



A Mobile Future

Job: 47313
November 2013



REDC

What We Did And Why We Did It...

- / IAB commissioned RED C to assess current customer attitudes towards and usage of mobile and tablets in Ireland, while also developing an understanding of expected usage in the future.
- / The context for this study was to enable advertisers to better understand the mobile advertising opportunity in the Irish Market.
- / In order to do this, a two phase approach was taken:
 1. **Online survey** with smartphone users – capturing customer behaviour on a micro level.
 2. **Expert interviews** with industry experts – collecting an in-depth evaluation of current and future usage on a macro level.
- / All quantitative fieldwork was conducted between 15th – 23rd October, while qualitative research took place between 1st – 6th November.



Who We Spoke To

- / 15 minute online survey completed by 400 smartphone owners aged 16+
- / The margin of error for this sample at a 95% confidence level is +/- 4.9%
- / All respondents were recruited using our RED C Live Panel of over 24,000 members.
- / Quotas were set in terms of gender, age, social class and region to ensure a nationally representative sample.



Draws on research carried out at the start of year across the globe by WIN Gallup International for the GSMA.



- / 6 in-depth interviews with industry experts:



– Justin Cullen
MD, Radical



– Kevin Foley
Commercial Director, Adforce



– Fintan Lonergan
MD, O2 Media



– Shenda Loughnane
Head of Digital, Aegis Media



– Garret O'Beirne
Head of Digital, OMD



– Michelle O'Keefe
MD, Electric Media



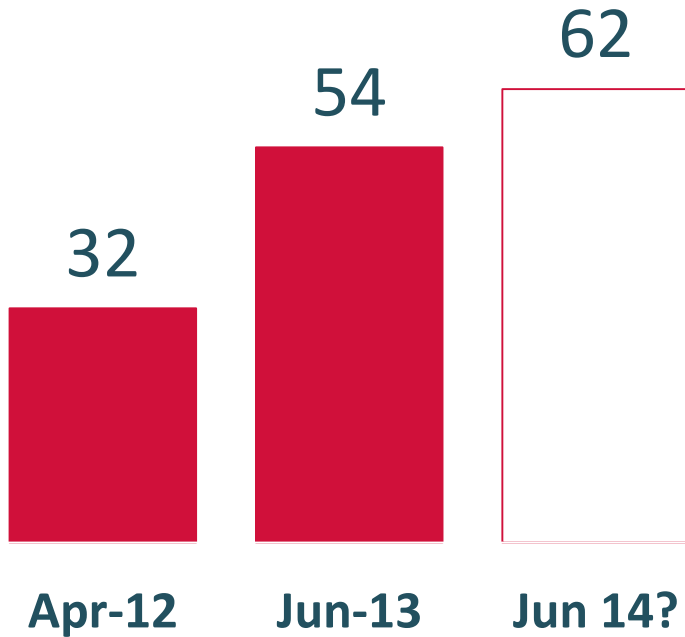
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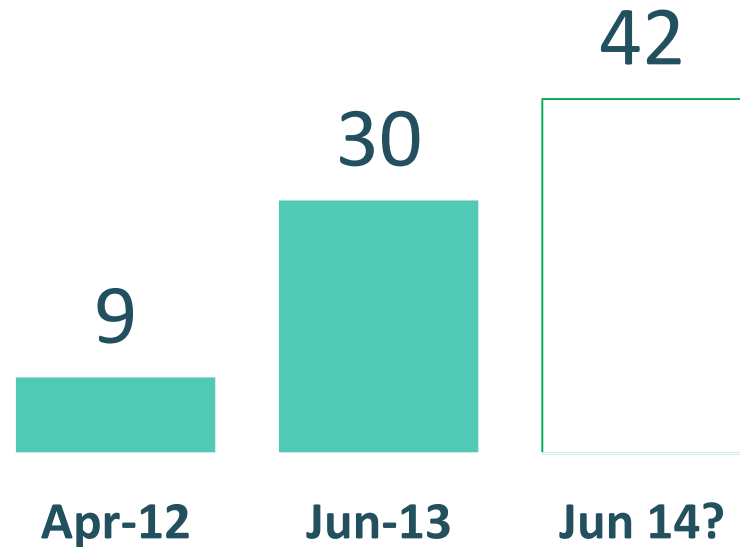
**How is mobile
ownership and
usage growing?**

The Rise of Mobile Technology Ownership in Ireland

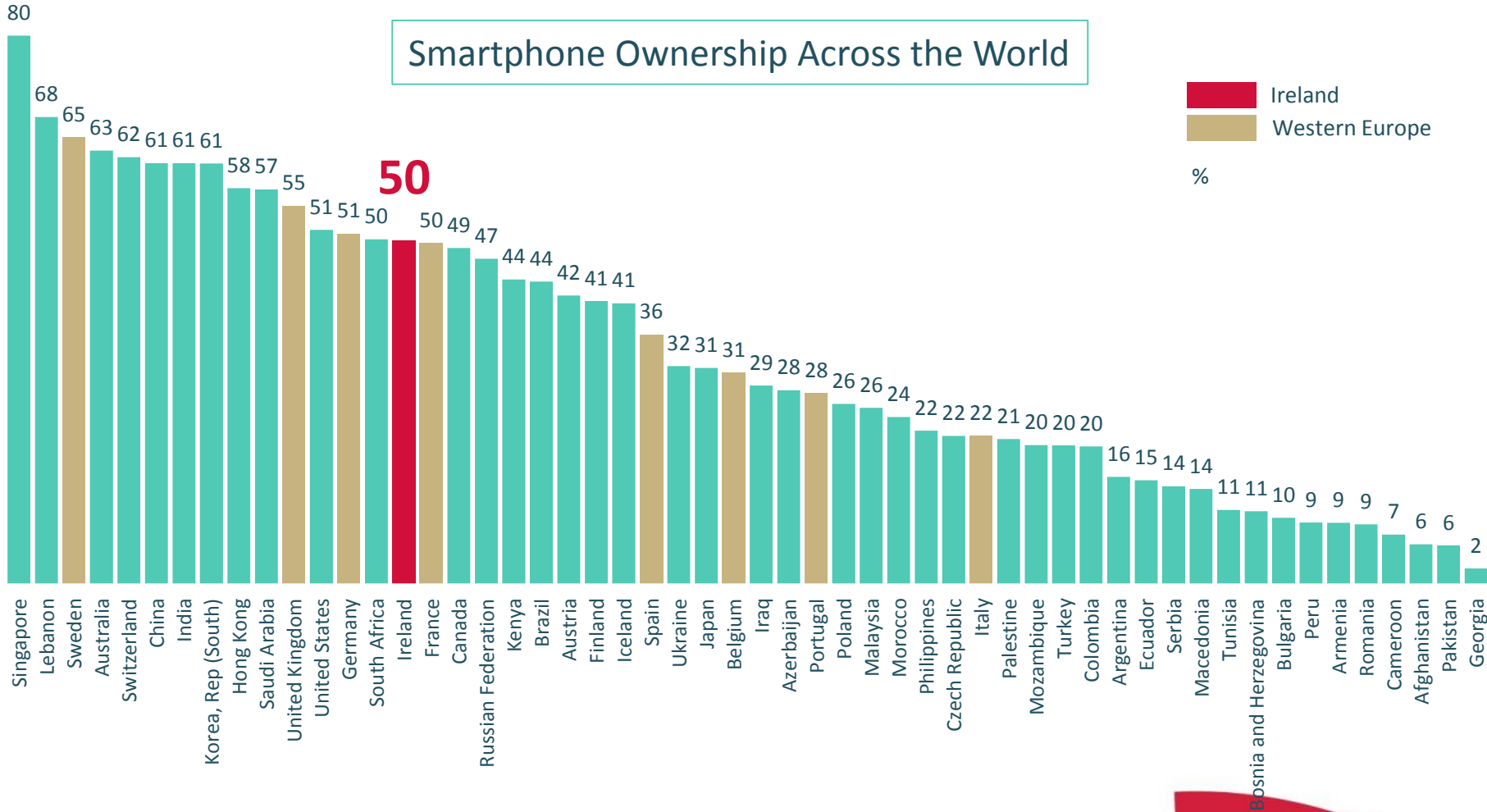
Smartphone Ownership



Tablet Ownership



Smartphone Ownership in Ireland Ahead of Other Major European Countries including Spain, Belgium, Portugal and Italy



Source: WIN GIA GSMA Survey Jan 2013



We Love Our Smartphones

68%

Reach for their phone when bored

“It’s the early days of smartphones. Everything is exciting and people like to show off new apps and functions to friends.”

62%

Cannot live without their phone



54%

Love to find new apps/ways of using the phone

“The smartphone is seen as *my* channel to the real world.”

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Mobile Now More About Online

“Mobiles are becoming less and less about communication and more about life.”



41%

of smartphone owners use their mobile more for **online** than calls/text



26%

of tablet users feel that it has **replaced** their PC



“The smartphone allows customers to have information at their fingertips. This is a game changer.”

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Time Spent Online is Growing



Hours Online per day for personal reasons



2009



2011

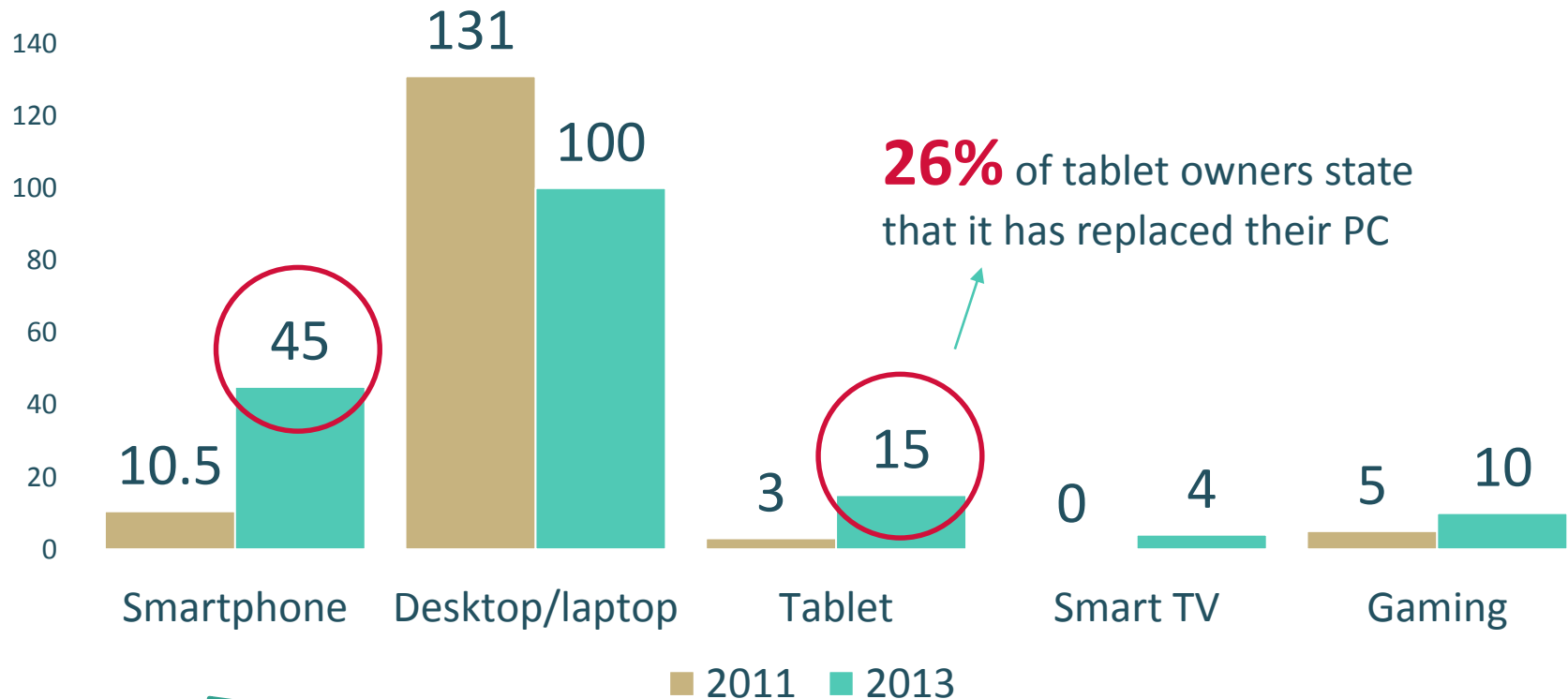


2013



Driven by a Rise in Time Spent Online through Mobile Devices

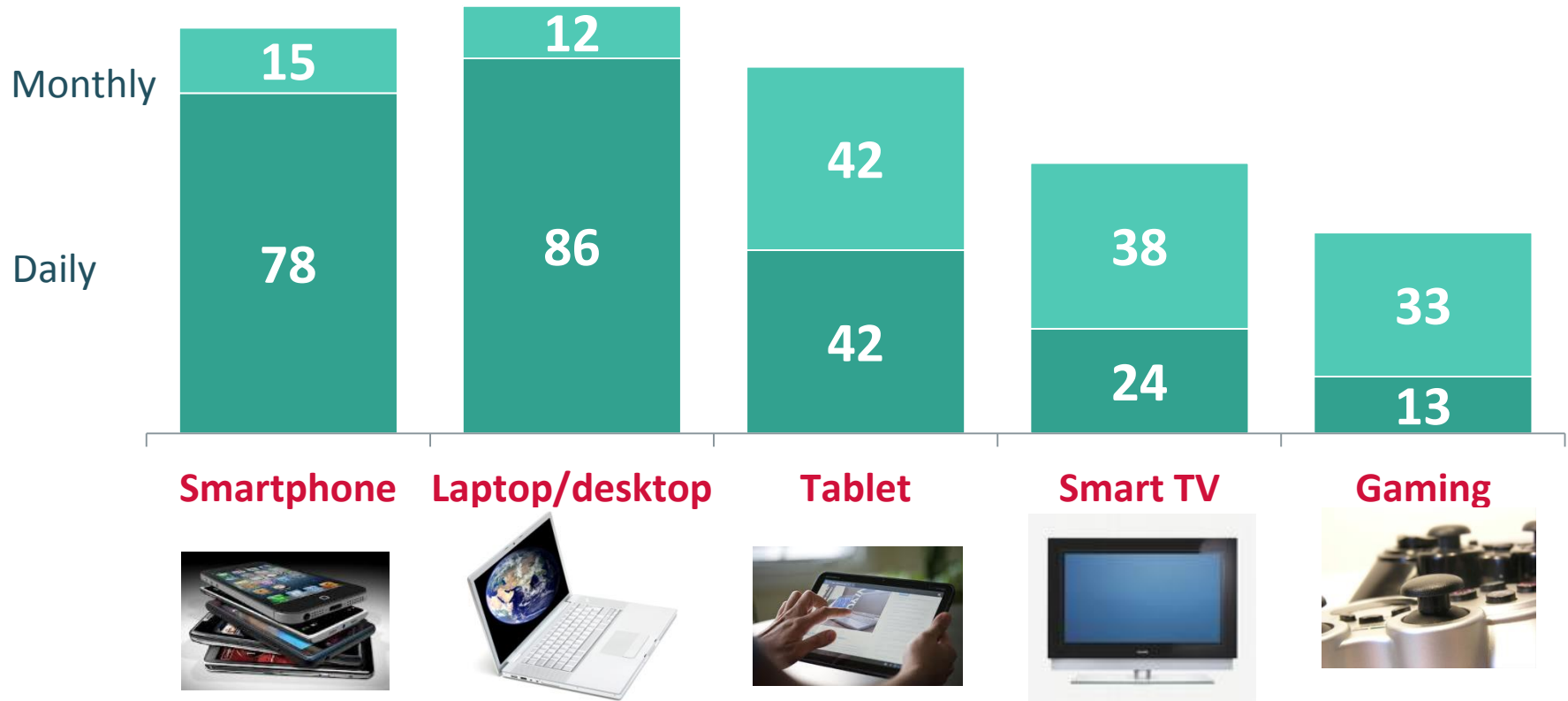
Minutes Online per Day by Product Type



“Consumers go online in the morning when turning off their alarms. Then when commuting to work. Then in lunch break. Again, late evening.”

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Frequency of Online Interaction by Device is High

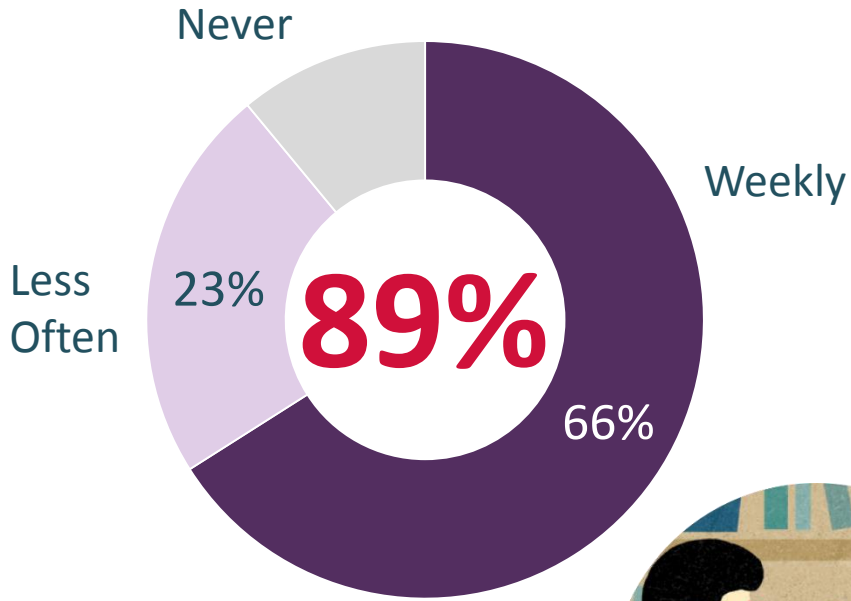




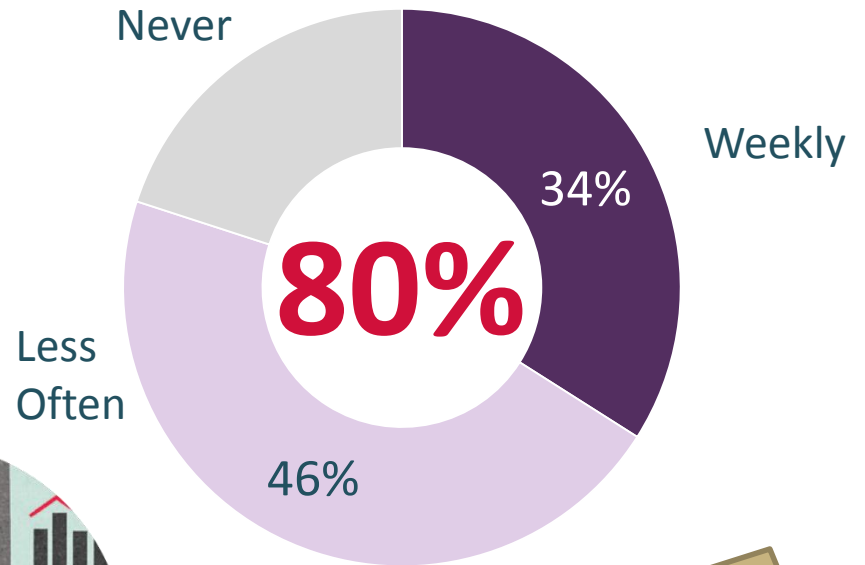
**What are the
opportunities in
changing usage?**

Dual Screen Activities Provide Opportunities

Browse Smartphone/
tablet while watching TV



Browse info on Smartphone/
tablet relevant to what you're watching



“This opens up new ways of talking to consumers, for example Shazam for exclusive content and offers.”

“Dual screening puts an emphasis on live TV. People want to be part of the social media conversation.”

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Mobile Relationship With In-Store Purchases



Find products/
service info on
phone while in a
store
%

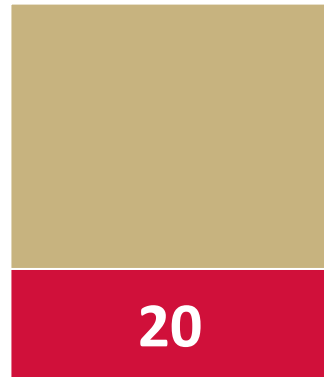
Purchase
product online
having viewed in
store
%

“Some retailers in the UK have showrooms where you can see the product but you have to buy online.”

Ever

68

80



“This is a big challenge for retailers. Consumers can check competitor prices while in your store and even buy online.”

Weekly

20

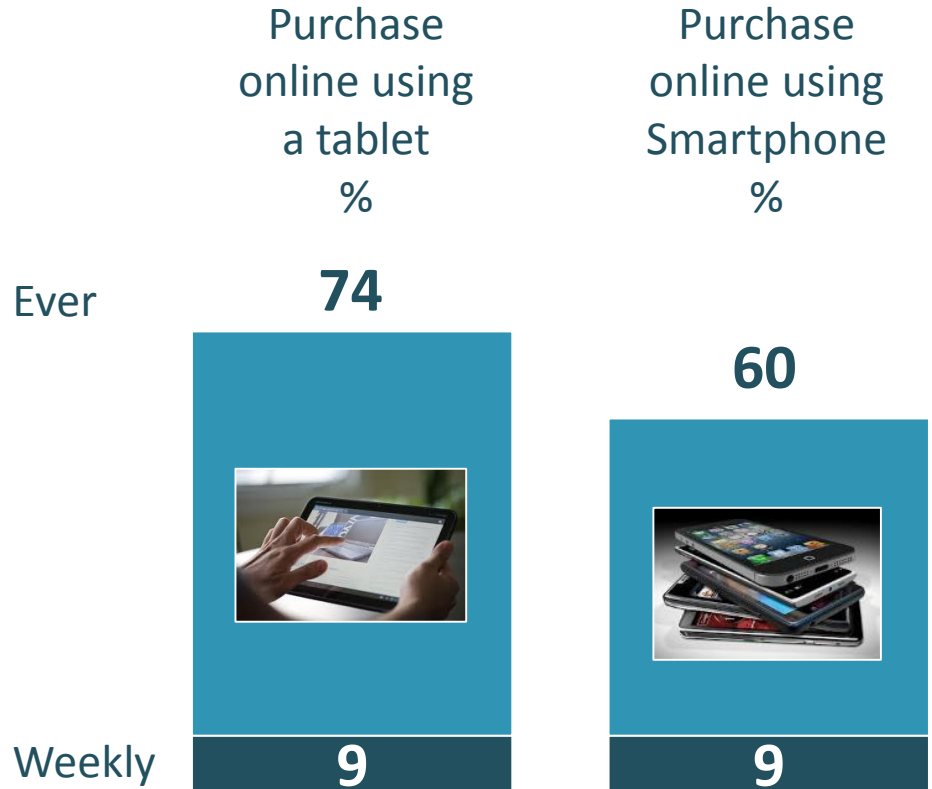
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Direct Purchasing Online Through Mobile



“While mobile has a high share of online consumption, it continues to struggle in terms of spend. PCs are still preferred for bigger purchases.”

“With time, purchasing will move towards smaller screens. We are currently conditioned to use PCs for bigger purchases; it offers a sense of comfort and security.”





So what is the best way to reach consumers through mobile?

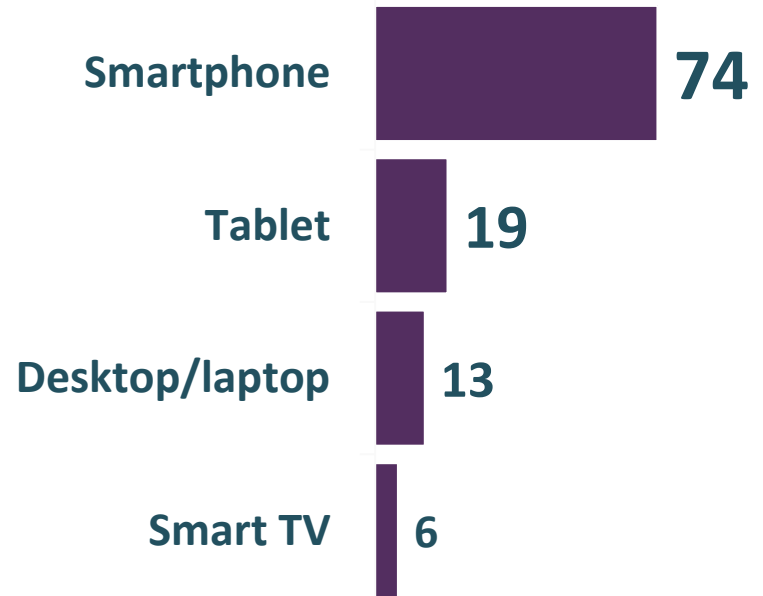
The Use of and Application of Apps



of all time spent online is via **apps**, this translates to **26** minutes per day

“There is a disconnect between app download and usage. Usability is dependent on the downloader having a relationship with the app.”

Use of **apps** via **Smartphone** accounts for a much higher proportion of time spent online



12 Month Future Projection for Apps

(Base: All Going Online Through Device)



Love to check out
new apps/find
new ways to use
their smartphone

“With more mobile optimised websites, apps could diminish in importance.”

Expect to Increase App Usage by Device



52%

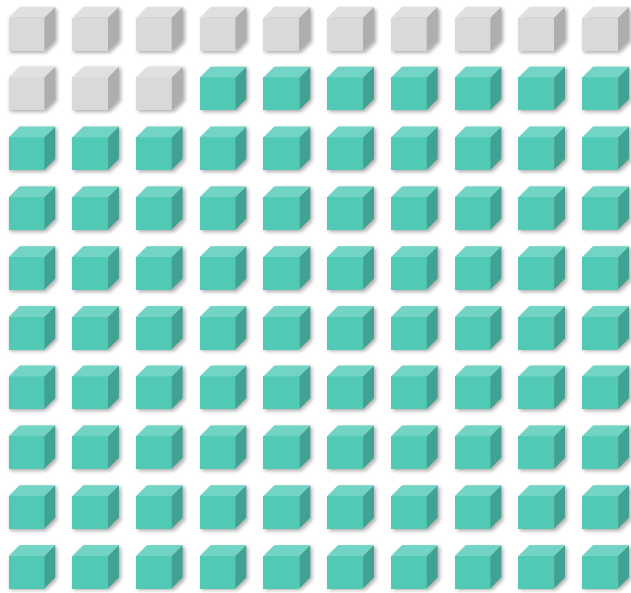


47%



44%

Mobile Optimised Websites

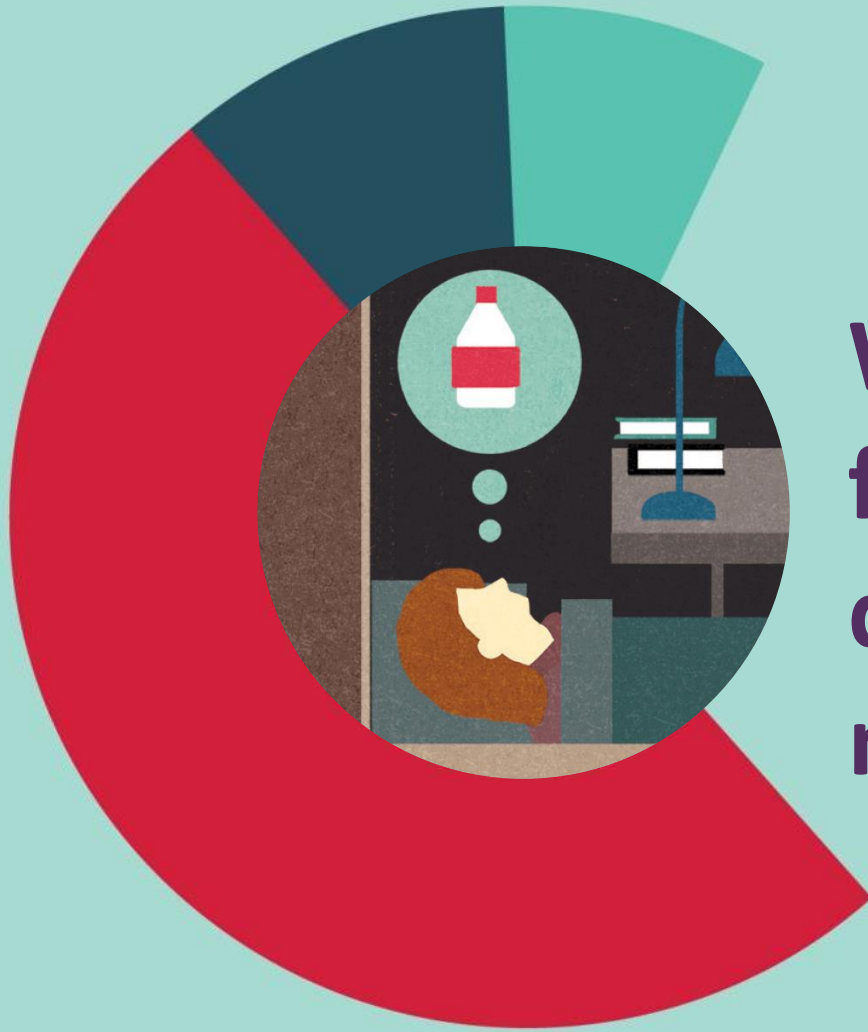


87%

are interested in mobile
optimised websites

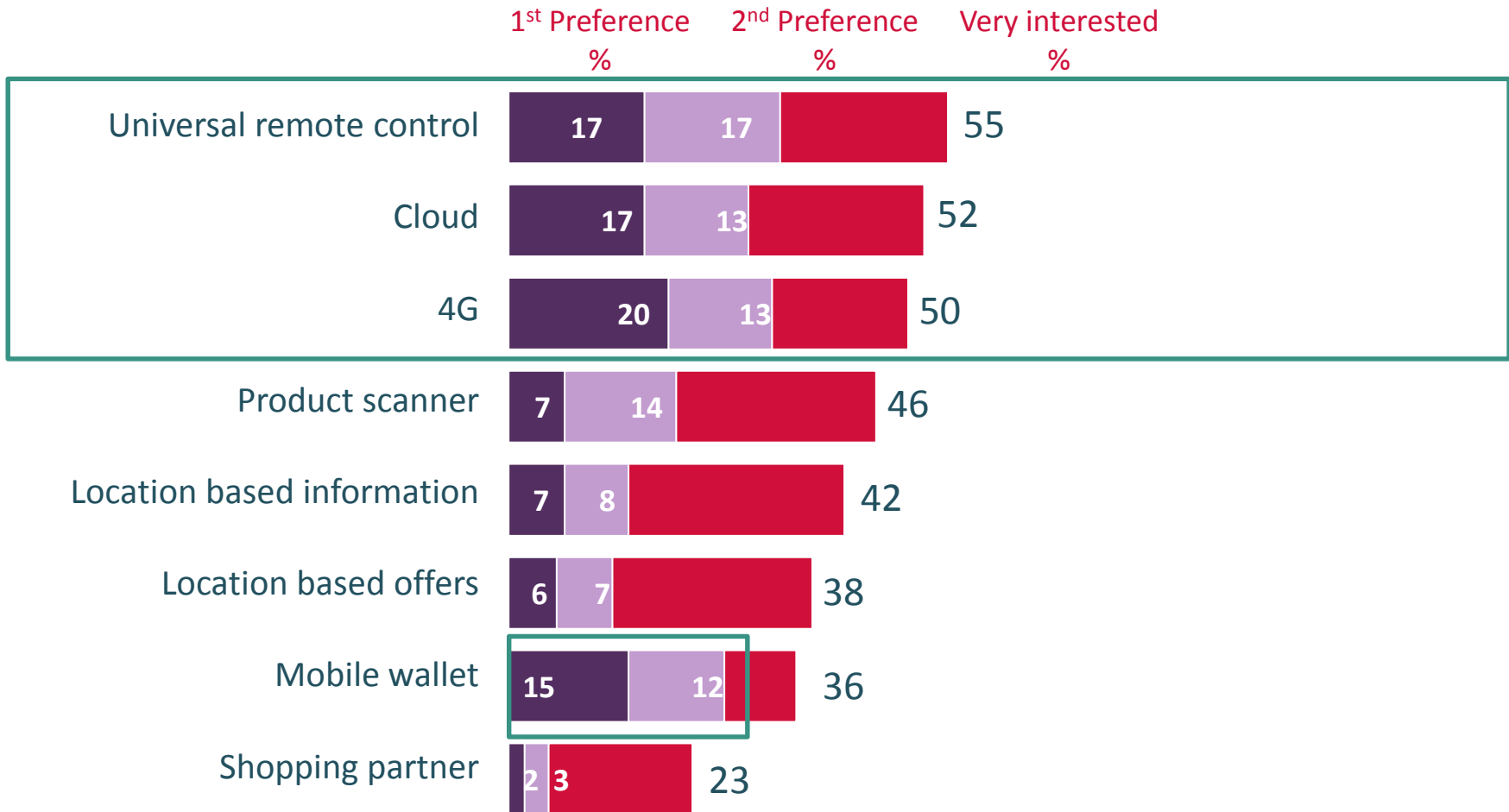
“The entire journey need to be mobile optimised...a final click to a badly optimised landing page destroys a campaign”

“Companies need to prioritise the mobile: *Mobile first, PC last*. Mobile sites need to be transactional”



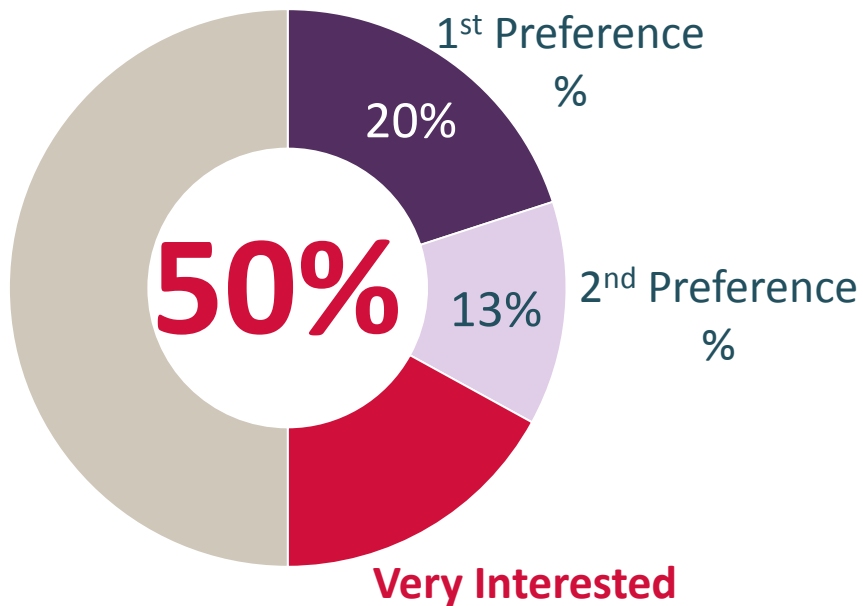
**What are the
future consumer
desires for
mobile?**

Future Technology Preference and Interest



The Speed of 4G is Key Interest - Increased Streaming!

4G



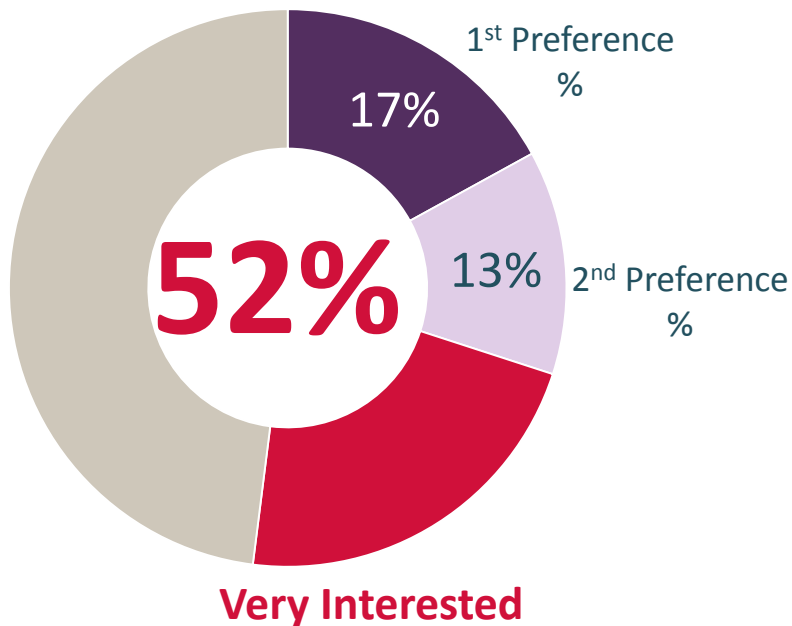
“The concerns of high bills are gone with flat fees for data usage”

“The need for speed appears to be unlimited – consumers want to watch movies, download music, play games on their phone from everywhere without any delay.”

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Cloud Demand to Enable On-the-Go Content

Cloud

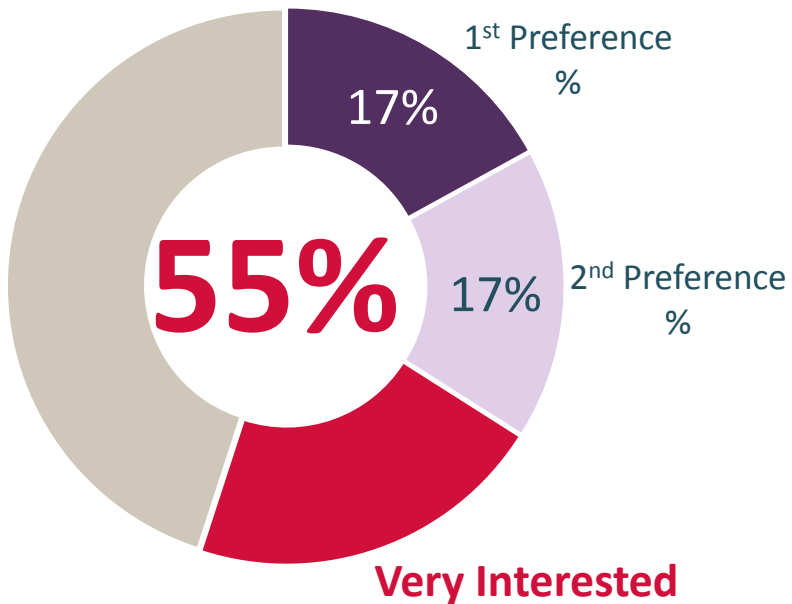


“Immediate access to your photos, music, files from everywhere. You don’t need to worry about what device to bring”

“One of the key worries about phones is loss of information – the cloud technology solves this”

Taking Control Through Smartphones

Universal Remote Control

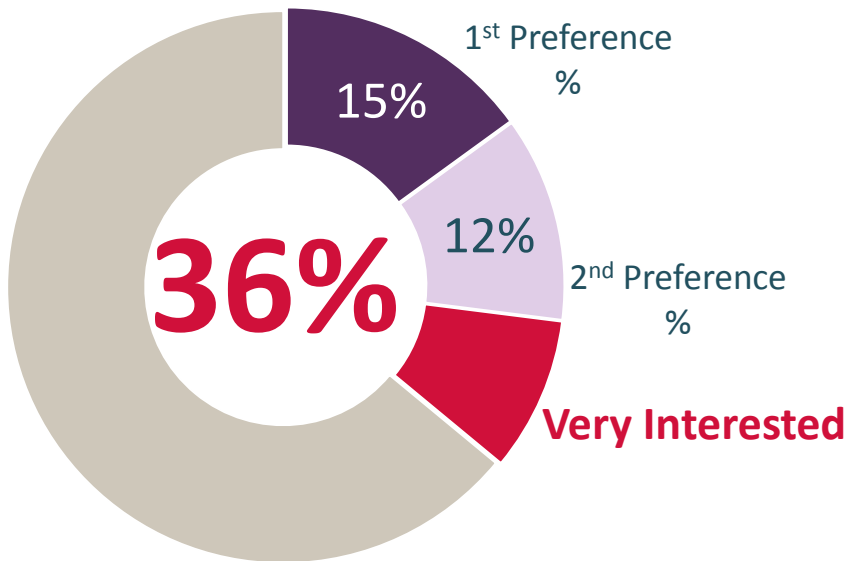


“It’s difficult to predict whether this will happen. It is exciting but does it offer any real consumer benefits?”

“Your fridge will tell your phone that you are out of milk and you can press a button to order”

Taking Control Through Smartphones

Mobile Wallet



“Mobile wallet and payments will be big. But consumers need to feel safe with having everything on their phone.”



49%

limit their smartphone usage due to security concerns

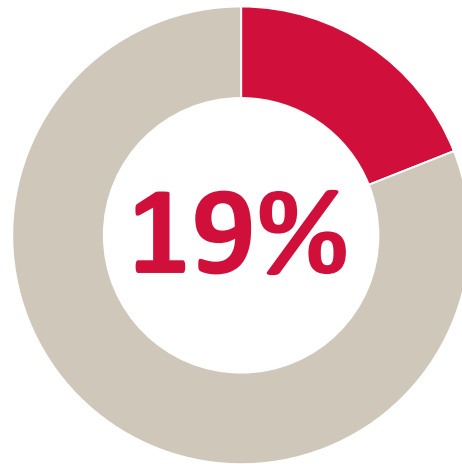
“Life is being continuously outsourced to our smartphones.”

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**How do we ensure
mobile advertising
is well received?**

Mobile Advertising – Friend or Foe?



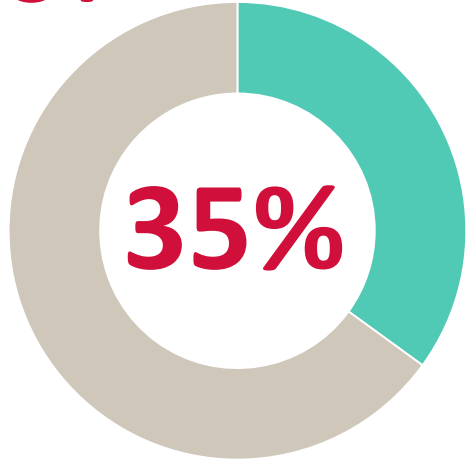
Only **19%** claim to be specifically interested in advertising funded content

“Advertising must be personalised; less noise, more relevance.”

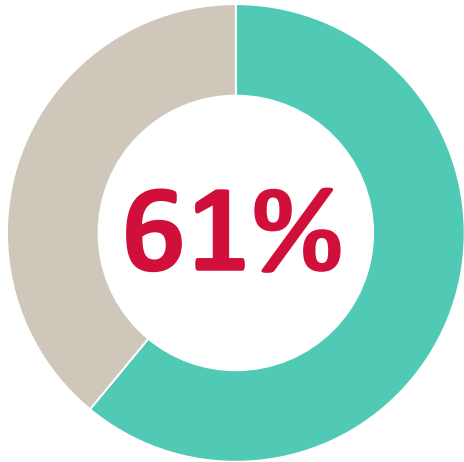
“Mobile advertising is a value exchange, make it relevant and people are prepared to accept advertising.”

Mobile Advertising – Friend or Foe?

BUT



think its fine for companies to advertise in return for great Apps, Games etc.



believe ads on their mobile are valuable

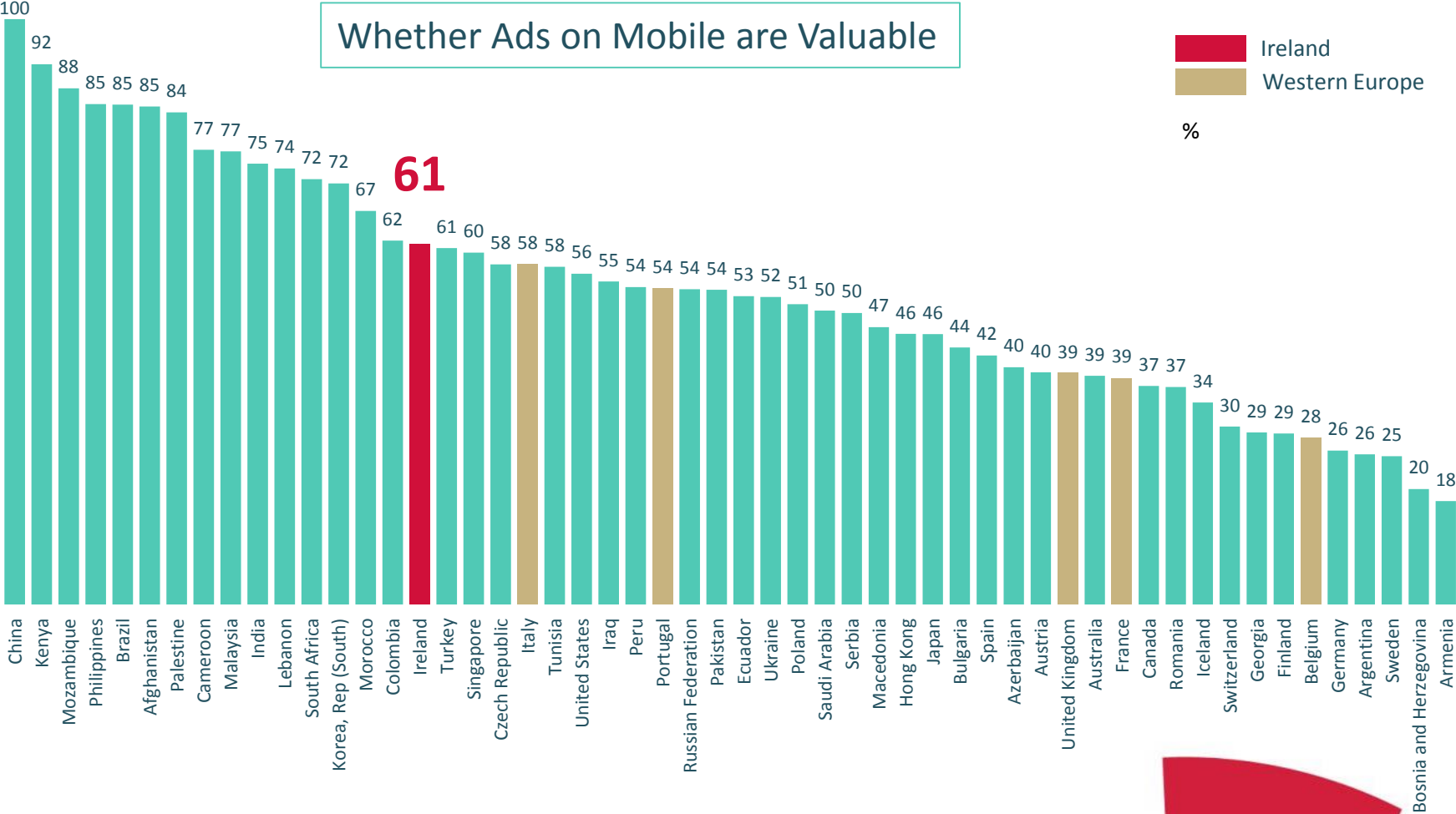


“If given a choice, most would prefer ads over paying to watch movies or videos online.”

“We still need to work out how ads on mobile can become as effective as ads on PC.”

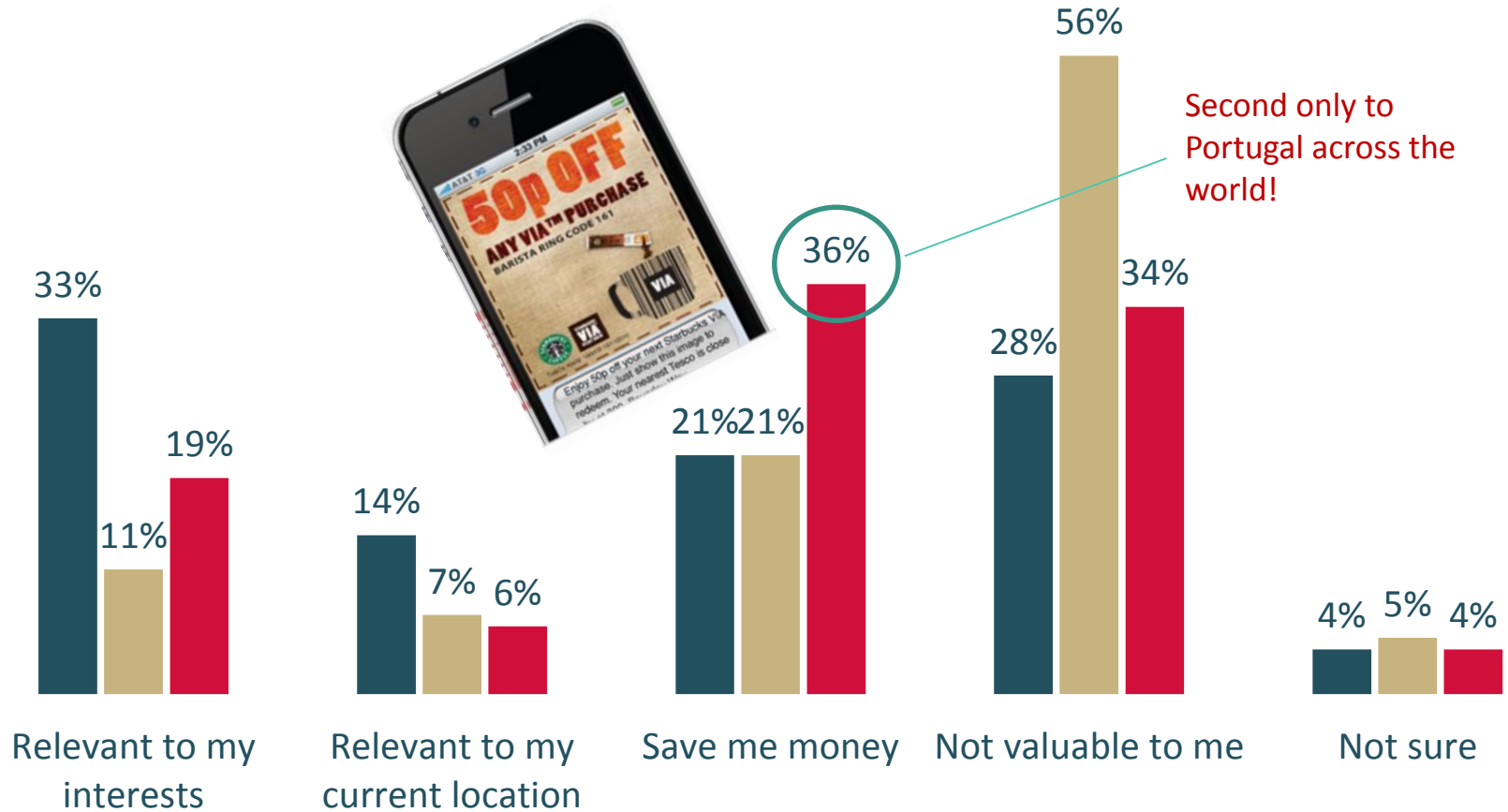


More People in Ireland, than in Any Other Country in Western Europe, Believe Ads on their Mobile are Valuable



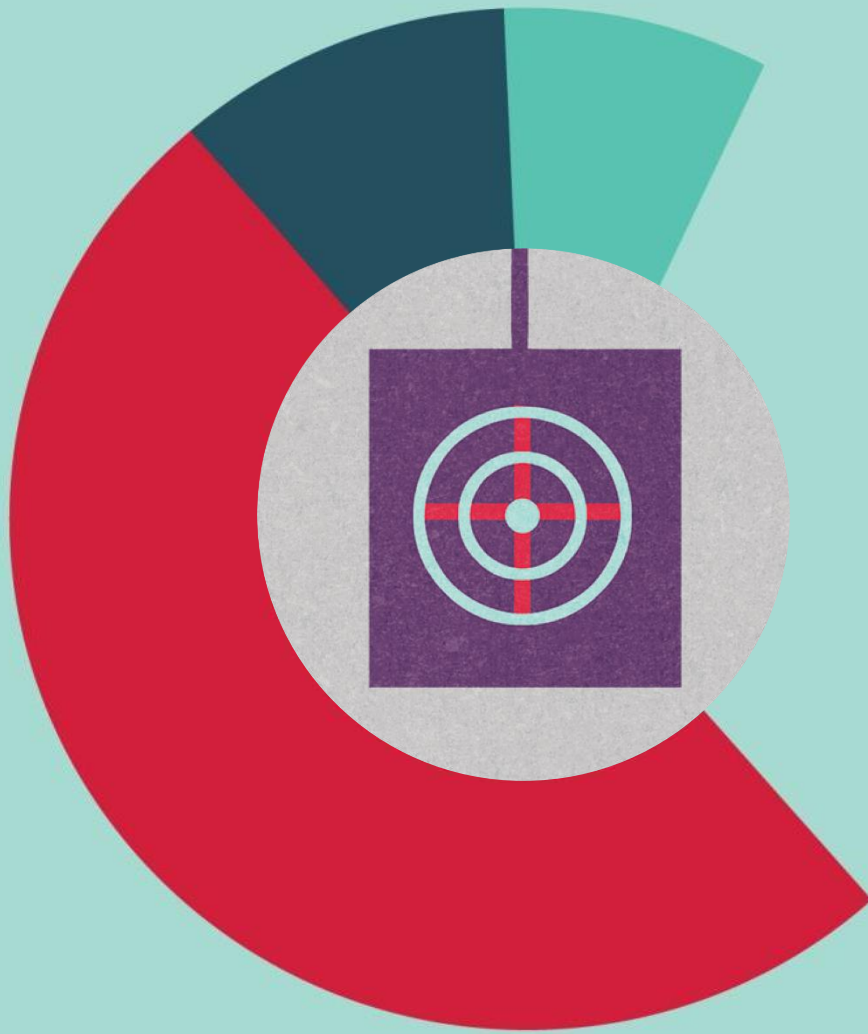
Ads On My Mobile Are Most Valuable When They Are...

■ Global N=54,121 ■ Western Europe N=12,918 ■ Ireland N=1,000



...Irish people are much more likely to see mobile ads as valuable, particularly if they save the owner money!





The Challenges with Mobile in your Plan

Key Challenges to Successful Implementation



Putting Mobile at the heart of your plan...



✓ “Companies need to prioritise the mobile: *Mobile first, PC last*. Mobile sites need to be transactional”

What do we need to do:

- ✓ Put mobile at the start of your campaign, and work out from that
- ✓ New advertising model – internet advertising model unlikely to be fit for mobile “Creativity is key, there is a need to redefine advertising”
- ✓ Ensure every aspect of the campaign and our online offering across the board is optimised for mobile
- ✓ Ensure your campaign can be utilised cross platform, whatever device is used

“The entire journey need to be mobile optimised...a final click to a badly optimised landing page destroys a campaign”

Keeping up...

- / “Early days” – lots of trial & error
- / Functions/apps liked for fun/novelty but this will change as market mature – need for relevance and context
- / Lots of development are consumer driven - demand for 4G, Cloud and Taking Control

What do we need:

- ✓ Convergence of platforms – *“Technical issues are the biggest barrier to growth”*
- ✓ Keep abreast of ever changing consumer needs and usage
- ✓ Introduce technologies/apps that cover real needs in the market place, utilise the mobile phone technologies and are contextual – *“Avoid too many fads”*



“Customers are *there*; the market needs to catch up.”

“Too many companies try something in blind, we need a more planned approach to optimise this platform.”

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Being Relevant and Contextual...

- / Consumers are open to advertising content – more so in Ireland than other countries
- / Managing frequency is important – you don't mind if the message or offer is relevant.

What do we need:

- ✓ Be relevant/contextual
- ✓ Utilise phone functionalities, e.g. GPS, contacts, etc.
- ✓ Utilise new technologies, e.g. near field or Shazam

1. Run media platforms to provide rich content rather than run straight to an app,
2. Use technology built in to the phone to engage,
3. Optimise final landing page



“Think about mobile as a connection point throughout the day, and make campaigns that build on this.”

“Smartphone advertising allows for deeper, richer levels of engagement with consumers.”

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Providing Value & Enabling Easy Redemption...



- / Mobile gaining importance for entertainment & search but remains behind PC in terms of spend
- / *“Consumers set aside time for complex transactions. They log onto their computer and complete transactions there”*
- / Lack of transactional functionalities on mobile is the key barrier for growth – non-optimised sites, small screen, lack of keyboard – concerns about security is much less of an issue.

“Often mobile sites provide rich product information but then link to PC website for buying.”

What do we need:

- ✓ Mobile/tablet optimised sites for transactions
- ✓ Reward (e.g. vouchers/discounts) for purchasing through these channels – to prompt further use

“Smartphone’s are the dominant internet connection and the market needs to realise that: Mobile first, PC last.”

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**THANK
YOU**

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