

# Consumer Insights & Perspectives Brief

## Top takeaways

### Accounts

- New account acquisition is below forecast and lower than last year, primarily driven by shortfalls in single phone accounts. Multiphone accounts, however, are performing better than expected.
- Lost accounts are exceeding forecasts, specifically due to lost phone accounts, further impacting overall account numbers.
- The combination of lower new accounts and higher lost accounts is resulting in negative net accounts, which continue falling below the forecasted figures.

### Lines

- Even though phone gross adds still miss their month-to-date forecast, the weekly miss to forecast is getting smaller each week
- Phone disconnects missed their forecast, primarily due to the miss in voluntary disconnects
- Phone net adds missed forecast due to the combined pressure in both phone gross adds and phone disconnects, with phone disconnects being the most significant contributor.

### Verizon Home Internet

- VHI's story remains relatively consistent with past weeks; mixed and narrow forecast variances for most key metrics. Growing sales pressure is impeding gross adds' performance; increasingly unfavorable to forecast.
- The positive net adds are marginally worse than forecast due to Fios' pressure in both gross adds and disconnects, which outpaces the benefit from FWA in both metrics.
- On a year-over-year basis, VHI is tracking worse in all key metrics except cancels, whose improvement is primarily impacted by FWA's recent 5G activation process change.

### Value Segment

- Value segment gross adds are showing positive momentum, with most brands meeting or exceeding forecasts.
- Disconnects are slightly favorable, although a recent batch of fraud disconnects limited the benefit to the forecast.



- Net adds significantly exceed forecast expectations and show an increase year-over-year, driven by strong gross add performance and a small benefit from disconnects.

## Traffic and Interactions

### Key Results<sup>1,2</sup>

Postpaid Results (in K)		Last 5 Weeks					Week ending of 3/23		March MTD through 3/23	
		2/16	2/23	3/2	3/9	3/16	Actuals	W/W	Actuals	vs M/M
<b>Total Interactions</b>	Total	46,803	46,454	48,350	50,496	51,341	49,244.1	(4.1%)	146,548	7.2%
Sales Interactions		<b>16,953</b>	<b>17,164</b>	<b>17,349</b>	<b>18,909</b>	<b>19,634</b>	<b>18,712.6</b>	<b>(4.7%)</b>	<b>54,929</b>	<b>10.8%</b>
Sales Interactions Mix %		36.2%	36.9%	35.9%	37.4%	38.2%	38.0%	(24 bps)	37.5%	122 bps
<b>Agents Interactions</b>	Agents	545	567	618	609	643	576	(10.4%)	1,818	7.7%
Sales Interactions		<b>388</b>	<b>408</b>	<b>453</b>	<b>445</b>	<b>476</b>	<b>425</b>	<b>(10.7%)</b>	<b>1,335</b>	<b>9.9%</b>
Sales Interactions Mix %		71.1%	71.9%	73.4%	73.0%	74.0%	73.7%	(26 bps)	73.4%	146 bps
<b>Digital Interactions</b>	Digital	44,102	43,685	45,453	47,581	48,350	46,432	(4.0%)	137,922	7.4%
Sales Interactions		<b>15,906</b>	<b>16,106</b>	<b>16,233</b>	<b>17,802</b>	<b>18,479</b>	<b>17,682</b>	<b>(4.3%)</b>	<b>51,685</b>	<b>11.4%</b>
Sales Interactions Mix %		36.1%	36.9%	35.7%	37.4%	38.2%	38.1%	(14 bps)	37.5%	137 bps
<b>Inside Sales Interactions</b>	Inside Sales	218	183	149	147	129	137	6.2%	407	(34.2%)
Sales Interactions		<b>196</b>	<b>161</b>	<b>129</b>	<b>127</b>	<b>113</b>	<b>119</b>	<b>5.2%</b>	<b>353</b>	<b>(36.4%)</b>
Sales Interactions Mix %		90.2%	88.3%	86.4%	86.0%	87.9%	87.1%	(85 bps)	86.8%	(304 bps)
<b>Stores Interactions</b>	Stores	639	673	733	730	776	679	(12.6%)	2,143	9.1%
Sales Interactions		<b>463</b>	<b>488</b>	<b>534</b>	<b>535</b>	<b>567</b>	<b>487</b>	<b>(14.1%)</b>	<b>1,556</b>	<b>8.9%</b>
Sales Interactions Mix %		72.5%	72.5%	72.9%	73.2%	73.0%	71.7%	(126 bps)	72.6%	(13 bps)

### Insights and Perspectives

- Both **total interactions** and **sales interactions** are trending higher month-over-month, by 7.2% and 10.8% respectively

<sup>1</sup> **Interactions** are engagements between a visitor and the channel they are in. For example, a customer interacting with a Store representative in which their account is pulled up, running a credit check, etc. This includes both sales and service interactions.

**Sales interactions** involve a visitor engaging with any part of the channel's sales process. For instance, a customer is in the Store and the representative is starting the sales process through the point-of-sale system. This would include any device, products, or accessories.

<sup>2</sup> Note that Interaction data was restated in the Agents and Stores channel for June 1st, 2024, and forward to correct the data error that arose from a flow being implemented within the POS system. Therefore, the year-over-year comparison is hidden in the interaction table.



# Accounts

## Executive Abstract

Pressure continues in the acquisition of new accounts, which remain well short of forecast and lower than last year. The vast majority of this pressure is still coming from new single phone accounts, while new multiphone is now running better than forecast and prior year.

Additionally, lost accounts are running worse than expected, driven entirely by lost phone accounts. Therefore, the combined impacts from the misses in new and lost accounts are driving net accounts negative and below forecast (with splits | merges).

## Key Results

Results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>New Accounts</b>	<b>50.9</b>	<b>52.0</b>	<b>60.8</b>	<b>55.8</b>	<b>56.1</b>	<b>58.1</b>	-	<b>(8.2)</b>	<b>2.5</b>	<b>184.0</b>	-	<b>(32.1)</b>	<b>(7.5)</b>	<b>(7.5)</b>	<b>(3.9%)</b>
<b>Phone Accounts</b>	<b>40.0</b>	<b>42.6</b>	<b>50.7</b>	<b>45.7</b>	<b>46.8</b>	<b>48.1</b>	<b>82.7%</b>	<b>(6.2)</b>	<b>1.7</b>	<b>153.4</b>	<b>83.4%</b>	<b>(23.3)</b>	<b>1.2</b>	<b>(8.1)</b>	<b>(5.0%)</b>
Entry Unlimited	18.9	19.8	23.9	22.2	23.2	24.0	50.0%	-	4.3	75.4	49.1%	-	-	5.8	8.4%
Premium Unlimited	20.6	22.4	26.3	23.0	23.1	23.5	49.0%	-	(2.8)	76.4	49.8%	-	-	(14.7)	(16.1%)
Premium Unlimited Mix	51.6%	52.7%	51.8%	50.3%	49.4%	49.0%	-	-	-	49.8%	-	-	-	(6.6%)	
<b>Single Phone</b>	<b>28.3</b>	<b>29.6</b>	<b>35.9</b>	<b>31.7</b>	<b>31.3</b>	<b>30.6</b>	<b>52.6%</b>	<b>(8.7)</b>	<b>(1.8)</b>	<b>102.3</b>	<b>55.6%</b>	<b>(25.3)</b>	<b>(7.5)</b>	<b>(10.7)</b>	<b>(9.5%)</b>
Entry Unlimited	14.4	14.7	18.0	16.0	16.0	15.6	51.0%	-	0.9	52.0	50.8%	-	-	(0.3)	(0.6%)
Premium Unlimited	13.4	14.5	17.4	15.2	14.8	14.5	47.5%	-	(2.9)	48.8	47.6%	-	-	(11.1)	(18.6%)
<b>Multi Phone</b>	<b>11.7</b>	<b>13.0</b>	<b>14.8</b>	<b>13.9</b>	<b>15.5</b>	<b>17.5</b>	<b>30.1%</b>	<b>2.4</b>	<b>3.4</b>	<b>51.1</b>	<b>27.8%</b>	<b>2.0</b>	<b>8.7</b>	<b>2.6</b>	<b>5.4%</b>
Entry Unlimited	4.5	5.0	6.0	6.2	7.2	8.4	48.3%	-	3.4	23.4	45.7%	-	-	6.2	35.9%
Premium Unlimited	7.2	7.9	8.9	7.8	8.3	9.0	51.6%	-	0.0	27.7	54.2%	-	-	(3.5)	(11.4%)
<b>Non Phone</b>	<b>10.8</b>	<b>9.4</b>	<b>10.0</b>	<b>10.1</b>	<b>9.3</b>	<b>10.1</b>	<b>17.3%</b>	<b>(1.9)</b>	<b>0.9</b>	<b>30.6</b>	<b>16.6%</b>	<b>(8.8)</b>	<b>(8.8)</b>	<b>0.6</b>	<b>1.9%</b>
FWA Standalone	9.6	8.3	8.7	8.8	7.9	8.8	15.2%	(0.1)	1.6	26.3	14.3%	(2.8)	(4.2)	2.9	12.6%
<b>Lost Accounts</b>	<b>(68.6)</b>	<b>(75.8)</b>	<b>(79.3)</b>	<b>(70.4)</b>	<b>(65.2)</b>	<b>(66.6)</b>	-	<b>(3.9)</b>	<b>(0.9)</b>	<b>(224.5)</b>	-	<b>(16.6)</b>	<b>(0.7)</b>	<b>(8.4)</b>	<b>(3.9%)</b>
Splits/Merges	2.5	2.6	3.2	2.8	2.8	2.7	-	(0.6)	(1.1)	9.4	-	(1.1)	(23.6)	(3.1)	(25.0%)
<b>Net Accounts (with splits/merges)</b>	<b>(15.2)</b>	<b>(21.3)</b>	<b>(15.3)</b>	<b>(11.7)</b>	<b>(6.3)</b>	<b>(5.7)</b>	-	<b>(12.7)</b>	<b>0.6</b>	<b>(31.1)</b>	-	<b>(49.9)</b>	<b>(31.8)</b>	<b>(19.1)</b>	-

## Insights and Perspectives

- Although **new accounts** showed some positive momentum over the past two weeks, up 2.0K | 3.6% for week ending 03/23, they continued to fall short of forecast
  - Total new accounts at 184.0K are (32.1K) below forecast
  - More than 70% of the miss is from new phone accounts, specifically new single phone
- New **single phone** accounts are (25.3K) off forecast, and this miss is pushing new phone accounts short of forecast: 102.3K versus 127.7K



- The channel with the most significant contribution to single phone unfavorability continues to be Digital, missing its new account forecast by (10.9K) and comprising 43.0% of the total miss (an increase from last week)
- The Digital channel was expected to see a 16.7% year-over-year growth in single phone accounts to hit forecast, however, while shopper visits have increased from last year, they have only increased by 4.6% (for the past three weeks as compared to like weeks in 2024) while most other traffic metrics (percentage of customers with cart adds, credit applications, etc.) remained relatively stable
- Meanwhile, new **multiphone accounts** are not only tracking slightly better than forecast (i.e. 2.0K better than the 49.1K forecast), but they gained small positive momentum over the past couple of weeks
  - For week ending 03/23, multiphone accounts are up week-over-week 2.0K | 12.6%
  - The prior week ending on 03/16 also saw a small week-over-week lift: 1.6K | 11.4%
- How are the phone account results impacting new phone gross adds?
  - The single phone account miss equates to (25.3K) new phones
  - But the multiphone account favorability provides a positive 6.3K offset to new phone gross adds (Calculation: 3.22 multiphone ARPA x 2.0K multiphone benefit to forecast)
- The channel of primary benefit in multiphone accounts has been **Stores**, favorable to forecast by 2.5K
  - The forecast assumed a 9.0% year-over-year increase in new multiphone accounts, however, actuals are 23.6% higher than last year.
- **Lost accounts** are tracking (16.6K) worse than forecast and are putting incremental pressure net accounts
  - Phone accounts are (16.8K) worse than forecast and are driving all the miss in lost accounts with this gap relatively evenly split between single and multiphone
- Reflecting the gaps in new and lost accounts, **net accounts** at (31.1K) are now (49.9K) off of the 18.7K forecast

## Lines<sup>3</sup>

### Executive Abstract

Phone gross adds continue to miss forecast, driven by both new phones and AAL phones. However, this past week, almost the entirety of the miss to forecast was from AAL phones while new phones were in line with forecast.

<sup>3</sup> All phone metrics and comparisons are presented without second number



On the other hand, phone disconnects continue to miss forecast, overwhelmingly due to voluntary disconnects. As a result of the gaps in both phone gross adds and disconnects, phone net adds were negative and fell short of forecast, with phone disconnects being the most significant contributor.

## Key Results

Results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>Phone Gross Adds</b>	<b>114.7</b>	<b>123.8</b>	<b>139.4</b>	<b>130.8</b>	<b>138.7</b>	<b>144.1</b>	<b>55.4%</b>	<b>(9.5)</b>	<b>14.2</b>	<b>451.3</b>	<b>55.5%</b>	<b>(48.8)</b>	<b>17.6</b>	<b>3.3</b>	<b>0.7%</b>
Unlimited Welcome	59.9	63.8	72.9	71.0	76.7	81.6	56.6%	-	16.0	248.8	55.1%	-	-	23.6	10.5%
Unlimited Plus	38.1	42.1	45.7	41.9	43.4	44.6	30.9%	-	(1.4)	142.8	31.6%	-	-	(17.8)	(11.1%)
Unlimited Ultimate	15.4	16.7	19.4	16.7	17.2	16.6	11.5%	-	0.1	55.2	12.2%	-	-	(0.7)	(1.3%)
Other Premium	0.1	0.1	0.1	0.1	0.1	0.0	0.0%	-	(0.2)	0.2	0.0%	-	-	(0.3)	(63.8%)
Other Unlimited/ Metered	1.2	1.1	1.3	1.2	1.3	1.3	0.9%	-	(0.3)	4.3	0.9%	-	-	(1.4)	(24.4%)
Premium Unlimited Mix%	46.8%	47.6%	46.8%	44.8%	43.7%	42.5%	-	-	(5.8%)	43.9%	-	-	-	(4.5%)	-
<b>New Phone</b>	<b>64.9</b>	<b>70.6</b>	<b>81.5</b>	<b>75.4</b>	<b>81.4</b>	<b>88.1</b>	<b>61.1%</b>	<b>(0.3)</b>	<b>11.3</b>	<b>266.6</b>	<b>59.1%</b>	<b>(20.9)</b>	<b>19.0</b>	<b>0.4</b>	<b>0.2%</b>
<b>Add a Line Phone</b>	<b>49.7</b>	<b>53.2</b>	<b>57.9</b>	<b>55.4</b>	<b>57.3</b>	<b>56.0</b>	<b>38.9%</b>	<b>(9.3)</b>	<b>3.0</b>	<b>184.7</b>	<b>40.9%</b>	<b>(27.8)</b>	<b>(1.4)</b>	<b>2.9</b>	<b>1.6%</b>
<b>Phone Upgrades</b>	<b>175.1</b>	<b>189.2</b>	<b>215.1</b>	<b>267.5</b>	<b>331.5</b>	<b>280.9</b>	<b>-</b>	<b>84.9</b>	<b>64.2</b>	<b>948.4</b>	<b>-</b>	<b>303.6</b>	<b>50.3</b>	<b>218.6</b>	<b>29.9%</b>
<b>Phone Disconnects</b>	<b>(151.0)</b>	<b>(163.6)</b>	<b>(177.8)</b>	<b>(156.8)</b>	<b>(148.0)</b>	<b>(156.6)</b>	<b>-</b>	<b>(31.6)</b>	<b>(20.4)</b>	<b>(510.9)</b>	<b>-</b>	<b>(96.5)</b>	<b>(58.5)</b>	<b>(63.3)</b>	<b>(14.2%)</b>
Voluntary	(122.1)	(134.7)	(153.7)	(130.6)	(128.5)	(139.7)	89.2%	(30.3)	(31.6)	(439.5)	86.0%	(85.1)	-	(84.2)	(23.7%)
Involuntary	(29.0)	(28.9)	(24.1)	(26.2)	(19.5)	(16.9)	10.8%	(1.3)	11.3	(71.4)	14.0%	(11.4)	-	20.9	22.6%
<b>Phone Net Adds</b>	<b>(36.4)</b>	<b>(39.8)</b>	<b>(38.4)</b>	<b>(26.0)</b>	<b>(9.3)</b>	<b>(12.5)</b>	<b>-</b>	<b>(41.1)</b>	<b>(6.1)</b>	<b>(59.7)</b>	<b>-</b>	<b>(145.3)</b>	<b>(40.9)</b>	<b>(60.0)</b>	<b>17343.9%</b>

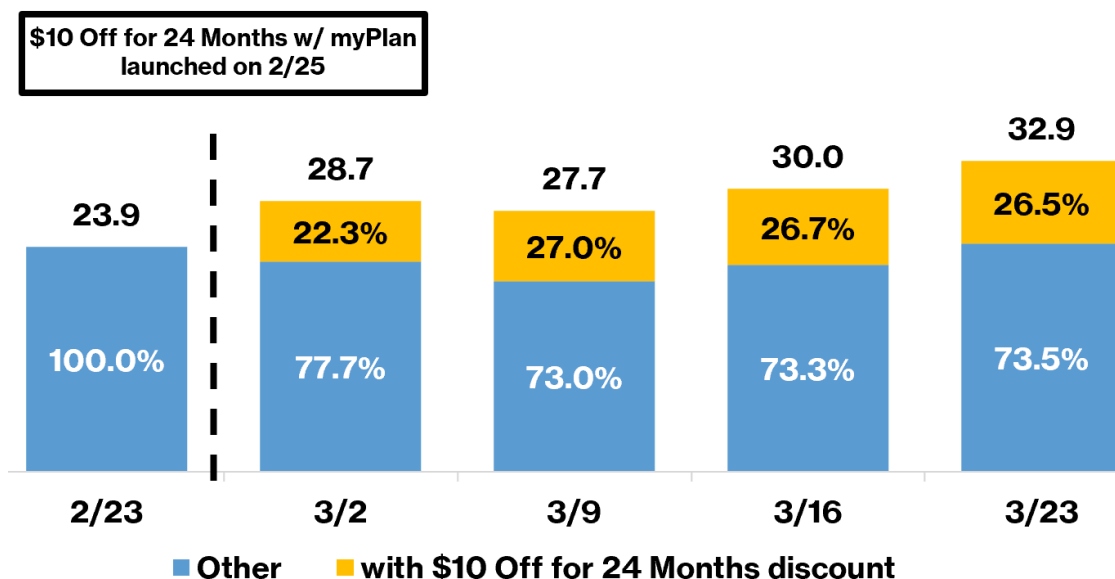
## Insights and Perspectives

- **Phone gross adds** are missing forecast by (48.8K) due to the combined pressure in both new phones and AAL phones
  - New phones and AAL phones missed forecast by (20.9K) and (27.8K) respectively
  - This is the first time the weekly miss in AAL phones was larger than the miss in the new phones so far in March
- Week-over-week, phone gross adds actuals are 5.4K or 3.9% higher
  - Additionally, the weekly gap to forecast is getting smaller. This past week, the miss to forecast was (9.5K) as compared to the (15.0K) miss one week prior.
  - The miss is almost entirely driven by AAL phones, as new phones were in line with forecast last week
- From a **channel** perspective, the Digital channel missed forecast by the largest margin, followed by the Inside Sales channel
  - The store channel, conversely, had the largest benefit forecast



- This increase in phone gross adds (especially new phones) could be in part due to compelling offers driving a 6.9% year-over-year increase in traffic (Door Swings), but also due to a higher conversion rate which could be related to the new store only discount: Direct Retail: \$10 Off for 24 Months
- **Did you know:** On 2/25, we launched the discount: Direct Retail: \$10 Off for 24 Months ([link](#)) in the Stores channel and it helps improve the performance of the store channel
  - After the launch date (2/25), New Phone Gross Adds took this discount, representing about 26% (or 1K daily) of all new phone gross adds in the Stores channel
  - Premium and entry-level plans had similar take rates

### New Phone Gross Adds in the Stores Channel



- Week-over-week, the **premium mix** has continued trending lower for the past 5 weeks to 42.5%(this past week) from 47.6%(week ending 2/23)
  - This is likely due to the new device promotions, which do not differentiate the incentive credit amount for entry plans compared to premium plans
  - Additionally, the declining trend of the premium mix coincides with our national offer, which advertises “Our Best Price Ever” with four lines for \$25 on Unlimited Welcome with four iPhones on us
  - Month-to-date March’s premium mix is 43.9%, 454bps lower than last year
- **Phone disconnects** missed their forecast by (96.5K), primarily due to the (85.1K) miss in voluntary disconnects
  - The main reason behind the miss to voluntary disconnects is port out to AT&T and T-Mobile



- The trend is driven by our competitor's "pay off your phone" promotion (AT&T) and Carrier Freedom offer (T-Mobile)
- **Phone net adds** missed forecast by (145.3K) due to the combined pressure in both phone gross adds and phone disconnects, with phone disconnects being the most significant contributor.

## Subscription Services<sup>4</sup>

- We have 751K **total myPlan Gross Perks Sold** for month-to-date March, which are tracking ahead of the Full Month Best View

Comparison to the March Best View is based on a linear approach

- Same Day Perk Attach Rate is 0.29, flat month-over-month
- 400K of the month-to-date total myPlan Perks are from **Partner Perks**
- Of the 400K month-to-date Partner Perks 32% were sold by Digital, down 3pps month-over-month

Channel (in K)	Last 5 Weeks					Week ending of 3/23		March MTD through 3/23	
	2/16	2/23	3/2	3/9	3/16	Actuals	W/W	Actuals	M/M
Stores	35.8	37.9	42.1	42.9	43.7	39.2	(10%)	140.7	18%
Digital	41.2	42.8	41.7	40.0	38.8	33.5	(14%)	126.3	(6%)
Inside Sales	2.9	2.6	2.6	2.6	2.7	2.6	(6%)	8.3	(7%)
CS/Other	13.0	13.2	12.2	12.8	12.7	12.4	(2%)	40.7	3%
Agents	23.7	24.0	25.9	25.0	26.3	23.6	(10%)	82.6	7%
National Retail	0.2	0.2	0.3	0.3	0.4	0.2	(38%)	1.0	(25%)
<b>Total Partner Perks Sold</b>	<b>116.8</b>	<b>120.7</b>	<b>124.7</b>	<b>123.8</b>	<b>124.6</b>	<b>111.4</b>	<b>(11%)</b>	<b>399.7</b>	<b>5%</b>

- **Google One AI Premium** perk launched on 2/6; since launch 34K perks have been sold
  - The MTD 7-day registration rate for Google One AI Premium perk is 56%
- **Disney Bundle w/ Ads** perk launched on 3/20; since launch 22K perks have been sold
- myHome Results through 3/23:<sup>5,6</sup>
  - There are 469K FWA total perks purchased launch-to-date, of which 400K were gross adds and 69K from the base
  - There are 606K Fios total perks purchased launch-to-date, of which 246K were gross adds and 360K from the base

<sup>4</sup> Subscription services include consumer postpaid wireless programs: myPlan & myHome perks (sold), +play subscriptions, Mix & Match Inclusion, Paid, and Trials. [Click here](#) for additional analysis on subscription services

<sup>5</sup> myHome launched on 6/26 and offers perks through FWA & Fios

<sup>6</sup> Effective 8/7 Apple perks (Apple Music Family, Apple One Individual, Apple One Family) are now available





## Verizon Home Internet (Fios + FWA)

### Executive Abstract

Verizon Home Internet's (VHI) story remains relatively consistent with past weeks; mixed and narrow forecast variances for most key metrics. Growing sales pressure is impeding gross adds' performance; increasingly unfavorable to forecast. The positive net adds are marginally worse than forecast due to Fios' pressure in both gross adds and disconnects, which outpaces the benefit from FWA in both metrics. On a year-over-year basis, VHI is tracking worse in all key metrics except cancels, whose improvement is primarily impacted by FWA's recent 5G activation process change.<sup>7</sup>

### Key Results<sup>8</sup>

Results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>Sales</b>	<b>59.7</b>	<b>61.4</b>	<b>68.2</b>	<b>61.8</b>	<b>61.5</b>	<b>58.7</b>		<b>(8.0)</b>	<b>(6.7)</b>	<b>196.0</b>		<b>(16.4)</b>	<b>(15.7)</b>	<b>(17.0)</b>	<b>(8.0%)</b>
Fios	21.3	22.3	24.5	21.6	20.9	21.7	37.0%	(3.6)	(2.8)	68.0	34.7%	(10.8)	(5.9)	(7.5)	(9.9%)
FWA	38.4	39.2	43.7	40.1	40.6	37.0	63.0%	(4.4)	(4.0)	127.9	65.3%	(5.6)	(9.8)	(9.5)	(6.9%)
<b>Cancel / Returns</b>	<b>6.5</b>	<b>5.3</b>	<b>3.9</b>	<b>3.8</b>	<b>3.6</b>	<b>3.5</b>		<b>1.2</b>	<b>5.2</b>	<b>11.7</b>		<b>3.1</b>	<b>1.8</b>	<b>15.8</b>	<b>57.5%</b>
Fios	3.3	3.2	3.3	3.2	3.0	2.9	84.9%	0.6	0.2	9.8	83.6%	1.3	(0.9)	0.1	0.6%
FWA	3.2	2.1	0.6	0.7	0.6	0.5	15.1%	0.6	5.0	1.9	16.4%	1.8	2.7	15.7	89.1%
<b>Gross Adds</b>	<b>53.3</b>	<b>45.1</b>	<b>60.0</b>	<b>55.4</b>	<b>50.1</b>	<b>50.1</b>		<b>(1.1)</b>	<b>(0.5)</b>	<b>165.4</b>		<b>(2.6)</b>	<b>(4.7)</b>	<b>(4.7)</b>	<b>(2.8%)</b>
* Fios	19.0	16.2	22.3	22.5	18.8	17.8	35.6%	(2.5)	(2.1)	63.1	38.1%	(3.2)	(2.1)	(4.9)	(7.2%)
FWA	34.4	28.9	37.7	32.8	31.3	32.2	64.4%	1.4	1.6	102.4	61.9%	0.6	(2.6)	0.2	0.2%
<b>Disconnects</b>	<b>(28.8)</b>	<b>(31.3)</b>	<b>(42.5)</b>	<b>(36.4)</b>	<b>(34.2)</b>	<b>(33.0)</b>		<b>1.0</b>	<b>(5.9)</b>	<b>(114.8)</b>		<b>1.6</b>	<b>(2.9)</b>	<b>(20.4)</b>	<b>(21.6%)</b>
Fios	(12.0)	(14.0)	(23.0)	(17.6)	(16.2)	(15.6)	47.4%	(0.4)	(0.8)	(55.5)	48.3%	(2.2)	(0.9)	(2.2)	(4.2%)
FWA	(16.8)	(17.3)	(19.5)	(18.8)	(18.0)	(17.4)	52.6%	1.4	(5.1)	(59.3)	51.7%	3.8	(2.0)	(18.2)	(44.2%)
<b>Net Adds</b>	<b>24.5</b>	<b>13.8</b>	<b>17.5</b>	<b>19.0</b>	<b>15.9</b>	<b>17.1</b>		<b>(0.1)</b>	<b>(6.4)</b>	<b>50.7</b>		<b>(1.0)</b>	<b>(7.6)</b>	<b>(25.1)</b>	<b>(33.1%)</b>
Fios	7.0	2.2	(0.7)	4.9	2.6	2.2	12.9%	(2.9)	(2.9)	7.6	15.0%	(5.4)	(3.0)	(7.1)	(48.3%)
FWA	17.6	11.6	18.2	14.1	13.3	14.9	87.1%	2.8	(3.5)	43.1	85.0%	4.4	(4.5)	(18.0)	(29.5%)

### Insights and Perspectives

- VHI **sales** continue trending worse than forecast and prior year...and with growing margins for both

<sup>7</sup> VHI's year-over-year comparison results are negatively impacted by one additional Sunday in month-to-date March 2025. This is significant given the related call center closures and no offered install appointments on Sundays (impacting both sales and gross adds).

<sup>8</sup> The Affordable Connectivity Program (ACP) ended in April 2024 (i.e. ACP drove 0.6K in Fios gross adds volumes during March 2024)





- Both **Fios** and **FWA** are facing forecast pressure, with **Fios** being the primary contributor, worse by (10.8K)
  - All **Fios channels** are underperforming expectations with Customer Service, Residential and Digital driving the majority of the variance; short of forecast by (10.2K) combined
    - **Fios Customer Service**, the largest channel driver, is impacted by lower call volumes, in spite of close rates that exceed forecast
    - **Fios Residential**, the second largest channel driver, is primarily impacted by declining headcount; down almost 25% since the beginning of the year

**Recommended focuses for March improvement:**

- **All channels** should capitalize on a unique promotion for new **Fios or FWA** customers when buying premium services (Fios 500Mbps-2Gb & 5G/LTE Home Plus): [Verizon Home Internet: 43" Samsung TV or Meta Quest 3S Headset Choice Offer](#) (3/13/25 - 4/30/25)
- Additionally, several channel-specific Fios promotions have been added to help close the forecast gap (none are limited to lead-lists):
  - **Residential:** [Walmart Exclusive - \\$200 Verizon Gift Card](#) (3/13/25 - 4/30/25)
  - **Digital:** [Fios Up to \\$100 Verizon Gift Card Promotion](#) (3/19/25 - 3/31/25)
  - **Customer Service:** [Fios Closer \\$200 Verizon Gift Card](#) (3/19/25 - 3/31/25)
- While overall **FWA** is tracking worse than forecast, Wi-Fi Backup (launched on 2/27) sales are better than March expectations by 130.9% and providing 3.6K of benefit to target; primarily attributable to the Customer Service channel
- On a year-over-year basis, combined declines in **FWA** and **Fios** volumes are driving the overall unfavorability
  - **FWA and Fios Digital** are driving the most significant channel pressure, at (8.1K) combined, and are impacted by:
    - **FWA:** A significant decrease in visits and a decline in close rates
    - **Fios:** Lower conversion and close rates, despite higher visit volumes
  - **Fios Customer Service** is the second largest channel driver, down by (4.8K) and impacted by unfavorable month-to-date sales due to the respective cited drivers above, in spite of improvement in close rates versus last March
- The **cancels** story remains positive, tracking better than forecast and last year
  - Both **Fios** and **FWA** are exceeding expectations; **FWA** with the continued benefit of the change to the 5G activation billing process
  - On a year-over-year basis, **FWA** is the primary driver for the overall favorability with every channel improved (impacted by the process change cited above), yet **Fios** also offers a marginal contribution



- **Gross adds** are trending increasingly unfavorable to forecast and versus last year
  - While both VHI product sets' forecast performances are hindered by their respective continuing sales pressure, **FWA** is slightly better than forecast; impacted by a 2.4K month-to-date benefit from Wi-Fi backup
  - From a year-over-year perspective, **Fios** is driving all of VHI's unfavorability, outpacing **FWA's** slight improvement
    - **Fios Customer Service** is the largest channel driver, down by (11.1K) and impacted by decreased sales volumes due to the respective cited drivers above
    - At the VHI level, **FWA Digital** is the second largest channel driver, impacted by the decrease in sales volumes due to the respective cited drivers above and despite lower cancels than last March
- **Disconnects** continue tracking better than forecast and worse than last year; both benchmark variances are increasing
  - Each of **FWA's** technologies (C-Band, mmWave & LTE) is at or exceeding forecast expectations, more than outpacing the pressure from the **Fios**, where all disconnect types (involuntary, voluntary and movers) remain unfavorable to forecast; voluntary driving the most variance at (1.6K)
  - From a year-over-year perspective, **FWA's** C-Band volumes are driving the majority of VHI's underperformance, while each **Fios** disconnect types continue contributing to VHI's overall decline; voluntary drives the largest variance at (1.4K)
  - All **Fios** and **FWA** channels remain trending worse than last year
- VHI **net adds** are tracking positively at 50.7K, yet have now shifted to (1.0K) unfavorable to forecast, while remaining worse than last year; down by (25.1K)
  - **Fios** represents VHI's largest challenge, from a forecast perspective, with pressure in both gross adds and disconnects. However, **FWA's** disconnects benefit more than offsets **Fios'** respective underperformance.
  - Additionally, combined **Fios** and **FWA** unfavorability in disconnects, coupled with the **Fios** pressure from gross adds, is driving the overall year-over-year decline



## Value Segment<sup>9</sup>

### Executive Abstract

Gross adds in the value segment continues to show positive momentum, with nearly all brands meeting or exceeding their forecasts. Disconnects remain slightly favorable, although processing a recent batch of fraud disconnects on 3/21 significantly limited the benefit to forecast. Due to extremely strong performance in gross adds and the small benefit from disconnects, net adds significantly exceed forecast expectations and show an increase year-over-year.

### Key Results<sup>10</sup>

Gross Adds results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>Total Wireless Total</b>	<b>25.9</b>	<b>29.1</b>	<b>37.9</b>	<b>32.3</b>	<b>31.0</b>	<b>27.8</b>	<b>15.8%</b>	<b>(1.6)</b>	<b>8.6</b>	<b>100.9</b>	<b>16.2%</b>	<b>(0.9)</b>	<b>(5.2)</b>	<b>31.2</b>	<b>44.8%</b>
Total Wireless (excl FWA)	25.1	28.2	36.7	31.2	30.0	26.9	96.7%	(1.6)	7.8	97.7	96.8%	(0.9)	(5.4)	28.5	41.2%
Total Wireless FWA	0.8	0.9	1.2	1.1	0.9	0.9	3.3%	(0.1)	0.7	3.2	3.2%	(0.0)	0.1	2.7	520.0%
<b>Straight Talk Total</b>	<b>54.3</b>	<b>63.3</b>	<b>95.5</b>	<b>79.3</b>	<b>69.9</b>	<b>62.7</b>	<b>35.7%</b>	<b>6.6</b>	<b>12.5</b>	<b>237.0</b>	<b>38.0%</b>	<b>28.7</b>	<b>47.2</b>	<b>40.0</b>	<b>20.3%</b>
Straight Talk (excl FWA)	53.7	62.6	94.5	78.4	69.1	62.1	99.1%	6.8	12.3	234.5	98.9%	28.8	45.9	38.9	19.9%
FWA (Straight Talk)	0.7	0.7	1.0	0.9	0.8	0.6	0.9%	(0.1)	0.2	2.5	1.1%	(0.1)	1.3	1.1	80.2%
<b>Visible</b>	<b>16.2</b>	<b>17.1</b>	<b>18.5</b>	<b>17.2</b>	<b>15.4</b>	<b>16.1</b>	<b>9.2%</b>	<b>(1.5)</b>	<b>0.9</b>	<b>53.4</b>	<b>8.6%</b>	<b>(1.1)</b>	<b>5.6</b>	<b>12.2</b>	<b>29.6%</b>
<b>Verizon Prepaid</b>	<b>18.3</b>	<b>20.2</b>	<b>27.7</b>	<b>22.4</b>	<b>19.0</b>	<b>21.8</b>	<b>78.6%</b>	<b>2.5</b>	<b>2.1</b>	<b>69.7</b>	<b>69.0%</b>	<b>2.8</b>	<b>6.8</b>	<b>(3.6)</b>	<b>(4.9%)</b>
<b>Simple Mobile</b>	<b>8.1</b>	<b>8.6</b>	<b>12.4</b>	<b>11.2</b>	<b>10.5</b>	<b>10.0</b>	<b>5.7%</b>	<b>0.9</b>	<b>(1.3)</b>	<b>34.6</b>	<b>5.5%</b>	<b>3.2</b>	<b>3.6</b>	<b>(6.3)</b>	<b>(15.4%)</b>
<b>Tracfone</b>	<b>17.1</b>	<b>16.1</b>	<b>20.7</b>	<b>21.1</b>	<b>19.0</b>	<b>18.3</b>	<b>29.2%</b>	<b>0.4</b>	<b>(1.5)</b>	<b>64.0</b>	<b>27.0%</b>	<b>1.7</b>	<b>17.9</b>	<b>(8.1)</b>	<b>(11.2%)</b>
<b>Walmart Family Mobile</b>	<b>4.0</b>	<b>4.3</b>	<b>6.4</b>	<b>5.6</b>	<b>4.9</b>	<b>4.5</b>	<b>7.1%</b>	<b>0.3</b>	<b>0.1</b>	<b>16.8</b>	<b>7.1%</b>	<b>1.6</b>	<b>3.7</b>	<b>0.2</b>	<b>1.1%</b>
<b>Other</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0%</b>	<b>0.0</b>	<b>(0.1)</b>	<b>0.2</b>	<b>0.0%</b>	<b>0.1</b>	<b>0.1</b>	<b>(0.2)</b>	<b>(45.5%)</b>
<b>Core Value Brands</b>	<b>144.1</b>	<b>158.6</b>	<b>219.1</b>	<b>189.0</b>	<b>169.7</b>	<b>161.2</b>		<b>7.7</b>	<b>21.3</b>	<b>576.5</b>		<b>36.2</b>	<b>79.7</b>	<b>65.5</b>	<b>12.8%</b>
Safelink	14.5	12.8	16.4	15.3	17.1	14.1	8.1%	(0.5)	(28.2)	46.9	7.5%	6.8	16.1	(56.8)	(54.8%)
<b>Value Brands</b>	<b>158.6</b>	<b>171.4</b>	<b>235.4</b>	<b>204.4</b>	<b>186.8</b>	<b>175.3</b>		<b>7.2</b>	<b>(6.9)</b>	<b>623.4</b>		<b>43.1</b>	<b>95.8</b>	<b>8.6</b>	<b>1.4%</b>

Disconnects results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>Total Wireless Total</b>	<b>(20.0)</b>	<b>(20.3)</b>	<b>(15.5)</b>	<b>(27.0)</b>	<b>(19.8)</b>	<b>(35.6)</b>	<b>21.2%</b>	<b>(12.3)</b>	<b>(22.1)</b>	<b>(83.8)</b>	<b>15.3%</b>	<b>(10.5)</b>	<b>(17.7)</b>	<b>(35.1)</b>	<b>(72.1%)</b>
Total by Verizon (excl FWA)	(19.7)	(20.0)	(15.2)	(26.6)	(19.5)	(35.2)	98.9%	(12.3)	(21.7)	(82.6)	98.6%	(10.6)	(17.2)	(34.0)	(69.8%)
Total Wireless FWA	(0.3)	(0.4)	(0.2)	(0.5)	(0.3)	(0.4)	1.1%	0.0	(0.4)	(1.2)	1.4%	0.1	(0.5)	(1.1)	(6021.1%)
<b>Straight Talk Total</b>	<b>(63.5)</b>	<b>(57.9)</b>	<b>(59.6)</b>	<b>(58.1)</b>	<b>(48.8)</b>	<b>(46.5)</b>	<b>27.7%</b>	<b>6.0</b>	<b>3.0</b>	<b>(173.9)</b>	<b>31.7%</b>	<b>6.4</b>	<b>(24.7)</b>	<b>(13.2)</b>	<b>(8.2%)</b>
Straight Talk (excl FWA)	(63.3)	(57.7)	(59.4)	(57.8)	(48.6)	(46.3)	99.7%	5.9	3.0	(173.2)	99.6%	6.8	(24.3)	(13.0)	(8.1%)
FWA (Straight Talk)	(0.3)	(0.2)	(0.2)	(0.3)	(0.2)	(0.2)	0.3%	0.1	0.0	(0.7)	0.4%	(0.3)	(0.4)	(0.2)	(42.0%)
<b>Visible</b>	<b>(6.3)</b>	<b>(6.7)</b>	<b>(6.8)</b>	<b>(6.6)</b>	<b>(6.6)</b>	<b>(6.5)</b>	<b>3.9%</b>	<b>1.3</b>	<b>0.1</b>	<b>(21.2)</b>	<b>3.9%</b>	<b>2.8</b>	<b>2.9</b>	<b>(1.3)</b>	<b>(6.6%)</b>
<b>Verizon Prepaid</b>	<b>(25.0)</b>	<b>(25.3)</b>	<b>(21.6)</b>	<b>(26.0)</b>	<b>(25.2)</b>	<b>(25.1)</b>	<b>70.6%</b>	<b>0.1</b>	<b>1.8</b>	<b>(80.8)</b>	<b>227.0%</b>	<b>1.5</b>	<b>(6.2)</b>	<b>5.1</b>	<b>5.9%</b>
<b>Simple Mobile</b>	<b>(11.4)</b>	<b>(11.4)</b>	<b>(10.5)</b>	<b>(11.2)</b>	<b>(10.6)</b>	<b>(10.5)</b>	<b>6.3%</b>	<b>(0.5)</b>	<b>2.6</b>	<b>(36.0)</b>	<b>6.6%</b>	<b>0.5</b>	<b>(2.9)</b>	<b>7.9</b>	<b>18.0%</b>
<b>Tracfone</b>	<b>(22.0)</b>	<b>(21.8)</b>	<b>(22.2)</b>	<b>(22.4)</b>	<b>(21.1)</b>	<b>(20.6)</b>	<b>44.4%</b>	<b>(0.5)</b>	<b>16.1</b>	<b>(70.8)</b>	<b>40.7%</b>	<b>(0.3)</b>	<b>7.7</b>	<b>27.3</b>	<b>27.8%</b>
<b>Walmart Family Mobile</b>	<b>(5.3)</b>	<b>(5.1)</b>	<b>(4.3)</b>	<b>(6.3)</b>	<b>(4.9)</b>	<b>(4.6)</b>	<b>9.9%</b>	<b>0.3</b>	<b>0.9</b>	<b>(15.9)</b>	<b>9.2%</b>	<b>0.7</b>	<b>(0.2)</b>	<b>3.2</b>	<b>16.7%</b>
<b>Other</b>	<b>(1.3)</b>	<b>(1.3)</b>	<b>(1.0)</b>	<b>(1.6)</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(0.7%)</b>	<b>0.0</b>	<b>0.7</b>	<b>(4.3)</b>	<b>(0.7%)</b>	<b>(0.0)</b>	<b>(0.1)</b>	<b>2.3</b>	<b>34.6%</b>
<b>Core Value Brands</b>	<b>(154.8)</b>	<b>(149.7)</b>	<b>(141.5)</b>	<b>(159.2)</b>	<b>(138.3)</b>	<b>(150.7)</b>		<b>(5.6)</b>	<b>3.0</b>	<b>(486.7)</b>		<b>1.1</b>	<b>(41.3)</b>	<b>(3.9)</b>	<b>(0.8%)</b>
Safelink	(18.5)	(17.7)	(19.1)	(18.1)	(19.2)	(16.9)	11.2%	0.1	31.4	(62.4)	12.8%	0.4	(3.7)	94.7	60.3%
<b>Value Brands</b>	<b>(173.3)</b>	<b>(167.4)</b>	<b>(160.6)</b>	<b>(177.4)</b>	<b>(157.4)</b>	<b>(167.6)</b>		<b>(5.5)</b>	<b>34.4</b>	<b>(549.1)</b>		<b>1.5</b>	<b>(45.0)</b>	<b>90.8</b>	<b>14.2%</b>

<sup>9</sup> Value insights are based on data that includes all brands, but excludes Safelink

<sup>10</sup> VVO stands for Verizon Value Organization



Net Adds results (in K)	Last 5 Weeks					Week ending of 3/23				March MTD through 3/23					
	2/16	2/23	3/2	3/9	3/16	Actuals	Mix %	vs Fct	vs PY	Actuals	Mix %	vs Fct	vs CV	vs PY	vs PY %
<b>Total Wireless Total</b>	<b>6.0</b>	<b>8.7</b>	<b>22.4</b>	<b>5.3</b>	<b>11.2</b>	<b>(7.8)</b>	-	<b>(13.9)</b>	<b>(13.6)</b>	<b>17.1</b>	-	<b>(11.4)</b>	<b>(22.9)</b>	<b>(3.9)</b>	<b>18.5%</b>
Total by Verizon (excl FWA)	5.5	8.2	21.5	4.7	10.6	(8.4)	-	(13.9)	(13.9)	15.1	-	(11.5)	(22.6)	(5.4)	26.6%
Total Wireless FWA	0.5	0.5	0.9	0.6	0.6	0.5	-	(0.0)	0.4	2.1	-	0.1	(0.3)	1.6	311.8%
<b>Straight Talk Total</b>	<b>(9.2)</b>	<b>5.4</b>	<b>35.9</b>	<b>21.2</b>	<b>21.1</b>	<b>16.2</b>	-	<b>12.6</b>	<b>15.5</b>	<b>63.1</b>	-	<b>35.2</b>	<b>22.5</b>	<b>26.8</b>	<b>(73.8%)</b>
Straight Talk (excl FWA)	(9.6)	4.9	35.1	20.6	20.6	15.8	-	12.7	15.3	61.3	-	35.6	21.6	25.9	(73.1%)
FWA (Straight Talk)	0.4	0.5	0.8	0.6	0.5	0.4	-	(0.1)	0.2	1.8	-	(0.4)	0.9	0.9	102.5%
<b>Visible</b>	<b>9.9</b>	<b>10.4</b>	<b>11.7</b>	<b>10.6</b>	<b>8.8</b>	<b>9.5</b>	-	<b>(0.2)</b>	<b>1.0</b>	<b>32.2</b>	-	<b>1.8</b>	<b>8.5</b>	<b>10.9</b>	<b>51.0%</b>
<b>Verizon Prepaid</b>	<b>(6.7)</b>	<b>(5.1)</b>	<b>6.0</b>	<b>(3.6)</b>	<b>(6.2)</b>	<b>(3.3)</b>	-	<b>2.6</b>	<b>3.8</b>	<b>(11.2)</b>	-	<b>4.3</b>	<b>0.5</b>	<b>1.4</b>	<b>11.4%</b>
<b>Simple Mobile</b>	<b>(3.2)</b>	<b>(2.8)</b>	<b>1.9</b>	<b>(0.0)</b>	<b>(0.2)</b>	<b>(0.5)</b>	-	<b>0.4</b>	<b>1.3</b>	<b>(1.4)</b>	-	<b>3.7</b>	<b>0.7</b>	<b>1.6</b>	<b>53.9%</b>
<b>Tracfone</b>	<b>(4.9)</b>	<b>(5.7)</b>	<b>(1.5)</b>	<b>(1.3)</b>	<b>(2.1)</b>	<b>(2.4)</b>	-	<b>(0.2)</b>	<b>14.6</b>	<b>(6.8)</b>	-	<b>1.4</b>	<b>25.6</b>	<b>19.2</b>	<b>73.7%</b>
<b>Walmart Family Mobile</b>	<b>(1.4)</b>	<b>(0.8)</b>	<b>2.1</b>	<b>(0.8)</b>	<b>0.0</b>	<b>(0.1)</b>	-	<b>0.6</b>	<b>1.0</b>	<b>0.9</b>	-	<b>2.4</b>	<b>3.5</b>	<b>3.4</b>	<b>134.6%</b>
<b>Other</b>	<b>(1.2)</b>	<b>(1.2)</b>	<b>(0.9)</b>	<b>(1.6)</b>	<b>(1.2)</b>	<b>(1.1)</b>	-	<b>0.1</b>	<b>0.6</b>	<b>(4.1)</b>	-	<b>0.1</b>	<b>(0.0)</b>	<b>2.1</b>	<b>33.9%</b>
<b>Core Value Brands</b>	<b>(10.7)</b>	<b>8.9</b>	<b>77.6</b>	<b>29.8</b>	<b>31.5</b>	<b>10.5</b>	-	<b>2.1</b>	<b>24.3</b>	<b>89.9</b>	-	<b>37.4</b>	<b>38.4</b>	<b>61.5</b>	<b>(217.4%)</b>
Safelink	(4.1)	(4.9)	(2.8)	(2.8)	(2.1)	(2.8)	-	(0.4)	3.2	(15.5)	-	7.2	12.4	37.9	(70.9%)
<b>Value Brands</b>	<b>(14.8)</b>	<b>4.0</b>	<b>74.8</b>	<b>27.0</b>	<b>29.3</b>	<b>7.7</b>	-	<b>1.7</b>	<b>27.5</b>	<b>74.3</b>	-	<b>44.6</b>	<b>50.8</b>	<b>99.4</b>	<b>396.0%</b>

### [Channel versus forecast view](#)

## Insights and Perspectives

- Value **gross adds** have seen continued positive momentum for most of March, with most brands close to or exceeding forecast for a cumulative month-to-date benefit of 36.2K
  - From a brand perspective, **Straight Talk (excl FWA)** was the primary driver of this favorability to forecast, accounting for 28.8K or 79.6% of the favorability to forecast
  - In contrast, **Total Wireless (excl FWA)** and **Visible** were the only unfavorable brands, collectively worse than forecast by (2.0K)
  - Walmart**, not surprisingly, was the primary channel of benefit, ahead of forecast by 28.7K. All other channels were close to or in line with forecast expectations
- Value **disconnects** lost some momentum seen earlier in the month entirely due to a large batch of fraud disconnects processed by GTS on 3/21, leaving them just above forecast at 1.1K favorable
  - The miss to forecast appears to be concentrated in **Total by Verizon (excl FWA)**, which was (10.6K) worse than forecast, while all other brands remained at or above forecast
  - From a channel view, **Authorized Retail**, **Exclusive Retail**, and **Internet** were the primary channels of benefit, collectively better than forecast by 16.5K; but were



partially offset by **Walmart** and **National Retail**, who were worse than forecast by a combined (13.8K)

- The strong performance in gross adds and disconnects that were slightly above target drove 89.9K **net adds** better than forecast by 37.4K and increased from last year by 61.5K
  - All brands are in-line or above their net add forecast (with the exception of **Total by Verizon (excl FWA)**), contributing to the strong month-to-date forecast exceedance

