



Apple feels the heat as Palm Pre lays down the gauntlet

Monday 12 October 2009: Friday's launch of the Palm Pre is set to shake-up the UK mobile market, with more than a quarter of mobile users saying that they are interested in buying it, before it has even hit the shelves.

New research by TNS Technology reveals that 26% of users questioned would definitely or probably buy the Palm Pre – almost double the 16% who said they would buy the iPhone when TNS undertook similar research in 2007.

Among existing O2 customers the purchase intent figures are even more impressive, with 27% keen to buy the Palm Pre compared with just 17% wanting the iPhone prior to its launch.

While awareness of the Palm Pre is lower than that of the iPhone pre-launch, the figures suggest that once the new handset hits the shelves it has the potential to capture a substantial share of the UK's smartphone market.

O2 also stands to benefit from its exclusive rights to the Pre – following Apple's decision to extend iPhone sales via Orange and Vodafone – with the TNS study showing that 32% of mobile users currently on other networks are likely to switch to O2 in order to get hold of the Palm Pre.

Kevin Evans, Associate Director at TNS Technology, comments: "The Palm Pre is already being touted as the 'iPhone killer' and our research certainly suggests it's going to shake up the market. The decision to offer the Pre free to those on a 24-month contract is in sharp contrast to the £269 price of the iPhone at its launch, while the launch timing capitalises on the fact that thousands of UK iPhone early-adopters are approaching the end of their 18-month contract period, while the next-generation iPhone is not expected until next June."

Evans continues: "With other promising new launches including Vodafone 360, MOTOBLUR and next-generation versions of Windows Mobile also challenging the iPhone's position as the dominant mobile multimedia platform, this is an exciting time for the industry and a great time to be a consumer."

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Note to editors:

Online study of n=1,003 adults aged 16-64, October 2009

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