

# connect

## CUSTOMER SURVEY



### MOBILE SERVICE PROVIDER 2016

**F**or the second time, connect has launched a large-scale study to gauge the satisfaction of mobile customers, conducted by the publisher's in-house Institute for Telecommunications. A total of 3919 customers from Germany, Austria and Switzerland were interviewed online, grouped into the main categories Customer Service, Pricing, Perceived Network Quality and Brand Affinity, to create the Customer Barometer 2016.

#### Prices matter, but network quality is gaining ground

Overall, study participants still mention prices as the main motivation for their choice; however, the significance of this factor has declined whereas network quality is increasingly gaining ground. The following report shows the results of individual service providers in detail – the illustrated charts however only reflect a fraction of the collected data.



DIRK WAASEN

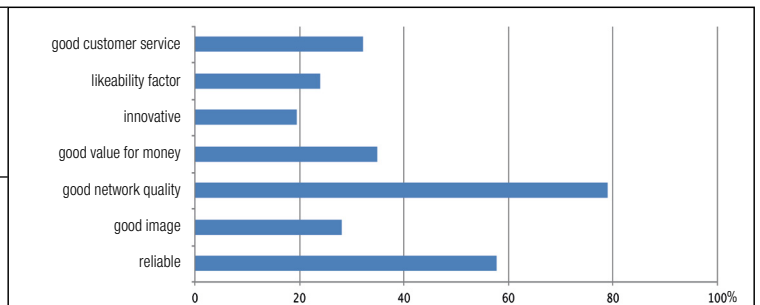


### TELEKOM

*If network quality were the only thing mobile telephone operators had to contend with, Telekom would finish top of the customer survey.*

An important part of the study was to verify why customers are loyal to a specific provider. In the case of Telekom, it is obviously the network quality – in four out of five criteria, namely, Network Quality, Reliability, Availability and Data Transfer – the Bonn-based company was clearly the big customer favourite: eight out of ten customers confirm the good network quality. In comparison, the network quality of Alditalk was only rated positively by three out of ten customers.

But the picture changes dramatically when it comes to the price, where Telekom brings up the rear in style. Only one in five customers finds the company's pricing is good, in con-



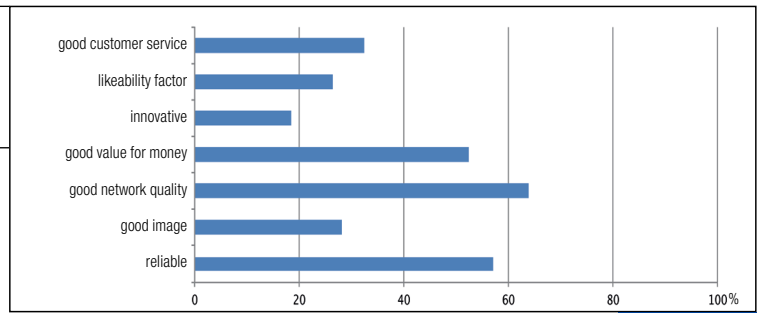
... contrast to the formerly berated Alditalk, where 71 per cent of customers appreciate the benefits to their wallets. In soft criteria such as image and affinity factor, the Bonn-based giant achieves scores similar to its competitors, with a slight edge in the factor reliability.



## VODAFONE

**Almost no differences in the network and better ratings for prices – Vodafone comes head to head with Telekom.**

Vodafone customers seem unruffled. Almost nothing upsets or elates them: they are satisfied or very satisfied with everything. The company scores well in customer service and brand image, and very good for network quality, with marginal gaps in each of these criteria in the comparison with its competitor from Bonn. However, when it comes to price satisfaction, the Düsseldorf-based company makes a huge leap forward. Significantly more Vodafone customers give their provider a positive rating than do Telekom customers. Nevertheless, Vodafone also does not achieve peak ratings here, because O2 and Base as well as the discounters achieve better ratings here, almost by matter of principle. In the criteria net-



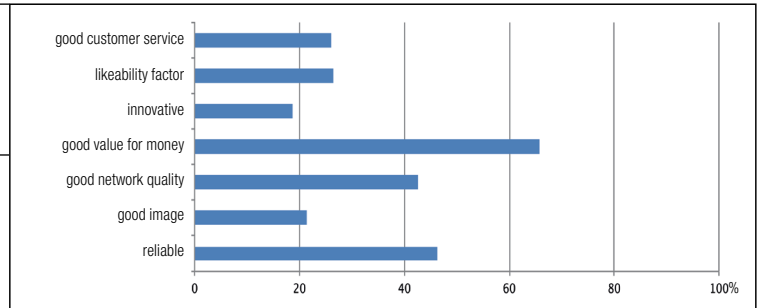
work quality, Telekom and its subsidiary Congstar are able to thwart a clear victory by Vodafone; what clearly transpires, however, is that the factors voice quality, data transmission and network coverage are definitively assets. It is striking how the network profile of 1&1 is similar to that of its partner Vodafone – a proof that the survey is in itself consistent.



## O2

**From the perspective of customers surveyed, the network quality is the biggest sticking point.**

All things considered, network operators and mobile operators have moved closely together. Some pursue a price-based strategy, others make quality their top priority, and still others want the quality achievable at the best price. O2 seems to belong to the latter category. However, its claim that two networks are better than one does not seem to resonate with its customers: Whereas last year O2 managed to keep Base at arm's length, this year both networks have closed ranks, also from the perspective of customers – but at a significantly lower level and far away from the Telekom or Vodafone net-



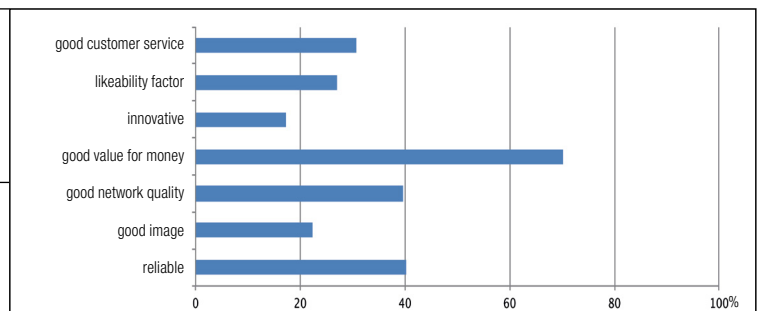
works. Respondents criticized in particular availability, which has become worse. As regards customer service, O2 ranks average, but has a clear edge over its big competitors when it comes to pricing. Its image gets slightly worse grades, but that is enough for O2 to finish with the rating „good“.



## BASE

**The brand Base will be taken over by O2 – this is probably the last connect benchmark for the Düsseldorf-based mobile communications company.**

We would have loved to give Base a rousing send-off and hand over a final trophy before retirement. Unfortunately, however, customers are not impressed by their performance. Altogether, respondents gave worst ratings to the network quality, putting them on par with Alditalk – which also travels in the E-plus network. Despite good ratings for customer service and high likeability factor, the brand image of Base remains in the lower third of the field of competitors. What's more, the pricing is not attractive enough to outpace at least the discounters in the same network. The detailed analysis



has revealed that in absolute terms the respondents have a positive view of the tariffs and at least 70 percent of the survey participants attest that the value for money is good. In the final analysis, that is enough to narrowly achieve a „good“ final result. We are already looking forward to gauge the influence of customer migration to O2 in our study in 2017.



Winner

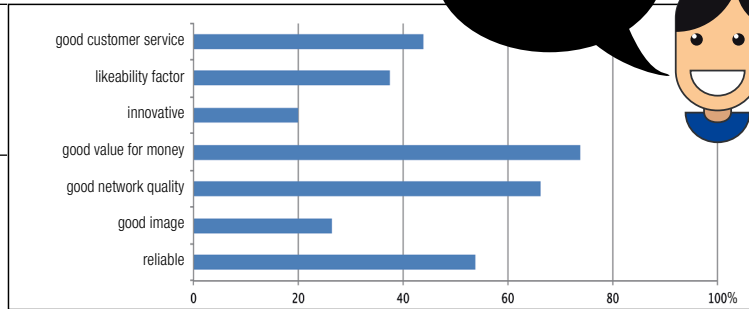


# 1&1



**From Cinderella to princess: 1&1 has made a huge leap forward in customer satisfaction.**

We remember the years in which 1&1 was given bad press due to its pushy sales tactics and poor service. Those days are past now. Today's customers are generally highly satisfied with the Montabaur-based provider. In customer service, mobile phone customers now give the former Internet specialists top marks in all categories: response speed, quality of response and employee friendliness – there are hardly any complaints for the service. The network study participants have even given them slightly better ratings than the provider Vodafone – it is not implausible that low expectations in the face of attractive rates have been clearly surpassed. All in all, 1&1



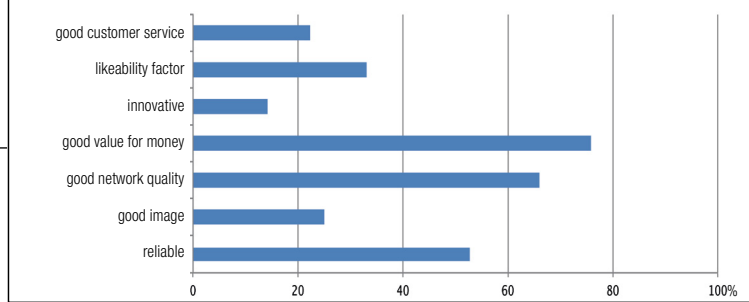
ranked third behind Alditalk and Simyo, also in the category pricing. The brand rating also gives reason for a self-congratulatory pat on the back: second place, at the heels of Congstar. Overall, the result has been achieved from a four times above-average „very good“ and the top rated company of the entire survey.



# CONGSTAR

**„Doing the right thing“ is the bottom line of the subsidiary of the German Telekom.**

Those searching Telekom prices online or in a shop will inevitably come across Congstar. You can compare this to a VW dealer offering alongside a 25,000 euro Golf a Seat Leon of the same build for 20,000 euros – with a top speed of 205 km/h instead of 215 km/h. Telekom seems to fare well with this strategy: Outwardly, the two brands are only separated by a speed throttle in LTE mode – and Congstar can laugh all the way to the bank. The customers surveyed gave the tariffs top ratings and the perceived network quality is almost on par with its parent company – only the data transmission gets a slightly lower score. Added to that, respondents perceive their



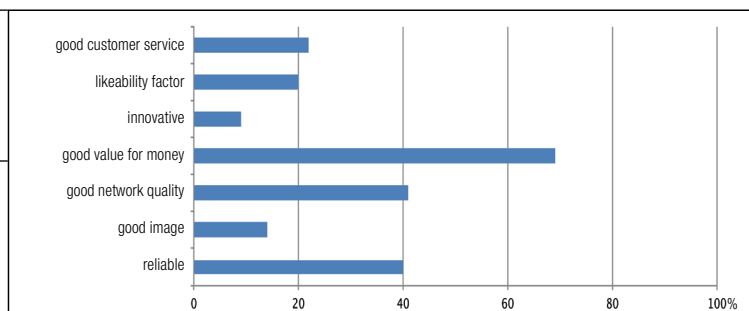
brand, Congstar, as being extremely likeable. The satisfaction is reflected in the high score for the recommendation criterion: 84 percent of the respondents are willing to recommend Congstar to their friends. It's no surprise then that the outcome is crowned by a „very good“ final result.



# OTELO

**The revitalised prepaid brand Otelo cannot benefit from the radiance of its parent Vodafone.**

While Congstar thrives under the wing of its parent company, Otelo must struggle alone in the wilderness. And instead of hip youngsters, its advertising features a football player whose career ended 38 years ago – not a crowd puller by any definition. This obviously has an impact on the brand image – Otelo shares last place with Simyo in the German comparison. The poor results come despite meeting expectations – the customers surveyed attested a good value for money and good prices. And most Otelo customers are also willing to recommend the provider. Unfortunately, the transfer is not successful when it comes to network quality: Here the provider



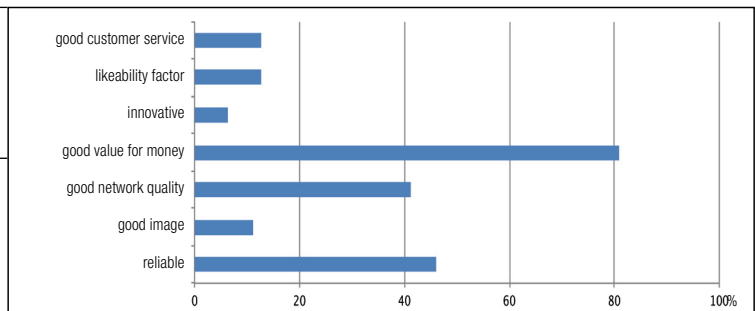
ranks in the lower third of the league, a huge distance away from the network provider Vodafone. We could tip them off about how to change the marketing message. We're looking forward to see what 2017 will bring. This year, the Vodafone brand missed the rating „good“ by a hair's breadth.



## SIMYO

*The marketing message of the O2 and E-Plus network merger has been well received by Simyo customers.*

It is not surprising that price and performance are so closely related. Who pays little, expects little. Who pays more, expects more. It is therefore important to find the point where price and expectations are evenly balanced. Simyo seems to be largely successful in this balancing act. Its tariff conditions are accepted and Simyo customers have a higher opinion of the network quality than customers of O2, Base and Alditalk, although they are travelling along the same parameters. Obviously, these companies are not divided by a huge gulf – but just enough to secure a razor-thin lead. From the perspective of the customers surveyed, however, Simyo is still far from



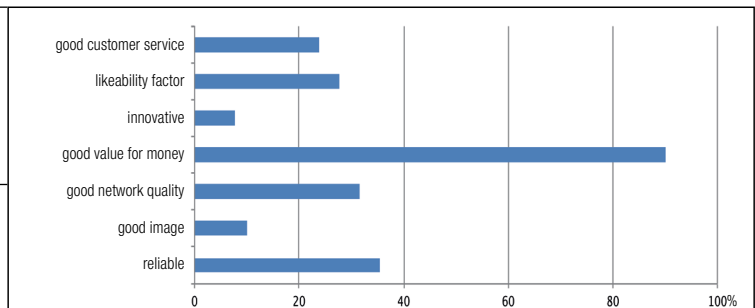
within striking distance of Telekom and Vodafone. All in all, the slightly better rating for network service (in comparison to other Telefónica sub-brands) and good ratings for customer service and price structure tilt the balance to a tight „very good“, with which Simyo can outstrip some of its bigger competitors.



## ALDITALK

*Alditalk juggles extremely skilfully with the relevant criteria and therefore manages to achieve very good ratings from its customers.*

It is no easy task to thrive in the mobile phone market, given the tens of thousands of tariff variants and countless providers. Alditalk however masters the challenge to the complete satisfaction of their customers. From customer perspective, which in a survey is strongly influenced by expectations, the service performs well above average: Respondents awarded Alditalk top marks for the overall tariff structure, and also in brand image, where it scores much better than might be expected. The terms „discounter“ and „cheap“ are obviously not perceived as a stigma. In plain language: People who use Alditalk



know what they have purchased and are satisfied with it. Even the network quality, which achieved worst ratings in comparison (alongside Base), is not enough to tip the balance away from a „very good“. Alditalk can therefore be really happy in the knowledge that its customers are satisfied with their provider.



# AUSTRIA

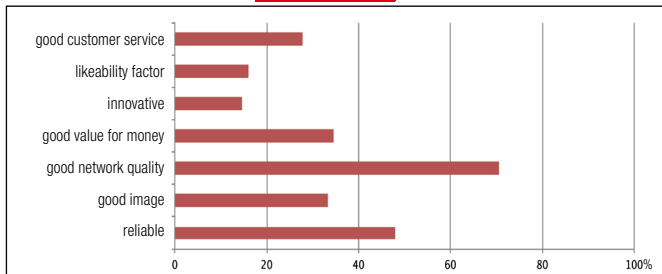


## A1 TELEKOM

*It would be glorious for A1 if one didn't have to earn money with the network.*

Really too bad that A1's good offer cost money – that is, in a nutshell, the view of customers. There's nothing to nag about the network quality nor about the customer service. That a long-established brand has a shop-worn feel and not the most exciting image, is almost in the nature of

things. The provider however gets slammed by its customers for its pricing structure, which drags down the ratings it is given for value-for-money. This factor alone has thwarted a „very good“, leaving it with a solid „good“ rating.



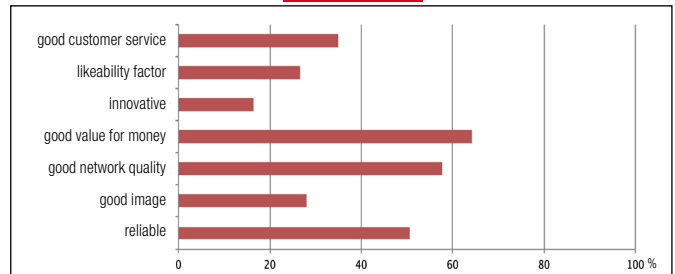
## T-MOBILE



*Let the corks fly in Vienna – T-Mobile achieves best marks in the customer satisfaction barometer.*

T-Mobile did not score best in the metrological, fact-based connect network test, and that is also reflected in the subjective assessment of customers. But the network is still given good ratings. With an above-average customer service and excellent brand image, T-Mobile has climbed to the

top of the ranking, so that even average scores in the pricing structure do not hamper it from emerging as a winner from the customer survey. Two top marks and two second rankings in the four individual categories give the result an extra boost.

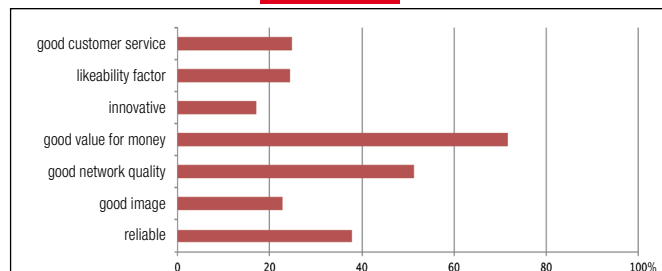


## HUTCHISON / 3

*That mind and heart do not always coincide is shown in customers' perception of Hutchison's network quality.*

While this has been objectively confirmed to be excellent by connect's network test, customers today feel differently. Whether this is a matter of the mind or the heart is not something we can find out in this survey, perhaps it was conducted too soon after the aforementioned network tests.

Drei can nevertheless argue: We offer the most attractive tariffs, have scored overall pretty good and have even achieved a „good“ rating that almost scratches „very good“.



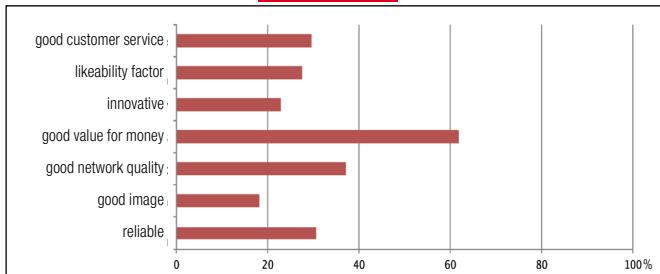
# SWITZERLAND

## SALT

*Salt does not have an easy job of carving out a place among its competitors in Switzerland.*

While straightforward recommendations can be derived from many of the study results – such as tariff optimization, network communication, service enhancement – this is no easy task for Salt. The company does not have any substantial issues – the competition is simply too strong. Salt

is therefore unable to fight its way to the top of any category, allowing it to compensate for deficits in other fields. To come within striking distance of Sunrise, a review of the pricing structure may be helpful, while Swisscom is too far away at the moment.

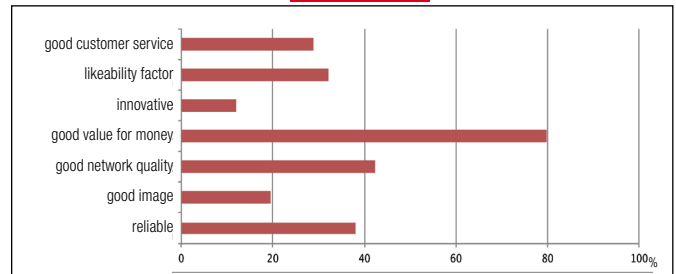


## SUNRISE

*Sunrise seems to have hit the nerve of his customers with its tariffs.*

Such extreme differences are rare: Sunrise customers rate the pricing structure almost four times better than Swisscom customers. Given the high weighting of prices in the purchasing decision, it is surely no mistake to make the right moves here. Also with regard to its image, Sunrise lives in

the stratosphere; the fact that the network is much better than its ratings, may be due to the long-standing tradition of its major competitor Swisscom. Or maybe to the fact that the survey was conducted so closely after the connect network tests in December.



## SWISSCOM



**Winner**

*Jubilation in Bern: Swisscom wins the customer survey by a wide margin.*



A big company usually has big goals. Swisscom can therefore breathe deeply and relax after publication of the study results:

Its customers are highly satisfied with their provider. In the assessment of customer service, network and brand image, Swisscom outpaces its rivals by such a margin

that, despite customers finding fault in the steep prices, the Bern-based provider easily earns the overall victory: three

clear top rankings and a third place speak a clear language.

