

# WIRELESS VANTAGE™

A view of the wireless consumer marketplace

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## OPERATING SYSTEMS MATTER: HOW DO THEY IMPACT HANDSET CHOICE?

A handset's operating system (OS) is more important to the average wireless shopper than its camera, Bluetooth functionality, music or even email. Shoppers, however, don't care much about the specific operating system brand according to new research from Compete, Inc. (see second story below).

Handsets have come a long way from the monochromatic text interfaces of just a few years ago. Consumers now recognize that their handsets have an OS just like their computers do. As consumers spend more time navigating menus and installing content and programs on their mobile phones, they have become more aware of the role the OS plays in their handset experience.

In a recent survey of wireless shopper attitudes, Compete found that wireless consumers rated OS as one of the features that impacted their handset selection. The OS received a 2.7 rating on a scale from one to five, out-ranking nearly half of the other phone features Compete asked about. The most important criterion in handset selection was price, followed by phone shape/design.

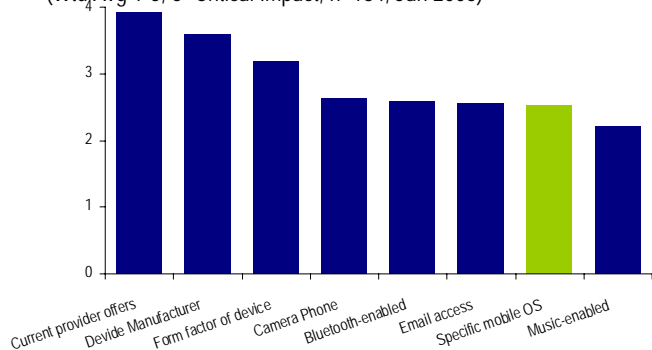
### 'SMART-PHONE' SHOPPERS VALUE CHOICE IN OPERATING SYSTEMS

While consumers recognize that operating systems are important, even shoppers for high-end devices do not have strong preferences about the *specific* OS on their handset. When asked to rate the importance of several factors on their mobile phone purchase, high-end device shoppers gave a handset's specific OS among the lowest ratings.

On a scale of one to five, "Specific mobile OS" was rated 2.5, edging out only music capability in importance. Shoppers assigned the highest importance to whether their current provider offers the handset.

### Asked of Smart-Phone Shoppers: Please rate how important following attributes are in your wireless phone purchase.

(Wtd Avg 1-5, 5=Critical Impact, n=184, Jan 2006)

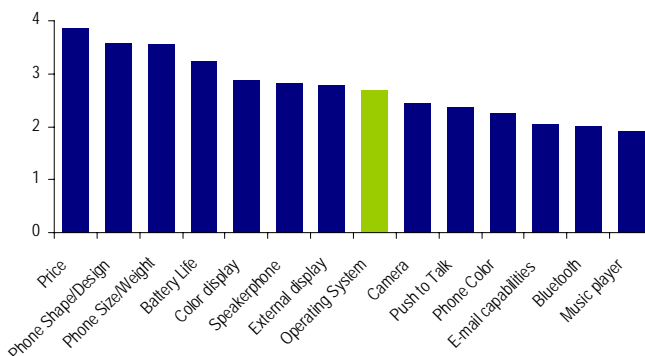


would significantly increase their usage of data services. Additionally, 20% of this group said they would be willing to switch carriers for the Treo 700, currently only available from Verizon with Windows Mobile OS.

As more consumers consider high-end devices with advanced functionality, mobile OS developers have an opportunity to educate shoppers about the value of their solution. To gain additional leverage in the marketplace, OS developers need consumers to first understand the value of specific operating systems or risk missing an opportunity to become a strategic player in the consumer purchase decision cycle.

### Asked of All Wireless Buyers: Please rate how each of the following features impacted your decision to purchase your wireless phone?

(Purchased within 6 months, Wtd Avg 1-5, 5=Critical Impact, n=757, Jan 2006)



Over 20% of 'smart-phone' shoppers who care about the operating system said they would be willing to switch carriers to purchase the Treo 700.

The Internet offers marketers the clearest view into the purchase intentions of more than 20 million wireless consumers each month.

Compete analyzes millions of wireless consumers as they research products or manage accounts online. These services provide clients with strategic guidance to make more informed tactical decisions.

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