

TELECOM VANTAGE™

A view of the telecommunications consumer marketplace

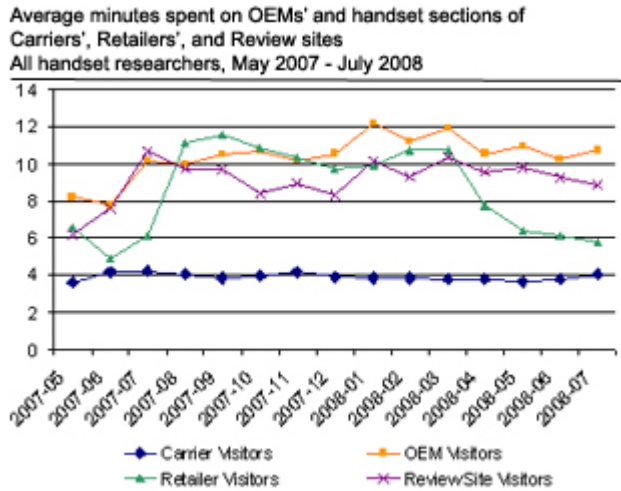
By Eleanor Baird & David Kalil

OEM SITES PLAYING A GROWING ROLE IN HANDSET RESEARCH

Perhaps it's no surprise that about four times more people who searched for "iPhone" ended up on the Apple's site than AT&T's. But it may be surprising that other OEMs are playing an increasingly major role in handset research as well. Compete recently found that consumers visiting handset OEM sites spend more than twice the time on manufacturer sites than they do on the handset sections of carrier sites.

Time spent is one metric where we can see a striking difference between carrier and OEM sites. As shown in the chart on the right, the average time spent on the handset section of carriers' sites (in blue) has remained relatively flat at around four minutes. Meanwhile, time spent on OEM sites (in orange) has trended upward, going from about 8 minutes in May 2007 to about 11 minutes a year later.

The chart also shows that, since December, consumers have been consistently spending more time on OEM sites than other research destinations like review (purple) and retail sites (green).



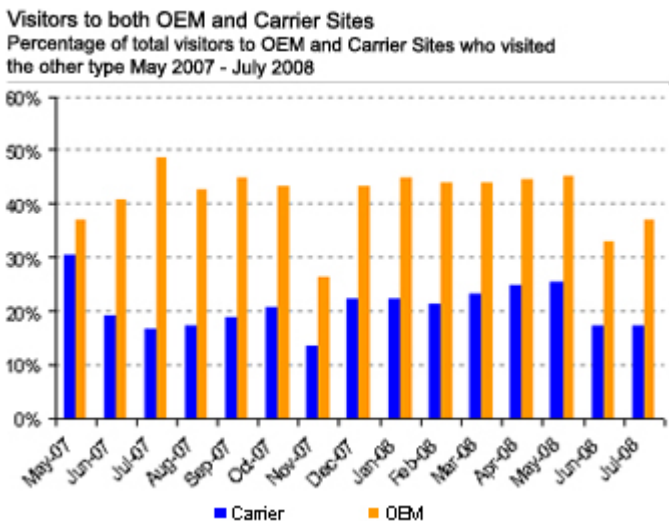
The average visitor spent ~10.4 minutes on OEM sites, and just under 4 in the handset sections of carrier sites.

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

MORE OEM VISITORS ALSO LOOKING AT HANDSETS ON CARRIER SITES

Carriers are still the ultimate point of purchase and get the greatest volume of visitors, so it's not surprising that relatively fewer people in the carriers' handset audience go to OEM sites.

The percentage of the carriers' audience that also visits OEM sites has been between 17-25% from December 2007 to July 2008, as shown in the chart below.



What might be more telling is the proportion of OEM visitors going to the handset sections of carrier sites in the same month, which has increased over the last year to about 45% of visitors until experiencing a drop in June and July. Considering the increasing time spent on these sites, the overall trend seems to be an increasing reliance on, and possibly interest in, OEMs as a source of information on handsets.

There could be an opportunity here for OEMs to work with carriers to channel more consumers through their sites to the purchase point.

If the iPhone has taught us anything, it's that brand loyalty and good marketing go a long way. Will OEM sites continue to gain momentum as new high-profile devices are released? We'll find out soon.

Want more data on this analysis? telecom@compete.com

