



**TELEPHIA REPORTS MOBILE DATA USAGE ADOPTION HITS 50 PERCENT MARK, WITH TEXT MESSAGING CONSUMPTION LEADING THE WAY**

*Monthly Data Packages Show Higher Penetration among Web/WAP and SMS Users*

**SAN FRANCISCO** – April 5, 2006 – Telephia, the leading provider of performance measurement information to the mobile industry, reports that mobile data usage, such as text and multimedia messaging, mobile Web, and downloads, has reached the 50 percent adoption mark in Q4 2005, rising seven percentage points since the beginning of the year. The latest data from Telephia’s Customer Value Metrics report shows that SMS activity leads the way for all mobile data usage, with 41 percent of wireless subscribers using text messaging on their cell phones at the end of 2005 (see Table 1).

Twenty-two percent of all cell phone users paid for accessing the Web via their wireless device during the last quarter of 2005, while MMS activity posted a penetration rate of 13 percent, rising five percentage points since Q1 2005. In addition, 11 percent of wireless consumers downloaded content from their cell phones, gaining three percentage points since the beginning of the year.

“The overall growth in cell phone data usage is a boon for carriers,” said Tamara Gaffney, Product Director, Telephia. “The popularity of mobile activities such as text-messaging is a solid revenue driver, with bundled pricing for data packages averaging \$20 a month or 10 cents per message on pay-as-you go plans, in addition to the costs consumers already pay for their voice minutes.”

**Table 1: Cell Phone Data Charges -- Penetration Rates (U.S.)**

	Penetration Rate (%)			
	Q1 2005	Q2 2005	Q3 2005	Q4 2005
Data Charge	43%	45%	47%	50%
SMS Charge	34%	36%	40%	41%
Web/WAP Charge	18%	19%	19%	22%
MMS Charge	8%	9%	11%	13%
Downloads Charge	8%	10%	10%	11%

*Source: Telephia Customer Value Metrics, Q1-Q4 2005*

## Consumers Prefer Monthly Data Package Pricing for Web/WAP and MMS

Consumers who accessed the Web via their cell phones were twice as likely to subscribe to monthly data packages than pay-per-transaction, with Web/WAP package charges posting a 14 percent penetration rate, while individual transactional charges showed an eight percent rate in Q4 2005 (see Table 2). MMS users were nearly three times as likely to subscribe to data packages as pay-per-transaction. In contrast, the penetration rate for subscribers to monthly SMS data packages was just about equal to the penetration rate of wireless consumers who paid for SMS per transaction, hovering around the 20-21 percent rate at the end of the year.

“Consumers don’t want to be surprised by additional costs to their cell phone bills and the perception is that Web/WAP and MMS are too expensive without using monthly data packages,” added Gaffney.

**Table 2: Penetration Rates for Package Pricing vs. Pay-As-You-Go Transactions (U.S.)**

Total Data Charge	Penetration Rate (%)			
	Q1 2005	Q2 2005	Q3 2005	Q4 2005
Web/WAP Package Charge*	12%	12%	13%	14%
Web/WAP Transactional Charge*	6%	7%	6%	8%
MMS Package Charge	6%	7%	8%	10%
MMS Transactional Charge	2%	3%	3%	3%
SMS Package Charge	17%	17%	19%	20%
Transactional Charge	17%	19%	20%	21%

Source: Telephia Customer Value Metrics, Q1-Q4 2005

\*Note: A package charge is based on fixed monthly fees for a set amount of data usage (including unlimited plans), while a transactional charge is based on pay-as you-go or per activity pricing.

The Telephia Customer Value Metrics (CVM) product is the industry’s largest wireless bill collection panel, gathering and analyzing detailed post-paid, consumer billing records monthly for more than 30K mobile phone users for the top five wireless service providers. CVM measures wireless consumer usage and spending; handset and plan preferences; and tracks demographic and satisfaction information.

Telephia will be at CTIA at the Las Vegas Convention Center this week:

- Session: Targeting Market Segments moderated by Tom Buehrer, Telephia Vice President of Customer Insights (April 5, 1:00 pm)

For more information, visit [www.ctiawireless.com](http://www.ctiawireless.com)

### About Telephia

Founded in 1998, Telephia provides syndicated performance measurement information to the leaders of the converging communications and mobile industries, including carriers, device manufacturers, content and application providers, retailers, infrastructure vendors and investment analysts. Telephia is the industry standard measure of subscriber share, customer satisfaction, device share, network quality, revenue share, advertising effectiveness, content audience and many other key performance indicators. For further information, please visit our website at [www.telephia.com](http://www.telephia.com) or call 415-395-0500.

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