

# **AT&T Rural Mobile Consumers: Why might they churn?**

Market Study  
Second Quarter, 2016





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## **Market Study**

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# Table of Contents

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<b>Abstract .....</b>	<b>1</b>
<b>Executive Summary .....</b>	<b>3</b>
<b>Current Churn Behavior for AT&amp;T Mobile Consumers .....</b>	<b>3</b>
Figure A: Amount of Time with AT&T.....	4
<b>AT&amp;T Stayers' Behavior .....</b>	<b>4</b>
Figure B: Reasons for Staying with AT&T .....	5
<b>Stay Because of Good Network and Coverage.....</b>	<b>5</b>
Compared to Perceived Ranking .....	5
Specific 'Good Network and Coverage' Reasons.....	5
<b>Stay Because of Good Customer Service .....</b>	<b>6</b>
Compared to Perceived Ranking .....	6
<b>Stay Because of Good Pricing.....</b>	<b>6</b>
Compared to Perceived Ranking .....	6
<b>Triggering Churn .....</b>	<b>6</b>
Figure C: Reasons Subscribers Might Leave AT&T.....	8
<b>Recommendations for Rural Mobile Operators competing with AT&amp;T .....</b>	<b>8</b>
<b>Methodology.....</b>	<b>10</b>
<b>AT&amp;T Churn.....</b>	<b>13</b>
Table 1: AT&T Churn Rates for Q4 2015.....	13
Figure 1: AT&T Churn Rates for Q4 2015 .....	13
Table 2: AT&T Churn Rates for 2007 to 2015 .....	14
Figure 2: AT&T Churn Rates for 2007 to 2015.....	14
<b>Mobile Consumers and their Providers.....</b>	<b>15</b>
<b>Current Mobile Provider .....</b>	<b>15</b>
Table 3: Amount of Time with Current Mobile Service Provider .....	15
Figure 3: Amount of Time with Current Mobile Service Provider .....	16
<b>Current and Previous Mobile Providers .....</b>	<b>17</b>
Table 4: Current and Previous Mobile Service Providers .....	17
Figure 4: Current and Previous Mobile Service Providers .....	18
<b>Drivers of Churn .....</b>	<b>20</b>
<b>Advertising and Promotions .....</b>	<b>20</b>
Awareness of Promotions .....	20
Table 5: Awareness of Advertising and Promotions.....	20
Figure 5: Awareness of Advertising and Promotions .....	21
Likelihood to Follow Up.....	22
Table 6: Likelihood to Act on Advertising and Promotions .....	22
Figure 6: Likelihood to Act on Advertising and Promotions .....	23
Leverage to Get a Better Deal .....	23
Table 7: Using Other Providers' Promotions .....	24
Figure 7: Using Other Providers' Promotions.....	24
Got a Better Deal.....	25

Table 8: Success in Using Other Providers' Promotions .....	25
Figure 8: Success in Using Other Providers' Promotions.....	26
<b>TV and Home Internet Services.....</b>	<b>26</b>
Use AT&T U-Verse and AT&T Wireless.....	26
Table 9: Use AT&T U-Verse and AT&T Wireless .....	27
Figure 9: Use AT&T U-Verse and AT&T Wireless.....	28
AT&T and DirecTV .....	28
Table 10: Awareness of AT&T Acquisition of DirecTV .....	28
Figure 10: Awareness of AT&T Acquisition of DirecTV .....	29
Table 11: Likelihood to Stay with AT&T Wireless Due to AT&T Acquisition of DirecTV .....	30
Figure 11: Likelihood to Stay with AT&T Wireless Due to AT&T Acquisition of DirecTV.....	30
<b>Effectiveness of Recent AT&amp;T Advertising .....</b>	<b>31</b>
<b>AT&amp;T Tag Lines .....</b>	<b>31</b>
Table 12: AT&T Tag Lines .....	31
Figure 12: AT&T Tag Lines .....	32
<b>Consumers' Perceptions of U.S. Mobile Operators' Services .....</b>	<b>33</b>
<b>Ranking of Network Quality.....</b>	<b>33</b>
Table 13: Weighted Ranking of Provider Network Quality .....	33
Figure 13: Weighted Ranking of Provider Network Quality .....	34
<b>Ranking of Customer Service .....</b>	<b>35</b>
Table 14: Weighted Ranking of Provider Customer Service .....	35
Figure 14: Weighted Ranking of Customer Service by Provider.....	36
<b>Ranking of Pricing .....</b>	<b>36</b>
Table 15: Weighted Ranking of Provider Pricing .....	36
Figure 15: Weighted Ranking of Pricing by Provider .....	37
<b>Why Mobile Consumers Have Stayed with Operators.....</b>	<b>38</b>
<b>Reasons Subscribers Have Stayed .....</b>	<b>38</b>
Table 16: Reasons for Staying with Current Mobile Service Provider .....	38
Figure 16: Reasons for Staying with Current Mobile Service Provider .....	39
<b>Stay Because of Good Network and Coverage.....</b>	<b>40</b>
Compared to Perceived Ranking .....	40
Table 17: Subscribers Who Stay for Network and Rank Their Provider as Best.....	41
Figure 17: Subscribers Who Stay for Network and Rank Their Provider as Best.....	41
Specific 'Good Network and Coverage' Reasons.....	41
Table 18: Specific Important Aspects of a 'Good Network' .....	42
Figure 18: Specific Important Aspects of a 'Good Network' .....	43
<b>Stay Because of Good Customer Service .....</b>	<b>43</b>
Compared to Perceived Ranking .....	43
Table 19: Subscribers Who Stay for Good Customer Service and Rank Their Provider as Best .....	44
Figure 19: Subscribers Who Stay for Good Customer Service and Rank Their Provider as Best .....	45
<b>Stay Because of Good Pricing.....</b>	<b>45</b>
Compared to Perceived Ranking .....	45

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Table 20: Subscribers Who Stay for Low Rate Plans and Rank AT&T as Best in Pricing .....	46
Figure 20: Subscribers Who Stay for Low Rate Plans and Rank AT&T as Best in Pricing .....	46
<b>Reasons Subscribers Might Change in the Future .....</b>	<b>46</b>
Table 21: Reasons Subscribers Might Change Providers .....	47
Figure 21: Reasons Subscribers Might Change Providers .....	48
Number of Customer Service Issues Subscribers Will Tolerate .....	49
Table 22: Number of Billing or Customer Service Issues Needed for Change .....	49
Figure 22: Number of Billing or Customer Service Issues Needed for Change .....	50
Tolerance for Network Quality Issues .....	50
Table 23: Number of Network Quality Problems Needed for Change .....	51
Figure 23: Number of Network Quality Problems Needed for Change .....	52
<b>Consumer Demographics .....</b>	<b>53</b>
<b>Demographic Profile of AT&amp;T Rural Consumer Respondents .....</b>	<b>53</b>
Table 24: Respondent Age .....	53
Figure 24: Respondent Age .....	53
Table 25: Respondent Gender .....	54
Figure 25: Respondent Gender .....	54
Table 26: Respondent Ethnic Background .....	54
Figure 26: Respondent Ethnic Background .....	55
Table 27: Respondent Annual Household Income .....	55
Figure 27: Respondent Annual Household Income .....	56
Table 28: Respondent Level of Education .....	56
Figure 28: Respondent Level of Education .....	57
Table 29: Age of Children in Household .....	58
Figure 29: Age of Children in Household .....	58
Table 30: Number in Household .....	59
Figure 30: Number in Household .....	59
Table 31: Employment Status .....	60
Figure 31: Employment Status .....	60
Table 32: Respondent Marital Status .....	61
Figure 32: Respondent Marital Status .....	61
<b>Definitions .....</b>	<b>62</b>
<b>General .....</b>	<b>62</b>
<b>Device Types .....</b>	<b>62</b>
<b>Services .....</b>	<b>63</b>
<b>Network Technology .....</b>	<b>63</b>
<b>About iGR .....</b>	<b>68</b>
<b>Disclaimer .....</b>	<b>68</b>

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## Abstract

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Because the overall number of mobile subscribers is no longer growing in the saturated U.S. mobile market, service providers must lure subscribers away from another provider if they want to grow their subscriber base. This is equally true for regional mobile operators and national operators.

Many in the mobile industry want to know *why* mobile subscribers churn. In other words, what specific factors increase the likelihood of churn? How do network quality, customer service, price, advertising and promotions, and other non-mobile services offered by a provider affect subscribers' likelihood to stay with or leave their mobile service provider?

This market study analyzes the causes of churn for a particular segment of the mobile market – AT&T subscribers in rural (non-metropolitan) markets. All of the results are also presented for a national sample of respondents, in order to provide a comparison between trends for all U.S. mobile consumers and trends for AT&T rural mobile consumers.

In addition to looking at the possible causes of churn for AT&T rural mobile consumers, in this market study *iGR* also analyzes the recent churn rates for AT&T, the current churning behaviors of AT&T rural mobile consumers and U.S. mobile consumers, such as how long they have been with their current and previous providers, and AT&T rural consumers' and all U.S. consumers' perceptions of the network quality, pricing and customer service of the four major operators. The data in the study is based on two web-based surveys of more than 1,000 respondents that *iGR* fielded in November, 2015 (U.S. national mobile consumers) and March, 2016 (rural mobile consumers only).

Key questions addressed:

- What are AT&T's churn rates currently and historically?
- What percentage of AT&T rural consumers and U.S. mobile consumers have been with their current service provider for less than one year? More than one year? More than two years?
- What percentage of AT&T rural consumers and U.S. mobile consumers have been with only one service provider?
- How do advertising and promotions affect AT&T rural consumers' and U.S. mobile consumers' likelihood to switch providers?
- How do bundled services, such as AT&T's U-Verse and DirecTV, affect AT&T rural consumers' and U.S. mobile consumers' likelihood to switch providers?

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- How do AT&T rural consumers and U.S. mobile consumers perceive the network quality, pricing and customer service of the four major U.S. mobile operators? How could this perception affect their likelihood to churn from their current provider?
- Why do AT&T rural consumers and U.S. mobile consumers who have stayed with their operator for more than one year do so? What, if anything, might make them change in the future?
- How can a rural mobile operator get AT&T subscribers to churn away from the national operator?

Who should read this report?

- Regional mobile network operators
- Wireless and Mobile advertising agencies
- Mobile service retailers and distributors
- Financial and investment analysts.

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