# U.S. Regional & Small Operator Smartphone Forecast, 2012-2017

Market Study
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# Abstract

In the U.S. four Tier One operators - AT&T, Verizon Wireless, Sprint, and T-Mobile USA - provide devices and services to the majority of subscribers. These operators are typically the most aggressive in terms of network technology upgrades (most recently to 4G LTE), and in terms of obtaining the latest devices with increasing capabilities. Regional and Small Operators (RSOs), all of the operators that are not Tier One, continue to compete in smaller markets in both technology and available devices. However, due to two major acquisitions in 2013, the number of subscribers serviced by RSOs has dropped significantly.

As this report was being finalized, AT&T announced plans to acquire Leap Wireless (Cricket). If this transaction is approved, it will lead to further consolidation. In this report, Cricket is classed as an RSO and not part of AT&T since the deal has not been approved at this time.

Smartphone sales in the U.S. are expected to continue their fast-paced growth. Overall, smartphones have become more popular than basic phones, due to their falling prices and consumers' desire for the increased functionality and connectivity of the smartphones. RSOs and the consumers they service are also making the shift to smartphones, although at a slower pace. Furthermore, due to the acquisitions of 2013 and the resulting shrinking RSO subscriber base, the number of smartphone sales through RSOs will not be as high as previously expected.

This report presents the current division of subscribers between Tier One and Regional Operators, several demographic trends for regional subscribers, and finally, *iG*R's U.S. mobile handset forecast split by operator type (Tier One or RSO) from 2012 to 2017, which includes our estimation of smartphone sales and mobile operating system (OS) sales across carrier types in the U.S. market. Also included are profiles of 16 vendors that provide handsets and devices to the Regional and Small Operator market.

Key Questions Addressed:

- What share of total U.S. mobile handset sales did RSOs have in 2012?
- What are the handset and smartphone trends of regional subscribers?
- What trends will impact U.S. handset sales from 2012-2017?
- What share of total U.S. mobile handset sales and smartphone sales will RSOs have by the end of 2017?
- What mobile operating system (OS) trends will impact U.S. handset sales for both Tier One operators and RSOs from 2012-2017?

- Which RSOs offer handsets from which OEMs? For example, which RSOs offer the Apple iPhone or Samsung Galaxy S4?

This report is recommended for:

- Cellular carriers, particularly smaller/regional operators in the U.S.
- Private/ Independent mobile device retailers with U.S. customers
- Mobile device OEMs interested in the U.S. market
- Mobile software developers creating content for U.S. end users
- Financial and investment analysts.