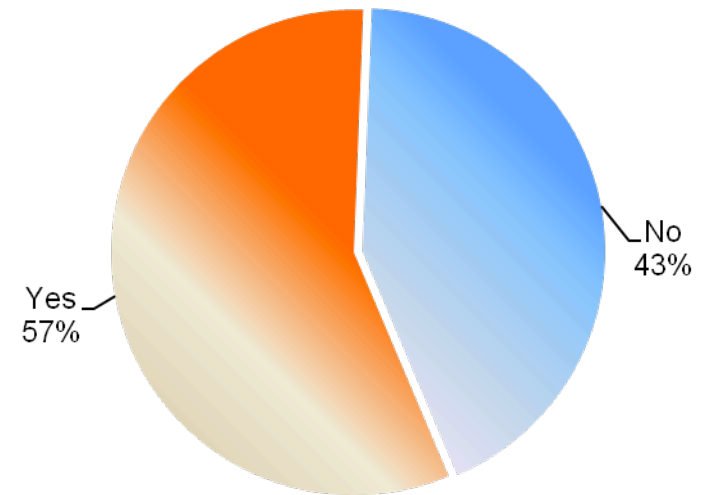
Staff member's understanding of shopper needs

Overall, do you feel the staff member presented appropriate information for you to be able to make an informed decision about which is the most appropriate phone to buy?



N = 197

Overall do you believe that the staff member identified the needs of your user profile and adapted their presentation to meet those needs?



N = 197

In 55% of cases, shoppers felt that the staff member presented appropriate information to allow them to make an informed decision about the most appropriate phone to buy. Around the same proportion of shoppers believed the staff member identified the needs of their user profile and adapted their presentation to meet those needs.

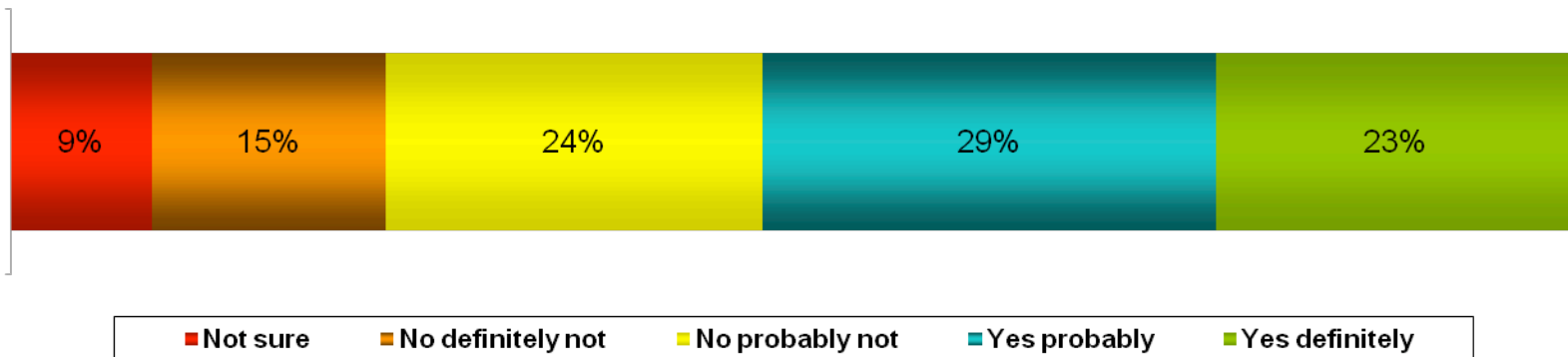
Staff member's understanding of shopper needs

Yes %	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/WT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Asked questions to understand why the shopper wanted to have a Telstra Next G mobile	64%	71% ▲	54% ▼	60%	70%	63%	59%	65%	70%	60%
Asked about your total usage requirements	60%	69% ▲	49% ▼	55% ▼	83% ▲	61% ▼	41% ▼	55% ▼	72% ▲	54% ▼
Presented appropriate information for the shopper's profile	55%	64% ▲	43% ▼	51%	61%	55%	66%	42%	61%	52%
Identified the shopper's user group and adapted their presentation and sales abilities to meet needs as outlined in the scenario	57%	68% ▲	44% ▼	49%	72%	55%	55%	55%	61%	56%

- ▲ Significantly higher result within demographic
- ▼ Significantly lower result within demographic

Staff members in Telstra stores performed better on needs assessment criteria compared to staff in Other stores. A significantly higher proportion of VIC/TAS and metropolitan stores asked shoppers about their total usage requirements.

Likelihood of Telstra Next G network phone purchase



Just over half (52%) of the shoppers stated that they would have gone ahead with a phone purchase based on the staff member's presentation. Around one in ten shoppers were still not sure about their purchase intentions at the end of the shop.

Likelihood of Telstra Next G network phone purchase

	Overall	Shop Visited		State					Locality	
		Telstra	Other	NSW/ACT	VIC/TAS	QLD	WA	SA/WT	Metro	Regional
n=	197	111	86	53	46	38	29	31	71	126
Yes definitely	23%	32% ▲	12% ▼	25%	24%	21%	38% ▲	10% ▼	14% ▼	29% ▲
Yes probably	29%	31%	27%	25%	30%	32%	17% ▼	42% ▲	44% ▲	21% ▼
No probably not	24%	21%	28%	26%	28%	26%	10%	23%	21%	25%
No definitely not	15%	9% ▼	23% ▲	17%	9%	13%	24%	16%	13%	17%
Not sure	9%	7%	11%	8%	9%	8%	10%	10%	9%	9%

▲ Significantly higher result within demographic

▼ Significantly lower result within demographic

A significantly higher proportion of Telstra store shoppers stated that they would have definitely gone on to purchase a Next G phone based on the staff member's presentation, compared to shoppers in Other stores. In contrast, a significantly higher proportion of shoppers in Other stores stated that they definitely would not purchase a Next G phone based on the staff member's presentation.

For more information please contact:

Doan Tran

Senior Research Analyst

ACA Research

Tel: +61 2 9927 3341

Email: doant@acaresearch.com.au

Level 4, 121 Walker Street

North Sydney NSW 2060

ACA Research (the authors) and any other representative involved in the preparation of this report make no representations or warranties as to the accuracy or completeness of the data, views, conclusions, comparisons or insights contained in this report.

ACA Research expressly disclaim all responsibility and all liability (including liability for negligence) for any loss, damage, expense or cost howsoever arising in respect of this report, including any consequences arising from its use by any representative acting upon the whole or part of this report.

