

## **Household Demand for Wireless Telephony: An Empirical Analysis**

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This paper provides initial estimates of the household penetration rates of Internet ready cell phones and Internet enabled PDAs. The data used for this analysis is based on over 4,000 completed surveys obtained for the period, January 2003 through February 2003. The paper provides a framework for assessing the initial demand for Internet ready mobile devices (cell phones, PDAs) including the probability that those devices are connected to the Internet. Issues addressed are: (1) the impact of wireless mobile devices on second lines, (2) the relationship of wireless Internet access on a household's choice of Internet access (broadband vs. dial-up) and (3) the level of interest in advanced services such as voice over Internet Protocol (VoIP). The demand for Internet ready devices is segmented by income and age and by cell phone service provider.