

Sensis[®] *Consumer Report*

June 2004



Sensis® Consumer Report

June 2004

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Introduction

The 2004 Sensis® *Consumer Report (Consumer Report)* is an inaugural survey measuring confidence and behaviour of Australia's consumer population.

The primary objectives of the *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 *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 *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 *Consumer Report* are based on the responses of consumers surveyed.

The *Consumer Report* is an initiative of Sensis Pty Ltd which 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 both 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 internet city guide brand CitySearch®; and the location and navigation brand Whereis®.

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

About the survey

The results in this report are based on a survey of 1500 Australians conducted over the period 14 April to 5 May, 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 May 2004 Sensis® *Business Index* of 1800 SMEs.

Executive Summary

Consumer confidence

The *Consumer Report* found a net balance of 51 per cent of Australians reporting confidence in their financial prospects for the year ahead.

This result corresponds with the results of the latest *Business Index*, which found that net 61 per cent of SME operators felt confident about their business prospects for the year ahead. The *Consumer Report* also found similar levels of confidence amongst those households where a household member had a business, with net 62 per cent of those households reporting confidence in their financial prospects.

The main reasons for confidence were employment and income related, having a secure job being the main reason provided for feeling confident. The main reason for consumers expressing worry was that they were living on a pension.

More than a quarter of Australian households believed that they were now better off than they had been a year previously, with earning more money being the main reason for this belief. Twenty per cent of households felt that they were worse off due mainly to increased prices.

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

The economy and concerns

The *Consumer Report* found that 41 per cent of Australian consumers believed that the economy was currently growing, compared to 19 per cent that believed the economy was currently slowing.

Australian consumers felt that prospects for economic growth for the year ahead were marginal, with net one per cent of consumers believing that the economy would be better in a year's time.

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

In addition to looking at general consumer trends, the *Consumer Report* also looked at a few issues of topical interest to Australians in May 2004. These were voting intentions at the next Federal Election; the extent of sporting affiliations and its impact on Australians; and, levels of business ownership and intentions to start a business.

Voting intentions

Overall, 35 per cent of voters reported that they intended to vote for the Coalition, with 36 per cent reporting that they would vote for the Labor Party, and 13 per cent reporting that they had not decided at this stage. Looking just at those respondents that had stated a clear voting intention, 43 per cent reported an intention to vote for the Labor Party, with 42 per cent intending to support the Coalition.

The *Consumer Report* found 80 per cent of voters intending to vote for the party that they had voted for at the last election. Seven per cent of voters reported that they intended to switch from the Coalition to Labor, with the main reason being that they felt it was time for a change. Three per cent reported that they intended to change from Labor to the Coalition with the main reason being dissatisfaction with the new Labor leader.

Our sporting life

Some 61 per cent of Australians felt strongly enough about their sporting affiliation to identify themselves as a supporter of a particular sporting team, with the largest support involving the Australian Football League (AFL). The strongest sporting team affiliation of any state or territory occurred in South Australia where some 60 per cent identified themselves as followers of an AFL team.

Across the nation, the most supported AFL teams were the Adelaide Crows and the Essendon Bombers. The next most supported sporting code was the National Rugby League (NRL) with the most supported team being the Brisbane Broncos.

Most Australians felt that the success of their sporting team did not really affect their outlook on life, with females more likely than males to respond in this manner. Of those that stated their team's success had a big impact on their wellbeing, soccer supporters were more likely to have this view compared to supporters of other sporting teams.

Coalition voters were more likely to follow a sporting team than were those Australians intending to vote Labor at the next Federal Election. Also, a higher proportion of Coalition voters identified an affiliation with an AFL team than Labor voters. However, Labor voters were twice as likely to identify their team's success as having a big impact on their wellbeing than were Coalition voters.

Business ownership

The *Consumer Report* found 22 per cent of households reported having a household member that owned a business. Those households that included a business owner were more likely to report feeling confident about their financial prospects than households that did not have a business owner.

In addition, 13 per cent of households reported that a household member was interested in starting a business in the next year. The main places that these respondents would go for information or advice on starting a business were government sources, followed by the internet and asking friends and family members.

How consumers access information

In general, consumers reported positive attitudes towards researching goods and services. More than three quarters of respondents reported that they loved being able to do their research before they bought things.

The internet was the most popular source that consumers reported using to research products or services. Overall, the *Consumer Report* found that 70 per cent of respondents reported using the internet. Home internet use was the most popular response, with 63 per cent of consumers reporting that they used the internet at home, compared to 37 per cent that reported using the internet at work. Consumers overwhelmingly felt that the internet assisted them in avoiding an information overload problem, with 59 per cent believing that it streamlined their search for information.

Section 1 : Economic Confidence

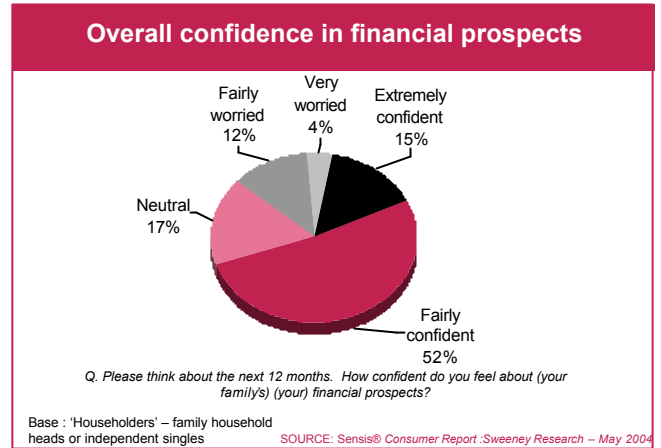
Overall confidence in financial prospects

The Sensis® Consumer Report found net 51 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 51 per cent. This comprised 67 per cent of Australians who were confident about their business prospects for the year ahead and 16 per cent that were worried.

The Consumer Report found that net confidence among consumers was 10 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 61 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. Four percentage points more business proprietors than consumers reported feeling fairly confident. The next largest difference was amongst those that were feeling extremely worried, where there was a three percentage point difference.

It is interesting to note that the Consumer Report also found confidence higher amongst those households where a household member owned a business. Those households reported net confidence of 62 per cent, in line with the findings of the Business Index. Those that did not have a business owner in the household reported the lower levels of confidence in the Consumer Report.



Overall confidence Comparison with business

	Consumers ¹	Business ²
Extremely confident	15%	16%
Fairly confident	52%	56%
Neutral	17%	17%
Fairly worried	12%	10%
Extremely worried	4%	1%
Total confident	67%	72%
Total worried	16%	11%
*Net Balance	51%	61%

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

SOURCE: ¹Sensis® Consumer Index :Sweeney Research – May 2004
²Sensis® Business Index :Sweeney Research – May 2004

Overall confidence in financial prospects respondent characteristics

The Sensis® Consumer Report found that in May 2004, males reported higher net confidence in financial prospects for the year ahead than females (54 per cent compared to 48 per cent).

Looking at demographics by age group, the most confident age group was between 20 and 29 years of age. Examining both gender and age, the most confident Australians in May 2004, were young males, with young male respondents aged up to 19 reporting net confidence of 63 per cent. Interestingly, females of the same age reported feeling the least confident of any age-gender group. Other age-gender groups reporting high levels of confidence were females in their twenties and males over 64 years of age.

There was no difference in confidence levels between those Australians living in metropolitan areas and those living in non-metropolitan Australia, however there was variation among the states. The most confident Australians were those living in the Northern Territory, where net 62 per cent of consumers reported feeling confident about their financial prospects for the year ahead. The least confident Australians were those living in Western Australia, where net confidence was at 46 per cent.

Examining family status, those living in a household without children were the most confident about their financial prospects for the year ahead, with singles feeling the least confident (net 65 per cent compared to net 40 per cent).

Not surprisingly, there was 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 81 per cent of those with a household income over \$85,000 reporting feeling confident, compared to only 26 per cent of those with a household income up to \$35,000.

Overall confidence by demographics *Net balance

	Total	Male	Female
Total	51%	54%	48%
Up to 19 years	49%	63%	35%
20 – 29 years	57%	54%	59%
30 – 39 years	55%	53%	57%
40 – 49 years	46%	53%	40%
50 – 64 years	46%	54%	38%
Over 64 years	54%	58%	51%

*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 – May 2004

Overall confidence by location *Net balance

	Total
Total	51%
Metro	51%
Non metro	51%
New South Wales	56%
Victoria	47%
Queensland	48%
South Australia	50%
Western Australia	46%
Tasmania	61%
Northern Territory	62%
Australian Capital Territory	52%

*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 – May 2004

Overall confidence by socio-economic variables *Net balance

	Total
Total	51%
Respondent is..	
The male or female household head in a family with children	47%
The male or female household head in a family without children	65%
Single person living alone or sharing	40%
Household income level..	
Up to \$35,000	26%
\$35,001 to \$55,000	47%
\$55,001 to \$85,000	64%
Over \$85,000	81%

*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 – May 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 largely connected with employment and income. Key reasons reported by those that were feeling confident about their prospects were having secure jobs; having sufficient financial resources; both members of the household working; having a good job; a belief that everything was going well; and positive perceptions on the current state of the Australian economy.

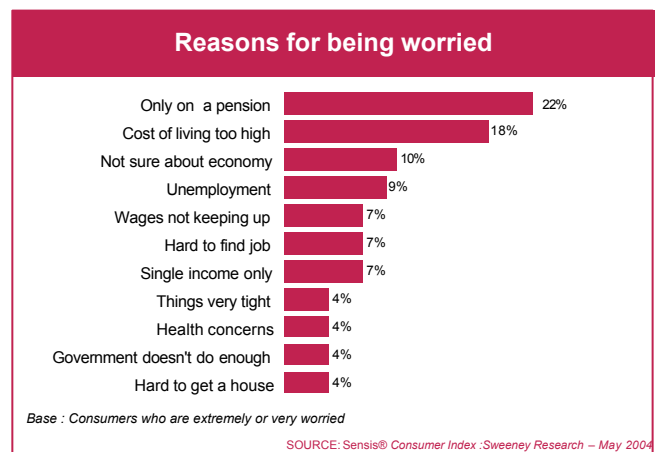
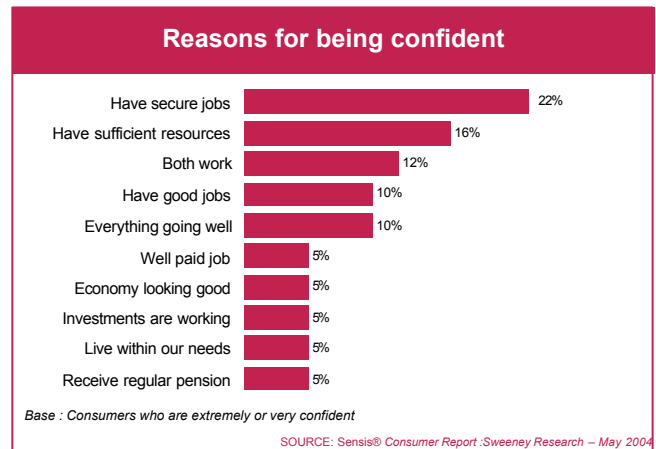
Having a secure job was the main reason for feeling confident for those with a household income over \$35,000. For those with a household income under \$35,000 the main reason for feeling confident was the belief that they had sufficient resources. For those aged up to 19, having a secure job was a significant reason for feeling confident, however for almost half of those feeling confident in this age group, the main reason was a belief that everything was going well in general. Having sufficient resources was also the main reason for those over 65 feeling confident, with having a secure job being relatively unimportant to that demographic.

The main reasons that Australians gave for feeling worried about their financial prospects for the year ahead also related to income and employment. The key reasons provided were concerns about living solely on a pension; the cost of living being too high; and uncertainty about the direction of the economy.

Being on a pension was the greatest reason for not feeling confident for those aged more than 65, where 59 per cent of those that were concerned about the year ahead nominated this as the main reason. This was also the main reason that those with a household income under \$35,000 gave for their lack of confidence.

For those with a household income from \$35,000 to \$55,000, the main reason for not feeling confident was a belief that the cost of living was too high. For those in the next income bracket, from \$55,000 to \$85,000, the main reason for not feeling confident was uncertainty over the direction of the economy.

The main reason for feeling a lack of confidence for those households earning over \$85,000 was the belief that it was too difficult for young people to get a house.



Comparison to a year ago

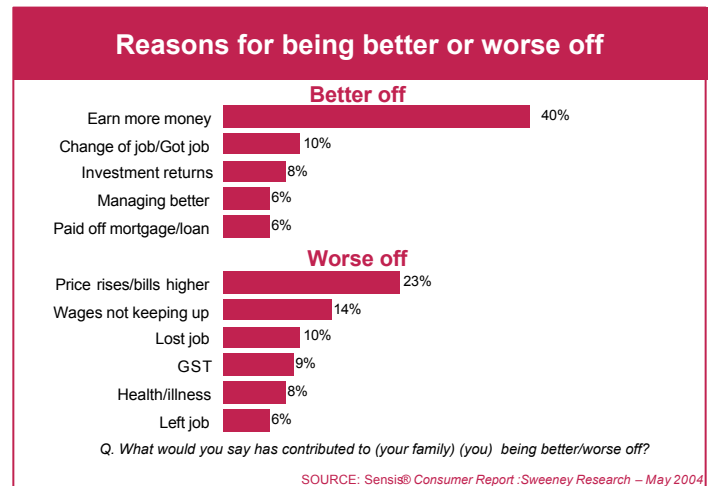
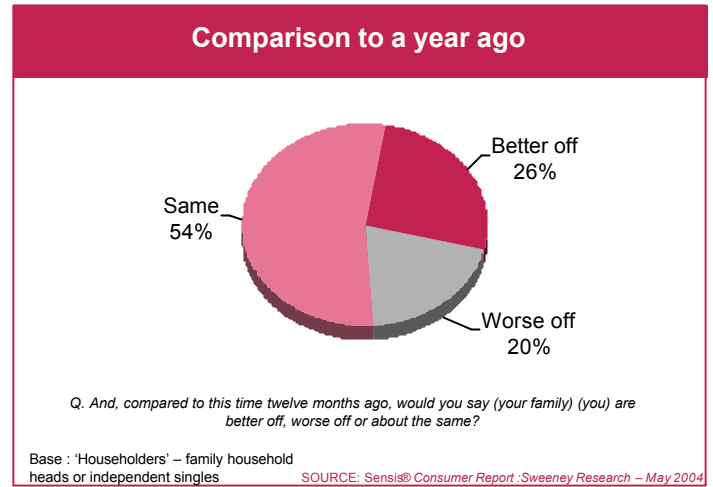
Approximately one quarter of Australians (26 per cent) believed that they were better off than they had been a year ago. Slightly more than half believed that their position was about the same as a year ago, with one in five feeling that they were now worse off than they had been 12 months previously.

Perceptions about whether people felt better off or worse off than they had been a year ago varied by demographic. Males were slightly more likely than females to feel that they were better off than they had been a year ago (28 per cent compared to 25 per cent). Australians aged from 20 to 29 were the most likely to feel that they were now better off overall. Those whose household income was greater than \$85,000 were most likely to feel they were better off, with those earning up to \$35,000 least likely to feel better off. Surprisingly, however, those Australians whose household income was between \$35,000 and \$55,000 were more likely to feel better off than those whose income was between \$55,000 and \$85,000 (31 per cent compared to 26 per cent).

Residents of the Australian Capital Territory were the most likely to feel that they were better off than they had been a year previously, with those in South Australia least likely to feel that they were better off. Those in Queensland were most likely to feel that they were worse off than they had been a year previously. Those Australians who rented their home were more likely to feel that they were better off than those that owned their home.

The main reasons that Australians gave for feeling that they were better off than they were a year ago tended to relate to employment and successful financial management. Overwhelmingly the main reason given was that they were earning more money than they were a year ago. Other reasons, though lower on the scale, were changing or gaining employment; and financial reasons such as good returns on investments; better management; and paying off mortgages and loans.

Increases in the cost of living were the main reason given by almost one quarter of those Australians who were feeling worse off than they were a year ago. Wages not meeting the rising cost of living was the next most significant reason, followed by losing employment. Nine per cent of those who felt worse off indicated that this was because of the GST, with health and illness also a significant factor for consumers feeling worse off.



Household expenditure expectations

Consumers displayed strong indications that they intended to increase their spend across most of the major expenditure categories. The area with the highest net proportion of consumers expecting to increase expenditure was general household expenditure, including on groceries and bills, where net 37 per cent were expecting an increase.

The only area of expenditure where more people were expecting to decrease their expenditure than increase it was dining out, fast food and home deliveries, where the net change was negative four per cent. Families with children were expecting to decrease their expenditure on dining out and take-away food, while singles indicated an expectation of increasing their expenditure.

The study found that families with children were likely to be spending more time at home studying than other household groups. Expectations to increase expenditure on education was much higher for families with children than for other household groups, with expectations twice the average level. Anticipated increases for holidays and travel, however, was only half of the average expectation. Families with children were also most likely to be increasing their expenditure on home renovations and furniture and items for the home.

Families without children were most likely to be increasing their spend on holidays and travel over the year ahead. Increased expenditure on health and medical expenses was also much higher for this group than other groups.

Apart from expecting to spend more on dining out and takeaway food, singles were most likely to anticipate increasing their spend on home entertainment, vehicles and transportation, entertainment, sport and leisure activities. Despite expecting to spend more on home entertainment, they were the least likely group to anticipate increased expenditure on other items for the home.

Household expenditure expectations

	Spend more	Spend less	No change	*Net balance
General household expenses - groceries and bills	43%	6%	51%	+37%
Transport costs - cars or public transport	33%	7%	60%	+26%
Housing costs such as mortgage or rent	26%	6%	68%	+20%
Health and medical expenses	29%	9%	62%	+20%
Education costs	24%	9%	68%	+15%
Telecommunications - including mobiles & Internet	24%	11%	65%	+13%
Holidays and travel	31%	18%	50%	+13%
Home renovations or improvements	27%	17%	56%	+10%
Entertainment, sport and leisure activities	18%	9%	73%	+9%
Items for the home such as furniture or electricals	25%	23%	52%	+2%
Home entertainment	15%	14%	71%	+1%
Dining out, fast food or home deliveries	11%	15%	73%	-4%

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 defined as the proportion who are confident less the proportion who are worried

SOURCE: Sensis® Consumer Report, Sweeney Research - May 2004

Household expenditure expectations

By family status

*Net balance for..	Families with children	Families no children	Singles
General household expenses - groceries and bills	+44%	+36%	+29%
Transport costs - cars or public transport	+25%	+26%	+30%
Housing costs such as mortgage or rent	+23%	+16%	+22%
Health and medical expenses	+20%	+27%	+12%
Education costs	+30%	+3%	+5%
Telecommunications - including mobiles & Internet	+16%	+12%	+7%
Holidays and travel	+5%	+19%	+18%
Home renovations or improvements	+13%	+12%	+3%
Entertainment, sport and leisure activities	+9%	+6%	+10%
Items for the home such as furniture or electricals	+6%	+1%	-2%
Home entertainment	+1%	0%	+5%
Dining out, fast food or home deliveries	-10%	-4%	+4%

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

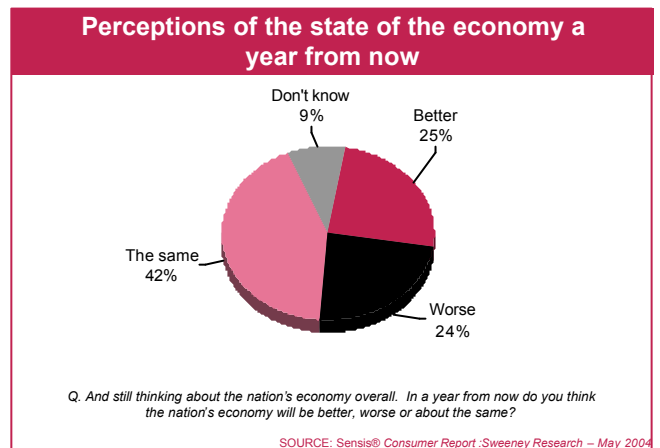
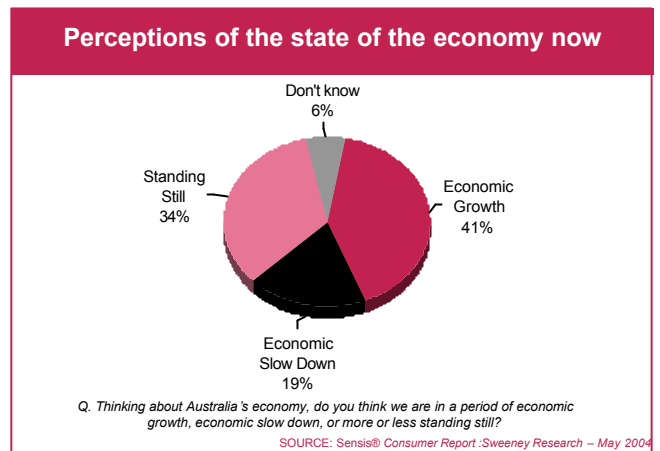
SOURCE: Sensis® Consumer Report, Sweeney Research - May 2004

Perception of the state of Australia's economy

In May 2004, consumers were most likely to believe that Australia was in a period of economic growth. This view was held by 41 per cent of consumers, compared to 19 per cent that felt the economy was currently slowing down, and 34 per cent that felt it was standing still. This resulted in a net balance of 22 per cent of consumers that felt the economy was currently in a growth phase.

When asked how they thought the economy would be performing a year from now, one quarter of consumers felt that it would be better than the current situation. This was almost balanced by the 24 per cent of consumers that felt the economy would be worse in a year's time. This resulted in a net balance of only one per cent of consumers that felt the economy would be better a year from now. The most likely response, however, was that the economy would be the same in a year's time as it currently was (42 per cent).

When the same question was asked of business proprietors in the May 2004 Sensis® Business Index, business proprietors reported much higher levels of confidence in the economic outlook than consumers. A net balance of 35 per cent of business proprietors felt that the economy was currently in a growth phase, compared to the net balance of 22 per cent of consumers that felt that the economy was in a growth phase. When looking at expectations a year from now, net 12 per cent of business proprietors reported believing that the economy would be better, compared to net 1 per cent of consumers. In terms of expectations, the proportion of consumers that felt the economy would be better in a year's time was only two percentage points behind the business proprietors. The main difference was in negative perceptions, with consumers far more likely than business proprietors to feel that the economy would be worse in a year's time (24 per cent compared to 15 per cent of business proprietors).



Perceptions of the state of the economy Comparison with business

	¹ Consumers	² Business
The Economy Now		
Growth	41%	49%
Slowing	19%	14%
*Net Balance	+22%	+35%
The Economy a Year from Now		
Better	25%	27%
Worse	24%	15%
*Net Balance	+1%	+12%

*Net Balance defined as the proportion who are positive less the proportion who are negative.

SOURCE: ¹Sensis® Consumer Index :Sweeney Research – May 2004
²Sensis® Business Index :Sweeney Research – May 2004

Section 2 : Our Concerns

Prime concerns

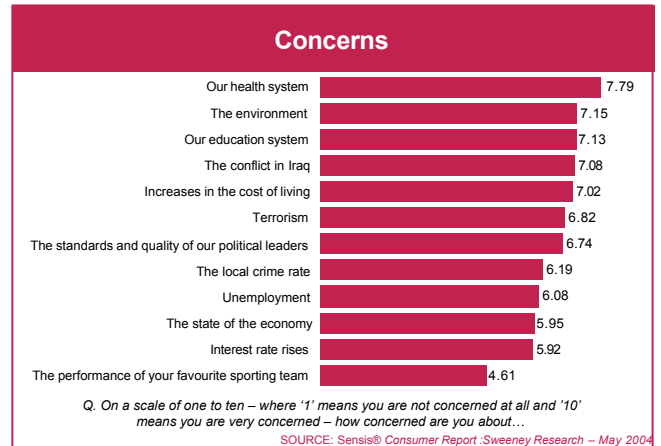
The Sensis® Consumer Report found that the biggest concern facing Australians in May 2004 was the state of the health system. When asked to rank topical issues on a scale of one, representing no concern at all over the issue, to ten, representing a high level of concern, the health system scored an average score of 7.79. Females were more likely to rate the health system on a greater scale than males were (average level of 8.12 for females compared to 7.45 for males). Families with children were more likely to report concern over the health system (average level of 8.03) than households without children. Households with incomes less than \$35,000 were most likely to report concern over the health system (average level of 7.99) than households in other income brackets. Tasmanians were the most likely to report concern for the health system (average level of 8.42), with those in the Northern Territory reporting the lowest level of concern for the health system (average level of 7.29).

The environment was the second highest concern for Australians, ranking it at an average level of 7.15. Those Australians aged between 20 and 29 reported the highest levels of concern for the environment (average level of 7.34). This was followed by concern over the education system, which was ranked at an average level of 7.13, only marginally below the environment. Again, Tasmanians reported higher levels of concern for the education system than their counterparts in other states (average level of 7.29).

The conflict in Iraq was the fourth greatest concern, being ranked at an average level of 7.08. Those aged over 65 reported the highest levels of concern about the war in Iraq (average level of 7.82). Concern for the war in Iraq decreased as household income levels increased, with those earning less than \$35,000 reporting higher levels of concern (7.35) than those earning more than \$85,000 (6.66).

Interestingly, females tended to state higher levels of concern over issues in general than males, and the war in Iraq was the area where there was the greatest level of difference in reported concern by gender. The only issue where males reported high levels of concern was for the performance of their favourite sporting team.

Those aged up to 19 years reported the lowest level of concern of any age demographic about the health system, the standard and quality of political leaders and the state of the economy. For this age group the greatest concern was increases in the cost of living, and this age group also reported the highest level of concern about unemployment and sporting teams. For every other age demographic the health system rated the highest level of concern.



Issue	Total	Male	Female	Difference
The conflict in Iraq	7.08	6.50	7.64	1.14
Unemployment	6.08	5.62	6.52	0.90
Our education system	7.13	6.69	7.56	0.87
Terrorism	6.82	6.38	7.24	0.86
Our health system	7.79	7.45	8.12	0.67
The environment	7.15	6.83	7.46	0.63
Standards and quality of political leaders	6.74	6.46	7.00	0.54
The local crime rate	6.19	5.95	6.42	0.47
Increases in the cost of living	7.02	6.82	7.21	0.39
Interest rate rises	5.92	5.74	6.09	0.35
The state of the economy	5.95	5.78	6.11	0.33
Your favourite sporting team	4.61	5.06	4.14	(0.92)

SOURCE: 1 Sensis® Consumer Report :Sweeney Research – May 2004
2 Sensis® Business Report :Sweeney Research – May 2004

Issue	Total	Up to 19	20 to 29	30 to 39	40 to 49	50 to 64	65+
Our health system	7.79	7.22	7.60	7.78	8.21	7.81	7.88
The environment	7.15	7.19	7.34	7.04	7.21	7.20	6.91
Our education system	7.13	7.33	7.52	6.97	7.15	6.96	6.96
The conflict in Iraq	7.08	6.65	6.78	6.42	7.44	7.29	7.82
Increases in the cost of living	7.02	7.30	7.00	7.02	7.17	6.83	6.90
Terrorism	6.82	6.77	6.33	6.80	7.44	6.68	6.85
Standards and quality of political leaders	6.74	6.19	6.70	6.36	7.09	7.04	6.81
The local crime rate	6.19	6.01	5.59	6.05	6.42	6.19	6.85
Unemployment	6.08	6.47	6.09	5.65	6.12	6.07	6.25
The state of the economy	5.95	5.35	5.86	5.90	6.31	5.92	6.10
Interest rate rises	5.92	5.34	6.28	6.57	6.22	5.62	5.11
Your favourite sporting team	4.61	5.20	5.06	4.43	4.45	4.02	4.80

■ = Highest level
■ = Lowest level

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

Section 3 : Voting Intentions

Intentions for next election

The *Consumer Report* found voting intentions close between the two major parties, with support for the Labor Party marginally ahead of support for the Coalition (36 per cent compared to 35 per cent). However, *Consumer Report* found that 13 per cent of Australians were still undecided as to which party they would support at this stage.

Considering just those Australians who have decided who they will vote for, support for the Labor Party remained marginally ahead of support for the Coalition. 43 per cent of those voters nominating that they would vote for the Labor Party, compared to 42 per cent indicating support for the coalition.

While support for the Coalition was equal between male and female voters, male voters were slightly more likely to support the Labor Party than females (44 per cent compared to 43 per cent). The age groups showing strongest support for the Labor Party were those voters aged from 18 to 29 and those aged from 40 to 49. The strongest support for the Coalition was from those voters aged from 65 years and older. Support for other parties was strongest amongst those in younger age demographics, and declined continuously as age increased. The strongest age-gender demographic supporting the Labor Party was females up to 29 years of age, while the age-gender demographic showing the strongest support for the Coalition was males aged 50 years and over.

Looking at household composition, families with children were more likely to support the Coalition than the Labor Party, as was the case for families with no children in the household. Singles were significantly more likely to support the Labor Party than the Coalition.

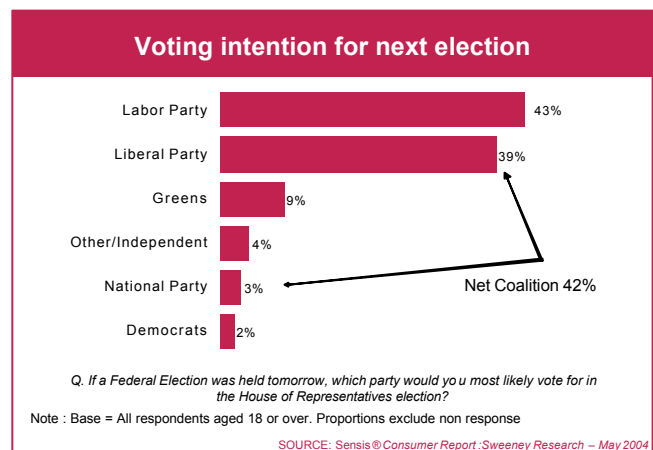
Looking at household income demographics, those households earning up to \$35,000 were more likely to support the Labor Party, and those earning more than \$85,000 were more likely to support the Coalition. Of interest, however, income demographic was not directly related to voting intention, with those whose household income was between \$35,000 and \$55,000 more likely to support the Coalition than those with household incomes from \$55,000 to \$85,000.

Those who owned their own home were significantly more likely to support the Coalition, while those renting were more likely to support the Labor Party. Support for the Labor Party was higher amongst voters in metropolitan Australia, with those in regional areas showing stronger support for the Coalition. Support for the Labor Party was highest in the Australian Capital Territory, with support for the Coalition highest in South Australia and the Northern Territory.

Voting Patterns		
	Last election	Next election
Liberal	38%	33%
National	2%	2%
Total – Coalition	40%	35%
Labor	31%	36%
Democrat	2%	2%
Green	7%	8%
Other	4%	3%
Undecided/did not vote/refused	16%	16%

Q. If a Federal Election was held tomorrow, which party would you most likely vote for in the House of Representatives election?
Which party did you vote for the last time a Federal Election was held?

SOURCE: Sensis® Consumer Report
Sweeney Research – May 2004



Voting intention by demographics			
	Labor	Coalition	Other
Total	43%	42%	15%
Male	44%	42%	14%
Female	43%	42%	15%
18-29	47%	32%	21%
30-39	40%	42%	18%
40-49	47%	40%	13%
50-64	44%	45%	11%
65+	37%	52%	11%

Q. If a Federal Election was held tomorrow, which party would you most likely vote for in the House of Representatives election?

Note : Base = All respondents aged 18 or over. Proportions exclude non response

SOURCE: Sensis® Consumer Report : Sweeney Research – May 2004

Voting last election and switching patterns

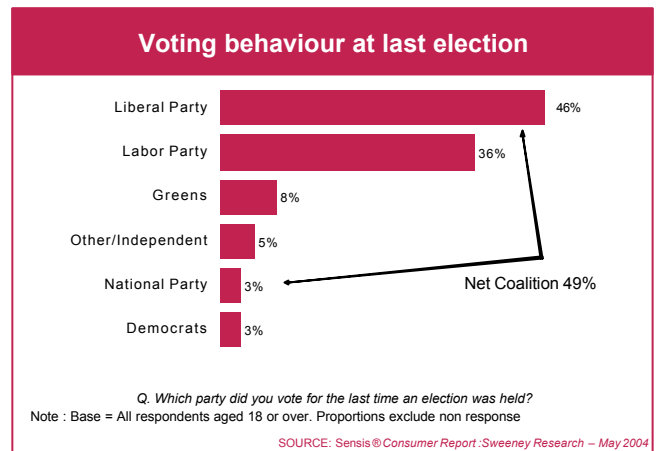
The Sensis® Consumer Report found that 46 per cent of Australians who had voted at the last election reported voting for the Coalition, with 36 per cent reported having voted for the Labor Party. Underlying these figures is a proportion of voters who nominated that they would vote for a different party if an election were held now than they voted for at the last election.

Overall, 80 per cent of Australian voters intend to remain loyal to the party that they voted for at the last election. This included 39 per cent of voters who intended to remain loyal to the Coalition, with 31 per cent of voters remaining loyal to the Labor Party.

The largest group of voters intending to switch their vote intended to switch from the Coalition to the Labor Party. This comprised seven per cent of voters who nominated a voting preference. The main reasons given for changing vote included: the belief that it was time for a change; the view that Australia should not be in Iraq; the perception that the current government was not doing a good job; voters reporting that they did not like Prime Minister John Howard; and, the belief that the new Labor leader had a good attitude.

In addition to these voters, three per cent of voters reported that they were intending to change their vote from the Labor Party to the Coalition. The main reasons included: voters not liking the new Labor leader; the belief that their local member was doing a good job; voters not liking the policies of the Labor Party; the perception that Prime Minister John Howard was doing quite well; and, voters liking the policies of the Coalition.

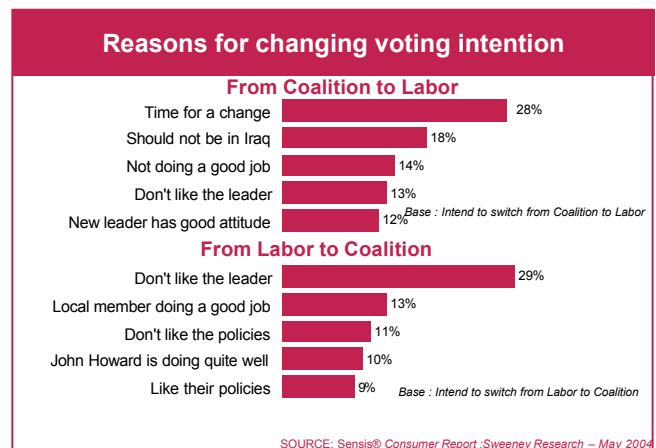
Other main switching groups included four per cent of voters who nominated that they would be switching their vote from a third party to the Labor Party, with the main reason being the belief that the Democrats were now ineffective. A further three per cent of voters nominated that they intended to switch from the Labor Party to a third party, mainly because the voters preferred the policies of a third party.



Switching Patterns

	Last Election		
	Coalition	Labor	Other
Next Election			
Coalition	39%	3%	1%
Labor	7%	31%	4%
Other	2%	3%	10%

Note : Base = All respondents aged 18 or over. Proportions exclude non response
 SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004



Section 4 : Our Sporting Life

Sporting affiliations

With regard to whether or not people had a sporting affiliation the most frequent response, at 61 per cent, stated that they followed a particular sporting team. Conversely, 39 per cent of respondents did not feel strongly enough about their sporting affiliation to identify themselves as a follower of any particular sporting team.

Of the total sample group the largest single response to following a particular sporting team involved an AFL team. Some 30 per cent of all people surveyed identified themselves as a supporter of an AFL team.

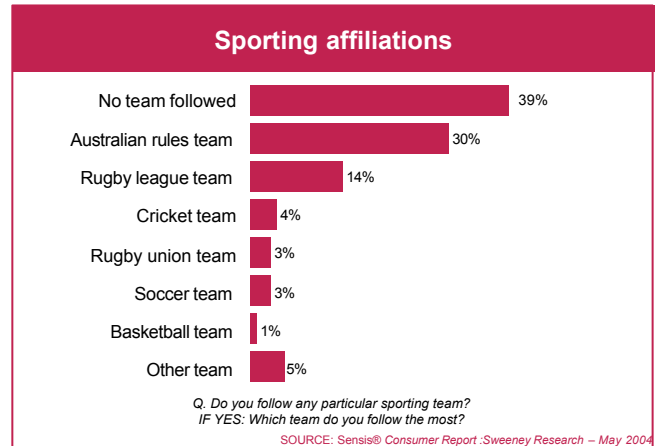
The second most supported sporting team across the nation involved a NRL team, with 14 per cent of all survey respondents identifying an affiliation. The third most frequently cited sporting affiliation involved the Australian cricket team at four per cent.

The strongest support for a sporting team came from Victoria, with 70 per cent being supporters of a sporting team. The highest support for AFL came from South Australia where 60 per cent of all South Australians identifying themselves as supporters of an AFL team. The lowest came from the two territories, with 55 per cent of respondents in both the Northern Territory and the Australian Capital Territory identifying themselves as supporters of a sporting team.

A higher proportion of people that were confident about their future financial prospects were more likely to be supporters of a sporting team (60 per cent), compared to those that were worried about their future financial prospects (51 per cent).

In terms of the age profiles of sports followers, younger people were more likely to be supporters of a sporting team. For example, the 14 to 19 year old age group, 68 per cent of respondents identified themselves as supporters of a sporting team, compared to only 53 per cent of the 65 years of age and older group.

In terms of the gender results, not surprisingly, a higher proportion of males at 69 per cent followed a particular sporting team, compared to only 52 per cent of females. It is interesting to note, that higher income groups were more likely to follow a sporting team, with 67 per cent of respondents on annual household incomes of more than \$85,000 being supporters of a sporting team, compared to only 56 per cent of respondents with annual incomes of less than \$35,000.



	No team	Australian Rules	Rugby league	Other
Total	39%	30%	14%	17%
New South Wales	44%	6%	26%	24%
Victoria	30%	59%	2%	9%
Queensland	44%	15%	21%	20%
South Australia	31%	60%	0%	9%
Western Australia	43%	44%	1%	12%
Tasmania	37%	50%	2%	11%
Northern Territory	45%	32%	10%	13%
Australian Capital Territory	45%	15%	20%	20%

Q. Do you follow any particular sporting team?
IF YES: Which team do you follow the most?
SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

	No team	Australian Rules	Rugby league	Other
Total	39%	30%	14%	17%
Male	31%	34%	16%	19%
Female	48%	27%	12%	13%
14-19	32%	34%	18%	16%
20-29	27%	34%	18%	21%
30-39	42%	28%	14%	16%
40-49	45%	25%	13%	17%
50-64	41%	33%	13%	13%
65+	47%	30%	8%	15%

Q. Do you follow any particular sporting team?
IF YES: Which team do you follow the most?
SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

My team

Of those people that identified support for an AFL team, the strongest supported team was tied at 12 per cent, for the Adelaide Crows and the Essendon Bombers. Not surprisingly, the majority of Adelaide Crows supporters were residents of South Australia, with 71 per cent of all South Australians AFL supporters nominating the Adelaide Crows as their team. While 13 per cent of all Northern Territory AFL followers also nominated the Adelaide Crows as their team.

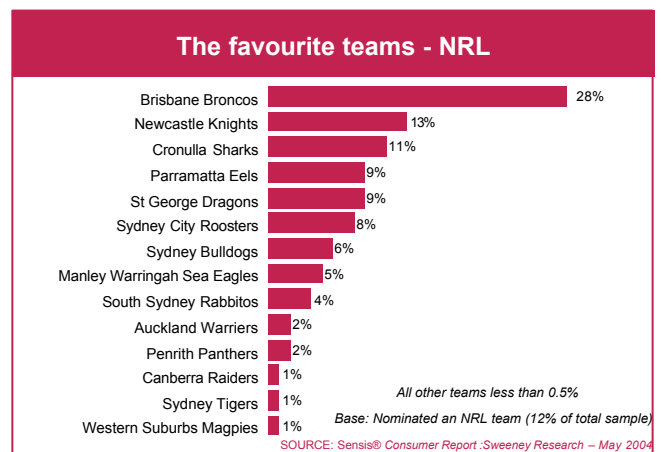
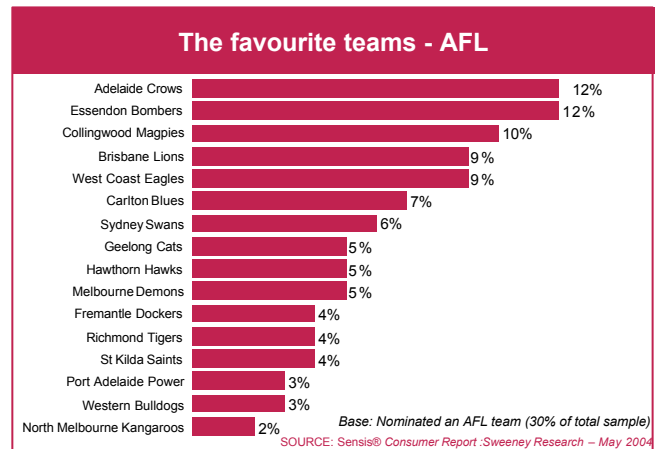
In relation to Essendon Bombers supporters, the strongest supporter base as a proportion of any state or territory's AFL followers, the Northern Territory recorded the highest result at 21 per cent of all Northern Territory AFL followers. In terms of Victorian AFL supporters, Essendon accounted for 18 per cent of the total. It is interesting to note that Essendon has relatively strong support across the nation.

The Collingwood Magpies received the third highest level of support at 10 per cent of all AFL supporters. It is worthwhile noting that there was a noticeably different age profile among Collingwood supporters, with only two per cent of the 14 to 19 year old age group identifying themselves as Collingwood supporters compared to 12 per cent of the over 65 year old age group.

Of those people that identified themselves as supporters of an NRL team, the strongest support was for the Brisbane Broncos with 28 per cent support of all rugby league supporters. Across the nation the strongest support for the Brisbane Broncos came from Queensland (73 per cent of all Queensland rugby league supporters), and the Northern Territory (39 per cent of Northern Territory supporters).

The second most supported NRL team was the Newcastle Knights at 13 per cent of all rugby league supporters. While some nine per cent of male rugby league supporters identified themselves as Newcastle Knights supporters, a noticeably more significant 19 per cent of all female rugby league supporters nominated the Newcastle Knights as their supported team.

The third most supported NRL team was the Cronulla Sharks at 11 per cent of all NRL followers. There was a noticeable difference in the level of support for the Cronulla Sharks across the income ranges. For example, only three per cent of those respondents with annual household incomes less than \$35,000 supported the Cronulla Sharks, while a significantly higher 27 per cent of those NRL supporters with household incomes of more than \$85,000 supported the Cronulla Sharks.



Team success

In terms of importance of the success of the team in the eyes of supporters, the majority response at 63 per cent was that the success of an individual's team didn't really impact on them at all. Females at 66 per cent were more likely to feel this way than were men at 61 per cent.

In terms of different demographic patterns one of the largest responses in terms of the success of a team having little impact on them involved females aged between 30 and 49 years of age, at 75 per cent. Those respondents that identified themselves as students were also a significant group, with 52 per cent stating it had little impact on them.

The next most frequent response to the issue of the impact of the team's success was that it had some impact on the individual at 30 per cent. On a state or territory response the strongest response to a team's success having some impact on the individual was recorded in Western Australia at 33 per cent.

It is interesting to note that individuals that are renting their current premises were more likely to state that their team's success had some impact on them (36 per cent) than those that owned their own house (27 per cent).

Seven per cent of all respondents stated that their team's success had a big impact on how they feel about life. Males were more than twice as likely to identify this impact (nine per cent versus four per cent).

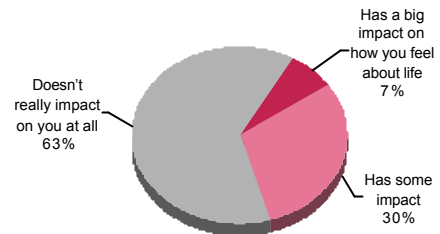
In terms of the impact of the team's success on different types of sports followers, the supporters most likely to be impacted were soccer supporters with 50 per cent stating that their team's success had some impact on them. In terms of AFL followers the only club where a majority of supporters stated that their team's success had some impact on them was Essendon Bomber supporters (at 51 per cent). The AFL supporters that were most likely to state that their team's success had little impact on them were those that supported the Western Bulldogs, at 79 per cent.

Of all NRL supporters, the team that was most likely to be impacted significantly by their success was the St George Dragons with 20 per cent of their supporters stating this had a big impact on them.

Of other Australian sporting teams it is interesting to note that people that identified the Australian cricket team as their most supported sporting team, 39 per cent stated that their success had some impact on them. While, those that identified a National Basketball League team, only 26 per cent stated that their success had an impact on them.

Importance of the success of the team

How important is the success of your team to you. Would you say it..?



Base: Follow a sporting team

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

Importance by demographics

	Big impact	Some impact	No impact
Total	7%	30%	63%
Male	9%	30%	61%
Female	4%	30%	66%
14-19	4%	35%	61%
20-29	5%	42%	53%
30-39	3%	28%	68%
40-49	6%	21%	73%
50-64	9%	25%	65%
65+	12%	27%	61%

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

The most passionate supporters

Supporters who are **more** likely than most to be affected by their teams performance include..

- Soccer supporters (50% are impacted)
- Essendon Bombers fans (51%)
- Port Adelaide Power fans (41%)

Supporters who are **less** likely than most to be affected by their teams performance include..

- Sydney Swans fans (25% are affected)
- Collingwood and Carlton fans (29%)

On average, those that barrack for AFL teams are slightly more likely to be impacted upon by their team's performance (35% are affected) than are NRL supporters (31%)

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

Politics and Sport

While 39 per cent of all respondents stated that they did not follow a sporting team, this was lower for those expecting to vote for the Coalition at the next Federal Election at 33 per cent. For those intending to vote Labor the response was higher with 38 per cent stating they didn't follow a sporting team.

Interestingly, a higher proportion of Coalition voters identified an affiliation with an AFL team (36 per cent), compared to Labor voters (30 per cent). While the reverse situation applied in terms of NRL supporters, with 13 per cent of Coalition voters supporting an NRL team compared to 16 per cent of Labor voters.

In terms of the impact of a team's success on someone's life, Labor voters were twice as likely (10 per cent versus five per cent) to identify this as having a big impact, relative to Coalition voters. Also, Labor voters were more likely to state that their sporting team had some impact on them (33 per cent), compared to Coalition voters (30 per cent).

Interestingly, supporters of the minor political parties were far less likely to be impacted by the performance of their favourite sporting team than those intending to vote for the two major political parties. This was reflected in the 72 per cent response rate by voters for the minor political parties that were not impacted by their sporting team's success.

With respect to the different voting intentions of different team supporters, some interesting trends emerged. Among AFL supporters, the strongest support for the Coalition came from among Hawthorn supporters, with 92 per cent indicating an intention to vote for the Coalition at the forthcoming Federal Election. The next strongest support for the Coalition among AFL supporters came from the North Melbourne Kangaroos at 68 per cent.

The strongest support for the Labor Party from AFL supporters came from Port Adelaide Power supporters at 73 per cent. While the next strongest level of support for the Labor Party came from the Western Bulldogs supporters at 67 per cent.

In terms of NRL supporters there was strong support for the Coalition among Brisbane Broncos supporters at 58 per cent. While in terms of NRL teams that are expecting to vote Labor, the Cronulla Sharks at 82 per cent, were strong in their political support for the Federal Election.

With regard to the minor political parties, the Greens could expect to do reasonably well among Geelong Cats supporters, with 24 per cent intending to vote for the Greens at the next Federal Election.

In terms of other sports teams supported, a majority of rugby union supporters (56 per cent) are expecting to vote Liberal at the next election. While supporters of the Australian cricket team were fairly evenly divided with 45 per cent voting Coalition and 46 per cent voting Labor.

Politics and sport do mix!

Analysis of voting intentions by sporting team followed show some interesting trends.

Supporter groups with a leaning towards **Labor** include...

- Port Adelaide Power fans (74% Labor vs an average of 42%)
- Essendon Bombers supporters (57%)
- Sydney Swans fans (55%)

Supporters with a leaning towards the **coalition** include..

- Hawthorn Hawks supporters (92% vs an average of 42%)
- Brisbane Broncos fans (58%)
- Adelaide Crows fans (57%)
- Followers of ARU teams (56%)

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004

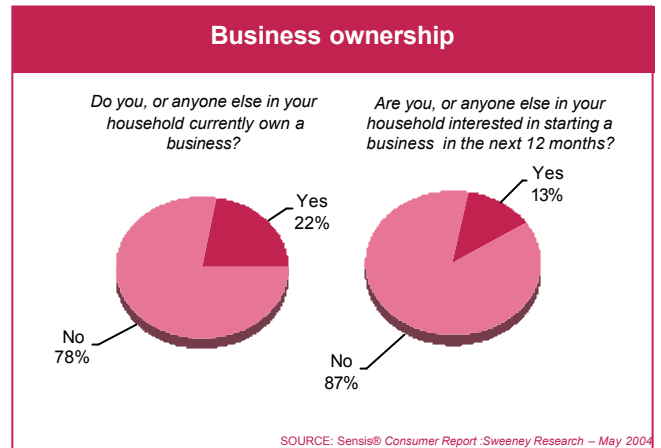
Section 5 : Business Ownership

Current and expected levels of business ownership

One of the unique aspects of the Sensis® Consumer Report was the collection of the data in conjunction with the May 2004 Sensis® Business Index. The concurrent collection and the inclusion of matching questions in both surveys enabled comparisons to be made between businesses and consumers. The Consumer Report also enabled the collection of information on business ownership from the perspective of household, which provided a unique opportunity to investigate levels of ownership and characteristics of business owners and potential business owners.

The survey found that overall 22 per cent of Australian households have an interest in a business. In addition to this, 13 per cent of households contain someone that is interested in starting a business in the next twelve months. This data showed that the highest proportion of households intending to start a business in the next twelve months were in Queensland. Whilst levels of business ownership were highest amongst Australians who owned a home, start-up intentions were highest amongst those renting their home.

Those households that owned a business were more confident about their financial prospects for the year ahead. Overall the survey found that net 62 per cent of those households that owned a business expressed confidence, compared to net 48 per cent of those households where no one owned a business.

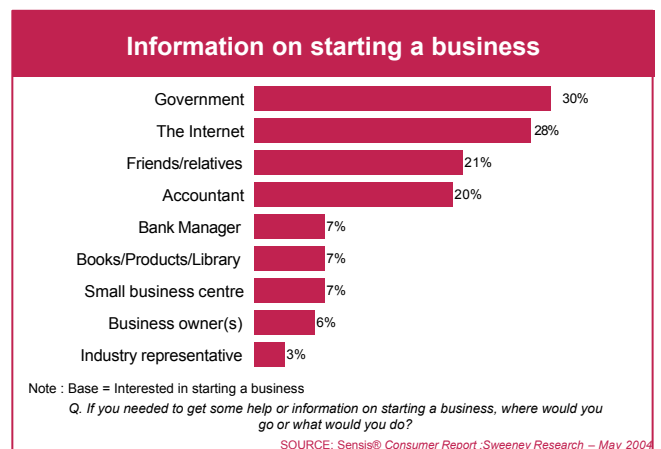


Source of information for business start-up

Those that were intending to start a business in the coming year were asked where they would go to get help and information on running a business.

There were four key sources that those who were thinking of starting a business would look for information. The government was the most nominated source of information on starting a business. This was closely followed by looking on the internet. Asking friends and relatives was a popular channel for obtaining information, closely followed by going to an accountant for advice.

Other sources of information were mentioned at much lower levels. The most significant of these were bank managers, books, small business centres, and other business owners.



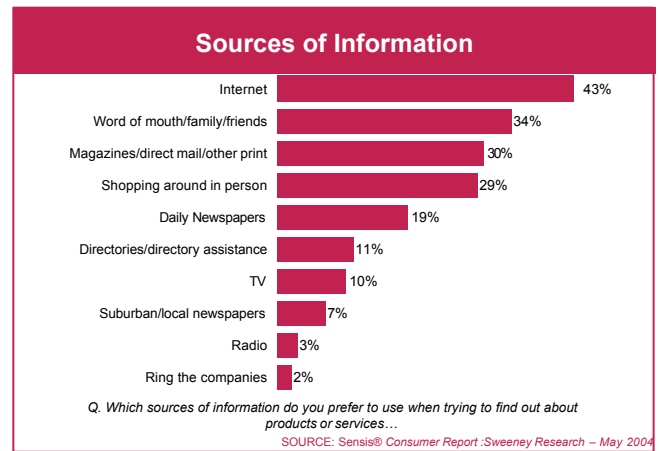
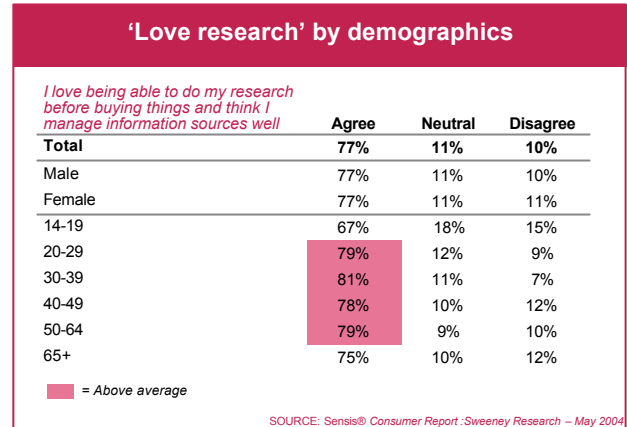
Section 6 : How consumers access information

Attitudes to consumer information

The *Consumer Report* found consumers reporting positive attitudes towards researching their consumer purchases. Overall, 77 per cent of consumers reported that they loved doing research before making a purchase and think they manage their information sources well. This view was equally shared between males and females.

Looking at the results by age demographics, the very youngest and the oldest brackets were the only two age groupings that were slightly less likely to agree with this statement. All the intermediate age groups agreed with this statement at above average levels. The age demographic most likely to agree with this statement were aged from 30 to 39 years of age. Those aged between 14 to 19 years of age were the least likely to agree.

The internet was the main source that consumers reported doing research on products and services. Other popular methods of obtaining information on products and services were by word of mouth and from their family and friends. Reading about products and services in magazines was also popular, as was the experience of shopping around in person. Other popular sources of consumer information were daily newspapers, directories and directory assistance services and seeing information on television.



Does the internet help?

The *Consumer Report* found that overall 70 per cent of Australians use the internet, with 30 per cent reporting that they do not use the internet at all. Usage at home was significantly higher than usage at work, with 63 per cent of Australians reporting that they used the internet at home, compared to the 37 per cent that reported using it at work.

Internet usage was slightly higher amongst males, with 72 per cent of males reporting using the internet, compared to 69 per cent of females. Those respondents aged between 20 to 49 years were the highest users of the internet, with the lowest usage levels being those aged over 65 years. The higher the household income, the more likely the respondent would be to report using the internet, with 46 per cent of those earning under \$35,000 using the internet, compared to 95 per cent of those with a household income in excess of \$85,000. Residents of the Australian Capital Territory reported the highest level of internet usage at 81 per cent, with the lowest level of usage by state being in Tasmania, where only 65 per cent of respondents reported using the internet.

Most respondents felt that the internet assisted them in managing information overload. In total, 59 per cent of respondents believed that the internet helped to streamline their search for information, compared to only 16 per cent that felt it added to the problem.

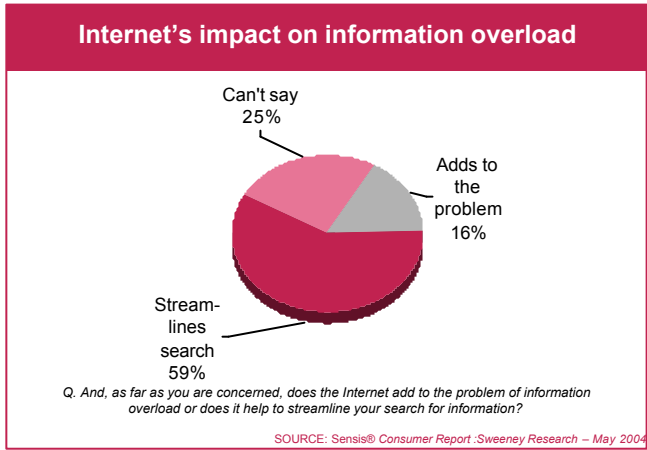
Males were most likely to believe that the internet helped to streamline their search for information, noting that males reported slightly higher internet usage rates. Over half of all respondents aged under 65 felt that the internet streamlined their search for information, with those aged from 30 to 39 most likely to believe this view (72 per cent). The higher the household income bracket, the more likely the respondent would be to believe that the internet assisted their search for information, bearing in mind that higher income brackets had a higher propensity to use the internet. Those respondents in Victoria and the Northern Territory were most likely to believe that the internet helped to streamline their search for information.

Usage of the Internet by demographics

	At home	At work	Net : At home or work
Total	63%	37%	70%
Male	64%	40%	72%
Female	62%	34%	69%
14-19	71%	9%	75%
20-29	72%	44%	83%
30-39	75%	53%	84%
40-49	75%	58%	83%
50-64	56%	40%	64%
65+	30%	3%	31%

Q. Do you use the Internet at home?
Q. Do you use the Internet at work?...

SOURCE: Sensis® Consumer Report :Sweeney Research – May 2004



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

Internet

The June 2004 Sensis® *Consumer Report* can be accessed on the Sensis internet site at www.sensis.com.au from 17 June 2004.

Sensis® *Consumer Report* “Special Reports”

The Sensis research team undertakes commissioned research for corporate and government organisations on a variety of issues.

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