



**Q4 2009**

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## **Devicescape WiFi Report Summary**

On a quarterly basis, Devicescape and other WiFi leaders implement a survey to uncover WiFi usage and trends. The report, conducted by third-party, independent marketing research company Decipher, Inc., taps into a random sample of WiFi users drawn from Devicescape's user base. The survey respondents -- a group that includes a variety of professionals and students from around the world -- shared their opinions and thoughts about WiFi, its use and its general adoption.

### **Devicescape WiFi Report Methodology**

Decipher, Inc. surveyed more than 2,800 WiFi users, representing a cross-section of Devicescape's overall membership. The survey questions were developed by Devicescape, FON and other industry pundits. Devicescape members include a wide array of working professionals from a variety of industries as well as students in the United States and around the world.

The results are presented using percentages of total respondents. In many cases, multiple answers were allowed, and hence the total of all percentages is greater than 100 percent.

The contents of this report represent the interpretation and analysis of statistics and information gathered from a survey group selected at random by Decipher, Inc. The information contained in this report is believed to be reliable but is not guaranteed as to its accuracy or completeness.

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## Top-Line Observations & Findings

With more than 2 million members, Devicescape is the leader in Easy WiFi. The company spearheaded the Devicescape WiFi Report as an effort to better understand consumer WiFi needs and pass this information on to the industry and its customers.

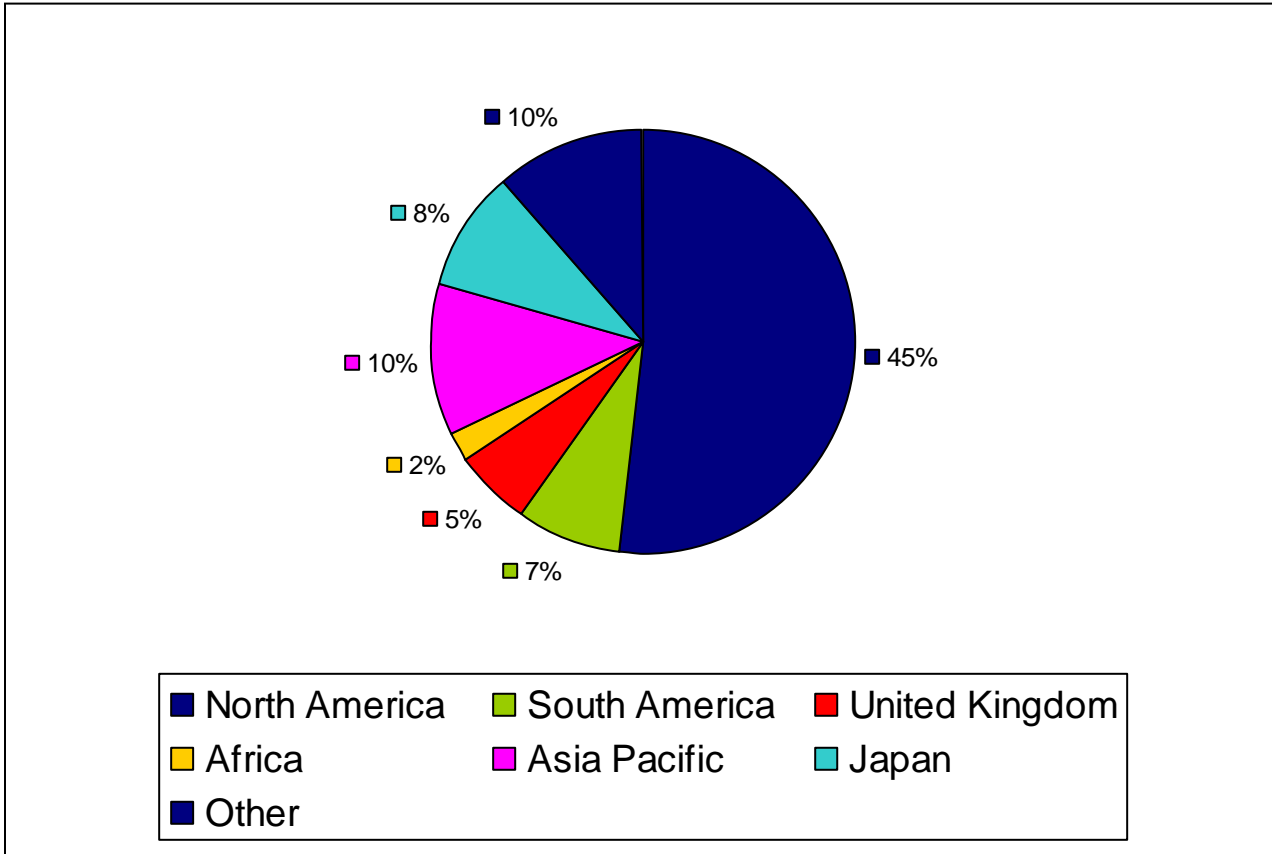
On a quarterly basis, the company will interview a random snapshot of its members to further understand WiFi behaviors. The Q4 2009 Devicescape WiFi Report was spearheaded by Devicescape with FON.

Key findings from the Q4 2009 “Devicescape WiFi Report” showed:

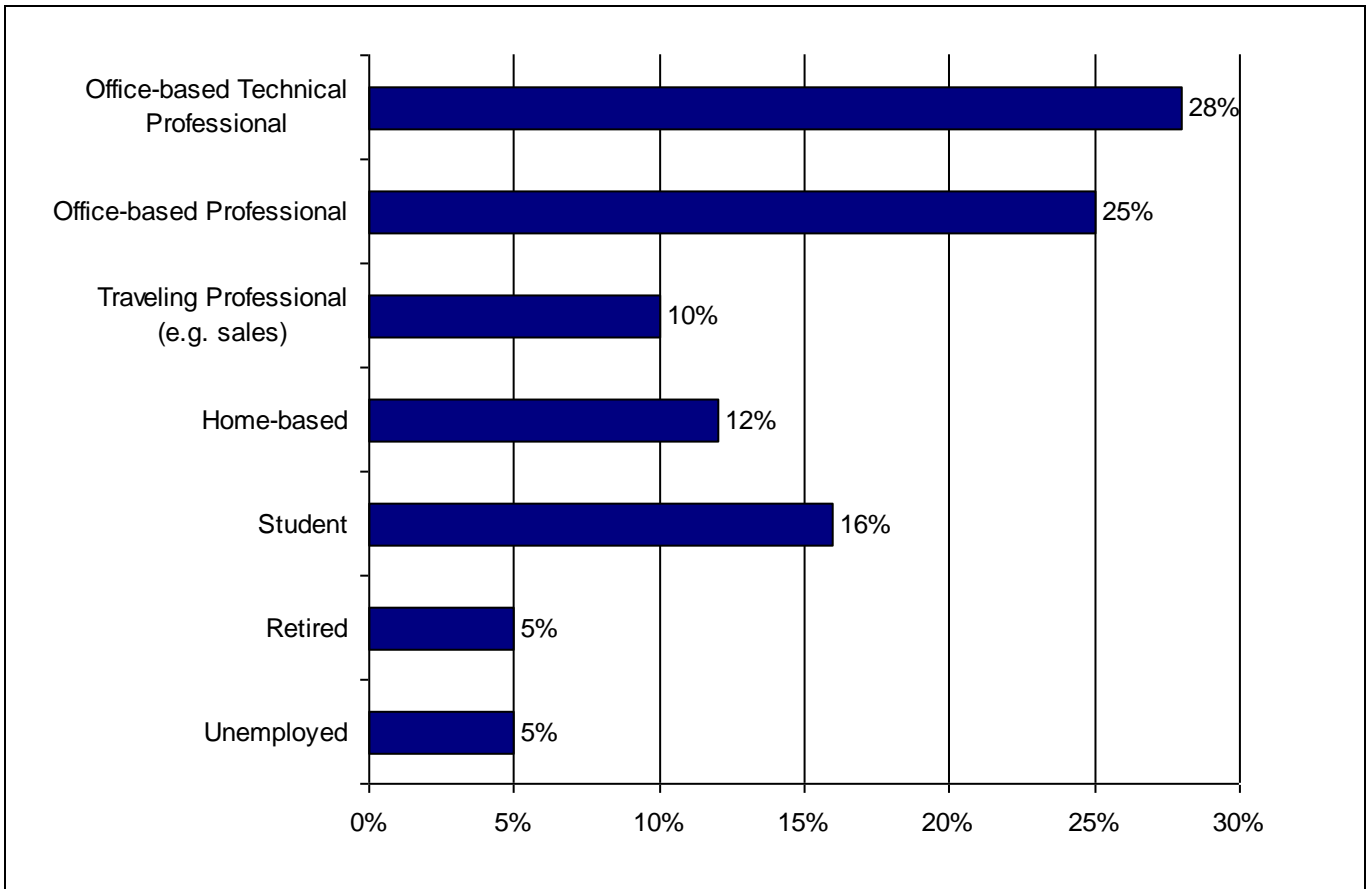
- The Easy WiFi Network is gaining popularity among users. More than one-half of the respondents who are aware of the network are pleased with its performance and availability. Sixty-two percent of these respondents enjoy the map finder feature.
- A majority of users (68 percent) will view advertisements in exchange for free WiFi. Still, 16 percent of respondents said they would rather pay for no ads.
- Sixty-three percent of respondents would like to receive coupons from nearby Easy WiFi venues for product discounts.
- Easy WiFi users want to participate in the Easy WiFi community by reading (70 percent) and contributing (69 percent) content to the Easy WiFi Network.
- A majority (67 percent) of respondents still will not pay for WiFi. Twenty-five percent stated they would pay up to \$3.

## Analysis of Respondents

Respondents were asked a series of demographic questions, which are summarized in this section.

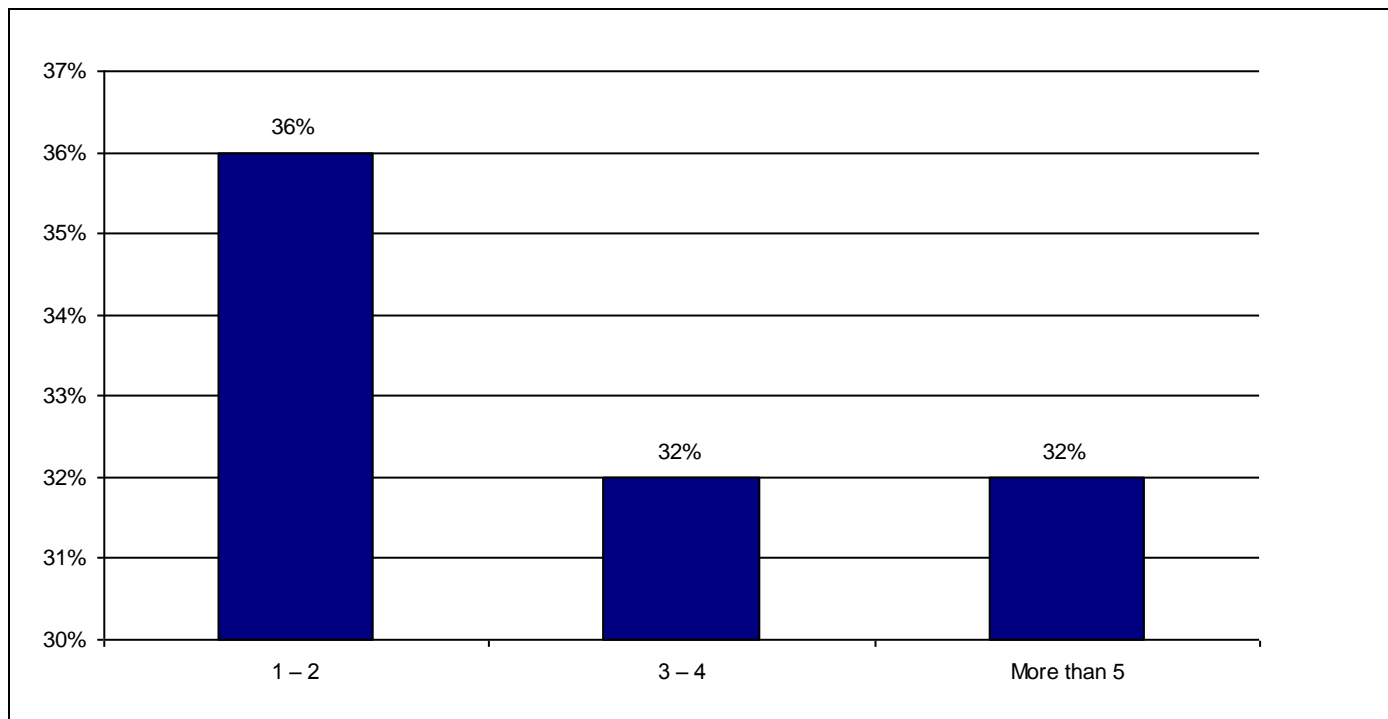


With more than 2 million members, Devicescape has a strong sampling of WiFi users from around the world. Beyond the United States, a cross-section of users is from Asia/Pacific and mainland Europe.



Working professionals represented approximately 63 percent of the respondents. This group is the population segment with discretionary funds to purchase WiFi-enabled devices.

## How many WiFi devices have you got in your household?

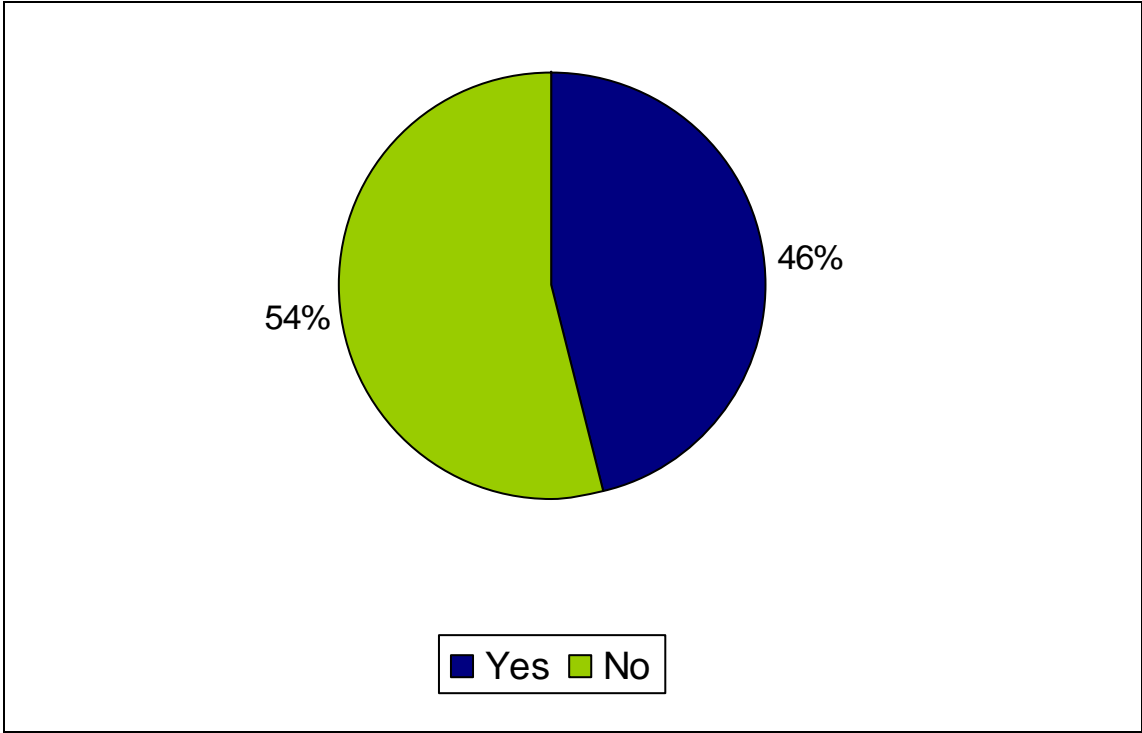


Of those polled, 36 percent use one to two WiFi devices in their households. These may be anything from printers to smartphones to gaming consoles to netbooks.

# Easy WiFi Network

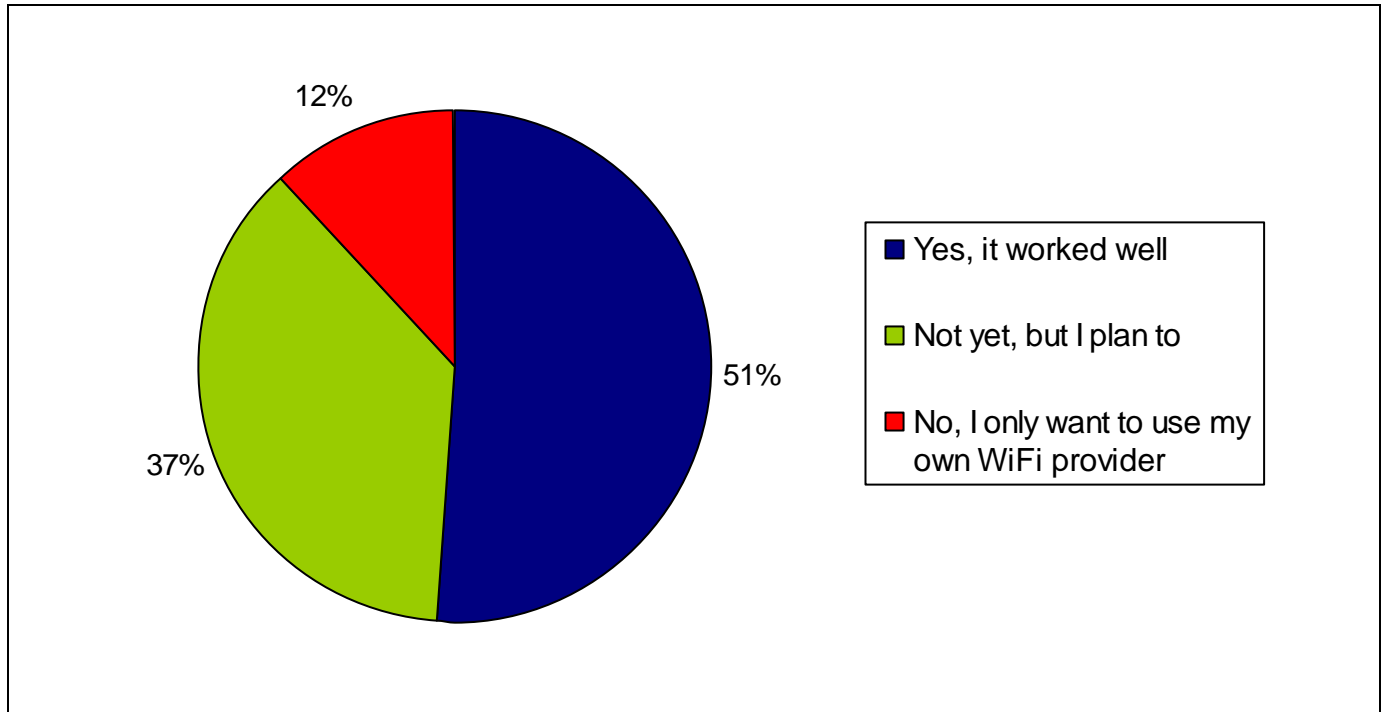
This quarter's survey indicates that Devicescape's Easy WiFi Network is steadily gaining mindshare among respondents.

**Are you aware of the Easy WiFi Network that Devicescape recently launched?**



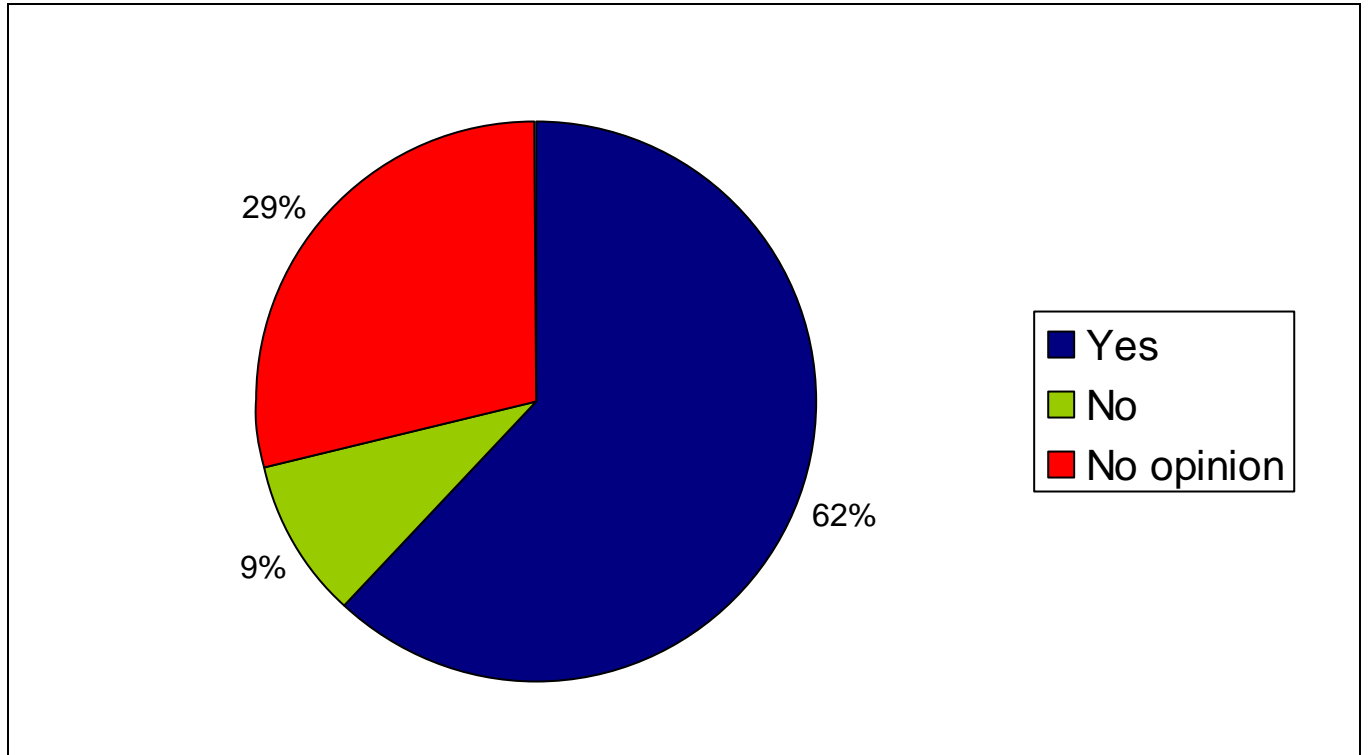
While more than one-half of respondents were unaware of Devicescape's Easy WiFi Network, 46 percent are familiar with it. This number is positive, given the network's launch just four months ago.

### Have you used the Easy WiFi Network?



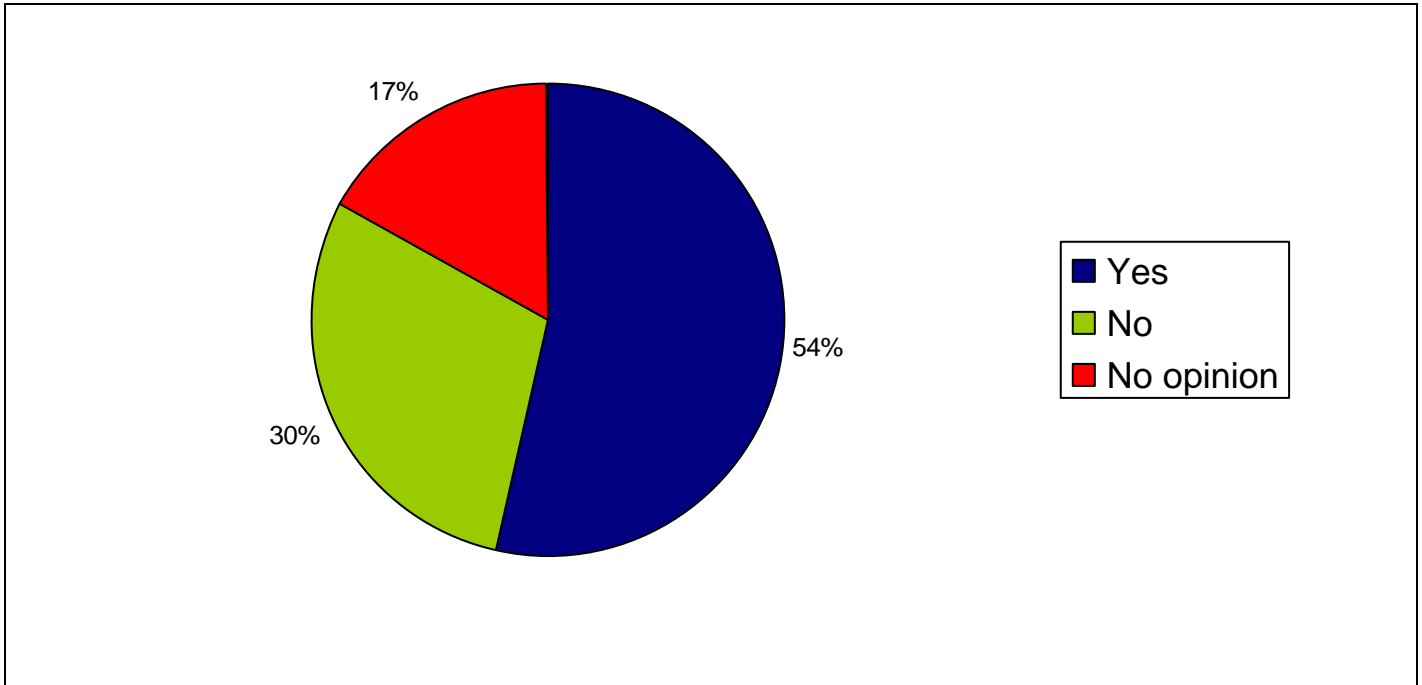
Of those who are aware of the Easy WiFi Network, more than one-half have used it. Another 37 percent have not yet used it, but plan to, pointing to a clear uptick in Easy WiFi Network adoption.

### Do you like the Easy WiFi map finder?



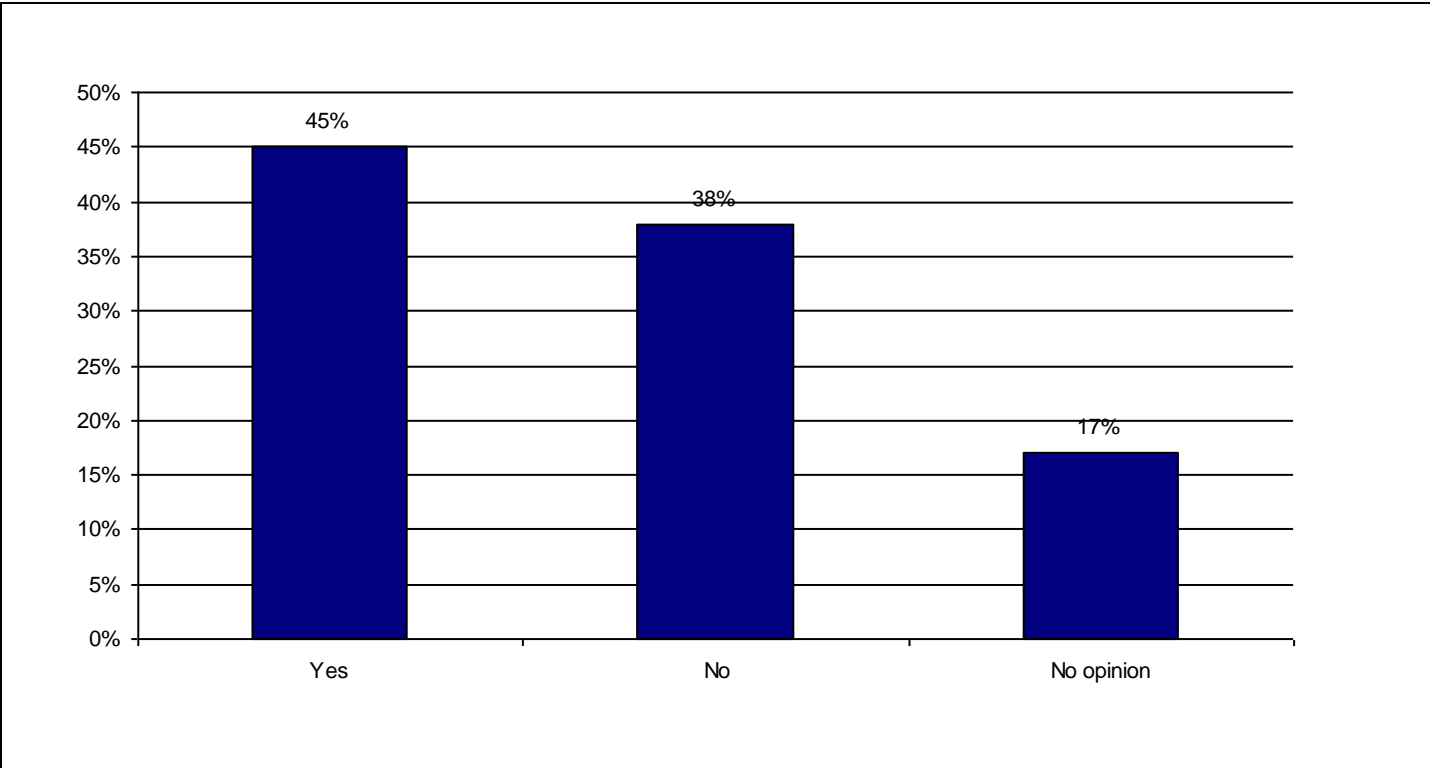
With the map finder, consumers have access to a map showing the closest hotspots in any chosen locale or neighborhood worldwide. This feature is clearly popular among Easy WiFi Network users, with an approval rating of 62 percent.

### Do you use the map to find Easy WiFi locations?



Fifty-four percent of respondents are using the map locator to find Easy WiFi locations around the globe – approximately 250,000 as of the beginning of 2010. The next graph indicates that 45 percent of Easy WiFi Network users rely on the locator map to find all WiFi locations, including paid WiFi subscriptions and Easy WiFi locations.

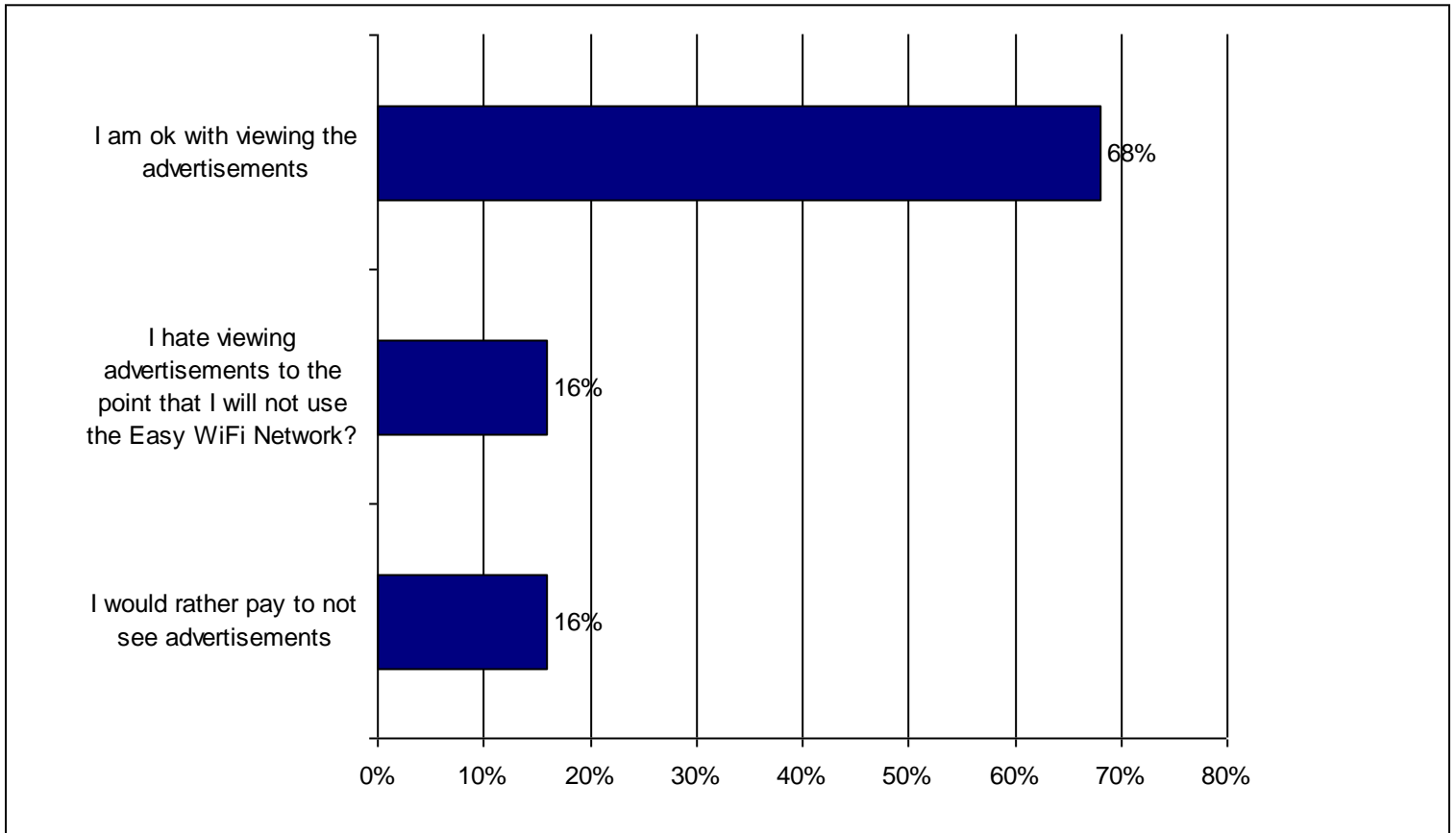
**Do you use the map to find all WiFi locations such as paid WiFi subscriptions and Easy WiFi locations?**



## Advertising

The use of advertising emerged as an important trend to watch -- one that will likely help offset the cost of providing free WiFi to users.

### How do you feel about using Easy WiFi for free if it is supported by advertisements?

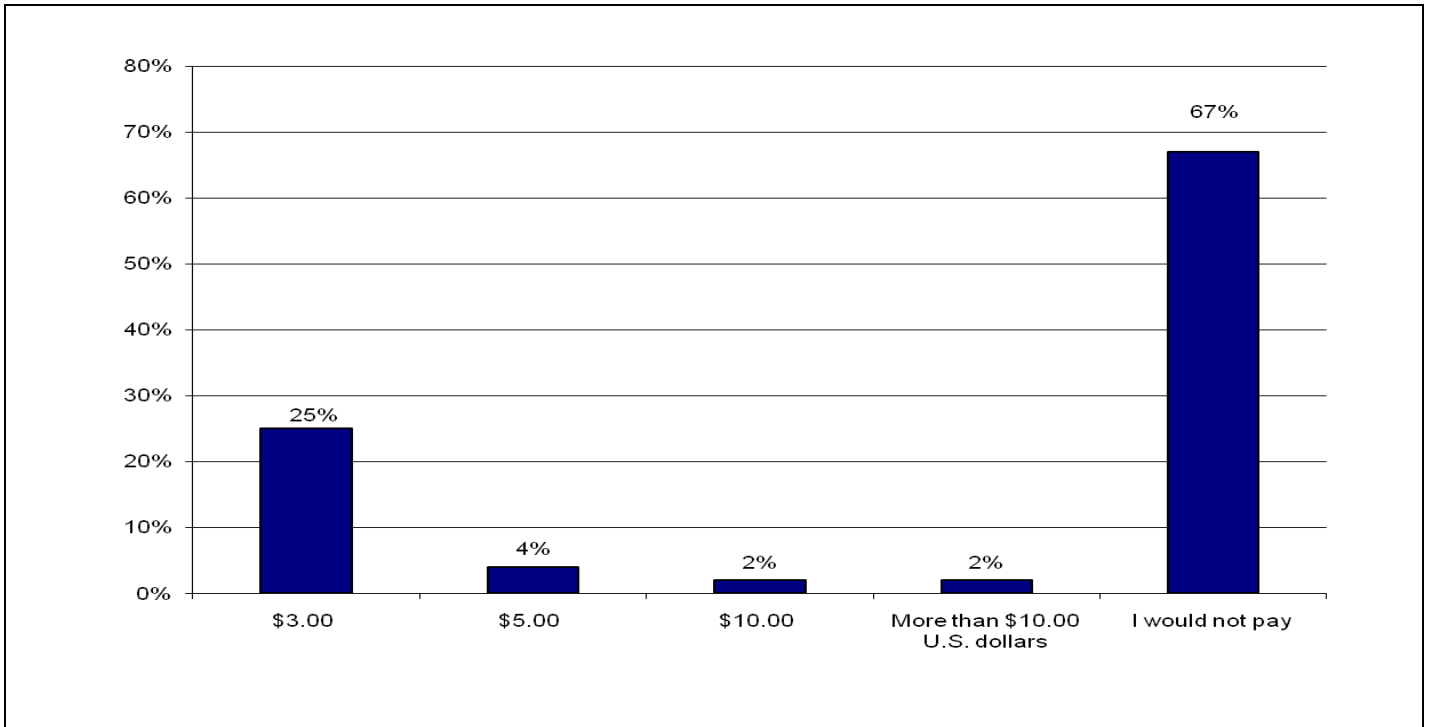


Attitudes toward viewing ads in exchange for free WiFi were encouraging, as an overwhelming majority (68 percent) of survey respondents indicated they would watch advertisements in exchange for free WiFi service. This latter point also indicates a continued resistance to paying for WiFi, a trend seen in past Devicescape WiFi Reports.

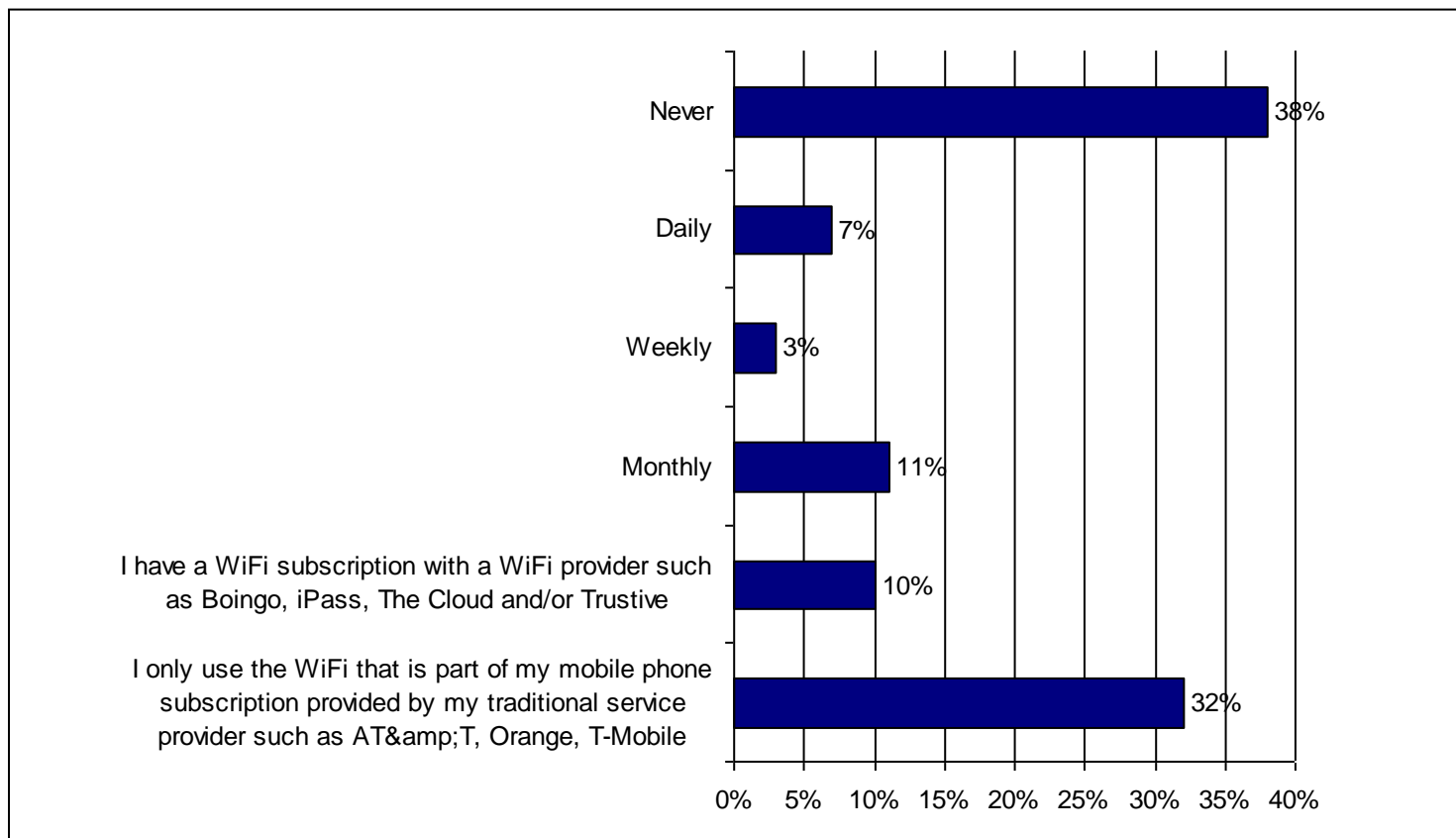
The following two graphs detail some of the buying behaviors of WiFi users.

Despite indications of a strong resistance to paying for WiFi, there is still a small fraction of WiFi users who are willing to pay for the service (33 percent).

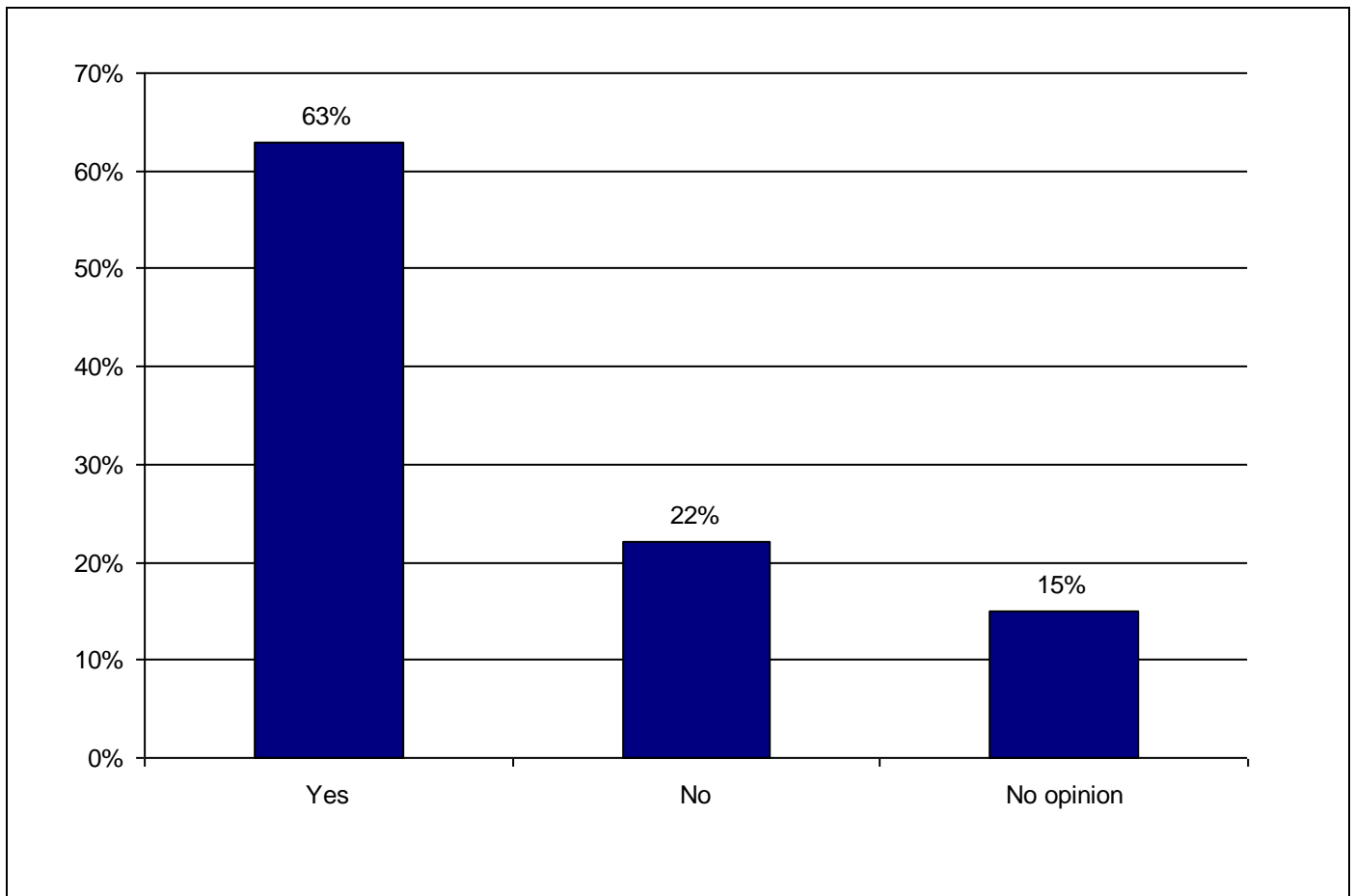
### How much would you be willing to pay for an hour of WiFi?



### How often do you buy WiFi access?

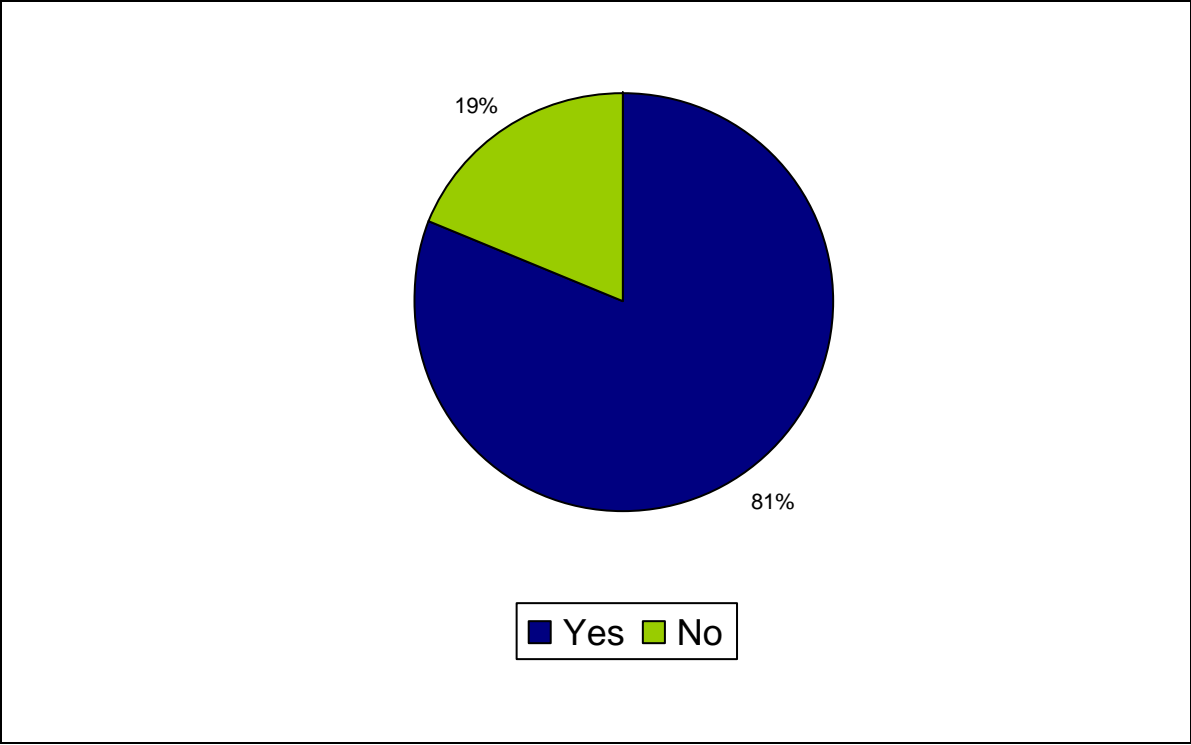


**If you are on the Easy WiFi Network looking for a hotspot, would you like a coupon sent to you from a nearby Easy WiFi café or other Easy WiFi venue about discounts on their products?**



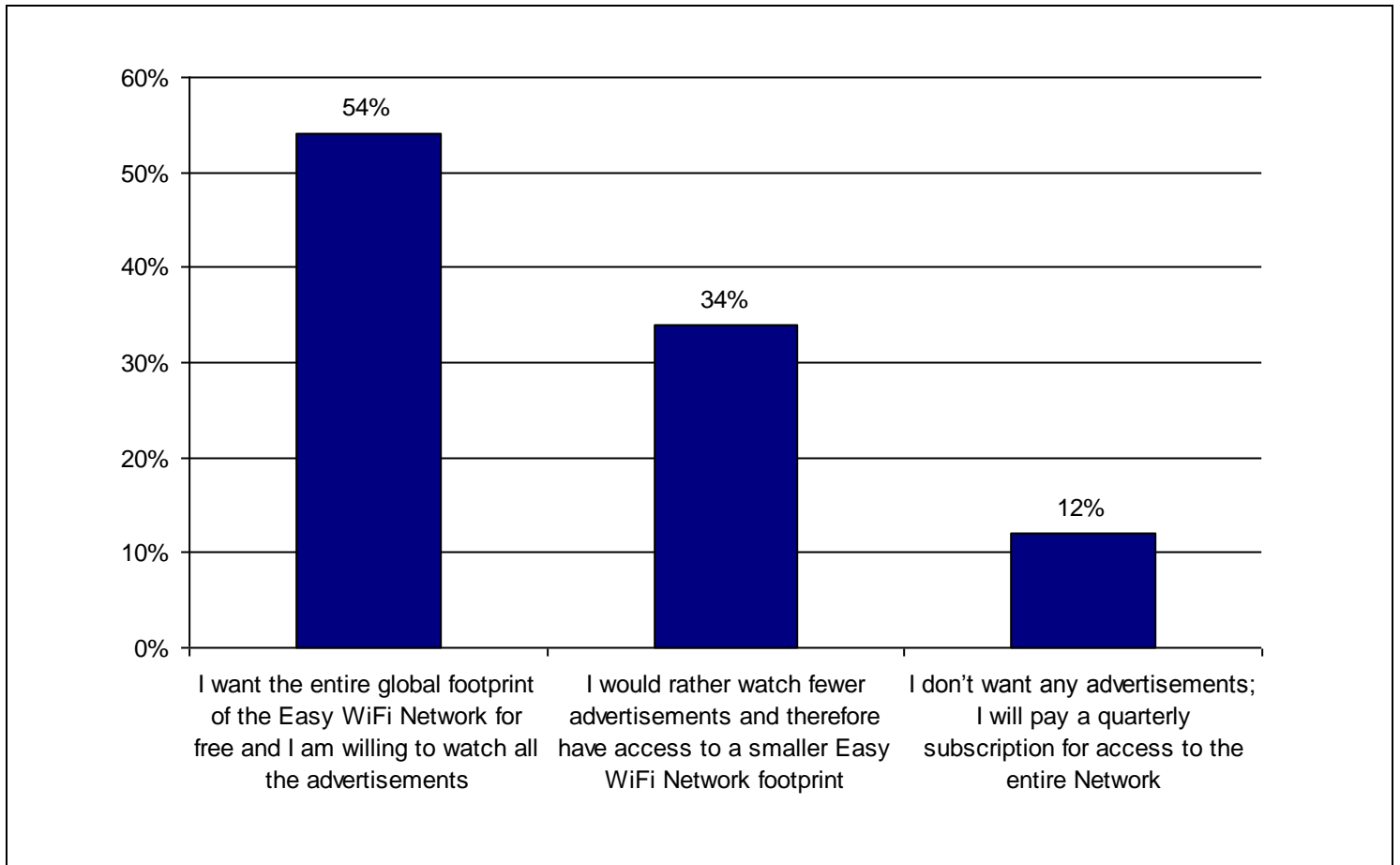
Vendor coupons emerged as another trend embraced by survey respondents, as 63 percent indicated they would be interested in receiving a discount on products at an Easy WiFi Network venue.

**If a condition to use the free WiFi at the café or any other Easy WiFi Network venue is to view an advertisement first sponsored by that venue, are you willing to view that advertisement?**



Free WiFi is a strong motivator for users to view advertisements. Eighty-one percent of respondents indicated they would be willing to view an ad sponsored by the venue providing free WiFi in order to use the service. Presumably, as the prospect of free WiFi demand grows and vendors realize the benefits of advertising through free WiFi, hotspot locations will proliferate.

## Which statement best describes the way you want to gain access to the Easy WiFi Network?

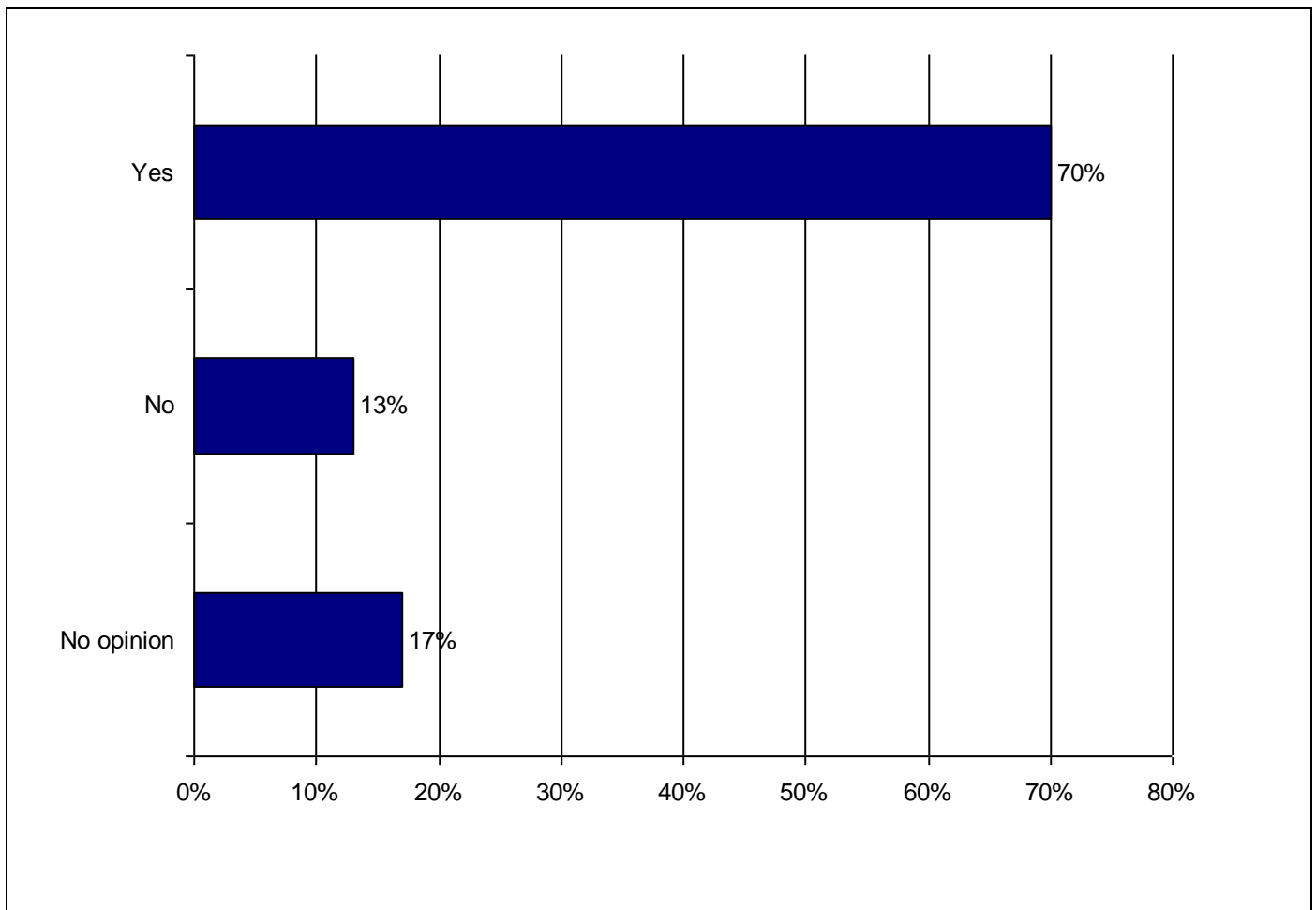


A majority of respondents (54 percent) also indicated they would watch all advertisements in exchange for access to the Easy WiFi network's entire global footprint, while a slightly smaller group (34 percent) opted for partial access in exchange for viewing fewer ads. Combined, this indicates a general opinion that the Easy WiFi network is of great value to users.

## Social Marketing

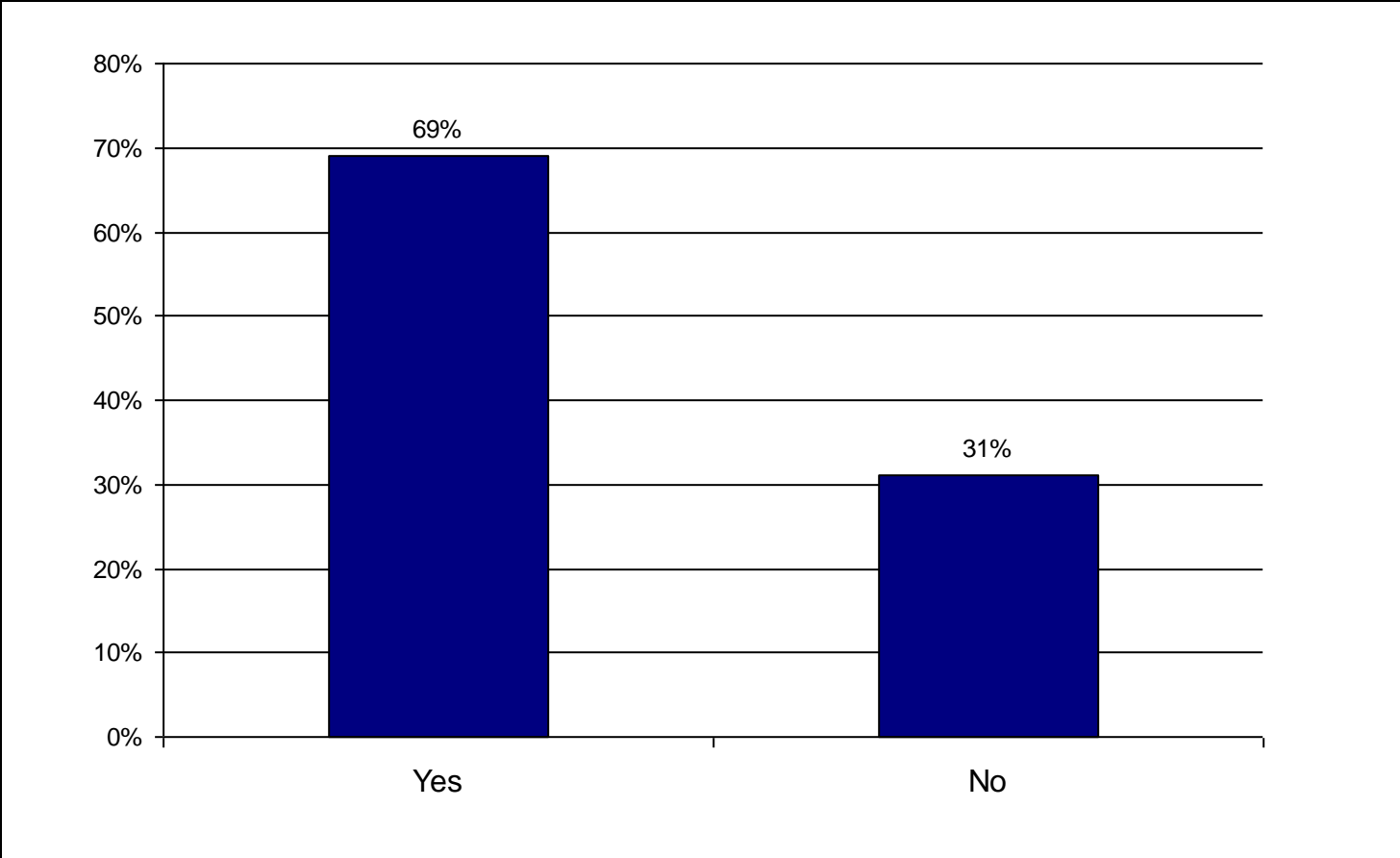
This quarter's survey results underscored past findings that the sense of community among WiFi users is on the rise. Previous reports indicated respondents would be willing to share their network with other Devicescape members; this quarter, respondents went a step further, supporting interactive online exchanges of information.

**Would you find it useful to read information about the Easy WiFi venue that provides insight as to venue type, quality of WiFi service, quality of service in general?**



An overwhelming 70 percent of users indicated that reading information about Easy WiFi venues would be useful, pointing to an increasingly strengthened WiFi community. The following graph mirrors these findings with a similar percentage (69 percent) supporting the ability to contribute information.

**Would you like to provide useful information (much like Yelp) about the venue such as rate the quality of the space, highlight the venue type and add personal insights?**



## Conclusion

The Devicescape WiFi Report uncovered several key points:

1. Consumers continue to demand free WiFi service.
2. The Easy WiFi network is gaining in popularity and breadth as consumers continue to demand access to free WiFi service across the globe.
3. The Easy WiFi Network map finder is a popular feature among users, and will presumably increase in value as the number of hotspots around the world rises.
4. Advertising is not a significant deterrent to free WiFi use. Most would rather view advertisements than pay for WiFi – especially if it means access to the Easy WiFi Network's entire global footprint.
5. Vendor coupons have emerged as a trend embraced by WiFi users, and also serve to drive business to venues offering free WiFi service.
6. Easy WiFi users want to participate in interactive online exchanges of information, specifically citing the ability to read and contribute content about hotspot venues.

Devicescape, a leading provider of Easy WiFi, works with device manufacturers and service providers across the globe. One of the company's key goals is to make WiFi easy to access for the end user. Device leaders such as RIM and Nokia, and service providers such as Deutsche Telekom, The Cloud and Trustive turned to Devicescape for its Easy WiFi technology. By embedding its Devicescape Easy WiFi into smartphones, PCs and other devices, users can easily, seamlessly and securely access WiFi networks.