

# Mobile Market Snapshot

by the IAB Mobile Council

# Contributors

This research was created by the **IAB Mobile Council** with particular contributions from:

- Blyk
- BSkyB
- MobiAdNews
- Orange
- RhythmNewMedia
- ZedMedia

With special thanks to Guy Phillipson, CEO IAB, Jim Cook, Editor of MobiAdNews and Chair of the Mobile Council and Jack Wallington, Programmes Manager, IAB.

**work.counts**

Online survey distributed by Work Research.



# Background

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- The IAB Mobile Council wanted to take a snapshot of views on mobile advertising among media planners and advertisers
- To offer insight into the current knowledge surrounding mobile advertising and uptake within today's current media climate
- Survey of 115 respondents from a spread of agencies and advertisers
- Questionnaires were conducted face-to-face (10) and online (105)

# Key findings

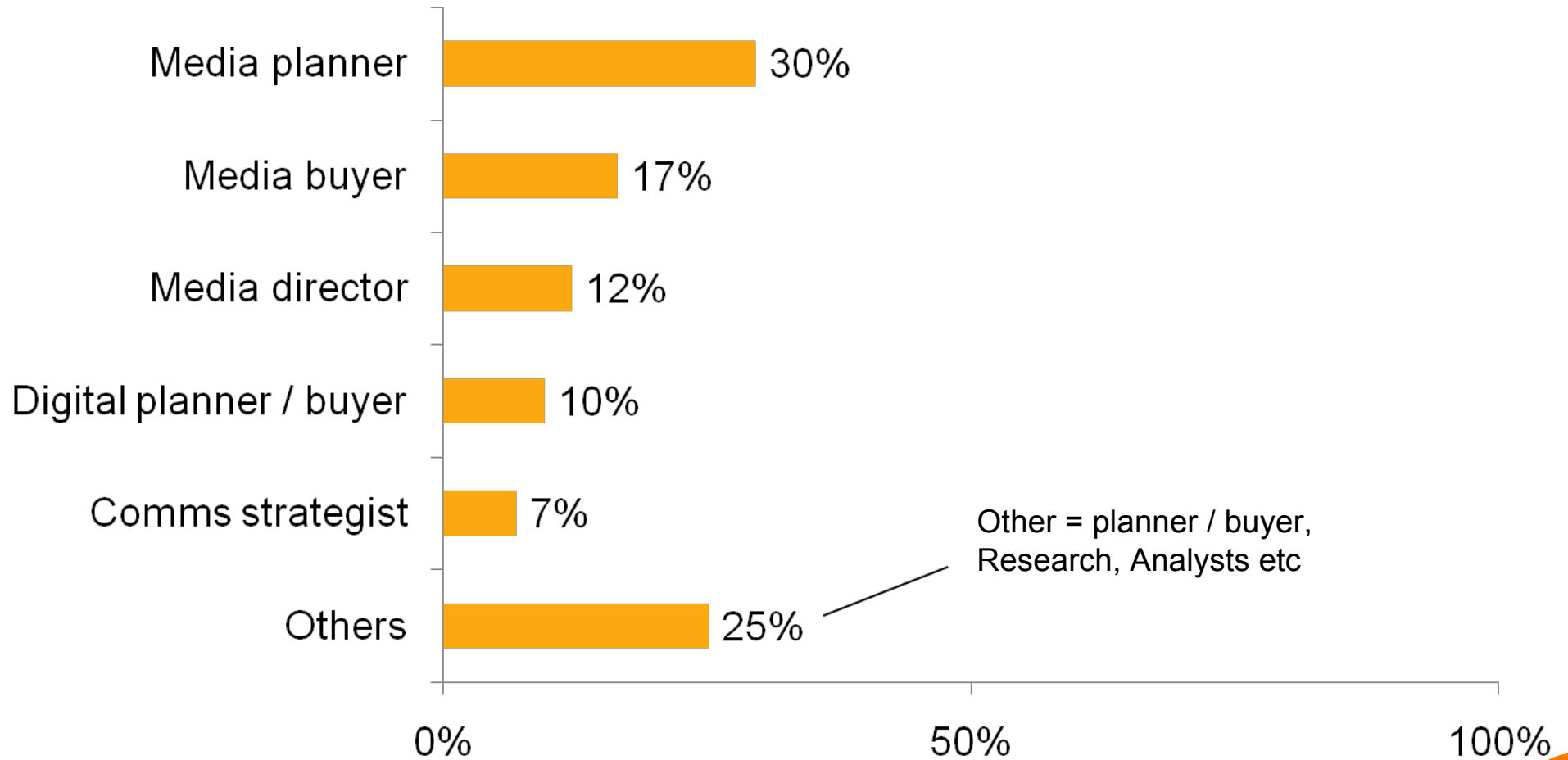
- Current understanding of mobile advertising within agencies is very low
  - Half of respondents had no experience in mobile advertising at all
- Mobile buying and planning within agencies is not limited to Mobile specialists
- The mobile industry and Digital ad agencies are seen as the biggest drivers of mobile advertising
  - Clients and traditional ad agencies are seen as those driving mobile the least
- Mobile advertising remains a very small fraction of overall digital spend
  - Many foresee that it will grow over the next 2 years and will become a standard part of budgets by 2012
- Respondents feel a need for robust and reliable mobile audience measurement and campaign evaluation



# Role in agency

Which of the following best describes your role within your agency?

Base: All answered (n=115)

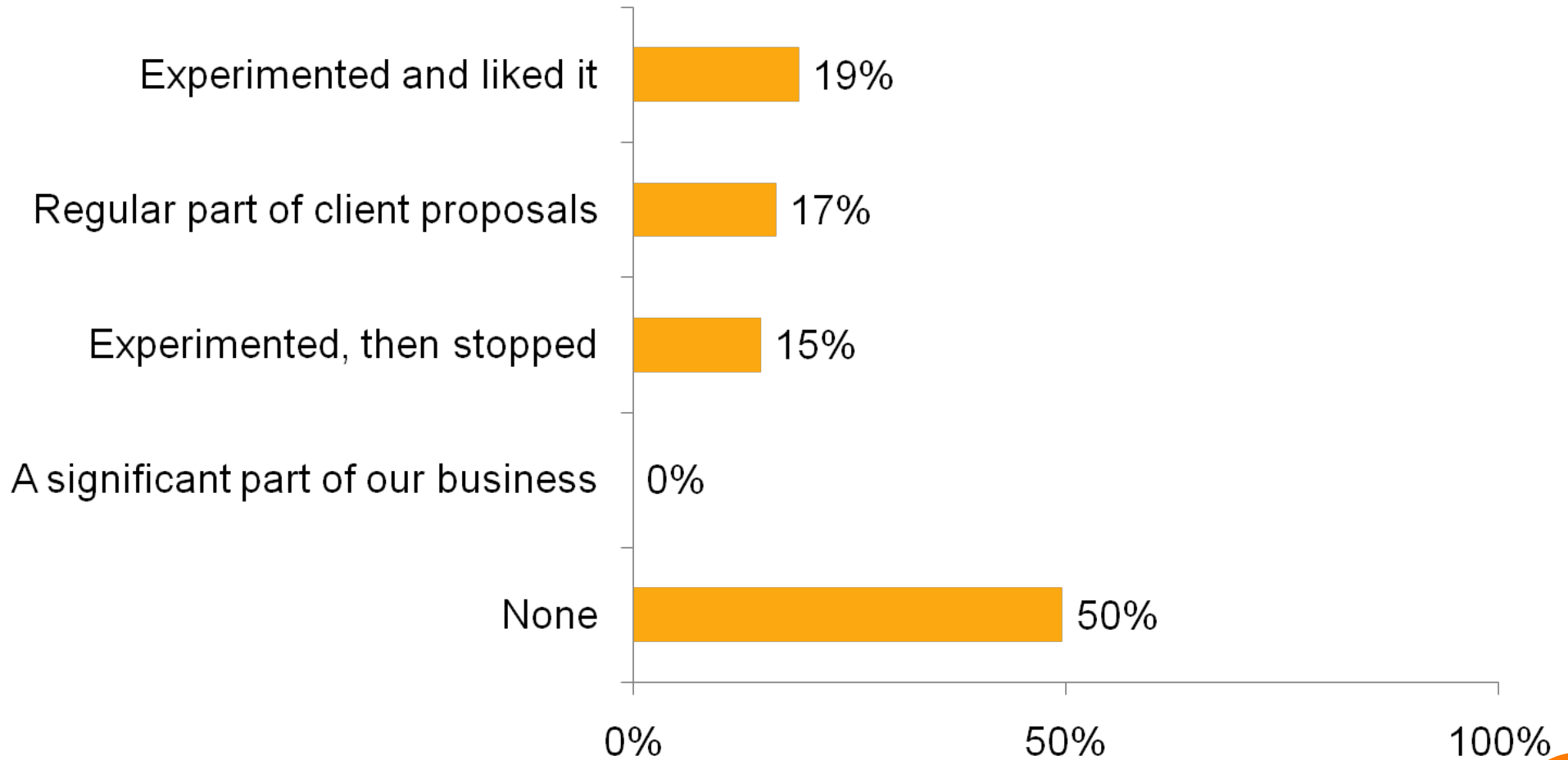


One in ten respondents described themselves as a digital planner / buyer.



# Experience in mobile marketing

What experience do you have with mobile advertising?  
Base: All answered (n=115)



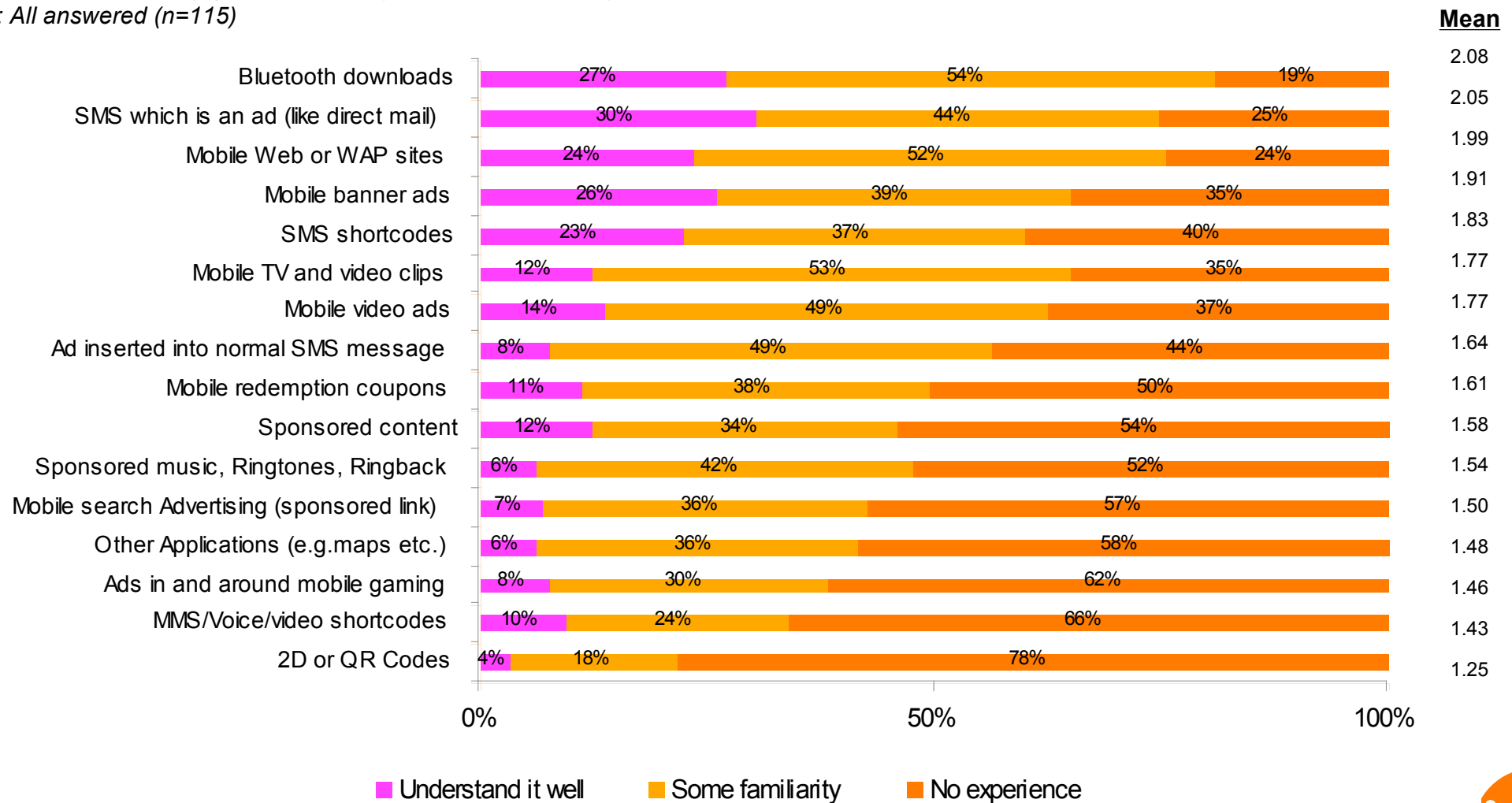
Half of respondents have NO experience of mobile advertising



# Familiarity with mobile marketing

For each of the following, please indicate your level of familiarity.

Base: All answered (n=115)



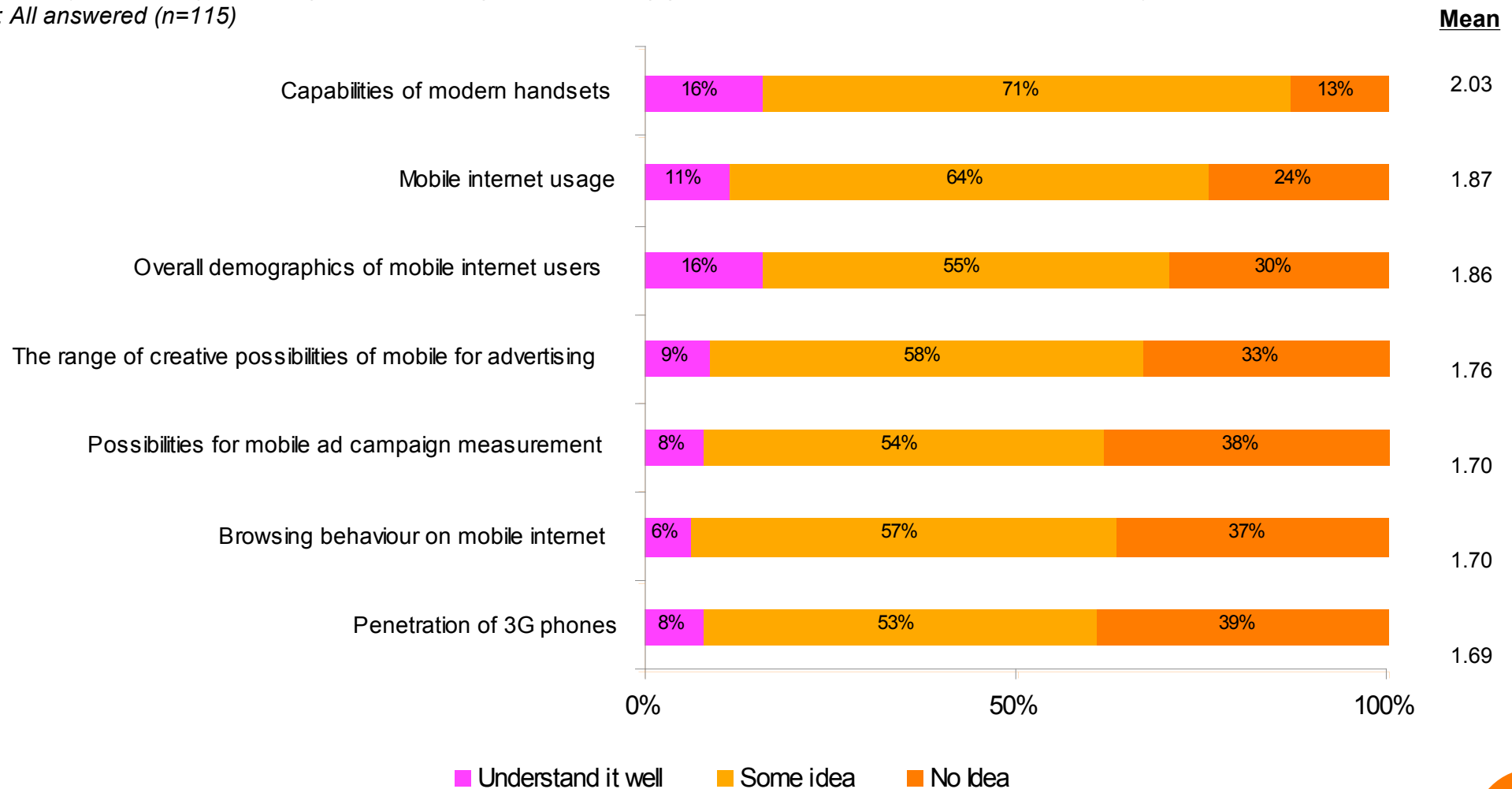
SMS, Bluetooth and banner ads are the best understood forms of mobile advertising. There are high levels of people claiming 'no experience' in different types of mobile advertising





# Understanding of mobile trends

Do you feel you have a good enough understanding of the following global trends and issues to include mobile in your business?  
Base: All answered (n=115)



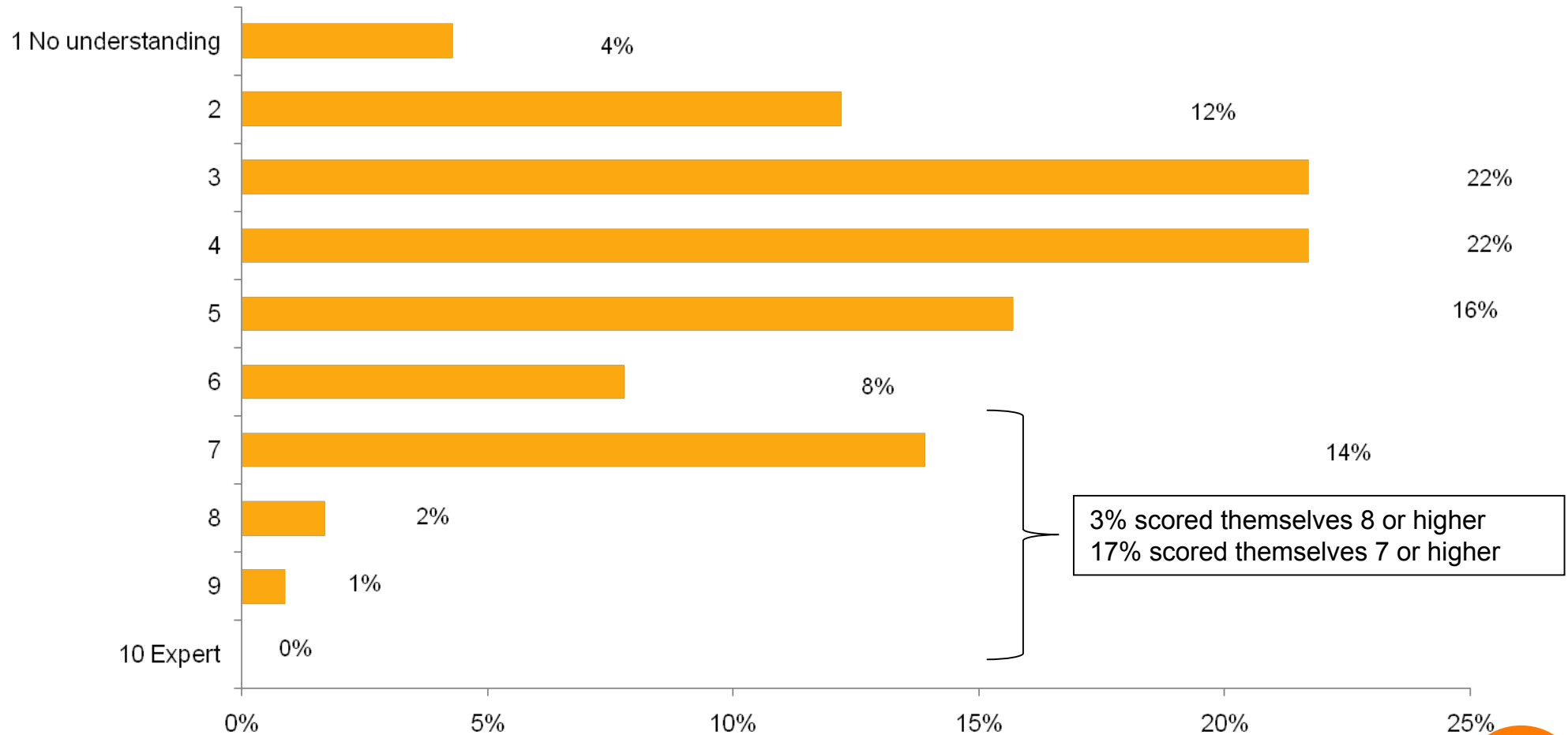
The vast majority of respondents have 'some idea' about global trends that affect mobile within their business



# Understanding of mobile advertising

How well do you feel you understand mobile advertising on a scale from 1 to 10?

Base: All answered (n=115)



Overall understanding of mobile advertising is felt to be very low. Only 3% felt they had a good grasp of it

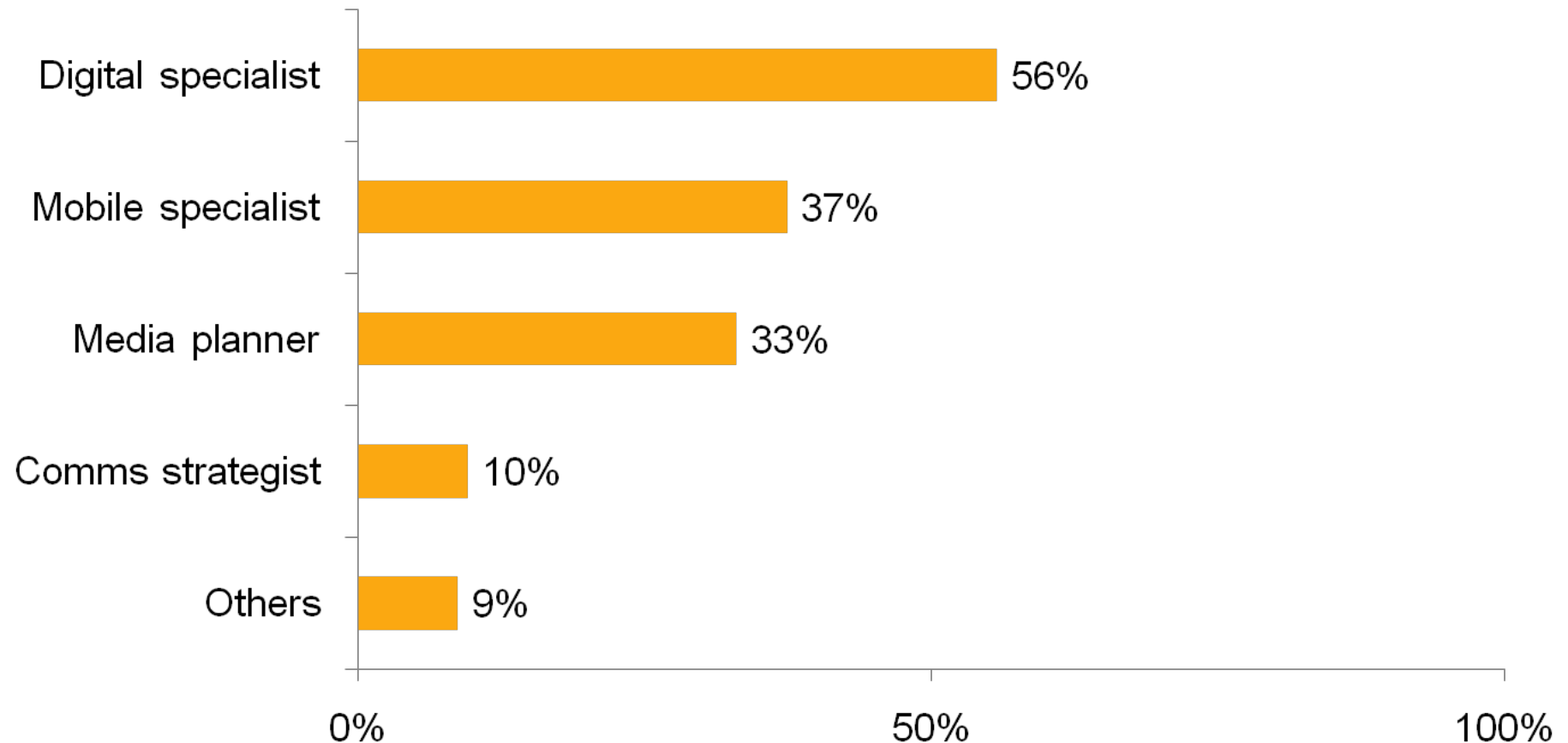


# Planning mobile

# Mobile campaign planning specialist

Who is responsible for the planning of mobile campaigns within your agency?

Base: All answered (n=115)



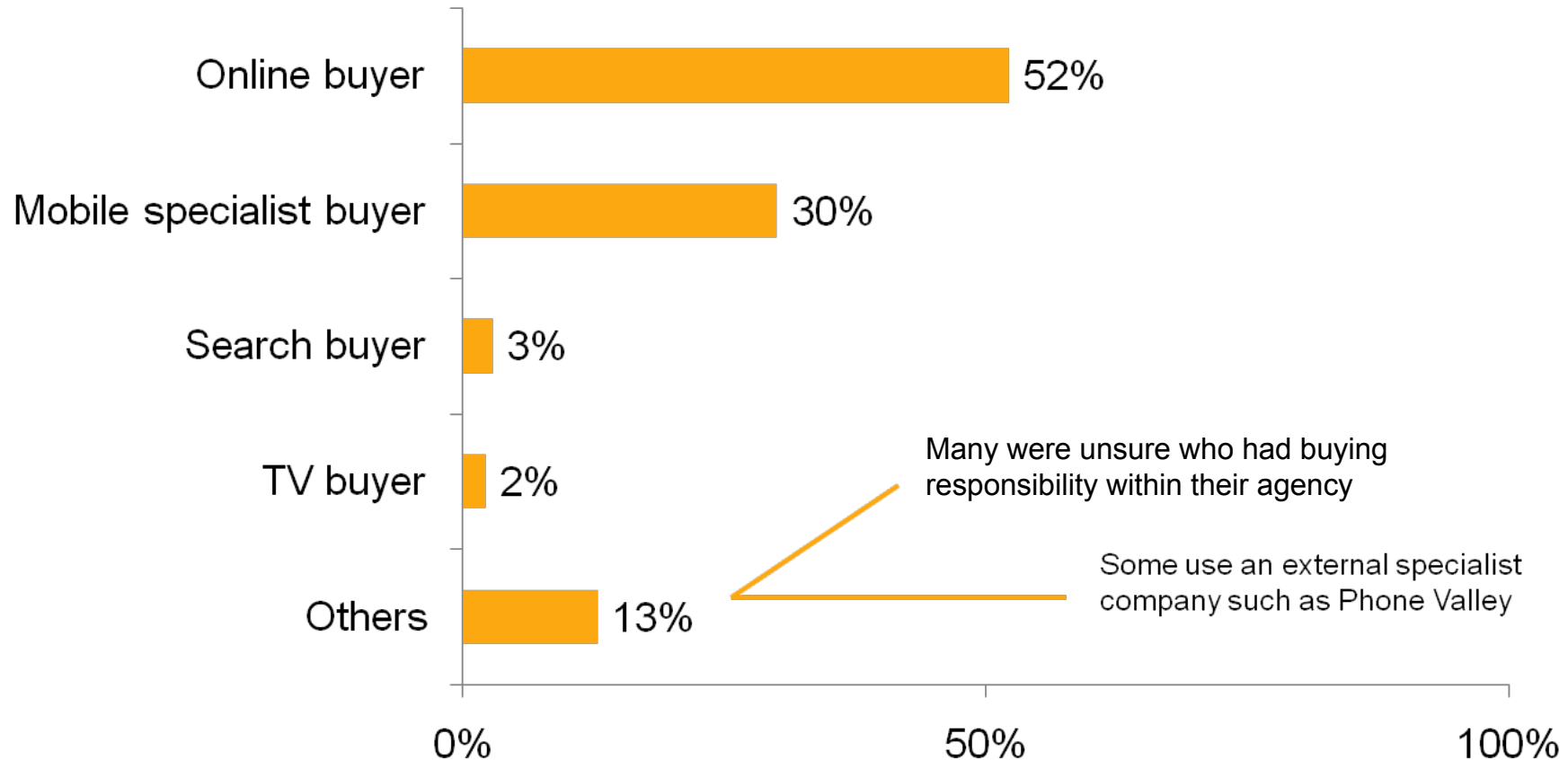
Digital & mobile specialists are responsible for planning mobile campaigns within most agencies. Although media planners have responsibility within a third of agencies



# Mobile campaign buyer

Who is responsible for the buying of mobile campaigns within your agency?

Base: All answered (n=115) \*Note: Results below is calculated based on total responses



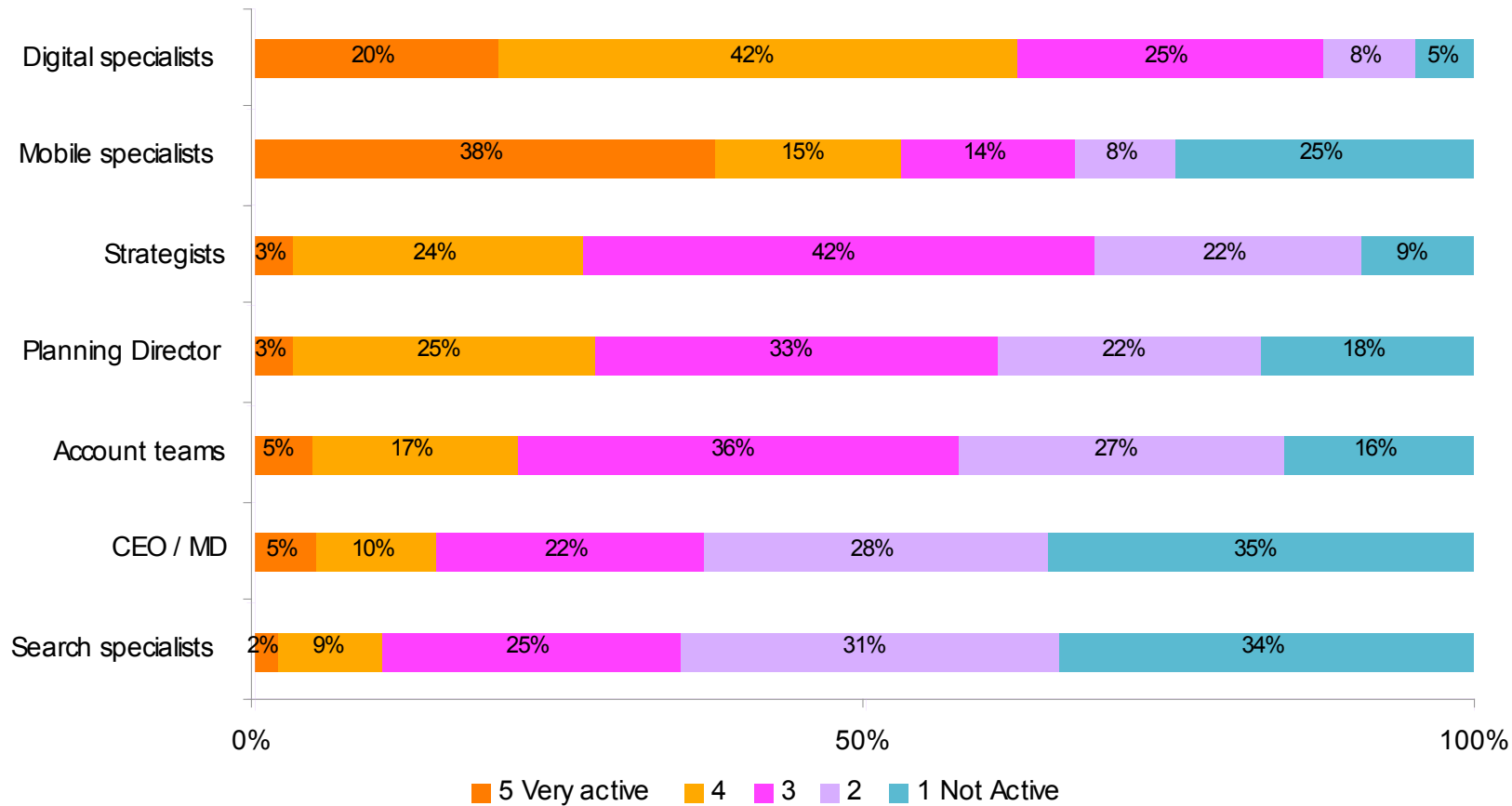
Most mobile campaigns within agencies are bought by Online buyers. 37% respondents said Mobile Specialist buyers have responsibility within their agencies



# Driver of mobile advertising in company

Within your company, who do you feel is currently driving the move to mobile advertising?  
 Base: All answered (n=113)

Top 2 box – Very active / active	
Digital specialists	62%
Mobile specialists	53%
Strategists	27%
Planning Director	28%
Account teams	22%
CEO / MD	15%
Search specialists	115



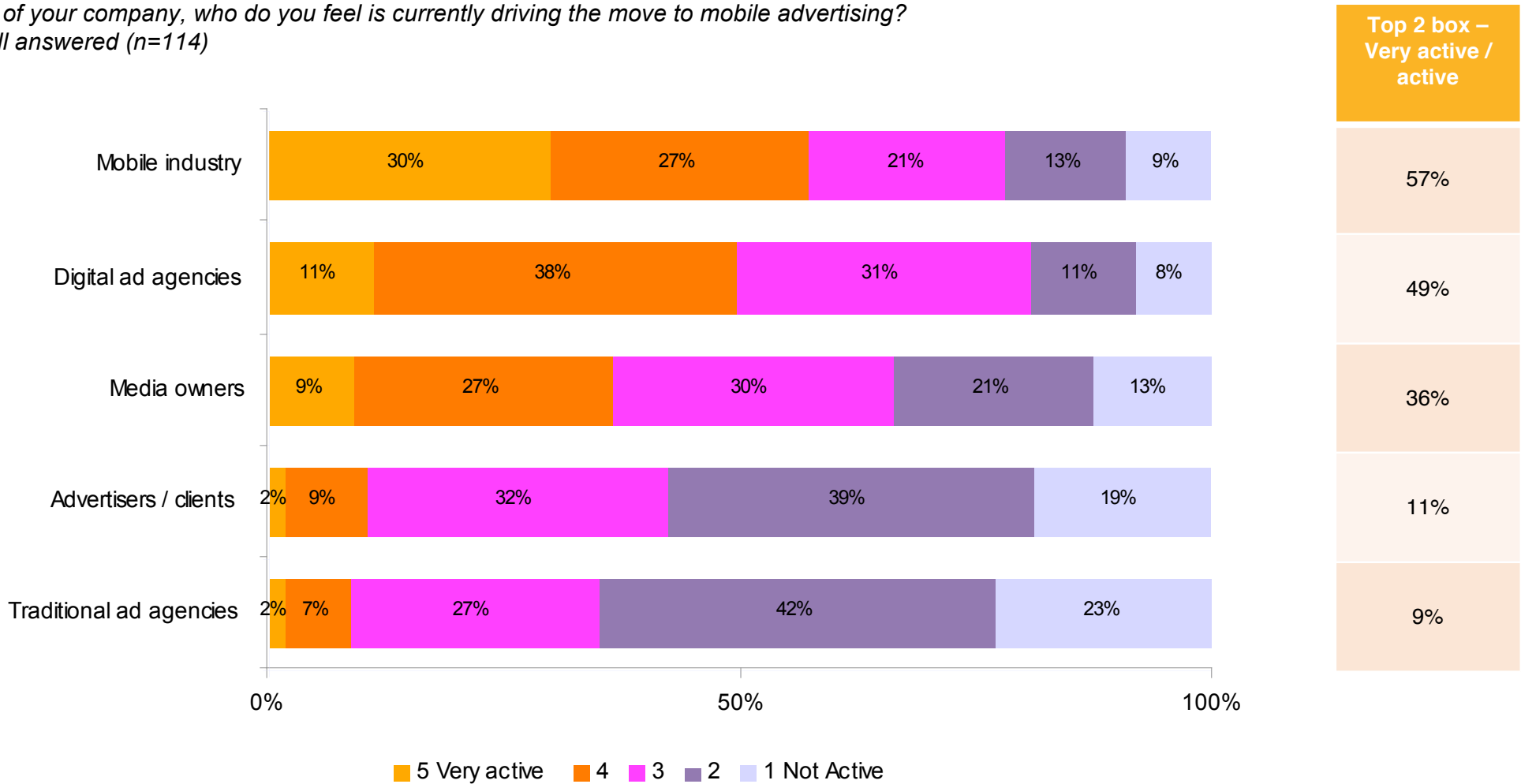
Digital and Mobile specialists are seen as biggest drivers of mobile advertising within agencies





# Driver of mobile advertising outside company

Outside of your company, who do you feel is currently driving the move to mobile advertising?  
 Base: All answered (n=114)



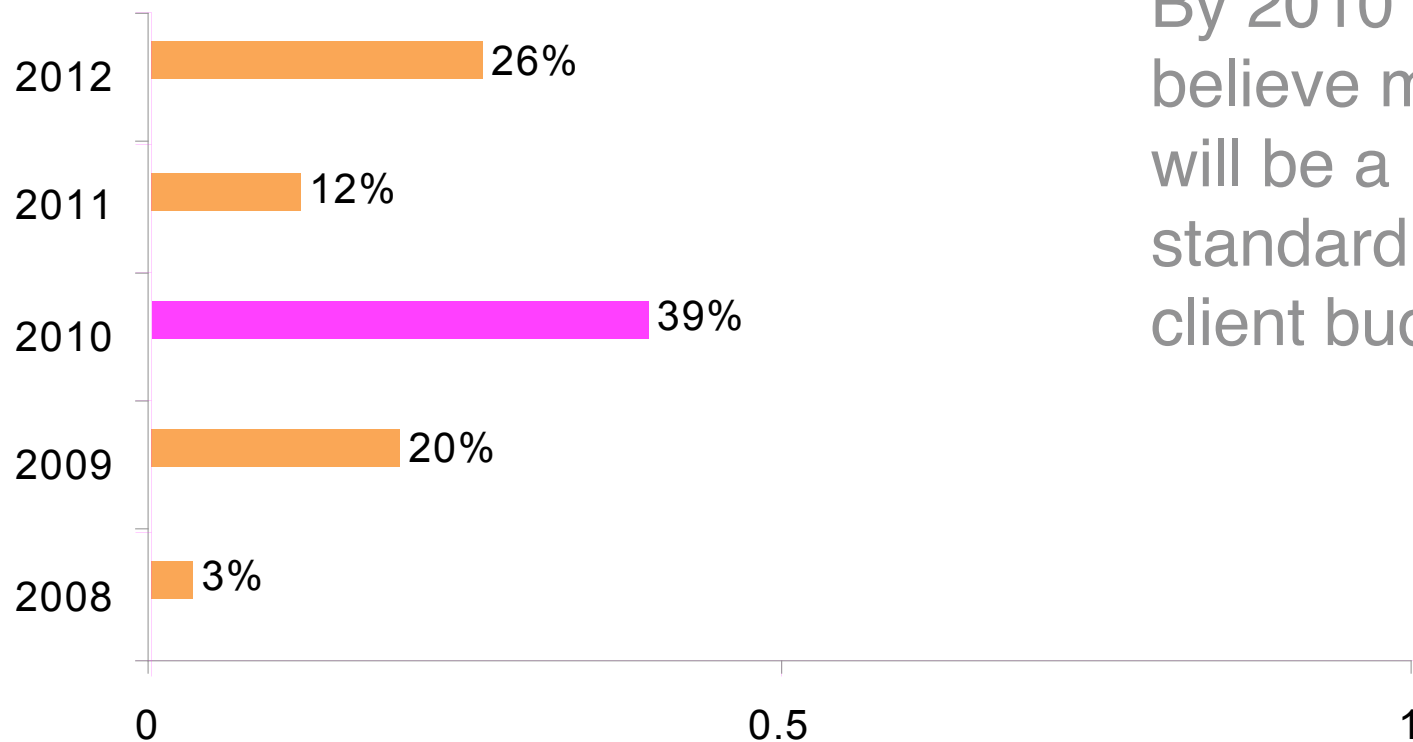
Mobile Industry and Digital ad agencies are biggest drivers of mobile outside of agencies



# Budgeting

# The tipping point is 2010

*When will mobile become a standard part of your clients' ad budgets?*

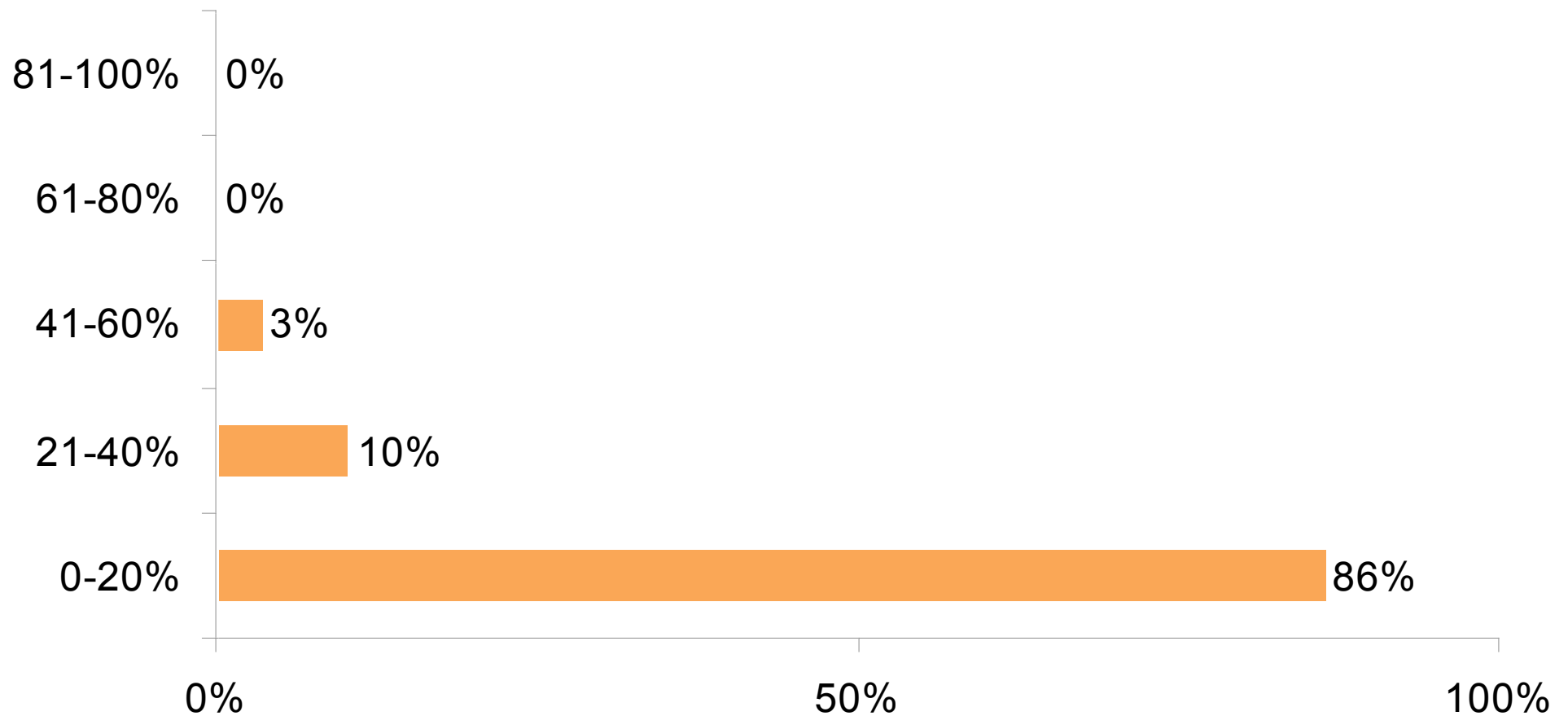


By 2010 62% believe mobile will be a standard part of client budgets

# Mobile uptake

# % of mobile component in 2008

In 2008, what % of your clients' campaigns include a mobile component?  
Base: All answered (n=57)

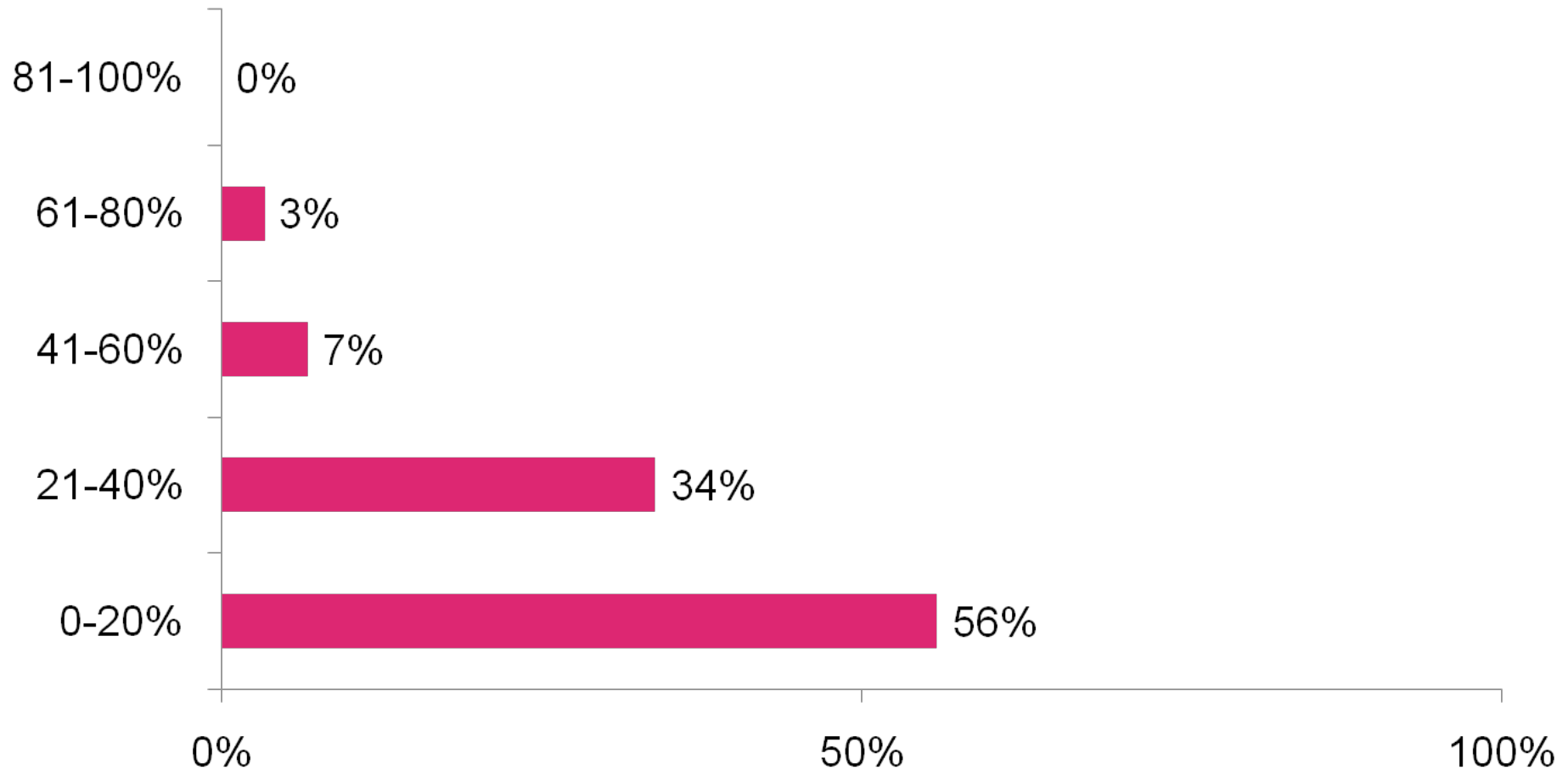


Almost nine-tenths of current ad campaigns contain 20% or less mobile advertising



# % of mobile component in 2010

What do you expect it will be in 2010?  
Base: All answered (n=57)



Many respondents see their clients' campaigns increasing their mobile content in 2 years' time

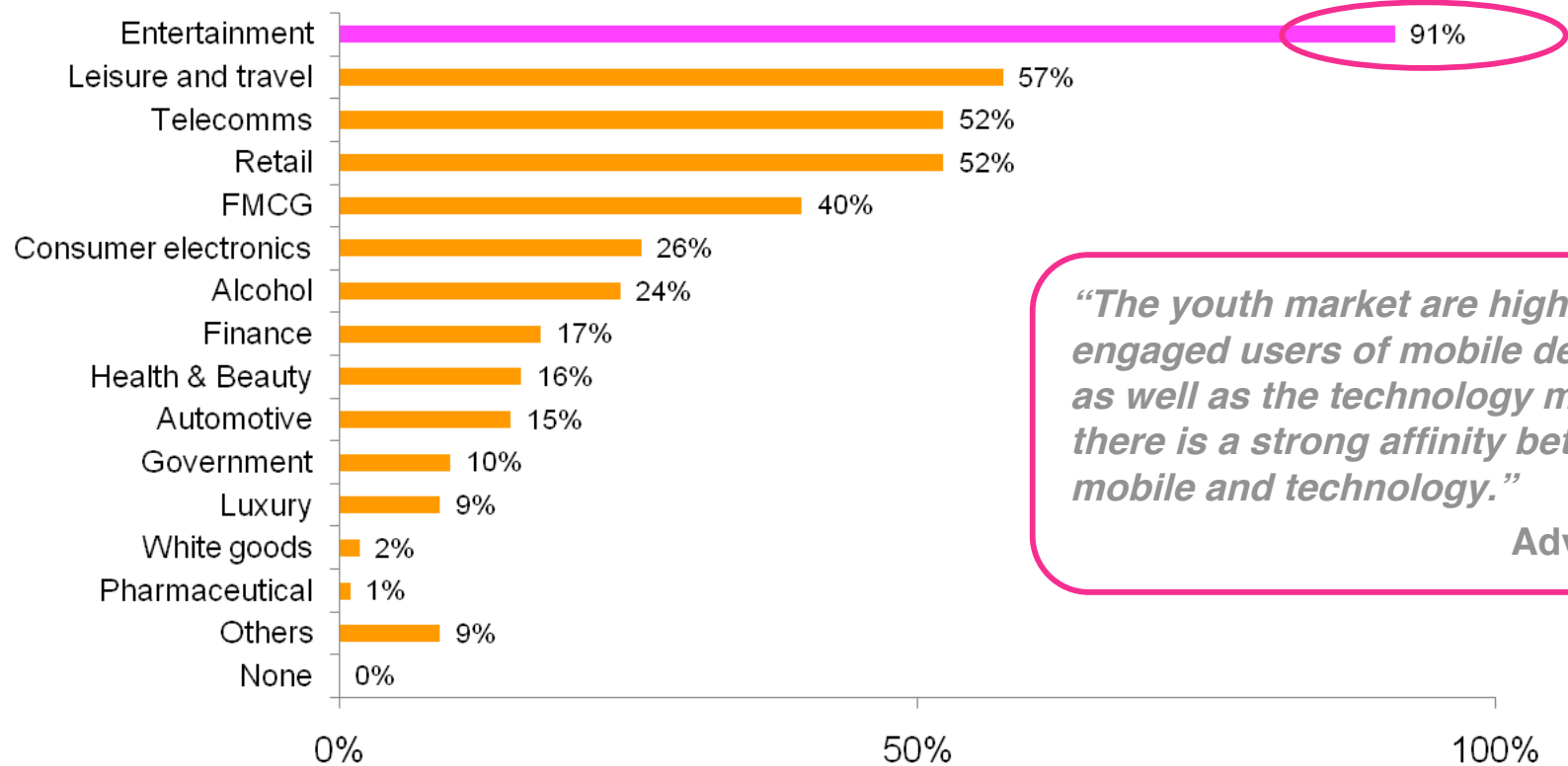




# General view of mobile

# Categories best suited to mobile

Which categories are best suited to mobile advertising?  
Base: All answered (n=115)



*“The youth market are highly engaged users of mobile devices, as well as the technology market – there is a strong affinity between mobile and technology.”*

Advertiser

Entertainment is seen as the category best suited to mobile advertising  
Leisure & travel, Telecomms and Retail are also seen as suitable



# Categories that people think work well

*“**Youth** brands work well. And the **B2B** industries as business people are very tech savvy.”*

Agency

*“**Youth, gaming, clothing, entertainment, music** – all of these would work well.”*

Agency

*“**Entertainment, direct response, FMCG and Automotive** are probably best suited to mobile.”*

Agency

*“**Entertainment, media and music** works well – looking up films, venues and content.”*

Agency

*“**Youth brands, especially teens** – therefore **clothes, music, electronics, drinks.**”*

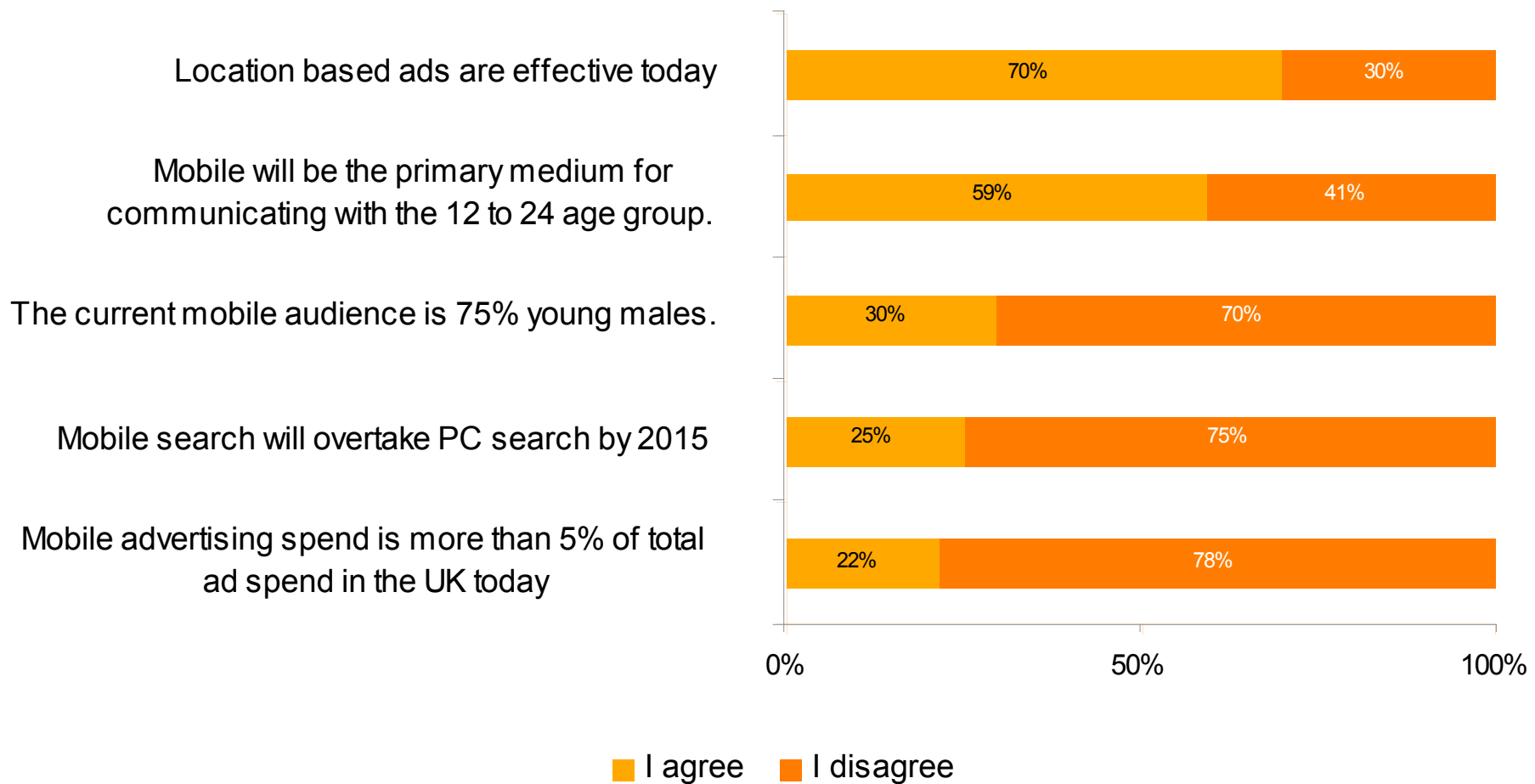
Agency



# Hype or reality?

Do you agree with these statements?

Base: All answered (n=115)



## But Search is not seen as a driving force

- Respondents did **not** see Search as having a lot of synergy with Mobile
  - Only **7%** understand Mobile Search well, **57%** have no familiarity with Mobile Search
  - Only **25%** believe Mobile Search will overtake PC Search by 2015

## And Search experts are not engaging with mobile

- Only 3% of mobile campaigns are bought by a Search specialist compared to 30% by a mobile specialist and 52% by the online buyer
- 11% think that Search specialists are actively driving the move to mobile within their companies
- .... compared to 62% of digital specialists and 53% of Mobile specialists

**Even CEO's / MDs are seen as driving mobile more than Search specialists!**

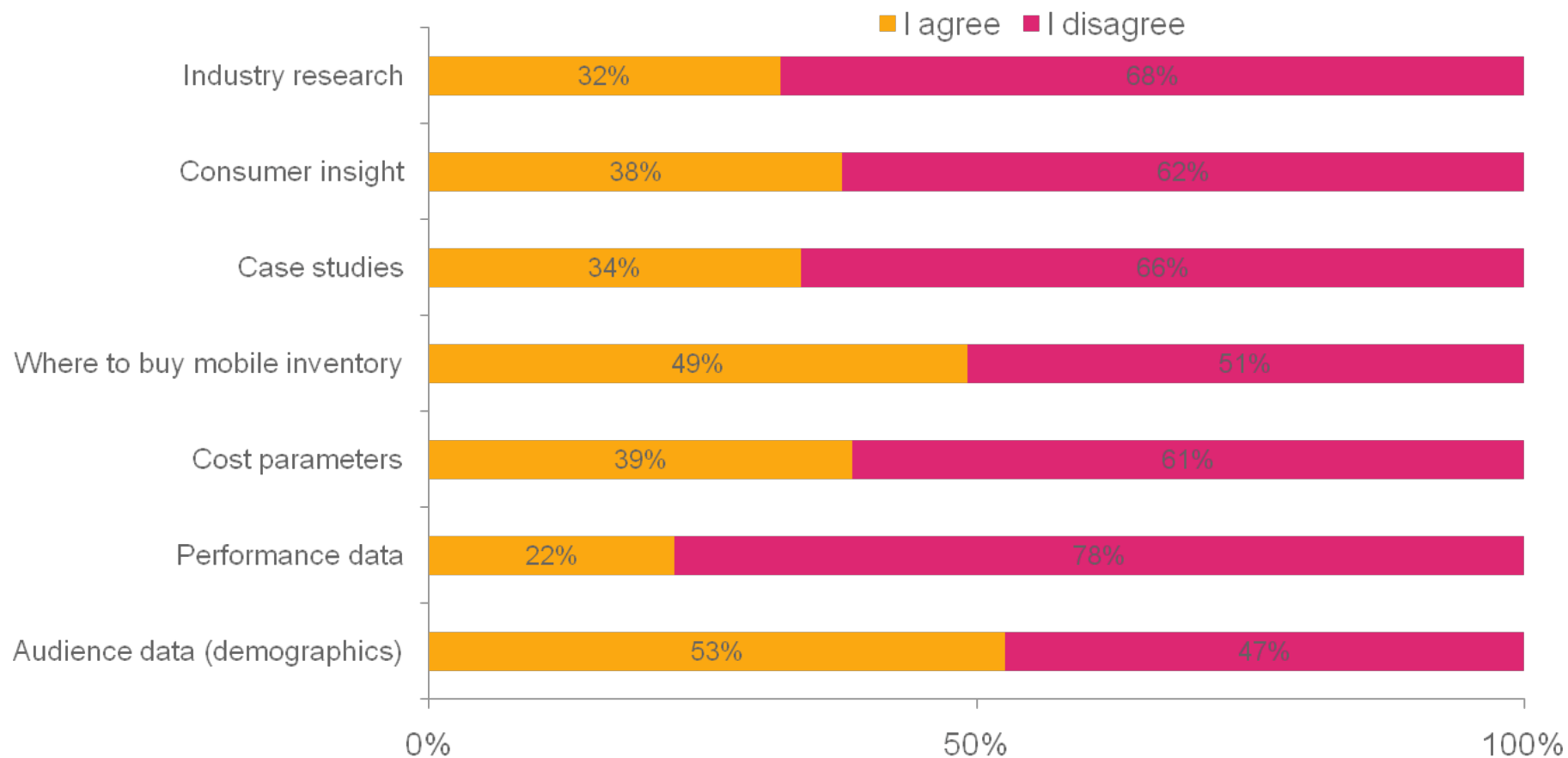


# Planning and reporting

# Sufficient information for campaign planning?

When planning a specific campaign, do you feel that currently you have sufficient information about the following?

Base: All answered (n=57)



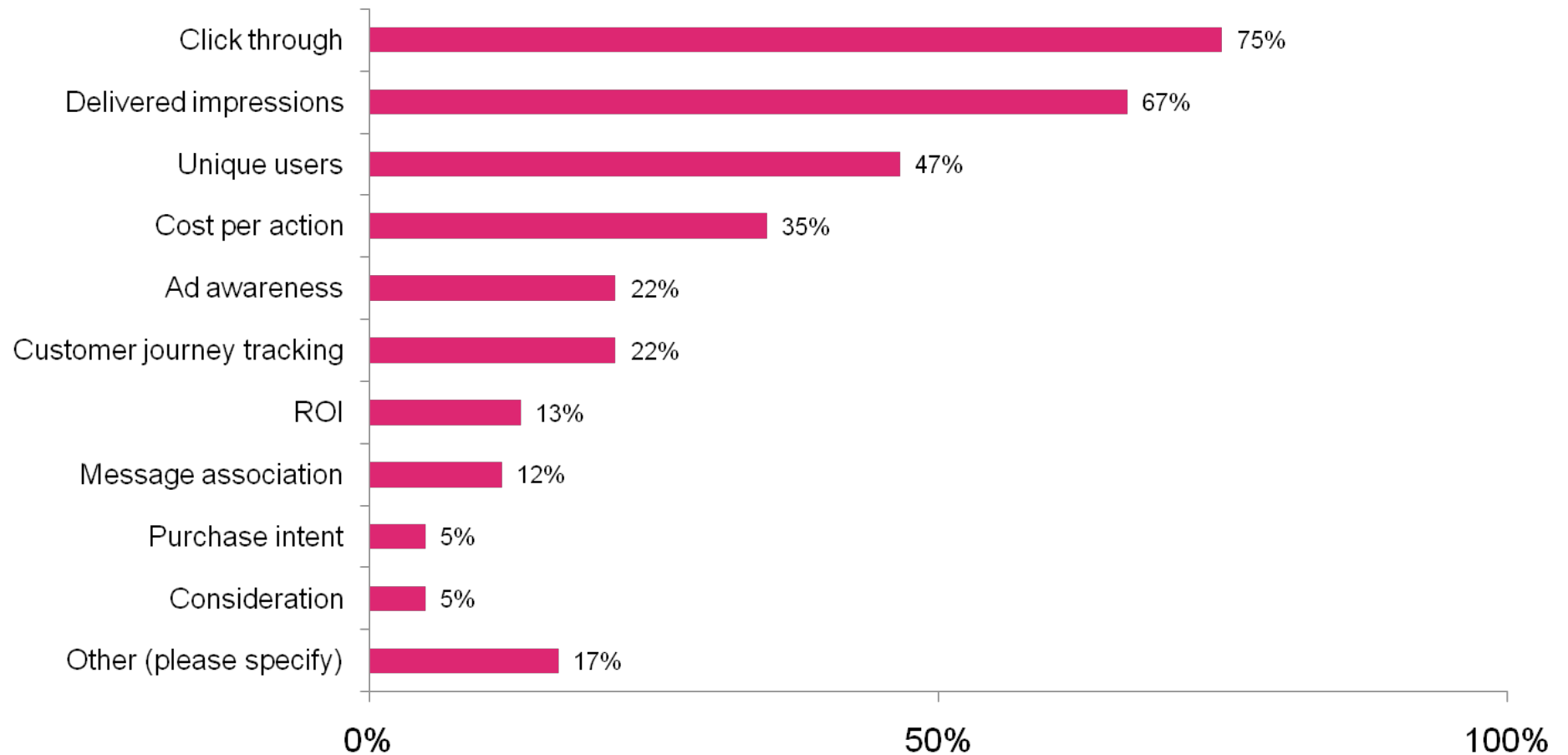
Most respondents feel they do not have sufficient information to help them plan their mobile campaigns



# Data reported for mobile campaigns similar to online

What data is currently reported back to you about a mobile ad campaign?

Base: All answered (n=57)

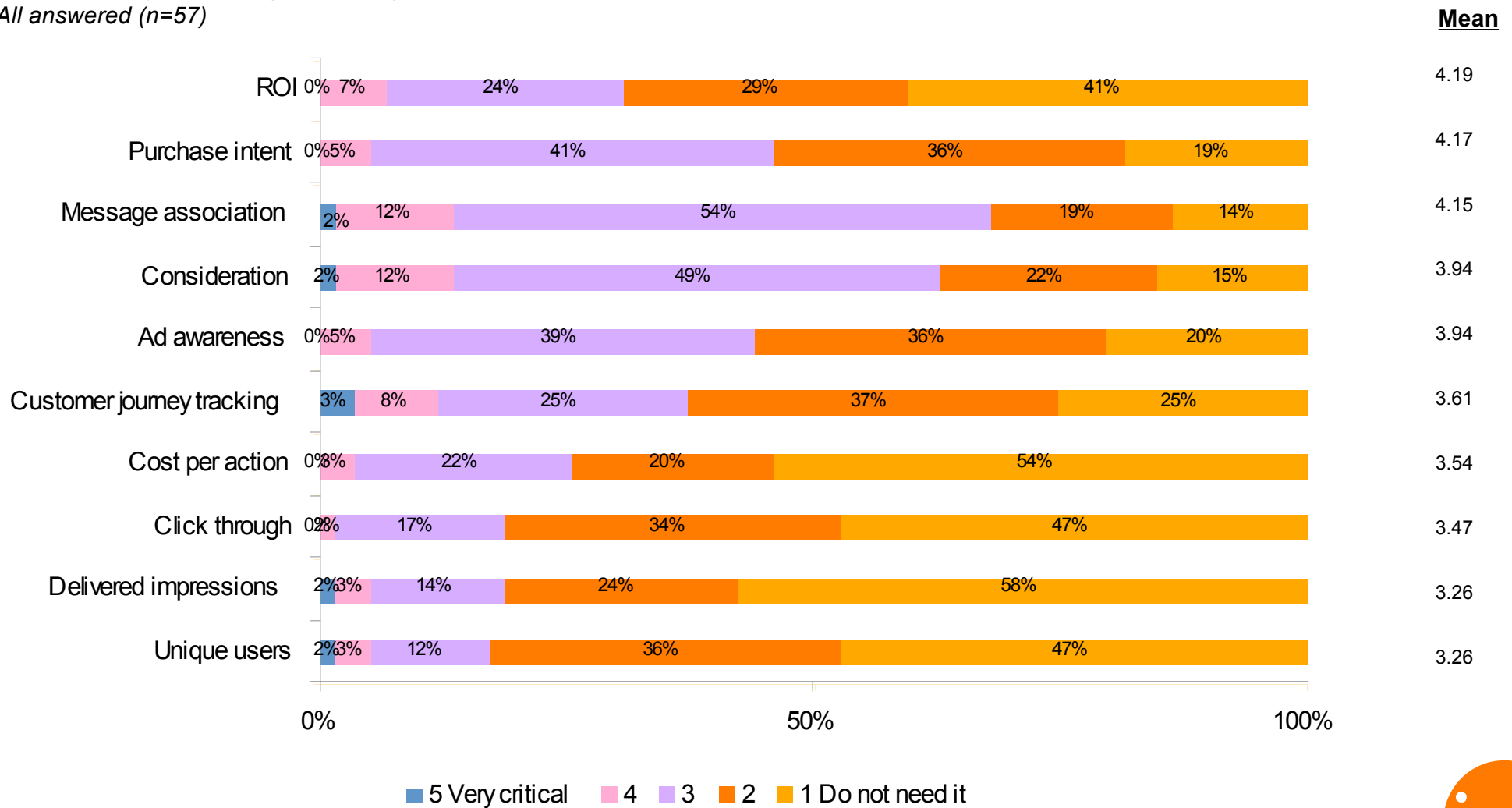


Agencies do not feel they are getting enough info about ROI or customer journey tracking from their mobile campaign analysis



# Info needed for optimisation

What information do you need reported for optimisation?  
 Base: All answered (n=57)



Most critical aspects for optimisation are Click Through, Delivered Impressions, Cost per Action and ROI



# Uncertainty over mobile

*“I’ve had bad experiences previously, I was **oversold expectations**. **Creative executions are poor**, and there is **low reach** compared to other mediums.”*

Advertiser

*“We find out about mobile from our media agency who make recommendations, or from individuals coming to us to present on mobile.”*

Advertiser

*“I’d like to see demonstrations of how mobile works with other media. This and **case studies** of other campaigns would be really helpful to do more on mobile.”*

Advertiser

*“I’m still not sure **what’s in it for the consumer?** What is the **unique** functionality of mobile advertising over other formats?”*

Advertiser



# Summary



# Summary

- A distinct **lack of knowledge** and understanding of mobile advertising within agencies and among advertisers
- Generally, most agencies are not equipped with mobile specialists
- Mobile advertising currently makes up a tiny proportion of total ad spend
  - Although it is **starting to feature** within digital spend now
  - Estimated to grow within next couple of years
- At present, agencies feel information given to them prior to planning mobile is **insufficient**
  - As is the information reported back on their campaigns

# Ideas for making it work

*“The universe of potential ‘interactive’ audience is unknown. I’d like **transparency in audience data and behaviour.**”*

Agency

*“I’d like to know what **measurement benchmarks** I should be using.”*

Agency

*“Until more people have **advanced handsets** it’s a hard sell.”*

Agency

*“I’d need to see a **larger penetration** of my target market using mobile before I use it. Also **faster mobile internet speeds** would help.”*

Advertiser

*“There’s a lack of information about **effectiveness**, I’d like more **case studies** and **increased general knowledge.**”*

Agency

