

## WIRELESS VANTAGE™

A view of the wireless consumer marketplace

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### T-MOBILE'S MY FAVS ATTRACTS FEW ALLTEL SHOPPERS

With T-Mobile's introduction of My Favs, Alltel received a direct competitor to its My Circle program, which allows customers unlimited calling to select phone numbers at any carrier. Alltel had been heavily advertising My Circle with commercials that directly named specific competitors. However, Compete saw the introduction of T-Mobile's My Favs correspond with only a slight increase in the overall percentage of Alltel shoppers considering T-Mobile.

While the percentage of in-market Alltel prospects cross-shopping T-Mobile increased slightly from 7.7% in September to 8.1% in October and November, these percentages were still well below the values seen in July. In addition, Compete saw just under 3% of Alltel prospects researching My Favs in November, up from 1% in October.

However, My Favs may be drawing existing Alltel customers. In October, when My Favs was most heavily advertised, 12% of Alltel customers who evaluated other carriers visited My Favs pages on T-Mobile.com. With 34% of existing carrier customers who view a competitive carrier's website switching carriers within 30 days, consumer cross-shopping behaviors are an early indicator of the impact of competitive threats.

One factor in the failure of My Favs to attract more Alltel prospects may have been T-Mobile's advertising strategy. Compete's research on advertising effectiveness in October showed that T-Mobile's plan-oriented My Favs ads saw lower conversion, lower lead-generation rates and lower consumer engagement than competitive, phone-oriented ads from Verizon, Cingular and Sprint. While the overall impact of these ads on the holiday shopping season remains to be seen, these trends may be an early indicator that hot handsets are playing a larger role consumer decisions this season.

### MOST POPULAR HOLIDAY PHONES ARE OFFERED AT MULTIPLE CARRIERS THIS YEAR

Holiday shoppers can find the most sought-after phones at multiple carriers this holiday season and are more likely than ever to find their favorite phones in several colors and designs.

**Top 10 Most Shopped For Phone (Nov 2006)**

Rank	Carrier	Brand	Model
1	Various	Motorola	RAZR (All Versions)
2	T-Mobile	T-Mobile	Sidekick 3
3	T-Mobile	Motorola	PEBL
4	Verizon	LG	Chocolate
5	Cingular	Motorola	L2
6	T-Mobile	Samsung	t609
7	Various	RIM	BlackBerry Pearl
8	Sprint	Sanyo	Katana
9	Cingular	Sony Ericsson	W300i
10	Various	Motorola	KRZR

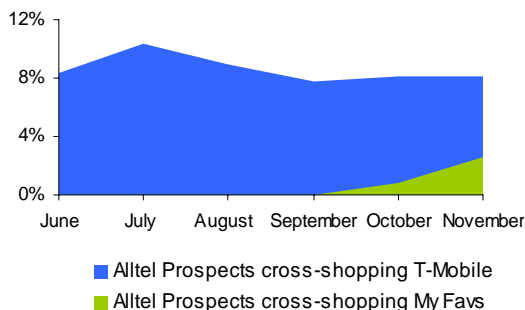
Three of the top 10 most popular phones are available at more than one carrier, a change from past years where nearly all phones have been carrier exclusive.

Consumers also have an option of purchasing their favorite phones in a variety of colors and stylings. Six of the top ten phones--RAZR, Sidekick, PEBL, Chocolate, Katana and KRZR--can all be found with more than one color or style option from at least one of the carriers offering them.

Compete ranked phone interest by measuring the number of times visitors to major carrier websites viewed detail for specific phone models in the month of November. Models with multiple colors and styles available were combined.

With over 80% of shoppers saying they plan to use the Internet to research their next wireless purchase, measuring online behavior provides marketers a chance to observe consumers early in the purchase process. By measuring online demand, carriers and manufacturers can gauge consumer interest in specific products and get results quickly enough to react before the window of opportunity has passed.

**Alltel Prospects Cross-Shopping T-Mobile and My Favs**  
(Percentage of Alltel prospects who also visit T-Mobile.com)



**T-Mobile's My Favs program attracted the interest of fewer than 3% of shoppers for Alltel's My Circle. My Favs advertising drew lower levels of consumer engagement than competitive carriers' ads.**

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, and procurement.

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