

Customer satisfaction with AT&T, T-Mobile drops

May 17 2011, By PETER SVENSSON , AP Technology Writer

(AP) -- Sprint Nextel Corp., once dead last in customer satisfaction among the Big 4 national wireless carriers, now has the happiest subscribers, along with long-time leader Verizon Wireless, according to a survey released Tuesday.

The American Customer Satisfaction Index also shows tentative declines in customer satisfaction at the other two big carriers, AT&T Inc. and T-Mobile USA. That comes as AT&T has agreed to buy T-Mobile USA for \$39 billion in a deal that could close next year.

The acquisition could make AT&T and [T-Mobile](#) customers even less happy. Claes Fornell, professor of Business Administration at the University of Michigan and the designer of the ACSI survey, said it is common to find that customer satisfaction drops after a merger.

Cellphone-company mergers bring struggles to combine billing systems, customer support and other functions. Snags can frustrate consumers. One reason Sprint had the worst score in the industry for many years was its disastrous merger with Nextel in 2005.

Sprint and Verizon Wireless both rate a 72 for [customer satisfaction](#) in the ACSI survey, which polled 8,000 households in the first quarter. For Sprint, that's a big jump from a score of 56 three years ago, while Verizon's score has been steady. Sprint CEO Dan Hesse has made improvements in customer service a centerpiece of his turnaround plan for the troubled company.

Sprint's score includes subsidiaries Boost Mobile and Virgin Mobile, which sell plans without two-year contracts.

ACSI gave AT&T a score of 66, down from 69 last year. It's the company's worst score since 2006, the year before it started carrying the iPhone. It's the lowest-ranked of the four national carriers after being surpassed by Sprint last year.

T-Mobile's score was 70, down from 73 points last year.

Both declines are within the survey's three-point margin of error. T-Mobile's score is also within the margin of error of Sprint's and [Verizon Wireless](#)' scores.

T-Mobile's financial statements also hint that subscribers are unhappy, since they show an increase in "churn," or the percentage of subscribers leaving every month. It's the smallest of the four national carriers, and part of the reason it's selling itself to AT&T is that it's finding it hard to compete with the bigger ones.

AT&T customers, on the other hand, are more loyal than their low satisfaction score suggests, and have shown only a slight increase in their propensity to leave.

The very happiest wireless [subscribers](#) are those who get their service from smaller carriers like TracFone Wireless Inc. and U.S. Cellular Corp., according to ACSI. That category scored a 77 in the survey.

The survey was developed by the University of Michigan but is now run by a private company, ACSI LLC.

©2011 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Customer satisfaction with AT&T, T-Mobile drops (2011, May 17) retrieved 25 April 2024 from <https://phys.org/news/2011-05-customer-satisfaction-att-t-mobile.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.