

WIRELESS VANTAGE™

A view of the wireless consumer marketplace
By Miro Kazakoff

WHICH HANDSET WILL BEACHGOERS SPORT THIS SUMMER?

As Spring fades into Summer, consumers are looking for good deals and stylish looks in their consideration of wireless phones. Compete's list of the Top Ten most shopped for phones in May featured a combination of frequent favorites, free phones and a little more color than usual. Thin remains in, as does Bluetooth, unique form factors, and, of course, the good old reliable free clamshell.

This month, half of the devices on the Top Ten list are available for free from major carriers online. In December, not a single Top Ten handset was free. Except in cases where unique styling (e.g. color or form factor) justifies a premium, consumers appear to have retreated back to a preference for free phones.

As it has all year, the RAZR continued to be the most shopped for handset series. Its availability across three of the major carriers (Cingular, T-Mobile and Verizon) as well as the ongoing popularity of the Pink RAZRs, kept interest in the model well above that of all challengers.

The RAZR was not the only model to benefit from interest in multiple color versions. Both the PEBL and the Sidekick attracted a significant portion of their interest from shoppers considering multiple colors or

styles. T-Mobile introduced green, blue and orange versions of the original black model PEBL in May, while the Sidekick II has been generating substantial interest from limited edition launches of the Pink Juicy Couture and Black Mr. Cartoon versions for several months now.

Following up the perennially top-ranked RAZR is a new addition to the Top Ten list—the Samsung t509. Billed as the world's thinnest phone and the only candy bar form factor on the list, the t509 demonstrates consumers' continuing interest in form factors that incorporate slim profiles.

All of phones on this month's list have some sort of unique form factor or functionality differentiation except for the free phones. The RAZR and T509 both have slim designs. The PEBL features its unique hinge and finish, while the Sony Ericsson W600i and Sidekick II both sport swivel form factors and unique music and communications features, respectively.

Continuing to grow in popularity is the presence of Bluetooth functionality which enables consumers to wirelessly connect handsets to accessories and vehicle hands-free systems at short ranges. Six of the top ten devices incorporate Bluetooth and consumers are now able to get this capability with free handset offers online with the V557 and Z520a at Cingular.

With over 5 million consumers doing some form of handset research online each month, shopping patterns on carrier websites provide a unique view into consumer demand. The challenge for carriers and OEMs is pricing and promoting these handsets such that the phones shoppers show interest in are the same ones they will be toting to beach next month.

For this report, Compete used its panel of over two million internet users to measure demand for specific wireless phones offered online at the Big-5 carrier websites. The study covers the month of May 2006.

**Ranked by online pageviews on the Big 5 carrier websites for the month of May 2006.*

***At any point in May at a Major carrier site, after any rebates, does not include offers at 3rd party resellers or agents.*

Top-10 Most Shopped for Phones*

Rank	Phone Name (Carrier)	Bluetooth	Free**
1.	Motorola RAZR, All Colors (Cingular, T-Mobile, Verizon)	YES	NO
2.	Samsung t509 (T-Mobile)	YES	NO
3.	Samsung e635 (T-Mobile)	NO	YES
4.	Nokia 6101 (T-Mobile)	NO	YES
5.	Sony Ericsson Z520a (Cingular)	YES	YES
6.	Motorola V557 (Cingular)	YES	YES
7.	T-Mobile Sidekick II (T-Mobile)	NO	NO
8.	Verizon PN-215 (Verizon)	NO	YES
9.	Motorola PEBL (T-Mobile)	YES	NO
10.	Sony Ericsson W600i (Cingular)	YES	NO

Fashion, color and price drew shoppers to the top pre-summer phones

**Up Next:
Joint Conference Call with
Bear Stearns**

For more insight on the U.S. wireless device marketplace, please join Miro Kazakoff for a joint conference call with Bear Stearns Analyst Phil Cusick on Friday, June 16th at 10:30 Eastern. To register, email wirelesspractice@compete.com.

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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