

# Mobile Ecosystem: Current Experiences and Future Implications

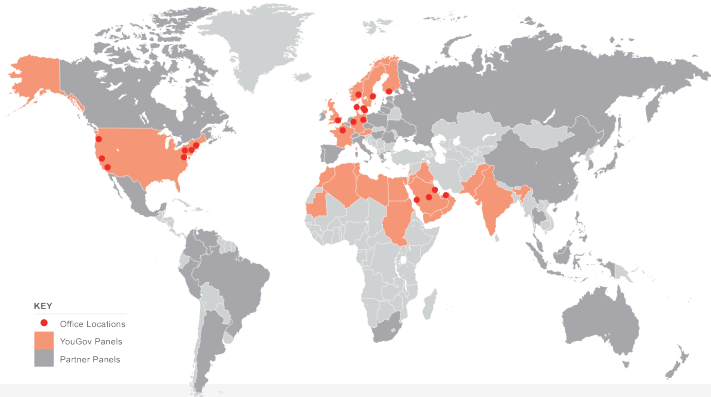
Webinar  
6<sup>th</sup> December 2012



# About YouGov

## Key facts

- Founded in 2000 (public 2005)
- Global revenues of c.£60ml
- 500+ employees
- International presence in Europe, US, and Middle East



Online panels = 2,000,000  
Over 7,000,000 surveys annually

## YouGov Products/Services



- Brand tracking
- U&A studies
- Niche samples
- Qualitative
- Customer satisfaction
- Multi country
- Advanced analysis
- Syndicated trackers

# Retailers

## Brand/Devices



## Operators



## Mobile Ecosystem

## Operating System



## Content/Applications



## Social Influencers



# YouGov Ecosystem Project: Team & Sources



**John Gilbert**  
**Consulting Director**  
**Tech/Tel**



**Russell Feldman**  
**Associate Director**  
**Tech/Tel**



**Jane Carn**  
**Qualitative**  
**Research Director**



**Duncan Grimes**  
**Qualitative**  
**Research Manager**



The **Smartphone, Mobile Internet, eXperience (SMIX)** – 2,000 smartphone owners and 2,000 Nat rep (quarterly *since 2009*)



**Tablet Track**, Over 1,300 tablet owners and 2,000 Nat rep. (quarterly *since 2010*)



**iPhone iTrack**, 1,500 iPhone users every 6 months. (*since 2011*)



**Apple iPhone NPL**, 3 waves with 1,000 Nat Rep each coupled with booster samples of iPhone users. (**Fall 2012**)

Dozens of focus groups and IDIs covering technology and software usage

**Ecosystem Project**, four online focus groups with various brand/device/software user groups:

<b>Group 1: Android Loyalists</b>	<i>Tablet/smartphone users exclusively of the Android platform; mix of brands</i>
<b>Group 2: IOS Loyalists</b>	<i>Tablet/smartphone users exclusively of the IOS/Apple platform/devices</i>
<b>Group 3: Non-Android/Non-IOS Users</b>	<i>Smartphone users particularly of Windows, Symbian, etc. platforms; some interest in tablets</i>
<b>Group 4: Non-Committed</b>	<i>Tablet/smartphone users who are mixed or indifferent in their brand or platform preference</i>

# Overview

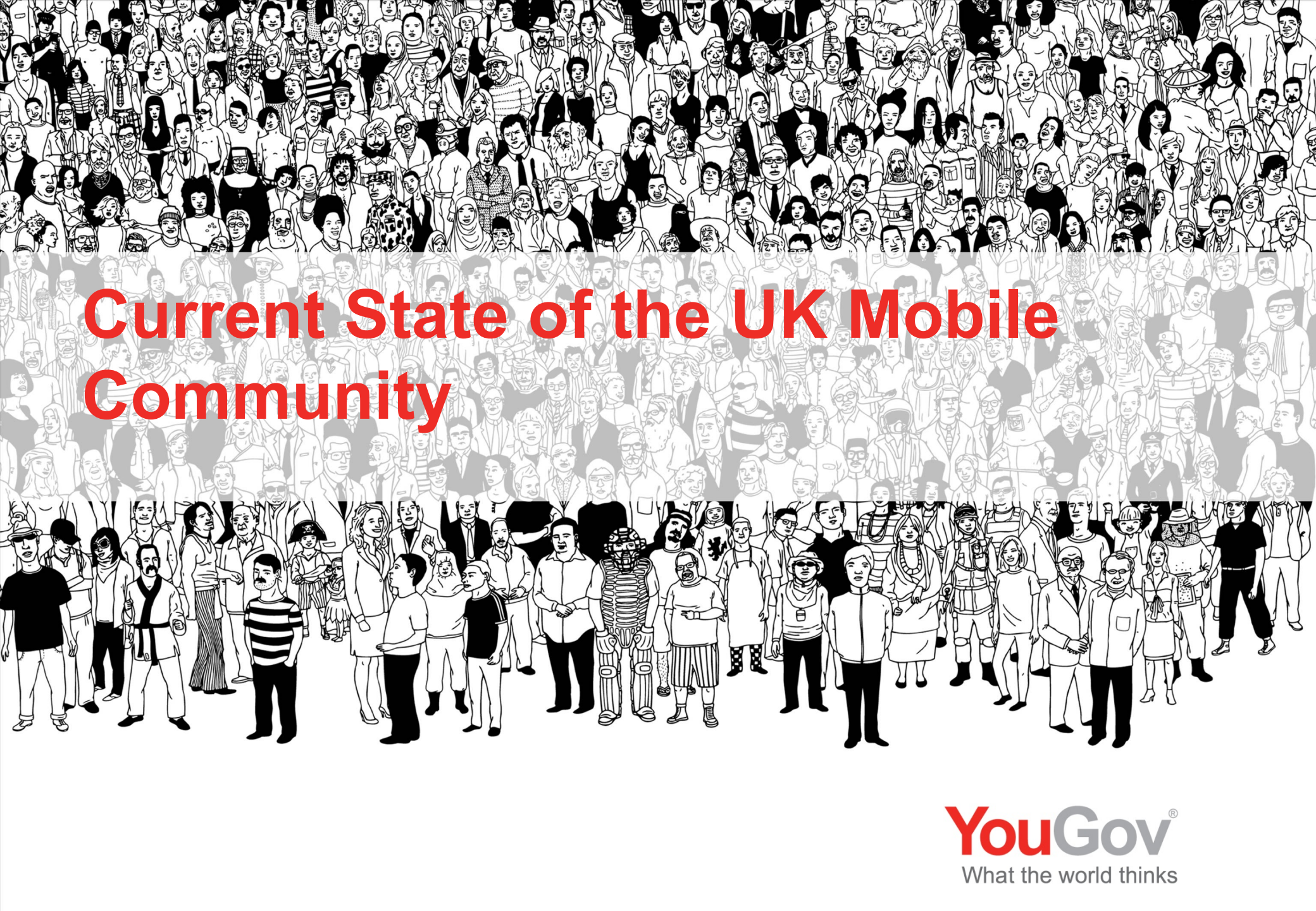


## Current State of the UK Mobile Community

## Ecosystem Experience



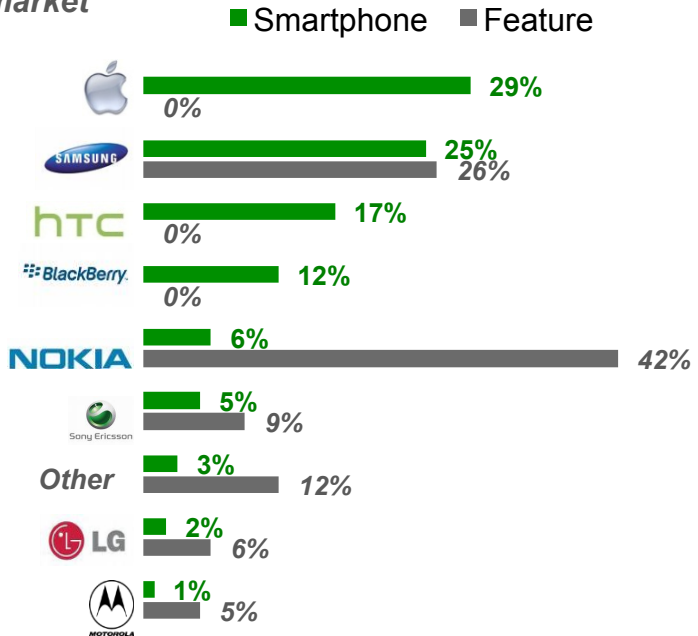
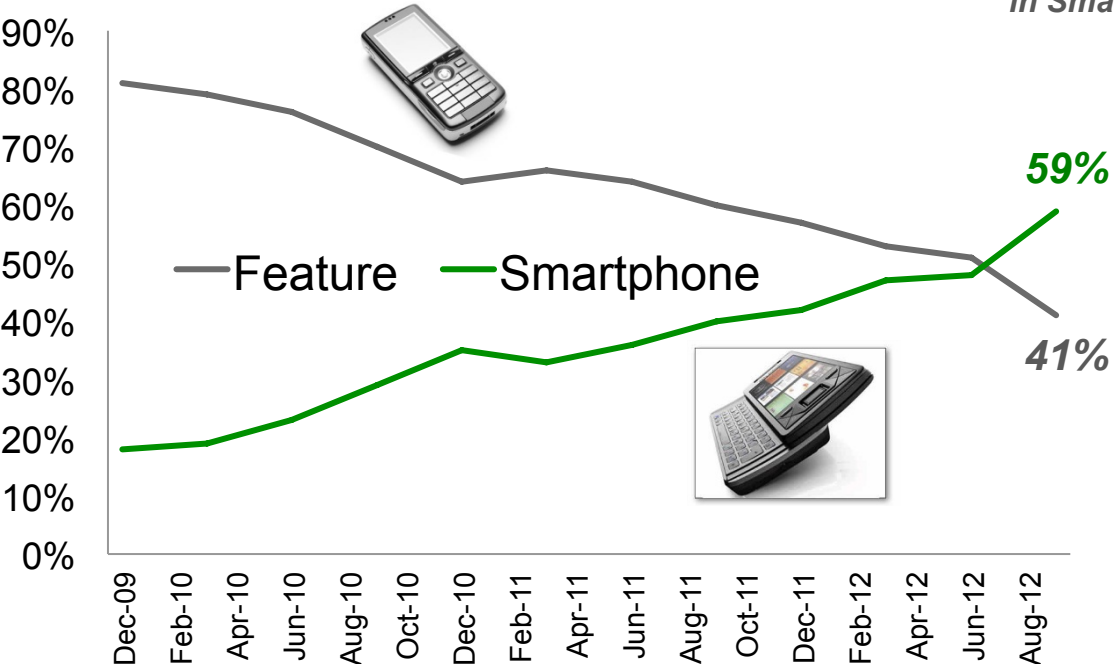
## Future Implications



# Current State of the UK Mobile Community

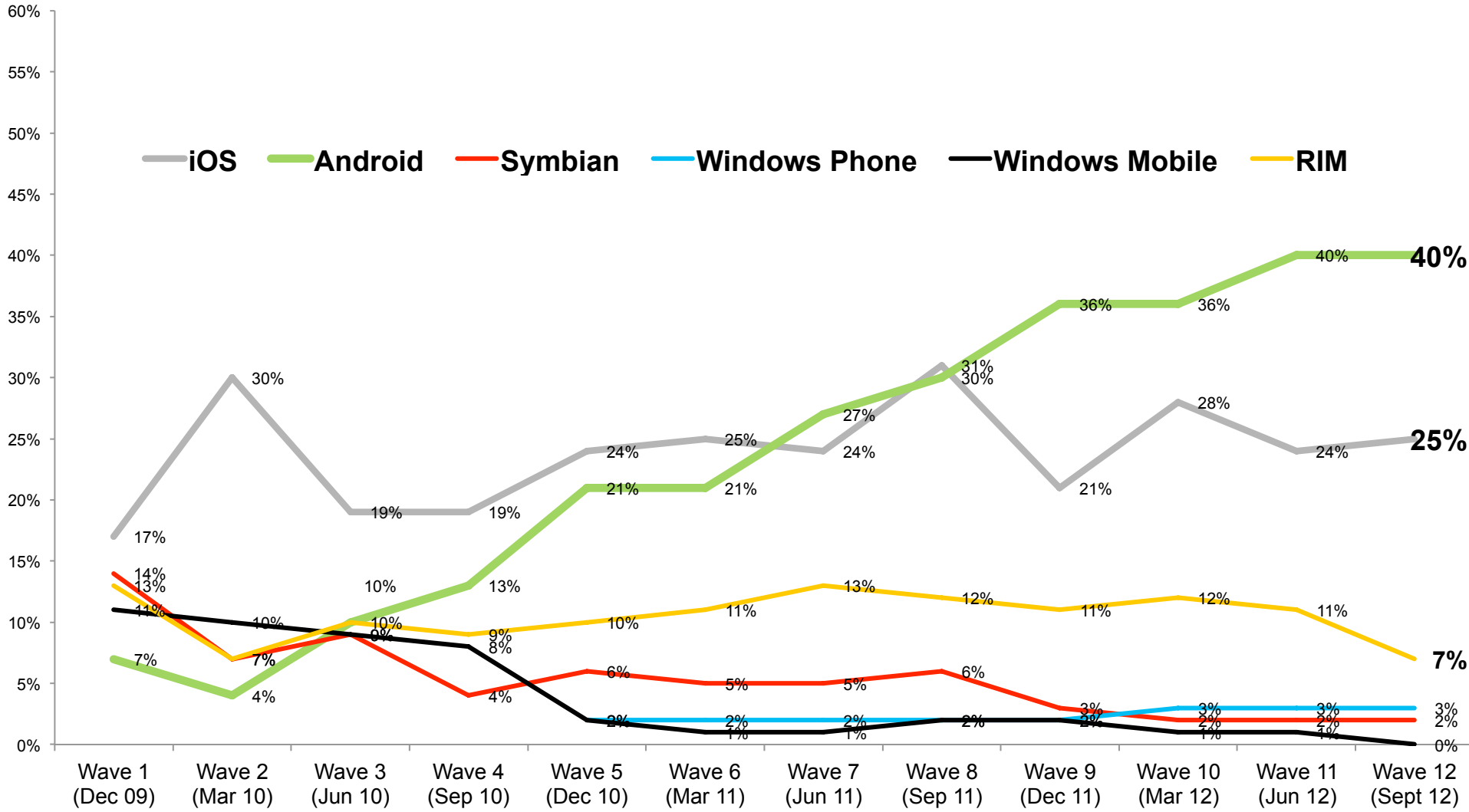
# Smartphones taking charge in the UK

Samsung gaining ground on Apple in Smartphone market




Over 30% of Smartphone owners also own a tablet

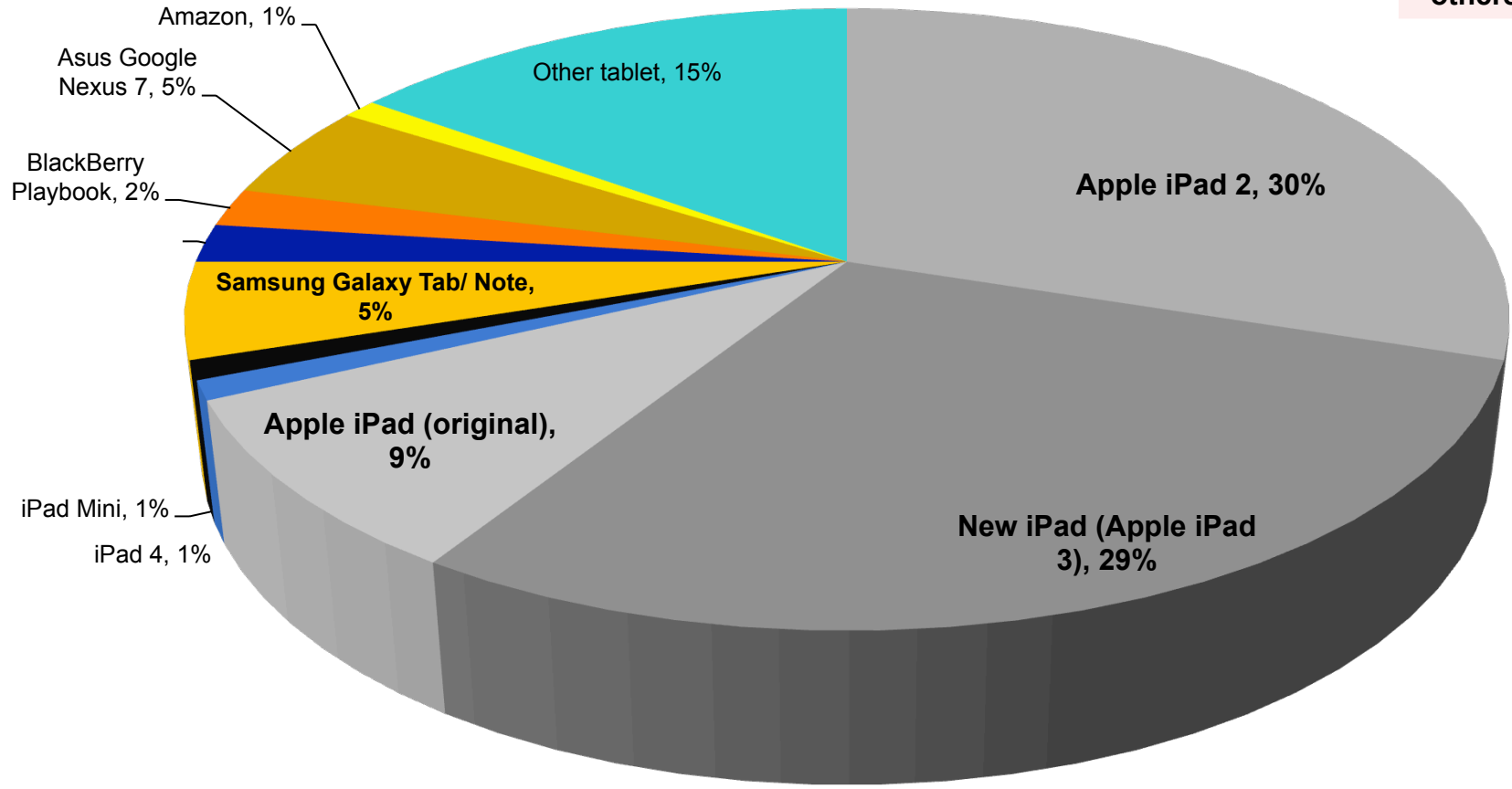
# The operating system share (nat rep smartphones)



# Main tablet used (top 10)

Main tablet used (top 10)  
(All tablet owners)

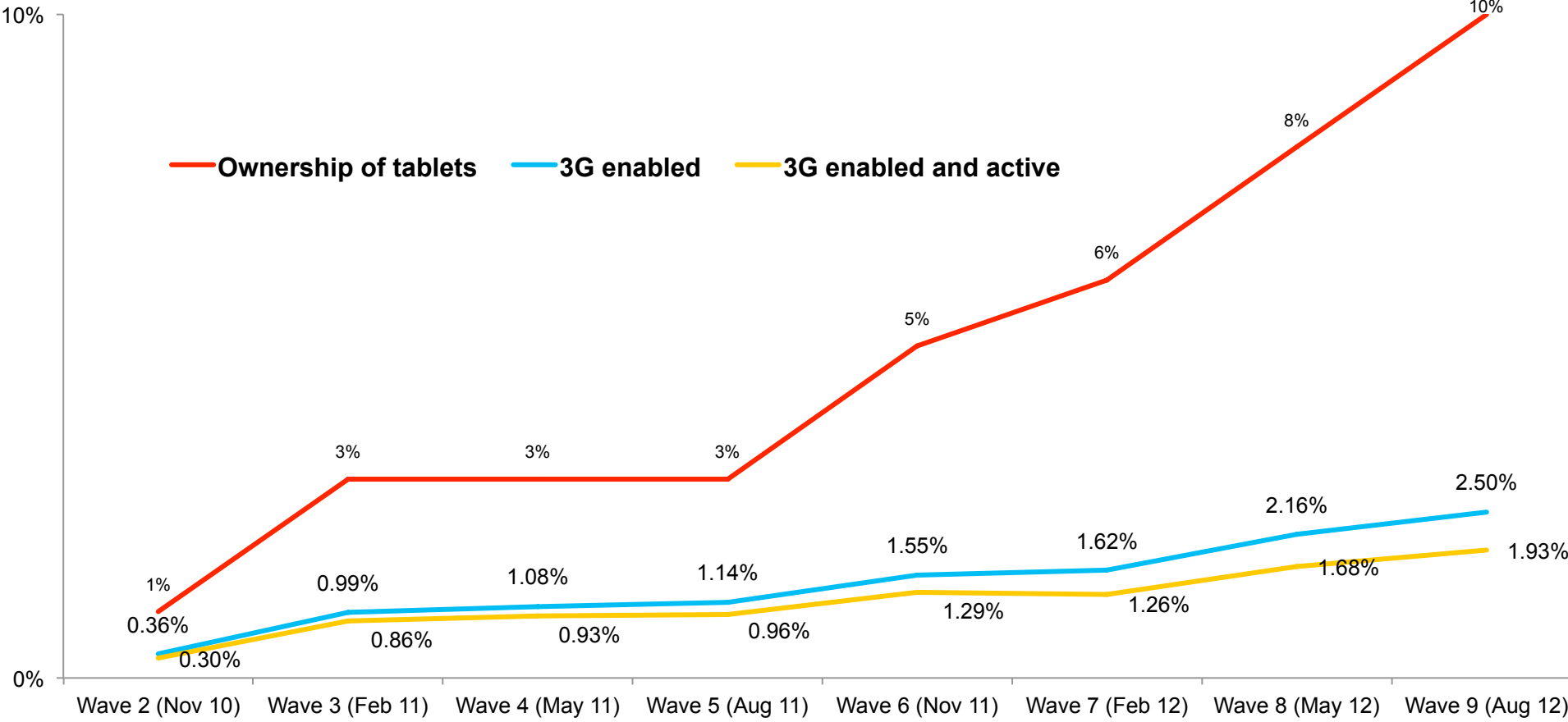
	Tablet share
	70%
All others	30%



Base: All that own tablets (1832)  
p50q1: And which of the following devices do you use most often?

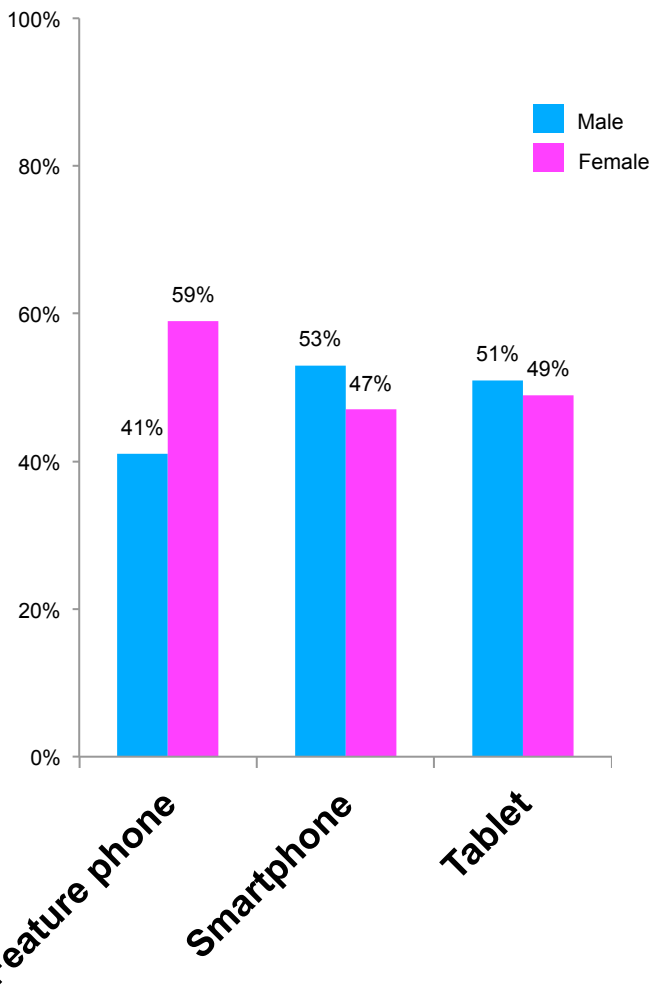
# Trends over time – Individual ownership of main tablet

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(All tablet owners)

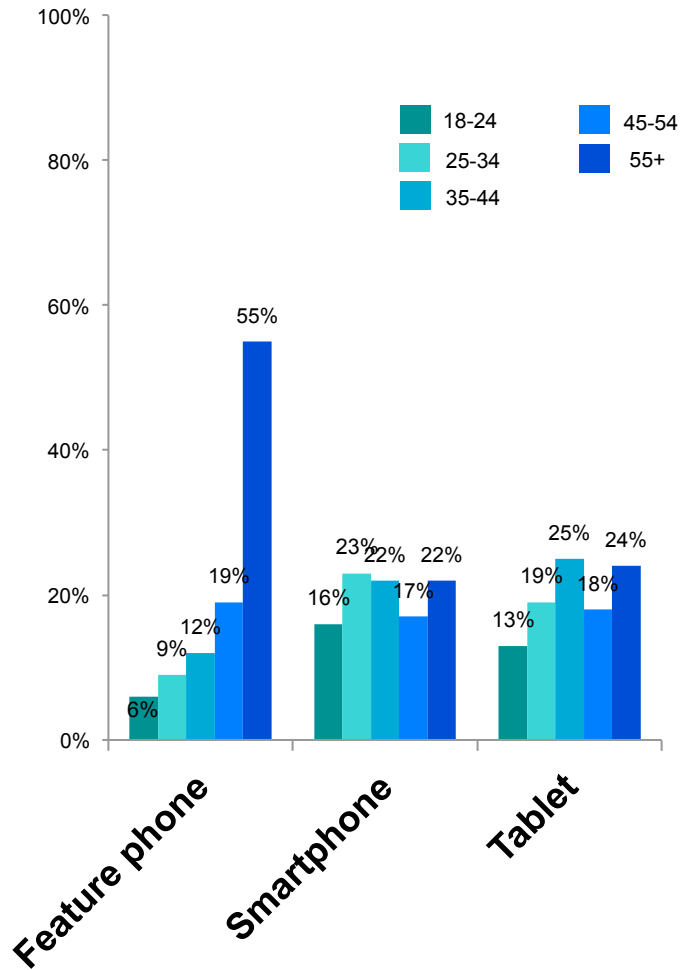


# Technology demographics

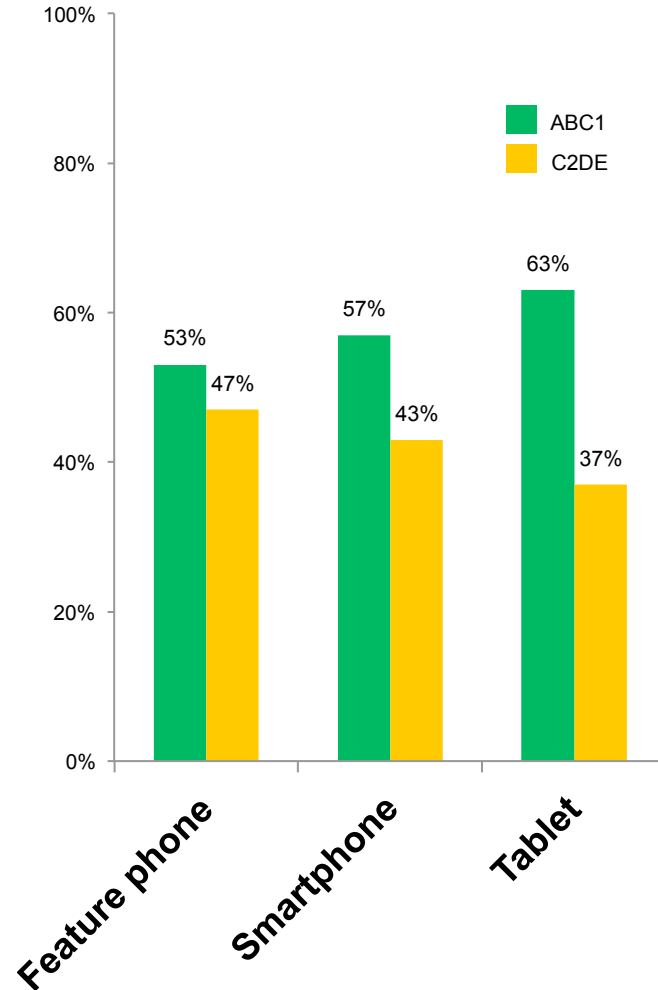
## Gender



## Age

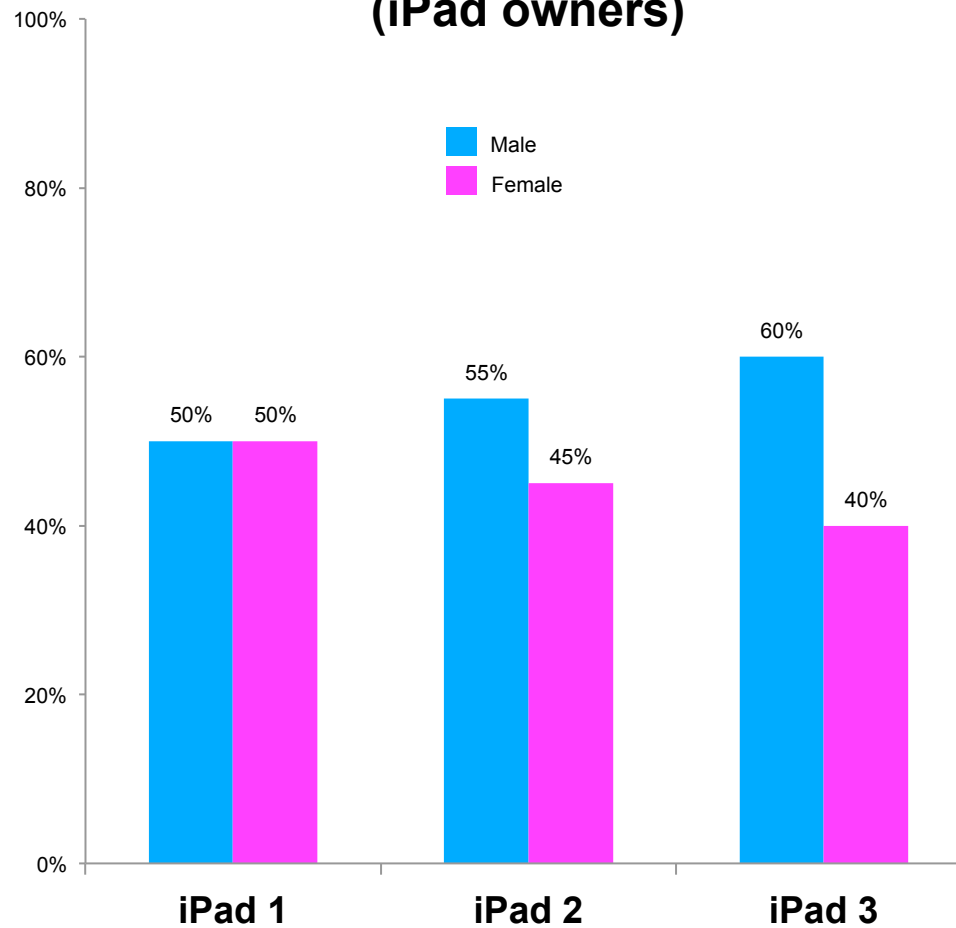


## Social grade

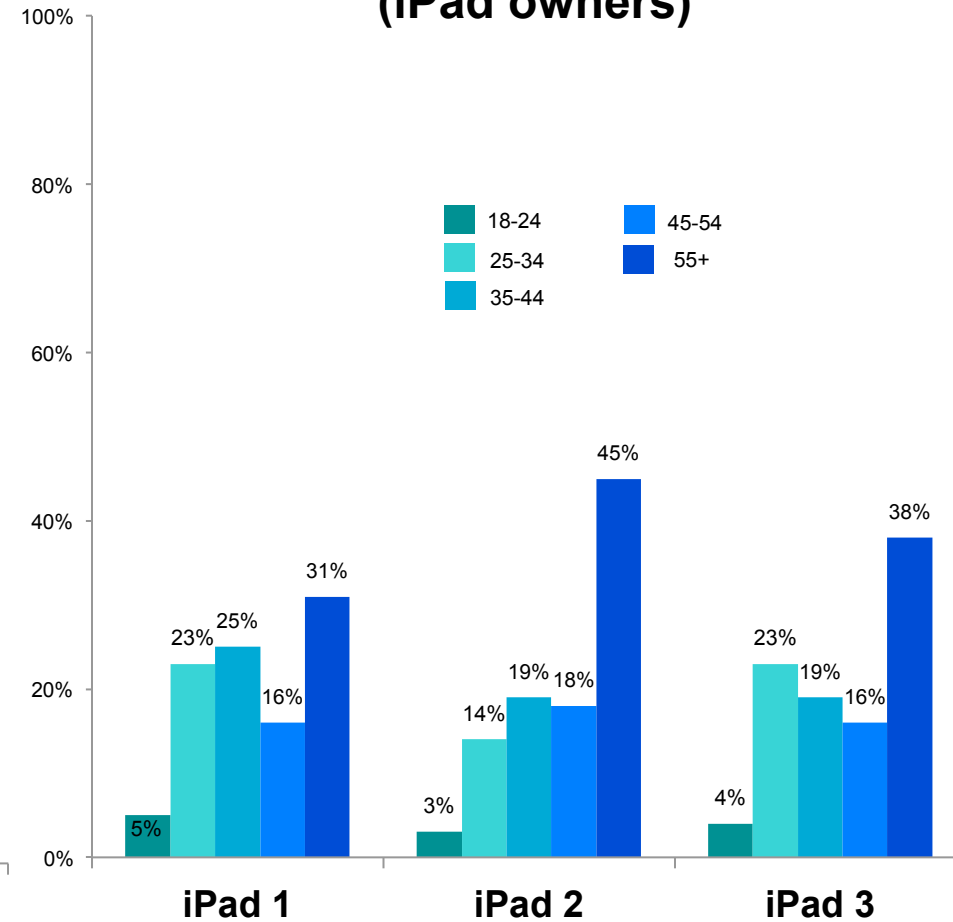


# iPad demographics

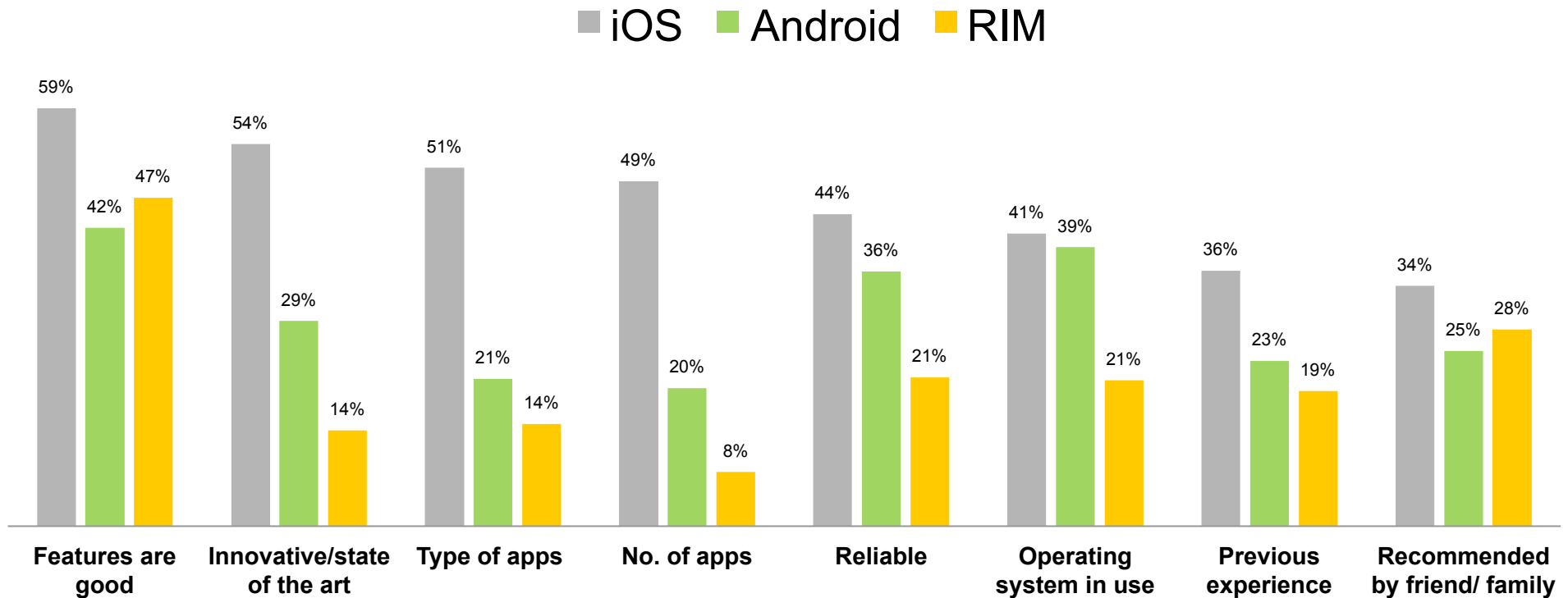
## Gender (iPad owners)



## Age (iPad owners)



# Reasons for choosing current handset (smartphone) by OS (SMIX wave 12)



Base: All qualified Nat rep respondents that own a smartphone (2411)

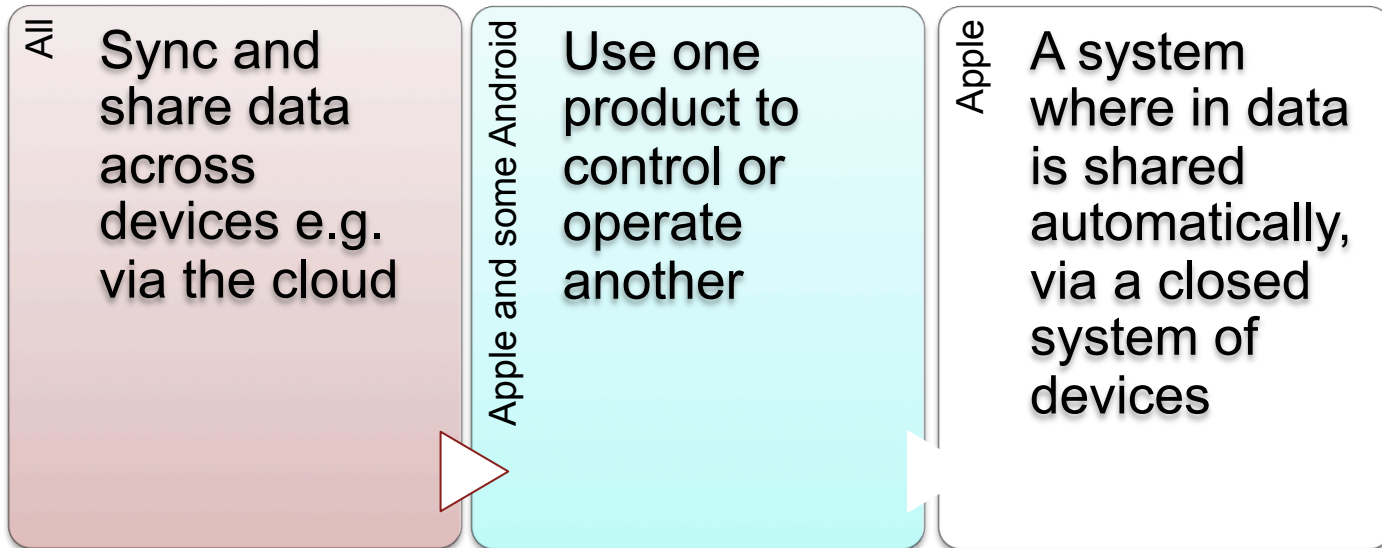
p50q1. Which, if any, of the following are reasons why you got your current handset? (Please tick all that apply)



# Ecosystem Experience

# Many consumers are not aware of the concept of a tech 'ecosystem', but they do want to access their personal content on multiple devices

What is an ecosystem?



[amazon.com](http://amazon.com)

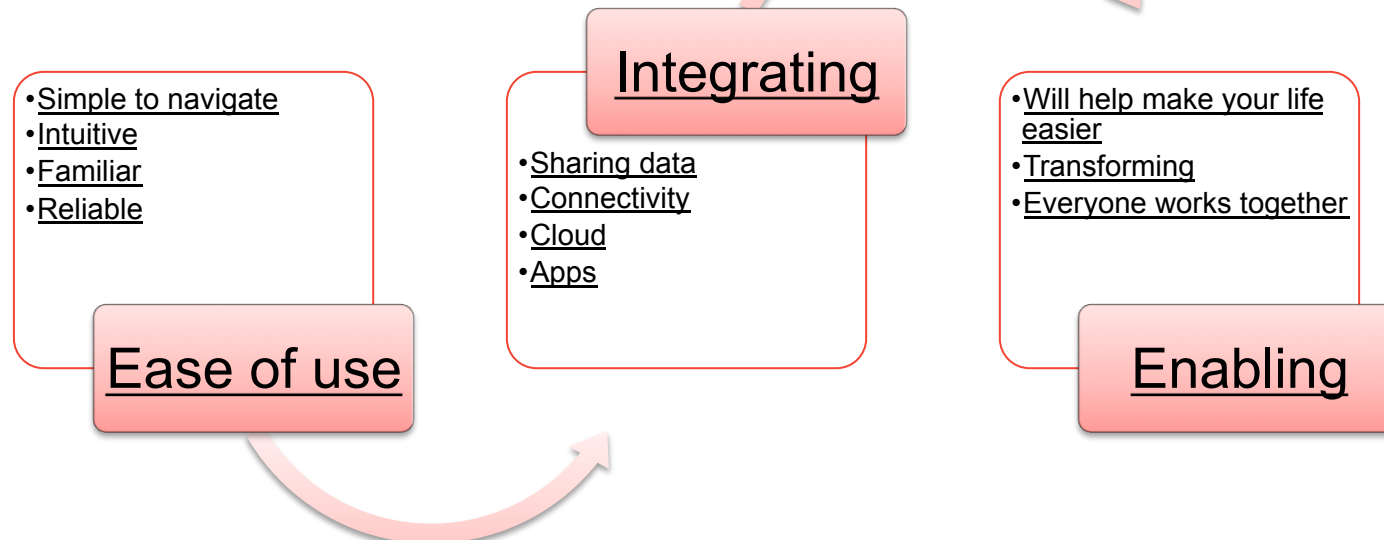
*Some Apple consumers use the term 'ecosystem' and see the benefit of products that seamlessly integrate. Others are unclear what makes integration possible – Brand, Operating System, Internet, 3G?*

# Different levels of benefit of an integrated approach– Apple loyalists most likely to have discovered them all

*Everything now is being made to work with the iPhone...they work seamlessly without any trouble to set them up*

*Apple has build a community of products that have all been designed to work with each other*

*I am now so caught up in the Apple Ecosystem buying another phone doesn't make sense*



Android loyalists tend to focus most on the ease of use and some integration

# Apple Loyalists describe how their operating system links devices and data across all areas of their lives

- Effortless simplicity of the operating system “*with others you feel trapped by their systems*” – *liberating*
- Devices and range of apps are integral to lifestyle
- Use my devices easily, so use it more and more
- Sync my contacts, share my Apps
- Store photos and music in an iCloud - “**Can’t live without it**”
- Centralise content through iTunes
- Use it for Apple TV

**BUT:** aware that there they are getting tied into a system and they may

To leave would be “painful”

Non iPad loyals may compromise on cost

Good to have more than just Apple – it can be limiting

*I have the remote app for the Apple TV and the Sky Box (Bethan, Apple Loyal)*

*I can be presenting a Keynote on one swap to another device without having to do anything (Fiona, Loyal)*

*The Apple Ecosystem is unique, there is no other brand that offers a stable framework of products that all interact so perfectly (Michael Apple Loyal)*



# Android loyalists are looking for a non-Apple approach with flexibility

The Android Operating system offers more flexibility ...

- Choose from a range of devices at different price points
- Use a wide range of software to store content across different devices
- Backing up in the cloud
- Sync with Google

BUT: for many Android users the level of integration has not reached the same levels as Apple

- Most do not yet have multiple android running devices (e.g. tablet/phone) – laptop/PC and Smartphone
- Android is **“too fractured, too many different skins such as HTC, Samsung , there is only one IOS”**
- Variability and device play a role in ease of use – it is variable
- No consistent communication around the benefit of the Android Ecosystem – like the ease of use but what else?

*I am not a fan of Apple's approach. I like something more open source  
(Daniel)*

*The great thing about Android is that nobody owns it...Google do development but they don't own it  
(Daniel)*

*I suspect Apples products may be great if you have an Apple ecosystem to exist within. I don't like being limited to their walled garden  
(Alice)*

*A lot of how I use my phone is the smooth flow of data...my camera photos back up on my PC – my docs and mail all sync  
(Fiona)*

# Some consumers take a mix and match approach to device and operating system

- Tend to pick different devices based on functionality and need – not wedded to one OS
  - Like the idea of freedom to pick and choose depending on the needs of the device
  - Not bought into a particular brand – rational and functional in their approach
  - Often tech savvy, believe that they can achieve the integration they need
1. Cloud very important to them for sharing their data
  2. Dropbox/Cloudon offer compatibility and sharing
  3. The better devices have a seamless data flow between them
  4. Closed source is a negative – the restrictions are a downside
  5. Interest in different operating systems – including new windows



*I am happy with more than one OS across my devices. There are apps and services that can help me integrate*

- Often self motivated the more savvy of this group will create their own bespoke ecosystem rather than buy into one system



# Non Android/Apple Users do not prioritise the operating system in their decision making

- More loyal to network than to the operating system
- Price is key (contract price, cost of hardware)
- Focusing on the features of the handset – camera, screen and specifications
- Don't see the benefits of integrating devices at the moment – not interested in the Apple system

*The operating system probably determines a lot of the features but when I am buying a phone, I don't see what's behind it all*

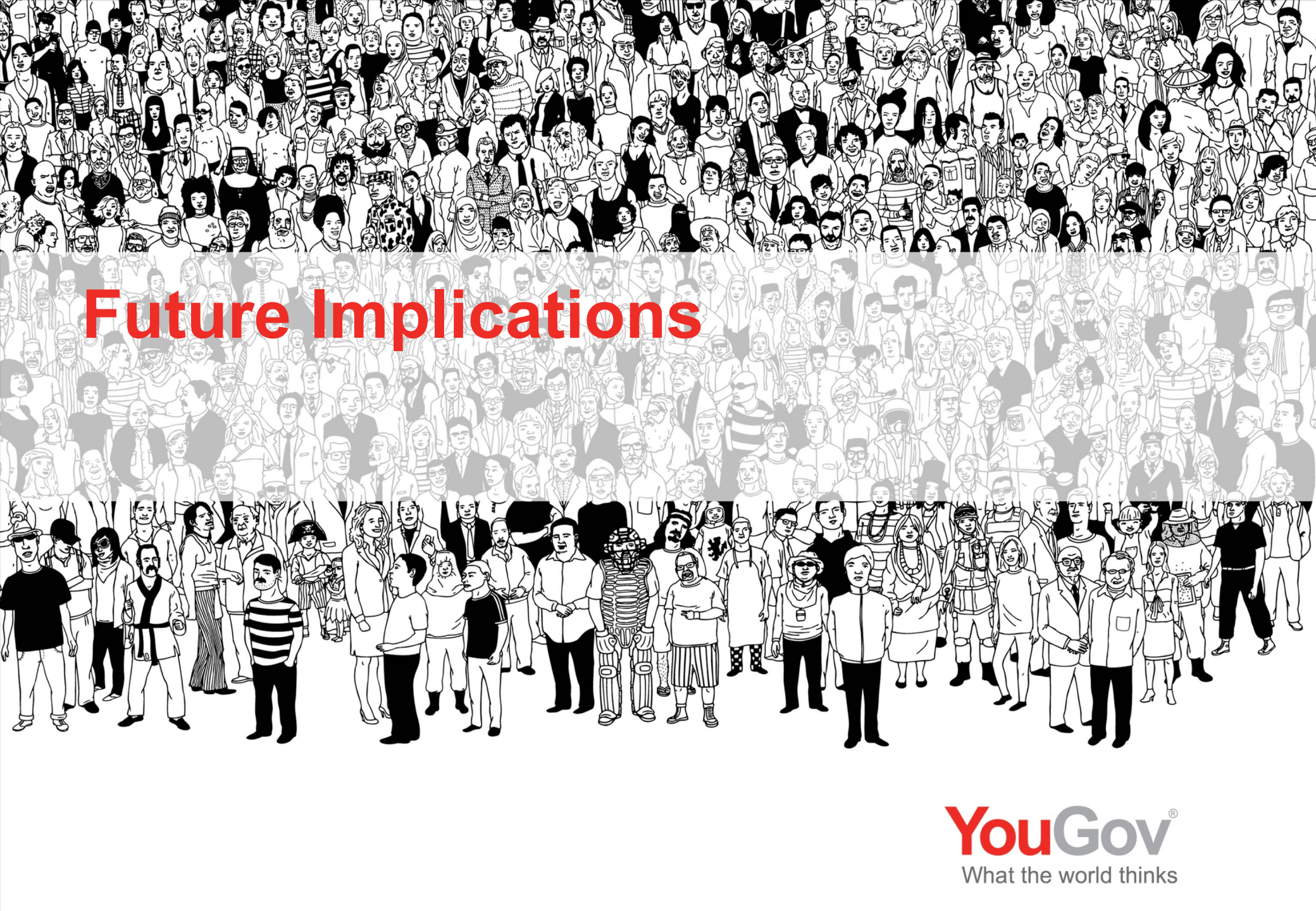
*For me, price is more important than the operating system*

*It was really about getting a brand new phone with features and specifications rather than the operating system which didn't really come into play*

Currently they do not have loyalty to an operating system, and need to be convinced of the added benefits of an ecosystem based upon a common operating system.

# Is cost a barrier to switching? Most are not thinking about the investment they have made in apps and content

- For Apple users, the cost is a barrier to staying with an ecosystem, particularly when considering buying a tablet for the first time
  - *The ecosystem for me is the iTunes, and apps which I will still have and I doubt I would play music through the tablet*
  - *Flexibility with non Apple products – price, and additional features, I am looking at the Nexus (Emma, Apple user)*
  - *If I could afford more Apple products the ecosystem would be great, but I can only afford one (Richard, Apple user)*
- Ease of use and familiarity is more likely to be cited as a switching barrier
  - *I am entrusted in the Apple ecosystem, mentally and financially*
  - Some recognise investment in apps and content – although they are a minority
  - Those on Android feel they have a lot of flexibility to choose within a range of providers – so they have the option to switch
  - Having an OS system that you know how to use is a key reason to stay



# Future Implications

# Future OS Adoption and Usage

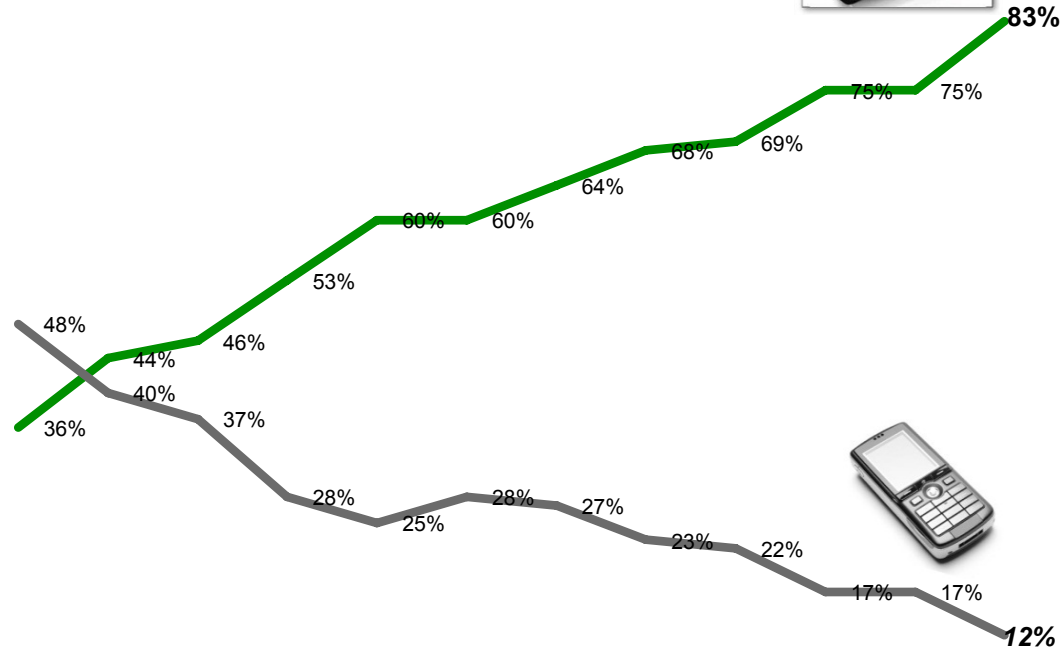


- Perceived market leader and innovator defining the eco-system concept
- iOS offers seamless, albeit, closed integration and security
- True loyalist and evangelists
- But will the Late Majority/Laggards jump on a premium product?
- Non diehards are reluctant to commit to one system
- Loyalists include anti-Apple zealots
- Loyal to OS but love the freedom of device choice and open-source
- BUT most are not integrating multiple android devices – need to see the benefits
- Freedom allows them to have their own integration with cheaper and comparable devices
- But security issues can be a concern
- Mix and matchers are:
  - Pragmatic
  - Discriminating and carefully balances cost with individual benefits
  - Use apps and cloud services to integrate
  - Open to new OS solutions
  - Non committed can be:
    - Behind the adoption curve
    - Unlikely to go Apple

# Future handsets and OS

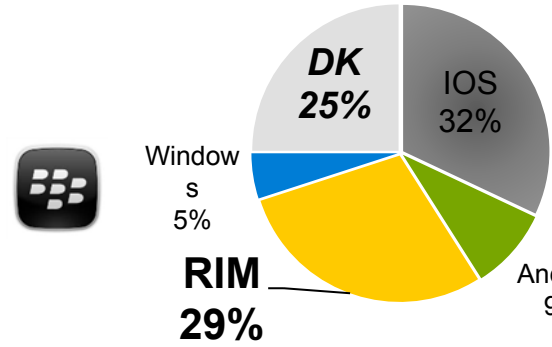
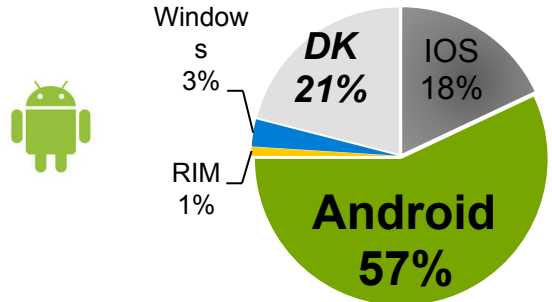
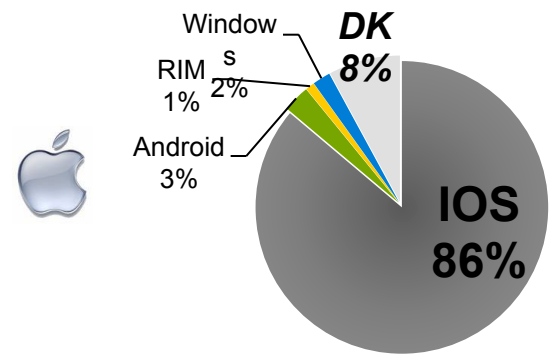
## Future handset type (Nat rep)

99% of all smartphone owners expect to get a smartphone again



## Future operating system (By current OS)

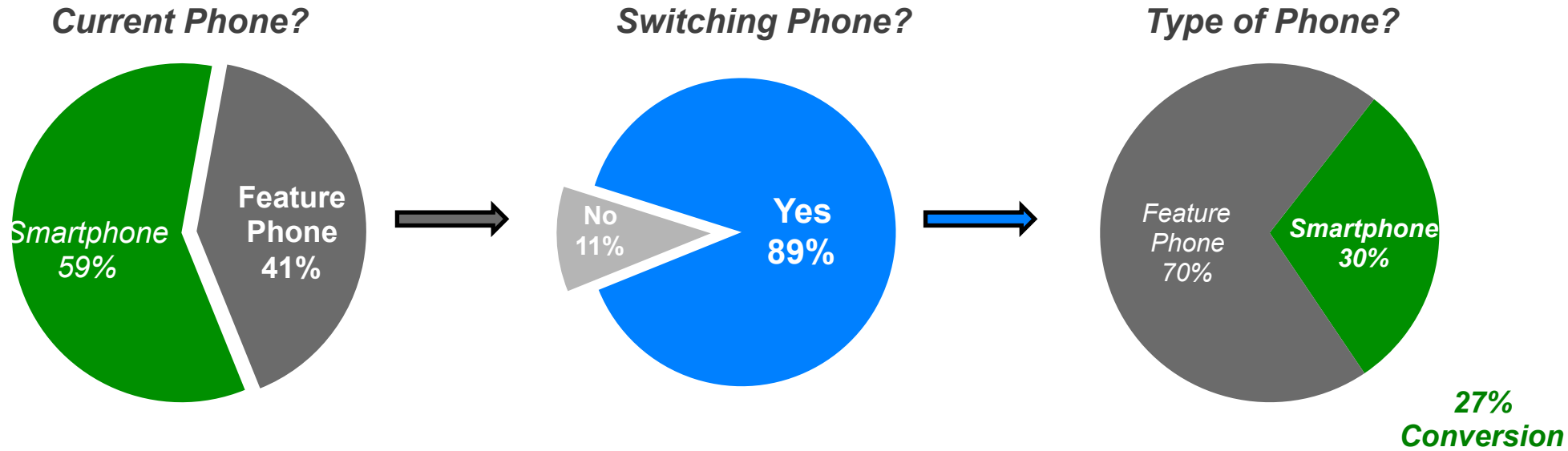
(By current OS)



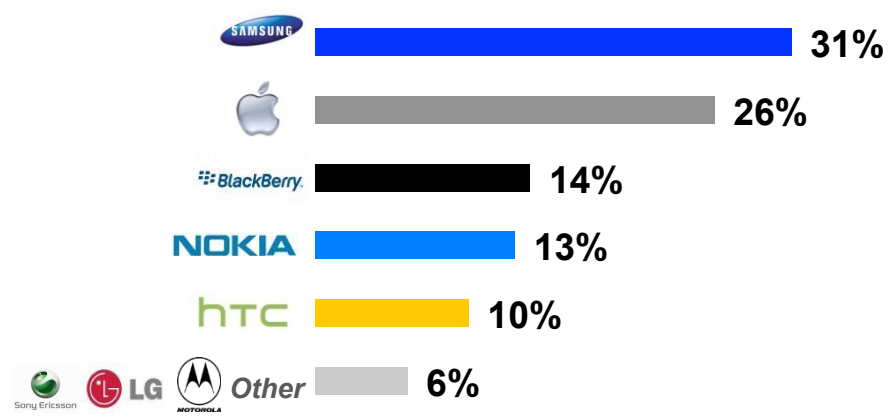
Wave 1 (Dec 09) Wave 2 (Mar 10) Wave 3 (Jun 10) Wave 4 (Sep 10) Wave 5 (Dec 10) Wave 6 (Mar 11) Wave 7 (Jun 11) Wave 8 (Sep 11) Wave 9 (Dec 11) Wave 10 (Mar 12) Wave 11 (Jun 12) Wave 12 (Sept 12)

Base: All qualified Nat rep respondents (4092) and All qualified Nat Rep respondents that will get a new handset and know which brand (2017)  
P10Q1 – Thinking about your current handset, is it...? and P70Q1 – Will this handset be a standard mobile phone or smartphone

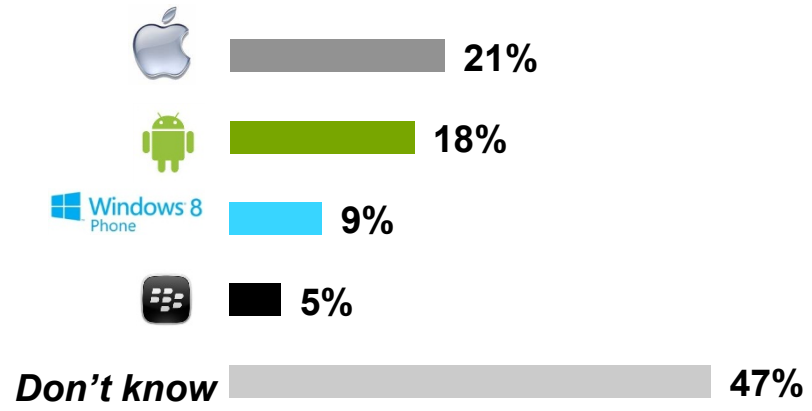
# Feature Phone Conversion



## Device?



## OS?



# Consumers are visualising a more integrated system in for sharing data and accessing services



*Controlling multiple devices*



*Security will be essential*

*Alternative OS?*



*Need for Speed!*

# Retailers

## Brand/Devices



## Operators



## Mobile Ecosystem

## Operating System



## Content/Applications



## Social Influencers



# Thank you for your attention!



**John Gilbert**  
Consulting Director  
Tech/Tel  
[John.gilbert@yougov.com](mailto:John.gilbert@yougov.com)



**Russell Feldman**  
Associate Director  
Tech/Tel  
[Russell.feldman@yougov.com](mailto:Russell.feldman@yougov.com)



**Jane Carn**  
Qualitative  
Research Director  
[Jane.carn@yougov.com](mailto:Jane.carn@yougov.com)



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# Questions?