

WIRELESS VANTAGE™

A view of the wireless consumer marketplace

By Miro Kazakoff and Ryan Burke

WHAT IS THE MOST POPULAR CELLPHONE THIS HOLIDAY SEASON?

According to new research from Compete, cellular phone shoppers are coveting "cool" phones and popular features this holiday season, even if they don't come free. These shopping preferences put the Motorola RAZR and the T-Mobile Sidekick II at the top of consumers' shopping lists alongside advanced Bluetooth and music player functionality.

With over 70% of wireless buyers evaluating phones online before they buy, shopping patterns on carrier web sites provide a unique view into the products and plans consumers want for the holidays. In a new study, Compete analyzed consumers' online shopping behavior across the major service provider sites.

What we found is that price isn't a primary shopping influence this season. Surprisingly, the top-10 list of most popular phones does not include any free phones, in sharp contrast to prior months. Consumers are evaluating **Bluetooth** and music capabilities even if these advanced features drive up the phone's cost.

Top-10 Most Shopped for Phones Online*

Rank	Phone Name (Carrier)	Bluetooth	Music
1.	Motorola RAZR (Cingular, T-Mobile)	Yes	No
2.	T-Mobile Sidekick II (T-Mobile)	No	No
3.	Samsung SCH-a950 (Verizon)	Yes	MP3
4.	Samsung e335 (T-mobile)	No	No
5.	Motorola V276 (Verizon)	No	No
6.	Motorola e815 (Verizon)	Yes	MP3
7.	Nokia 6101 (T-mobile)	No	FM Radio
8.	Audiovox CDM-8910 (Verizon)	No	No
9.	Nokia 6102 (Cingular)	No	FM Radio
10.	LG VX9800 (Verizon)	Yes	MP3

Promotion, timely next-generation releases, and broader availability have helped generate interest in the most popular, and often costly, devices. The new Sidekick II was consistently promoted on T-Mobile's homepage throughout November, and top-ranked RAZR is one of the few phones available on *multiple* carrier website sites.

Marketers have also fueled interest in the RAZR and Sidekick II by appealing to consumers' individual

Features Shared by Top-10 Phones

- Clamshell form factor (Except Sidekick)
- Color display
- External display
- Camera
- Custom ring tone functionality
- MMS
- Wireless Internet

personalities and taking advantage of the blurring the boundary between mobile device and fashion accessory. A significant portion of interest in the Sidekick II was driven by its two limited edition versions: the Juicy Couture and the Mister Cartoon. And, the RAZR is now available in Magenta from T-Mobile and in Gold through a limited release with Dolce and Gabbana.

Finally, the popularity of the RAZR and the Sidekick demonstrates the potential that brand recognition holds for devices. Unique phones with distinct branding can draw consumer attention, a trend highlighted by Verizon's recent rechristening of the LG VX9800 as 'The V'.

With so many devices and so much functionality to choose from, the challenge now becomes how will retailers and carriers get their devices to the top of customers' holiday shopping lists *and* convert this demand into presents under the tree?

**Ranked by online page views on the Big 5 carrier websites for the four weeks ending 11/26/05. Compete used its panel of over two million internet users to measure demand for specific wireless phones offered online at carrier websites.*

Shoppers this holiday season are showing more interest in Bluetooth and music players and less interest in free phones.

Compete's wireless intelligence and targeting services analyze consumer behaviors and competitive best practices to help wireless companies maximize their returns on marketing, product development, customer acquisition and retention investments.

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Comments?

wirelesspractice@compete.com

