



63%

PEOPLE PREFER TO
STAY CONNECTED

rather than

WARM!



iYogi
INSIGHTS

consumer research
**GROWING SPENDS ON
TECHNOLOGY SERVICES / 2012**

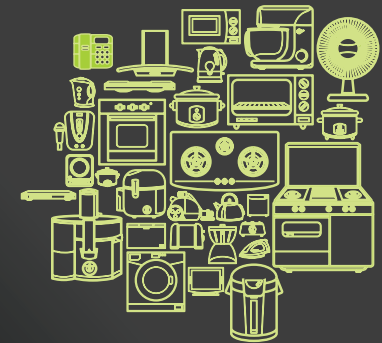
iYogi Insights is a research initiative launched by iYogi to help understand the issues that people face with technology and how they adapt tech solutions to enhance their lives. A subscriber base that is among the largest in the tech support industry gives iYogi a unique vantage point to observe how technology is impacting people's lives and habits. Frequent interaction with this wide database of subscribers gives us a privileged peek into how people are forging a partnership with technology, sorting out the occasional issue, and on the whole, positively embracing technology to empower themselves.



TECHNOLOGY NOW THE REAL UTILITY! Two-thirds prefer to stay connected rather than warm!



63% OF PEOPLE SPEND ALMOST 35% MORE ON
TECHNOLOGY BILLS
than **UTILITY BILLS**



With the ever-increasing role played by technology in every sphere of life, consumer spending on connecting to the Internet, subscribing to online services, mobile communication, and multimedia entertainment has also risen. The survey results offer an interesting insight into today's 'digital homes' because people use many devices and services to perform various tasks, stay connected, entertain themselves, and do lots more. According to the findings from an iYogi customer

survey, based on responses from nearly 1100 respondents, technology bills won over utility bills. Clearly, devices and technology-based services are becoming the essentials of a household – in fact, they are now the real 'utilities' without which people can't live out their everyday. In the future, technology bills are likely to keep increasing with the proliferation of Internet enabled consumer electronic devices, increasingly interactive platforms and improved services.



GROWTH OF IP DEVICES

10 devices per household is more common than you think!

NUMBER OF DEVICES
PER HOUSEHOLD
ON AN AVERAGE IS

7



11



THE NUMBER OF
DEVICES CAN GO UP
TO 11 DEVICES IN
HOUSEHOLDS WITH
3 TO 7 MEMBERS.

The research revealed that households with more than two members, on an average, own between 10-11 devices. The average American home with two family members, runs on as many as 7 devices. An increasing dependency on technology is driving consumers and small businesses to demand always on and always connected devices. The ever-expanding category of PCs and laptops coupled with the launch of new devices such as tablets and netbooks, along with the use of peripherals such as printers, scanners, cameras and digital music players is driving a new consumer demand for tech support services. Further, the proliferation of smart phones and more recently, gaming devices, Internet-enabled TVs and set top boxes are becoming a critical part of the home and small business network.



MOBILE, THE CHOICE OF THE MAJORITY!

People spend \$94 per month on mobile services



The research reveals that mobile services account for a major chunk of the respondents' technology bills. The average monthly expense on mobile communication was found to be \$94. With around 60% of the respondents availing voice and data packages, these services are by far, the most subscribed to by mobile users. In addition to these, \$19 is the average per month spend on downloads of games, apps, music, movies, etc. The increasing popularity of

mobiles devices including smartphones and tablets is only likely to see increased spends on mobile communication in the future. Where smartphones arrive, can apps and other forms of mobile entertainment be far behind? From accessing the Internet, playing games, listening to music, and aiding travel and leisure activities, apps are the growth area of the future. The versatility of smartphones will see even higher expenditure on mobile communication and entertainment.

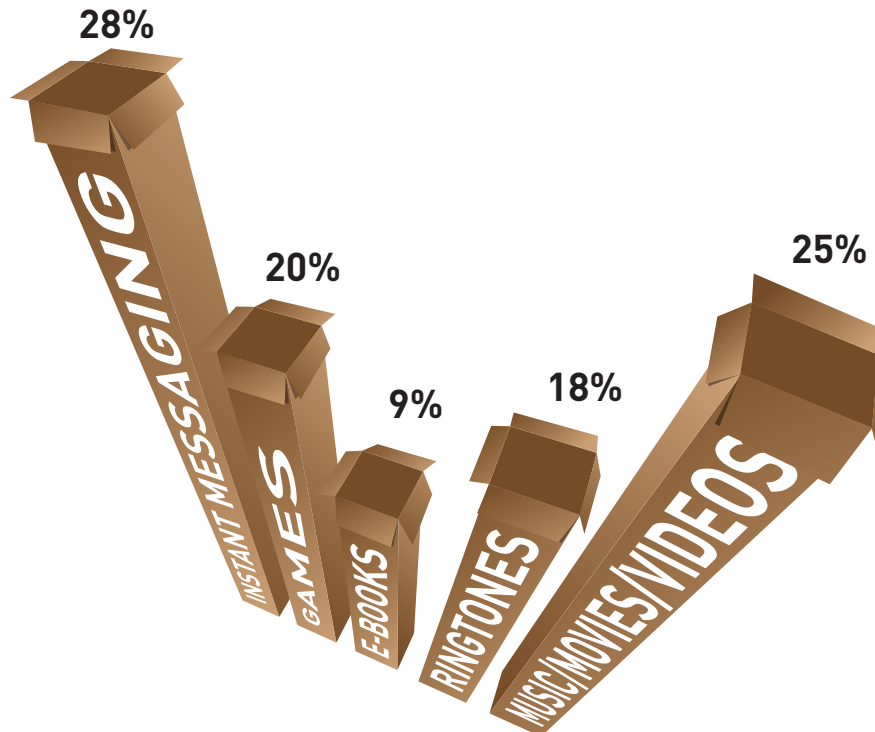


MESSAGING IS STILL KING!

28% people downloaded instant messaging applications

With nearly 30% of the response share, instant messaging applications remain as popular as ever. While social networking sites such as Facebook, Twitter and LinkedIn have reduced the need for text messaging drastically, free instant messenger services such as BBM and WhatsApp may have a crucial role to play in this trend. Today's celebrities such as Ashton Kutcher and Lady Gaga, further fuel the consumption of ISP services by playing an active role on social media sites

such as Twitter and Facebook. This ensures that their fans – millions of little monsters and update addicts - retweet and share almost everything they post. No wonder, music and movies closely follow the IM apps, with 25 and 20 percent of the share of response. While 18% of respondents downloaded videos, gaming apps proved that they are not to be considered child's play, with a sizeable stake of 9%. From Farmville to Angry Birds, gamers are inheriting the earth.

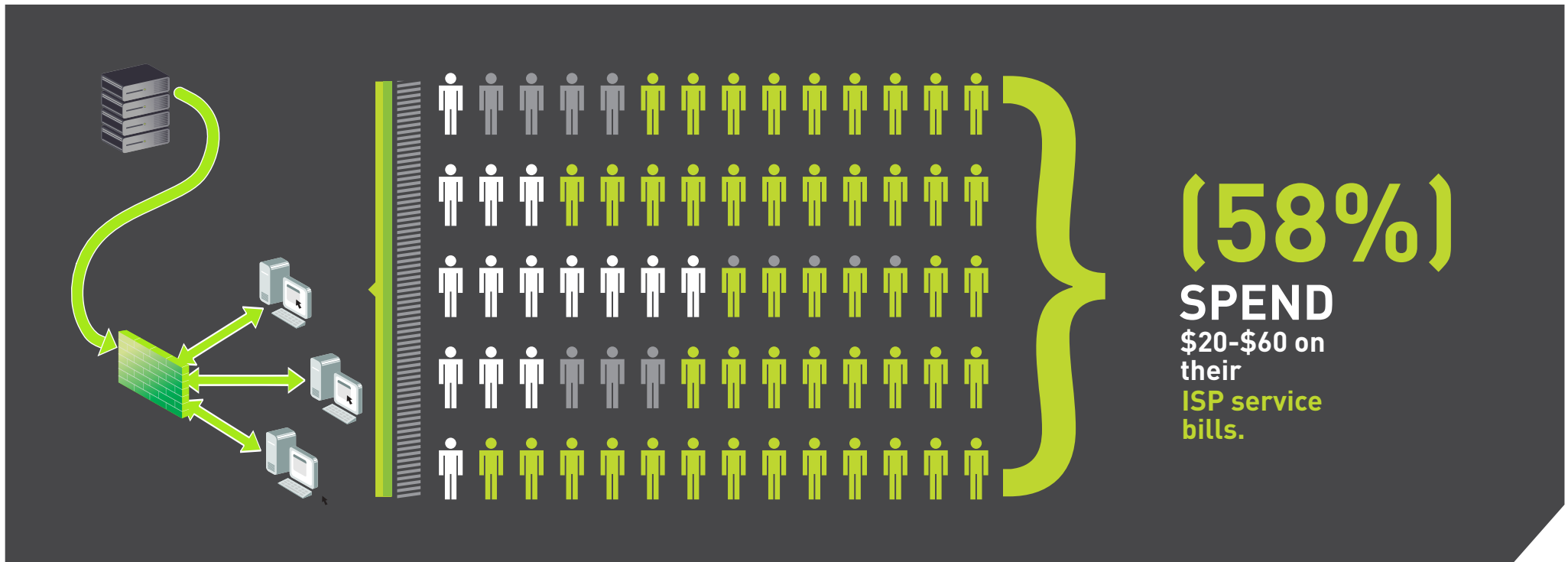


NEARLY 30% USE INSTANT MESSAGING APPLICATIONS, AND APP DOWNLOADS TOPPED THE CHART FOLLOWED BY MUSIC, MOVIES, VIDEOS AND GAMES.



EMBRACING THE LIFE ONLINE!

Households spend \$20-\$180 on their monthly ISP service bills



According to the results of the research, survey respondents spend in the range of \$20 to \$180 on monthly ISP service bills. A fact quite easy to comprehend considering that they can do almost everything online. With the Internet being used increasingly to access information, bank, shop, communicate, back up data, socially network, etc., this trend is quite expected. Services such as Groupon, Living Social and Open Sky encourage curated community-centric and deal-based shopping, a phenomenon fostered by the Internet.

This has seen TV take a back seat as an entertainment medium – retail therapy is alive and kicking, all from the comfort of your armchair. The Internet is also used to access video-on-demand services such as Hulu, Netflix and Megavideo, download movies, music, TV shows and other applications. All of which simply translates into increased technology spends and higher bandwidth consumption.



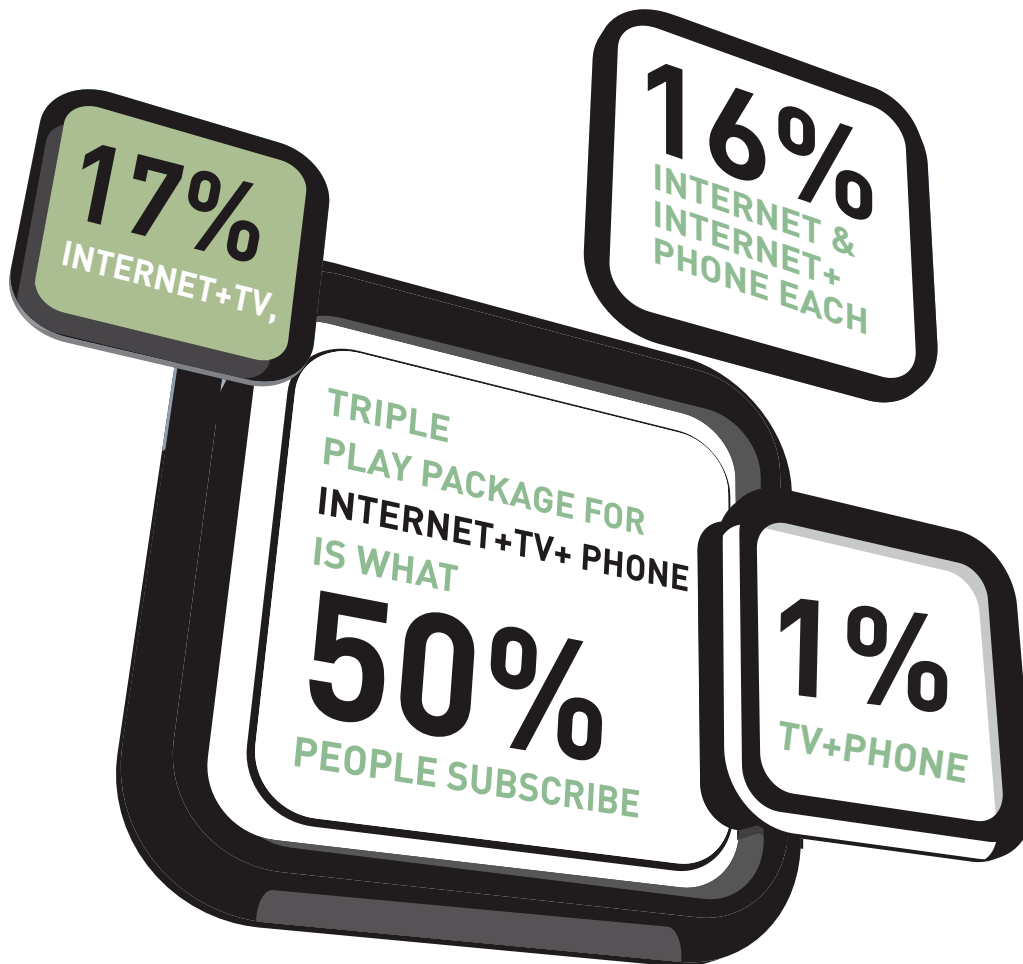
DETAILED FINDINGS

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MORE CONNECT, MORE LIFE!

50% people subscribe to Triple Play packages



The research reveals that 50% of the respondents subscribed to Triple Play packages, which included Internet, TV, and phone services from a single provider. This is an indication that respondents preferred to stay highly connected as opposed to choosing lower value packages that offer slimmer options. As compared to Triple Play services, the lower value subscriptions comprised individual and dual combo packages such as Internet + phone, Internet + TV, and phone + TV. Triple Play packages clearly seem to not only offer people the convenience of superior connectivity through being able to avail of three services from a single service provider but also help them do away with the hassles of paying/tracking three separate bills. With household members preferring more options and avenues for access to the Internet, Triple Play packages are bound to be more in demand. The survey results regarding subscriptions for Triple Play packages are in line with the trend to enjoy increased connectivity through multiple devices – Internet, TV, and phone in a single home.

POPULARITY
index



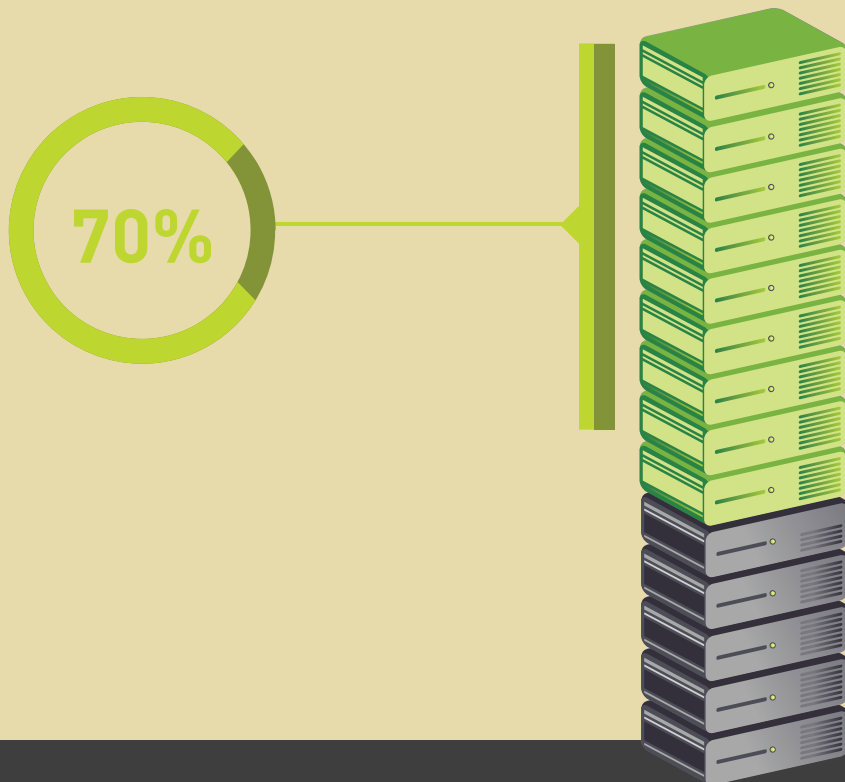
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CALL IN THE BACKUP!

Conversion already at 30%,
demonstrates huge potential for
cloud services

Even though the cloud is a relatively new concept, services such as online data backup have already reached an adoption of 30%. A figure that is only going to increase as comfort levels with these new services go up. The last year saw an unprecedented increase in cloud computing services with the launch of Amazon's Cloud Drive and Apple's iCloud, the latter really pushing online backup into the limelight. Dropbox and others saw a significant rise in popularity. Of the one-third users who do employ the use of online backup services, the average monthly spend currently hovers at \$10.



ONLINE BACK-UP SERVICES, STILL A NEW CONCEPT,
HAS ALREADY REACHED 30%
ADOPTION WITH A SPEND OF ABOUT \$10 PER MONTH.

such cloud services have immense potential as
NEW TYPES OF SERVICES ARE LAUNCHED.

30%



METHODOLOGY

The increasing role of technology in our lives and our dependence on it for a myriad activities ranging from banking to shopping to information collecting and sharing has led to a change in the way we see technology. This is best reflected in the change in the spending pattern of households. This iYogi Insights Consumer Research on Growing Spends on Technology Services seeks to cast light on how the average American household usage of technology is fast changing.

This survey, conducted over a day, covered iYogi subscribers through an online form following their support sessions. A total of 1083 respondents filled the online survey form consisting of 13 questions requesting details on technology device ownership, device usage patterns, Internet usage, technology spends, average utility spends and mobile usage. The data collected was collated, analyzed and compared to identify, assess and quantify trends and patterns.