

Indian consumer survey reveals interest in location-based services – Demand for traffic information to help drivers avoid congestion also highlighted

**Singapore and Reading (UK) – Thursday, 8 May 2008
For immediate release**

Highlights from the Canalys Indian consumer survey

Canalys today released the first highlights from a new survey of around 1,200 consumers, which explores the opportunity for navigation and location-based services on mobile phones and portable navigation devices (PNDs) in India. The survey results will be presented at the Canalys Navigation Forum in Bangalore next week (13 May 2008). More information is available at <http://bangalore.canalysnavigationforum.com>.

“The survey results indicate there is significant potential for certain navigation and location-based services, particularly among younger, tech-savvy, middle class consumers. While India is still in its very early stages as a market for portable navigation devices, and GPS is not yet widely understood as a technology, it is already a significant market for smart phones, with over 3.5 million shipping there over the past year. This provides a firm foundation for mobile services in the future,” said Rachel Lashford, manager of Canalys APAC.

87% of those surveyed said they would be comfortable to let someone see their location if their phone were to broadcast it continuously. 45% said they would want this restricted to people they chose specifically, one-third would be happy to let their spouse or partner see this information. These comfort levels were higher than those shown by consumers in several Western European countries surveyed by Canalys last year. The proportions prepared to let work colleagues or all their social networking contacts see their location were also higher in India.

“Consistent with this willingness to share location information, the ability to track family members or friends was the location-based service in which most expressed interest, with 40% citing this as the most or second-most useful from a list of applications presented, ahead of being able to discover what was on at local cinemas and book seats and to locate and reserve seats in nearby restaurants,” added Canalys analyst T.Y. Lau. “When asked what services they would be prepared to pay for on their mobile phone, getting maps and directions was the second highest rated choice, only marginally behind mobile e-mail and ahead of web browsing, mobile instant messaging, music and mobile TV.”

GPS navigation solutions, whether on a phone or on a dedicated device, also have great potential to make life easier for drivers in India. Of the frequent road users surveyed, 38% said they get stuck in traffic jams at

least once a day, a further 27% said they encountered congestion every time they travelled and another 22% at least once a week. Two-thirds of those that get stuck in jams said the average delay was 10 to 30 minutes, with 11% finding it was usually even longer. 58% of those that got stuck in traffic regularly said they would be willing to pay for a solution that re-routed them around the jams, while only 5% said they did not need such a system.

“The interest is there,” Lashford added. “As PND prices come down to more affordable levels and more smart phone-based solutions emerge, we expect to see rapid growth in what is a huge potential market.”

The future of the Indian navigation market will be discussed at the Bangalore forum on 13 May. To attend the forum, or for more information, please visit <http://bangalore.canalysnavigationforum.com>.

About the survey

The Canalys consumer mobility survey for India was conducted using an online panel in April 2008. 1,180 adult mobile phone owners in India were surveyed, with approximately 20% of the respondents coming from each of Bangalore, Mumbai and Delhi, and the remaining 40% from other locations. A results presentation will be made available to attendees of the Canalys Navigation Forum in Bangalore on 13 May 2008. Results from a similar survey among consumers in Taiwan will be shown at the Canalys Navigation Forum in Taipei on 15 May 2008. Canalys regularly designs, conducts and analyses surveys on consumer mobility in a number of countries.

About Canalys

Canalys specialises in delivering high quality market data, analysis and advice to the world’s leading technology vendors. It is recognised as a key provider of continuous advisory services and confidential custom projects for marketing managers and strategists within blue-chip IT, telecoms, navigation and consumer electronics companies. It has unrivalled expertise in routes to market for all kinds of high technology products and services in the consumer, SMB and large enterprise segments, and provides worldwide market data and trends analysis.

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