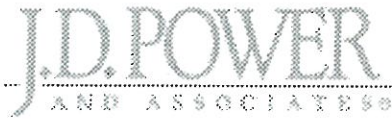
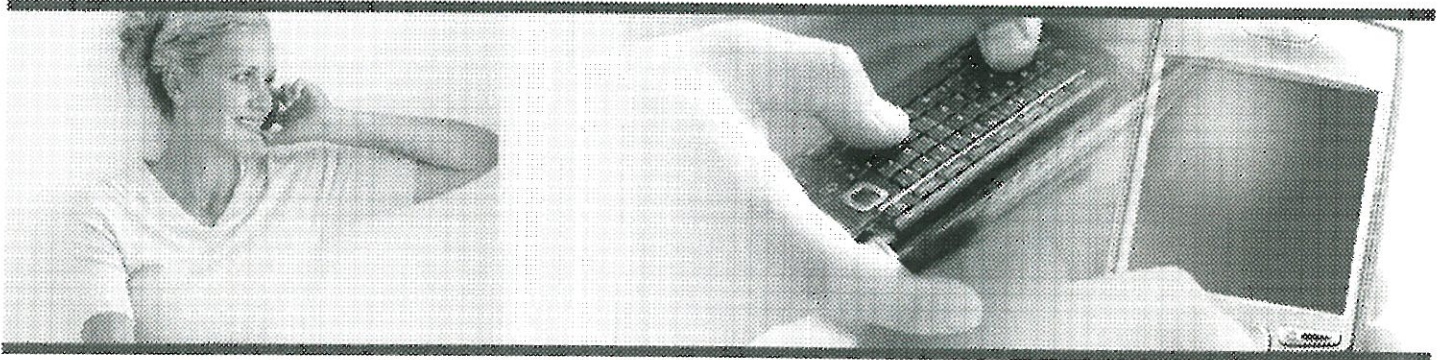


# Exhibit 53



# 2011 Wireless Smartphone Satisfaction Study<sup>SM</sup>



## Management Report

March 2011

*Telecommunications Department*



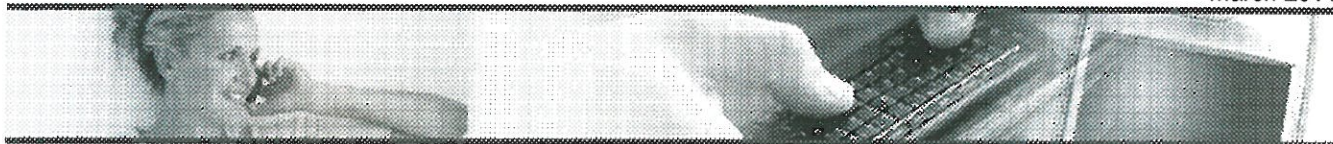
**PLAINTIFF'S EXHIBIT NO. 69**  
United States District Court  
Northern District of California  
No. 11-CV-01846-LHK (PSG)  
Apple Inc. v. Samsung Elecs.  
Date Admitted: \_\_\_\_\_ By: \_\_\_\_\_

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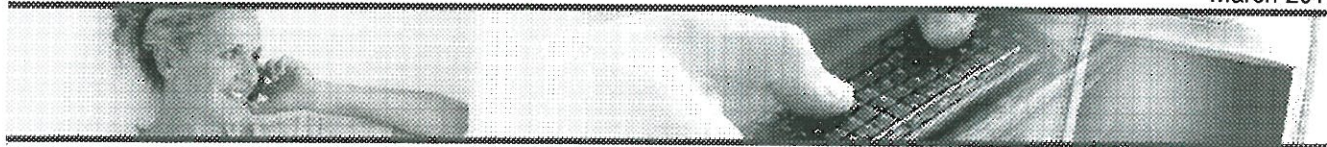
## Executive Summary

- ✓ Among owners who may purchase a new smartphone within the next 6 months, 33% consider themselves likely to purchase an iPhone model, and an additional 27% will likely purchase an HTC model. An additional 10% of shoppers indicate they are likely to purchase a Samsung or Motorola model, while 7% say they likely will choose a BlackBerry model.
- ✓ Nearly half (45%) of smartphone owners indicate they chose their model because they liked its overall design and style and 43% chose their device because it featured a touch screen for easy navigation. Simple operation is important, as 36% of owners report having chosen their handset because it is "generally easy to use."

About one-third of smartphone owners indicate a propensity to purchase a new phone within the next 6 months. Palm and RIM BlackBerry owners have the highest likelihood of buying a new handset in the near future and therefore represent a target market for acquisition (46% and 44%, respectively). The majority of smartphone owners indicate a likelihood to repurchase their current brand—18% say they "definitely will" and 46% say they "probably will" repurchase from their current handset manufacturer. More than one-third (37%) of Apple owners say they "definitely will" repurchase the same brand, compared to just 5% of Nokia owners. It is worth noting, however, that Apple owners are currently less likely to indicate they "definitely will" repurchase than they were 6 months ago (37% vs. 41%, respectively).

Usage and spending levels are much higher among smartphone owners than among traditional mobile phone users. Smartphone owners report using 622 minutes per month, on average. HTC smartphone owners in particular report using 707 minutes per month. Increased costs are associated with high usage levels such as this. The average monthly expenditure for smartphone wireless service is \$107, an increase of \$7 from 2010 Vol. 2. Motorola owners spend \$8 more per month than industry average (\$115 vs. \$107).





## Purchasing Selection Process

Main reasons for choosing the smartphone manufacturer include *Liked overall design or style* (45%), *Internet capability* (44%), and *Touch screen* (43%). The reasons for selecting a particular smartphone brand differ from the reasons for selecting a traditional handset, as smartphone users are less likely to select their handset for price-related reasons. The reasons for selecting a smartphone manufacturer frequently pertain to an available communication feature or technology. For example, 36% selected their manufacturer because of its ability to use e-mail accounts. Another common trend among smartphone users is selecting their phones based on the ease of operating said features and technologies. An additional 36% of smartphone users select their phones because the smartphone is *Generally easy to use*, 35% select their phones for *Wi-Fi capabilities*, and 35% reported that their selection was based on the *Quality of the phone*.

Satisfaction with the handset is highest when it is chosen for reasons pertaining to quality. Those having chosen their smartphone for these reasons rate their model a score of 804, while those that indicate their model was selected as a result of the price rate their device a score of 749.

The correlation between satisfaction and repurchase rates still remains the same evidenced by Apple owners indicating they "Definitely will" repurchase their current brand at a rate of 37% compared with 18% for the industry average. Just 2% of Apple users indicate they "Definitely will not" repurchase their current brand of smartphone. HTC owners indicate that they "Probably will" repurchase at a rate of 53%; however, these users are not as likely to fully commit and say they "Definitely will" repurchase. This implies there is a certain level of loyalty, although HTC owners will consider their options when it is time for them to purchase a new handset.