



Press Release

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TNS Survey finds price and network performance key to 3G takeoff in China

(June 9th, 2009, Beijing) With the high profile release of China Unicom's 3G brand "WO", mobile operators in China have officially declared 3G war. This heralds the beginning of a much awaited campaign among the "Big Three" operators, who are all trying to make their presence felt through the intensive use of print, TV, outdoor and other media. So far, there doesn't seem to be much of a consensus as to who will win this battle.

Maybe the question should be answered by consumers themselves, 2,841 of whom were recently surveyed by TNS, the world's largest custom research agency. Aiming to investigate consumers' awareness of 3G and how they would choose among the operators, the survey has shown the two things that are crucial to 3G takeoff in China are price and network performance.

This study reveals that it is price that consumers are most concerned over, with three quarters of the interviewees expressing their apprehension about a possible high service fee. They also care a lot about network performance, including geographic coverage (54%), stability (50%), and speed (35%). Furthermore, quite a lot of consumers suspect they might have to buy a new mobile phone in order to use a 3G network or service (69%).

What benefits are consumers expecting from 3G? According to the survey, the function most desired is video communication (87%); also hoped for by more than 70% of respondents is a more convenient mobile broadband network, the ability to watch TV and other programs on mobile

devices, and faster internet access. Meanwhile, nearly one quarter of the interviewees believe that with the introduction of 3G, their mobile communication would become less expensive than now.

Shawn Wang, Head of TNS China Technology, comments, “Consumers hope to benefit more from the introduction of 3G, like video calls and other more advanced applications, than in 2G times; however, they are quite sensitive to price and network performance, as shown in our research. Therefore if at this stage operators who focus their communication more on content and price could definitely gain the trust of the early-adopters and gain a cutting edge in the long-run battles.”

This research also shows that most consumers (88%) are more or less aware of 3G even while some of them have very little idea about the topic. About three quarters of the interviewees admit that they don't quite understand 3G, or that they only have some limited knowledge of it.

When asked which telecom operators in China they know are allowed to provide 3G service, respondents reveal they are most aware of China Mobile, which enjoys 20 percent higher awareness than China Telecom and China Unicom. And when asked which operator they would choose for their 3G service, respondents give China Mobile a support rating that is remarkably higher than that of its two competitors. However it should also be noted that China Telecom has obviously achieved a lot in a quite short period of time, with 13 percent choosing to use its newly-introduced 3G service.

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NOTE TO EDITORS

About TNS 3G research

TNS China conducted a 3G survey into 3G awareness and consumers' considerations as to choosing operators across mainland China in March and April, 2009. A total of 2,841 netizens aged 15 years old or above in 49 cities were interviewed. The research was done through TNS 6thdimension™ Online Access Panel.

Altogether, 4,090 people answered the study's first question “Which sentence correctly describes your understanding about 3G?”, and those who answered “I have never heard of 3G” or provided invalid answers

were not invited to continue and were thus not included in the total number of respondents.

About TNS Technology

In a relentlessly innovative industry, TNS Global Technology helps the world's leading IT, telecoms and consumer electronics companies, ISP and content providers maximise opportunities to gain a competitive advantage based on technology market research and technology industry analysis.

TNS Global Technology research experts deliver insights based on their understanding of the specific characteristics and trends of the industry. Using customised and syndicated market research from specialist and mass market audiences, we help our clients to hear the voice of the customer in their decision-making process.

About TNS

TNS, who recently merged with Research International, is the world's largest custom research agency delivering actionable insights and research-based business advice to its clients so they can make more effective business decisions. TNS offers comprehensive industry knowledge within the Consumer, Technology, Finance, Automotive and Political & Social sectors, supported by a unique product offering that stretches across the entire range of marketing and business issues, specialising in product development & innovation, brand & communication, stakeholder management, retail & shopper, and qualitative research. Delivering best-in-class service across more than 70 countries, TNS is part of Kantar, the world's largest research, insight and consultancy network.

In 1992, TNS became one of the first international market research agencies to start operations in China. In recent years, TNS has grown substantially and established itself as one of the most successful and reputed market research and consulting agencies in China, with 150 professional researchers and more than 300 employees in three full service offices in Shanghai, Beijing and Guangzhou.

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