



## Navigating Consumer Concerns: Unraveling Ongoing Consumer Attitudes Toward Old Devices



*“Trade-in remains a critical aspect of purchasing a new device in the U.S. smartphone market,” said Anthony Scarsella, research director for IDC’s Mobile Phone program. “Nearly half of U.S. consumers either trade in or sell their old device when it is time to purchase a new smartphone. Overall, 31% utilize trade-in programs, while 25% still store their old device as a backup.”*

*Source: IDC*

### Our Poll Overview: Consumer behavior— Trade-in hesitancy

**64%** consumers keep their old phones for backup

**50%** consumers content not transferred prior to new phone purchase or upgrade

**58%** consumers time consuming for data transfer, fear of data loss

The mobile wireless industry, constantly evolving with technological advancements, continues to understand consumer behavior and trends towards old devices. Our recent LinkedIn polls have shed light on why consumers hesitate to trade in their old smartphones, offering valuable insights for industry professionals.

Three polls were conducted, each focusing on different aspects of consumer behavior regarding old smartphones:

- Options for old smartphones when upgrading to a new one.
- Reasons for keeping old phones as backups.
- Challenges in transferring content to new devices.

#### Analysis of Poll Results

**Poll #1:** A significant 64% of respondents keep their old phones for backup.

**Poll #2:** 50% of those who keep old phones do so due to content not transferred.

**Poll #3:** 58% cite time consumption and fear of data loss as major hurdles in transferring content.

These results highlight a crucial consumer concern: the anxiety over losing personal content and the perceived complexity of data transfer.

*As the VP of Operations, I've witnessed firsthand the impact of evolving technology on consumer behavior. One of our key learnings is that the emotional attachment to the data stored on our devices cannot be underestimated. It's not just about transferring data; it's about transferring memories, moments, and milestones. That's why we are committed to understanding the process of backing up and transferring data and for it to be secure as possible prior to trade-ins. We believe that by addressing these fundamental concerns, we can enhance consumer confidence in trade-in programs, ultimately leading to a more sustainable and customer-focused approach in the mobile wireless industry.*

— Benoit Pomerleau, VP Operations, BuyBack Booth

#### Implications for the Industry

These insights indicate a significant gap in consumer understanding and trust related to the data transfer and deletion process during phone trade-ins. To enhance customer confidence and involvement in buyback or upgrade programs, it's crucial to clearly explain and assure them of the secure and reliable nature of this process.

#### Innovative Solutions and Best Practices

- Create simpler, more intuitive data transfer experience.
- Enhance consumer education on safe and efficient data backup and transfer.
- Introduce more reassuring data security measures during the trade-in process.
- Collaboration with technology providers to streamline data transfer to play a key role in alleviating consumer fears.



## Navigating Consumer Concerns: Insights on Phone Trade-Ins from Recent LinkedIn Polls



### Conclusion

The LinkedIn polls clearly indicate that fear of data loss and the complexity of data transfer are major barriers preventing consumers from trading in their old phones. Understanding and addressing these concerns is crucial for industry growth and consumer satisfaction.

### Growth in Trade-In Values:

*“Despite the increasing age of devices at trade-in, the average trade-in value for smartphones has been growing. As of August 15, 2023, the average trade-in value reached \$135. Notably, iPhones achieved their highest recorded trade-in value of \$215 during the same period. This increase in trade-in values suggests a robust market and consumer interest in trade-in programs”*

Source: Assurant, 2023

Developing considerate approaches can greatly alleviate the stress and obstacles that customers encounter when transferring data, which may in turn boost their readiness to engage in phone trade-in initiatives.



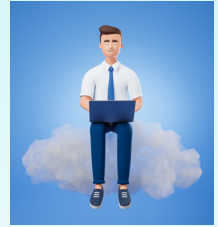
#### Step-by-Step Guides

Create comprehensive guides and video tutorials demonstrating the data transfer process. These should be easily accessible online.



#### In-Store Assistance

Offer in-store data transfer services where trained staff can assist customers in transferring their data to their new device. This not only ensures data safety but also builds customer trust.



#### Cloud Solutions

Promote and integrate cloud backup solutions that automatically back up data on a regular basis. Educate consumers about the benefits and security of using cloud services.



#### Trade-In Incentives

Provide incentives such as discounts or additional trade-in value for customers who utilize data transfer tools or services.



#### Data Erasure Assist

Offer on-site data deletion services, where reps assist customers in performing a factory reset on their devices intended for trade-in.



#### Security Assurance

Assure customers about the security measures in place during the data transfer process. Transparency about data handling can alleviate fears of data loss or misuse.

In conclusion, the phone trade-in industry demonstrates significant growth and resilience, marked by substantial consumer returns, an increase in the age of devices being traded in, and rising trade-in values. These trends underscore the industry's ability to adapt and thrive, offering valuable insights into consumer behavior and market dynamics. As the industry continues to evolve, it presents both challenges and opportunities for businesses and consumers alike, pointing towards a future where sustainable practices and consumer preferences play a pivotal role in shaping the landscape of mobile device usage and trade-in strategies.