



Contact *iGR*

Iain Gillott

(512) 263-5682

iain@iGR-inc.com

FOR IMMEDIATE RELEASE

New *iGR* study forecasts the U.S. Mobile Device Insurance Market will reach \$8.6 billion by 2016

Only 27% of consumers surveyed have insurance on their current mobile phone

AUSTIN, Texas, June 13th, 2012 – In the U.S., having insurance - home, health, car, life, etc. - is typically a necessary and unavoidable cost. That is not the case if you own a mobile phone and especially if you use an iPhone or a Samsung smartphone. If you do, then odds are you have not insured that device through the plans offered by the mobile operator.

Most major cellular service providers offer insurance that covers loss, theft, accidental damage, and out of warranty malfunctions. This insurance is offered for an additional monthly fee, typically between \$6 and \$8 per device per month.

In May 2012, *iGR* surveyed more than 1,000 U.S. consumers about their current use of mobile phones and wireless technologies, and specifically inquired about their use of insurance on their current mobile devices and planned purchases. *iGR* asked the respondents if they had insurance on their current phone, and if so, how much were they paying. About 27 percent of the total respondents said they currently had insurance on their device.

iGR's research shows that the percent of devices sold with insurance increases over the forecast period in part due to the increased penetration of smartphones – *iGR* believes that smartphones are more likely to be sold with insurance (due to the higher replacement cost and perhaps more damage-prone displays) than regular handsets. As a result, the percent of devices sold with insurance rises to nearly 31 percent in 2016.

"The growth in the device damage-theft-loss insurance revenues exceeds the growth of device sales due to the influence of smartphones and tablets purchased from mobile operators," said Iain Gillott, president and founder of *iGR*, a market research consultancy focused on the wireless and mobile industry. "Our research shows that there are clear trends on the demographics of those who purchase insurance with their new devices – the challenge for the insurance providers is to demonstrate to consumers the value the coverage provides."

iGR's new market research report, *U.S. Mobile Device Insurance Forecast, 2011-2016: Are you covered?*, provides an overview of U.S. consumers' adoption of insurance policies sold by their wireless/cellular service providers and provides a forecast of the mobile device insurance market to the year 2016.

The following key questions are addressed in the new research study:

- How big is the U.S. market for mobile device insurance through the mobile operators?
- How many subscribers purchase damage, theft and loss insurance through the mobile operators?
- How many devices (handsets, tablets and smartphones) are sold with damage, theft and loss insurance through the mobile operators?
- What is the perceived price paid by respondents for device insurance?
- What is the actual (average) price of device insurance, by cellular carrier?
- What is the tendency by age of respondent to purchase device insurance?
- What is the tendency by gender of respondent to purchase device insurance?
- What is the prevalence of insurance on current mobile phone by various demographics?
- What is the tendency by "primary use of phone" to purchase device insurance?
- What is the tendency by OS of device to purchase device insurance?
- What is the tendency by cellular service provider to purchase device insurance?
- What is the tendency by OEM brand of phone to purchase device insurance?
- What is the tendency by purchase price of phone to purchase device insurance?

The information in this report will be valuable for:

- Insurance companies offering mobile device insurance services
- Mobile operators
- Device OEMs
- Content providers and distributors
- Financial analysts and investors.

The new report can be purchased and downloaded directly from *iGR's* website at www.iGR-inc.com. Alternatively, contact Iain Gillott at (512) 263-5682 or at Iain@iGR-inc.com for additional details.

About iGR

iGR is a market strategy consultancy focused on the wireless and mobile communications industry. Founded by Iain Gillott, one of the wireless industry's leading analysts, in late 2000 as *iGillottResearch*, *iGR* is now entering its twelfth year of operation. *iGR* continuously researches emerging and existent technologies, technology industries, and consumer markets. We use our detailed research to offer a range of services to help companies improve their position in the marketplace, clearly define their future direction, and ultimately improve their bottom line.

iGR researches a range of wireless and mobile products and technologies, including: smartphones; tablets; mobile applications; bandwidth demand and use; small cell architectures; DAS; LTE; WiMAX; VoLTE; IMS; NFC; GSM/GPRS/UMTS/HSPA; CDMA 1x/EV-DO; iDEN; SIP; macro-, pico- and femtocells; mobile backhaul; WiFi and WiFi offload; and SIM and UICC.

A more complete profile of the company can be found at www.igr-inc.com.

