

# Earn Cellphone Minutes by Watching Ads

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Published: May 30, 2006

With the cost of mobile phone calls already dropping sharply, Virgin Mobile USA plans to announce a way that people can talk for no money at all. They will, however, have to pay with a chunk of their attention.

The program, called SugarMama, lets people earn one minute of talking time by watching 30-second commercials on a computer or receiving text messages on their phones, then answering questions to prove they were, in fact, paying attention.

Virgin Mobile, a relatively small cellphone carrier with four million mostly young customers, is aiming the program at teenagers, who can earn up to 75 minutes of free talk time a month.

Howard Handler, chief marketing officer for Virgin Mobile USA, described SugarMama as "someone who shows up and gives you some extra gratification and gets you over the hump" when you are running low on talk time.

The company says that the program, scheduled to be available on June 14, is the first ad-supported cellphone service in the United States. Several companies are taking a similar approach to wireless Internet access, with proposals or plans for free services backed by advertising.

Virgin has signed up three advertisers: Pepsi, [Microsoft's Xbox](#) game console and a youth antismoking campaign called Truth.

Telecommunications industry analysts said SugarMama might not hit a sweet spot with consumers or advertisers. Roger Entner, an analyst with Ovum Research, a market research firm, said the kinds of consumers willing to swap their time for airtime were not likely to be big spenders.

"If you're too cheap to buy a minute of air time, how are you going to afford an Xbox?" Mr. Entner said. The people likely to earn minutes for free "are people who want to avoid costs at any cost."

Adding to Virgin Mobile's challenge is the fact that airtime is cheap and getting cheaper, said Ed Snyder, an analyst with Charter Equity Research. He said a minute of airtime typically cost from 3.5 cents to 10 cents, down from more than 25 cents a decade ago.

Mr. Handler said customers would get something besides free minutes: they would also get access to "funny and provocative" advertising. He declined to elaborate on the ads' content.

Young people "have been deluged with all forms of advertising from almost day one" of their lives, he said, adding that "they want it on their terms." This service "puts them in control," he said.

Virgin Mobile is what is known as a prepaid cellular provider, meaning subscribers pay an up-front fee for minutes, rather than signing a contract and paying a monthly subscription.

Customers who want to try SugarMama can visit the Virgin Web site to sign up. They must then agree to take part in one of three ways: by watching short video clips online, filling out questionnaires or receiving text messages on their phones.

In the case of the clips and the text messages, the subscribers would only receive a free minute if they sent in a response indicating that they had paid attention. For example, they might be asked to identify the main point of a commercial, Mr. Handler said.