

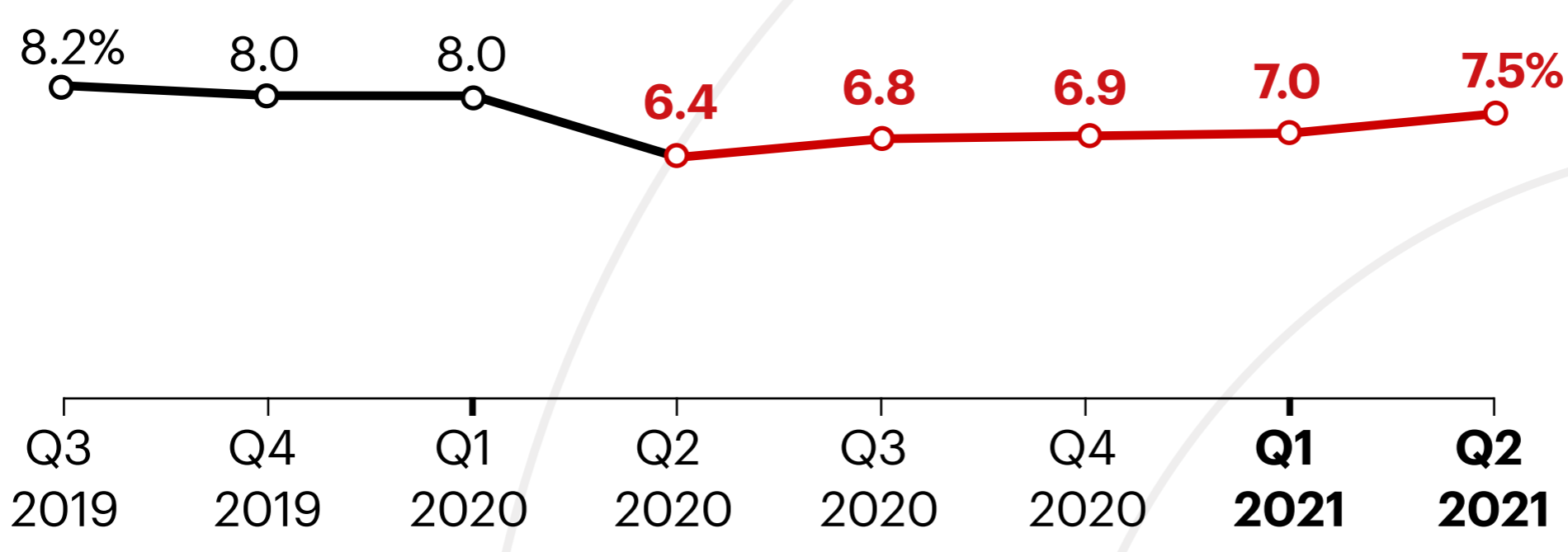
The Return of Churn in Telecom

Customers use digital channels more and are more likely to switch carriers than during the early days of the pandemic.

US telecom customers are more willing to switch

Customers were less likely to change providers during the early months of the pandemic, but since then, the percentage of those likely to switch has steadily risen

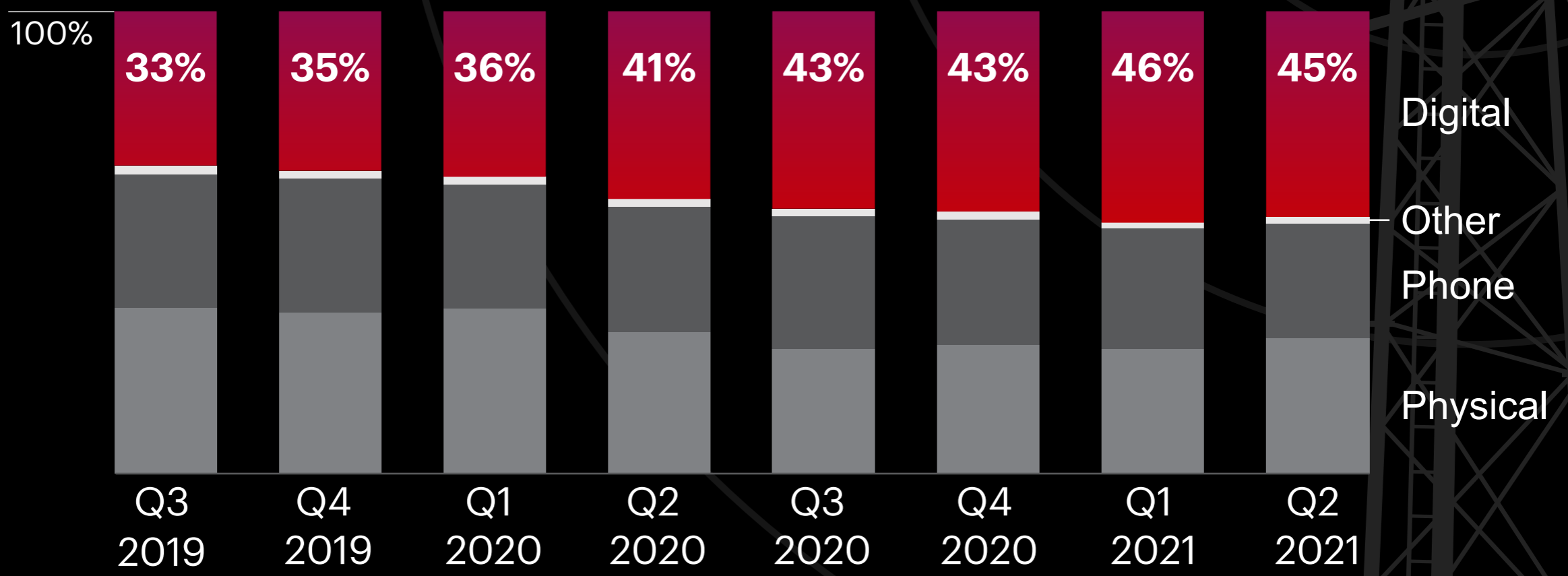
Percentage of customers who say they are likely to switch carriers



Digital continues to grow

Nearly half of customers now use mobile apps, chat, or websites to interact with their carriers.

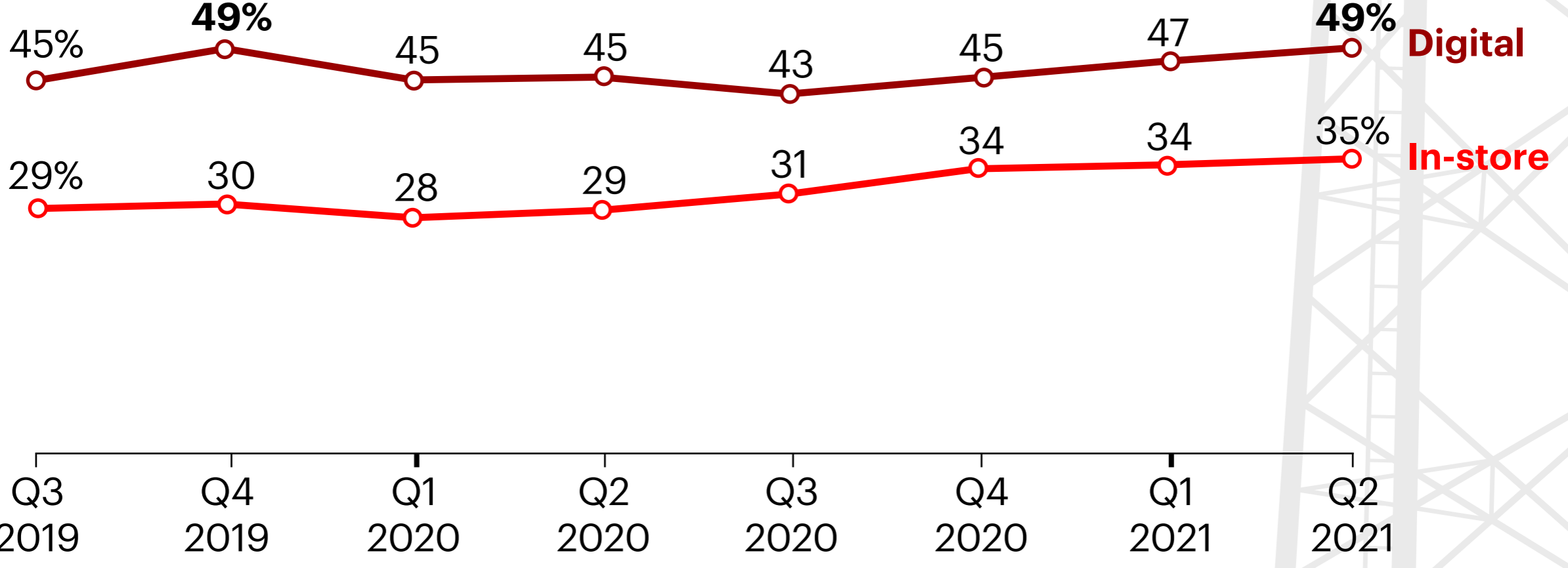
Percentage of users for each channel



But failure rates are on the rise

Early in the pandemic, more customers completed sign-ups or other tasks on the first try, but now first-time failure rates are creeping back up to 2019 levels

First-time failure rates, by percentage



This trend suggests carriers are not meeting customers' expectations in their chosen channels

How telecom companies can prepare



Churn will return and high failure rates could accelerate the trend, so carriers will need to understand why consumers decide to switch



Channel preferences are likely to remain fluid, and carriers should continue to monitor these so they can deliver the right mix of channels for customers



Plan for a hybrid future and be ready for it with an omnichannel strategy to reduce churn and ensure long-term success