

Technology Adoption Panel Executive Summary: Push-to-Talk

November 2004

OVERALL

- Awareness of Nextel's Push-to-Talk (PTT) offering is the strongest, at 70%, followed by Verizon at 30% and Sprint at 18%.
- Interoperability of PTT between carrier networks was important to 58% of respondents.

CURRENT PTT USERS

- 13% of survey respondents currently use PTT.
- Among PTT users, product satisfaction is strong at 74%.
- PTT subscribers represent a premium subscriber group for carriers.
 - Voice Minutes of Use (MOUs) are 23% higher than average.
 - Average Revenue Per User (ARPU) is 16% higher than average.
 - PTT users spent an average of 31% more on their wireless handset than the general subscriber base.
- Some differences exist in business travel and work styles:
 - Business travel among PTT users is lower than average.
 - However, PTT users are more likely to work in offsite facilities or to spend the majority of their workday in transit.
 - PTT users are more likely than average to work at home, either part or full-time.
 - PTT usage was evenly divided among occupational groups.
 - PTT is more heavily penetrated in the Construction industry, and less penetrated in Manufacturing, than in other primary industries.
- The majority of PTT subscribers (61%) use the service many times a day. 87% use it at least once a week.
- Most PTT subscribers use the service to talk to co-workers.

USERS INTERESTED IN PTT

- Among non-PTT users, 26% are "Extremely" or "Very" interested in using the service. 59% are "Extremely", "Very", or "Somewhat" interested.
- Cingular subscribers were the most interested in PTT, with T-Mobile subscribers being the least interested group.
- Most users interested in PTT said that they would use the service for both business and personal reasons.
- Interest in PTT is evenly distributed among industry groups, representing a somewhat broader potential market than the current core user base.
- Demand falls off sharply as PTT latency increases – only half of interested PTT users would still purchase the service if the time to initiate a session were 2-3 seconds, and one-quarter would still be interested if the delay were 3-5 seconds.
- About half of PTT intenders would be willing to pay a monthly subscription for the service. Among this group, the average amount they were willing to pay was \$4.80 per month.
- About three-quarters of PTT intenders were willing to pay something extra for PTT functionality in their next handset. Within this group, the average premium price point was \$12.58.
- 33% of PTT intenders would be willing to switch carriers to use PTT, if their current carrier did not offer the service.