



The US Cell Phone Market



About SixthSense

YouGov's mission is to supply a live stream of continuous and accurate data and insight into what people are thinking and doing all over the world, all of the time, so that companies, governments and institutions can better serve the people that sustain them. YouGov is an international, full service online market research agency offering custom research, omnibus, field and tab services, qualitative research, syndicated products and SixthSense, our market intelligence report series.

Founded in the UK in 2000, YouGov is considered the pioneer of online market research. Our unique fully integrated online model has a well-documented and published track record illustrating the accuracy of its survey methods and in turn the quality of its client service work. We can conduct research in all continents and our online model allows clients to get international results faster and more cost-effectively than traditional methods, with no compromise on quality. YouGov has offices in the UK, US, Europe and the Middle East.

It is our goal to understand the world you live in, the sector you operate in, and your brand, enabling us to provide you with a live stream of continuous, accurate data and insight into what people are thinking and doing all over the world. Information which not only serves in tackling current issues facing your organization but also aims to offer a comprehensive understanding of your organization and its place in the world we live in today.

The group operates an online panel of over 2.5 million respondents worldwide representing all ages, socio-economic groups and other demographic types which allows us to create nationally representative samples online and access hard to reach groups, both consumer and professional.

YouGov has been acclaimed as the country's most accurate pollster and the most quoted research company in the UK and has operations in the US, Europe and the Middle East.

For more information about our services, please see
www.yougovsixthsense.com

No part of this report may be stored or reproduced (either electronically or mechanically or otherwise) without the express prior permission of YouGov.

This report relies on data, conclusions and recommendations from primary and secondary sources (including third parties) that were gathered in good faith. Although believed to be accurate, this information is not guaranteed and, as such, YouGov can accept no liability for action taken based on any information in this report.

Your payment for this report is for one hard copy and one electronic copy only. If you would like additional hard or electronic copies of this report, or any of its sections, please contact us to purchase them separately.

PUBLISHED BY:
YouGov, 114 W. 24th Street, New York, NY 10011
E: sixthsense@yougov.com

Table of Contents

Table of Figures	3
Introduction.....	4
Market overview	4
Methodology	5
Abbreviations and acronyms	7
Report Summary.....	8
Mobile phone manufacturers pushing technology envelope	8
Mobile phone carriers need ARPU fix: features and services should play wider role	8
Mobile Phone OS and Style: Android and Apple iOS dominate	8
Mobile phone feature usage underscores lifestyle integration and growth potential	9
Mobile phone replacement cycle a mixed bag	9
Mobile phone carrier switching: loyalty low; retention opportunity; money talks	10
Mobile phone apps: mainstream phenomenon with monetization opportunity.....	10
Location-aware services taking off, but privacy concerns linger	10
Consumer attitudes: Navigating the mobile world	11
Mobile Phone Manufacturers.....	12
Takeaways.....	12
Mobile phone manufacturer usage share.....	12
Mobile phone manufacturers: demographic drivers	12
Top manufacturers: demographic drivers	16
Takeaways.....	16
Samsung	16
LG	16
Apple	17
Motorola	18
Major mobile phone releases.....	18
Apple iPhone 5	18
Nokia	19
Samsung.....	19
Overview of latest smartphones.....	20
Mobile Phone Carriers	21
Takeaways.....	21
Major players	21
Smartphone share.....	22
Mobile phone carrier share.....	23
Top ten carriers: demographic drivers.....	23
Mobile Phone OS and Style	27
Takeaways.....	27
Mobile phone operating system.....	27
Handset operating system share	27
Mobile phone style, input and input style.....	29
Handset style share	29
Input feature share	30
Input style feature share.....	30
Mobile Phone Feature Usage	30
Takeaways.....	30
Handset activities/features	31
Lifestyle integration	32
Where’s the money?.....	32
Smartphone users	33
Content-driven activity	34
Demographic analysis: smartphone users	36
Cell phone feature learning curve	37
Mobile Phone Replacement Cycle	40
Takeaways.....	40
Time to expect new phone	40
Mobile Phone Carrier Switching.....	42
Takeaways.....	42
Carrier loyalty and phone brand loyalty	43
Loyalty not top of mind.....	44
Loyalty: demographic drivers.....	45
When consumers expect new carrier	46
Carrier changers	47
Don’t underestimate the power of money	47
Carrier switching: cost savings and contract cancellation	47

Mobile Phone Apps 49

- Takeaways 49
- Downloaders 49
- Download frequency 50

App purchase analysis 52

- App procurement and purchase analysis 52
- Monthly app spending and downloading 52

Location-Aware Services 56

- Takeaways 56
- Awareness 56
- Attitudes toward location-aware services 57
- Demographic analysis 58

Consumer Attitudes: Navigating the Mobile World 59

- Takeaways 59
- Cell phone lifestyle integration 59
- Demographic analysis 60
- Smartphone, feature phone and basic phone comparison 61

The Future 61

- Smartphones to fast become the norm 61
- Helping over-55s adapt to the learning curve 62
- Quick adoption of emerging technology features 62

Table of Figures

Figure 1	U.S. wireless industry subscription and usage metrics, 2008-2012	5
Figure 2	Mobile phone ownership share, by manufacturer	12
Figure 3	Mobile phone manufacturer share, by mobile phone user age	13
Figure 4	Mobile phone manufacturer share, by mobile phone user’s household income	14
Figure 5	Mobile phone manufacturer share, by major carrier	15
Figure 6	Samsung mobile phone usage share, demographic leaders and laggards	16
Figure 7	LG mobile phone usage share, demographic leaders and laggards.....	17
Figure 8	Apple mobile phone usage share, demographic leaders and laggards	17
Figure 9	Motorola mobile phone usage share, demographic leaders and laggards.....	18
Figure 10	Smartphone comparison: Samsung Galaxy SIII and Galaxy Nexus LTE, Apple iPhone 5, HTC One X, Motorola DROID RAZR MAXX, Nokia Lumia 920.....	20
Figure 11	Verizon, AT&T, Sprint and T-Mobile subscribers, ARPU and service revenue, 2009-2011	22
Figure 12	Verizon, AT&T, Sprint and T-Mobile smartphone, feature phone, postpaid and prepaid subscribers, 2011	23
Figure 13	Mobile phone usage share, by carrier	23
Figure 14	Mobile phone usage share, by age	24
Figure 15	Mobile phone usage share, by gender.....	25
Figure 16	Mobile phone usage share, by household income	25
Figure 17	Mobile phone usage share, by smartphone ownership	26
Figure 18	Smartphone operating system share.....	28
Figure 19	Smartphone operating system share, by smartphone ownership and age	28
Figure 20	Smartphone operating system share, by major carrier	29
Figure 21	Mobile phone handset style share	29
Figure 22	Mobile phone input feature share.....	30
Figure 23	Mobile phone input style share	30
Figure 24	Handset activities/features: usage penetration	32
Figure 25	Handset activities/features: usage frequency	32
Figure 26	Handset communication methods: daily usage penetration among smartphone, feature phone and basic phone owners	34
Figure 27	Cell phone content-driven activity: daily usage penetration among smartphone, feature phone and basic phone owners	34
Figure 28	Cell phone financial and shopping daily usage penetration: smartphone, feature phone and basic phone.....	36
Figure 29	Smartphone activities/feature usage penetration, by gender, age and household income	37
Figure 30	New cell phone feature learning self-assessment	38
Figure 31	New cell phone feature learning self-assessment: smartphone, feature phone and basic phone users	38
Figure 32	New cell phone feature learning self-assessment, by selected demographics	39
Figure 33	New cell phone feature learning curve: smartphone users, by gender, age and household income	40
Figure 34	Mobile phone replacement timeframe	41
Figure 35	Mobile phone replacement timeframe, by age	41
Figure 36	Mobile phone replacement timeframe, by major carrier.....	42
Figure 37	Verizon, AT&T, Sprint and T-Mobile churn rate and postpaid/prepaid subscribers, 2011.....	43
Figure 38	Cell phone carrier and cell phone brand loyalty	44
Figure 39	Cell phone carrier and cell phone brand loyalty, by selected demographics	45
Figure 40	Smartphone user cell phone carrier and cell phone brand loyalty, by selected demographics	45
Figure 41	Consumer timeframe for switching wireless carrier.....	46
Figure 42	Cost savings and cancellation penalty impact on carrier switching.....	47
Figure 43	Cost savings and cancellation penalty impact on carrier switching, by selected demographics.....	47
Figure 44	Cost savings and cancellation penalty impact on smartphone user carrier switching, by gender, age and household income.....	49
Figure 45	App download penetration, by selected demographics	50
Figure 46	App download frequency, by frequency break.....	50
Figure 47	Mobile app share: preinstalled, obtained for free, and paid for, by selected demographics	52
Figure 48	Monthly app spending and downloading, by selected demographics	53
Figure 49	Ease of smartphone app selection: degree of agreement.....	53
Figure 50	Ease of smartphone app selection, by selected demographics.....	54
Figure 51	Ease of smartphone app selection among smartphone owners, by gender, age and household income	55
Figure 52	Attitudes toward location-based services	58
Figure 53	Attitudes toward location-based services, by age and gender.....	58
Figure 54	Attitudes toward location-based services, by smartphone and monthly phone bill.....	59
Figure 55	Cell phone lifestyle integration.....	60
Figure 56	Cell phone lifestyle integration: degree of agreement, by gender and age	60
Figure 57	Cell phone lifestyle integration: degree of agreement, by household income and race/ethnicity	61
Figure 58	Cell phone lifestyle integration: degree of agreement: smartphone, feature phone and basic phone users.....	61