NZ Telecommunications Customer Satisfaction Tracking

6 monthly report

January – June 2024

INSIGHTS HQ

Purpose of this research

The purpose of this research is to monitor satisfaction with Retail Service Quality (RSQ) among consumers of Retail Service Providers (RSPs) across mobile and broadband. Allowing the Commerce Commission to gather consumer insights to identify future RSQ matters for improvement and to measure the success of the Commission's RSQ solutions.

As part of the RSQ Programme, the Commerce Commission has worked with Insights HQ to implement this ongoing monitoring programme to meet the requirements of section 9A of the Telecommunications Act, 2001. The aim of this programme is to provide information to consumers, gain consumer insight to identify future RSQ matters for improvement and measure the success of RSQ solutions.

By publishing this data, the Commission aims to increase competition and transparency among providers and empower consumers to include service quality in their decision-making, which will in turn impact the customer acquisition and retention rates of poorly performing RSPs.

Additional information and data may be available on request, including the questionnaire.

Methodology

Respondents were invited to complete a 15-minute online survey about telecommunications.

RESIDENTIAL Jan – June 2024		SME Jan – June 2024	
2,419 broadband customers	2,454 mobile customers	943 broadband customers	972 mobile customers

Residential

The residential sample was an adult sample (18+) nationally representative of the New Zealand population (age, gender, region).

Fieldwork was conducted monthly with this deck focusing on the 6 months from Jan – June 2024.

Sample qualification criteria

- Main decision maker OR shared responsibility for making decisions about broadband internet service at home
- Main decision maker OR shared responsibility for making decisions mobile phone plan / monthly payment / pre-pay.
- Currently have broadband internet at home OR mobile provider and telecommunications provider is known

SME

The SME sample talked to businesses with up to 50 full time employees and was nationally representative of the New Zealand SME population (Business size, region).

Fieldwork was conducted monthly with this deck focusing on the 6 months from Jan – June 2024.

Sample qualification criteria

- Main decision maker OR shared responsibility for making decisions about Internet at the business/company you work for or own
- Business has its own business plan with broadband ad current broadband provider is known
- Main decision maker OR shared responsibility for making decisions mobile phone plan / monthly payment / pre-pay for the business
- Business has its own business plan with mobile and current mobile provider is known

Methodological change

Previous to May 2024, the NZ Telecommunications Customer Satisfaction Tracking research was managed by Perceptive Research. From May 2024 onwards the research has been managed by Insights HQ.

As part of this change, a review of the fieldwork and research methodology was conducted to ensure the results reported are representative of the New Zealand market. The size of the sample remained the same (approximately 400 residential and 200 SME's per month) as this was deemed a sufficiently robust base. The questionnaire also remained the same, excepting some minor changes.

However, changes to the quota and weighting structure were recommended and made as follows:

- The Residential survey moved to an interlocked quota cell design for greater representativeness of the population. This will likely have minimal impacts on total base results but may impact the results when viewed at the sub-segment level, e.g., age groups, regions
- Previously SME data was unweighted and skewed towards larger FTE businesses so not reflective of the NZ SME population. Insights HQ employed a quota and weighting design to ensure the sample is representative. This represents a material change and therefore historical (trend) SME data is not included in the report.

Weighting methodology is outlined on the following slide

Weighting methodology

RESIDENTIAL
Weighted to ensure nationally representative sample by age, gender and region

		Auckland	Canterbury	Wellington	Rest of North Island	Rest of South Island
Male	**18-24**	3.0%	1.0%	0.7%	2.5%	0.7%
	25-34	3.5%	1.2%	1.0%	2.5%	0.7%
	35-44	2.7%	1.0%	1.0%	2.2%	0.7%
	45-54	2.7%	1.2%	1.0%	2.5%	1.0%
	55-64	2.2%	1.0%	0.7%	2.5%	1.0%
	65+	2.2%	1.2%	1.0%	3.5%	1.0%
Female	**18-24**	2.7%	1.0%	0.7%	2.2%	0.7%
	18-24	3.5%	1.0%	1.0%	2.5%	0.7%
	35-44	2.7%	1.0%	1.0%	2.5%	0.7%
	45-54	2.7%	1.2%	1.0%	2.7%	1.0%
	55-64	2.2%	1.0%	0.7%	2.7%	1.0%
	65+	2.5%	1.5%	1.0%	3.5%	1.2%

SME
Weighted to ensure nationally representative sample by region and FTE

REGION	FTE	%
Auckland	1	22%
Auckland	2-5	9%
Auckland	6-49	5%
RONI	1	24%
RONI	2-5	11%
RONI	6-49	6%
South Island	1	14%
South Island	2-5	7%
South Island	6-49	4%

An interlocking quota cell methodology was employed, whereby representative quotas are set for each cell, e.g., 18-24 year-old males in Northland. Weighting is then used to 'balance' any cells that are slightly under or over quota to ensure the final sample and all reported data is nationally representative.

Note: prior to May 2024 no quota or weighting was applied to SME data.

What is a ‘favourable’ score

The data and report includes NPS and Satisfaction scores, with commentary highlighting what is and is not a ‘favourable’ score.

NPS measures the loyalty of customers to a company, based on their ratings on a 0-10 scale, customers are classified into three categories:

Promoters (9-10), Passives (7-8), Detractors (0-6). NPS is then calculated using the following formula: NPS = (Percentage of Promoters - Percentage of Detractors).

NPS scores range from -100 (all customers are detractors) to +100 (all customers are promoters). Bain & Co, the creators of the NPS metric, **consider a score above 20 is favourable**, above 50 is excellent, and above 80 is world class.

Satisfaction is measured using a five point, and we measure the satisfaction score using the % of respondents who returned a rating within the top 2 box (4-5 on the 5 point scale).

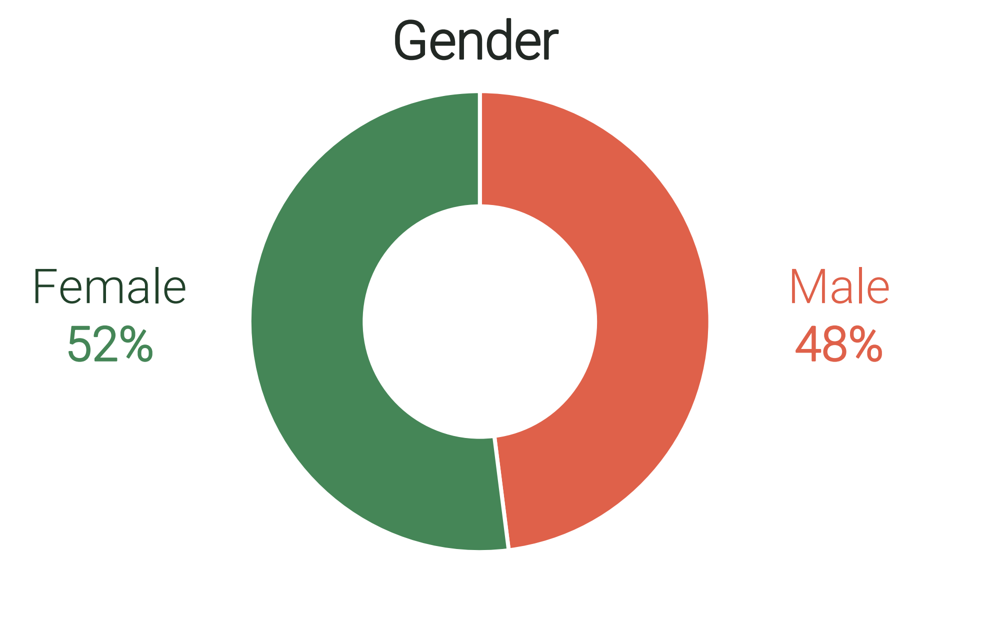
After a review of literature and comparable scores across industries in New Zealand, the Commerce Commission consider a **favourable satisfaction score to be 80% or above**.

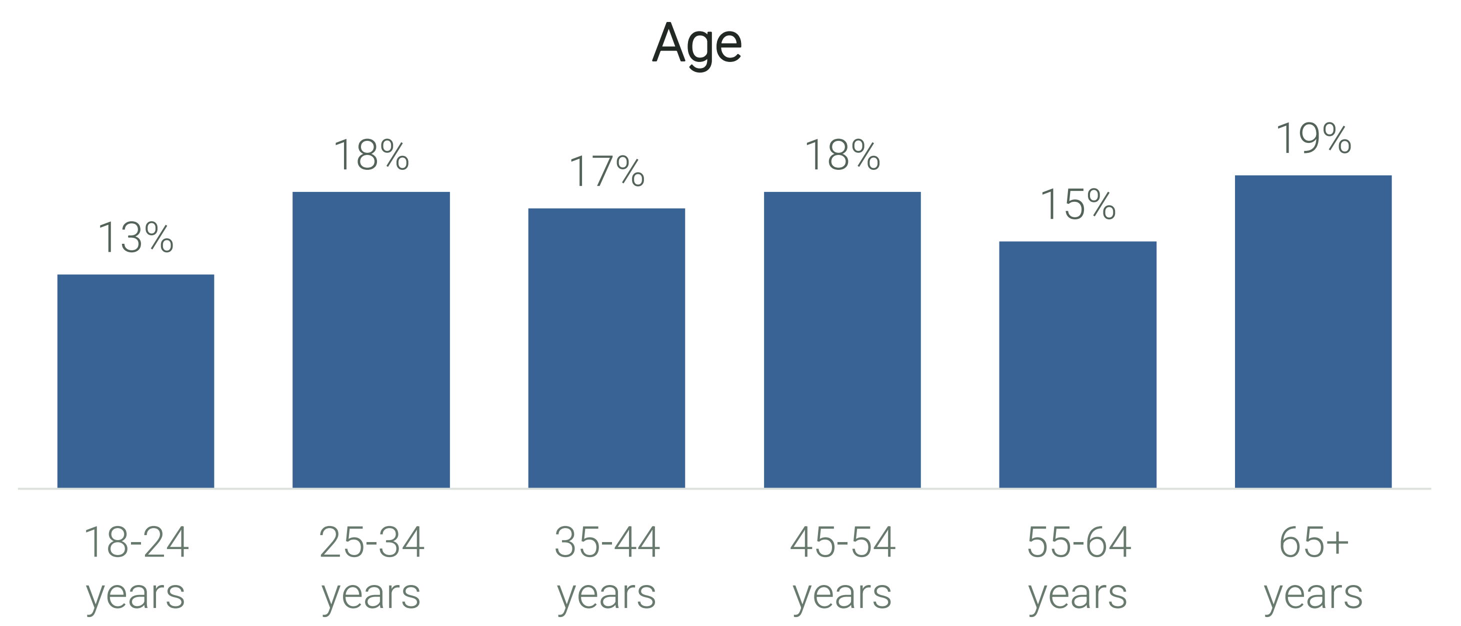
INSIGHTS HQ

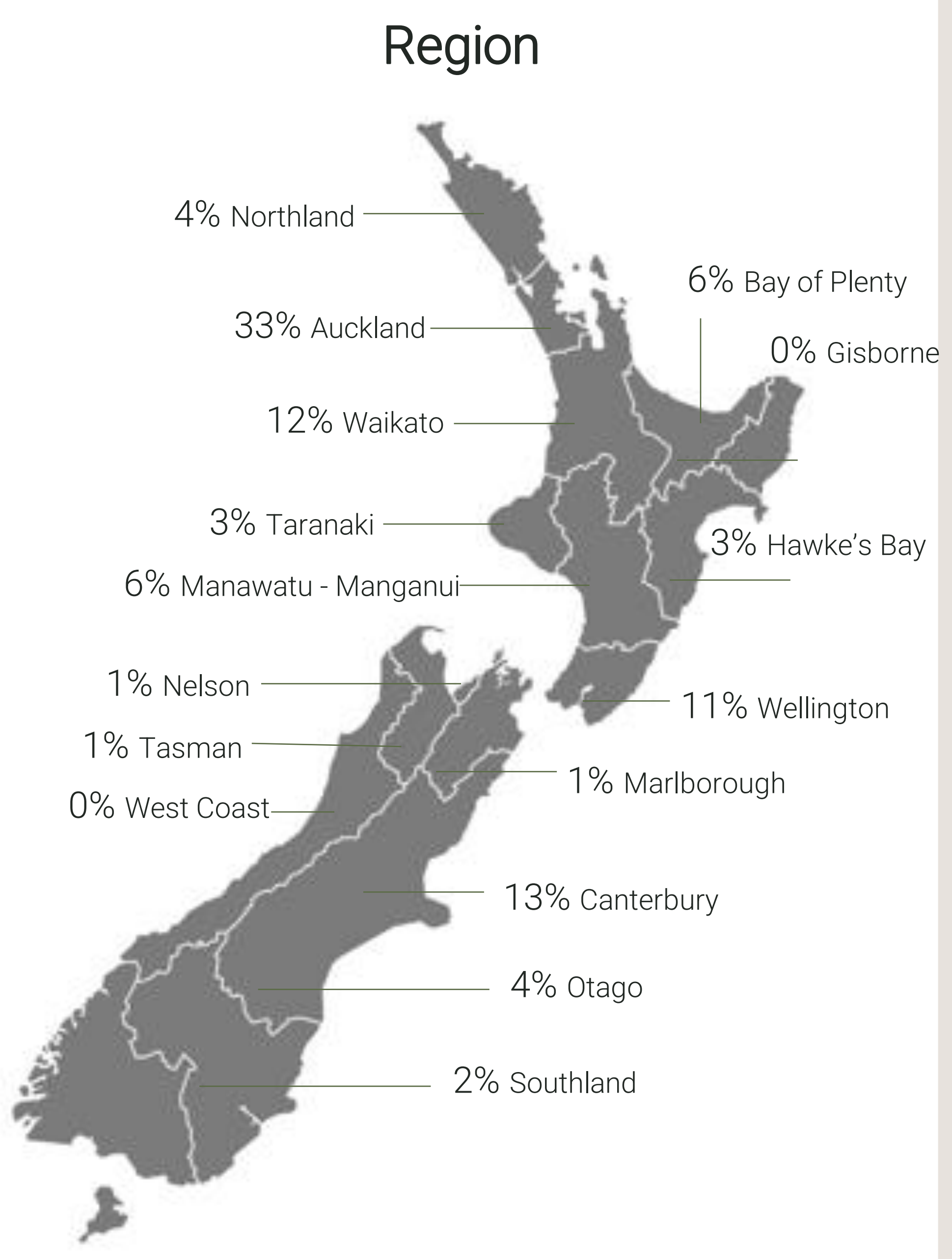
RESIDENTIAL INSIGHTS

NPS and Satisfaction

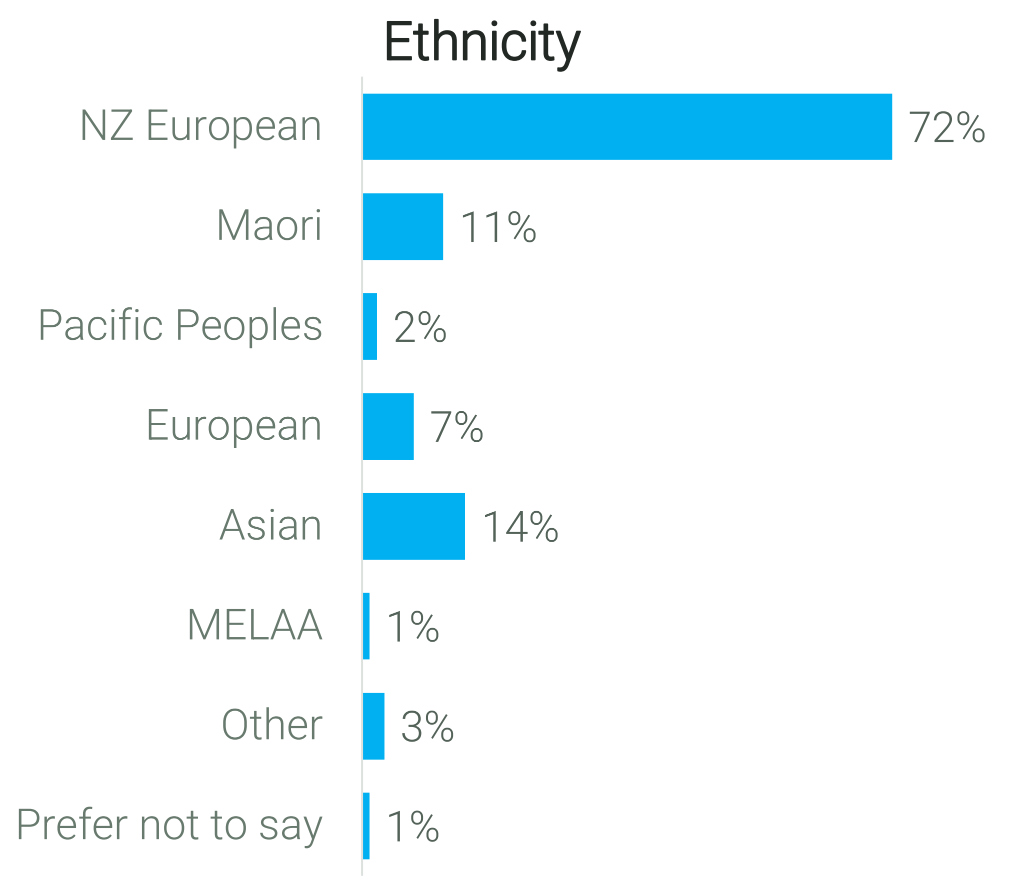
Demographics - Residential

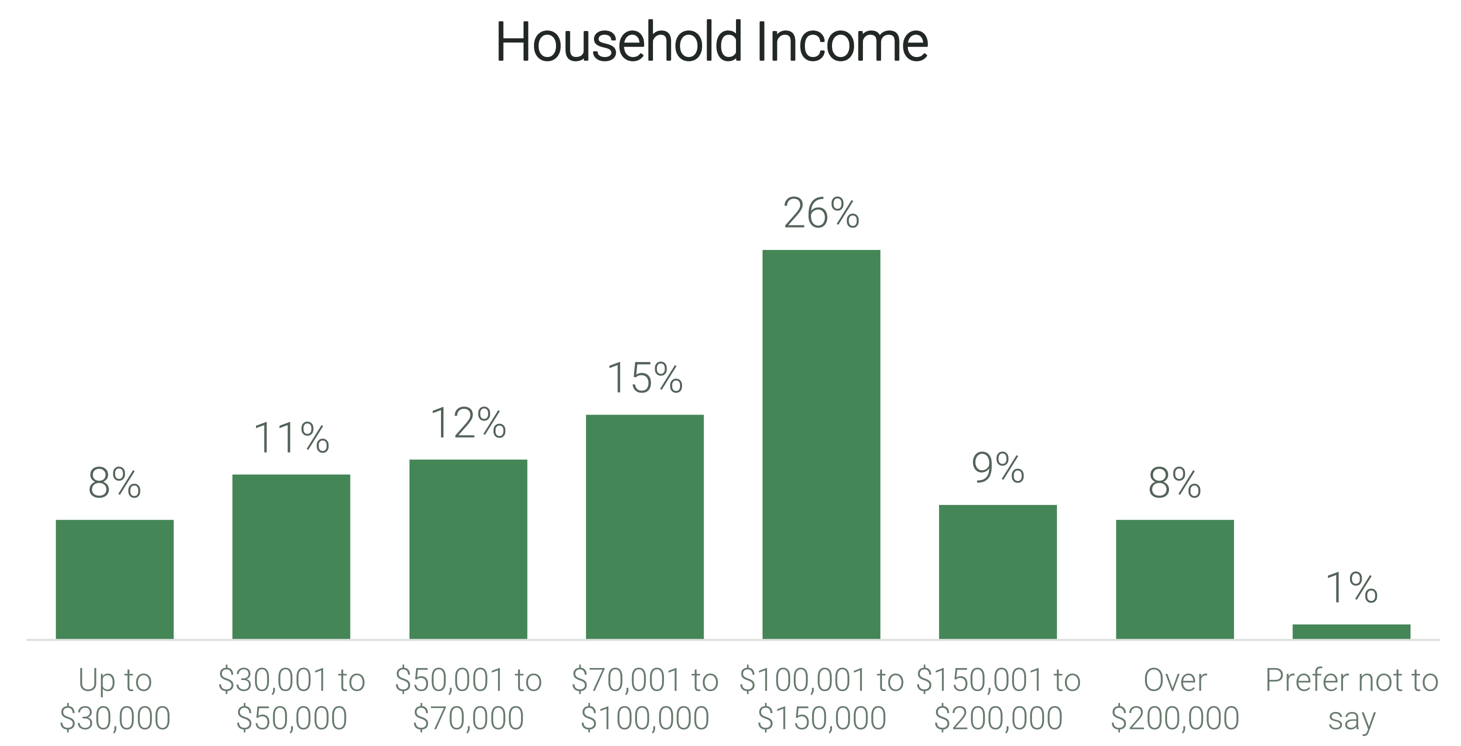






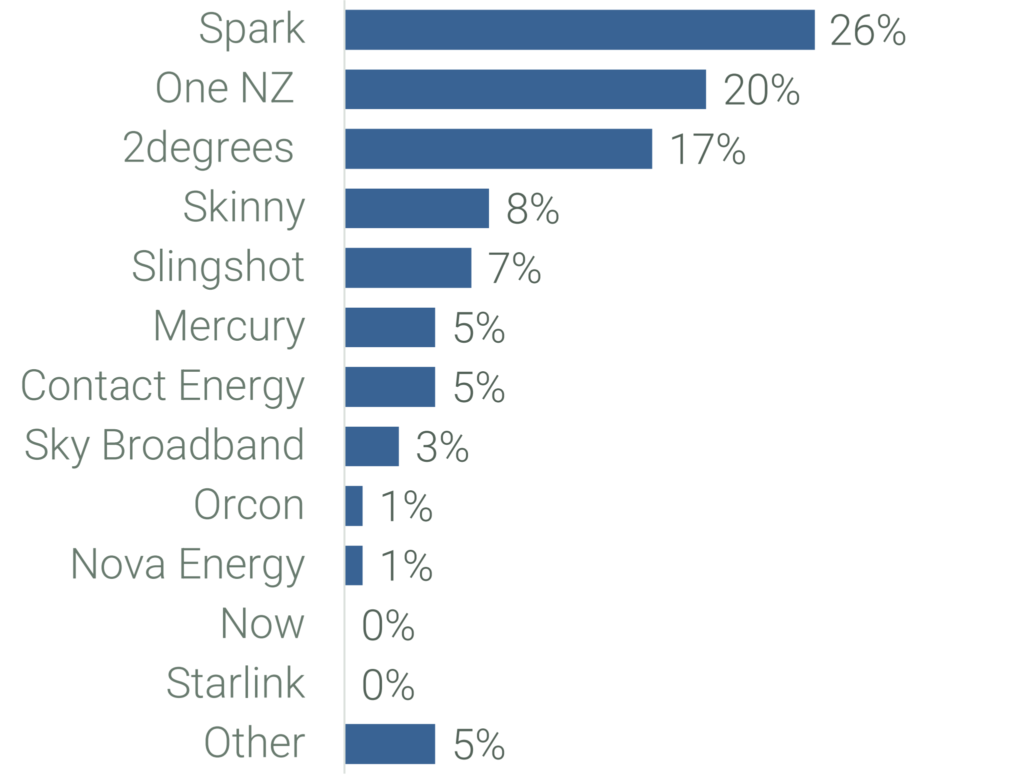
11% rural
89% urban



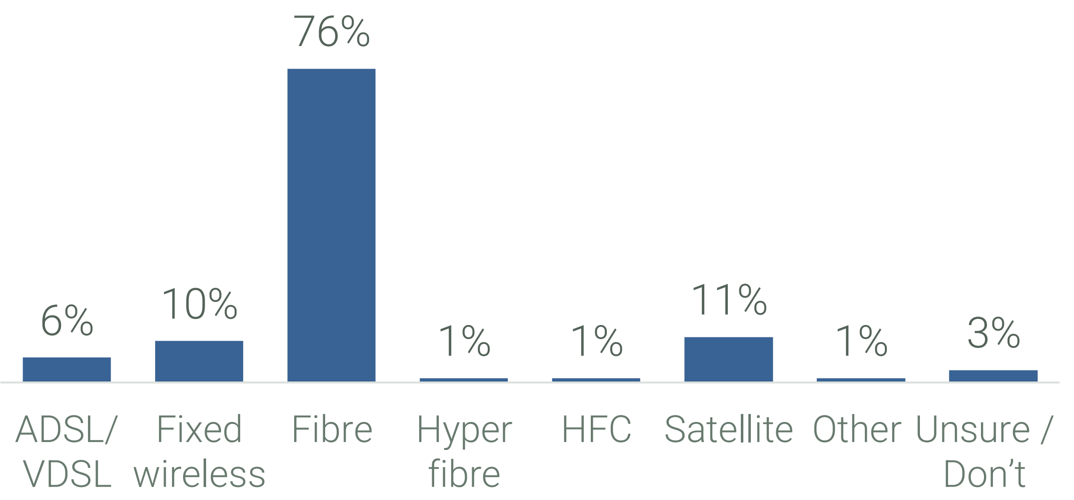


Products and Providers – Residential

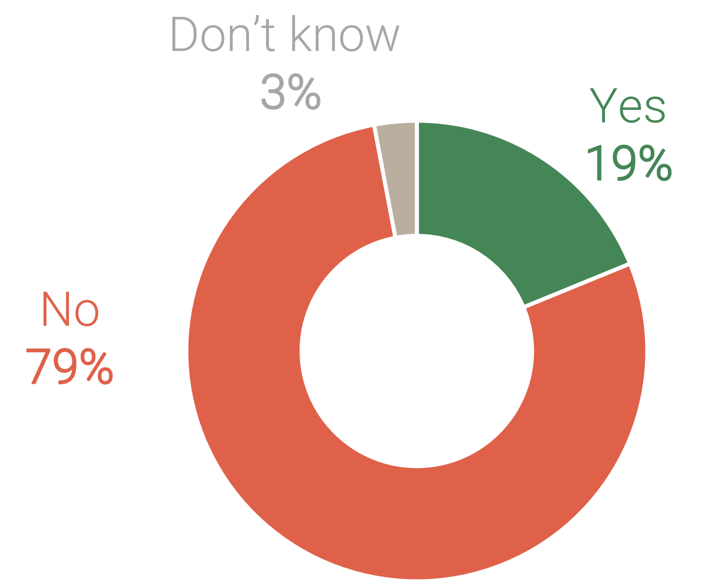
Broadband Provider



Broadband Technology

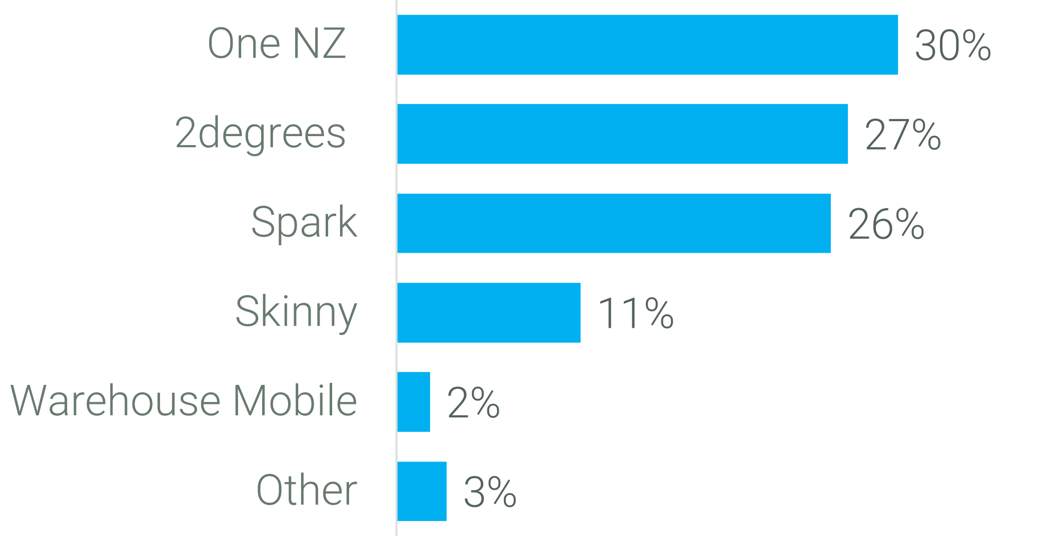


Electricity Bundle

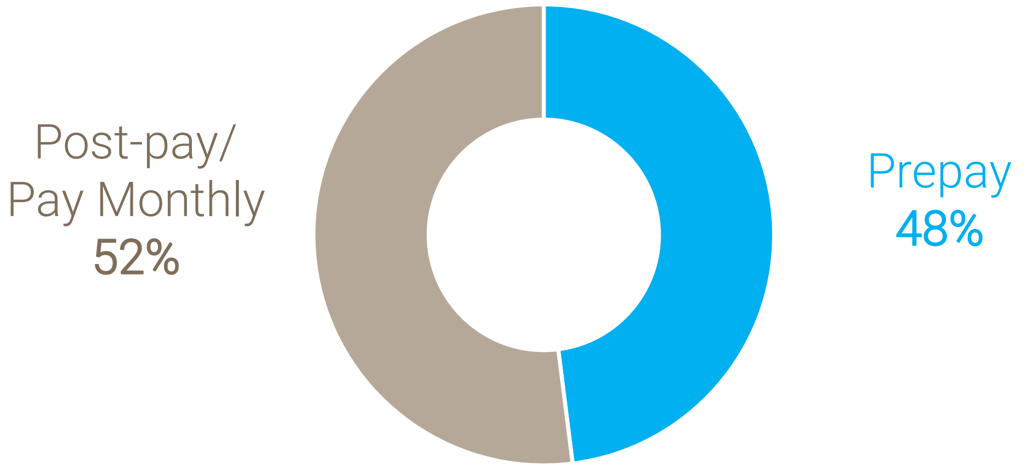


Is your electricity from the same provider as your broadband or mobile provider?

Mobile Provider



Mobile Plan



RESIDENTIAL SUMMARY Jan-June 2024

Neither mobile nor broadband results hit the favourable threshold of +20. Broadband posts a negative NPS of -4 while mobile has an NPS of +8.

83% of mobile customers are satisfied, however broadband (at 76% satisfaction) does not meet the favourable threshold of 80% satisfaction.

Looking at aspects of their provider relationship; for mobile consumers coverage and reliability meet the 80% satisfaction benchmark. Broadband consumers are most satisfied with reliability though it does not meet the benchmark, at 77%. Most areas have remained relatively stable though we have seen significant increases in satisfaction with broadband billing in this round of results.

When prompted, 32% of mobile and 37% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.

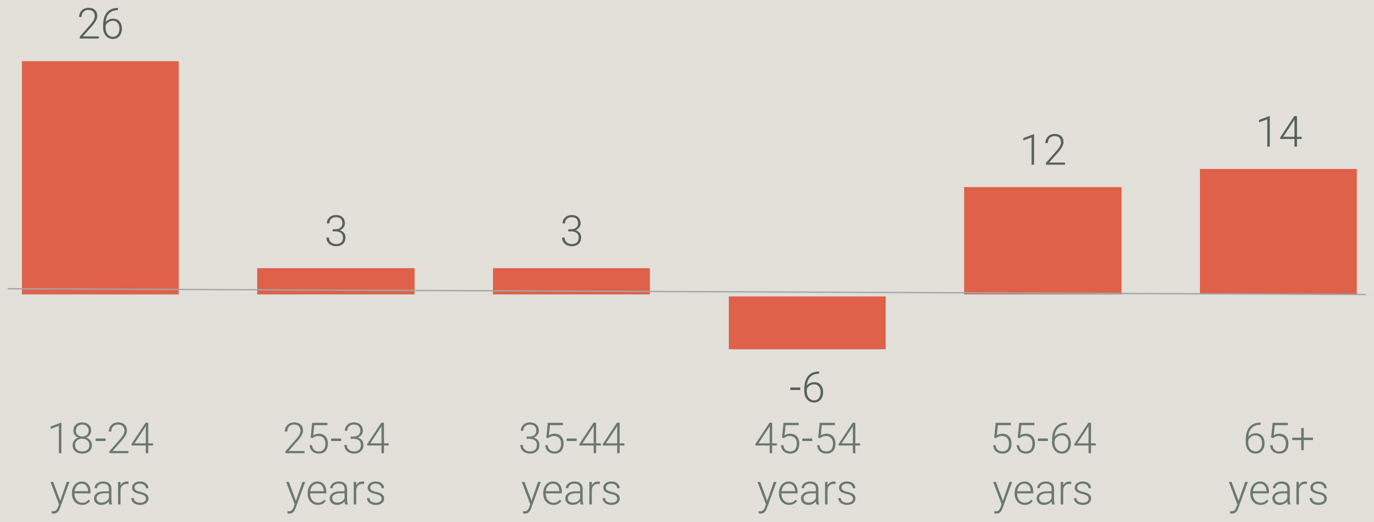
Switching provider is not common, with only 11% of consumers switching broadband provider and 5% switching mobile provider in the last 12 months. Overall satisfaction with switching meets the 80% satisfaction for mobile (84%) but not for broadband (77%).

26% of mobile customers have experienced an issue with their mobile service, and 39% of broadband customers have experienced an issue with their broadband internet service in the past 6 months

Net Promoter Score

Neither mobile nor broadband hit the favourable threshold of +20.
Broadband posts a negative NPS of -4 while Mobile has an NPS of +8.

Mobile NPS
+8



Mobile NPS also high among households with adult children who have left home (+17)

Broadband NPS
-4

Broadband NPS lowest in Wellington (-11)

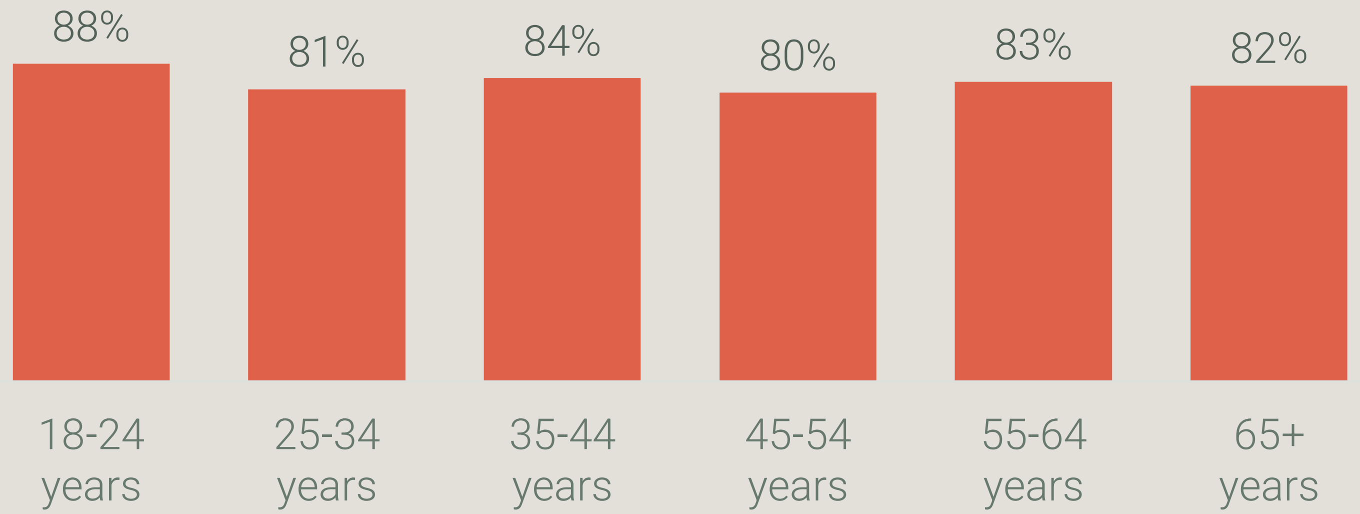
NPS measures the loyalty of customers to a company, based on their ratings on a 0-10 scale, customers are classified into three categories:
Promoters (9-10), Passives (7-8), Detractors (0-6). NPS is then calculated using the following formula: NPS = (Percentage of Promoters -Percentage of Detractors).
NPS scores range from -100 (all customers are detractors) to +100 (all customers are promoters). Bain & Co, the creators of the NPS metric, consider a score above 20 is favourable, above 50 is excellent, and above 80 is world class

Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Base: Jan-June 2024 Broadband provider Population=2389, Mobile provider Population=2390.

Overall satisfaction

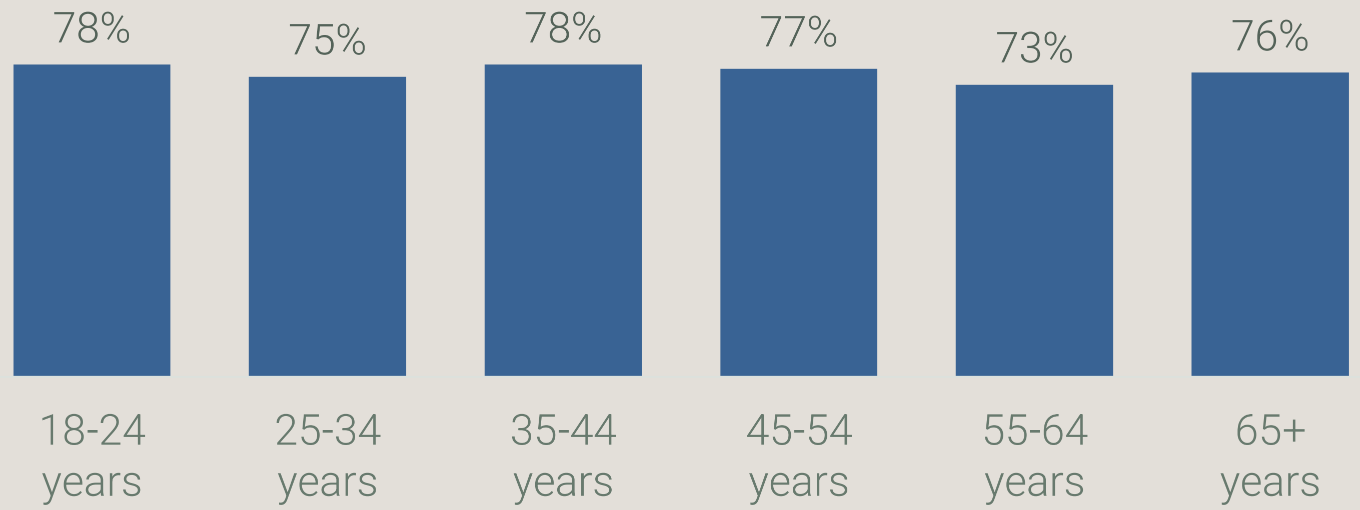
83% of Mobile customers are satisfied, however Broadband does not meet the favourable threshold of 80% satisfaction.

Mobile
Satisfaction
83%



Mobile satisfaction relatively consistent across regions, gender, and household situation

Broadband
Satisfaction
76%



Broadband satisfaction lower in Canterbury (72%) and higher among empty nester households where children have left home (80%)

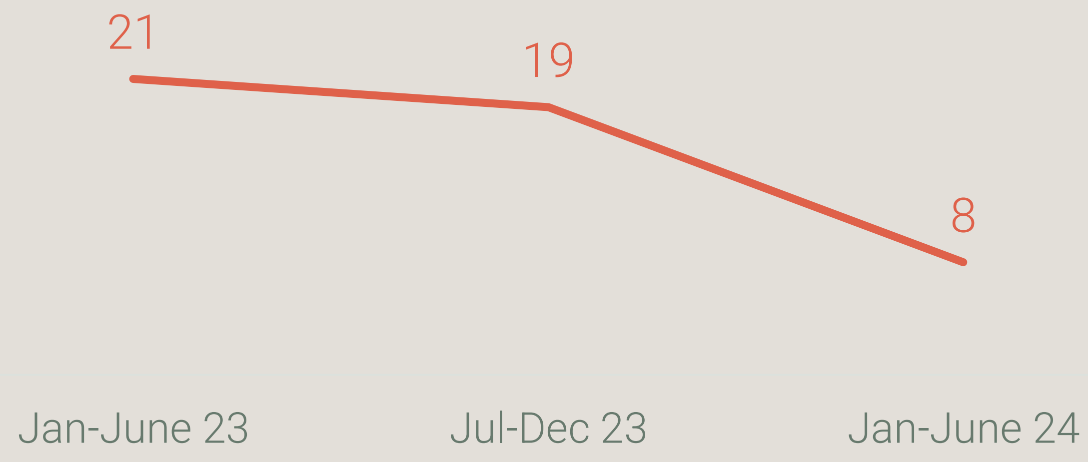
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454.

NPS and satisfaction trended

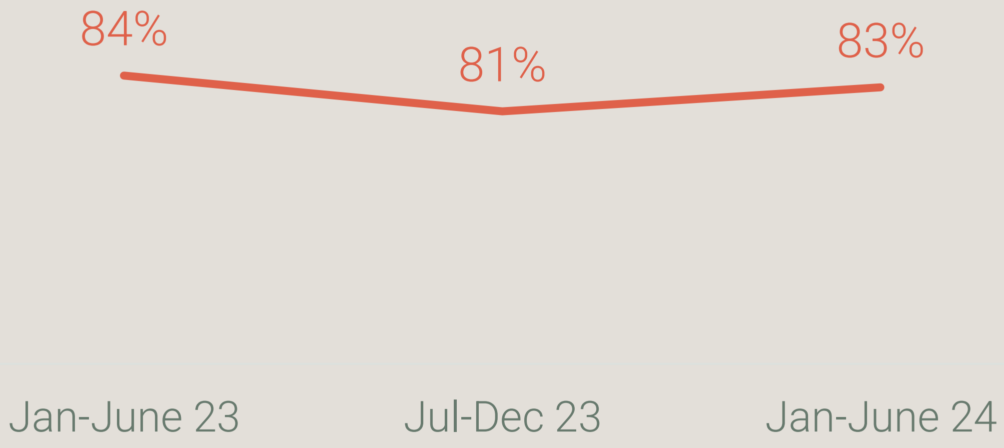
We have seen significant decreases in NPS for both Mobile and Broadband

Mobile

Net Promoter Score

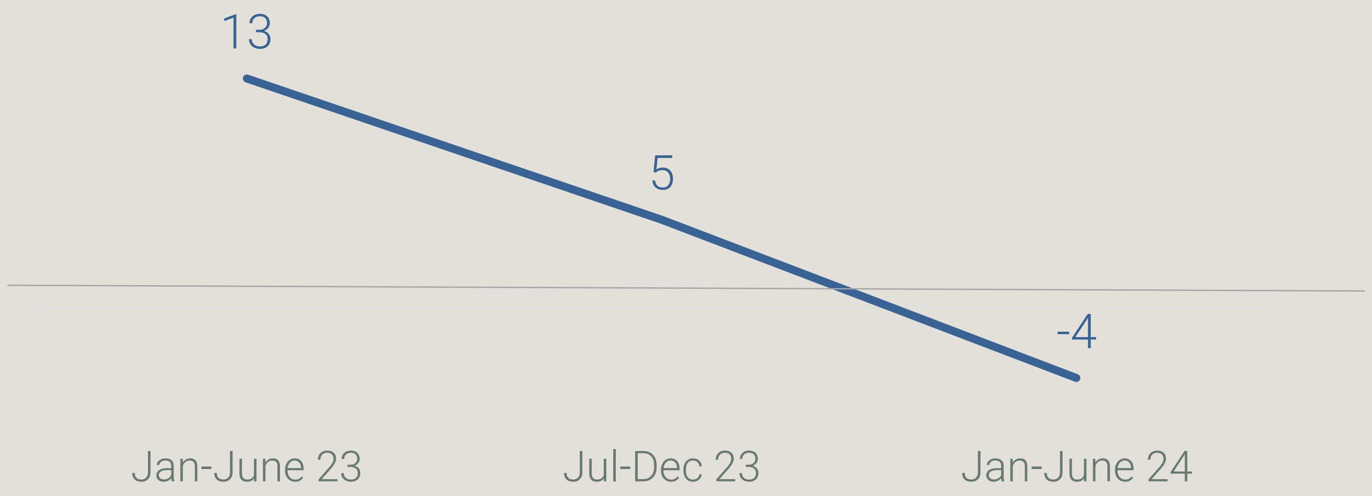


Satisfaction



Broadband

Net Promoter Score

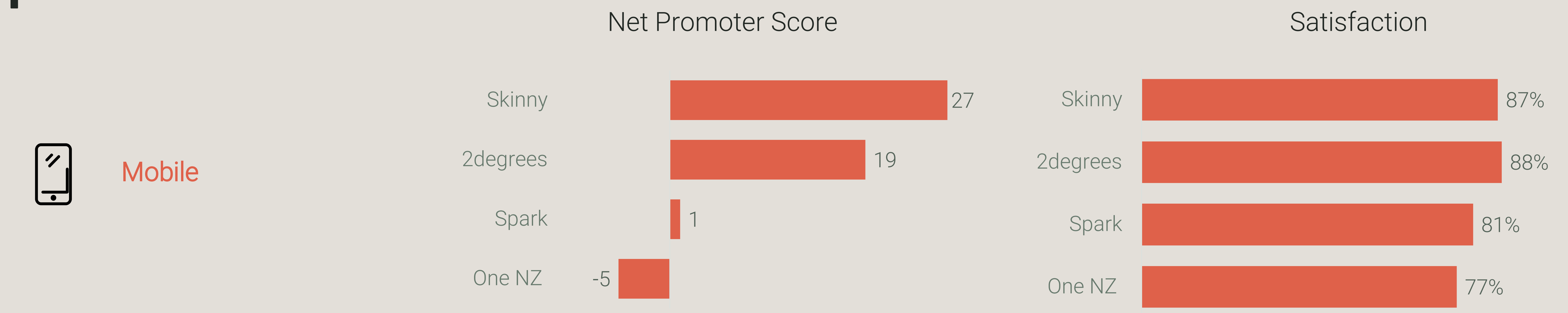


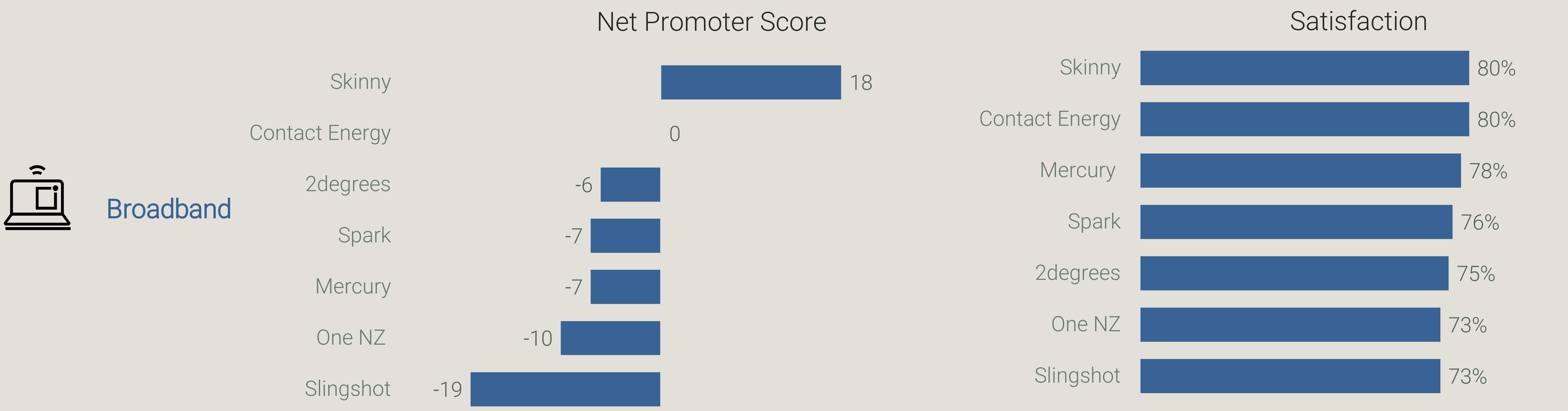
Satisfaction

Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454

NPS and satisfaction by provider

Skinny have market leading scores in both mobile and broadband. In mobile only Skinny meets the favourable NPS of +20 while no broadband provider meets the favourable NPS score



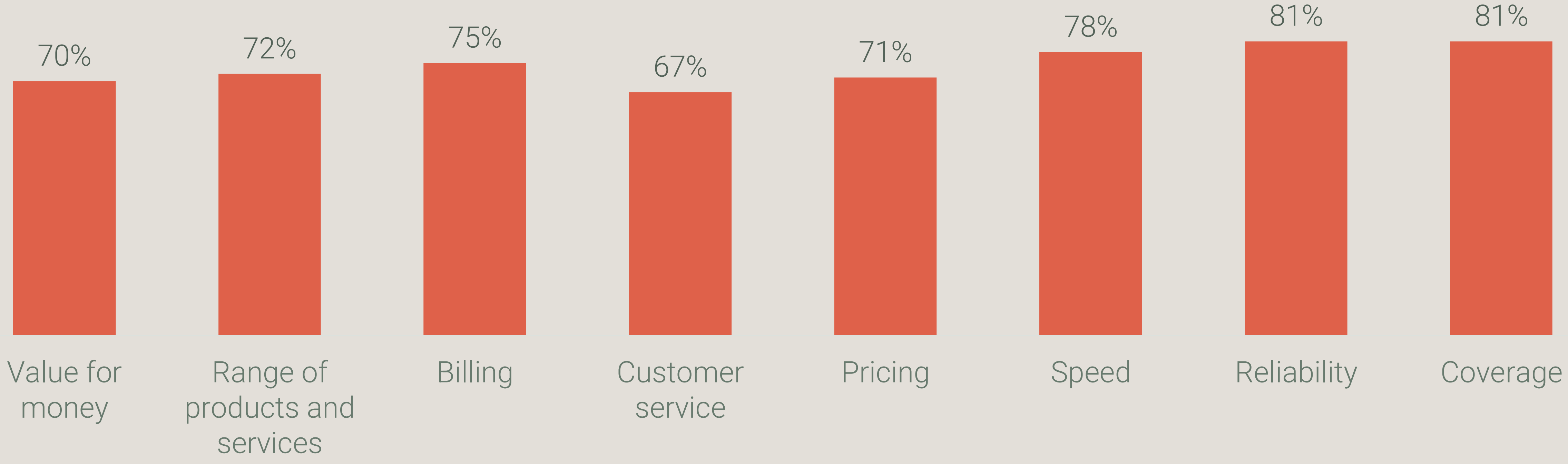


Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jan-June 2024 Spark mobile customers n=659, One NZ mobile customers n=764, 2degrees mobile customers n=644, Skinny mobile customers n=274
Spark broadband customers n=628, One NZ broadband customers n=507, 2degrees broadband customers n=411, Skinny broadband customers n=189, Slingshot broadband customers n=185, Mercury broadband customers n=118, Contact Energy broadband customers n=150.

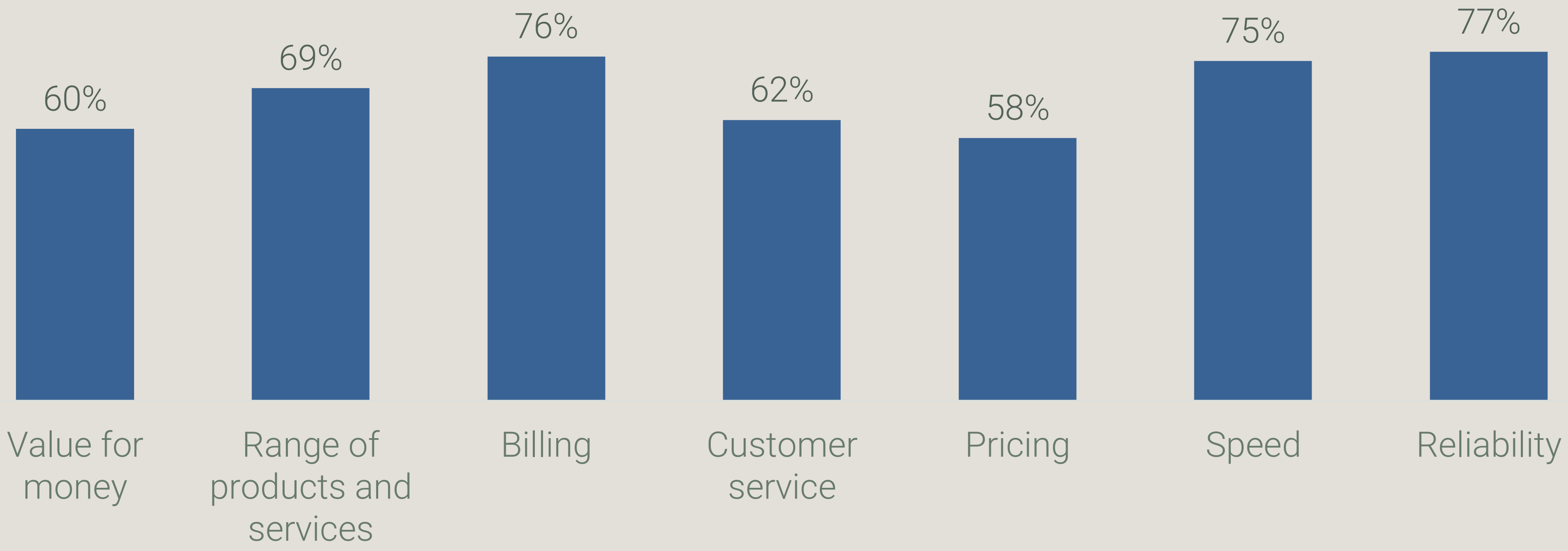
Satisfaction
(rating 4-5 on 5 point scale)

For mobile consumers, coverage and reliability meet the 80% satisfaction benchmark.
For broadband consumers, they are most satisfied with reliability though it does not meet the benchmark, at 77%.

Mobile Satisfaction
83%



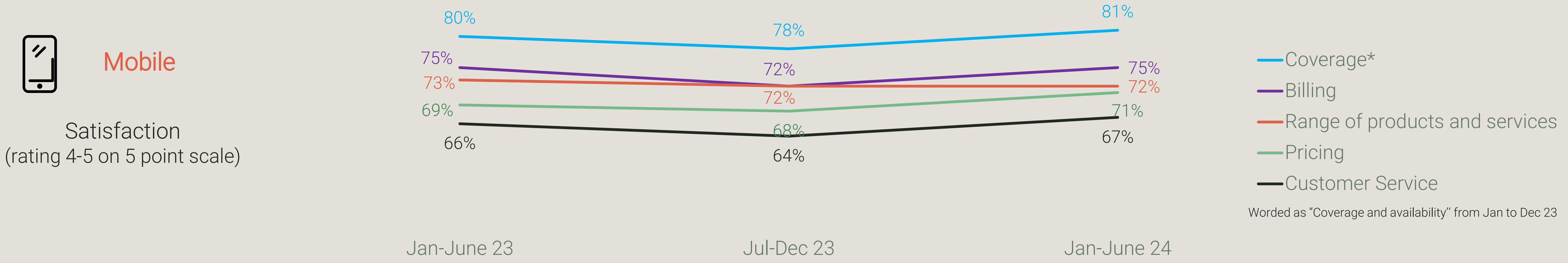
Broadband Satisfaction
76%

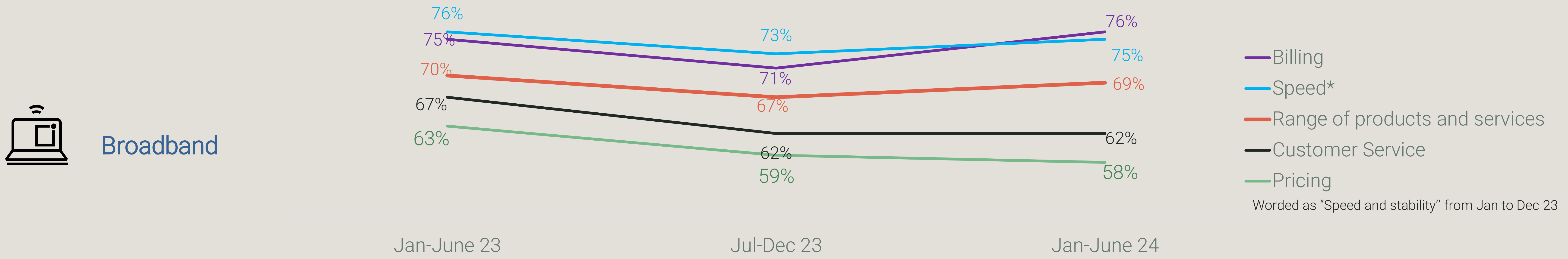


How satisfied are you with %"Mobile-Provider"% for your mobile service in relation to the following aspects?
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454

Satisfaction Trended

Most areas have remained relatively stable though we have seen significant increases in satisfaction with broadband billing in this round of results.



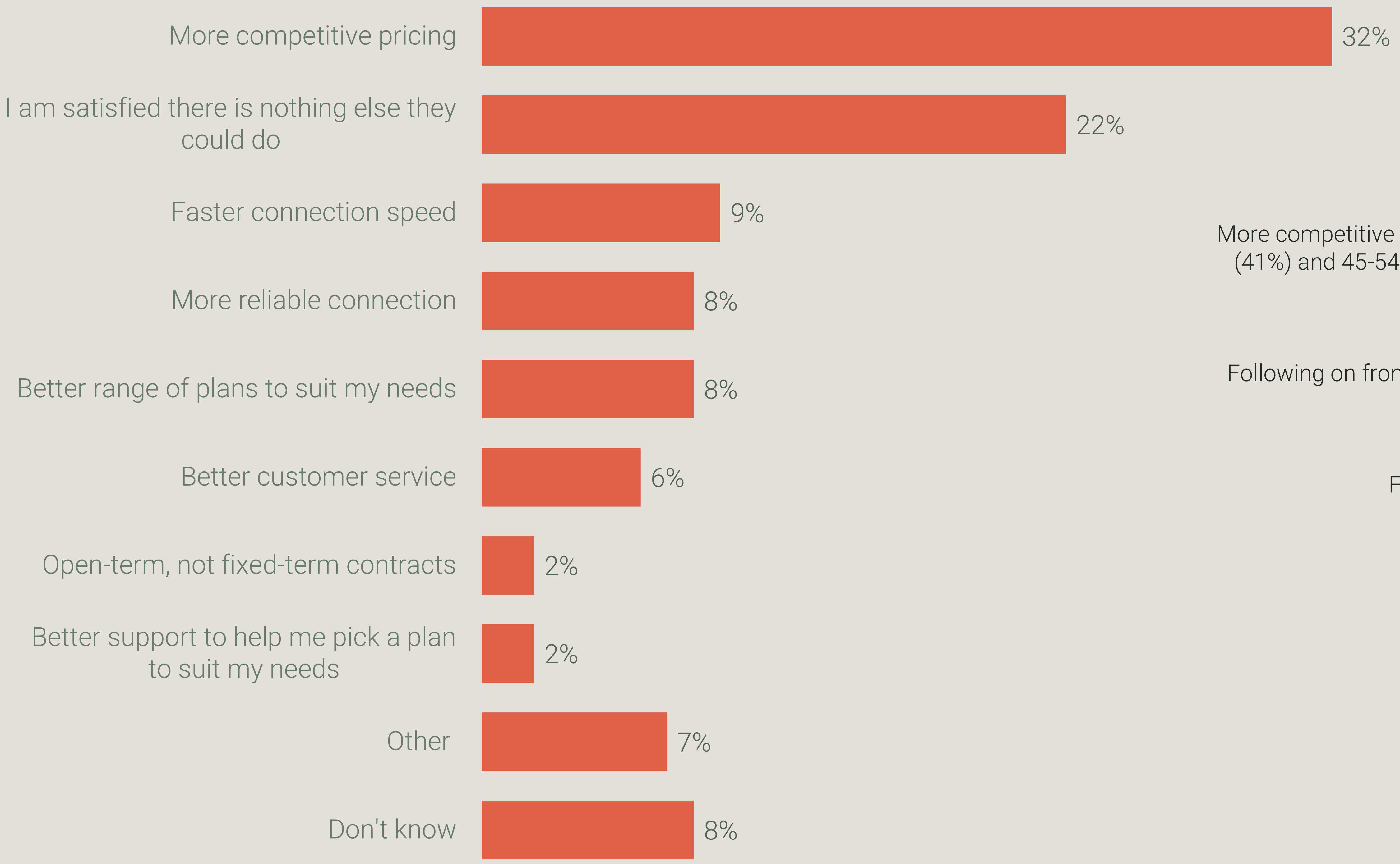


Note: Satisfaction scale changed for both broadband and mobile in Jan 2024 to a 5-point scale (T2B showing) from a 10-point scale (T4B showing)

How satisfied are you with %"Mobile-Provider"% for your mobile service in relation to the following aspects?
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454

How to improve mobile satisfaction

When prompted, 32% of mobile customers cite more competitive pricing as the one thing their provider could do to improve service. Over a fifth (22%) state there is nothing else their provider could do.



AGE
More competitive pricing is significantly higher among 35-44 years olds (41%) and 45-54 year olds 37%), while 34% of over 65s are "satisfied there is nothing else they could do.

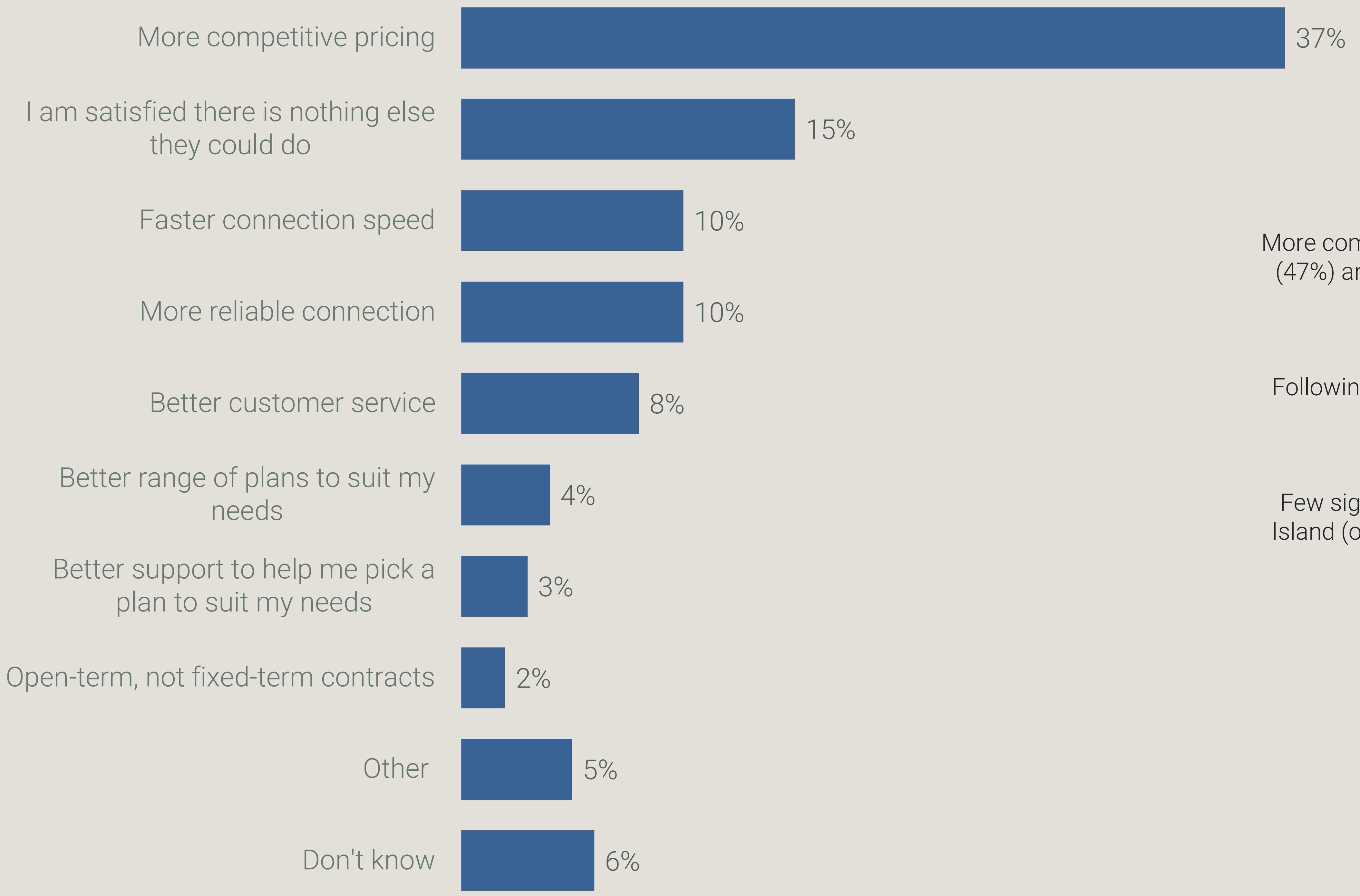
HOUSEHOLD SITUATION
Following on from above, families are more likely to want competitive pricing (38%).

REGION
Few significant differences by region.

What is the one thing %"Mbl-Provider%" as your mobile provider would have to provide for you to increase your 'overall satisfaction' score?
Base: Jan-June 2024 Mobile provider Population=2454

How to improve broadband satisfaction

When prompted 37% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.



AGE
More competitive pricing is significantly higher among 35-44 years olds (47%) and 45-54 year olds (44%), while 26% of over 65s are "satisfied there is nothing else they could do.

HOUSEHOLD SITUATION
Following on from above, families are more likely to want competitive pricing (44%).

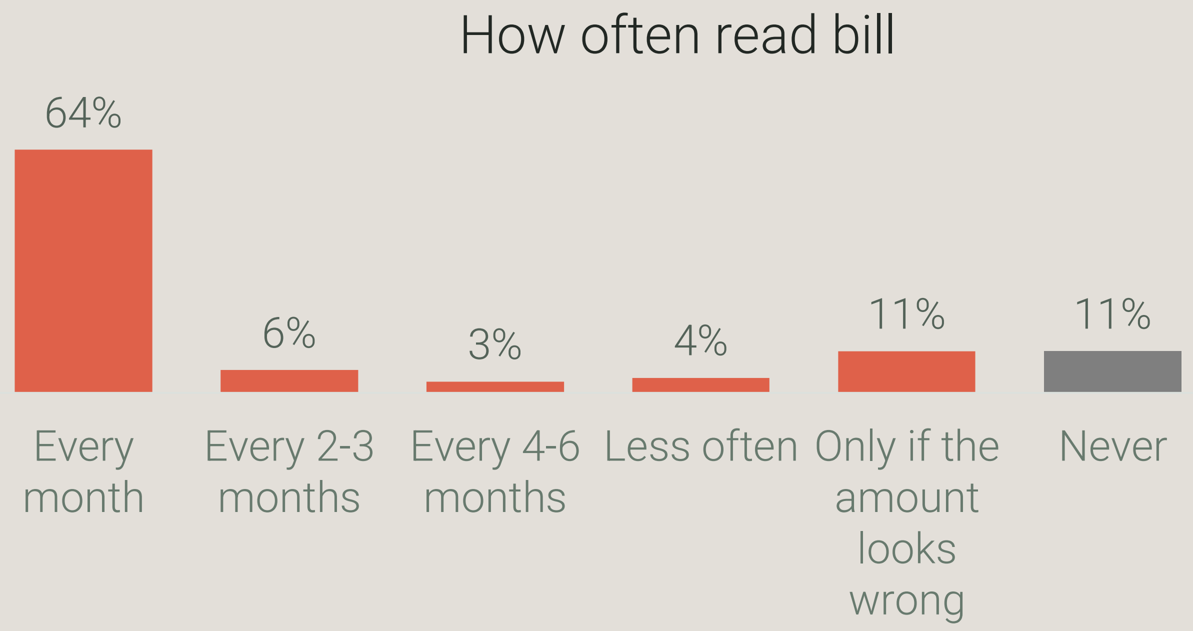
REGION
Few significant differences by region, although households in South Island (outside Canterbury) are more likely than other regions to want faster connection speed (14%).

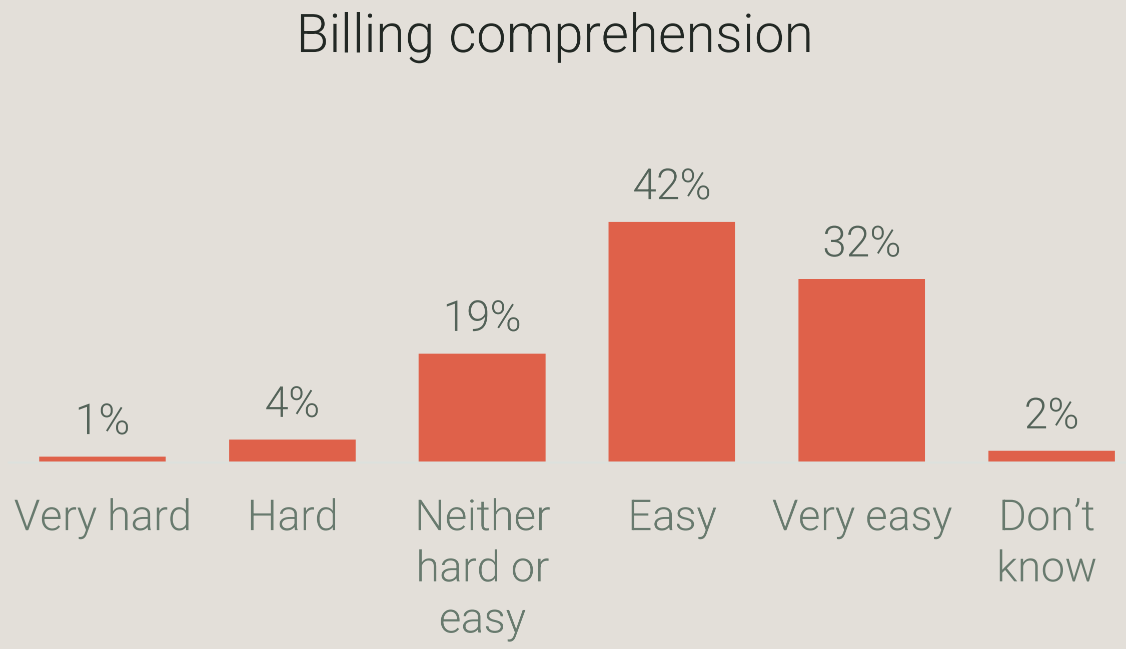
What is the one thing %"BB-Provider%" as your broadband provider would have to provide for you to increase your 'overall satisfaction' score?
Base: Jan-June 2024 Broadband provider Population=2419.

Billing comprehension

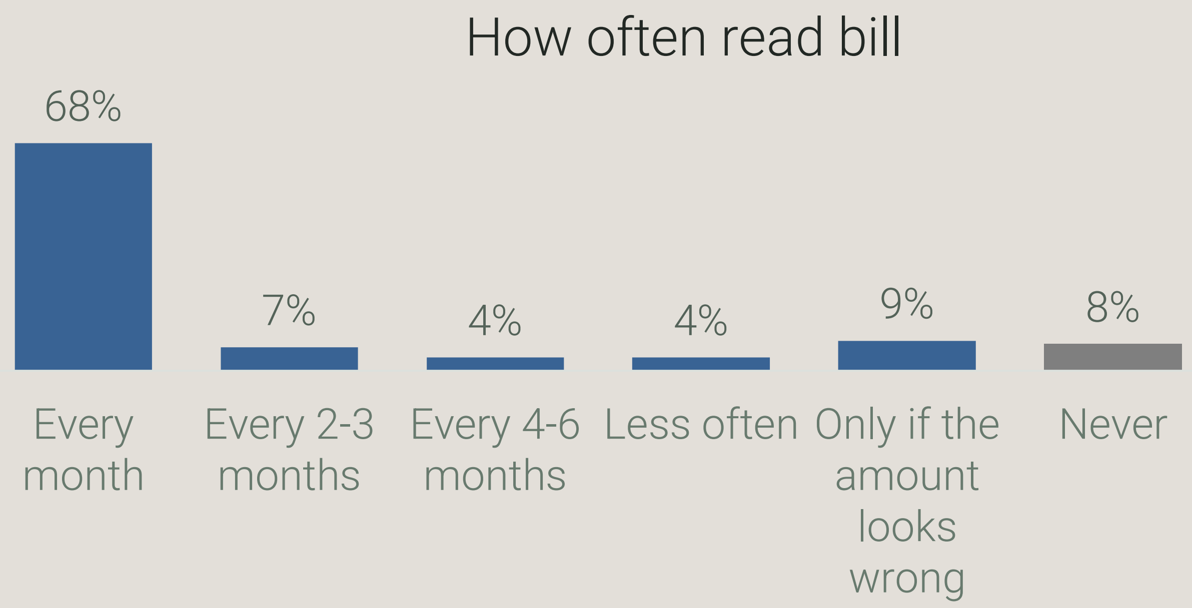
Of those who read their bill, the majority (69% - 74%) find the bill easy to understand

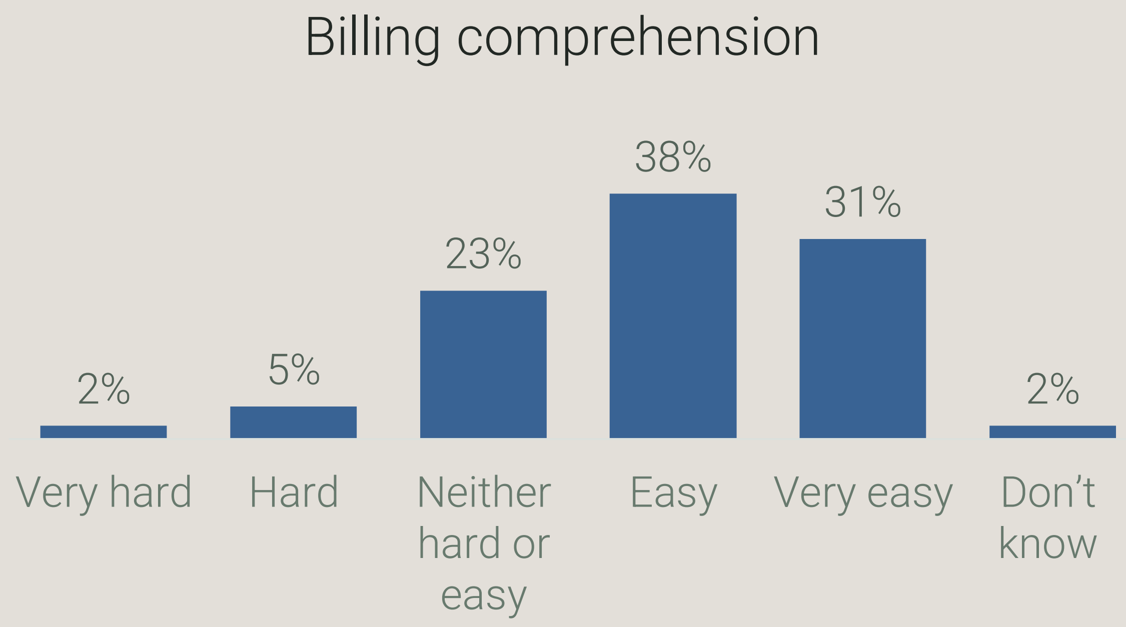
Mobile





Broadband





Note: new question added in May 2024 and so data only represents May-June data
Will not be published in 6-month report

How often do you read your bills from…
How easy it is to understand your bills from…
Base: May-June 2024 Broadband provider Population=824, Mobile provider Population=756, Broadband customers who read bill n=758, Mobile customers who read bill n=669
Questions introduced in May 2024.

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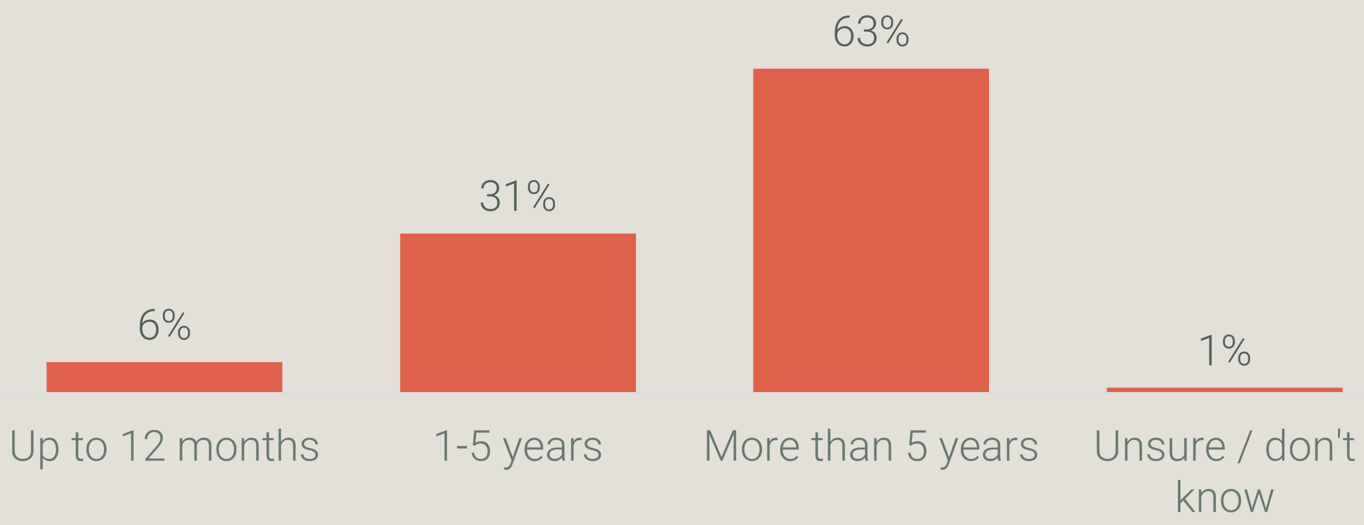
RESIDENTIAL INSIGHTS

Tenure and Switching Behaviour

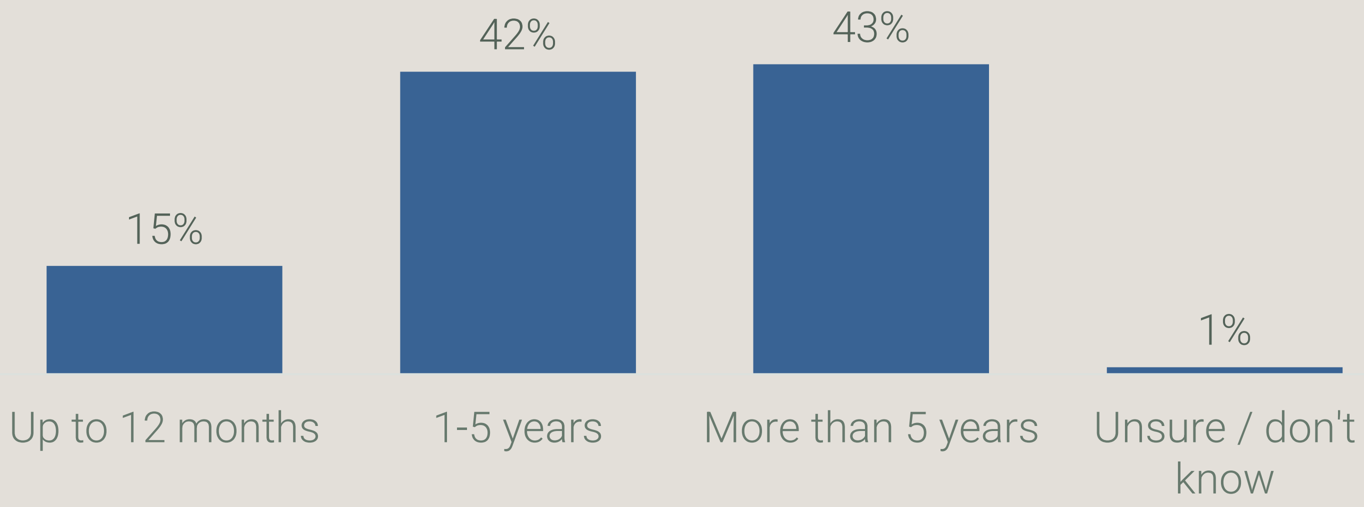
Tenure

Mobile consumers have a longer tenure with their provider than broadband consumers. 63% of mobile consumers have been with their current provider for more than 5 years, compared to 43% for broadband.

Mobile



Broadband

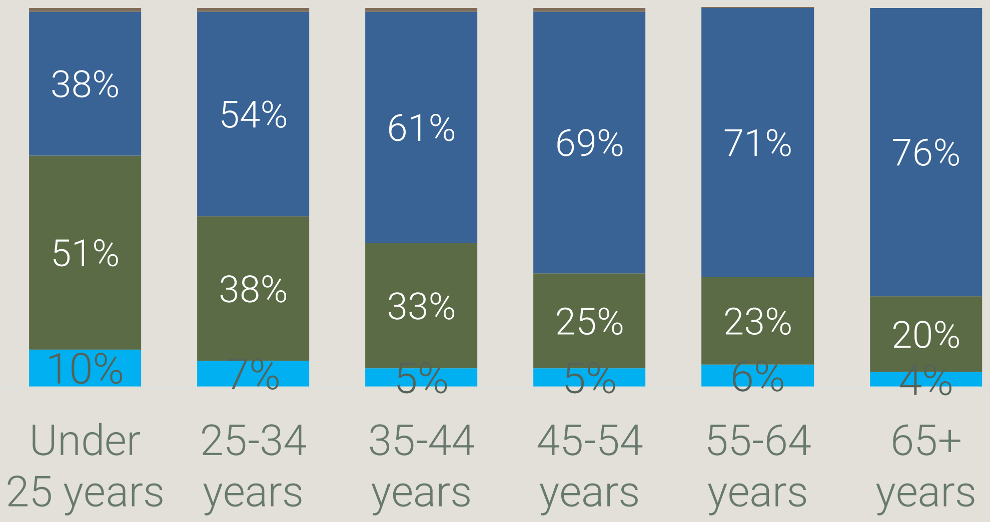


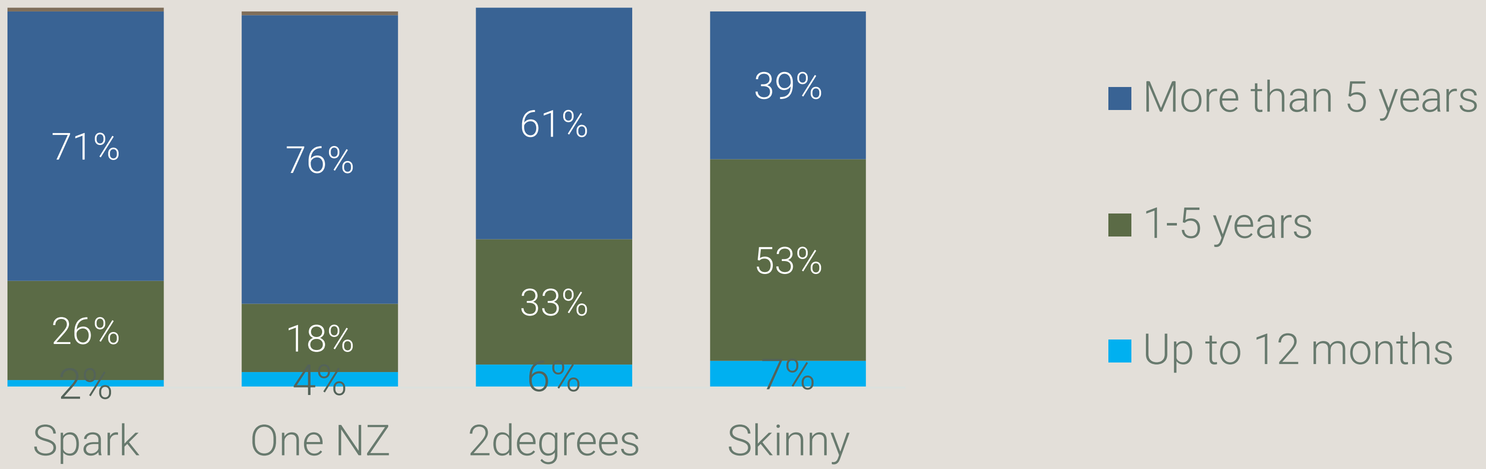
About how long have you been a customer of...
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454

Tenure

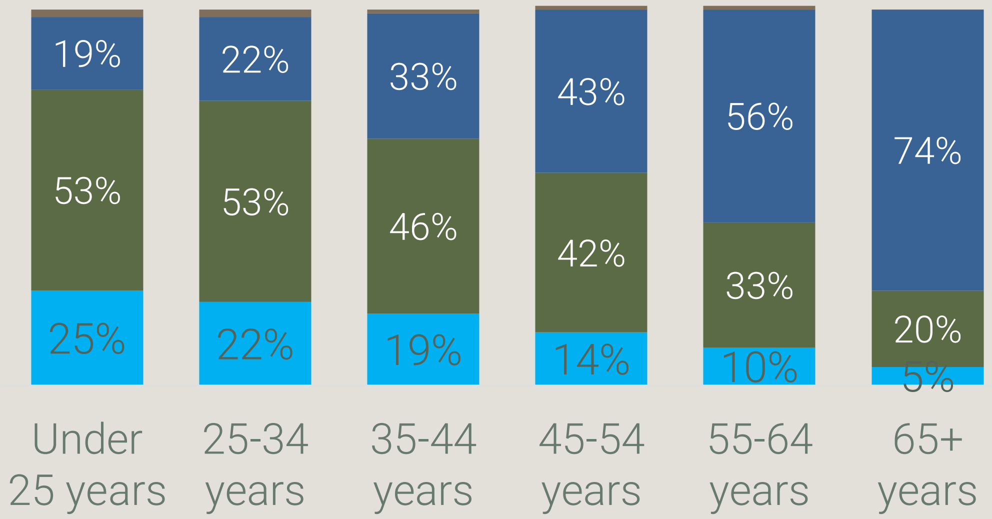
Mobile and broadband provider tenure correlates strongly with age; the majority of over 65 customers have been with their provider for more than 5 years. Spark and One NZ, followed by 2degrees (in mobile) have the longest tenure customers.

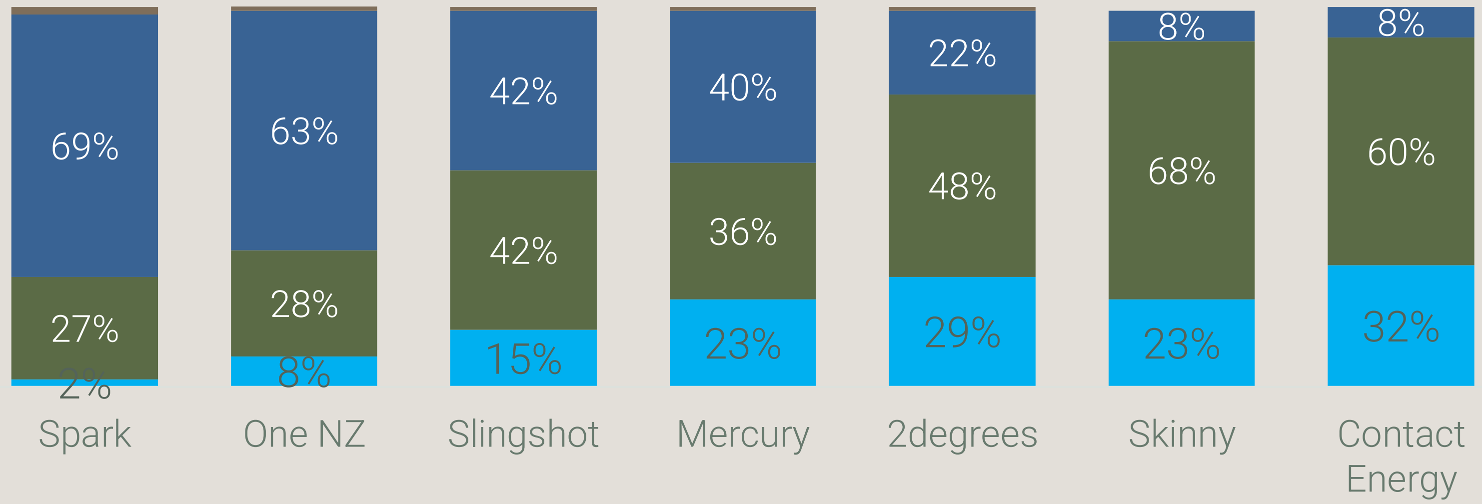
Mobile





Broadband





About how long have you been a customer of…
Base: Jan-June 2024 Spark mobile customers n=659, One NZ mobile customers n=764, 2degrees mobile customers n=644, Skinny mobile customers n=274, Spark broadband customers n=628, One NZ broadband customers n=507, 2degrees broadband customers n=411, Skinny broadband customers n=189, Slingshot broadband customers n=185, Mercury broadband customers n=118, Contact Energy broadband customers n=150,

Switching plans with same provider

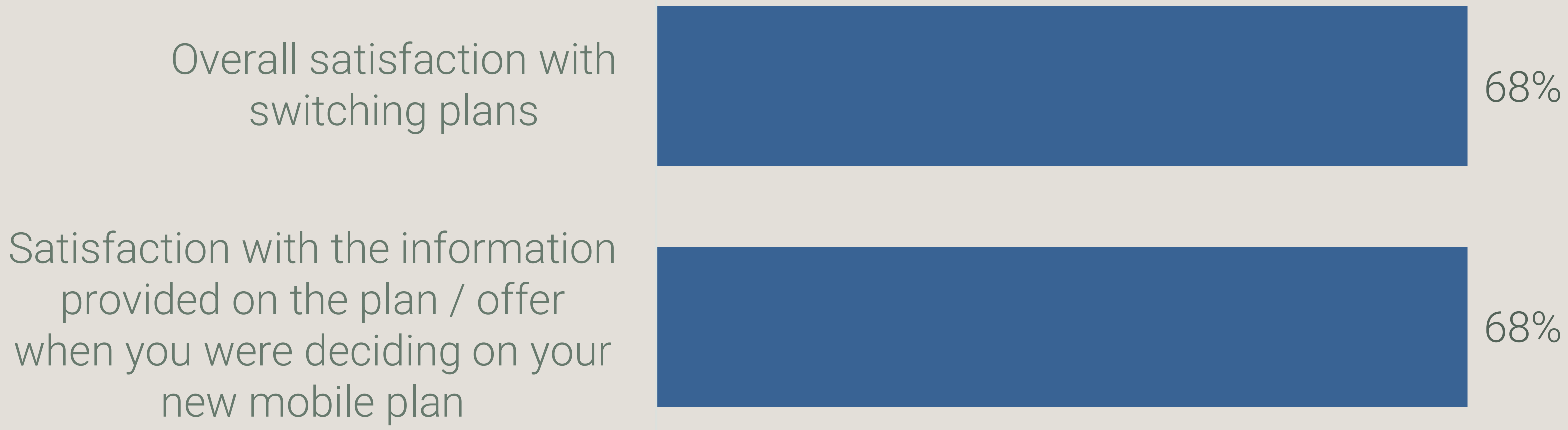
Switching mobile and broadband plans with the same provider is low. Neither mobile nor broadband hit the 80% overall satisfaction with switching plans benchmark.

10%
switched **mobile** plans in last 12 months

(17% switched plans July-December 2023)

11%
switched **broadband** plans in last 12 months

(16% switched plans July-December 2023)



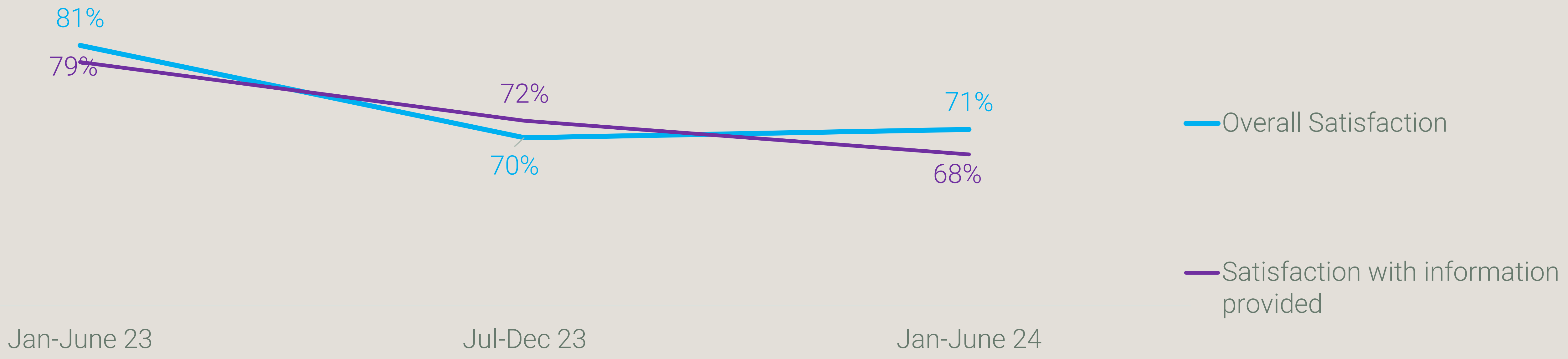
In the last 12 months, have you changed a plan relating to your....
Overall, how satisfied were you with...
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454
Base: Jan-June 2024 Switched broadband plans with same provider =269, Switched mobile plans with same provider =254.

Switching plans with same provider – trended satisfaction

Satisfaction with switching mobile plans has declined, significantly with the information provided.
Satisfaction with switching broadband plans has remained relatively stable

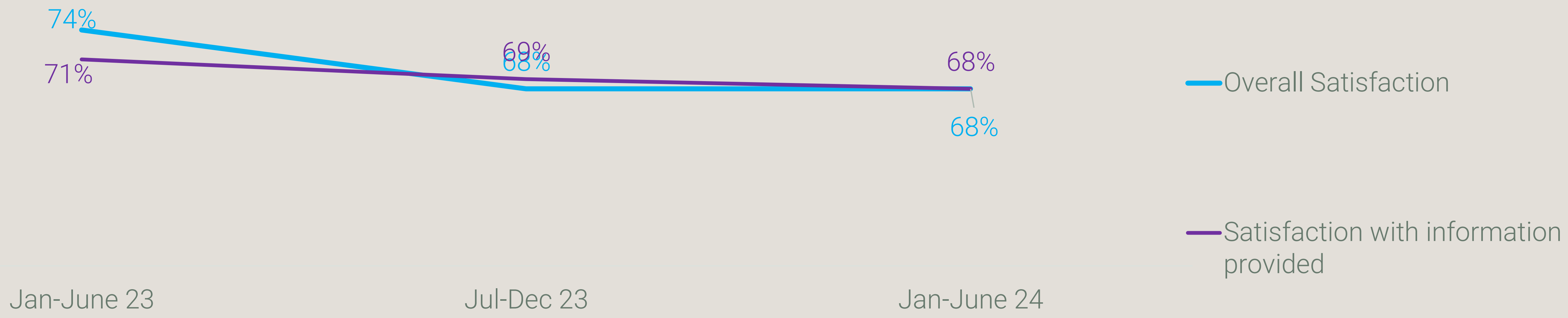
Mobile

Satisfaction
(rating 4-5 on 5 point scale)



Broadband

Satisfaction
(rating 4-5 on 5 point scale)



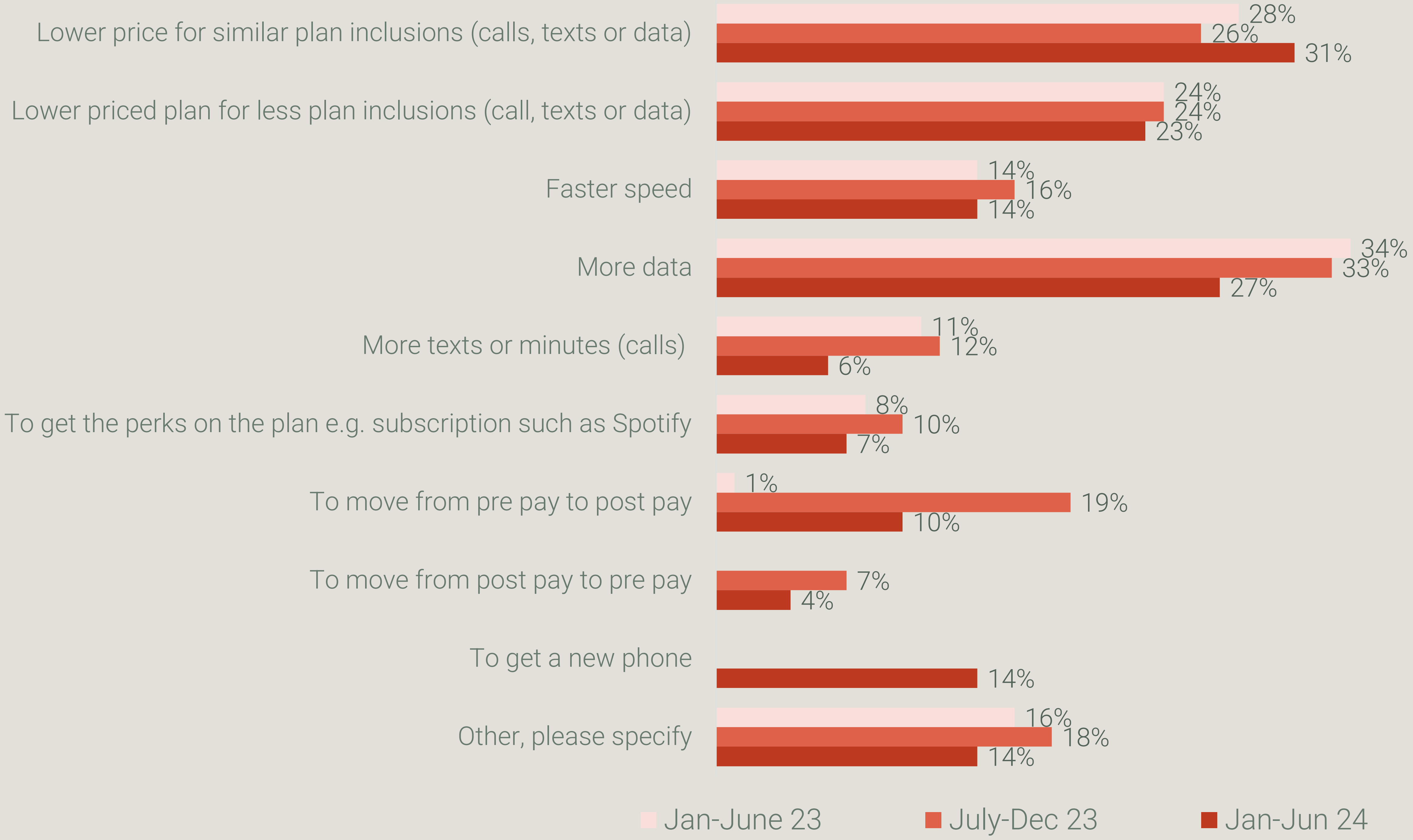
In the last 12 months, have you changed a plan relating to your....
Overall, how satisfied were you with...
Base: Jan-June 2024 Switched broadband plans with same provider =269, Switched mobile plans with same provider =254.

Reasons for switching mobile plans with same provider

Lower prices remains one of the main reasons for mobile consumers switching plans, and this has increased over the last reporting period.

10%
switched mobile plans in last 12 months

(17% switched plans July-December 2023)



For which of the following reasons did you switch your mobile plan?
Base: Jan-June 2024 Switched mobile plans with same provider =215.

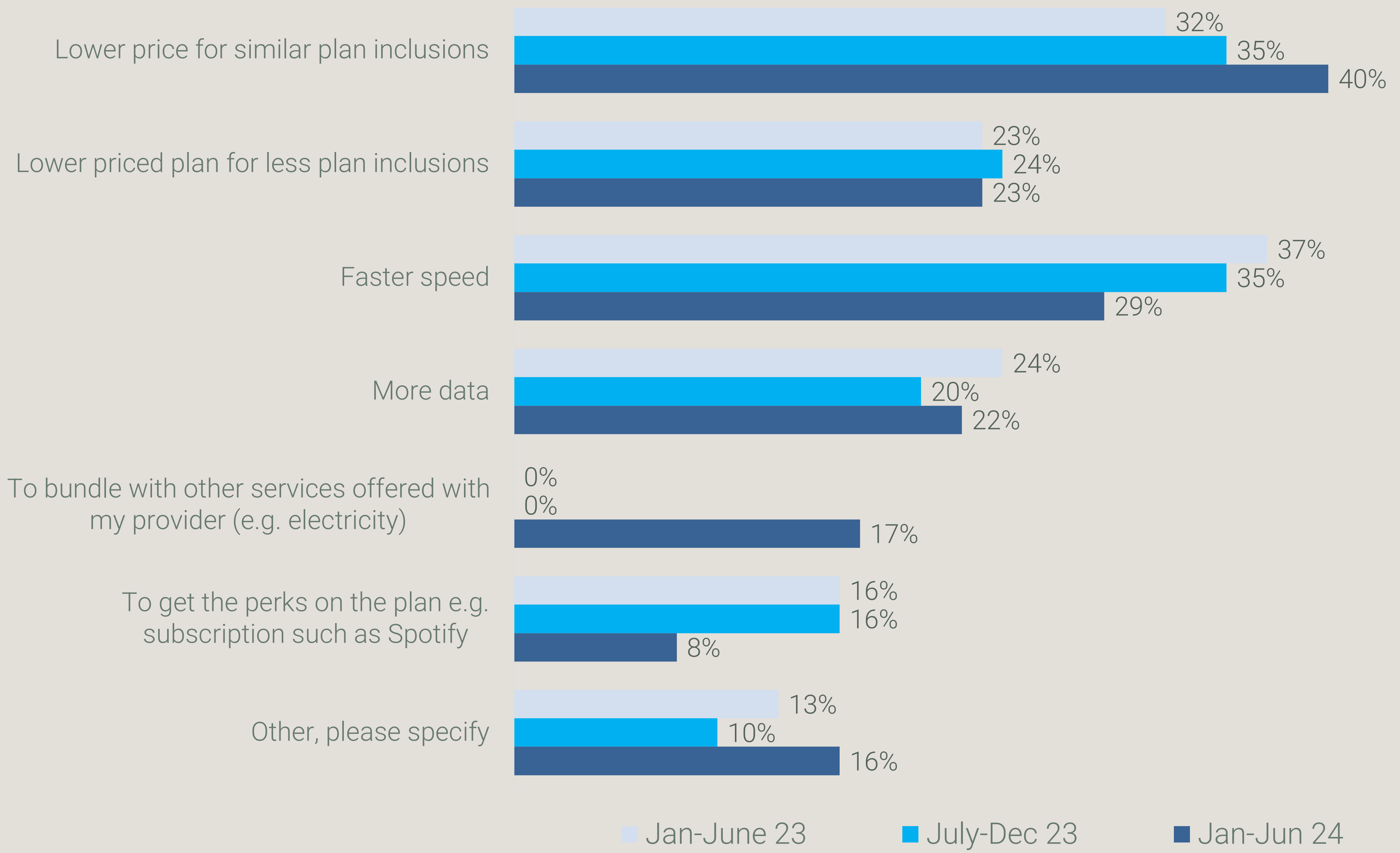
Reasons for switching broadband plans with same provider

Faster speed now less of a driver for switching plans with same provider, we see an increase in the number of consumers saying they are switching plans to get a lower price.

11%

switched broadband plans in last 12 months

(16% switched plans July-December 2023)



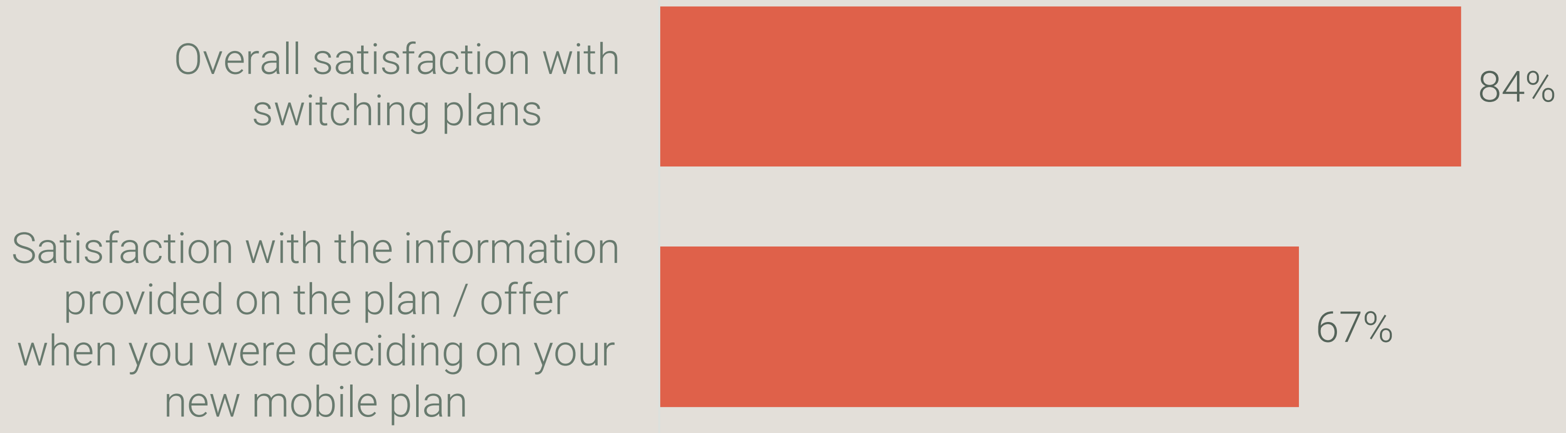
For which of the following reasons did you switch your broadband plan?
Base: Jan-June 2024 Switched broadband plans with same provider =256

Switching provider

Switching provider is even less common than switching plan, with only 11% of consumers switching broadband provider and 5% switching mobile provider in the last 12 months. Overall satisfaction with switching meets the 80% satisfaction benchmark for both mobile and broadband while other areas fall short.

5%
switched **mobile** provider in last 12 months

(6% switched provider July-December 2023)



11%
switched **broadband** provider in last 12 months

(12% switched provider July-December 2023)

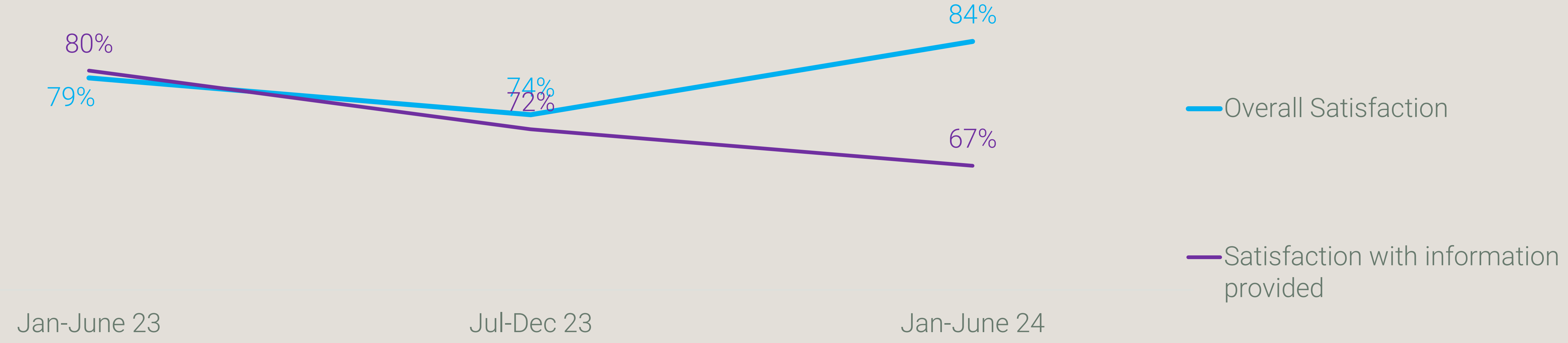
In the last 12 months, have you switched / changed telecommunication providers relating to your
Overall, how satisfied were you with...
Base: Jan-June 2024 Broadband provider Population=2419, Mobile provider Population=2454
Base: Jan-June 2024 Switched broadband provider =256, Switched mobile provider =128

Switching provider – trended satisfaction

Satisfaction with broadband provider switching is relatively consistent. However, overall satisfaction with switching mobile provider has increased.

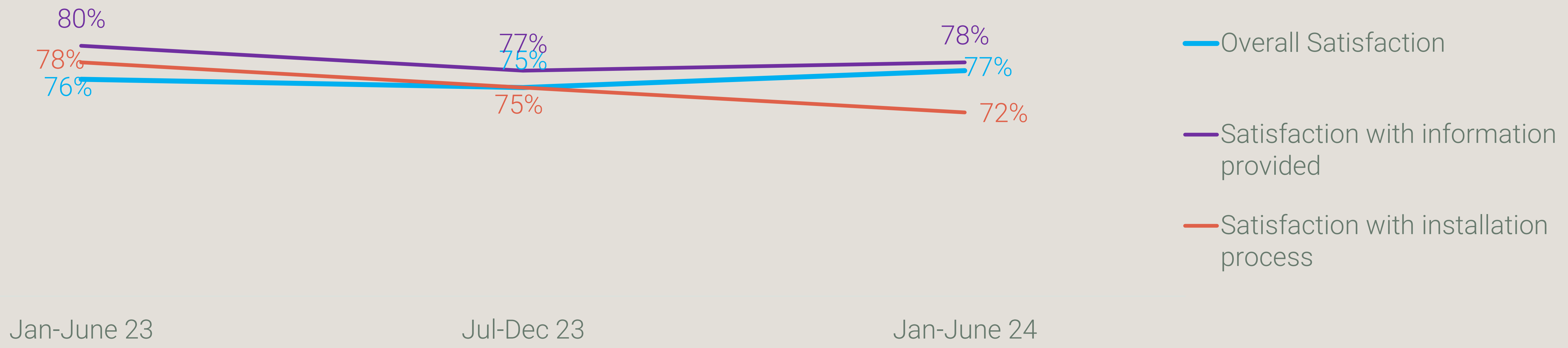
Mobile

Satisfaction
(rating 4-5 on 5 point scale)



Broadband

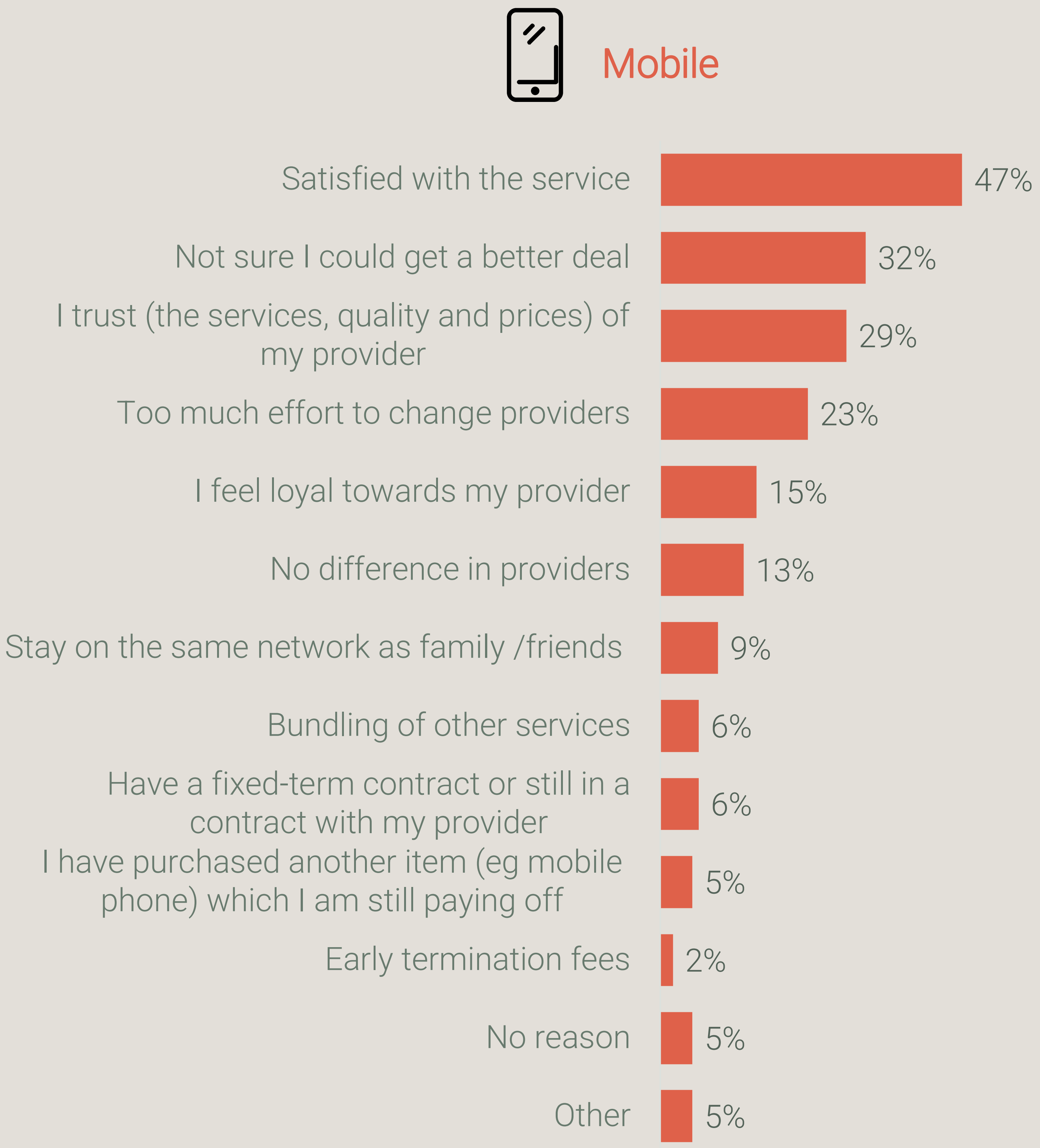
Satisfaction
(rating 4-5 on 5 point scale)

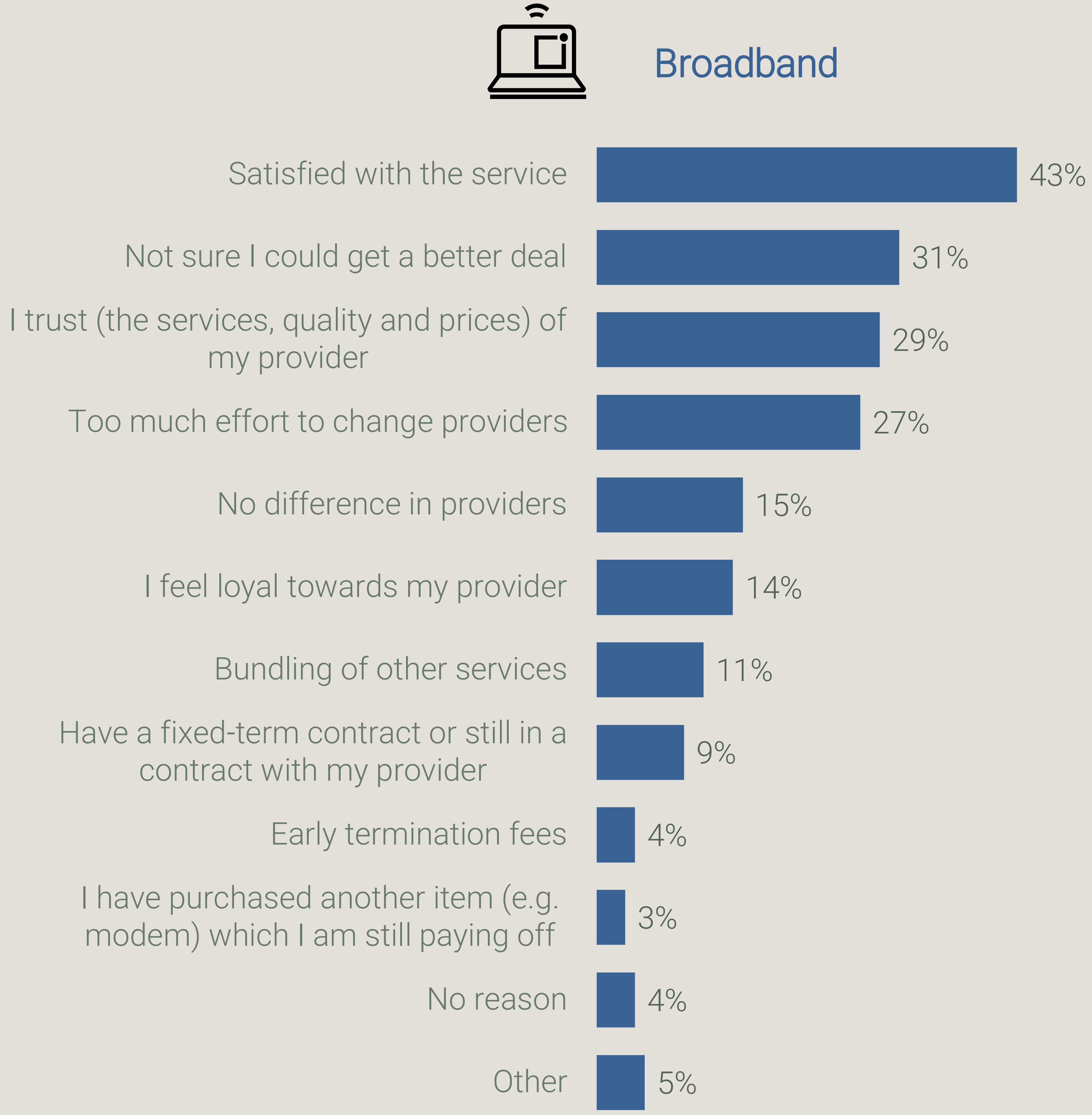


In the last 12 months, have you switched / changed telecommunication providers relating to your
Overall, how satisfied were you with...
Base: Jan-June 2024 Switched broadband provider =256, Switched mobile provider =128

Reasons for staying with current provider

The main reasons consumers are staying with their current provider is because they are satisfied with the service, and the perceived hassle of switching



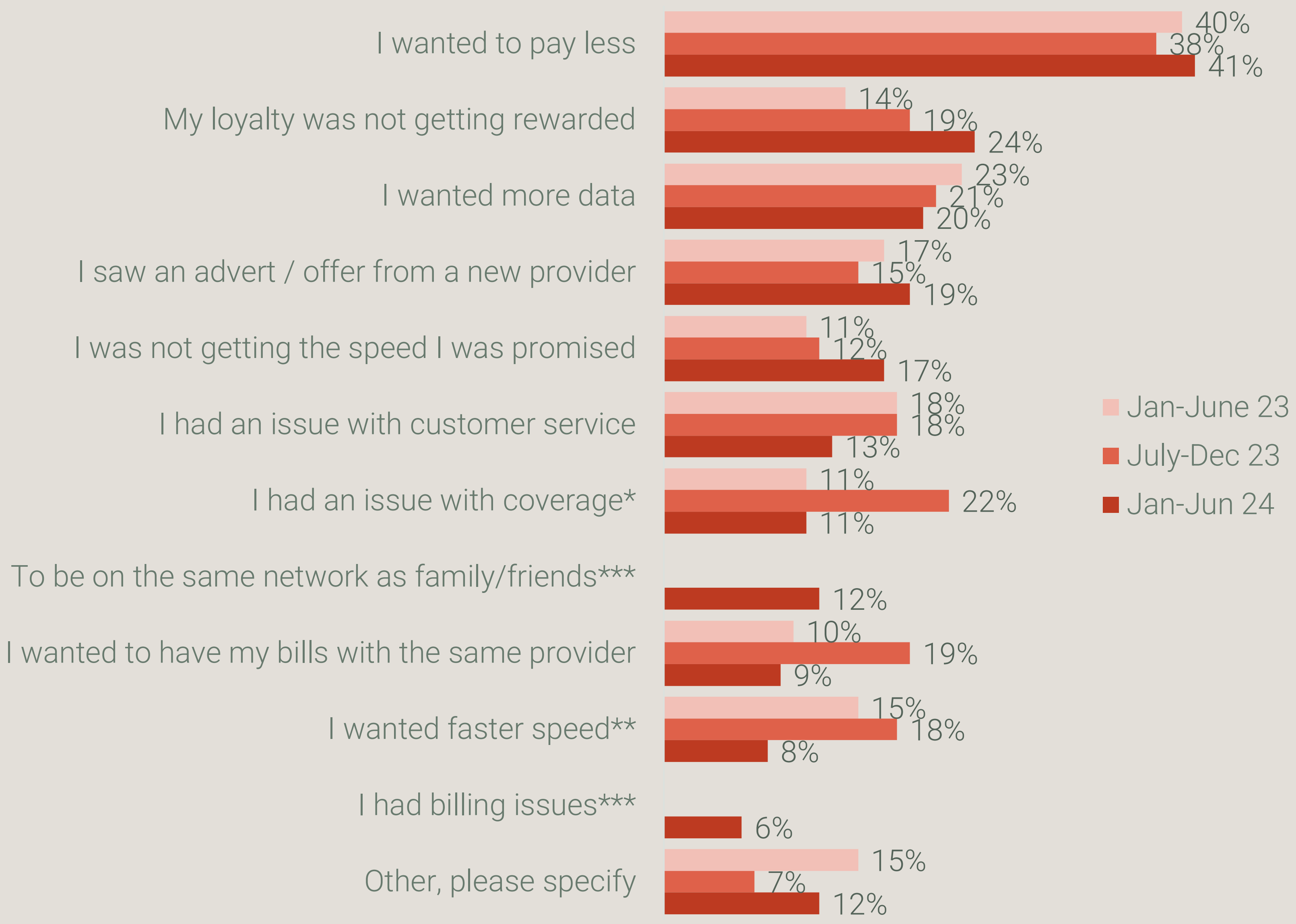


In the last 12 months, have you switched / changed telecommunication providers relating to your
Overall, how satisfied were you with…
Base: Jan-June 2024 Did not switch broadband provider =2163, Did not switch mobile provider =2326.

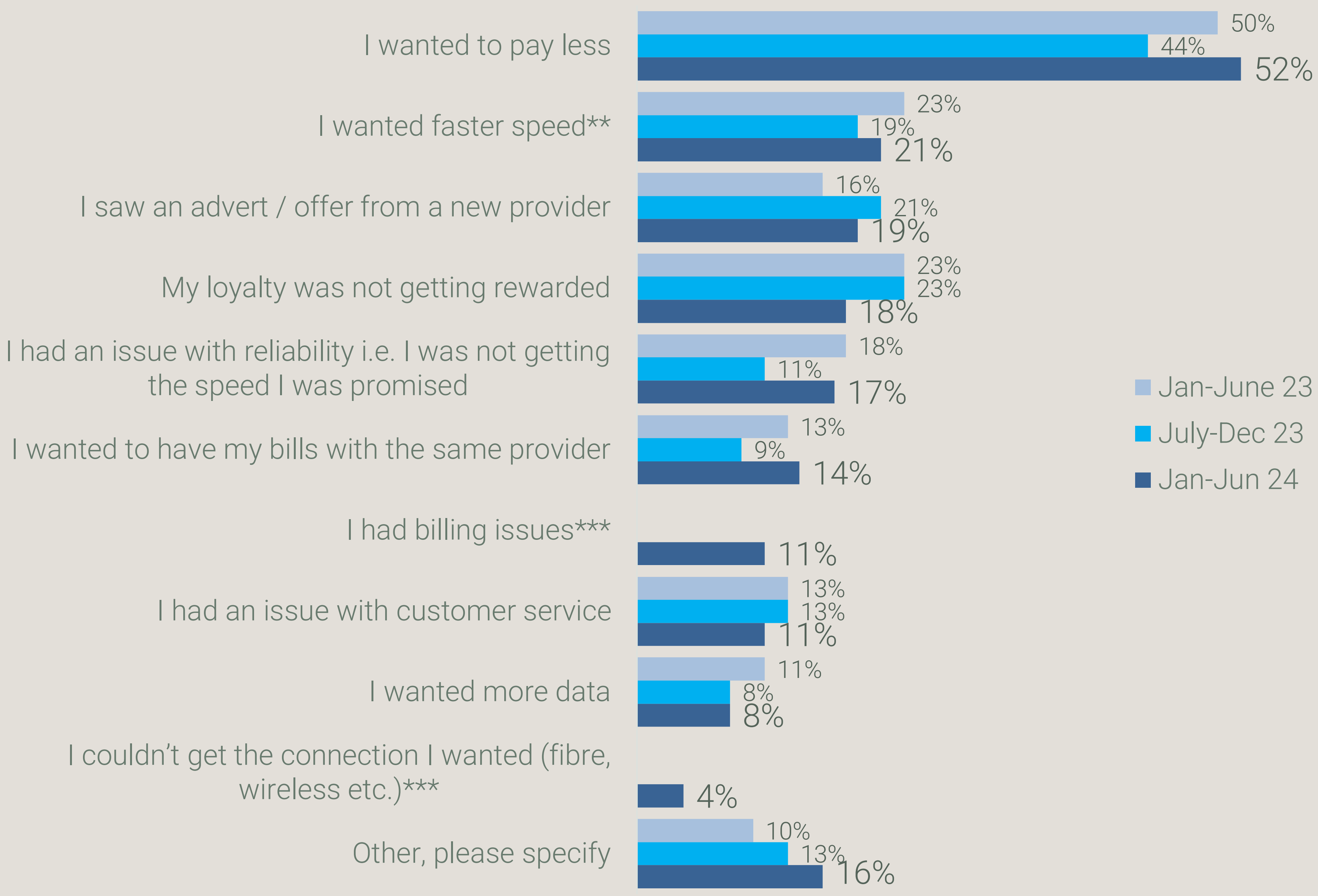
Reasons for leaving provider

Paying less is the main driver of consumers leaving their mobile and/or broadband provider.

5% switched mobile provider in last 12 months
(6% switched provider July-December 2023)



11% switched broadband provider in last 12 months
(12% switched provider July-December 2023)



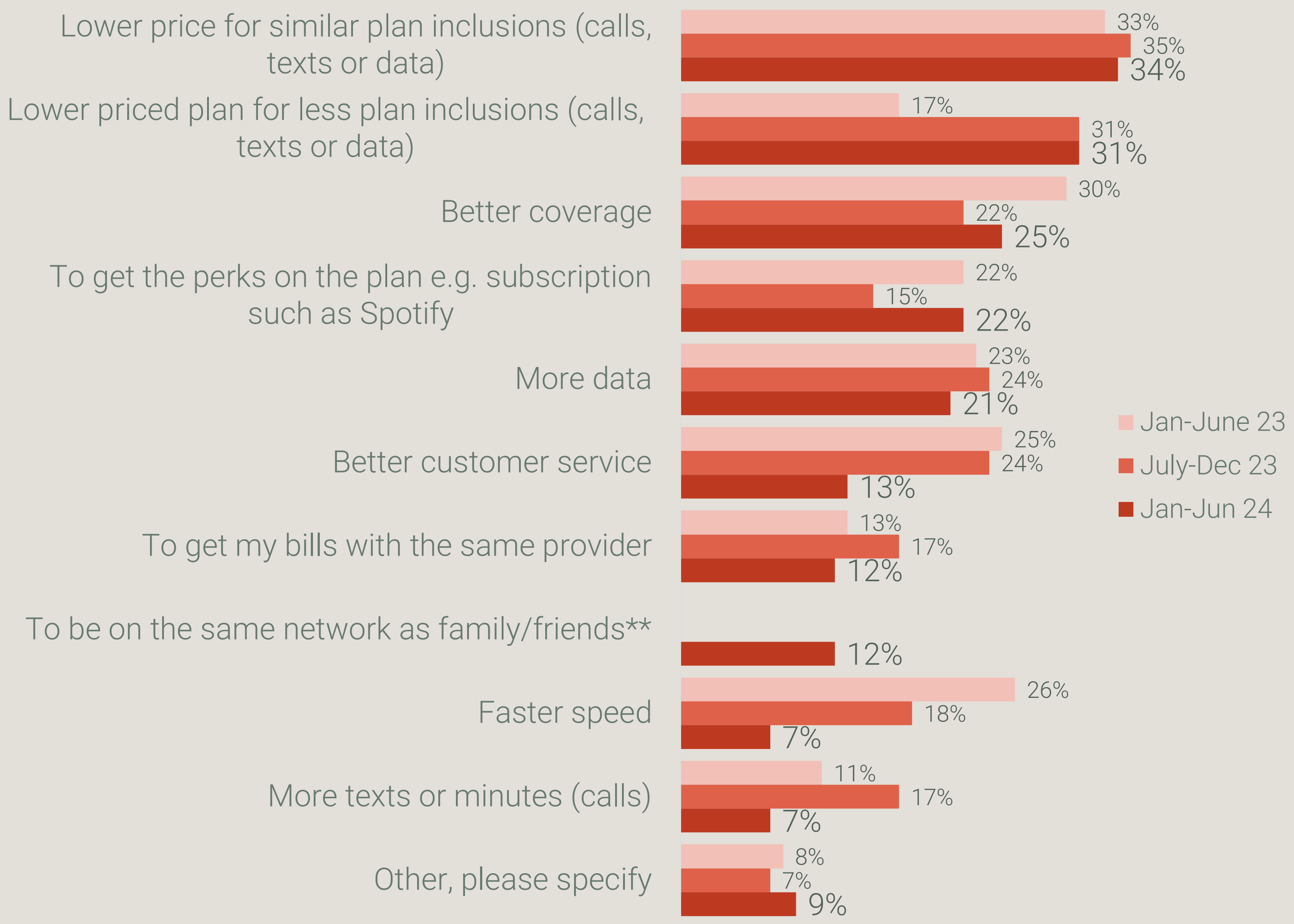
**Previously "I had an issues with reliability*
***Previously 'I wanted higher speed'*
****Options not asked previously*
Please note that adding options can have an impact on comparability

For which of the following reasons did you start looking to switch from
Base: Jan-June 2024 Switched broadband provider =256, Switched mobile provider =128

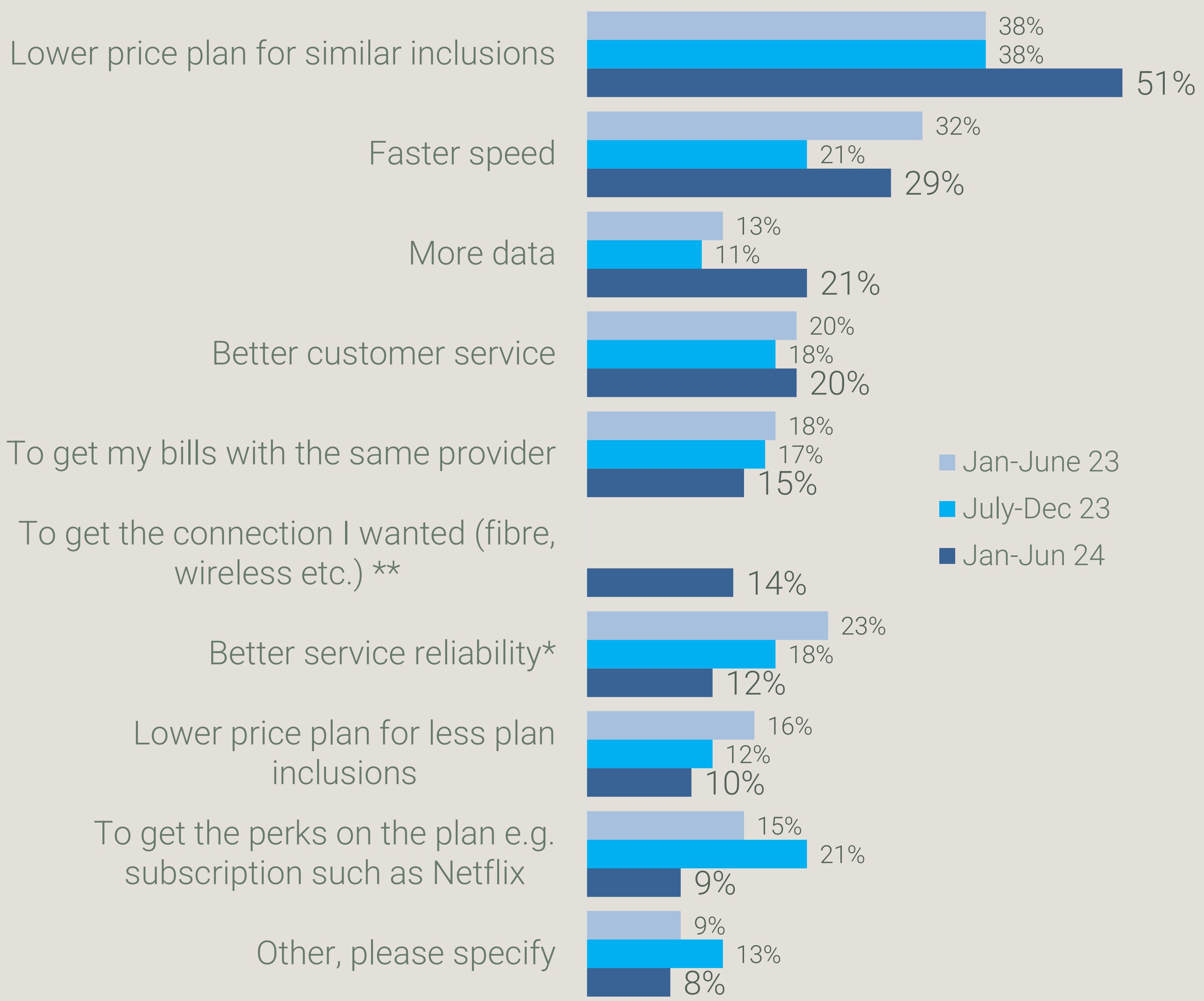
Reasons for choosing new provider

When choosing a new mobile provider, consumers are mainly influenced by lower prices for less inclusions, fewer are switching for faster speeds. Most consumers who switch broadband plans are motivated by lower prices.

5% switched **mobile** provider in last 12 months
(6% switched provider July-December 2023)



11% switched **broadband** provider in last 12 months
(12% switched provider July-December 2023)



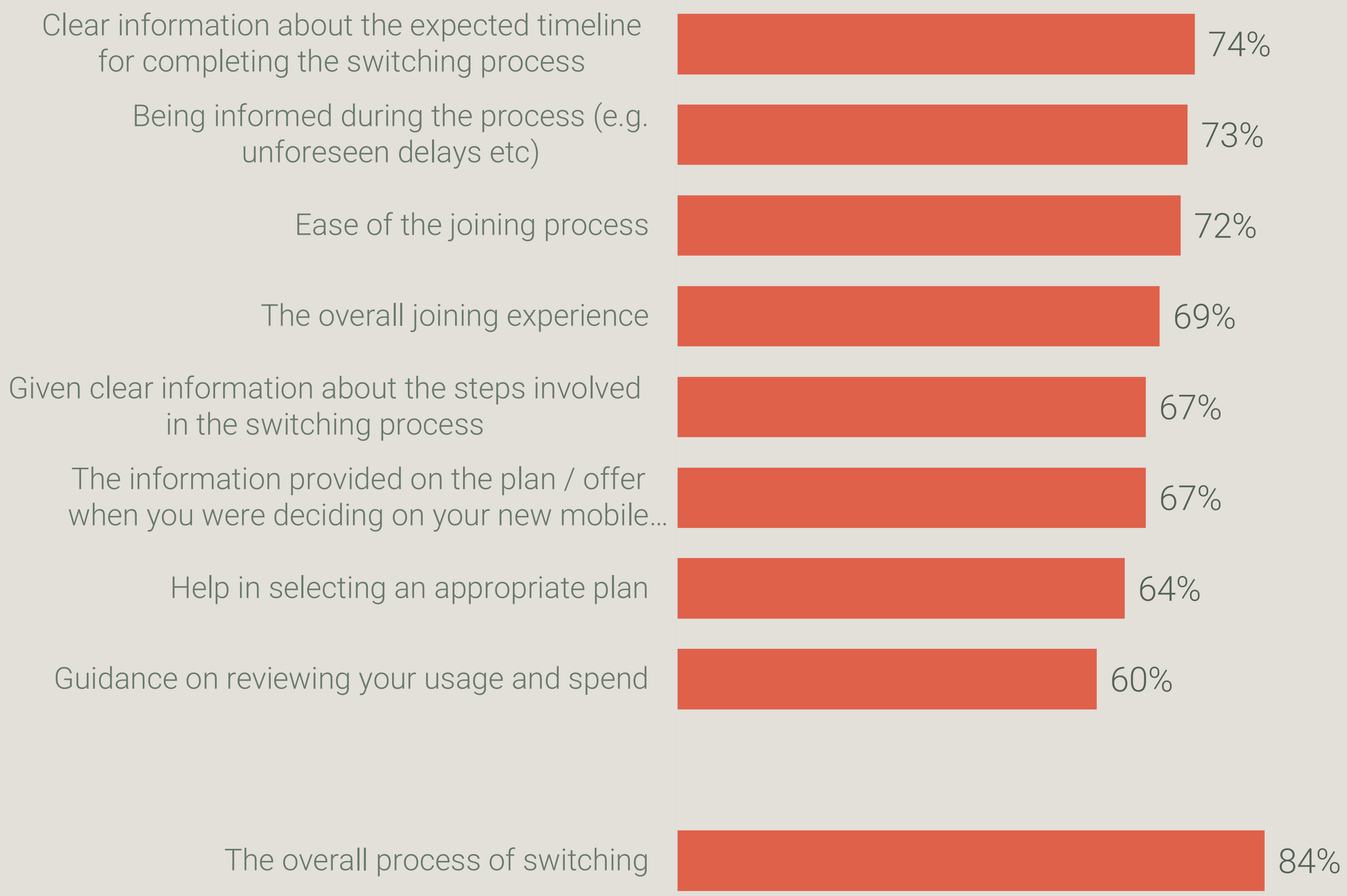
**Previously worded as "Better coverage"*
***Not asked previously*
Please note that adding options can have an impact on comparability

For which of the following reasons did you start looking to switch from
Base: Jan-June 2024 Switched broadband provider =256, Switched mobile provider =128

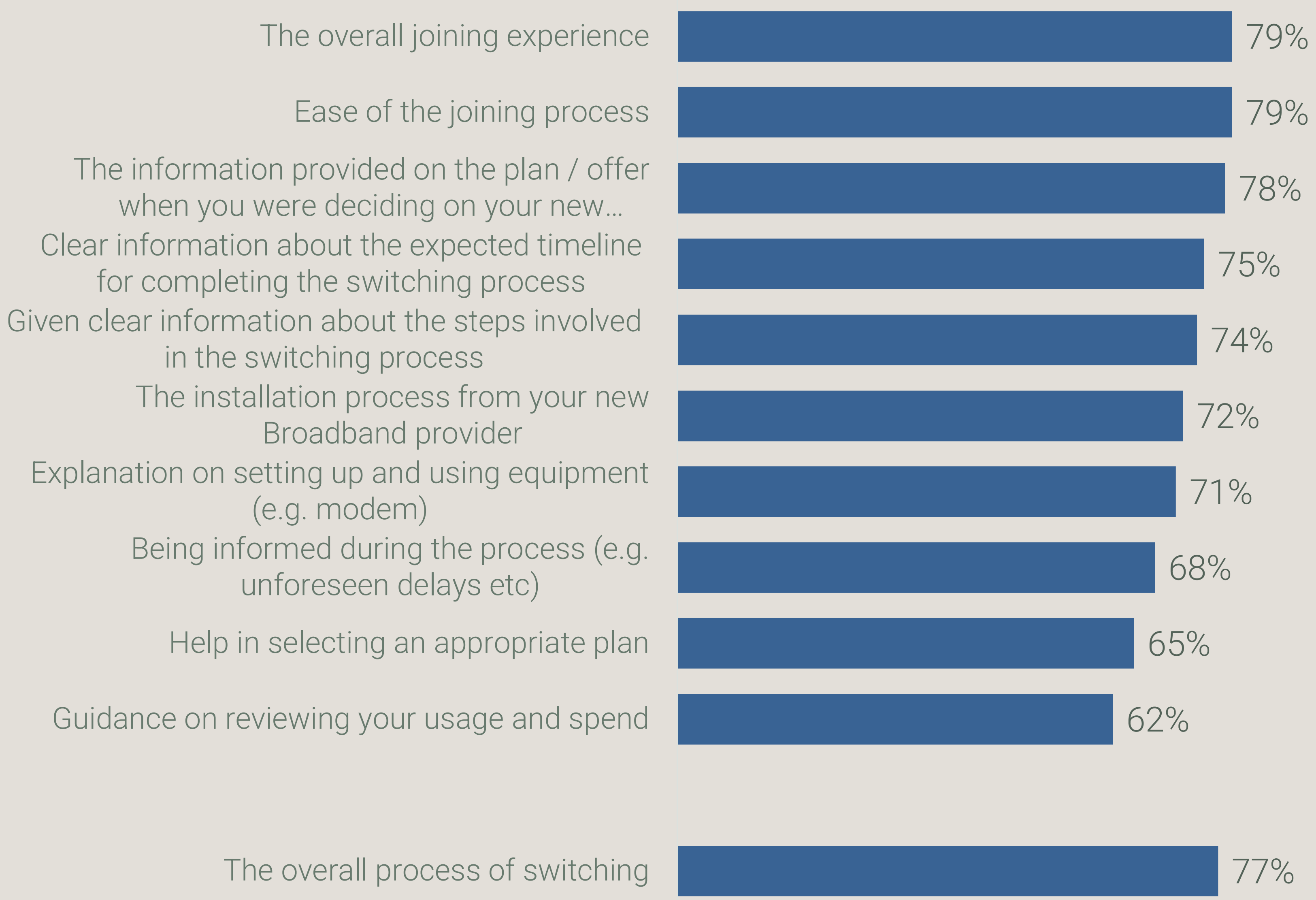
Satisfaction when joining new provider

Lowest satisfaction for both mobile and broadband switching was guidance on reviewing usage and spend and help in selecting the appropriate plan.

5% switched **mobile** provider in last 12 months
(6% switched provider July-December 2023)



11% switched **broadband** provider in last 12 months
(12% switched provider July-December 2023)



Thinking about when you switched your broadband to %"BB-Provider"% please indicate how satisfied you were with the following aspects of the joining process?
Base: Jan-June 2024 Switched broadband provider =256, Switched mobile provider =128

INSIGHTS HQ

RESIDENTIAL INSIGHTS

Issues and Response

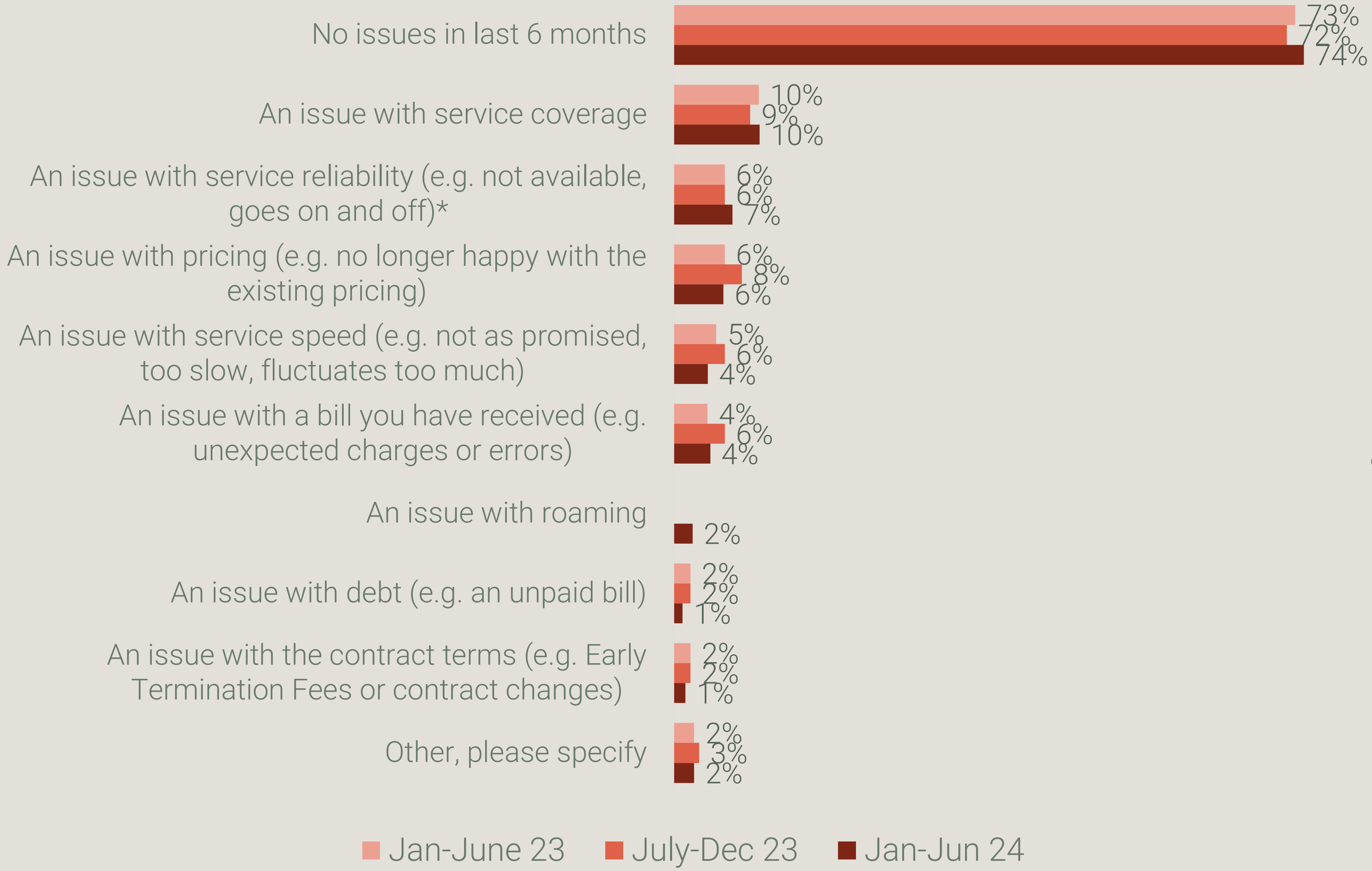
Mobile Issues

The most common issues experienced with mobile service are issues to do with mobile coverage.

26%

of Mobile customers have experienced an issue with their mobile service in the

past 6 months



Service coverage issues are more prevalent in the South Island (excluding Canterbury) where 16% have experienced an issue

Under 25s are more likely than other age groups to have experienced an issues with pricing (11%) or billing (10%)

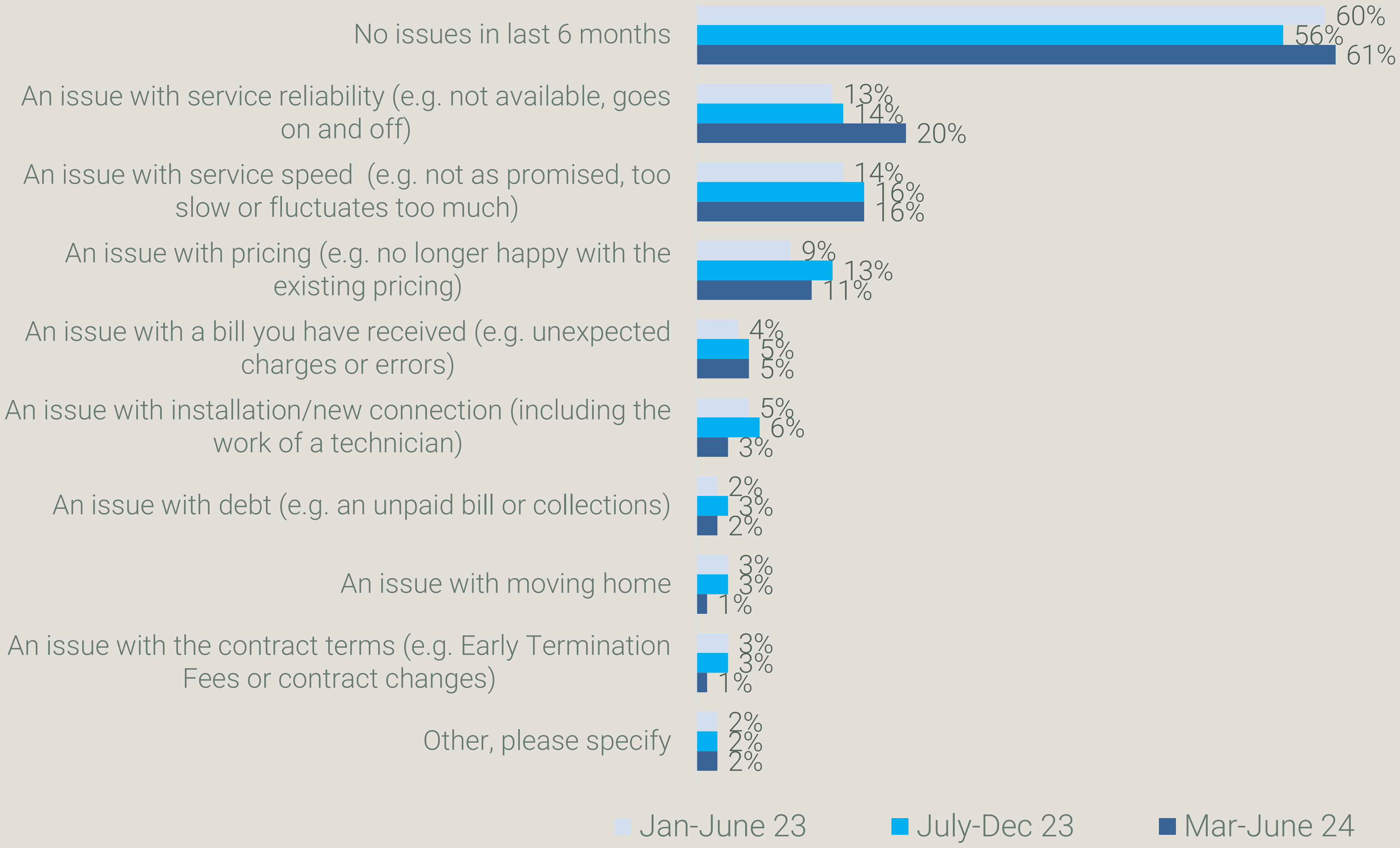
Please note that adding options can have an impact on comparability

In the last 6 months, have you experienced any of the following issues with your mobile service?
Base: Jan-June 2024 Mobile provider Population=2390.

Broadband Issues

39% of consumers have had issues with their broadband services in the last six months.

39%
of broadband customers have experienced an issue with their broadband internet service in the
past 6 months

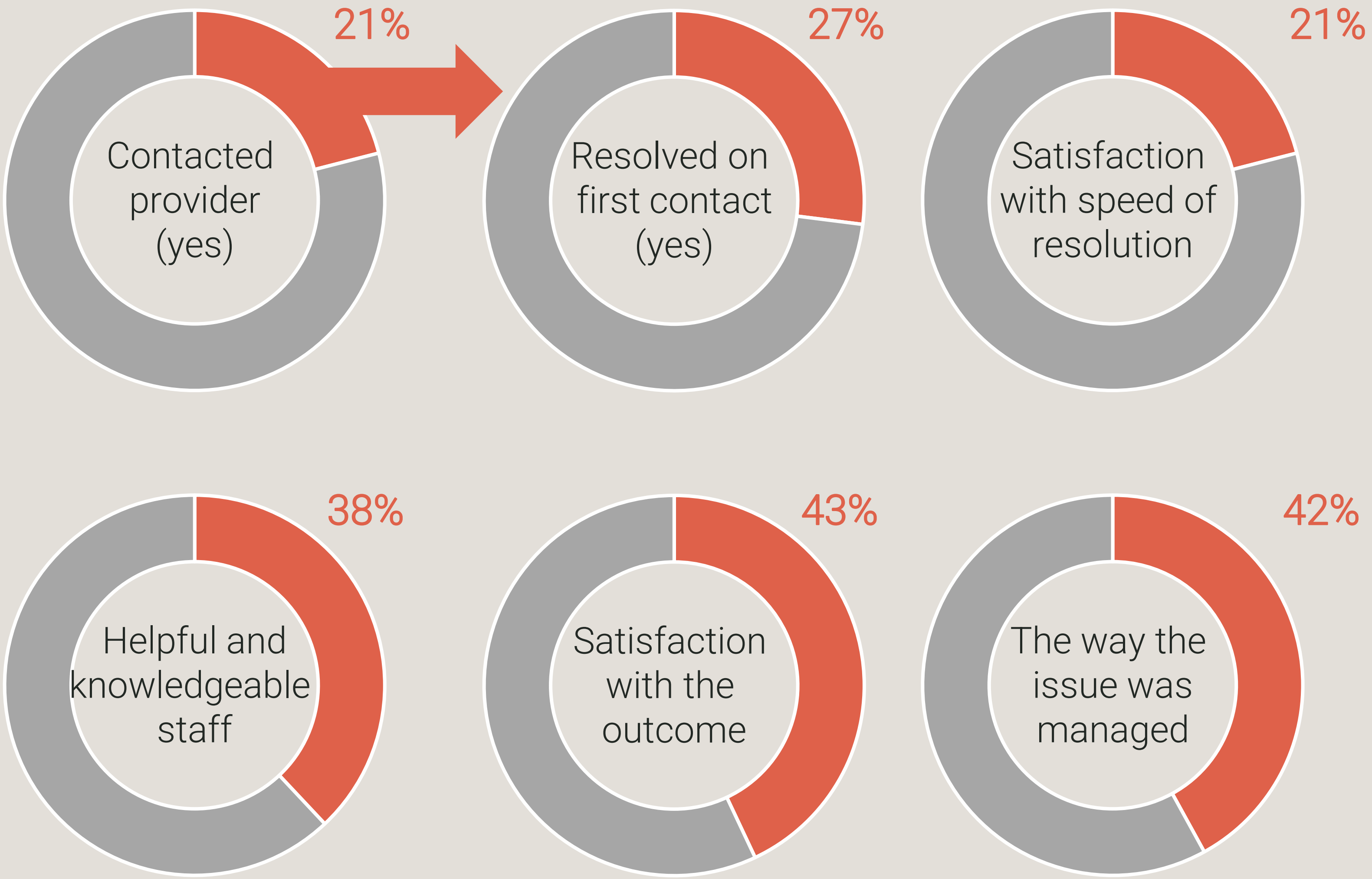


In the last 6 months, have you experienced any of the following issues with your Broadband internet service?
Base: Mar-June 2024 Broadband provider Population=1574

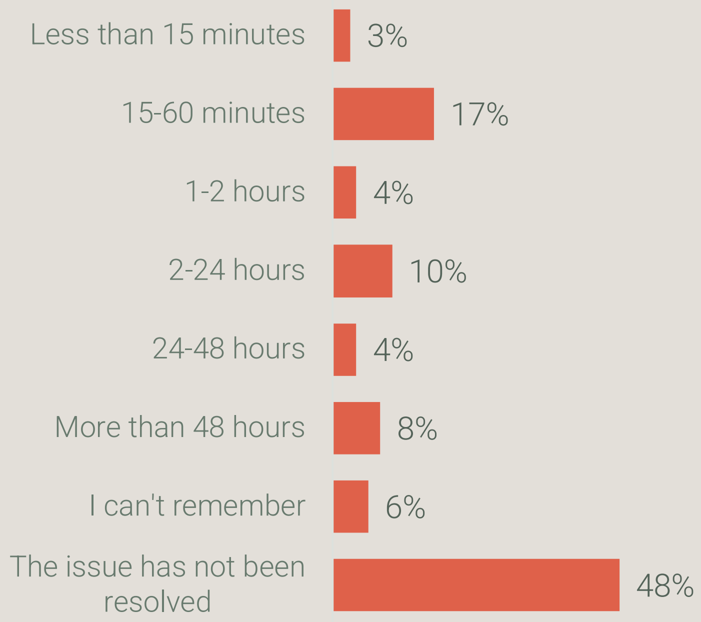
Mobile Issue deep dive
Service coverage

10% of consumers had an issue with their mobile service coverage. Of those, 70% contacted their provider, and of those, 32% contacted their provider 5 or more times.

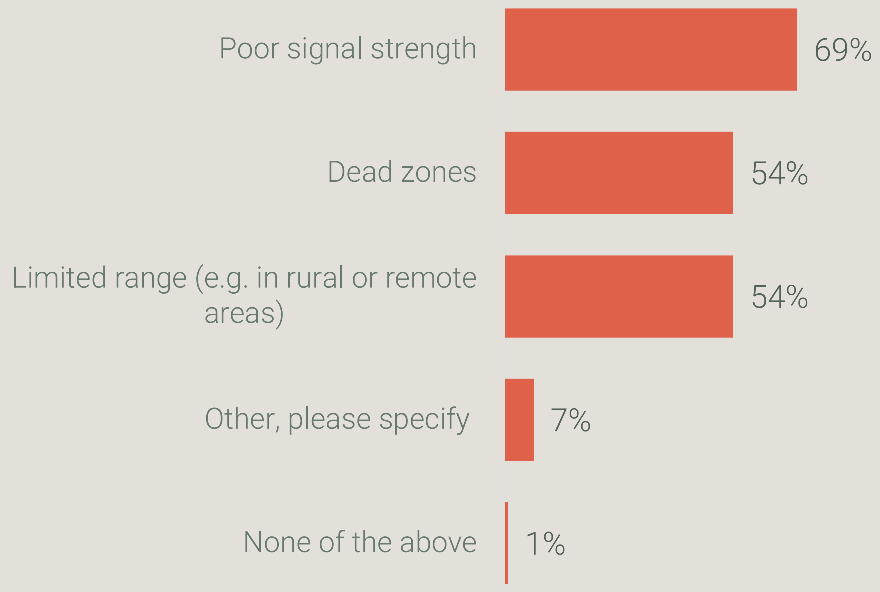
The most common issue was related to poor signal strength.



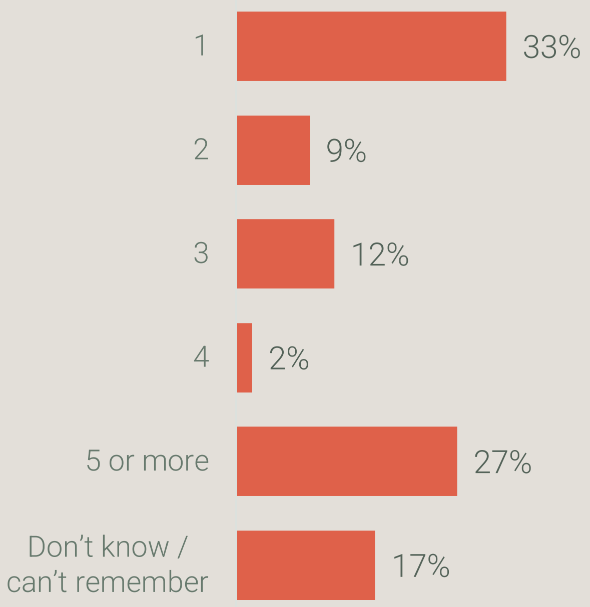
Length of time to resolve



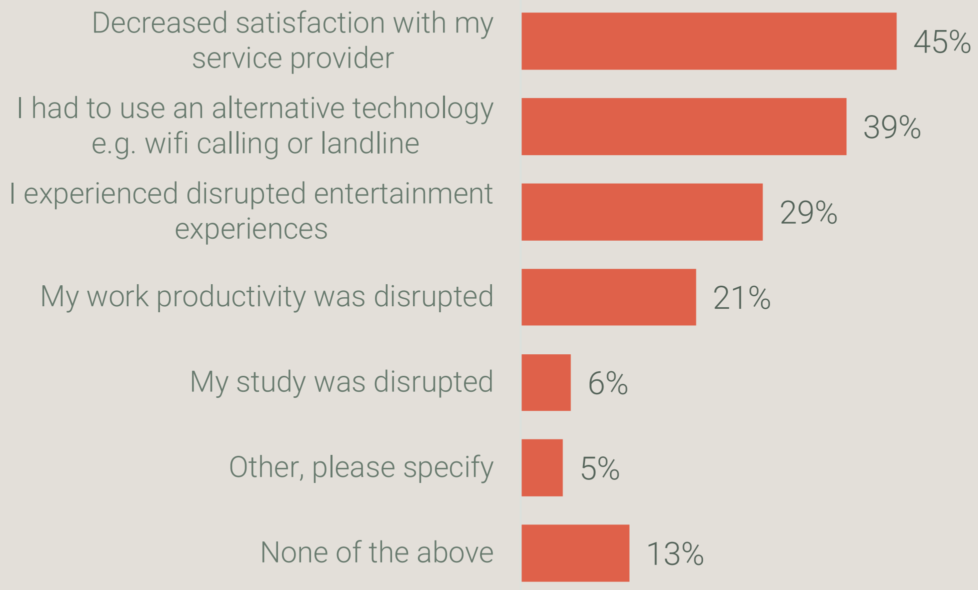
Issue related to



Number of times contacted provider



Impact

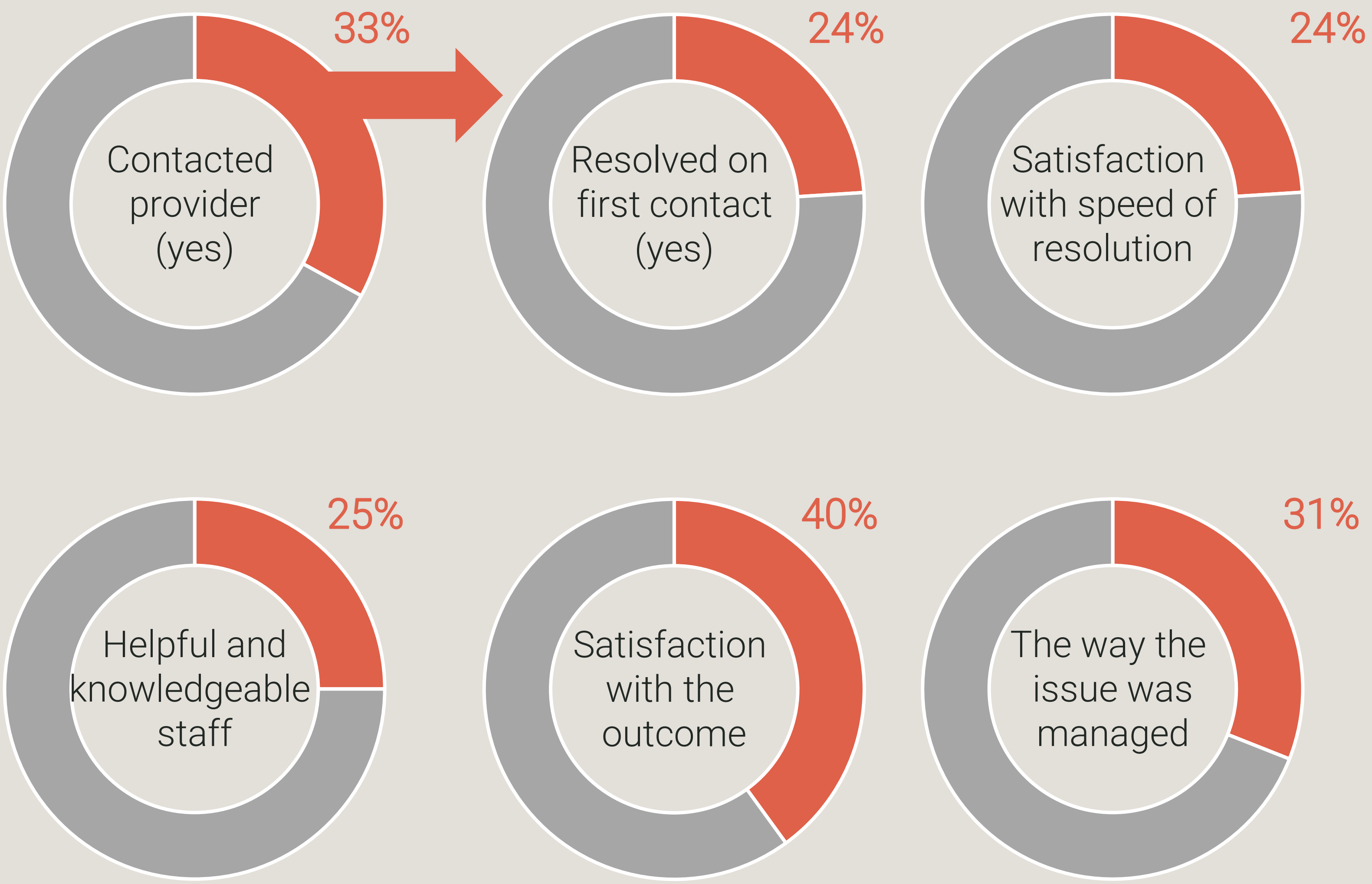


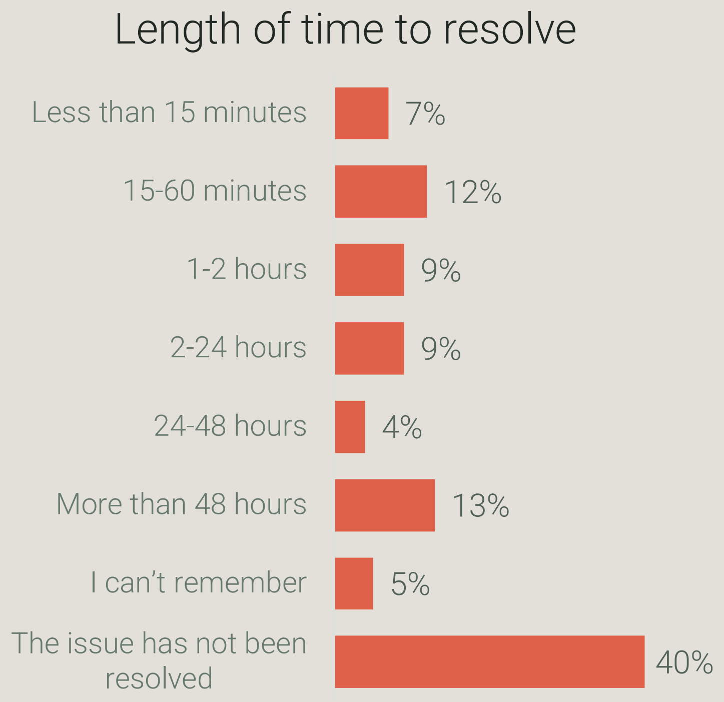
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Mobile customers who experienced mobile service coverage issue (n=237) and contact provider about issue (n=51)

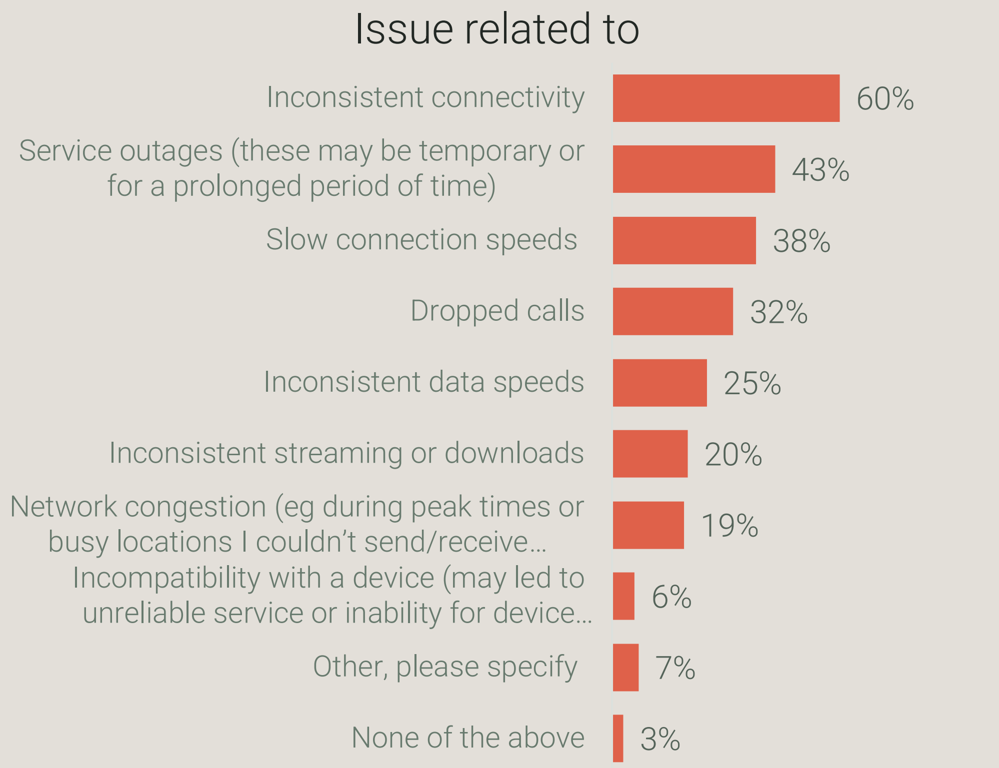
Mobile Issue deep dive
Service reliability

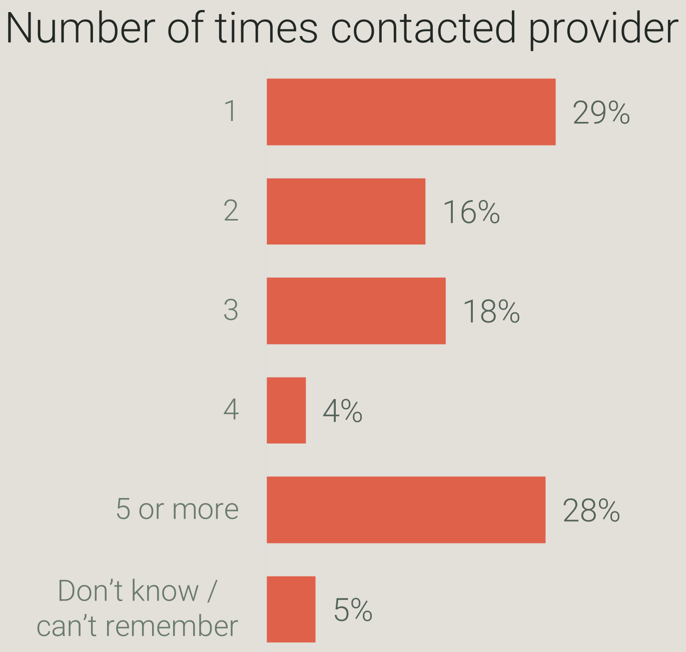
7% of consumers had an issue with their mobile service reliability. Of those, 33% contacted their provider, and of those, 28% contacted their provider 5 or more times.

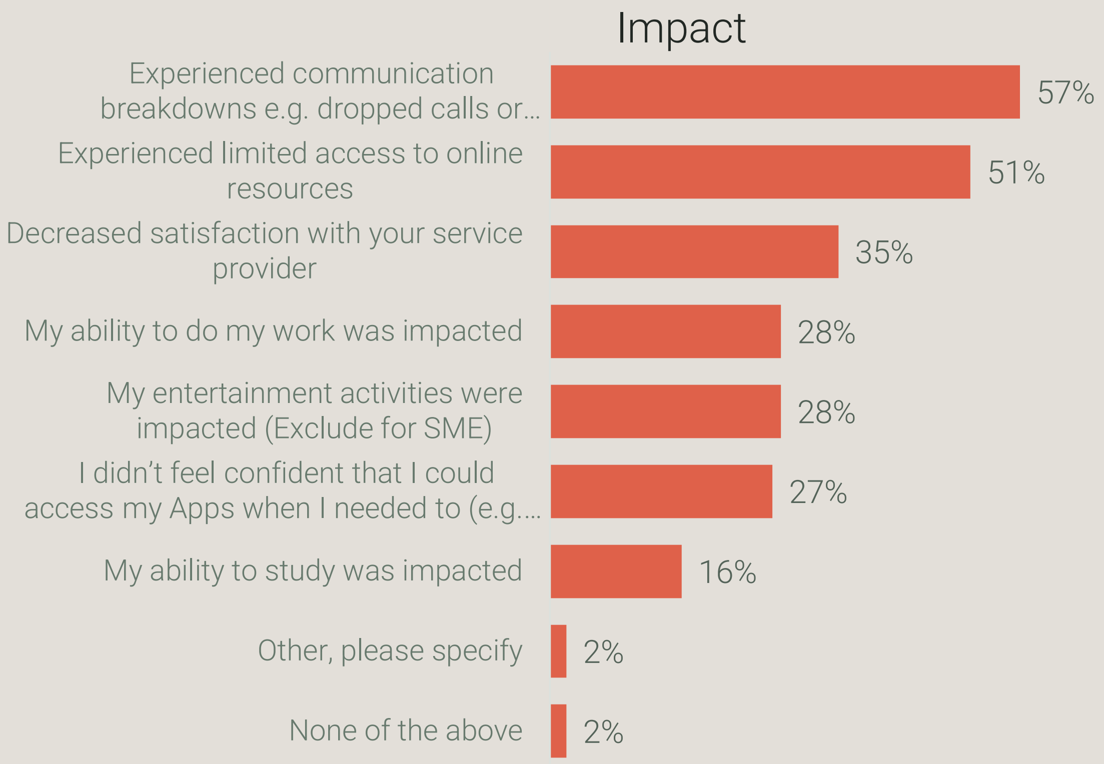
The most common issue was related to inconstant connectivity.







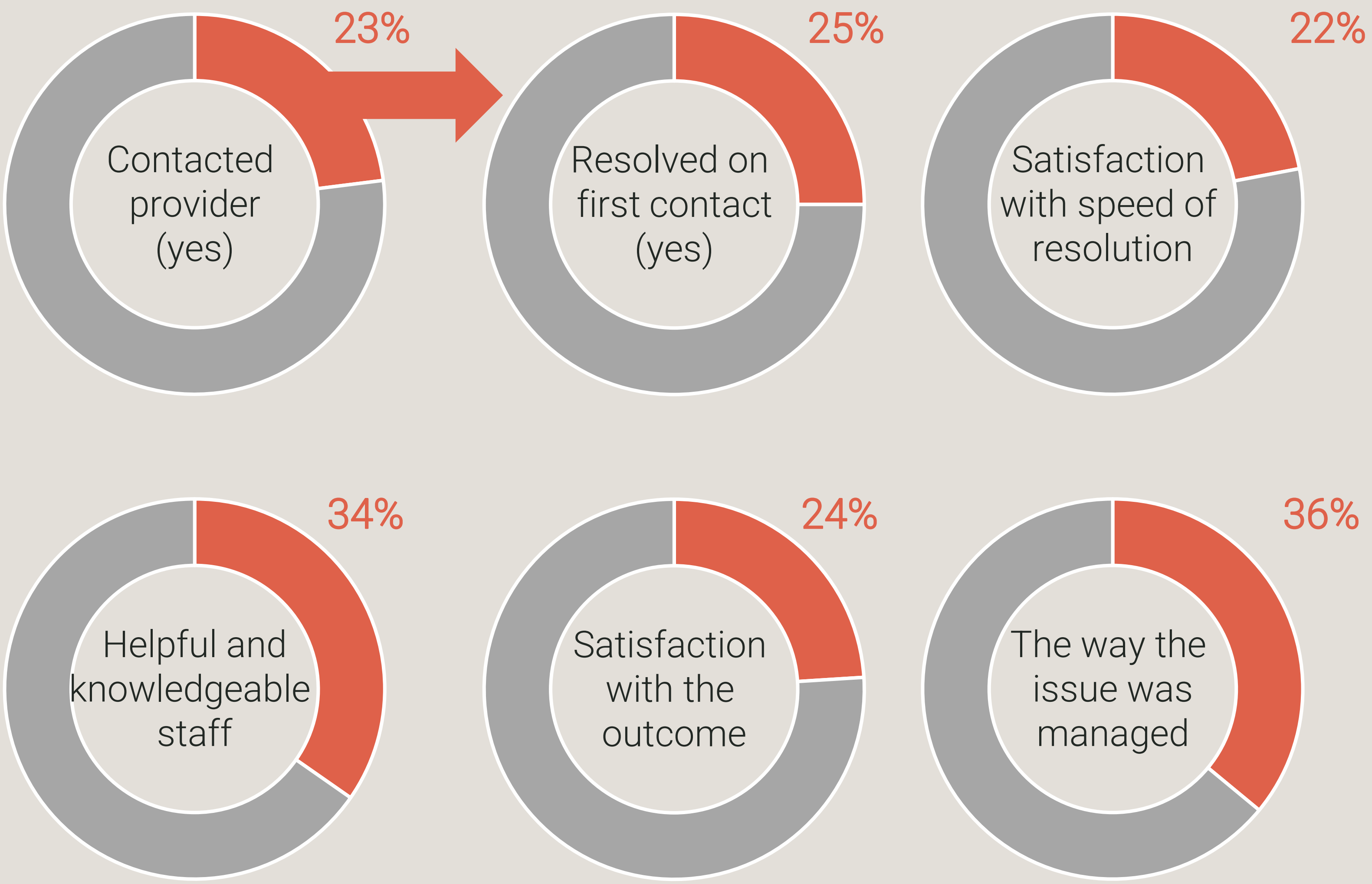




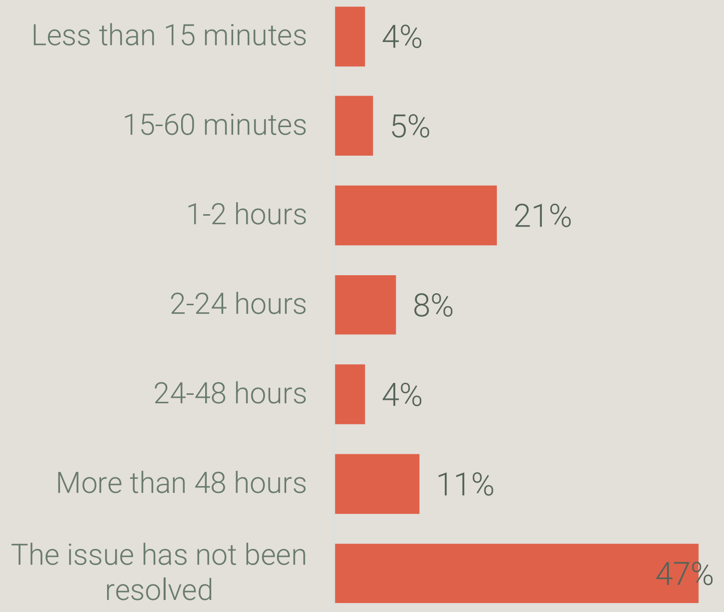
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Mobile customers who experienced service reliability issue (n=157) and contact provider about issue (n=50)

Mobile Issue deep dive
Service speed

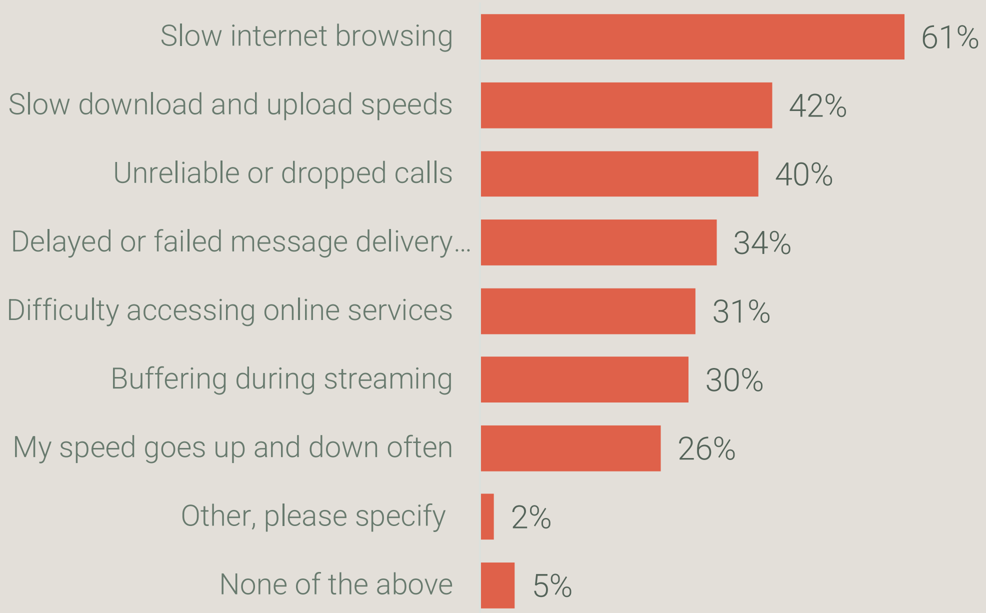
4% of consumers had an issue with their mobile service speed. Of those, 23% contacted their provider. The most common issue was related to slow internet browsing.



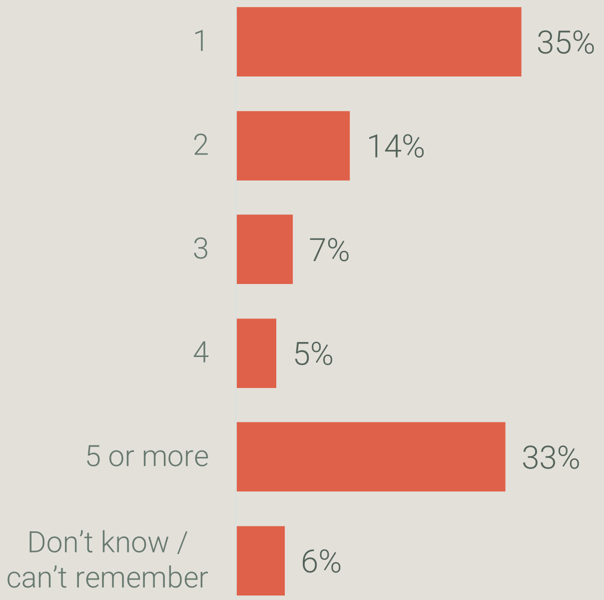
Length of time to resolve



Issue related to



Number of times contacted provider

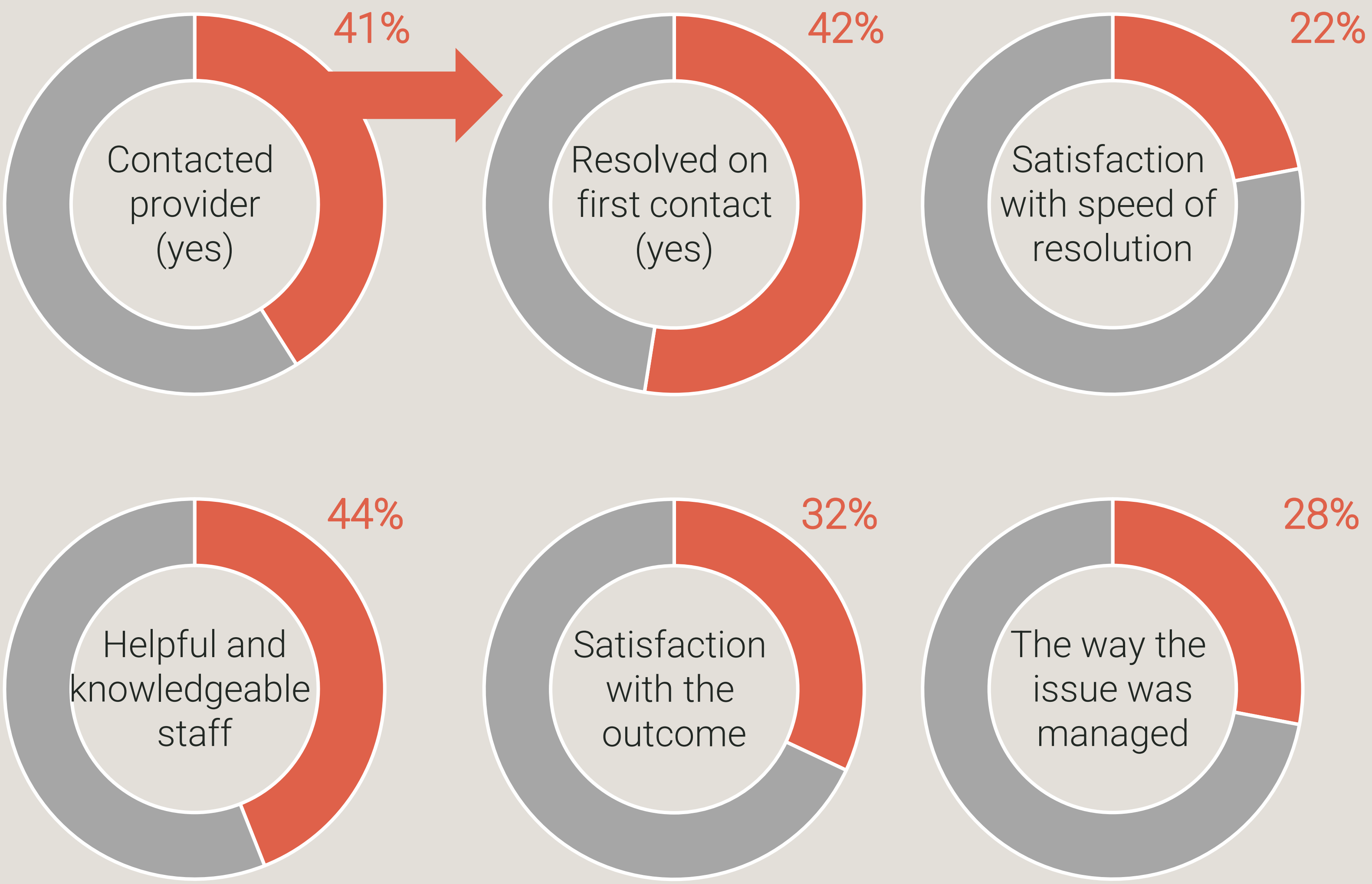


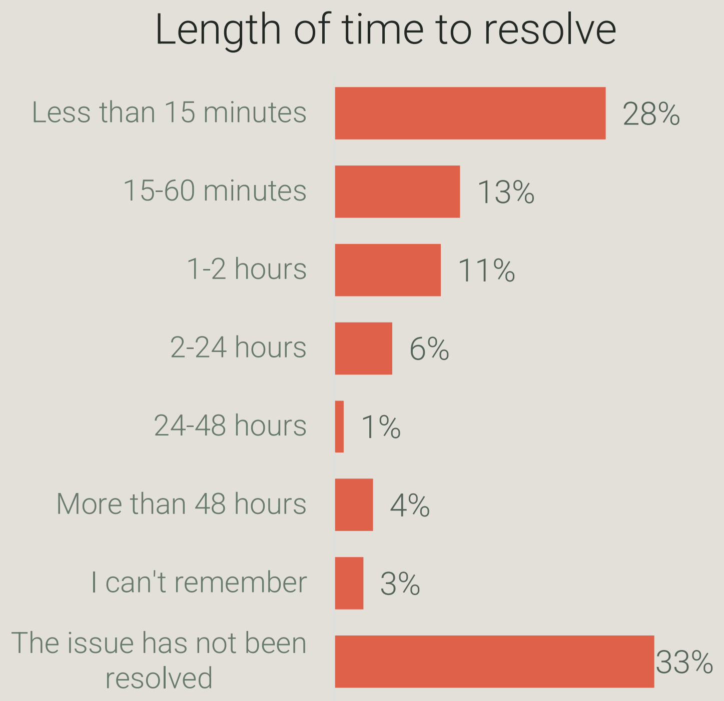
Impact

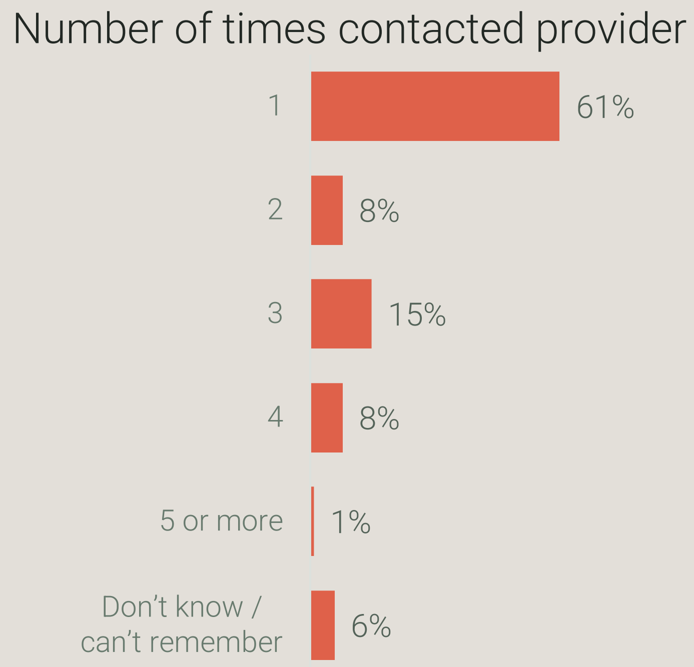
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Mobile customers who experienced service speed issue (n=95) and contact provider about issue (n=24)

Mobile Issue deep dive
Pricing

6% of consumers had an issue with their mobile pricing. Of those, 23% contacted their provider.



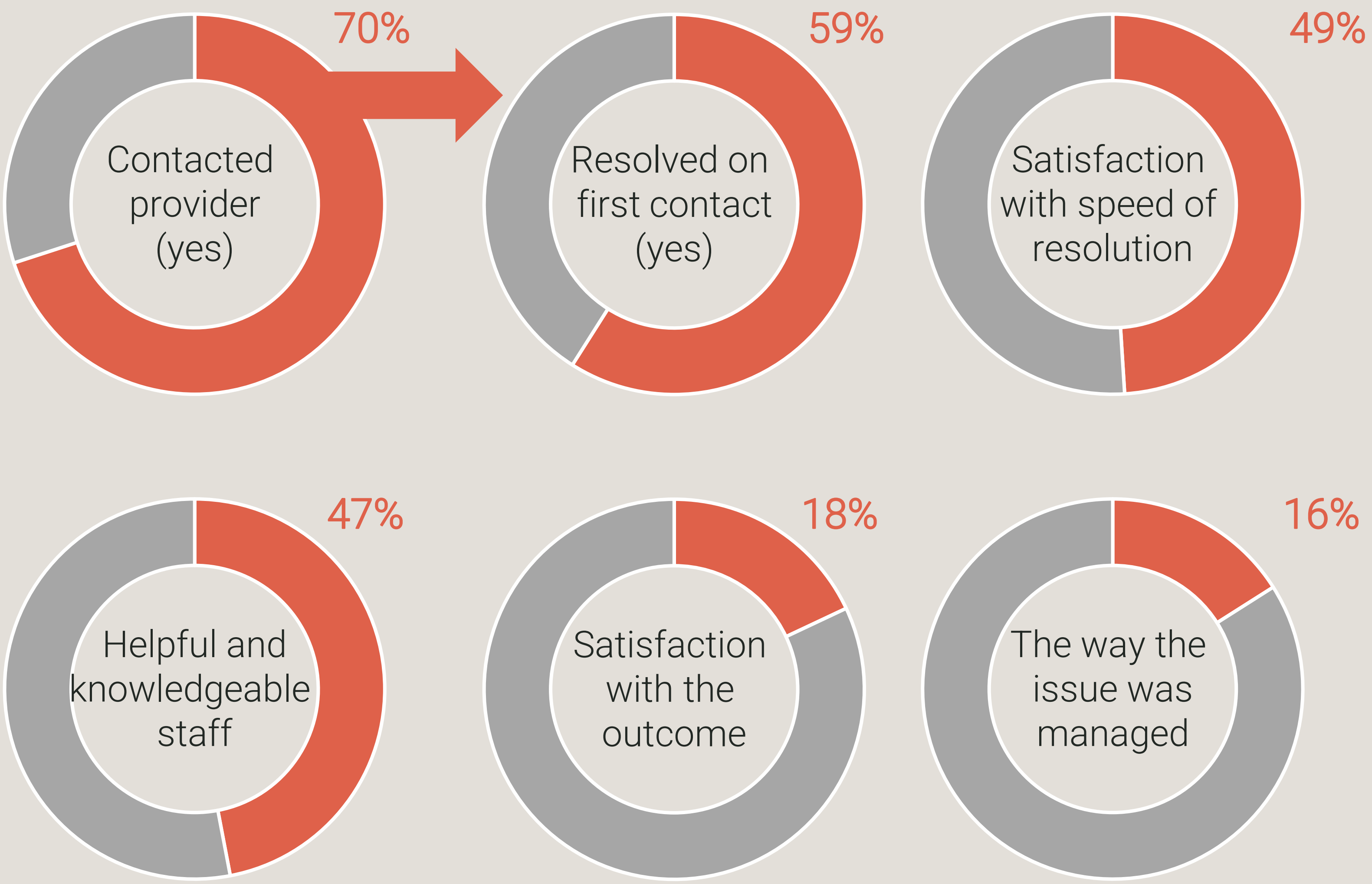


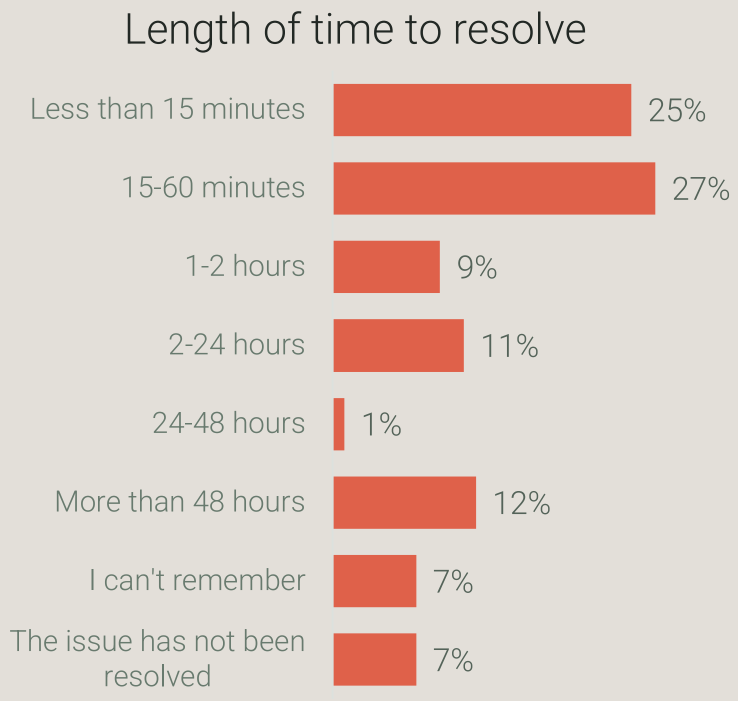


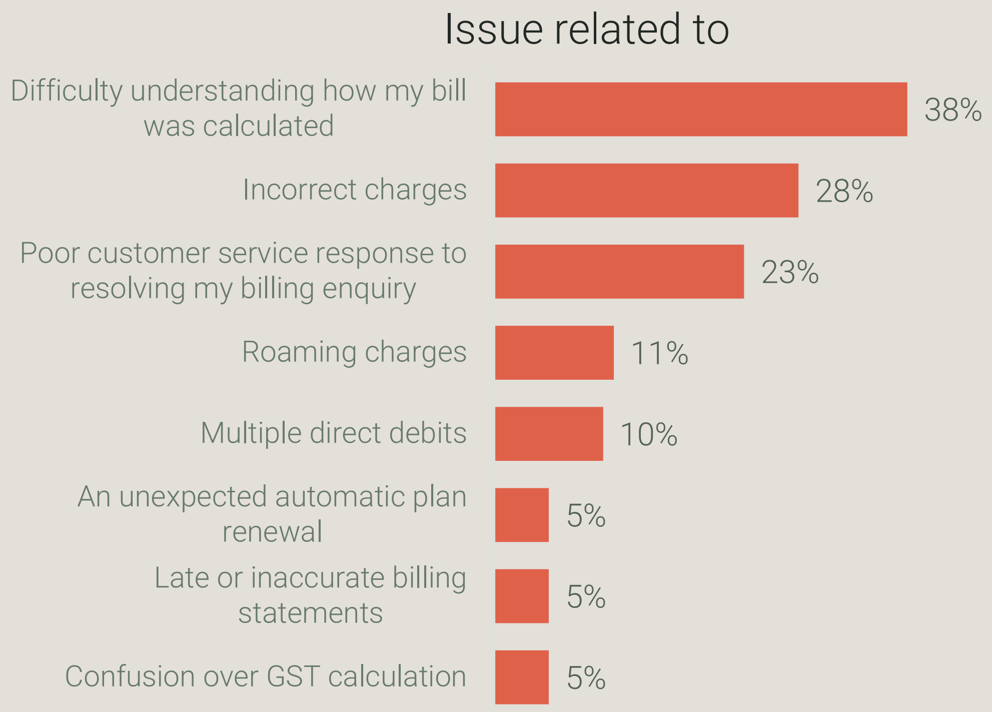
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Mobile customers who experienced pricing issue (n=127) and contact provider about issue (n=46)

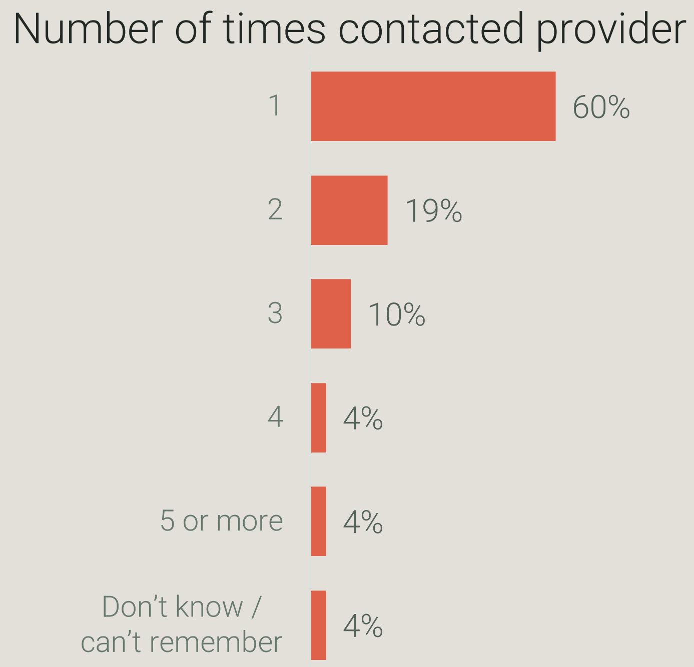
Mobile Issue deep dive
Billing

4% of consumers had an issue with their mobile billing. Of those, 70% contacted their provider. The most common issue was difficulty understanding the bill.





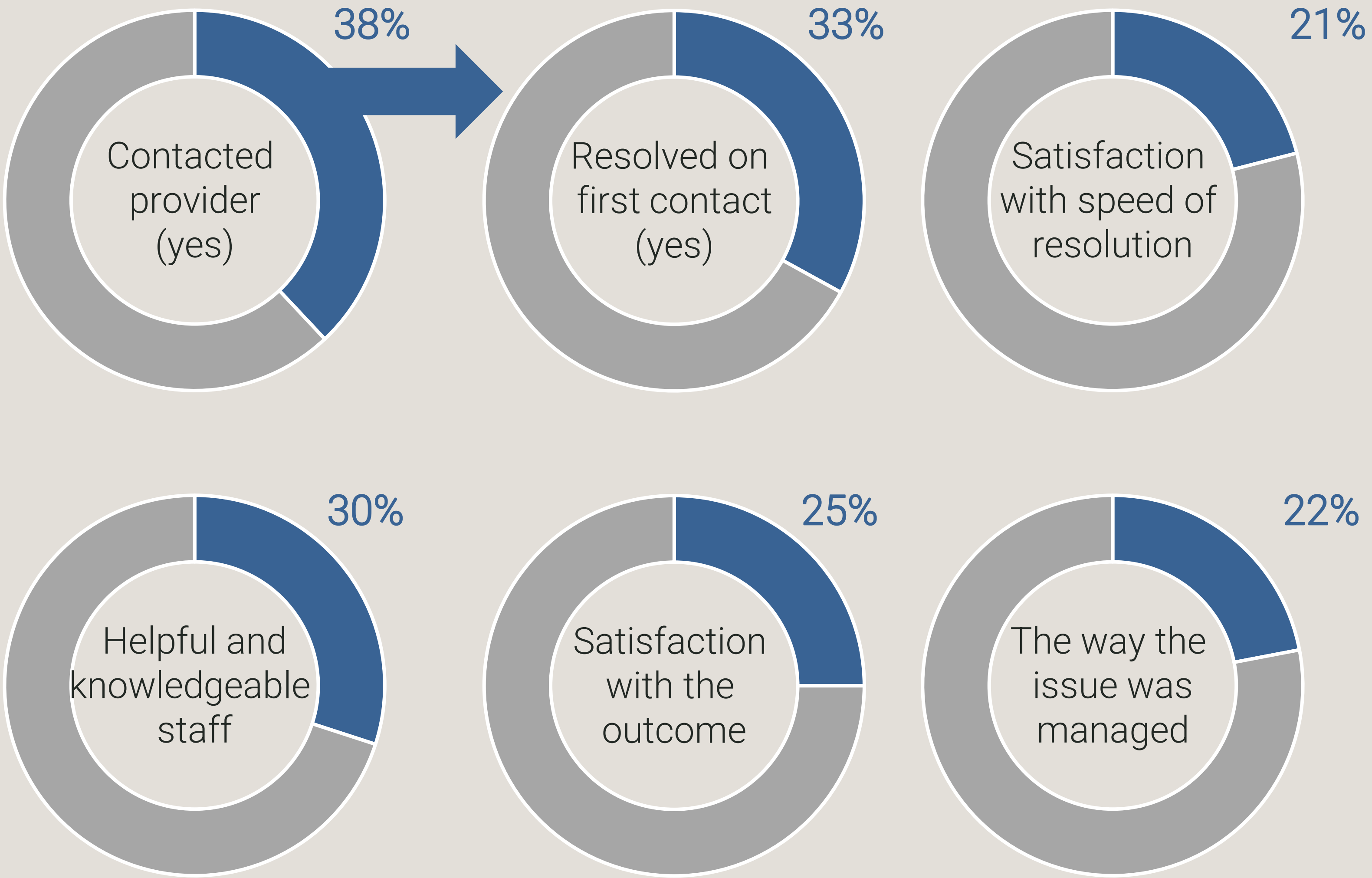


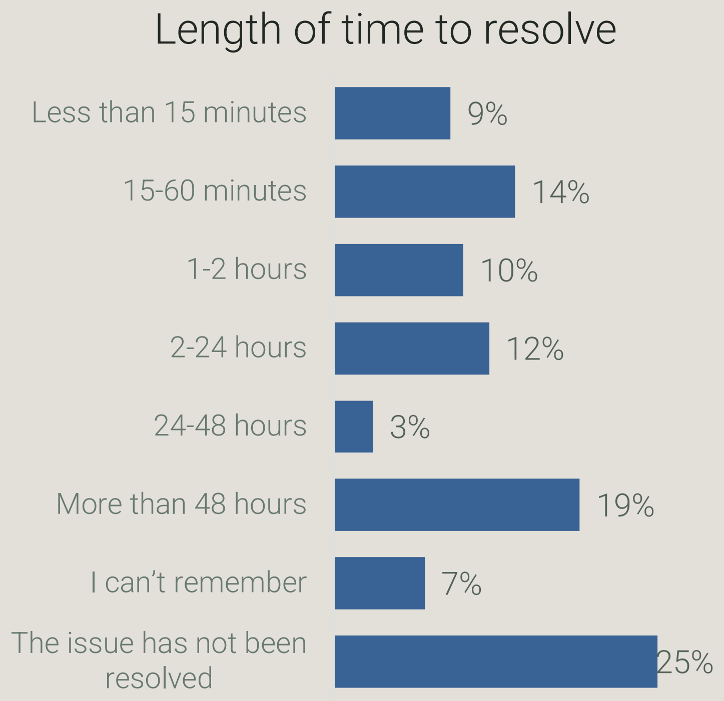


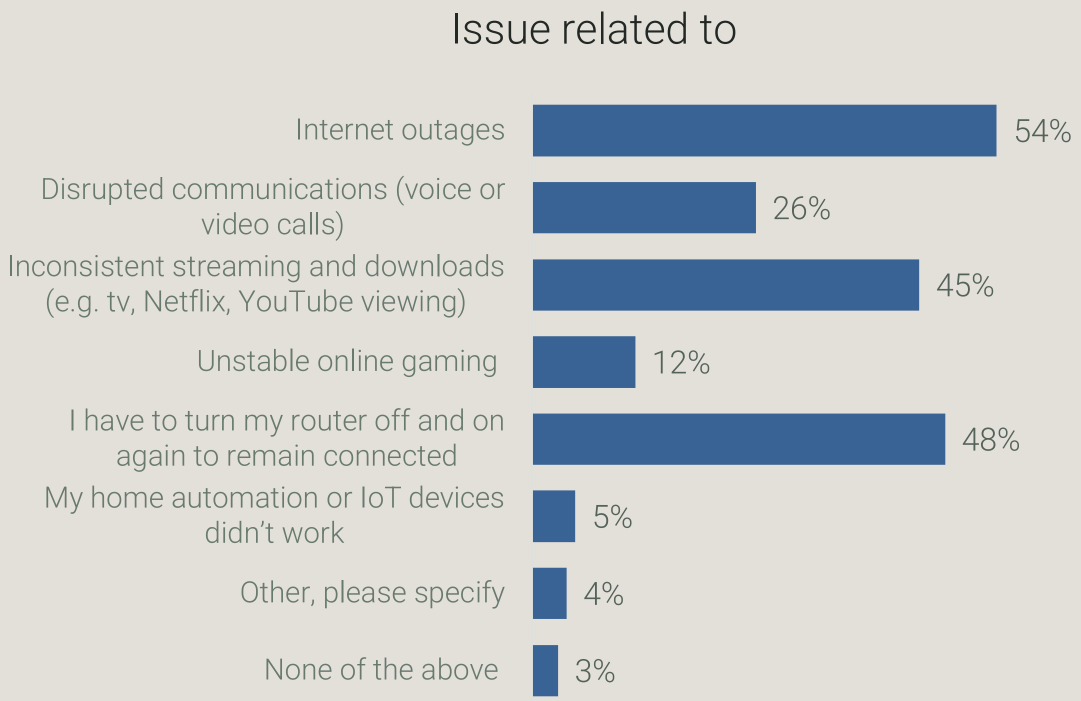
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Mobile customers who experienced billing issue (n=98) and contact provider about issue (n=70)

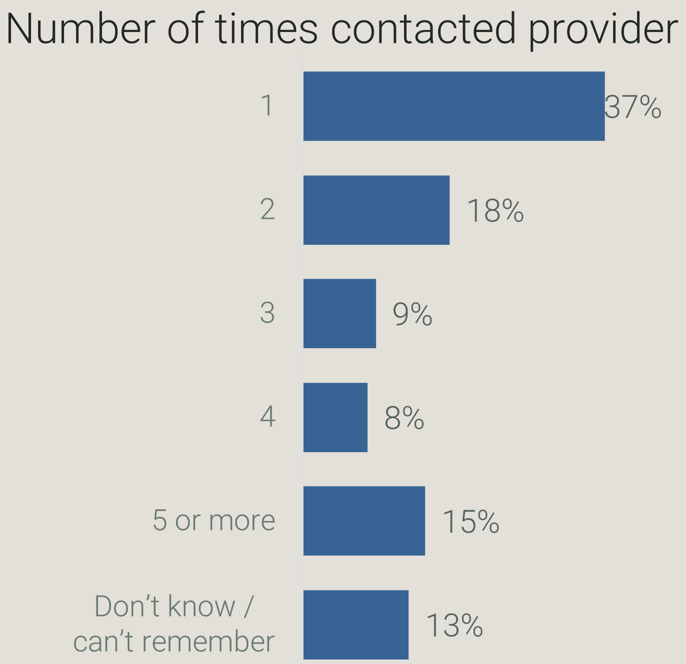
Broadband Issue deep dive
Service reliability

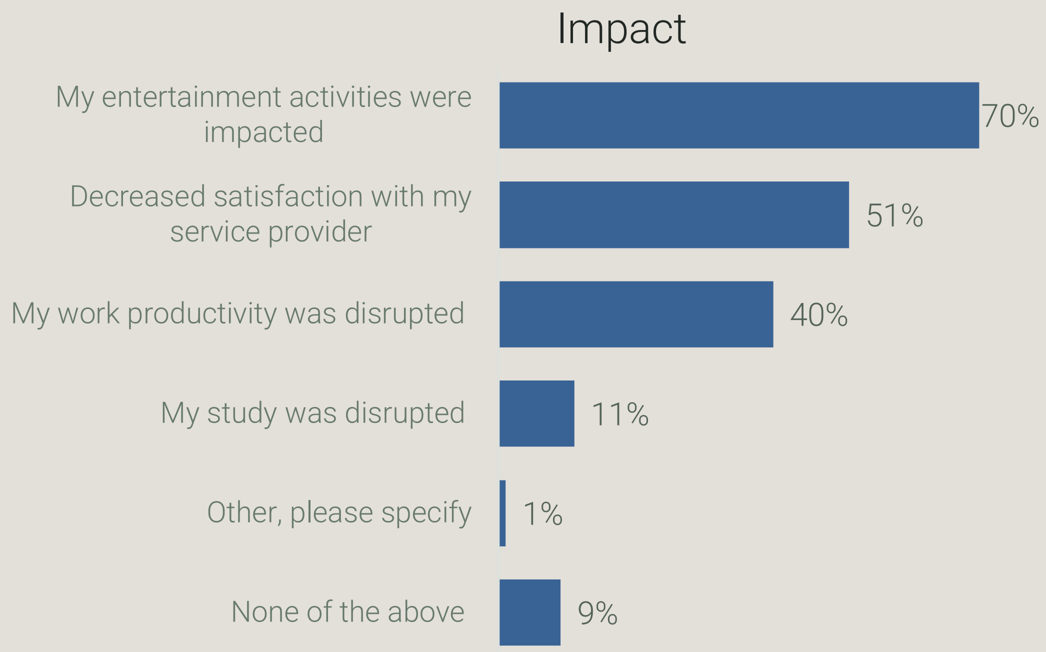
20% of consumers had an issue with their broadband service reliability, of those, 38% contacted their provider. Internet outages and having to turn their router off and on again were the main issues.







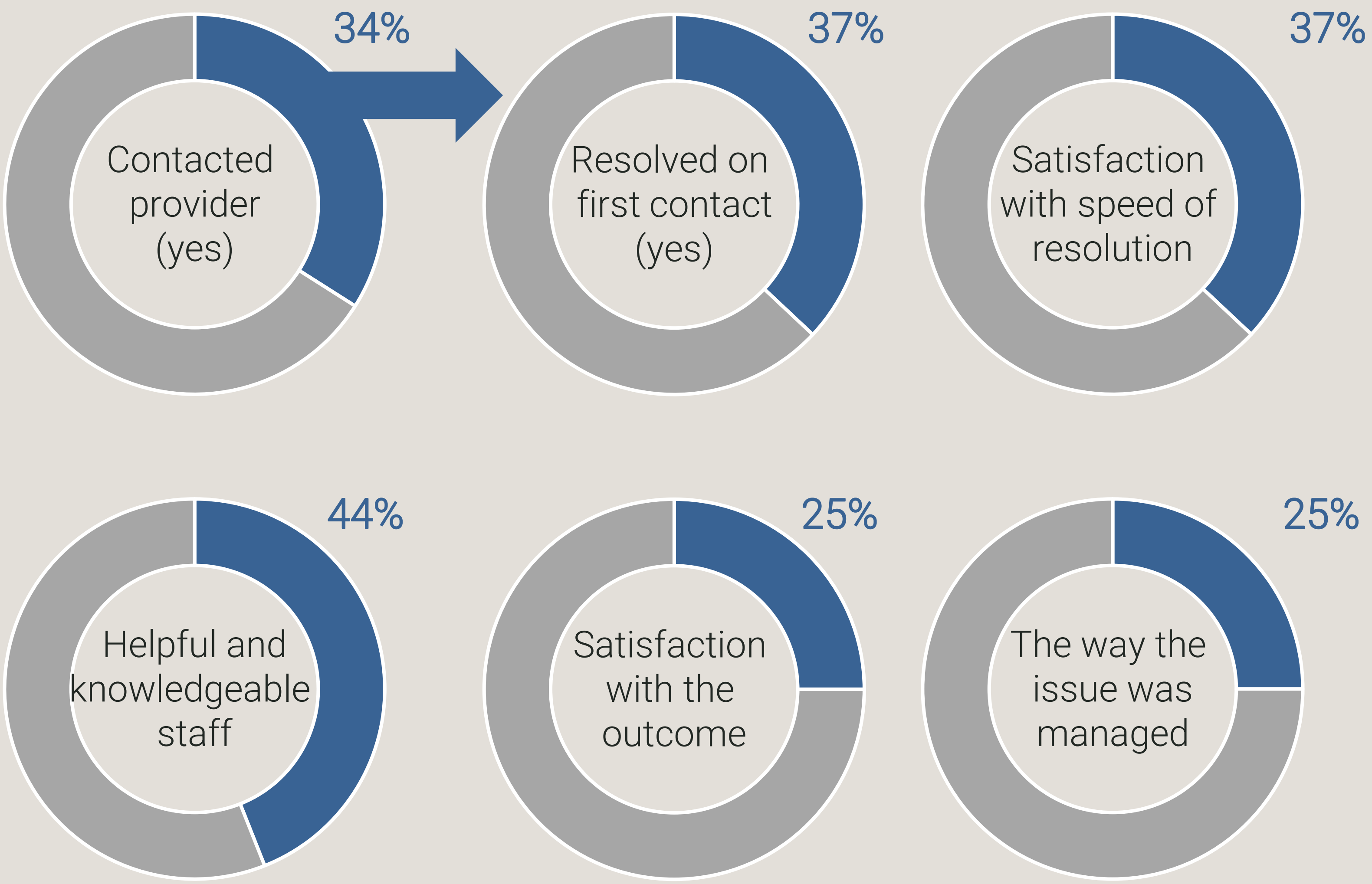




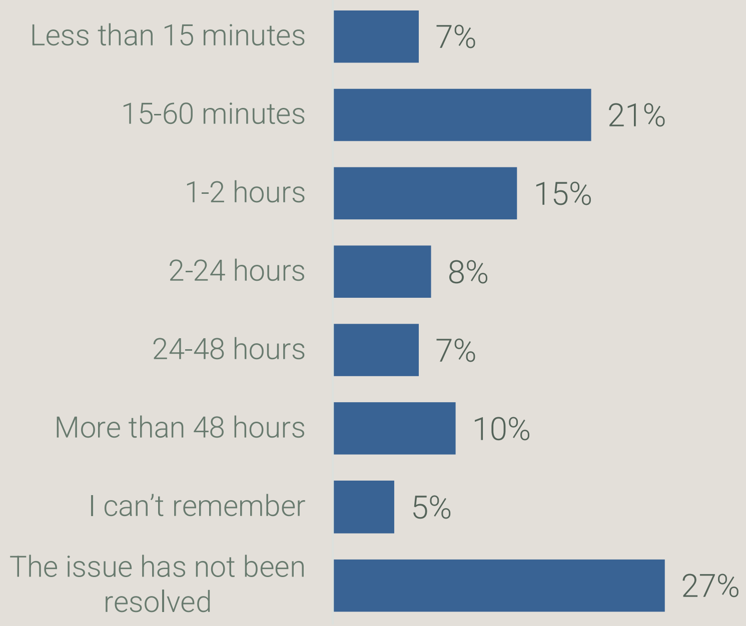
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Broadband customers who experienced service reliability issue (n=425) and contact provider about issue (n=163)

Broadband Issue deep dive
Service speed

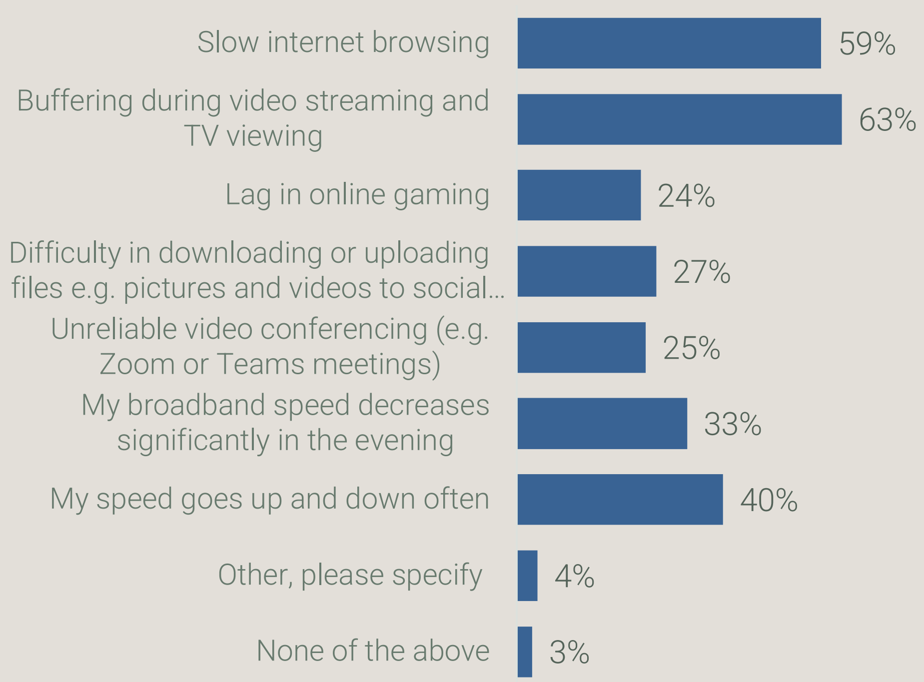
15% of consumers had an issue with their broadband service speed, of those, 34% contacted their provider. Buffering during video streaming and slow internet browsing were the main issues.



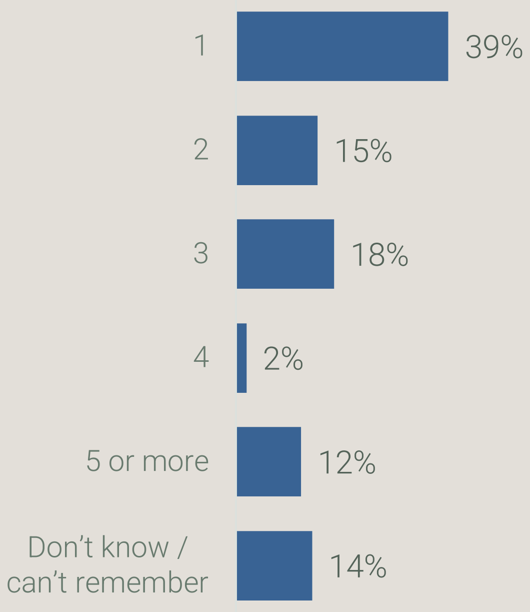
Length of time to resolve



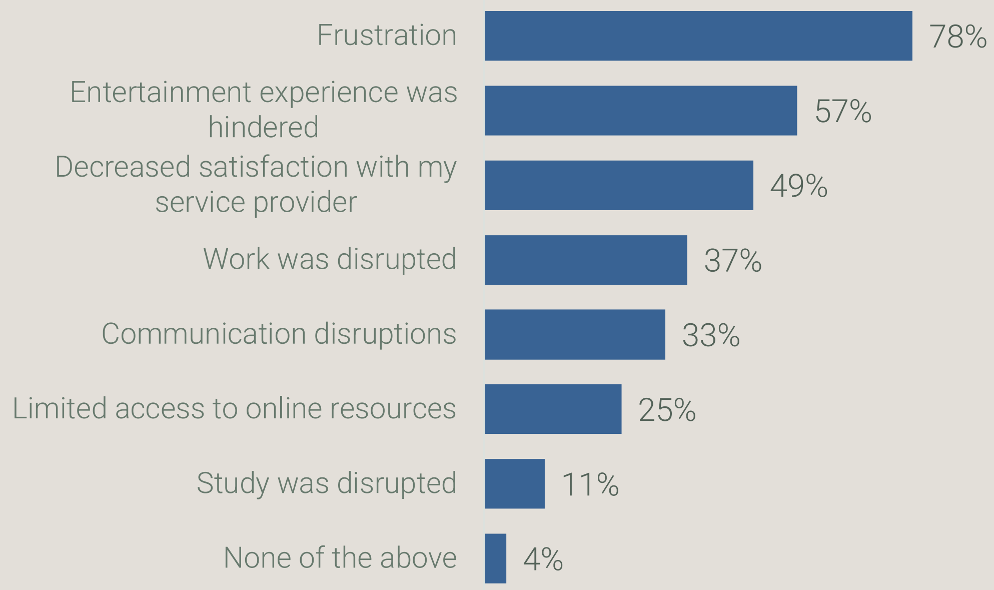
Issue related to



Number of times contacted provider



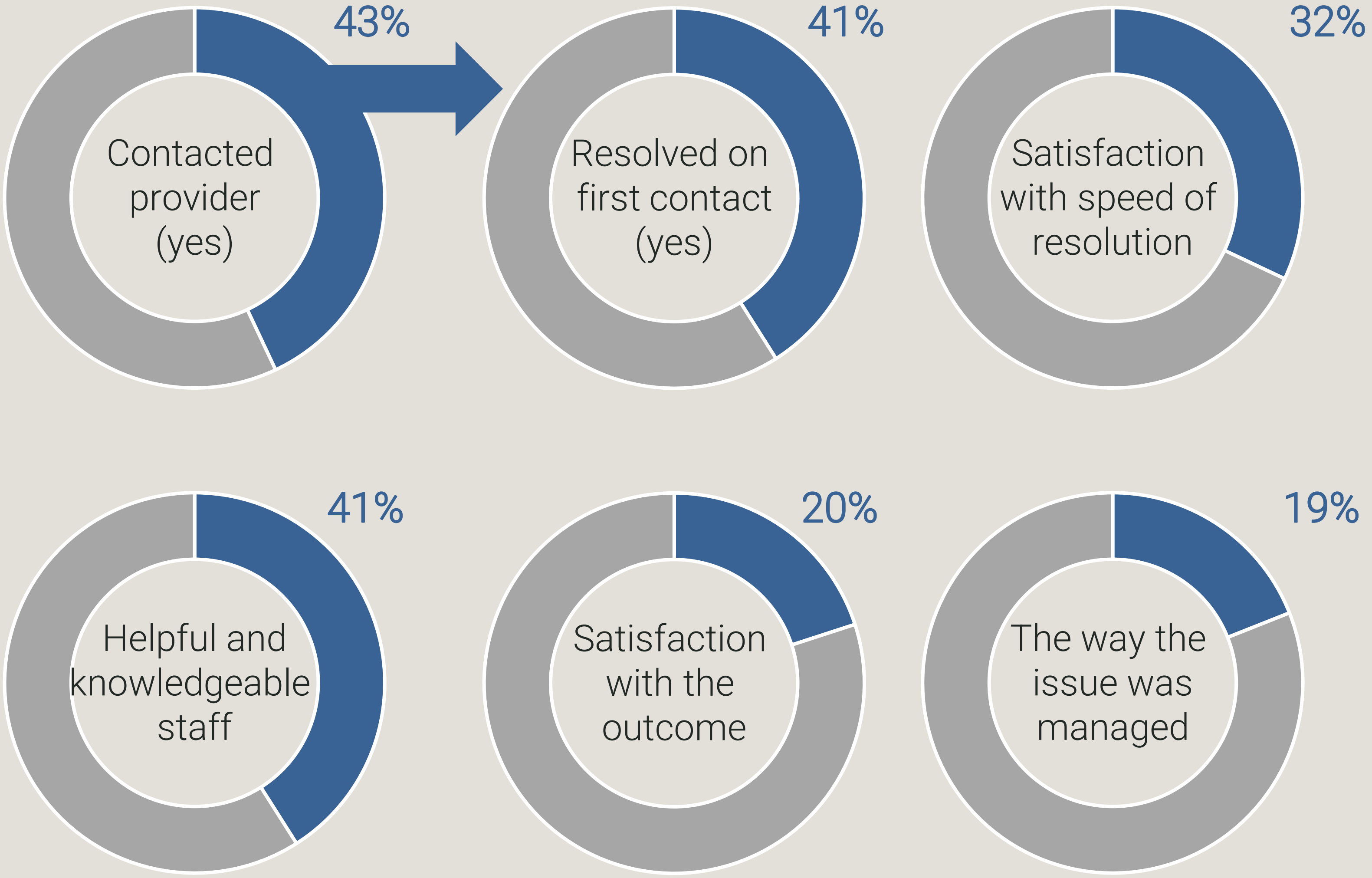
Impact

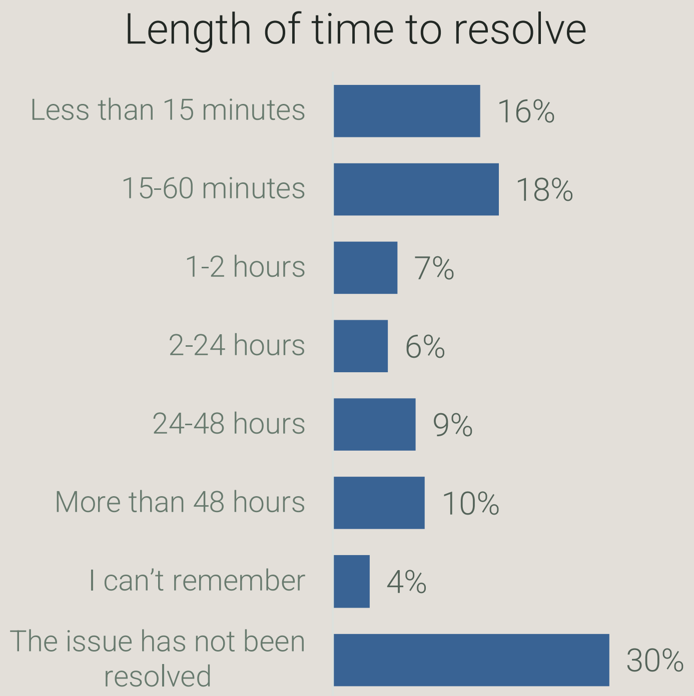


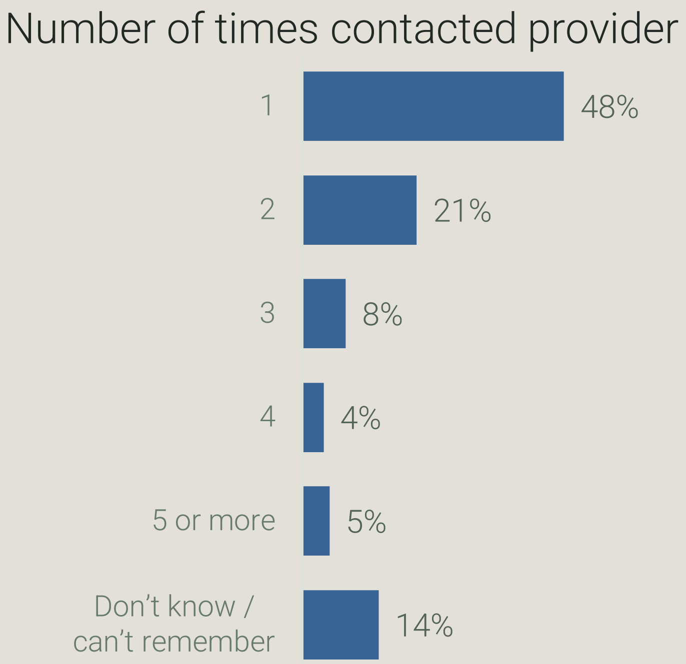
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Broadband customers who experienced service speed issue (n=352) and contact provider about issue (n=114)

Broadband Issue deep dive Pricing

10% of consumers had an issue with their broadband pricing, of those, 43% contacted their provider.



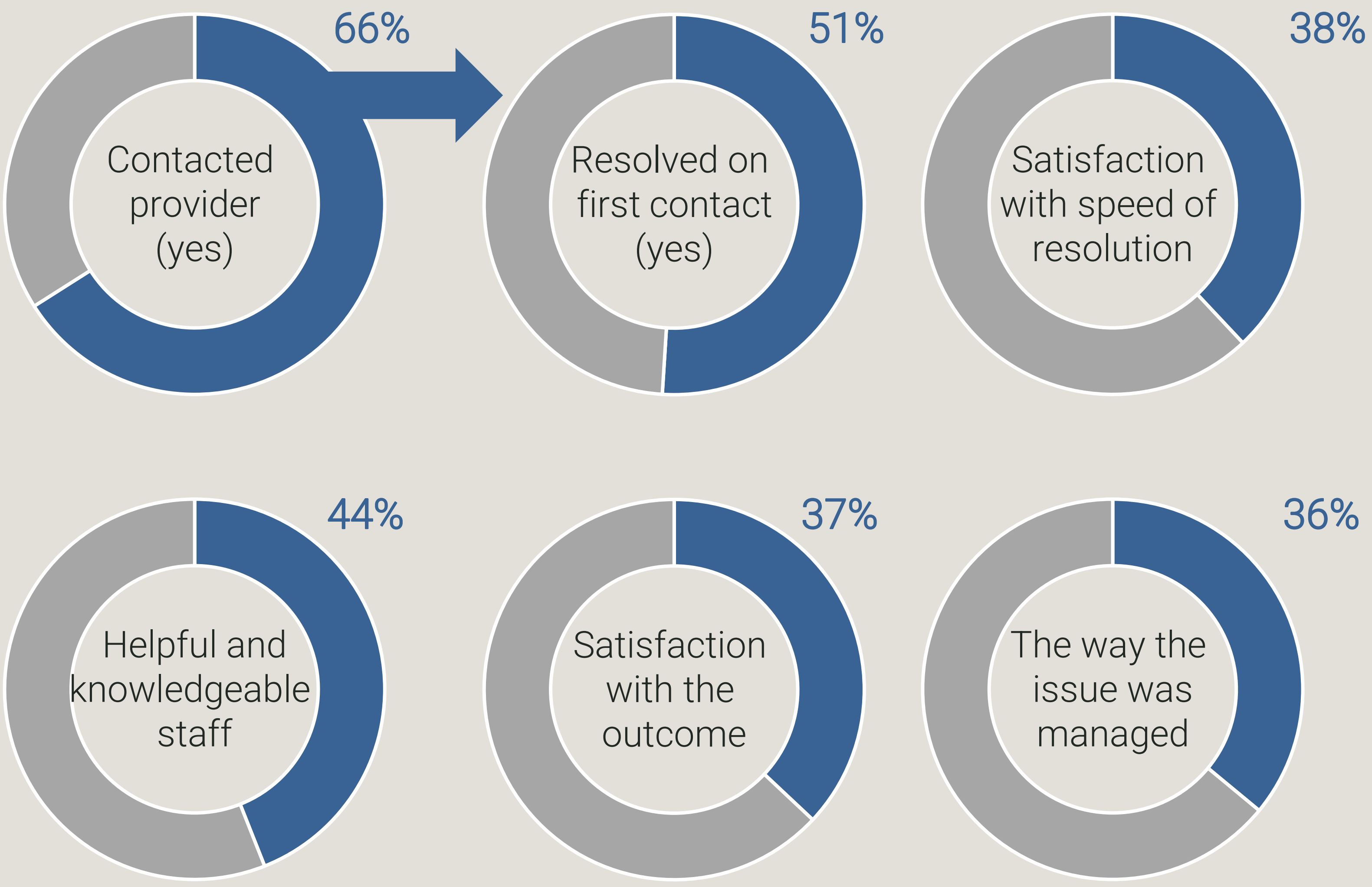




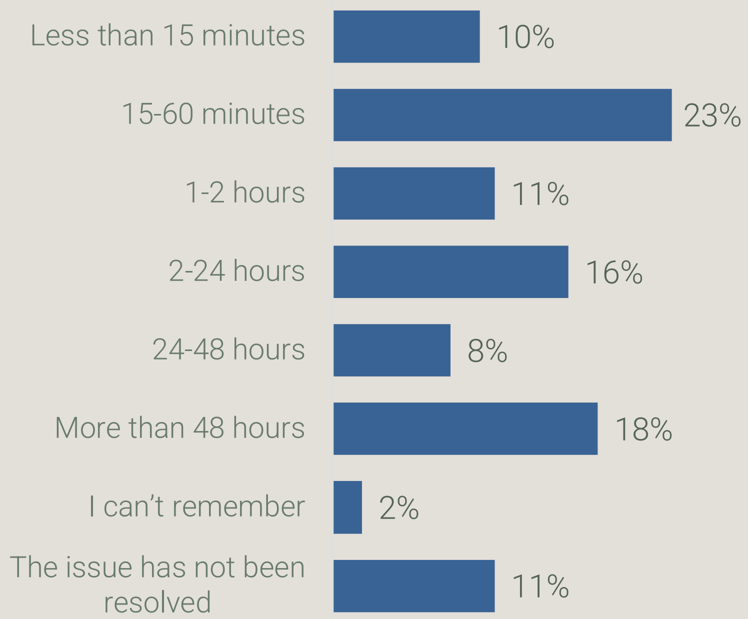
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue?
Base: Broadband customers who experienced pricing issue (n=254) and contact provider about issue (n=113)

Broadband Issue deep dive Billing

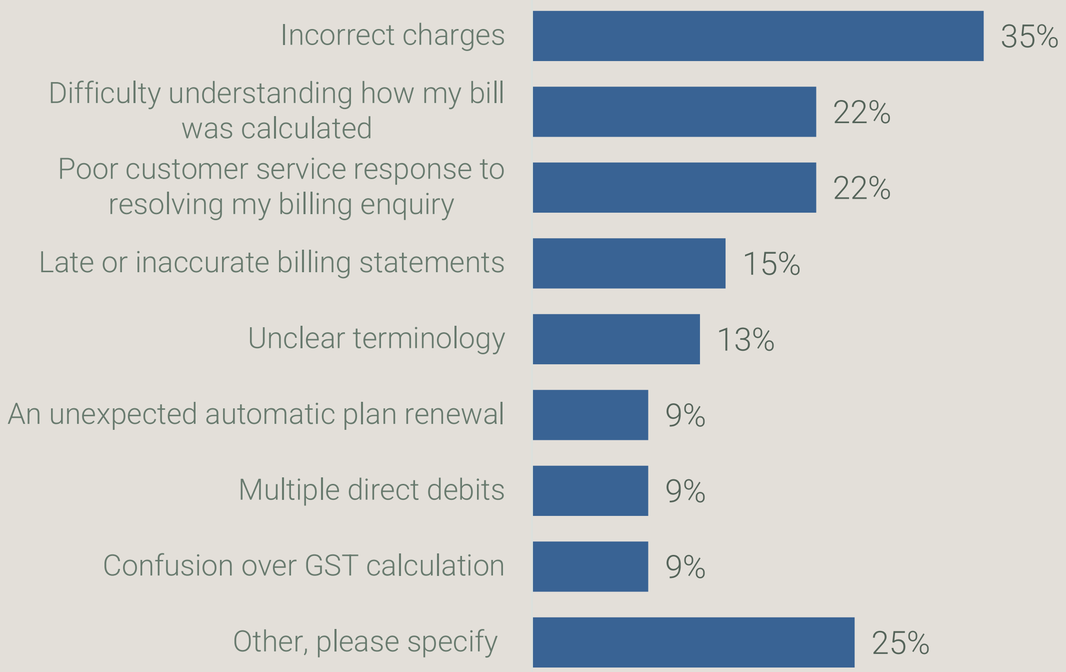
4% of consumers had an issue with their broadband billing, of those, 66% contacted their provider. Incorrect charges and difficultly understanding the bill were the main issues.



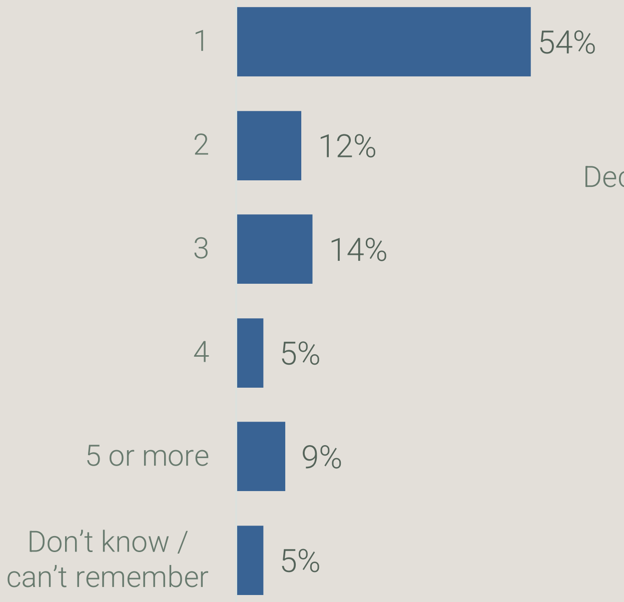
Length of time to resolve



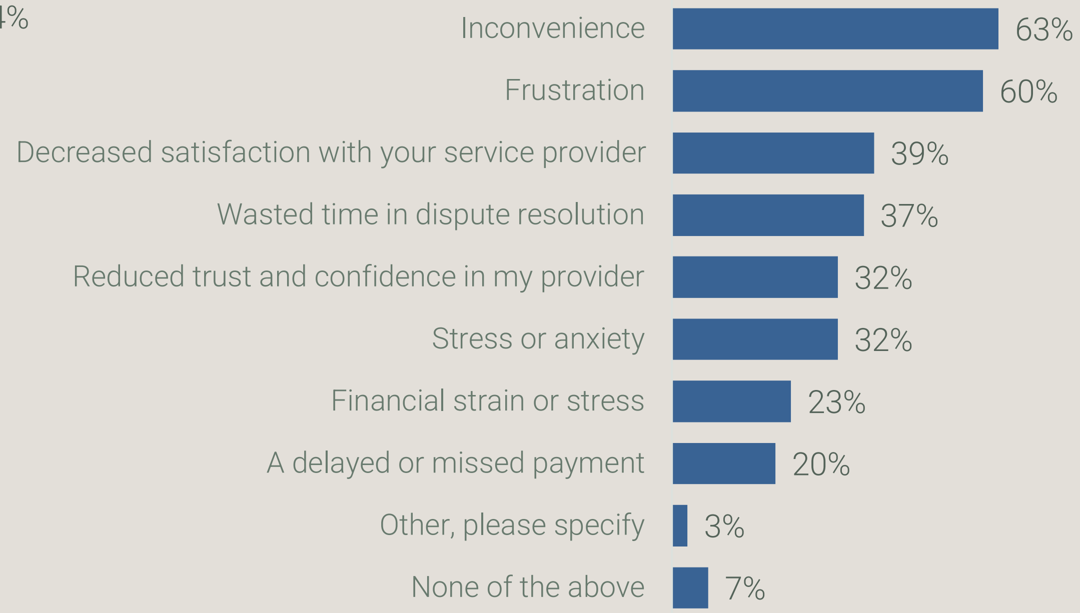
Issue related to



Number of times contacted provider



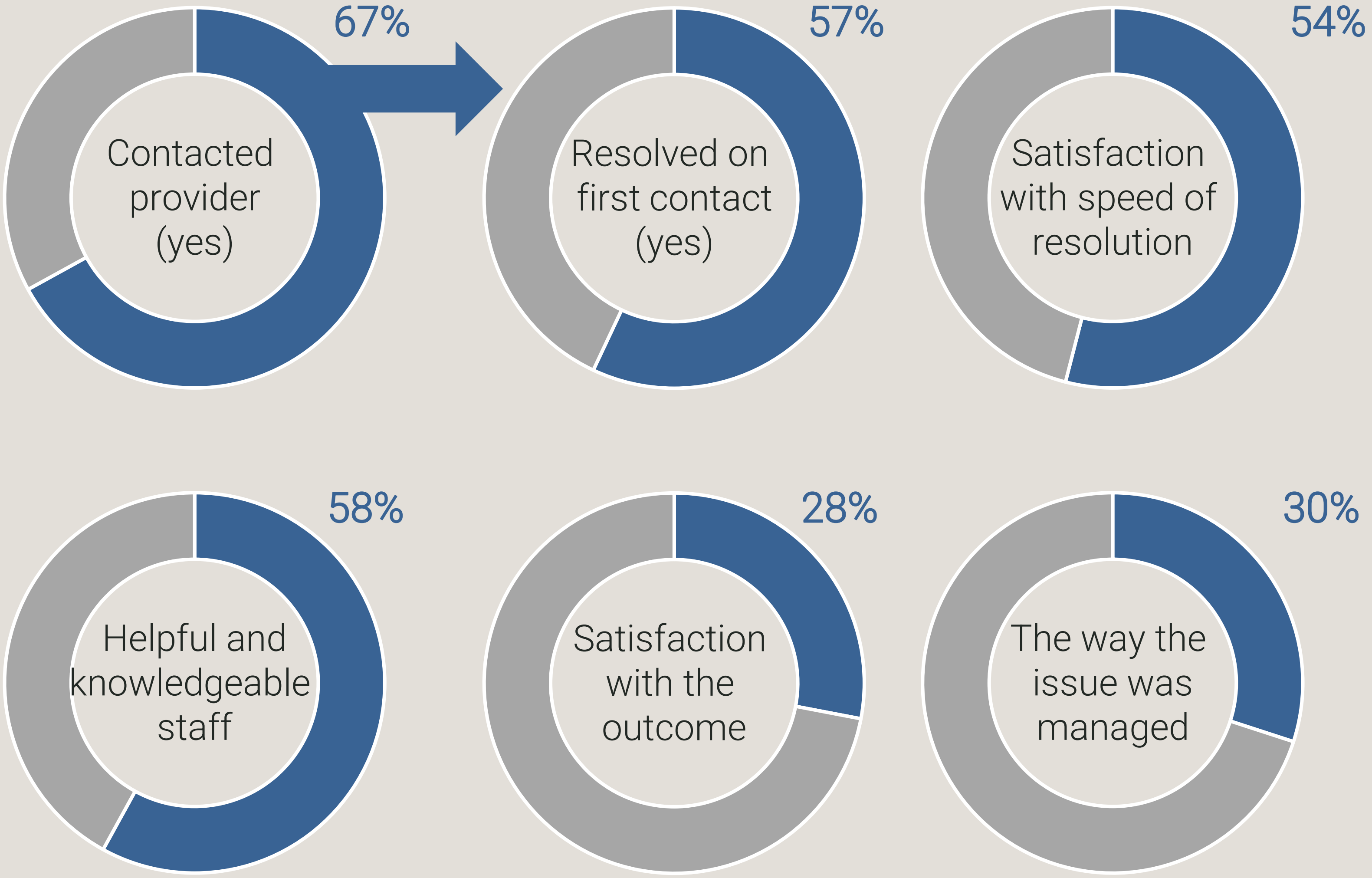
Impact



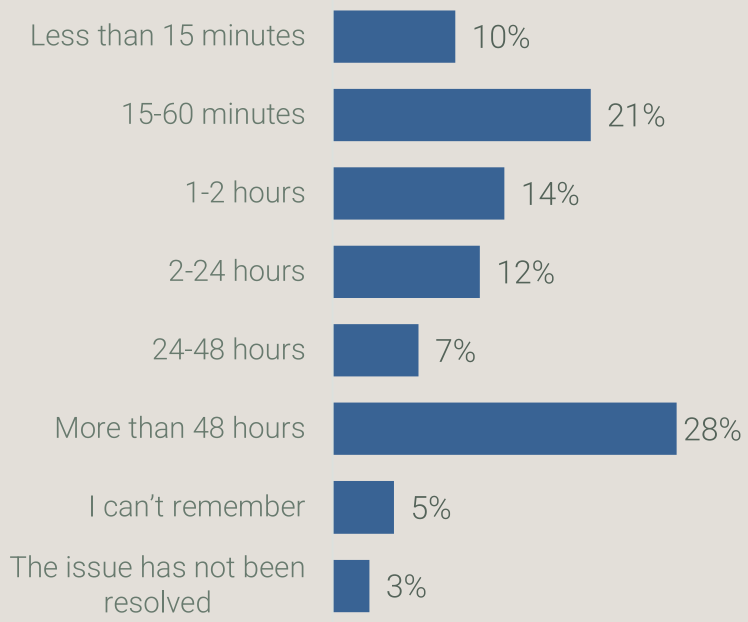
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue? Can you provide more details on the issue you had with your [issue], was it related to any of the below issues? Below is a list of different things you may have experienced as a result of having an issue with [issue].
Base: Broadband customers who experienced billing issue (n=94) and contact provider about issue (n=72)

Broadband Issue deep dive Installation / new connection

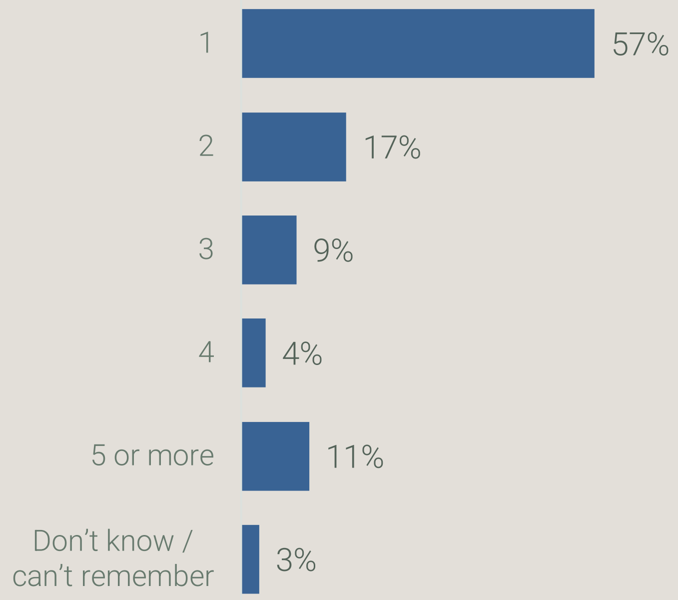
2% of consumers had an issue with broadband installation, of those, 67% contacted their provider.



Length of time to resolve



Number of times contacted provider



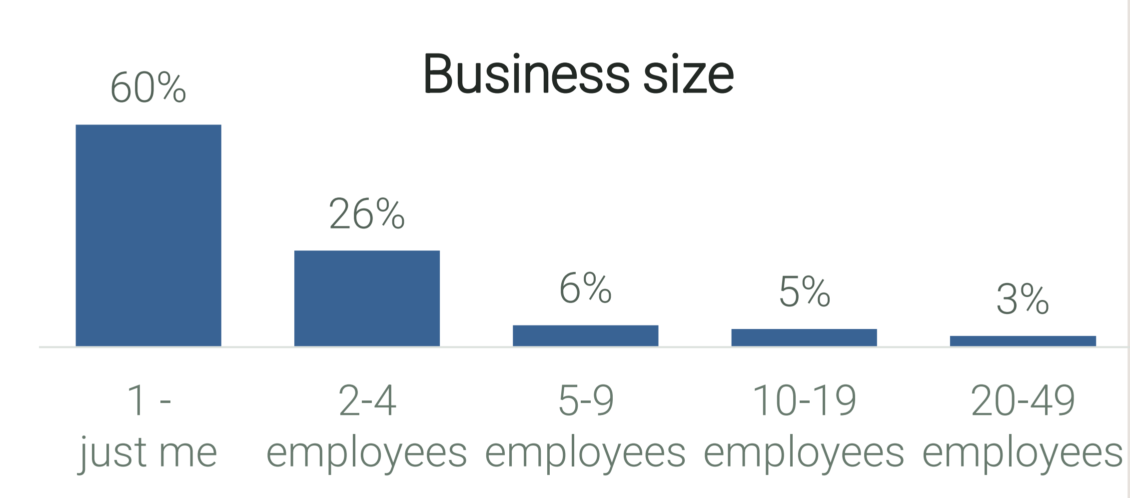
Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How satisfied or dissatisfied were you with how helpful and knowledgeable their staff were with the issue you had? How many times did you have to contact your provider to resolve this issue? And overall, how satisfied or dissatisfied were you with the outcome? And overall, how satisfied or dissatisfied were you with the way your provider managed the issue?
Base: Broadband customers who experienced installation issue (n=59) and contact provider about issue (n=40)

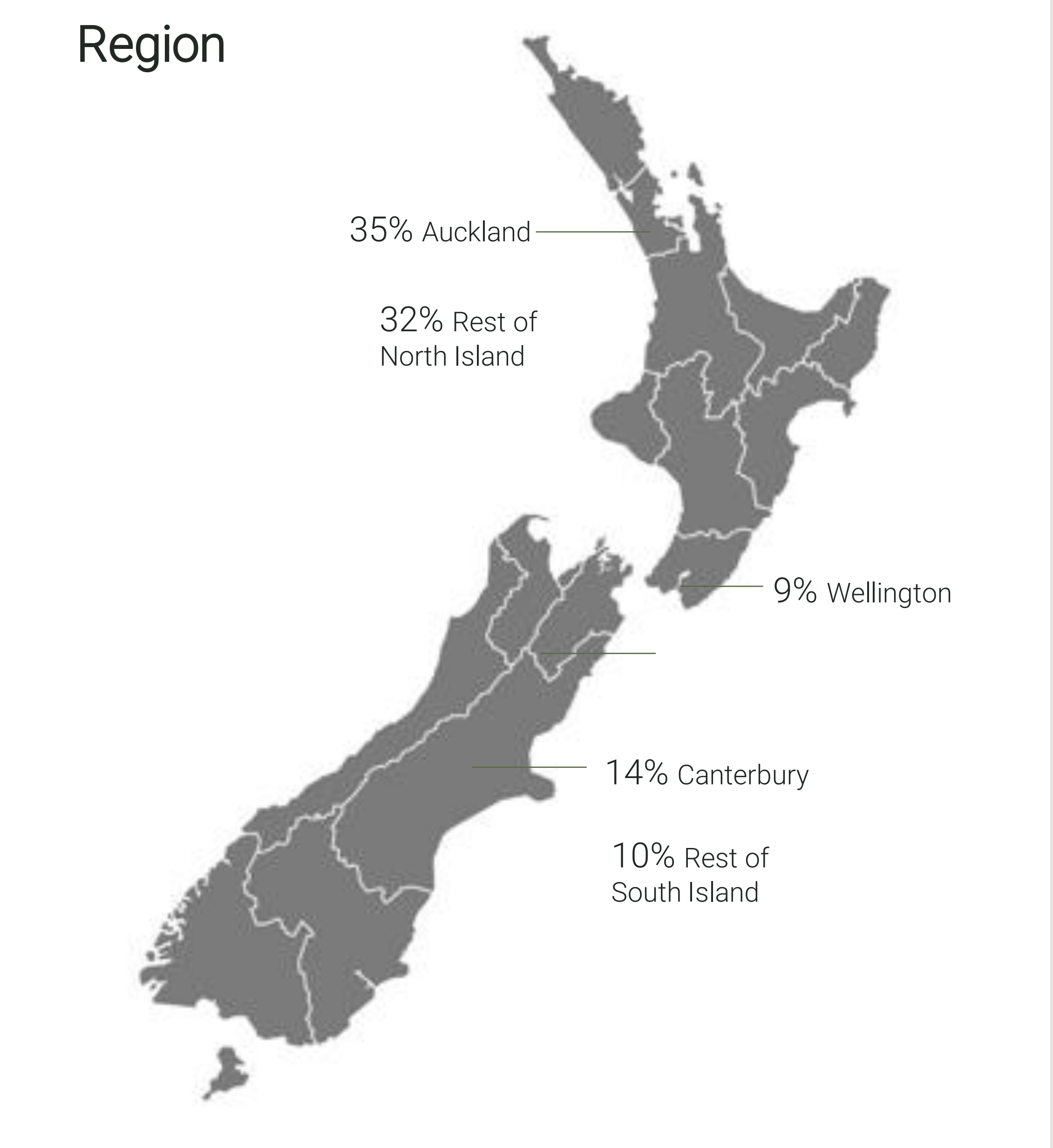
INSIGHTS HQ

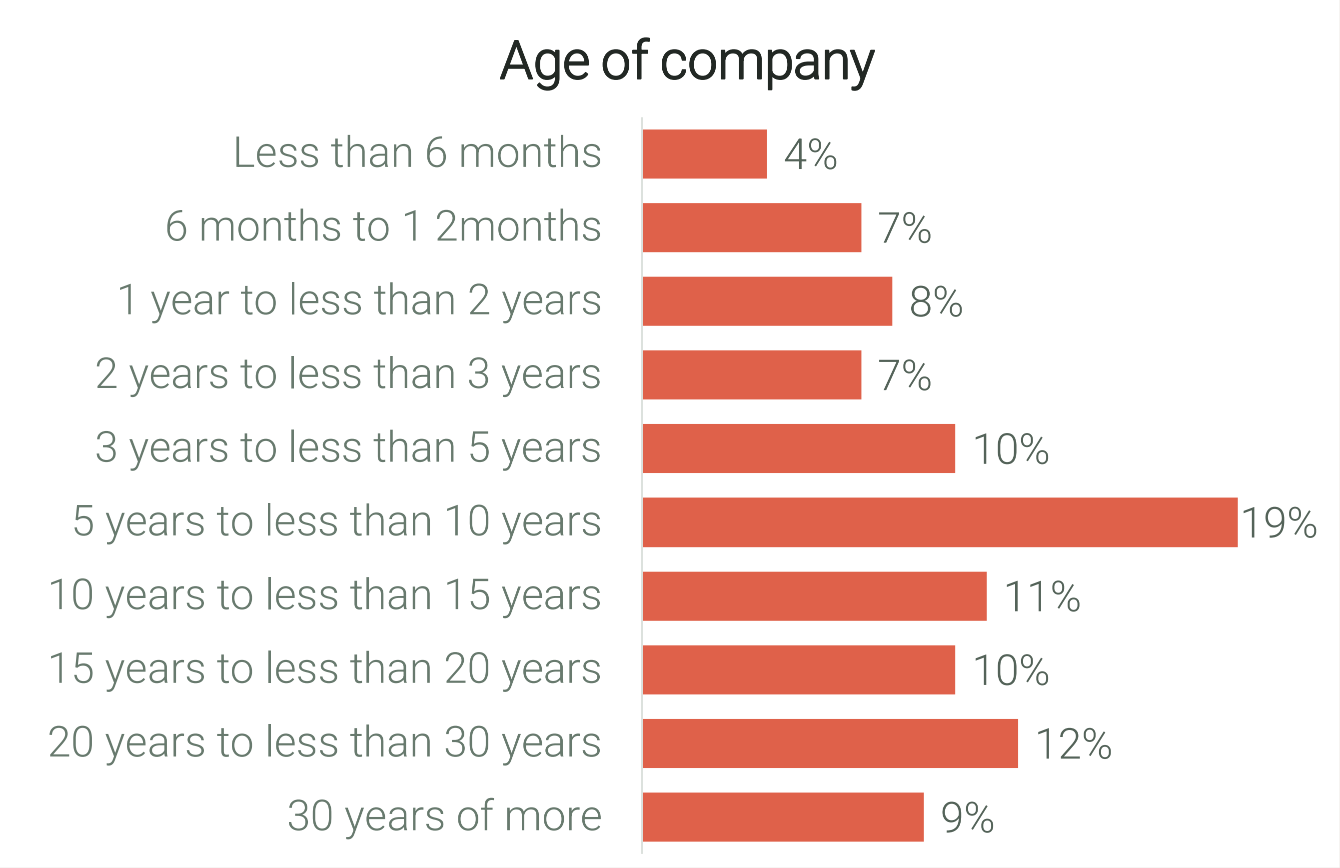
SME Insights

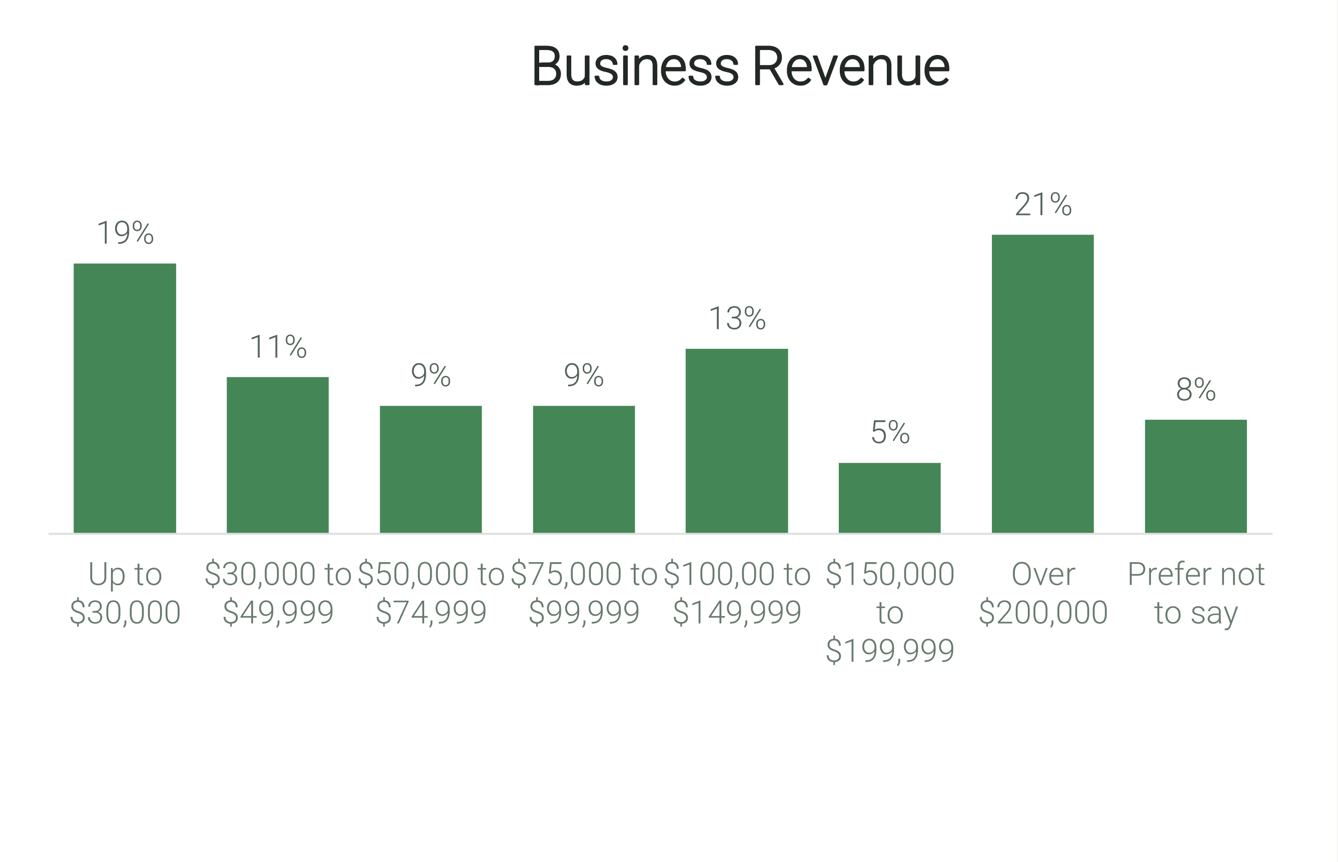
NPS and Satisfaction

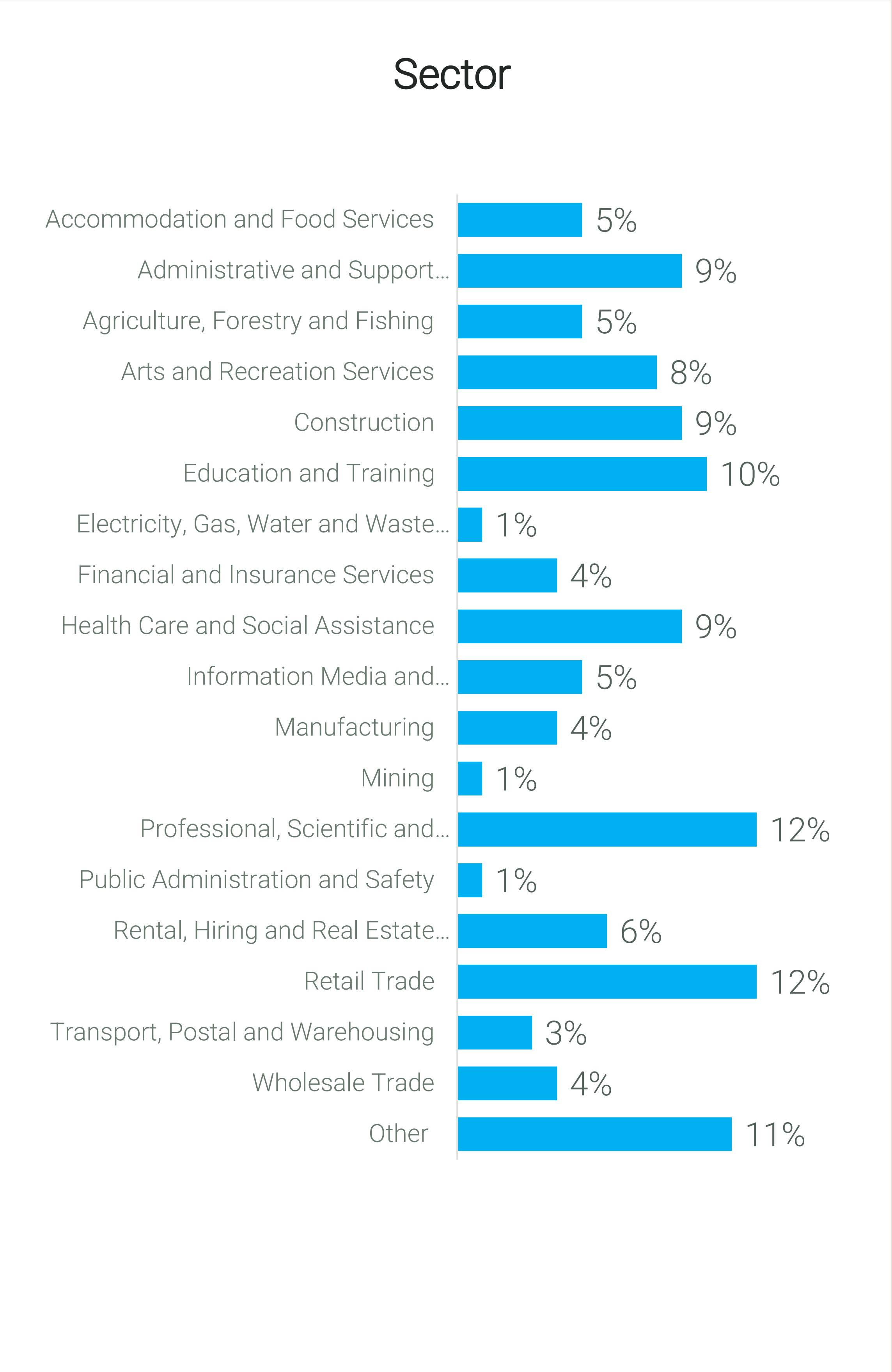
Firmographics - Business





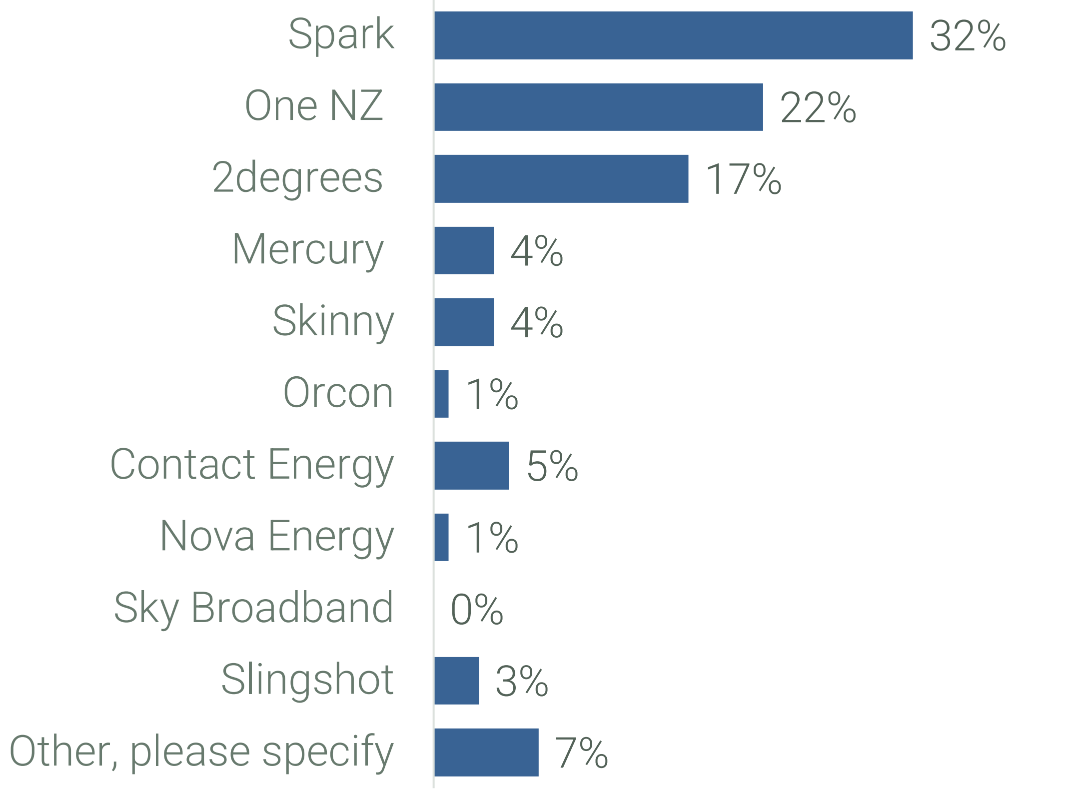




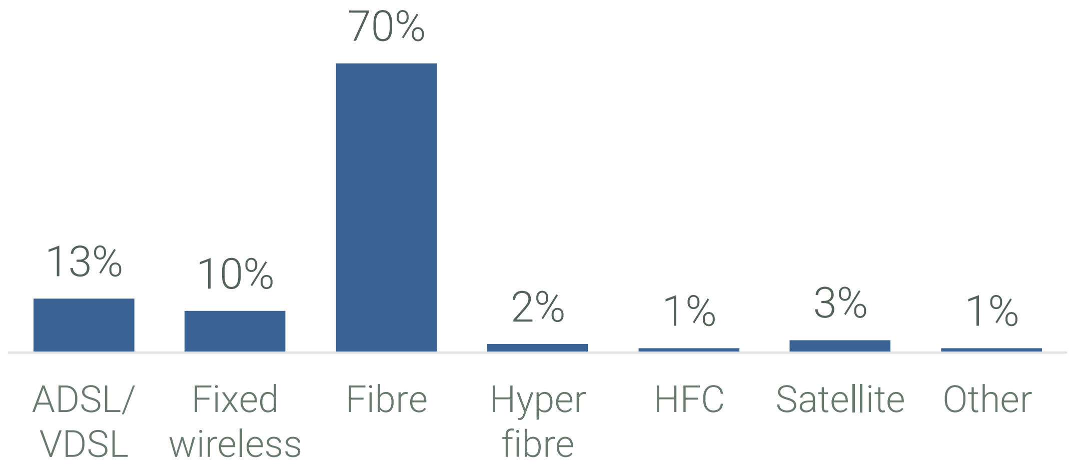


Products and Providers - SME

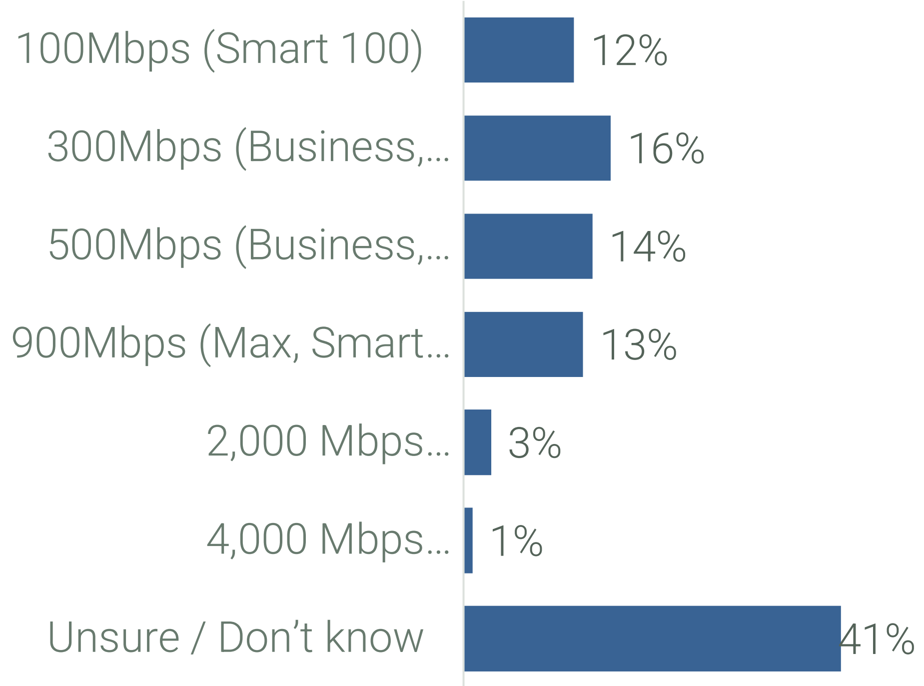
Broadband Provider



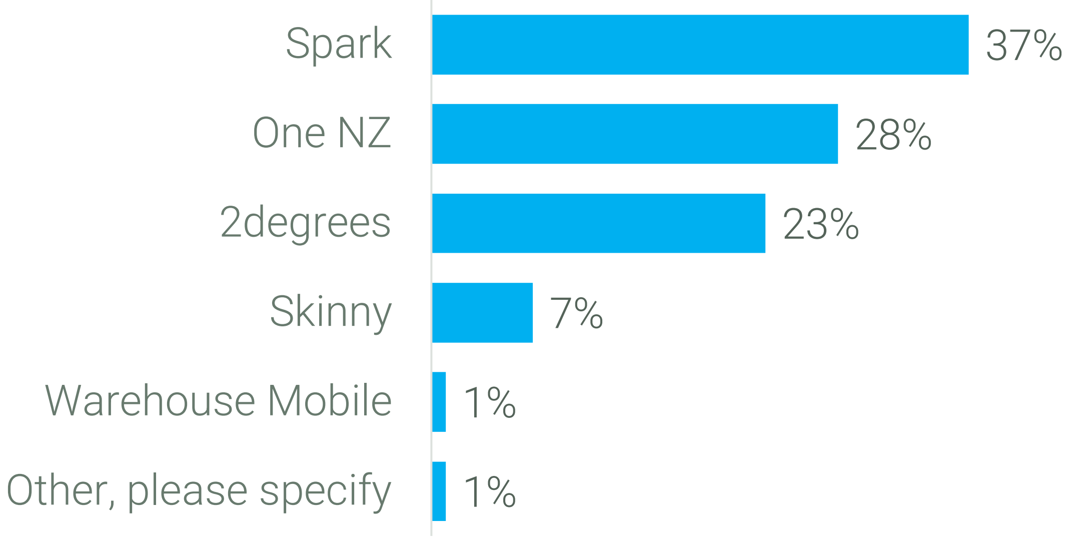
Broadband Technology



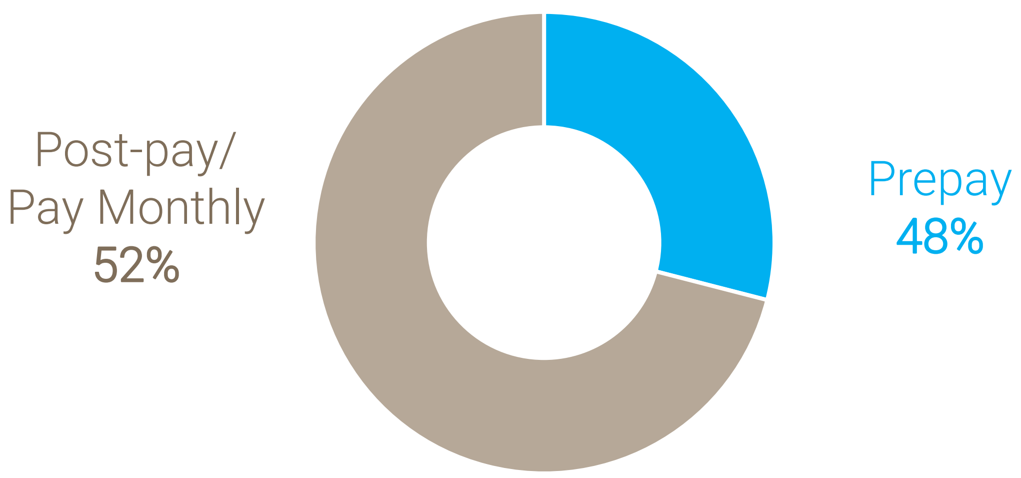
Fibre Speed



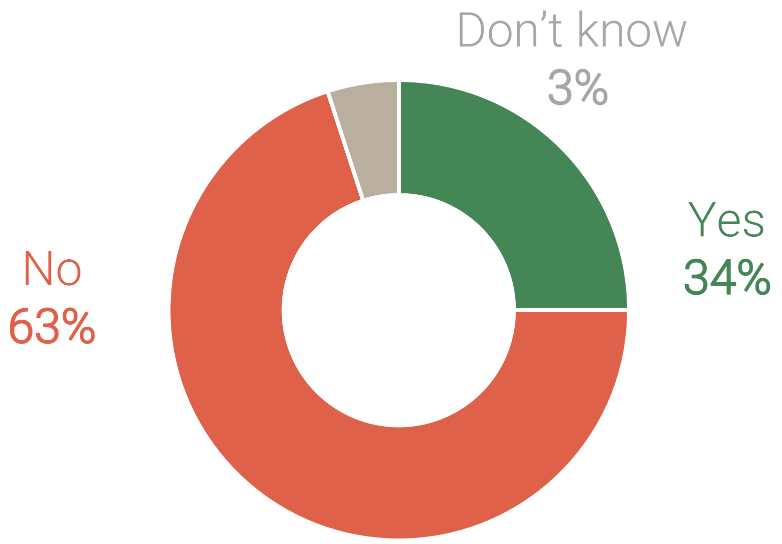
Mobile Provider



Mobile Plan



Electricity Bundle



SME SUMMARY – Jan to June 2024

Neither mobile nor broadband hit the favourable NPS threshold of +20. Broadband posts a negative NPS of -8, while mobile NPS is at +1.

Just over three quarters of broadband customers (78%), and 79% of mobile customers said they were satisfied with their provider. This is just shy of the 80% ‘favourable’ threshold.

Providers receive low scores for value for money, customer service and pricing among both broadband and mobile SME customers. Satisfaction with customer service has continued to decline for both broadband and mobile SME customers.

When prompted 30% of mobile customers and 34% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.

14% of mobile customers and 14% of broadband customers switched plans with the same provider in the last 12 months.

80% of mobile customers were satisfied when switching plans, however only 55% of broadband customers were satisfied. Satisfaction with switching broadband plans has fallen significantly.

12% of broadband consumers switched broadband provider and 10% switched mobile provider in the last 12 months.

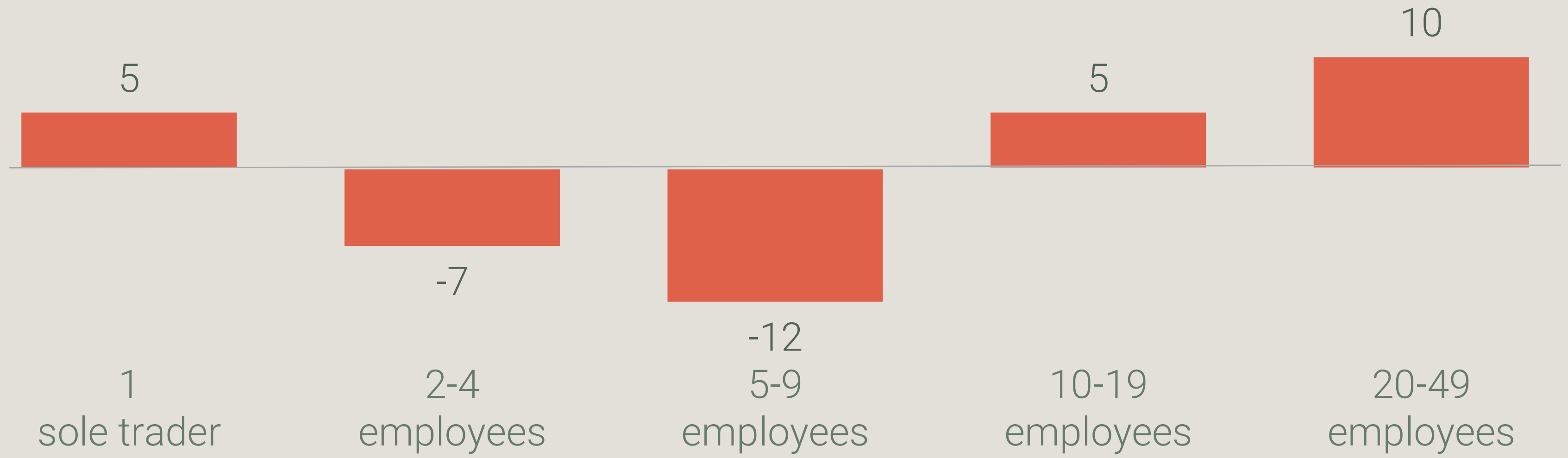
68% of mobile customers have experienced an issue with their mobile service in the past 6 months. 33% experienced an issue with roaming, the most common issue by far.

45% of broadband customers have experienced an issue with their broadband internet service in the past 6 months.

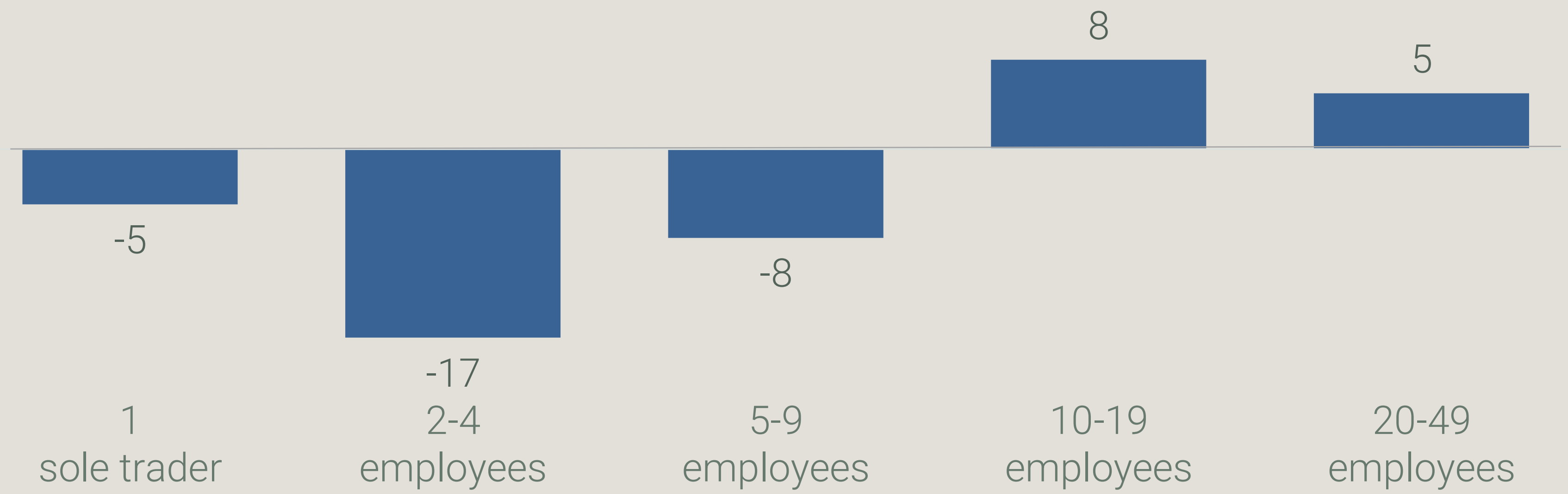
Net Promoter Score

Neither mobile nor broadband hit the favourable threshold of +20.
Broadband posts a negative NPS of -8, while mobile NPS is at +1.

Mobile NPS
+1



Broadband NPS
-8



NPS measures the loyalty of customers to a company, based on their ratings on a 0-10 scale, customers are classified into three categories:
Promoters (9-10), Passives (7-8), Detractors (0-6). NPS is then calculated using the following formula: NPS = (Percentage of Promoters -Percentage of Detractors).
NPS scores range from -100 (all customers are detractors) to +100 (all customers are promoters). Bain & Co, the creators of the NPS metric, consider a score above 20 is favourable, above 50 is excellent, and above 80 is world class

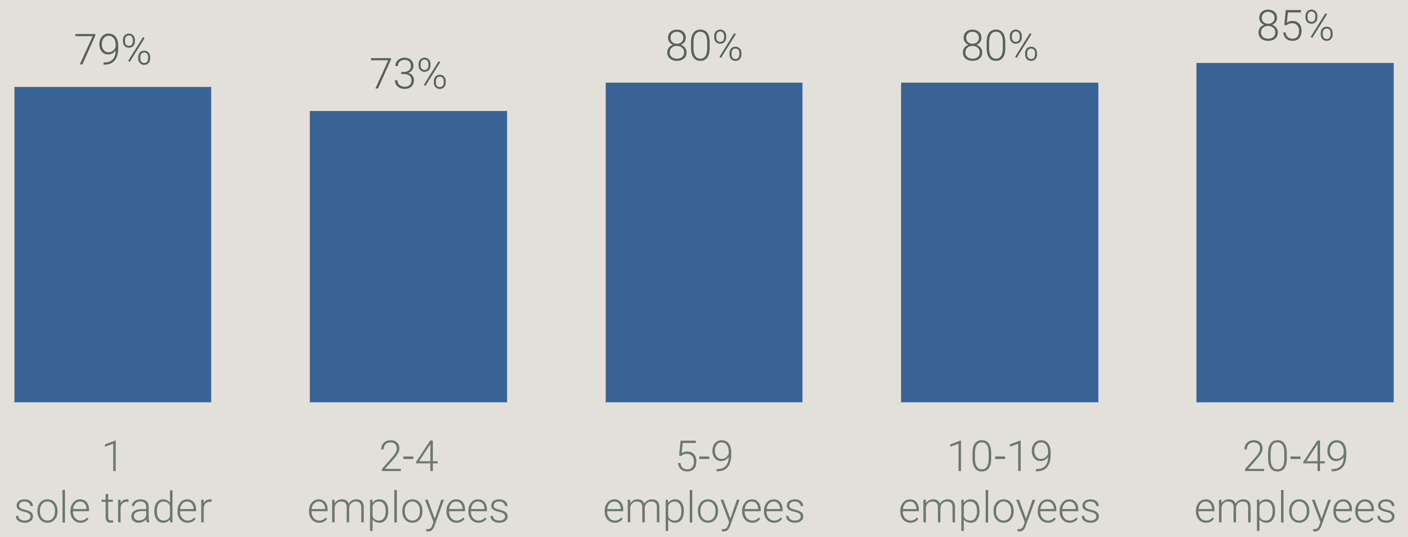
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

Overall satisfaction

Just over three quarters of broadband customers (78%), and 79% of mobile customers said they were satisfied with their provider. Satisfaction has remained relatively steady.

Mobile Satisfaction
79%

Broadband Satisfaction
78%



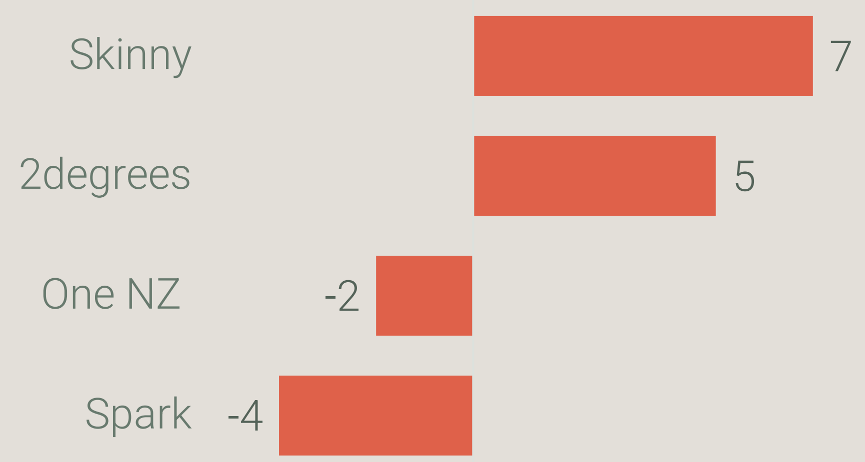
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

NPS and satisfaction by provider

Skinny and 2degrees have positive NPS scores for mobile, but 2degees has the lowest NPS for broadband. No mobile or broadband provider meets the favourable threshold of +20.

Mobile

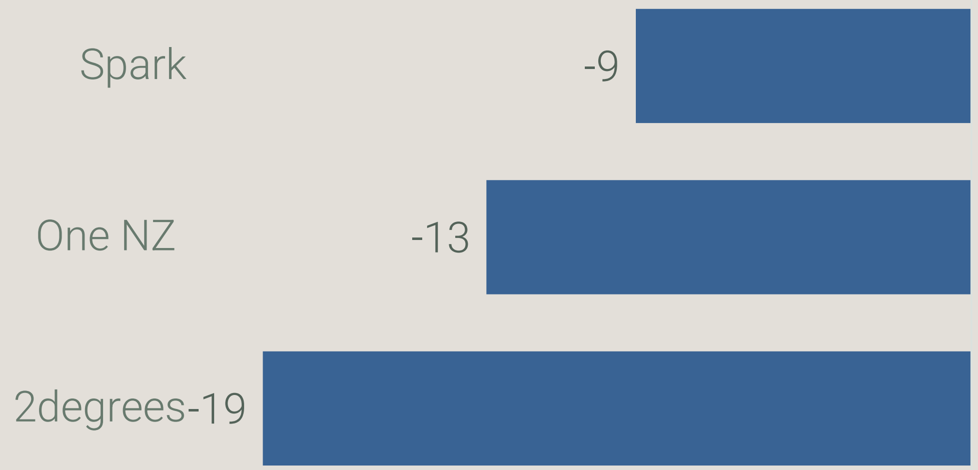
Net Promoter Score



Satisfaction

Broadband

Net Promoter Score



Satisfaction

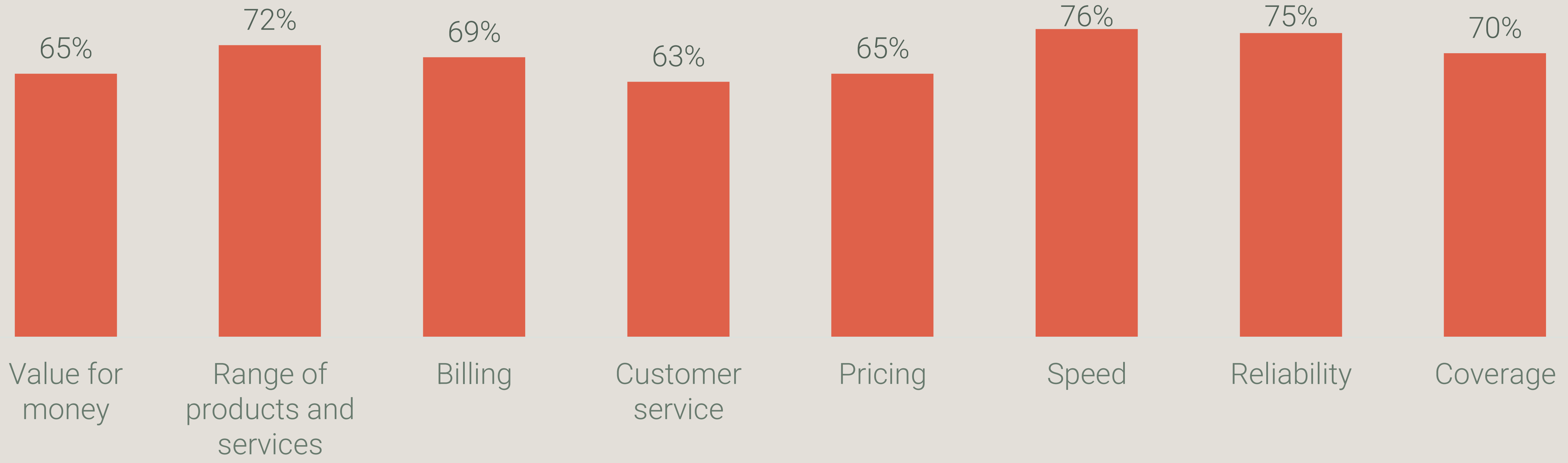
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jan-June 2024 Spark mobile customers n=371, One NZ mobile customers n=301, 2degrees mobile customers n=215, Skinny mobile customers n=55.
Spark broadband customers n=328, One NZ broadband customers n=219, 2degrees broadband customers n=157.

Satisfaction

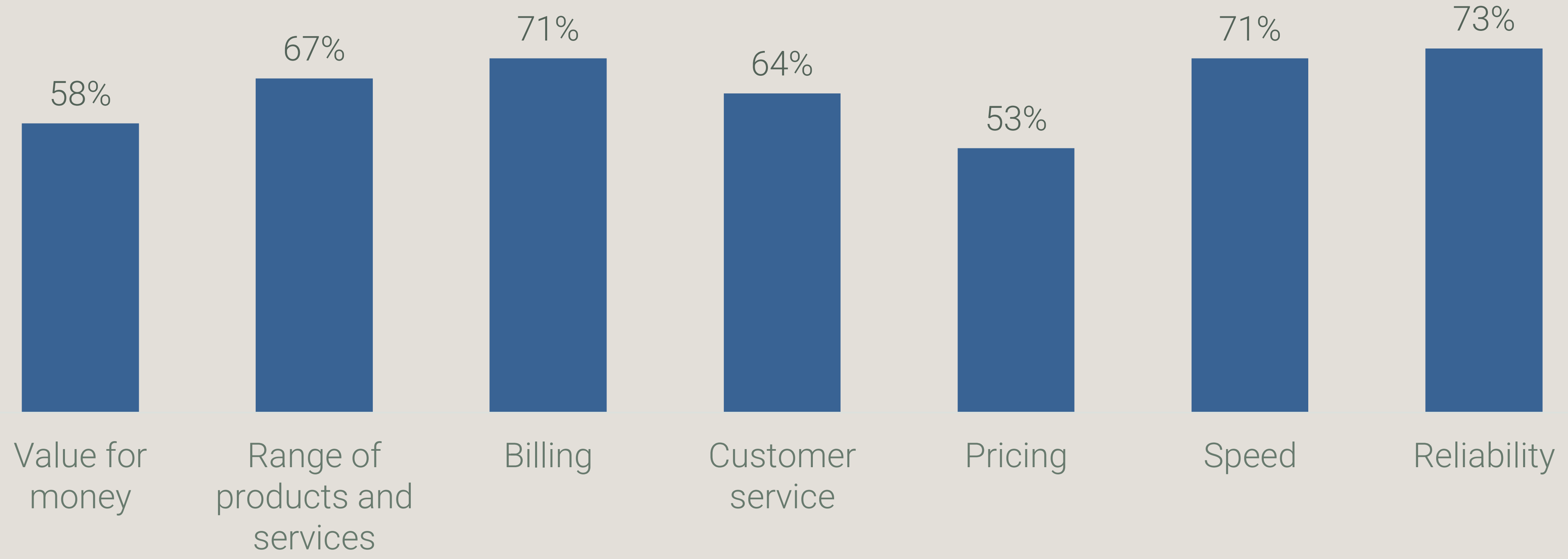
(rating 4-5 on 5 point scale)

Providers receive low scores for value for money, customer service and pricing among both broadband and mobile SME customers. All aspects of mobile and broadband satisfaction fall below the favourable threshold of 80%.

Mobile Satisfaction
79%



Broadband Satisfaction
78%

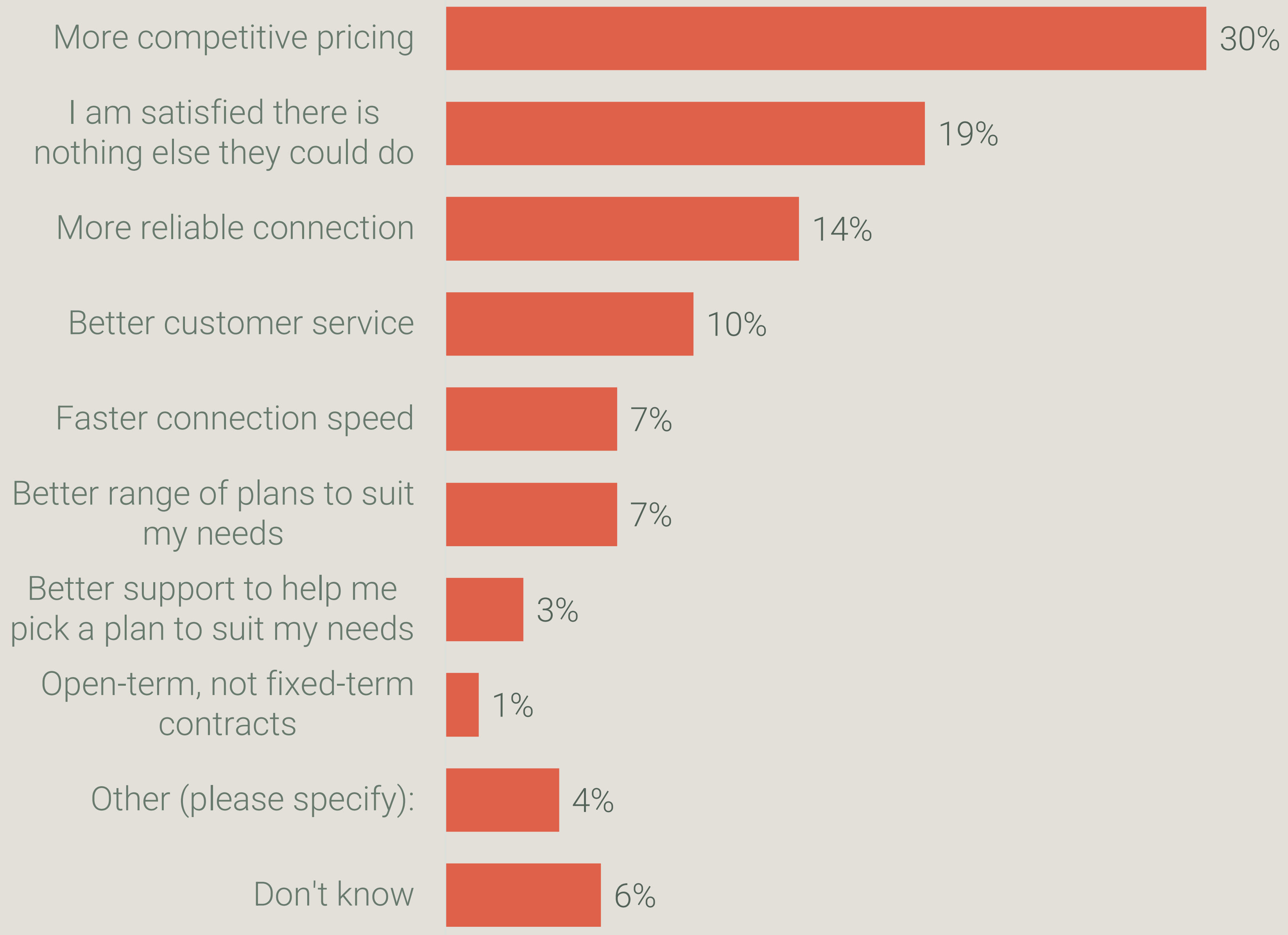


How satisfied are you with %"Mobile-Provider"% for your mobile service in relation to the following aspects?
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

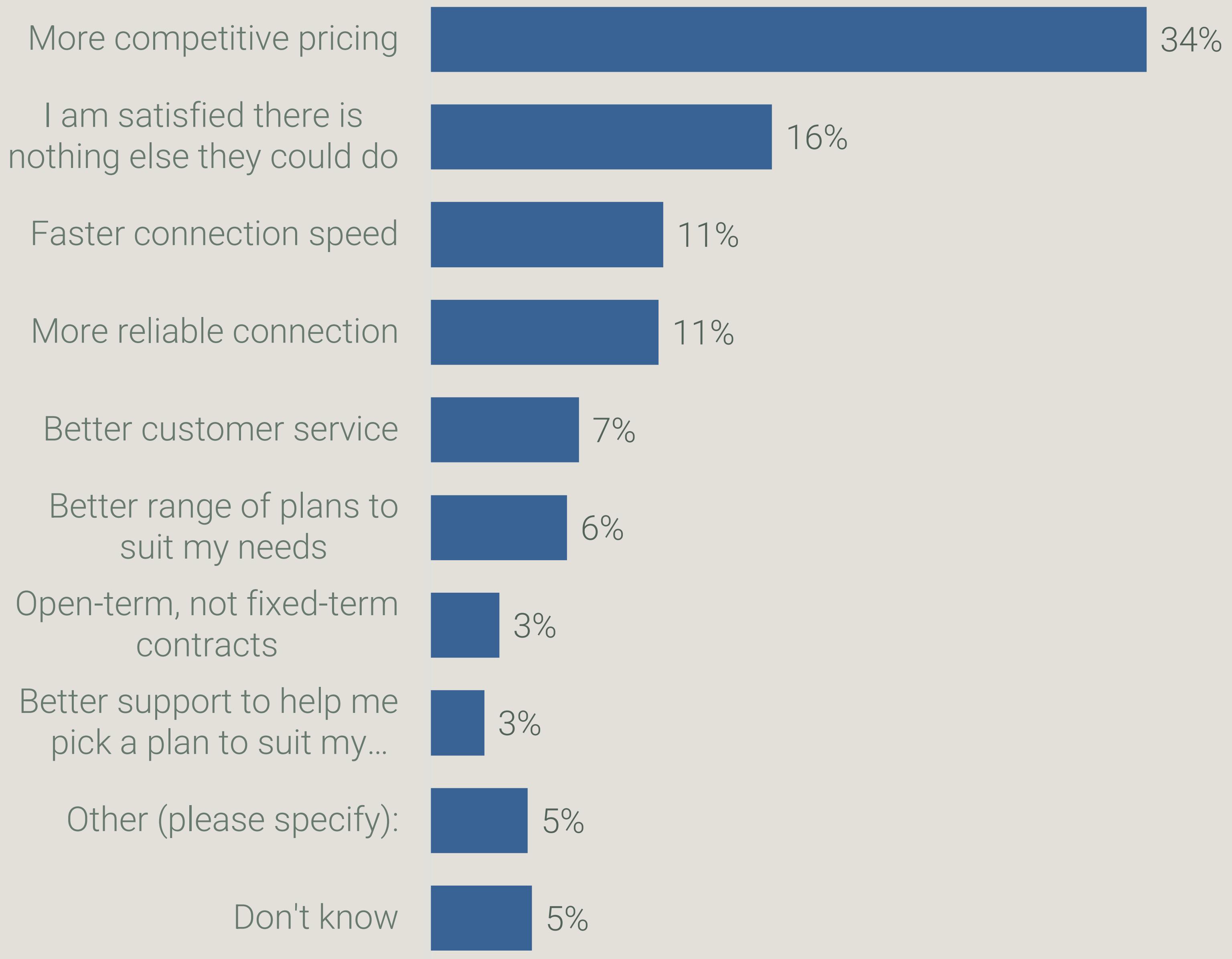
How to improve provider satisfaction

When prompted, 30% of mobile customers and 34% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.

Mobile Satisfaction
79%



Broadband Satisfaction
78%

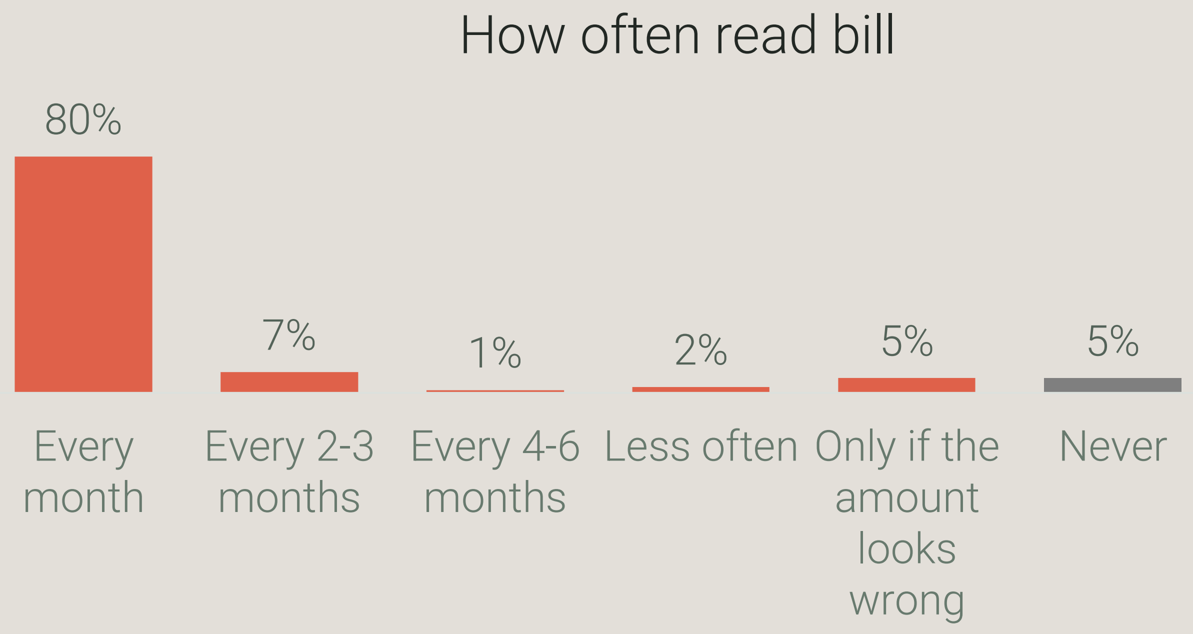


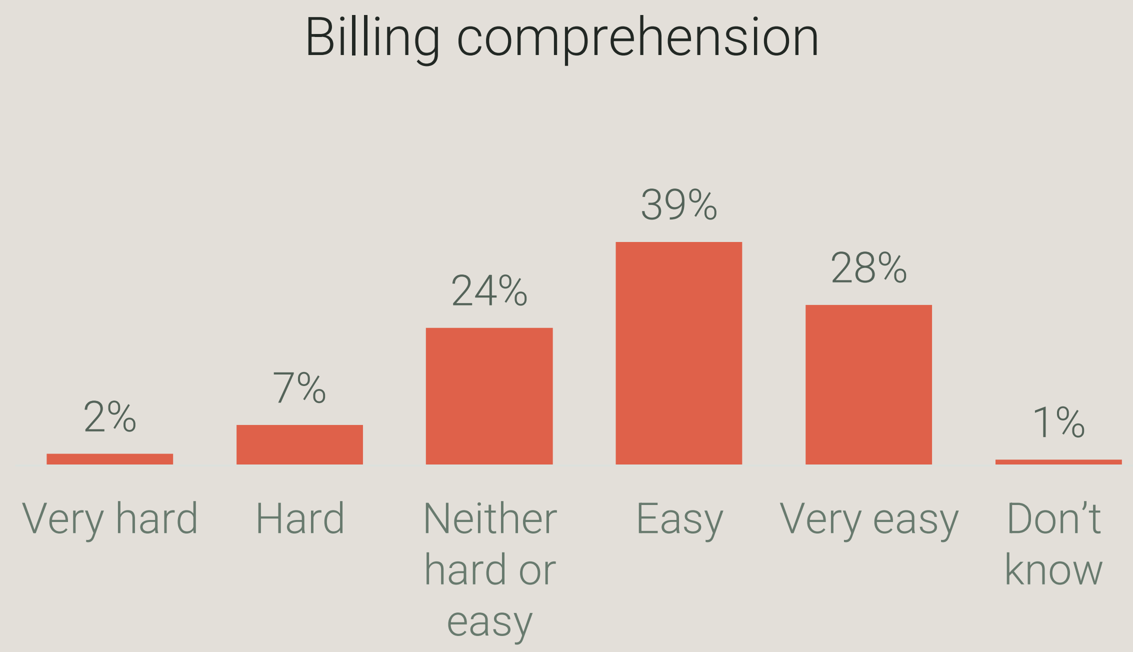
What is the one thing %"Mbl-Provider%" as your mobile provider would have to provide for you to increase your 'overall satisfaction' score?
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

Billing comprehension

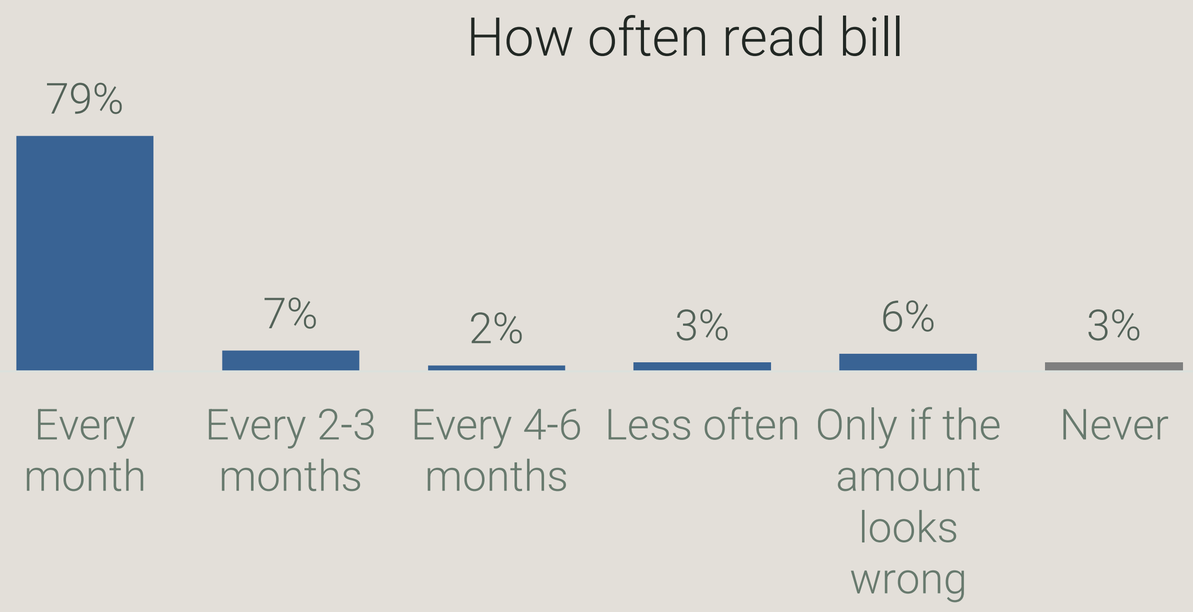
Of those who read their bill, the majority (69% - 74%) find the bill easy to understand

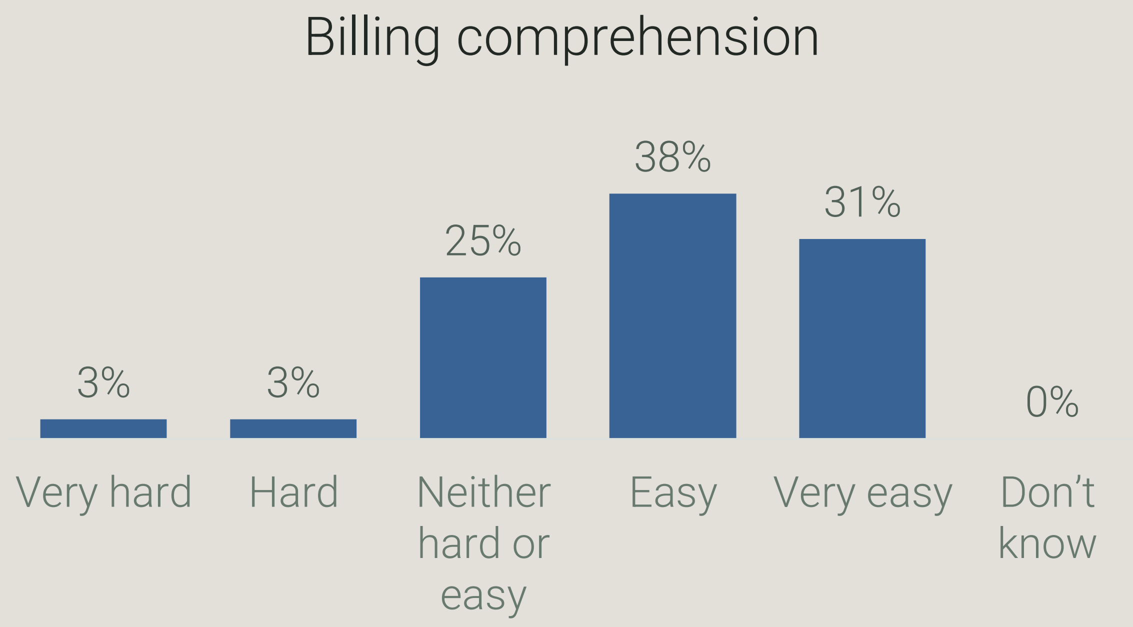
Mobile





Broadband





Note: new question added in May 2024 and so data only represents May-June data
Will not be published in 6-month report

How often do you read your bills from…
How easy it is to understand your bills from…
Base: May-June 2024 Broadband provider Population=312, Mobile provider Population=321, Broadband customers who read bill n=302, Mobile customers who read bill n=305
Questions introduced in May 2024.

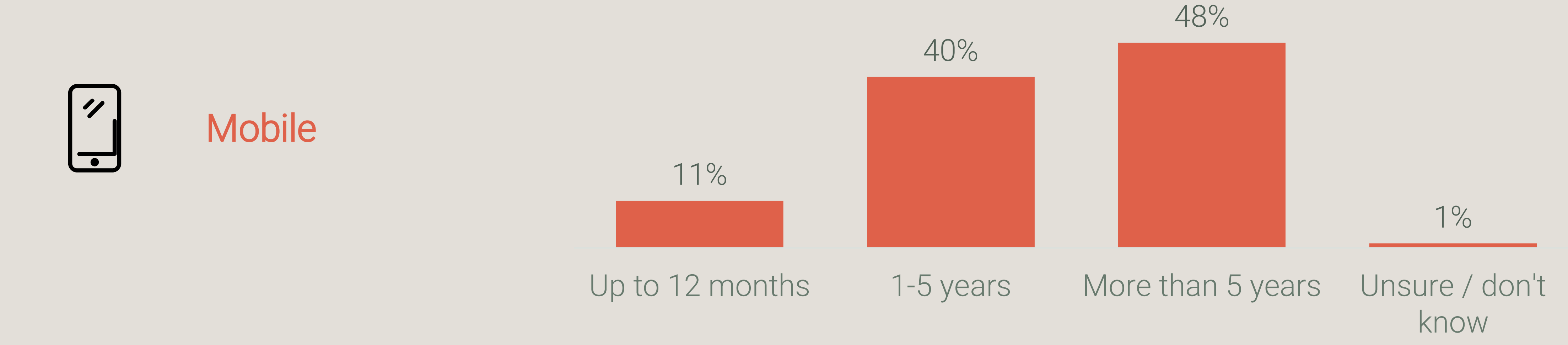
INSIGHTS HQ

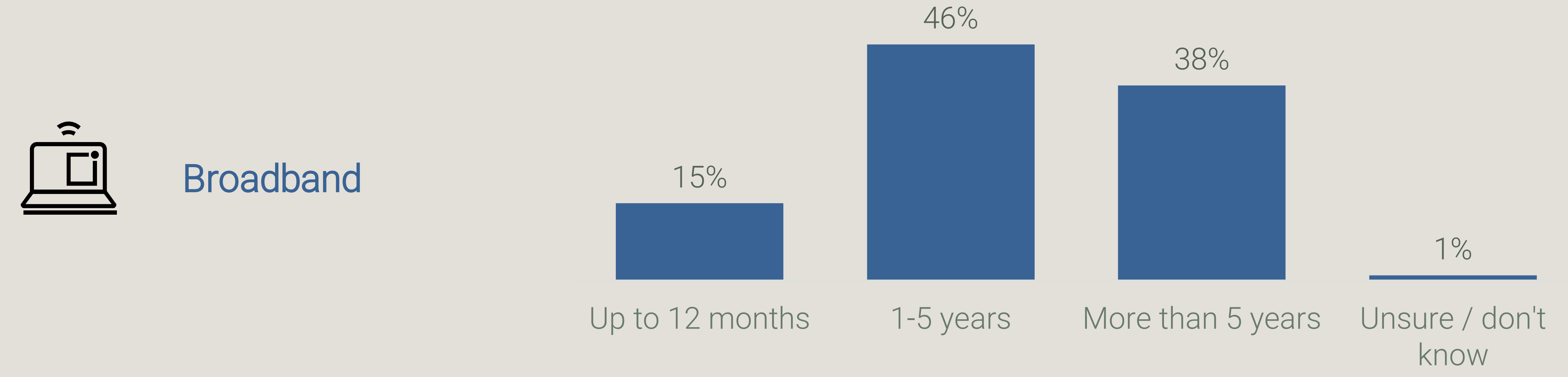
SME Insights

Tenure and Switching Behaviour

Tenure

Mobile consumers have a slightly longer tenure with their provider than broadband consumers. 48% of mobile consumers have been with their current provider for more than 5 years, compared to 38% for broadband.



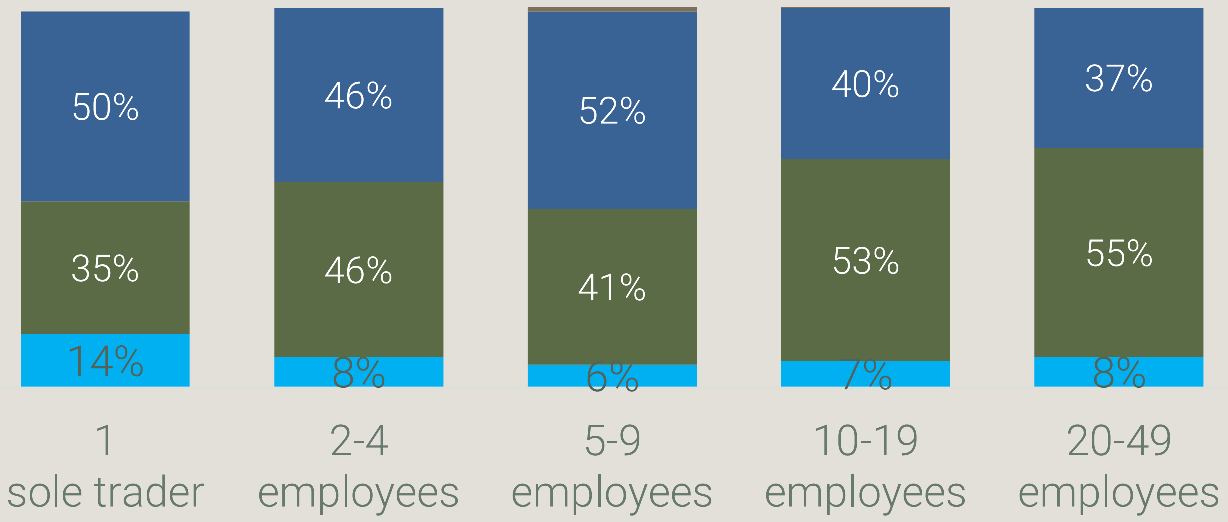


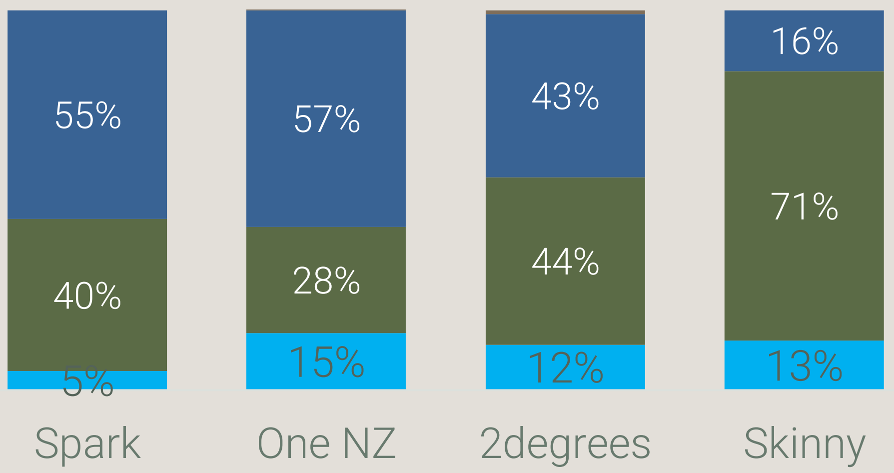
About how long have you been a customer of...
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

Tenure

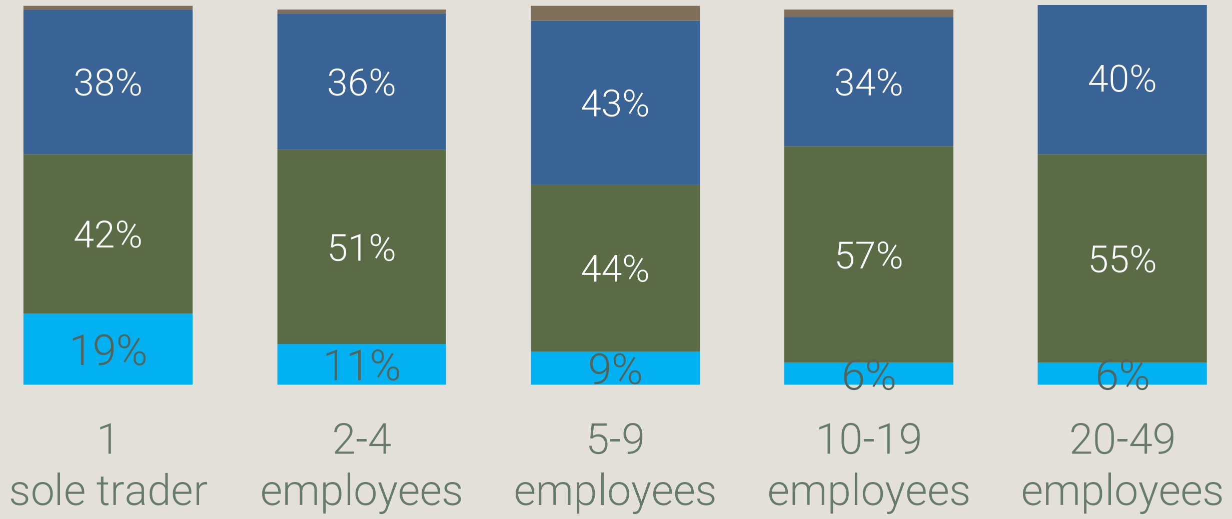
Mobile and broadband provider tenure does not correlate strongly with business size.
Spark and One NZ have the longest tenure customers, 2degrees have shorter tenure customers in broadband.

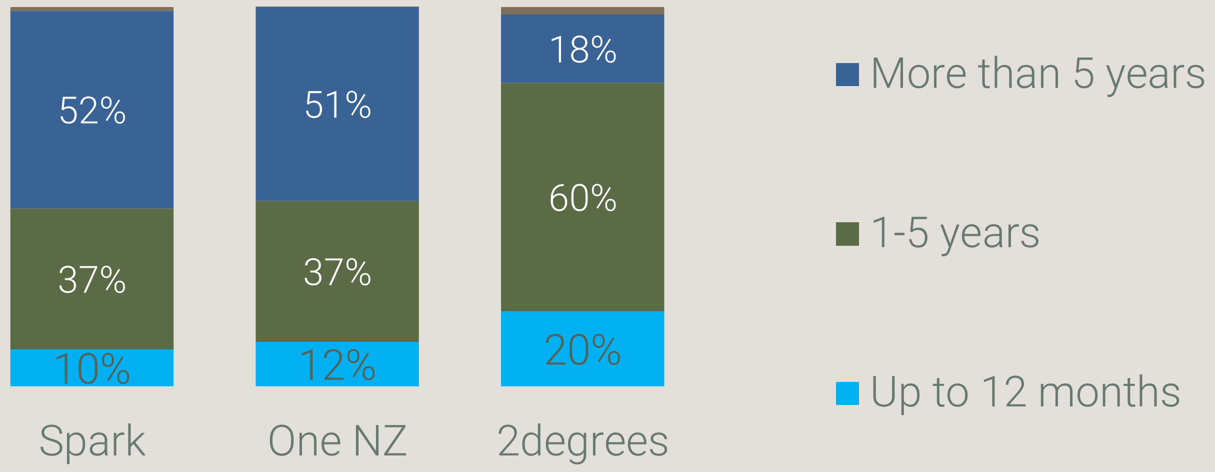
Mobile





Broadband



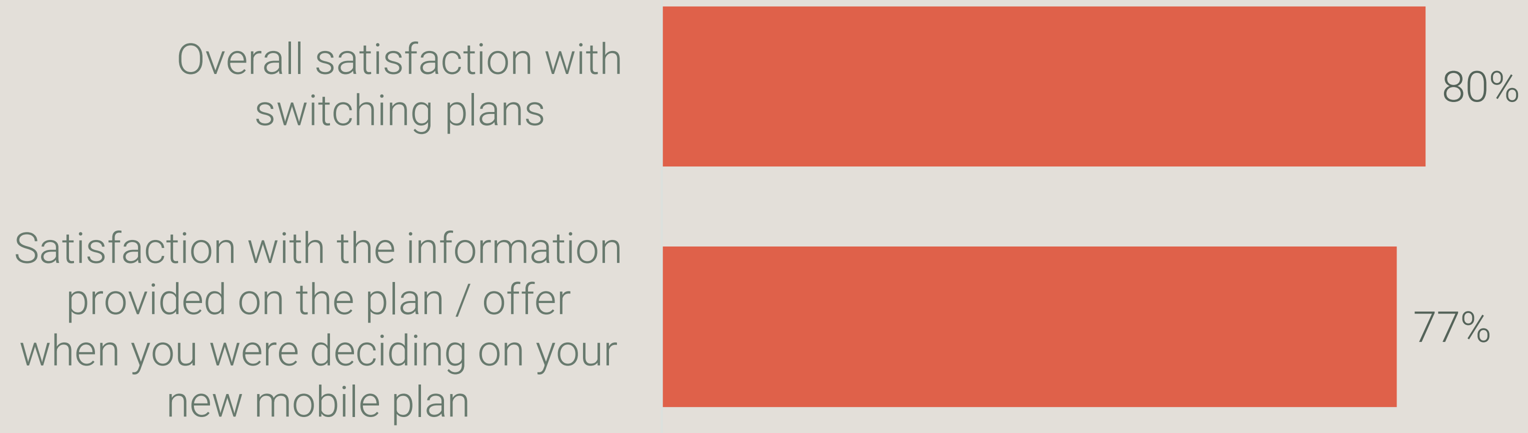


About how long have you been a customer of...
Base: Jan-June 2024 Spark mobile customers n=371, One NZ mobile customers n=301, 2degrees mobile customers n=215, Skinny mobile customers n=55.
Spark broadband customers n=328, One NZ broadband customers n=219, 2degrees broadband customers n=157.

Switching plans with same provider

Switching mobile and broadband plans with the same provider is low.
Satisfaction with switching broadband plans is significantly lower than mobile and well below the target threshold of 80%.

14%
switched **mobile** plans in last 12 months



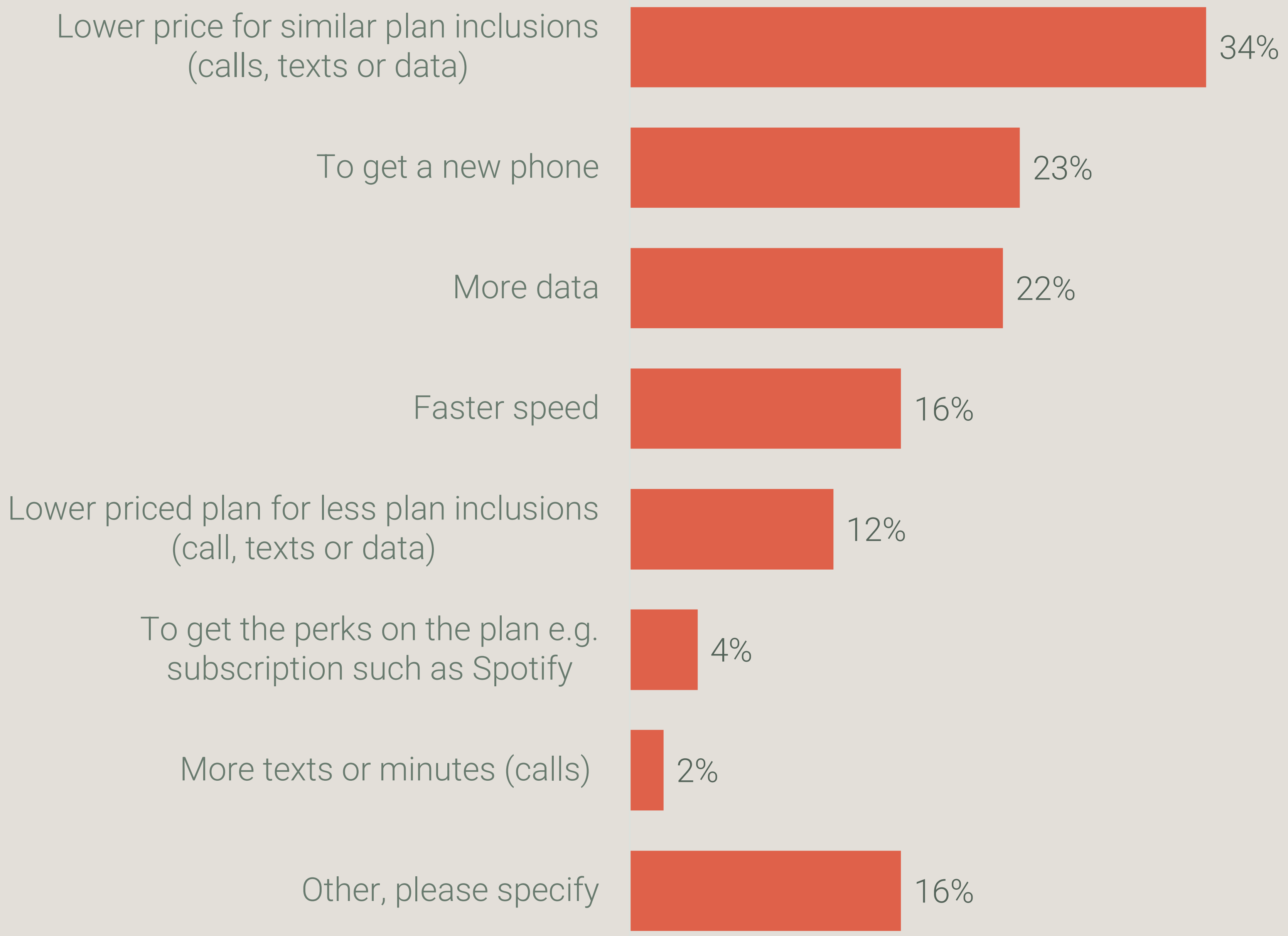
14%
switched **broadband** plans in last 12 months

In the last 12 months, have you changed a plan relating to your....
Overall, how satisfied were you with...
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

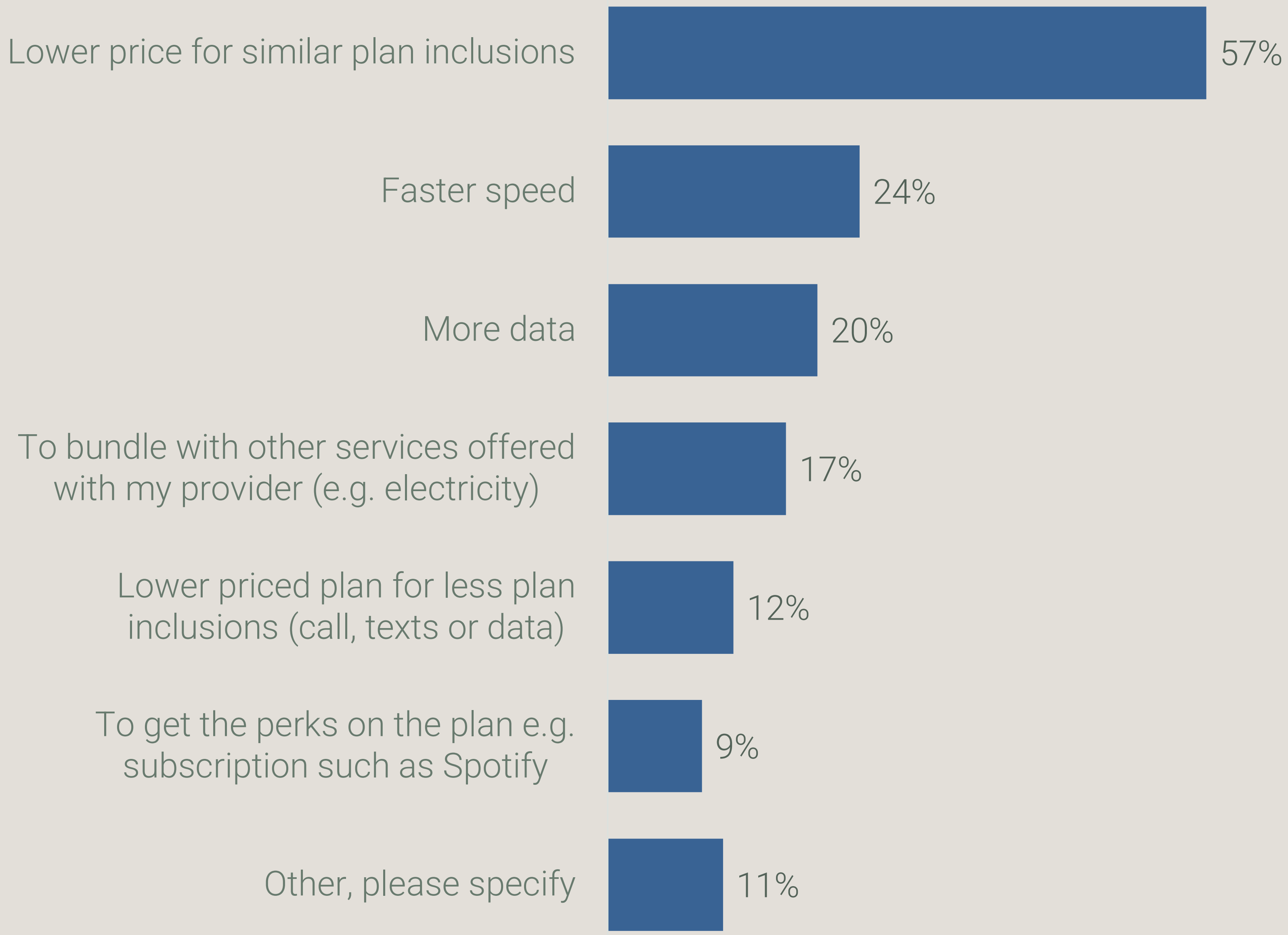
Reasons for switching plans with same provider

Lower prices is the main driver of switching plans with the same provider.

14%
switched **mobile** plans in last 12 months



14%
switched **broadband** plans in last 12 months



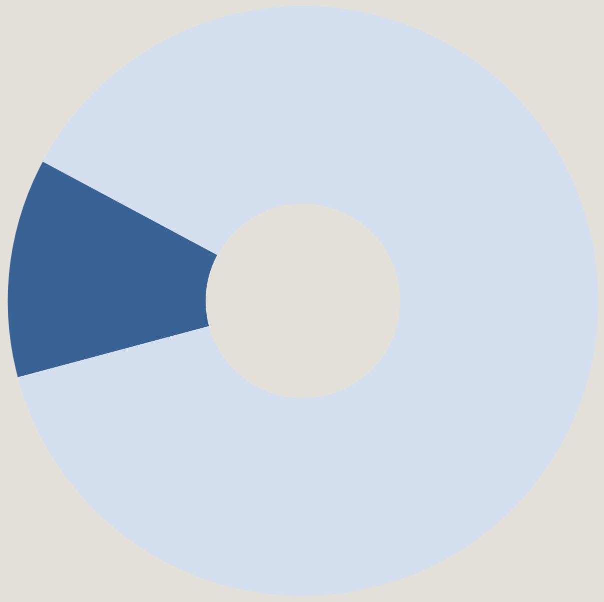
For which of the following reasons did you switch your mobile plan?
Base: Jan-June 2024 Switched mobile plans with same provider =44, switched broadband plans with same provider =34.

Switching provider

12% of broadband consumers switched broadband provider and 10% switched mobile provider in the last 12 months.

10%
switched **mobile** provider in last 12 months

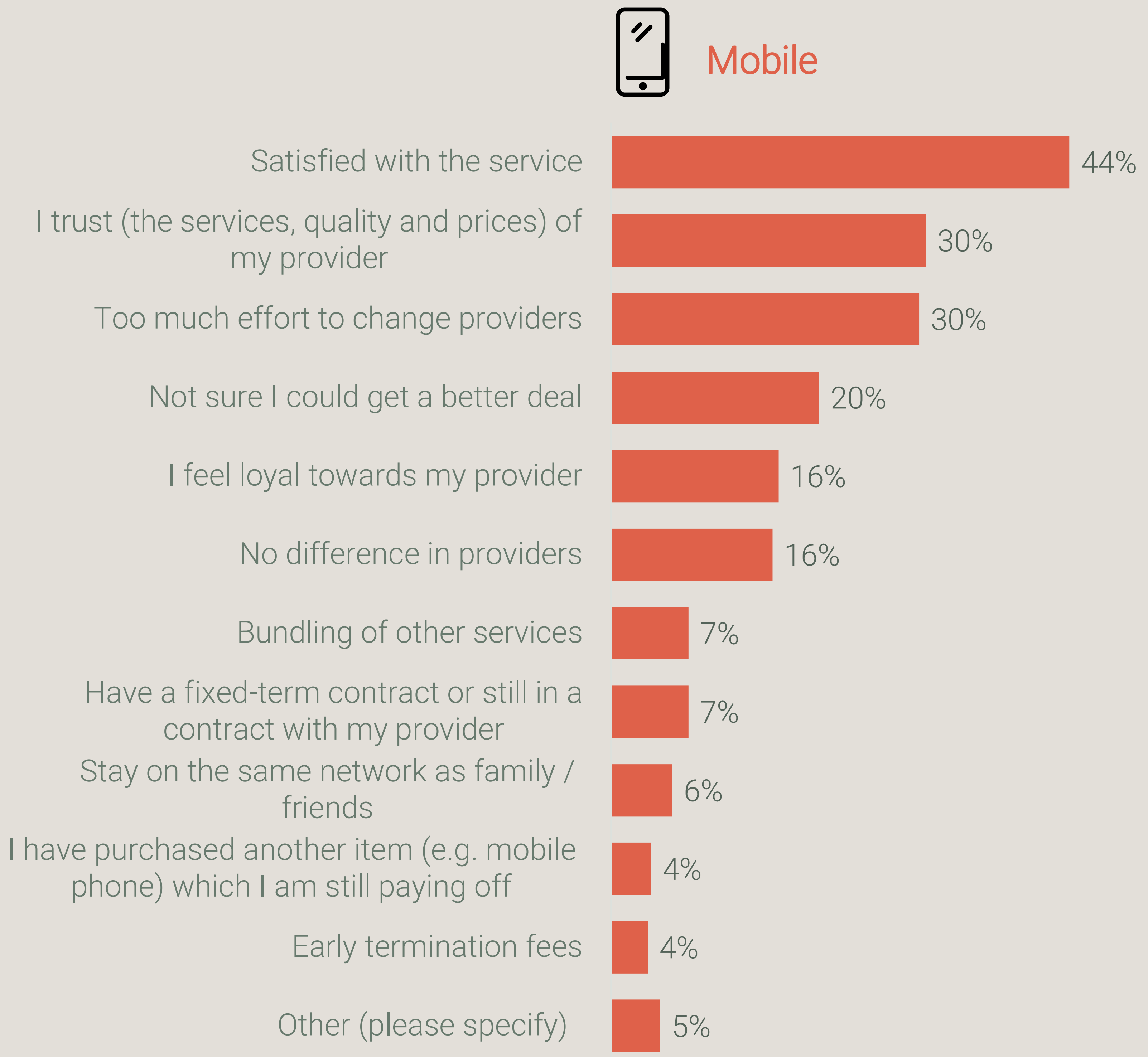
12%
switched **broadband** provider in last 12 months

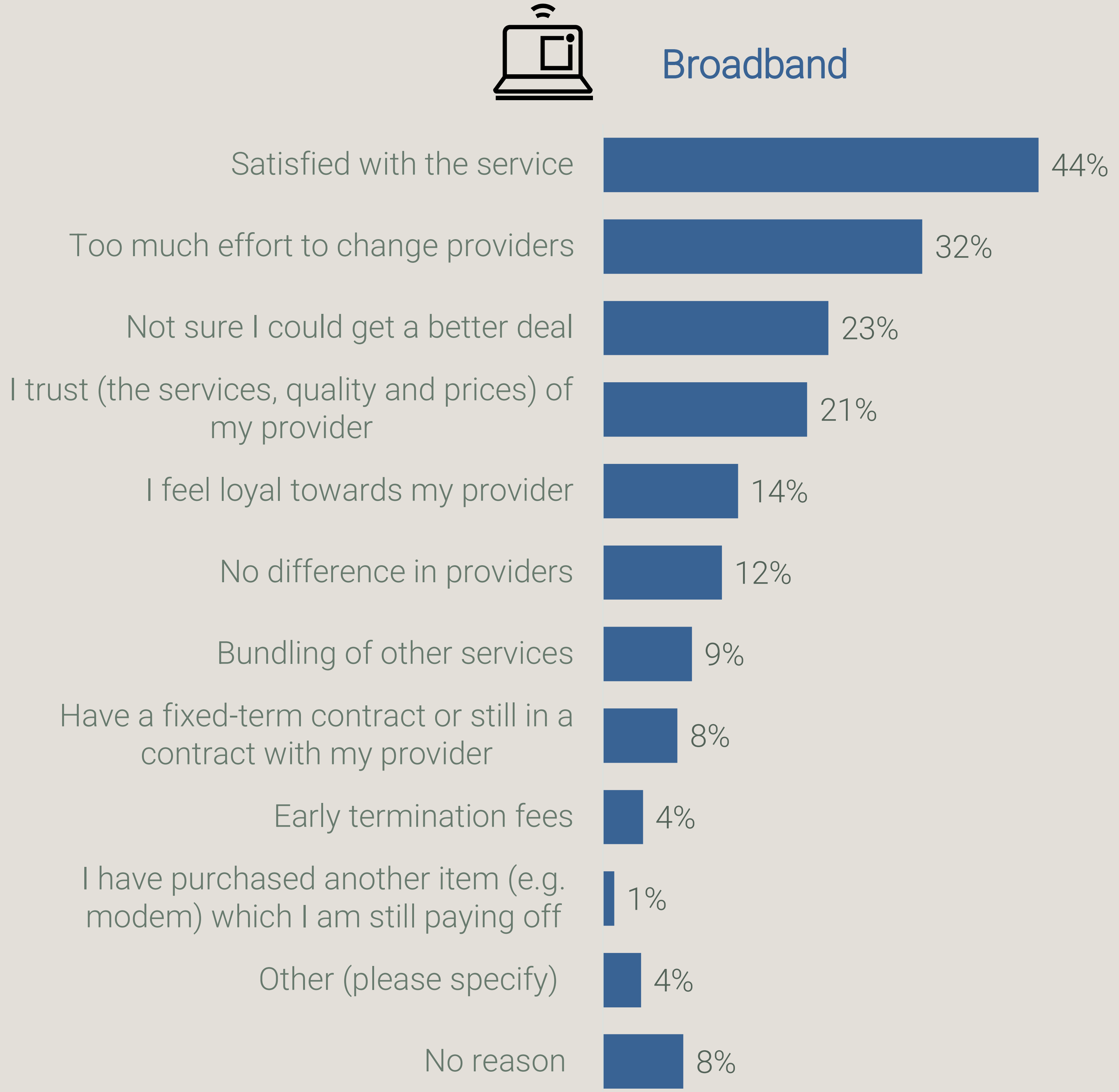


In the last 12 months, have you switched / changed telecommunication providers relating to your
Base: Jan-June 2024 Broadband provider Population=943, Mobile provider Population=972.

Reasons for staying with current provider

The main reasons consumers are staying with their current provider is because they are satisfied with the service, and perceived hassle of switching





In the last 12 months, have you switched / changed telecommunication providers relating to your
Overall, how satisfied were you with...
Base: May-June 2024 Did not switch broadband provider =285, Did not switch mobile provider =282.

INSIGHTS HQ

SME Insights

Issues and Response

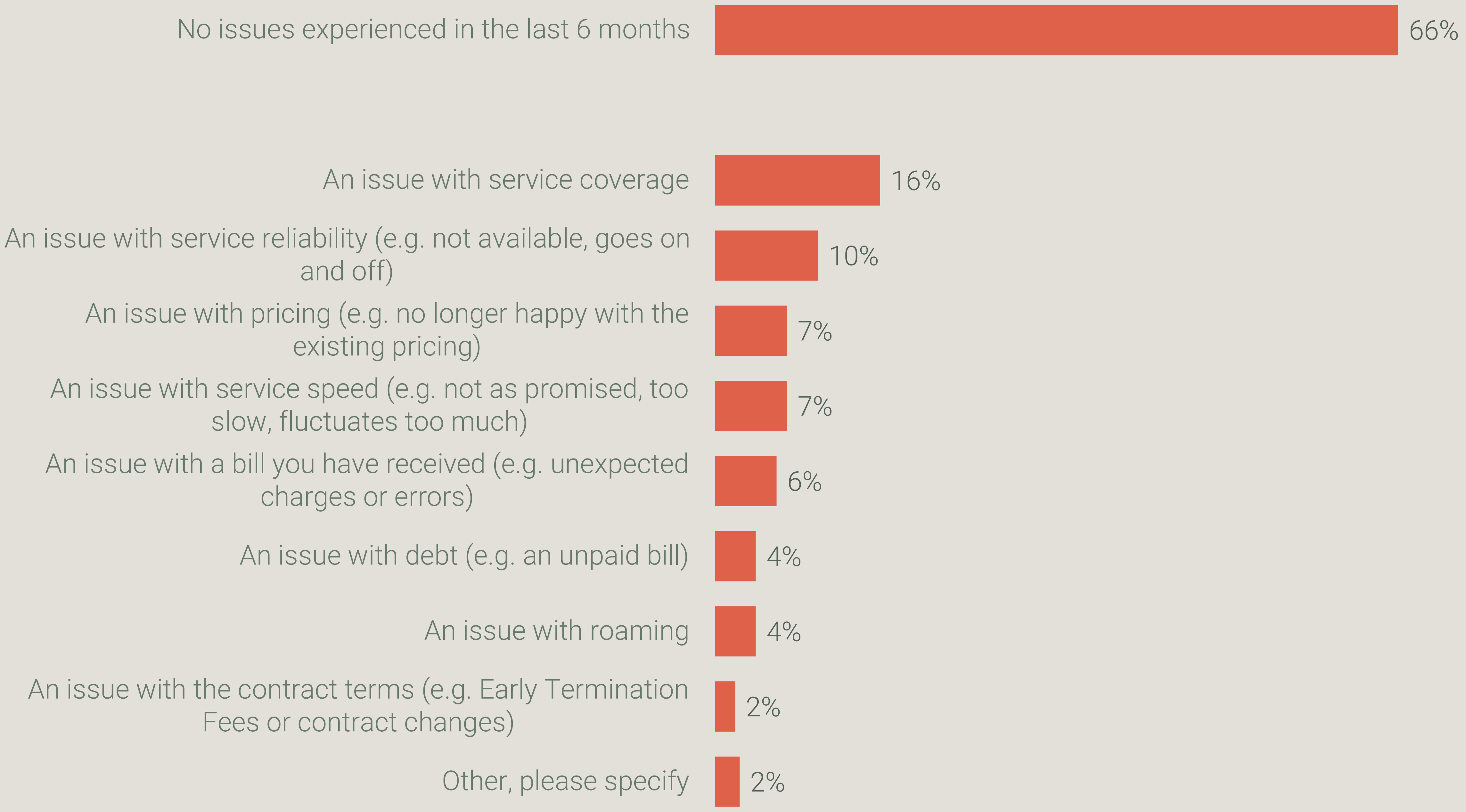
Mobile Issues

The most common issues experienced with mobile service are issues to do with roaming.

34%

of Mobile customers have experienced an issue with their mobile service in the

past 6 months

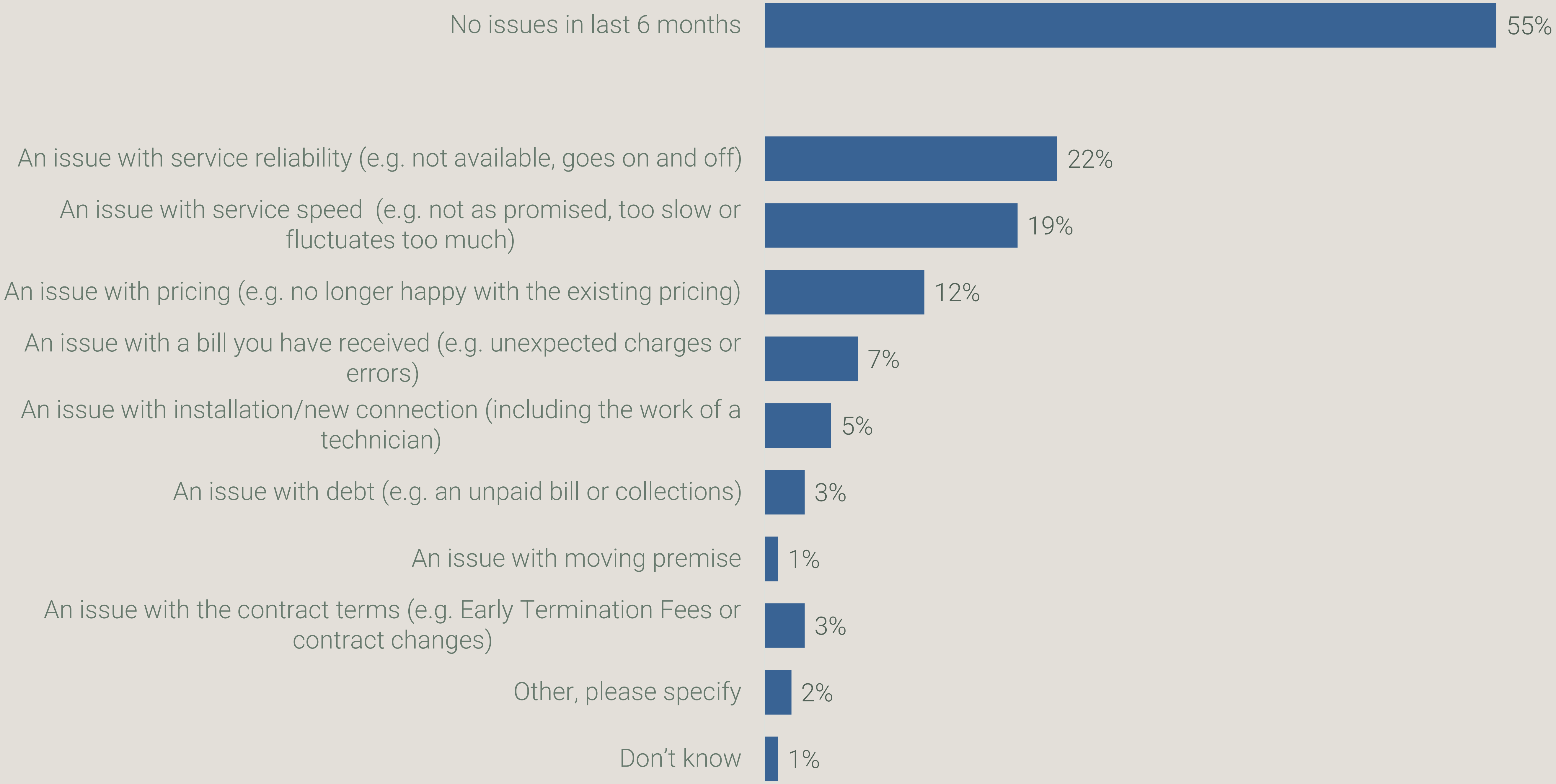


In the last 6 months, have you experienced any of the following issues with your mobile service?
Base: Jan-June 2024 Mobile provider Population=972.
Note: Following trend analysis, an issue with Feb-Apr 2024 data was discovered. As a result, data has been re-issued for 'an issue with roaming' and 'no issues experienced' data points excluding Feb-Apr data.

Broadband Issues

45% of consumers have had issues with their broadband services in the last six months. The number of customers experiencing issues with service reliability and speed has risen since 2023.

45%
of broadband customers have experienced an issue with their broadband internet service in the
past 6 months



In the last 6 months, have you experienced any of the following issues with your Broadband internet service?
Base: Jan-June 2024 Broadband provider Population=943.

Thank you

Insights HQ