



Australia Post Consumer Survey Mail Findings

Research into consumer preferences of transactional communications



Methodology

The Australia Post Consumer Survey measures consumer attitudes and behaviours of interest to Australia Post, particularly mail (letters), parcels and retail. The Australia Post Consumer Survey Mail Findings is an extract of insights from the mail (letters) area of the survey.

Participants

1,000 Australians are surveyed online each quarter. Australia Post utilise Quality Online Research (QOR) to compose a panel of respondents that best represents the Australian population in terms of age, gender and geographic location.

Survey

This quarter the survey looked at how participants receive transactional (bills & statements) mail, how they would prefer to receive this type of mail, their behaviour towards advertising on these communications and attitudes towards online billing. In addition, we look at how preferences may have changed over the last 12 months.

Executive Summary

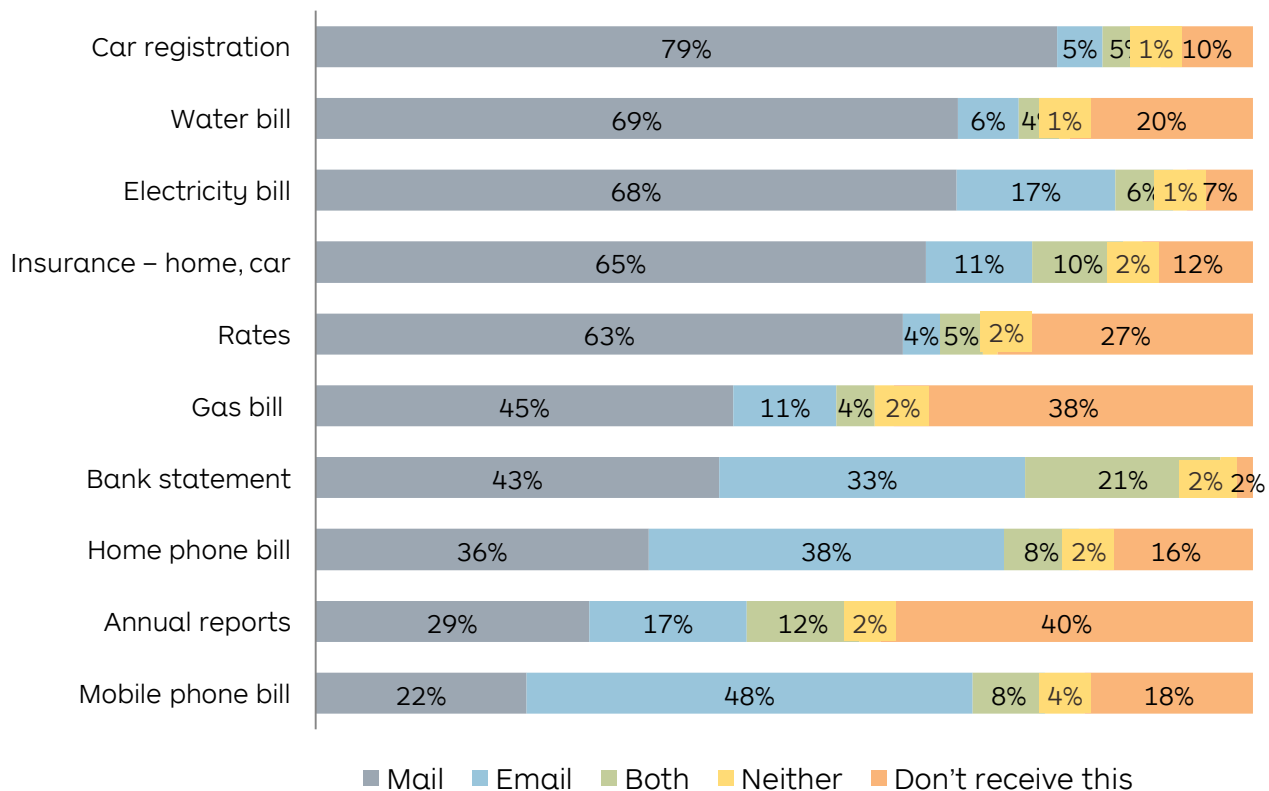
- Utilities, rates and insurance bills are still predominately received via the mail
- There has been a decline in use of the mail channel for sending bills & statements over the last 12 months
- Contrary to the above, consumer preference for receiving bills & statements by mail has risen over the last 12 months
- One in five people receiving insurance and electricity bills by mail notice advertising on these pieces
- Advertising is most noticed when bills & statements are sent by mail and email in combination
- Mail helps people to pay their bills on time
- Four in five people are accessing at least one bill online
- Consumers demand choice when it comes to their method of receiving bills & statements
- Most people receiving bills & statement by mail are not interested in switching to online channels
- 50% of migration to online billing has been due to actions from the biller (not the customers choice)
- Customer satisfaction is highest when given the choice of how to receive bills & statements

Mail is still the chosen method by companies & organisations for sending utilities, rates and insurance bills & statements

How do you currently receive the following types of information?

Despite an overall decline in mail over the last 12 months, most bills and statements are sent using the mail channel. Car registration, water, electricity & gas bills, insurance, rates and bank statements are all still predominately sent using mail.

Phone bills continue to be delivered more often by email. 48% of respondents receive mobile phone bills by email (up 2% on July 2012).



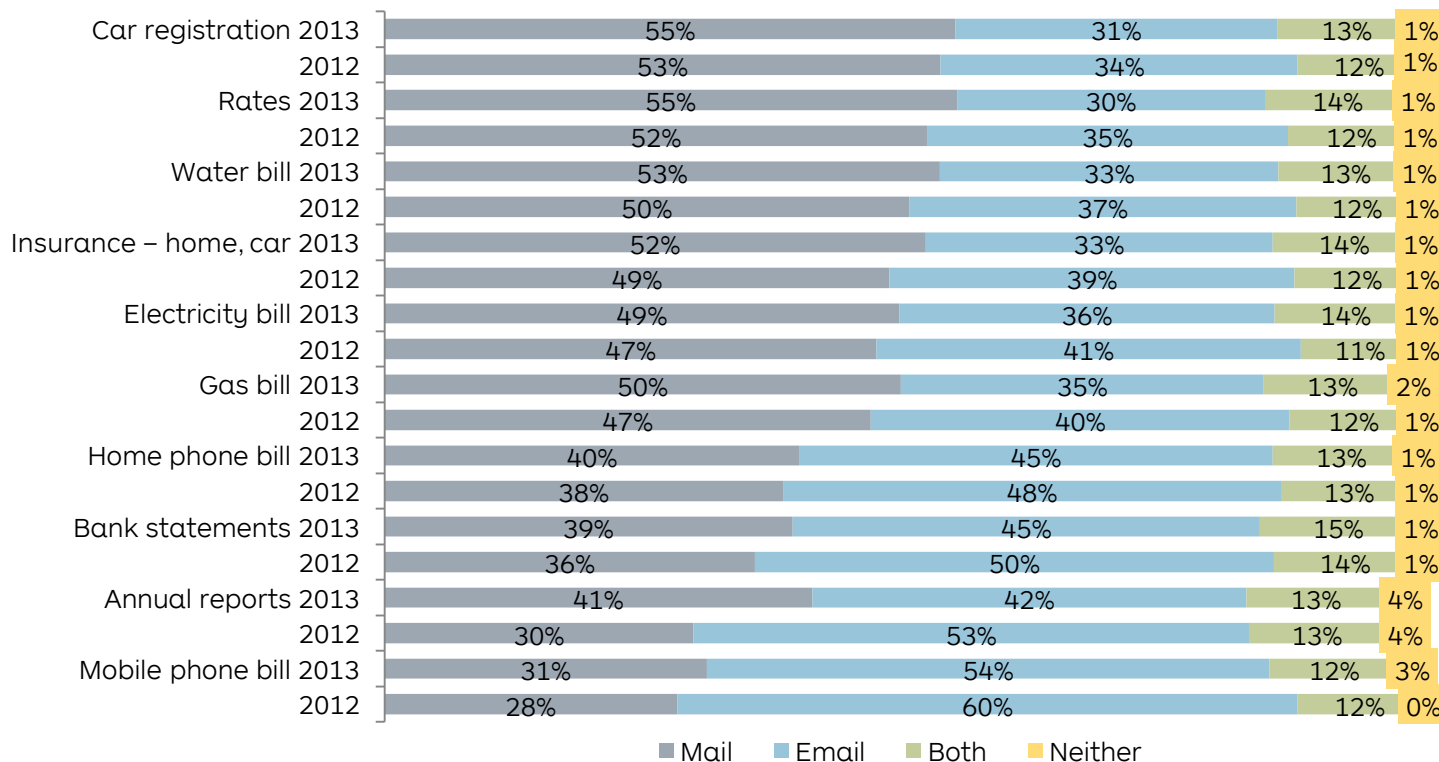
Consumer preference for receiving bills & statements by mail is on the rise

How would you prefer to receive the following types of information?

While preference for receiving bills & statements is varied depending on the type of information, preference for receiving all types of bills & statements by mail has risen over the last 12 months.

Preference for receiving rates, water, gas, mobile phone and insurance bills, and bank statements have all increased by 3%, whilst preference for receiving annual reports has increased by a huge 11% (30% to 41%).

Despite online channels being used more by senders, consumers preference for mail continues to grow.



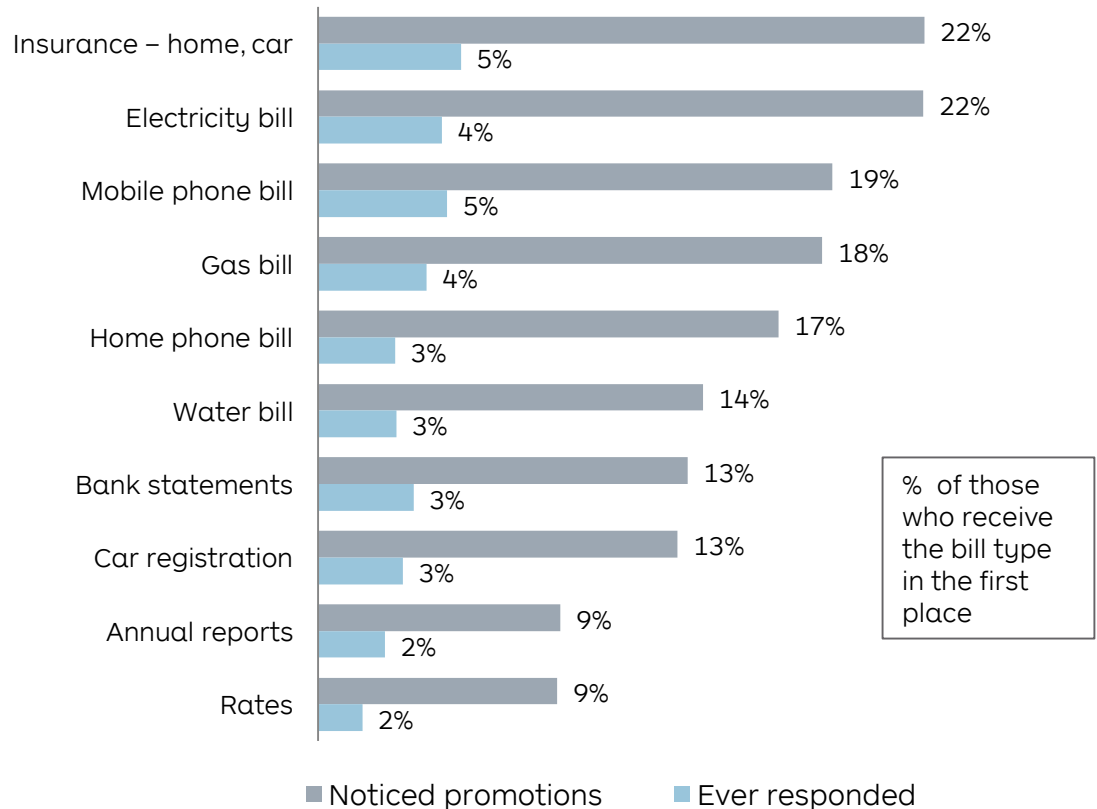
It pays to make use of the real estate on a bill or statement

Do you notice advertising and promotional offers on the following types of information?
Have you ever responded to one of these offers on the following types of information?

The percentage of people who recall promotional offers on a bill or statement and act on them varies according to the bill or statement on which the advertisement appears.

Just over 1 in 5 people receiving insurance and electricity bills by mail can recall seeing advertising on these pieces, and 5% have acted on these messages from insurance companies.

While businesses may see a bill or statement as a cost, it is clear that using the clear space to advertise can turn this cost into a revenue generator.



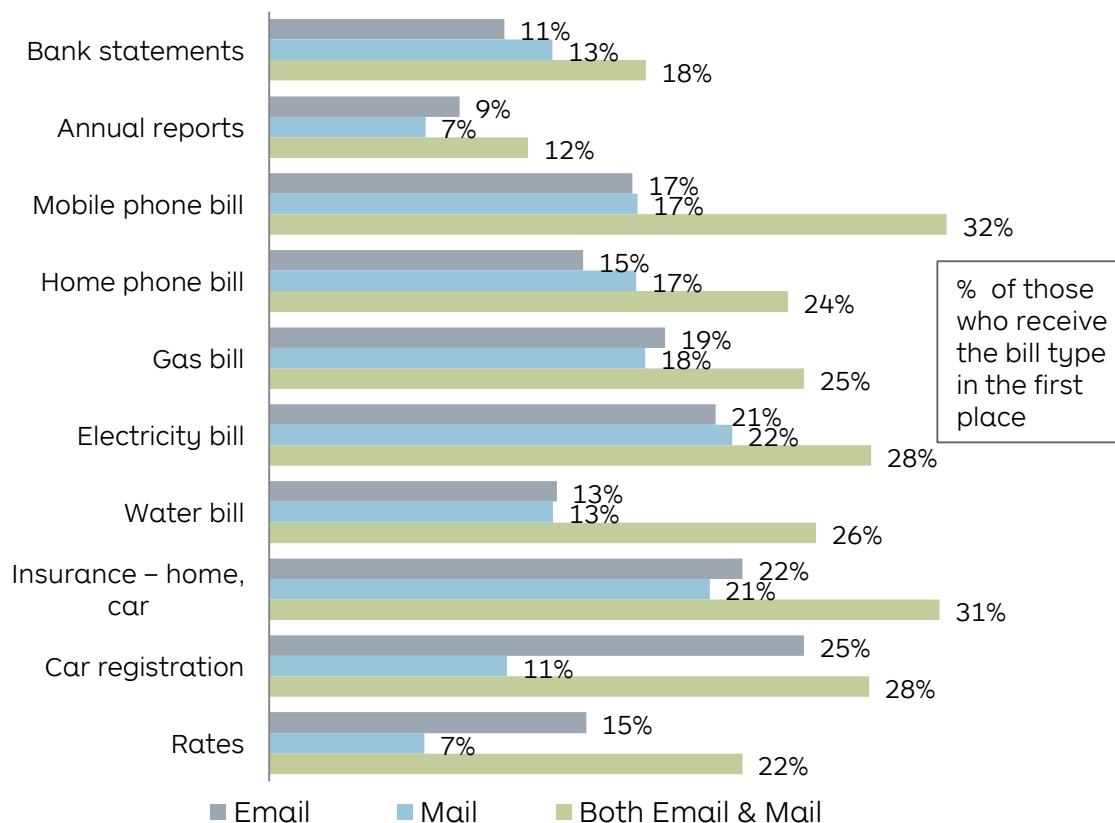
Advertising on bills and statements has more cut-through with a multi channel approach

Do you notice advertising and promotional offers on the following types of information?

Advertising is most noticed when bills & statements are sent by mail and email in combination.

This is particularly the case for mobile phone and insurance bills where almost 1 in 3 notice advertising and promotional messages.

Proportion of receivers who notice advertising or promotions:



A multi-channel approach delivers better response to advertising on bills and statements

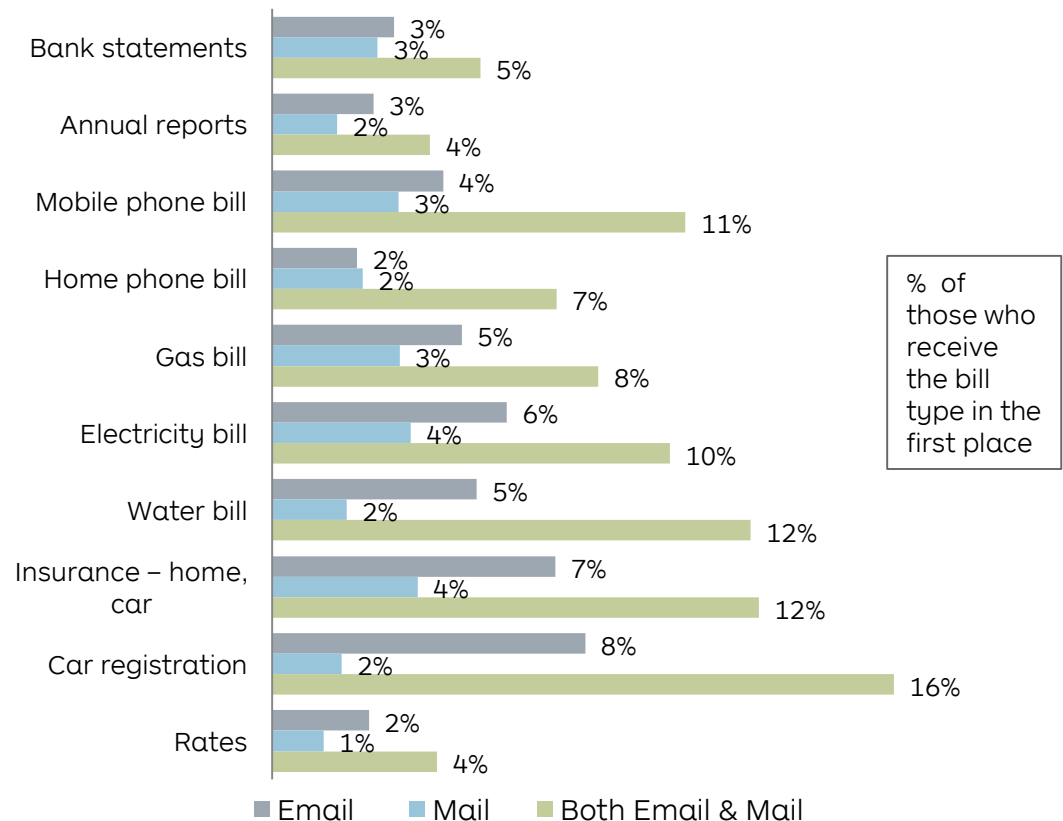
Have you ever responded to one of these offers on the following types of information?

Advertising is both noticed, and most importantly acted on when bills & statements are sent using mail and email.

16% of people who received car registration bills by email and mail had responded to these advertising and promotional messages.

Consumers seem to be slightly less receptive to advertising on bank statements, annual reports and rates.

Proportion of receivers who have ever acted on an ad or promotion:



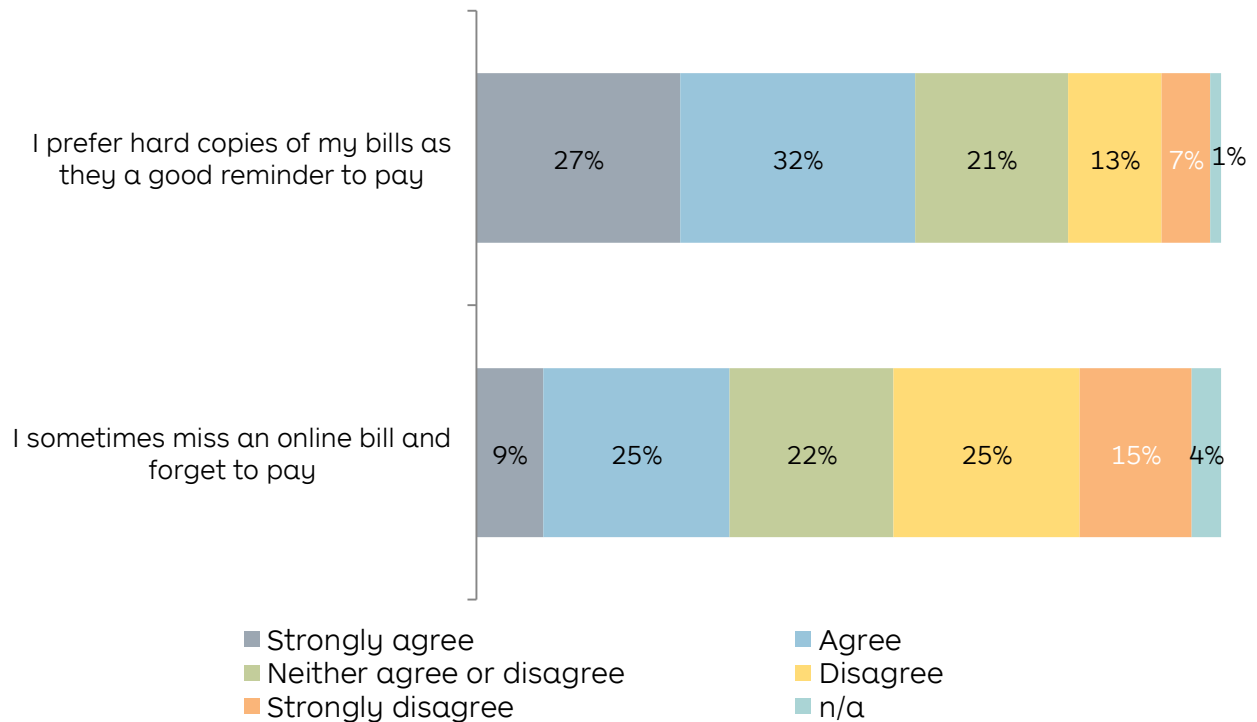
Mail provides an effective prompt for customers to pay their bills on time

Please rate your level of agreement with the following statements...

59% of people agree that having hard copies of their bills provides a good reminder to pay them, while a third of Australians agree that they sometimes forget to pay an online bill.

Providing customers with a physical copy of a bill via mail is a great way to ensure customers pay their bills on time.

Attitude among all Australians:



Online channels are being increasingly used to access bills and statements

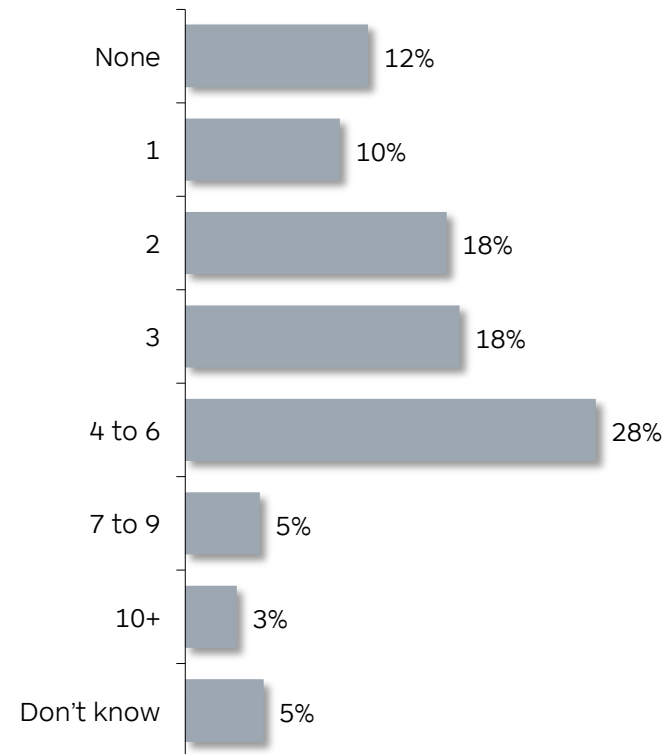
How many bills and statements do you access online (either emailed to you or you view them on the Internet)?

More than 4 in 5 (83%) say they access at least one bill or statement online (either emailed or via the internet).

1 in 10 people access one bill online, while 28% access 4-6 bills online.

It is interesting to note that while online channel usage is high, preferences for receiving bills and statements by mail is on the increase too. This could be due to some billers moving to online channels without giving their customers a choice on how they wish to receive their bills and statements.

Number of bills and statements access online (either emailed or viewed on the Internet):



Convenience is the primary reason for doing online billing

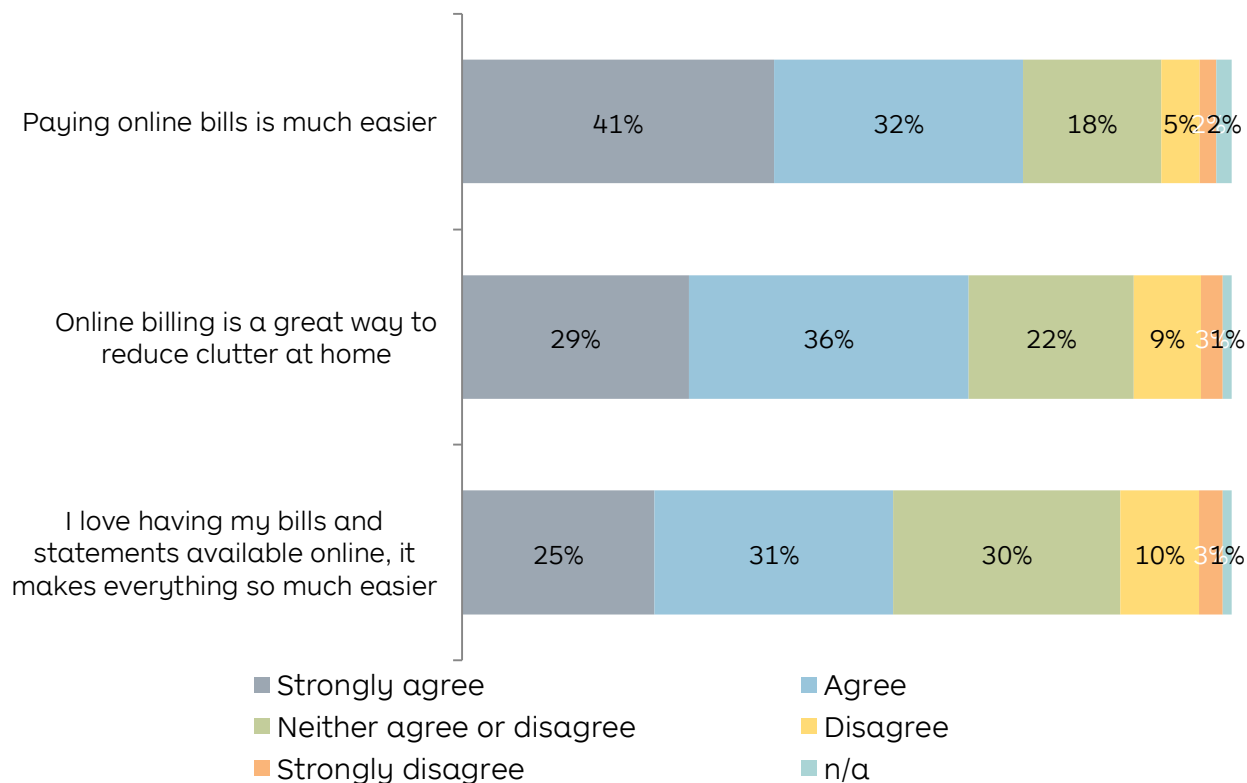
Please rate your level of agreement with the following statements...

2 in 3 people (65%) that access at least one bill online agree that having bills & statements available online is a great way to reduce clutter at home.

56% of people agree that they love having their bills and statements available online as it makes everything much easier, while 73% agree that paying online bills is much easier.

These findings highlight that for some people online bills assist them in feeling organised with their paperwork, as well as providing an easy way to access a bill and pay it at the same time.

Attitude among Australians who access at least 1 bill online



Consumers demand choice when it comes to receiving bills & statements

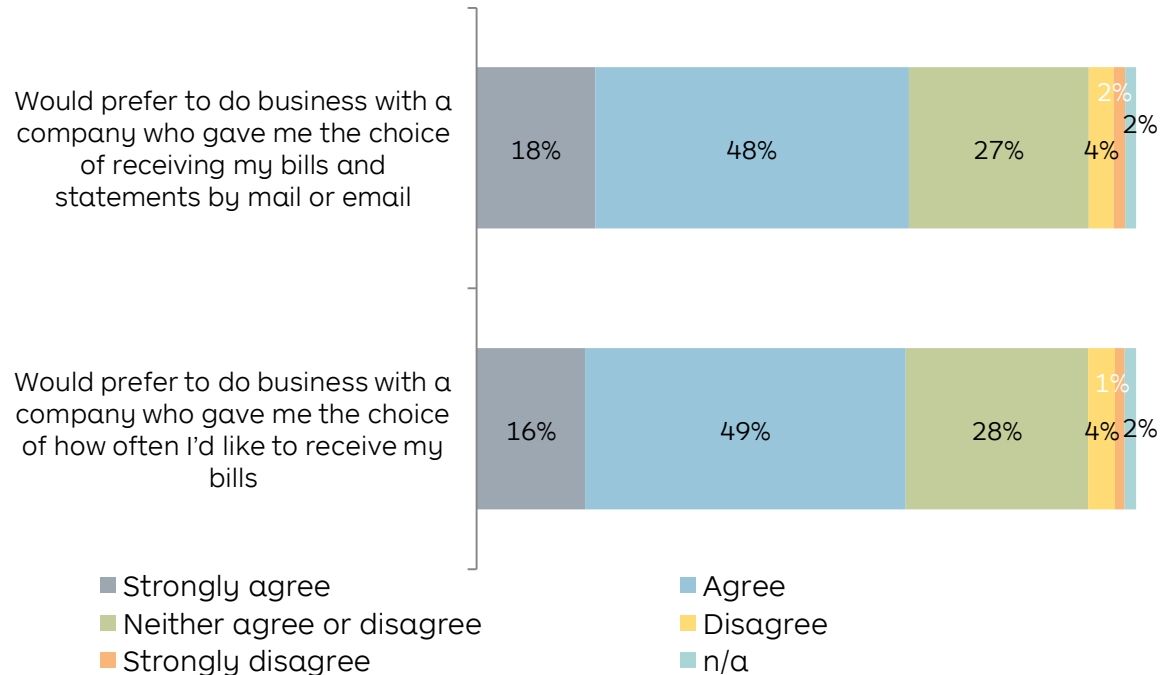
Please rate your level of agreement with the following statements...

Two thirds of Australians agree that they would prefer to do business with a company that gave them the choice of how they would like to receive their bills & statements.

And 65% of people would like to do business with a company that extended this choice to frequency of their bills & statements.

It makes sense to provide choice to customers which could ultimately prevent them from switching to a provider that offers more flexibility.

Attitude among all Australians:



If given the choice most people would not switch bills & statements from mail to online

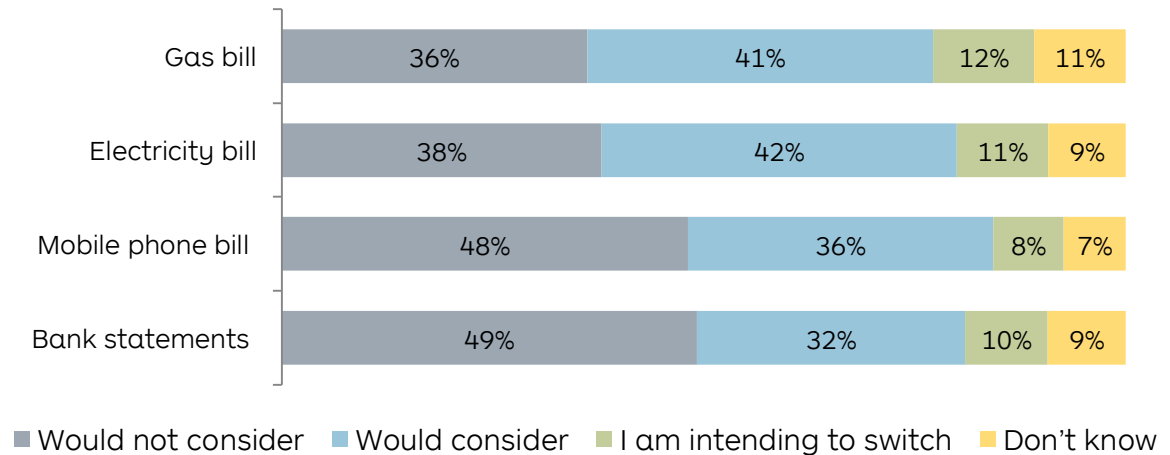
How likely are you to switch the following types of bills or statements from mail to online?

Around 1 in 10 people who are currently receiving their bills and statements by mail are intending to switch to the online channel.

Just under 50% are not considering switching to online channels for mobile phone bills and bank statements.

It is clear that Australians still see the value of receiving their bills and statements via mail.

Among those who currently receive these bill or statement by mail only, how likely are they to switch to online:

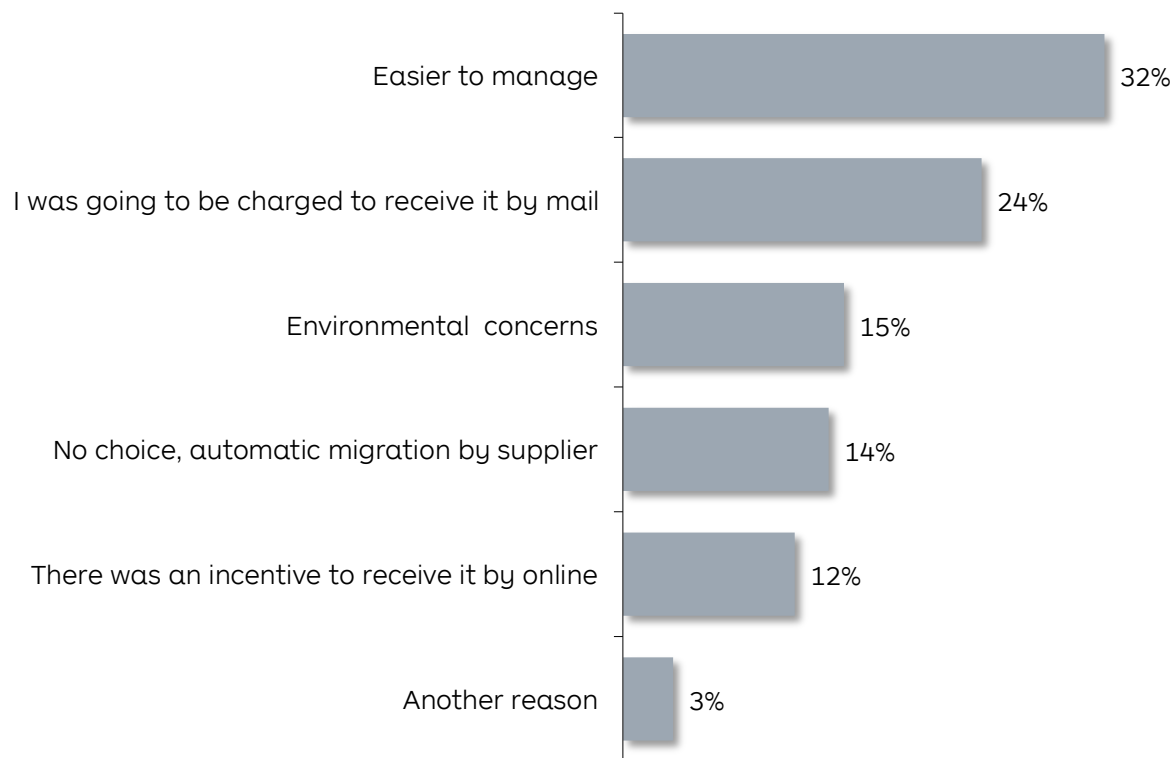


Billers instigated actions account for half the bill migration from mail to online

Please indicate your general behaviour when you receive your mail.

50% of migration from mail to online for billing and statements has been due to actions from the biller. These include being charged to receive it by mail (24%), no choice, automatic migration by supplier (14%) and there was an incentive to receive it by online (12%).

Among those who recently changed the way they receiving a bill or statement from mail to online – Why?:



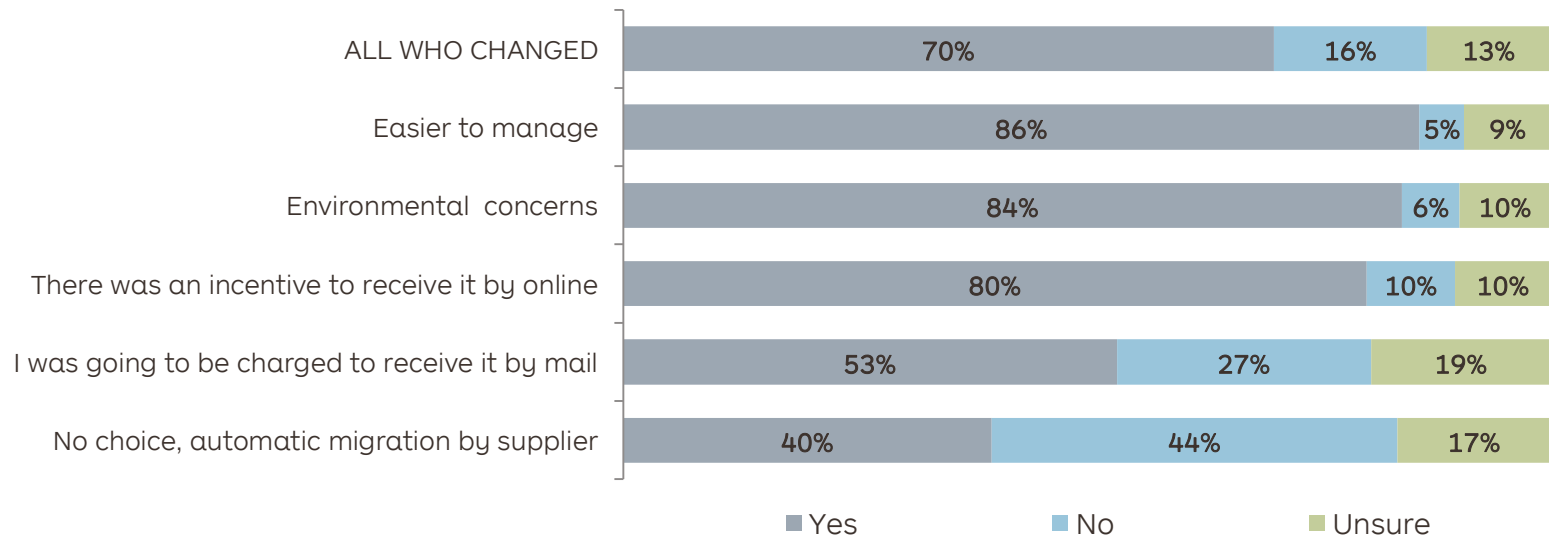
Customer satisfaction is highest when given the choice of how to receive bills & statements

Are you satisfied with the recent change(s) that was made to your billing or statement arrangements (referred to in the previous question)?

70% of people who recently changed the way they received a bill or statement from mail to online are satisfied. However, it is interesting to note that when there is no choice to change, this satisfaction level drops significantly. Only 40% of people were satisfied when there was no choice (automatic migration by supplier), while 53% were satisfied when they changed because they were going to be charged to receive their bill or statement by mail.

Again, this further emphasises the point that people are wanting to choose if and when they migrate to online billing and statements.

Those who recently switched a bill or statement from mail to online, satisfaction



Thank you

To discuss how your business can benefit from including mail in your customer communications and multi-channel marketing campaigns

please visit auspost.com.au or call 13 11 18