

NZ Telecommunications Customer Satisfaction Tracking

6 monthly report

July - December 2024



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 July – December 2024		SME July – December 2024	
2378 broadband customers	2139 mobile customers	758 broadband customers	807 mobile customers
<p>The residential sample was an adult sample (18+) nationally representative of the New Zealand population (age, gender, region).</p> <p>Fieldwork was conducted monthly with this deck focusing on the 6 months from July - December 2024.</p>		<p>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).</p> <p>Fieldwork was conducted monthly with this deck focusing on the 6 months from July - December 2024.</p>	
<p>Sample qualification criteria</p> <ul style="list-style-type: none">• 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		<p>Sample qualification criteria</p> <ul style="list-style-type: none">• 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: $NPS = (\text{Percentage of Promoters} - \text{Percentage of Detractors})$.

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**.

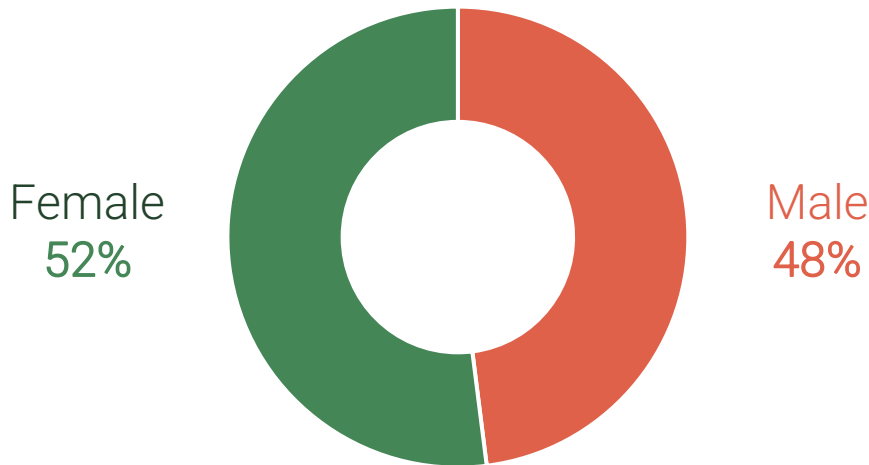


RESIDENTIAL INSIGHTS

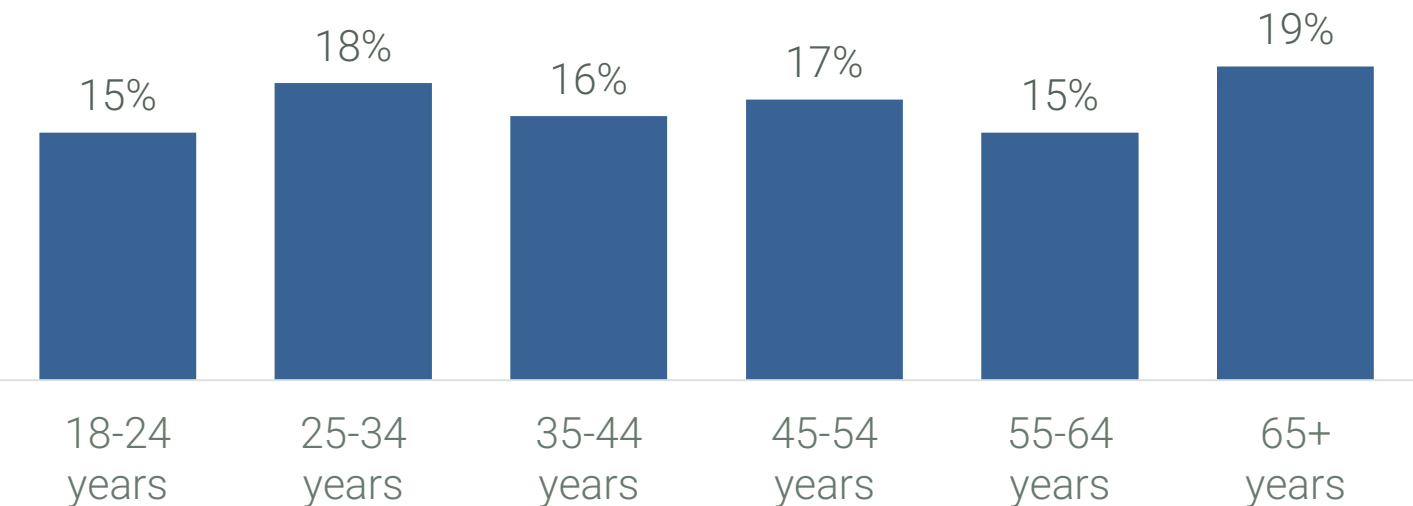
NPS and Satisfaction

Demographics - Residential

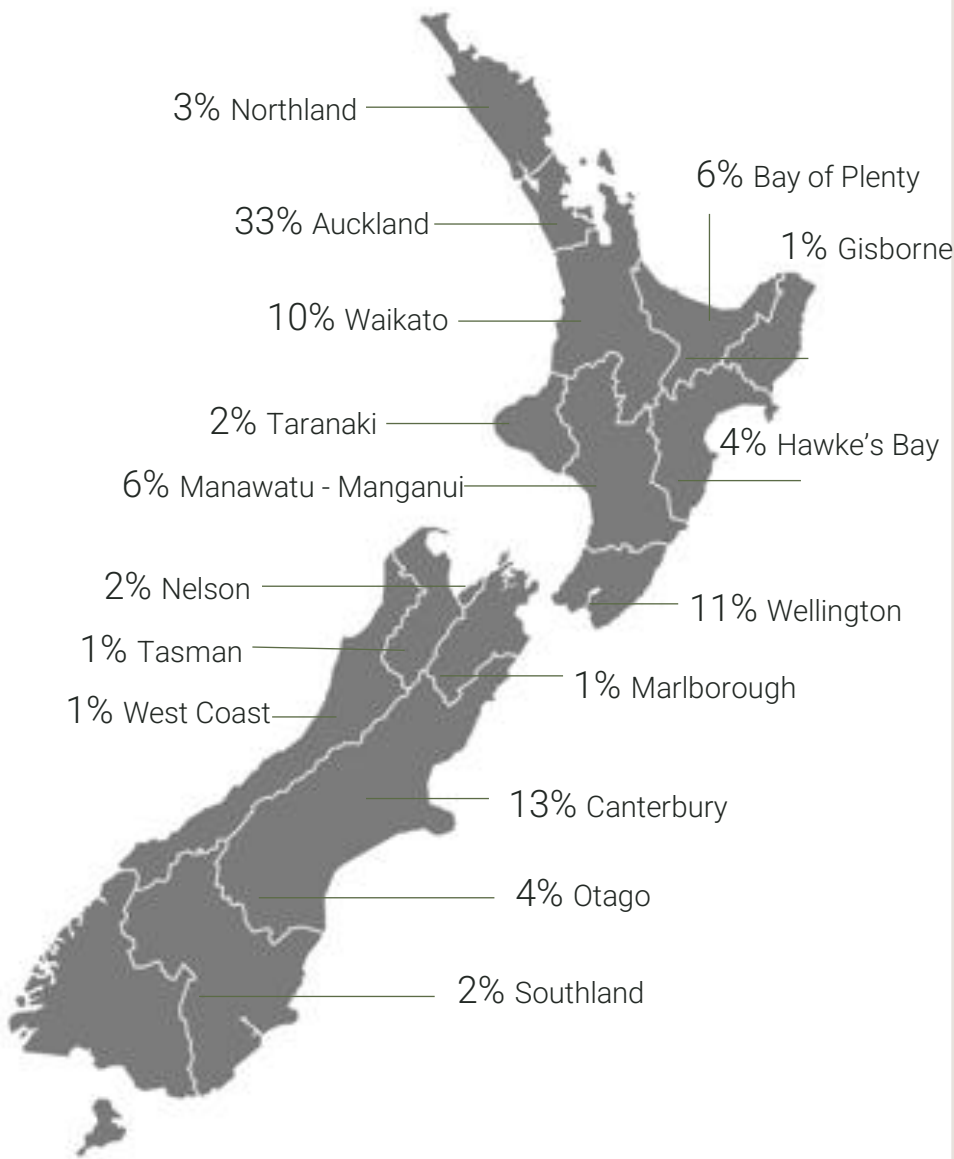
Gender



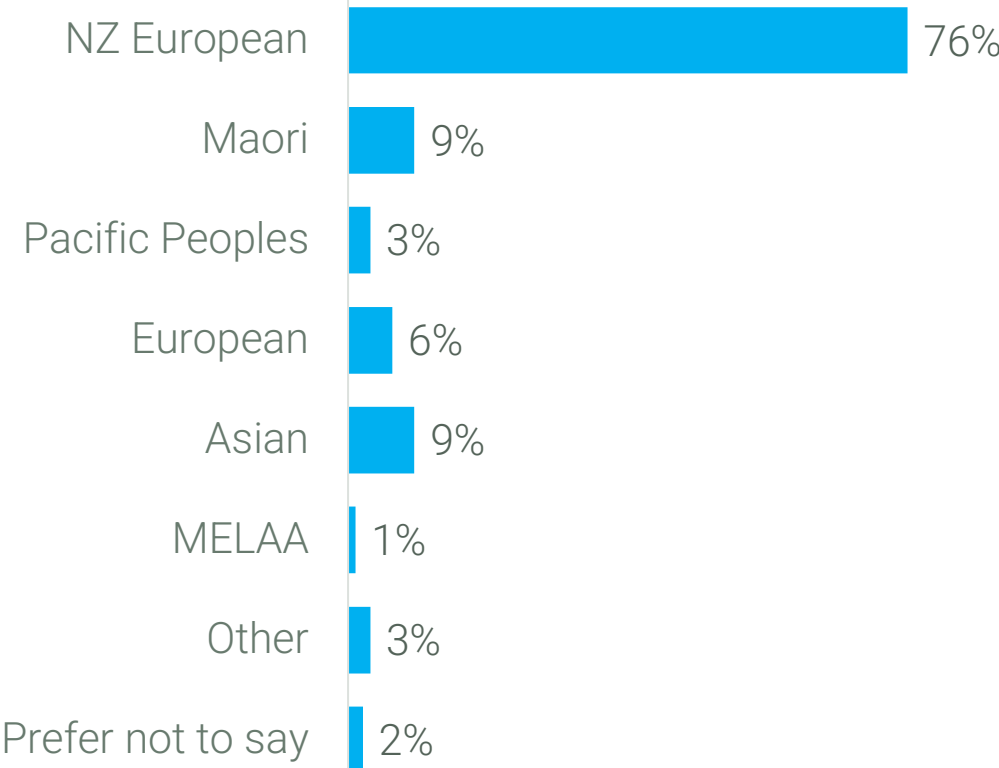
Age



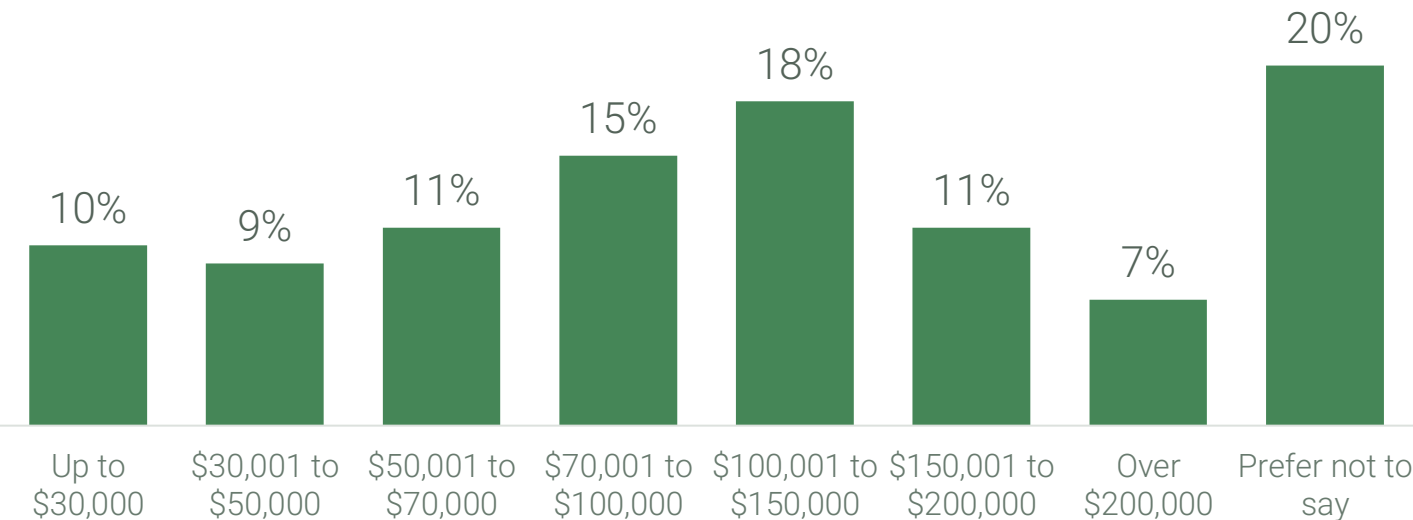
Region



Ethnicity



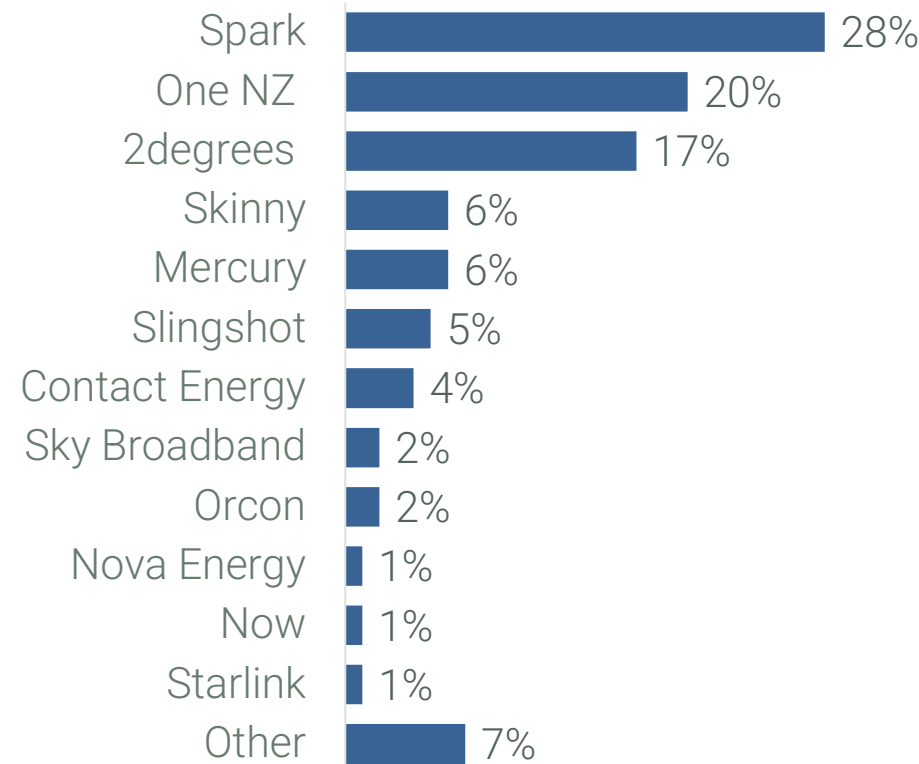
Household Income



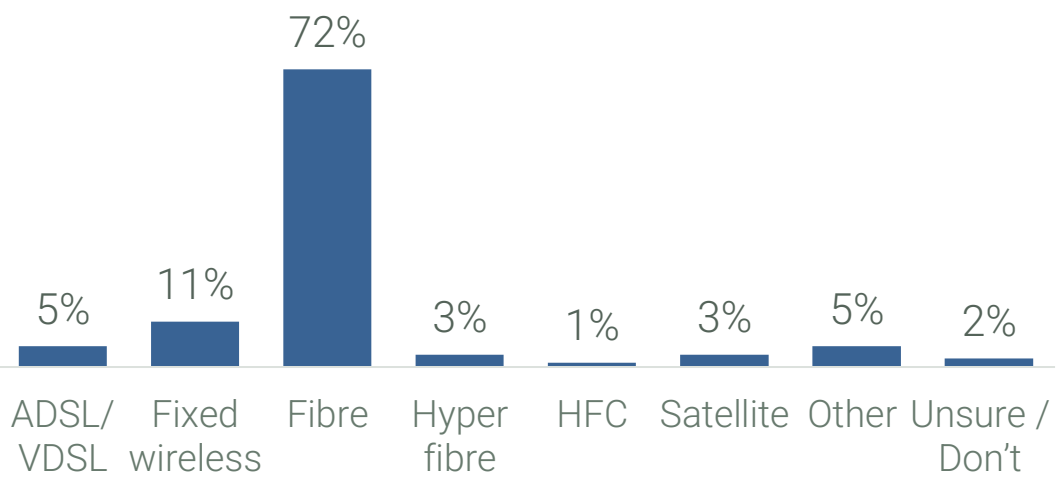
9% rural
91% urban

Products and Providers - Residential

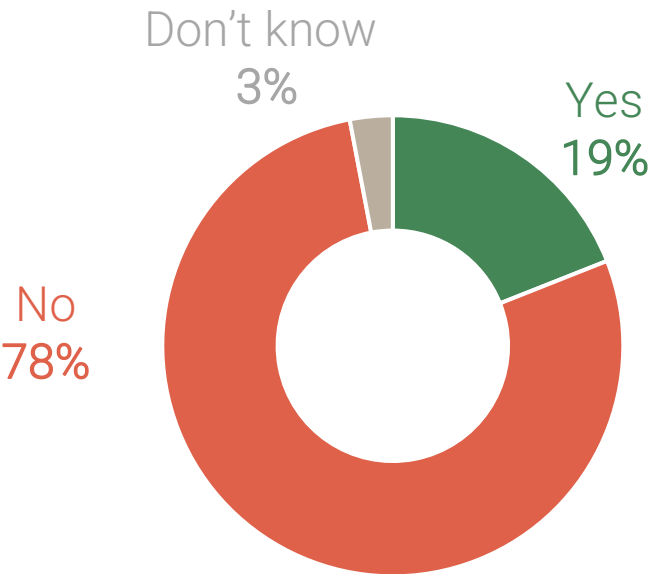
Broadband Provider



Broadband Technology

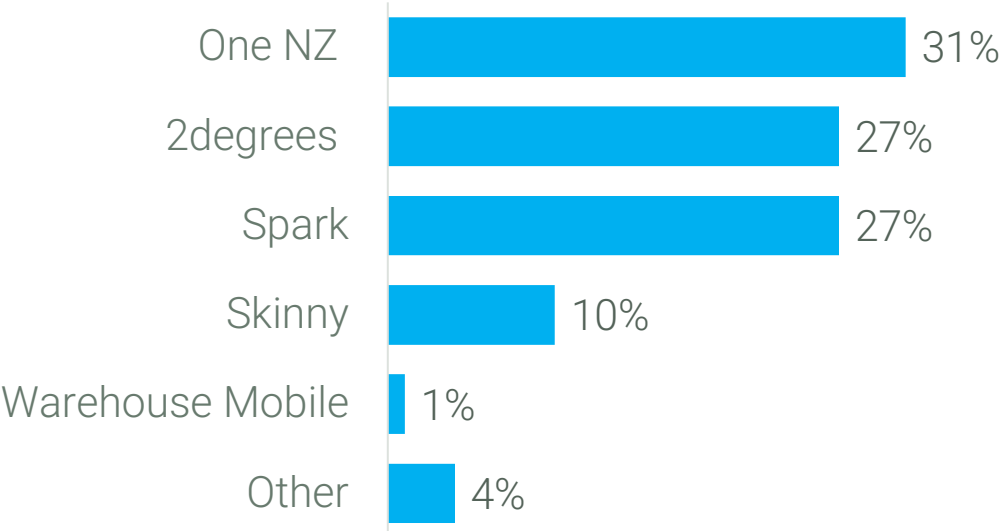


Electricity Bundle



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

Mobile Provider



Mobile Plan



RESIDENTIAL SUMMARY July – December 2024

Neither mobile nor broadband hit the favourable threshold of +20 for NPS. Broadband posts a negative NPS of -16 while Mobile has an NPS of -6. Neither mobile nor broadband meet the favourable threshold of 80% for overall satisfaction.

We continue to see significant decreases in NPS and Satisfaction for both Mobile and Broadband as industry scores trend downwards. Most providers have declined in satisfaction and NPS, only Skinny meets the favourable threshold of 80% for both mobile and broadband.

Satisfaction has declined across all areas for mobile and broadband, particularly customer service, pricing and the range of broadband plans.

Switching providers is not common, with only 10% of consumers switching broadband provider and 6% switching mobile provider in the last 12 months. Satisfaction with mobile switching has declined with significant declines in the information provided during the process. Many aspects of the broadband switching process have also declined.

35% of mobile customers have experienced an issue with their mobile service, and 49% 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 -16 while Mobile has an NPS of -6.



Mobile NPS
-6



Broadband NPS
-16



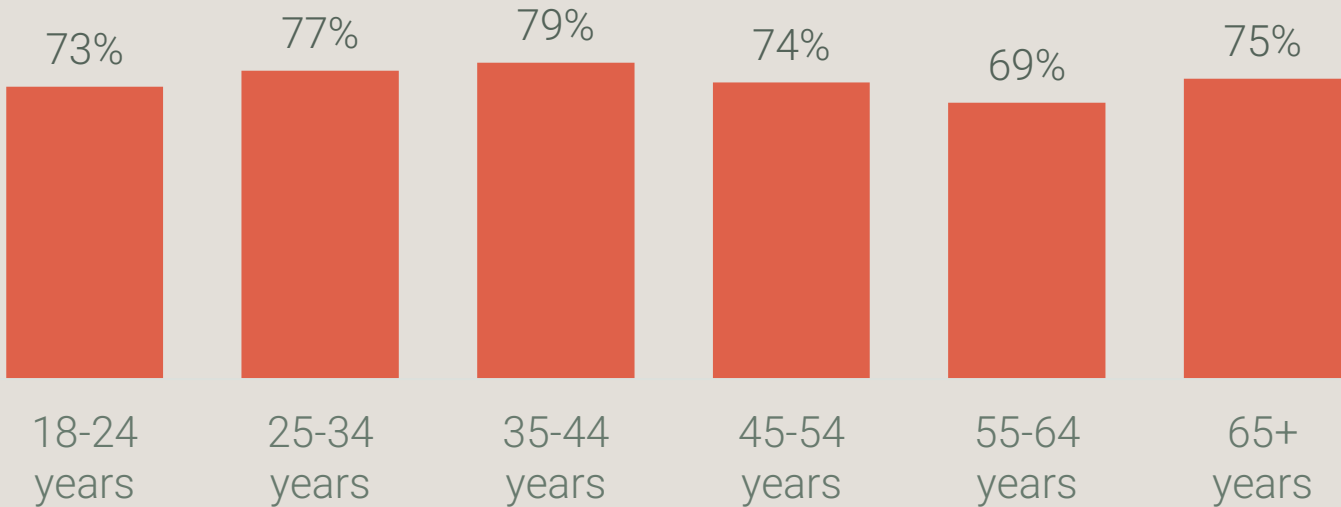
NPS measures the loyalty of customers to a company, based on their ratings on a 0-10 scale, customers are classified into three categories: Promoters (9-10), Passives (7-8), Detractors (0-6). NPS is then calculated using the following formula: $NPS = (\text{Percentage of Promoters} - \text{Percentage of Detractors})$. 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

Overall satisfaction

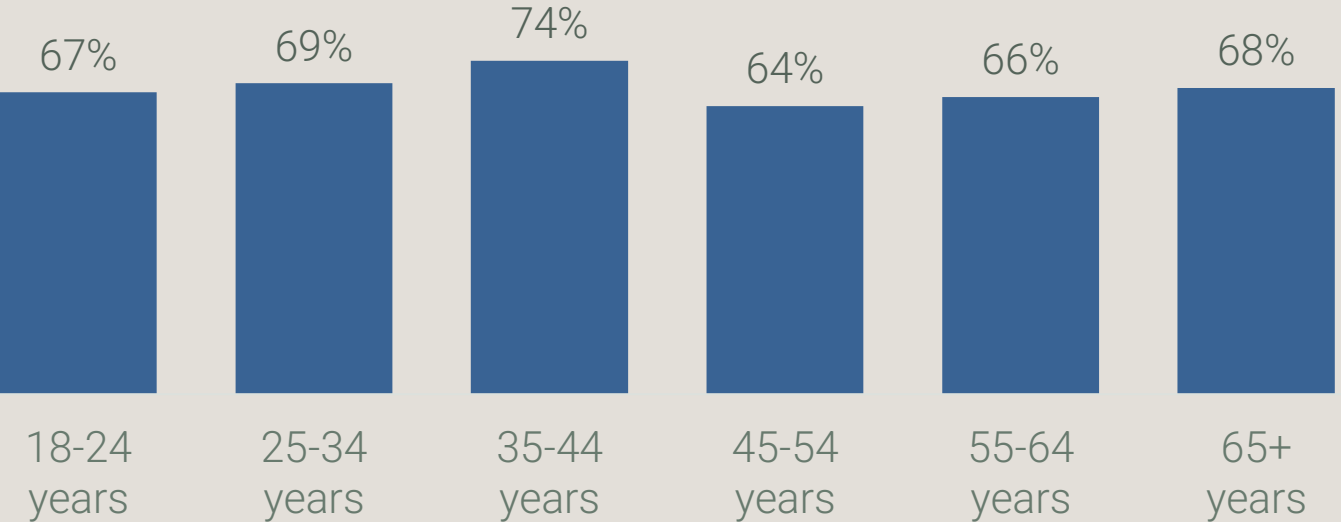
Neither mobile nor broadband meet the favourable threshold of 80% satisfaction..



Mobile
Satisfaction
74%



Broadband
Satisfaction
68%



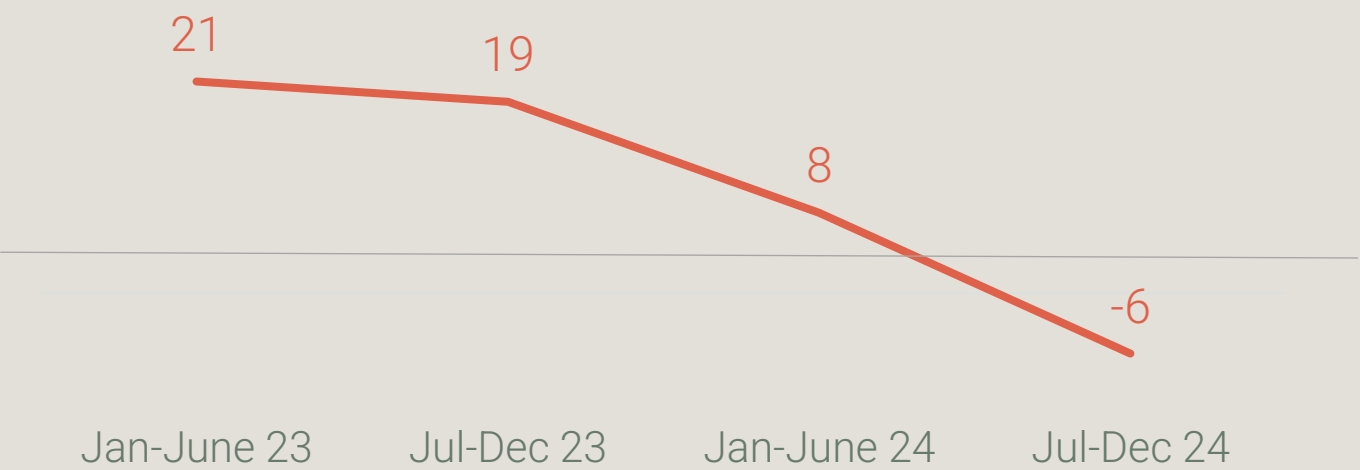
NPS and satisfaction trended

We continue to see significant decreases in NPS for both Mobile and Broadband as industry scores trend downwards.

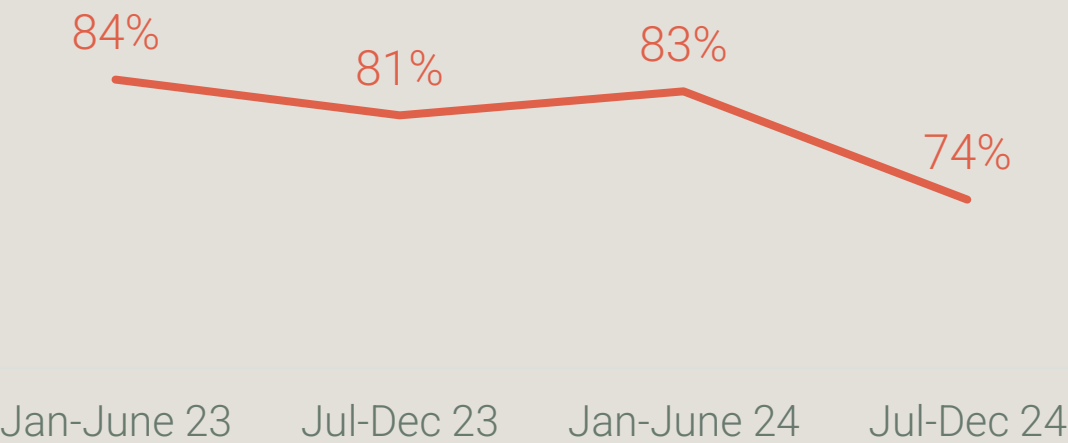


Mobile

Net Promoter Score

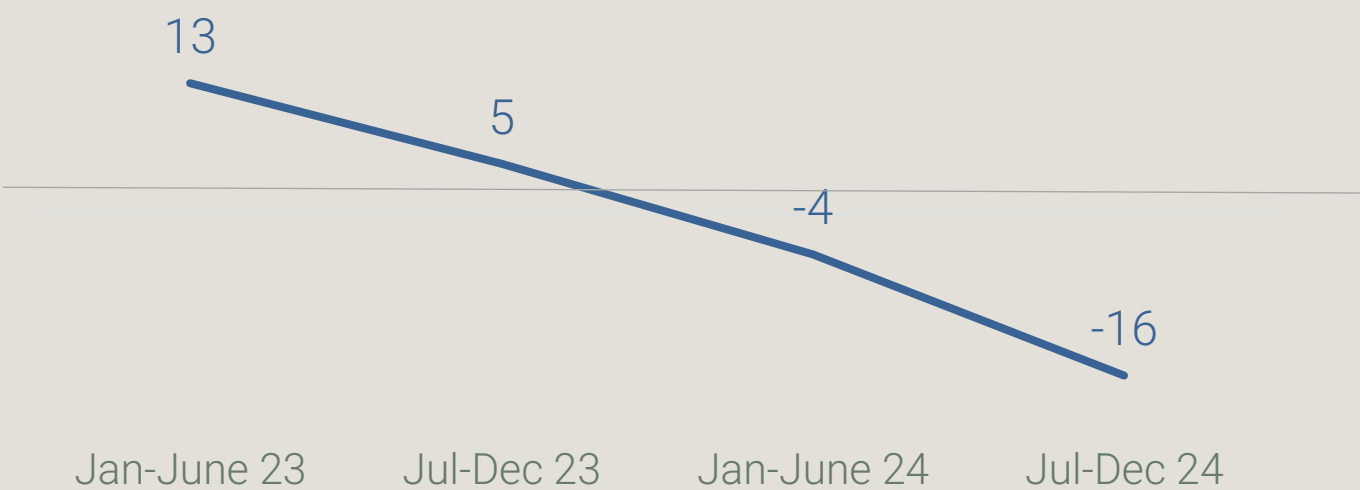


Satisfaction

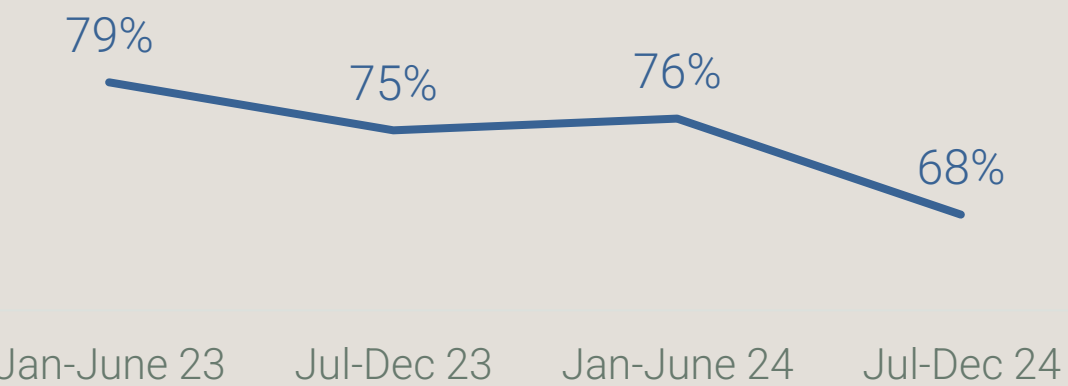


Broadband

Net Promoter Score



Satisfaction



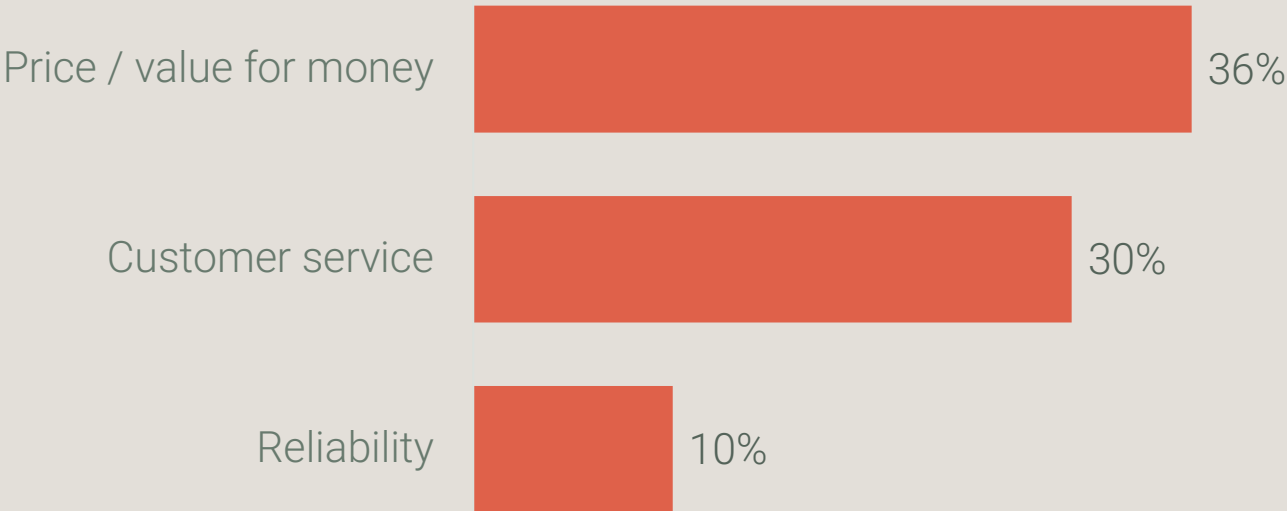
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jul – Dec 24 Broadband provider Population=2378, Mobile provider Population=2139.

NPS – negative reasons

Price, followed by customer service is the key top of mind reason detractors (those giving a 0-6 NPS score) give to explain their low NPS score.



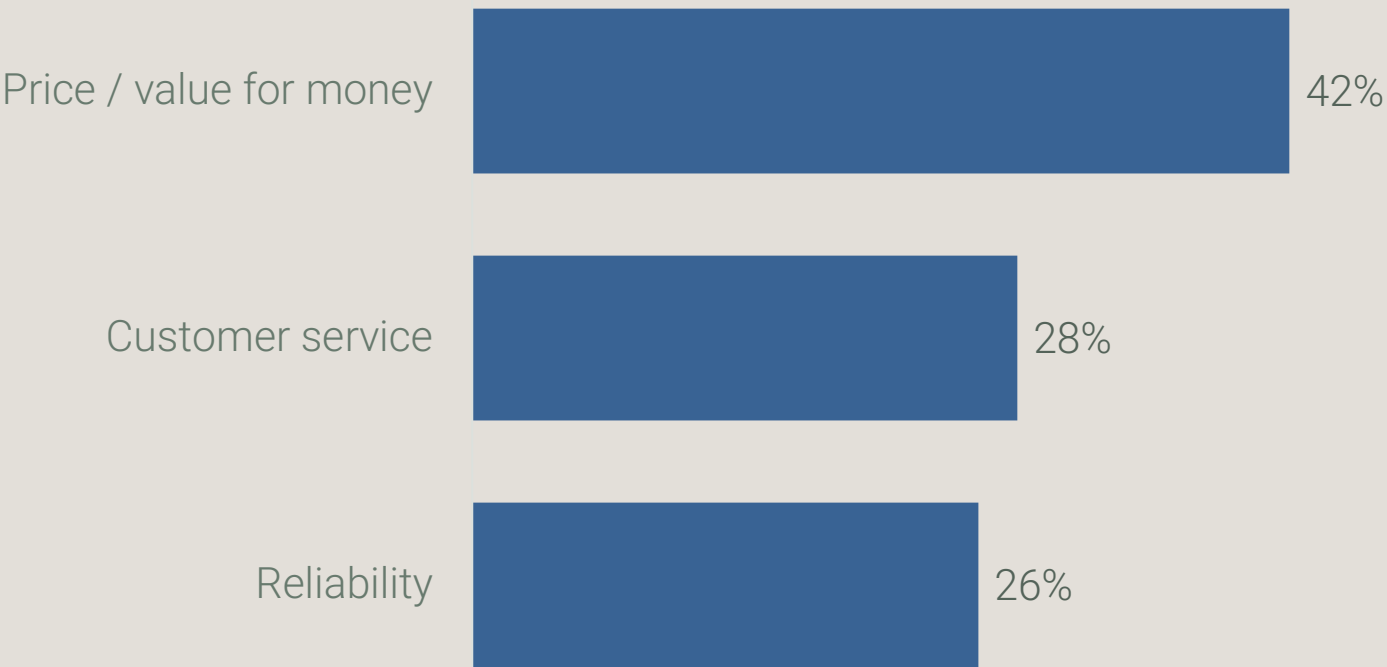
Mobile



- They are very expensive considering how little they provide
- They keep increasing pricing. The only reason I am with them is the discount on Spotify but that also keeps becoming less and less discounted.
- If you need to contact them, sometimes their customer service can be a bit hit and miss
- I had bad customer service when I brought my last phone.



Broadband



- Issues with reliability, price increase upcoming.
- Yet another price increase
- very expensive in comparison to competitors
- Customer Service can't help. I've been a customer for 12 years - seems it count for nothing.
- Customer service below standard
- Patchy coverage. It just seems expensive for what you get.

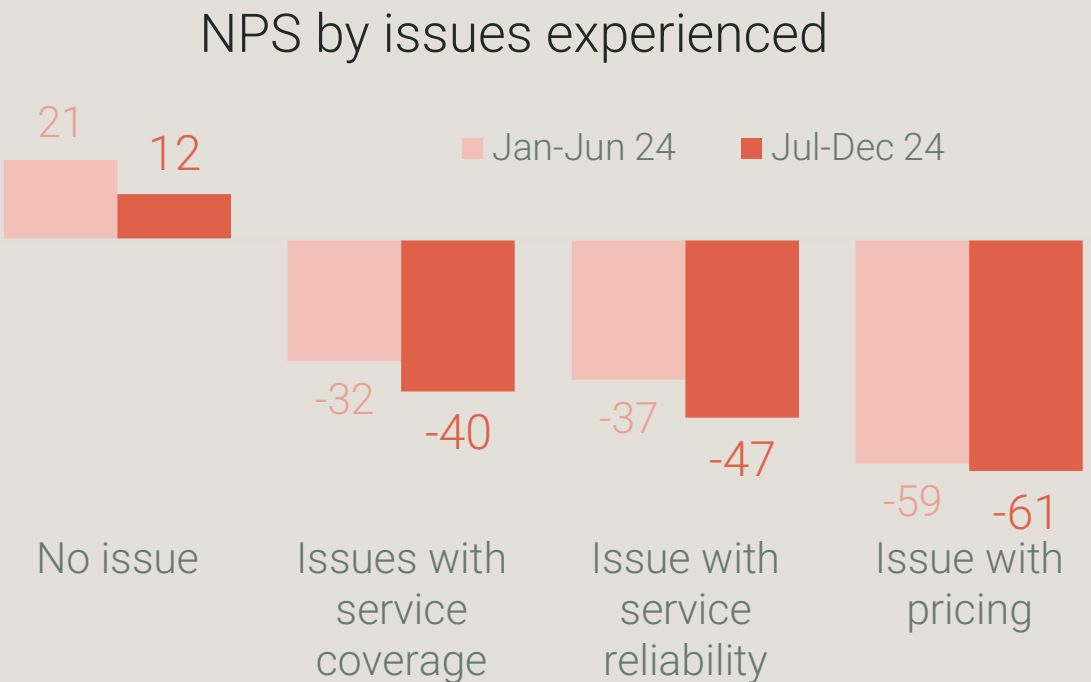
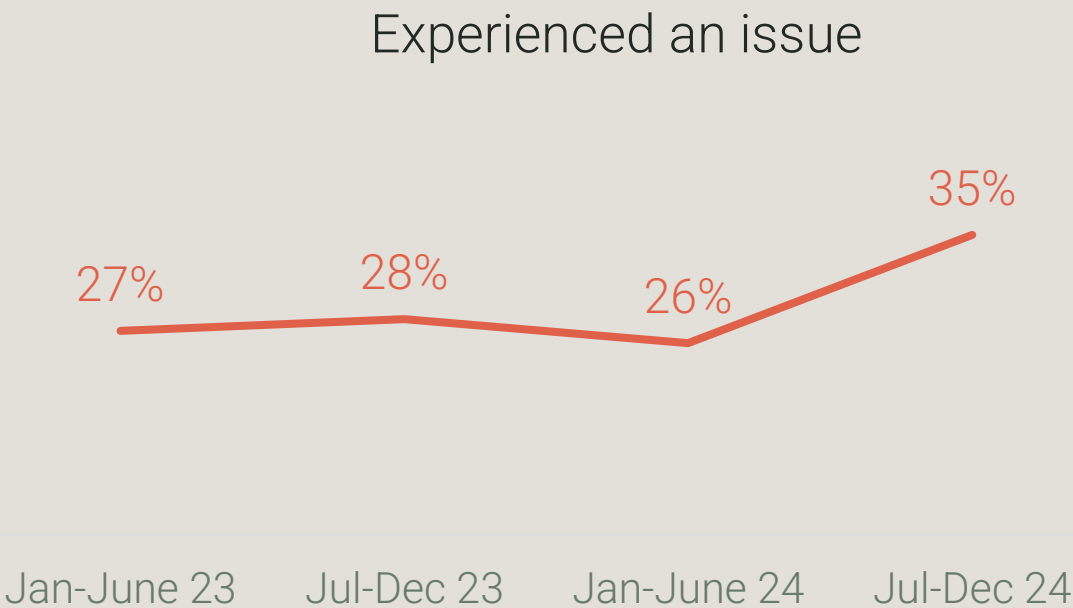
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Why_did_you_give_“Mbl-Provider”_a_score_of_“PIPE_IN_Provider-NPS”_?
Why_did_you_give_“BB-Provider”_a_score_of_“PIPE_IN_Provider-NPS”_?
Base: Jul – Dec 24 Broadband detractors =727, Mobile detractors =727.

NPS and issues experienced

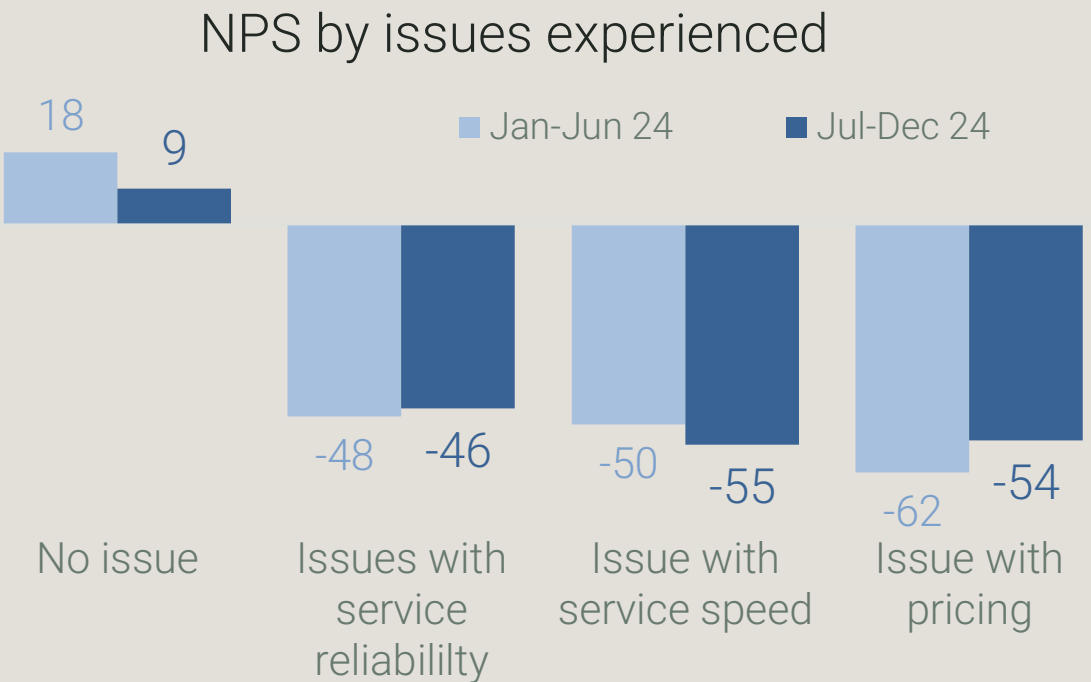
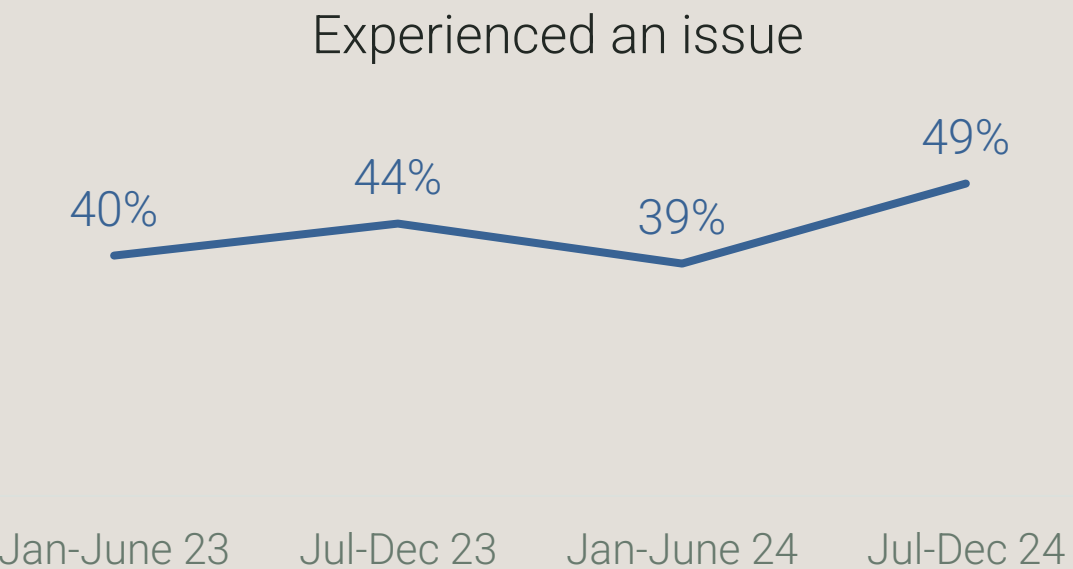
NPS and satisfaction is dropping for all consumers but the fall is exacerbated by an increase in the proportion of customers experiencing issues with their mobile and broadband service who have a much lower NPS than those who haven't experienced an issue.



Mobile



Broadband



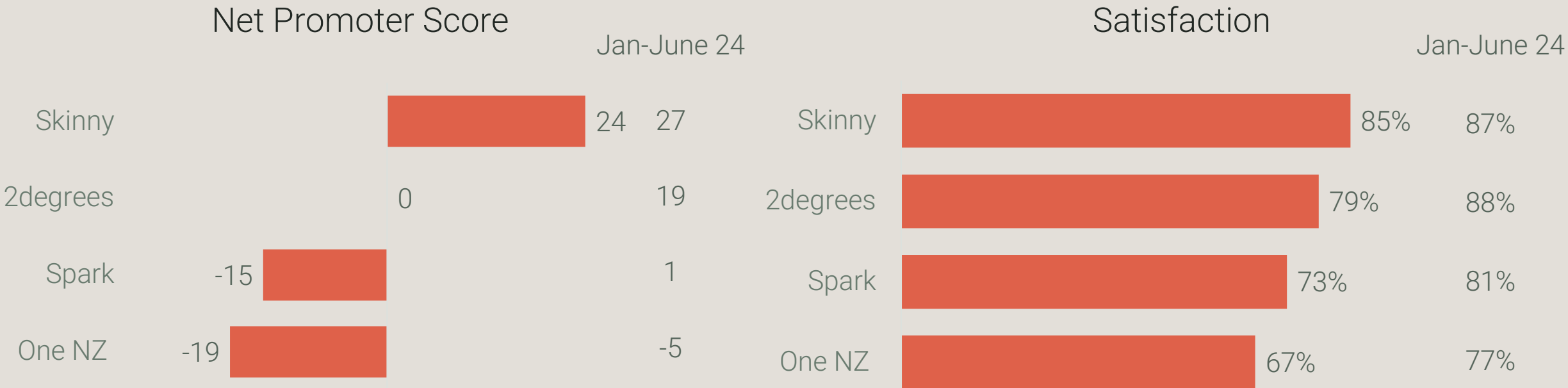
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jul – Dec 24 Broadband provider Population=2378, Mobile provider Population=2139.

NPS and satisfaction by provider

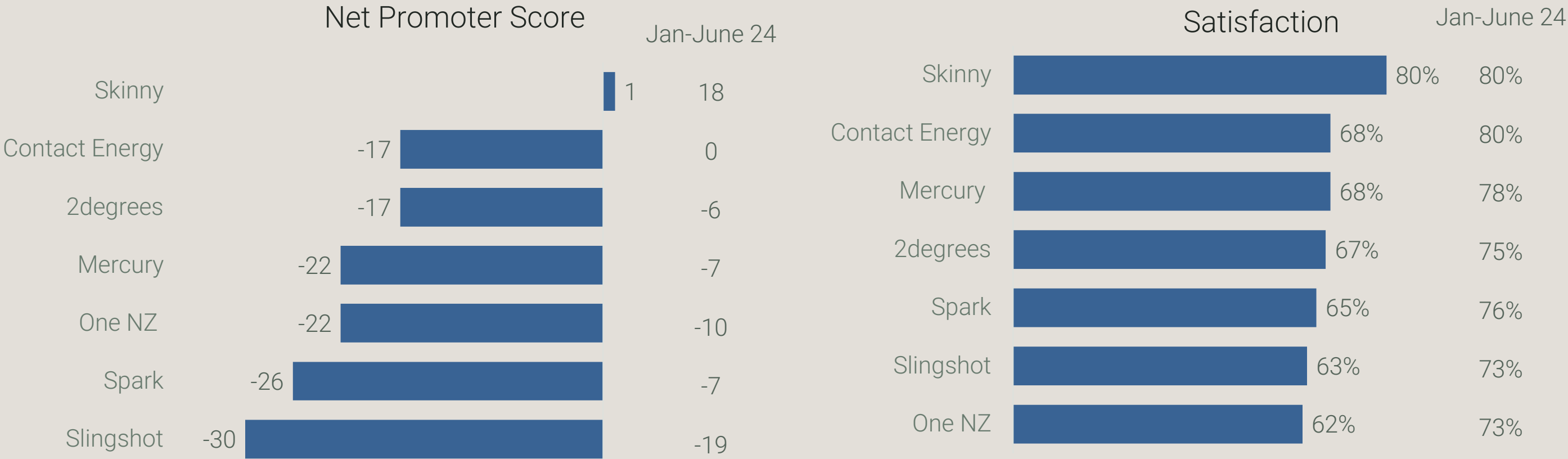
Most providers have declined in satisfaction, only Skinny meets the favourable threshold of 80% for both mobile and broadband.



Mobile



Broadband



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: Jul-Dec 2024 Spark mobile customers n=589, One NZ mobile customers n=665, 2degrees mobile customers n=577, Skinny mobile customers n=204
Spark broadband customers n=670, One NZ broadband customers n=478, 2degrees broadband customers n=399, Skinny broadband customers n=138, Slingshot broadband customers n=129, Mercury broadband customers n=137, Contact Energy broadband customers n=102.

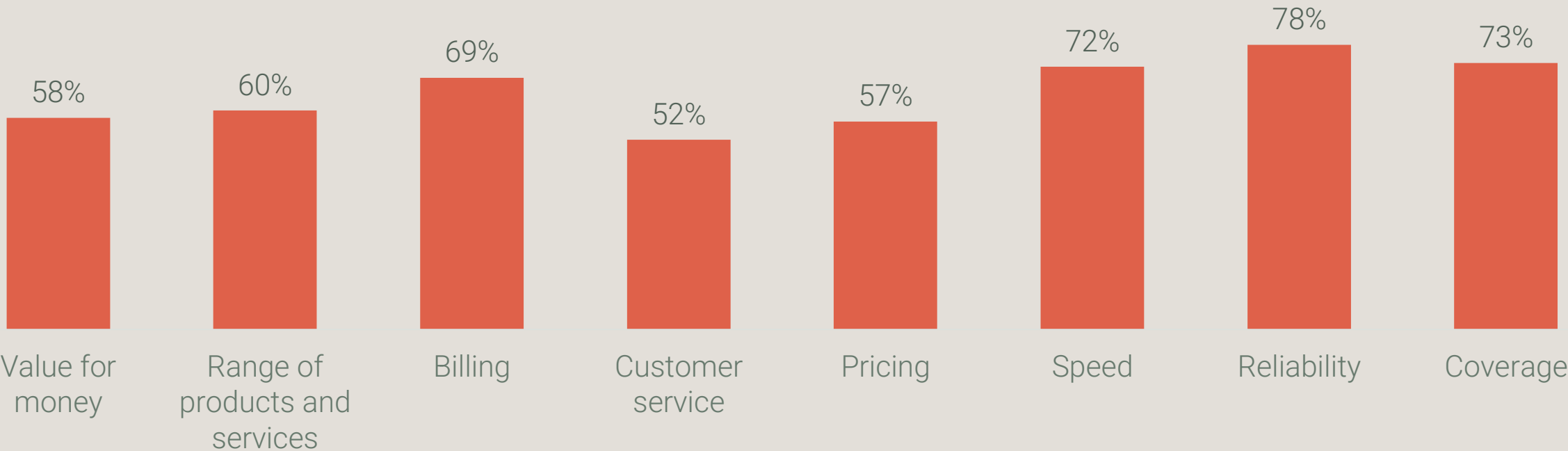
Satisfaction

(rating 4-5 on 5 point scale)

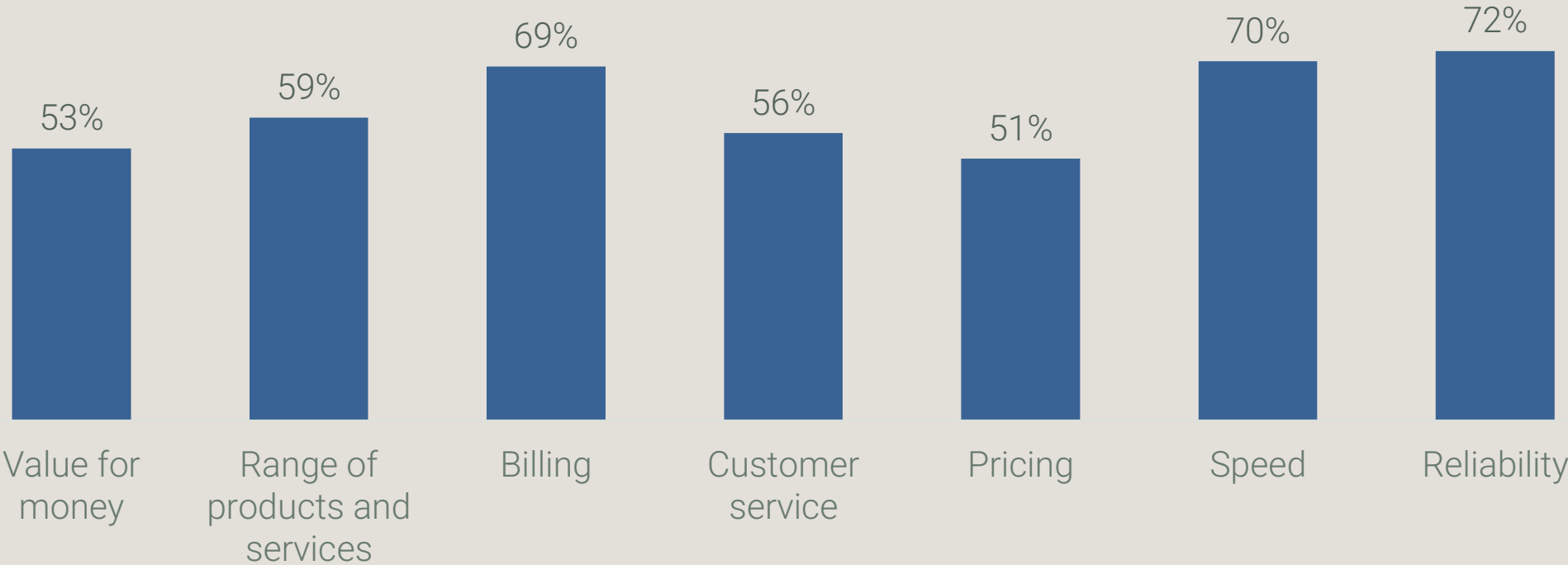
We have seen declines across most aspects of mobile and broadband service, with no areas meeting the favourable threshold of 80%.



Mobile
Satisfaction
74%

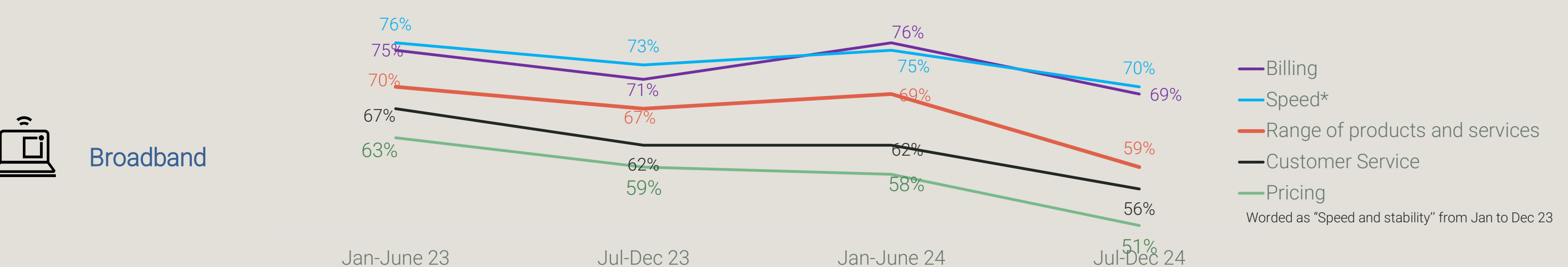
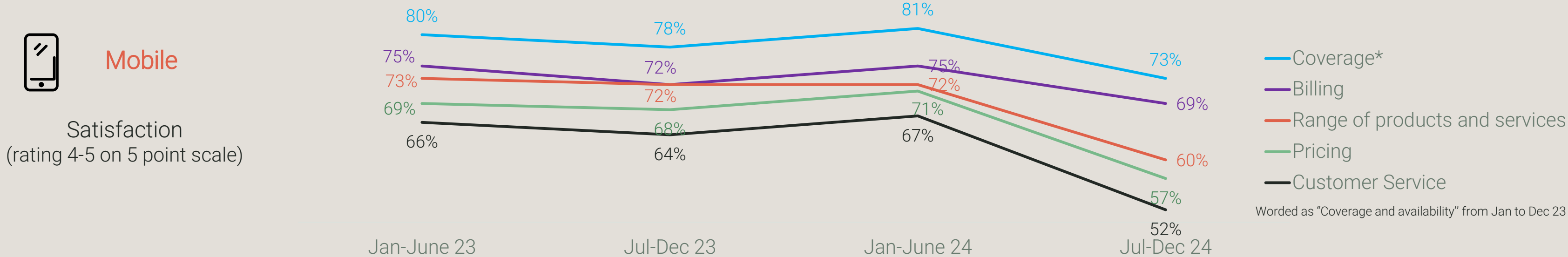


Broadband
Satisfaction
68%



Satisfaction Trended

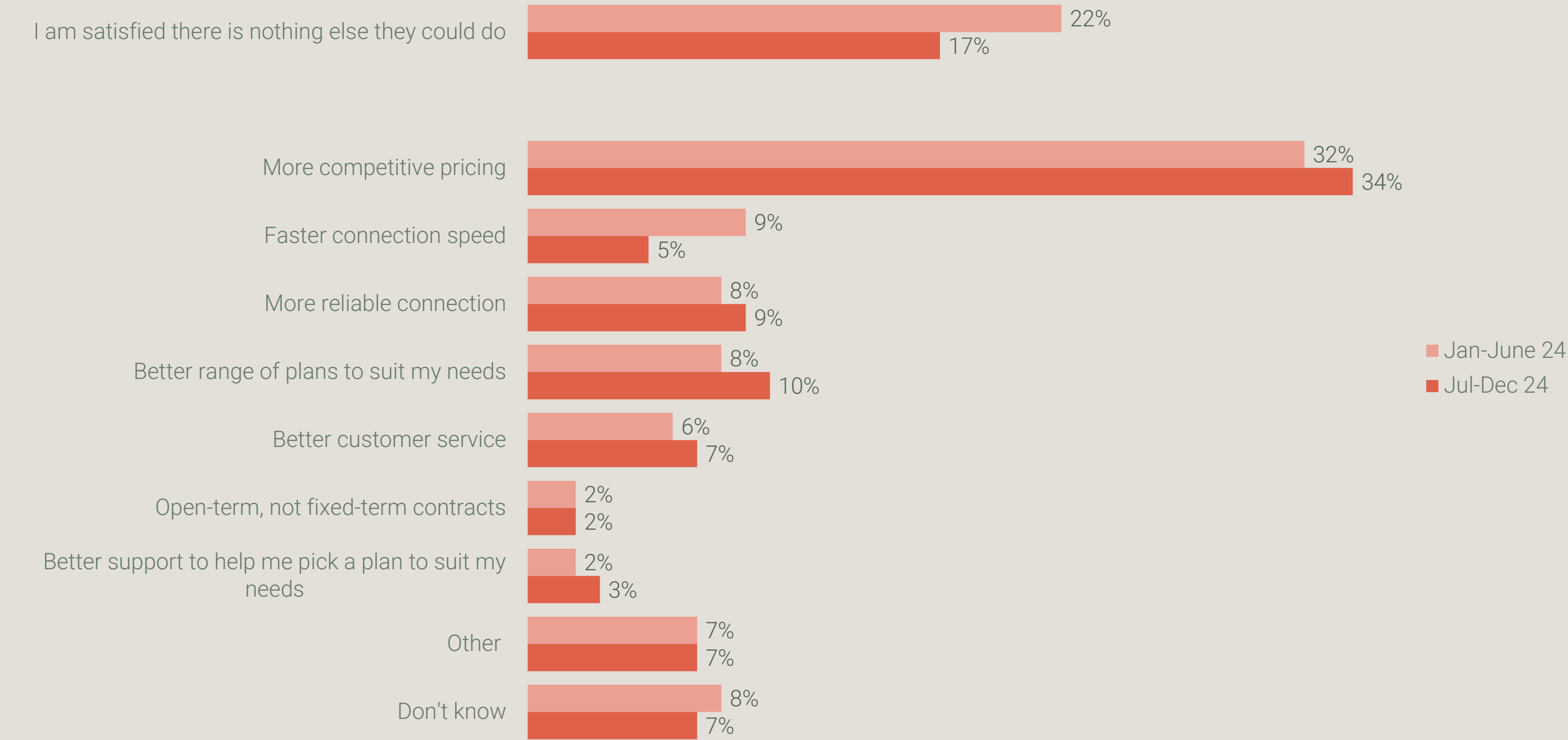
All areas have declined, particularly customer service, pricing and the range of broadband plans. Declines are due to an increase in service issues experienced and a perceived decline across general customer servicing.



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)

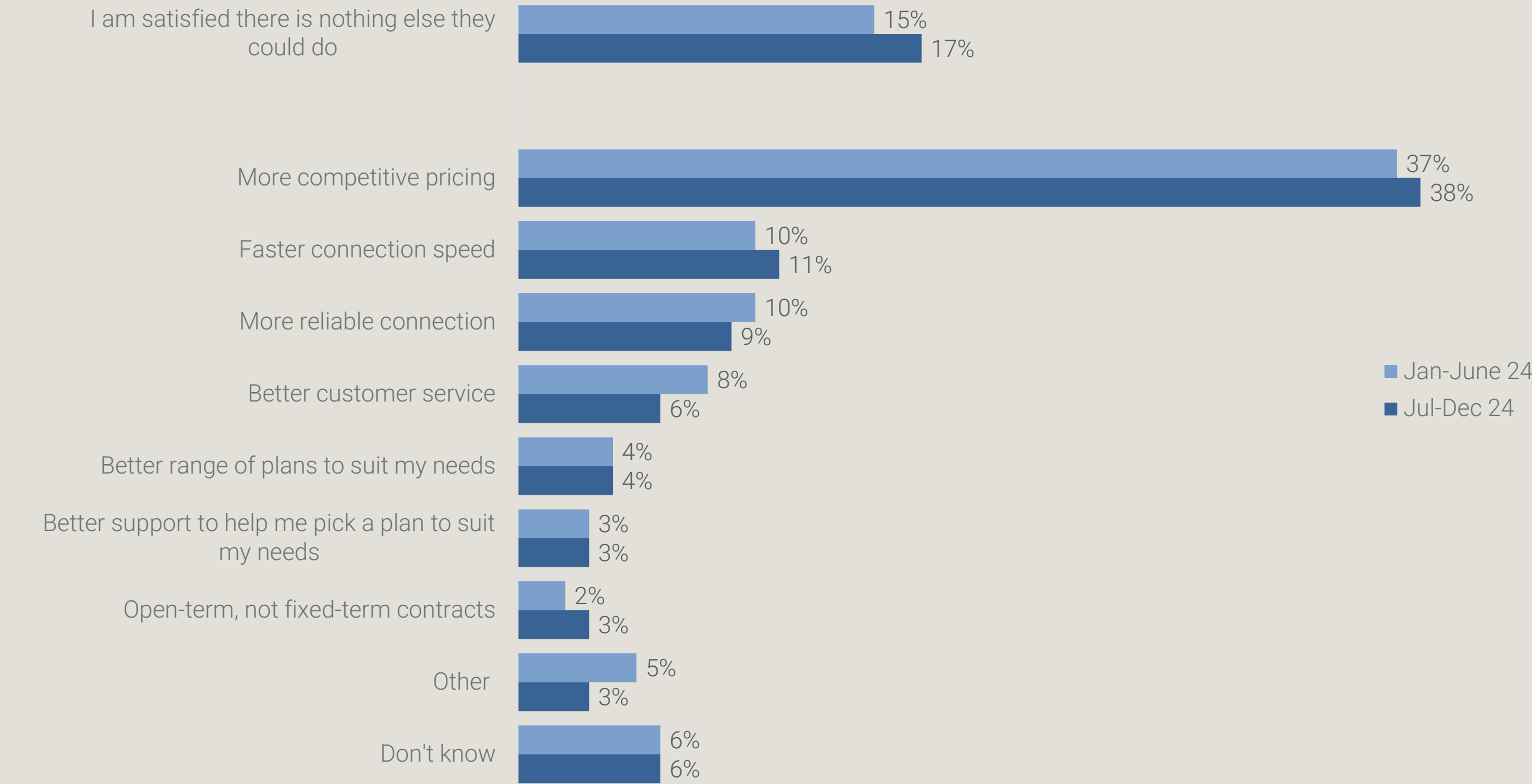
How to improve mobile satisfaction

When prompted, 34% of mobile customers cite more competitive pricing as the one thing their provider could do to improve service. Almost a fifth (17%) state there is nothing else their provider could do.



How to improve broadband satisfaction

When prompted 38% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.





RESIDENTIAL INSIGHTS

Billing

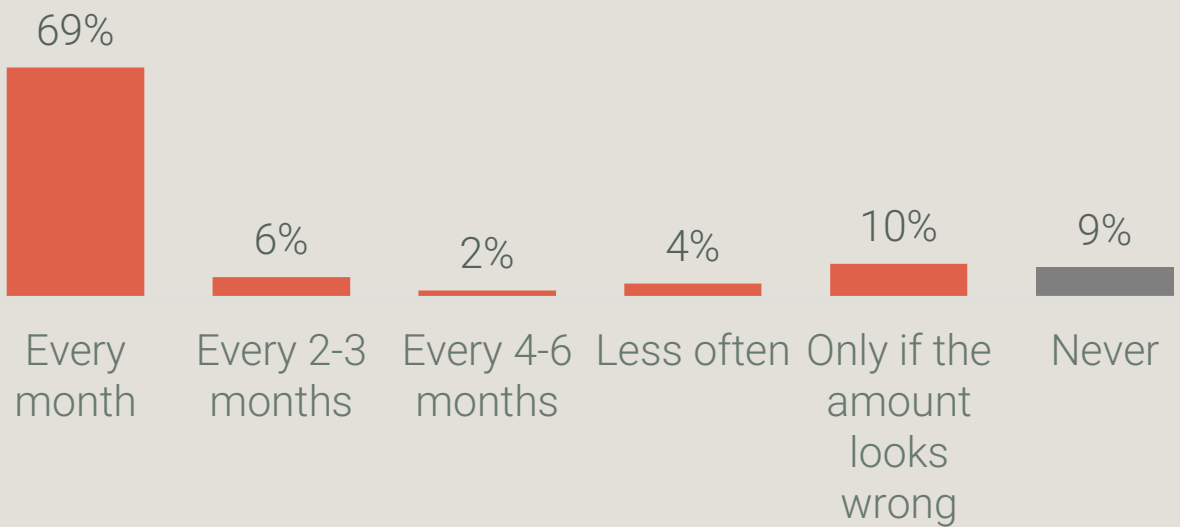
Billing comprehension

Of those who read their bill, the majority (68% - 71%) find the bill easy to understand

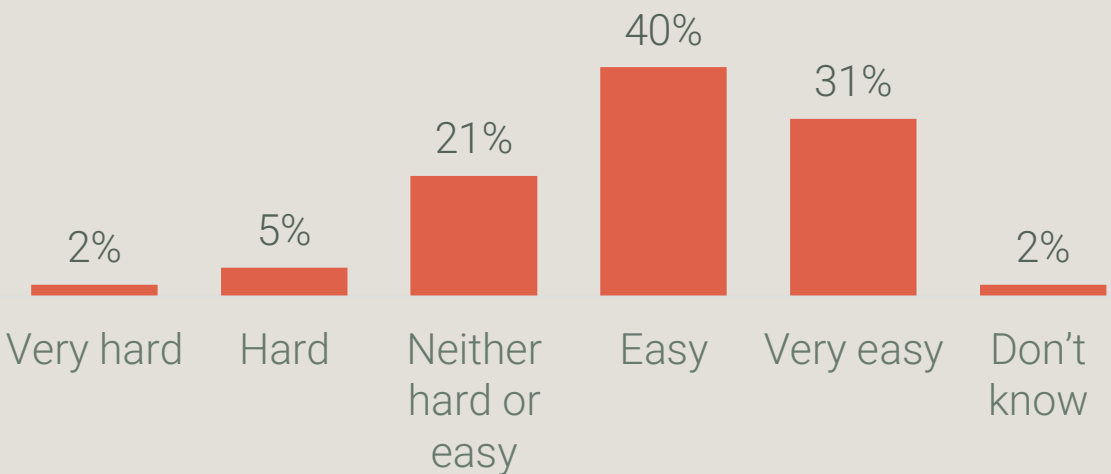


Mobile

How often read bill

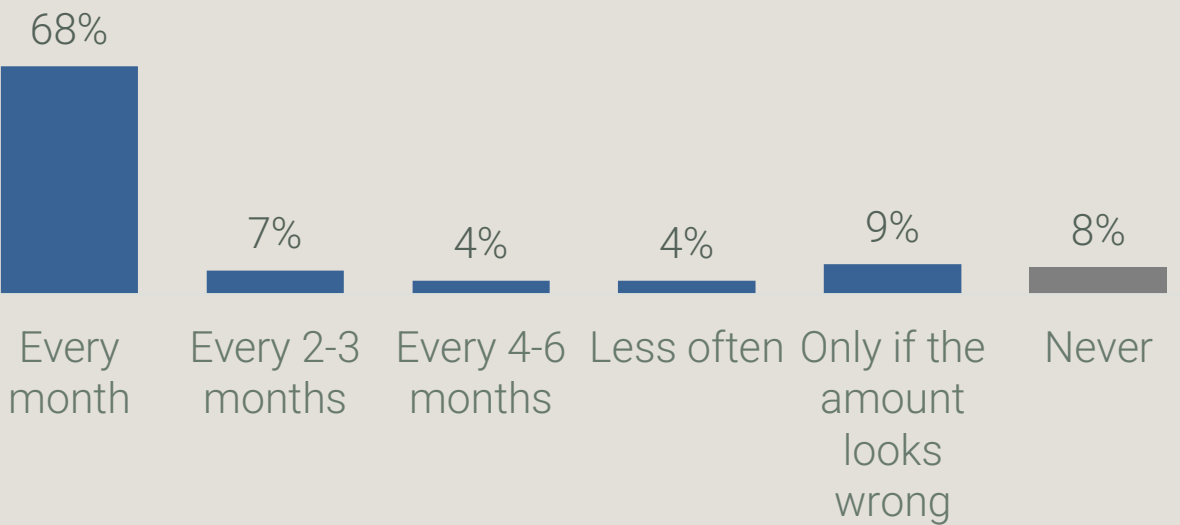


Billing comprehension

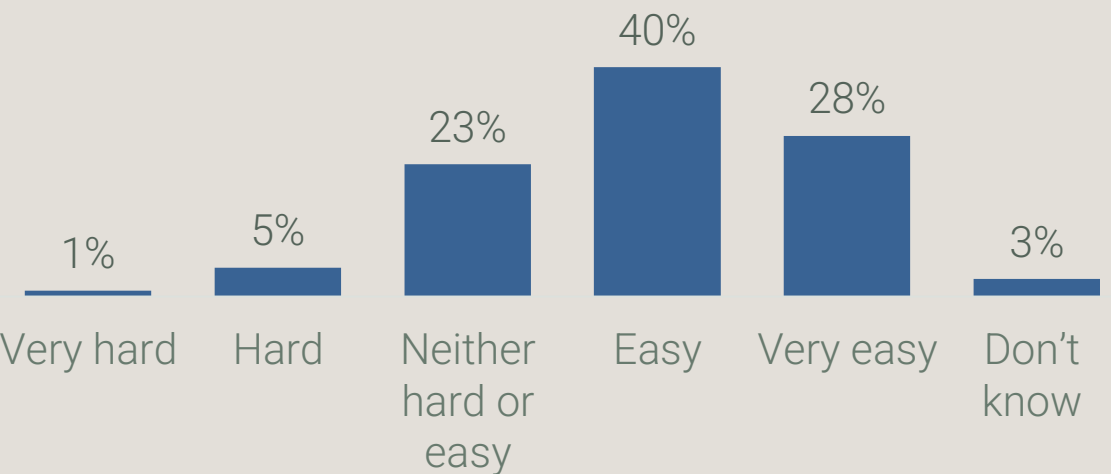


Broadband

How often read bill



Billing comprehension





RESIDENTIAL INSIGHTS

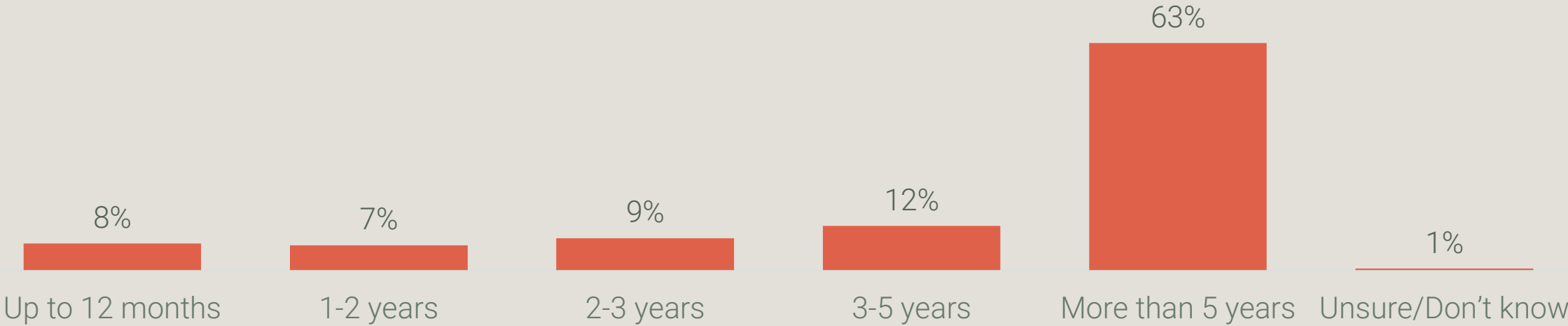
Tenure and Switching Behaviour

Tenure

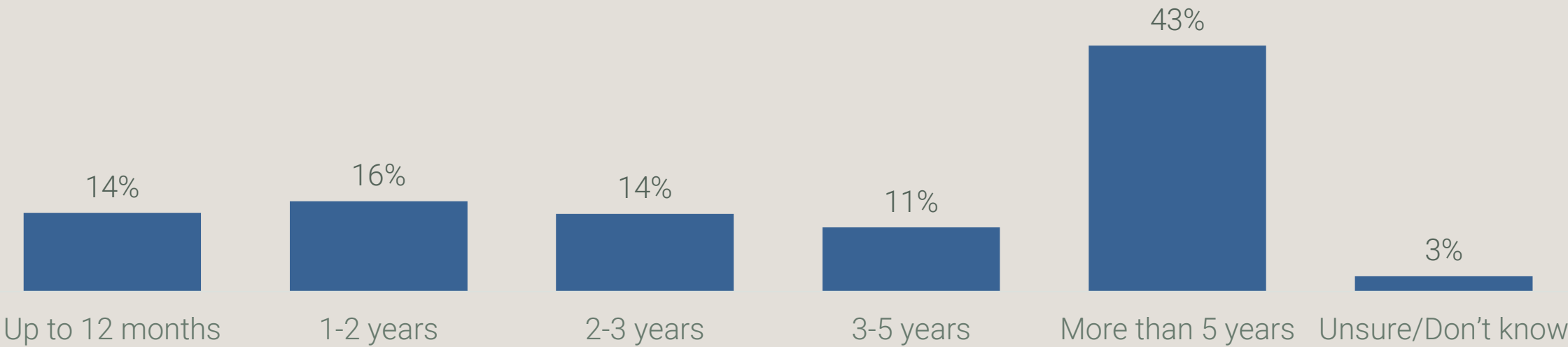
Mobile consumers have a longer tenure with their provider than broadband consumers. 63% of mobile consumers have been with their current provider for more than 5 years, compared to 43% for broadband.



Mobile



Broadband

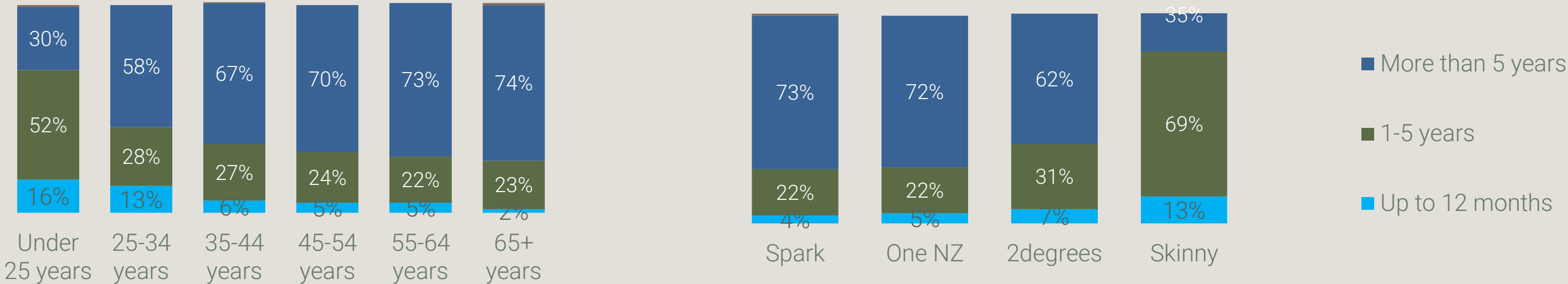


Tenure

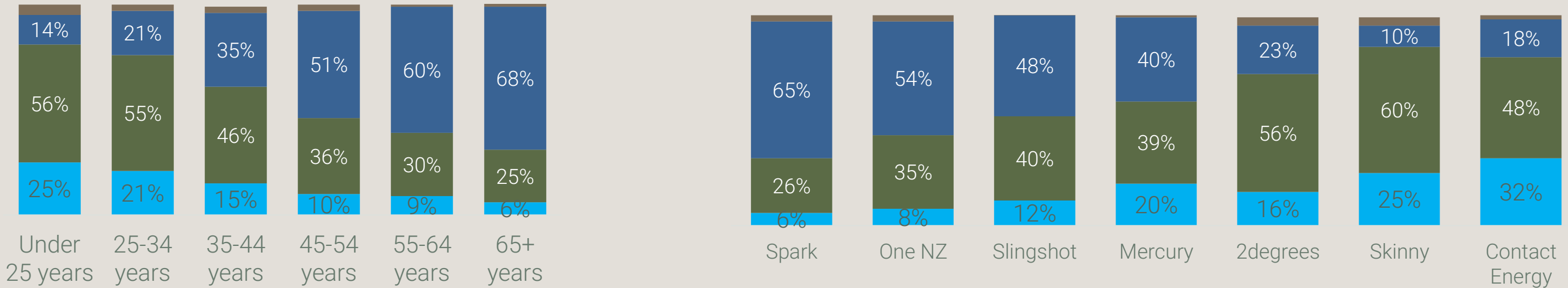
Mobile and broadband provider tenure correlates strongly with age; the majority of over 65 customers have been with their provider for more than 5 years. Spark and One NZ, followed by 2degrees (in mobile) have the longest tenure customers.



Mobile



Broadband



About how long have you been a customer of...
Base: Jul-Dec 2024 Spark mobile customers n=589, One NZ mobile customers n=665, 2degrees mobile customers n=577, Skinny mobile customers n=204
Spark broadband customers n=670, One NZ broadband customers n=478, 2degrees broadband customers n=399, Skinny broadband customers n=138, Slingshot broadband customers n=129, Mercury broadband customers n=137, Contact Energy broadband customers n=102.

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.



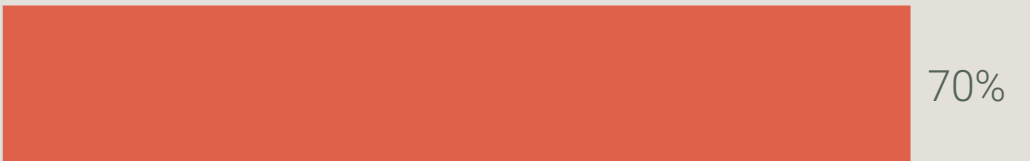
12%
switched mobile
plans in
last 12 months

(10% switched plans Jan-June 24
and 17% July-December 2023)

Overall satisfaction with switching plans



Satisfaction with the information provided on the plan / offer when you were deciding on your new mobile plan



12%
switched broadband
plans in
last 12 months

(11% switched plans Jan-June 24
and 16% July-December 2023)

Overall satisfaction with switching plans

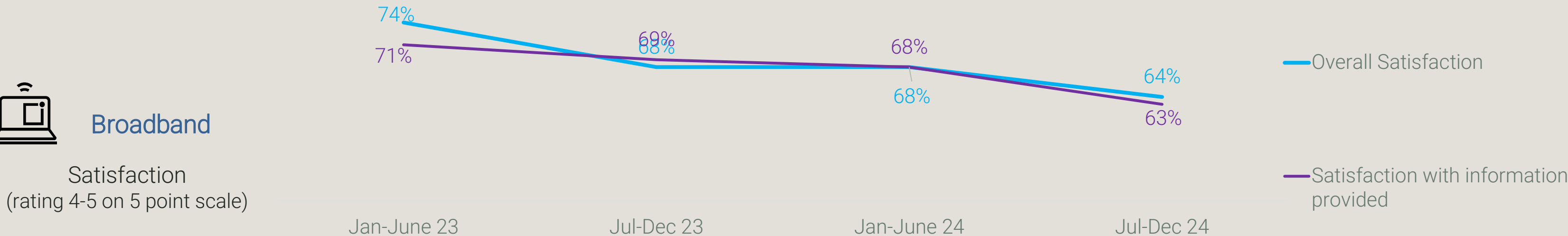
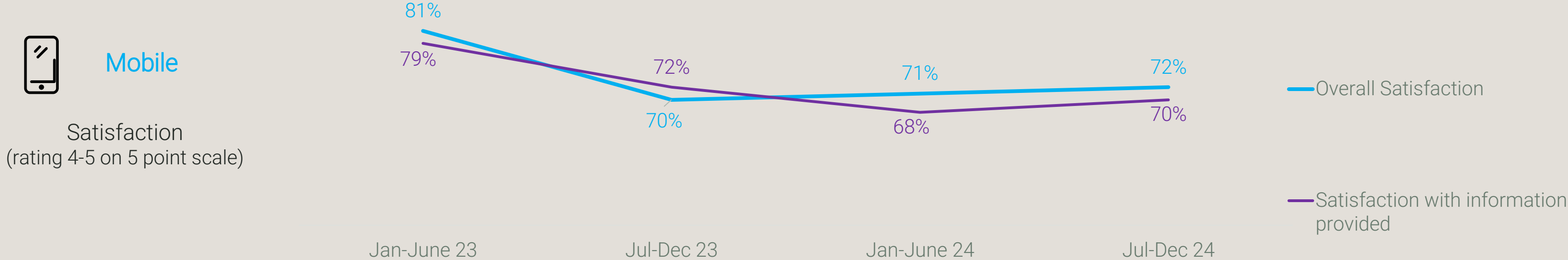


Satisfaction with the information provided on the plan / offer when you were deciding on your new mobile plan



Switching plans with same provider – trended satisfaction

Satisfaction with switching mobile plans is relatively stable but satisfaction with switching broadband plans has declined.

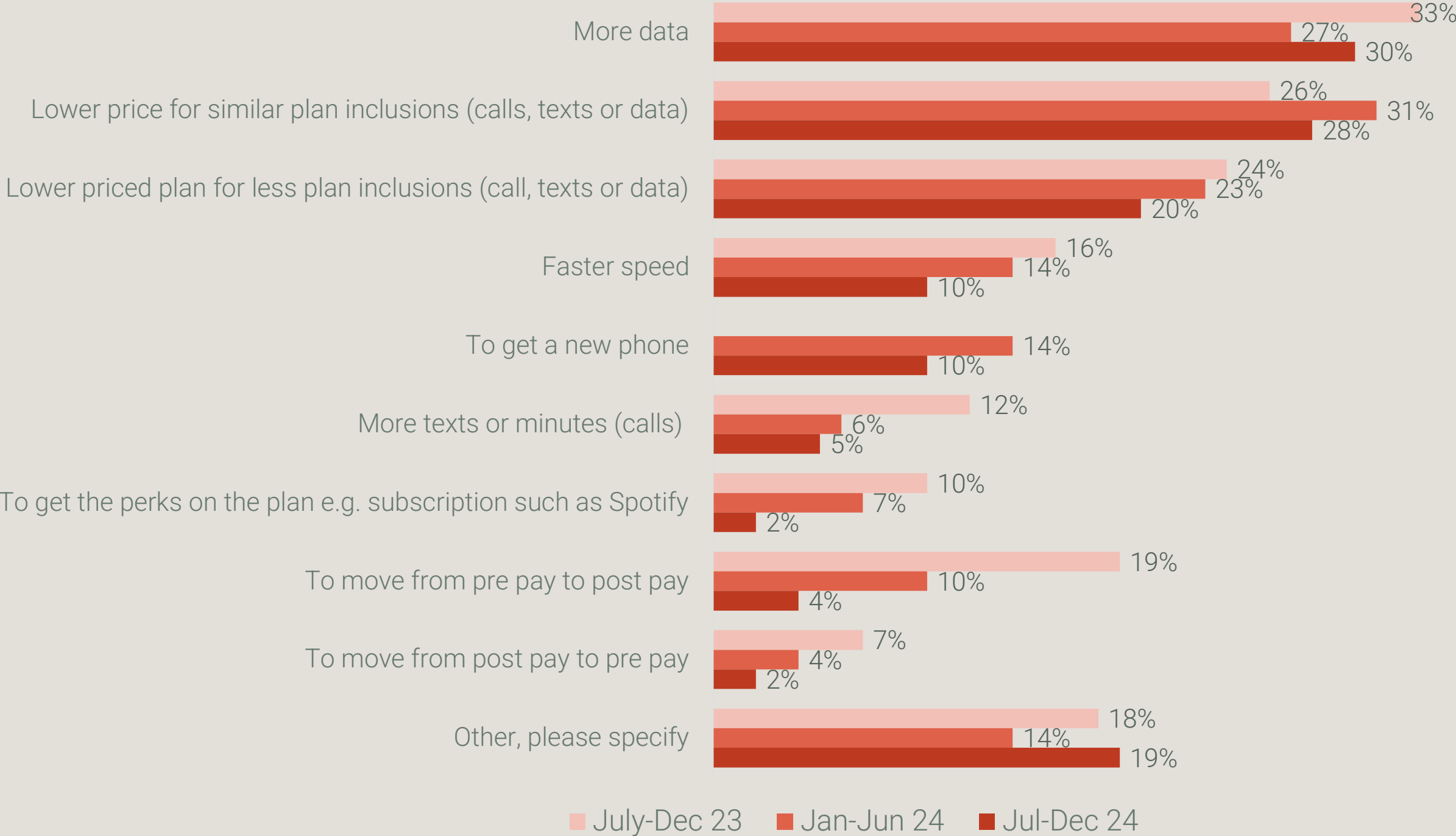


In the last 12 months, have you changed a plan relating to your....
Overall, how satisfied were you with...
Base: Jul-Dec 24 Switched broadband plans with same provider =282, Switched mobile plans with same provider =261.

Reasons for switching mobile plans with same provider

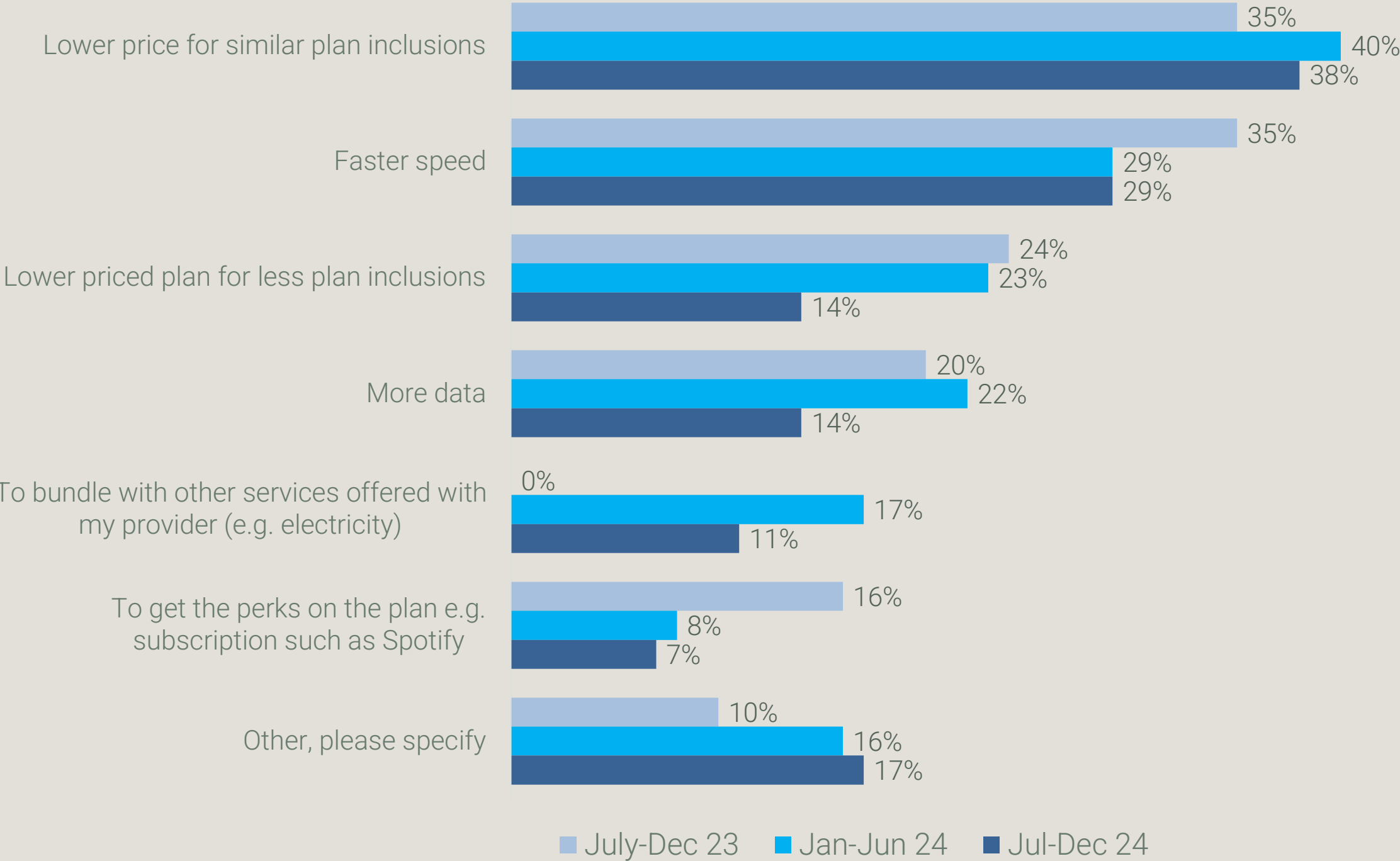
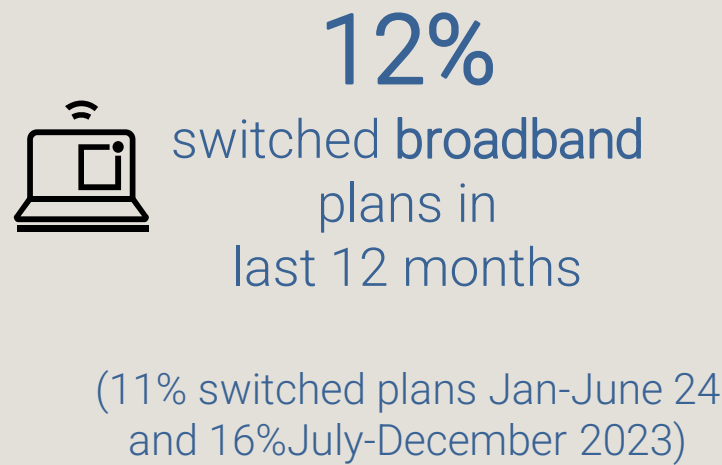
More data and lower pricing and are key reasons for switching mobile plans.

 **12%** switched mobile plans in last 12 months
(10% switched plans Jan-June 24 and 17% July-December 2023)



Reasons for switching broadband plans with same provider

Lower price for similar plan inclusions remains the key reason for switching broadband plans, followed by faster speed.



Switching provider

Switching provider is even less common than switching plan, with only 10% of consumers switching broadband provider and 6% switching mobile provider in the last 12 months. Overall satisfaction with switching fails to meet the 80% satisfaction benchmark for both mobile and broadband.



6%
switched **mobile**
provider in
last 12 months

(5% switched provider in Jan-June 2024
and 6% July-December 2023)

Overall satisfaction with
switching plans



Satisfaction with the information
provided on the plan / offer
when you were deciding on your
new mobile plan



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

(11% switched provider in Jan-June
2024 and 2% July-December 2023)

Overall satisfaction with switching plans



Satisfaction with the information
provided on the plan / offer when you
were deciding on your new broadband
plan



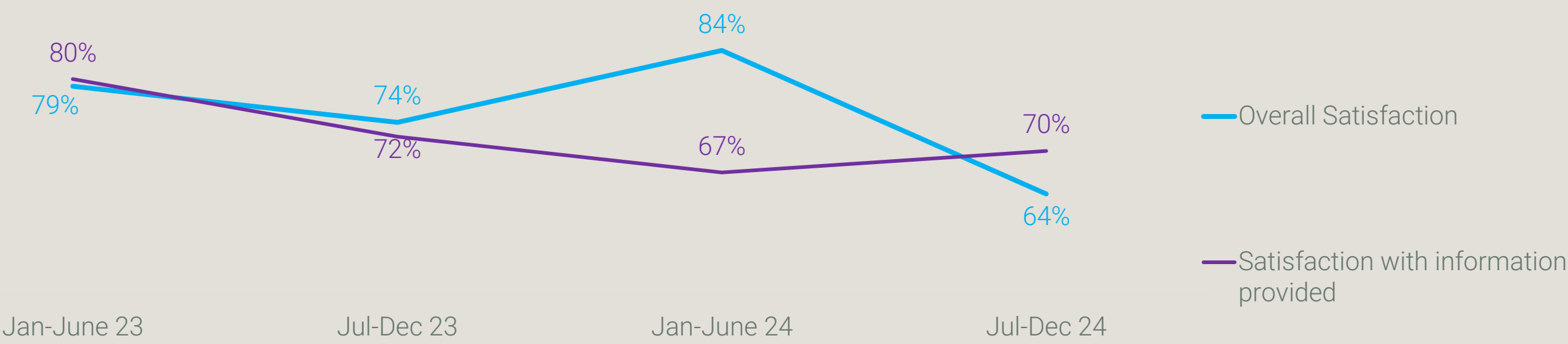
Switching provider – trended satisfaction

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



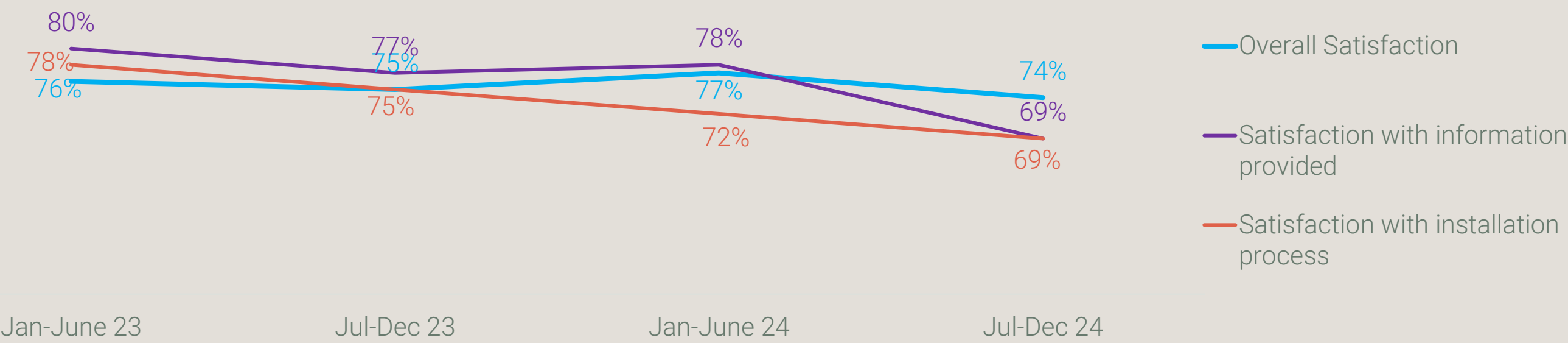
Mobile

Satisfaction
(rating 4-5 on 5 point scale)



Broadband

Satisfaction
(rating 4-5 on 5 point scale)



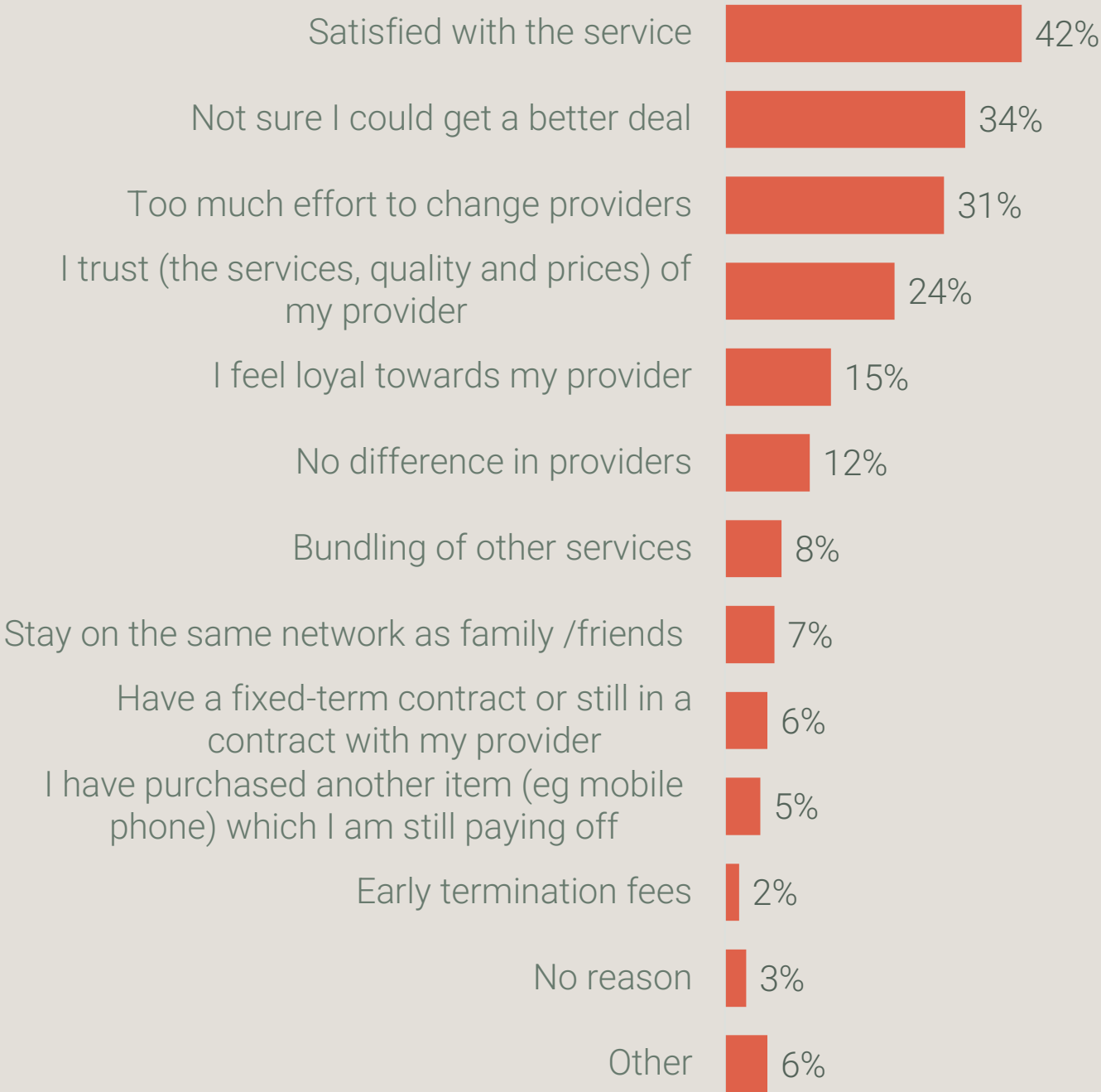
In the last 12 months, have you switched / changed telecommunication providers relating to your
Overall, how satisfied were you with...
Base: Jul-Dec 2024 Switched broadband provider =246, Switched mobile provider =132

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



Mobile



Broadband



Reasons for leaving provider

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



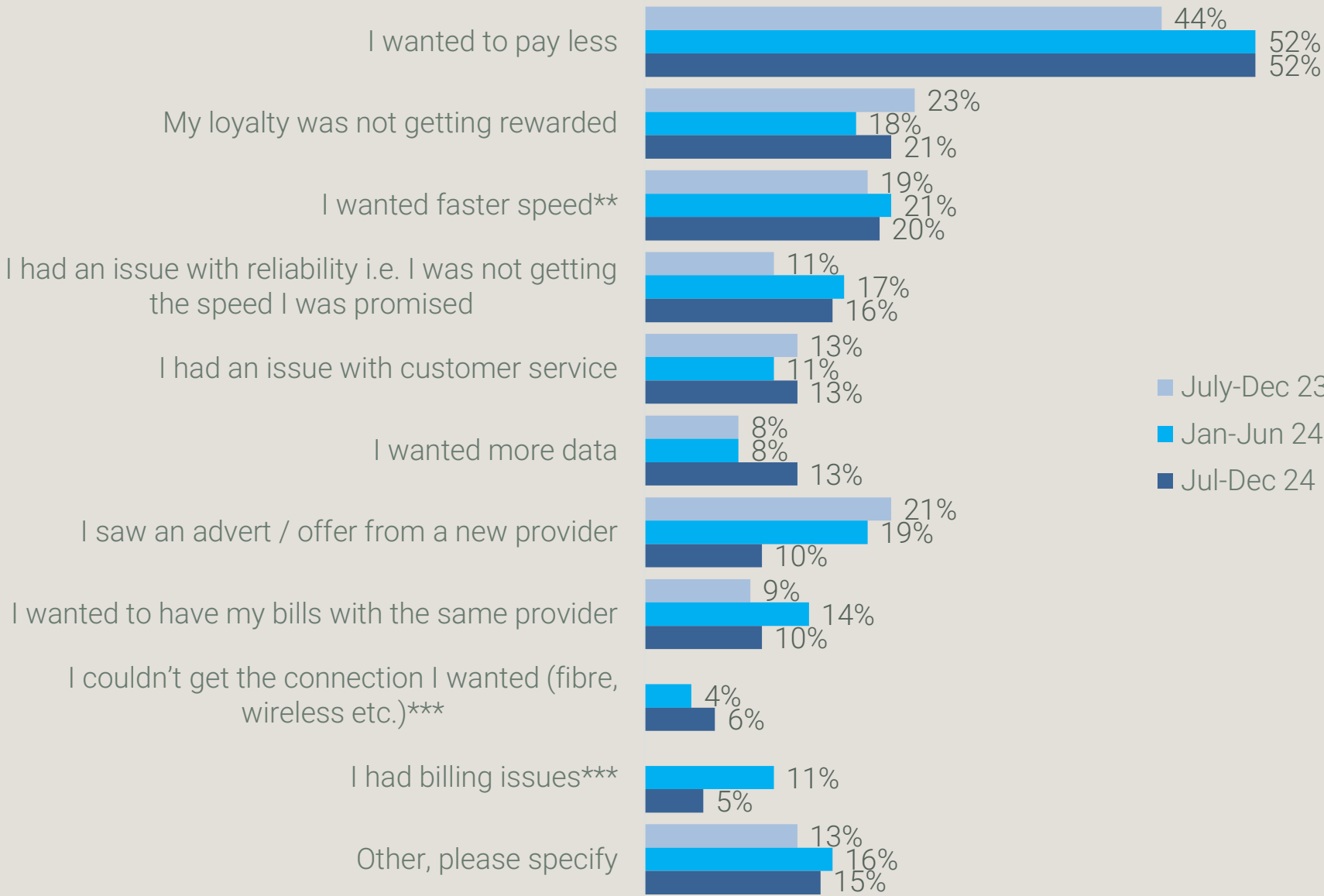
6%

switched **mobile** provider in last 12 months
(5% switched provider in Jan-June 2024 and 6% July-Dec 2023)



10%

switched **broadband** provider in last 12 months
(11% switched provider in Jan-June 2024 and 12% July-Dec 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

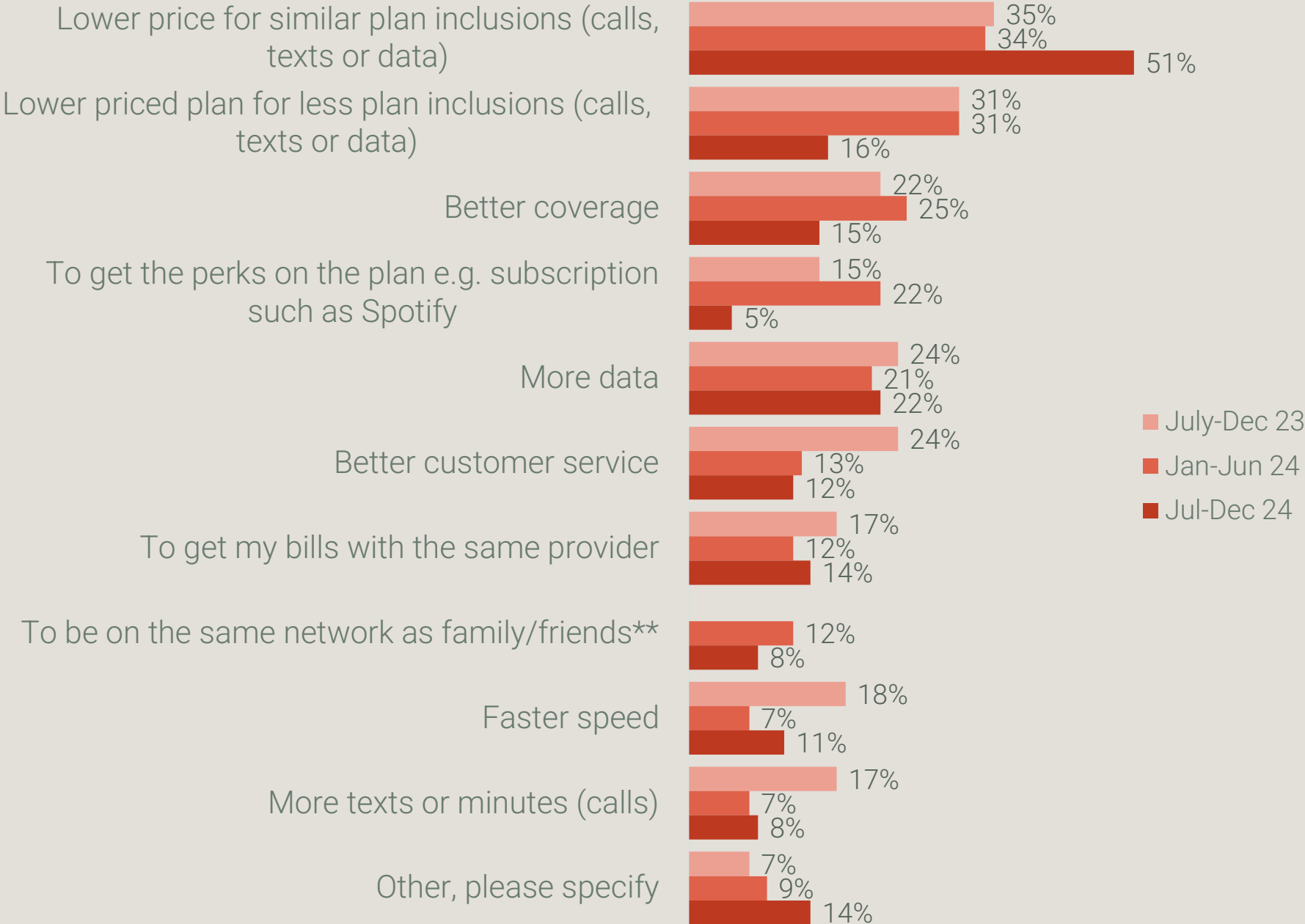
Reasons for choosing new provider

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.



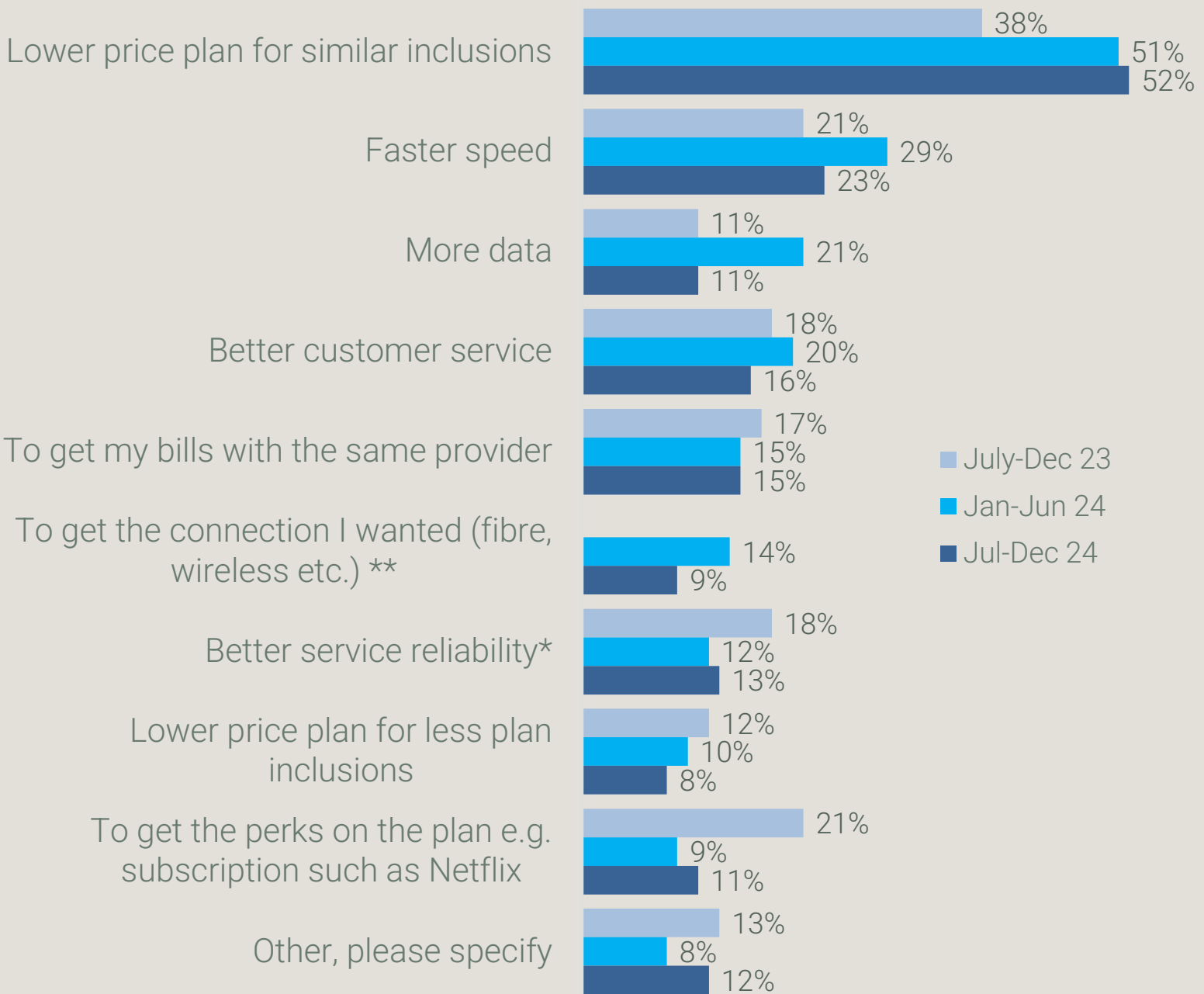
6%

switched **mobile** provider in last 12 months
(5% switched provider in Jan-June 2024 and 6% July-Dec 2023)



10%

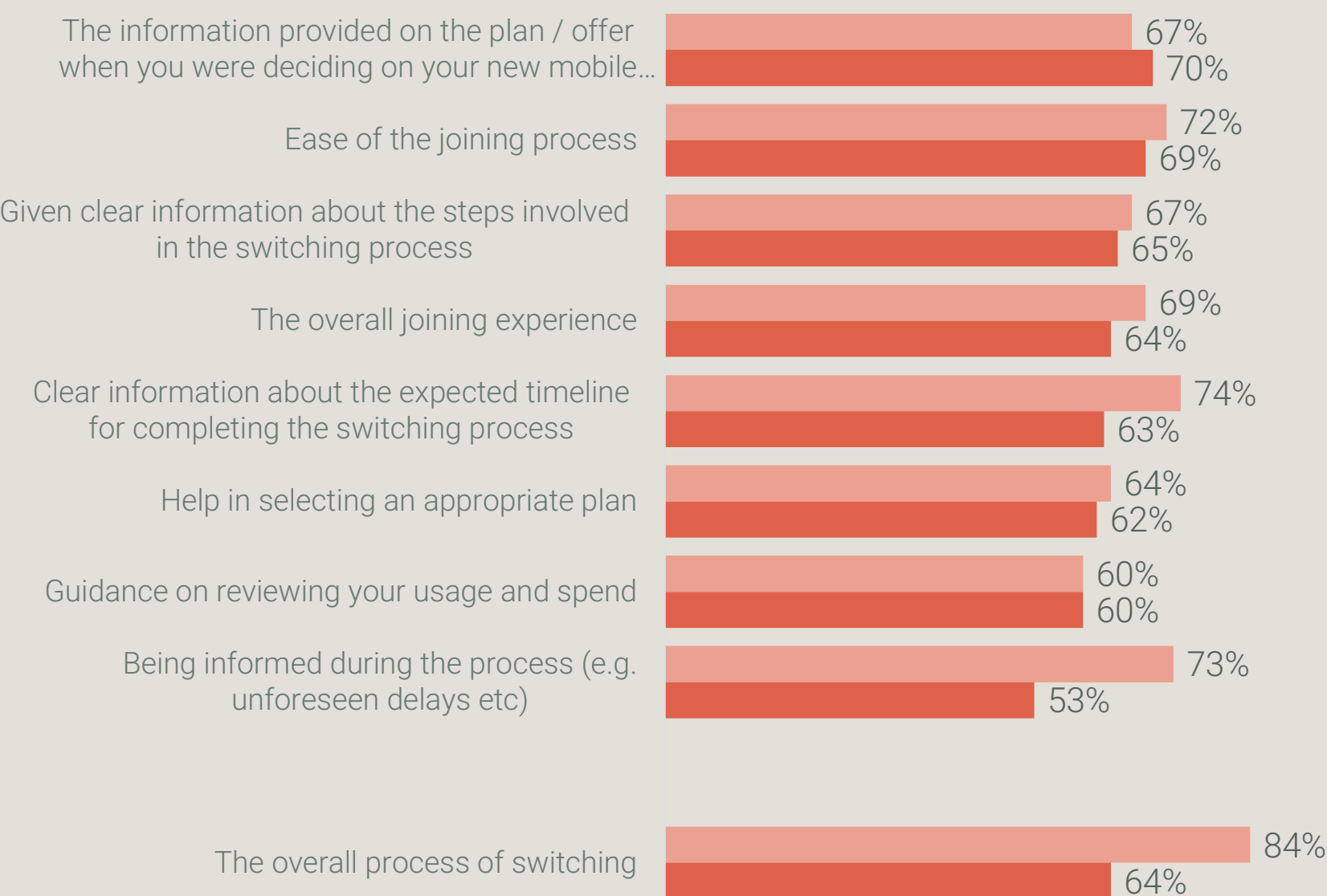
switched **broadband** provider in last 12 months
(11% switched provider in Jan-June 2024 and 12% July-Dec 2023)



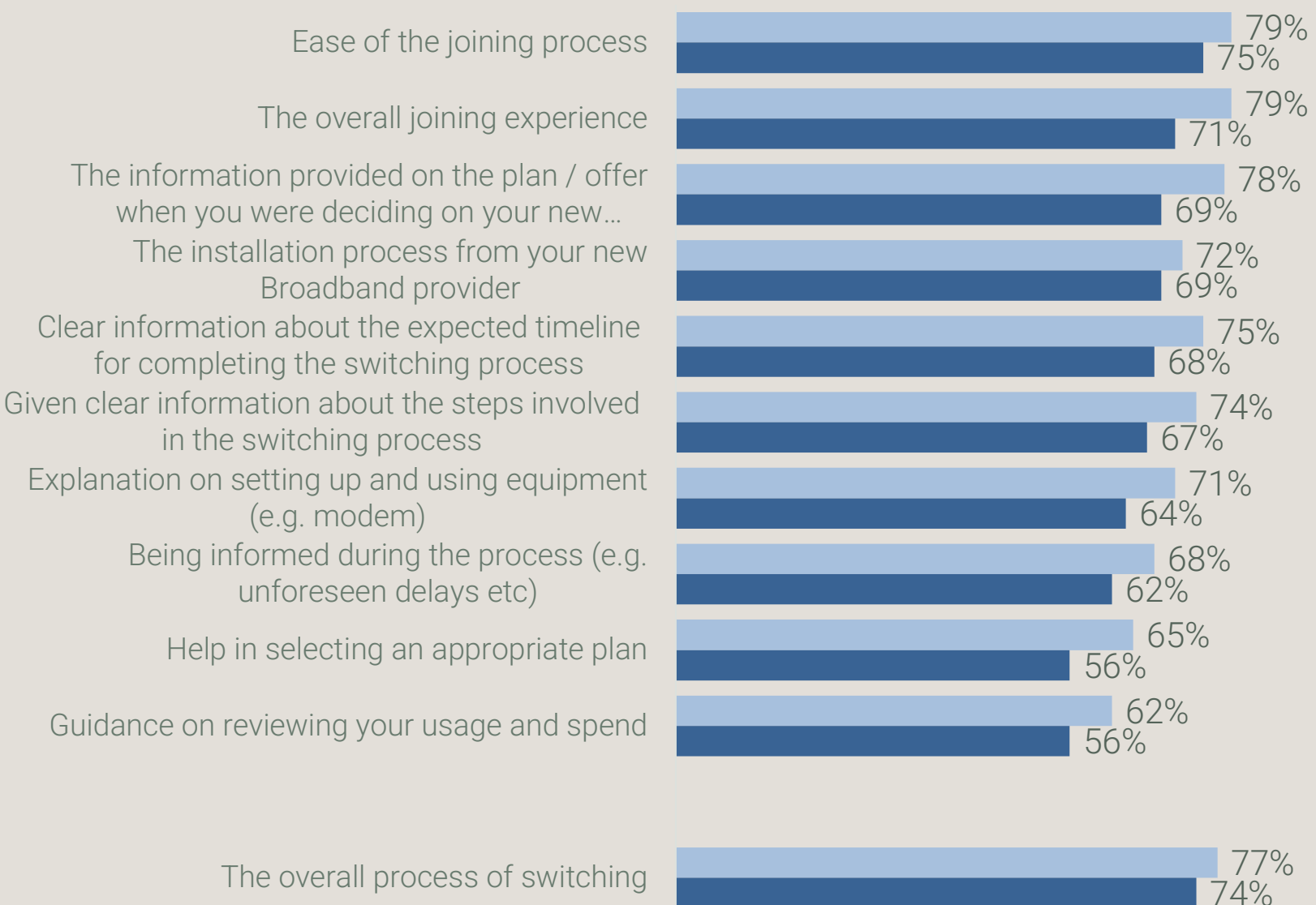
*Previously worded as "Better coverage"
**Not asked previously
Please note that adding options can have an impact on comparability

Satisfaction when joining new provider

Satisfaction with mobile switching has declined with significant declines in the information provided during the process. Many aspects of the broadband switching process have also declined slightly.



Jan-Jun 24 Jul-Dec 24



Jan-Jun 24 Jul-Dec 24

Thinking about when you switched your mobile to %"Mbl-Provider"% please indicate how satisfied you were with the following aspects of the joining process?
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: Jul-Dec 2024 Switched broadband provider =246, Switched mobile provider =132



RESIDENTIAL INSIGHTS

Issues and Response

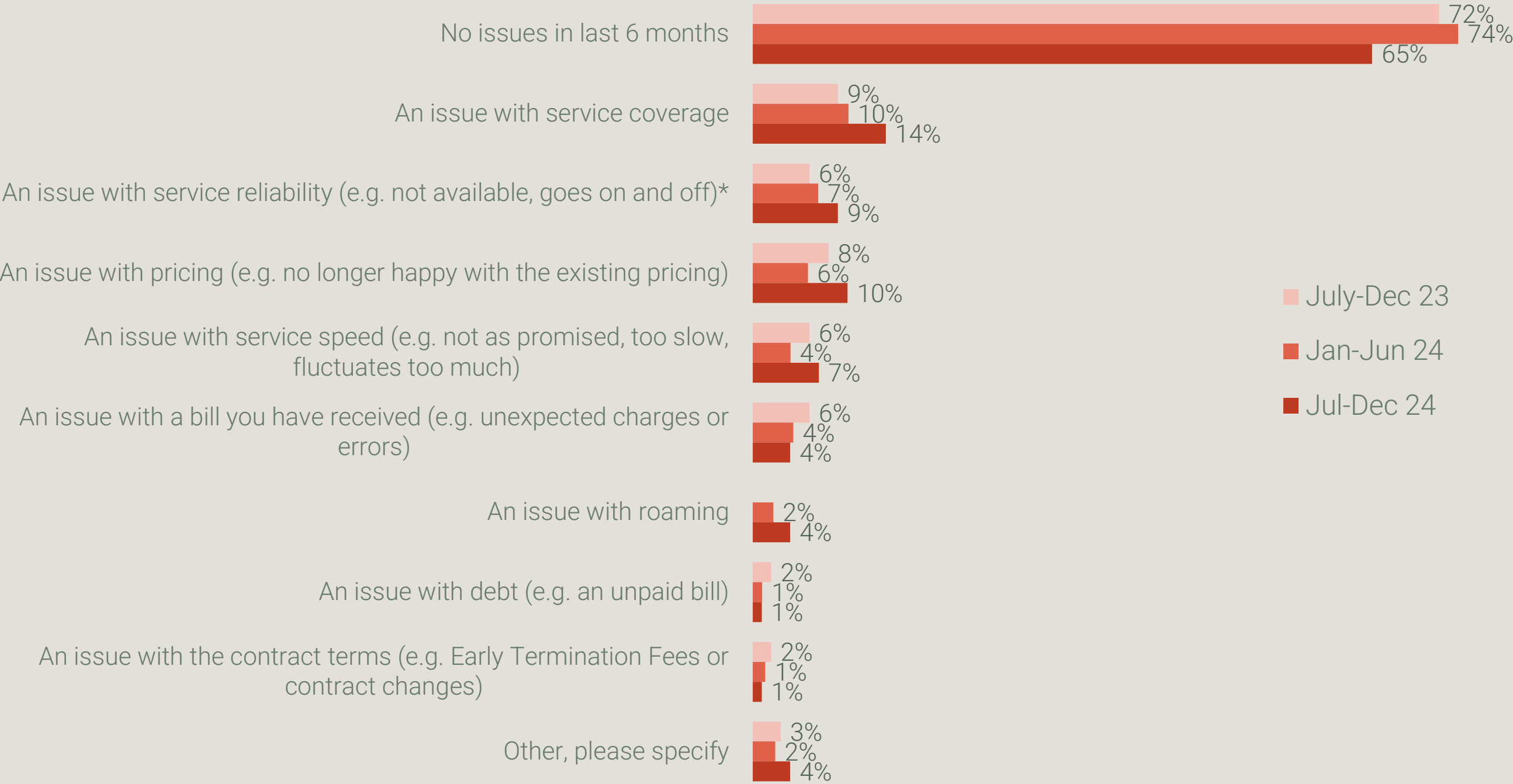
Mobile Issues

There has been an increase in the proportion of customers experiencing an issue with their mobile provider; the most common issues experienced with mobile service are issues to do with mobile coverage.



35%

of Mobile customers have experienced an issue with their mobile service in the past 6 months



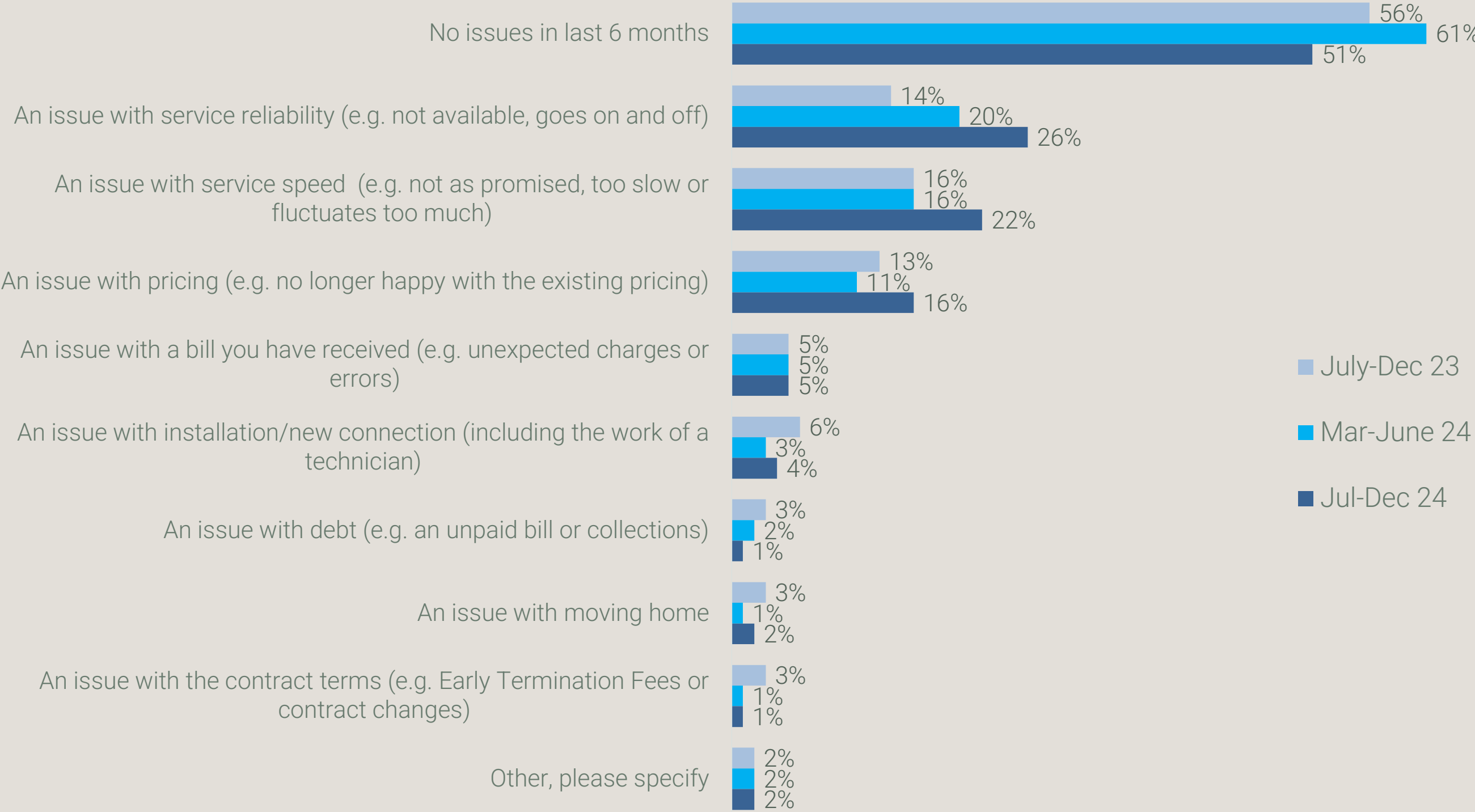
Please note that adding options can have an impact on comparability

Broadband Issues

There has been an increase in the proportion of customers experiencing issues with their provider, particularly with service reliability, service speed, and pricing.



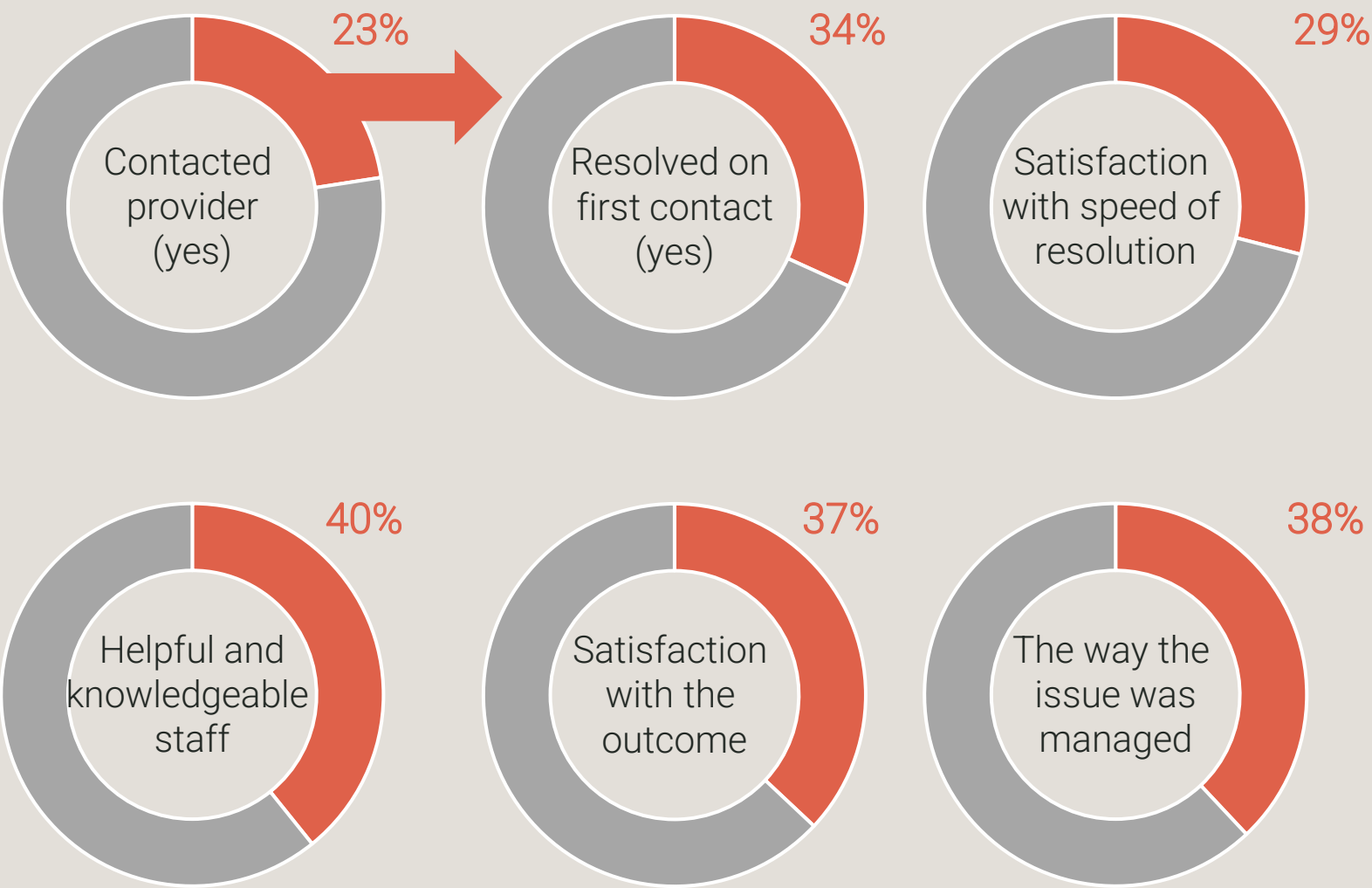
49%
of broadband customers
have experienced an issue
with their broadband
internet service in the
past 6 months



Mobile Issue deep dive

Service coverage

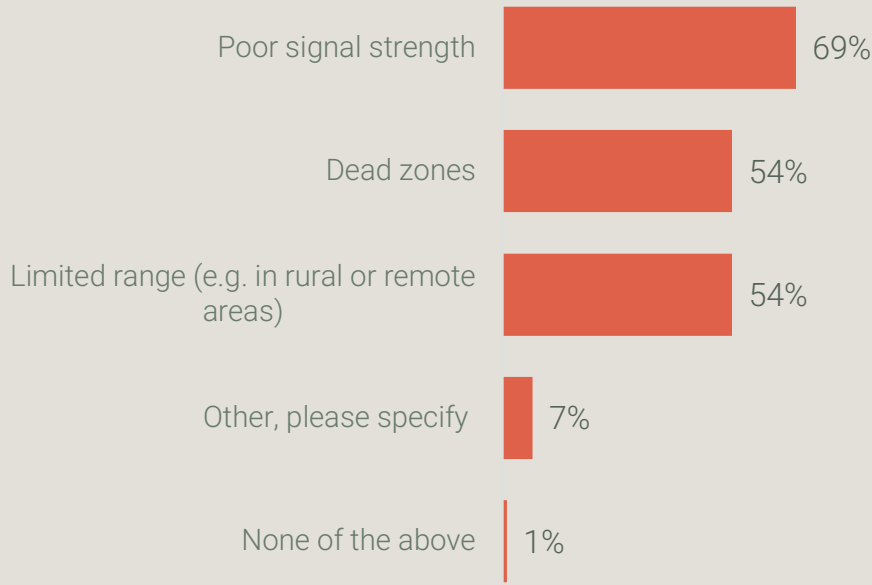
10% of consumers had an issue with their mobile service coverage. Of the 23% who contacted their provider, 27% contacted their provider 5 or more times. The most common issue was related to poor signal strength.



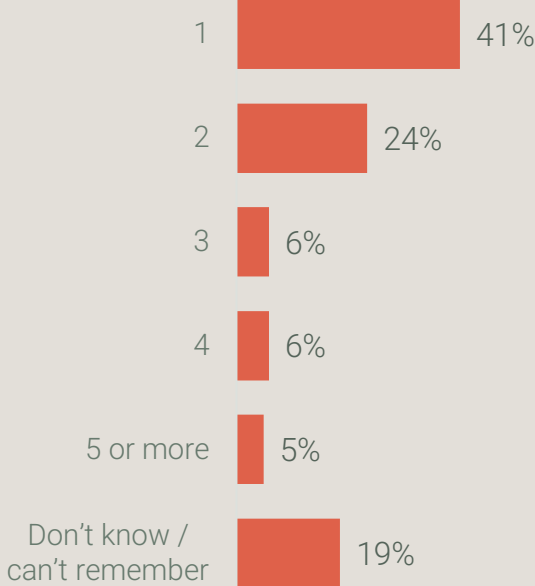
Length of time to resolve



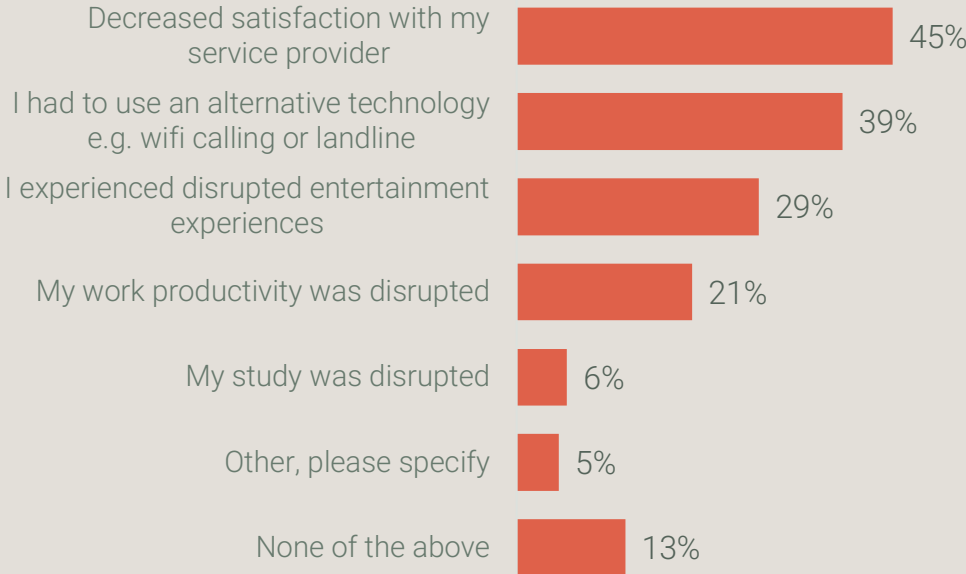
Issue related to



Number of times contacted provider



Impact

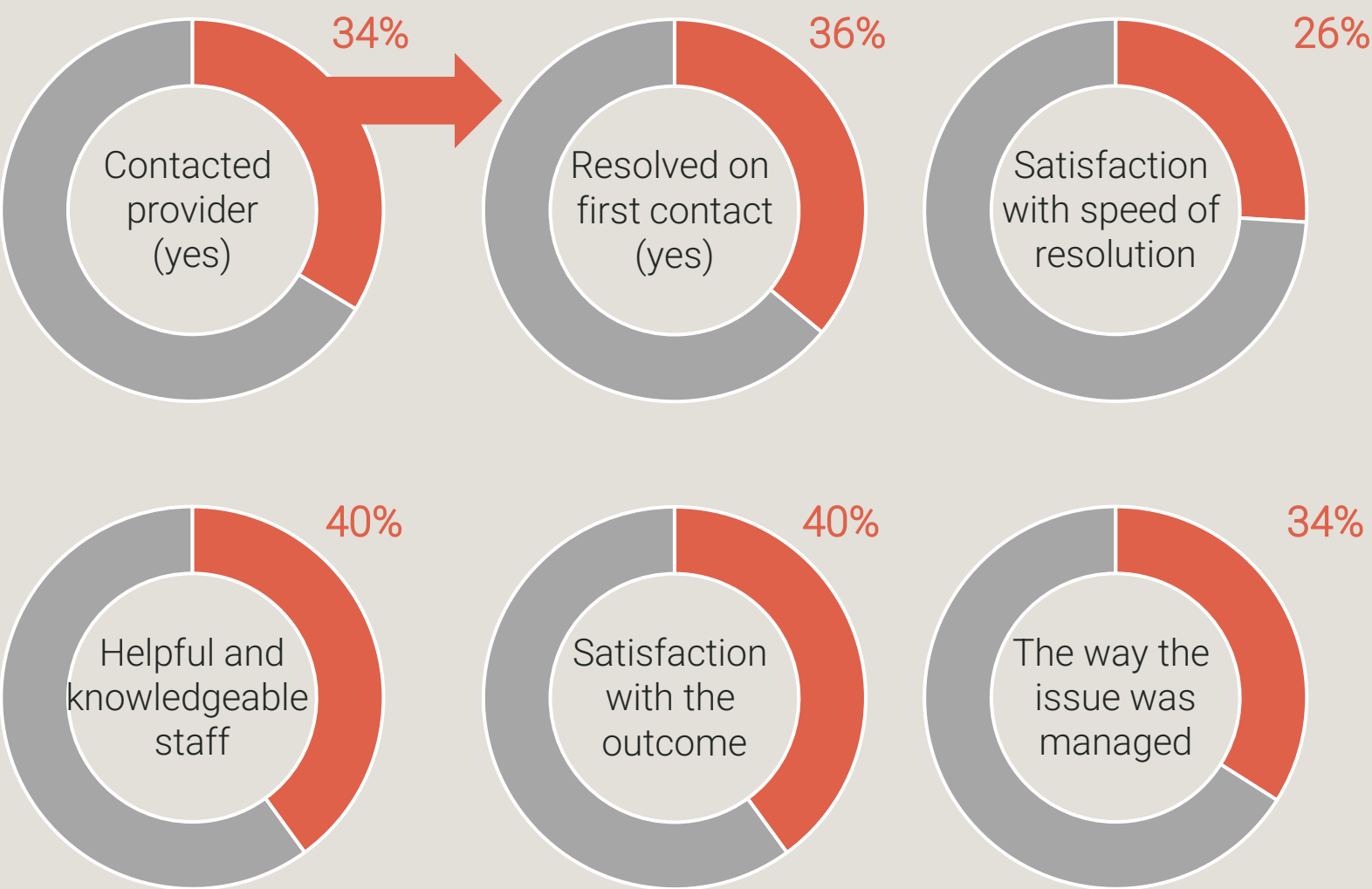


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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=299) and contact provider about issue (n=69)

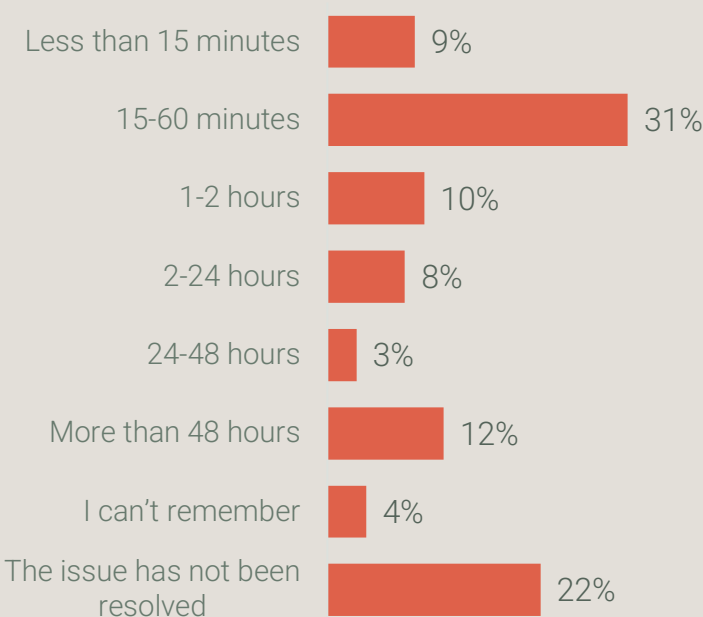
Mobile Issue deep dive

Service reliability

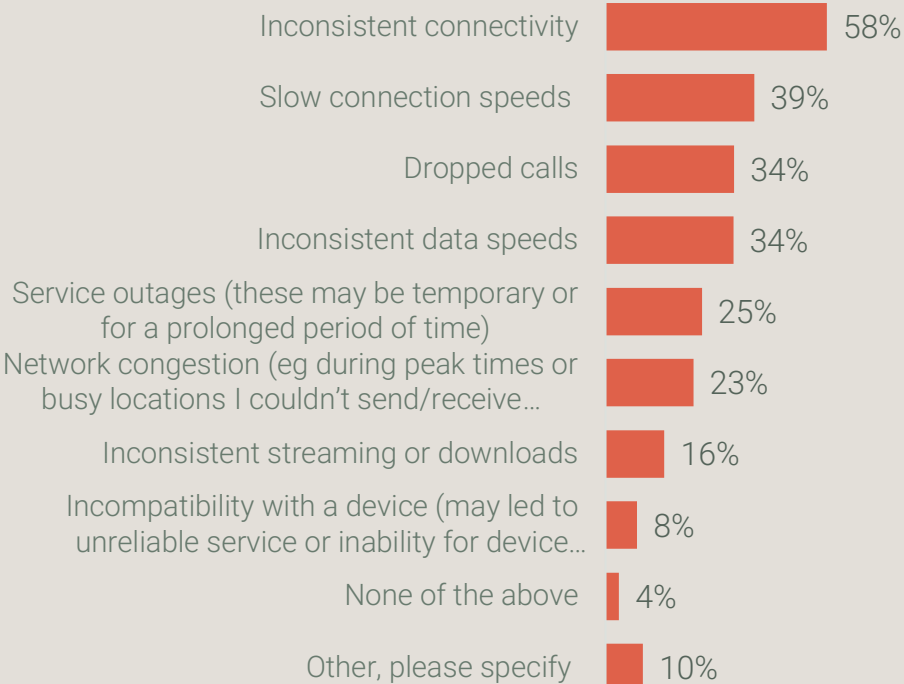
9% of consumers had an issue with their mobile service reliability. Of those, 34% contacted their provider, and of those, 44% contacted their provider more than once. The most common issue was related to inconsistent connectivity.



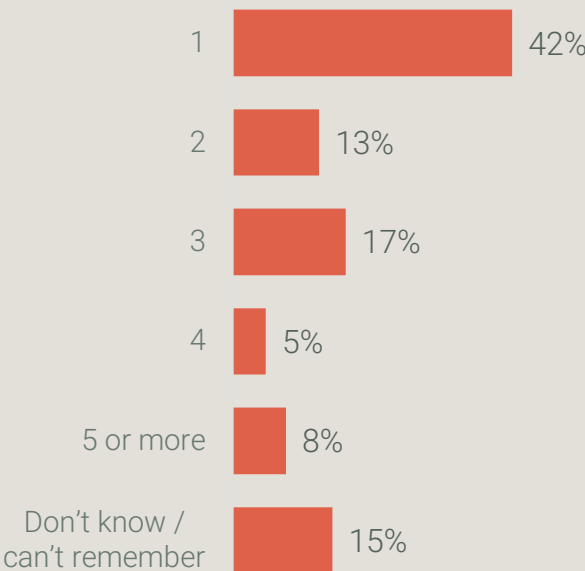
Length of time to resolve



Issue related to



Number of times contacted provider



Impact

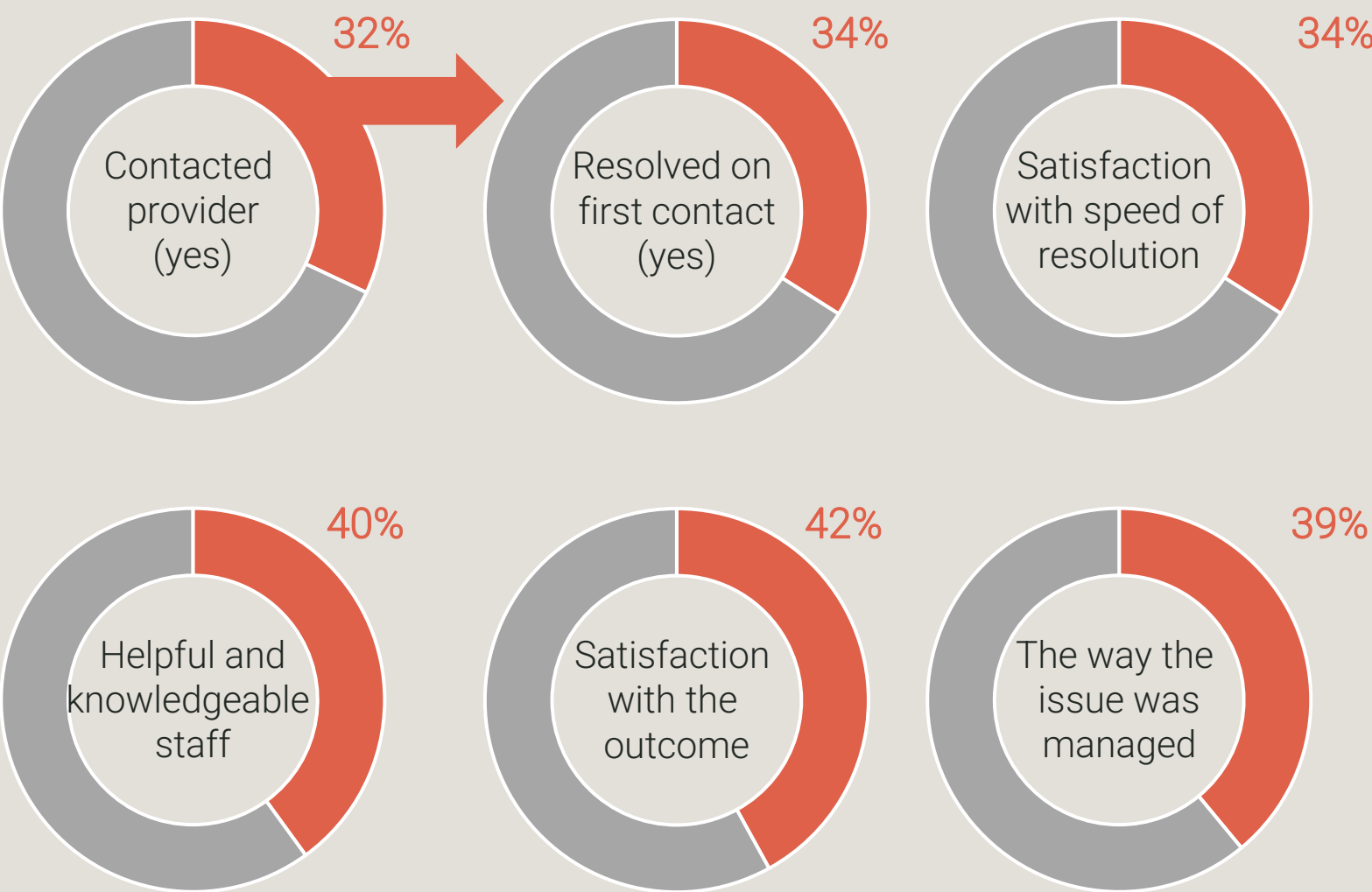


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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 reliability issue (n=192) and contact provider about issue (n=66)

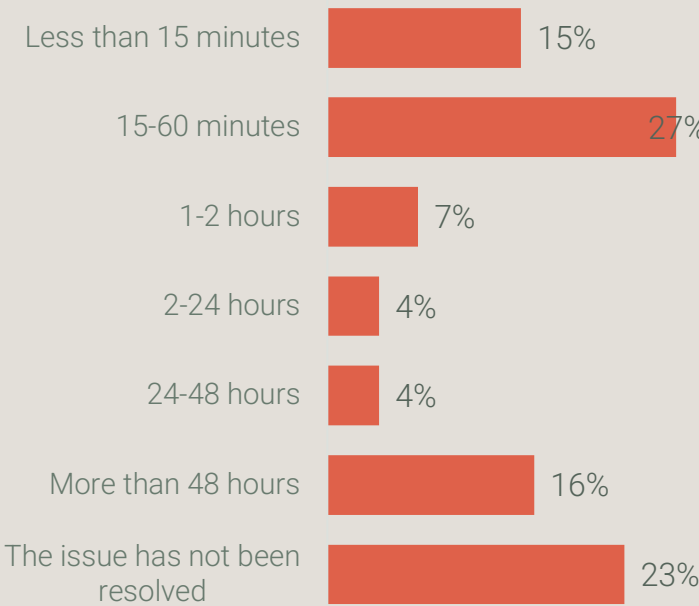
Mobile Issue deep dive

Service speed

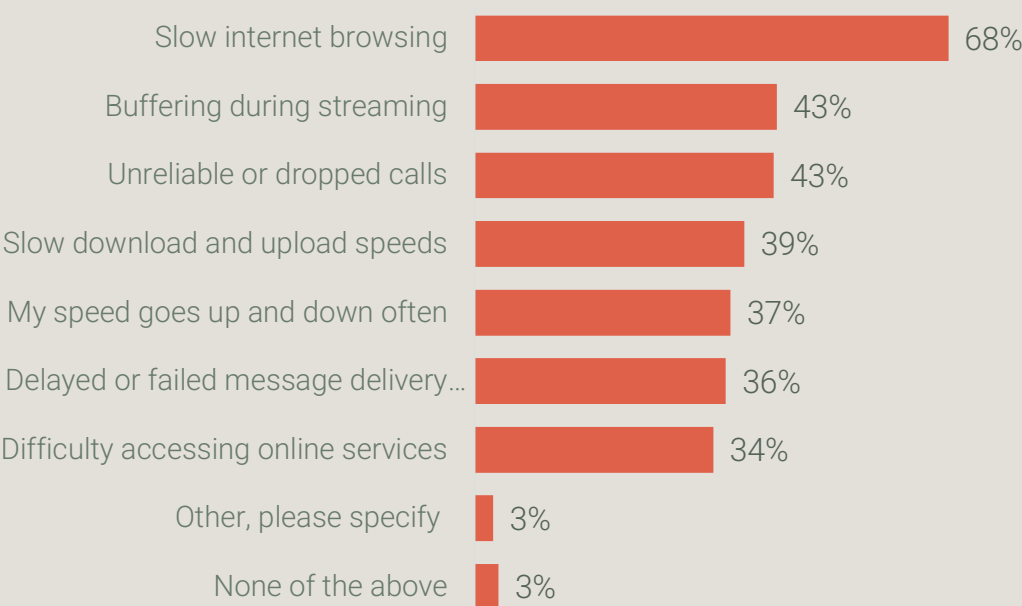
7% of consumers had an issue with their mobile service speed. Of those, 32% contacted their provider. The most common issue was related to slow internet browsing.



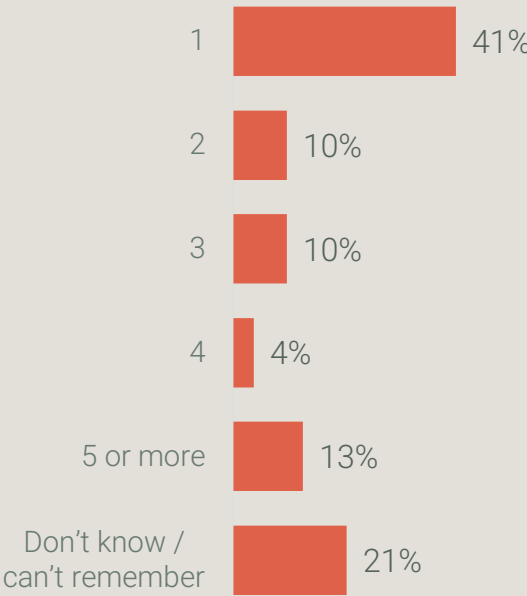
Length of time to resolve



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=149) and contact provider about issue (n=48)

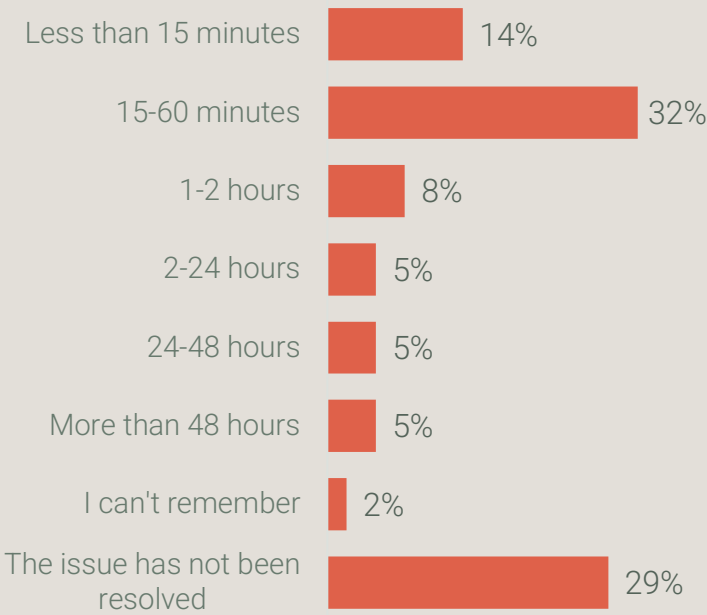
Mobile Issue deep dive

Pricing

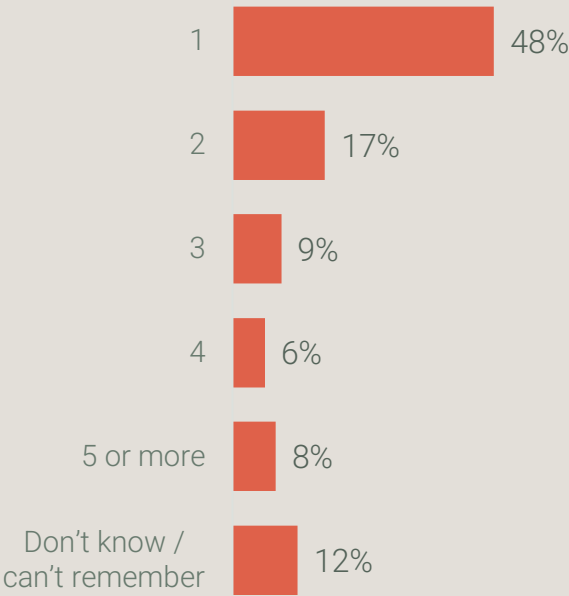
10% of consumers had an issue with their mobile pricing. Of those, 40% contacted their provider.



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? 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=212) and contact provider about issue (n=85)

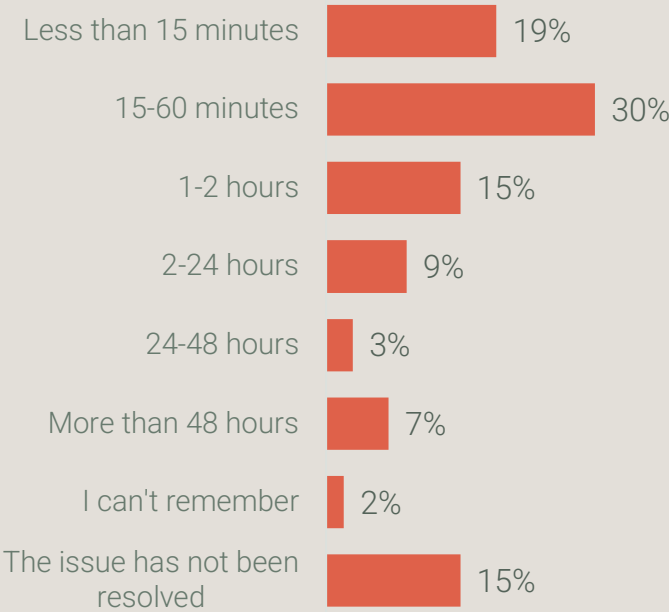
Mobile Issue deep dive

Billing

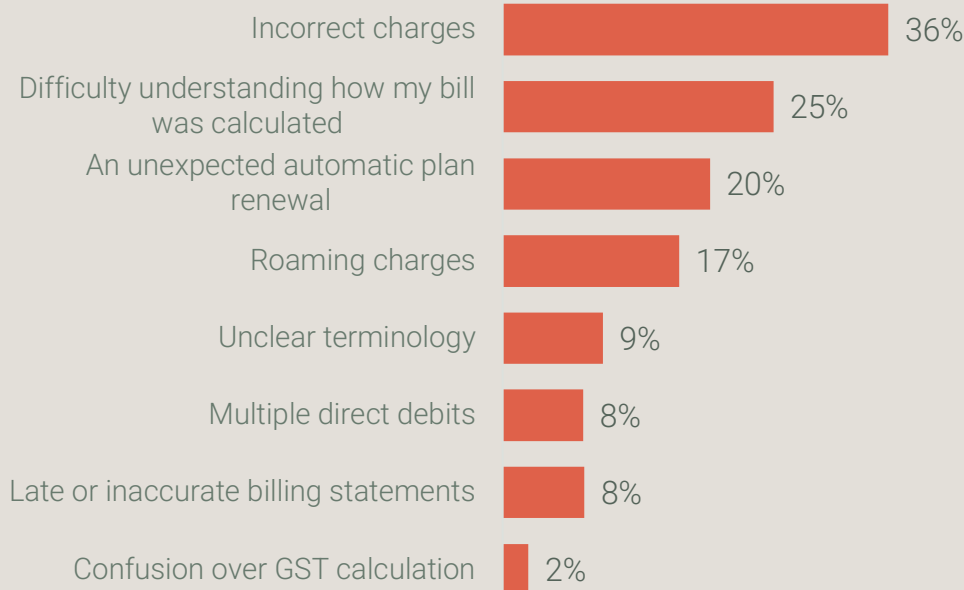
4% of consumers had an issue with their mobile billing. Of those, 71% contacted their provider. The most common issue was incorrect charges.



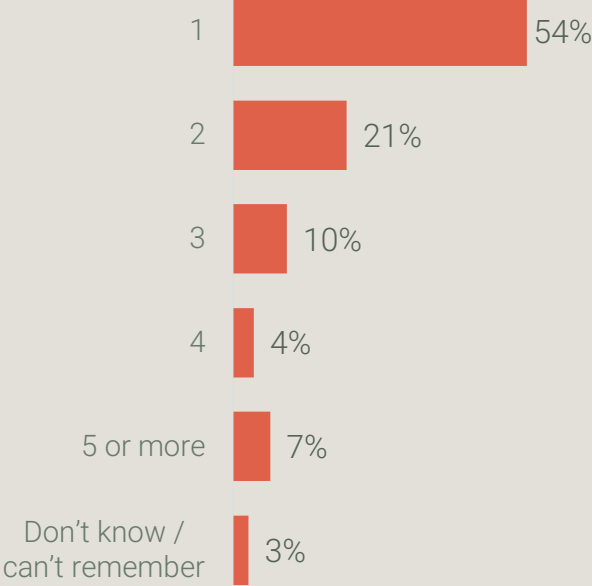
Length of time to resolve



Issue related to



Number of times contacted provider



Impact

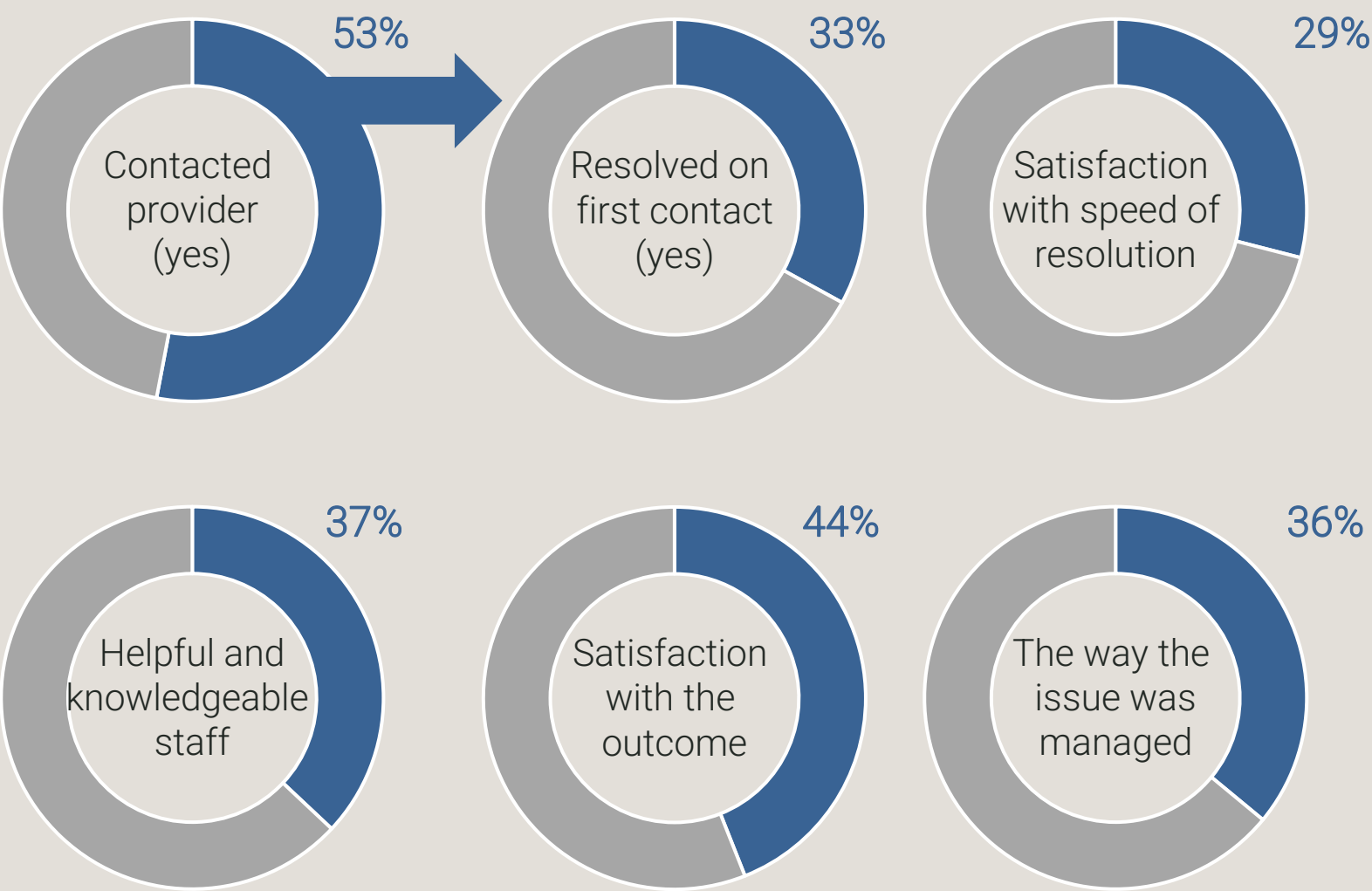


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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 billing issue (n=82) and contact provider about issue (n=58)

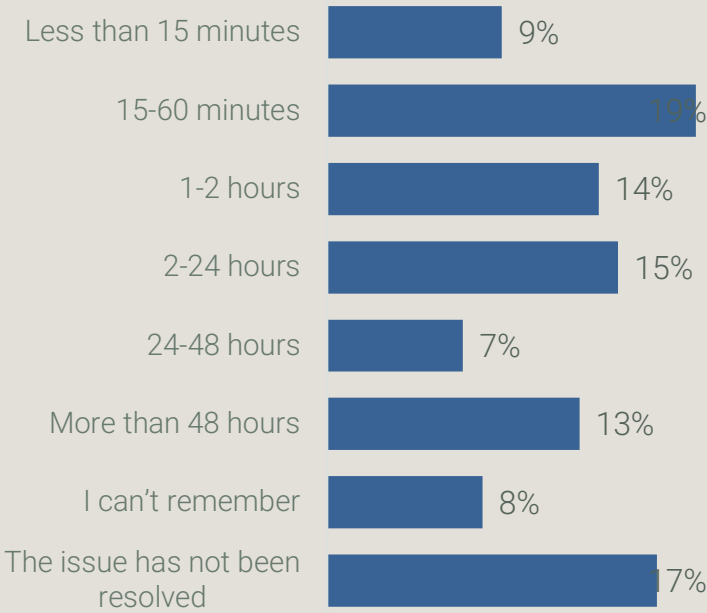
Broadband Issue deep dive

Service reliability

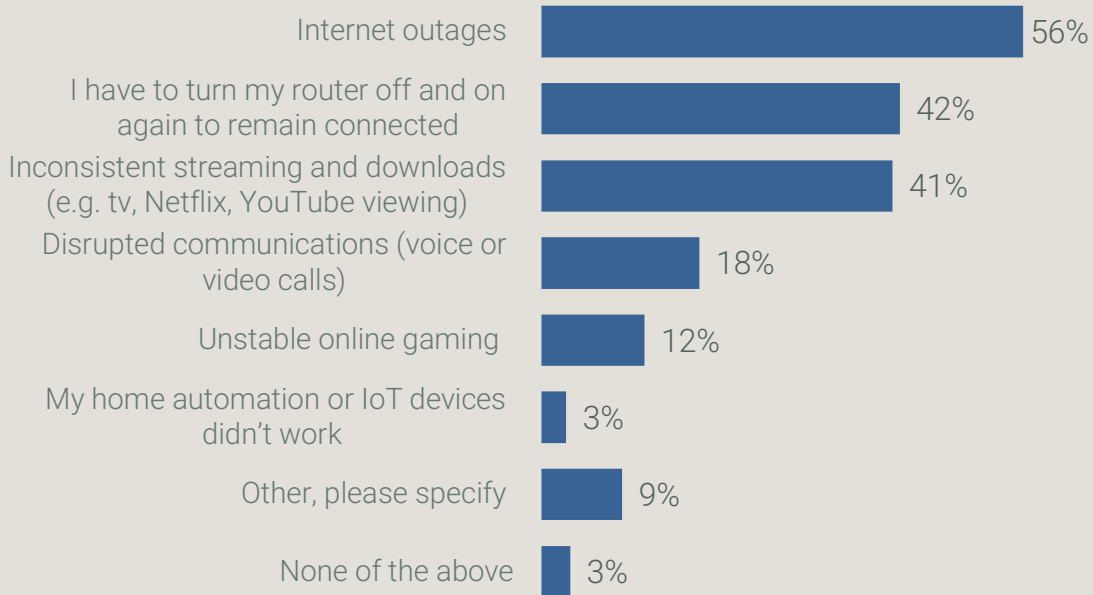
26% of consumers had an issue with their broadband service reliability, of those, 53% contacted their provider. Internet outages was the main issue.



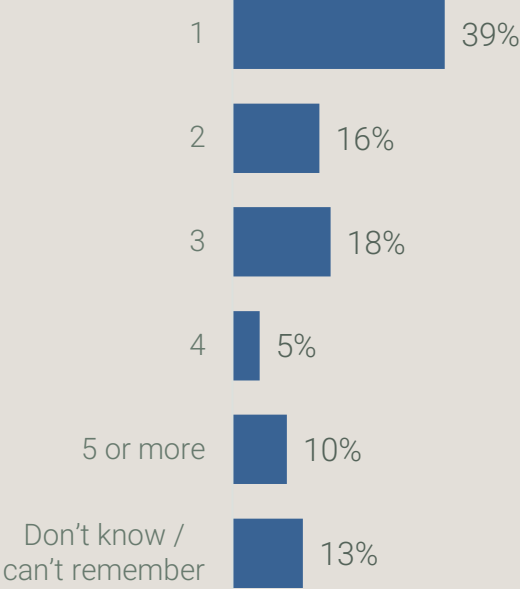
Length of time to resolve



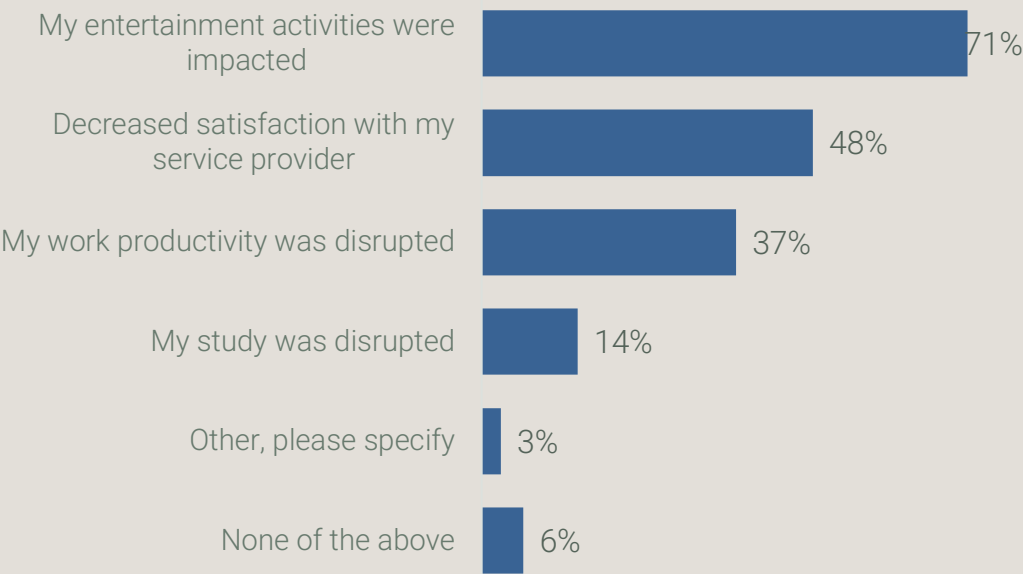
Issue related to



Number of times contacted provider



Impact

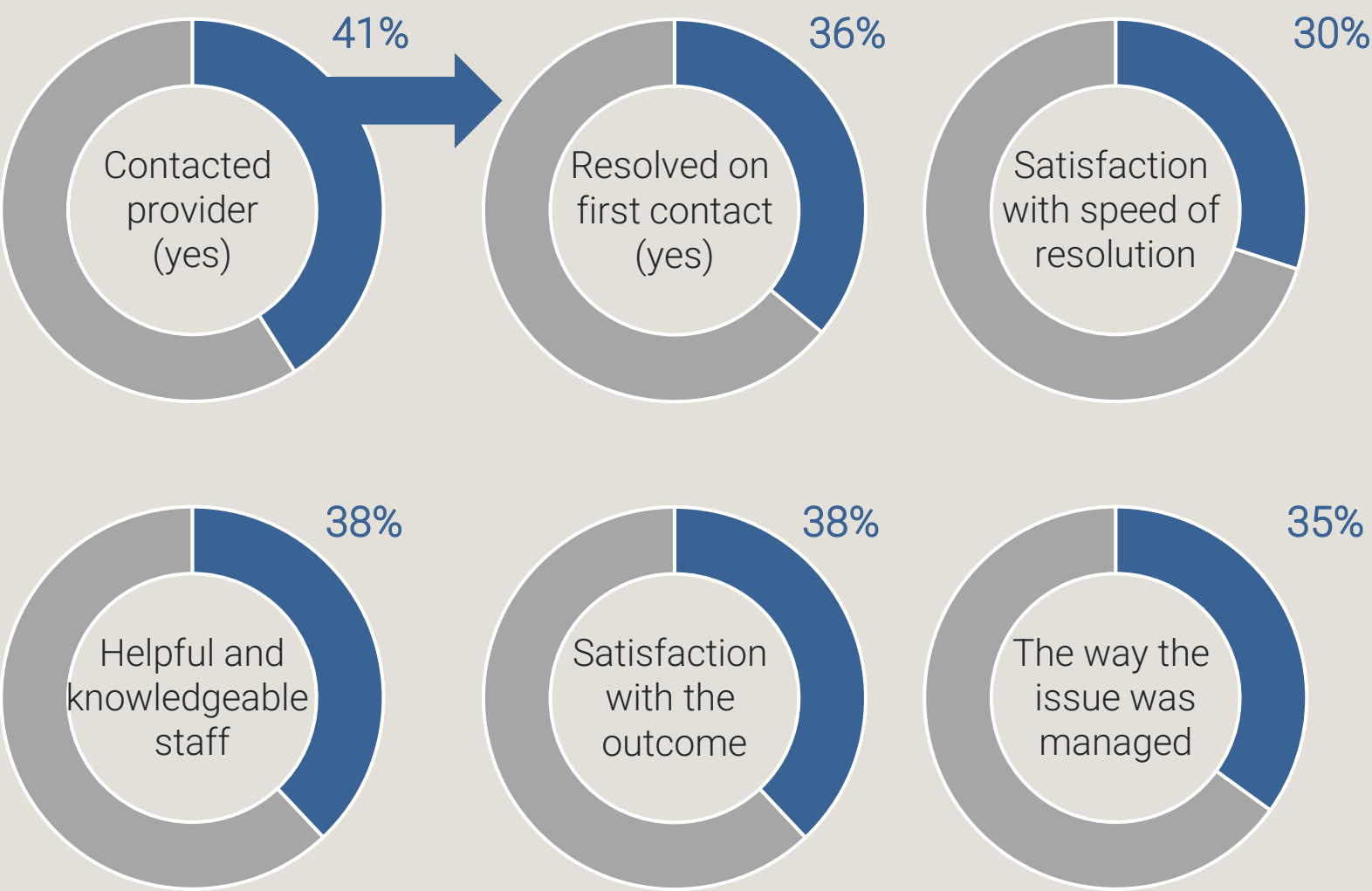


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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 reliability issue (n=610) and contact provider about issue (n=319)

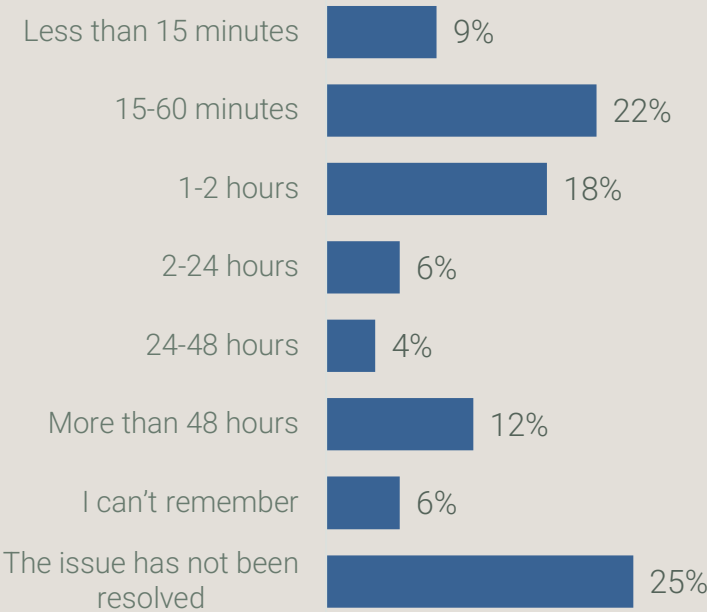
Broadband Issue deep dive

Service speed

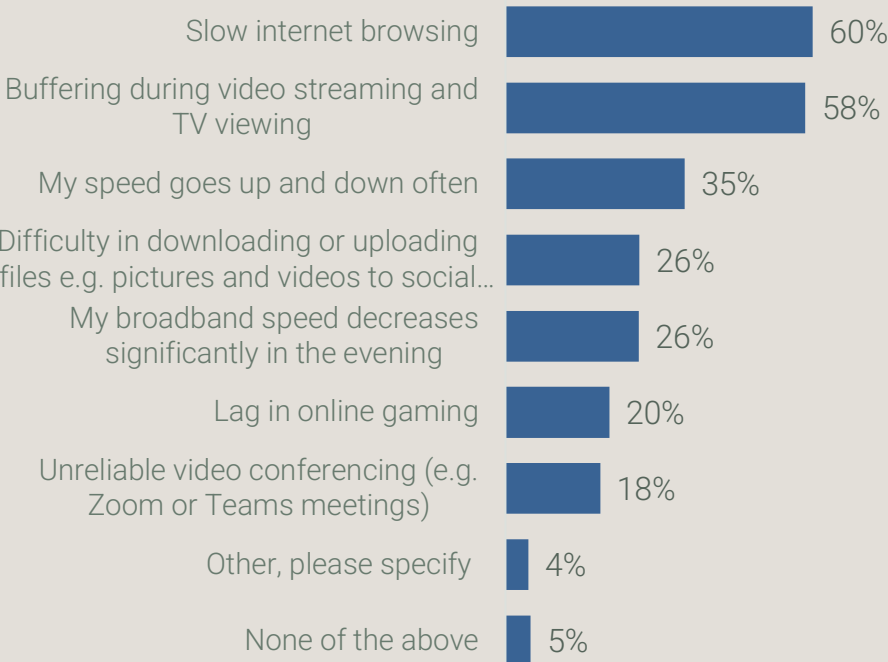
22% of consumers had an issue with their broadband service speed, of those, 41% contacted their provider. Buffering during video streaming and slow internet browsing were the main issues.



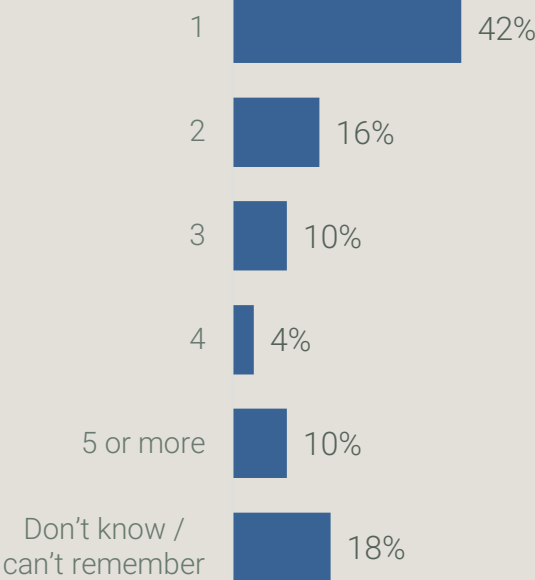
Length of time to resolve



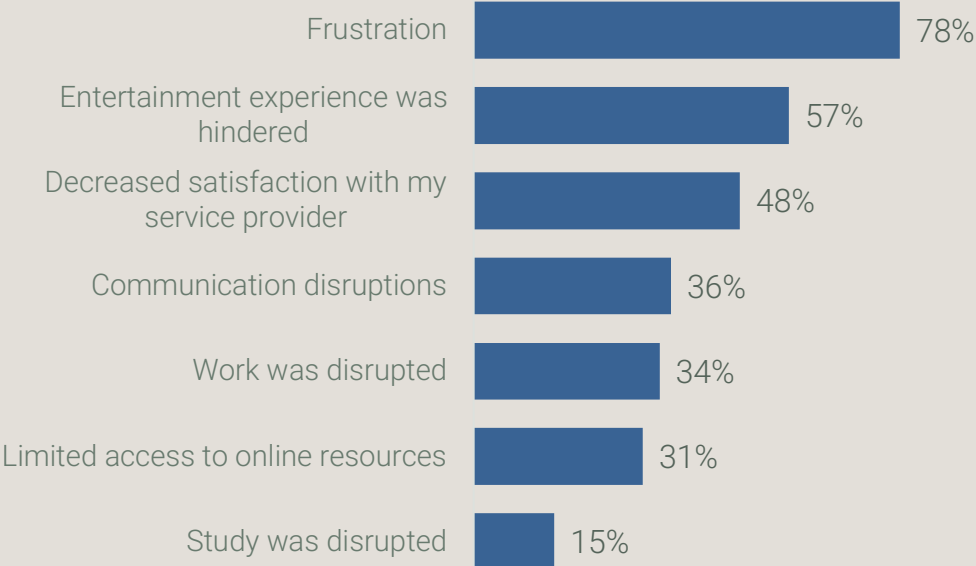
Issue related to



Number of times contacted provider



Impact

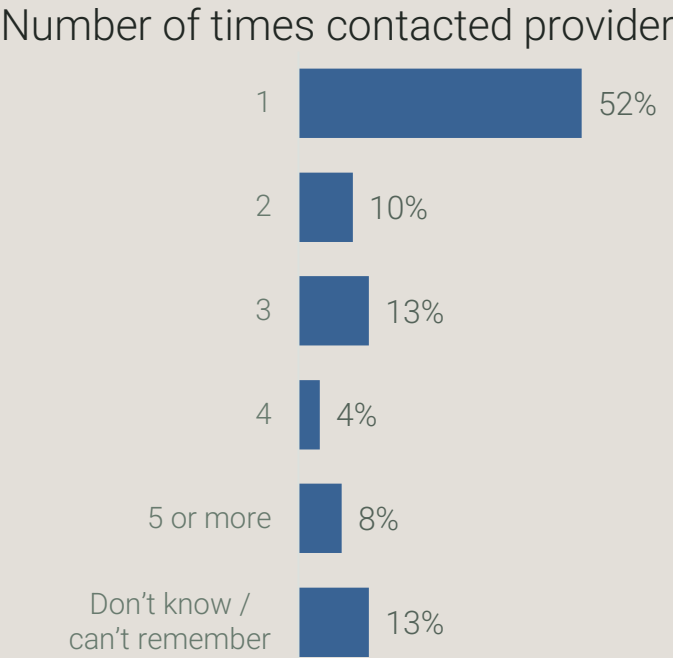
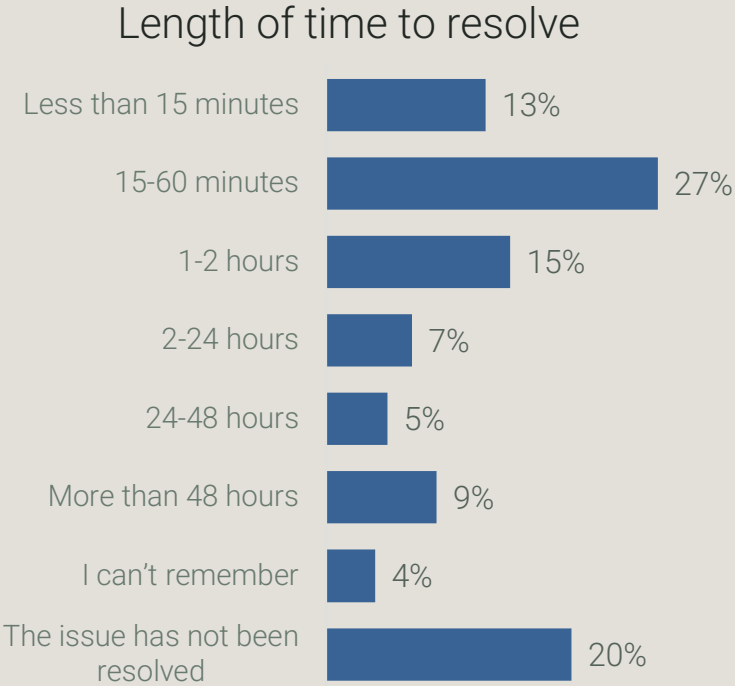
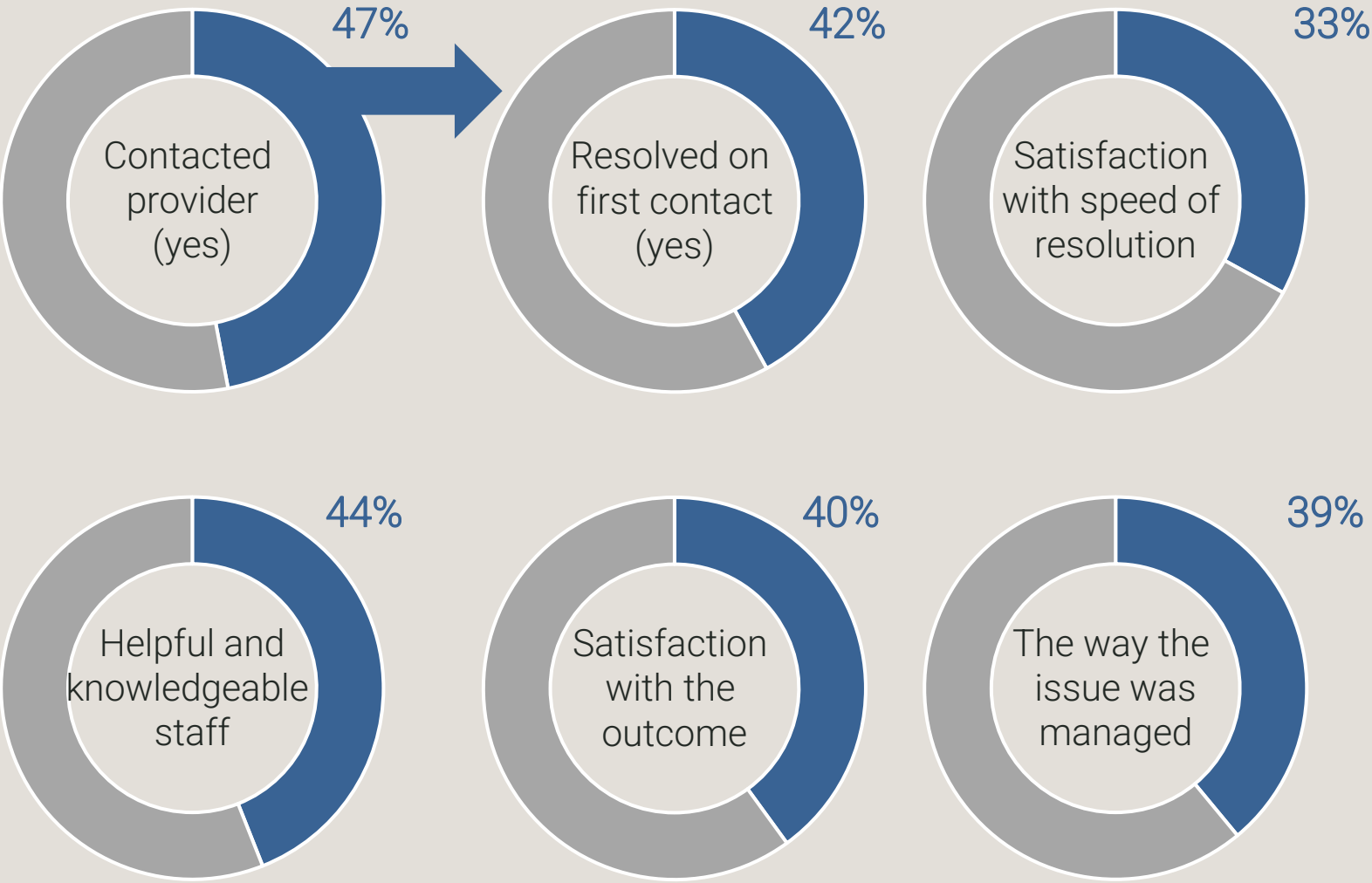


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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=520) and contact provider about issue (n=211)

Broadband Issue deep dive

Pricing

16% of consumers had an issue with their broadband pricing, of those, 47% contacted their provider.

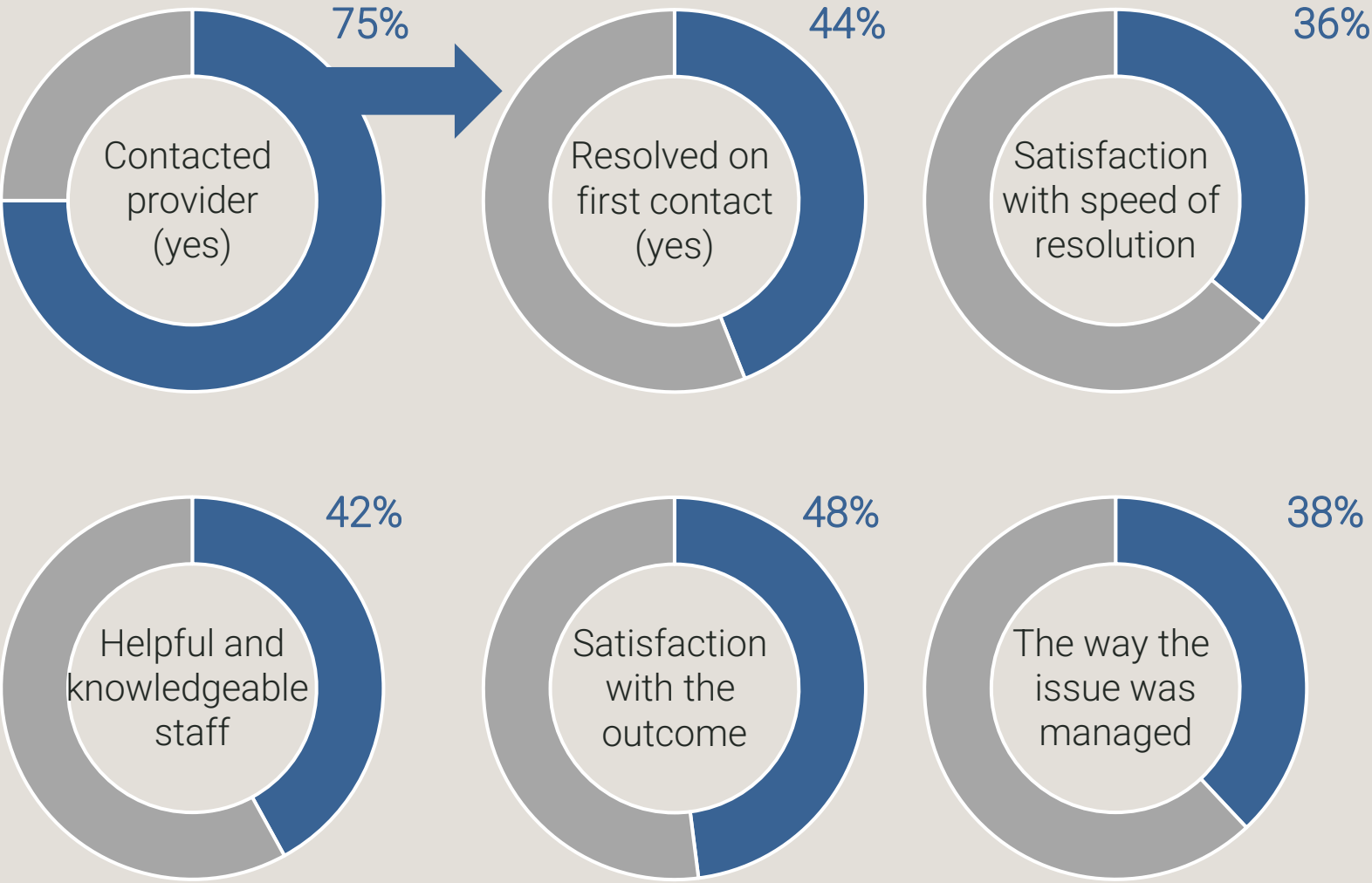


Did you contact your provider about this issue? Was this issue resolved on the first contact? How long did it take to resolve your issue successfully and completely, including any time spent waiting e.g. on the phone or in store? How satisfied were you with how long it took to resolve the issue? How 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=370) and contact provider about issue (n=174)

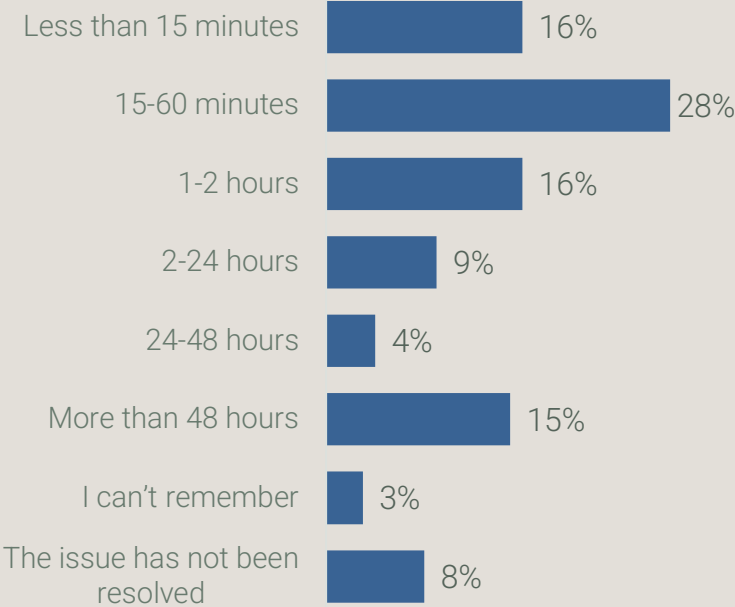
Broadband Issue deep dive

Billing

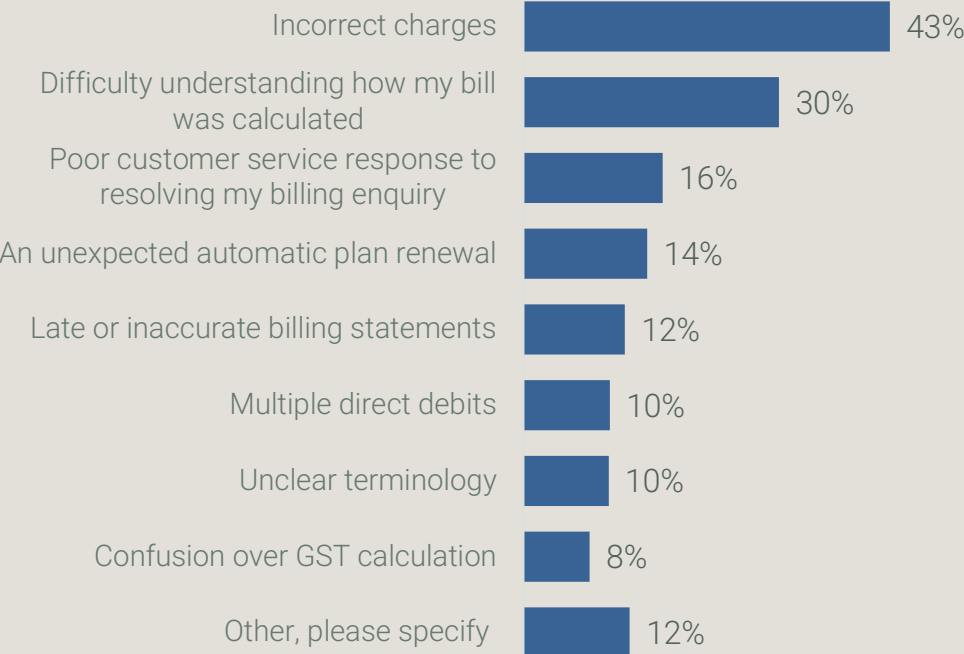
5% of consumers had an issue with their broadband billing, of those, 75% contacted their provider. Incorrect charges and difficulty understanding the bill were the main issues.



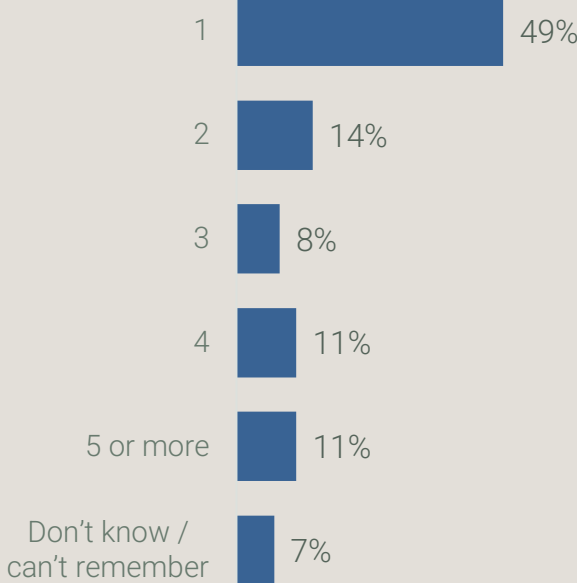
Length of time to resolve



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=125) and contact provider about issue (n=93)

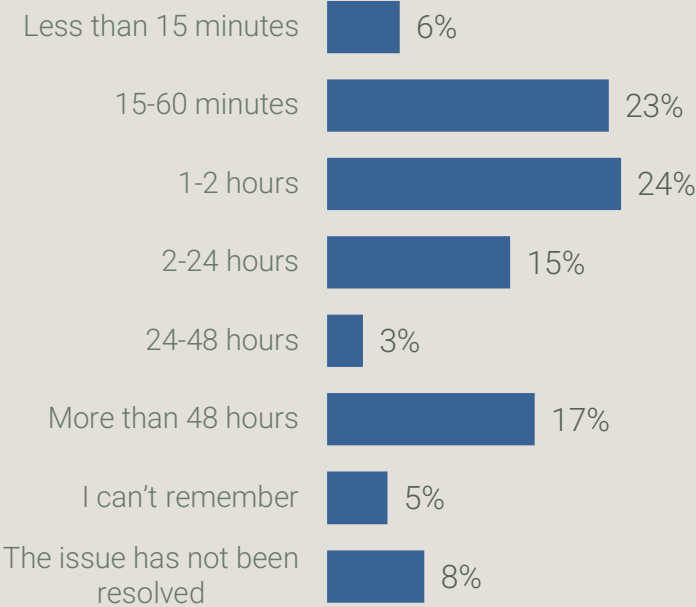
Broadband Issue deep dive

Installation / new connection

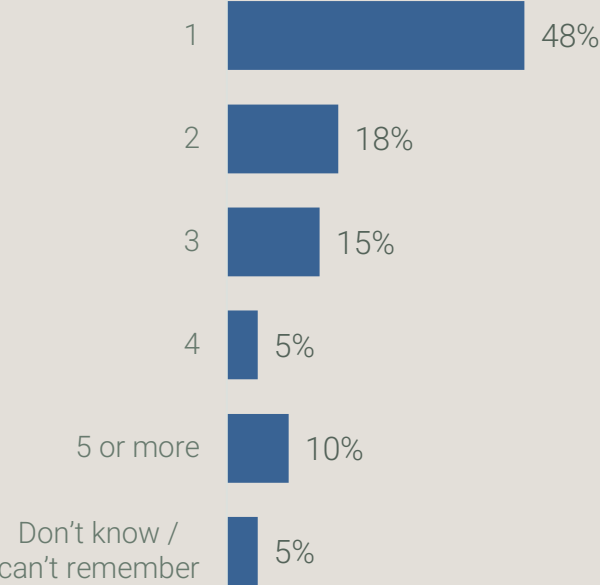
4% of consumers had an issue with broadband installation, of those, 86% contacted their provider.



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=88) and contact provider about issue (n=76)

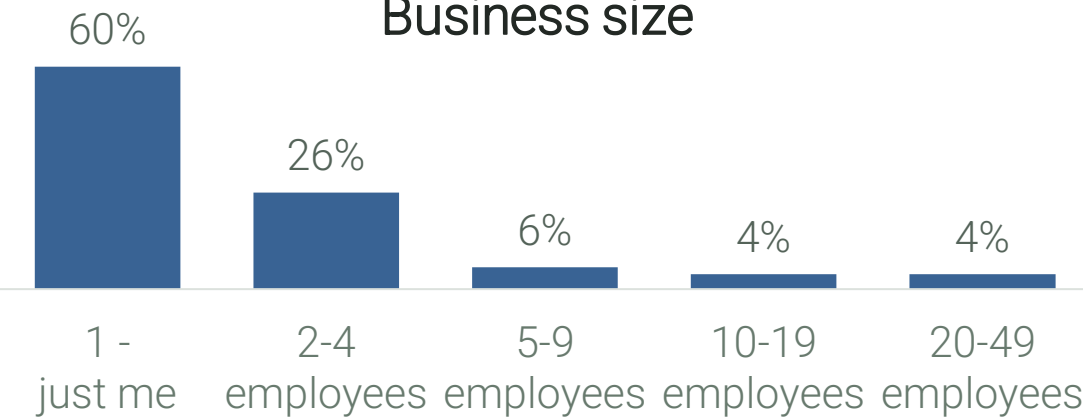


SME Insights

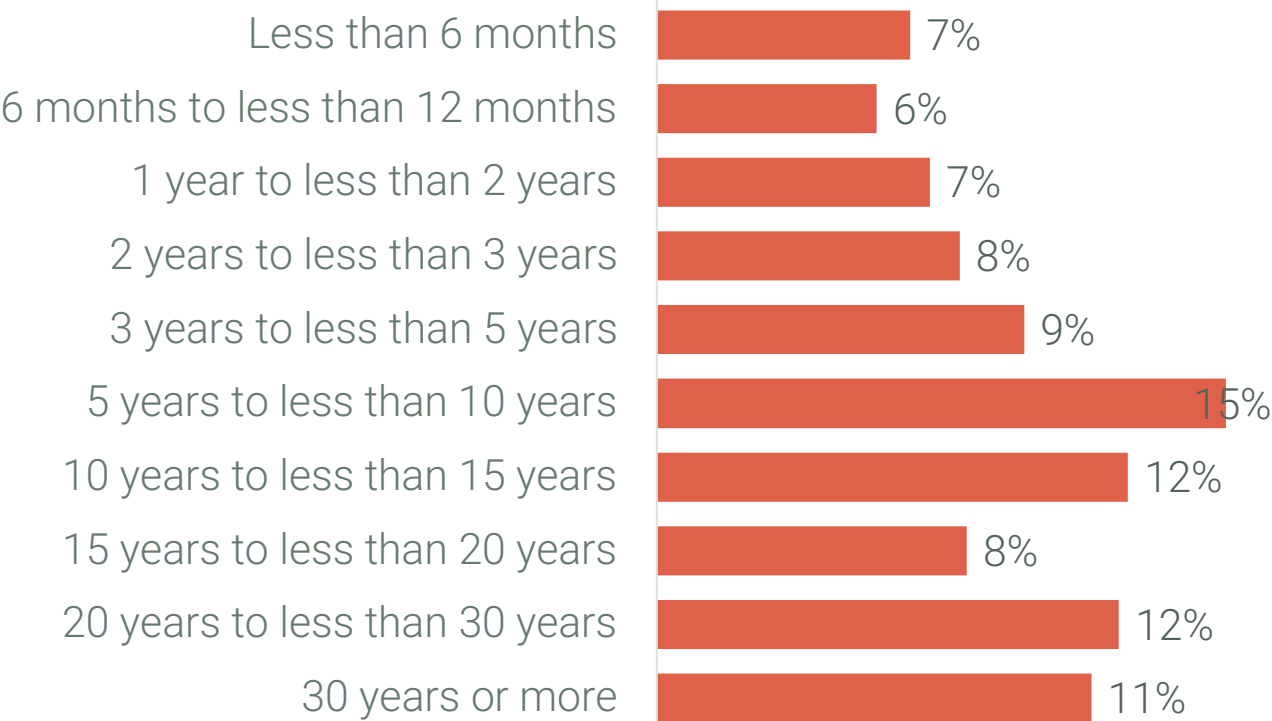
NPS and Satisfaction

Firmographics - Business

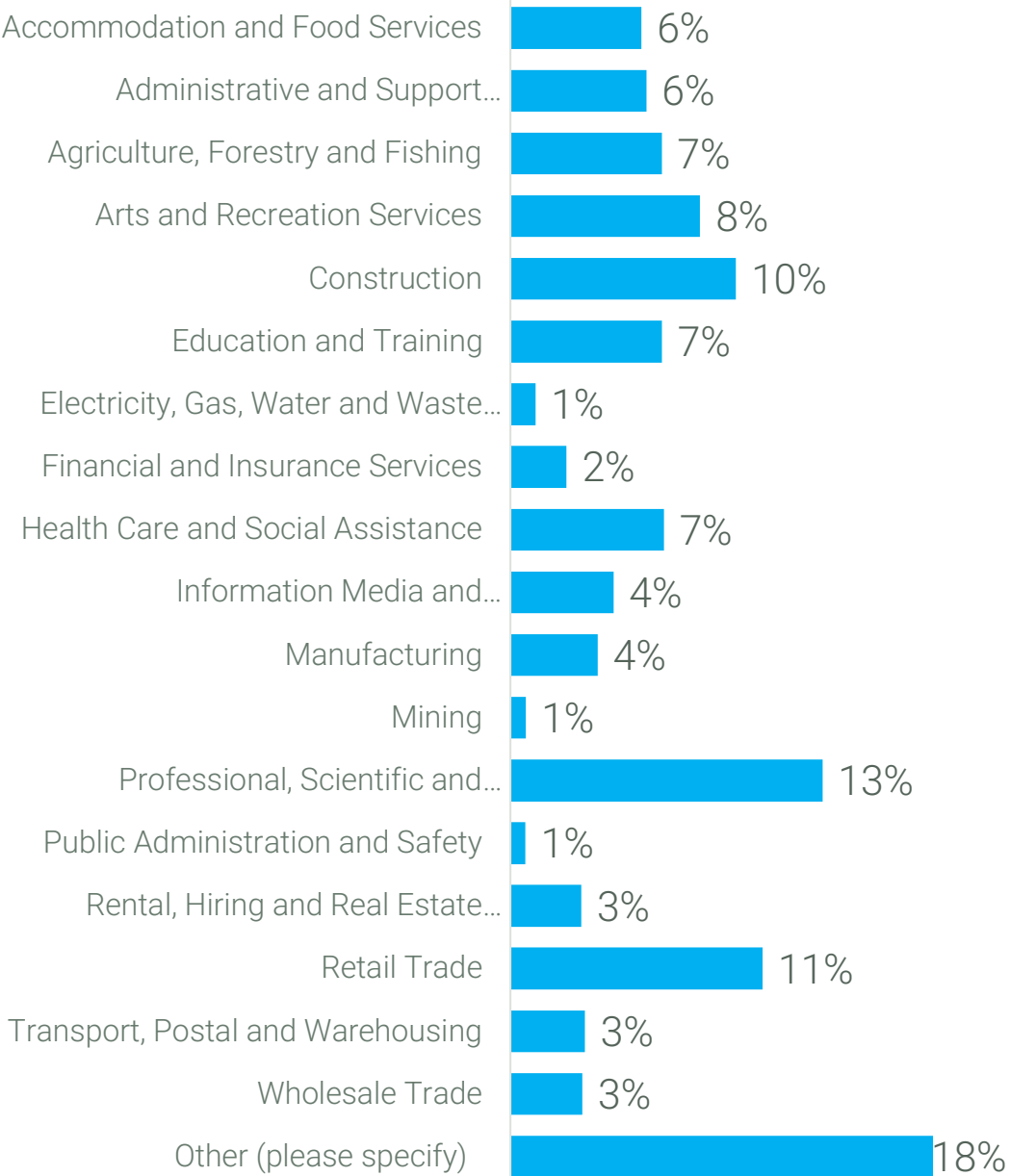
Business size



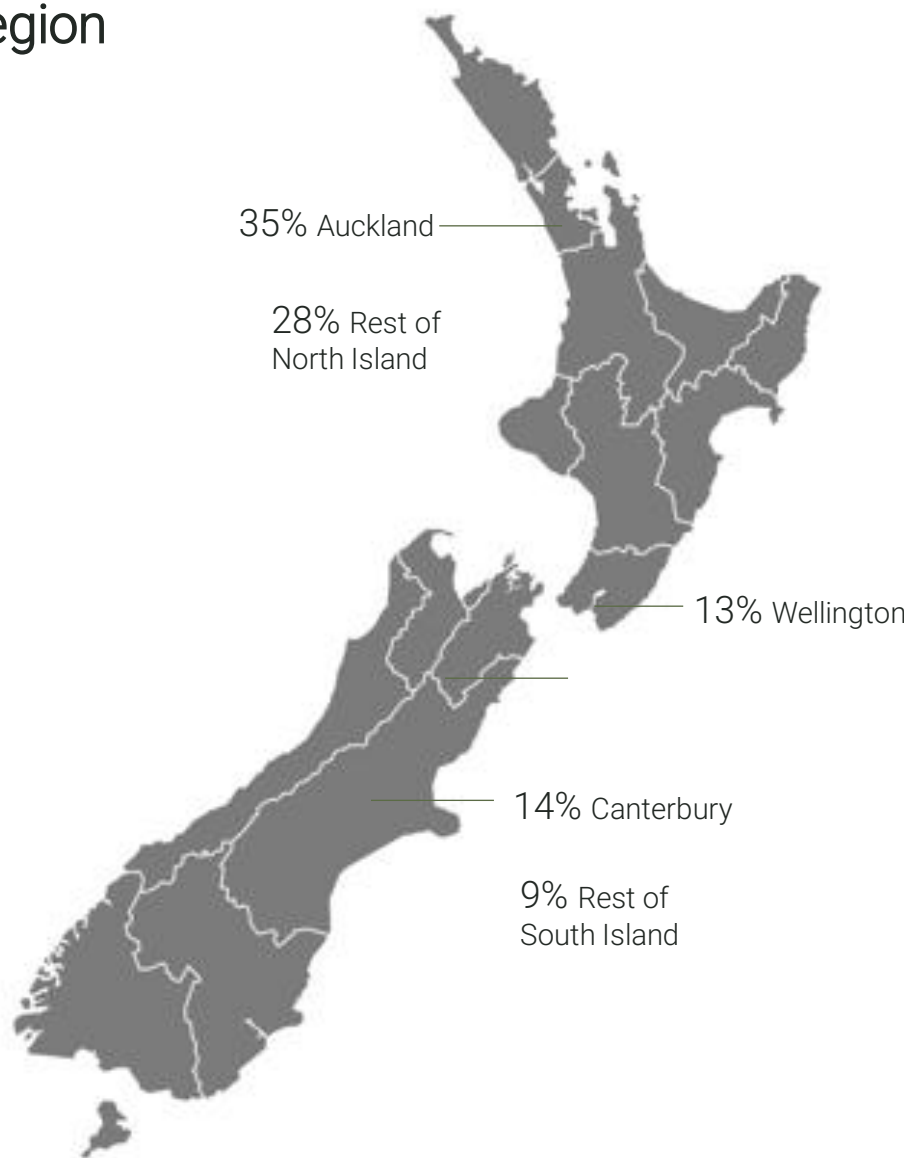
Age of company



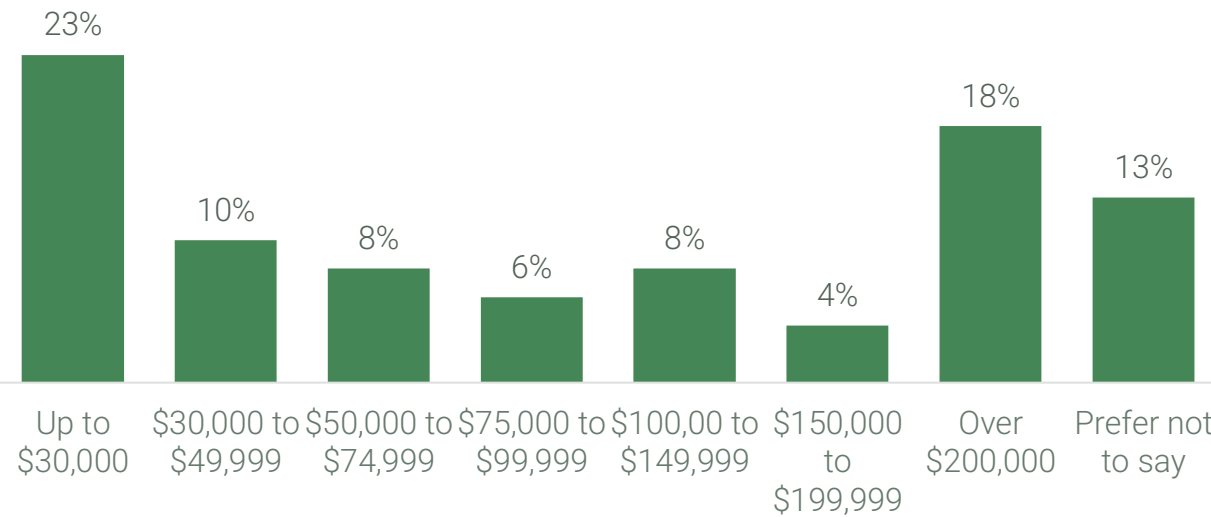
Sector



Region

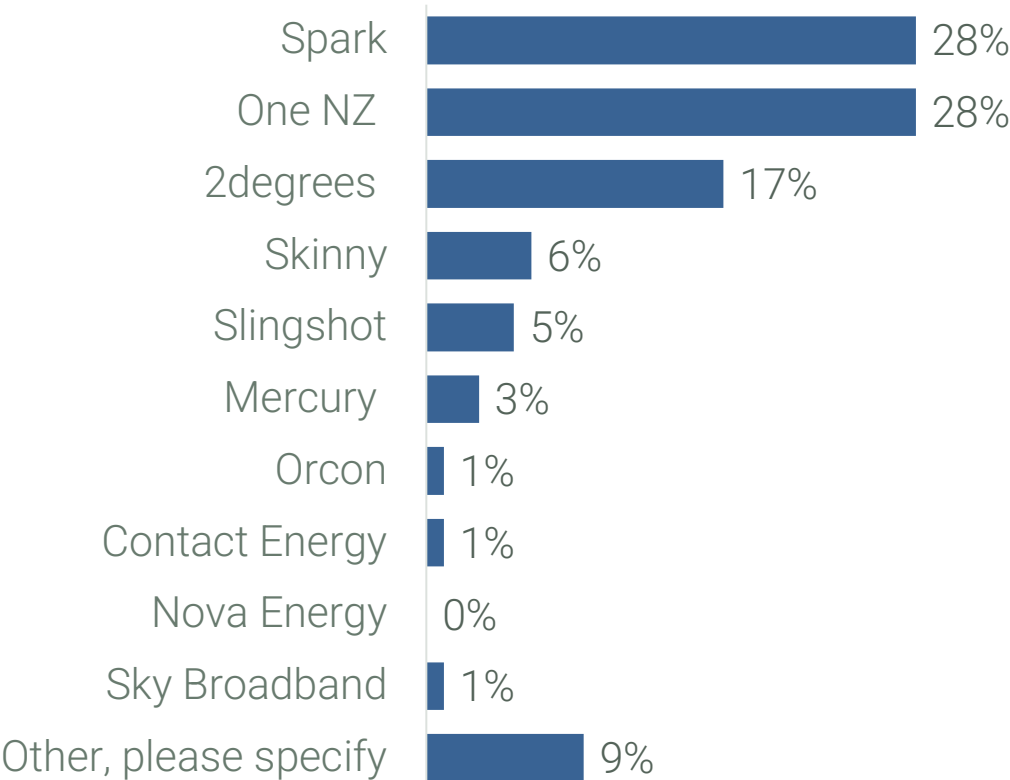


Business Revenue

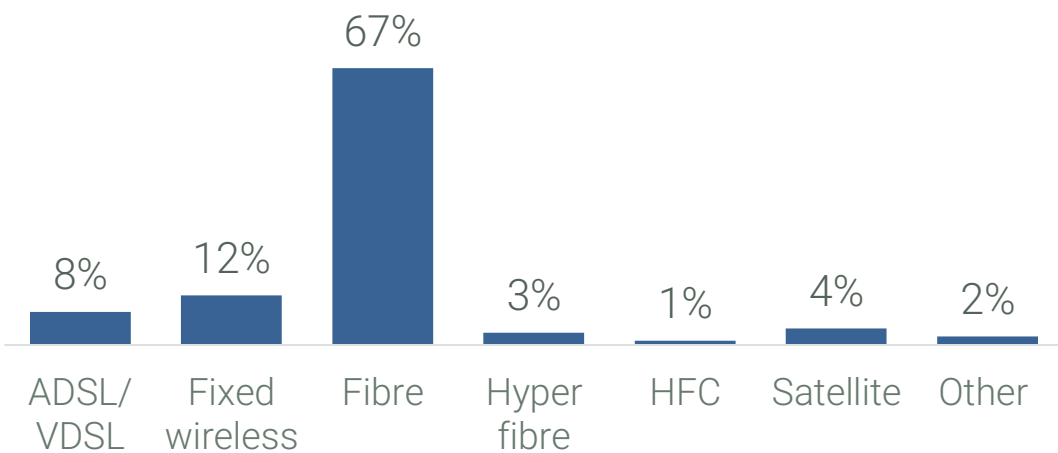


Products and Providers - SME

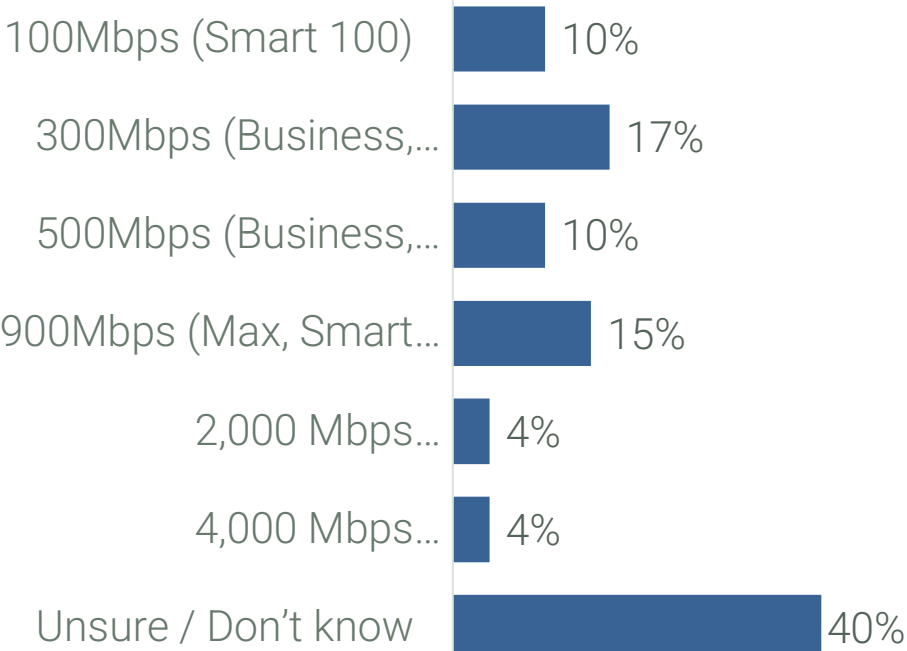
Broadband Provider



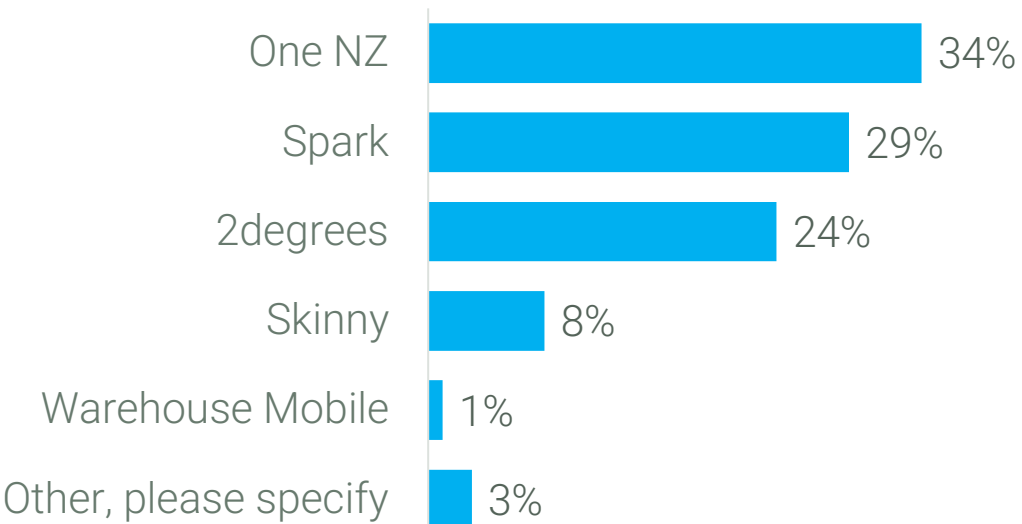
Broadband Technology



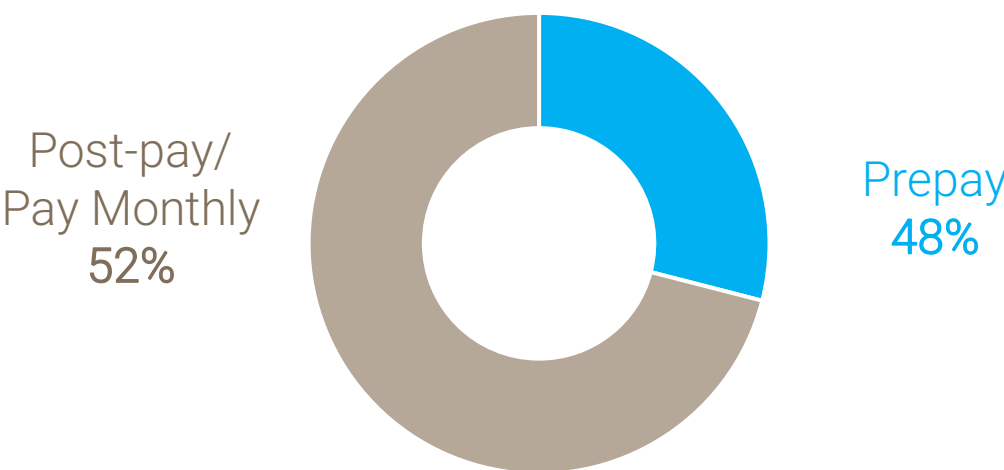
Fibre Speed



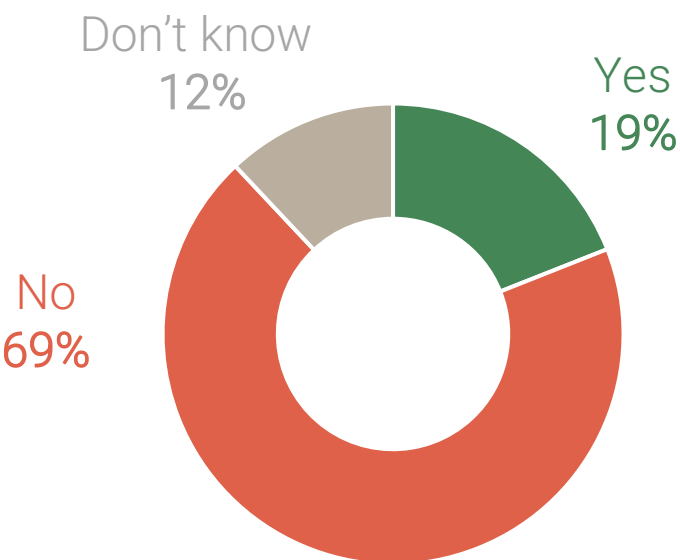
Mobile Provider



Mobile Plan



Electricity Bundle



SME SUMMARY – July – December 2024

Neither mobile nor broadband hit the favourable threshold of +20. Broadband posts an NPS of -10, while mobile NPS is at -6, with NPS significantly lower among SMEs with 5-9 employees.

Just under three quarters of mobile customers (74%), and 72% of broadband customers said they were satisfied with their provider.

Satisfaction and NPS have declined since Jan-June 2024.

Skinny and 2degrees have positive NPS scores for mobile; all broadband providers post negative NPS scores, and all provider scores for NPS and Satisfaction have declined.

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%.

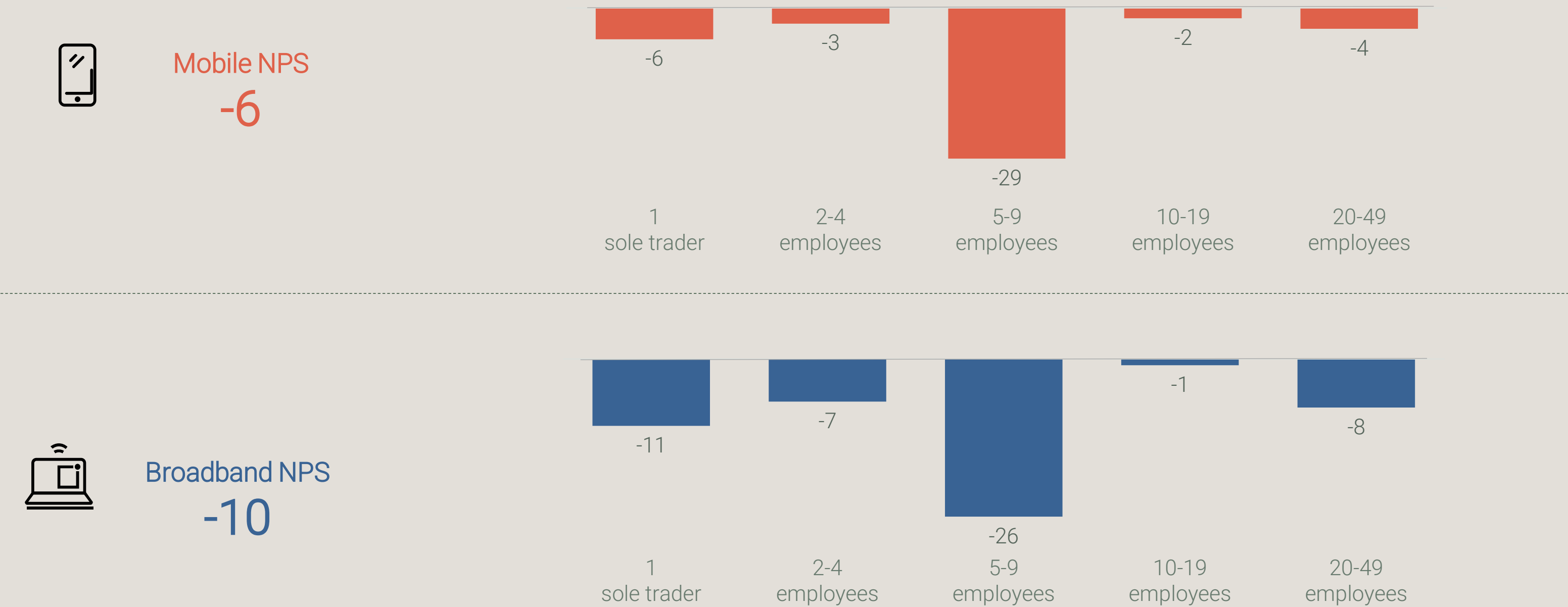
8% of broadband consumers switched broadband provider and 7% switched mobile provider in the last 12 months.

Overall satisfaction with switching fails to meet the 80% satisfaction benchmark for both mobile (76%) and broadband (69%).

35% of mobile customers have experienced an issue with their mobile service in the past 6 months. 42% 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, both have negative scores. Broadband posts an NPS of -10, while mobile NPS is at -6, with NPS significantly lower among SMEs with 5-9 employees.



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: $NPS = (\text{Percentage of Promoters} - \text{Percentage of Detractors})$. 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

Overall satisfaction

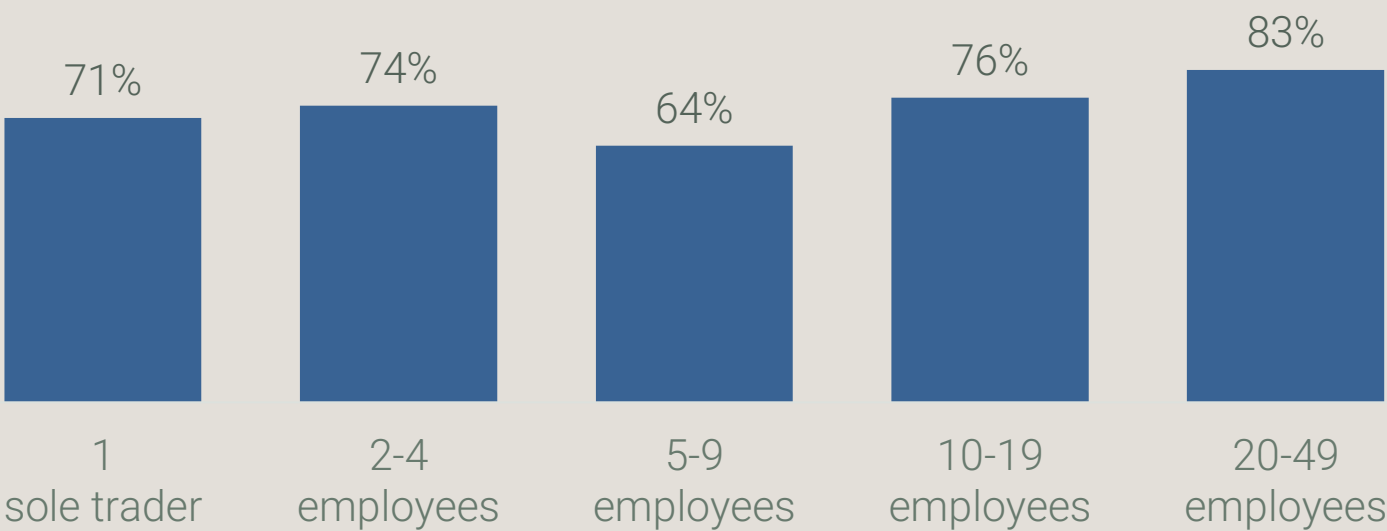
Just under three quarters of mobile customers (74%), and 72% of broadband customers said they were satisfied with their provider.



Mobile
Satisfaction
74%



Broadband
Satisfaction
72%



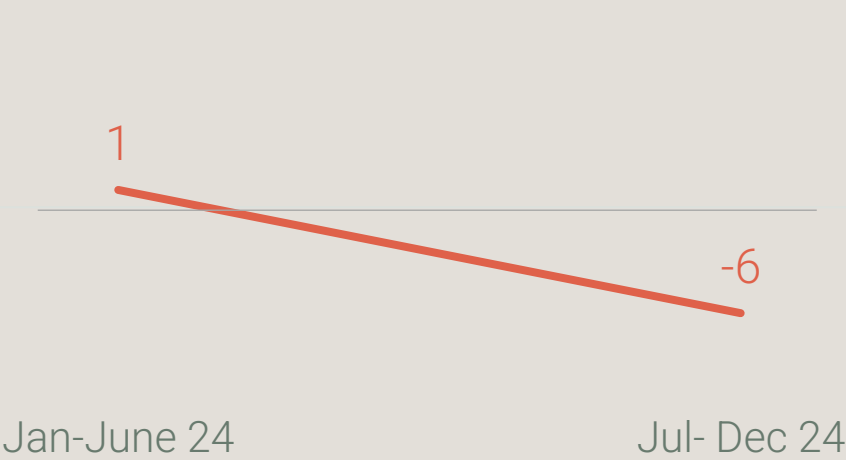
NPS and satisfaction trended

Satisfaction and NPS have declined slightly since Jan-June 2024.

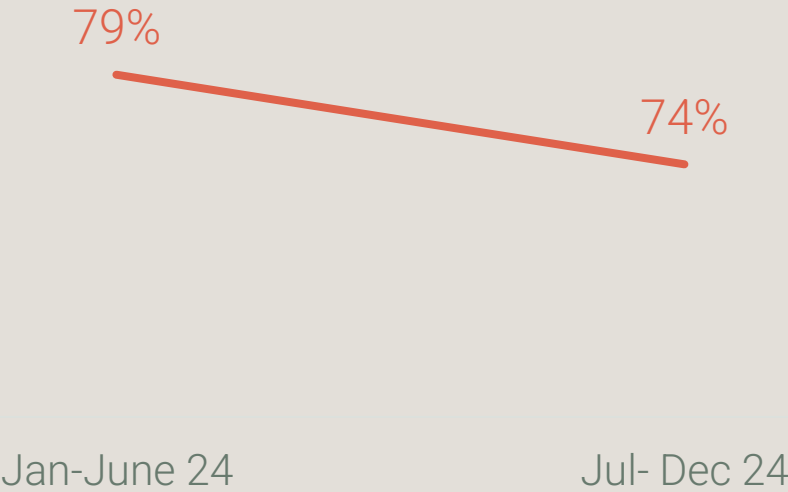


Mobile

Net Promoter Score



Satisfaction

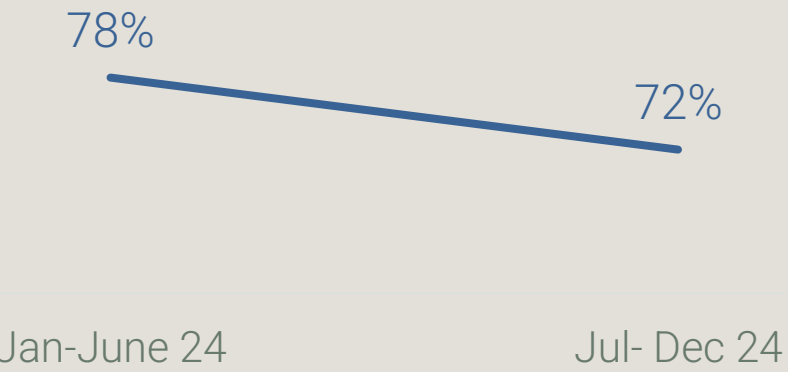


Broadband

Net Promoter Score



Satisfaction



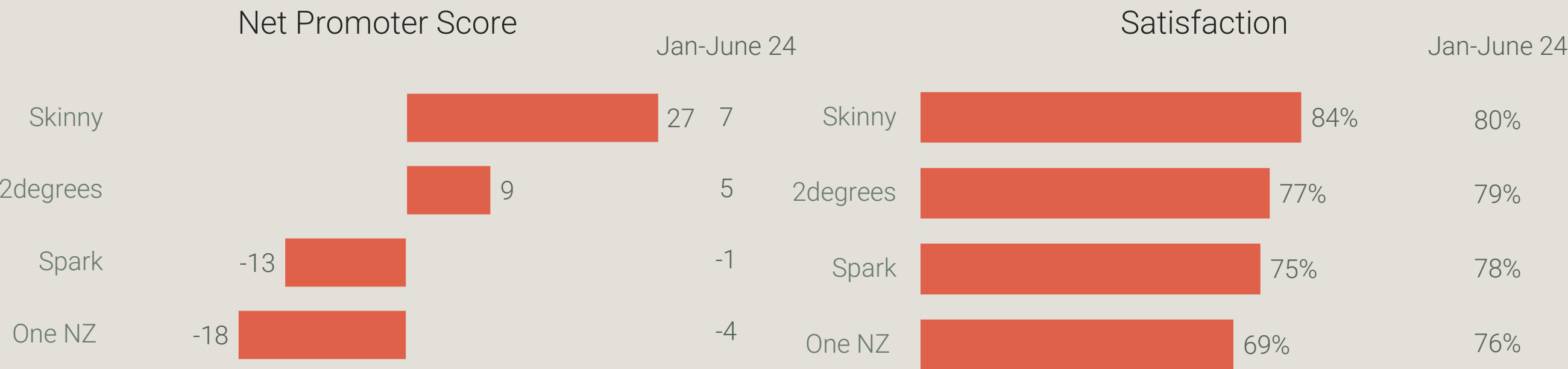
Considering your experience with your provider, how likely would you be to recommend them to a friend or family member? (Scale 0-10)
Overall, how satisfied or dissatisfied are you with your provider for your broadband/ household internet service / mobile service? Please take into account their products and services, as well as your experience of dealing with them. (Scale 1-5)
Base: Jul-Dec 2024 Broadband provider Population=758, Mobile provider Population=807.

NPS and satisfaction by provider

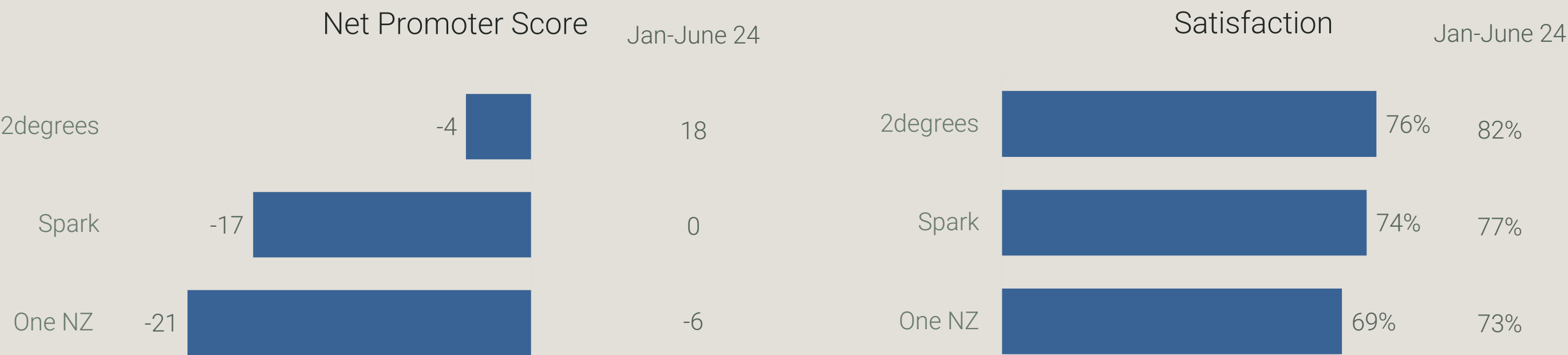
Skinny and 2degrees have positive NPS scores for mobile; all broadband providers post negative NPS scores. Only Skinny Mobile exceeds the favourable threshold of +20. Provider scores for NPS and Satisfaction have declined.



Mobile



Broadband



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: July-Dec 2024 Spark mobile customers n=236, One NZ mobile customers n=273, 2degrees mobile customers n=176, Skinny mobile customers n=68.
Spark broadband customers n=212, One NZ broadband customers n=211, 2degrees broadband customers n=126.

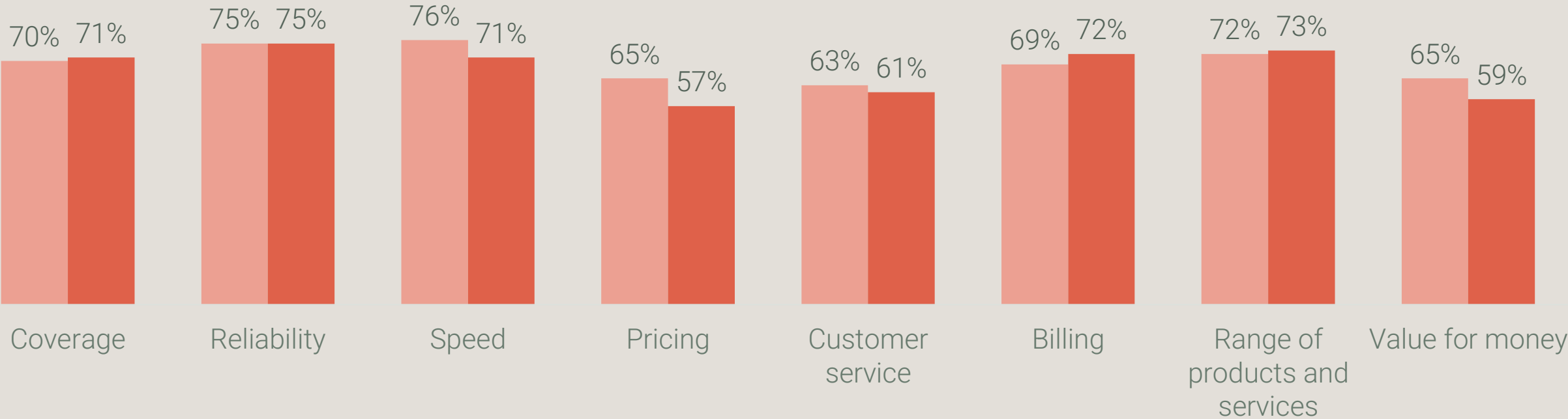
Satisfaction

(rating 4-5 on 5 point scale)

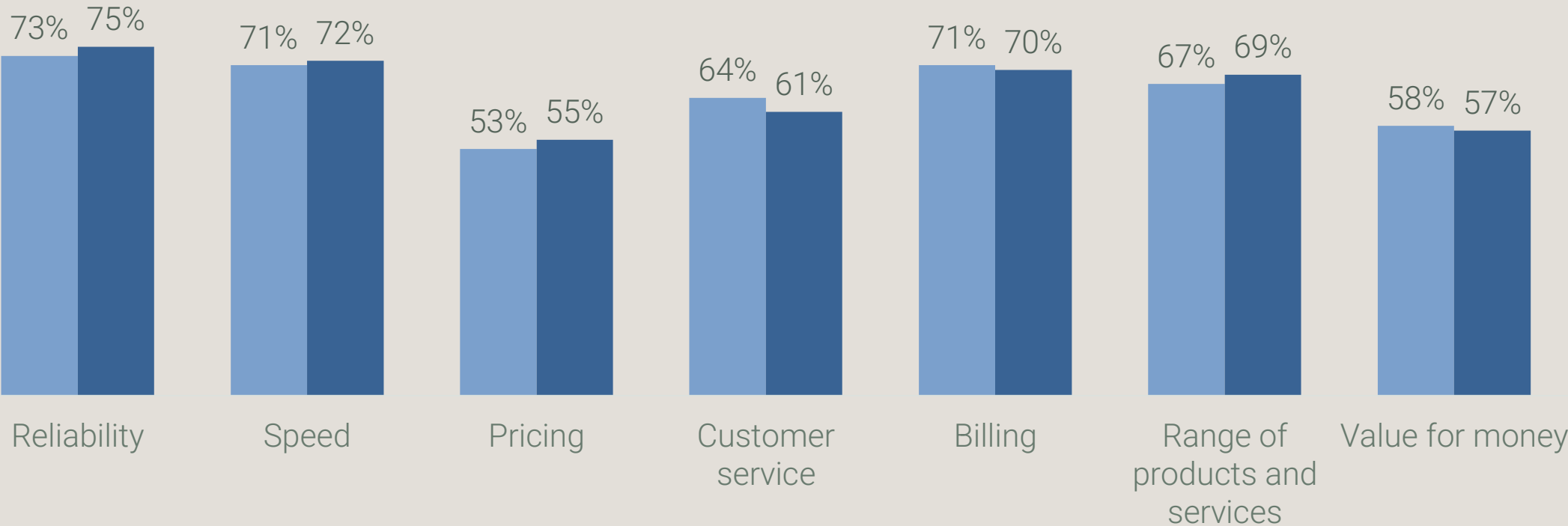
Providers receive low scores for value for money, customer service and pricing among both broadband and mobile SME customers. All aspects of mobile and broadband satisfaction fall below the favourable threshold of 80%.



Mobile
Satisfaction
74%



Broadband
Satisfaction
72%



How satisfied are you with %“Mobile-Provider”% for your mobile service in relation to the following aspects?
How satisfied are you with %“Broadband-Provider”% for your broadband service in relation to the following aspects?
Base: Jul-Dec 2024 Broadband provider Population=758, Mobile provider Population=807.

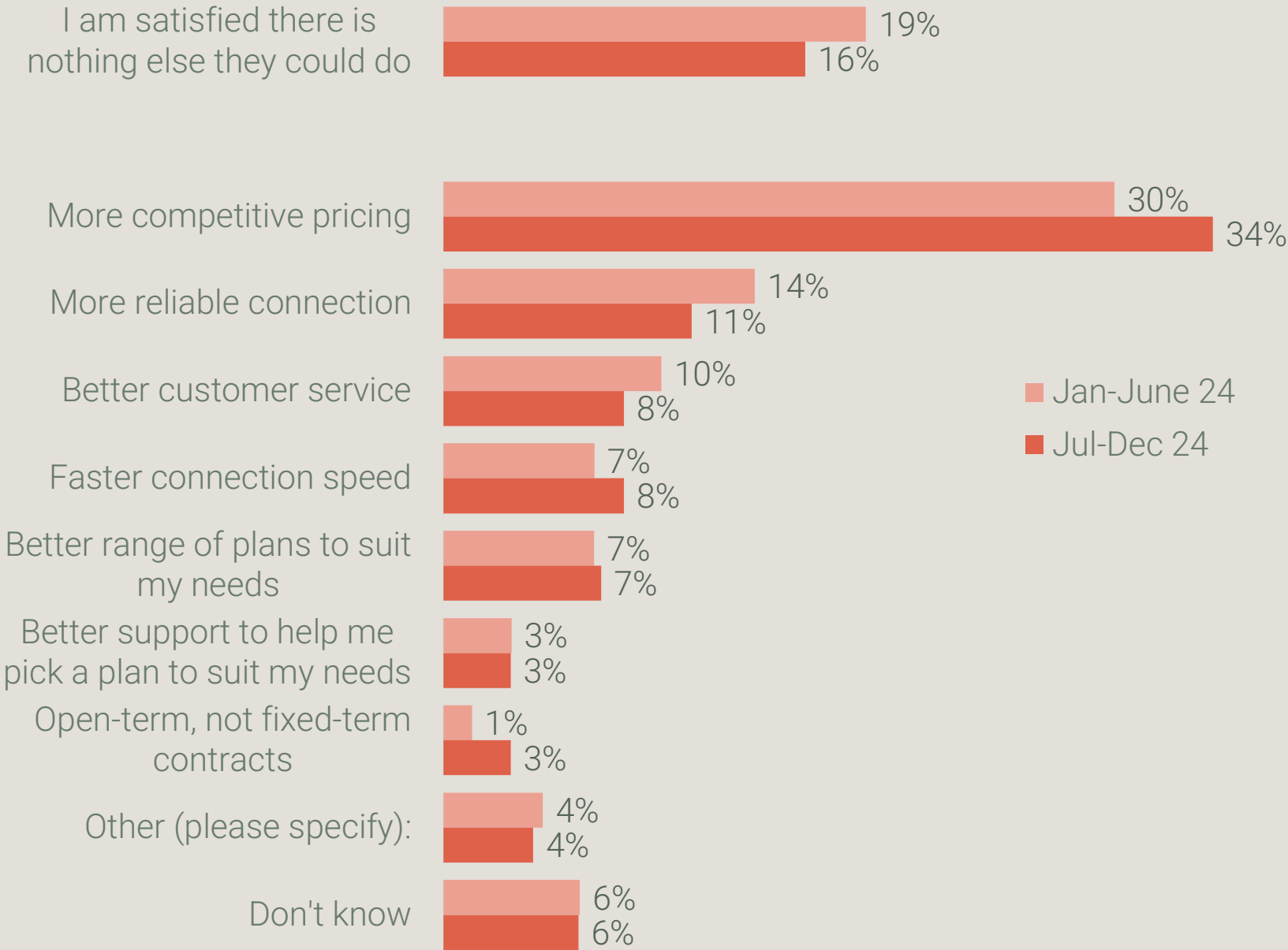
How to improve provider satisfaction

When prompted, 34% of mobile customers and 35% of broadband customers cite more competitive pricing as the one thing their provider could do to improve service.



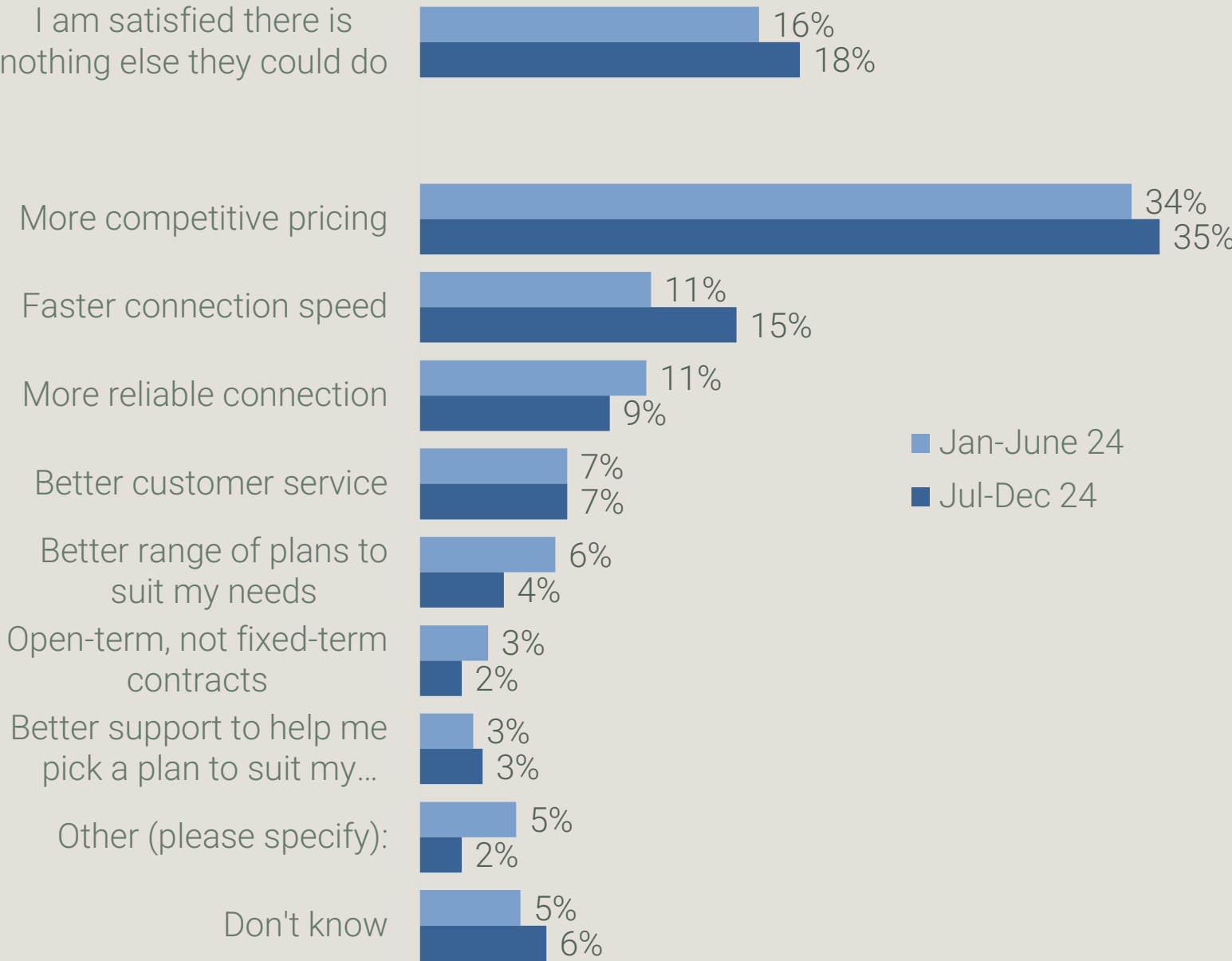
Mobile Satisfaction

74%



Broadband Satisfaction

72%



What is the one thing %"Mbl-Provider%" as your mobile provider would have to provide for you to increase your 'overall satisfaction' score?
What is the one thing %"BB-Provider%" as your broadband provider would have to provide for you to increase your 'overall satisfaction' score?
Base: Jul-Dec 2024 Broadband provider Population=758, Mobile provider Population=807.



 **INSIGHTS HQ**

SME Insights

Billing

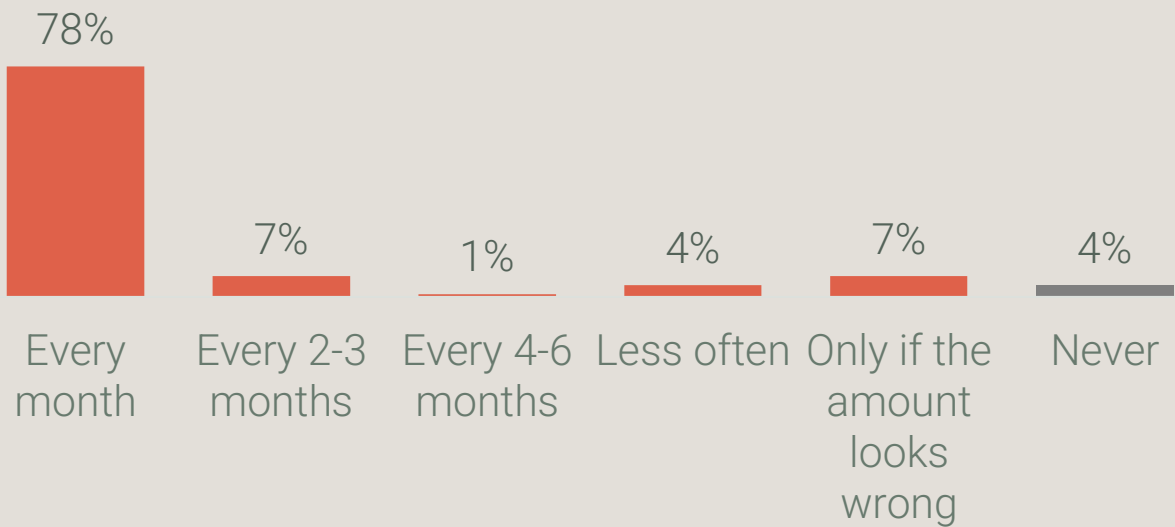
Billing comprehension

Of those who read their bill, the majority (72% - 74%) find the bill easy to understand.

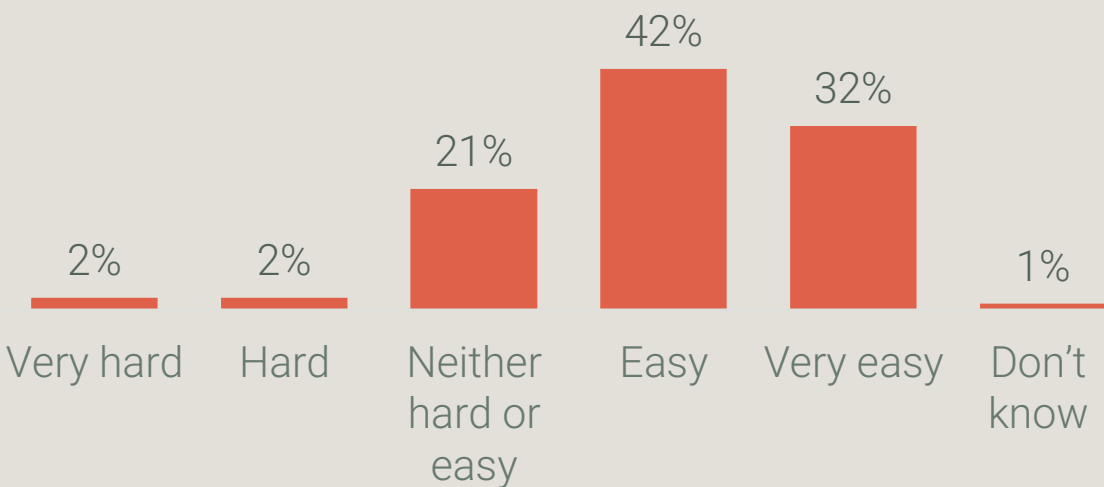


Mobile

How often read bill

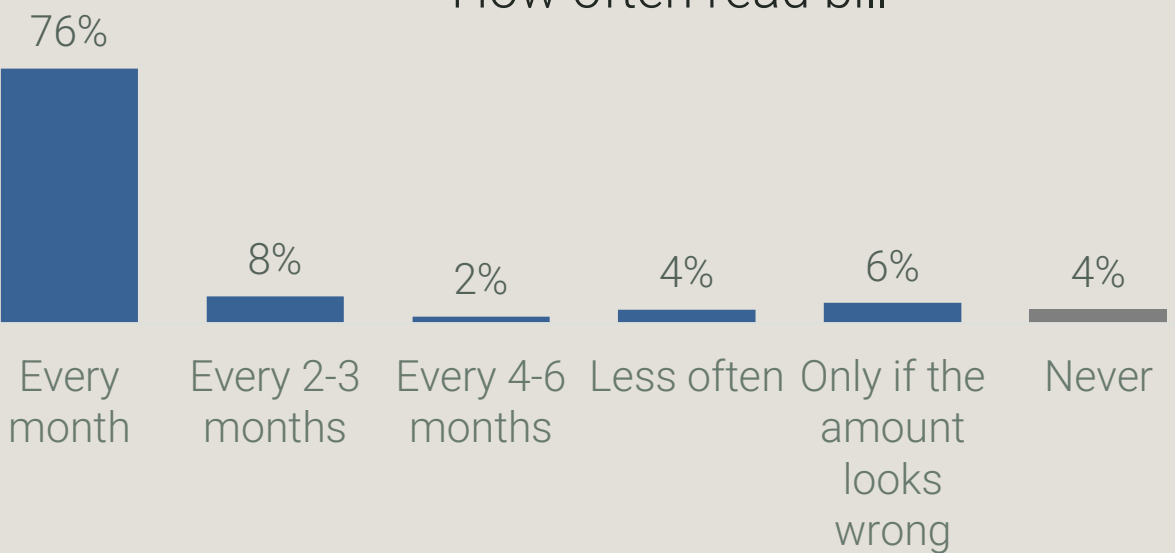


Billing comprehension

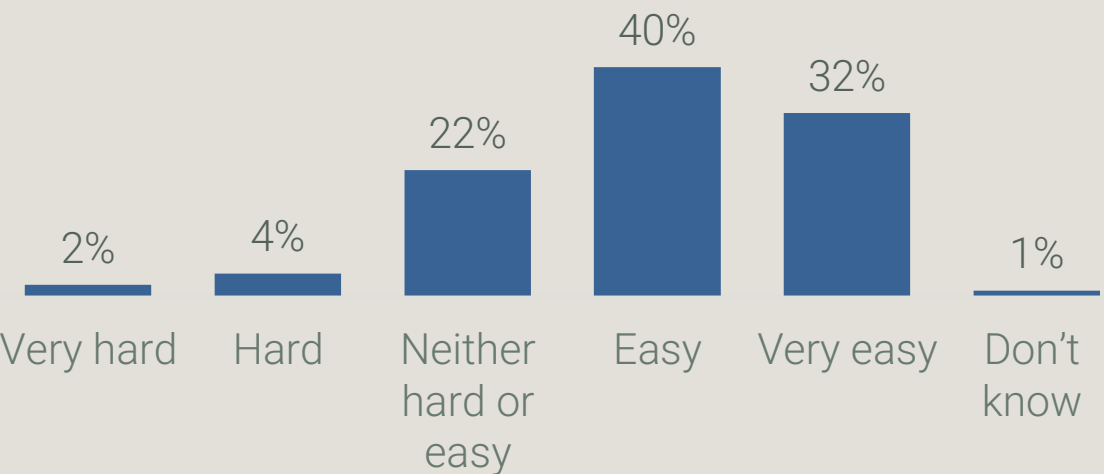


Broadband

How often read bill



Billing comprehension





 **INSIGHTS HQ**

SME Insights

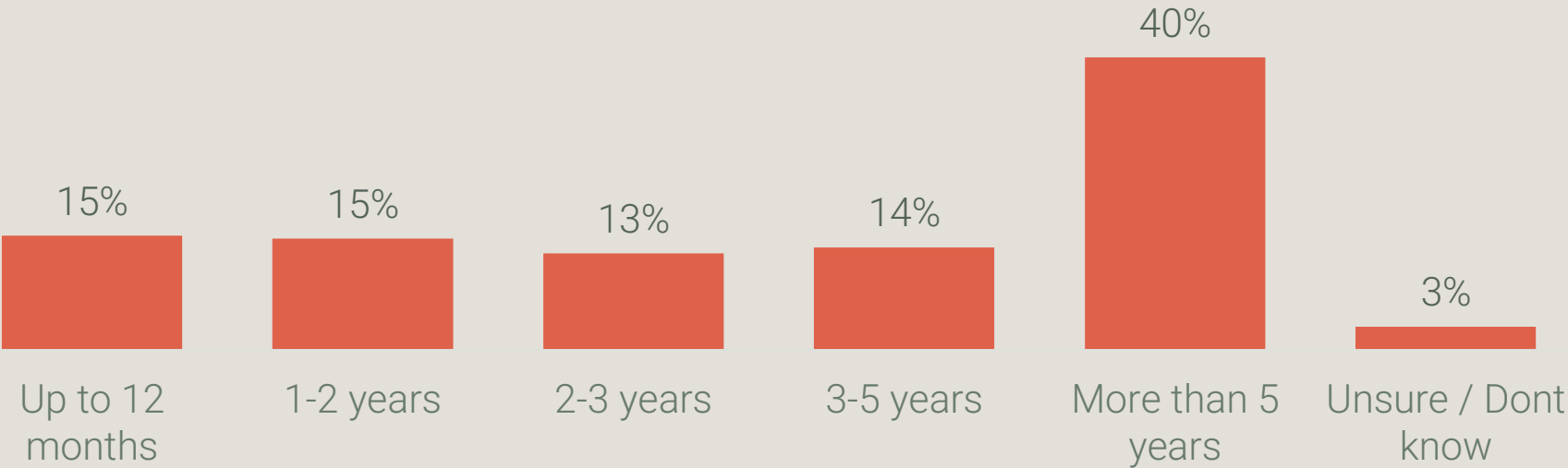
Tenure and Switching Behaviour

Tenure

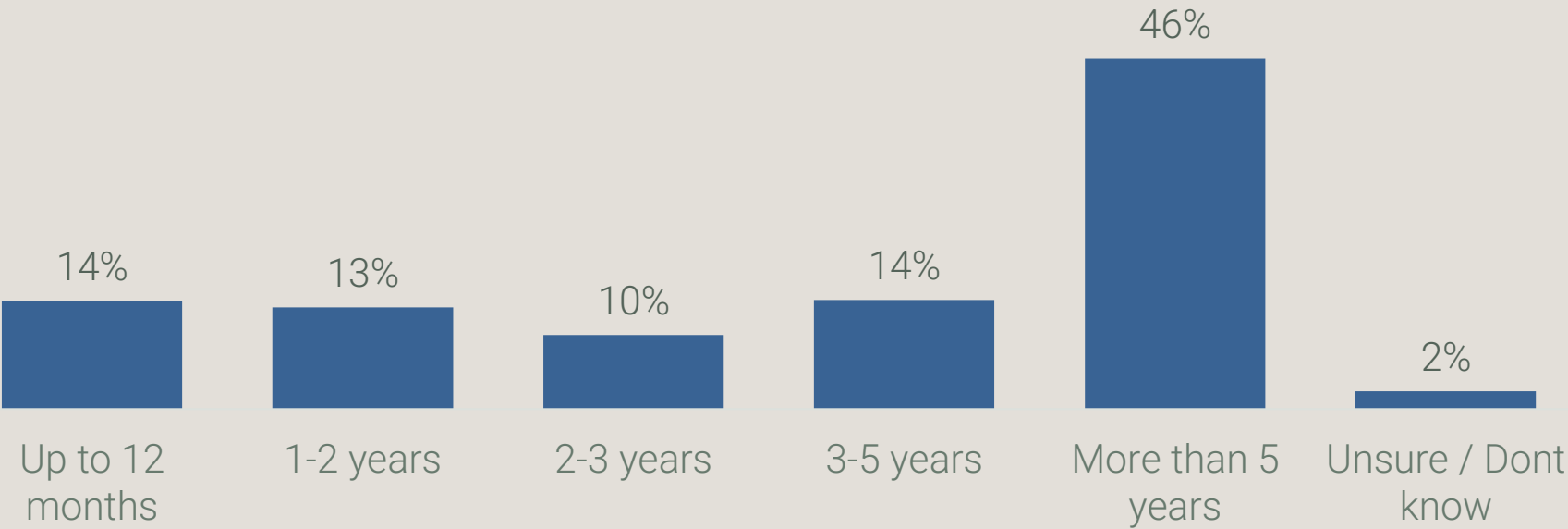
Tenure is similar among mobile and broadband customers, although 46% of broadband customers have been with their provider for more than 5 years compared to 40% of mobile customers.



Mobile



Broadband

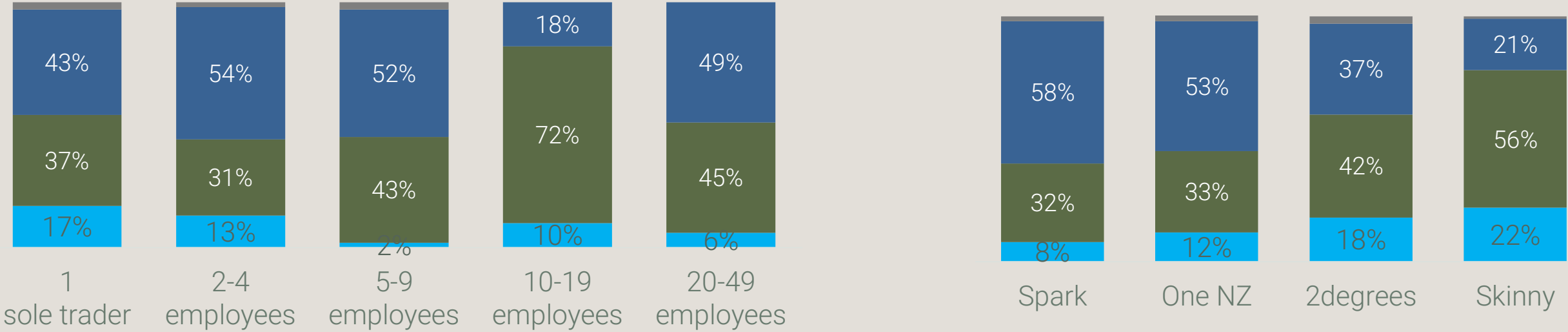


Tenure

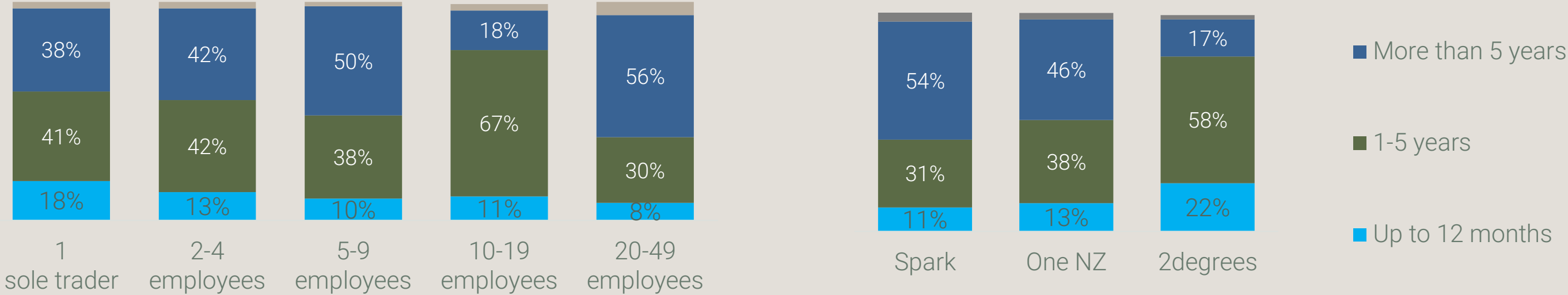
Mobile and broadband provider tenure does not correlate strongly with business size.
Spark and One NZ have the longest tenure customers, 2degrees have shorter tenure customers in broadband.



Mobile



Broadband



Switching plans with same provider

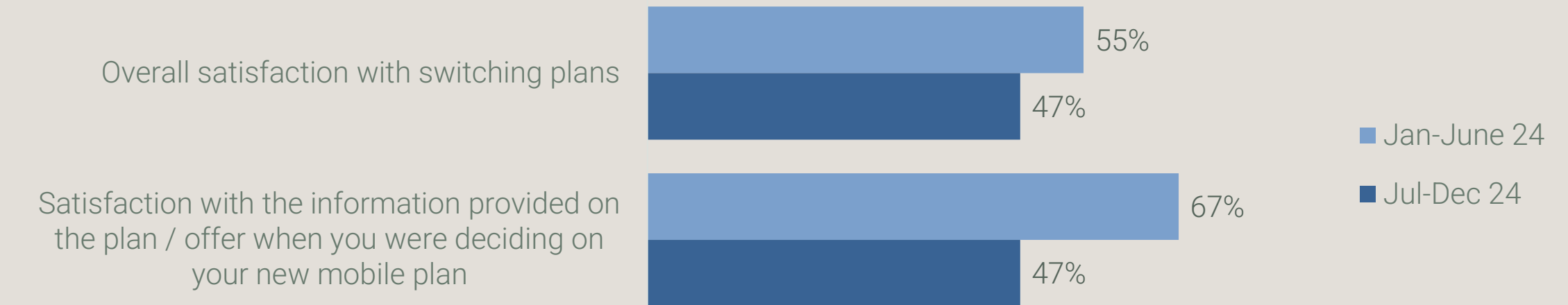
Switching mobile and broadband plans with the same provider is low. We see declines in overall satisfaction with switching mobile and the information provided when switching broadband.



14%
switched mobile plans in last 12 months



9%
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: Jul-Dec 2024 Broadband provider Population=758, Mobile provider Population=807.
Base: Jul-Dec 2024 Switched Broadband plan with same provider =68, Switched Mobile plan with same provider=109.

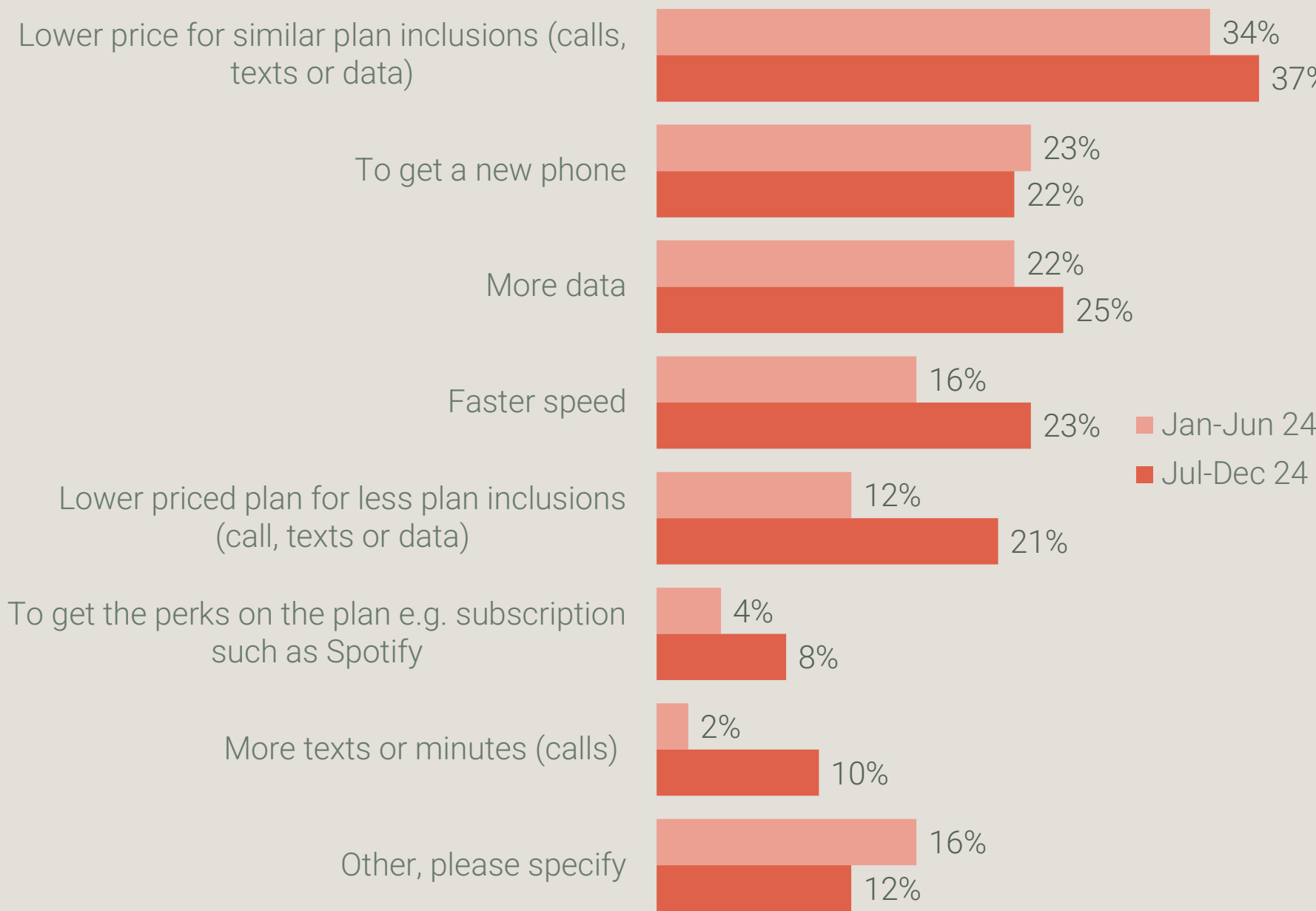
Reasons for switching plans with same provider

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



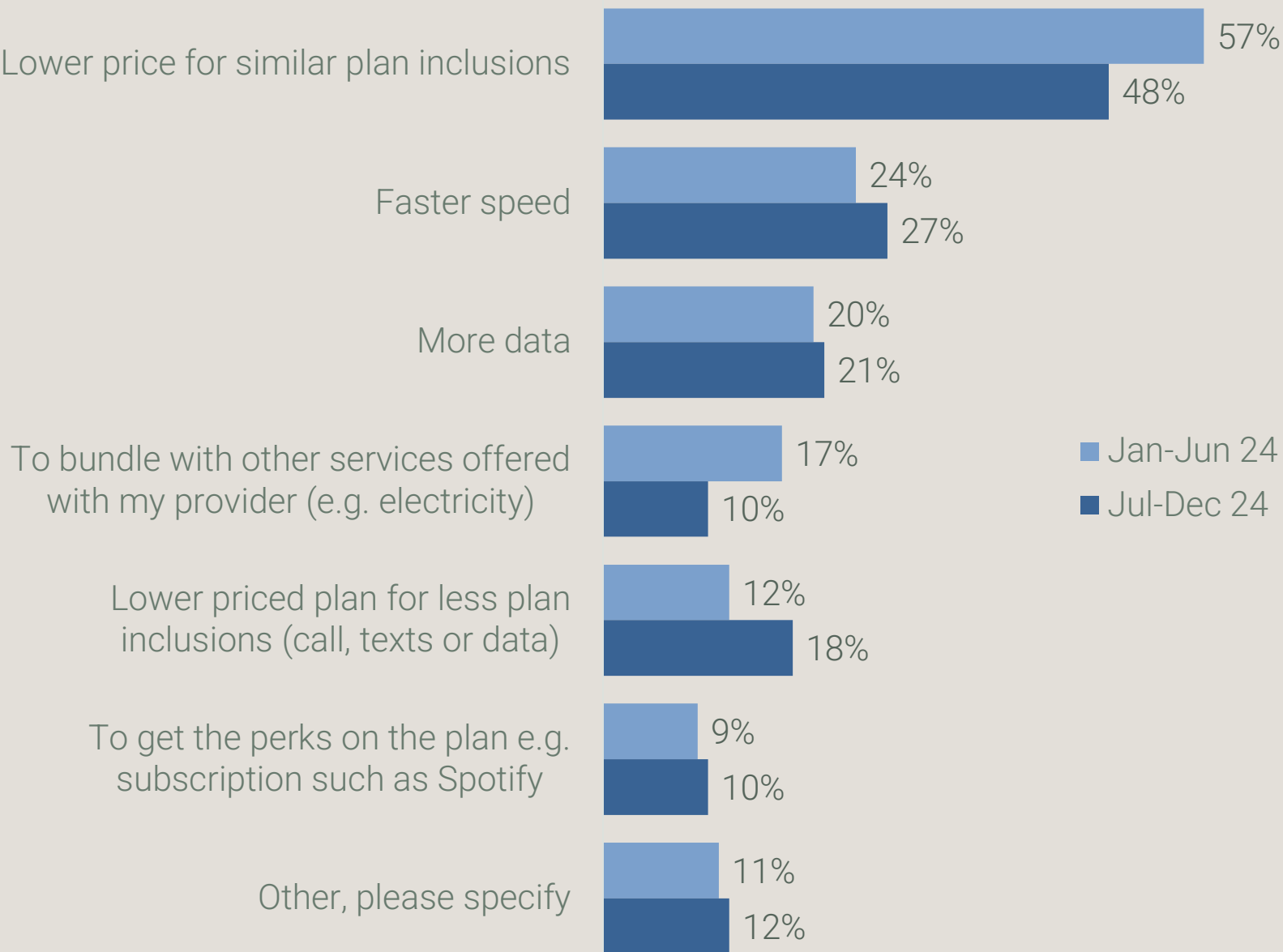
14%

switched mobile plans in last 12 months



9%

switched broadband plans in last 12 months



Switching provider

8% of broadband consumers switched broadband provider and 7% switched mobile provider in the last 12 months. Overall satisfaction with switching fails to meet the 80% satisfaction benchmark for both mobile and broadband.



7%
switched **mobile**
provider in
last 12 months

(10% switched provider in Jan-June 2024)

Overall satisfaction with switching plans



76%

Satisfaction with the information
provided on the plan / offer when you
were deciding on your new mobile plan



79%



8%
switched **broadband**
provider in
last 12 months

(12% switched provider in Jan-June 2024)

Overall satisfaction with switching
plans



69%

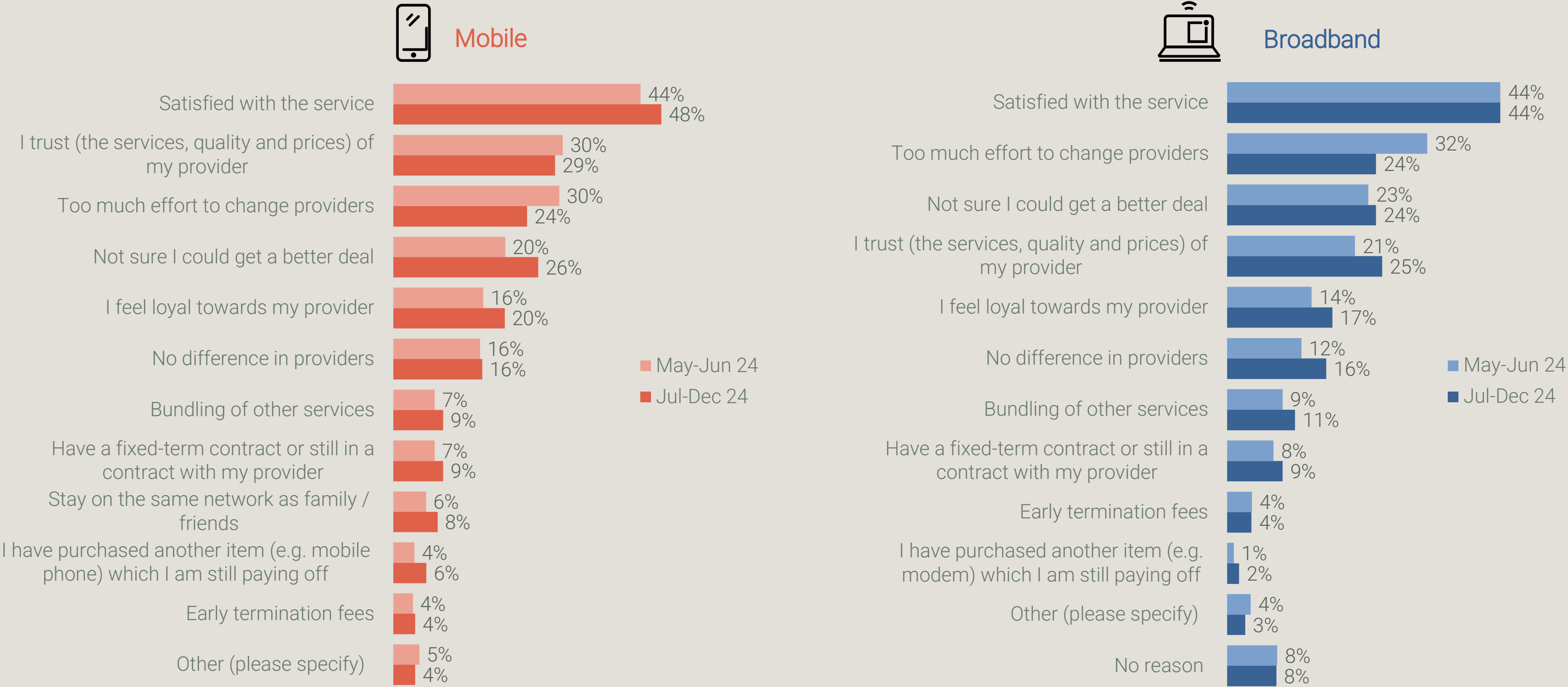
Satisfaction with the information
provided on the plan / offer when
you were deciding on your new
broadband plan



66%

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.



Reasons for leaving provider

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



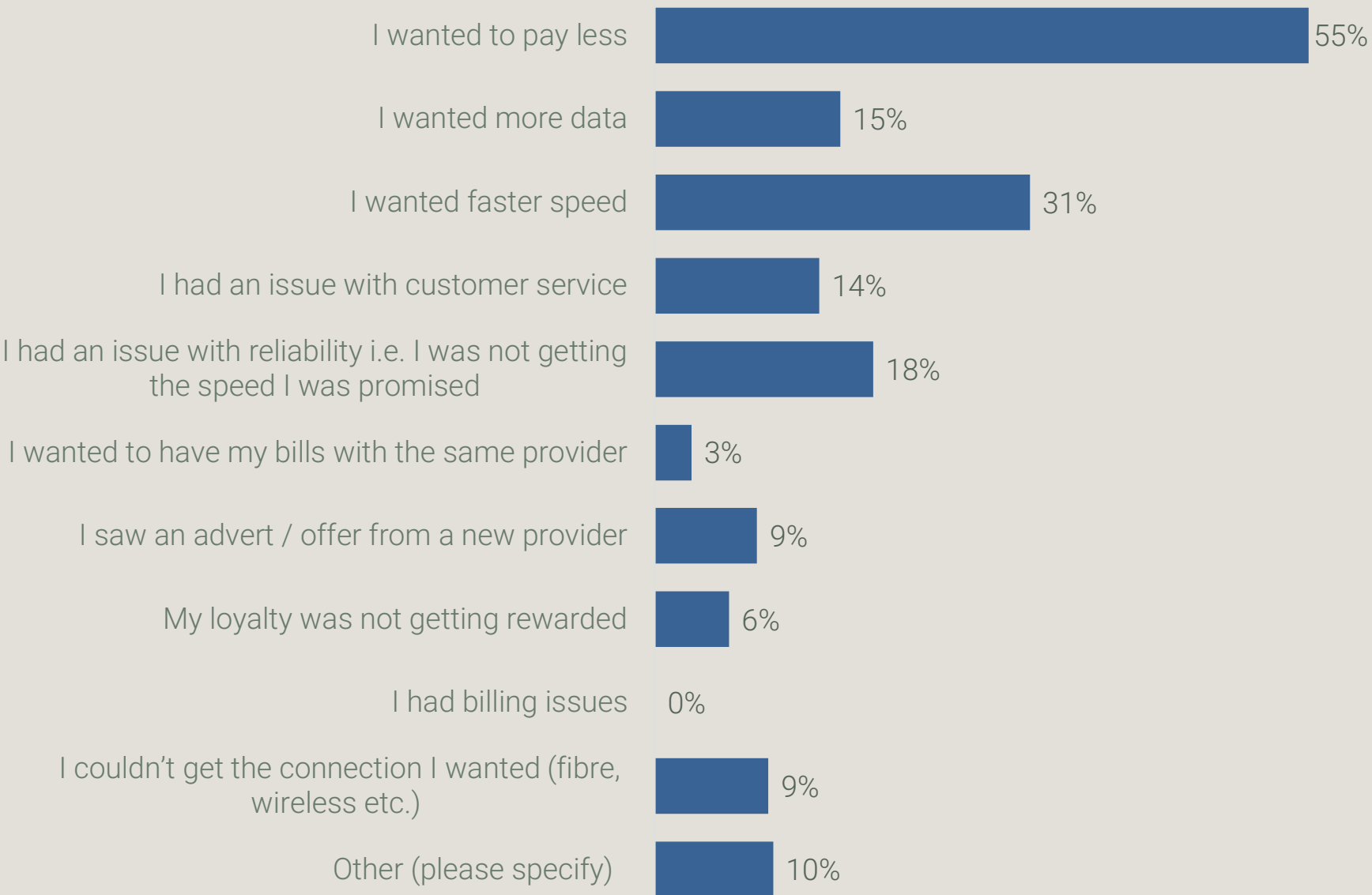
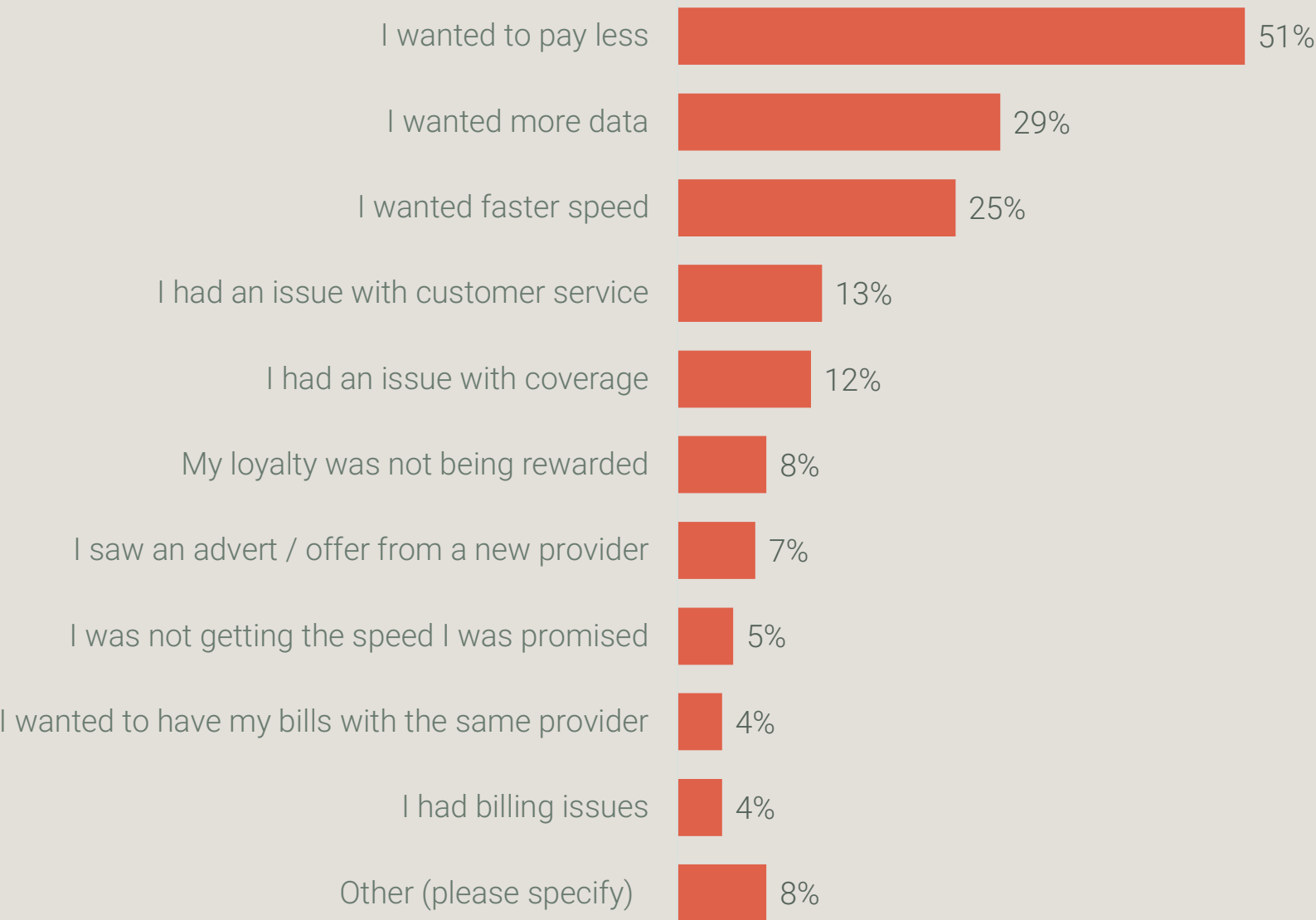
7%

switched **mobile** provider in last 12 months
(10% switched provider in Jan-June 2024)



8%

switched **broadband** provider in last 12 months
(12% switched provider in Jan-June 2024)



**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

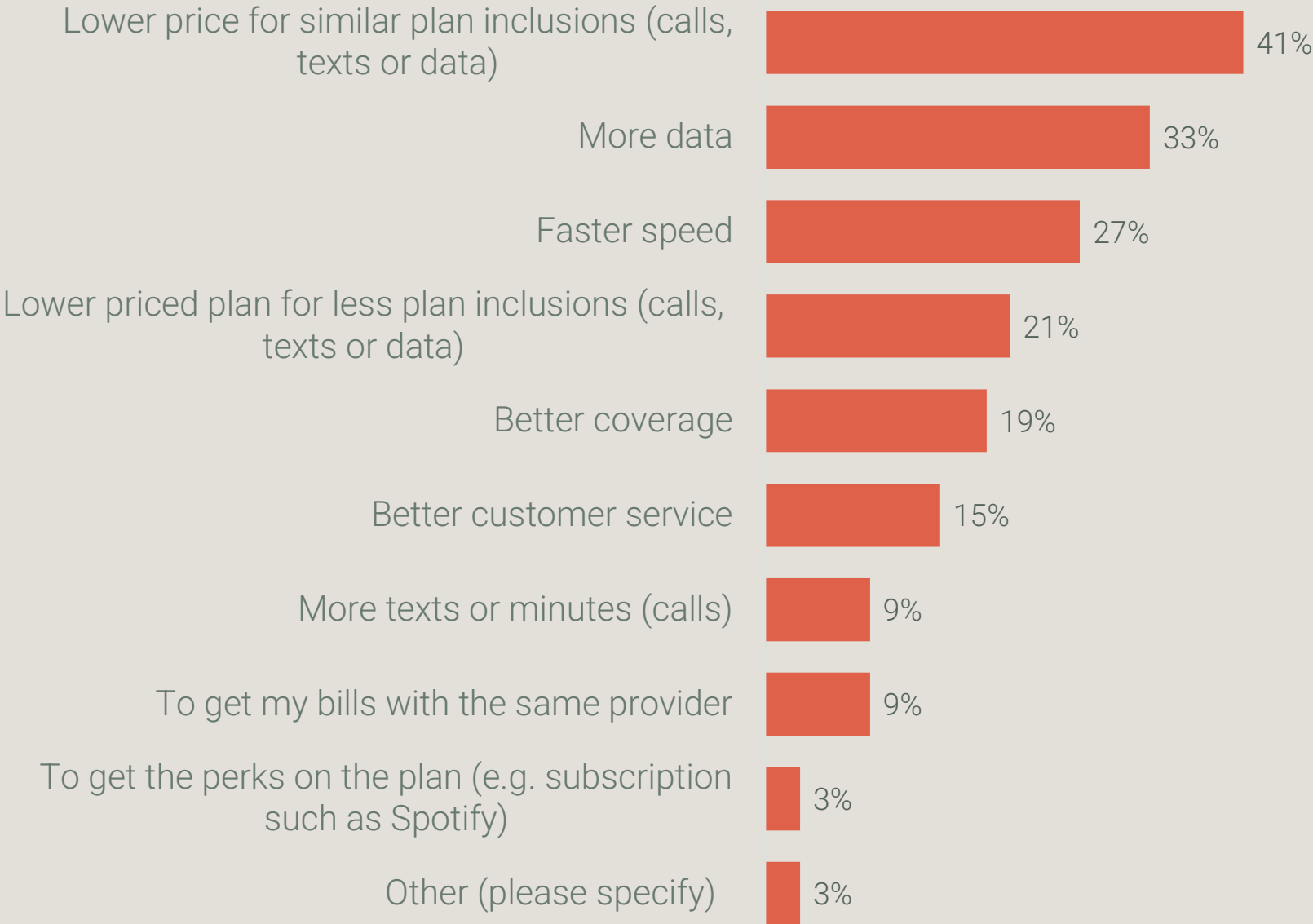
Reasons for choosing new provider

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.



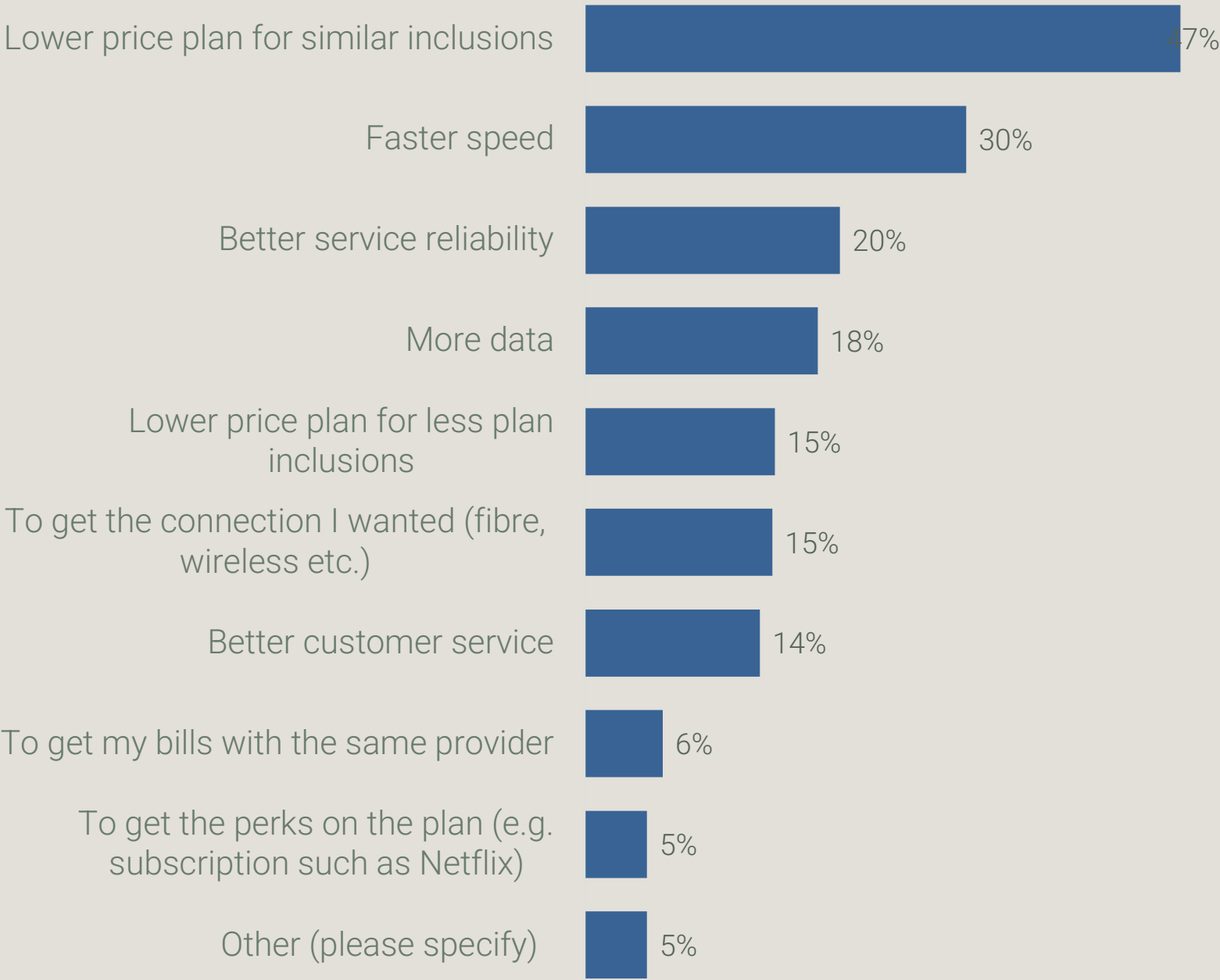
7%

switched **mobile** provider in last 12 months
(10% switched provider in Jan-June 2024)



8%

switched **broadband** provider in last 12 months
(12% switched provider in Jan-June 2024)



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

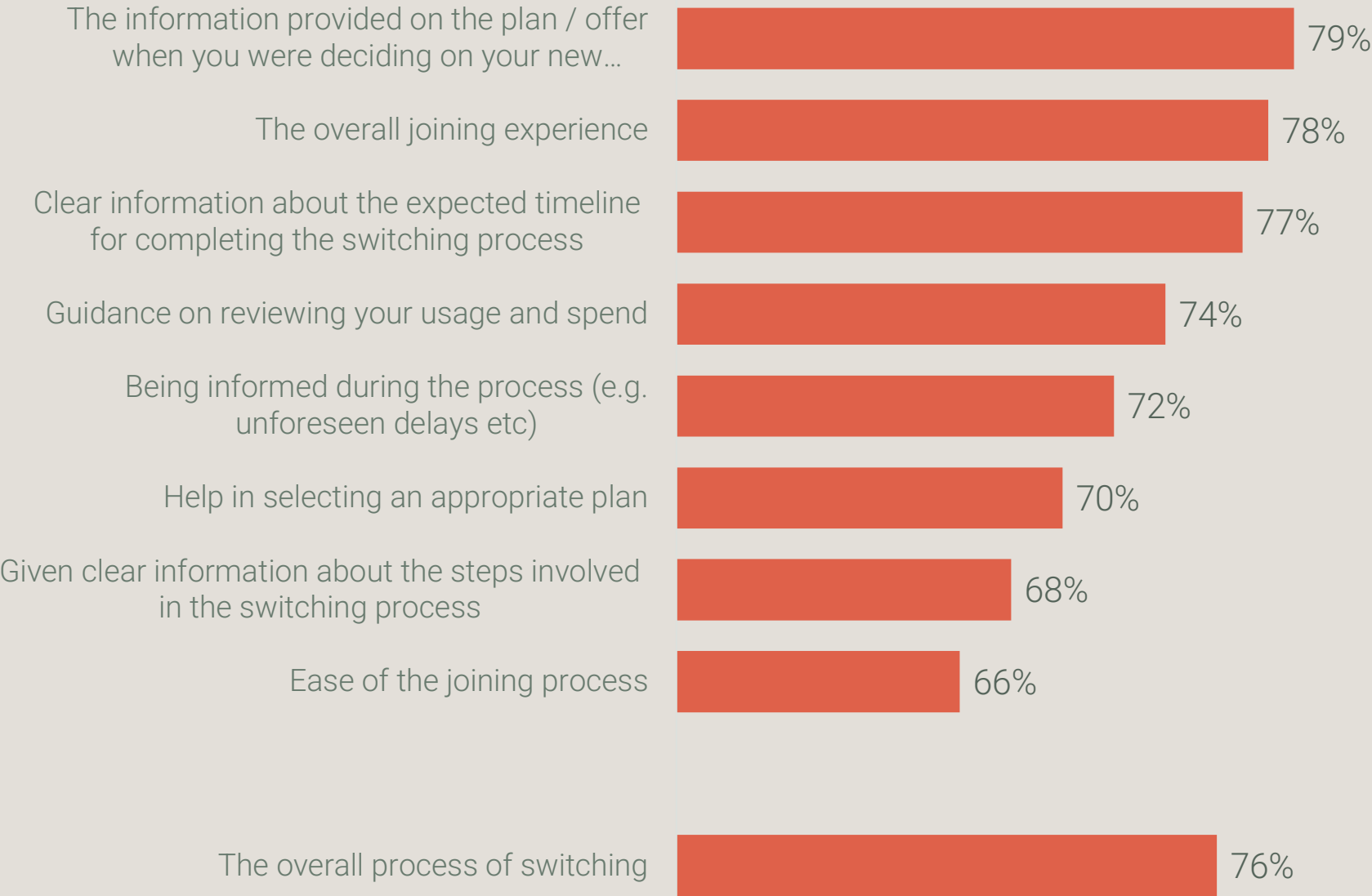
Satisfaction when joining new provider

Satisfaction with mobile and broadband fails to meet the favourable threshold across all aspects of the joining experience.



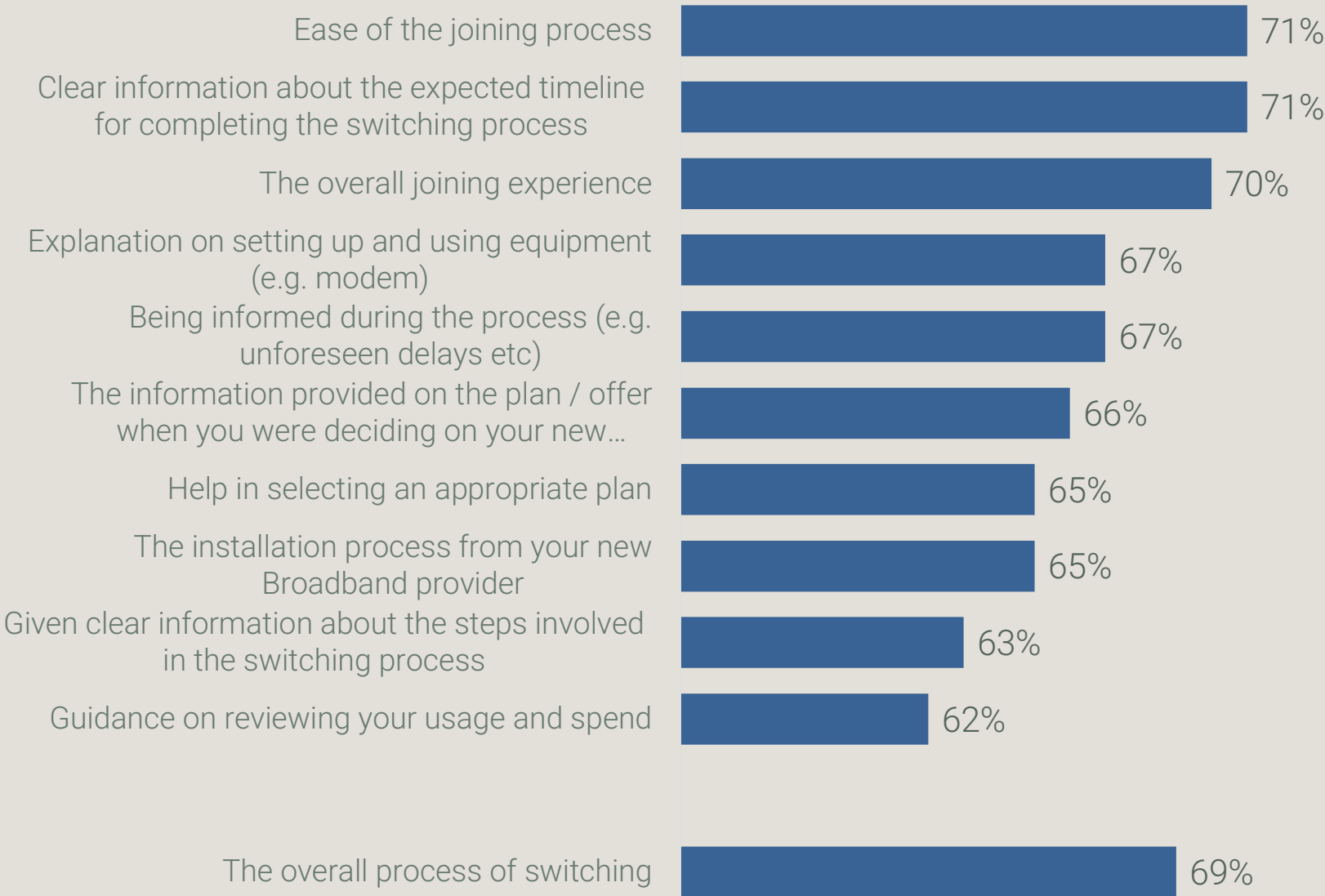
7%

switched **mobile** provider in last 12 months
(10% switched provider in Jan-June 2024)



8%

switched **broadband** provider in last 12 months
(12% switched provider in Jan-June 2024)





SME Insights

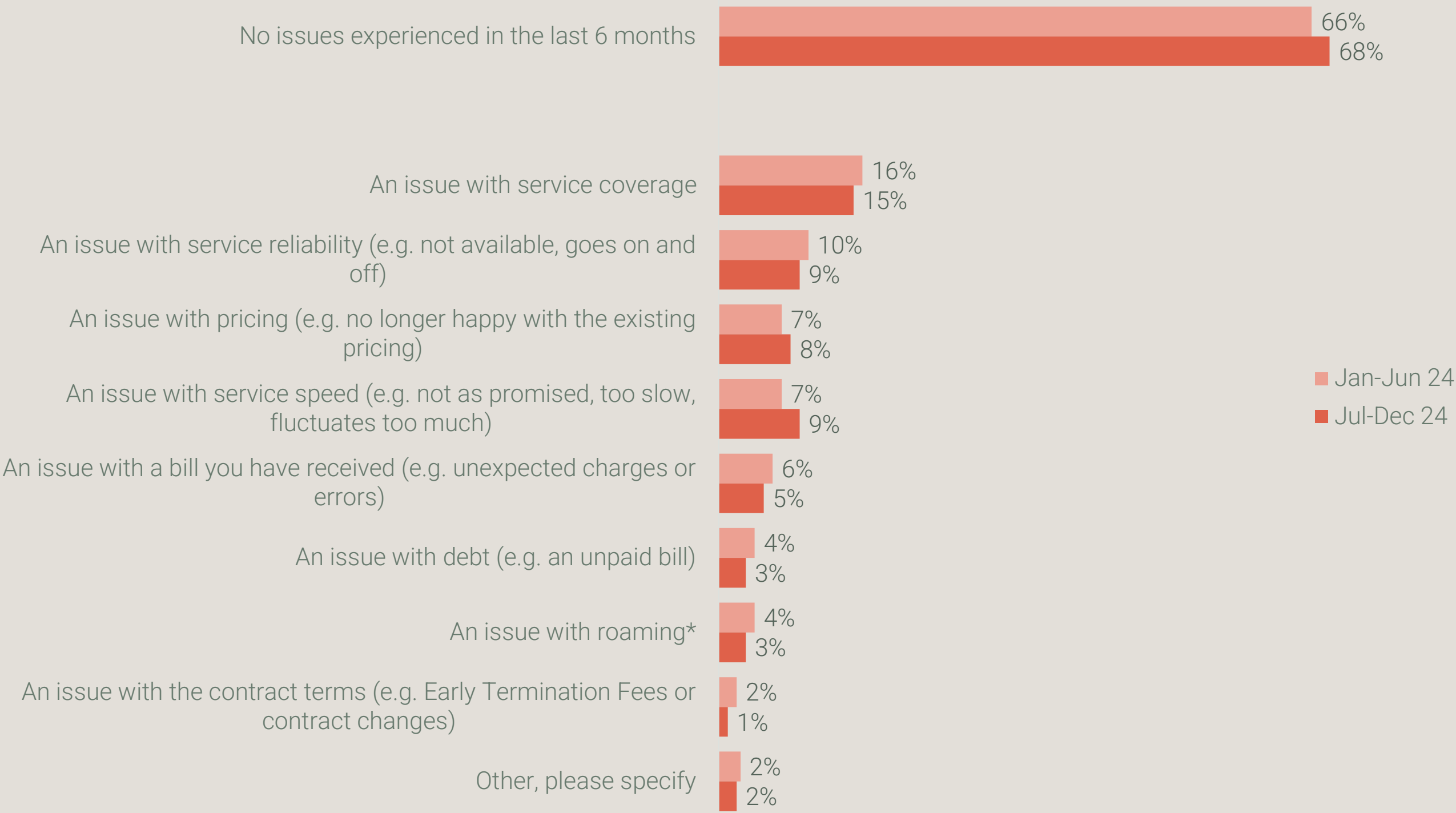
Issues and Response

Mobile Issues

The most common issues experienced with mobile is service coverage.



35%
of Mobile customers have
experienced an issue with
their mobile service in the
past 6 months



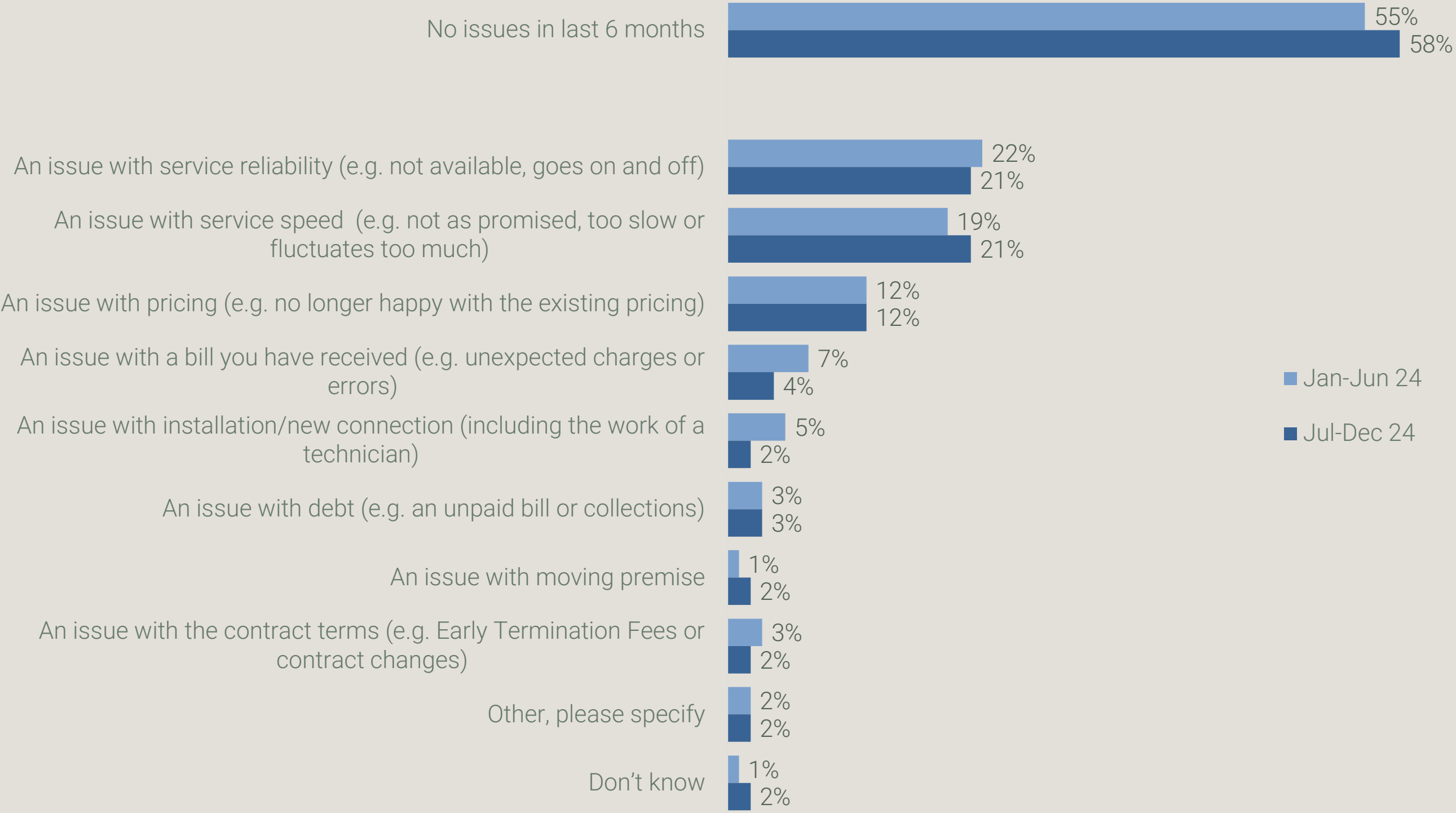
In the last 6 months, have you experienced any of the following issues with your mobile service?
Base: Jul-Dec 2024 Mobile provider Population=807.

Broadband Issues

42% of consumers have had issues with their broadband services in the last six months.



42%
of broadband customers
have experienced an issue
with their broadband
internet service in the
past 6 months



Thank you

Insights HQ