2017 CONNECTED SUBSCRIBER REPORT

Insights into the Expectations of Today’s Mobile and Cable Subscribers
Introduction

Based on responses from more than 2,210 U.S. adults, among whom 2,067 were mobile phone owners and 1,703 were cable subscribers, the research conducted online by Harris Poll in February 2017 found differences in the ways that customers prefer to shop and purchase services from communications service providers (CSPs). In addition, the research indicates that many Americans distrust their wireless and cable providers. However, CSPs have the opportunity to improve customer perceptions by delivering new services such as over-the-top (OTT) content, simplifying billing and streamlining the on-boarding process.

Base: U.S. adults
Which of the following types of mobile devices, if any, do you own and use? Please select all that apply.

<table>
<thead>
<tr>
<th>Mobile Device(s)</th>
<th>Total</th>
<th>Millennials (18-34)</th>
<th>Generation X (35-54)</th>
<th>Baby Boomers (55+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smartphone</td>
<td>81%</td>
<td>92%</td>
<td>86%</td>
<td>68%</td>
</tr>
<tr>
<td>Standard Mobile Phone</td>
<td>22%</td>
<td>18%</td>
<td>18%</td>
<td>28%</td>
</tr>
<tr>
<td>Tablet</td>
<td>58%</td>
<td>61%</td>
<td>64%</td>
<td>50%</td>
</tr>
<tr>
<td>eReader</td>
<td>19%</td>
<td>21%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>Other Mobile Device(s)</td>
<td>6%</td>
<td>10%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>None</td>
<td>3%</td>
<td>1%</td>
<td>2%</td>
<td>6%</td>
</tr>
</tbody>
</table>
I. Shopping for Wireless Carriers and Cable Providers

More than one-third (37%) of those American mobile phone owners shopping for wireless carriers began their purchasing processes by researching devices in store, and well over half (59%) chose to complete their purchases processes in physical locations. Leading reasons for making purchases in-store included being able to pick up products the same day (59%), consult store associates and get questions answered (56%) and desire to experience products firsthand (44%).

Cable subscribers, on the other hand, are more apt to start (34%) and finish (46%) the cable purchase process via phone calls to providers’ contact centers.

Base: Mobile phone owners
When shopping for a wireless carrier/mobile phone, where did you start your purchase process (i.e., first begin to research a wireless carrier/mobile phone)? Please think of the most recent time you shopped for a wireless carrier/new phone when answering this question.

<table>
<thead>
<tr>
<th>Option</th>
<th>All</th>
<th>Millennials (18-34)</th>
<th>Generation X (35-54)</th>
<th>Baby Boomers (55+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-store</td>
<td>37%</td>
<td>36%</td>
<td>34%</td>
<td>41%</td>
</tr>
<tr>
<td>Carrier's website</td>
<td>29%</td>
<td>26%</td>
<td>25%</td>
<td>35%</td>
</tr>
<tr>
<td>Phone brand website</td>
<td>10%</td>
<td>15%</td>
<td>12%</td>
<td>6%</td>
</tr>
<tr>
<td>Phone call to a contact center for more info</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Social media channel(s)</td>
<td>2%</td>
<td>4%</td>
<td>2%</td>
<td>0%</td>
</tr>
</tbody>
</table>

N/A – I have never shopped for a wireless carrier/mobile phone (i.e., someone else did/does this for me).
Despite the growth of digital technologies, brick-and-mortar stores remain an important channel in the customer purchase journey, especially for mobile subscribers.

**Base: Mobile phone owners**

When shopping for a wireless carrier/mobile phone, where did you complete the purchase process (i.e., actually buy the phone/service)?

<table>
<thead>
<tr>
<th>Channel</th>
<th>All</th>
<th>Millennials (18-34)</th>
<th>Generation X (35-54)</th>
<th>Baby Boomers (55+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-store</td>
<td>59%</td>
<td>54%</td>
<td>58%</td>
<td>62%</td>
</tr>
<tr>
<td>Carrier’s website</td>
<td>18%</td>
<td>20%</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Phone brand website</td>
<td>6%</td>
<td>9%</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Phone call to a contact center</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>6%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>Don’t remember</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>N/A — I have never shopped</td>
<td>6%</td>
<td>8%</td>
<td>4%</td>
<td>6%</td>
</tr>
</tbody>
</table>
I. Shopping for Wireless Carriers and Cable Providers

Mobile subscribers rely on in-store associates for support – so training is key.

Base: Mobile phone owners who purchased in-store
Why did you choose to go into the store for purchase? Check all that apply.

- I wanted to pick up the product that same day: 59% All, 55% Millennials (18-34), 60% Generation X (35-54), 60% Baby Boomers (55+)
- I wanted to consult with the store associate and get answers to my questions: 56% All, 46% Millennials (18-34), 50% Generation X (35-54), 69% Baby Boomers (55+)
- I wanted to experience the products first hand: 44% All, 40% Millennials (18-34), 44% Generation X (35-54), 45% Baby Boomers (55+)
- I wanted to feel more confident before I decided to buy: 36% All, 34% Millennials (18-34), 33% Generation X (35-54), 9% Baby Boomers (55+)
- I don’t like making purchases online: 8% All, 7% Millennials (18-34), 8% Generation X (35-54), 12% Baby Boomers (55+)
- I had a coupon/offer from the retail store: 9% All, 9% Millennials (18-34), 5% Generation X (35-54), 5% Baby Boomers (55+)
- Other: 3% All, 2% Millennials (18-34), 2% Generation X (35-54), 4% Baby Boomers (55+)

Salesforce Research 2017 Connected Subscriber Report
I. Shopping for Wireless Carriers and Cable Providers

Base: U.S. adults
Are you subscribed to a cable provider (e.g., Verizon, Comcast, Time Warner), either for TV service or internet use? Check all that apply.

- Yes, for TV
  - All: 64%
  - Millennials (18-34): 58%
  - Generation X (35-54): 62%
  - Baby Boomers (55+): 70%
- Yes, for internet
  - All: 67%
  - Millennials (18-34): 63%
  - Generation X (35-54): 65%
  - Baby Boomers (55+): 71%
- No, I did in the past, but have "cut the cord" (i.e., cancelled my subscription with a cable provider)
  - All: 11%
  - Millennials (18-34): 11%
  - Generation X (35-54): 13%
  - Baby Boomers (55+): 8%
- No, and I never have
  - All: 9%
  - Millennials (18-34): 8%
  - Generation X (35-54): 8%
  - Baby Boomers (55+): 10%
- Don't know
  - All: 2%
  - Millennials (18-34): 3%
  - Generation X (35-54): 2%
  - Baby Boomers (55+): 1%
I. Shopping for Wireless Carriers and Cable Providers

*Base: Cable subscribers*

When shopping for your cable provider, where did you start your purchase process?

- **Phone call to a contact center for more information**
  - All: 34%
  - Millennials (18-34): 24%
  - Generation X (35-54): 35%
  - Baby Boomers (55+): 41%

- **Cable provider website**
  - All: 26%
  - Millennials (18-34): 28%
  - Generation X (35-54): 35%
  - Baby Boomers (55+): 18%

- **In-person at cable provider store**
  - All: 12%
  - Millennials (18-34): 7%
  - Generation X (35-54): 17%
  - Baby Boomers (55+): 10%

- **Social media channel(s) for cable provider**
  - All: 3%
  - Millennials (18-34): 7%
  - Generation X (35-54): 2%
  - Baby Boomers (55+): 1%

- **Other**
  - All: 12%
  - Millennials (18-34): 8%
  - Generation X (35-54): 8%
  - Baby Boomers (55+): 3%

- **Don't remember**
  - All: 12%
  - Millennials (18-34): 8%
  - Generation X (35-54): 8%
  - Baby Boomers (55+): 3%

- **N/A – I wasn’t involved in the process**
  - All: 9%
  - Millennials (18-34): 7%
  - Generation X (35-54): 15%
  - Baby Boomers (55+): 7%
I. Shopping for Wireless Carriers and Cable Providers

Cable customers still heavily rely on assistance from the call center in finalizing their purchase decisions.

* indicates less than half a percent
Generational gaps emerge among mobile phone owners when it comes to issues they say they have experienced with their purchase process.

Millennials were three times more likely to cite additional or hidden fees emerging during the signup process (21%), and twice as likely to say it took too long to complete paperwork once their phones were purchased (17%) vs. their baby boomer counterparts (7% and 8%, respectively).

I. Shopping for Wireless Carriers and Cable Providers

* indicates less than half a percent
II. Trust in CSPs

A common problem among CSPs is securing customer loyalty and trust. Cable providers appear to struggle more than wireless carriers, with just 42% of cable subscribers strongly or somewhat agreeing that their providers have their best interests at heart, compared to more than half (54%) of mobile phone owners who feel the same of their wireless carriers.

**Base: Mobile phone owners**

I believe my wireless carrier has my best interests at heart.

- Strongly/somewhat agree: 54% (All), 59% (Millennials), 54% (Generation X), 52% (Baby Boomers)
- Strongly/somewhat disagree: 46% (All), 41% (Millennials), 46% (Generation X), 48% (Baby Boomers)

**Base: Cable subscribers**

I believe my cable provider has my best interests at heart.

- Strongly/somewhat agree: 42% (All), 57% (Millennials), 42% (Generation X), 33% (Baby Boomers)
- Strongly/somewhat disagree: 43% (All), 58% (Millennials), 58% (Generation X), 67% (Baby Boomers)
Cable subscribers are more likely than mobile phone owners to believe they get the best service from their providers or wireless carriers when they threaten to switch vendors (56% of cable subscribers vs. 40% of mobile phone owners).

**Base: Mobile phone owners**
I get the best service from my wireless carrier when I threaten to switch carriers.

**Base: Cable subscribers**
I get the best service from my cable provider when I threaten to switch providers.
Not surprisingly, the complexity of bills is clearly a pain point for consumers – especially millennials – with more than one-third of millennial cable subscribers (41%) and mobile phone owners (40%) saying they strongly or somewhat agree that their bills for those services are too confusing.

**Base: Mobile phone owners**
*My wireless bill is too confusing.*

- Strongly/somewhat agree: 30% (40%)
- Strongly/somewhat disagree: 23% (77%)

**Base: Cable subscribers**
*My cable bill is too confusing.*

- Strongly/somewhat agree: 42% (41%)
- Strongly/somewhat disagree: 43% (59%)

---

**II. Trust in CSPs**

Not surprisingly, the complexity of bills is clearly a pain point for consumers – especially millennials – with more than one-third of millennial cable subscribers (41%) and mobile phone owners (40%) saying they strongly or somewhat agree that their bills for those services are too confusing.
III. How to Improve Customer Experiences

Subscribers agree there are improvements wireless carriers and cable providers can make to deliver better experiences. In fact, the majority of both mobile phone owners (45%) and cable subscribers (42%) say they would be more satisfied with their wireless carriers or cable providers if they offered plans void of hidden fees.

*Base: Mobile phone owners

Other than reducing your monthly bill, in what ways could your wireless carrier improve your satisfaction with its services? Check all that apply.

- Offer a simple wireless plan with no hidden fees. 45%
- Automatically move me to the right wireless plan that costs the least amount of money. 37%
- Offer discounts on over-the-top services like streaming TV (e.g., Hulu, Netflix, Amazon), streaming music (e.g., Spotify, Pandora, Apple Music) and more. 29%
- Personalize interactions based on customer data/context (e.g., provide special offers based on my usage). 21%
- Deliver consistent experiences across all channels (e.g., same level of service regardless of whether I engage with my provider in-store, on phone, online). 21%
- Send proactive notifications to me (e.g., disruptions that may impact my service, new products and services that can enrich my experience and improve my value for money). 19%
- Enable customers to seamlessly transition between channels (e.g., go from smartphone to desktop computer) in the midst of a transaction, without having to start their transaction from scratch or repeat their story over and over again. 15%
- Introduce valuable new digital services (e.g., streaming services) that compete with other companies (e.g., Netflix, Amazon, Hulu). 15%
- Allow me to pay my bill monthly via a simple mobile app interface. 12%
- Offer home automation services (e.g., automating the ability to control items around the house with a push of a button or a voice command). 8%
- Offer home security services. 7%
- Don’t know. 5%
- Other. 4%

<table>
<thead>
<tr>
<th>All</th>
<th>Millennials (18-34)</th>
<th>Generation X (35-54)</th>
<th>Baby Boomers (55+)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer a simple wireless plan with no hidden fees.</td>
<td>45%</td>
<td>45%</td>
<td>45%</td>
</tr>
<tr>
<td>Automatically move me to the right wireless plan that costs the least amount of money.</td>
<td>37%</td>
<td>31%</td>
<td>39%</td>
</tr>
<tr>
<td>Offer discounts on over-the-top services like streaming TV (e.g., Hulu, Netflix, Amazon), streaming music (e.g., Spotify, Pandora, Apple Music) and more.</td>
<td>29%</td>
<td>29%</td>
<td>40%</td>
</tr>
<tr>
<td>Personalize interactions based on customer data/context (e.g., provide special offers based on my usage).</td>
<td>21%</td>
<td>26%</td>
<td>21%</td>
</tr>
<tr>
<td>Deliver consistent experiences across all channels (e.g., same level of service regardless of whether I engage with my provider in-store, on phone, online).</td>
<td>21%</td>
<td>21%</td>
<td>24%</td>
</tr>
<tr>
<td>Send proactive notifications to me (e.g., disruptions that may impact my service, new products and services that can enrich my experience and improve my value for money).</td>
<td>19%</td>
<td>24%</td>
<td>19%</td>
</tr>
<tr>
<td>Enable customers to seamlessly transition between channels (e.g., go from smartphone to desktop computer) in the midst of a transaction, without having to start their transaction from scratch or repeat their story over and over again.</td>
<td>15%</td>
<td>20%</td>
<td>16%</td>
</tr>
</tbody>
</table>
Perhaps not surprisingly, millennial subscribers overall are nearly twice as likely than their baby boomer counterparts to cite discounts on over-the-top (OTT) services like streaming TV or music as another way to increase satisfaction. Similarly, millennial cable subscribers would be happier if their providers offered the ability to see a technician’s location/timing for arrival via an app or website (24%), allowed customers the ability to self-install cable by shipping cable boxes to them (23%), or sent proactive recommendations on content/movies based on TV watching patterns (21%).

III. How to Improve Customer Experiences

Other than reducing your monthly bill, in what ways could your cable carrier improve your satisfaction with its services? Check all that apply.

- Proactively adjust my cable plan based on offers/deals and my TV watching patterns.
- Remove all hidden fees.
- Offer discounts on “over-the-top” services like streaming TV (e.g., Hulu, Netflix, Amazon) and streaming music (e.g., Spotify, Pandora, Apple Music).
- Offer the ability to see my technician’s location/timing for arrival via an app/website.
- Offer two-hour shipping of new cable boxes if mine breaks.
- Offer the ability to self-install cable by shipping cable box to me.
- Offer proactive recommendations on content/movies based on TV watching patterns.
- Allow me to pay my bill monthly via a simple mobile app interface.
- Offer home automation services (e.g., automating the ability to control items around the house with a push of a button or a voice command).
- Offer home security services (e.g., ADT, Frontpoint, LiveWatch).
- Don’t know
- Other

---

Base: Cable subscribers
IV. Cord-cutting and OTT Gains Momentum

The rise of over-the-top (OTT) streaming services, such as Hulu, Netflix and others, remains a hot topic among today’s consumers. And with 83% of millennials saying they subscribe to one or more paid streaming services, traditional CSPs need to find new ways to address this trend, whether through competitive offerings or integration with OTT services.

Base: U.S. adults
How many paid streaming services (e.g., Apple TV, Netflix, Hulu) are you currently subscribed to?

- 0: 36%
- 1: 27%
- 2: 22%
- 3+: 22%

![Bar chart showing the distribution of paid streaming services subscriptions across different age groups.](chart.png)
More than two-thirds of cable subscribers (56%) and almost half of all mobile phone owners (51%) would be somewhat or very likely to use nontraditional tech companies or OTT content providers for their wireless or cable services rather than their current providers if it were available.

**Base: Mobile phone owners**
If available, how likely would you be to use a tech company (e.g., Apple, Google, Facebook) for your wireless carrier or mobile phone service instead of your current provider?

- Very/Somewhat likely: 51% (All), 55% (Millennials), 49% (Generation X), 45% (Baby Boomers)
- Not at all/Not very likely: 63% (All), 55% (Millennials), 49% (Generation X), 45% (Baby Boomers)

**Base: Cable subscribers**
If available, how likely would you be to use a tech company (e.g., Apple, Google, Facebook) for your cable service instead of your current provider?

- Very/Somewhat likely: 56% (All), 61% (Millennials), 43% (Generation X), 44% (Baby Boomers)
- Not at all/Not very likely: 68% (All), 61% (Millennials), 57% (Generation X), 57% (Baby Boomers)
Among those who have chosen to unsubscribe from their cable providers, or never signed up in the first place, respondents claim that services are too expensive (63%) or mired with bad service (23%).
V. Methodology

This survey was conducted online within the United States by Harris Poll on behalf of Salesforce, Feb. 22-24, 2017, among 2,210 U.S. adults, ages 18 and older, among whom 2,067 are mobile phone owners and 1,703 are cable subscribers. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact Annie Meenan at ameenan@salesforce.com.