

Our performance

Improving our customer experience

We're transforming our approach to customers and the solutions we offer them to better meet their needs.

Highlights

- Our combined Net Promoter Score jumped from +10.8 in 2012–13 to 13.6 in 2013–14, an increase of +2.8 points
- Maintaining our status as Australia's second most-trusted brand (2014 AMR Corporate Reputation Index)
- Achieving a record 9.14 out of 10 retail customer satisfaction score (2014 Retail CX Survey)

Challenges

- Modernising our postal services to meet contemporary customer needs
- Maintaining our position as Australians' first choice for parcel delivery in a highly competitive sector

Outlook

- Developing new products and services that offer Australian consumers and businesses greater choice, control and convenience
- Increasing the potential of our digital assets and encouraging more Australians to use our digital services

From our customer research, the community's view on what they want from a modern Australia Post is clear. They want us to maintain our nationwide post office and delivery networks, and to become more flexible by adding greater access, convenience and choice to our services.

That's why we're developing our services to support the everyday needs of Australian consumers. This includes helping with their deliveries, bills and application forms, and promising personalised service and trust to keep their details secure. The MyPost Digital Mailbox is one example of our new innovative services to empower consumers to simplify their everyday tasks with privacy and control.

Australia Post and StarTrack are helping small-to-medium business customers find better ways to ship, store, sell and deliver their goods using our complete shopping, fulfilment and supply chain solutions.

We are also dedicated to helping large corporations and government agencies build more effective relationships with their customers through our various letter products, our vast post office network and, now, the MyPost Digital Mailbox.

Understanding our customers

We use a range of data and research to better understand our customers, draw insights and improve the customer experience.

The Net Promoter Score (NPS) system is one of the ways that we gauge customer advocacy. Promoters are important to our business because they have the power to influence the purchasing decisions of the people they are connected to. The key measure of customer advocacy is determined by asking our customers one question: How likely are you to recommend Australia Post to others? A Promoter gives a rank of 9 or 10 out of 10, a Passive scores 7 or 8 while a Detractor scores 0–6. Our NPS is calculated by subtracting the percentage of Detractors from the percentage of Promoters.

This year our NPS improved for both consumers and small-to-medium businesses.

Net Promoter Score (NPS)

| Customer | 2012–13 | 2013–14 | Change |
|-----------------------------|--------------|--------------|-------------|
| Consumer | +9 | +11.5 | +2.5 |
| Small-to-medium business | +12.6 | +15.8 | +3.2 |
| Combined¹ | +10.8 | +13.6 | +2.8 |

Source: Independent research conducted by TNS Research, June 2014.
1 Consumer and SMB combined (average) score

Improving the parcel delivery experience

To provide customers with the very best parcel delivery experience, we asked customers who had recently received a parcel in NSW to rate their experience. More than 30,000 people responded and gave us a NPS score of +49 – demonstrating that the vast majority are happy with our service. We use comments from dissatisfied customers to identify service problems and rectify them. Many of these customers, who were later contacted for follow-up, indicated that they were highly satisfied with our efforts to solve their specific issue. The success of this survey in directly improving the service experience led to our commitment to roll out this initiative nationally. We are now on track to capture over one million parcel delivery experiences over the coming year.

Supporting corporations and government

During the year we surveyed our top corporate and government customers to measure the strength of our relationship and to gather their feedback on our products and services. We used an independent consultant to interview 112 leaders from 76 of our largest customers.

Our government and business customers said that they like our day-to-day performance and that we are approachable and responsive. They said they value having one account manager to deal with. This feedback informs the way we engage with our customers and seek to improve our service.

Listening to our post office customers

Now in its second year, our Retail Customer Experience Program (Retail CX) provides a simple and effective way for customers to provide feedback about their in-store experience.

Run across 3,156 corporate, licensed and franchised post offices, the program invites customers to rate our business based on their overall experience, including queue time, staff friendliness and staff product knowledge.

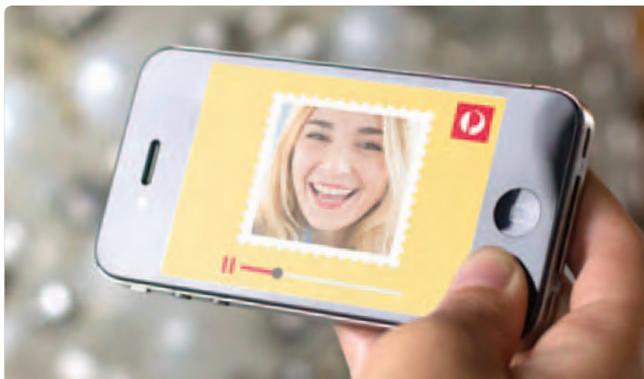
This year's results show slight but consistent improvement across all measures of customer satisfaction in our post offices.

Retail customer satisfaction results

| Performance measure | Average score 2013 | Average score 2014 |
|----------------------------|--------------------|--------------------|
| Overall satisfaction | 9.06 | 9.14 |
| Time in queue satisfaction | 8.72 | 8.90 |
| Friendliness satisfaction | 9.22 | 9.26 |
| Product knowledge | 9.22 | 9.27 |
| Outlet referral score | +64.75 | +69.42 |

Over the past two years we've conducted over 480,000 individual surveys with consumers. Weekly feedback is provided directly to each store so that specific improvements can be made at a local level. Examples of improvements implemented as a result of customer feedback include:

- changes to employee rosters and break times
- dedicated parcel collection counters established in-store
- the extension of parcel collection times
- improvements to store layout and queuing.



Introducing the world's first video stamp

In the lead-up to Christmas, Australia Post introduced the world's first video stamp so that customers could send a 15-second personalised video message with their Express Post and Express Courier International products.

Parcel senders used their smartphone to scan the video stamp and record a personalised greeting which recipients could view on their smartphone or tablet.

Video stamps connected people from more than 330 cities and towns, in 49 countries. The Australia Post Video Stamp advertising campaign, created with Clemenger BBDO Melbourne, also won Bronze in the Mobile category of the 2014 Cannes Lions Awards.

Developing our digital customer channels

Our digital channels, including our websites, apps and mobile sites, continued to enjoy strong growth in 2013–14. Customer visitation across our combined digital channels was up by 29 per cent on last year. The use of self-service tools, such as the post office locator and parcel tracking, grew to 75.1 million, an increase of 39 per cent on 2013–14. There was a 15 per cent increase in visits to auspost.com.au this year, with 90.5 million visits during the period (up from 78.6 million in 2012–13).

Improving the mobile experience

We relaunched our mobile site, m.auspost.com.au, in November 2013. Traffic to the site grew 514 per cent this year to reach 13.4 million visits (up from 2.2 million visits in 2012–13).

Usage of our apps grew to 7.1 million, up 29 per cent from 5.5 million. We now offer a total of five apps on iOS and/or Android – including MyPost Digital Mailbox, Postcards, Australia Post Parcel Send and Video Stamp (see breakout box).

Protecting information and privacy

The protection of our customers' trust is paramount as we offer more digital services. We have a comprehensive security strategy to safeguard our business and customer data, underpinned by technology-based security solutions.

In 2013–14 we invested in new security-monitoring training and tools, and implemented a customer-focused security awareness program to align our processes with the pace of our digital transformation. Our commitment to protecting customer privacy was further bolstered by compliance-strengthening activities such as coordinating Privacy Impact Assessments across different business areas, updating our existing Privacy and You customer brochure, and refreshing our Privacy Policy.

Australia Post also operates an enterprise-wide program to enhance our customer payment card information security to comply with the Payment Card Industry Data Security Standard (PCI DSS). In 2013–14 we completed the annual audit of PCI DSS compliance, achieving compliance for all of our merchant activities (such as post offices, call centres, online applications and banking) for the second consecutive year. This is a strong result given Qualified Security Assessor statistics indicate that only 11.1 per cent of companies pass all relevant requirements for compliance.

Resolving customer enquiries and complaints

We offer our customers a number of channels to contact us including phone, email, website, Twitter, Facebook and, of course, mail. We aim to resolve most complaints within 10 working days. The average time it took us to resolve a complaint this year was 6.0 days (down from 6.8 in 2013, and 8.6 per cent in 2012).

Customers who are dissatisfied with the outcome of our complaint-handling procedures can refer their concern to the Postal Industry Ombudsman for investigation. This year there were 321 completed investigations to the Ombudsman, which was a 27.0 per cent decrease from 2013.