

**U.S. Mobile Device
Insurance Forecast,
2014 – 2019: A
*Market Driven by
Smartphone Sales***

Market Study
First Quarter, 2015





U.S. Mobile Device Insurance Forecast, 2014 – 2019: A *Market Driven by Smartphone Sales*

A Market Study

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Abstract

As an increasing number of U.S. consumers purchase smartphones and tablets, they are becoming dependent on their advanced functionality, such as social networking, web browsing, email and messaging apps. In order to protect their investment and ensure the continued availability of these services, many U.S. consumers are choosing to purchase mobile device insurance.

Most major cellular service providers offer insurance that covers loss, theft, accidental damage, and out of warranty defects. This insurance is offered for an additional monthly fee, typically between \$5 and \$11 per device per month. Although some operators also offer additional levels of insurance that cover data backup and support, *iGR's* study focuses on the insurance for lost, damaged, stolen or defective devices. Furthermore, the forecast only includes insurance sold by mobile operators and does not include insurance sold directly by OEMs, such as Apple Care by Apple.

This market study provides an overview of the mobile device insurance market in the U.S., and U.S. consumers' adoption of insurance policies sold by their mobile service providers. The study includes emerging trends regarding the likelihood to purchase insurance according to many demographic variables. The consumer data in this report is based on a Web-based survey of over 1,100 U.S. consumers that *iGR* fielded during January 2015. The market study also includes a five-year forecast of the number of mobile devices (non-smartphones, smartphones, and tablets) sold with insurance and the total revenues of the mobile device insurance market.

Key questions addressed:

- What is the forecasted size of the mobile device insurance market from now until 2019?
- What is the average price of device insurance provided by mobile operators and what is included in different operators' protection plans?
- What percentage of subscribers have recently purchased damage, theft and loss insurance through their mobile operators and how do these percentages differ according to the respondents' demographic variables, types of mobile device, mobile service providers and typical device usage?
- What percentage of subscribers plan to purchase damage, theft and loss insurance through their mobile operators and how do these percentages differ according to the respondents' demographic variables, types of mobile device, mobile service providers and typical device usage?

Who should read this report?

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

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