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***iGR* shows that the installed base of U.S. Residential Femtocells could grow at a CAGR of 86 percent through 2017**

Growth depends on major mobile operators adopting aggressive strategies to offload traffic from the macro cellular network

AUSTIN, Texas, November 12th, 2012 – Mobile network quality is of critical importance to the wireless and mobile industry. Consumers often judge the worth of a service, application or mobile phone based on their overall network experience. The quality and coverage of cellular voice service at the consumer’s home remains a key issue for consumers especially given the ongoing trend toward landline replacement.

Residential femtocells are one way mobile operators can improve the quality of their subscribers’ cellular voice service, primarily from the standpoint of creating or improving coverage inside a home. Most residential femtocells deployed in the U.S. today were rolled out to improve coverage for high-value customers. Moving forward, *iGR* believes that this will be the primary use case for residential femtocells, as well.

iGR’s new market research report, *U.S. Residential Femtocell Total Addressable Market, 2011 – 2017: Measuring the impact in the home*, provides an overview of the total addressable market for femtocells and provides a forecast of the theoretical maximum size of the market. In addition, the new report also forecasts the U.S. installed base for residential femtocells.

“The quality of the cellular voice service in a consumer’s own home is of critical importance when assessing overall network quality and mobile operator satisfaction,” said Iain Gillott, president and founder of *iGR*, a market research consultancy focused on the wireless and mobile industry. “Residential femtocells are a good way to improve the cellular voice coverage in the home. Based on how the U.S. mobile operators decide to use femtocells in the future, *iGR* has prepared two market forecasts – one for the current model and a second more aggressive model in which the operators use femtocells to offload the macro network.”

iGR believes that the vast majority of residential femtocell deployments today are done to resolve network coverage and quality issues for high ARPU customers. As such, this is primarily a customer retention model for the mobile operator.

There is another potential use case for residential femtocells that involves aggressively deploying them to, essentially, offload in-home cellular voice (and data) traffic from the macrocell to the femtocell and, therefore, to the wired broadband network. The main hurdle to this use case is the network coordination among femtocells, metrocells and macrocells both to reduce/minimize interference as well as to handle all of the other network issues.

Clearly, there are major differences between the “customer retention” and the “aggressive” use case models. To illustrate those differences, *iGR* has created two different forecasts:

- Customer retention use case. That is, very low growth per year. Essentially the carriers roll out femtocells to high ARPU customers in low- to poor-coverage areas.
- Aggressive use case in which carriers deploy femtocells as a foundation to encourage greater macrocell offload.

The following key questions are addressed in *iGR*’s new research study:

- What qualities do consumers consider when they rate the quality of the voice reception in their home?
- How do consumers rate the quality of the voice reception in their home?
- What is a femtocell?
- How does a femtocell work?
- What are the use cases for femtocells?
- What is the total addressable market for residential femtocells in the U.S.?
- How many femtocells are installed in U.S. households?
- What are the anticipated use cases for femtocells in U.S. households?
- How do these aggressive and conservative use cases impact the installed base forecast?
- How can femtocells be used to offload macro cellular network traffic?
- What are the forecasts for femtocell installation in the U.S.?

The information in this report will be valuable for:

- Mobile operators
- Femtocell and small cell infrastructure vendors
- Mobile network infrastructure OEMs

- Mobile network software and services providers
- 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.