



Press Release

J.D. Power and Associates Reports: Wireless Customers with Newly Offered Tiered Service Plans Are Often Less Satisfied with Their Carrier's Customer Care Than Are Customers with Unlimited Plan Offerings

Verizon Wireless Ranks Highest in Wireless Customer Care Performance among Full-Service Carriers, While Virgin Mobile Ranks Highest among Non-Contract Carriers

WESTLAKE VILLAGE, Calif: 26 July 2012 —Wireless customers who subscribe to tiered service plans that offer varying degrees of data amounts to access the Internet and related connection based services are considerably less satisfied with their carrier's customer service than are those with unlimited data plans, according to the J.D. Power and Associates 2012 U.S. Wireless Customer Care Full-Service Performance StudySM—Volume 2 and the 2012 U.S. Wireless Customer Care Non-Contract Performance StudySM—Volume 2, both released today.

Now in their 10th year, these semiannual studies provide a detailed report card on how well wireless carriers offer customer service via three contact channels: telephone; walk-in (retail store); and online. The studies measure satisfaction and processing issues in each contact method, such as the efficiency of problem resolution processes and the duration of hold times.

Overall satisfaction among full-service customers who currently subscribe to tiered data plans, which offer varying levels of data size allotments, is 748 on a 1,000-point scale, compared with a significantly higher 775 among those who subscribe to the more traditional unlimited data plans. While satisfaction levels among tiered customers are lower across most of the contact channels, the largest gap in customer satisfaction scores between tiered and unlimited plans is in the telephone channel (34 points). Timeliness in resolving problems and promptness in speaking with a service rep are two of the more problematic areas of performance.

This lower level of satisfaction can be attributed to how these customers are handled from an operational perspective. For example, not only do full-service customers with a tiered plan contact their wireless carrier more often over the last 6 month period than do those with an unlimited plan (49% vs. 46%, respectively), but they also spend an average of 1 minute more on hold waiting to speak with a service rep (5.52 minutes vs. 4.49 minutes, respectively) and have a lower incidence of having their service call resolved in a timely manner (63% vs. 68%, respectively). Part of the problem is a result of the complexity of tiered plans, especially as it relates specifically to incorrect billing charges, or what customers believe are not correct charges for their usage.

“It's not unexpected that customers who change or upgrade to new service plans would initially be more likely to contact their carrier with questions or problems, particularly with how these service plans may potentially alter usage habits,” said Kirk Parsons, senior director of wireless services at J.D. Power and Associates. “What is important to understand is that with any major service change, the need for simplicity is paramount. Additional investment is also needed in support services to not only handle the increase in customer interactions, but also to provide service representatives with the necessary training and information across all contact channels in order to offer a timely and superior service experience.”

Verizon Wireless ranks highest in wireless customer care performance among full-service carriers with an overall score of 771. Verizon Wireless performs particularly well in phone contacts that originate in the automatic response system (ARS) channel and are then transferred to a live customer service representative (CSR), and in phone calls made directly to a CSR.

Virgin Mobile ranks highest in overall customer care satisfaction among non-contract service carriers with an overall score of 750. Virgin Mobile performs particularly well in phone contacts that originate in the ARS channel and are then transferred to a live service representative, and in phone calls made directly to a CSR.

The study also finds several key wireless customer care patterns:

- Four in 10 full-service wireless customers who resolved their issue via the online channel say they used their carrier's online chat function for customer service, an increase of four percentage points from the 2011 Vol. 2 study. In addition, satisfaction is higher among customers who use the online chat function (767) than among those who research information on their carrier's website (730); email their carrier directly (723); or utilize online user forums (707).
- Satisfaction averages 234 points higher among non-contract customers whose issues are resolved on the first contact, compared with among those whose issues require multiple contacts (799 vs. 565, respectively).
- Approximately two-thirds (67%) of full-service customers with a recent customer service issue indicate using a mobile application, such as an account management link on their smartphone, to contact/monitor their carrier regarding service issues. Overall satisfaction is 42 index points higher among full-service customers who use their carrier's management app than among those who do not.

The 2012 Wireless Customer Care Full-Service Performance Study—Volume 2 is based on responses from 7,428 wireless customers. The 2012 Wireless Customer Care Non-Contract Performance Study—Volume 2 is based on responses from 3,026 wireless customers. Both studies are based on the experiences of current customers who contacted their carrier's customer care department within the past six months. The study was fielded from January through June 2012.

For more information on customer satisfaction with [wireless service](#), [wireless retail sales](#), [cell phone handsets](#), [customer care](#), [prepaid wireless service](#) and [business wireless service](#), please visit [JDPower.com](#).

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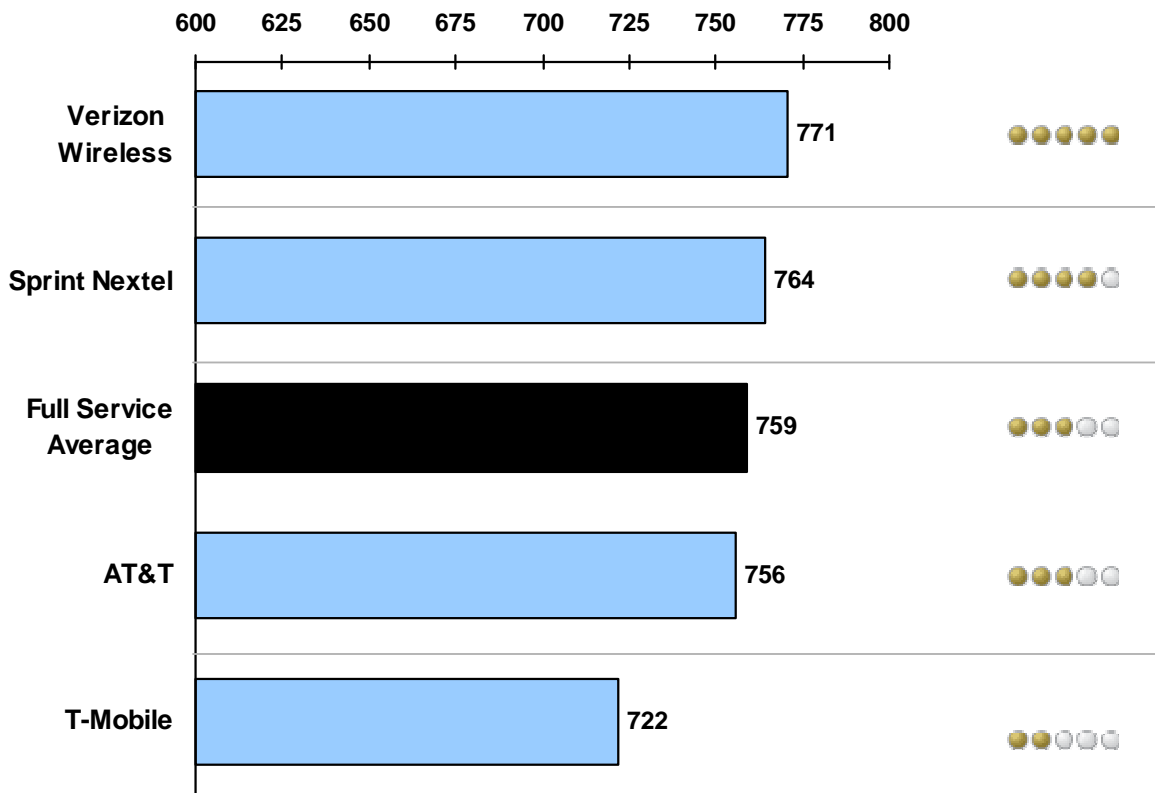
NOTE: Two charts follow.

J.D. Power and Associates 2012 U.S. Wireless Customer Care Full-Service Performance StudySM—Volume 2

Overall Customer Care Index Rankings

(Based on a 1,000-point scale)

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for consumers:



Power Circle Ratings Legend

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

Source: J.D. Power and Associates 2012 U.S. Wireless Customer Care Full Service Performance StudySM—Volume 2

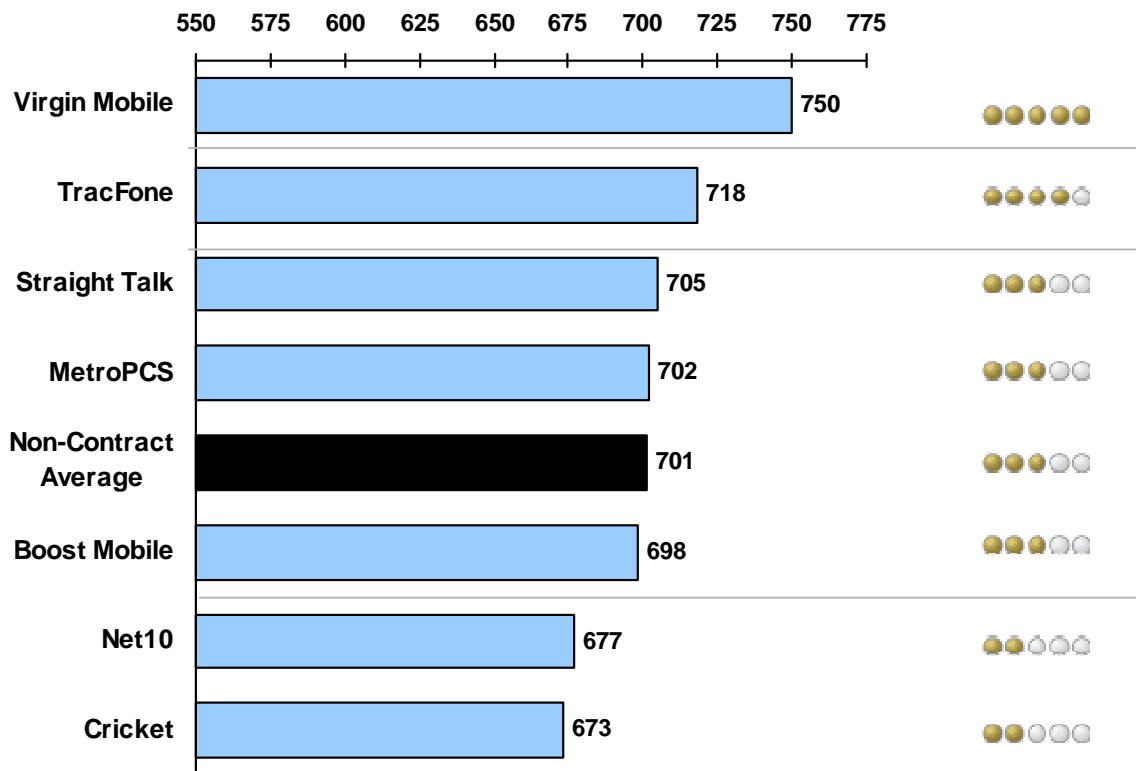
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