

# T-Mobile in 2013: The Un-Carrier

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## Situation Analysis

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- 4th largest carrier after Verizon, AT&T and Sprint
- Couldn't compete with their prices or coverage
- Parent company stopped investing during a failed acquisition by AT&T
- 2012 appointed new CEO, John Legere
- Decided to rebrand away from their competitors as the "Un-carrier"
- No contracts, no overage fees and inexpensive upgrades
- Advocated choice for the consumer
- Resulted in the acquisition of over 12.7 million customers since its launch in 2012

## Output Objectives:

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1. Offer unlimited data plans as well as new devices at an exceptionally low rate.
2. To have a voice in social media outlets that other wireless companies aren't taking advantage of.

## Planning

Creating a new set of values

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### Strategies:

- Increase T-Mobile popularity generated through events and press releases through use of uncontrolled media
- Reinvent T-Mobile into something unique
- Use non-traditional communication outlets to communicate with consumers

### Integrated marketing communication (IMC)

- T-Mobile made use of comprehensive IMC strategy
- National Advertisement campaign

Any Questions?

## Objectives

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### Impact Objectives:

1. Attain more customers from competitors to increase profit and market share.
2. Differentiate T-Mobile from competitors as a consumer advocate.
3. Expose more consumers to the plans T-Mobile is offering through placements in mainstream media.

## Execution

### Creating a Conversation

- Press releases, social media blasts, Twitter
- Uncontrolled media

### New Image

- Rebranding process
- John Legere

### Un-carrier 1.0

- Un-carrier event
- Use of CEO, social media

## Evaluation

- Acquired 12.7 million new customers since the launch of the campaign.
- Doubled their market share in 2013 from \$16 a share to \$33.
- Reached many main stream and industry news outlet, including CNN, USA Today, PC Mag and CNET.
- Lost \$20 million in 2013 due to cost of advertising and expanding network

## Industry Research

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- T-Mobile was losing customers to larger service providers for years, nearly 4 million in 2012 alone.
- Research found:
  - Last out of the 4 main service providers offered in U.S.
  - Verizon, AT&T and Sprint had 2-3 times more customers than T-Mobile.

## Customer Research

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- T-Mobile decided to listen to its customer's concerns about the mobile carrier industry.
  - Found:
    - 40 percent of service carriers don't match their carrier companies due to the high consolidation fees that become charged
    - 83 percent of customers left service carriers because their data contracts and their wish the belief that consumers shouldn't be forced into a contract in order to retain quality service
    - 60 percent said their phones lacked too quickly and wanted to have more flexibility to get the latest device without having to wait
    - 70 percent of consumers didn't agree with the high price of devices, that forced them to have higher data plan rates
    - Unlimited data plans were the number one consideration when deciding on a carrier service for their wireless phones

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- T-Mobile also took a look at their target audiences and demographics to consider how to create a strong presence for the right publics.
  - Found:
    - High network visibility in urban areas
    - High-tech millennials were most interested in high data plans
    - Most of their consumers range between 18-25 years old

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  - Found:
    - 40 percent of service carriers don't match their carrier companies due to the high consolidation fees that become charged
    - 83 percent of customers felt service carriers forced them into contracts and there was the belief that consumers shouldn't be forced into a contract in order to retain quality service
    - 66 percent said their phones lacked too quickly and wanted to have more flexibility to get the latest device without having to wait
    - 75 percent of consumers didn't agree with the high price of devices, that forced them to have higher data plan rates
    - Unlimited data plans were the number one consideration when deciding on a carrier service for their wireless phones

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# *Customer Research*

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- T-Mobile decided to listen to its customer's concerns about the mobile carrier industry.
  - Found:
    - 40 percent of service carriers don't switch their carrier companies due to the high cancellation fees that become charged
    - 61 percent of customers felt service carriers forced them into contracts and there was the belief that consumers shouldn't be forced into a contract in order to retain quality service.
    - 62 percent said that phones outdated too quickly and wanted to have more flexibility to get the latest device without having to wait.
    - 75 percent of consumers didn't agree with the high price of devices, that forced them to have higher data plan rates.
    - Unlimited data plans were the number one consideration when deciding on a carrier service for their wireless phones.

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# *Objectives*

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### **Impact Objectives:**

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# **Output Objectives:**

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# *Planning*

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### **Strategies:**

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### **Integrated marketing communication (IMC)**

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