

Analyzing the Four Leading US Telecom Providers

This industry snapshot analyzes social media conversation surrounding the customer support Twitter accounts of the four major US telecom brands.



Crimson Hexagon

Introduction

We analyzed social media conversation around an industry that nearly every US consumer is connected with: telecom. Consumers take to social media to communicate with these telecom brands primarily for customer service. Because of the industry's prominence, we chose to look at the top four providers in terms of total number of customers, operating in the US: Verizon, AT&T, Sprint, and T-Mobile.

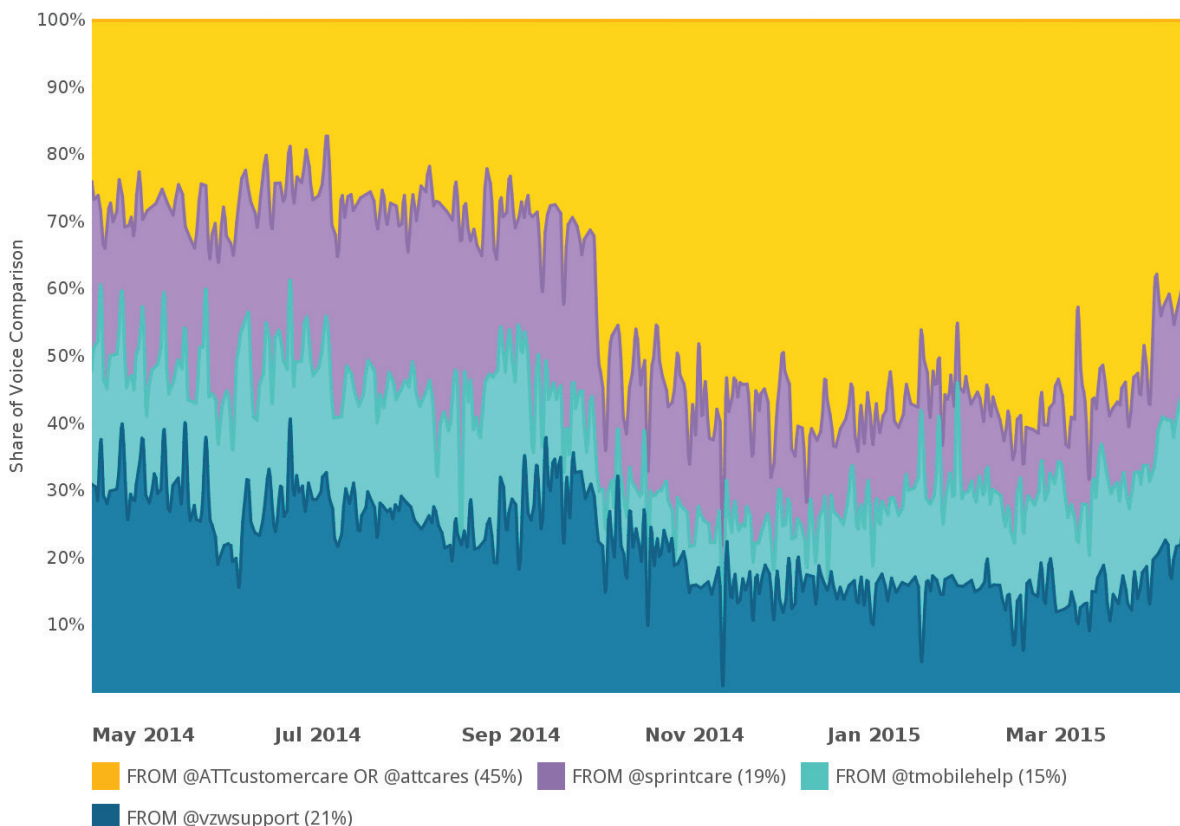
Since these providers use their customer service accounts very actively, we had a unique opportunity to not only analyze the messages coming from consumers, but also messages coming from the service providers. We found that these telecom providers use social media as a platform to communicate with current and potential customers, and in our research, we found that they can be extremely competitive when it comes to their social strategies. With our research we looked to answer the following questions:

1. How much are consumers talking on social? And how much are service providers talking?
2. In what ways are these telecom companies using social media to communicate with consumers?
3. What are consumers saying about these carriers?
4. Does a shift in communications strategy on the provider's side have an effect on consumer sentiment?
5. What is the value of social media listening for telecom brands?

ANALYZING MESSAGES FROM THE TELECOM BRANDS

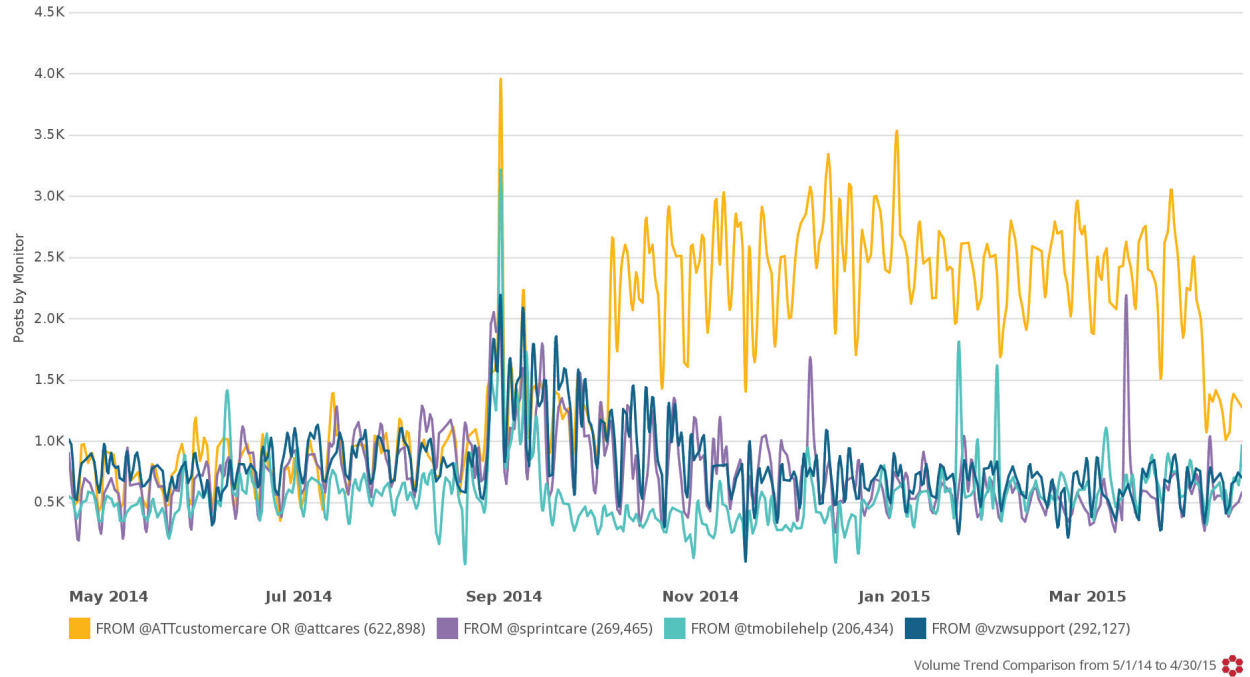
We observed and analyzed the conversation coming from these four carriers over a one year period: May 1st, 2014, to April 30th, 2015. We segmented five types of Tweets that we found coming from the carriers: advertising and marketing, Tweets thanking customers, Tweets apologizing to customers, interceptions and invitations (trying to get users to switch over from their current carrier), and general support (answering questions and giving instructions).

In terms of volume, the carrier that tweeted the largest quantity of Tweets over the analyzed time period was AT&T, with 622,898. All other carriers had tweeted around a third or half that amount: 292,127 from Verizon, 269,465 from Sprint, and 206,434 from T-Mobile. At the time of our analysis, both AT&T and Verizon's accounts had just over 117,000 followers, T-Mobile's account had over 148,000 followers, and Sprint had just under 77,000 followers. While AT&T is the clear leader in volume, we can see that the brand's share of voice is decreasing over time even though their number of posts have increased, which could suggest that AT&T's competitors are growing their social media programs.



Share of Voice Comparison from 5/1/14 to 4/30/15 

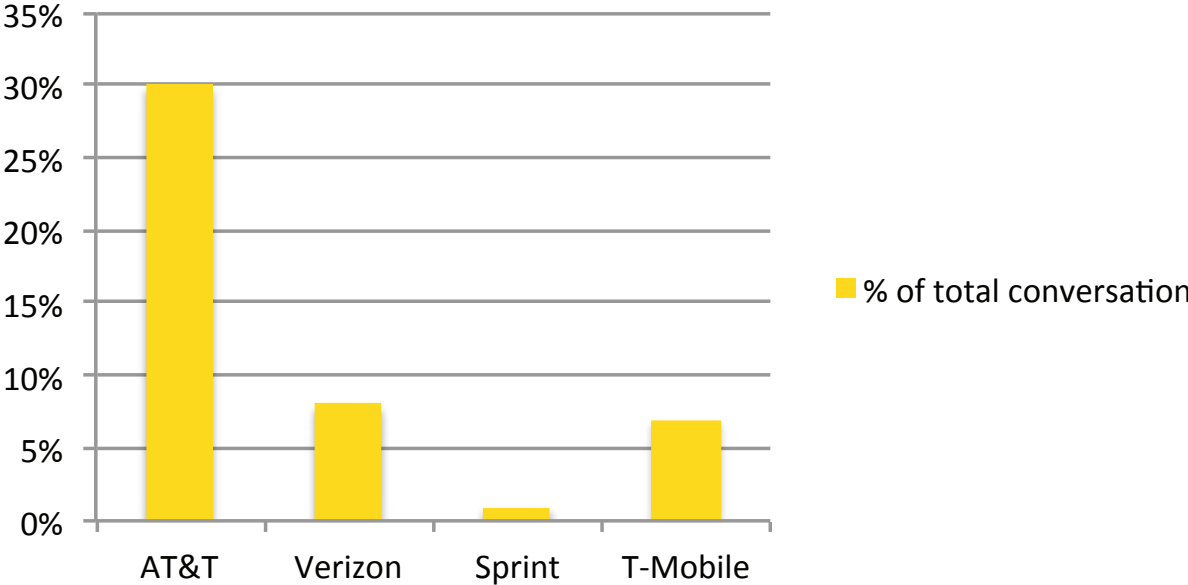
By looking at the volume trends, it is clear that the volume of Tweets coming from all four carriers peaked over the same period of time, on September 12th. This is due to the release of the iPhone 6. We can also see that the volume of posts coming from AT&T largely increased between October and November 2014, which was during the time when they switched their customer service Twitter handle from @ATTcustomercare to @ATTcares.



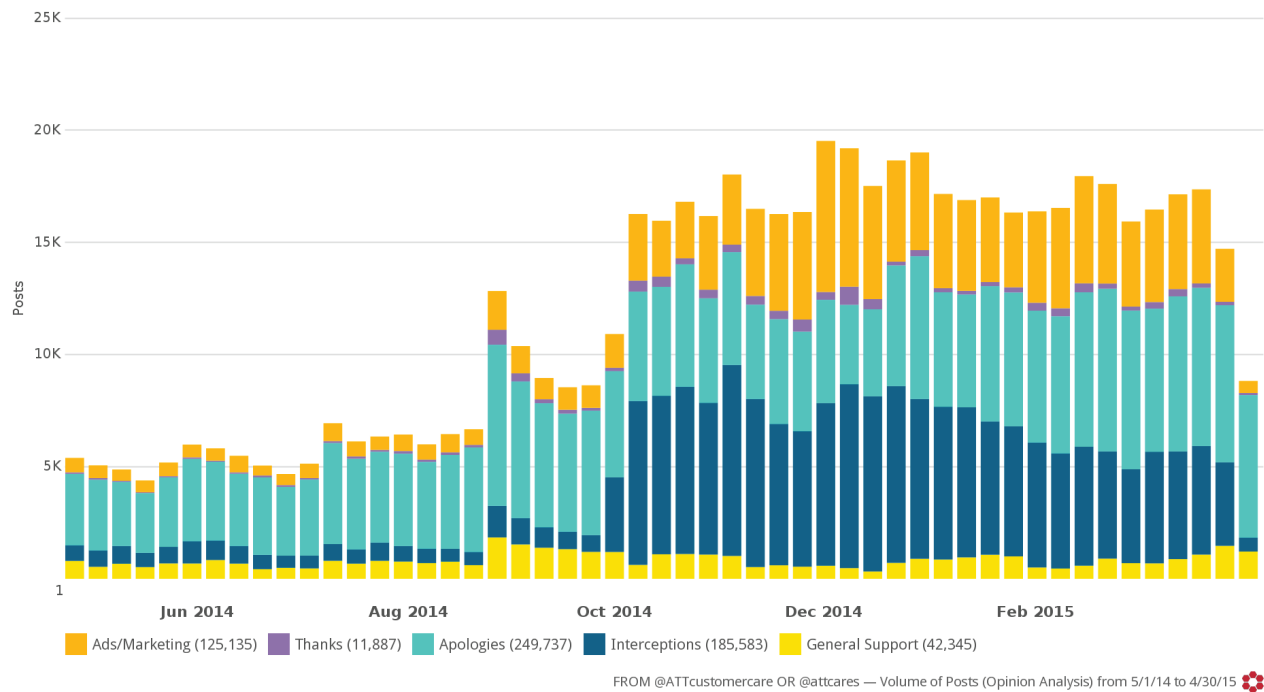
One of the most visible differences in messaging between the carriers is the fact that Sprint’s Tweets consist of a higher percentage of apologies and general support than all other carriers. In our analysis, we found that 86% of Sprint’s overall conversation during the year analyzed was comprised of apologies to customers and general support. We believe this to be due to the high number of complaints and questions Sprint receives, which is reflected by its poor scores for value, data service, and voice and text, according to ConsumerReports.org and other [sources](#).

Another significant difference in the conversation coming from the four carriers is the proportion of interceptions within AT&T's overall conversation. Interceptions account for 30% of the total conversation coming from AT&T, which is nearly twice as much as all other carriers combined. When looking at the category trends of AT&T, we can see that interceptions increased significantly starting the week of October 19th, 2014.

Interceptions



We believe this was a part of the company's new social media strategy, since the spike occurred during the same period of time when they switched customer support handles. Along with this shift in messaging, we saw a 17% increase in marketing and advertising post volume, a 32% decrease in the volume of apologies, and a 9% decrease in general support volume. This clear change in messaging suggests that the company is shifting its social strategy from retaining its current customers, to gaining new ones. The shift was likely due to competitive pricing and benefits introduced by [T-Mobile](#) and other competitors.



We found “General Support” to be the largest category of conversation coming from all carriers except for AT&T, whose main types of messaging are interceptions and apologies. General support accounts for only 7% of AT&T’s conversation. When looking at all other carriers we can see that this category accounts for 61% of Sprint’s conversation, 56% of T-Mobile’s conversation, and 40% of Verizon’s. These findings highlight the main differentiator in AT&T’s strategy: while all other carriers focus more on using their Twitter handles to provide general customer support and answer questions, AT&T focuses more on interceptions, advertising, and apologies.

After AT&T switched its customer service account handle, we observed that the proportion of negative sentiment in the conversation coming from consumers directed at AT&T decreased by 45%. Since they greatly increased the amount of interceptions, this resulted in a larger amount of neutral conversation coming from consumers. Considering consumers mostly respond to these interceptions it was sending, with general questions or to decline the offer, their responses increase the proportion of neutral conversation. **AT&T's social media strategy shift was able to reshape not only the conversation that they were creating, but also the conversation that they were receiving.**

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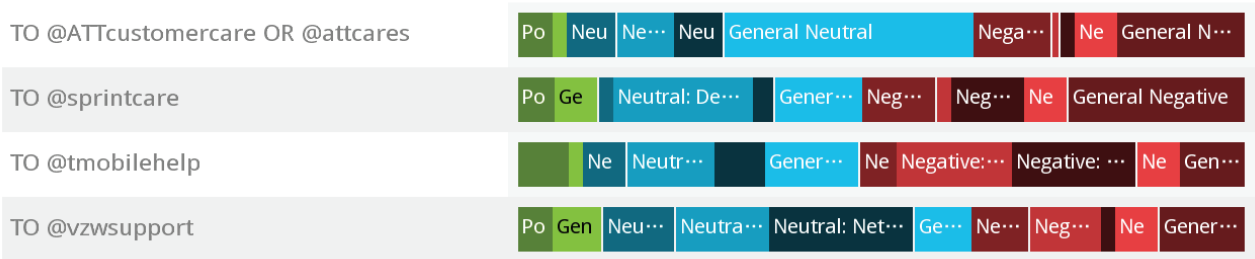
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ANALYZING CONSUMER MESSAGES TO THE TELECOM BRANDS

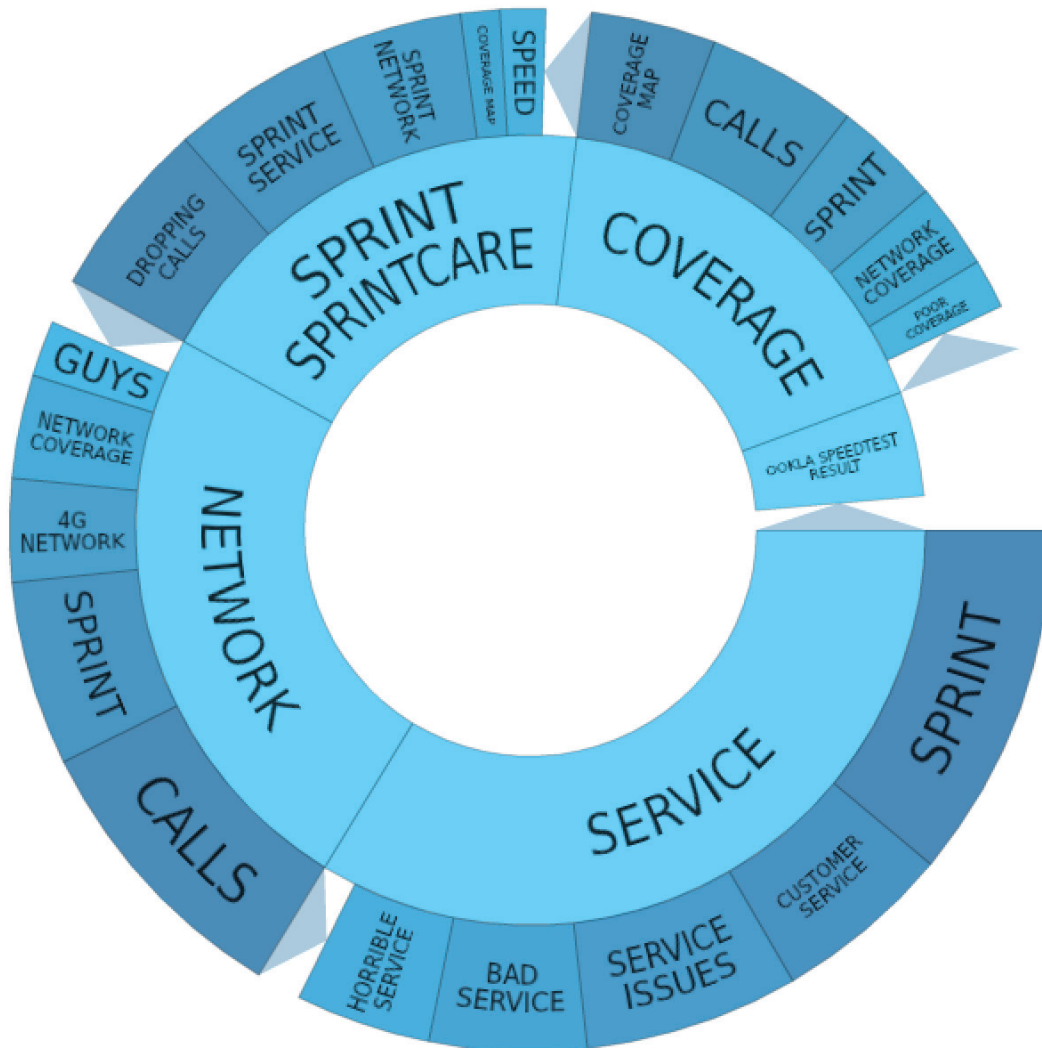
The second part of our analysis focuses on the conversation coming from customers and directed to the customer support handles of the four telecom companies. We wanted to analyze the sentiment behind these posts while also understanding the various drivers of positive, neutral, and negative sentiment. We divided the positive conversation into two categories: "Customer Service/ Thank You" and "General Positive" conversation. Negative conversation about the carriers was divided into five categories: "Plans/Pricing," "Devices," "Network/ Coverage," "Customer Service," and "General Negative" conversation. Finally, we also categorized the neutral conversation into four categories that mostly consist of Tweets with questions and requests for support regarding different subjects directed to each carrier: "Plans/Pricing," "Devices," "Network/Coverage," and "General Neutral".



Category Mix Comparison from 5/1/14 to 4/30/15 

The first noticeable aspect of the data is that sentiment towards all carriers skews net negative. This is likely due to the fact that consumers mostly communicate with their carriers over social media when they encounter a problem and/or are having difficulty and need support. The provider with the highest percentage of negative posts from consumers is T-Mobile, which comprises 54% of the total conversation directed at them. T-Mobile’s negative conversation is fractionated in the following way: 17% "Network: Network/Coverage," 16% "Devices: Devices/ Shipping," 9% "General Negative," 6% "Customer: Customer Service", and 5% "Plans: Plans/Pricing".

When looking at the negative conversation around these brands, we also found that complaints regarding Network/Coverage comprise a larger percentage of the negative conversation directed at T-Mobile and Sprint when compared to the other two carriers. In the case of T-Mobile, it accounts for 17% of the total conversation, and for Sprint, it accounts for 10% of the overall conversation. In contrast, it only comprises 2% of both AT&T and Verizon’s conversations. This contrast is likely due to T-Mobile and Sprint having [lower-tier service networks](#), which results in less coverage and a higher number of dropped calls for their customers.



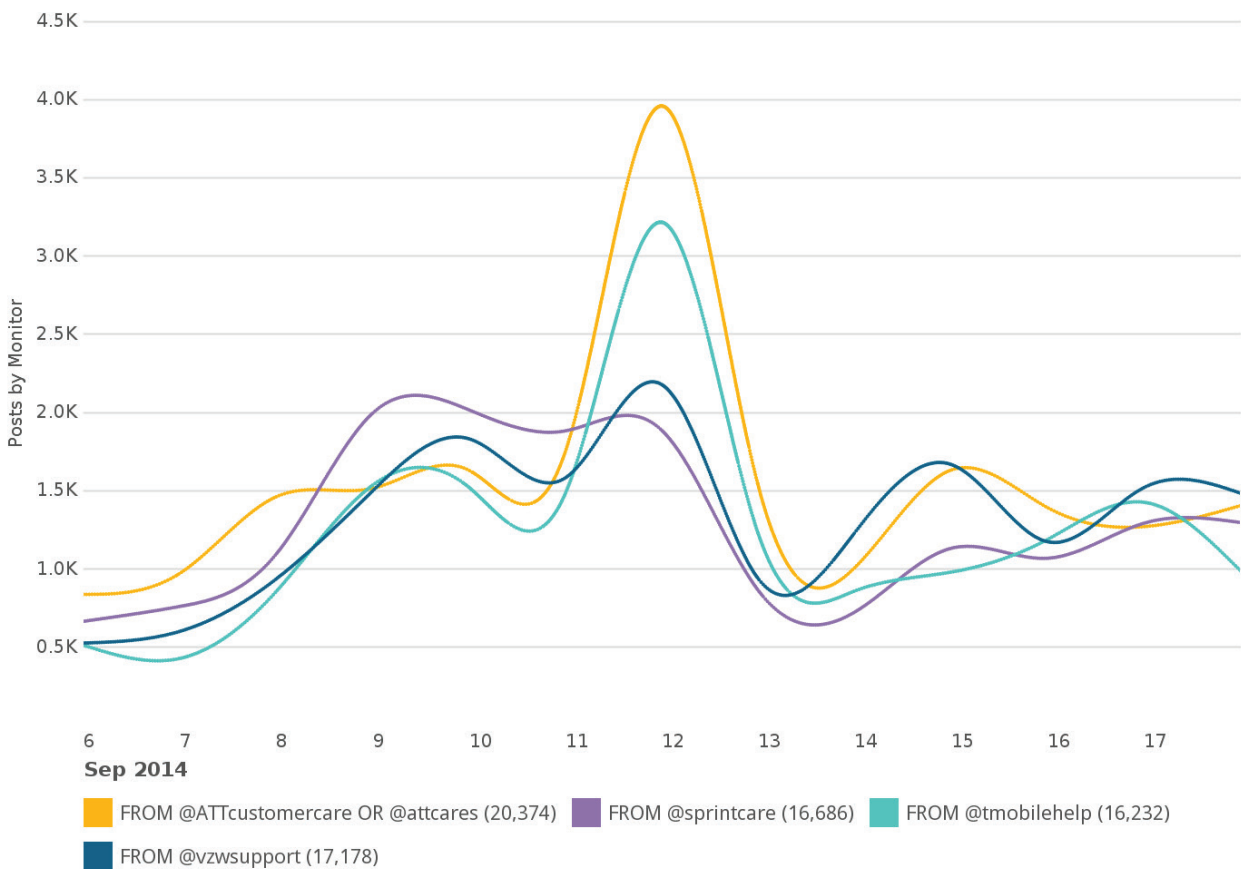
TO @sprintcare — Topics from 5/1/14 to 4/30/15 

AT&T is the carrier with the lowest percentage of negative conversation out of the total conversation directed at their customer service handle, with 37%. Verizon is extremely close, with 38%; however, customers are not complaining about the same aspects when it comes to these two carriers. We can see that the negative conversation directed at AT&T is driven by two categories: "General Negative," with 18%, and "Plans/Pricing," with 11%. In contrast, Verizon's negative conversation is driven by "General Negative," with 12%, and "Devices," with 10%. These findings highlight the weaknesses of each carrier, as well as their areas for improvement.

In terms of the positive percentage of conversation directed at each customer service handle, we found that there are no significant differences between the four carriers analyzed. Positive sentiment for all carriers ranges between 7 and 12% of the total conversation. Verizon and Sprint have the highest, with 12% of the total conversation directed at them being positive. T-Mobile's positive conversation accounts for 9%, and AT&T has the lowest with 7% positive conversation.

The "Positive: Customer Service/Thank You" accounts for 5% of the conversation of three of the carriers: AT&T, Verizon, and Sprint, while it accounts for 7% of T-Mobile's. We can see that overall, satisfaction with customer support accounts for a very small percentage of conversation around the largest providers in the telecom industry.

Just like we saw within the conversation coming from the carriers, the conversation directed at them also spikes over the same time period due to the release of the iPhone 6. New device releases present an opportunity for the carriers to increase the amount of interceptions. Since the volume of conversation directed at the different carriers increases significantly during this time, there are more potential customers to communicate with and pitch the opportunity of switching providers.



Volume Trend Comparison from 9/6/14 to 9/18/14 

Conclusion

In our analysis of the telecom industry, we uncovered a variety of key insights that would prove useful to these providers. We compiled the most significant ones in this conclusive section of the report:

- For a telecom company, analyzing social media conversation around its brand and biggest competitors with a social media analytics platform can help uncover weaknesses and areas for improvement. Also, it can help them understand where they stand in the competitive arena.
- Device releases are very important for the telecom industry, as they encompass the biggest spikes in social media conversation around these brands. For this reason, telecom companies can greatly benefit from social media listening over this time since it allows them to immediately detect what consumers are saying and to rapidly act on any logistic or product issues. This could translate into a decrease in customer dissatisfaction and increased sales.
- Finally, social media listening provides value to telecom brands because it allows them to understand how consumers feel in regards to the customer service they received. Telecom brands can use this information to feed into the feedback from other areas of customer service (call logs, in-person customer service, etc.) and gain a full understanding of customer satisfaction.

As our analysis has shown, there is great value for telecom brands to be active on social media. Social data, though, is what gives these providers a unique opportunity to listen to, and uncover, how consumers feel about their brand, and their competition. Analyzing the conversation gives them the ability to understand their strengths and weaknesses, as well as to recognize the trends and their competitive standing within the industry.

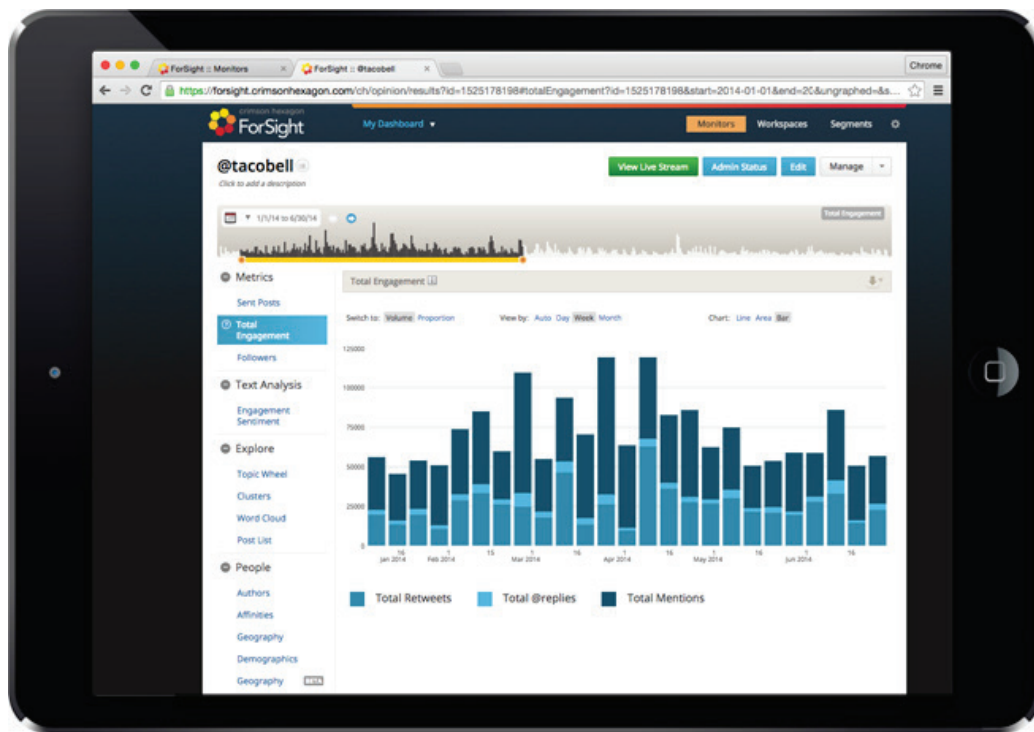


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