Fifteen Percent of Online Americans Ages 13 To 64 Say They Are At Least Somewhat Likely To Buy...

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Fifteen Percent of Online Americans Ages 13 To 64 Say They Are At Least Somewhat Likely To Buy iPhone
Ninety-Six Percent of Those At Least Somewhat Likely to Buy Will Wait Before Buying

ROCHESTER, N.Y. â€“ June 27, 2007 â€“ The iPhoneâ„¢ from AppleÂ® launches this week with a level of anticipation rarely witnessed in the consumer electronics industry. While fifteen percent of online Americans between the ages of 13 and 64 say they are at least somewhat likely to buy the iPhone and one percent are absolutely certain they will, only four percent of those at least somewhat likely to buy the iPhone say they plan on getting it as soon as it becomes available. More than half (55%) of those who are somewhat likely to buy say they will wait for a price drop and 49 percent say they will wait to find out how good it really is.

These are some of the results of research conducted online by Harris InteractiveÂ® among 10,410 online consumers ages 13 to 64 between May 8 and 23, 2007.

At the time of this survey, 38 percent of online 13 to 64 year olds said that they were at least somewhat interested in getting the iPhone. After being presented with a full description of the iPhone that included the price tag on the respective 4GB and 8GB models and mention of iPhoneâ€™s exclusive relationship with AT&T as its carrier, 15 percent of respondents overall indicated that they are at least somewhat likely to buy iPhone, with one percent saying they are absolutely certain to get it. Fifty-five percent of those at least somewhat likely to buy the iPhone say they will wait for the price to drop before buying, 49 percent say they will wait to see how good the iPhone is, and 20 percent will wait until their current cell phone contract runs out.

"This kind of drop-off between â€˜interest in getting the iPhoneâ€™ to â€˜likelihood of buying oneâ€™ is not all that unusual for p like this in this price range," says Aongus Burke, Senior Research Manager of Harris Interactiveâ€™s Media and Entertainment Practice. "Similarly, the fact that most people who might buy the iPhone wonâ€™t do so right away shouldnâ€™t b seen as surprising or troubling for Apple given the amount of interest Apple has generated for this product â€“ a lot of people are going to be paying attention to how it performs while keeping an eye out for those price drops â€“ as well as being mindful of the expiration date on their current cell contracts."

So, Just Who Is Going To Buy the iPhone?
For those accustomed to research on early adopters of new technology, some of the findings on who will buy the iPhone will not come as a surprise. Seventeen percent of online males say they are at least somewhat likely to buy the iPhone, compared to 13 percent of online females. Twenty percent of online adults 18-64 with annual household incomes of $200K or higher say they are at least somewhat likely to buy the iPhone, compared to 15 percent of those with lower household incomes. One finding that may surprise some, however, is how many teenagers intend to buy the iPhone. More than one-quarter (27%) of online males ages 13 to 17 years and one-fifth (20%) of online females ages 13 to 17 years say they are at least somewhat likely to buy the iPhone, compared to 14 percent of all online 18 to 64 year olds.

Beyond demographics, those most likely to buy the iPhone are significantly more likely to own many other portable devices, including the BlackBerryÂ® and Appleâ€™s own video iPodÂ®. Of those very likely or absolutely certain to buy the iPhone, eight percent already own a BlackBerry, compared to two percent of all study respondents; 22 percent already own a video iPod, compared to seven percent of all respondents. Burke adds, "Enthusiasm for new technology is such a powerful force for some people; they always just have to have their hands on the latest device."

What Features Are Buyers After?
Among those online who are at least somewhat likely to buy the iPhone:
Many say they would use it to make calls (71%), to play music (66%), for emailing and texting (56%), to take pictures (55%), to browse the Internet (49%) and to play videos (43%).
More than half (54%) say they will get the device to have one device that does what they currently use several devices to do.
Among those online who are very likely or absolutely certain to get the iPhone, more than half (58%) say web browsing is a feature they are looking for. This compares with 48 percent of those likely or somewhat likely to buy the iPhone citing this feature as a reason they will get it.

Burke commented, "Web browsing is an area where virtually portable devices could do better in consumersâ€™ minds, but iPhone ads certainly sell this feature in a breathtaking way. Whether the iPhone can really deliver on this attribute, one which so many others have not remains to be seen."

The Reasons for Not Purchasing iPhone
Among those online who are not at all likely to get the iPhone (85%), almost half (49%) say the device is too expensive. Another 42 percent say they do not want or need another device, while 40 percent say they do not need all the extra capabilities iPhone has. Additionally, 40 percent of them say they are happy with their current cell phones.

"Obviously this device is not going to be suited for everyoneâ€™s needs," says Burke. "At the same time, just because 85 percent of people in Mid-May said they werenâ€™t going to buy the iPhone doesnâ€™t mean some of them wonâ€™t change th minds at some point. For all the excitement there is right now about how many people will buy the iPhone when it launches, itâ€™s what happens next that will matter most, as those first buyers experience what iPhone really has to offer and start letting everyone around them know about it."

Â TABLE 1WHO HAS HEARD OF iPHONE?"Apple iPhone is an iTunes-compatible handheld device that combines a cellular phone, a music and video player, a digital camera and an Internet communications device into one product. Had you heard of iPhone before taking this survey?"

Base: All Online Americans Ages 13 to 64Â Total%

Yes56

No44TABLE 2INTEREST IN iPHONE"How interested are you in getting the iPhone?"Base: All Online Americans Ages 13 to 64Â Total%

Not at all interested62

At least somewhat interested (NET)38

Somewhat interested23

Interested8

Very interested4

Extremely interested3TABLE 3APURCHASE OF iPHONE WITH AT&T AS CARRIER"iPhone will be available sometime around June 2007. A model with a storage capacity of 4GB will sell for $499. Another model with a storage capacity of 8GB will sell for $599. iPhone will be exclusively available through Cingular/AT&TÂ â€“ you would have to use or switch to that service to use the iPhone. Knowing this, how likely are you to buy either model of the iPhone?"

Base: All Online Americans Ages 13 to 64

Â Total2006 Household Income $200K+2006 Household Income Less Than $200K2006 Household Income Decline to Answer%%%%

Not at all interested/ Not at all likely (NET)85808590

Not at all interested62616368

Not at all likely23192222

At least somewhat likely (NET)15201510

Somewhat likely91296

Likely3533

Very likely/ absolutely certain (subnet)2321

Very Likely1*11

Absolutely certain1311

Note: Percentages may not add up to exactly 100% due to roundingTABLE 3BPURCHASE OF iPHONE WITH AT&T AS CARRIERâ€”BY GENDER AND AGE"iPhone will be available sometime around June 2007. A model with a storage capacity of 4GB will sell for $499. Another model with a storage capacity of 8GB will sell for $599. iPhone will be exclusively available through Cingular/AT&TÂ â€“ you would have to use or switch to that service to use the iPhone. Knowing this, how

likely are you to buy either model of the iPhone?"

Base: All Online Americans Ages 13 to 64Â TotalMalesFemalesAge 13-17Age 18-64%%%%%

Not at all interested/ Not at all likely (NET)8583877786

Not at all interested6262624264

Not at all likely2321253422

At least somewhat likely (NET)1517132314

Somewhat likely9109169

Likely34243

Very likely/ absolutely certain (subnet)23232

Very Likely11111

Absolutely certain11121Â Males 13-17Males 18-34Males 35-49Males 50-64Females 13-17Females 18-34Females 35-49Females 50-64%%%%%%%%

Not at all interested/ Not at all likely (NET)7380859280858892

Not at all interested4457637941556775

Not at all likely3023231239302117

At least somewhat likely (NET)27201582015128

Somewhat likely181096141195

Likely57314322

Very likely/ absolutely certain (subnet)43312221

Very Likely1121111*

Absolutely certain321*1111

Note: Percentages may not add up to exactly 100% due to rounding

*Less than 0.5%TABLE 4TIMING OF PURCHASE"When will you get the iPhone? You may select more than one option."

Base: Those at least somewhat likely to buyÂ Total%

Iâ€™ll wait to see if the price drops55

Iâ€™ll wait to see how good it is49

Iâ€™ll wait until my current cell provider contract runs out20

Iâ€™ll wait for another reason16

As soon as it becomes available4

Note: Multiple Response QuestionTABLE 5REASONS FOR PURCHASEFor which of the following reasons will you get the iPhone? Please select all that apply."

Base: Those at least somewhat likely to buy

Â All At Least Somewhat Likely to BuySomewhat Likely or Likely to BuyVery Likely or Absolutely Certain to Buy%%%

To make phone calls717265

To play music666760

To send emails and text messages565658

To take pictures555653

To have one portable device that does what I currently use multiple portable devices to do545355

To browse the Internet494858

To organize my information in one place454548

It's cool454260

To play videos434250

Other reason(s)669

Note: Multiple Response QuestionTABLE 6PORTABLE DEVICES USED"Which of the following portable devices do you personally use? Please select all that apply."

Base: All Online Americans Ages 13 to 64

Â TotalNot all interested in/Not at Likely to Buy iPhoneSomewhat Likely or Likely to Buy iPhoneVery Likely or Absolutely Certain to Buy iPhone%%%%

Owns Any iPod23204047

iPod with video playback761522

iPod (any kind that does not play video)17152833

Blackberry2258

Note: Multiple Response QuestionTABLE 7UNLIKELY TO GET iPHONE"Why are you unlikely to get iPhone? Please select all that apply"

Base: Those not at all interested or not at all likely to buy iPhone

Â All Not at all Interested In or Not At All Likely to Buy iPhone%

It's too expensive49

I don't need or want another device42

I don't need all the extra capabilities it has40

I'm happy with my current cell phone40

I don't want to switch my cell service provider28

I have other devices that meet those needs15

The battery will wear down too quickly6

Neither model has enough storage capacity2

Other reason(s)10

Note: Multiple Response Question

Methodology
This survey was conducted online within the United States between May 8 and 23, 2007 among 10,410 individuals between the ages of 13 and 64 years who are online. Results were weighted where necessary to bring them into line

with their actual proportions in the online population on key variables including age by sex, race, region, Internet connection type, and Internet usage. Those ages 18 to 64 were additionally weighted on education, household income, and online shopping behavior. Those ages 13 to 17 were additionally weighted on parents' education and school location.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the total U.S. online population of those ages 13 to 64 as stated above. Because the sample is based on those who agreed to participate in the Harris Interactive panel, no estimates of theoretical sampling error can be calculated.

These statements conform to the principles of disclosure of the National Council on Public Polls.

About Harris Interactive
Harris Interactive is the 12th largest and fastest-growing market research firm in the world. The company provides innovative research, insights and strategic advice to help its clients make more confident decisions which lead to measurable and enduring improvements in performance. Harris Interactive is widely known for The Harris Poll, one of the longest running, independent opinion polls and for pioneering online market research methods. The company has built what it believes to be the worldâ€™s largest panel of survey respondents, the Harris Poll Online. Harris Interactive serves clients worldwide through its United States, Europe and Asia offices, its wholly-owned subsidiaries Novatris in France and MediaTransfer AG in Germany, and through a global network of independent market research firms. More information about Harris Interactive may be obtained at www.harrisinteractive.com. To become a member of the Harris Poll Online and be invited to participate in online surveys, register at www.harrispollonline.com.

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