

TECHNOLOGY,
MEDIA & TELECOM | 20
23
ANNUAL REPORT

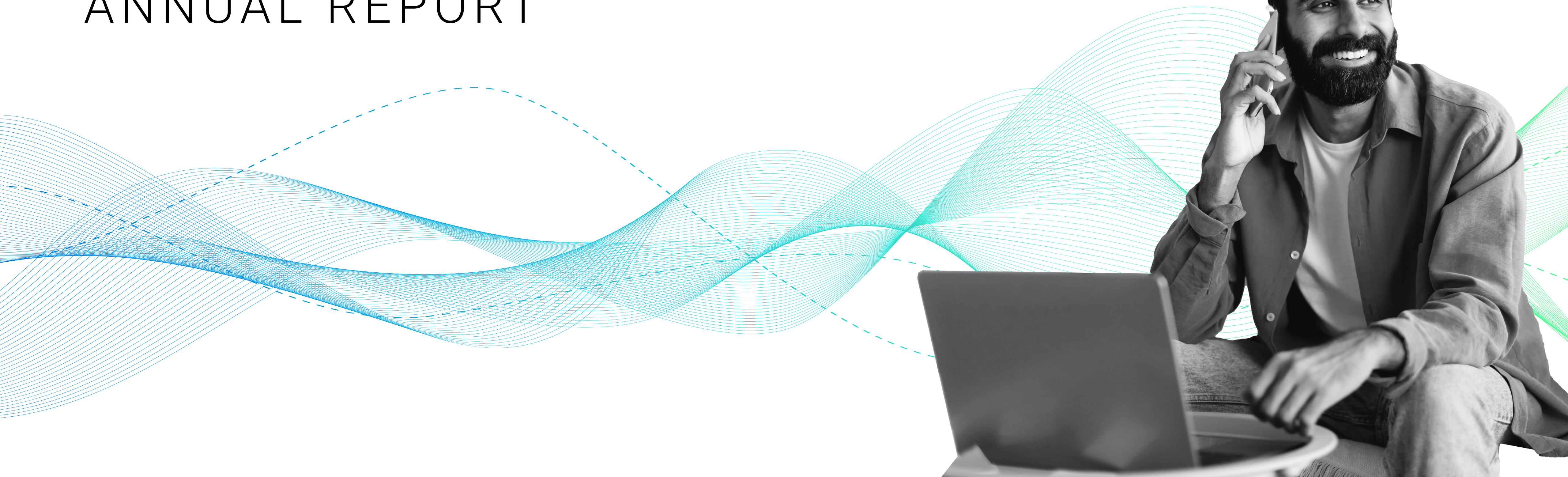
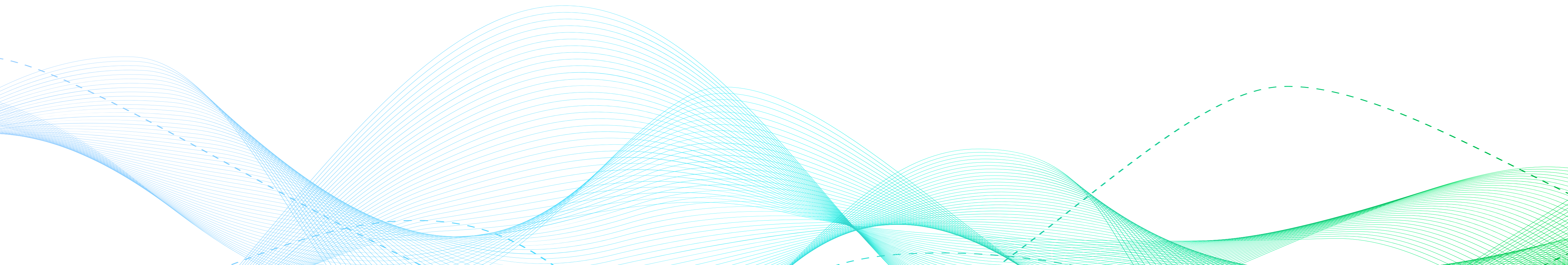


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OUR INSIGHTS TRANSFORM INDUSTRIES AND **IMPROVE CONSUMERS' LIVES.**

J.D. Power is a global leader in consumer insights, data, analytics, and advisory services. Every day, we measure what matters and translate data into actionable insights.

We have built our reputation around uncovering and standing up for the truth. Consumers rely on J.D. Power to make them better buyers, owners, and sellers. Businesses seek our guidance on how to improve their products and strengthen their brands.

55+ years

OF **EXPERTISE** BRINGING
CUSTOMER VOICES
TO GLOBAL BRANDS

more
than **3 IN 4**

CONSUMERS SAY THAT
J.D. POWER HAS "DEEP
INDUSTRY EXPERTISE."*

90%

OF J.D. POWER **RATING OR
REVIEW USERS** SAY THE
INFORMATION HELPED
THEM TO WITH THEIR
PURCHASE DECISION.**

* Based on J.D. Power U.S. Award program research conducted by Kantar in March 2020.

** Based on consumer evaluations of J.D. Power as a company that provides ratings/reviews of products & services in March 2020.

A NOTE FROM **CARL LEPPER** SENIOR DIRECTOR, TECHNOLOGY, MEDIA & TELECOM



This year Technology, Media & Telecom industries navigated economic uncertainty, digital disruptions, labor disputes, cyberattacks, and an increasingly crowded marketplace. Heading into 2024, legacy media is on the verge of upheaval and big wireless is facing more intense competition.

Steadily declining cable viewership, intense pressure to make streaming profitable, uncertainty around the impact of generative AI, and a historic joint strike rattled media giants. Telecom faced its own set of challenges as sluggish financial performances, executive reshuffles, and declining customer loyalty left providers in a vulnerable position.

Despite these obstacles, many brands innovated and evolved their offerings, ultimately enhancing the customer experience. Quality and consistency were top drivers of satisfaction across multiple studies, and cost continued to be a top-of-mind for inflation-weary consumers.

Loyalty among live TV streaming customers is watch-worthy – As the television industry braces for dramatic shifts, developing seamless and engaging customer experiences is critical to minimizing financial impact. Providers looking to reduce churn may want to consider adopting the successful CX strategies used by live TV streaming services. The superior customer care and problem resolution that streamers offered this year led to increased satisfaction scores across all seven factors of our 2023 U.S. Television Service Provider Satisfaction Study. Exceeding the needs of subscribers also significantly impacted loyalty, with 88% reporting they are unlikely to switch services in the next year. Streamers have often been a more affordable option, but there was typically a trade-off in reliability and customer care. Now, with streamers consistently delighting subscribers and the process of switching services easier than ever, competitors must innovate their offerings to remain relevant.

Increased internet speeds leads to increased customer expectations – The internet marketplace has seen exciting new product developments and tremendous sustained investments in fiber deployments nationwide. Over the past decade, the industry has witnessed remarkable advancements, with top broadband speeds skyrocketing from 16 Mbps to a staggering 2 Gbps. Results from the 2023 U.S. Residential Internet Service Provider Study showed a 10-percentage point surge in customers reporting speeds of 300 Mbps or higher compared to the previous year. As connectivity and dependability improves, customers expect seamless online experiences, faster load times, and uninterrupted service. With competition intensifying among mobile network operators (FWA), fiber overbuilders, traditional ISPs, and satellite, meeting the demands for high-speed, reliable internet is pivotal to success and sustainability.

Heavy mobile device reliance leaves little tolerance for network issues – Innovative new use cases for mobile highlighted the critical need for a high-quality, ubiquitous wireless connection. The 2023 U.S. Wireless Network Quality Study - Volume 2 showed significant increases in device usage among younger consumers. In fact, Gen Z's usage was more than 3x that of the Boomer generation. This heavy reliance has led to high wireless network performance expectations and a decreased tolerance for problems. These digital natives expect their phones to work perfectly and are highly sensitive to slowly loading content, failed audio, or poor-quality streaming video. This volume, Gen Z reported 2x the data-related problems as Boomers and were the least satisfied with their network quality.

As data usage among younger consumers skyrockets, it is crucial for wireless network quality to keep pace with their ever-growing demands and increasingly elevated expectations.

Continue reading to discover more industry insights – including the drivers of satisfaction and key performance indicators – and how they relate to actionable recommendations from our experts, data scientists, and researchers.

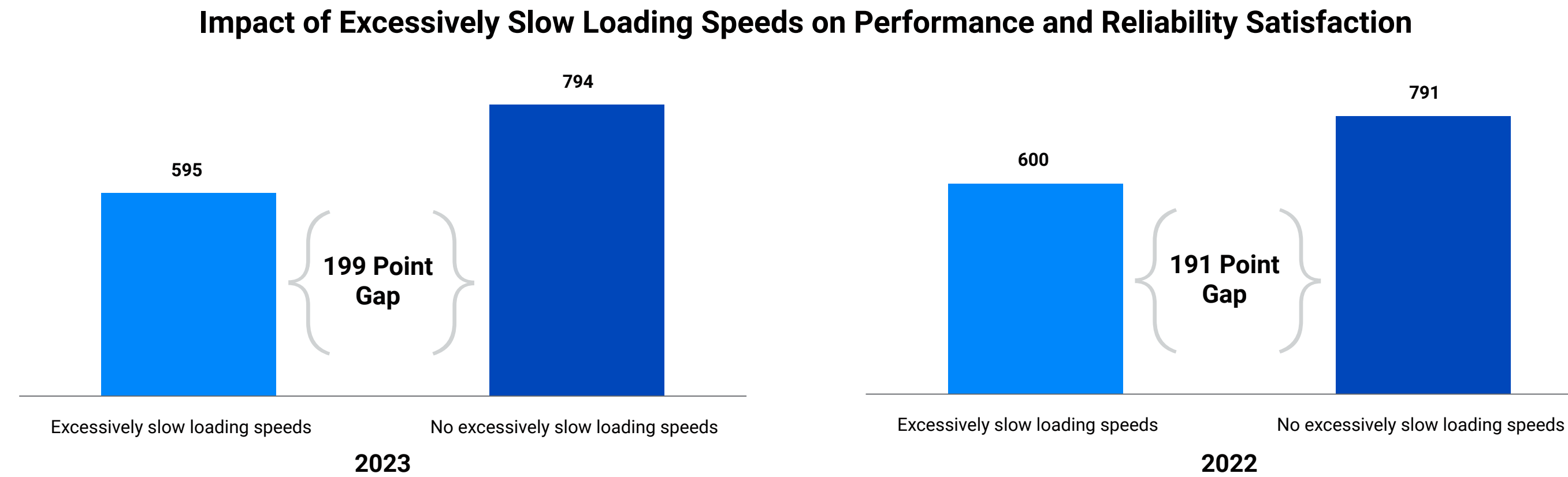
KEY INSIGHTS

2023 U.S. INTERNET SERVICE PROVIDER SATISFACTION STUDY

Impact of Excessively Slow Loading Speeds on Satisfaction

As internet connectivity and dependability improves, customers expect seamless online experiences, faster load times, and uninterrupted service.

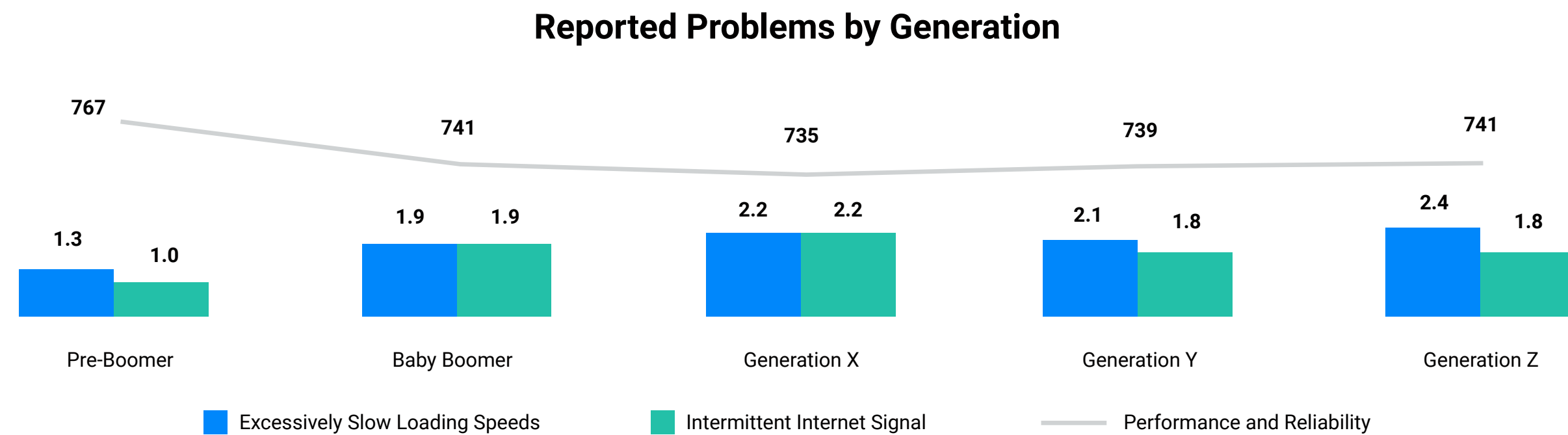
This year, there was a 10 percentage-point increase seen in reported speeds of 300+ Mbps. Additionally, there was a lower Performance and Reliability Satisfaction score and larger gap between customers with excessively slow loading speeds and those who do not experience this problem.



The Generation Gap

Customers with the slowest internet speed report the most problems.

When reviewing these problems by generation, older customers have the fewest problems and highest satisfaction.



KEY INSIGHTS

2023 U.S. TELEVISION SERVICE PROVIDER SATISFACTION STUDY



Cost Performance Varies Greatly Among Cable/Satellite TV Providers

Cost of Service performance varied greatly among Cable/Satellite providers, with some brands improving by nearly 30 index points and others declining by more than 50 index points.

Ensuring customers see the value in their services is key to high performance in this area.

Cable/Satellite TV Index and Factor Performance

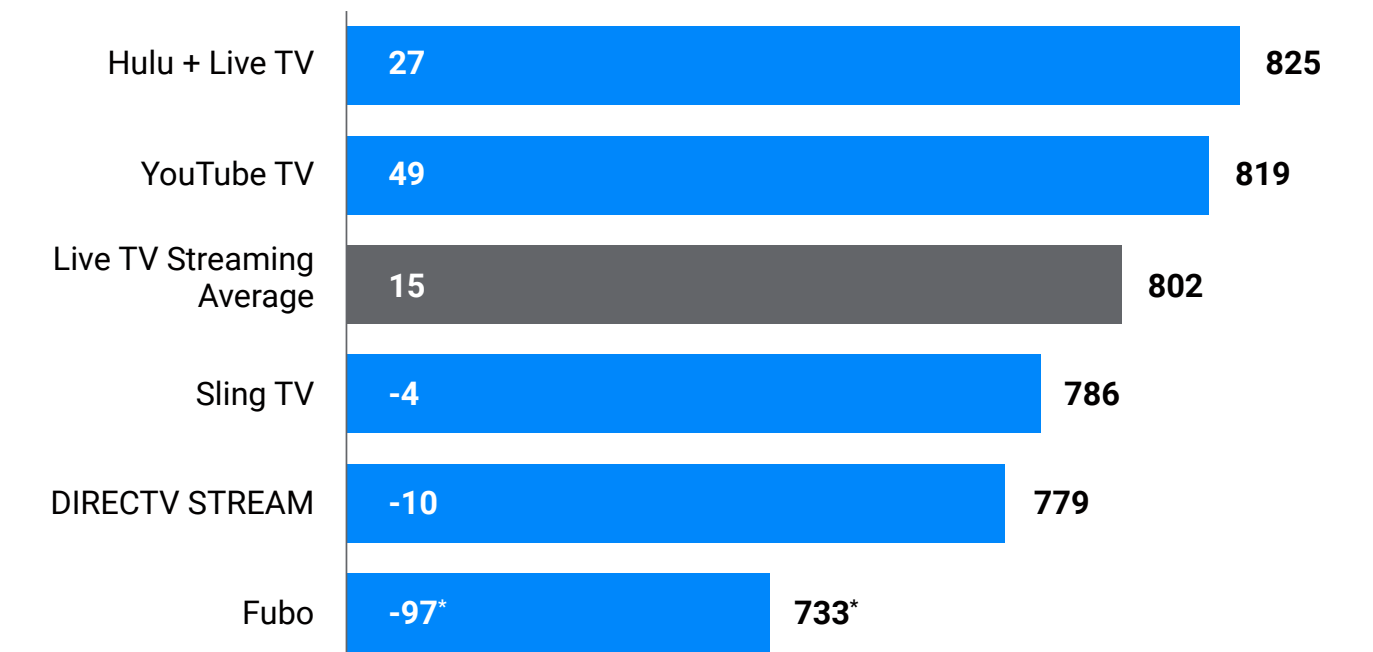
	COST OF SERVICE
Cable/Satellite TV Average	563 (0)
Cox Communications	548 (+21)
DIRECTV	565 (+5)
DISH	595 (-19)
Optimum	523 (+29)
Spectrum	569 (+19)
Verizon Fios	626 (-8)
Xfinity	541 (-21)
Xtream powered by Mediacom	477 (-56)

Live TV Streaming Sees Biggest Improvement in Customer Care

Significant year-over-year improvements were seen across all Live TV Streaming care channels: Phone (+24 points), Website (+17 points), and App (+8 points).

Hulu + Live TV had the highest Customer Care Satisfaction score and improved by 27 index points. With a significant improvement of 49 index points, YouTube TV ranked second.

Customer Care Satisfaction (Satisfaction scores on a 1,000 point scale)



KEY INSIGHTS

2023 U.S. WIRELESS TOTAL OWNERSHIP EXPERIENCE STUDY, VOL. 2

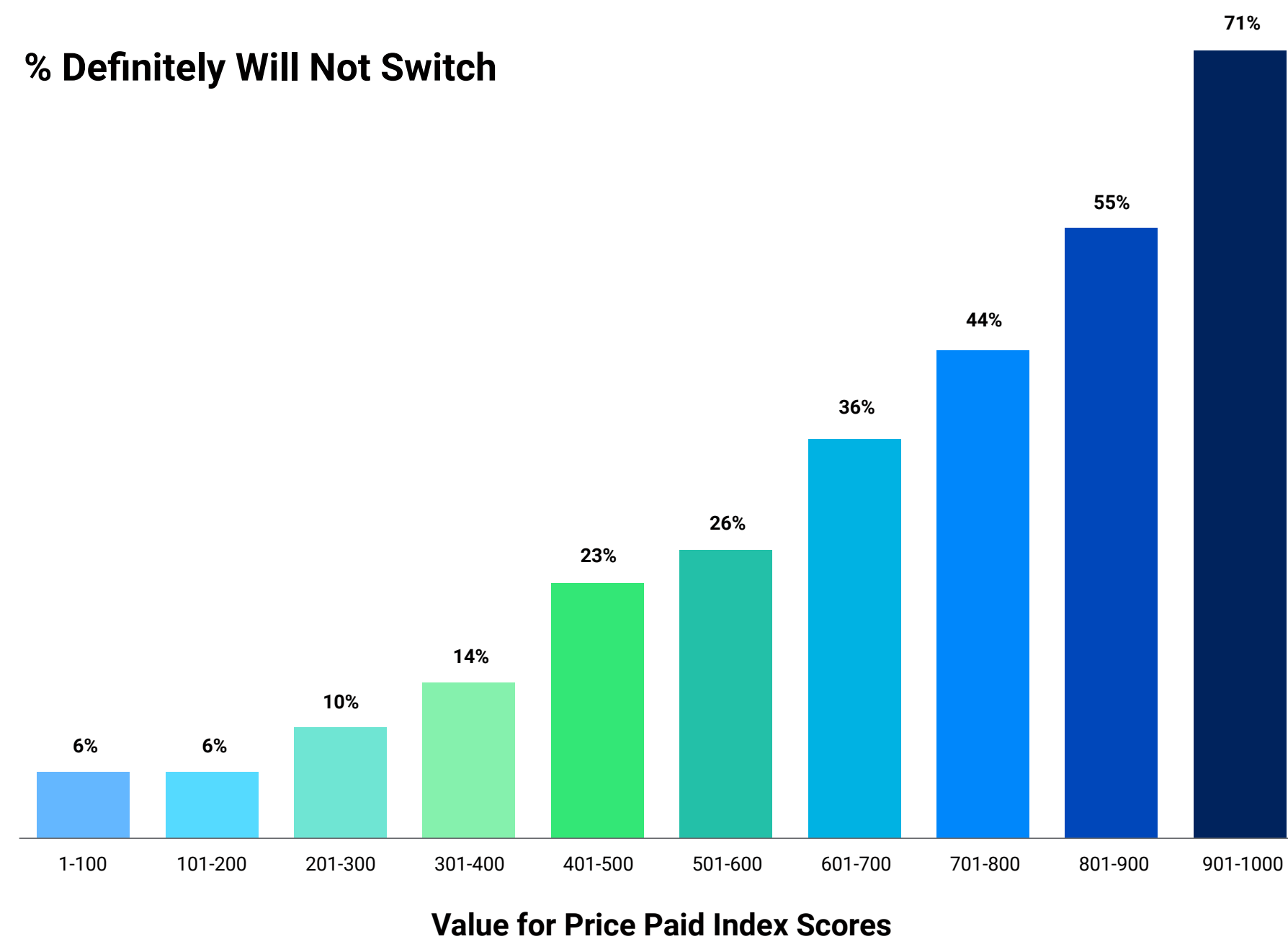


Loyalty to Carrier Increases with Value Satisfaction

Our data conclusively shows us that the higher a customer's satisfaction with the value they are receiving, the less likely they are to switch from their current carrier. In fact, the primary reason customers end their wireless service is because of price.

Paying attention to price, and ensuring customers see the value in what they pay, is critical to ensuring customers remain loyal.

With more than 7 in 10 customers having index scores of 900 or less, there is room to improve perceptions of value, and in turn, customer retention.



	TOTAL INDUSTRY
Satisfaction with Value for Price Paid	796
1-100	1%
101-200	1%
201-300	2%
301-400	3%
401-500	8%
501-600	6%
601-700	12%
701-800	20%
801-900	19%
901-1000	29%

Reasons for Selecting Wireless Carrier

Network

38%

Price

37%

Reasons for Ending Service with Previous Carrier

Price

47%

Network Issues

28%

KEY INSIGHTS

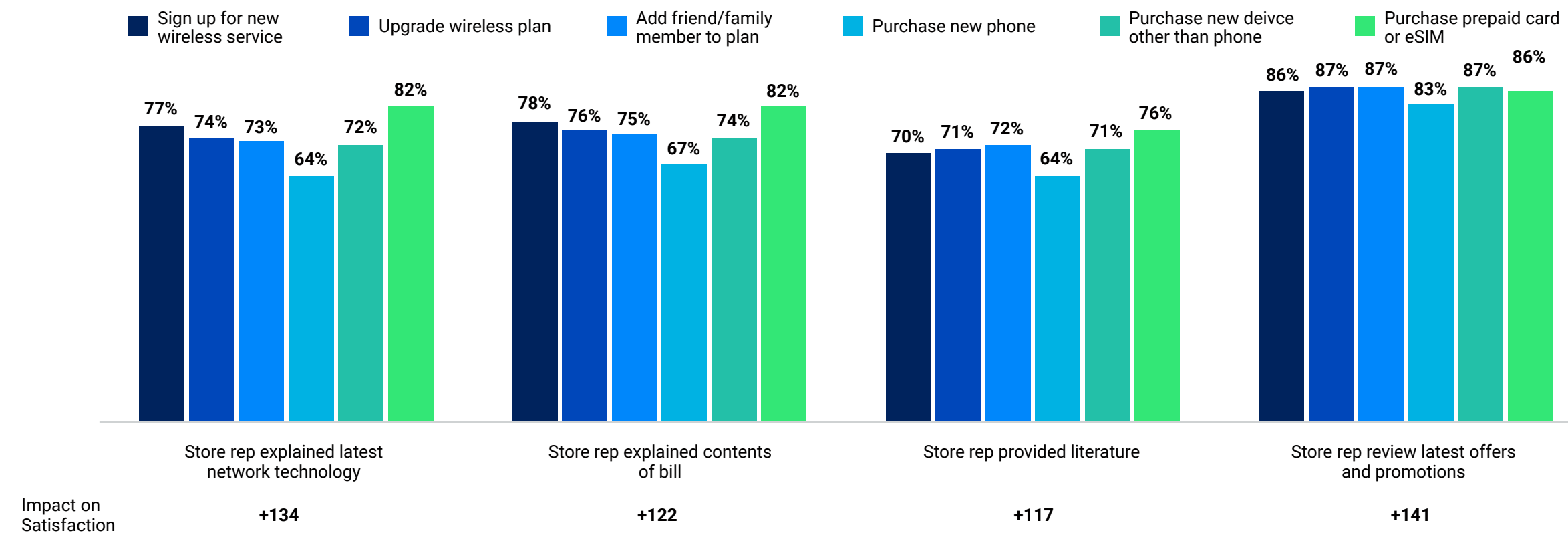
2023 U.S. WIRELESS RETAIL EXPERIENCE STUDY, VOL. 2

Satisfaction is Lowest When Purchasing a New Phone

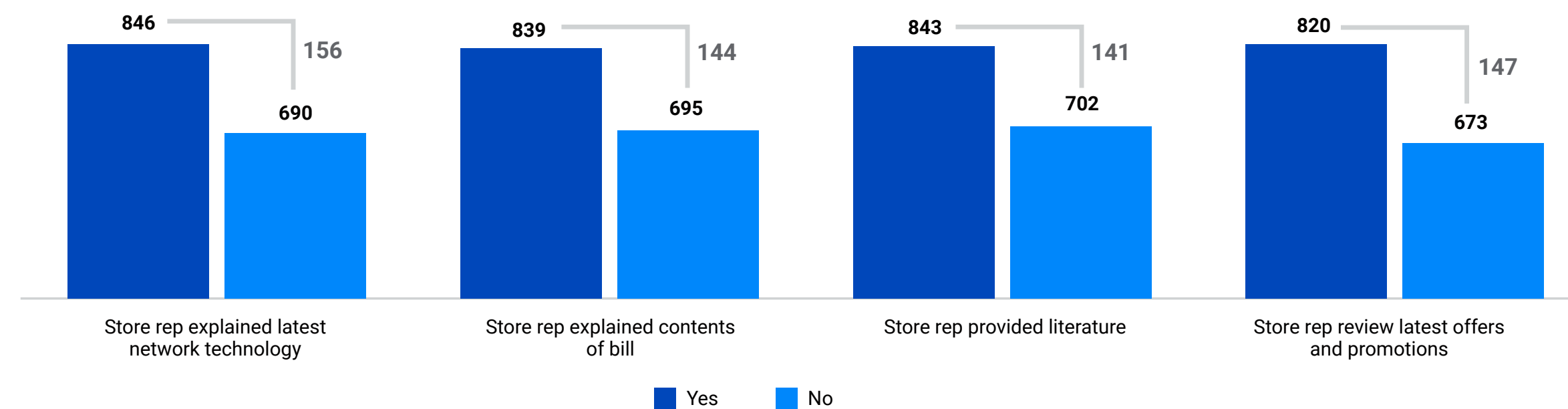
Compared to other store purchases, new device purchases fall behind on information provided. Those customers are less likely to report that the rep explained the latest network technology, that the rep explained the bill contents, that the rep provided literature, or that the rep reviewed the latest offers and promotions.

Providing customers with information during their purchase transaction is directly linked to satisfaction with Cost and Promotions, thereby impacting Retail Experience Satisfaction.

Store Channel Diagnostics by Purchase Type, % Yes



Cost and Promotions Index by Store Diagnostics



KEY INSIGHTS

2023 U.S. WIRELESS NETWORK QUALITY PERFORMANCE STUDY, VOL. 2

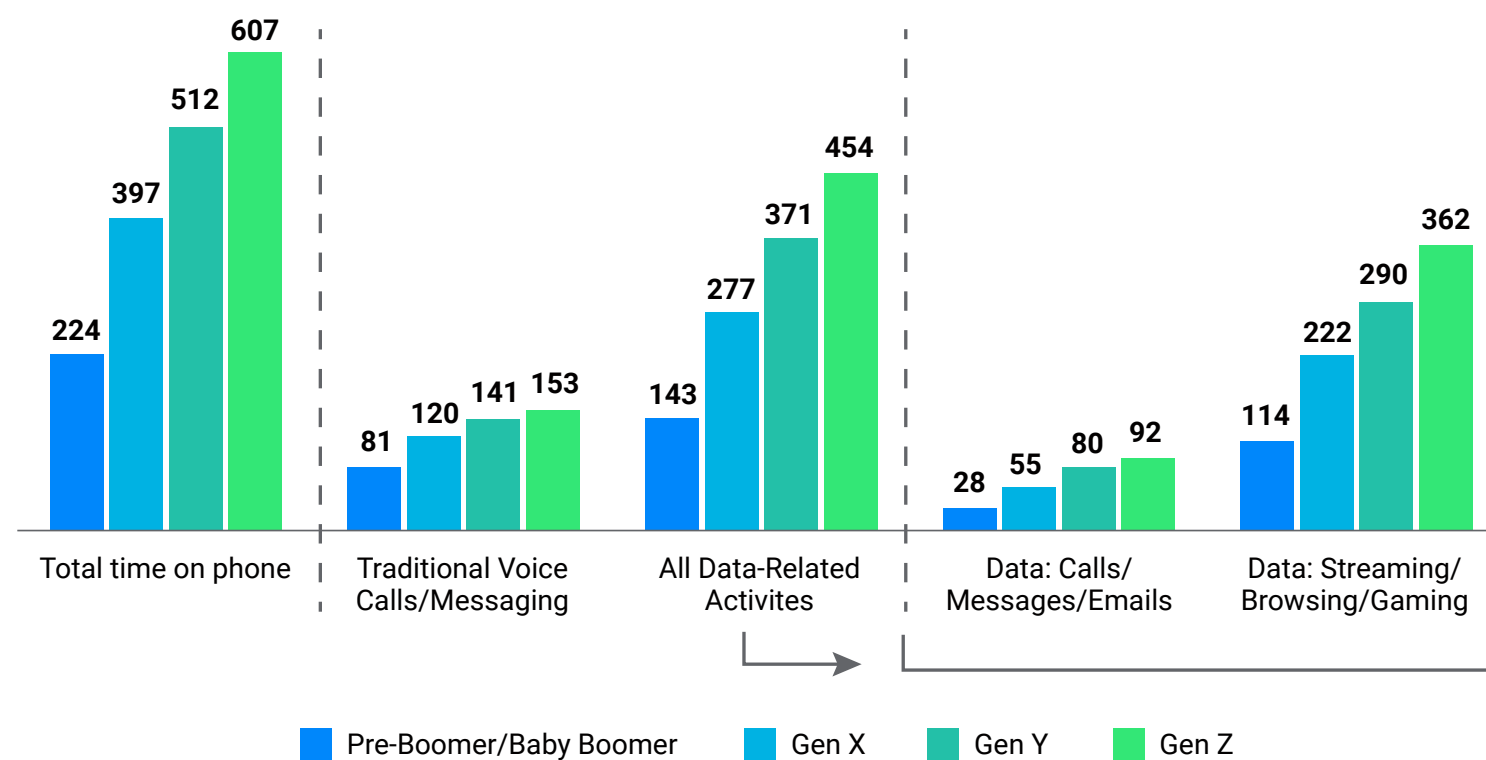


Voice and Data Problems Impact Generations Differently

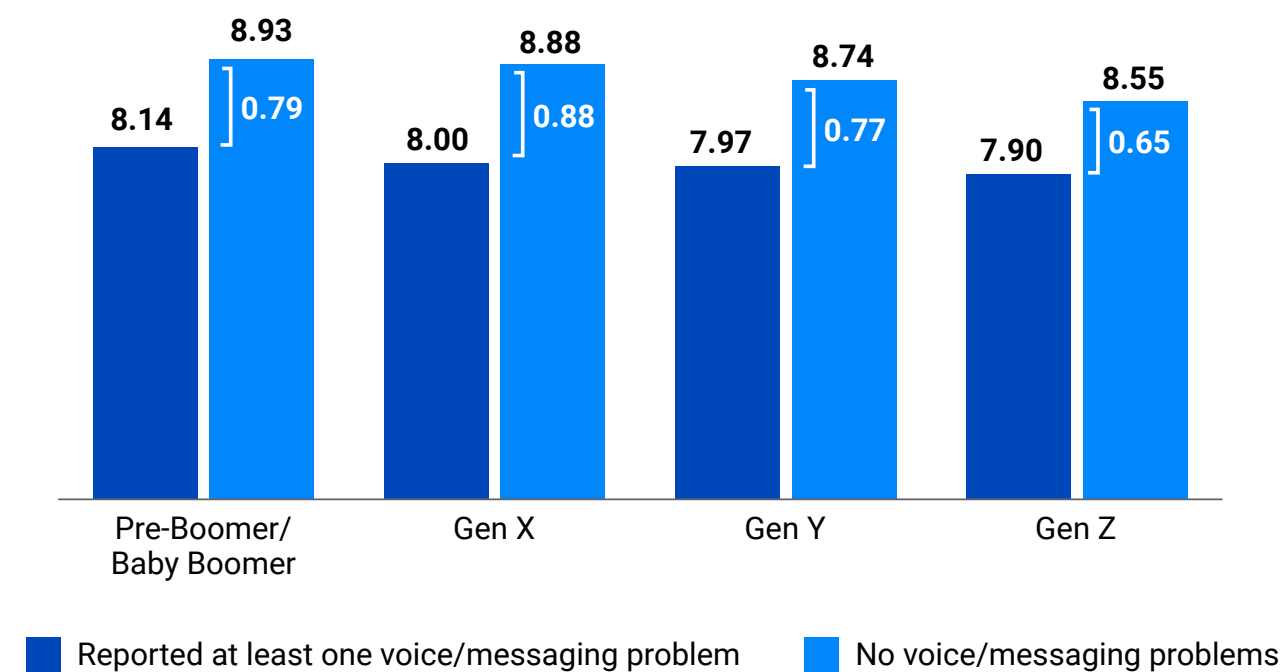
Generally, younger generations seem more tolerant to voice and messaging problems than older generations. For data-related problems, the trend is the opposite, with Gen Z reporting 2x the problems as the Boomer generation.

This is directly related to younger consumers having higher device usage and reliance. When it comes to data streaming, content browsing, and gaming, Gen Z's usage is more than 3x that of the Boomer generation.

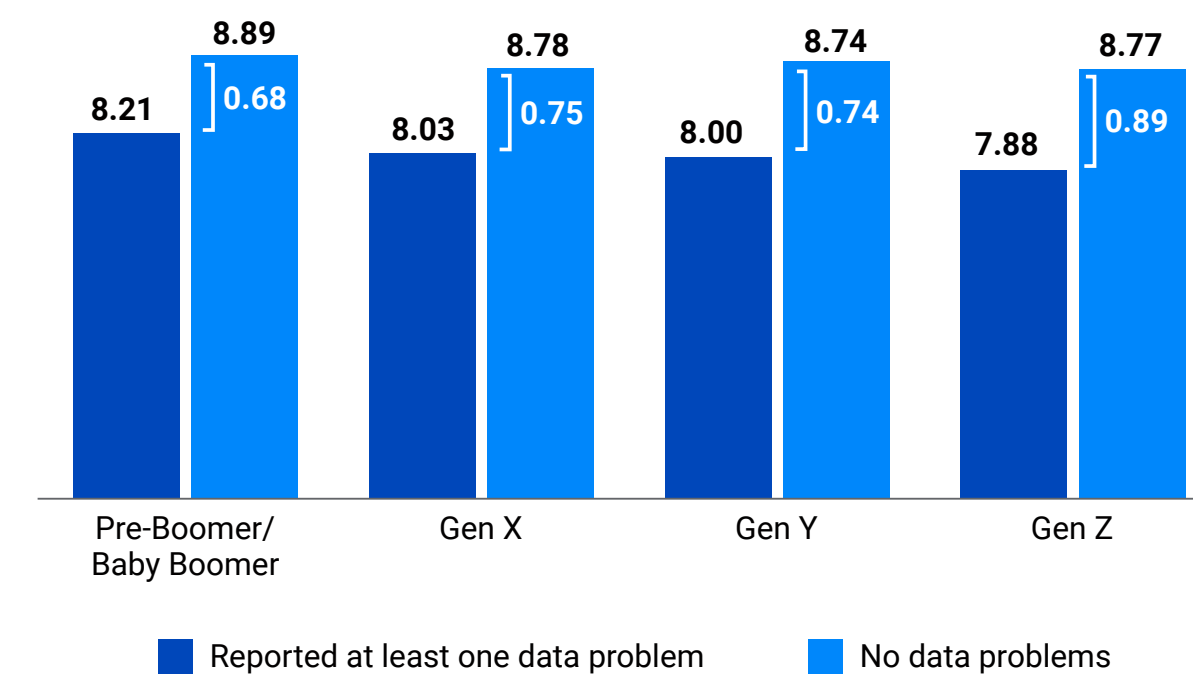
Minutes Spent by Activity in Past 48 Hours and Generation



Voice/Messaging Problem Impact on Network Quality Satisfaction by Generation



Data Problem Impact on Network Quality Satisfaction by Generation



KEY INSIGHTS

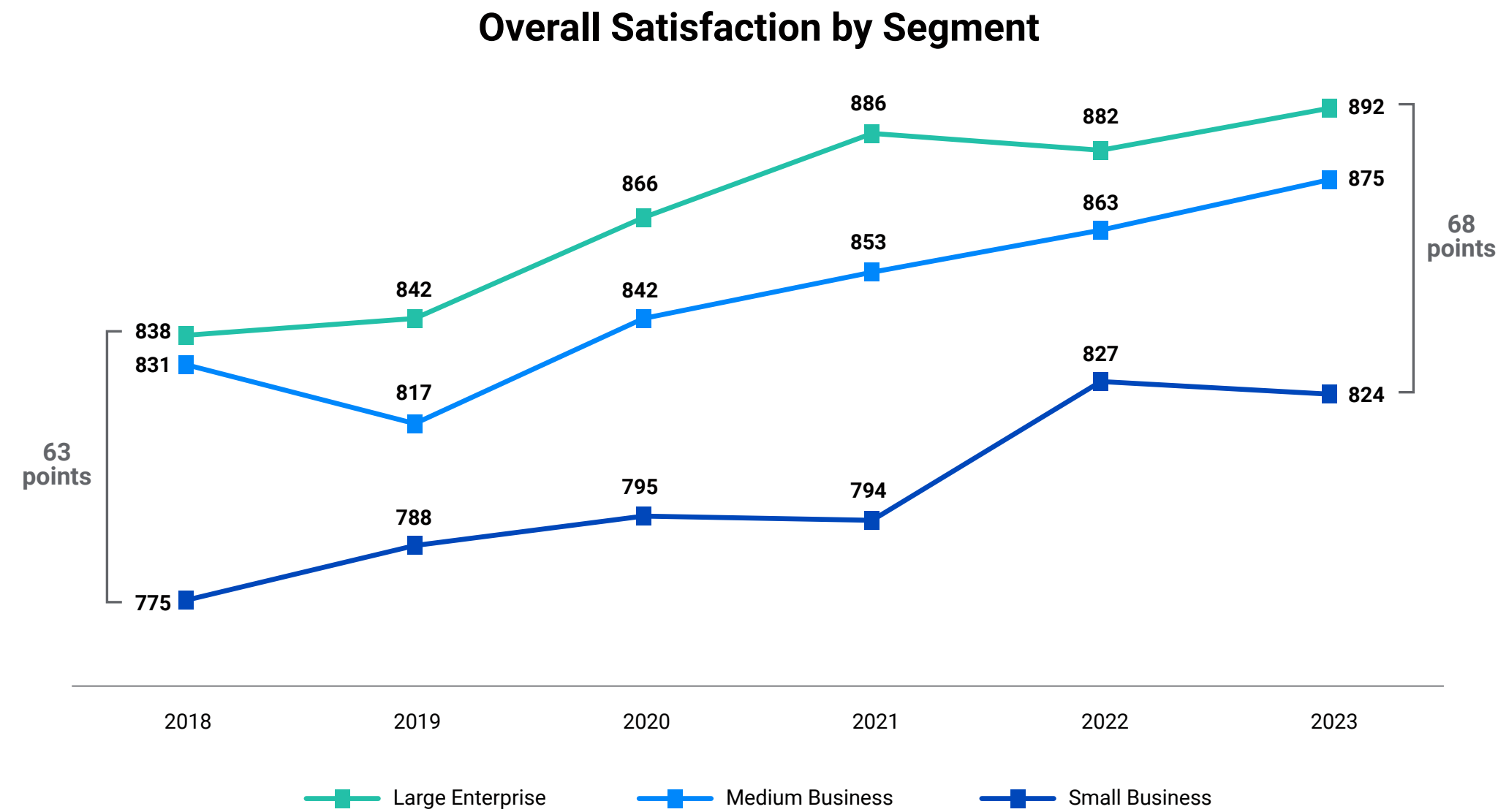
2023 U.S. BUSINESS WIRELESS SATISFACTION STUDY



Overall Satisfaction and Loyalty Has Increased Across All Segments

Across all segments, Overall Satisfaction has increased steadily over the past few years. The largest gains seen in the Large Enterprise segment, which increased 54 index points since 2018. Small Business and Medium Business gain 44 and 49 index points, respectively.

Additionally, the proportion of customers who strongly agree that they are loyal to their carrier increased across all segments, most significantly for Medium Business and Large Enterprise customers.



Small Business Loyal to Carrier (Average)

2022	2023
37%	40%

Medium Business Loyal to Carrier (Average)

2022	2023
41%	47%

Large Enterprise Loyal to Carrier (Average)

2022	2023
49%	53%

2023 U.S. BUSINESS WIRELINE SATISFACTION STUDY



Small Business Customers Are Significantly More Satisfied With Their Service

In 2023, Small Business customers are significantly more satisfied with their telecommunications service, both overall and across all factors, than they were in the prior year.

The largest gains in this segment are in Performance and Reliability, as customers are more likely to attribute service interruptions to factors beyond the control of their telecommunication providers. Additionally, SB customers were significantly more likely to be contacted during a service interruption this year, correlating with higher Performance and Reliability satisfaction.



Medium Business Customers Prefer Using the Automated Call System

Medium Business customers that use the automated system to handle their customer service needs are more satisfied than those that speak directly to a representative.

The proportion of customers who handle their call completely through the automated system has remained steady over the past three years, but Customer Service satisfaction for these customers has risen significantly as compared to 2023.



After A Decline, Large Enterprise Customers Have Significantly Higher Satisfaction Across the Board

In the Large Enterprise segment, each factor saw a significant improvement this year, after a slump in the year prior. The largest increases were in Communications and Billing.

One of the drivers of this increase in Communications satisfaction is that significantly fewer customers reached out with problems and questions. Additionally, more customers are receiving communication through email, which is their preferred method, and reported that that the frequency is “about right.”

AWARDED BRANDS FOR THE 2023 STUDY YEAR



2023 U.S. RESIDENTIAL INTERNET SERVICE PROVIDER SATISFACTION STUDY

- » East Region: Verizon
- » North Central Region: AT&T
- » South Region: Google Fiber
- » West Region: AT&T

2023 U.S. TELEVISION SERVICE PROVIDER SATISFACTION STUDY

- » Cable/Satellite TV – National: DISH
- » Cable/Satellite TV – East Region: Verizon Fios
- » Cable/Satellite TV – North Central Region: DISH
- » Cable/Satellite TV – South Region: DISH
- » Cable/Satellite TV – West Region: DIRECTV
- » Live TV Streaming: YouTube TV

2023 U.S. WIRELESS CUSTOMER CARE STUDY, VOLUME 1

- » Mobile Network Operators: T-Mobile
- » Mobile Virtual Network Operators: Metro by T-Mobile
- » Value Mobile Virtual Network Operators: Consumer Cellular

2023 U.S. WIRELESS RETAIL EXPERIENCE STUDY, VOLUME 2*

- » Mobile Network Operators: T-Mobile
- » Full-Service Mobile Virtual Network Operators: Cricket
- » Value Mobile Virtual Network Operators: Consumer Cellular

2023 U.S. BUSINESS WIRELINE SATISFACTION STUDY

- » Large Enterprise: AT&T
- » Medium Business: AT&T
- » Small Business: Verizon

2023 U.S. WIRELESS NETWORK QUALITY STUDY, VOLUME 1

- » Mid-Atlantic Region: Verizon Wireless
- » North Central Region: Verizon Wireless
- » Southeast Region: Verizon Wireless
- » West Region: Verizon Wireless
- » Northeast Region: Verizon Wireless and T-Mobile (tie)
- » Southwest Region: AT&T

2023 U.S. WIRELESS CUSTOMER CARE STUDY, VOLUME 2

- » Mobile Network Operators: T-Mobile
- » Full-Service Mobile Virtual Network Operators: Metro by T-Mobile
- » Value Mobile Virtual Network Operators: Consumer Cellular

2023 U.S. BUSINESS WIRELESS SATISFACTION STUDY

- » Large Enterprise: AT&T
- » Medium Business: T-Mobile
- » Small Business: T-Mobile

2023 U.S. WIRELESS NETWORK QUALITY STUDY, VOLUME 2

- » Mid-Atlantic Region: Verizon Wireless
- » North Central Region: Verizon Wireless
- » Southeast Region: Verizon Wireless
- » West Region: Verizon Wireless
- » Northeast Region: Verizon Wireless
- » Southwest Region: Verizon Wireless

2023 U.S. WIRELESS PURCHASE EXPERIENCE STUDY, VOLUME 1

- » Mobile Network Operators: T-Mobile
- » Mobile Virtual Network Operators: Cricket
- » Value Mobile Virtual Network Operators: Mint Mobile

* Beginning with 2023 Volume 2, the U.S. Wireless Purchase Experience Study name officially changed to the U.S. Wireless Retail Experience Study.

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For more information and study rankings, please visit:

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