The Value of the Wireless Consumer

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We All Share the Same Goal

No matter who we are (legislators, staff, wireless service providers) we all want the same thing:

Satisfied Wireless Consumers
The Landscape Has Changed

Our existing customers have become more valuable because of:

- A 76% penetration rate, nationally.
- Number portability.
- “Churn”.
- Customers talking about their service.
The High Cost of Customer Acquisition

• UBS estimated that on average, carriers spend $340* in marketing and other related costs to acquire a new customer.

• If customers are not satisfied with their wireless service or want to obtain better rates or new features, they can do so by effectively voting with their feet.

The Customer Benefits of “Competitive Differentiators”

• AT&T educates customers about its new services at point of sale with comprehensive point-of-sale documents that provide customers a personalized, easy-to-understand summary of their calling plan and its features, including both a first bill.
• T-Mobile has the “Personal Coverage Check” available on its website and at its retail locations, which allows consumers to see coverage to the street level in their places of highest use such as at home and work before they sign up for service.
• Sprint Nextel offers the Sprint Right Plan Promise, which allows customers in the first three months of their contract to change their plan to a plan with an equal term without renewal.
• Verizon Wireless introduced the first “Ringback Tones”, a popular feature that allows callers to hear music instead of ringing when they call your wireless phone.
We Are Doing a Better Job

In a national survey of 1000 adult users of wireless service*: 

- 93% said that they are satisfied with their wireless service.
- 72% considered the value of their service to be excellent.
- 63% believe that competition means consumers receive quality cell phone service.

*Conducted in March 2007. Commissioned by MyWireless.org. and conducted by McLaughlin & Assoc. and Penn, Schoen & Berland
No Need For Legislation

With the high cost of customer acquisition, and an increasingly saturated market, it is imperative that each carrier take care of its customers. The failure to do so is costly indeed. No legislation can substitute for the free-market necessity and desire to maintain its existing customer base and avoid the loss of customers to competitors, otherwise known as “churn”.
Thank you!