



Connected Small Businesses

How Australian small businesses are growing
in the digital economy

2013

General use restriction

This report is prepared for Google Australia. This report is not intended to and should not be used or relied upon by anyone else and we accept no duty of care to any other person or entity. The report has been prepared for the purpose of better understanding the impact of the internet on Australia's small business sector. You should not refer to or use our name or the advice for any other purpose.

Contents

| | |
|----------------------------|----|
| Highlights | 1 |
| Introduction | 3 |
| Business growth | 4 |
| Jobs | 7 |
| Revenue | 10 |
| Moving along the continuum | 12 |
| Convincing the sceptics | 15 |
| Key action steps | 18 |
| References | 19 |

Highlights

The online world opens up huge opportunities for small business across the country and holds the potential for a broader economy-wide transformation.

This report provides fresh insight into the role of digital strategies in Australia's substantial small and medium-size business sector—a sector which contributed \$530 billion to the economy in 2010-11, over half of private sector economic activity, and employed over 7 million people, generating more than two thirds of private sector employment.

A national survey of 500 small businesses measured their level of digital engagement, such as having a website with business information or the use of digital marketing to attract customers.

Small businesses making full use of the internet with **high digital engagement enjoy better business outcomes, with a \$350,000 or 20% increase in annual revenue.** These small businesses also have better growth prospects, more diversified sources of revenue and a bigger customer base.

High digitally engaged small businesses:

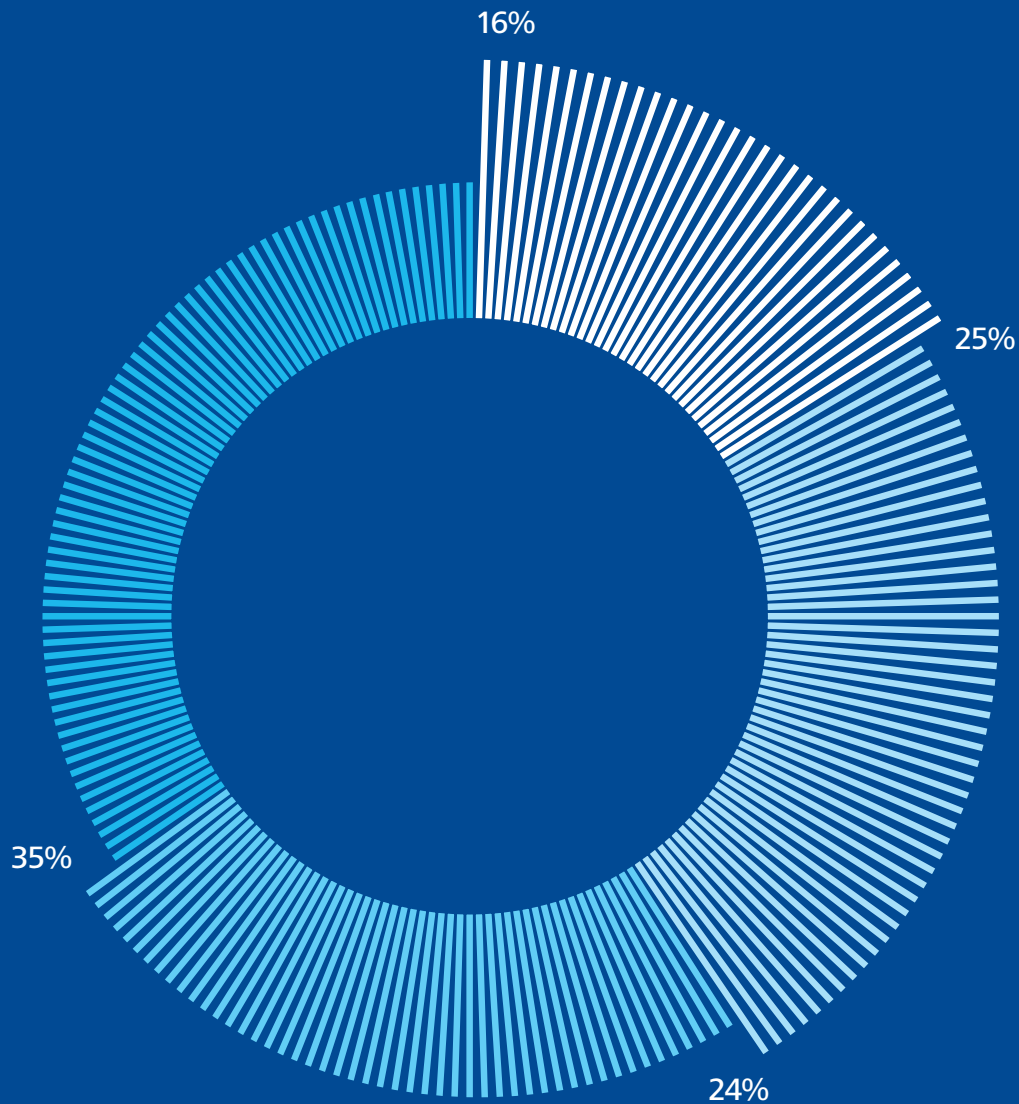
- **Are two times more likely to be growing revenue** and earn two times more revenue per employee than those with low engagement.
- **Are job creators, being four times more likely to be hiring** than those with low engagement.
- Are three times more likely to have growth as a business objective, **use the internet as a critical facilitator to achieve growth** and are three times more likely to be increasing investment in digital over the next year.
- Are doing more than just creating a website, as three-out-of-five small businesses have a website, but less than one-in-five have high digital engagement.

For small businesses with very low digital engagement there is significant low hanging fruit, such as creating a simple informative website for customers, which can increase business performance. While these businesses tend to prioritise survival over growth and view the internet as peripheral - increasing digital engagement can increase the efficiency of business operation, giving small business people more free time.

Few industries will be insulated from digital disruption, where new technologies are driving competition, changing markets, increasing consumer expectations and shifting the sands of profitability in the economy. The report's conclusion is that Australian small businesses must consider online strategies if they are to navigate the digital disruption of coming years.

Deloitte Access Economics

Digital engagement of Australian small businesses



16%

SMBs making the most of the web with **high digital engagement**

25%

SMBs that have **medium digital engagement**

24%

SMBs that have **low digital engagement**

35%

SMBs that have **very low digital engagement** and do not use the internet at all

Digital engagement is a measure of how well business use the internet, such as having a simple informative website or using digital marketing to attract customers

Introduction

Understanding how small and medium-size businesses can effectively use digital technologies to facilitate their growth is valuable for businesses and will have positive implications for the Australian economy.

Google Australia and New Zealand commissioned Deloitte Access Economics to provide an economic analysis of the relationship between business growth and digital engagement. Small and medium-size businesses are significant contributors to the Australian economy, both in terms of the number of people they employ and their output. The sector contributes more than half (57%) of private sector economic activity, \$530 billion in 2010-11, and more than two-thirds of private sector employment (70%), with small businesses employing around 7.4 million people in 2010-11.

Approach

Data for this project were gathered from a survey undertaken by TNS Australia (TNS). TNS Australia surveyed a sample of 500 Australian SMEs with fewer than 100 employees. This was a representative sample; survey respondents were weighted by ABS proportions for state, industry and business size. The survey consisted of 20-minute telephone interviews and fieldwork conducted in February 2013.

The research survey analysed businesses with 1-100 employees. The ABS defines small business as those with up to 19 employees and medium-size businesses as those with between 20 and 199 employees. For simplicity of expression, in this report we refer to small business for all businesses in the survey, even though 9% have more than 20 employees.

Qualitative results were also gathered by TNS as part of this process through an online bulletin board over four days. Respondents completed tasks and questions assigned by the moderator as well as communicating through the forum. The results of this analysis have been used to inform the economic research and data analysis.

The full results of the research project by TNS are publicly available.

Deloitte Access Economics undertook economic research and analysis to understand how the results of the survey can be interpreted in a broader economic context.

Digital engagement

This report describes a continuum of four levels of digital engagement. The different levels of digital engagement are based on the businesses' current use of websites, how they use the Internet and their level of digital marketing. These four levels are defined as:

- **Very low**—the business has a business email address and uses the internet to communicate internally;
- **Low**—the business also has a website and a presence on social networks and uses them to market the business;
- **Medium**—the business also uses the internet to reach new customers in existing markets, to reach new customers in the local market and to display advertising online; and
- **High**—the business makes use of all digital technologies including for search engine optimisation and search engine marketing.

Business growth

Small business with higher digital engagement have better business outcomes than those with lower engagement, with a \$350,000 or 20% increase in annual revenue.

Small and medium-size businesses are a significant part of the Australian economy. Small businesses that grow potentially have a large effect on the Australian economy.

High digitally engaged small businesses are more than twice as likely to be growing as small businesses with very low digital engagement. Only 28% of small businesses with a very low digital engagement reported that they are growing, versus 63% of small businesses with a high level of digital engagement.

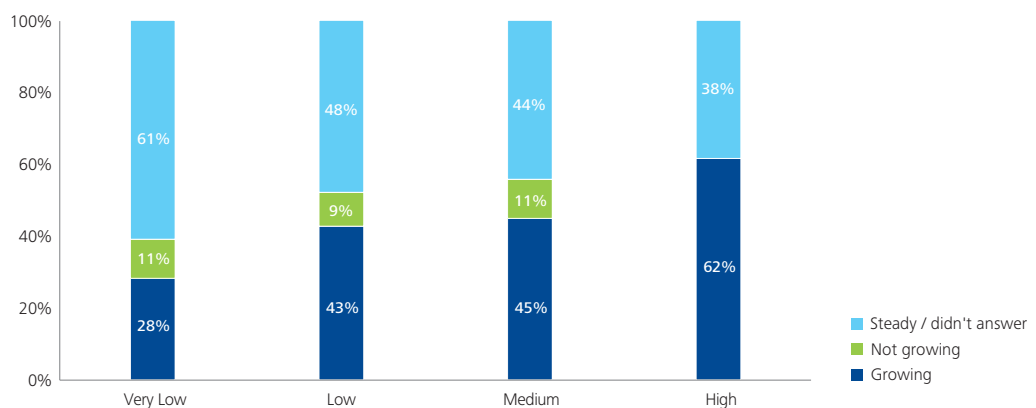
Not having an effective digital strategy affects the ability of small businesses to grow and compete with their peers that do. This was also a finding of the qualitative TNS research.

Small businesses with high digital engagement earn twice as much revenue per employee as those with low digital engagement. Median revenue per employee for small businesses with very low digital engagement was \$87,500 while, for small businesses with a high level of digital engagement, revenue per employee was \$187,500.

While this could reflect a number of business and industry factors, it also highlights the link with digital engagement. Less than half (46%) of small businesses at the early stages of digital engagement reported they were expecting to grow over the next 12 months, whereas a majority (83%) of high digitally engaged small businesses were expecting to grow.

The next question to consider is how much extra revenue is associated with higher levels of digital engagement, and the relationship between the two. Deloitte Access Economics performed a regression analysis to calculate how much extra revenue a business was receiving for an extra level of digital engagement. The analysis corrected for the effect of employee size on revenue levels¹.

Chart 1: Business growth—proportion of digital engagement level



Source: Deloitte Access Economics analysis based on TNS survey results

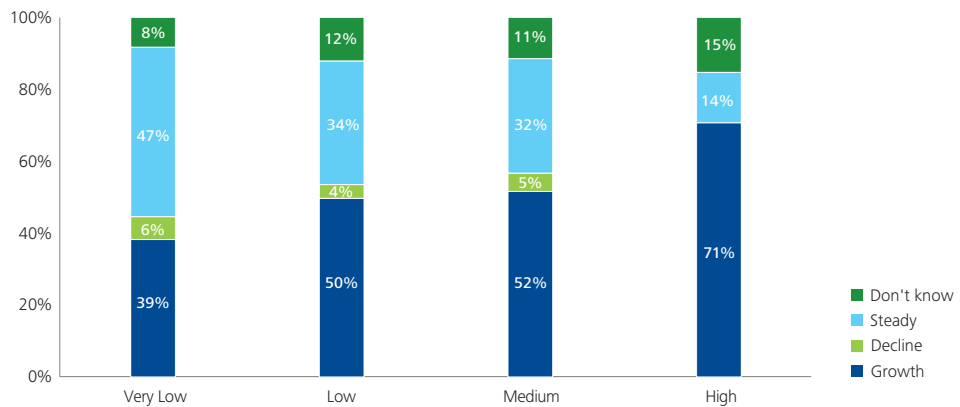
¹ Significant outliers were removed from the analysis.

Moving up a level of digital engagement was associated with an increase in annual revenue of around \$350,000. For the average business in the analysis earning around \$1.7 million a year, this is around 20% more revenue every year.

There are costs associated with implementing digital strategies. Any positive impact on profit would be lower than a 20% improvement. Further, it is likely that there is a two-way

relationship between digital engagement and revenue: firms with more revenue will have more discretionary funds to invest in new strategies. However, as we discuss in more detail later in this document, there are good reasons to believe digital channels are being used to grow and diversify revenue from different customers in different locations, improving business prospects and diversifying business risk. There is likely to be a substantial dividend from digital strategies.

Chart 2: Business growth expectations—proportion of digital engagement level



Source: Deloitte Access Economics analysis based on TNS survey results

A survey of small businesses in Australia in 2012 found that around 60% were expecting to grow in 2013 (CPA Australia, 2012). Small businesses which are actively pursuing a digital strategy, such as Search Engine Optimisation (SEO) or Search Engine Marketing (SEM) marketing strategies, are more likely to be growing than average, while those that are not pursuing an active digital strategy are less likely than average to be growing.

The results of the analysis suggest that digital engagement is associated with growth. There is likely to be a two-way effect in operation. Businesses that are growing are likely to have the time and money to invest in digital marketing strategies. At the same time, through diversification of income and by offering more effective ways of connecting and transacting with customers, digital strategies facilitate the growth of small businesses.

Some businesses will survive without diversifying their revenue sources, but others will not. Consider that in mid-2012 only 62% of businesses that were in operation five years earlier were still in existence.

The Australian economy is in transition. Growth in industries outside the resources sector is becoming more important for overall growth of the Australian economy. The relationship between high digital engagement and growth is not limited to certain industries or business sizes, indicating that digital engagement is linked to growth across the spectrum of business size and industry.

The importance of Search Engine Marketing and Search Engine Optimisation

This report demonstrates that the biggest dividend from increased digital engagement is revenue growth. But surprisingly, most small businesses (84%) are not making use of these digital marketing strategies.

High digital engaged businesses are those that make use of sophisticated online digital marketing strategies, are more likely to be growing than all other small businesses.

Search engine marketing (SEM) and search engine optimisation (SEO) are the two most widely used digital marketing strategies by small businesses.

SEM is paid advertising that actively promotes a website on a search engine result page, generally known as 'pay per click' advertising. SEO is the process

of improving a website's ranking on a search engine results page. This is achieved by understanding how search engines work and what people are searching for, and adjusting or changing the content of a website to improve a website's ranking (Department of Broadband, Communications and the Digital Economy, 2012).

By actively promoting or ranking a website, higher SEM and SEO encourage a greater number of visitors to a website. When used in conjunction with data analytics, they offer businesses the potential to greatly increase their understanding of the market.

It is likely that SEM and SEO will be increasingly important for small businesses to maintain competitiveness and to ensure their long-term survival.

Jobs

Small businesses with a high level of digital engagement create more jobs than those that have a lower digital engagement level.

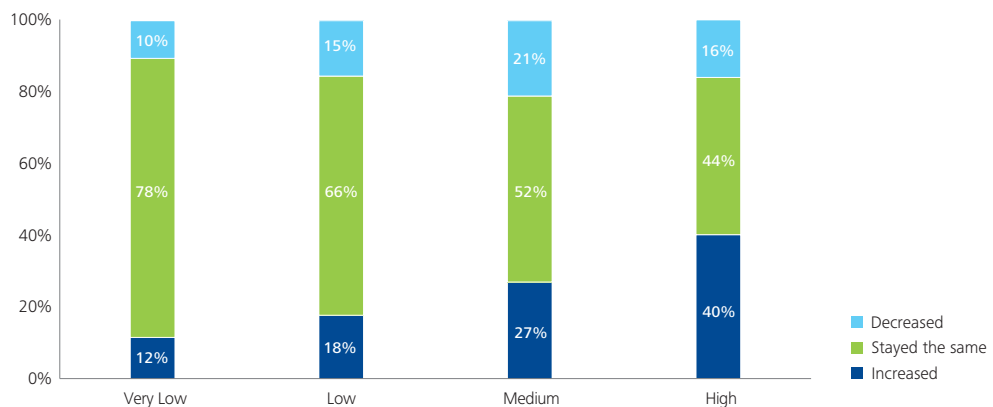
Small and medium-size businesses are the largest employers in Australia—small businesses employ around 70% of all private sector employees in Australia (ABS, Cat No 8155.0, 2012). Small and medium-size businesses also drive employment growth in Australia.

Small businesses hire more staff than large businesses. During 2010-11 small businesses hired an additional 311,000 people, while large businesses hired an extra 175,000 people — employment growth of 6% versus 5%.

Small businesses have an important role to play in supporting employment growth in Australia and in reducing unemployment.

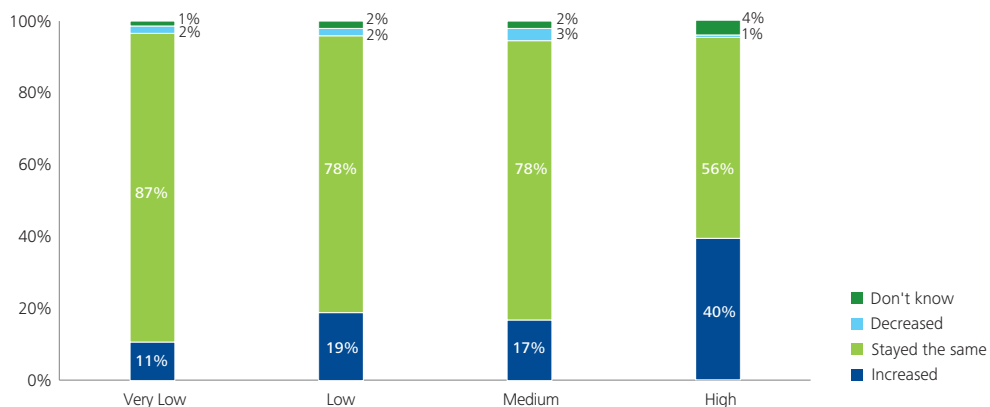
Small businesses with a high level of digital engagement were more likely to report that they have more staff now than a few years ago than small businesses with very low and low levels of digital engagement. Small businesses with a high level of digital engagement were almost four times more likely to have increased the number of staff than small businesses with very low digital engagement and twice as likely as small businesses with a low level of digital engagement to have hired more staff.

Chart 3: Growth in employment over the last few years—proportion of digital engagement level



Source: Deloitte Access Economics analysis based on TNS survey results

Chart 4: Expected growth in employment this year—proportion of digital engagement level



Source: Deloitte Access Economics analysis based on TNS survey results

During 2013 small businesses with high digital engagement are twice as likely to be thinking about hiring more staff than small businesses with a low or medium engagement level, and are almost four times more likely to be thinking about hiring staff in the future than small businesses with low digital engagement.

At a time when labour markets are softening and unemployment is expected to increase, the results of the survey suggest that in 2013 small businesses which use online marketing strategies to promote their businesses are going against this trend by expecting to hire more staff.

Moving up a level of digital engagement



20%
growth

Small businesses with
low digital engagement

Small businesses with
high digital engagement

+ \$350,000 in annual revenue

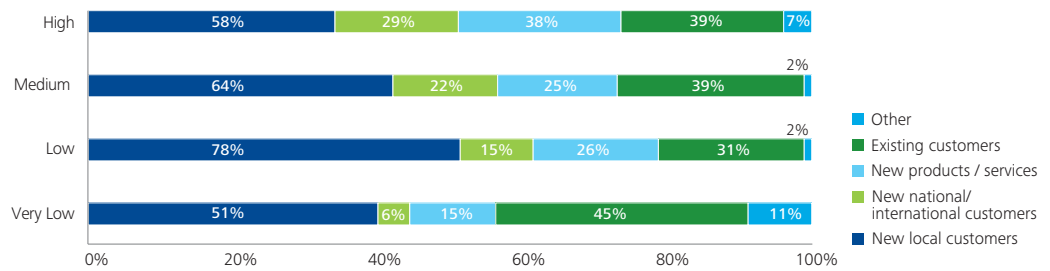
Revenue

Small businesses with high digital engagement, defined as those that leverage the full potential of the internet, have better growth prospects, more diversified sources of revenue and a bigger customer base.

Revenue is often less stable for small businesses than large businesses. This makes revenue diversification especially important for small business (Connolly, Norman & West, 2012).

However, when implementing digital strategies many small businesses are initially motivated by cost considerations. But once digital strategies have been implemented, the biggest long-term impacts are on revenue growth and diversification – this is a very important finding.

Chart 5: Sources of revenue growth—by digital engagement level



Note: Respondents were able to select more than one answer. This chart shows the source of revenue growth as a proportion of all sources of revenue growth by digital engagement level.

Source: Deloitte Access Economics analysis based on TNS survey results

Less than 5% of small businesses which have very low digital engagement claimed that new customers interstate and overseas were the source of their revenue growth. More than one third of revenue growth for small businesses with very low digital engagement was earned through upselling to existing customers. Small businesses with a low level of digital engagement are finding it harder to reach new customers, in local markets and further abroad, than small businesses with higher levels of digital engagement.

Small businesses often sell to customers within their local market initially followed by national markets and finally international markets. The results of this survey suggest that those small businesses which are more digitally engaged are able to reach customers more effectively than small businesses with a very low or low level of digital engagement. Research by Deloitte Access Economics in 2011 found that small businesses use the internet to find additional customers and suppliers locally.

More than one third of total revenue growth for small businesses with a high level of digital engagement was earned by reaching new customers within their local market.

Overall, for these small businesses almost 75% of revenue growth was due to growth in markets other than existing customers.

Small businesses which are digitally engaged are more likely to be diversifying their revenue sources, reaching new customers within their local market, interacting with customers outside their local market and offering new services, than small businesses that are not digitally engaged.

Digitally engaged small businesses are also innovative. Highly engaged small businesses were twice as likely to report that revenue growth was due to new products and services as small businesses with low digital engagement.

Businesses that grow are more likely to survive. Small and medium-size businesses were much more likely to exit (13.5%) than large businesses (4.8%) (DIISRTE, 2012). Actively pursuing a digital strategy, is one way that a business can encourage growth, and increase its chances of survival.

Small businesses with a high level of digital engagement are more likely to generate their sources of revenue from a range of customers and goods and services, than small businesses at the lower levels of digital engagement. Digital technology is a facilitator of growth. The types of growth described in this section—reaching more customers locally, reaching more customers outside the immediate market and new goods and services—are made possible by digital engagement. By facilitating the diversification of sources of revenue, small businesses with a high level of digital engagement are positioning themselves for long term survival.

Moving along the continuum

For small businesses with very low digital engagement there is significant low hanging fruit which can increase growth expectations.

The vast majority of small businesses are not fully engaging with digital marketing strategies. Many small businesses are at a very low level of digital engagement, and are far less likely to have display advertising.

About a third of small businesses are at a very low level of digital engagement, typically only using email - essentially not using the internet at all. Many small businesses are using the internet to support business functions such as to communicate internally and to market or advertise. Only 16% of small businesses have a high level of digital engagement, typically using the internet for search engine optimisation and search engine marketing.

Of the small businesses with a high level of digital engagement, digital marketing strategies are important—around 9 out of 10 of these businesses use SEO and display advertising.

Small businesses are at risk of falling behind other businesses. Large businesses are more likely to have an internet presence with 97% of large companies having a web presence (ABS, Cat No 8166, 2012).

A range of digital activities were analysed to understand if there was a relationship with current or future business growth. Activities most strongly correlated with growth were identified and clustered. The level of digital engagement is based on:

- the business's current digital presence;
- how the business uses the internet; and
- the level of digital marketing.

Businesses that increase their digital engagement move along a continuum of digital stages. This begins by increasing the digital presence and increasing the use of the internet for interacting with customers—moving from very low to low/medium. At the later stages, this will mean greater use of digital marketing activities moving from low/medium to high.

Chart 6: The levels of digital engagement

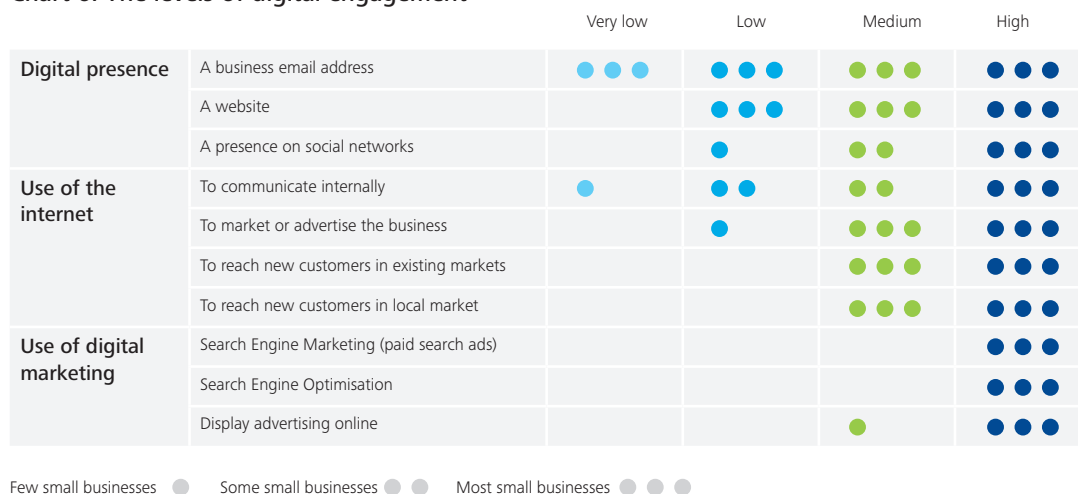


Table 1: Moving along the continuum

| Very Low | Low / Medium | High |
|--|--|--|
| <p>Digital presence: having a business email address.</p> | <p>Digital presence: having a website.</p> <p>Use of the internet: to market or advertise the business and to reach new customers in existing markets.</p> | <p>Digital presence: having a presence on social networks.</p> <p>Use of the internet: to reach new customers in the local market.</p> <p>Use of digital marketing: search engine marketing and search engine optimisation.</p> |

For a small business at the very low level of digital engagement, making an initial step is important. Increasing the digital presence of the business—such as getting a website or having a social media presence—is enough to increase the chances that a business will be growing by 54%.

A 2012 survey of small businesses found that businesses with a website were more likely to have more sales than they usually have in their three-month pipeline (MYOB, 2012). Websites have also been found to improve the effectiveness of businesses (Sensis, 2012). By allowing small businesses to increase their revenue and encourage revenue diversification, small businesses with a website are more likely to grow.

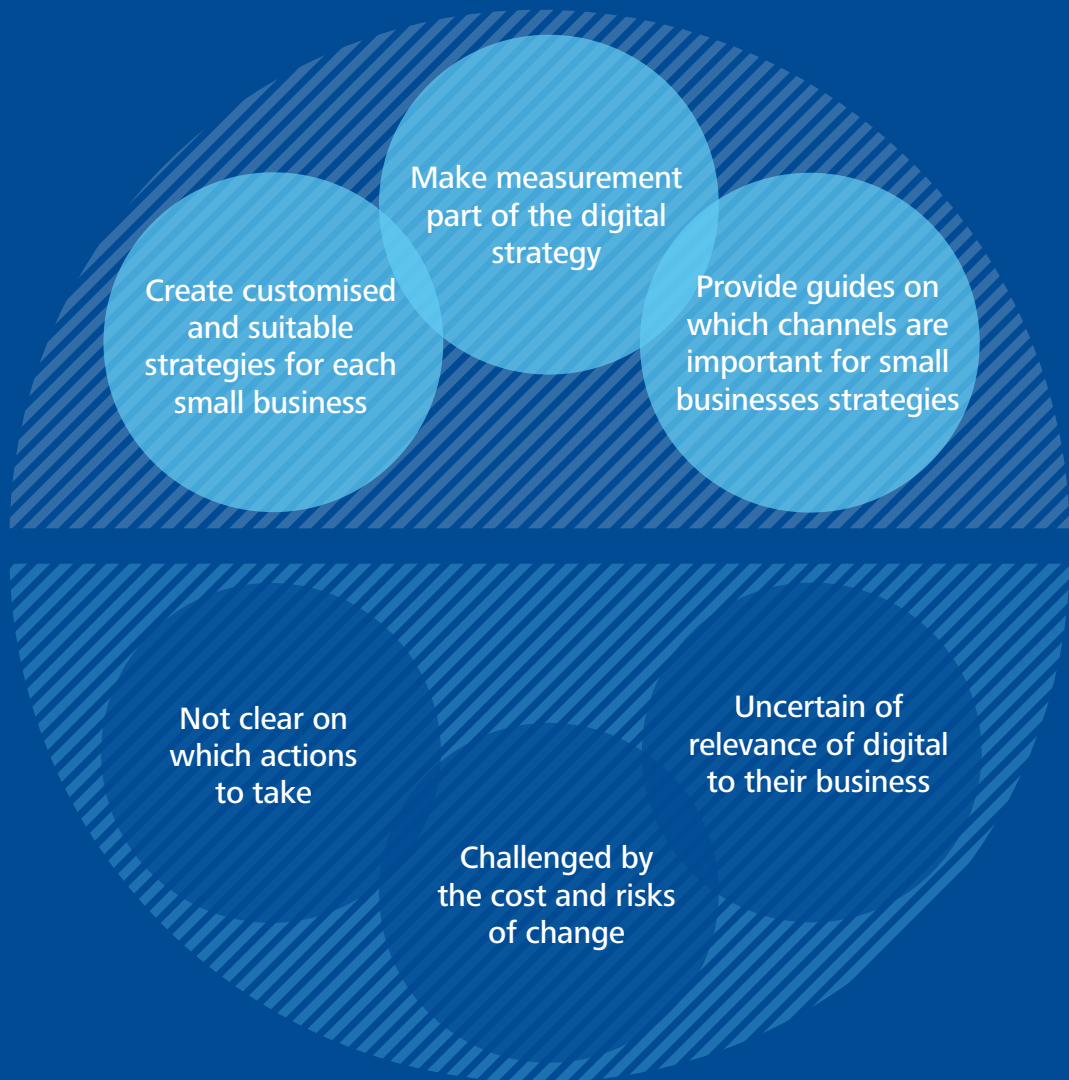
For a small business around the middle of digital engagement (the low and medium engagement levels), there is a significant dividend from engaging with more sophisticated digital marketing strategies. Doing so significantly increases the likelihood that a small business will be growing. Small businesses using digital marketing strategies—such as SEM and SEO—are 40% more likely to be growing than those using the internet for basic business functions only. Most (90%) of highly digitally engaged small businesses use SEO as a marketing function, and take advantage of the benefits of these functions.

There is a relationship between business objectives and priorities across the continuum. TNS qualitative research suggests that at the low end of the digital continuum, small businesses are characterised as having ad hoc or inconsistent approaches; whilst those at the high end are adaptive and base changes on a clear strategy and strong analysis of what is or isn't working.

Customers increasingly expect a higher level of engagement with mobile and other digital devices. A recent survey found that 35% of organisations felt that customers would want them to provide mobile applications within 3-5 years, up from 18% that already offer these applications (Optus, 2012). Consultants who work with small businesses recognise the importance of maintaining competitiveness with peers—small businesses which fail to meet customer digital expectations are at risk of falling behind their more agile peers, and will find it hard to regain their position.

The results of the survey suggest that those small businesses with a high level of digital engagement need to continue to innovate and adjust their approach to digital strategies. Survey results found that 55% of highly engaged small businesses have a website with optimised sites for mobile, suggesting the potential for more businesses to go mobile. Small businesses need a flexible and proactive approach to their internet strategies to allow them to evolve over time and maintain competitiveness.

Overcoming the barrier



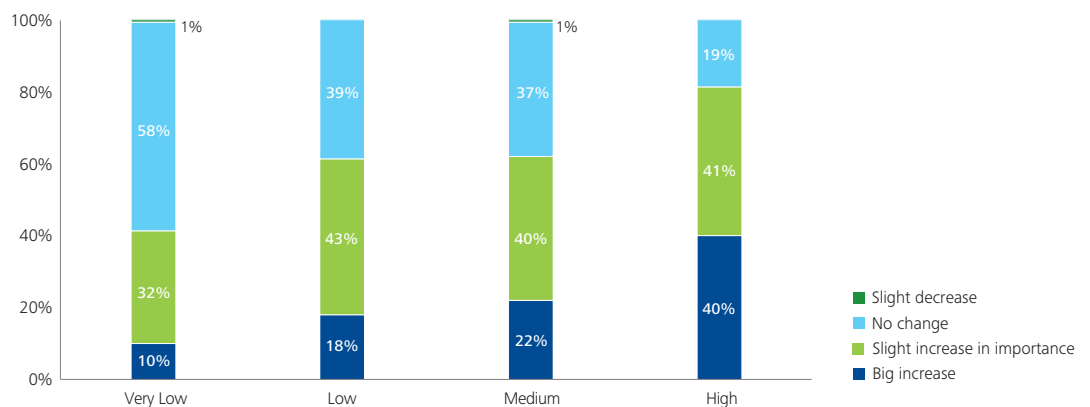
Convincing the sceptics

Small businesses with lower levels of digital engagement need to be convinced of the value of the internet

There is a job to be done to win over the sceptics who do not regard the internet as important. Many small businesses are not establishing digital strategies and this could largely be explained by a lack of awareness of the importance of the internet. This contrasts with perceptions that lack of skills or funding are the main cause. Educating small businesses on the importance of digital engagement is the first step to convince the sceptics.

The qualitative results suggest that small businesses perceive three broad barriers to engaging with digital innovations.

Chart 7: Digital will increase in importance—proportion of digital engagement



Source: Deloitte Access Economics analysis based on TNS survey results

Around 10% of small businesses with a very low level of digital engagement thought the importance of the internet would increase over the next 12 months. On the other hand, many of the small businesses (41%) that already have a high level of digital engagement expect that the internet will increase in importance.

Therefore, there is a job to be done to convince small businesses with a lower level of digital engagement to invest in online marketing activities.

We note that the detailed results suggest that businesses that are less likely to see the internet as growing in importance are more likely to be in certain sectors, such as primary industry and construction. And we recognise that digital engagement is more important in some sectors. Nevertheless, there are opportunities across the economy.

The survey shows that small businesses with a high level of digital engagement spend a greater amount on advertising (as a proportion of turnover) than small businesses with lower levels of digital engagement.

There are no clear trends in the proportion of marketing budgets spent online. For small businesses with a high level of digital engagement almost half of their marketing expenditure is spent on online activities, while for the medium and low the proportion is only 17% and 22%, respectively. Small businesses with a very low level of digital engagement spend the greatest proportion (83%) of their marketing budget on online marketing. However, it is likely that this is a large proportion of a small amount of money spent purchasing an online listing, instead of investing in a sophisticated online marketing strategy.

These results suggest that small businesses with very low and low levels of digital engagement need to be convinced of the impact that these activities can have for their businesses. Many small businesses are concerned about the return on investment (ROI) from digital activities. Formal ROI analysis demonstrates the benefits of pursuing a digital strategy—creating a digital strategy will initially take time and cost money, but there are significant benefits over time.

There are, however, signs that that small businesses are thinking about their level of digital engagement and considering their online marketing strategies. Around one quarter of small businesses with a very low level of digital engagement plan to build a website in the next 12 months.

Similarly, results of a recent survey suggest that businesses are looking to increase their expenditure on online marketing (56% of businesses said they would increase their online marketing budget throughout 2013) and that relative to traditional marketing strategies growth in this area is strong (McIntyre, 2013). The need to keep pace with the shifting trends of online advertising were apparent in the qualitative results of the survey, as consultants considered this the biggest challenge facing small businesses.

“They (small businesses) are becoming forced to have a more sophisticated approach. Embracing clear metrics and measures of ROI as indicators of whether or not their business is working. This would include leveraging analytics services like Google Analytics, Mixpanel etc. Plus internally getting a better understanding of ROI and even breaking it down to ROI by channel.”

The path towards digital engagement will vary. When embarking on a digital strategy businesses should:

- **Clarify the strategy**—for digital as part of their broader business actions;
- **Customise the strategy**—digital should be relevant to how a business operates and interacts with customers; and
- **Identify the support needed**—both for the technical aspects and for the marketing strategy.

Source: TNS qualitative research

Key action steps

Small businesses need a road map outlining the integration of an effective digital strategy into their business model.

Those businesses with higher levels of digital engagement have goals which are focused on attracting new customers. For small businesses at the early stages of digital engagement, goals are more likely to be focused internally.

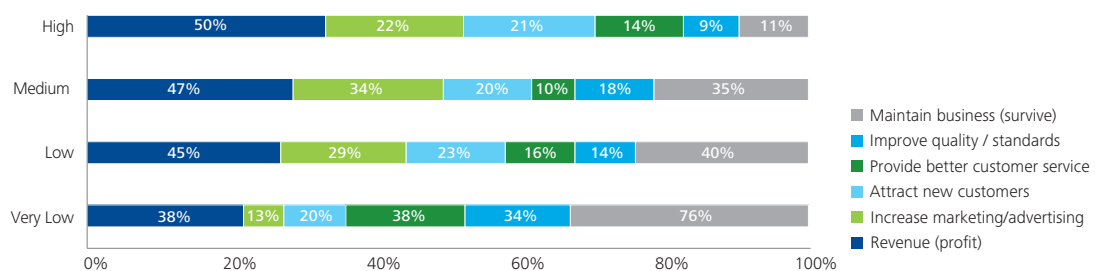
Research has found that the internet is a catalyst for the success for small businesses, improving how they interact with their customers and suppliers and manage their internal operations (Deloitte Access Economics, 2011). Nearly half of businesses at the highest level of digital engagement stated that growth is a goal for their businesses. Small businesses at the initial stages of digital engagement are more likely to be aiming to sustain the business.

There is some uncertainty about which digital channels are the most appropriate and how to make the best use of these channels. Businesses need a road map which outlines the steps necessary to build an effective digital strategy. Receiving guidance on the steps and actions which are suitable for their business can assist businesses to overcome any uncertainty about developing a digital strategy.

In a fast-changing digital environment, businesses need to consider very carefully their priorities and business goals. Simply moving to an outward-orientated digital strategy, such as building a low-cost website, will increase the chances that a small business is currently growing from 28% to 43%. Progressing through the continuum towards from a medium level of engagement to a more advanced digital strategy will increase the chances that a business will be growing from 45% to 62%.

To maintain an edge over their competitors, small businesses should consider developing an active digital strategy which includes an online marketing strategy. For small businesses at the early stages of digital engagement, the first step is establishing a website and developing an online presence. The next step is developing a more sophisticated online marketing strategy, which should include SEM and SEO.

Chart 8: Business objectives—proportion of digital engagement level



Note: Respondents were able to select more than one answer. This is a proportion of the top 6 business goals reported by all small businesses.
Source: Deloitte Access Economics analysis based on TNS survey results

References

-
- Australian Bureau of Statistics, Cat no 8155.00 'Australian Industry 2010-2011', (2012)
-
- Australian Bureau of Statistics, Cat no 8158.00 'Innovation in Australian Business 2010-11', (2012)
-
- Australian Bureau of Statistics, Cat no 8165.00 'Counts of Australian Businesses, including Entries and Exits, June 2007 to June 2011', (2012)
-
- Connolly. E, Norman. D and West. T, 'Small Business: An Economic Overview', Reserve Bank of Australia, (May 2012)
-
- CPA Australia Asia –'Pacific Small Business Survey' (2012)
-
- Deloitte Access Economics 'The Connected Continent: How the Internet is transforming the Australian economy' (2011)
-
- Deloitte Access Economics 'Optus Future of Business Report: Research and Findings', (2012)
-
- Department of Broadband, Communications and the Digital Economy 'Online Marketing Tools', (2012).
www.digitalbusiness.gov.au/marketing-tips/online-marketing-tools/
-
- Department of Industry, Innovation, Science, Research, and Tertiary Education, December 2012, 'Australian Small Business: Key Statistics and Analysis' (2012)
-
- McIntyre, Paul 'Fizz goes out of social sector', Australian Financial Review, (March 2013)
-
- MYOB, MYOB Business Monitor, (various releases), MYOB, Sydney, (2012)
-
- Reserve Bank of Australia, Statement of Monetary policy, March (2013)
-
- Sensis e-Business Report: The Online Experience of Small and Medium Enterprises (2012)
-
- KPMG Global, Rethinking Human Resources in a Changing World (2012).
-
- Jobvite Survey, Social Job Seeker 2012 (US market) (2012).
-
- McKinsey Quarterly, How social technologies are extending the organization (November, 2011).
-
- Qiang 2009, Information and Communications for Development 2009: Extending Reach and Increasing Impact, World Bank.
-
- Sorrell, M, Think Tank: Sir Martin Sorrell on Grey Swans and Opportunities (2013).
-
- Sydney Morning Herald, Social media facing bans in workplace agreements, January, 2012a.
-
- Sydney Morning Herald, So what is cloud?, July, 2012b.
-



Ric Simes

Partner

Tel: +61 2 9322 7772

email: rsimes@deloitte.com.au



John O'Mahony

Associate Director

Tel: +61 2 9322 7877

email: joomahony@deloitte.com.au



Claire Lyster

Analyst

email: clyster@deloitte.com.au

Contact us

Deloitte Access Economics

ACN: 149 633 116

Level 1
9 Sydney Avenue
Barton ACT 2600
PO Box 6334
Kingston ACT 2604
Australia

Tel: +61 2 6175 2000

Fax: +61 2 6175 2001

www.deloitte.com/au/economics

Deloitte Access Economics is Australia's pre-eminent economics advisory practice and a member of Deloitte's global economics group. The Directors and staff of Access Economics joined Deloitte in early 2011.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/au/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

About Deloitte

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte's approximately 200,000 professionals are committed to becoming the standard of excellence.

About Deloitte Australia

In Australia, the member firm is the Australian partnership of Deloitte Touche Tohmatsu. As one of Australia's leading professional services firms, Deloitte Touche Tohmatsu and its affiliates provide audit, tax, consulting, and financial advisory services through approximately 6,000 people across the country. Focused on the creation of value and growth, and known as an employer of choice for innovative human resources programs, we are dedicated to helping our clients and our people excel. For more information, please visit our web site at www.deloitte.com.au.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited

© 2013 Deloitte Access Economics Pty Ltd.

MCBD_Syd_04/13_048492