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How to Succeed with Passenger Internet

Frederik Gustafsson

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…more than 1 million users had used Icomera's systems on the trains

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the number is

3 000 000

3 million WiFi users on trains!

Making the trains one of the largest HotSpots!

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- High User Numbers

- High Market Penetration

- Long User Sessions

- Large amount of data transferred

- High Customer Satisfaction

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- At last year conference National Express hadn't taken over the GNER franchise

- In June this year they had their millionth user!

- Keep your customers - Enhance the value

- Sell more tickets - Attract new passengers from air, bus and car

- Make more money – Encourage upgrades

- Happier customers – Take away the sense of time

- Arriva Trains Denmark

- SJ Double Decker's

SJ, X2000

National Express Mallards

Grand Central, HST

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- By changing business model National Express increased usage by 400%

- The main revenue is not "internet access fees" from individual users!

- Revenue from 1 new passenger = 20 internet users = 2000 advertising clicks

- Wait until next generation technology – The customers will have chosen other means of transportation by then

- Under estimate competition – There are several examples of where the bus companies have taken customers from the train operators

- Expect anyone else to solve your problem

- Rely on indirect revenues

- Start as soon as possible to gain advantages – And grow/enhance with increased usage

- Make sure that the service can be launched when you want – use technologies and business models existing today!

- Control the business model – Change with the times, free WiFi, dongles etc

- If you go for a profit sharing operation – Make sure that there is a profit to share!

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- Do

  - Work!

  - Surf!

  - Get accurate information when they want

- Don't

  - Down-load or send movies or other huge files from the trains

  - Watch streaming videos

  - Play on-line games

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"The Wi-Fi is fantastic; I'm sitting here VPN'd into my corporate network and listening to MP3s streamed live from my home computer at the same time."
A. Shutt
Standard Class Passenger, NXEC

" Using leading edge technology the Wi-Fi access will help our passengers make the most of their journey time "

Ralph Roberts
General Manager, Arriva Scortland

" Many of our passengers are commuters and students, and we have had an enormous amount of positive feedback about the Wi-Fi service. It puts Stagecoach at the forefront of offering next-generation on-board services. "
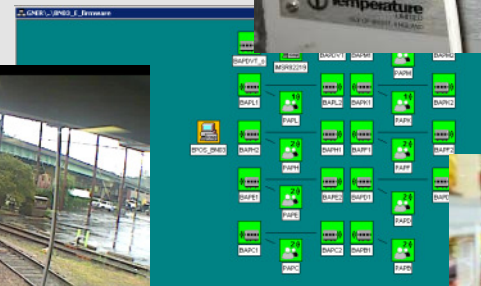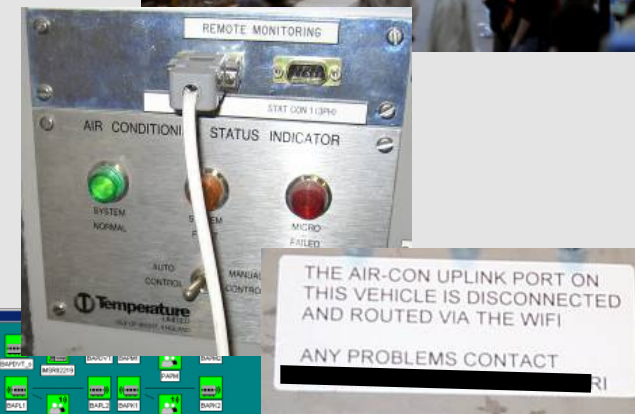
Brian Souter
CEO, Stagecoach Group

- Make sure to use it for other applications as well, such as;

  - Real-time monitoring of the status of the Alstom X40 trains in Sweden

  - Remote diagnostics and <u>error-correction</u> of equipment on NXECs trains

  - On-line sales and stock handling (EPOS)

  - Forward facing cameras on trains in the US

- Grow with the usage – Don't over do it!

- Technology changes rapidly – Be prepared

- Look at the business case from a company perspective

- There is difference between advertising and marketing

- Time is important

- Flexibility – Capacity, Technology & Business model

- The single most important revenue maker is more passengers and passengers travelling more

- Build stronger a stronger relationship with the customers – it will generate more profit

- Look at the business case from a company perspective – Passenger WiFi & operational savings

- Passenger WiFi is here to stay

frederik.gustafsson@icomera .com

+46 31 799 21 00

www.icomera.com