Media Alert
Contact: Rex Chien, 415-228-9050

With Apple’s new iPhone 3G scheduled to go on sale worldwide this Friday, Nielsen is pleased to provide you with iPhone statistics from Nielsen Mobile, a service of The Nielsen Company and the world’s leading provider of mobile audience measurement and wireless market research.

Below you will find key stats for the iPhone in terms of penetration, demographics and multimedia use. Through our tracking of both consumer behavior and 3G network quality, we anticipate that a 3G iPhone will deliver a compelling user experience.

As of Q1 2008:

What’s in store for the iPhone 3G?
- Nielsen Mobile reports that 3G networks can improve data transfer rates by about six times over 2G and 2.5G networks, on average
- Although some consumers may be frustrated at the mandatory in-store activation of the new iPhone, just 15% of current iPhone owners say they bought their phone online, compared to 68% who said they bought theirs in a store.
- 30% of smartphone users are likely to upgrade their device in the coming year

How many iPhones are already out there?
- Nielsen Mobile estimates that there are 2.3 million US mobile subscribers using an iPhone
- The iPhone accounts for 1% of all embedded mobile phone users in the US

How is the iPhone faring?
- HTC (25.2%), Research in Motion (23.4%), and Palm (19.3%) continue to lead the smartphone industry in market share, with Apple (11.6%) trailing in fourth place.
- Apple iPhone users report the highest overall satisfaction scores among major smartphone manufacturers
- 8% of recently acquired devices by AT&T subscribers were Apple iPhones

Who is using the iPhone already?
- Two-thirds (67%) of US iPhone users are male (compared to 48% of all mobile subscribers)
- 55% of iPhone owners are under the age of 35 (compared to 34% of all mobile subscribers)
- iPhone users tend to be more affluent with 63% earning above $75k (compared to 38% of all mobile subscribers)
- 24% of iPhone owners are Hispanic
- 9.7% of streaming video users and 4.9% of mobile internet users own an iPhone

What features do they use?
- 75% use the phones MP3 player
- 68% use the Wi-Fi functionality of the phone
- 76% send e-mail over their phone

How do iPhone users consume mobile media differently?
- 37% of iPhone users watch video on their phone (making them 10 times as likely as the average mobile consumer)
- 82% access the internet over their phone (making them 5 times as likely as the average mobile consumer)
- 17% stream music over their phone (making them 7 times as likely as the average mobile consumer)
- 20% play online games on their phone (making them 9 times as likely as the average mobile consumer)

Business or Pleasure?
- 15% say their company foots the bill
- 24% say they use their phone for business, but pay the bill themselves
- 61% say they are a personal user

What’s the Buzz?

Nielsen Online’s BuzzMetrics data shows that online buzz increased in conjunction with Apple’s software update announcements (in January and March) and the new iPhone 3G release (June). With the new iPhone going on sale later this week, online buzz is beginning to grow again. For real-time information on iPhone buzz, visit Nielsen Online’s Blogpulse.
Comments (on the record) from Nic Covey, Director of Insights, Nielsen Mobile:

"At its lower, subsidized price point, the 3G iPhone extends the phone’s reach beyond early adopters and Apple junkies and into the hands of everyday smartphone users."

"The 3G iPhone is now a viable contender for the lead spot in smartphone market share, but Apple is still just a two-trick pony compared to other manufacturers. They’re pretty good tricks, though."

"iPhone buzz is through the roof. One out of every 100 new blog posts is about the iPhone – more than Barack Obama or John McCain. And while the blogosphere may pay special attention to new technology, this buzz underscores the important role the iPhone is playing in raising awareness of and interest in multimedia phones."

"By making consumers come into the store to activate new iPhones, Apple and AT&T reduce the risk of low-cost porting to other carriers, maintain a market for the $599 iPhones without contact and increase their opportunity to up sell to the 16GB and accessories."