

Sensis[®] *Consumer Report*



December 2004

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Introduction

The December 2004 Sensis® *Consumer Report* is a survey designed to measure the confidence and behaviour of Australia's consumer population.

The primary objectives of the Sensis® *Consumer Report* are to measure consumer confidence and expectations for the next 12 months. A second purpose is to provide an independent, objective assessment of consumers' experiences and attitudes on key issues.

The Sensis® *Consumer Report* is based on a sample size of 1,500 Australians from metropolitan and regional areas of Australia. It includes people from all states and territories, of ages ranging from 14 years and up. Demographics such as gender, employment status, income ranges and family status are collected to enable cross-analysis of data collected.

Results in the Sensis® *Consumer Report* are reported as a net balance, which represents the total number of positive responses minus the total number of negative responses. All results in the Sensis® *Consumer Report* are based on the responses of consumers surveyed.

The Sensis® *Consumer Report* is an initiative of Sensis Pty Ltd that aims to increase the understanding of consumer behaviour and expectations. Sensis also produces the Sensis® *Business Index (Business Index)*, an ongoing series of surveys tracking confidence and behaviour of Australia's small and medium enterprises (SMEs). Since its inception in 1993, the *Business Index* has been one of the most comprehensive and regular surveys of small businesses in Australia. Historically, the *Business Index* has focused specifically on businesses employing 19 people or fewer. In November 2000 it was expanded to cover the medium business sector, while the regional and industrial sectors were also enhanced.

Data for both of these reports is collected concurrently with many questions being asked of both businesses and consumers. This allows comparisons between these two groups to be made, to enable a better understanding of the interaction of supply and demand in the Australian economy.

Sensis is a wholly owned advertising subsidiary of Telstra Corporation Ltd. Sensis manages a number of leading Australian brands including: Yellow Pages® and White Pages®; a leading lifestyle brand CitySearch®; the location and navigation brand Whereis®; and the Trading Post® classified advertising brand.

In addition, the Sensis research team undertakes commissioned research for corporate and government organisations on a variety of SME and policy issues.

About the survey

The results in this report are based on a survey of 1500 Australians conducted over the period 22 October to 17 November 2004.

All interviews were conducted by telephone by the survey research firm, Sweeney Research.

To ensure a good cross representation across the states and territories and by demographics, quotas were set on age, gender and location as detailed in the charts below.

Sample Structure - Demographics			
	Total	Male	Female
14 – 17 years	100	50	50
18 – 19 years	100	50	50
20 – 29 years	250	125	125
30 – 39 years	250	125	125
40 – 49 years	250	125	125
50 – 64 years	300	150	150
Over 64 years	250	125	125
Total	1500	750	750

Sample Structure- Location			
	Total	Metro	Non-Metro
New South Wales	250	200	50
Victoria	250	200	50
Queensland	250	140	110
South Australia	190	160	30
Western Australia	190	160	30
Tasmania	125	75	50
Northern Territory	125	75	50
Australian Capital Territory	120	120	0
Total	1500	1130	370

The results have been weighted according to the latest Australian Bureau of Statistics population figures (2001 Census) so that results more closely reflect the population distribution within each state and territory.

Comparisons in the Sensis® Consumer Report are made between consumers and businesses. The business results are based on data from the November 2004 Sensis® Business Index of 1800 SMEs.

Executive Summary

Consumer confidence

The *Sensis® Consumer Report* found a net balance of 55 per cent of Australians reporting confidence in their financial prospects for the year ahead in November 2004. This represented an increase of four percentage points over the past quarter.

This result compares with the latest business confidence results from the November 2004 *Sensis® Business Index*, which found that net 62 per cent of SME operators felt confident about their business prospects for the year ahead.

The main reasons for consumer confidence were again employment and income related, having a secure job being the main reason provided for feeling confident. The main reason for consumers expressing worry was a belief that the cost of living was too high.

Thirty per cent of Australian households believed they were now better off than they had been a year ago, with earning more money being the main reason for this belief. Fourteen per cent of households felt they were worse off due mainly to increased prices. The net proportion of consumers that felt that they were better off has increased a further three percentage points in the past quarter.

The areas of household expenditure where consumers were expecting the greatest increases were again general household expenses, transport costs and health and medical expenses. The only areas that consumers were expecting a decline was in expenditure on home entertainment and dining out, fast food and takeaway.

The economy and concerns

The *Sensis® Consumer Report* found that 48 per cent of Australian consumers believed the economy was currently growing, compared to 13 per cent who believed the economy was currently slowing. This resulted in a strong improvement in the net balance of 13 percentage points over the past quarter.

Australian consumers felt that prospects for economic growth for the year ahead were evenly split, with the proportion of consumers feeling that the economy would be better in a year's time exactly balancing the proportion that felt it would be worse.

The state of the health system was again the greatest concern for Australians in August 2004. This was followed by the environment; the education system; and the war in Iraq. Australians reported relatively low levels of concern about interest rate rises and the state of the economy.

The environment

On a scale of one to ten, Australians reported a level of concern of 6.95 for the environment, making it the second most concerning issue for three successive quarters.

The environmental issue most concerning Australians was water shortages. The second highest issue of concern was clearing forests, which was a concern predominantly in Tasmania, particularly for those of low household incomes. The next two issues were air and water pollution, followed by concerns over global warming.

In terms of personal responses to help the environment, Australians wanted to see more people recycling in their homes, conserving water and addressing littering. In terms of actions that Australians felt businesses should be taking to help the environment, recycling and waste minimisation again topped the list, followed by reducing pollution and donation of funds.

The education system

The Sensis® *Consumer Report* found the education system to be third top issue of concern for Australians for the third successive quarter, scoring 6.83 out of a possible 10.

The key issues that Australians were predominantly concerned about were two-pronged, focusing on cost and quality. The increases in fees and lack of funding for public schools were the top two issues, closely followed by perceptions of low outcomes in literacy and numeracy and the quality of teachers.

It was very interesting to note how people chose educational institutions, which depended mostly on level of education and whether a government or non-government institution was chosen. At the pre-school level, location was the predominant factor. By the time primary schooling was reached location was still the overwhelming factor for choosing a government school. In the private system, however, religion was the overwhelming factor at this age level, with quality of education and facilities as well as reputation also being important but at a much lower level. By the time high school was reached location remained the predominant reason for government school choice, however reputation was becoming more prevalent in the government sector as well. In the private high school sector reputation was the number one reason for school choice, with religion still very important, as well as quality of education. In the tertiary sector reasons for choice again changed reflecting the importance of relevant subject offerings, location and quality.

Individual educational institutions were generally chosen by referral from family and friends or finding one in the local region. However, at the post-secondary level other avenues such as internet, institution guides open days and referral from work colleagues also became important reflecting the more competitive and focused environment.

Contacting government

The Sensis® *Consumer Report* found that almost half of all Australians had needed to contact the government in the past year, predominantly for information or advice on welfare related issues or taxation. Overall, however, just over half of all Australians felt that governments did not provide enough information on important issues. The telephone directory was the preferred method of finding a government organisation, followed by the internet.

Consumer banking

The Sensis® *Consumer Report* found that consumers were less likely than businesses to consider one of the major four banks to be their main financial institution. Just under two-thirds of consumers nominated a major bank as their main financial institution, compared to just over three-quarters of small and medium business operators. Consumers were slightly more likely than business operators to feel happy with the service provided by their bank.

Consumers were more likely to have switched financial institution in the past two years, with 14 per cent of consumers reporting having switched, compared to ten per cent of businesses. The main reason for switching banks was to obtain better fees and charges and better customer service. However, banks had a harder fight for loyalty in the consumer credit market, with over a quarter of those consumers who were after a new credit card looking beyond their main bank.

Unsolicited telephone marketing

The Sensis® *Consumer Report* found that over half of consumers reported getting up to two unsolicited telephone calls a week for marketing purposes. The largest category was one-third of consumers that reported getting up to one such call a week. Overall, 59 per cent of consumers reported a perception that the level of unsolicited telephone marketing had increased over the past year. When asked about the effectiveness of these techniques, 78 per cent of consumers believed that none of these calls were of any interest to them, with 16 per cent of consumers believing that only ten per cent were of interest to them. Only one per cent of consumers reported that the majority of unsolicited telephone marketing calls were of interest to them.

Section 1 : Economic Confidence

Overall confidence in financial prospects

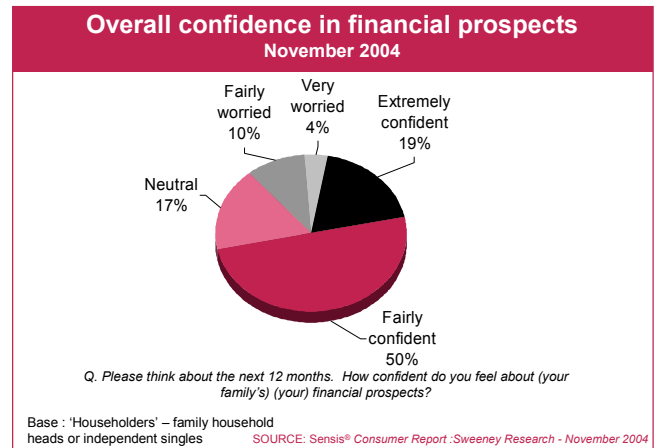
The December 2004 Sensis® Consumer Report found a net 55 per cent of consumers expressed relative confidence in their financial prospects for the year ahead.

Australians recorded strong confidence with a net balance result of 55 per cent. This comprised 69 per cent of Australians who were confident about their financial prospects for the year ahead and 14 per cent who were worried.

The Sensis® Consumer Report found that net confidence among consumers was seven percentage points lower than business confidence measured in the concurrent Business Index. The most recent Business Index found net confidence amongst business proprietors in their business prospects for the year ahead was 62 per cent. The largest gap in confidence between businesses and consumers was in those that were feeling “fairly confident” about their prospects for the year ahead. Eight per cent more business proprietors than consumers reported feeling fairly confident.

The net result of consumer confidence of 55 per cent represents a solid improvement of four percentage points from the past quarter, with the main improvement being the rise of three percentage points in the extremely confident end of the scale. This contrasts with a fall in confidence among SME proprietors of five percentage points over the past quarter, however this was coming off an exceptionally high level.

Despite businesses reporting confidence seven per cent higher than consumers, this gap has narrowed significantly during the past quarter, from 16 per cent last survey. This narrowing has occurred because of a rise in consumer confidence in the past quarter, mirrored by a fall in business confidence from exceptionally high levels.



Overall confidence Trends

	May 2004	August 2004	November 2004
Extremely confident	15%	16%	19%
Fairly confident	52%	50%	50%
Neutral	17%	19%	17%
Fairly worried	12%	11%	10%
Extremely worried	4%	4%	4%
Total confident	67%	66%	69%
Total worried	16%	15%	14%
*Net Balance	+51%	+51%	+55%

*Net Balance defined as the proportion who are confident less the proportion who are worried.

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Overall confidence Comparison with business – November 2004

	Consumers ¹	Business ²
Extremely confident	19%	16%
Fairly confident	50%	58%
Neutral	17%	14%
Fairly worried	10%	10%
Extremely worried	4%	2%
Total confident	69%	74%
Total worried	14%	12%
*Net Balance	+55%	+62%

*Net Balance defined as the proportion who are confident less the proportion who are worried.

SOURCE: ¹Sensis® Consumer Report :Sweeney Research - November 2004
²Sensis® Business Index :Sweeney Research - November 2004

Overall confidence in financial prospects by respondent characteristics

The Sensis® Consumer Report found that in November 2004, males again reported higher net confidence in financial prospects for the year ahead than females (57 per cent compared to 52 per cent), however the gap narrowed significantly in the past quarter.

Looking at demographics by age group, the most confident age group was those over 64 years of age. Examining both gender and age, the most confident Australians in November 2004, were older males, with male respondents aged over 64 years reporting net confidence of 65 per cent. Females of the same age reported feeling the most confident of any female-gender group. The narrowing of the gap between male and female confidence levels can again be observed in the age-gender demographics. Whereas last quarter all female age groups reported confidence levels below average, this was not the case this quarter. Although there was no female age-group which reported higher confidence than the corresponding male age-group, those aged between 40 and 49 years reported equivalent confidence levels, and most age-groups were within five percentage points, except for the very youngest demographic.

Australians living in metropolitan areas again reported higher levels of confidence on average than those living in regional Australia, and there was likewise considerable variation amongst the states and territories, however in both these cases the gaps have again narrowed significantly in the past quarter. The most confident Australians were those living in Western Australia, where net 65 per cent of consumers reported feeling confident about their financial prospects for the year ahead, an improvement of two percentage points on their result last quarter. The least confident Australians were those living in South Australia, where net confidence was at 48 per cent, a decline of three percentage points since the previous survey. The span of confidence levels has decreased in the past quarter, with the gap between the most confident and least confident states being now only 17 percentage points, compared to a range of 31 percentage points last quarter.

Examining family status, those living in a household without children were again the most confident about their financial prospects for the year ahead, with singles again feeling the least confident (net 68 per cent compared to net 43 per cent).

Not surprisingly, there was again a direct relationship between confidence of financial prospects for the year ahead and income levels. Those on the highest income levels were the most likely to feel confident, with net 80 per cent of those with a household income over \$85,000 reporting feeling confident, compared to only 23 per cent of those with a household income up to \$35,000. While net confidence increased by two percentage points for the wealthiest households, those households with the lowest income levels saw net confidence decline by four percentage points. This was the only income group to see declining net confidence in the past quarter.

Overall confidence by demographics

*Net balance

	Total	Male	Female
Total	55%	57%	52%
Up to 29 years	51%	56%	45%
30 – 39 years	43%	46%	41%
40 – 49 years	57%	57%	57%
50 – 64 years	61%	63%	58%
Over 64 years	63%	65%	61%

*Net Balance defined as the proportion who are confident less the proportion who are worried.
Base : 'Householders' – family household heads or independent singles
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Overall confidence by location

*Net balance

Total	55%
Metro	56%
Non metro	52%
New South Wales	49%
Victoria	59%
Queensland	57%
South Australia	48%
Western Australia	65%
Tasmania	52%
Northern Territory	58%
Australian Capital Territory	53%

*Net Balance defined as the proportion who are confident less the proportion who are worried.
Base : 'Householders' – family household heads or independent singles
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Overall confidence by socio-economic variables

*Net balance

Total	55%
Respondent is..	
The male or female household head in a family with children	51%
The male or female household head in a family without children	68%
Single person living alone or sharing	43%
Household income level..	
Up to \$35,000	23%
\$35,001 to \$55,000	57%
\$55,001 to \$85,000	67%
Over \$85,000	80%

*Net Balance defined as the proportion who are confident less the proportion who are worried.
Base : 'Householders' – family household heads or independent singles
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Reasons for being confident or worried

The main reasons given by Australians for feeling confident about their financial prospects for the year ahead were not surprisingly connected with employment and income. Key reasons reported by those who were feeling confident about their prospects were having secure jobs; having sufficient financial resources; and both members of the household being in employment.

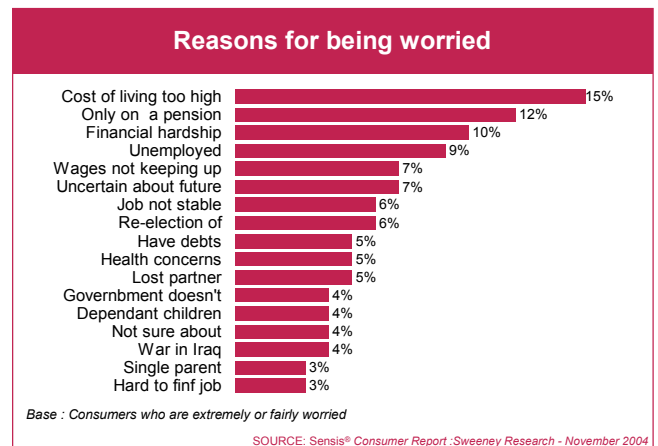
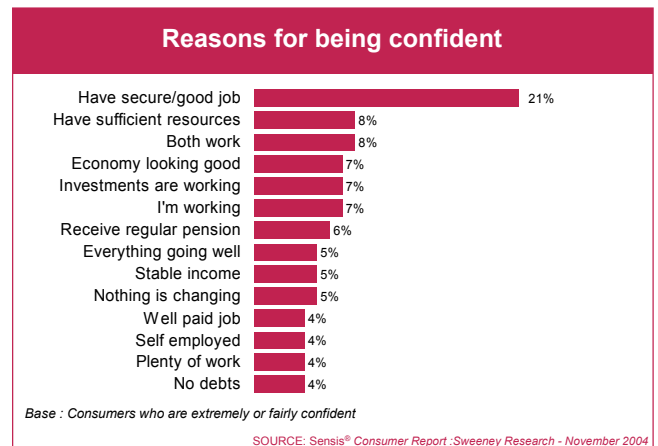
Having good or secure jobs were the main reasons for feeling confident for those of all household income levels, but particularly so for those with a household income level from \$55,000 to \$85,000. However, for those with a household income under \$35,000 this was not the main reason for confidence. For this income group having a regular pension was the key reason for confidence, keeping in mind that this income bracket contains a high proportion of retirees.

Having a good or secure job was the main reason for feeling confident across most age groups, with the exception of the two extremities. For those aged up to 19, just having a job, regardless of whether it was perceived to be good or stable, was the key factor behind feeling confident. For those in the 65 and over age group, having a regular pension was the most important reason for feeling confident, closely followed by having well-performing investment, with having a job being relatively unimportant to this demographic.

The main reasons that Australians gave for feeling worried about their financial prospects for the year ahead related to the cost of living. Whilst the proportion of those that felt worried about their prospects had again fallen marginally for the second successive quarter, the cost of living was the main reason for a lack of confidence. However, despite being the main concern, the proportion of concerned Australians noting the cost of living as being too high has dropped two percentage points in the past quarter. In addition, unemployment, which last quarter was the main reason for a lack of confidence, has dropped ten percentage points to now be the fourth top issue.

Perceptions of a high cost of living were interestingly the number one concern for most household income groups, right up to those with a household income of up to \$85,000.

For those with a household income over \$85,000, the main reason for not feeling confident was a feeling of uncertainty about the future. For those Australians aged in their twenties and thirties, unemployment was the key reason for not feeling confident.



Comparison to a year ago

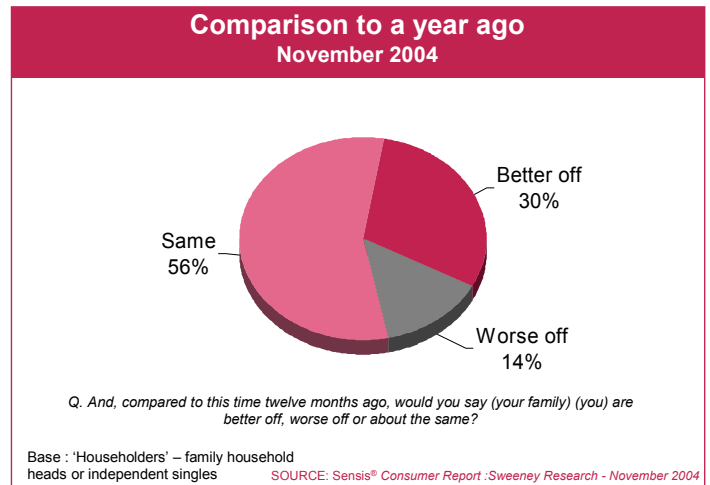
The proportion of Australians that felt that they were better off than a year ago remained stable in the past quarter. Thirty per cent of Australians believed they were better off than they had been a year ago. Fifty-six per cent believed their position was about the same as a year ago, with 14 per cent feeling that they were now worse off than they had been 12 months previously, a drop of three percentage points. This resulted in a net increase in the proportion of Australians feeling that they were better off in the past quarter.

Perceptions about whether people felt better off or worse off than they had been a year ago varied by demographic. Following from improved female confidence levels, females were more likely than males to feel that they were better off than they had been a year ago (31 per cent compared to 29 per cent). Australians aged from 18 to 19 were the most likely to feel that they were now better off overall, with this demographic particularly boosted by a strong female result. Those whose household income was over \$85,000 were most likely to feel they were better off, with those earning up to \$35,000 least likely to feel better off, however, 22 per cent of the lowest income demographic still noted that they were now better off than they had been a year ago.

Residents of New South Wales were the most likely to feel that they were better off than they had been a year previously, with those in Victoria and the Australian Capital Territory least likely to feel that they were better off. Those in South Australia were again most likely to feel that they were worse off than they had been a year previously. These results contributed to the net balance results being most positive for residents of New South Wales, with South Australians having the lowest net balance of residents that felt that they were better off than they had been a year ago. Those residents in metropolitan areas were slightly more likely to feel that they were better off compared to their regional counterparts. Those Australians who rented their home were again more likely to feel that they were better off than those who owned their home.

The main reasons that Australians gave for feeling they were better off than they were a year ago again tended to relate to employment and successful financial management. In line with the previous two quarters, the main reason given was that they were earning more money than they were a year ago. Other reasons, though significantly lower on the scale, were gaining employment and good returns on investments.

Mirroring the high cost of living as the main reason for lacking confidence, increases in the cost of living and price rises were the main reasons given by those Australians who were feeling worse off than they were a year ago. The next most significant reason for feeling worse off was having lost a job, followed by wages not meeting the rising cost of living.

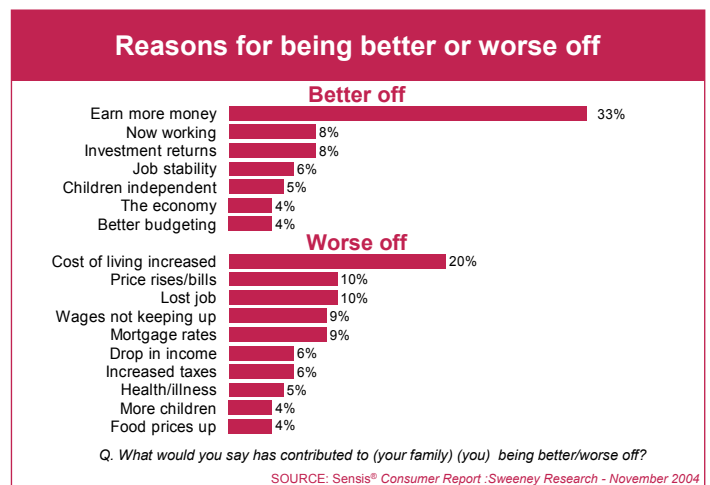


**Comparison to a year ago
Trends**

	May 2004	August 2004	November 2004
Better off	26%	30%	30%
Same	54%	53%	56%
Worse off	20%	17%	14%
*Net Balance	+6%	+13%	+16%

*Net Balance defined as the proportion who are better off less the proportion who are worse off

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004



Household expenditure expectations

Consumer expenditure expectations remained net positive for consumption across most of the major expenditure groups in the latest quarter. The area with the highest net proportion of consumers expecting to increase expenditure was again general household expenditure, including groceries and bills, where net 37 per cent were expecting to increase their expenditure (up one percentage point). Families with children were again most likely to expect to be increasing their expenditure on general household expenses.

The only areas of expenditure where more people were expecting to decrease their expenditure than increase it were dining out, fast food and home deliveries and home entertainment. This is the third consecutive quarter where households nominated that they expected to decrease their expenditure over the coming year, however, the net balance at negative six per cent was an improvement from last quarters result of negative ten per cent. All household groups were expecting to decrease their expenditure, with families with children expecting the greatest decrease.

This quarters expenditure expectations pointed to an easing in the fascination that Australians have had in recent times for treating their homes as entertainment, with greater numbers expecting to spend more money getting away from it over the year ahead. In general, whilst increases were expected in most areas of expenditure, the trends in the net proportion of those expecting to increase expenditure was varied. Increasing net expectations were recorded for general household expenses, transport costs, holidays and travel, entertainment, sport and leisure activities and dining out, fast food and home deliveries. Decreasing trends were recorded for housing costs, health and medical expenses, telecommunications, education, home renovations, items for the home and home entertainment.

Families with children again had the highest expectations for increased expenditure across a greater range of items than any other demographic group. Not surprisingly, all expectations for increased expenditure on education were in this demographic group. Other items of expenditure where expectations were greatest among families with children were general household expenses, transport costs, housing costs, and telecommunications. Whilst expenditure expectations for families with children were strong in most areas, they had the lowest expectations for increased expenditure on holidays and travel, items for the home, and fast food and home deliveries than other household demographics.

Families without children were most likely to be increasing their spend on health and medical expenses and home renovations over the year ahead. Apart from expecting to spend more on dining out and takeaway food, singles were more likely to anticipate increasing their spend on holidays and travel, entertainment, sport and leisure activities and items for the home.

Household expenditure expectations November 2004

	Spend more	Spend less	No change	*Net balance
General household expenses - groceries and bills	42%	6%	52%	37%
Transport costs – cars or public transport	39%	7%	54%	32%
Health and medical expenses	25%	9%	66%	16%
Holidays and travel	32%	17%	51%	15%
Housing costs such as mortgage or rent	22%	9%	69%	13%
Telecommunications – including mobiles & Internet	21%	12%	68%	9%
Entertainment, sport and leisure activities	21%	12%	67%	9%
Education costs	23%	15%	62%	8%
Home renovations or improvements	26%	18%	56%	8%
Items for the home such as furniture or electricals	24%	24%	51%	0%
Home entertainment	15%	16%	69%	-1%
Dining out, fast food or home deliveries	10%	16%	74%	-6%

Q. Over the next twelve months do you expect to spend a larger, smaller or about the same proportion of (your family) (your) income on...

Base : 'Householders' – family household heads or independent singles.
*Net Balance = the proportion who expect more less the proportion who expect less

SOURCE: Sensis® Consumer Report : Sweeney Research - November 2004

Household expenditure expectations Trends In *Net Balance

	May 2004	August 2004	November 2004
General household expenses - groceries and bills	+37%	+36%	+37%
Transport costs – cars or public transport	+26%	+26%	+32%
Health and medical expenses	+20%	+17%	+16%
Holidays and travel	+13%	+12%	+15%
Housing costs such as mortgage or rent	+20%	+18%	+13%
Telecommunications – including mobiles & Internet	+13%	+14%	+9%
Entertainment, sport and leisure activities	+9%	+8%	+9%
Education costs	+15%	+12%	+8%
Home renovations or improvements	+10%	+9%	+8%
Items for the home such as furniture or electricals	+2%	+4%	0%
Home entertainment	+1%	+1%	-1%
Dining out, fast food or home deliveries	-4%	-10%	-6%

Base : 'Householders' – family household heads or independent singles.
*Net Balance = the proportion who expect more less the proportion who expect less

SOURCE: Sensis® Consumer Report : Sweeney Research - November 2004

Household expenditure expectations By family status

*Net balance for..	Families with children	Families no children	Singles
General household expenses - groceries and bills	43%	34%	29%
Transport costs – cars or public transport	34%	28%	33%
Health and medical expenses	16%	18%	16%
Holidays and travel	11%	15%	18%
Housing costs such as mortgage or rent	18%	10%	9%
Telecommunications – including mobiles & Internet	10%	8%	9%
Entertainment, sport and leisure activities	11%	5%	12%
Education costs	32%	-11%	-4%
Home renovations or improvements	7%	14%	1%
Items for the home such as furniture or electricals	-8%	2%	11%
Home entertainment	-1%	-1%	-3%
Dining out, fast food or home deliveries	-10%	-2%	-6%

*Net Balance defined as the proportion who will spend more less the proportion who will spend less

SOURCE: Sensis® Consumer Report : Sweeney Research - November 2004

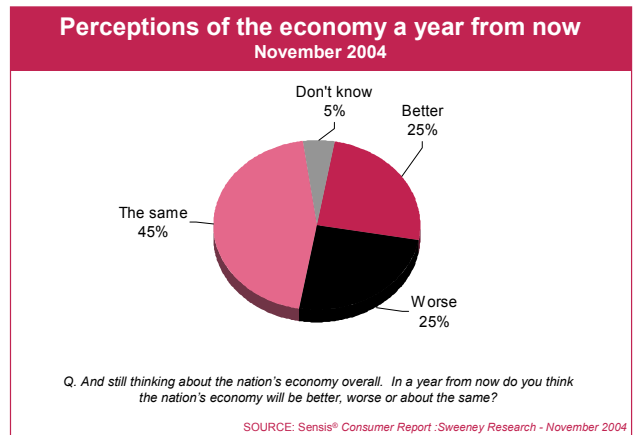
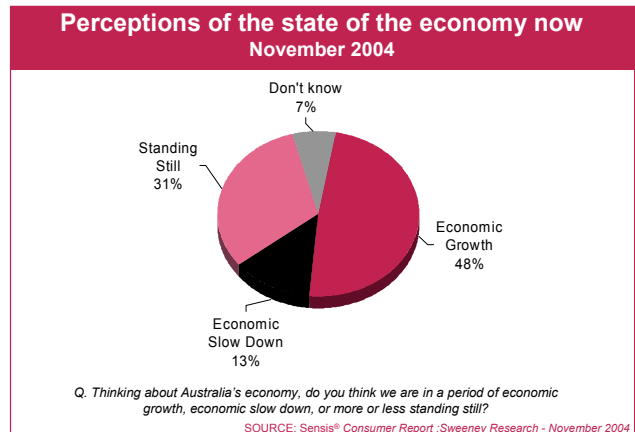
Perception of the state of Australia's economy

In November 2004, the proportion of consumers that felt that Australia was currently in a period of economic growth increased strongly from the past quarter. This view was held by 48 per cent of consumers, compared to 13 per cent that felt the economy was currently slowing down, and 31 per cent that felt it was standing still. This resulted in a net balance of 35 per cent of consumers that felt the economy was currently in a growth phase. This net result is unchanged since last quarter.

When asked how they thought the economy would be performing a year from now, 25 per cent of consumers felt it would be better than the current situation. This was exactly balanced by the 25 per cent of consumers that felt the economy would be worse in a year's time. The most likely response, however, was that the economy would be the same in a year's time as it currently was (45 per cent, up from 44 per cent).

When the same question was asked of business proprietors in the November 2004 Sensis® Business Index, business proprietors reported higher levels of confidence in the economic outlook than consumers. A net balance of 43 per cent of business proprietors felt that the economy was currently in a growth phase, compared to the net balance of 35 per cent of consumers that felt that the economy was in a growth phase. When looking at expectations a year from now, net 14 per cent of business proprietors reported believing that the economy would be better, compared to net 0 per cent of consumers. Business proprietors were much more likely to have positive views of the economy than consumers in general, and were much less likely to have a negative view of the current state of the economy.

However, while business proprietors' view of the current state of the economy has remained stable over the past quarter, the results for consumers reflect a strong improvement in perceptions of the economy over the past quarter, and the gap between business proprietors and consumers has narrowed significantly. Looking at consumers' expectations for the economy a year from now, the stable net balance result includes increases in both the proportion of consumers that feel the economy will be better, as well as an increased proportion that feel it will be weaker in a year's time. The net result for businesses at the same time reflects a slight downward movement in the net balance for expectations for the economy in a year's time.



Perceptions of the state of the economy Trends

	May 2004	August 2004	November 2004
The Economy Now			
Growth	41%	39%	48%
Slowing	19%	17%	13%
*Net Balance	+22%	+22%	+35%
The Economy a Year from Now			
Better	25%	22%	25%
Worse	24%	22%	25%
*Net Balance	+1%	0%	0%

*Net Balance defined as the proportion who are positive less the proportion who are negative.
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Perceptions of the state of the economy Comparison with business

	¹ Consumers	² Business
The Economy Now		
Growth	48%	56%
Slowing	13%	13%
*Net Balance	+35%	+43%
The Economy a Year from Now		
Better	25%	28%
Worse	25%	14%
*Net Balance	0%	+14%

*Net Balance defined as the proportion who are positive less the proportion who are negative.
SOURCE: ¹ Sensis® Consumer Report :Sweeney Research - November 2004
² Sensis® Business Index :Sweeney Research - November 2004

Section 2 : Our Concerns

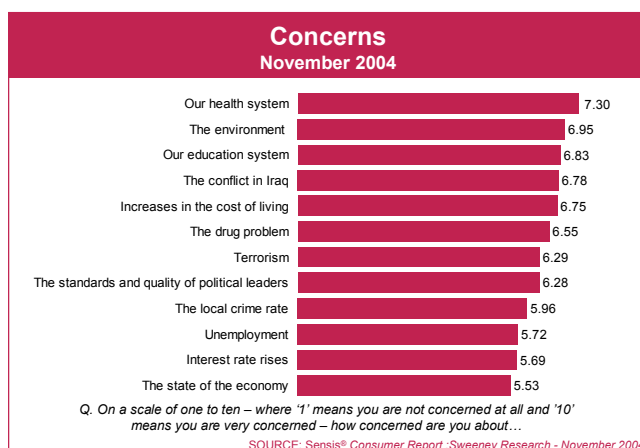
Prime concerns

The Sensis® *Consumer Report* found that in November 2004 the top three concerns of Australians were unchanged in priority from August and May 2004, with health being the overriding concern for Australians, followed by the environment and the education system. Overall, however, Australians displayed lower levels of concern across most issues than they had in August 2004. The only issues that saw slight increases in the levels of concern were the war in Iraq, which is now considered the fourth most significant issue, the local crime rate and interest rate rises.

When asked to rank topical issues on a scale of one, representing no concern at all over the issue, to ten, representing a high level of concern, the health system scored an average score of 7.30, higher than any other issue. Females were more likely to rate the health system on a greater level of concern than males were (average level of 7.60 for females compared to 6.99 for males). Families with children were again more likely to report concern over the health system (average level of 7.62) than households without children. Households with incomes between \$35,000 and \$55,000 were most likely to report concern over the health system (average level of 7.65) than households in other income brackets. Resident of the Australian Capital Territory were the most likely to report concern for the health system (average level of 7.67), with those in Queensland reporting the lowest level of concern for the health system (average level of 7.04).

The environment was the second highest concern for Australians, ranking it at an average level of 6.95. Those who were not in work were most likely to express concern over the environment, with those who were studying the least likely to express concern (7.42 compared to 6.79). Metropolitan Australians were more likely to express concern over the environment than their regional counterparts. Residents of South Australia were the most likely to express concern over the environment than residents of any other state or territory.

The issue where there was the greatest decline in concern over the past quarter was unemployment. The demographics that were most likely to report higher levels of concern with unemployment were, not surprisingly, those who were not currently in work, those Australians aged 18 to 19 years, and those with a household income of up to \$35,000. The highest level of concern with unemployment was expressed by residents of Tasmania, with Victorians the least likely to be concerned by unemployment.



Concerns
Trends

	May 2004	August 2004	November 2004
Our health system	7.79	7.32	7.30
The environment	7.15	7.13	6.95
Our education system	7.13	6.95	6.83
The conflict in Iraq	7.08	6.73	6.78
Increases in the cost of living	7.02	6.78	6.75
The drug problem	N/A	6.84	6.55
Terrorism	6.82	6.39	6.29
The standards & quality of political leaders	6.74	6.62	6.28
The local crime rate	6.19	5.86	5.96
Unemployment	6.08	6.07	5.72
Interest rate rises	5.92	5.67	5.69
The state of the economy	5.95	5.74	5.53

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Concerns by demographics

Females displayed higher levels of concern across most issues, however, this quarter did see males express more concern over some issues, including interest rate rises and the quality of political leaders. The issue where there was the greatest difference between the level of concern displayed by males and females was the local crime rate, followed by the environment and the education system. The issue where male and female views most closely aligned was over the standard and quality of political leaders.

The greatest concerns for those in the lowest income demographic were the drug problem, the health system and the cost of living. Whilst those in the uppermost income group generally displayed lower levels of concern on average, their greatest concerns were the health system, the education system and the environment. The uppermost income group, whilst having levels of concern below average on most issues, displayed above average levels of concern on interest rate rises, the standards and quality of political leaders and the education system.

Those aged up to 19 displayed the highest level of concern of any age demographic over unemployment and increases in the cost of living. Those Australians aged from 20 to 29 years were most likely to be concerned about the education system, and the standards and quality of political leaders. Those aged from 30 to 39 years were more likely than other age groups to be concerned about interest rates, and the state of the economy. Those aged from 40 to 49 years were more likely than other age demographics to be concerned about the health system and the environment, whilst those aged 65 years and over were more likely to be concerned about terrorism, the conflict in Iraq, the local crime rate and the drug problem.

At the other end of the concern scale, the oldest Australians (65+) displayed the least concern over the widest range of issues. These issues included the environment, the education system, living costs, unemployment and interest rate rises. At the other end of the age demographic, those aged under 20 were least likely to be concerned about the health system, political leaders and the economy.

The vast majority of age groups rated the health system as their greatest concern overall. The exceptions to this were again the youngest and eldest age demographics. Those aged up to 19 were more concerned about increases in the cost of living and our education system than they were about the health system. Those aged 65 years and above were more concerned about the conflict in Iraq, the drug problem and terrorism than they were about the health system.

Concerns by gender

	Total	Male	Female	Difference
Interest rate rises	5.69	5.96	5.69	0.27
The standards & quality of political leaders	6.28	6.34	6.26	0.08
The state of the economy	5.53	5.47	5.61	-0.14
Terrorism	6.29	5.92	6.17	-0.25
Increases in the cost of living	6.75	6.63	6.97	-0.34
The drug problem	6.55	5.99	6.39	-0.40
Unemployment	5.72	5.34	5.94	-0.60
Our health system	7.30	6.99	7.60	-0.61
The conflict in Iraq	6.78	6.14	6.77	-0.63
Our education system	6.83	6.47	7.18	-0.71
The environment	6.95	6.55	7.34	-0.79
The local crime rate	5.96	5.52	6.38	-0.86

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Concerns by age group

	Total	Up to 19	20 to 29	30 to 39	40 to 49	50 to 64	65+
Our health system	7.30	6.77	7.44	7.41	7.83	7.24	6.81
The environment	6.95	6.77	7.05	7.12	7.18	6.79	6.71
Our education system	6.83	6.91	7.22	6.83	7.09	6.66	6.26
The conflict in Iraq	6.78	6.63	6.41	6.50	6.60	6.88	7.71
Increases in the cost of living	6.75	7.29	6.99	7.18	6.64	6.37	6.18
The drug problem	6.55	6.03	5.68	6.17	6.58	7.01	7.68
Terrorism	6.29	6.30	5.80	6.00	6.33	6.50	6.87
Standards and quality of political leaders	6.28	5.94	6.55	6.19	6.50	6.12	6.28
The local crime rate	5.96	6.00	5.68	6.00	5.69	6.01	6.43
Unemployment	5.72	6.31	5.92	5.68	5.69	5.50	5.46
Interest rate rises	5.69	5.14	5.78	6.40	6.07	5.37	5.08
The state of the economy	5.53	5.13	5.75	5.79	5.72	5.41	5.15

■ = Highest level
■ = Lowest level

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Section 3 : The Environment

What concerns us most about the environment

For three successive quarters, the environment has been the second most significant concern expressed by Australians, following the health system, which was examined in detail in the September 2004 Sensis® *Consumer Report*. This quarter we look at the issues that really concern Australians about the environment.

Concerns about the environment encompass a broad range of specific environmental issues, but overwhelmingly, Australians nominated water shortages as their key concern. Water shortages were nominated by more Australians as their main concern about the environment, but also were the most nominated environmental issue in total. Demographics that were more concerned about water shortages included females, Australians aged from 40 to 49 years and those with household incomes in excess of \$85,000. Similar levels of concern about water shortages existed in both metropolitan and regional areas, with those in metropolitan areas slightly more likely to nominate it as their main concern. The residents of the Australian Capital Territory were most likely to nominate water shortages as their main environmental issue, with those in Tasmania least likely to see this as the main issue.

Clearing forests was the second most nominated environmental concern, both as a main concern, and as a concern in general. This was primarily an issue for residents of Tasmania, being by far their main concern, nominated by 34 per cent of residents of Tasmania. For those in Tasmania, other issues were relatively minor. Mirroring the water shortage issue, those in the Australian Capital Territory were least likely to be concerned about clearing of forests. Clearing of forests was also more likely to be nominated by those in the lowest income demographic with household incomes of under \$35,000.

Pollution issues were the next highest-ranking environmental issues. Air pollution was nominated by 10 per cent of Australians as their main environmental issue and by 18 per cent of Australians in general. Water pollution was nominated by only four per cent of Australians as their main issue, but by 16 per cent of Australians as an environmental issue that they are concerned about in total. Global warming was the fifth highest ranking environmental concern, being nominated by ten per cent of Australians as their key environmental concern, and by 15 per cent of Australians as a concern in total. Whilst there were a plethora of other issues raised, these were the only issues to be raised by in excess of 10 per cent of the population, either as a main issue, or as an environmental issue of concern in general.

Our concerns about the environment

	Main concern	Total concern
Water shortage	15%	27%
Clearing forests	11%	20%
Air pollution	10%	18%
Water pollution	4%	16%
Global warming	10%	15%
Salinity	2%	7%
Recycling	2%	6%
Sustainability of natural resources	3%	5%
Hole in the O-Zone layer	2%	5%
Waste	2%	5%
Wildlife conservation/extinction	2%	5%
Too much urbanisation	2%	5%

Q. What particular issue, if any, concerns you most about the environment?
Q. What other concerns about the environment do you have?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

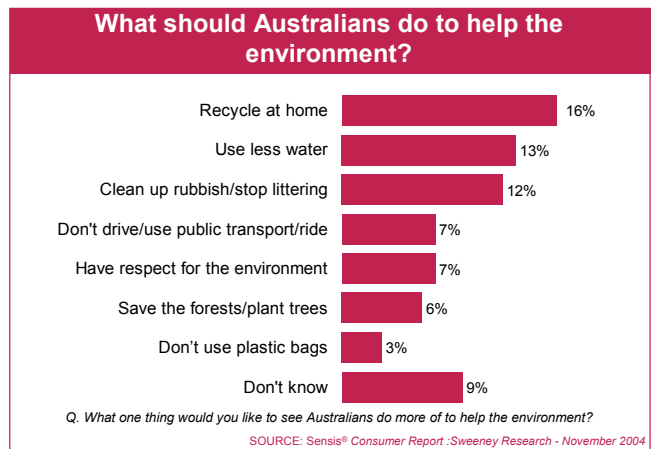
How can we help?

With the environment being such a concern for the Australian population, it is important to understand what actions that they feel they should be taking to address the environment as citizens, and also what they feel that businesses should be doing to improve our environment.

For both areas, recycling was seen as the primary contribution that citizens and businesses can make to the environment. For the population, recycling at home was seen as the thing most people wanted Australians to do to help our environment, a response nominated by 16 per cent of the population. With shortages of water being seen as the top environmental issue of concern, using less water was the second main response that Australians should be taking to help the environment. Again, with pollution being a key environmental concern for Australians, the personal action that people wanted to see more of was to clean up rubbish and stop littering, a response given by 12 per cent of Australians. These were the only responses to be nominated by in excess of 10 per cent of the population. Other responses given included decreasing dependence on driving by riding to work and increasing usage of public transport, having more respect for the environment in general, saving forests and planting trees and decreasing the use of plastic bags.

The actions that Australians wanted the business community to do more of to assist the environment in many ways mirrored these personal actions, and were focussed again on addressing key areas of environmental concern. The main difference between the responses that Australians gave for their personal actions and those they wished to see businesses taking was in the area of financial contributions.

The main action that Australians wanted to see businesses do more of was recycling and better management of waste. This was nominated by 17 per cent of Australians. Of interest, 17 per cent of Australians also responded that they did not know what actions they expected businesses to take to help the environment. The other response to record in excess of 10 per cent was reducing or stopping pollution, a response given by 12 per cent of Australians. Expecting businesses to donate more funds to the environment was nominated by nine per cent of Australians. Interestingly, Australians did not nominate donation of funds as a personal action that they should take to help the environment to any large degree, this was primarily considered to be in the realm of businesses as a contribution, with individual responses focussing overwhelmingly on changing individual behaviours.



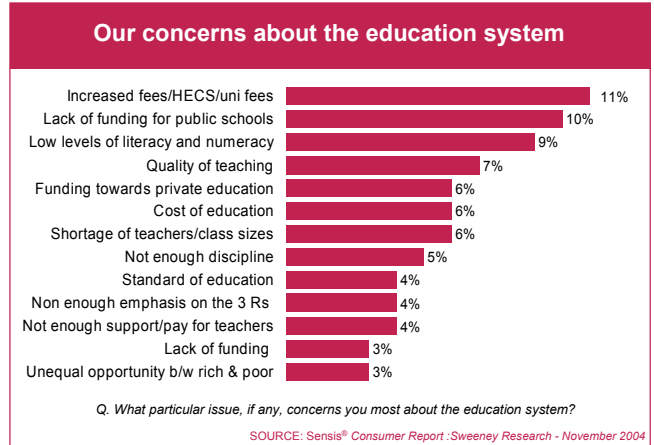
Section 4 : Education

Concerns

For three successive quarters, the education system has been the third most significant concern expressed by Australians. This quarter we look at the issues that really concern Australians about the education system.

The key concerns about the education system tended to concentrate around cost and funding. Primarily the main issue was seen to be the cost of fees, and the perception that this was increasing. This was closely followed by the lack of funding for public schools.

Following these concerns, however, Australians raised concerns about the quality of education outcomes, such as the outcomes in the areas of literacy and numeracy, and the quality of teaching being provided to students.



Educational establishments attended and reasons for selection

With education being a key focus, it is interesting to understand how we go about choosing our educational institutions. In the latest survey, the Sensis® Consumer Report asked those Australians where they or other household members were currently attending educational institutions what the key motivating factors were for choosing that particular institution. Not surprisingly, these varied considerably dependent on the level of the educational institution and whether it was a government or non-government educational institution.

At the pre-school level, location was the primary reason for choosing both government and non-government institutions. For government pre-schools, having other family members attending was the other key reason for choosing them, and these were the only factors nominated by over 10 per cent of those attending. For private pre-schools, other key factors were the quality of education provided and the reputation of the institution, nominated by 18 per cent and 17 per cent respectively.

By the time primary school was reached, there is a noticeable shift in motivating factors. At this stage for government institutions location is the overwhelming factor behind choice, with the next main factor being the affordability, and any other issues being relatively minor. For those attending private primary schools, the religious nature of the institution is the main motivating factor behind choice. This is followed by the quality of education provided, the quality of facilities and the reputation. However, the proportion nominating religion as a reason for choice is over twice the next highest reason, quality education.

	Government	Private
Location/nearby/closest	50%	27%
Reputation	8%	17%
Quality of education provided	7%	18%
Other family members went there	10%	0%
Cheaper/affordable	9%	2%
Quality of facilities	4%	4%
The only one in the area	5%	0%
Suited special needs/requirements	3%	5%
Moral values/social values	0%	6%
Only option/no choice	*	6%
Past experience/familiar with it	4%	0%
Good teaching staff	0%	4%

Q. What was the main reason that education institution was chosen?
 Q. What other reasons were there for choosing that institution?
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

	Government	Private
Location/nearby/closest	66%	7%
Religion	0%	35%
Quality of education provided	3%	17%
Reputation	4%	10%
Quality of facilities	1%	11%
Cheaper/affordable	15%	0%
Availability of courses/subjects	0%	7%
Discipline	0%	4%
Size of school/classes	5%	3%

Q. What was the main reason that education institution was chosen?
 Q. What other reasons were there for choosing that institution?
SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Educational establishments attended and reasons for selection (cont..)

Once family members reach high school level, the reputation of the institution increases in importance as a reason for choice. While for government institutions, location is still the most common reason for choice, reputation is now the second most important reason, with affordability now third in consideration. For private high schools, reputation is now the key factor driving choice, with religion now the second most important reason and quality of education the third key motivating factor. A range of other factors swaying choice of institution has also become apparent at this stage. Factors favouring choice of government institutions included location, affordability, and personal recommendations. Factors favouring private institutions included reputation, quality of education, religion, discipline, attendance of other family members, quality of facilities, availability of subject choice and moral and social values.

At the tertiary level, the emphasis changes again, this time with a focus on relevance to future choices. For choosing a university the availability of courses and subjects was the key reason for choice, followed by reputation, location and the quality of education. For those attending TAFEs location was the primary choice factor, very closely followed by the courses and subjects offered and the quality of the education provided. While reputation was a key driving factor for choosing a university, it was far less relevant for choosing a TAFE.

Reasons for selecting a high school

	Government	Private
Location/nearby/closest	39%	5%
Reputation	16%	19%
Quality of education provided	9%	12%
Religion	0%	16%
Discipline	0%	9%
Cheaper/affordable	13%	*
Other family members went there	2%	8%
Recommended by family/friends	5%	4%
Quality of facilities	1%	5%
Availability of courses/subjects	2%	3%
Moral values/social values	*	4%

Q. What was the main reason that education institution was chosen?
Q. What other reasons were there for choosing that institution?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Reasons for selecting a University or TAFE

	University	TAFE
Availability of courses/subjects	32%	25%
Location/nearby/closest	18%	26%
Reputation	21%	3%
Quality of education provided	10%	9%
Relevance to work	2%	5%
Suited special needs/requirements	0%	5%
Quality of facilities	4%	*
Employment facilities/prospects	2%	3%

Q. What was the main reason that education institution was chosen?
Q. What other reasons were there for choosing that institution?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

How we find educational institutions

At all levels of educational institution, family or friends are the main methods for finding a particular institution. Following this, finding an institution in the local area is the second top reason for location.

What stands out as the most interesting and varied sector is how we go about finding tertiary educational institutions, which in many ways reflect the complexity of choice, opportunities and increasing competition between institutions. For universities, being referred on through the school being attended is a key method, however there are a range of other methods being used at this stage, with the internet and published guides being important sources. For TAFEs, advertising is a key method of finding an institution, with internet also playing a key role. Referrals from the workplace are also a key factor in finding out about a TAFE, while for universities open days are also nominated as a method in finding the relevant institution.

How we find educational institutions

	Pre school	Primary school	High school	University	TAFE
Family/friends	35%	41%	39%	24%	25%
Location/nearby	24%	22%	20%	10%	14%
Via pre/primary/high school	1%	5%	10%	12%	7%
Local knowledge	3%	10%	7%	5%	3%
Word of mouth	6%	6%	4%	4%	5%
Advertising	2%	3%	4%	4%	9%
Internet	1%	3%	1%	10%	8%
Brochure/prospectus/mail	8%	2%	2%	2%	4%
Council	5%	1%	*	1%	0%
VTAC Guide/State Guide	0%	1%	2%	10%	6%
Education Department	3%	2%	2%	4%	3%
At work	2%	2%	*	2%	6%
Open Day/Info. session	1%	1%	2%	5%	1%

Q. How did you find out about that education or institution?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

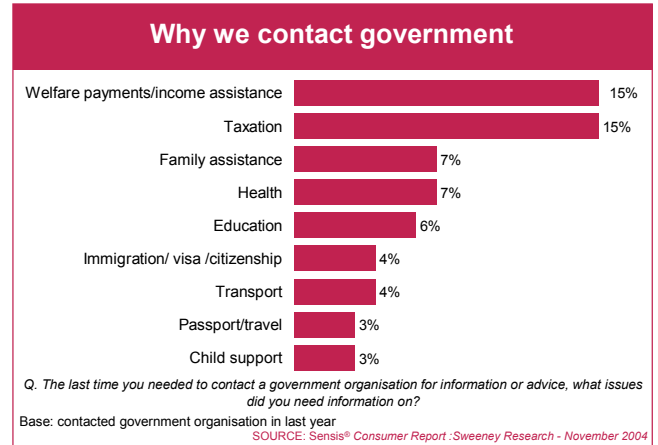
Section 5 : Contacting the Government

Why we contact the Government

The Sensis® Consumer Report found that almost half of all Australians (48 per cent) had needed to contact a government organisation for information or advice in the past year.

Australians living in metropolitan areas were more likely to have needed to contact the government in the past year. Residents of the Northern Territory were most likely to report that they had contacted the government, as were those aged between 40 and 49 years.

The main areas that Australians needed information and advice from government on were welfare or taxation related. Other key areas that Australians needed government information on were family assistance, health and education. The Federal Government was the level of government most contacted, reflecting in part the subjects that people most needed information on.

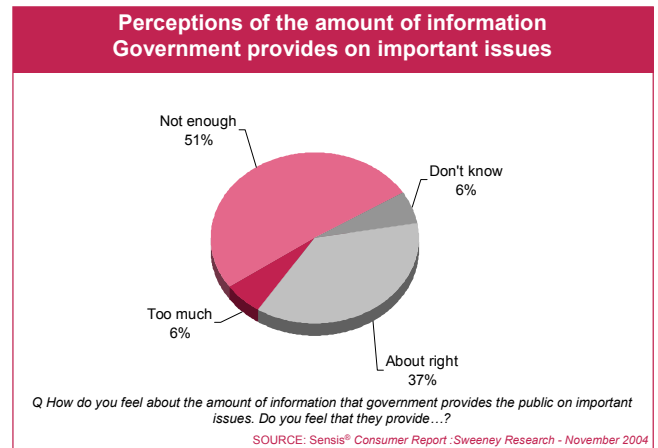


Does the government provide enough information?

Overall, Australians were most likely to feel that governments did not provide them with enough information, with 51 per cent nominating this response. Over one-third felt that they were receiving about the right amount of information from governments on important issues, with six per cent believing that they were getting too much information.

In particular, younger age demographics were more likely to feel that they did not receive enough information from governments on important issues, particularly those aged from 18 to 39 years, with over half of these age groups feeling that governments did not provide them with enough information. Those Australians with household incomes up to \$35,000 were most likely to feel that they were not provided with enough information from governments.

There was also a notable difference between internet users and others. Those who did not use the internet, either at home or at work, were the most likely to feel that they did not get enough information from governments on important issues. Those who used the internet at work were most likely to feel they had about the right amount of information from governments, but 46 per cent of this group still felt that they did not get enough information from governments.



Sources of government information

The telephone directory remained the most frequently used method of contacting government. This was particularly the case at the state level, but at all levels of government the telephone directory was the most likely place that Australians had found the government organisation that they were looking for. Those earning less than \$55,000 showed higher usage of telephone directories than those earning over \$55,000. This was also the case for those Australians in regional areas.

This was followed by the internet in second position, with this method being more used at the Federal Government area, and relatively less at the local government level. Overall, these were the only two methods to gain over 10 per cent of contacts in general, although at the local government level 12 per cent of contacts were made through word of mouth. Those in higher income brackets showed higher usage of the internet for government contact than those in lower income brackets, keeping in mind that those in the higher income brackets were significantly more likely to have access to the internet. Those Australians aged in their twenties and thirties were also more likely to find a government contact on the internet than other age demographics.

Overall, telephone directories were the preferred method of finding a government organisation, with 48 per cent nominating this as their preference. At least 50 per cent of income demographics earning up to \$85,000 nominated the telephone directory as their preferred source of contact.

The second most preferred method was via internet website, which was nominated by 31 per cent. Usage of the internet to find a government organisation was strongly correlated with household income level. The proportion of those in the lowest income group who preferred to find government organisations online was only just over a quarter of the proportion of those in the highest income demographic that used the internet to search for government organisations, bearing in mind that those with the lowest income demographics are far less likely to have access to the internet.

Compared to these two methods, other methods of contact were relatively minor, with the next most significant response being to ask family and friends, at three per cent.

When asked how governments could improve the provision of information to the community, the main suggestion coming forward was for more transparent, accurate and honest information to be provided. Following this, the provision of more advertising and user friendly internet sites were the next most frequent responses.

How we find government

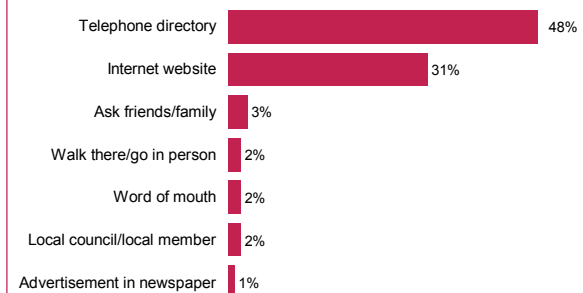
	Total	Federal Gov't	State Gov't	Local Gov't
Telephone directory	36%	33%	42%	37%
Internet website	20%	25%	23%	15%
Word of mouth	9%	8%	9%	12%
On the form/correspondence they send	6%	9%	3%	5%
Brochure	5%	5%	2%	4%
Walk there/go in person	4%	2%	5%	5%
Asked friends/family	4%	3%	4%	4%
General knowledge/just knew	3%	4%	2%	3%
Past experience	3%	2%	6%	1%

Q. How did you find the specific area of government that you needed?

Base: contacted government organisation in last year

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Preferred method of finding a Government organisation



Q. In general, what is your preferred method of finding a government organisation?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004

Section 6 : Consumer banking

Where consumers are banking and how they feel about it

The Sensis® *Consumer Report* found consumers were less likely than businesses to consider one of the major banks to be their main financial institution.

In November 2004, almost two-thirds of consumers considered one of the main four banking institutions to be their main bank. This compared with just over three-quarters of businesses who reported one of the four major banks to be their main financial institution in the November 2004 Sensis® *Business Index*.

While consumers had a lower propensity to be using one of the major banks than businesses, they were slightly more likely to be satisfied with the performance of their financial institution. While 80 per cent of small and medium enterprises reported satisfaction with their bank, 82 per cent of consumers reported that they were happy with the service that they received from their bank. Females were marginally more likely to report being happy with their bank, as were those Australians in regional areas. Residents of South Australia were most likely to feel happy with the service that they were receiving from their bank. The main reasons for expressing dissatisfaction with banks were a belief that they were not providing a personal service, and a perception of bank fees being too high.

Consumers were more likely than businesses to have switched their bank in the last two years. Overall, 14 per cent of consumers reported having switched their bank in the past two years, compared with ten per cent of SMEs. As with businesses, however, the main switching pattern for consumers was to have switched from one of the major banks to a non-major financial institution, which five per cent of consumers reported having done in the past two years. The next most frequent switching behaviour was to have switched between one of the major banks, a move that was taken by four per cent of consumers over the past two years.

The main reason for having switched bank or financial institution over the past two years was to obtain lower fees and charges.

However, the Sensis® *Consumer Report* found competitive pressures from consumers were strong, and loyalty could not be assumed, particularly in the consumer credit market. While the average number of credit cards that consumers reported having was just over one, five per cent of consumers reported that they were currently looking at obtaining an additional credit card, with over a quarter looking outside their main financial institution for the new service.

Main financial institution used Comparison with business

	Consumers ¹	Business ²
ANZ Bank	11%	14%
Commonwealth Bank	31%	22%
National Australia Bank	11%	21%
Westpac	12%	19%
Net 'Majors'	65%	76%
St George Bank	7%	4%
Bendigo Bank	2%	4%
Bank West	2%	2%
Suncorp	3%	2%
Net non-majors	35%	24%

SOURCE: ¹Sensis® *Consumer Report* : Sweeney Research - November 2004
²Sensis® *Business Index* : Sweeney Research - November 2004

Switching Patterns

Have not switched main F.I. in the past two years	86%
Have switched between the majors	4%
Have switched from one of the majors to another F.I.	5%
Have switched from another F.I. to one of the majors	3%

Q. Have you changed your main bank or financial institution in the past two years?

SOURCE: ¹Sensis® *Consumer Report* : Sweeney Research - November 2004

Reasons for switching

Lower fees/charges/no fees	23%
Provide better customer service	21%
Not happy with them	10%
Better interest rates	9%
They approved a loan/better loan	8%
Better services/products	8%
Changed location/moved to Aus	7%
Branch closed down	5%
Consolidated accounts/loans	5%
Fly buys/frequent flyers/better deals	5%
Work reasons/business	5%
Personalised service	4%
Location is closer	4%
Made mistakes	3%

Q. Why did you change?

SOURCE: ¹Sensis® *Consumer Report* : Sweeney Research - November 2004

Section 7 : Unsolicited telephone marketing

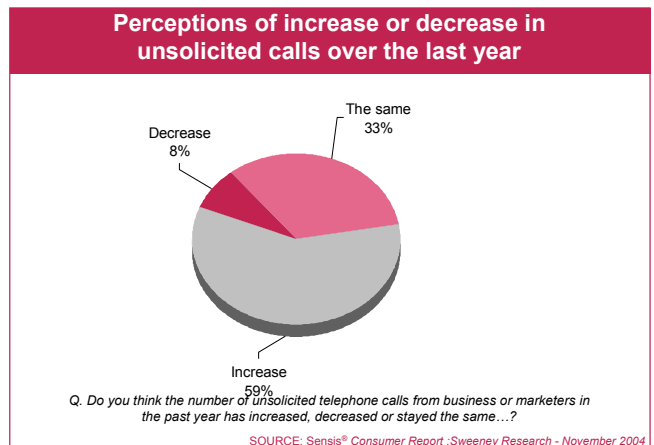
The incidence of unsolicited telephone marketing

The Sensis® Consumer Report found that 17 per cent of households reported that they did not receive unsolicited telephone marketing calls, with one-third of households reporting that they received on average one a week. This was the most common number reported, closely followed by one to two a week.

Overall, there was a perception that the number of unsolicited telephone marketing calls was increasing, with 59 per cent reporting that they felt it had increased over the past year. Only eight per cent of Australians believed that the level of unsolicited phone calls had decreased in the past year.

Overwhelmingly, almost four out of five consumers felt that none of these calls had any content that was of interest to them. The next most common response was that less than 10 per cent had any content of interest, a response given by 16 per cent of consumers.

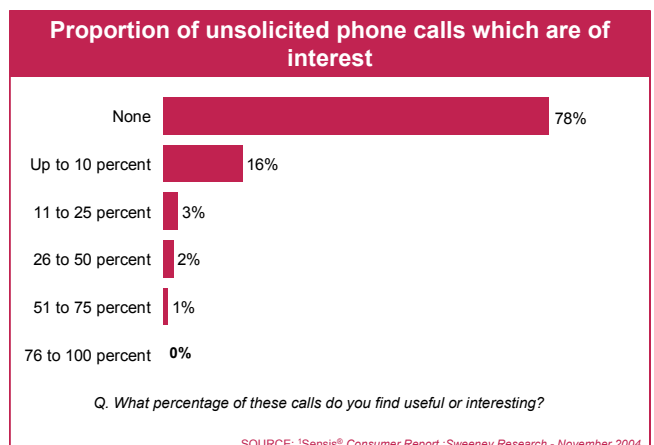
The lack of relevance and targeting of this marketing method was apparent by the proportion of consumers that wanted to opt out of the system – overall, two-thirds of consumers indicated a preference for joining a “do not call” register if one was established. This preference was particularly high amongst those consumers aged from 30 to 49 years. Not surprisingly, the preference for a “do not call” register increased the more calls a consumer reported getting each week.



	Would join register	Would not join register	Don't know
Total	66%	24%	10%
Male	65%	24%	11%
Female	68%	23%	9%
14-19	50%	36%	14%
20-29	63%	25%	12%
30-49	75%	16%	9%
50-64	69%	21%	10%
65+	58%	34%	8%
Receive 2 or less calls per week	67%	21%	12%
Receive 3 to 5 calls per week	79%	16%	5%
Receive 6 or more calls per week	84%	12%	4%

Q. If a “do not call” register that enabled you to be omitted from unsolicited telephone marketing was established, would you take the step of joining this register?

SOURCE: Sensis® Consumer Report :Sweeney Research - November 2004



How to Obtain a Copy of the Sensis® *Consumer Report*

Internet

The December 2004 Sensis® *Consumer Report* can be accessed on the Sensis internet site at www.about.sensis.com.au from 15 December 2004.

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