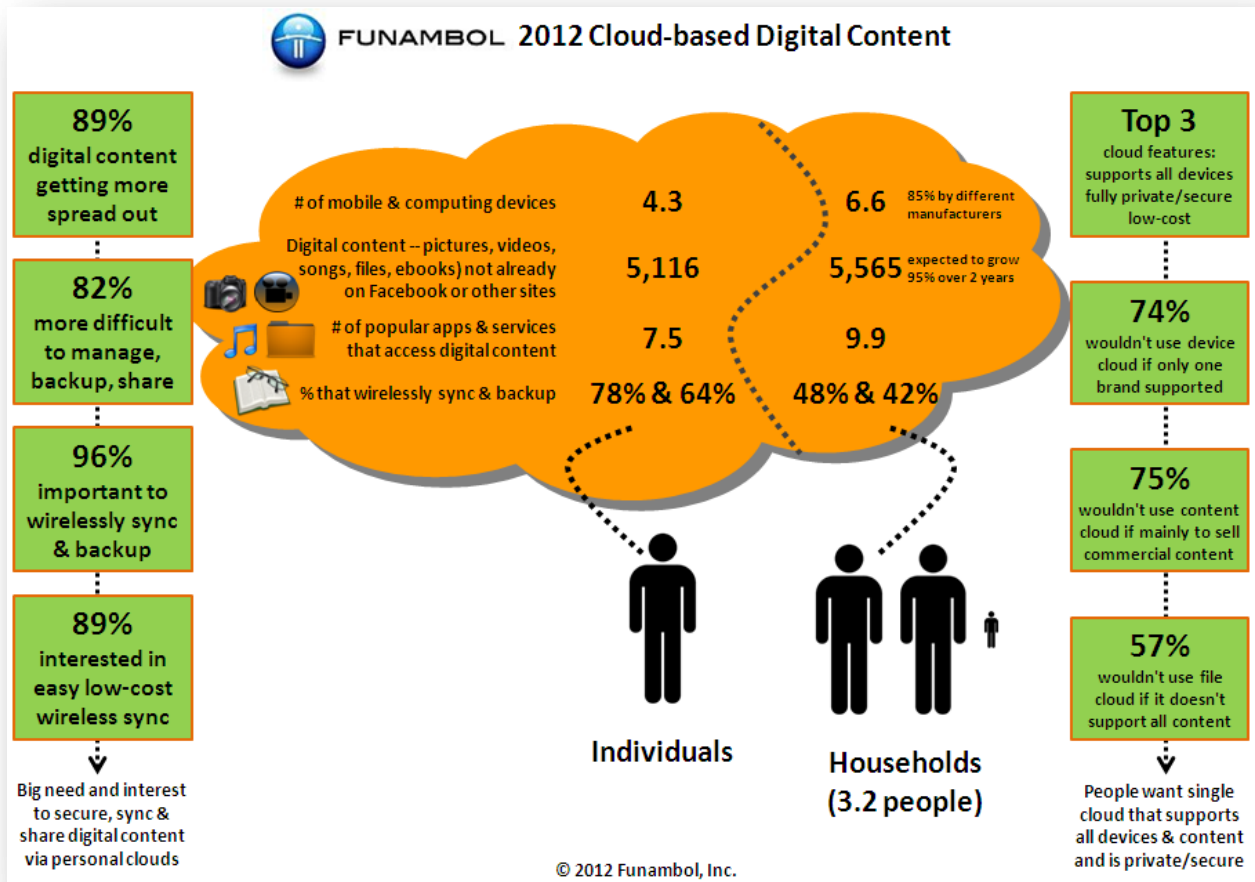


Cloud-based Digital Content Survey Report



January, 2012

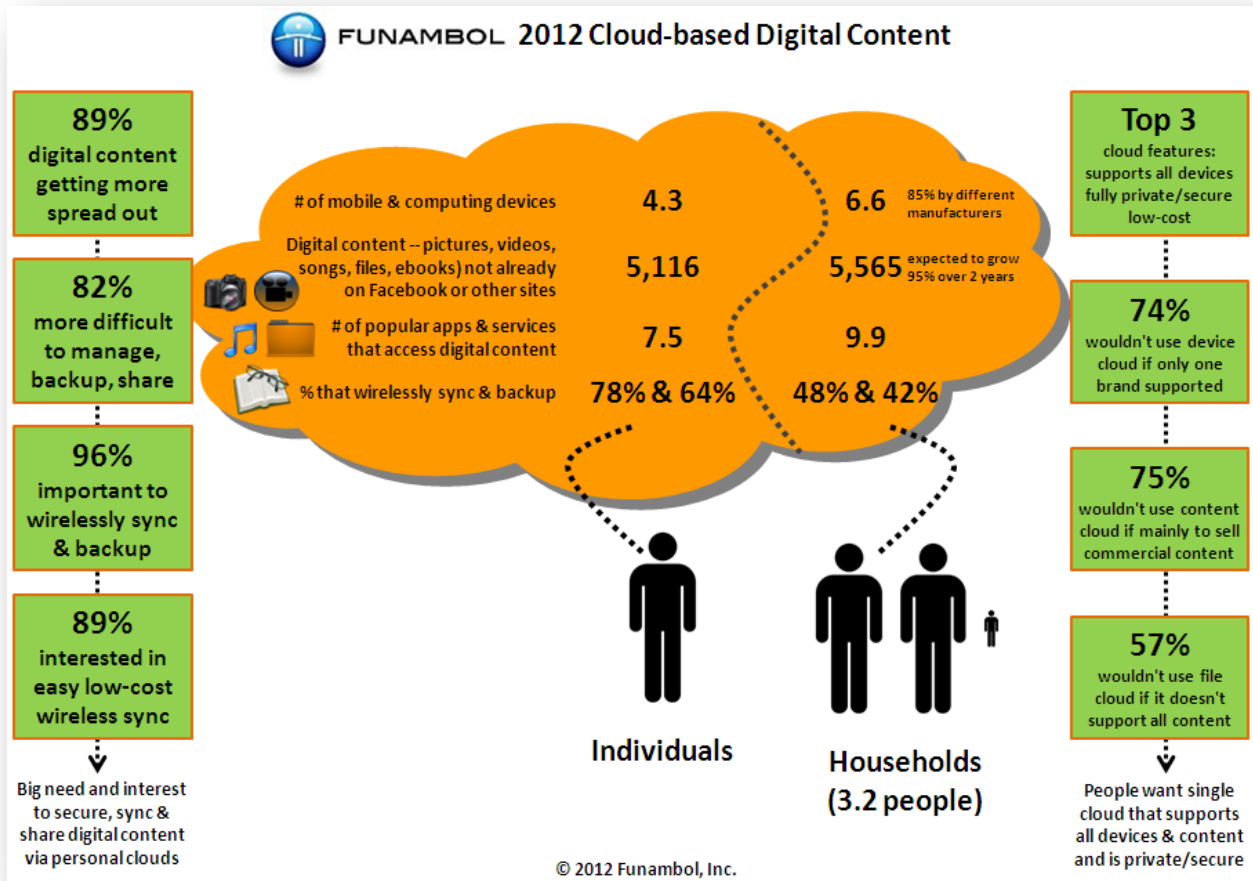
Cloud-based Digital Content Survey Report

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I. EXECUTIVE SUMMARY

Funambol conducted a global survey in January, 2012, about the use of digital content, including pictures, videos, music, files and other data, on mobile and computing devices. The survey's key findings are depicted and described below.



The survey found that on average, individuals used 4.3 mobile and computing devices, such as mobile phones, tablets, personal computers and laptops, digital cameras, e-book readers and mp3 players, for both work and personal use. Households, averaging 3.2 people, used 6.6 mobile and computing devices. 85% of the respondents indicated that their devices came from different companies rather than the same company (meaning that their devices consisted predominantly of mixed brands rather than being from a single manufacturer).

Individuals had 5,116 items of digital content that are not already stored online e.g. in Facebook or photo sharing sites. Households had 5,565 items. People estimated that their digital content is expected to grow 95% during the next two years.

Individuals averaged using 7.5 popular apps and services, such as digital lockers (e.g. iCloud), email systems (e.g. Gmail), social networks (e.g. Facebook, Twitter) online media sites (e.g. Flickr, Picasa), and media players (e.g. iTunes), to access digital content, while households use 9.9 of these types of apps and services.

89% of survey respondents said their digital content is spreading out in more places. When asked if it was becoming more difficult to manage, backup and share digital content, 19% said no, with 60% agreeing and 22% saying maybe (numbers do not add to 100% due to rounding). 96% said it was very or somewhat important to wirelessly sync and backup their digital content. At the same time, 78% and 64% of individuals reported actually wirelessly syncing and backing up their content, respectively, while only 48% and 42% of other household members did so. 89% indicated they are interested in an easy, low-cost way to wirelessly sync and backup.

When asked about the top 3 most important attributes in such a service, the leading responses were that it worked with all of their devices, their digital content was private and secure (and not mined for advertising or marketing purposes), and the service was low-cost. Similarly, when asked about the largest obstacles to using such a service, the top responses were lack of support for all devices, privacy & security concerns, and the service taking too long to operate.

The survey also asked about the use of current personal cloud services. 74% said they would not use a 'device-cloud' if it only worked with one brand of devices. 75% said they would not use a 'content-cloud' if its main use was primarily to sell commercial content rather than be easy to store their user generated content as well. 57% said they would not use a 'file-cloud' if it did not support all of their digital content but rather, they would view it as a short term way to share files rather than be a permanent repository for digital content. These responses suggest that people want to avoid multiple clouds for digital content as that would complicate rather than simplify.

II. SURVEY RESULTS

Methodology

The Cloud-based Digital Content Survey was taken by 205 people in 48 countries. Respondents consisted of a random sample of people who signed up for the Funambol mailing list over a number of years. Only a handful of respondents used Funambol software such that the survey is not just a study of Funambol users. However, it is fair to conclude that people who signed up for the Funambol mailing list are interested in mobile technology. In this respect, the survey's findings can be considered as representative of people who are avid users of mobile devices. It is the survey author's belief that as more people in the world rely on more mobile devices, the survey results will apply to the vast majority of people over time.

Survey responses came from 48 countries. 24% came from the U.S., with 8% from the U.K., and 5% each from Australia, France, Germany and Italy. The average age of the survey taker was 41 and most respondents were male (95%). A copy of the survey is in the appendix.

Detailed Results

- People use 4.3 mobile & computing devices (see the survey in the appendix for a description of the types of mobile & computing devices) for both work and personal use
- The average number of people per household was 3.2; ; households use 6.6 mobile & computing devices
- 85% said these devices are made by different companies rather than a single manufacturer
- Household device use is expected to grow from 6.6 now to 7.3 in 2 years (11% growth)

- The amount of digital content on mobile & computing devices that is not already posted on Facebook or another online site consists of the following number of items:

	Individuals	Households
Pictures	2,011	2,406
Videos	112	157
Songs	1,993	2,039
Documents	811	793
eBooks	234	214
Total	5,161	5,249

- Based on estimated storage amounts for these items, this takes approx. 15G for individuals and 17G for households. This is expected to grow by 95% in 2 years
- Individuals use 7.5 popular apps and services to access digital content; households use 9.9 (see the survey in the appendix for a description of these apps and services)
- 73% stream instead of purchase commercial content; 12% purchase instead of stream; 15% both stream and purchase -- streaming of commercial content is clearly much more preferred now than purchasing
- 89% said their digital content is spreading out in more places
- 60% said it was becoming more difficult to manage/backup/share their digital content; 19% said it was not; 22% said it might be
- 78% wirelessly sync digital content across devices, 48% of other household members do

- 64% wirelessly backup digital content on their devices; only 42% of other household members do -- this points to how family wireless sync and backup is underserved
- 95% said it was very (59%) or somewhat (36%) important to wirelessly sync and backup their digital content, only 5% said it was not (numbers do not add to 100% due to rounding)
- 89% expressed interest in an easy low-cost way to wirelessly sync & backup digital content
- The top 3 most important attributes in such a service were: supports all my devices 75%); private & secure (59%) and low cost (45%)
- The top 3 obstacles to use: doesn't support my devices (60%); concerns over privacy & security (53%) and takes too long (47%)
- 74% would not use a device cloud if it only works with one brand of devices
- 75% would not use a content cloud if it is mainly to sell content rather than be easy for user-generated content as well
- 57% would not use a file cloud as it doesn't support all content and is a short-term solution
- Willingness to pay per month (assuming adequate storage included) for individuals is \$5.10 and for households is \$6.33; in both cases, the most popular price point was \$5
- Demographics: average age of respondents 41; 95% male, 5% female; 48 countries represented, including U.S. (24%), U.K. (8%), Italy, Germany, France and Australia (5% each) and 42 other countries (typically 1 - 4 responses from each)

III. CONCLUSION


The survey results definitively show that digital content on mobile & computing devices is spreading out and becoming more challenging to access and manage across devices. It also confirms that people are highly interested in a personal cloud solution for their digital content, provided it supports all their mobile and computing devices, it is private & secure, and it is low-cost and easy-to-use. It appears that people are not enamored with the current generation of device-, content-, and file-centric clouds as each has limitations such that people want to avoid the use for multiple clouds for different devices and content. This points to a large market need and opportunity for a secure personal cloud service that offers these capabilities.

IV. ABOUT FUNAMBOL

Funambol is the leading provider of white-label personal cloud solutions for mobile phones and devices. The commercial version of Funambol has been deployed by many of the world's top mobile operators, device makers, internet portals, content providers, software vendors and other companies. For more information, visit <http://www.funambol.com>.

V. APPENDIX

Here is the survey used for this digital content research project.

 **FUNAMBOL** Exit this survey

Digital content survey

This survey asks about digital content such as your pictures and videos on mobile devices & computers. Your answers will be kept confidential and data will only be reported on in aggregate. We are offering a free myFUNAMBOL 5G Premium Account for one year (or for existing users, an additional year, a \$35 value in either case) to the first 200 respondents. The survey has 10 questions, all required, some with multiple parts. It should take 5 minutes. Thank you for your help.

Note: 'mobile & computing devices' refers to items such as mobile phones, pcs & laptops, tablets (e.g. iPad), digital cameras, e-book readers and mp3 players (e.g. iPod).

Question 1a. Referring to this list, how many mobile & computing devices do you use (for personal or work use)?

1b. How many people, including yourself, are in your household (or immediate family)?


1c. How many mobile & computing devices are used in your household (including by you)?

1d. Are most of these devices in your household made by the same or different companies?

1e. In 2 years, about how many of these devices do you think your household will use?

9%

Next

 **FUNAMBOL** Exit this survey

Digital content survey

Question 2a. How many of the following types of content do you and your household have on your mobile & computing devices, excluding content already stored online e.g. in Facebook or a photo site?

	Your # of ...	Household # of ...
Digital pictures (not already stored online)	<input type="text"/>	<input type="text"/>
Home/personal videos (not movies/TV shows)	<input type="text"/>	<input type="text"/>
Digital music songs (not on CDs)	<input type="text"/>	<input type="text"/>
Important digital files (e.g. financial or family documents)	<input type="text"/>	<input type="text"/>
e-books	<input type="text"/>	<input type="text"/>

2b. In 2 years, as more mobile & computing devices can capture and store digital content, how much do you expect these numbers to grow, in general (by percent)?

18%

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Digital content survey

Question 3a. Counting from this list of apps & services, how many are used by your household and you? If multiple people in a household use an app or service, count each use separately.

- Apple iCloud/MobileMe, iTunes
- Google Gmail, Picasa, YouTube, Music Beta, Docs, Google+
- Yahoo! Mail, Flickr
- Microsoft Live Mail/Hotmail, SkyDrive, Outlook
- AOL Mail
- Facebook
- Twitter
- Amazon Cloud Drive, Music Beta
- Dropbox
- Video services: Netflix / Blockbuster Movie Pass / Roku
- Music services: Pandora / Spotify
- Instagram

	You	Household
# of apps & services used	<input type="text"/>	<input type="text"/>

3b. Do you agree or disagree with, "My household and I are now more likely to stream movies and music than purchase DVDs and CDs?"



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Digital content survey


Question 4a. Do you agree or disagree with, "As my household and I use more mobile & computing devices, and more apps & services, our digital content is getting spread out in more places."

4b. Do you believe that your digital content is getting more difficult to manage, backup and share?



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 **FUNAMBOL** Exit this survey

Digital content survey

Question 5a. Do you wirelessly sync your digital content across most of your mobile & computing devices?

	You	Household
Wirelessly sync?	<input type="text"/>	<input type="text"/>


5b. Do you wirelessly backup most of your digital content on your mobile & computing devices?

	You	Household
Wirelessly backup?	<input type="text"/>	<input type="text"/>

5c. How important is it to you to be able to wirelessly sync and backup your digital content on your mobile & computing devices?

5d. Are you interested in a low-cost, easy way to perform wireless sync and backup of your digital content on your mobile & computing devices?

45%


 **FUNAMBOL** Exit this survey

Digital content survey

Question 6. What are the top 3 things that would be important to you in a wireless service that syncs and backs up your digital content on your mobile & computing devices?

- Not interested
- Ease of use
- Supports all of my devices
- Supports vast majority of my digital data, content and files
- Works with my existing online data and content so I wouldn't need to move or change anything
- 100% private and secure, not mined for advertising or marketing
- Low-cost
- Allows easy and selective sharing with friends and family
- Other (please specify)


65%

 FUNAMBOL Exit this survey


Digital content survey

Question 7. What would prevent you from using such a service [select all that apply]?

- Not interested
- Not that important
- Too difficult
- Takes too long
- Unaware of such services
- Wouldn't trust it / concerned about security and privacy
- Don't want to spend money on it
- Doesn't work with my devices/computers
- Other (please specify)

 64%

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 FUNAMBOL Exit this survey

Digital content survey

Question 8a. Agree or disagree: "I wouldn't use a device cloud such as Apple iCloud to store most of my household digital content as it only works with one brand of device such that multiple clouds would be needed for different devices."

8b. Agree or disagree: "I wouldn't use a content cloud such as Amazon to store most of my household digital content as it is mainly for purchased content rather than personal content."

8c. Agree or disagree: "I wouldn't use a file cloud such as Dropbox to store most of my household digital content as it is more of a short-term way to store things than a permanent solution."

 73%

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 **FUNAMBOL** Exit this survey


Digital content survey

Question 9. If a service made it easy to access your digital content across your devices, backed it up and provided sufficient storage, how much would you pay for it for you and your household per month (in \$ or in Europe, euros)?

Monthly willingness to pay for service (\$ or euros) You Household

82%

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 **FUNAMBOL** Exit this survey

Digital content survey

Question 10. Background information

Please tell us a little about yourself.

Your gender


Your age

Your country:

Your email address (required for myFUNAMBOL 5G Premium 1 Year account)

91%

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 **FUNAMBOL** Exit this survey

Digital content survey

Thank you again for your help. You will be notified about your myFUNAMBOL 5G premium account within 2 weeks. If you have any questions, please contact Hal Steger at hal@funambol.com.

100%

Prev Done