



## Press Release

### **J.D. Power and Associates Reports: As Canadian Smartphone Penetration Increases, Carriers Adapt Their Wireless Offerings**

#### SaskTel and Koodoo Mobile Rank Highest in Wireless Carrier Customer Satisfaction

**TORONTO: 10 May 2012** — More than one-half (54%) of wireless customers in Canada currently own a smartphone, up from 36 percent in 2011, according to the J.D Power and Associates 2012 Canadian Wireless Total Ownership Experience Study<sup>SM</sup> released today.

The study examines [perceptions of wireless customers](#) with their service, mobile phone (for both traditional mobile phones and smartphone devices) and retail experience. Satisfaction is measured in seven factors: network quality; cost of service; account management; offerings and promotions; customer service; handset; and sales process. Carriers are ranked in two segments, full-service and stand-alone providers, which are differentiated by the range of products and services offered, as well as the ability of customers to bundle wireless services with other offerings.

While more customers use smartphones in 2012, compared with 2011, the study finds that the brands they select are shifting. Among smartphone owners in this study, 33 percent of their devices are Blackberry, down from 42 percent in 2011. Apple (30%) and Samsung (13%) have each increased their share by 4 percentage points from 2011.

“Wireless customers are trying to get more out of their smartphones with mobile apps and multiple features not available on traditional phones, which is key to explaining the shift to smartphones,” said Adrian Chung, account director at J.D. Power and Associates. “As customers migrate to these devices, not only do they have more opportunities to access a broader set of capabilities, but also carriers have a greater opportunity to capitalize on selling additional data plans and features to support the variety of tasks smartphones can perform.”

The study finds that overall wireless satisfaction in 2012 has improved by 37 index points to 685 (on a 1,000-point scale), up from 648 in 2011. This increase is primarily due to significant satisfaction increases in cost of service (+51 points), as well as in account management and offerings and promotions (+38 points each).

Despite the additional customer investment and monthly spending often associated with smartphones, the reported average monthly spend remains steady at nearly \$70. Meanwhile, satisfaction levels with service costs among wireless customers purchasing new, switching or upgrading their existing mobile phone in the past six months have actually risen to 707, compared to 690 in 2011.

“Carriers have clearly responded to this mainstreaming and increased competition by providing more cost-effective offerings that demonstrate superior value for both full-service and stand-alone customers,” said Chung.

Study findings also indicate carriers are improving communications to provide customers with billing clarity that enables them to better manage their accounts. In some cases, this is achieved through unlimited data plans. Overall satisfaction among customers with unlimited data plans (733) is higher than among customers with tiered plans (700). While penetration for unlimited data plans remains low (12%), 31% of wireless customers indicate a preference for this type of plan.

“Customers prefer the monthly bill predictability of unlimited plans. With the proliferation of applications, Web browsing and streaming, unlimited plans can accommodate customers’ increased data demands, which provides them with greater usage flexibility,” said Chung.

### **Wireless Carrier Rankings**

SaskTel ranks highest in customer satisfaction among full-service carriers with a score of 699 and performs particularly well in network quality; offerings and promotions; and customer service. Telus Mobility (693) follows in the full-service rankings.

Koodo Mobile ranks highest in customer satisfaction among stand-alone carriers with a score of 752, and performs particularly well in cost of service and offerings and promotions. PC Mobile (730) and Virgin Mobile (725) follow in the rankings.

The 2012 study also finds that, on average, wireless customers:

- Send and receive 26 texts in a 48-hour span, up from 19.5 in 2011
- Conduct nine incoming/outgoing calls in a 48-hour span, down from 10 in 2011
- Have used the same device for more than 20 months, up from 18 months in 2011
- Experience hold time of 6.7 minutes before speaking to a representative via the carrier’s call centre

The 2012 study also finds that, on average, smartphone customers:

- Spends \$3.20 per month on apps
- Use an average of 3.7 apps per week
- Choose text messages as the preferred communication means (47%)

The 2012 Canadian Wireless Total Ownership Experience Study is based on responses from 14,000 mobile phone customers. The study was fielded in October 2011 and March 2012.

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

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company’s quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit [JDPower.com](http://JDPower.com). J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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NOTE: Two charts follow.

# J.D. Power and Associates 2012 Canadian Wireless Total Ownership Experience Study<sup>SM</sup>

## Total Ownership Experience Index Ranking Full Service

(Based on a 1,000-point scale)



**Power Circle Ratings Legend**

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

Source: J.D. Power and Associates 2012 Canadian Wireless Total Ownership Experience Study<sup>SM</sup>

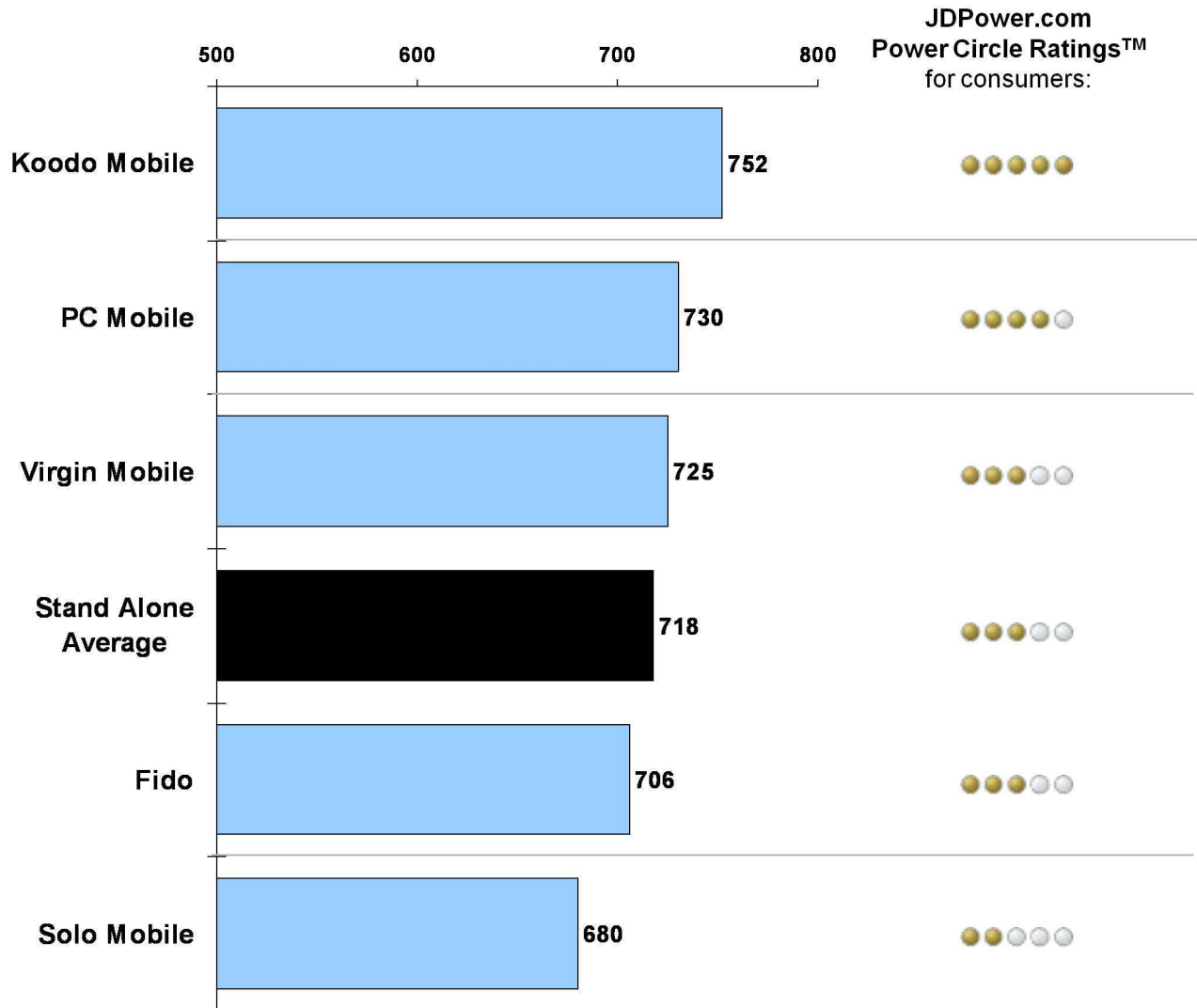
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# J.D. Power and Associates

## 2012 Canadian Wireless Total Ownership Experience Study<sup>SM</sup>

### Total Ownership Experience Index Ranking Stand Alone

(Based on a 1,000-point scale)



**Power Circle Ratings Legend**

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

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