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J.D. Power and Associates Reports:
T-Mobile Ranks Highest in Wireless Retail Sales Satisfaction Performance

Sales Staff and Price/Promotions Are the Most Critical Areas in a
Successful Wireless Retail Sales Transaction

FOR IMMEDIATE RELEASE: October 6, 2004

WESTLAKE VILLAGE, Calif.—T-Mobile ranks highest in overall retail sales customer satisfaction among the top seven largest wireless providers, according to the J.D. Power and Associates 2004 Wireless Retail Sales Satisfaction StudySM released today.

This inaugural study provides a detailed assessment of customers who had a wireless retail sales buying experience within the past six months. The study measures overall customer satisfaction performance of the major wireless carrier-branded stores based on four factors (listed in order of importance): sales staff (44%); price/promotion (28%); store display (14%); and store facility (14%).

T-Mobile ranks highest with an overall retail satisfaction index score of 109 and performs significantly above the industry average in all four factors, with particularly high ratings in sales staff. Nextel, AT&T Wireless and Verizon Wireless also perform above the industry average, with index scores of 103, 102 and 101, respectively.

“Retail outlets that set the proper expectations and do not oversell the product or service generate significantly higher ratings and, more importantly, increase the likelihood of repeat purchases,” said Kirk Parsons, senior director of wireless services at J.D. Power and Associates. “With an increasingly competitive environment and changing industry landscape, carriers that provide a consistent and positive retail shopping experience are not only more profitable, but also provide a solid base from which brand loyalty can be fostered.”

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In fact, the study indicates that the level of switching intent increases proportionally as satisfaction with the retail sales transaction decreases. For example, those who report a below-average retail sales experience are not only four times more likely to switch from their current carrier in the next year than are those with a successful transaction (13% vs. 3%), but also spend \$4 more on average for their monthly wireless service (\$64 vs. \$60).

Although not included in the ranking due to marketshare requirements, the study finds that national retail outlets that offer wireless service, such as Radio Shack and Best Buy, perform slightly above the industry average. However, ratings vary by retailer and factor. For example, national retail outlets perform particularly well in the areas of price/promotion and store facility.

The study finds the following key retail wireless sales transaction patterns:

- The average wireless retail sales transaction takes approximately one hour to complete from the time the customer enters the store to the time final paperwork is completed and the cell phone is received.
- Forty-three percent of customers report that they first decided which service carrier to choose during the initial sales process. This compares to 29 percent who said price, 11 percent for type/brand of cell phone and 7 percent for store location.

The 2004 Wireless Retail Sales Satisfaction Study is based on experiences reported by 4,462 wireless users who have completed a retail sales transaction within the past six months.

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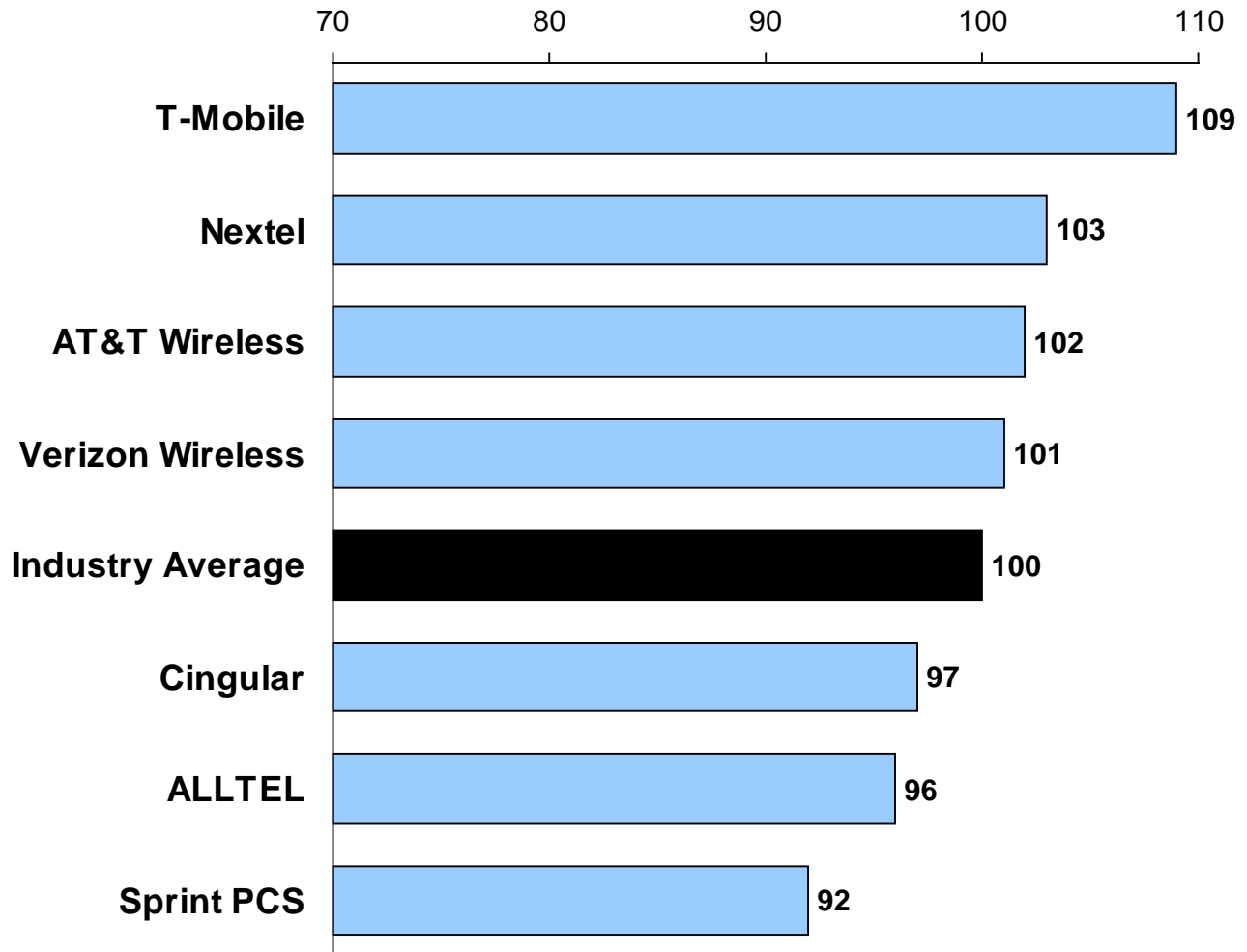
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NOTE: One chart follows.

J.D. Power and Associates 2004 Wireless Retail Sales Satisfaction StudySM

Overall Retail Sales Index Rankings



Source: J.D. Power and Associates 2004 Wireless Retail Sales Satisfaction StudySM

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