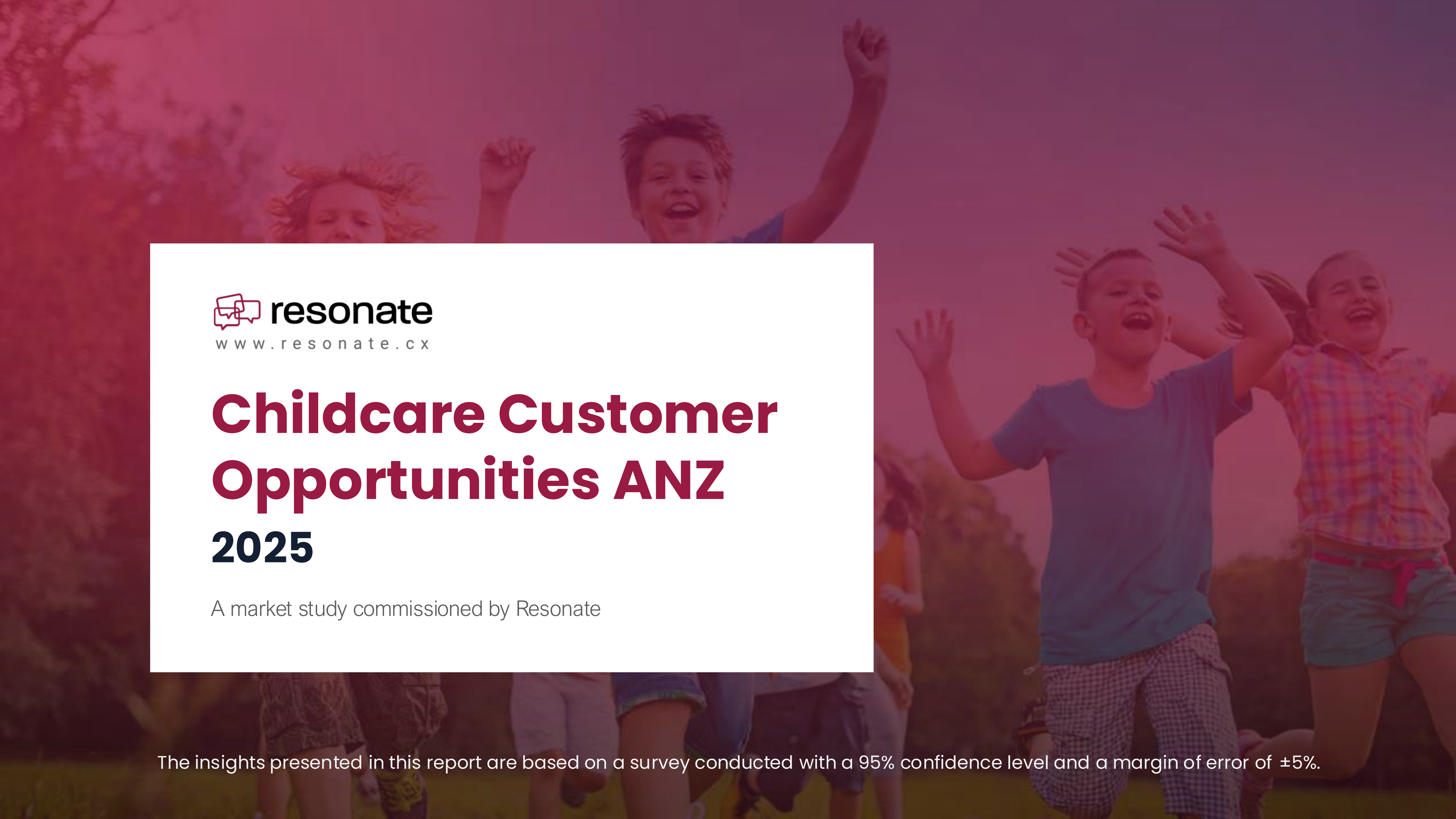

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Childcare Customer Opportunities ANZ

2025

A market study commissioned by Resonate

The insights presented in this report are based on a survey conducted with a 95% confidence level and a margin of error of ±5%.

About Resonate CX

Resonate CX is a global Voice of the Customer (VoC) platform disrupting the Customer Experience Management (CXM) space. With rapidly growing success in retail, we are turning raw customer insights into decisive business actions.
Our native AI-driven experience analytics deliver real-time business results. Driving conversions, helping grow basket sizes, and power charging customer lifetime value.
We are re-defining CX the be the most powerful growth engine for a company.

Research

A statistically significant market study of 600 respondents was conducted in January 2025, with a 95% confidence level and a margin of error of less than ±4%.

The biggest names in retail swear by Resonate CX

★★★★★

Highly recommend Resonate for their CX knowledge and expertise.

Beck Davis
Customer Experience Lead | Bluescope

★★★★★

Resonate allows us to learn, adapt and best serve our customer in a changing retail environment.

Madeline Harris
National Customer & Communications Manager | Rebel Sports

★★★★★

A key enabler for my business. Enabled to bring the cultural shift in my organization to be more customer focused.

Samuel Mathew Krishnamoorthy
Head B2B - Country Head UK | brillen.de

★★★★★

Valuable tool to harness the voice of customer.

Dave Hallewell
Retail Customer Experience Specialist | Super Cheap Auto

★★★★★

Easy to navigate. Great for deep diving for strategy planning.

Rob Mason
Store Manager | BCF

★★★★★

Resonate allows us to see the drivers that customers are happy and unhappy with.

Jennifer Karcz
Store Manager | Super Cheap Auto

★★★★★

Resonate is giving me feedback on the service my customers experience, and what they are unhappy with.

Jo-Anne Nel
Retail Manager | Rebel Sports

★★★★★

Resonate has been extremely helpful and insightful in my stores.

Matt Steinbergs
Area Manager | Super Retail Group

ABC NEWS

Around 60% of Australian children aged five and under attend daycare, yet many parents feel disappointed with the system, citing poor communication, inconsistent care, and lack of transparency in how centres operate.

The Parents Who Feel Let Down by the Childcare System

news.com.au
be on it

Childcare Staff Walk Out, Leaving Families Without Options

Childcare workers at a centre in Sydney walked off the job due to unpaid wages, forcing its closure and leaving families without care options. Employees, many of whom are immi…

ACCC AUSTRALIAN COMPETITION & CONSUMER COMMISSION

Families Report Lengthy Waitlists and Increasing Fees in Preliminary Survey Results

Parents have reported delays in returning to work due to a lack of childcare availability, coupled with struggles against extremely high fees, making it difficult for families to plan their work-life balance.

The Guardian

Labor is pledging a ‘nation-defining journey’ on childcare. What would it mean for you?

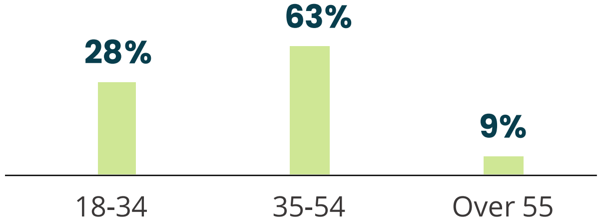
The 2025 federal election’s battle lines are being drawn with Anthony Albanese’s government arguing its policies will create a more equitable future

AGENDA

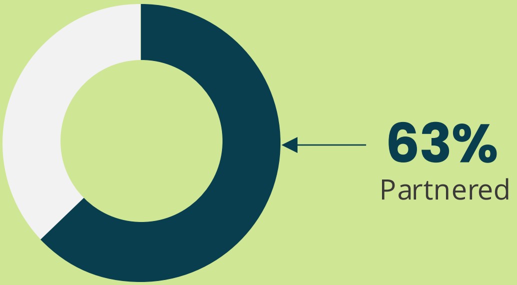
Growth focused CX insights

WHAT MAKES UP THE CURRENT MARKET?

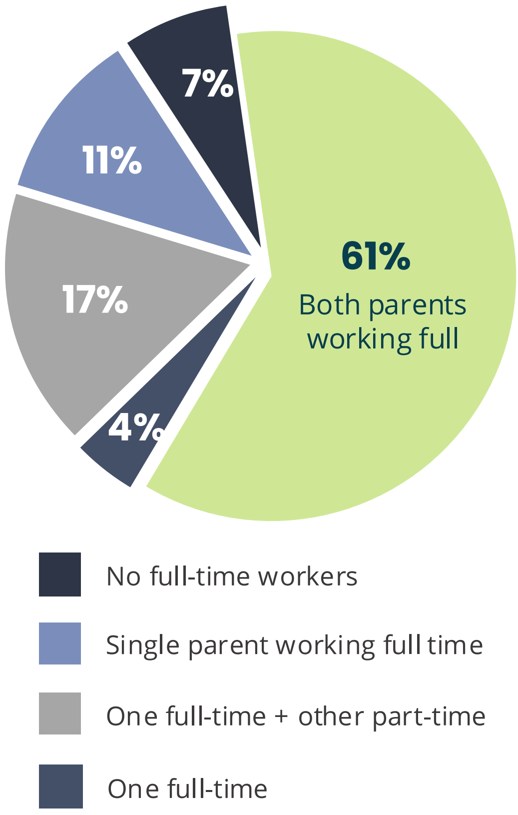
Age of Parents Responding to the Survey



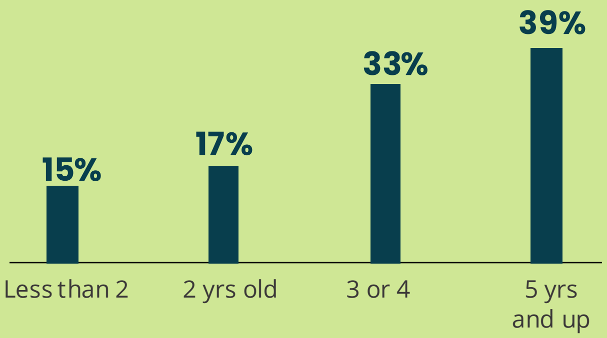
Marital Status



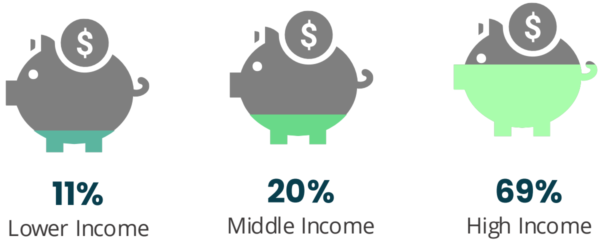
Working Status of Parents



Kids Age



Income Group of Current Service Users



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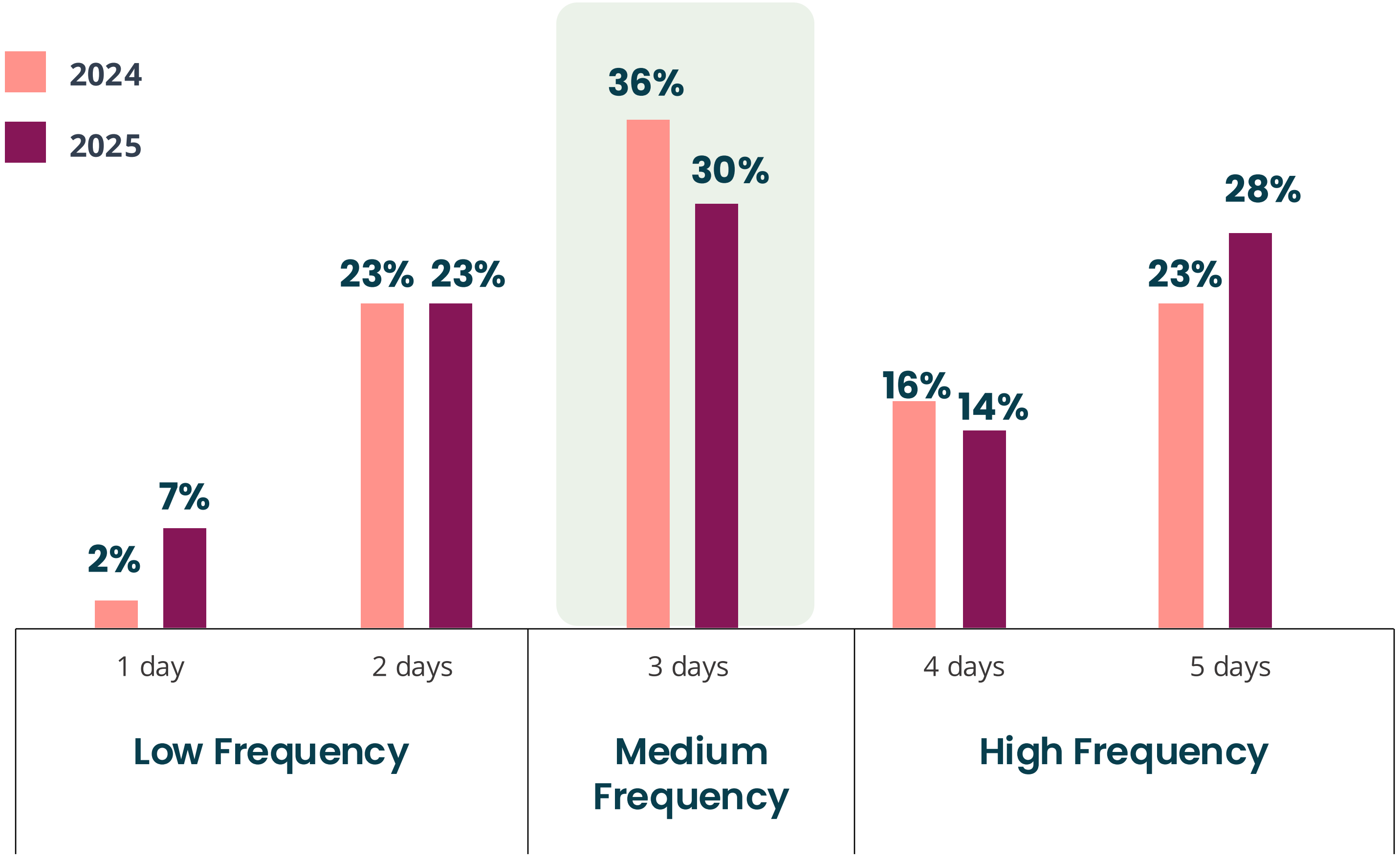
PART 1

Market Overview & Key Trends

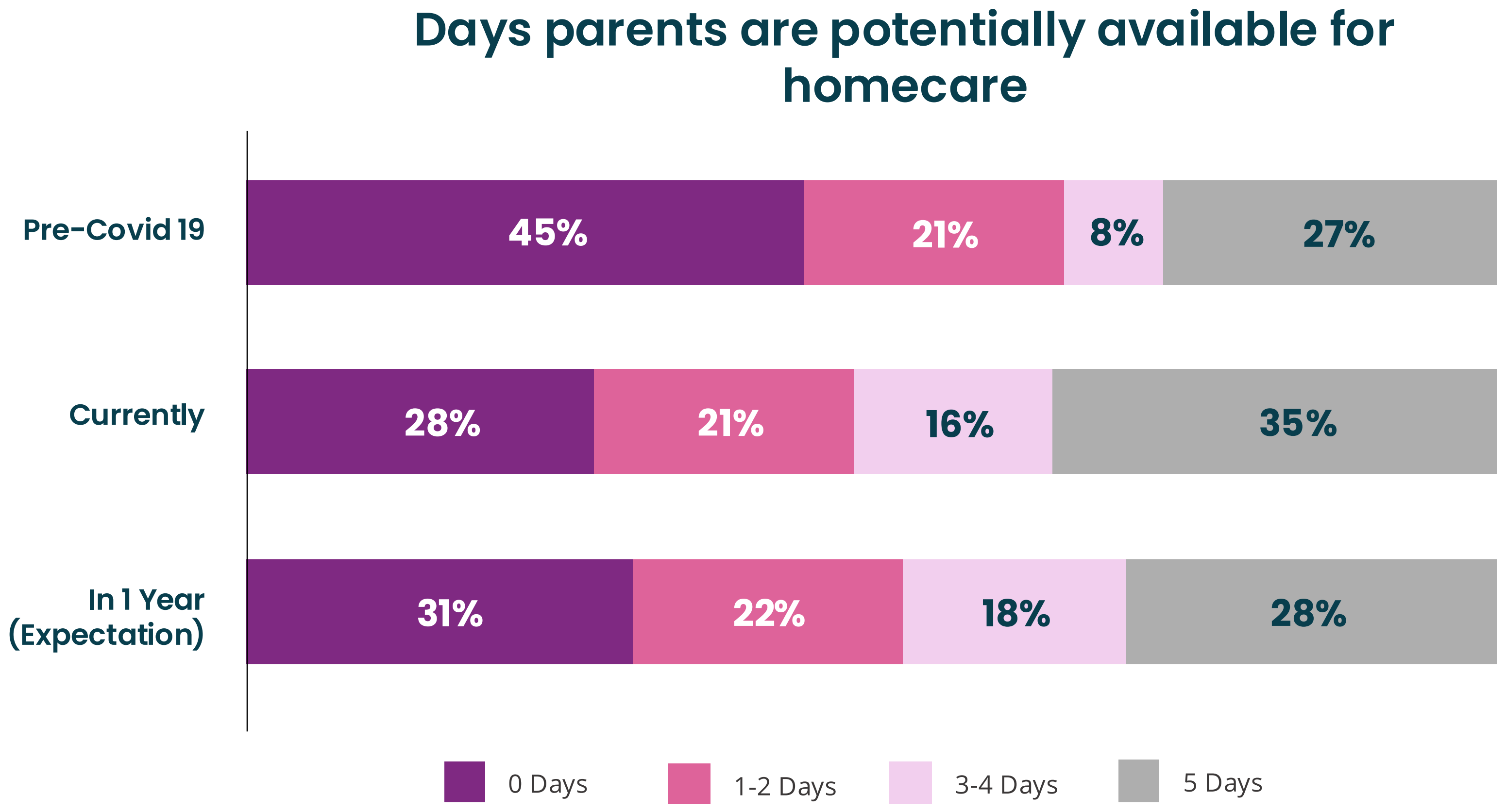
- Shifting usage patterns
- Changing work habits
- Key decision drivers & barriers
- Churn risk & provider switching

SHIFT IN USAGE PATTERNS SINCE 2024



- The ***most significant decline*** was in the **3-day** usage category
- This decrease was primarily ***redistributed between the 1-day and 5-day usage categories.***
- As a result, the overall impact was ***balanced by these opposing shifts.***

CHANGES IN WORKING PATTERNS AND FUTURE OUTLOOK



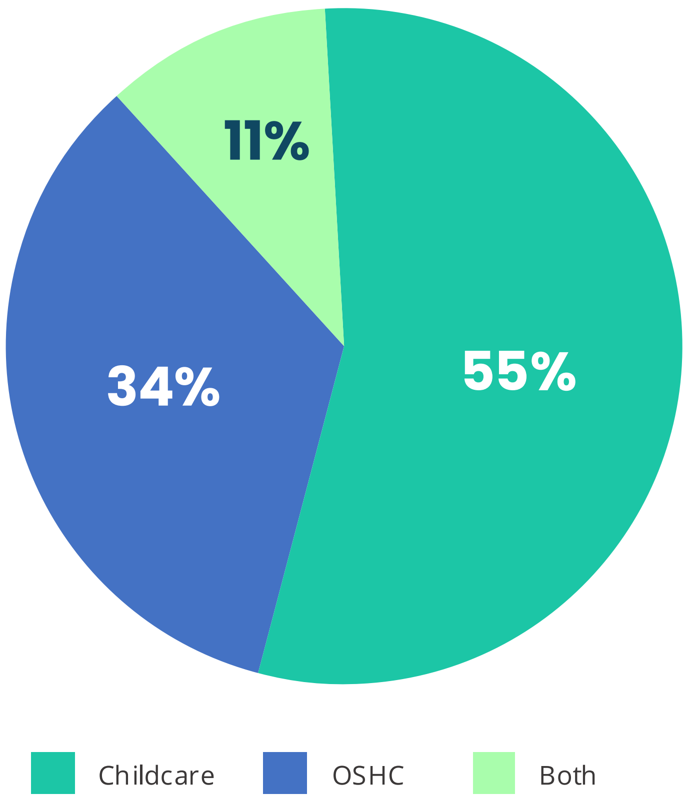
The ***impact of COVID*** on in-person work is evident, **directly affecting the demand** for childcare services.

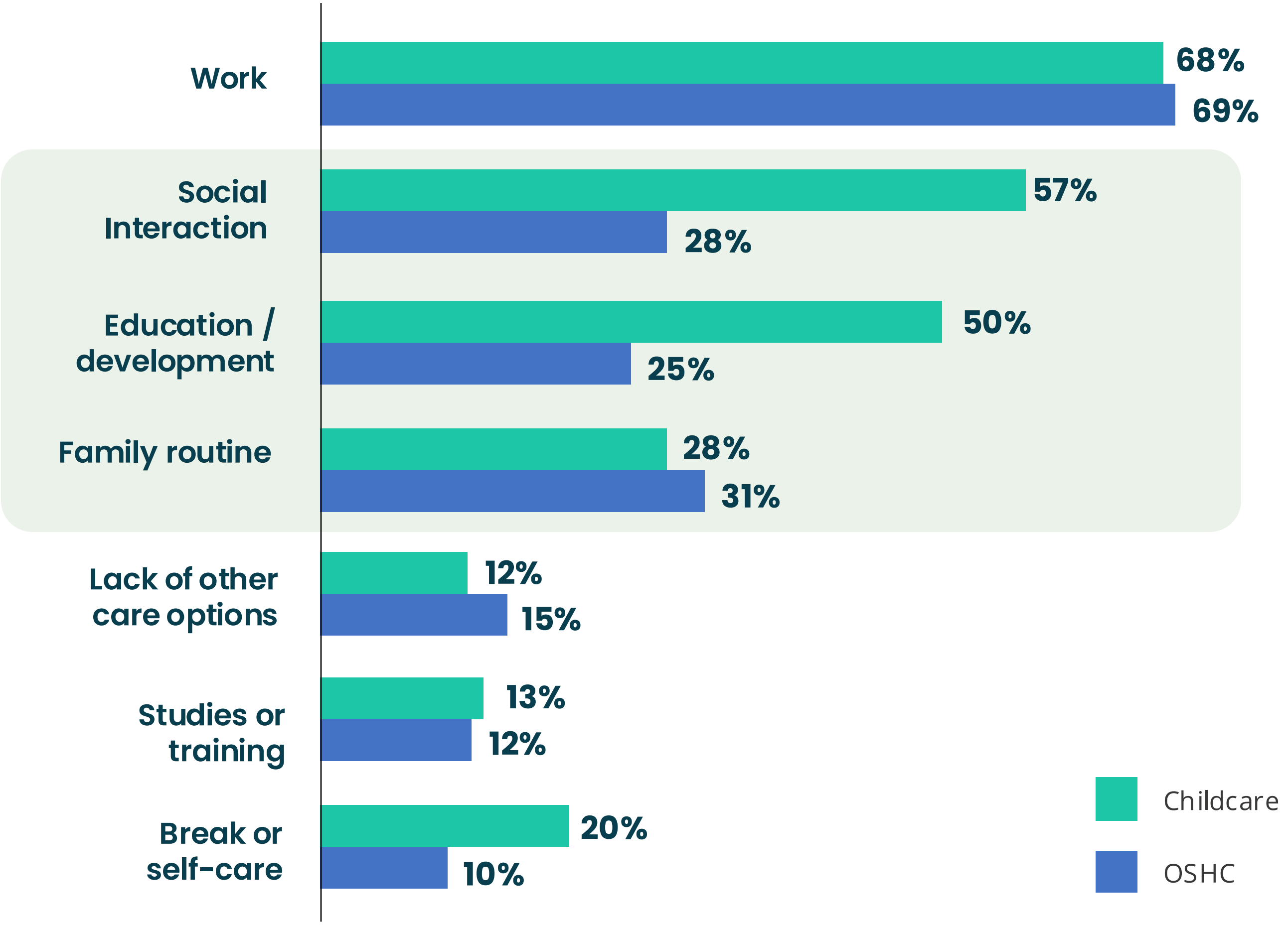
ANZ is returning to full-time office work slower than countries like the US or Korea, but the shift is expected to accelerate over the next year.

Note: Potential caregiving days are calculated by adding the number of days both parents work from home, assuming they can alternate caregiving duties. For example: If both work outside the home 5 days, potential caregiving days are 0.If each works from home 1 day (and outside 4 days), potential caregiving days are 2.If one works from home 5 days and the other works outside 5 days, potential caregiving days are 5.

WHY DO CUSTOMERS USE CHILDCARE & OSHC SERVICES?

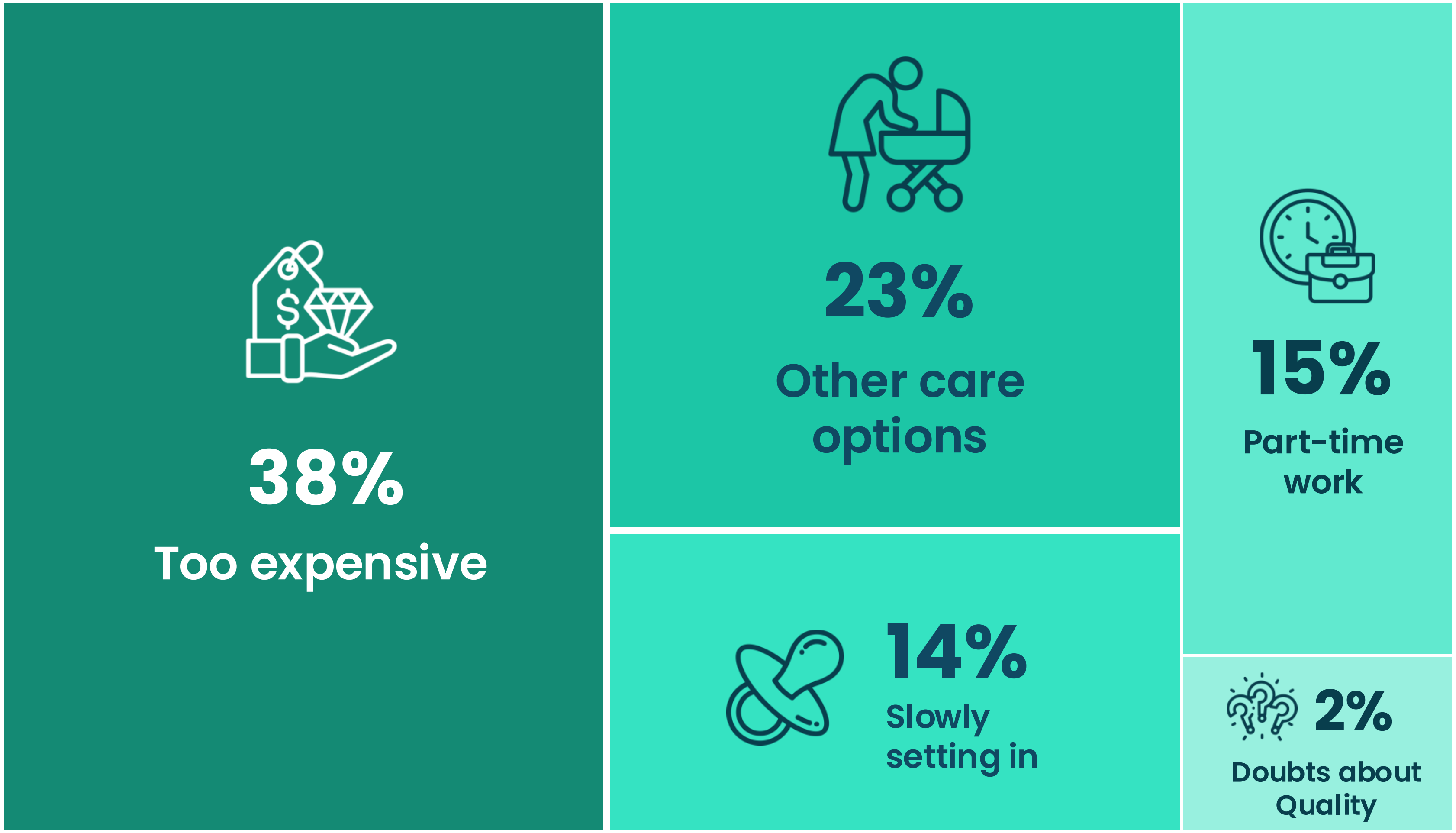
Service(s) used by customers





There are no surprises that the number one reason is work, but factors like social interaction and educational development are almost just as strong for childcare. For OSHC, family routine stands out as key. Any communication or strategy based on these factors should have a greater impact.

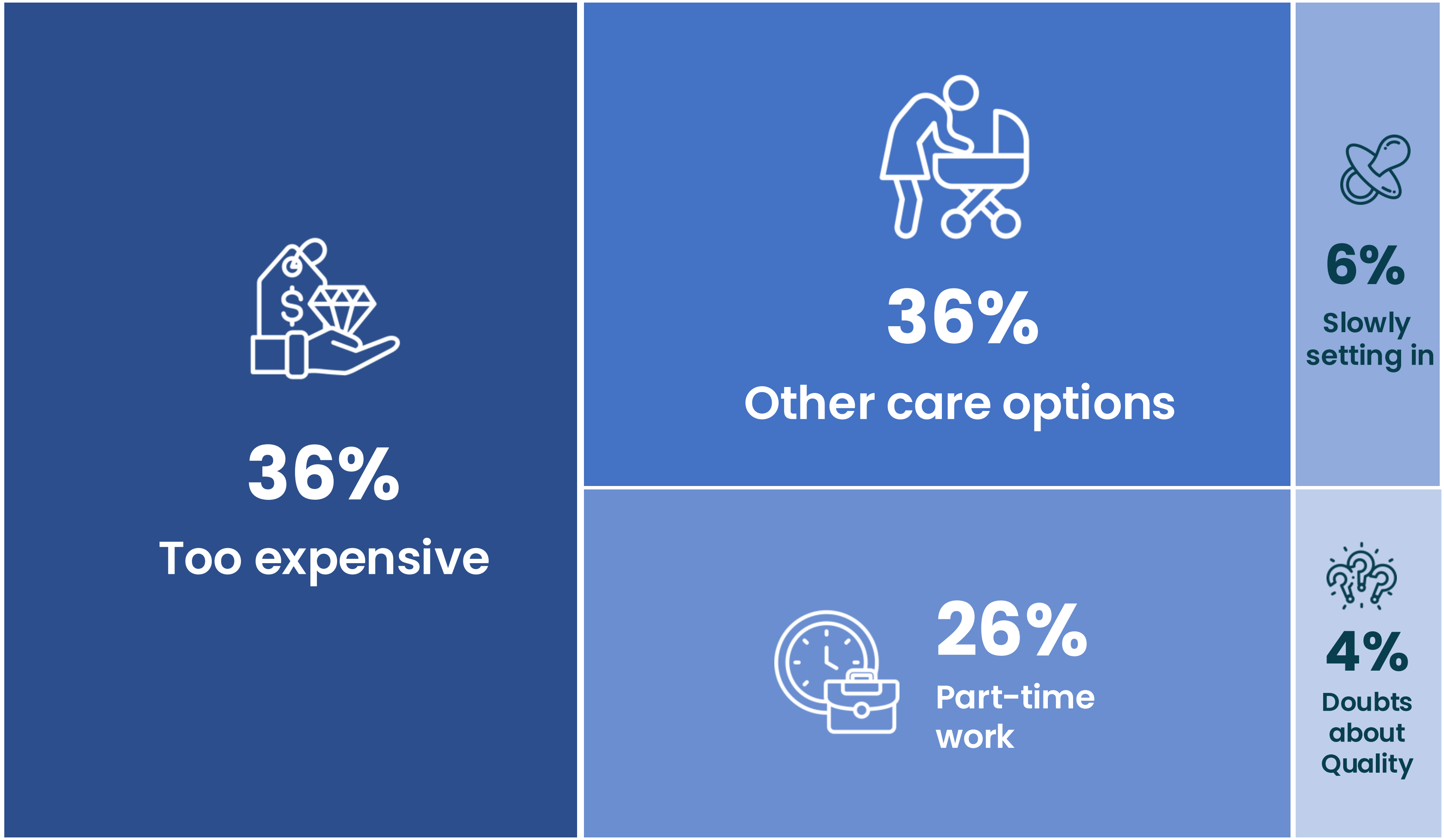
WHY NOT MORE? CHILDCARE



It's key to note that 14% mentioned "**slowly settling in**." While not the top reason, it’s easier to improve than cost or alternative care options.

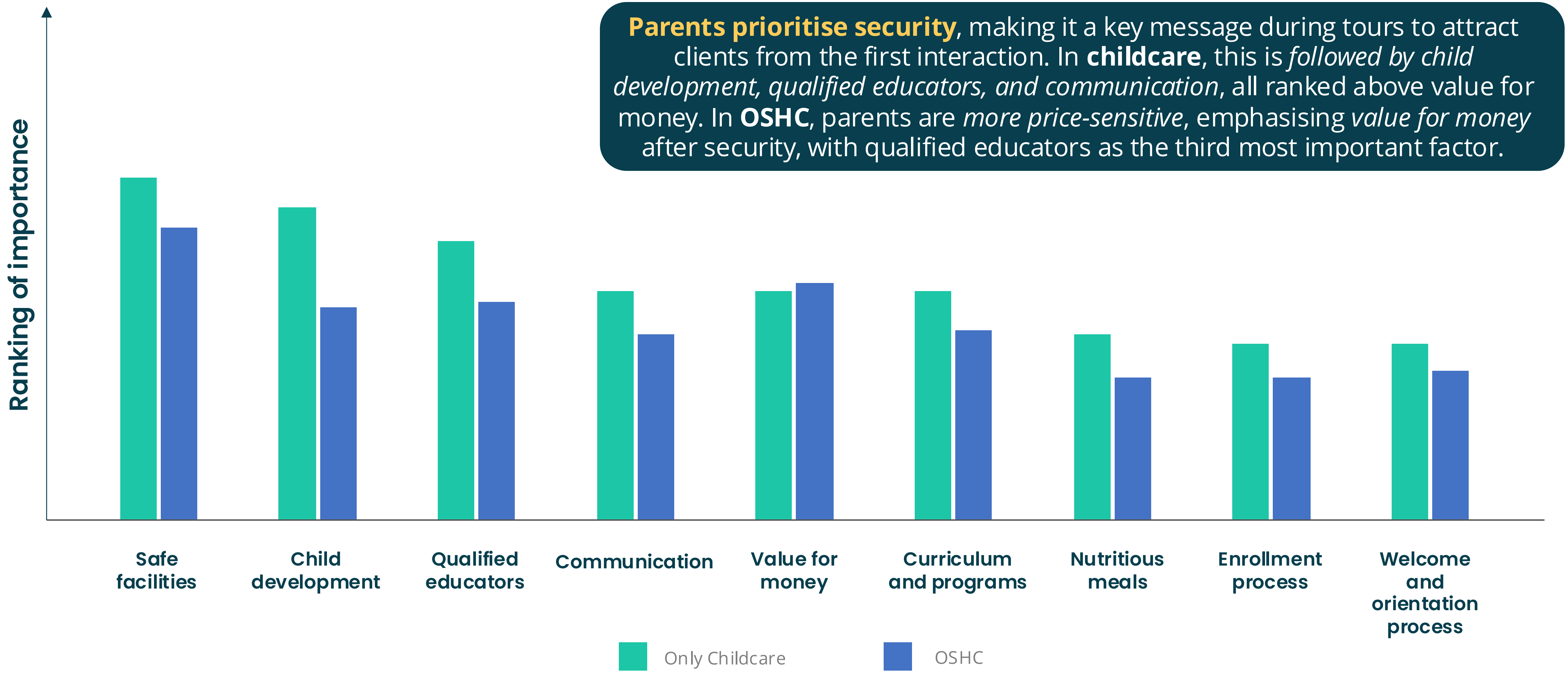
WHY NOT MORE? OSHC

As with childcare, **"settling in"** and **“quality doubts”**, though less common, are still relevant and can drive higher usage.



TOP FACTORS FOR CHOOSING CHILDCARE OR OSHC

Parents prioritise security, making it a key message during tours to attract clients from the first interaction. In **childcare**, this is *followed by child development, qualified educators, and communication*, all ranked above value for money. In **OSHC**, parents are *more price-sensitive*, emphasising *value for money* after security, with qualified educators as the third most important factor.



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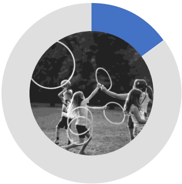
CHURN IN CURRENT MARKET

Childcare

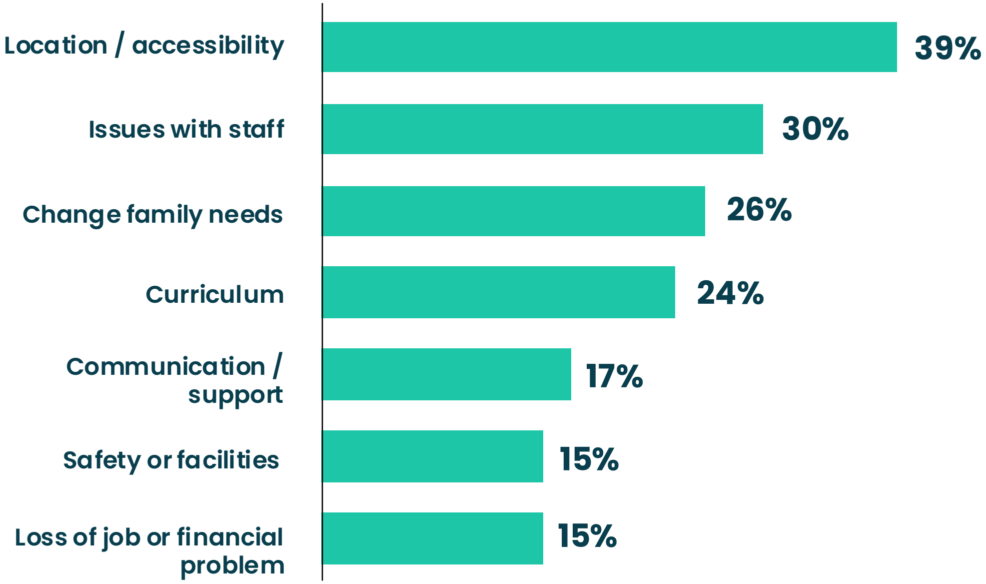
23% **changed** provider in the last 12 months

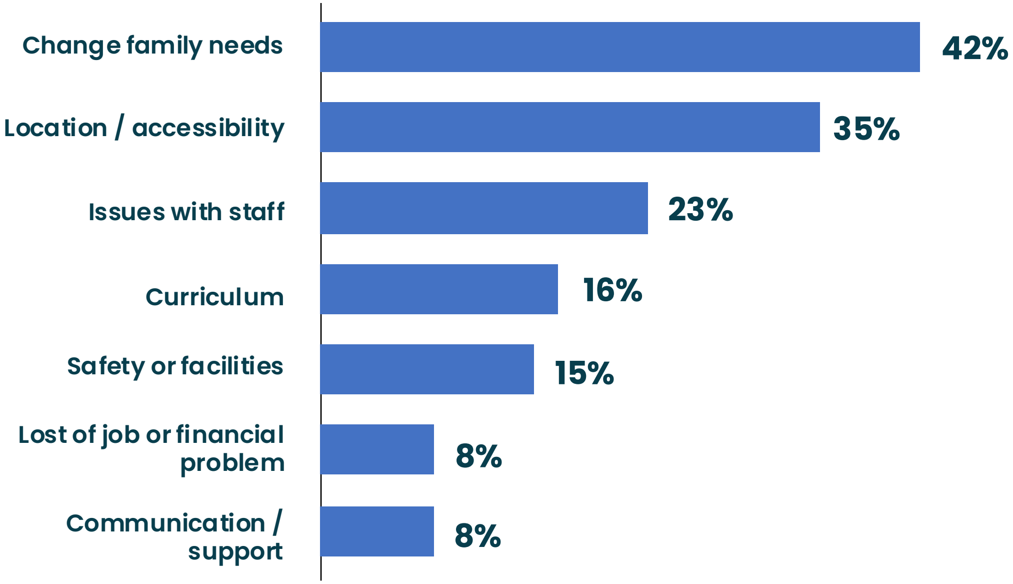


OSHC

19% **changed** provider in the last 12 months

Primary reasons for changing providers





There is significant churn in the ANZ, likely driven by rising in Increase in the cost of living and shifting office conditions. Among the factors within providers' control, safety and facilities are key in nurseries, while in wraparound care, staff issues and curriculum also play a critical role. Addressing these areas can help retain current clients and capture market churn.

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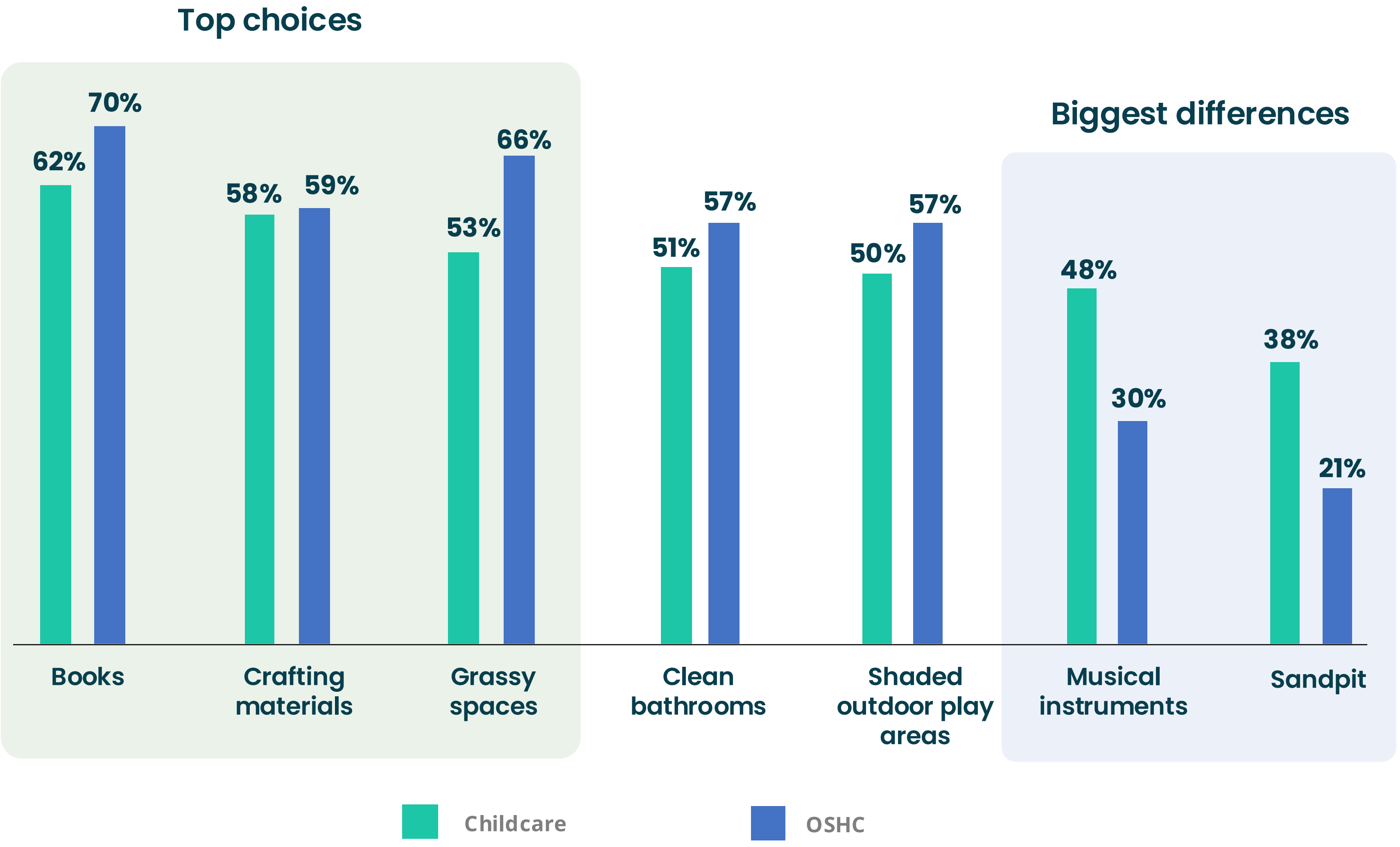
FACILITIES



Families that only use ***childcare*** have ***more consistent preferences*** overall, while ***OSHC*** show ***greater differences*** between maximum (books) and minimum values (musical Instruments/sandpit).

Books stand out as the most important factor in both services, making it essential to communicate this effectively. Crafting materials and grassy spaces follow closely, further shaping preferences.

PART 2

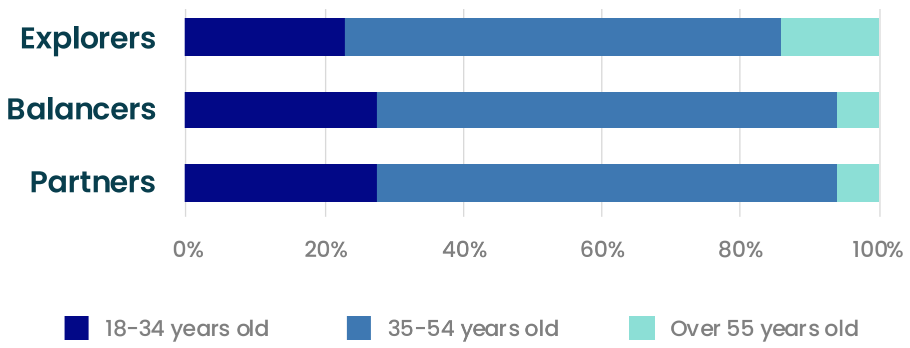
Family Segments: Who Uses Childcare & Why?

- Personas: Explorers, Balancers, Partners
- Differences in usage pattern
- Main drivers of attendance
- Retention risks

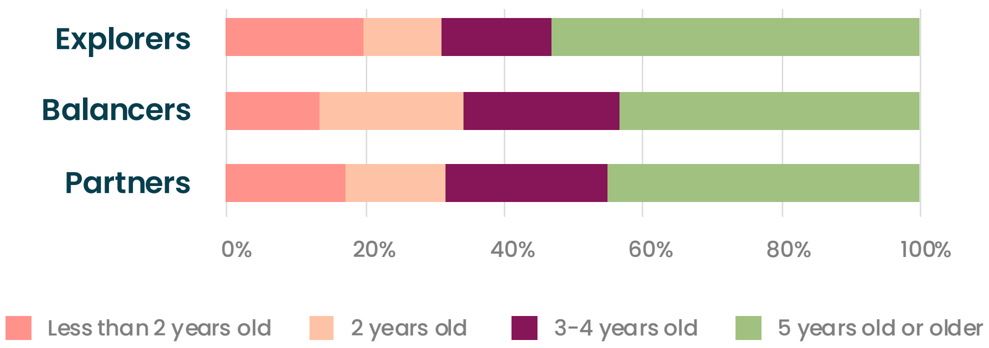
DEMOGRAPHIC BREAKDOWN

By diving deeper into **demographics**, we **identify trends** among different parent **groups based** on their childcare or OSHC service **usage**, helping shape **targeted personas**.

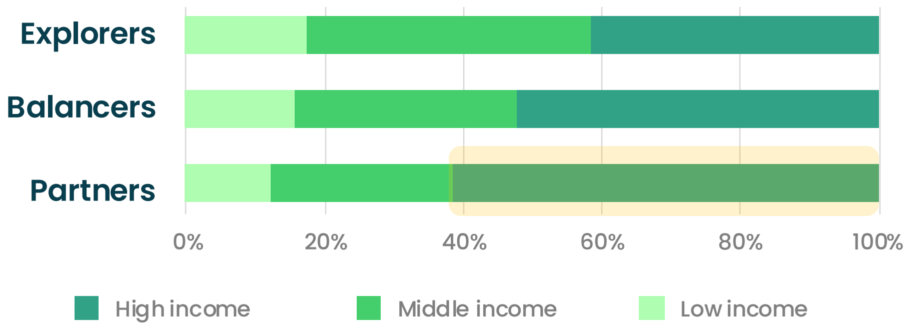
AGE OF RESPONDENT



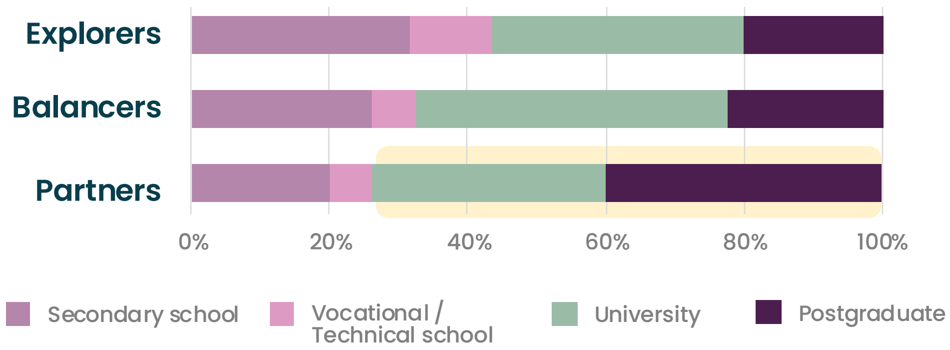
AGE OF CHILDREN



INCOME



EDUCATION



THE PERSONAS

Resonate CX has identified **three key personas** based on their service usage and demographic.

Understanding these personas and their expectations from these services will create visibility on opportunities and vital insights on what is blocking them from increasing their attendance

	EXPLORERS Seeking Value *High opportunity segment*	**BALANCERS** Not fully Convinced *High risk / opportunity segment*	**PARTNERS** Essential Need and Convinced *High profit segment*
USAGE	~2 Days	3 Days	4-5 Days
WORK STATUS	3 in 5 working full time		4 in 5 working full time
INCOME	Middle income bracket		High income bracket
INDUSTRY	Healthcare and Social Care		Finance and Insurance, Education

EXPLORERS

1–2
Enrolled Days

WHAT CHARACTERISES THE DIFFERENT EXPLORERS?

CHILDCARE

Main Reason For Use

- Social Interaction
- Education / development
- Work

Why Not More

- Too expensive
- Other care options
- Part-time work

OSHC

Main Reason For Use

- Work
- Family routine
- Education / development

Why Not More

- Other care options
- Too expensive
- Part-time work

WHAT CHARACTERISES THE EXPLORERS?

Churn
(Last 12 Month)

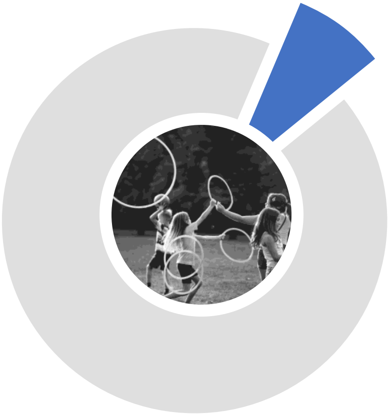
CHILDCARE

26%
Churn

Main reasons

Lost job or financial problems

OSHC



8%
Churn

Main reasons

Location / accessibility

There is significantly higher churn in Childcare than in OSHC. The main reasons are job loss or financial problems for Childcare, while for OSHC, location and accessibility are the key factors.

WHAT CHARACTERISES THE EXPLORERS?

Curriculum

Main factor:
Balance between academics and play

Second priority:
Outdoor learning

Staff

It's the persona that finds ***staff experience*** a little **less important** than the rest

Facilities

Top 3 facilities factor all rated almost equally:

- *Shaded outdoor play areas*
- *Crafting materials*
- *Grassy spaces*

Persona Opportunity Summary

- Main Drivers: Social interaction, flexible childcare, and child development.
- Key Barriers: **Cost concerns**, availability of other care options, and less emphasis on structured learning.
- Churn Propensity: **OSHC** families are the least likely to switch providers.

EXPLORERS

1–2
Enrolled Days

BALANCERS

3
Enrolled Days

WHAT CHARACTERISES THE BALANCERS?

Main Reason For Use

CHILDCARE

- Work
- Social Interaction
- Education / development

OSHC

- Work
- Social Interaction
- Family routine

Why Not More

CHILDCARE

- Too expensive
- Other care options
- Part-time work

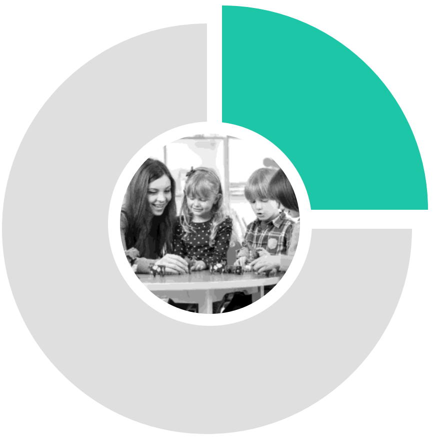
OSHC

- Other care options
- Too expensive
- Part-time work

WHAT CHARACTERISES THE BALANCERS?

Churn
(Last 12 Month)

CHILDCARE

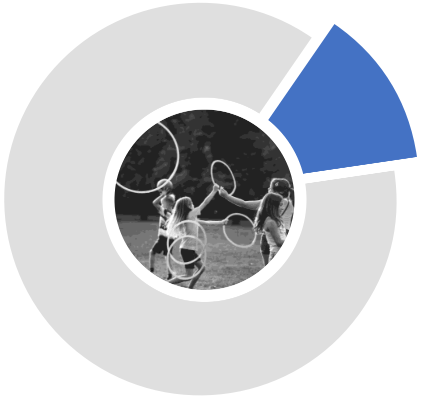


25%
Churn

Main reasons

- Issues with staff
- Location / accessibility

OSHC



13%
Churn

Main reasons

- Location / accessibility
- Change family needs

Churn numbers for nurseries remain stable, while wraparound care is seeing a noticeable increase compared to Balancers, though still lower than nurseries.

WHAT CHARACTERISES THE BALANCERS?

Curriculum

Main factor:
Outdoor learning

Second priority:
Balance between academics and play

Facilities

Top 3 facility factors stay the same, but ***books stand out more***.

Shaded outdoor play areas

Books

Crafting materials

Staff

Staff qualifications matter more than **experience** for them.

Persona Opportunity Summary

This group has the greatest potential (and risk) to impact revenue. Over the next year, their usage is likely to shift by a day, directly affecting revenue. Increasing their days would help lower retention costs as children become more settled.

- Main Drivers: **Work-life balance,** affordability, and structured childcare.
- Key Barriers: **Cost** concerns, need for **experienced** (not just qualified) **educators**, and employer **flexibility**.
- Churn Propensity: **Medium** – likely to switch if costs increase or subsidies change.

BALANCERS

3
Enrolled Days

PARTNERS

4-5
Enrolled Days

WHAT CHARACTERISES THE PARTNERS?

Main Reason For Use

Childcare

- Work
- Social Interaction
- Education / development

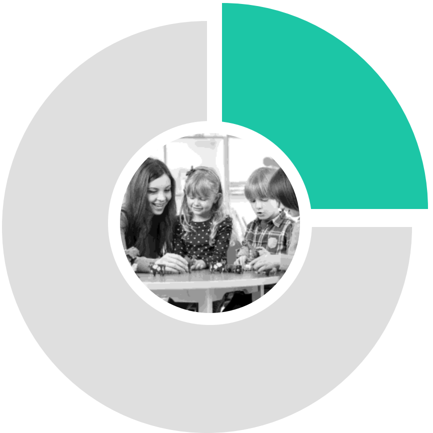
OSHC

- Work
- Family routine
- Education / development

WHAT CHARACTERISES THE PARTNERS?

Churn
(Last 12 Month)

Childcare

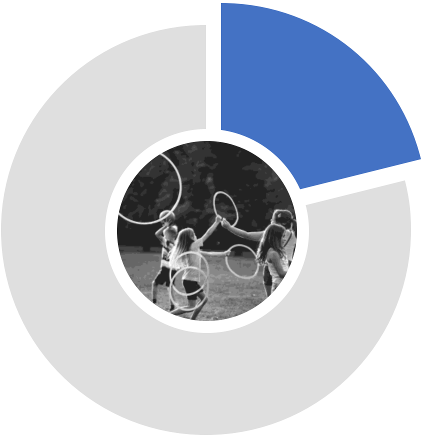


27%
Churn

Main reasons

- Location / accessibility
- Communication / support

OSHC



21%
Churn

Main reasons

Change in family needs

For partners, OSHC shows higher churn, driven by increased usage and expectations, unlike childcare where churn remains stable. In **childcare , communication and support are key churn factors**—areas that can be improved to retain clients or capture market churn.

WHAT CHARACTERISES THE PARTNERS?

Curriculum

Main factor:
Balance between academics and play

Second priority:
Assessment of progression

Staff

This persona ***values staff qualifications and experience the most,*** considering both **equally important.**

Facilities

Top 3 facility factors stay the same, but ***books stand out more***.

Shaded outdoor play areas

Books

Clean bathrooms

Persona Opportunity Summary

- **Main Drivers**: **Childcare is essential**, prioritising stability, structure, and academic development.
- **Key Barriers**: **High expectations** for both qualifications & experience, strong need for provider communication.
- **Churn Propensity: Moderate** – unlikely to switch but high standards must be met. For childcare, the propensity to churn remains similar across personas. However, in **OSHC**, the more frequently families use the service, the more likely they are to churn.

PARTNERS

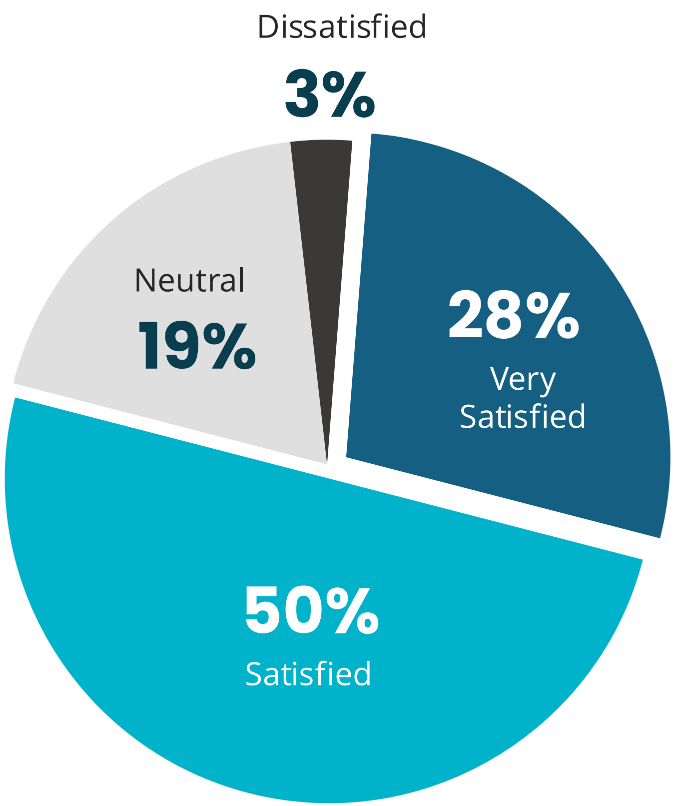
4-5
Enrolled Days

PART 3

Building a High-Quality Childcare Experience

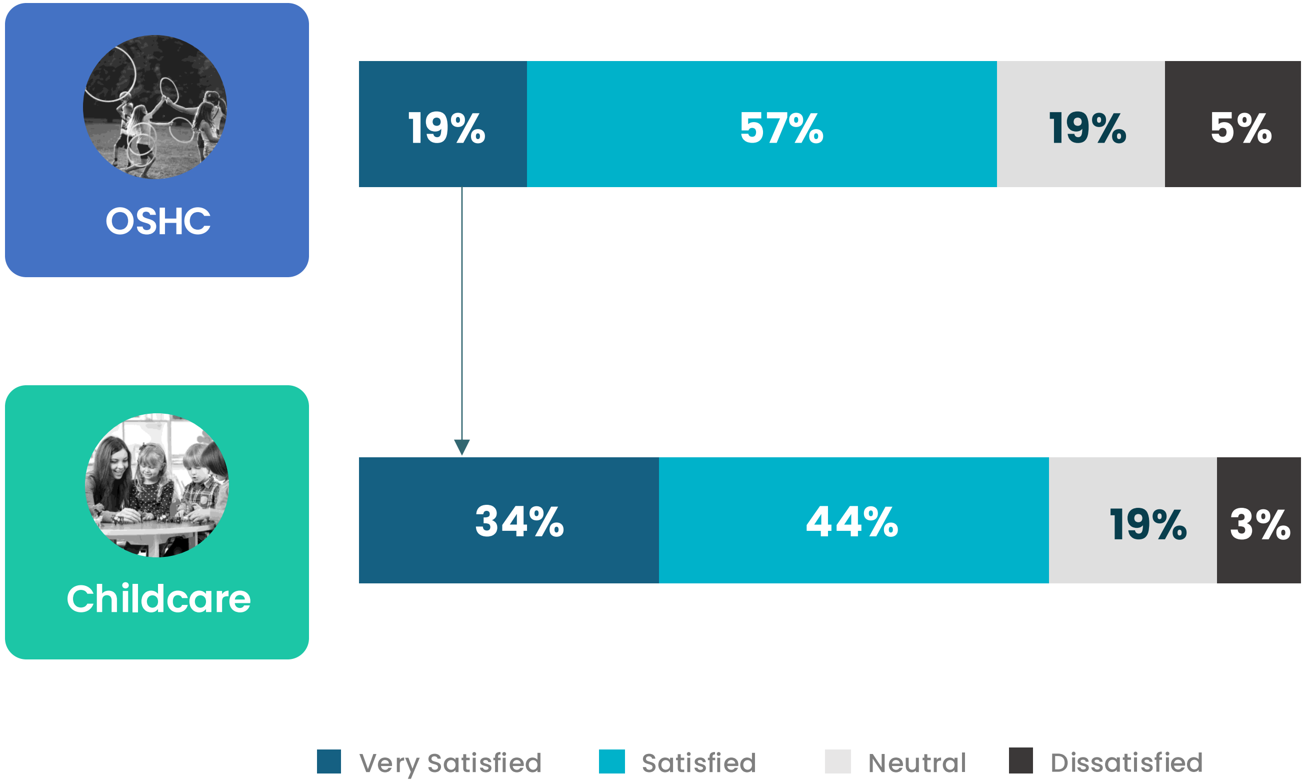
- Curriculum: Satisfaction levels, top priorities, and improving update communication
- Staff: Valued qualities, performance strengths, and areas for improvement

CURRICULUM



Satisfaction with the curriculum is **highly positive**, with almost **8 out of 10** being satisfied or very satisfied. However, the remaining 20% represents a key opportunity to refine the offering and strengthen engagement.

These numbers are ***even better*** for **Childcare** compared to **OSHC,** representing a greater opportunity to acquire clients by highlighting the strengths of the current curriculum



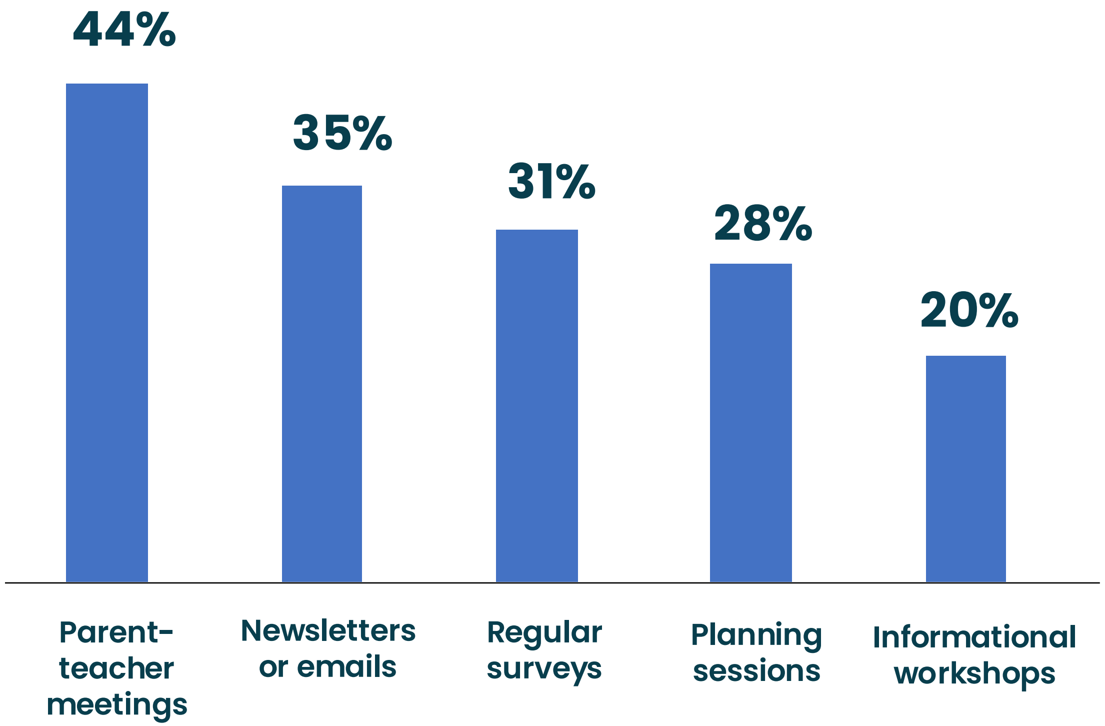
KEY CURRICULUM ASPECTS FAMILIES PRIORITISE IN CHILDCARE

For parents, the ***key in curriculum is balancing academics with play,*** followed by ***outdoor opportunities.*** The growing ***need for regular assessments and feedback***, seen across industries, also applies to childcare. Strengthening trust through this can help increase attendance for those still undecided.

- **52%** Academic and play-based balance
- **47%** Outdoor learning opportunities
- **30%** Regular assessment and feedback
- **28%** Social-emotional learning
- **24%** Customisation for individual interests
- **21%** Integration of STEM, arts, or languages
- **16%** Support for special needs
- **13%** Cultural diversity and inclusion
- **13%** Recognised educational frameworks

HOW FAMILIES PREFER TO STAY UPDATED ON CURRICULUM CHANGES

Parent-teacher meetings are increasingly valued for curriculum-related topics, presenting a strong opportunity. This trend is ***consistent across all three segments*** and requires no tech investment or major development.



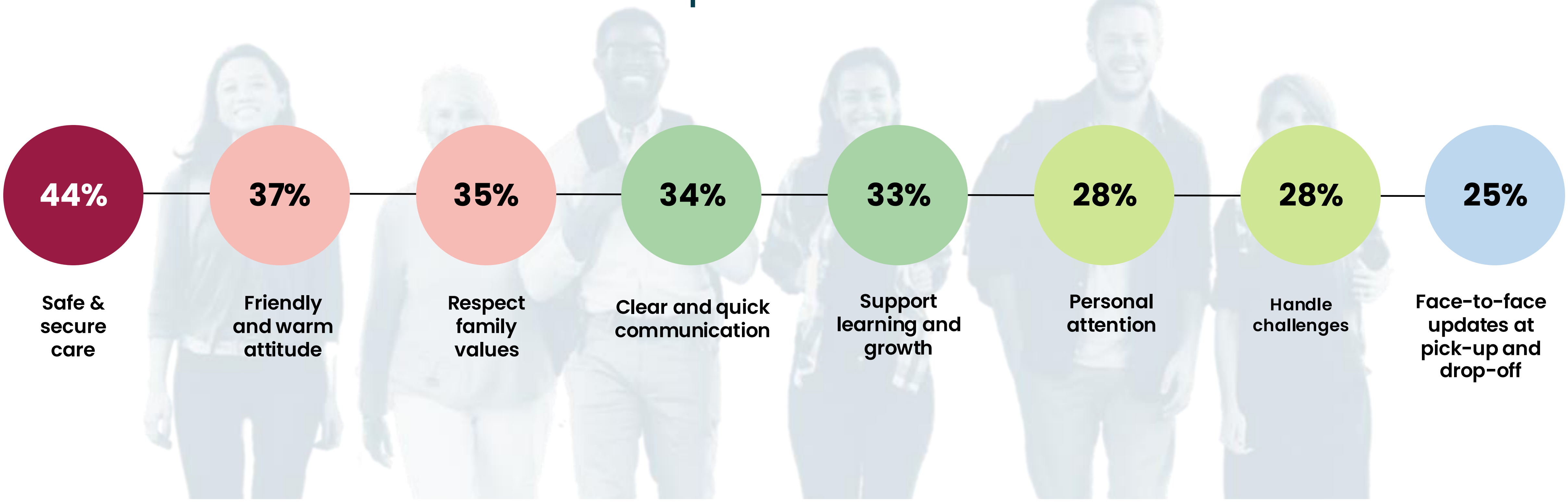


	EXPLORERS	BALANCERS	PARTNERS
1	Parent-teacher meetings		
2	Newsletters or emails		
3	Regular surveys	Planning sessions	Regular surveys

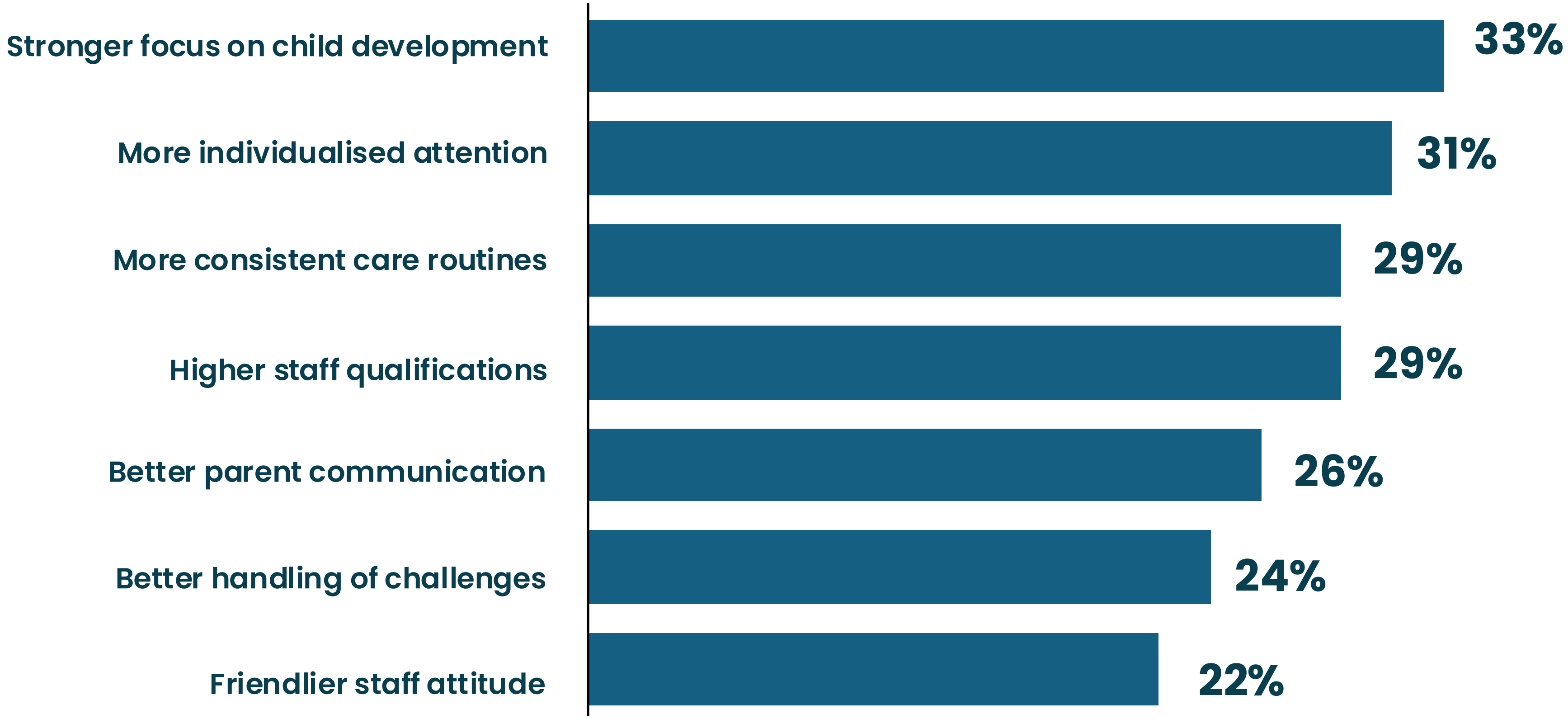
IMPORTANCE OF STAFF-RELATED FACTORS IN CHOOSING CHILDCARE

Safe & and secure care is the ***top priority when it comes to staff-related factors*** in choosing Childcare, followed by ***friendly and warm attitudes***—***often overlooked but highly impactful***. This trend appears across industries and should be an easy, high-impact must-have.

Most valued aspects of staff interaction



WHERE IS THE BIGGEST NEED FOR IMPROVEMENT IN EDUCATORS



Many of these improvements are likely already in place, but as with everything in this report, they reflect parents' perceptions of their providers. ***It's crucial to ensure they recognise the focus on child development and personalised attentio***, especially during the early stages of tours.

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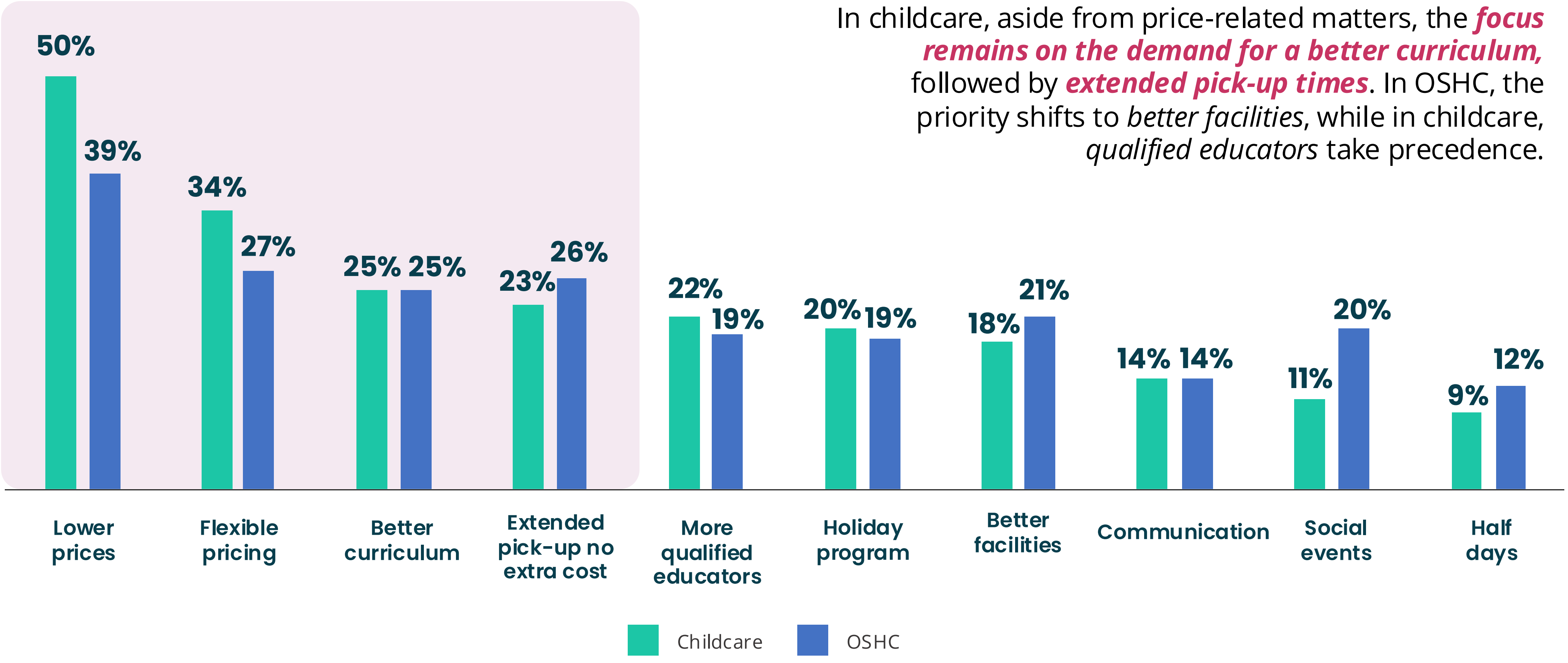
PART 4

The Ideal Childcare: What Families Want

- Desired features & willingness to switch
- NPS trends & loyalty potential

INCREASE FREQUENCY

In childcare, aside from price-related matters, the ***focus remains on the demand for a better curriculum,*** followed by ***extended pick-up times***. In OSHC, the priority shifts to *better facilities*, while in childcare, *qualified educators* take precedence.



INCREASE FREQUENCY

Setting price reduction aside, as it's not a viable option, ***better curriculum and extended pick up time*** consistently appear across personas. Focusing on these areas ***could encourage a shift from Explorers to Balancers and Balancers to Partners.***

EXPLORERS

Childcare | **OSHC**

1. Lower prices
2. Flexible pricing
3. Extended pick-up no extra cost

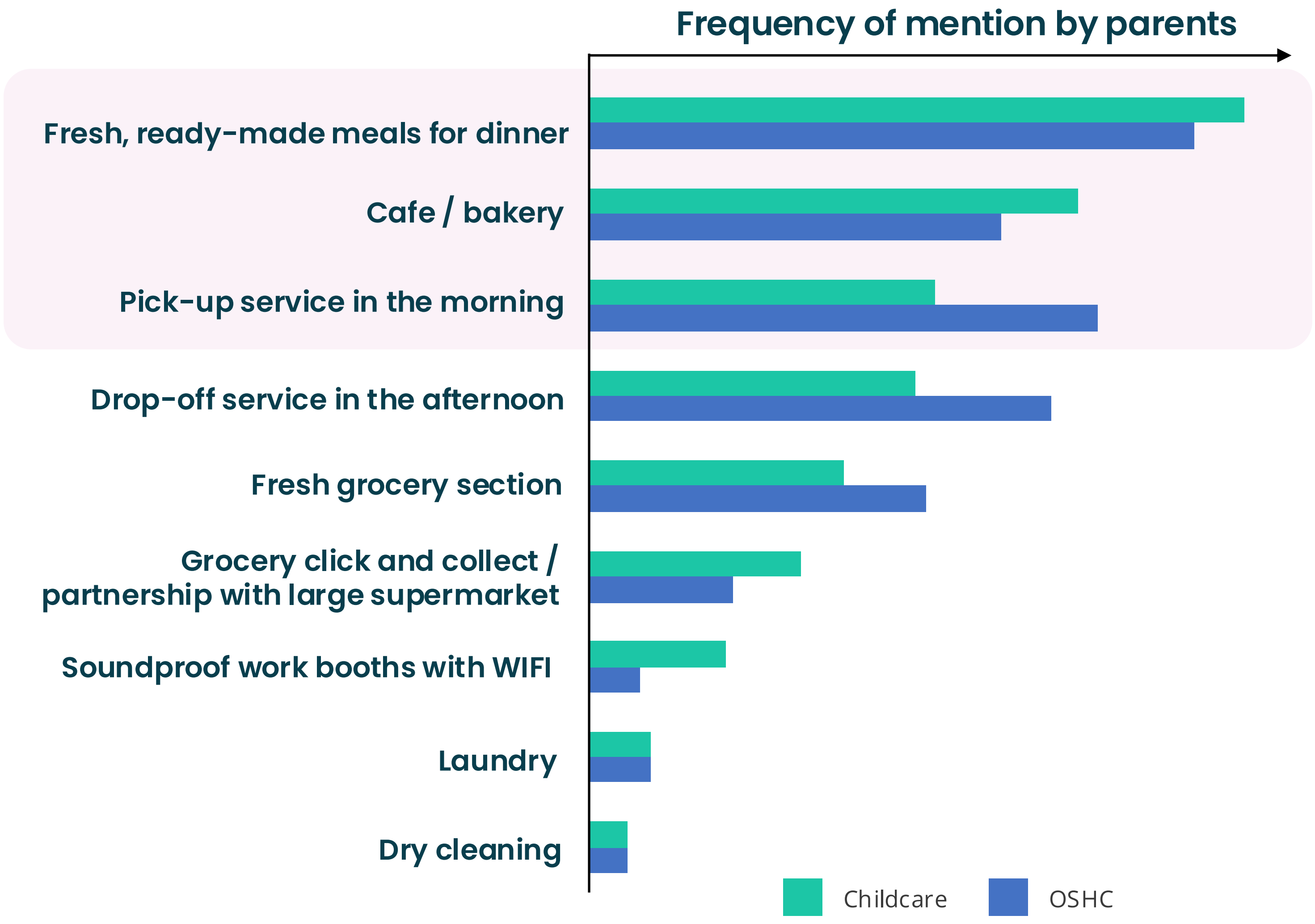
BALANCERS

	Childcare	OSHC
1	Lower prices	Flexible pricing
2	Better curriculum	Lower prices
3	Flexible pricing	Extended pick-up no extra cost

PARTNERS

	Childcare	OSHC
1	Lower prices	Lower prices
2	Extended pick-up no extra cost	Better curriculum
3	More qualified educators	Flexible pricing

DESIRED ADDITIONAL SERVICES & FEATURES



This chart shows the additional services most requested for each type of provider, ***not those expected for free, but those parents are willing to pay for.***

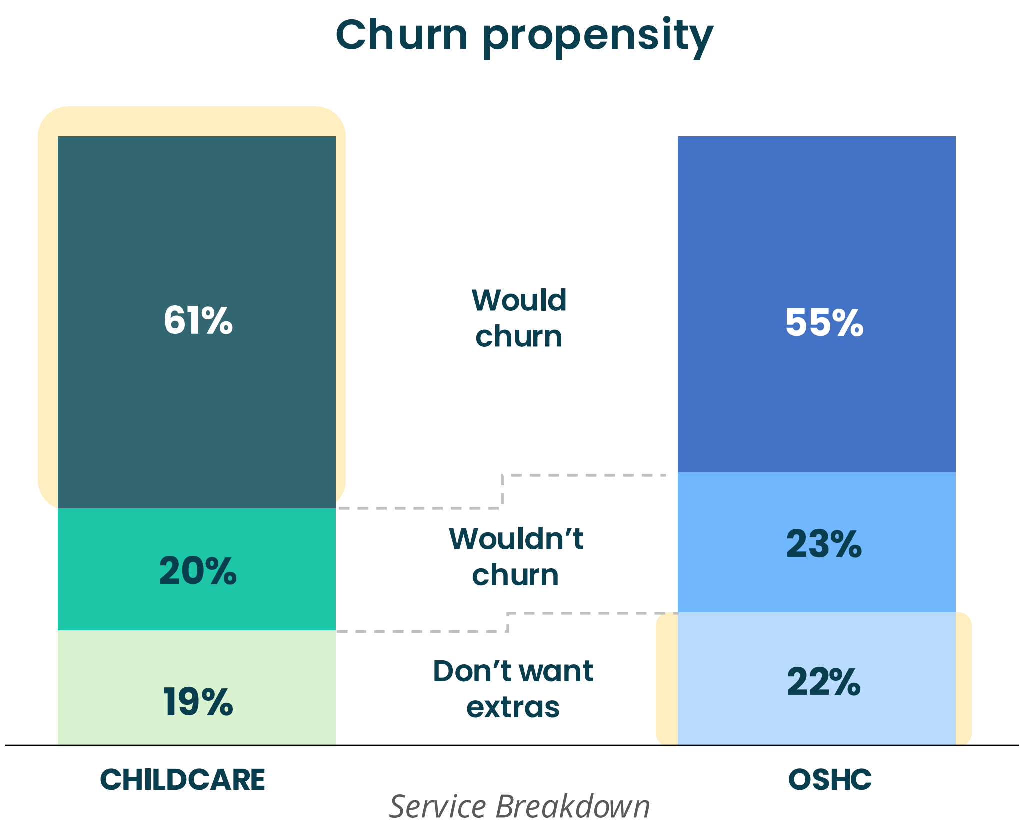
Looking for extras

Childcare	OSHC
80%	74%

A huge percentage of the parents in both service show ***willing to pay for extra services.***

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS

Childcare parents are slightly ***most demanding***. Nearly **6 out of 10 expect more features** and are willing to switch providers if others offer them.

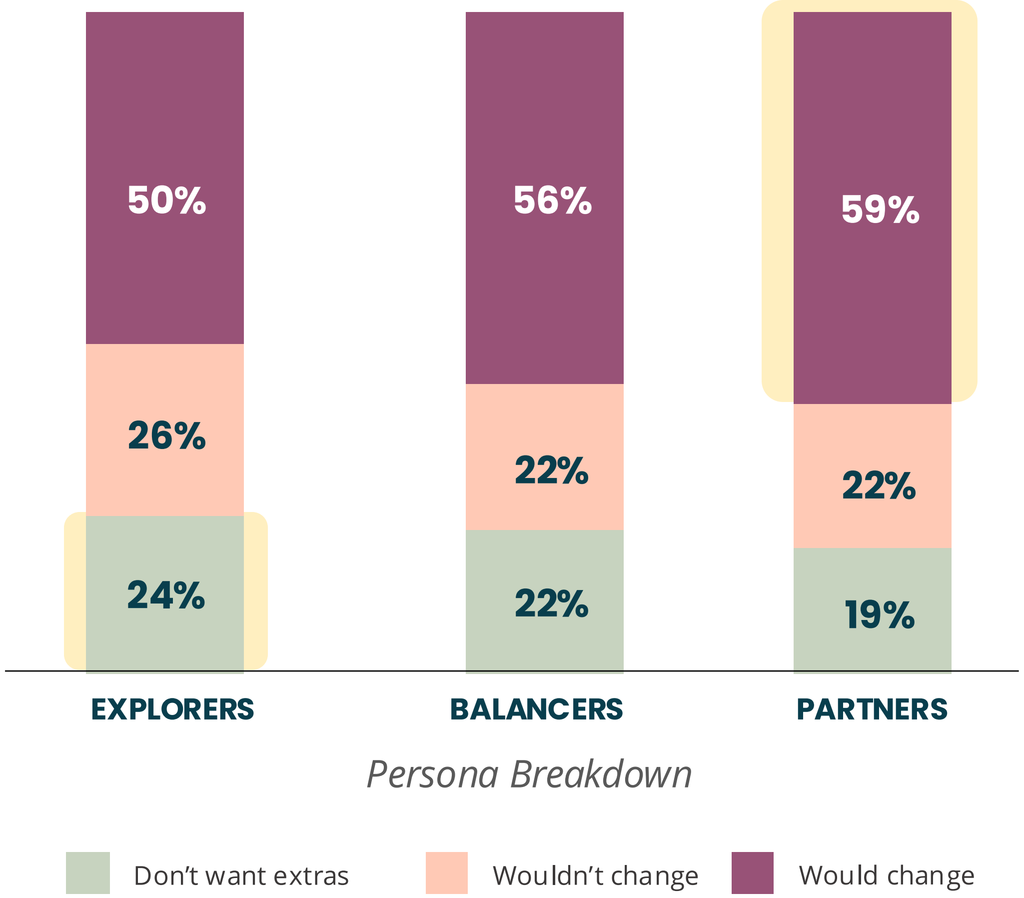


OSHC parents are slightly ***least demanding*** customers, with the highest percentage not seeking any additional features (22%).However, ***1 in 2*** **expects more** and **would be willing to churn** if someone else offers it.

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS

Explorers are the ***least demanding*** customers, with the highest percentage **not seeking any additional features (24%)** However, ***1 out of 2*** **expect more features** and are ***willing to switch*** providers if others offer them.

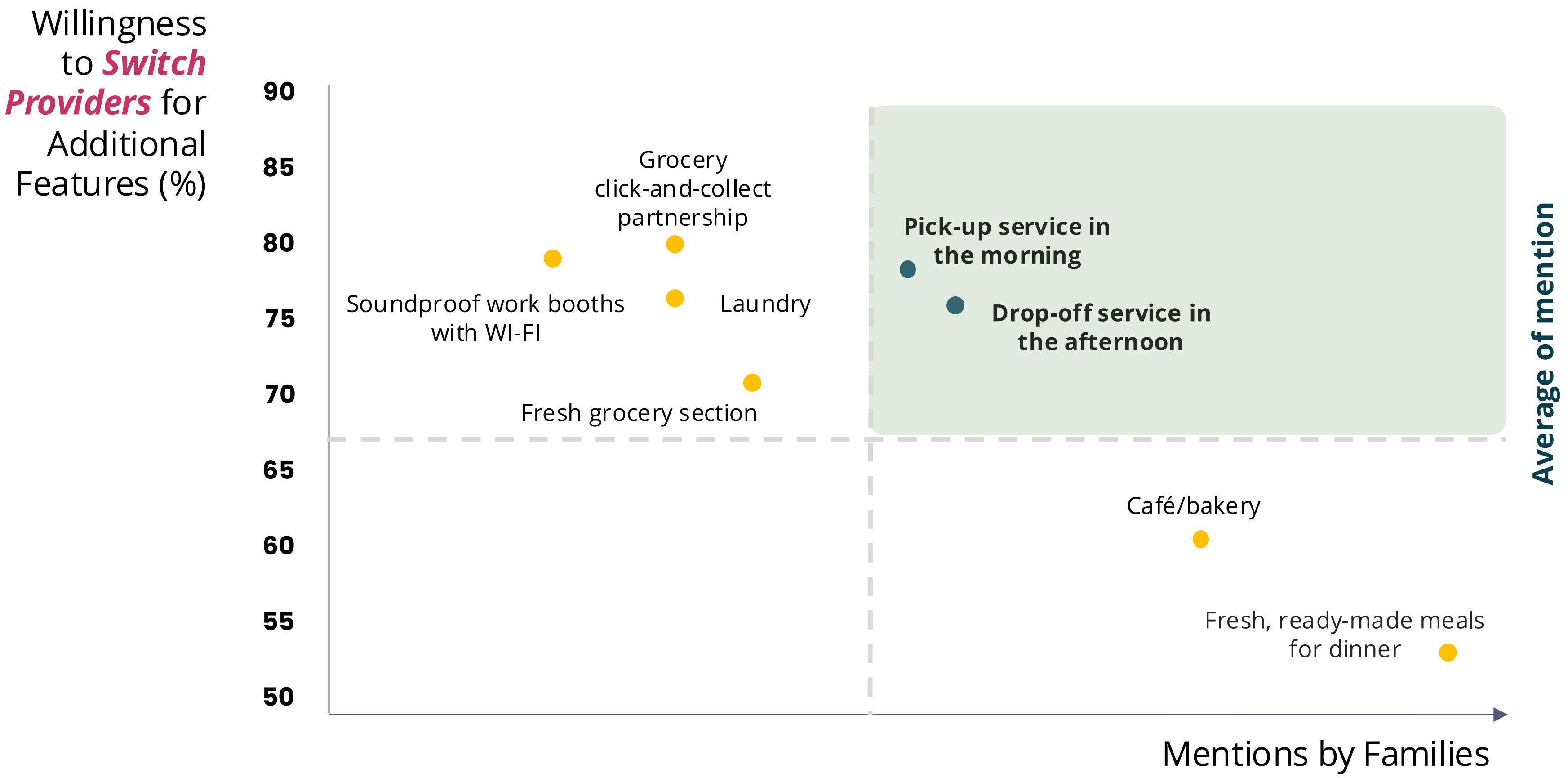
Churn propensity



Partners are the ***most demanding*** but also the most valuable clients. Nearly **6 out of 10** expect more features and are ***willing to switch*** providers if others offer them.

The trend driven by a younger generation of parents is reflected in their search for ease, evident in the additional services mentioned and the importance placed on willingness to churn for providers that offer it.

DREAM EXPERIENCE THAT WILL WIN CUSTOMERS – CHILDCARE



Focus should be on the top-right quadrant, these key features are ***frequently mentioned and impact churn.***

Missing them risks losing customers, while having them can attract new ones.

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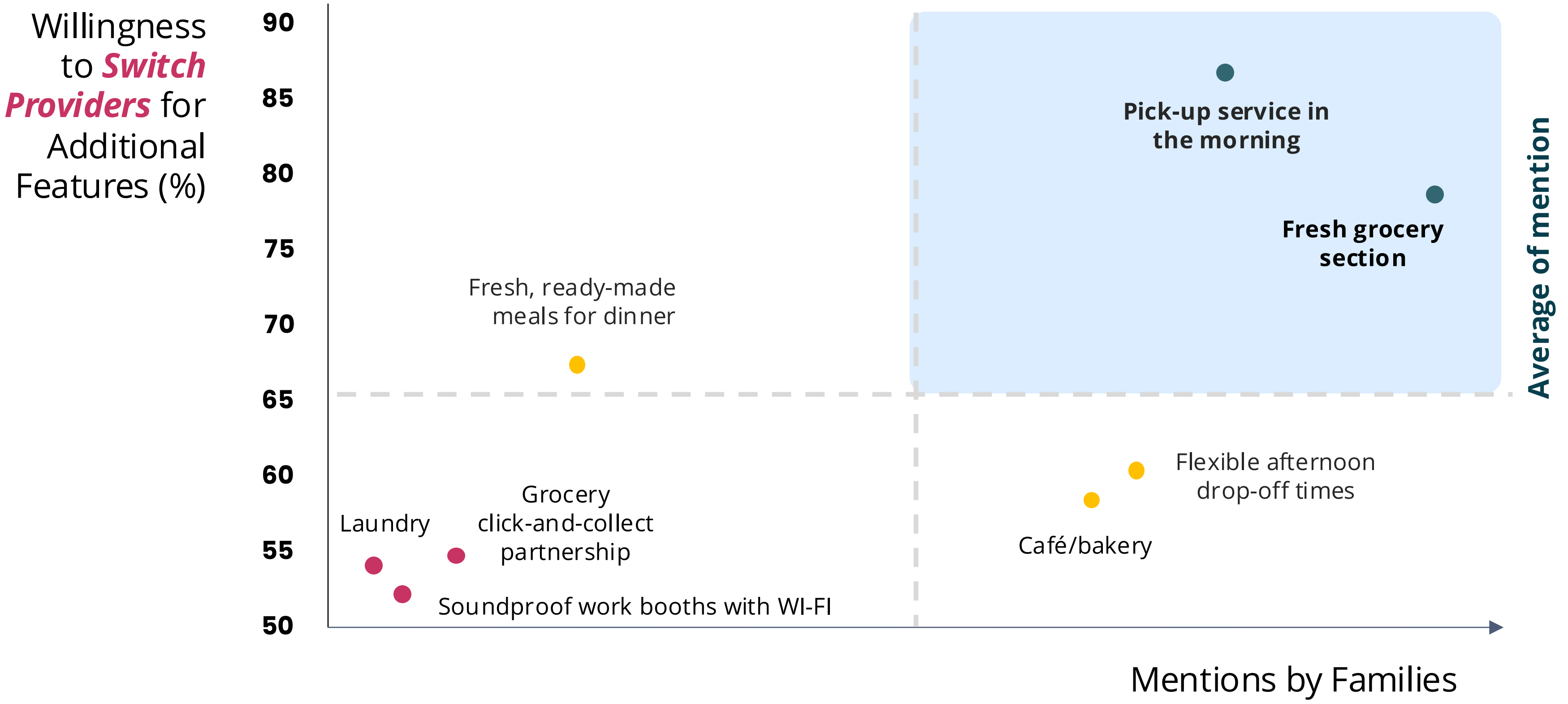
DREAM EXPERIENCE THAT WILL WIN CUSTOMERS – OSHC



Focus should be on the top-right quadrant—these key features are ***frequently mentioned and impact churn.***

Missing them risks losing customers, while having them can attract new ones.

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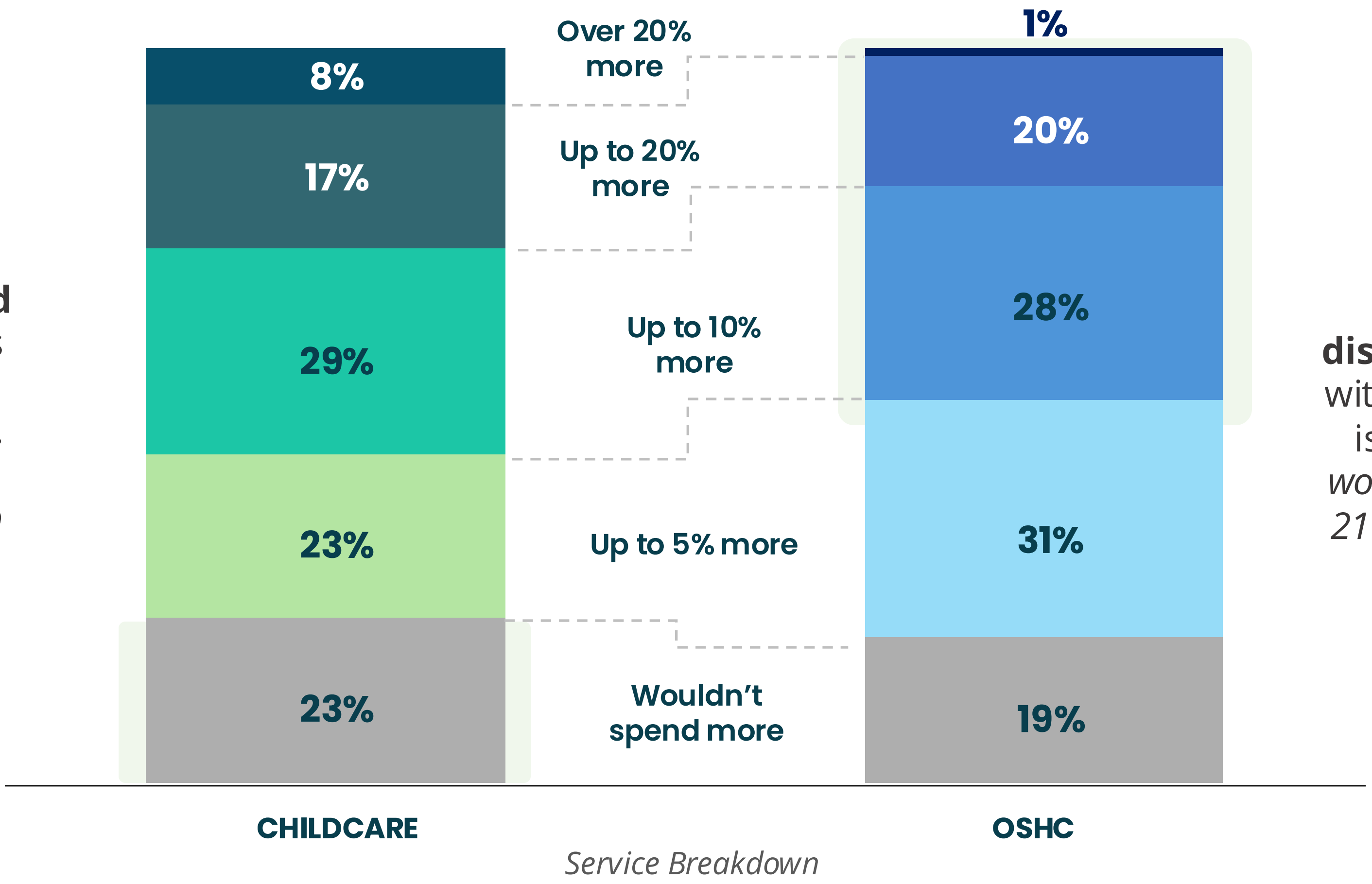
PREMIUMS IN THE DREAM EXPERIENCE

Childcare shows a **polarised pattern**, with more families willing to pay over 20% and more unwilling to pay extra. *77% would pay at least 5% more, and 25% would pay up to 20% more.*

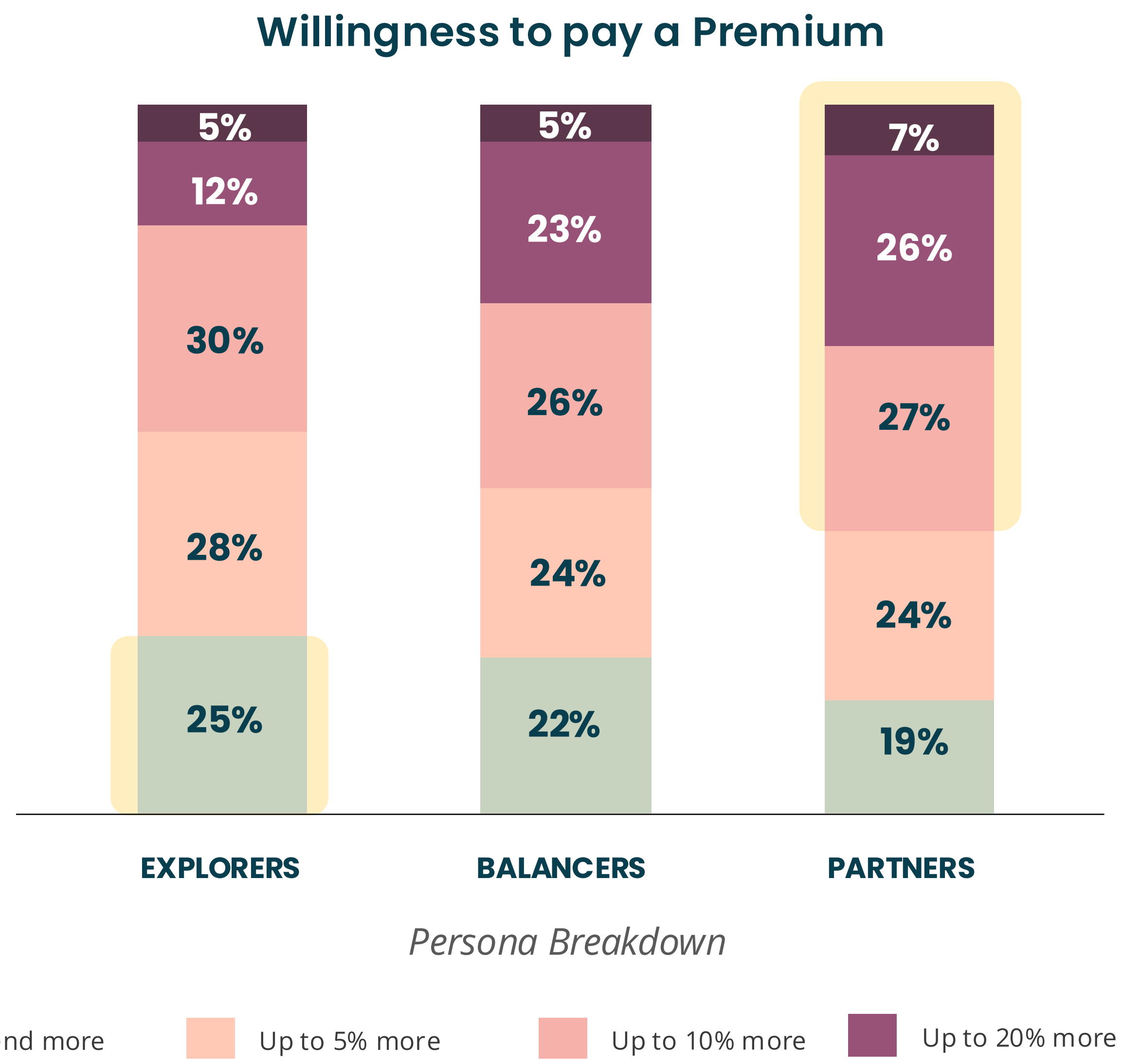
Willingness to pay a Premium



OSHC has a **more evenly distributed willingness** to pay, with fewer extremes, but there is **still strong interest.** *81% would pay at least 5% more, and 21% would pay up to 20% more.*

UNLOCKING VALUE IN THE DREAM EXPERIENCE

Explorers have the **lowest willingness**, as they are still new to the service.

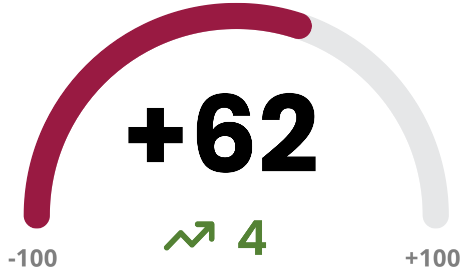


Partners show the **highest willingness to pay**, aligning with their demand for extras.

ADVOCACY BY PERSONA: CO-RELATION

+32 is the ***overall NPS of respondents*** with their respective providers, which is **30 points lower than the NPS of Resonate's ANZ customers**.

Last quarter CX Focused Providers



**Resonate Relationship Benchmark*

NPS

OSHC	Childcare
+28	+37
↘ 2	↘ 4

Overall NPS **+32** ↘ 3

EXPLORERS

+19

↘ 2

BALANCERS

+24

↘ 5

PARTNERS

+44

↘ 3

NPS scores declined across the board compared to the 2024 annual market research, with Balancers seeing the sharpest drop. While Childcare fell more than OSHC, it still holds higher overall scores.

This signals a growing likelihood to shop around, as parents may stay due to price or availability, but shifting market conditions could turn dissatisfaction into opportunities. **With 50 considered a strong NPS in this industry, lower scores indicate potential market shifts**, where demand fluctuations may create openings for providers who better meet evolving expectations.

OUR EXPERTS

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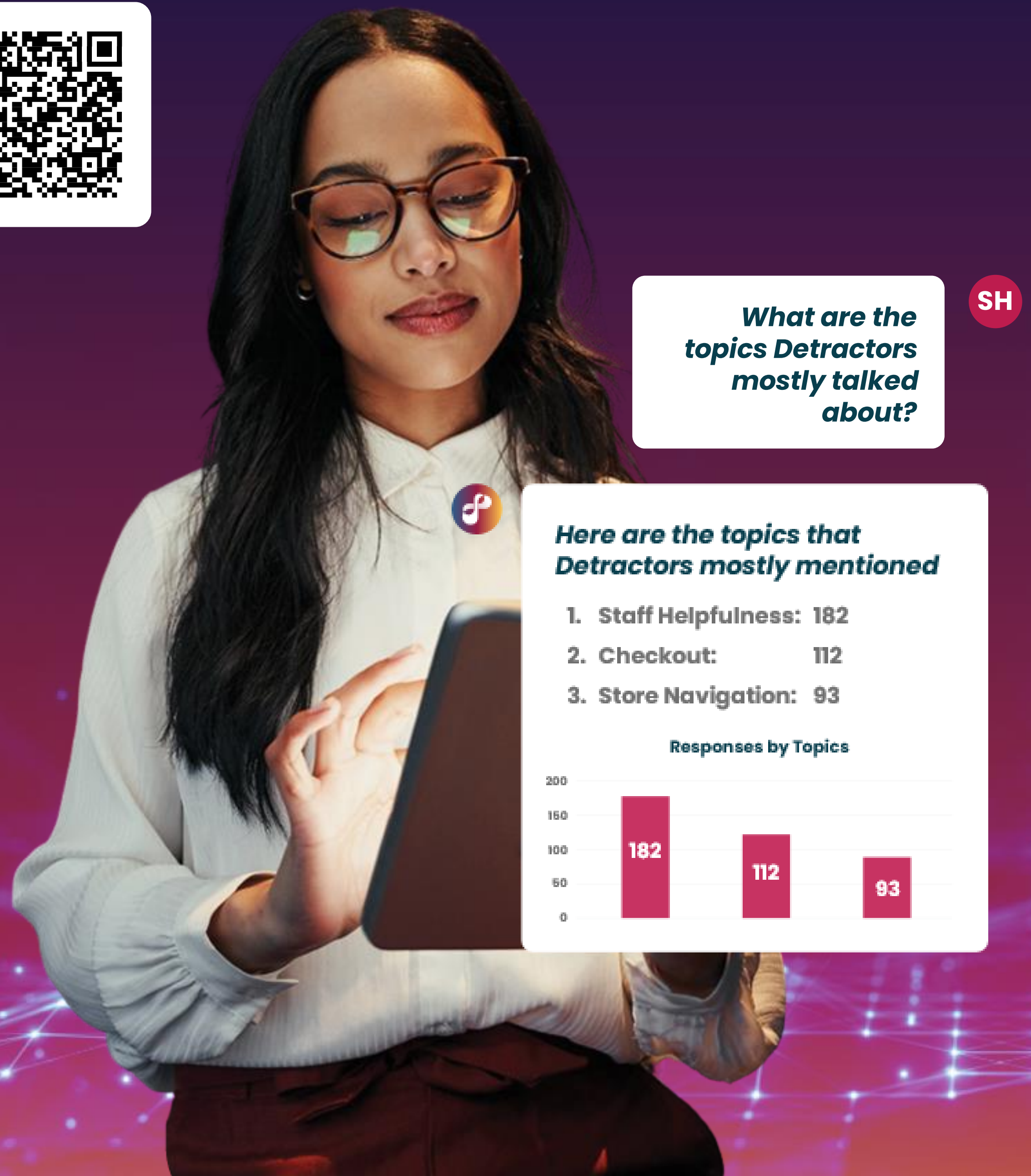
The insights presented in this report are based on a survey conducted with a 95% confidence level and a margin of error of ±5%.

Scan for more info



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