

## Annual Report 2010-2011

***Staying online abroad:  
WiFi, the international mobile internet  
access solution for the perceived future***



## EXECUTIVE SUMMARY

Trustive, a leading international WiFi access provider and still n°1 in Europe, is very pleased to be able to present its Annual Report 2010-2011 for perusal by our customers, partners and colleagues. The data presented in this report is the result of Trustive's annual analysis of actual mobile internet usage, customer opinions and identified trends.

### MULTIPLE, CHEAPER DEVICES

Trustive has already reported in previous years on travellers' growing reliance on multiple mobile internet devices. Modern devices are increasingly portable (smaller, lighter, better battery life etc.) and relatively inexpensive. Nowadays, it is therefore not unusual for travellers to carry 3 or more devices with them and laptops are gradually being replaced by tablets and smartphones.



### VIRTUAL DATA "CLOUDS" KEEP US IN SYNC

The aforementioned trend is therefore leading a shift in the way that data is stored & accessed. Regular use of multiple devices and the real risk of losing, breaking and/or having devices stolen means that data has to be accessible directly via the net. Forget having to download files onto multiple platforms and the headache associated with the constant need to manage and synchronize local data across multiple devices, hardisks and/or USB keys. In the 21st century, data is increasingly

being stored in virtual "clouds" that are accessible via any device with mobile internet access.

### MOBILE INTERNET ACCESS ON THE ROAD: FREE WIFI AND LOCAL SIM CARDS

Relying on free WiFi hotspots and local SIM cards both sound like great ideas until you actually put them into practice. Free WiFi hotspots are unsecured, often of dubious quality, and certainly

***"Free hotspots leave users at serious risk of fraud."***

not reliable. They can be taken down as quickly as they appear, often fail to meet local regulations and leave users at serious risk of fraud (theft of personal and/or sensitive data). Local data SIM cards are difficult to obtain unless you speak the local language and who wants/needs a bag full of different local SIM cards (and PIN codes etc.) to keep track of?

### SECURITY

In light of the above-mentioned trends, it is imperative that security be reviewed. The risks inherent in the public



domain are simply too great to ignore. Trustive strongly recommends designing data access security protocols independently to the devices being used. Experts and suppliers should, in Trustive's opinion, concentrate on providing secured access to data for internal or external use.

## DEVICES ARE CHEAPER AND SMARTER, WHILE NETWORK COSTS INCREASE

The combination of the availability of high-speed broadband, low-cost structures and a new generation of WiFi technology all enable users to enjoy high-speed WiFi access at home and in the office. It is therefore only natural that users prefer to use the same type of high-speed WiFi internet access services when they travel abroad as well.

This issue of increasing levels of data traffic on 3G networks has been further exacerbated by mobile operators promoting such access via 3G dongles and “unlimited” access packages that together encourage users to make full use of data roaming services, just like they do at home.

***“Bandwidth greedy activities are a challenge for mobile operators.... [and] serve to exacerbate the issue of data drain on 3G networks and result in serious degradation of the network performance.”***

However, the bandwidth greedy activities that constitute normal behaviour at home - namely playing online games, surfing the web, watching videos and TV replays, exchanging photos, IM, VoIP and video conferencing and keeping in touch via a whole host of networking sites (e.g. Facebook and Twitter to name just a few) - are a challenge for mobile operators. New devices are making it easier and easier for people to do all these activities whilst they're on the move, and this, combined with the aforementioned 3G dongle and unlimited packages, serve to exacerbate the issue of data drain on 3G networks and result in serious degradation of the network performance.

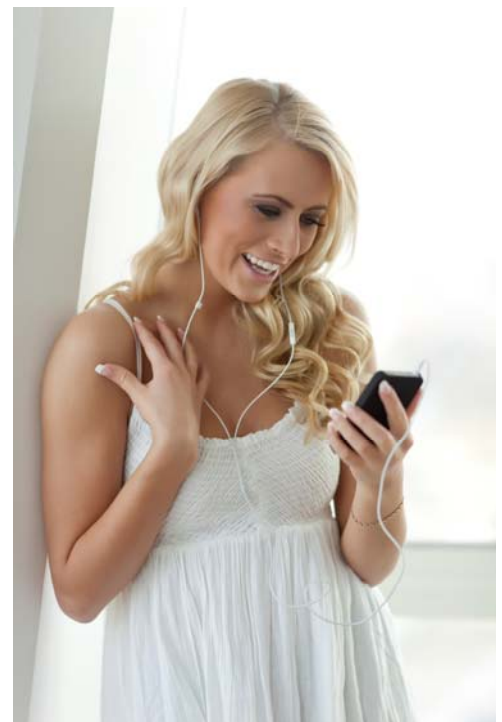
As carriers move to “à la carte plans”, business nomads working for small companies will pay increasing attention to which types of network they connect to and how much such mobile internet connections cost. Increases in workforce mobility will result in an increase in WiFi usage in the

coming months and years. Today's 3G and tomorrow's 4G will be premium services, reserved for the top echelon of travellers.

However, the vast majority of business and leisure travellers will rely on WiFi access whenever they are abroad. Sensitive to network costs, customers are also shifting as much of their traditional GSM traffic onto WiFi via VoIP services.

## 3G OFFLOAD ONTO WIFI NETWORKS

So, mobile operators are facing harsh choices – raising large quantities of capital with little or no guaranteed return in the short to medium term, raising retail prices and/or limiting customer bandwidth allowances, none of which would be popular with customers or shareholders. There is no escaping the wave of new devices scheduled for release over the coming months and years, nor the enthusiasm of the ‘net generation’ for their ‘online lifestyle’. Juggling the need for reliable, high quality, high-speed mobile internet access against the cost of providing such a service is therefore to be the key task for mobile operators. However there is another, remarkably low-cost solution available that has been largely overlooked up until now; namely to offload 3G data traffic onto WiFi networks.



## STAYING ONLINE ABROAD:

### WIFI, THE INTERNATIONAL MOBILE INTERNET ACCESS SOLUTION FOR THE PERCEIVED FUTURE

In 2011, Trustive ran another analysis to validate its business strategy. Trustive is happy to share some of these results, which may be relevant for partners and the industry as a whole.

#### BACKGROUND AND KEY DEVELOPMENTS IN 2010

Trustive has always worked to provide a secure infrastructure that entrepreneurs and travellers can rely on, primarily by establishing secure interconnections with its 80+ operator partners and by using the latest technology to protect its systems and sites.

Trustive offers travellers a low-cost mobile internet access service that includes [free WiFi software](#) for Mac, Windows, Asus Eee PC (Linux) and Android to detect and connect to Trustive WiFi hotspots in just one click. That, plus of course Trustive's free secure web browser (also accessible via Trustive's WiFi software) both enable travellers to connect easily and with peace of mind to the [world's largest WiFi hotspot network of 220,000 premium WiFi hotspots in 130 countries](#).

In 2010 Trustive extended its portfolio by launching a back-up "3G data roaming" service, thereby extending its overall mobile internet coverage to 150+ countries. The Trustive community now has seamless WiFi plus a back-up 3G data roaming service in one easy to manage account, the ability to choose whichever type of mobile internet access they require at any given time thanks to the simple pricing model, an online account management feature (that is also integrated into the WiFi clients) showing customer usage in real time and a range of clients to detect and connect to Trustive WiFi hotspots. In addition to managing WiFi connections, MyHotspotter for Android can also manage customers' 3G connections.

Trustive will continue to negotiate and integrate with its partners in order to make seamless, high-quality, secure and low-cost international mobile internet access a reality.



*MyHotspotter for Android*

## USER PROFILE

Trustive's customer base is composed of direct retail customers and customers from our roaming partners. Multiple nationalities are represented in our database, including all Trustive's traditional European strongholds such as the UK, Switzerland, Germany, France and the Netherlands, as well as respondents from further afield like the USA, Australia, Brazil, India, China and Uruguay.

Trustive's retail user remains predominantly male (80%), aged 35 and over. 60%+ are either self-employed, owners of SMEs, managers or executives. These users typically spend between 10% and 40% of their time on the road and a significant proportion of this time is spent on international trips. 70% are paying for their WiFi access, not their employer/company, and 40% prepare their trip in advance using WiFi location finder tools. This profile has remained fairly consistent since 2009.



## MOBILE INTERNET USAGE - TRENDS IN WIFI & 3G SERVICE USAGE IN 2010-2011

### ***Mobile Internet Usage - Reliance on multiple devices and virtual data clouds***

The dream of having one device when you travel that handles all kinds of usage requirements, is obsolete. Modern devices are increasingly portable (smaller, lighter, better battery life etc.) and relatively inexpensive. Even if the smartphone is considered by some to be the "Swiss army knife" of mobile internet devices, nowadays travellers confirm their habitual reliance on two or three devices. It is noteworthy that tablets and smartphones continue to grow in popularity, with the former gradually replacing laptop computers.

This new trend for multiple devices is therefore leading a shift in the way that data is accessed. Regular usage of multiple devices and the real risk of losing, breaking and/or having devices stolen means that data has to be accessible directly via the net. Virtual data clouds are popping up everywhere and serve to eradicate the headache otherwise associated with keeping data synchronised across multiple devices, hardisks and/or USB keys.

### ***Mobile Internet Usage – Types of Usage***

The trends observed last year have been re-confirmed and reinforced. Whilst on the road, Trustive's customers primarily use mobile internet services to keep in touch with their personal and professional networks (facebook, LinkedIn, a small world), use VoIP calling services and spend more time streaming videos. E-mail is still ranked high in the listing, but is no longer a primary tool or activity for the modern traveller. Regarding online service providers the clear winners as voted by the Trustive community are Skype, Facebook and YouTube.

Trustive customers are sensitive to network costs and shift as much of their online activities onto WiFi as possible, in particular using VoIP and IM services to avoid the otherwise expensive roaming costs associated with traditional voice and/or data services.

## **Mobile Internet Usage – Traffic**

The data below demonstrates that the average duration (in minutes) and data volume (in Mb) per WiFi session and per device type (laptop or smartphones) has increased with the arrival of smartphones and tablet supporting new usage. From this data it is apparent that Trustive’s “no download quota” policy is crucial for WiFi customers.

WiFi Sessions Stats	Avg Session Duration	Avg Session Data Upload	Avg Session Data Download
Laptops & Netbooks (Macs, PC, Linux)	69 min	14 MB	39 MB
Smartphones & Tablets (iPhone, iPad, Android ...)	27 min	2.9 MB	33 MB

50% of travellers have already had the nasty surprise of an exorbitant mobile phone bill upon their return from a trip abroad and the issue of 3G data roaming charges is a real priority for Trustive customers. At their request, Trustive negotiated with international operators last year, in order to introduce a new 3G data roaming service. At the moment, Trustive views 3G services as a back up, due to their higher cost (despite EU regulation) and inherent unpredictability.

From the Trustive 3G session data below, it is clear that Trustive 3G customers are less sensitive to duration but pay more attention to the data volume, and therefore associated cost.

3G Sessions Stats	Avg Session Duration	Avg Session Data Upload	Avg Session Data Download
Laptops & Netbooks (Macs, PC, Linux)	133 min	0.3 MB	1.7 MB
Smartphones & Tablets (iPhone, iPad, Android ...)	57 min	0.1 MB	0.5 MB

## Mobile Internet Usage – Destinations and Venues

Trustive's WiFi footprint has grown from 90,000 premium hotspots in 2009 to 220,000 in May 2011. This network of premium WiFi hotspots extends from Europe (Trustive's traditional stronghold) across to Asia, Latin America and beyond.

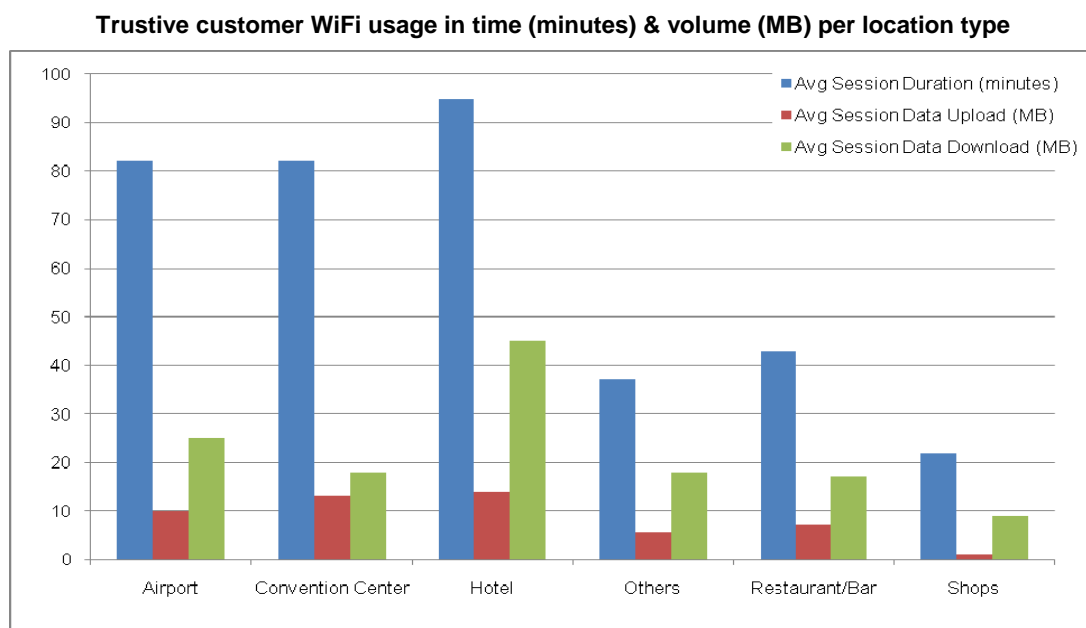


Trustive's international WiFi coverage: 220,000 WiFi hotspots in 130 countries

The following table represents the growth in terms of number of sessions in these 3 key geographic areas. Europe still accounts for 80% of all Trustive's traffic.

Region	Variation (Q1 2010 - Q1 2011)
Latin America	+900%
Europe	+300%
AsiaPac	+250%

Trustive customers, many of whom are employed by SMEs, work and connect in bars, restaurants, hotels, airports and convention centers. The average duration (in minutes) and data volume (in MB) per session is linked to the venue type and is demonstrated in the following chart:



The usage pattern seen in airports and hotels differs from that reported by some of our partners and other players in the industry who focus more on corporate accounts that involve significant infrastructure even whilst abroad, with the end-users' employer paying for connectivity services.

Trustive's airport classification is also unique in this industry due to its traditionally strong focus in Europe as well as its growing focus in Latin America and Asia.

Trustive's Top 20 Airports		
Ranking	Airport name	Country
1	Amsterdam Schiphol Airport	The Netherlands
2	Paris Roissy CDG	France
3	Copenhagen Airport	Denmark
4	Paris Orly	France
5	Brussels Airport	Belgium
6	Lisbon International Airport	Portugal
7	Ljubljana Airport	Slovenia
8	Berlin Tegel	Germany
9	Presidente Juscelino Kubitschek Airport	Brazil
10	Munich	Germany
11	Zurich Airport	Switzerland
12	Rio de Janeiro/Galeão-Antonio Carlos Jobim International Airport	Brazil
13	Lima Airport	Peru
14	Lyon-Saint Exupery Intl Airport	France
15	Salvador-Deputado Luís Eduardo Magalhães International Airport	Brazil
16	Vilnius Airport	Lithuania
17	São Paulo/Guarulhos – Governor André Franco Montoro International Airport	Brazil
18	Shanghai Airport	China
19	Cape Town Intl Airport	South Africa
20	Narita Intl Airport	Japan

### **Mobile Internet Usage – WiFi usage per day**

The average WiFi usage & average number of sessions per day has increased by 200%

	Average WiFi sessions stats 2010-2011
Average no of sessions	2.5
Average session duration	223 min



## ABOUT TRUSTIVE

Trustive gives travellers comprehensive WiFi coverage by combining the hotspot locations of more than 80+ leading WiFi operators into one unified, global network of 220,000+ WiFi hotspots in 130 countries and allowing Trustive customers access to these locations through a single click (single username and password plus a range of WiFi software for both computers and smartphones that automate the log in process). Trustive's new mobile broadband service combines this premium WiFi service with a comprehensive 3G network in order to offer customers even greater flexibility whilst they are on the move.

For more information about Trustive's range of mobile internet access services or to consult Trustive's online coverage directory, please visit [www.trustive.com](http://www.trustive.com).

If you are an operator, interested in joining or using Trustive's world-class WiFi network, please visit: <http://www.trustive.com/operators/>