



Press information

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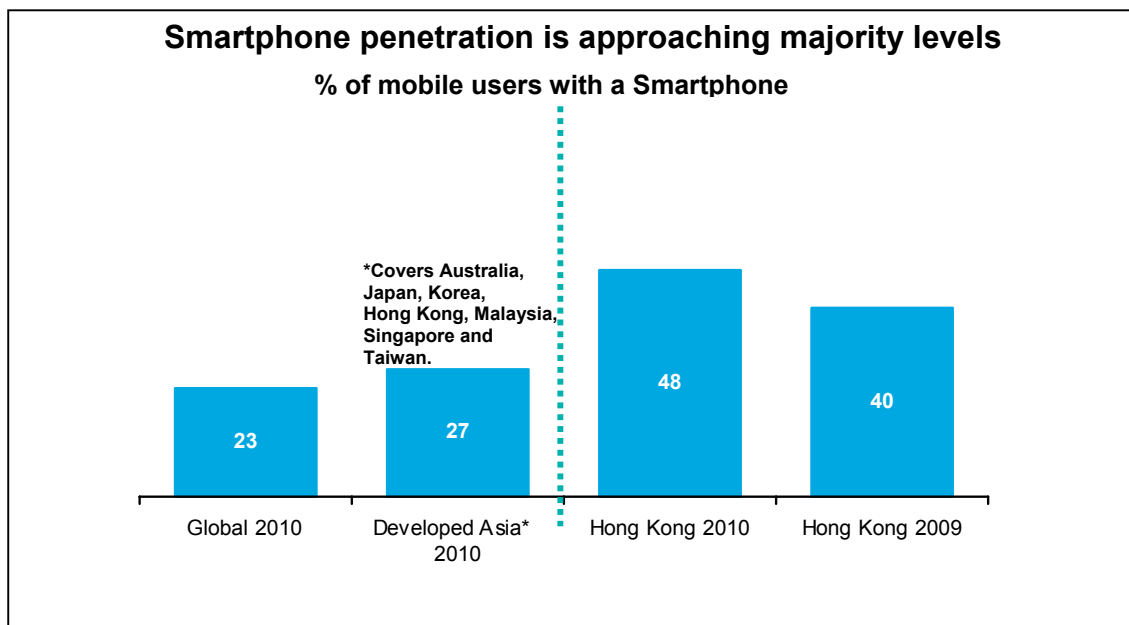
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Smartphone usage set to dominate Hong Kong mobile market

TNS Global Telecoms Insights (GTI) survey reveals consumers find content and applications equally important as the brand of their handset

Hong Kong 26 May, 2010 – Hong Kong consumers are at the forefront of global smartphone usage. Almost half (48%) of respondents in Hong Kong own a smartphone^{1*}, more than double the global rate of 23%.

“Until fairly recently, smartphone or PDA phones were owned by a very specific group of consumers - mainly tech geeks and business ‘road warriors’”, says Marc de Lange, Director – Technology Sector. “But in the coming year, Hong Kong will reach an important milestone as more than half of all mobile phone owners start to carry a smartphone in their pockets.”

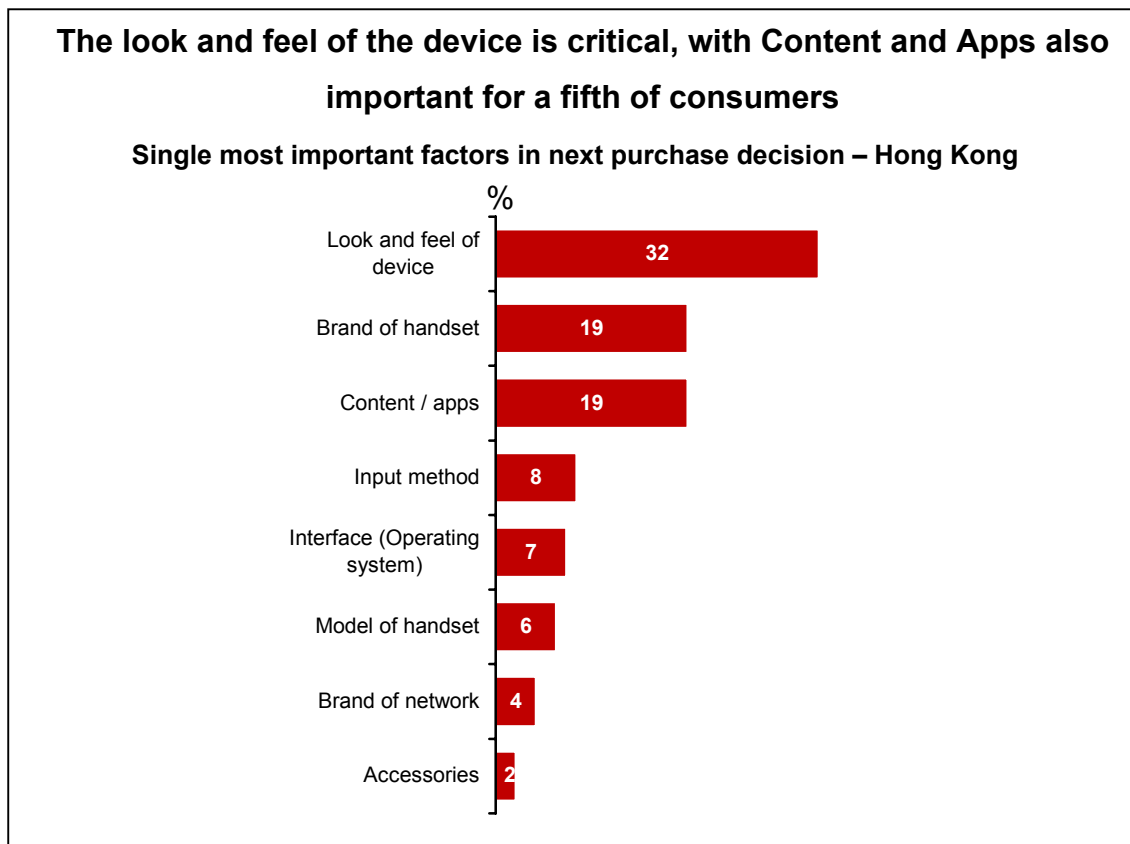


¹ *A smartphone user is someone who uses two or more of the following features: pull email, push email, mobile internet, Microsoft office capabilities, Qwerty, Touchscreen.

Shifting consumer motives

The importance of owning a smartphone is changing how users choose their mobile phones. Smartphone users are increasingly accessing features such as pull email (32%), push email (25%), mobile internet (52%), and Microsoft Office (28%) applications over last year. There is also demand for Qwerty keyboard (11%) but more popularly for Touchscreen (51%) especially.

For their next purchase, look and feel is the predominant deciding factor for 32% of Hong Kong consumers purchasing a mobile device, followed by brand for 19%. Similarly, 19% of consumers say content and application will be equally important, surpassing the global percentage of 14%.



“Today’s consumers can access a wider range of mobile services than ever before through smartphones, so in choosing a mobile device consumers care more and more about which content and applications they will be able to access. Companies must consider the new dynamic in their go-to-market strategies and leverage the equity generated by these new mobile brands to drive sales,” says Mr. de Lange.

Social networking services high in demand with Hong Kong users

In this new world of content and applications, social networking is king. In Hong Kong, 30% of mobile users regularly check and update their social networks,

compared to 12% globally. Another 24% do blogging on their phones, a big jump from 6% in 2009.

Facebook is used most by Hong Kong consumers at 17%, followed by Yahoo (14%) and Google (14%). Indeed, Facebook is more popular among Hong Kong females at 20% than males at 15%, and for the younger cohort (16-30 years) at 27%. On a global level, Google is the most used brand (13%), followed by Microsoft Windows (11%) and Yahoo (11%).

“These ‘access brands’ act as aggregators for services. As they offer more services, more and more traffic will consolidate around them, strengthening their position in the market,” says Mr. de Lange.

Banner sales year ahead

The rising consumer intent to purchase mobile devices – smartphone or not – is driving high sales expectations for 2010. In fact, 39% of mobile users in Hong Kong hope to replace their existing phones in the coming months (up from 28% in 2009), partly because many delayed purchase decisions in 2009, but also due to a growing excitement for new products and services.

Of note is the decreasing lifecycle of mobile phones - from 34 months in the 2009 survey to 31 months this year – another factor pointing to high sales volumes.

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About TNS Global Telecoms Insights (GTI) Survey

Interviewing over 24,000 consumers in 35 markets, GTI 2010 explores future behaviours and attitudes of consumers in the ever-changing mobile landscape. Equipped with these latest insight, the GTI can help corporations to make more informed product development and marketing decisions.

In Hong Kong, one of the participating markets, the survey was conducted online by asking 561 consumers aged 16 – 60 to complete an online questionnaire. For Hong Kong, it's no surprising that 98.4% of the interviewed are mobile users. The Sampling Error is +/- 4.14% at 95% confidence level.

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