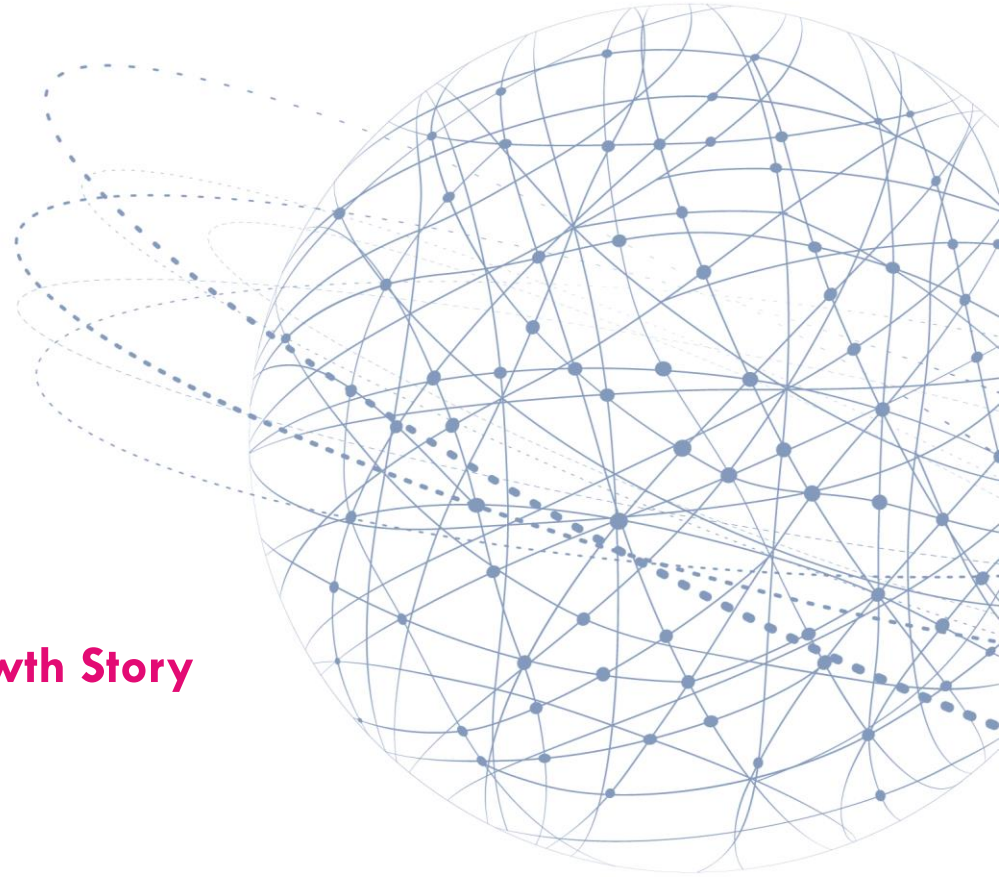




Fueling the T-Mobile Uncarrier Growth Story with System 1 Research

March 2024





- 📞 **T-Mobile Q2 2021 Messaging Case Study**
- 🌐 **The Importance of *Both* System 1 and System 2**
- 🌐 **Multi-Cognition Research and Validation**
- 🌐 **Q&A**



Jeff Goldstein
President
ACUPOLL Precision
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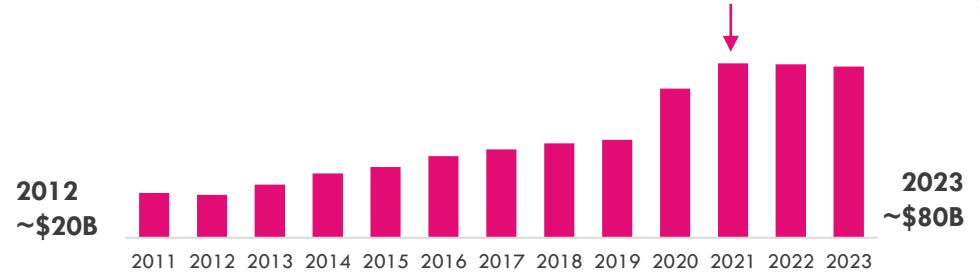
Ericca Dennehy
Senior Vice President
ACUPOLL Precision
Research

Growth Through Un-Carrier Messaging



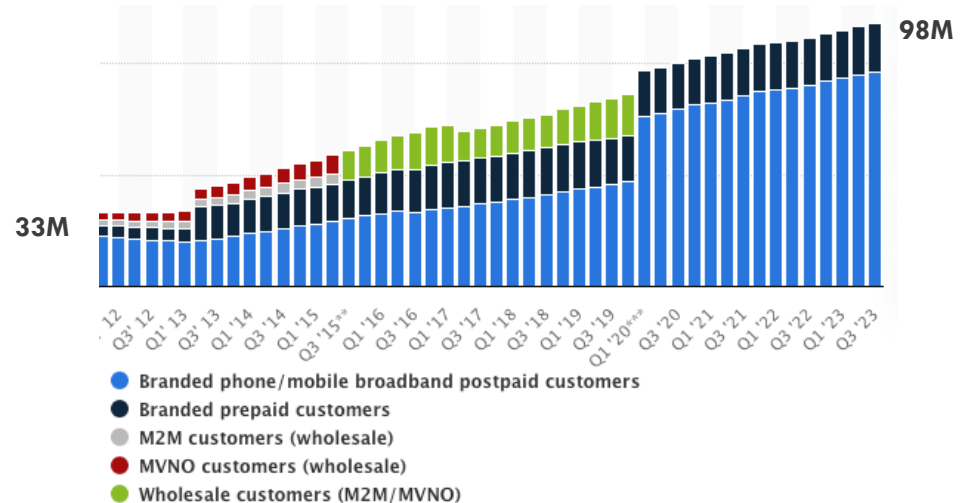
Revenue

T-Mobile US Annual Revenue



New Subscribers

Average +1M per quarter, increasing to +1.4M per quarter!





Quarterly Message Testing

Background:

- *Wireless historically struggles to break through with compelling messaging that drives consideration and switch.*

Learning Objectives:

- *Determine which ACBs resonate and can help inform strong “ways in” for Q2*
- *Prioritize messaging (and messaging territories) to inform planning*
- *Gain understanding around opportunities to optimize*

Why Spark Multi-Cognition Research™?

- *Opportunity to employ a methodology with both System 1 and System 2 thinking*
- *Framework of “hook” and “hold” aligns with our philosophy of messaging best practices*



Additional Considerations

- Ability to get both impulsive “gut reaction” and reflective measures
- Ability to look at results across important customer and demographic segments
- Score-carding helps to diagnose what/how to optimize messaging



IMPULSE



REFLECTION

Tested Consumer Truths and Concepts in Different Theme Areas



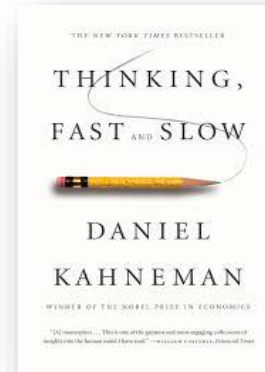
Theme	Consumer Truth/Pain Points	Concepts
PRICE	<ul style="list-style-type: none"> I can understand why my phone is so expensive. I know exactly how much it costs. I don't want to pay too much for my phone. When my phone is broken, I want to get a new one for a good price. 	<ul style="list-style-type: none"> 1. Affordable Pricing 2. No-Contract Plans 3. Flexible Pricing
CONTRACT MANAGEMENT	<ul style="list-style-type: none"> I want to be able to cancel my contract without any penalties. I don't want to be locked into a contract for multiple services at the same time. I don't want to be charged for services I don't want to use. 	<ul style="list-style-type: none"> 4. Contract Flexibility
PERSONALIZATION	<ul style="list-style-type: none"> I don't want to be treated like a number. I want to be treated like a person. I want to be able to customize my phone and services to fit my needs. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 5. Personalized Service 6. Proactive Support
RELIABILITY	<ul style="list-style-type: none"> I don't want to be charged for services I don't use. I want to be able to get help when I need it. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 7. Data Plans
NETWORK COVERAGE	<ul style="list-style-type: none"> I don't want to be charged for services I don't use. I want to be able to get help when I need it. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 8. Network Flexibility 9. Data Plans 10. Unlimited Plans 11. Serviceable
CONNECTIONS	<ul style="list-style-type: none"> I want to be able to get help when I need it. I want to be able to get help when I need it. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 12. Plans of Choice
SECURITY	<ul style="list-style-type: none"> I don't want to be charged for services I don't use. I want to be able to get help when I need it. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 13. Security
PERSONALIZATION	<ul style="list-style-type: none"> I don't want to be charged for services I don't use. I want to be able to get help when I need it. I want to be able to get help when I need it. 	<ul style="list-style-type: none"> 14. Customization

8 Theme Areas

19 Consumer Truths/Pain Points

14 Detailed Concepts

“We think less than we think we think”

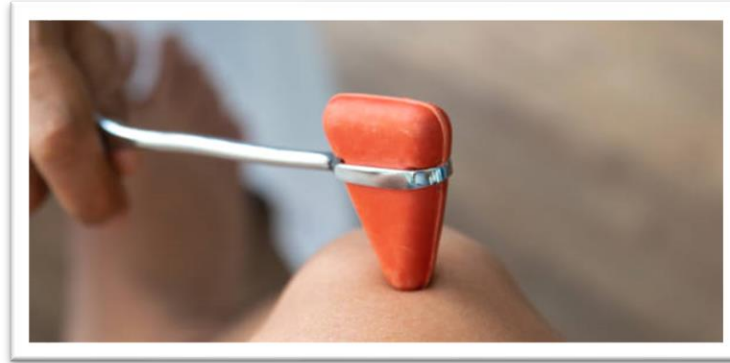


Nobel Prize Winner Daniel Kahneman

2 Modes of “Thinking” and How We Process Information



System 1 (“Fast Thinking”)



- Automatic
- Reflexive “Gut Reaction” to Stimuli
- Non-Conscious
- Programmed by Experience

“Gut Reactions”



Emotions



Habits



System 2 (“Slow Thinking”)



- Rational
- Conscious/Aware
- Requires Attention

Logic



Goal Seeking

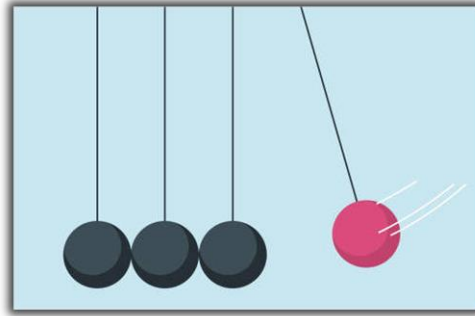
Nutrition Facts	
Serving Size 2 Oatcakes (30g)	
Amount Per Serving	
Calories 135	Calories from Fat 69
% Daily Values*	
Total Fat 7.7g	12%
Saturated Fat 4.1g	21%
Trans Fat 0g	

Evaluations or Comparisons

Compare Credit Cards	Bank of America	Chase	Capital One	Citi	Wells Fargo
REWARDS					
1% cash back in categories that change per offer or an additional 1% to 5% quarterly maximum when you sign up	✗	⊗	✗	✗	✗
1% cash back on more or all other purchases	✗	⊗	✗	✗	⊗
Use your rewards directly at Amazon.com (minimum)	✗	✗	✗	✗	✗
VALUE					
No Annual Fee	⊗	⊗	⊗	⊗	⊗
Playing like you're never your own	✗	✗	✗	⊗	✗



While the pendulum has swung more towards System 1, BOTH are Important



Without a positive System 1 reaction, you're not even in the game.

But ...

- Have you used a “Compare” function at a website before buying?
- Have you looked at nutritional facts or ingredients before buying?





- If you're **not familiar** with a product category
- If your **usual product** isn't available
- If there's an **intriguing new entry** or offer, like for a free iPhone
- If you've had a lifecycle, need, or values/goals **change**
- If your **service doesn't deliver** to your standards, like dropped calls
- If you've a **bad customer service** experience
- If you **drop your phone** and break it



Like T-Mobile, clients often have pools of short stimuli to evaluate:

New Product or Positioning Ideas



A new gourmet granola bar that is flash-baked for a more crispy, flaky outside, with a softer chewier inside, drizzled with Swiss milk chocolate.

Claims, Taglines, Benefits

- 50% whiter teeth
- Visibly noticeable whiteness
- Stunning white in 3 days

Varieties

- Floral Fantasy
- Calm Seascape
- Mountain Breeze

Names, Visuals, Logos



But System 1 techniques like EEG, Implicit Association, or Facial Recognition ...

- X** *Aren't well-suited to sequential monadic evaluation*
- X** *Aren't cost-efficient for large pools of stimuli*
- X** *Lack sensitivity to distinguish between similar stimuli*



Co-developed with Dr. Dan Young, top P&G cognitive scientist/methodology expert



Custom Visual/Verbal Scale designed with leading facial recognition expert



Five phases of quant validation – over 40,000 responses

- *Evaluated 2-, 3-, 5- and 11-point scales (tip: beware of “swipe” left/right!)*



(1)

Fast Gut Reaction on
Ideas/Benchmarks



(2)

Open-End Reaction



(3)

In-Depth Ratings on
Each Idea



(Optional Step 4)

Rank top favorites for extra choice-based discrimination

Two In-Market Validations

18 New Products

Claimed Trial
Adjusted for Awareness/
marketing impact

Unit Sales
Adjusted for Distribution/
% ACV variance

\$250,000
20 Ads



Cell 1

Spark MCR

Impulse

Reflection

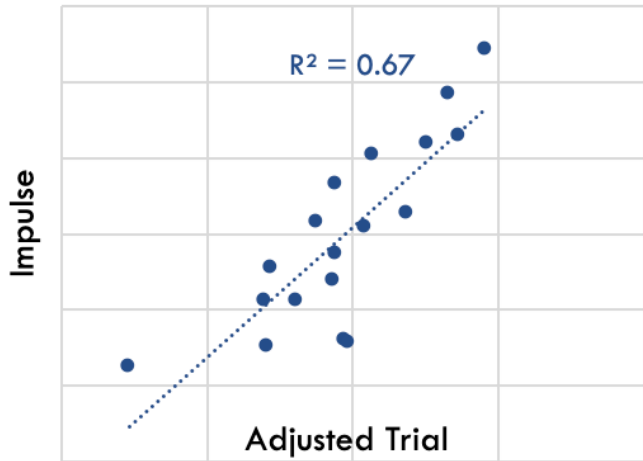
Cell 2

Traditional

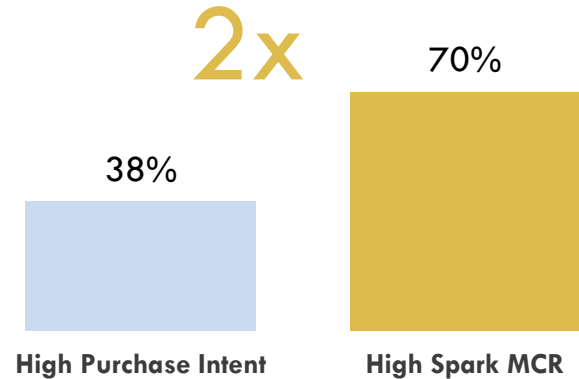
Purchase Intent

Relevance

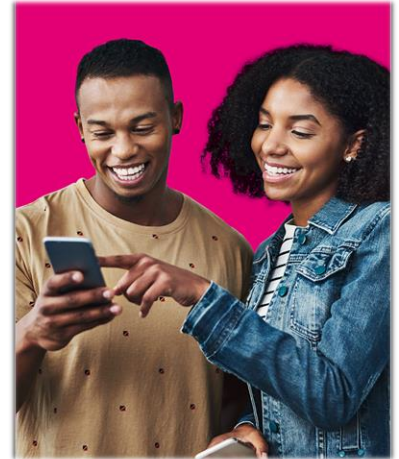
Impulse Rating versus Trial



% of High-Scoring Pins Delivering Above Average Sales



- **Among non-customers, many ideas that perform well at Impulse don't perform well in Reflection, or vice versa.**
- **Four of the 18 concepts were identified as having the greatest potential, with differences in:**
 - Which competitive users or demo groups they attracted most
 - Viral potential or other measures
- **Four other ideas were recommended for continued development with clear suggestions for improvements based on the research.**



Impulse + Reflection Scorecards



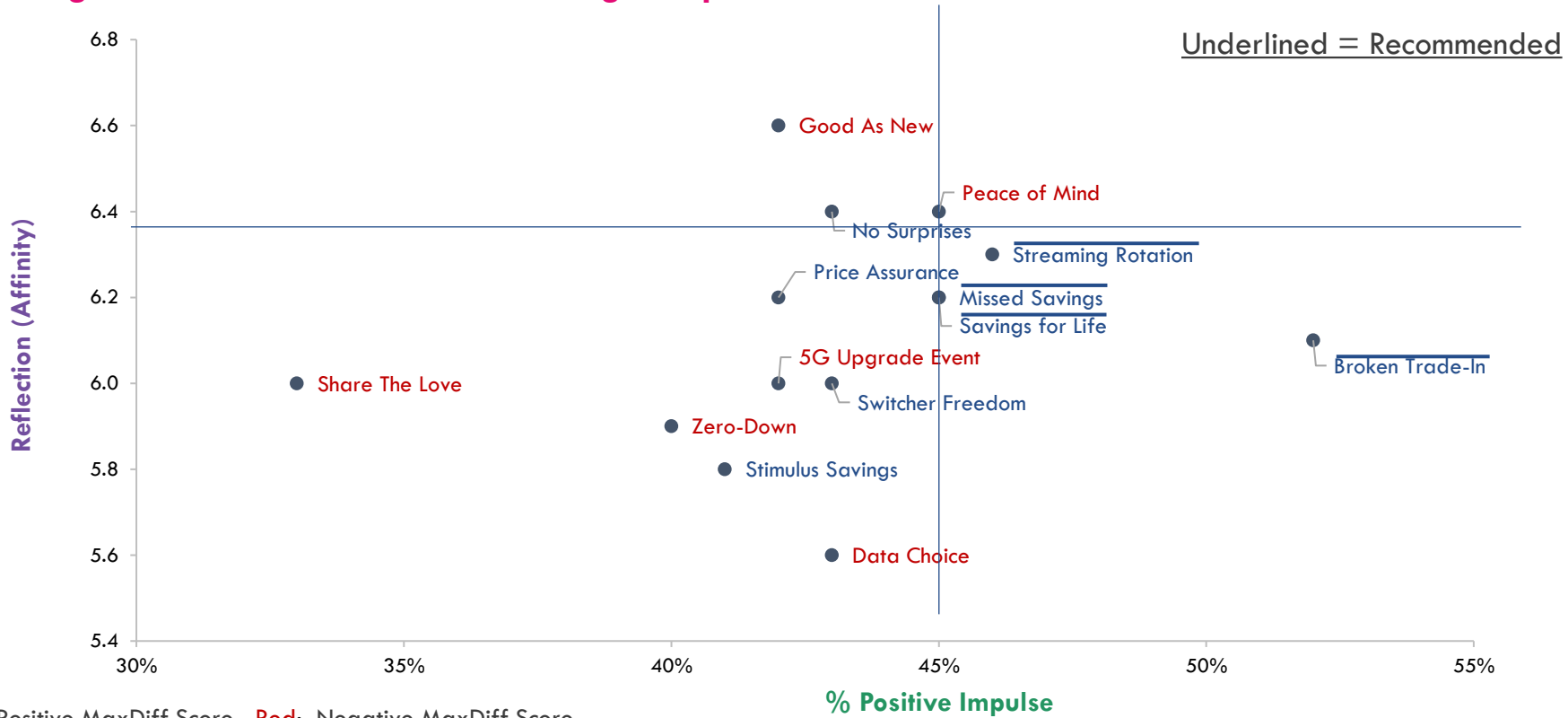
While *Broken Trade-In* leads in Impulse, several other messages perform well in Reflection and are worth exploring.

Total T-Mobile/Sprint Non-Customers	IMPULSE	REFLECTION				
	POSITIVE	AFFINITY	NEW & DIFFERENT	CLARITY	VIRAL POTENTIAL	BELIEVABLE
Broken Trade-In	52%	6.1	6.5	7.5	5.8	6.8
Streaming Rotation	46%	6.3	7.1	7.6	6.1	6.9
Missed Savings	45%	6.2	6.6	7.5	5.6	6.7
Savings for Life	45%	6.2	6.4	7.6	5.8	6.8
Peace of Mind	45%	6.4	6.5	7.7	5.7	7.1
No Surprises	43%	6.4	6.5	7.8	5.7	6.9
Data Choice	43%	5.6	6.4	7.7	5.5	6.9
Switcher Freedom	43%	6.0	6.4	7.6	5.8	7.0
Price Assurance	42%	6.2	6.3	7.6	5.6	6.8
5G Upgrade Event	42%	6.0	6.4	7.6	5.8	6.8
Good As New	42%	6.6	6.7	7.6	5.9	6.9
Stimulus Savings	41%	5.8	6.1	7.4	5.4	6.8
Zero-Down	40%	5.9	6.4	7.6	5.6	6.9
Share The Love	33%	6.0	6.6	7.6	5.6	6.8

System 1 Impulse vs System 2 Affinity Rating



Total Non-T-Mobile Sample – Top messages cluster for Reflection and Impulse, although *Broken Trade-In* has much stronger Impulse



Blue: Positive MaxDiff Score Red: Negative MaxDiff Score

Individual ideas were profiled by audience, with ranking to help identify strength-within-segment.

Concept X	IMPULSE	RANK	AFFINITY	RANK	NEW &	RANK
T-Mobile/Sprint Customers	58%	4	6.6	10	6.3	14
Total T-Mobile/Sprint Non-Customers	45%	3	6.4	2	6.5	6
Verizon Customers	38%	7	6.3	1	6.5	2
AT&T Customers	51%	8	7.0	5	6.9	9

Targeted Appeal	IMPULSE	RANK	AFFINITY	RANK	NEW & DIFFERENT	RANK
T-Mobile/Sprint Customers	54%	11	5.9	14	6.7	11
Total T-Mobile/Sprint Non-Customers	43%	8	5.6	14	6.4	9
Verizon Customers	37%	9	5.6	11	6.3	5
AT&T Customers	54%	1	7.3	2	7.1	10



Individual ideas were profiled by audience, with ranking to help identify strength-within-segment.

Broad Winner

	POSITIVE	RANK	AFFINITY	RANK	NEW & DIFFERENT	RANK
T-Mobile/Sprint Customers	64%	1	7.5	1	7.9	1
Total T-Mobile/Sprint Non-Customers	46%	2	6.3	4	7.1	1

Coded Open-Ends & Verbatims



<i>How do you feel about this idea and why?</i>	T-Mobile/Sprint Customers (n=61)	T-Mobile/Sprint Non-Customers (n=222)
Net Positive	79%	70%
It is a great deal/plan	20%	11%
I just like it / It's a good idea	13%	14%
I like the incentive given per line to switch	13%	11%
I can save 20% per month	7%	9%
It offers a 5G/fast network	8%	7%
I already have T-Mobile	8%	1%
It saves me money	5%	7%
It makes me want to switch providers	2%	5%
I like that they offer a lot of plan options	5%	0%
I like that they talk about the Sprint merger	5%	2%
It fulfills a need I have/It meets my needs	3%	5%
Net Negative	18%	31%
I am satisfied with what I am currently using	0%	7%
I do not believe the claims	0%	5%
The incentive is not big enough to make me switch	5%	2%
Net Neutral	11%	13%
I need more information	3%	5%
I don't know / I'm not sure	5%	2%
The following differences between ratings are generally significant at the 90% confidence level:	15%	8%

Verbatims:

I want 5G for better connectivity and it's an even better deal given you get a free phone.

I feel like it's a better deal than you usually get with other companies.

I probably wouldn't have considered switching but the discount per line is enough to make it worth my while to look into it.

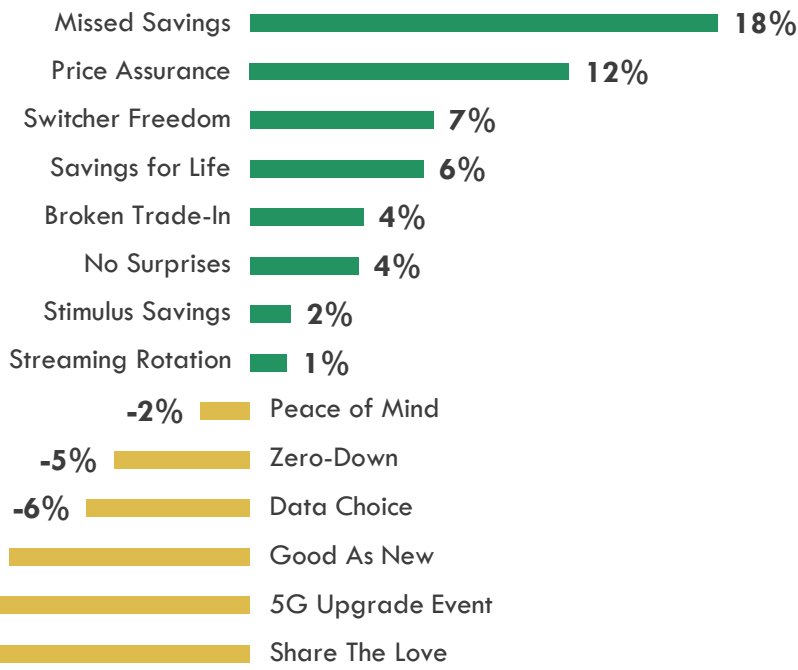
Relative Ranking Exercise (MaxDiff)



MaxDiff Summary – Non-Customers

	Most Interested	Least Interested
Message 1	<input type="radio"/>	<input type="radio"/>
Message 2	<input type="radio"/>	<input type="radio"/>
Message 3	<input type="radio"/>	<input type="radio"/>
Message 4	<input type="radio"/>	<input type="radio"/>
Message 5	<input type="radio"/>	<input type="radio"/>

Most Likely to drive Interest in T-Mobile



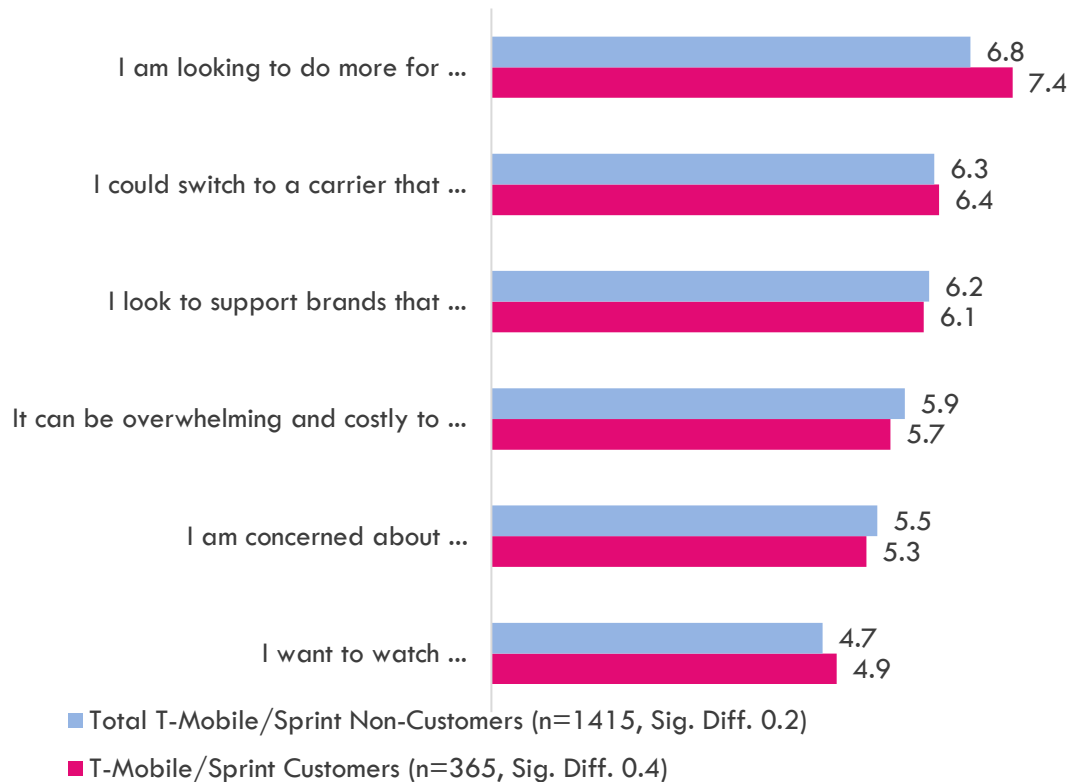
Least Likely to drive Interest in T-Mobile

Q: Please select the ONE statement (of 3) that makes you the MOST INTERESTED in a wireless carrier, and the ONE statement that makes you the LEAST INTERESTED.

Top Accepted Consumer Beliefs (ACBs) line up with Top-Performing Messages



How much do you disagree or agree with each of the following statements?
(Scale 0-10)





Results & Implications

- It's critically important to know which message works best with which audience. Messages need to be anchored in a resonating ACB, and must BOTH “hook and hold.”
- Diagnosing messages that hook but don't hold (or vice versa) makes the insights actionable in terms of what to do next.
- The results helped us get out of the “Sea of Sameness” and go to market with breakthrough messaging.
- The messaging that was pursued based on the research led to one of T-Mobile's most successful quarters.



Thank You!

Visit us at Booth 606

ACUPOLL
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Messaging Breakthroughs?**

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#1 U.S. CPG Acquisition
- BinaNow**
#1 U.S. Launch
- Fairlife**
#4 U.S. Launch
- Clump & Seal**
#1 U.S. Launch
- Surgento**
#9 U.S. Launch

... and come see us tomorrow @ 9:45!

THE QUIRK'S EVENT
FOR MARKETING RESEARCH & INSIGHTS PROFESSIONALS

**T-Mobile's Magenta Status Program,
Inspired by the Revolutionary
Qual + Quant Sessions**

Including a Live Demo with AI Technology!

- Tara Kenneyway, T-Mobile**
Sr. Brand Strategist & Insights Manager
- Jeff Goldstein, ACUPOLL**
President
- Ericca Dennehy, ACUPOLL**
SVP Account Management

**Time: 9:45 am CT
March 27, 2024**

Visit Us at
Booth #606

ACUPOLL **T Mobile**

Merci

Gracias

Obrigado

Спасибо

תודה רבה

شكرا جزيل

谢谢

どうもありがとう