

# Service levels 'critical to 3G take-up' reveals study

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1 in 4 consumers voice concerns over reliability and security of mobile networks

London – June 28th 2005 – More than one third of the population (37%) are harbouring worries about technology failures when using 3G phones or other mobile devices. The independent study, commissioned by service management company Tertio SMS ([www.tertio-sms.com](http://www.tertio-sms.com)), shows that public perception of network reliability will be critical to the successful consumer take-up of 3G and new mobile services.

Mobile operators are facing a huge challenge putting consumer worries to rest, with a further quarter of people still to make up their minds about the safety and reliability of transferring data across mobile networks. Service levels are proving a prime concern for people who are experiencing widespread technology-based service failure in everyday life. On a weekly basis nearly a quarter (23%) of the population find themselves unable to use technology when they want to, for example making a mobile phone call or accessing the Internet from home. One in ten people encounter problems on a daily basis.

Despite how common this problem is, consumers continue to have extremely high expectations of technology-based service levels, with more than three out of four people (79%) expecting technology to work when they need it without fail. This is leading to 'techno-rage', a name coined by Tertio SMS, to describe the public's acute level of annoyance with organisations over technology hitches in service delivery. Techno-rage is significantly worse among young people, a key market for 3G operators, where 85% of 18 to 24 year olds are fed up with poor service levels.

With half of consumers laying the blame for technology mishaps at the door of the company delivering the service, regardless of whether they are at fault or not, the findings have serious implications for the telecommunications industry.

Alan Greenberg, CEO of Tertio SMS, comments: "Mobile phone companies need to look beyond their systems in purely technical terms and recognise that IT failures are having a significant impact on their reputation.

"As with the fear of online fraud, which created problems for online retailers, any failures in service delivery will be potentially very damaging in terms of new user-take up of 3G services. 3G operators in particular need to focus on changing people's perceptions. This research is a wake-up call. Companies must make sure they are putting resources into properly monitoring their IT systems and understanding how customers perceive their service delivery.

"One of the biggest benefits of 3G is the delivery of new high value services for people on the go from video calling to interactive gaming. Failure to ensure systems are working properly will not only hinder the take-up of 3G but will lead to customers jumping ship to other operators as their frustrations with service get the better of them.

"This problem isn't limited to mobile providers but telecommunication companies across the board. For

every customer who complains about service delivery there are also many others who do not speak up. They bottle up their dissatisfaction, getting more and more annoyed until they take their business elsewhere. Techno-rage is fuelling this and the telecommunications industry is facing a serious threat from 'silent attrition' within its customer base."

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#### About Tertio SMS

Tertio Service Management Solutions (SMS) has been providing solutions to blue chip companies for over a decade, empowering organisations to deliver customer service excellence. It provides a comprehensive range of innovative Business Service Management, Service Management, and Network and Systems Management solutions, combining industry leading software applications with its specialist consultancy and support.

Tertio SMS de-merged from Tertio in 2002 and is headquartered in London. A financially strong company with a proven track record, and seven consecutive profitable quarters, Tertio SMS has 40 employees, serving customers across Europe including T-Mobile, The Post Office, Sainsbury's and Dixons.

For further information

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ICM Research interviewed a random sample of 1014 adults aged 18+ by telephone between 24-26 May 2005. Interviews were conducted across the country and the results have been weighted to the profile of all adults. ICM is a member of the British Polling Council and abides by its rules. Further information at [www.icmresearch.co.uk](http://www.icmresearch.co.uk)

"Retailers, banks, utility and phone companies alike are getting the blame when technology systems go down. For every customer who complains about service delivery there are also many others who do not speak up. They bottle up their dissatisfaction, getting more and more annoyed until they take their business elsewhere. Techno-rage is fuelling this and big business is facing a serious threat from 'silent attrition' within its customer base.

"In addition, the reliability and safety of systems and the processes used to make sure service levels are met are all key compliance issues. Organisations must make sure they are properly monitoring their IT systems and understand how customers perceive their service delivery. If they don't, they face not only growing consumer wrath but potential penalties for failing to act in accordance with industry standards."

-ends-

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