



Press Release

J.D. Power and Associates Reports:

Satisfaction with the Wireless Purchase Experience Is Higher among Customers with 4G-Enabled Devices Than among Those with Less Technologically Advanced Devices

Sprint Nextel Ranks Highest in Wireless Purchase Experience Satisfaction among Full-Service Carriers, While Boost Mobile Ranks Highest among Non-Contract Carriers

WESTLAKE VILLAGE, Calif: 21 February 2013 — Satisfaction with their purchase experience is higher among wireless customers who own a 4G-enabled device than among those who own a less technologically advanced device, according to the J.D. Power and Associates 2013 U.S. Wireless Full-Service Purchase Experience StudySM—Volume 1 and the 2013 U.S. Wireless Non-Contract Purchase Experience StudySM—Volume 1, both released today.

Now in their 10th year, the semiannual studies evaluate the wireless purchase experience of customers using any one of three contact channels: phone calls with sales representatives; visits to a retail wireless store; and online. Overall customer satisfaction with both full-service and non-contract branded carriers is based on six factors (in order of importance): store sales representative; website; phone sales representative; store facility; offerings and promotions; and cost of service.

The study finds that among full-service wireless customers who own a 4G-enabled device, satisfaction with their most recent purchase experience is 774 (on a 1,000-point scale), considerably higher than among those who own a previous-generation network technology device (753), such as a 3G smartphone or feature phone. This gap in satisfaction is found across both retail and online contact channels.

Full-service wireless customers who purchase a device in a retail store provide higher satisfaction ratings than non-4G customers for fairness of price paid for additional services, such as Web browsing, text messaging, ring tones, attractiveness of phones and equipment to choose from.

“Customers making purchases in retail stores have an opportunity to touch handsets and accessories and understand the value associated with each, something not possible over the phone,” said Kirk Parsons, senior director of wireless services at J.D. Power and Associates. “In addition, carriers have invested heavily in merchandising, store upgrades and staff training to make the overall purchase experience for customers more enjoyable and efficient in the retail store.”

The study also shows a direct correlation between a knowledgeable salesperson regarding device technology and higher levels of customer satisfaction with the overall retail experience.

Key Findings

- Satisfaction is higher when shopping on general store websites (772) than big box stores (752) and carrier websites (736).
- Satisfaction is higher among customers with a 4G phone than among those with a non-4G phone (774 vs. 753, respectively).
- Satisfaction among 4G retail customers is 821 when the technology is explained to them vs. 714 when no explanation is provided.
- On average, customers with a 4G phone spend \$24 more per month than do those with a non-4G phone.

Wireless Purchase Experience Study Results

For a fourth consecutive reporting period, Sprint Nextel ranks highest in overall customer purchase experience satisfaction among major full-service wireless carriers. Sprint Nextel achieves a score of 778 and performs particularly well in the offerings and promotions and cost of service factors. Verizon Wireless (764) follows in the rankings.

Boost Mobile ranks highest in overall customer purchase experience satisfaction among non-contract service carriers. The carrier achieves a score of 773 and performs particularly well in the phone sales representative, cost of service and website factors. MetroPCS (768) and Virgin Mobile (767) follow in the rankings.

The study also finds the following key wireless purchase transaction patterns:

- Non-contract carriers excel at satisfying customers who purchase a new phone online. Satisfaction with the overall purchase experience among non-contract customers who purchase their phone online is 789, compared with 768 among those who purchase their device over the phone and 742 among those who buy their device in a store. This trend is opposite that of full-service carriers.
- While the majority of customers who make their purchase online do so via their carrier's website (76%), satisfaction with the experience is higher among those who make their purchase via such general shopping websites as amazon.com and sites for big box retailers, such as bestbuy.com. Satisfaction among customers who make their purchase via general shopping sites and big box store sites is 772 and 752, respectively, compared with 736 among those who purchase via their carrier's site.
- Customer satisfaction with the overall purchase experience for other retailers, such as Apple, Best Buy, Costco, RadioShack and Wal-Mart, has improved relative to satisfaction with full-service carrier-branded stores. In 2013 Vol. 1, satisfaction is five points higher among customers purchasing from electronics and big box stores than carrier-branded stores, while it is 18 points lower in the 2012 Vol. 2 study.

The 2013 Wireless Full-Service Purchase Experience Study—Volume 1 is based on responses from 7,777 wireless customers. The 2013 Wireless Non-Contract Purchase Experience Study—Volume 1 is based on responses from 3,533 wireless customers. Both studies are among current wireless service customers who indicate having had a sales transaction with their current carrier within the past six months. The study was fielded from July through December 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. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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The McGraw-Hill Companies (NYSE: MHP), a financial intelligence and education company, signed an agreement to sell its McGraw-Hill Education business to investment funds affiliated with Apollo Global Management, LLC in November 2012. Following the sale closing, expected in early 2013, the Company will be renamed McGraw Hill Financial (subject to shareholder approval) and will be a powerhouse in benchmarks, content and analytics for the global capital and commodity markets. The Company's leading brands will include:

Standard & Poor's, S&P Capital IQ, S&P Dow Jones Indices, Platts, Crisil, J.D. Power and Associates, McGraw-Hill Construction and Aviation Week. The Company will have approximately 17,000 employees in more than 30 countries. Additional information is available at www.mcgraw-hill.com.

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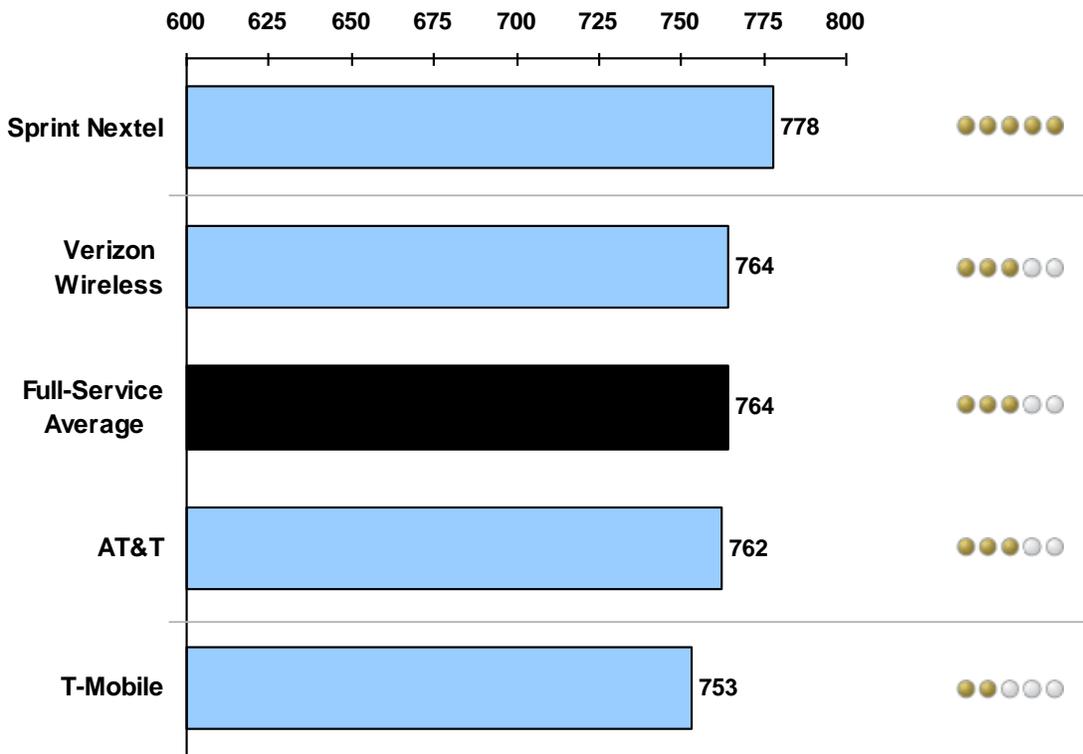
NOTE: Two charts follow.

J.D. Power and Associates 2013 Wireless Full-Service Purchase Experience StudySM –Volume 1

Overall Purchase Experience 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 2013 Wireless Full-Service Purchase Experience StudySM–Volume 1

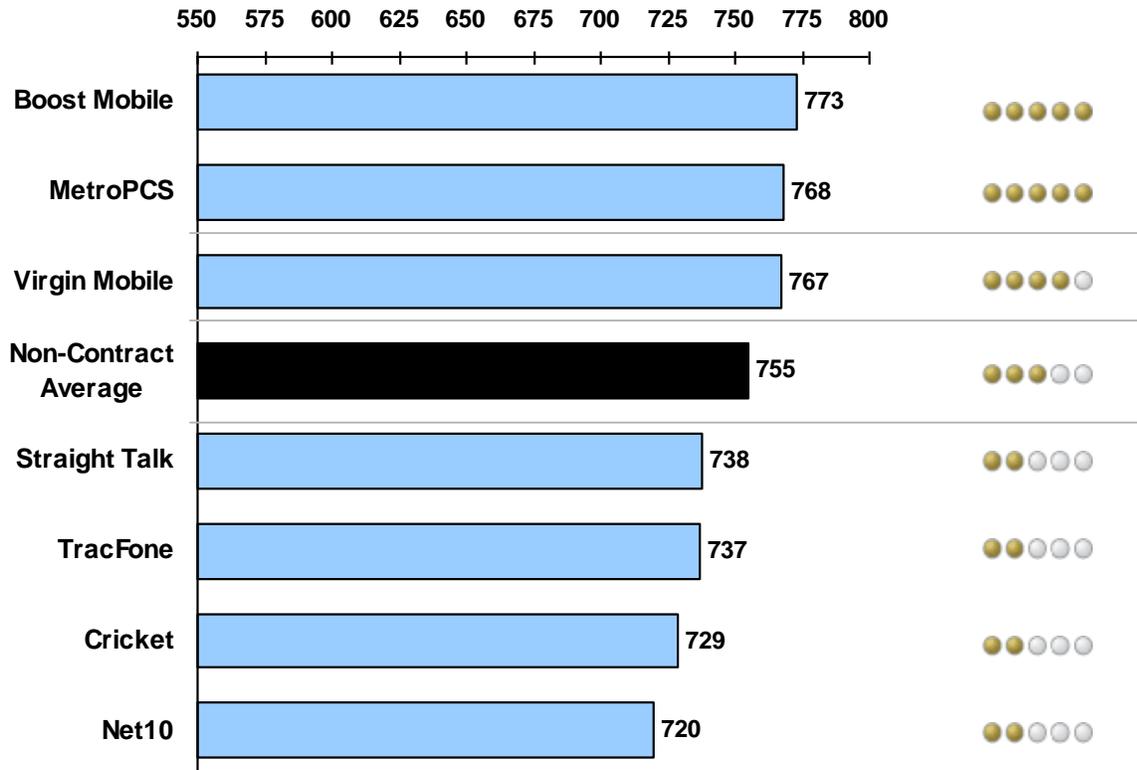
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J.D. Power and Associates 2013 Wireless Non-Contract Purchase Experience StudySM –Volume 1

Overall Purchase Experience Index Rankings

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Source: J.D. Power and Associates 2013 Wireless Non-Contract Purchase Experience StudySM–Volume 1

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