



## Press Release

### **J.D. Power and Associates Reports:**

### **The Gap in Network Quality Performance among Wireless Carriers Narrows as Expansion of 4G Technology Continues to Increase across the Country**

#### Telstra has the Fewest Problems Overall in Network Quality Performance

**WESTLAKE VILLAGE, Calif.: 17 April 2013** – As the wireless services industry grows increasingly competitive and 4G service becomes more prevalent, the gap in network quality performance between the highest- and lowest-ranked carriers has narrowed compared with 2012, according to the J.D. Power and Associates 2013 Australia Wireless Network Quality Study<sup>SM</sup> released today.

Now in its second year, the study measures the most recent usage activities among wireless customers in three dimensions that impact network performance: calling, messaging and data. Overall network performance is based on 10 problem areas that impact the customer experience: dropped calls; calls not connected; audio issues; failed/late voicemails; lost calls; text transmission failures; late text message notifications; Web connection errors; slow downloads; and email connection errors. Network performance issues are measured as problems per 100 (PP100) network connections, where a lower score reflects fewer problems and better network performance.

The study finds that the variation in network quality performance among wireless carriers at the industry level is much smaller in 2013 than in 2012. While network quality performance among carriers still varies at the state level, the gap between the highest- and lowest-ranked carriers for the overall industry has decreased to only 7 PP100 in the 2013 study from 11 PP100 in the 2012 study.

“As carriers continue to invest heavily in infrastructure upgrades and improvements, the differences in their network performance has truly resonated with customers,” said Kirk Parsons, senior director of wireless services at J.D. Power and Associates. “The expansions in 4G coverage will become increasingly important as carriers continue to roll out next-generation technologies and services.”

As observed in other countries that deploy 4G technology, overall network quality performance tends to improve, most notably in data-related problems with slow connection speeds. In Australia, there is a similar impact, as the overall PP100 score has decreased by 3 PP100 from 2012, partially because of the increase in 4G-based handsets. For example, 4G smartphone customers overall experience 12 PP100, compared with 13 PP100 among 3G customers. On average, 4G smartphone customers experience significantly fewer issues with data, compared with 3G customers (17 PP100 vs. 21 PP100, respectively), and particularly with issues related to slow mobile Web (16 PP100 vs. 20 PP100, respectively).

“It’s very interesting to see the stark performance differences between the newest generation of network technology, 4G, and other network services that were the first offerings of high-speed data centric devices based on 3G marketed devices in 2011,” said Parsons. “With the network advantages of using 4G technology, in terms

of spectrum efficiencies and increases in data connection speeds and reliability, it's not unexpected that wireless carriers are rushing to expand and upgrade their networks to align with this latest generation of service.” More importantly, the deployment of 4G networks may result in greater customer lifetime value. In fact, overall satisfaction with wireless service among 4G customers is substantially higher than among 3G customers (7.2 vs. 7.1, respectively, on a 10-point scale). Additionally, 4G customers are also notably more loyal to their carrier, with only 16 percent saying they “definitely will” or “probably will” switch their carrier within the next 12 months, compared with 22 percent of 3G customers.

For the second consecutive year, Telstra has the fewest customer-reported problems (9 PP100) in all 10 network quality problem areas, compared with the study average. Telstra also performs particularly well in call quality issues, such as audio problems, and messaging-related issues, such as transmission failures and late text messages.

Optus and Virgin Mobile follow Telstra in the rankings, each at 11 PP100. Optus performs particularly well in the data quality dimension, while Virgin Mobile performs well in the messaging quality dimension.

The 2013 Australia Wireless Network Quality Study also finds the following usage trends among wireless customers:

- On average, wireless customers make/receive nine calls within a 48-hour period, compared with 15 calls per 48-hour period in 2012.
- On average, smartphone customers continue to experience more problems than do traditional handset customers (12 PP100 vs. 9 PP100, respectively). The largest gaps are in data-related areas, in which problem rates among smartphone customers average 11 PP100 more than among traditional handset device customers.
- Average problem rates are lowest among wireless customers in the South Australia and Queensland states (9 PP100 each), and highest among wireless customers in Western Australia (13 PP100).

The 2013 Australia Wireless Network Quality Study is based on responses from more than 2,000 wireless customers across all Australia states and territories. The study was fielded in February 2013.

#### **About J.D. Power and Associates**

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**J.D. Power and Associates Media Contacts:**

Derek Evans; Blackie McDonald Communication Group; North Sydney, Australia; 61-2-8907-4900;  
derek.evans@bmcd.com.au

John Tews; Troy, Mich.; (248) 680-6218; [media.relations@jdpa.com](mailto:media.relations@jdpa.com)

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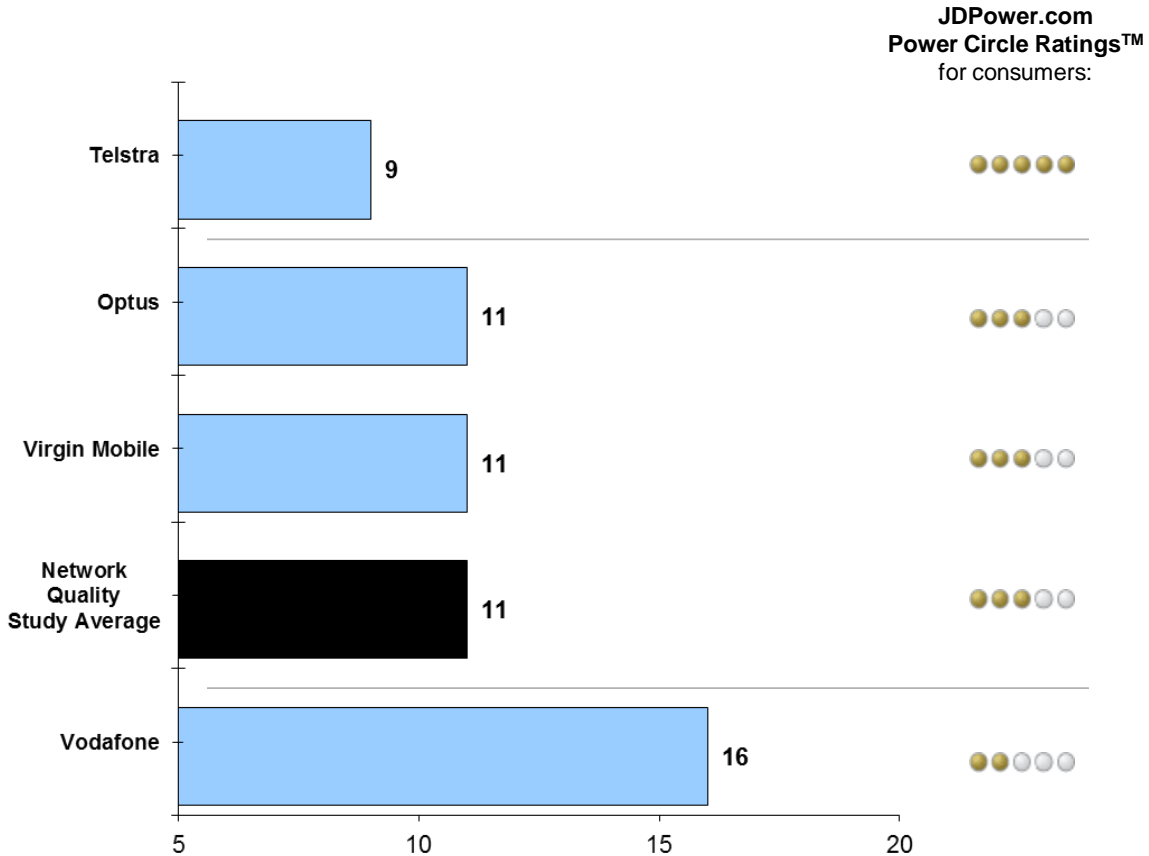
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NOTE: One chart follows.

# J.D. Power and Associates 2013 Australia Wireless Network Quality Study<sup>SM</sup>

## National Network Performance PP100 Rankings



**Power Circle Ratings Legend**

- Among the best
- Better than most
- About average
- The rest

Source: J.D. Power and Associates 2013 Australia Wireless Network Quality Study<sup>SM</sup>

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