



# Our Mobile Planet: China

Understanding the Mobile Consumer

May 2012



**Ipsos OTX MediaCT**  
The Media, Content and Technology Research Specialists

# Executive Summary



**Smartphones have become an indispensable part of our daily lives.** Smartphone penetration is currently at 33% of the population and these smartphone owners are becoming increasingly reliant on their devices. 64% access the Internet every day on their smartphone and 43% never leave home without it. **Implication:** Businesses that make mobile a central part of their strategy will benefit from the opportunity to engage the new constantly connected consumer.



**Smartphones have transformed consumer behavior.** Mobile search, video, app usage, and social networking are prolific. Smartphone users are multi-tasking their media with 83% using their phone while doing other things such as watching TV (42%). **Implication:** Extending advertising strategies to include mobile and developing integrated cross-media campaigns can more effectively reach today's consumers.



**Smartphones help users navigate the world.** Appearing on smartphones is critical for local businesses. 93% of smartphone users look for local information on their phone and 96% take action a result, such as making a purchase or contacting the business. **Implication:** Ensuring that clickable phone numbers appear in local results and leveraging location based services on mobile make it easy for consumers to connect directly with businesses.



**Smartphones have changed the way consumers shop.** Smartphones are critical shopping tools with 97% having researched a product or service on their device. Smartphone research influences buyer decisions and purchases across channels. 59% of smartphone users have made a purchase on their phone. **Implication:** Having a mobile optimized site is critical and a cross-channel strategy is needed to engage consumers across the multiple paths to purchase.



**Smartphones help advertisers connect with consumers.** Mobile ads are noticed by 97% of smartphone users. Smartphones are also a critical component of traditional advertising as 87% have performed a search on their smartphone after seeing an offline ad. **Implication:** Making mobile ads a part of an integrated marketing strategy can drive greater consumer engagement.

# Understanding the Mobile Consumer

This survey is designed to gain insights into how consumers use the Internet on their smartphones

In detail:

- Facts and figures about smartphone adoption and usage
- Internet usage in general, search, video, social networking, mobile advertising and m-commerce behavior via smartphones
- This country report is part of a global smartphone study conducted in multiple countries. Visit [OurMobilePlanet.com](http://OurMobilePlanet.com) for access to additional tools and data



How are smartphones used in **daily life**?



How do consumers **multi-task** with their smartphones?



What **activities** are consumers conducting on their smartphones?



What role do smartphones play in the **shopping** process?



How do consumers respond to **ads**, offline and on mobile?

# Agenda

- 1** Smartphones are Indispensable to Daily Life

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- 2** Smartphones Have Transformed Consumer Behavior

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- 3** Smartphones Help Users Navigate the World

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- 4** Smartphones Change the Way Consumers Shop

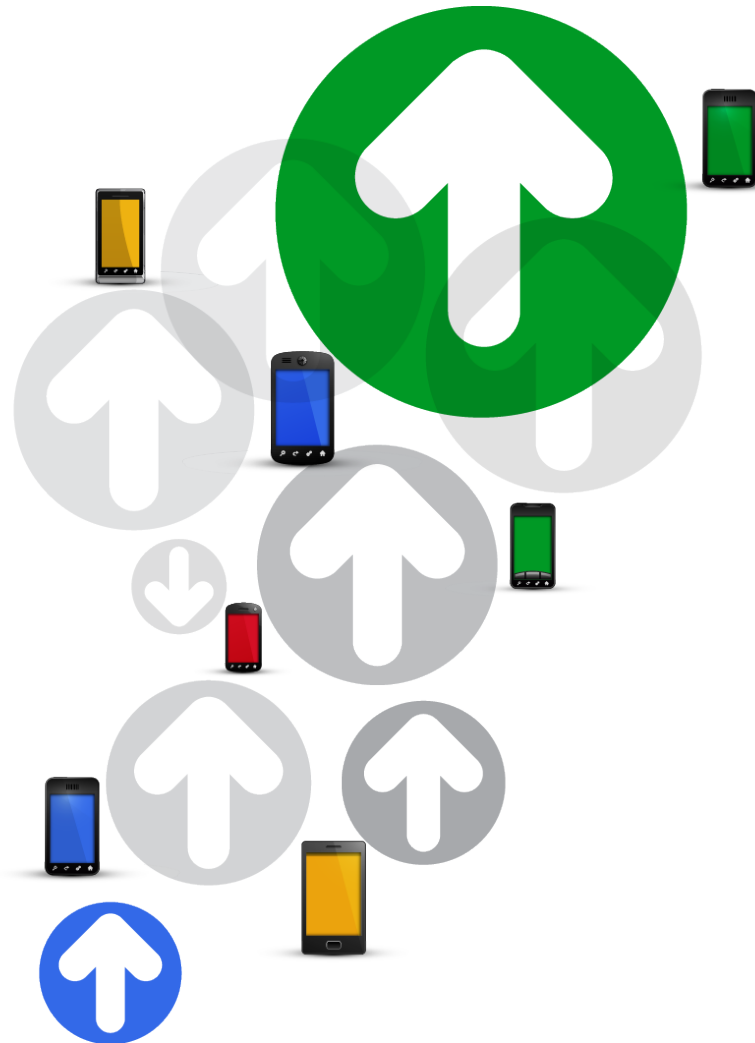
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- 5** Smartphones Help Advertisers Connect with Customers

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SMARTPHONES  
ARE INDISPENSABLE  
**TO DAILY LIFE**



# Smartphone Penetration in China



33%  
adoption



# Smartphones are a Central Part of Our Daily Lives

# 64%

have used their smartphones every day in the past 7 days

Base: Private smartphone users who use the internet in general, Smartphone n= 1,000  
Q18: Thinking about the last seven days on how many days were you online with ...?

# Smartphones are Always On, Always with You



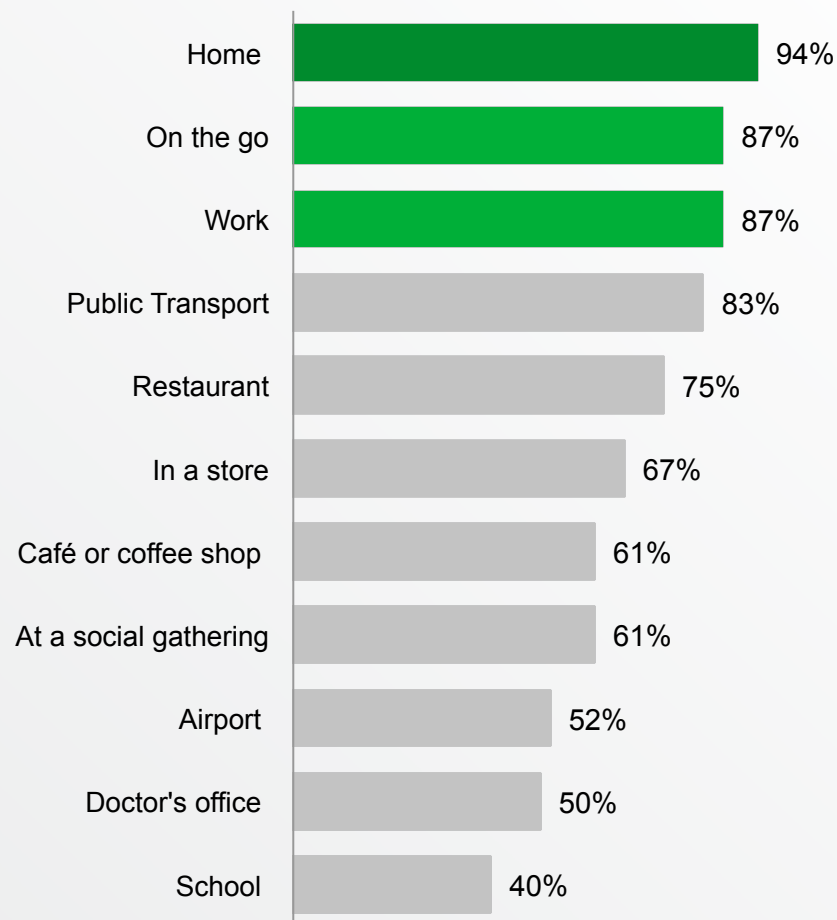
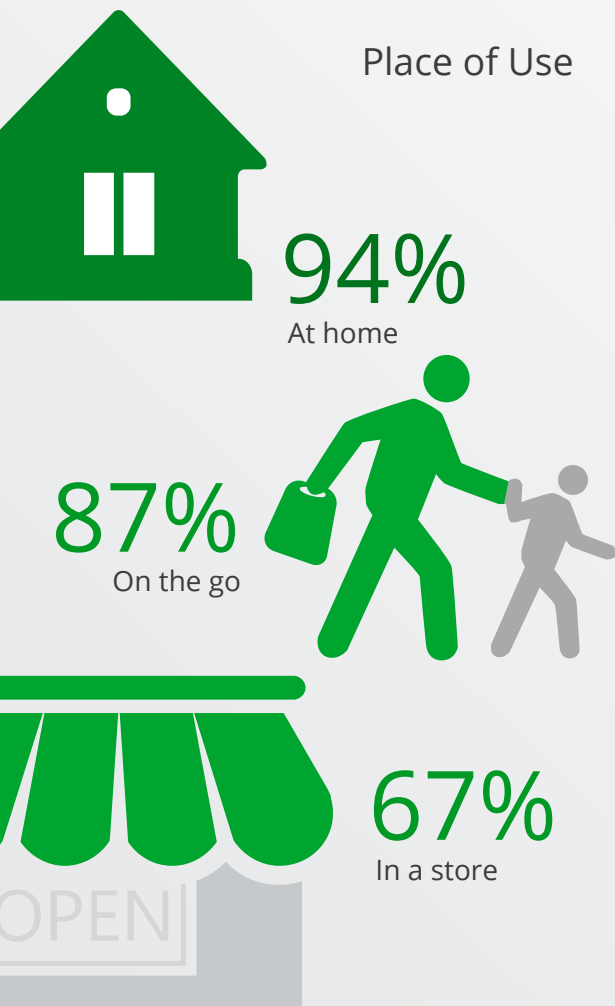
**43%**  
don't leave home  
without their device

Base: Private smartphone users who use the internet in general, Smartphone n= 1.000

Q52: To what extent do you agree to each of these statements?, Top2 Boxes; scale from 5 – completely agree to 1 – completely disagree. "I don't leave house without my smartphone"



# Smartphones Are Used Everywhere

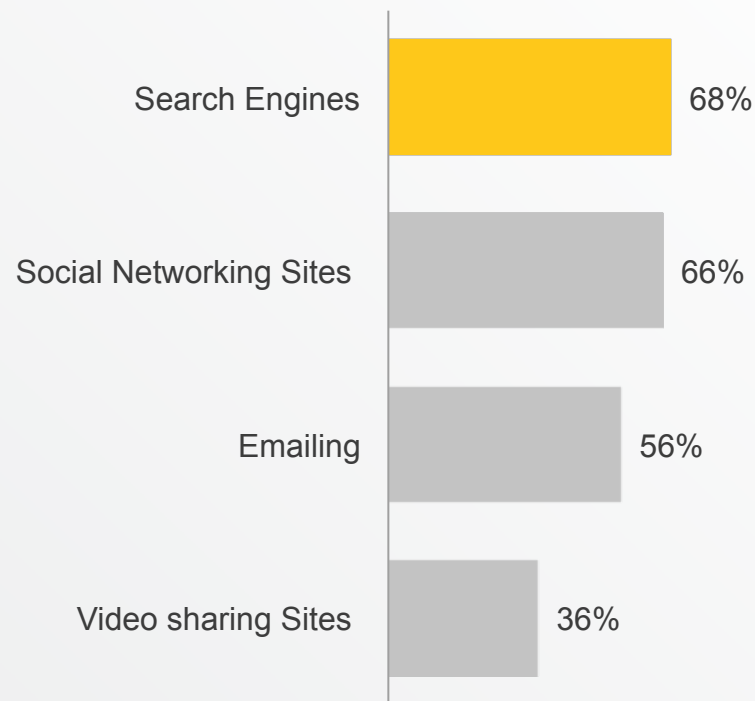


# Allowing Users to Stay Fully Connected



**56%**

access the  
Internet on their  
smartphones at least  
once a day



Base: Private smartphone users who use the internet in general, Smartphone n= 1.000

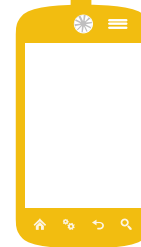
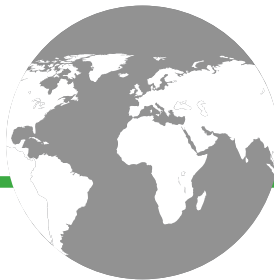
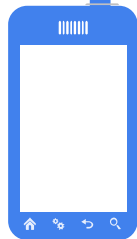
Q9: Using the scale below, please indicate approximately how frequently you use the Internet in general and specific services and types of websites through your browser or apps on your smartphone? Responses reflect at least once a day.

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# Smartphone Use is Expected to Increase

51%

expect  
to use their  
smartphone more to  
access the Internet  
in the future



Base: Private smartphone users who use the internet in general, Smartphone n= 1.000

Q21: Thinking about the next 12 months, what do you expect, how will you be using the internet with your...?

Google Confidential and Proprietary

# Smartphones Have Become so Important to Consumers that ...

# 54%

would rather give up  
**TV** than their smartphone



Base: Private smartphone users who use the internet in general, Smartphone n= 1,000  
Q52: To what extent do you agree to each of these statements?, Top2 Boxes; scale from 5 – completely agree to 1 – completely disagree. I would rather give up TV than my smartphone, 'I would rather give up my TV / desktop PC than my smartphone'

# SMARTPHONES HAVE TRANSFORMED **CONSUMER BEHAVIOR**



# Smartphones are a Major Access Point for Search

63%

search on their  
smartphones  
**every day**





# Smartphones Inform Our Daily Life



Base: Private smartphone users who use the internet in general, Smartphone n= 1.000

Q23: Which of the following activities do you do with your smartphone? Please indicate whether you ever do this at all.

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# Smartphones are a Multi-Activity Portal



**83%**  
Communication

Emailed (sent or read)  
Accessed a social network (e.g. updated a status message checked messages or friends' pages)



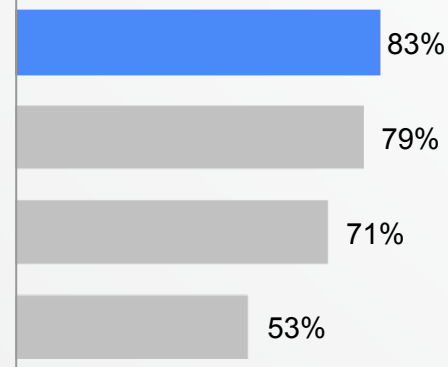
**83%**  
Stay Informed

Reviewed websites blogs or message boards  
Read news on newspaper or magazine portals



**94%**  
Entertainment

Browsed the Internet  
Listened to music  
Played games  
Watched videos on a video sharing website (e.g. YouTube.com)



# App Usage is Ubiquitous



**19** apps installed  
on average

**8** apps used in the  
last 30 days

**2** paid apps installed  
on average

Base: Private smartphone users who use the internet in general, Smartphone n= 1.000

Q24: How many apps do you currently have on your smartphone?

Base: Private smartphone users who use the internet in general and who have at minimum one app on their smartphone, n= 1.000

Q25: And of the apps you currently have installed on your smartphone, how many have you used actively in the last 30 days?

Q26: And of the apps you currently have installed on your smartphone, how many have you purchased for a certain amount in an app store?

# Smartphones Users are Avid Video Watchers



**CLICK TO WATCH VIDEO**

**85%**

watch video

**24%**

use video at least  
once a day

# Smartphone Users are Frequent Social Networkers

92%

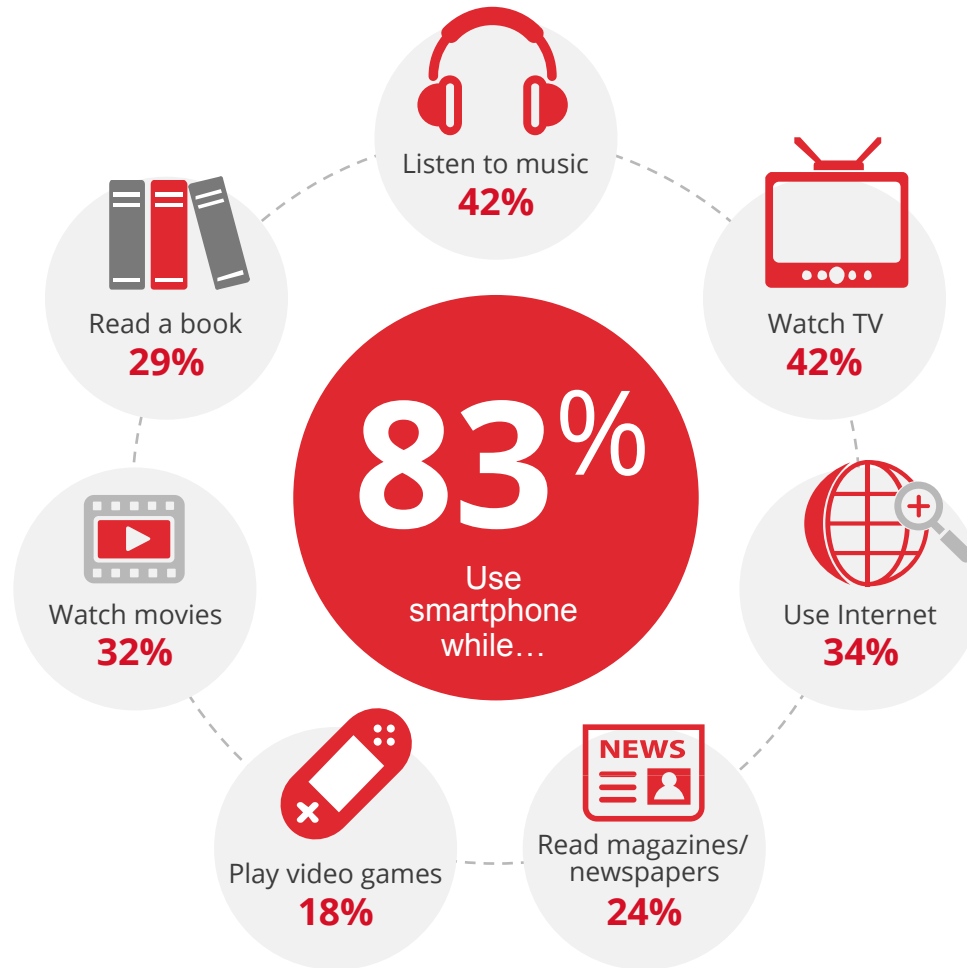
visit social  
networks

49%

visit at least  
once a day

Base: Private smartphone users who use the internet in general, Smartphone n= 1.000 . Q38: How often do you visit a social network (via websites or apps) on your ... ?

# Smartphones Are Used While Multi-tasking with Other Media





SMARTPHONES  
HELP USERS  
NAVIGATE THE WORLD  
AROUND THEM





# 93%

of smartphone users  
have looked for local  
information

# 96%

have taken action as  
a result

Base: Private smartphone users who use the internet in general. Smartphone n=1,000  
Q43: How often do you look up information on the internet in general?  
Base: Private smartphone users who use the internet in general and who look at least less than once a month for information on the internet in general.  
Q44: Which of the following actions have you taken after having looked up information on the internet in general?  
Base: Private smartphone users who use the internet in general and who look at least less than once a month for information on the internet in general and who have taken at least one of the following actions after having looked up information on the internet in general.

# Looking for Local Information is a Frequent Smartphone Activity



**57%**

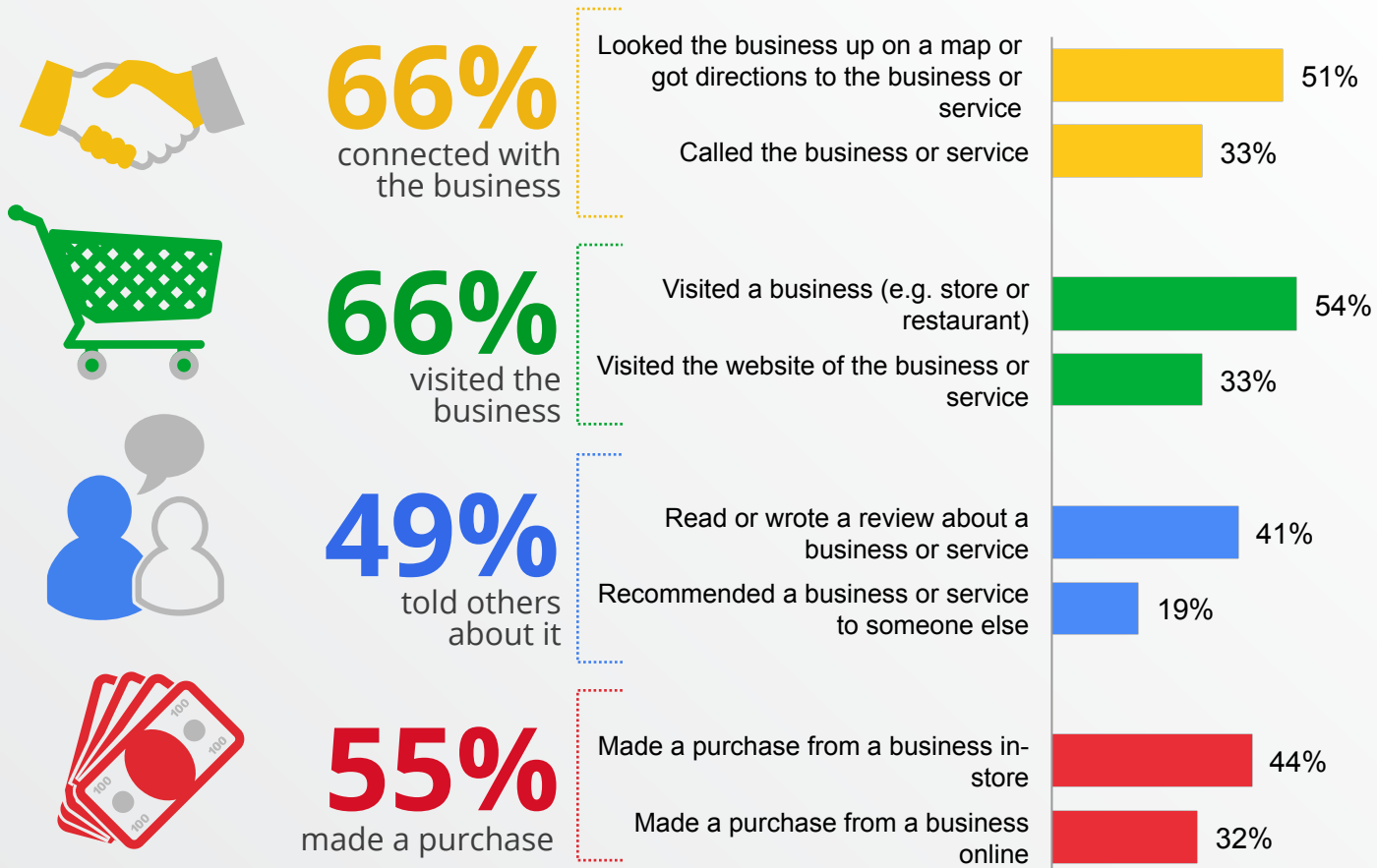
Look for local information at  
least **once a week**



**21%**

Look for local  
information **daily**

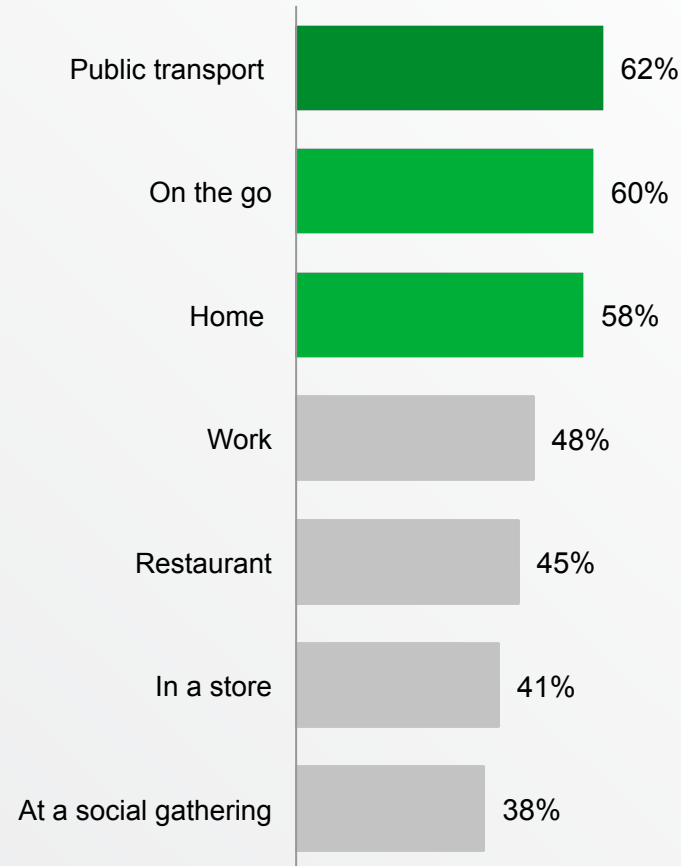
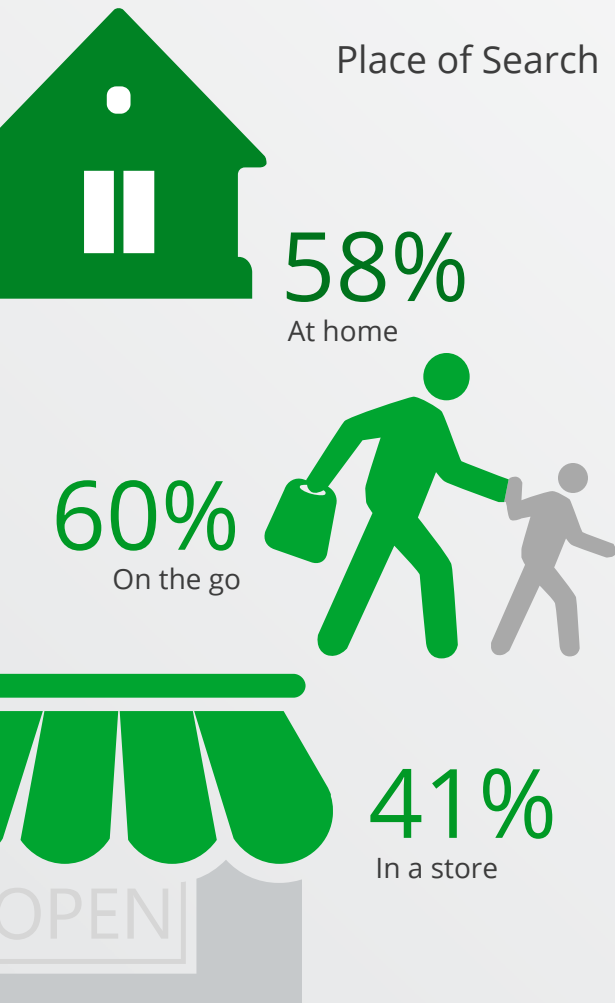
# Local Information Seekers Take Action



SMARTPHONES  
**CHANGE THE WAY  
CONSUMERS SHOP**



# Smartphones Allow Users to Research Products Anytime, Anywhere





# 97%

have researched  
a product or service  
on their phone



# Smartphones are Our Primary Shopping Companions

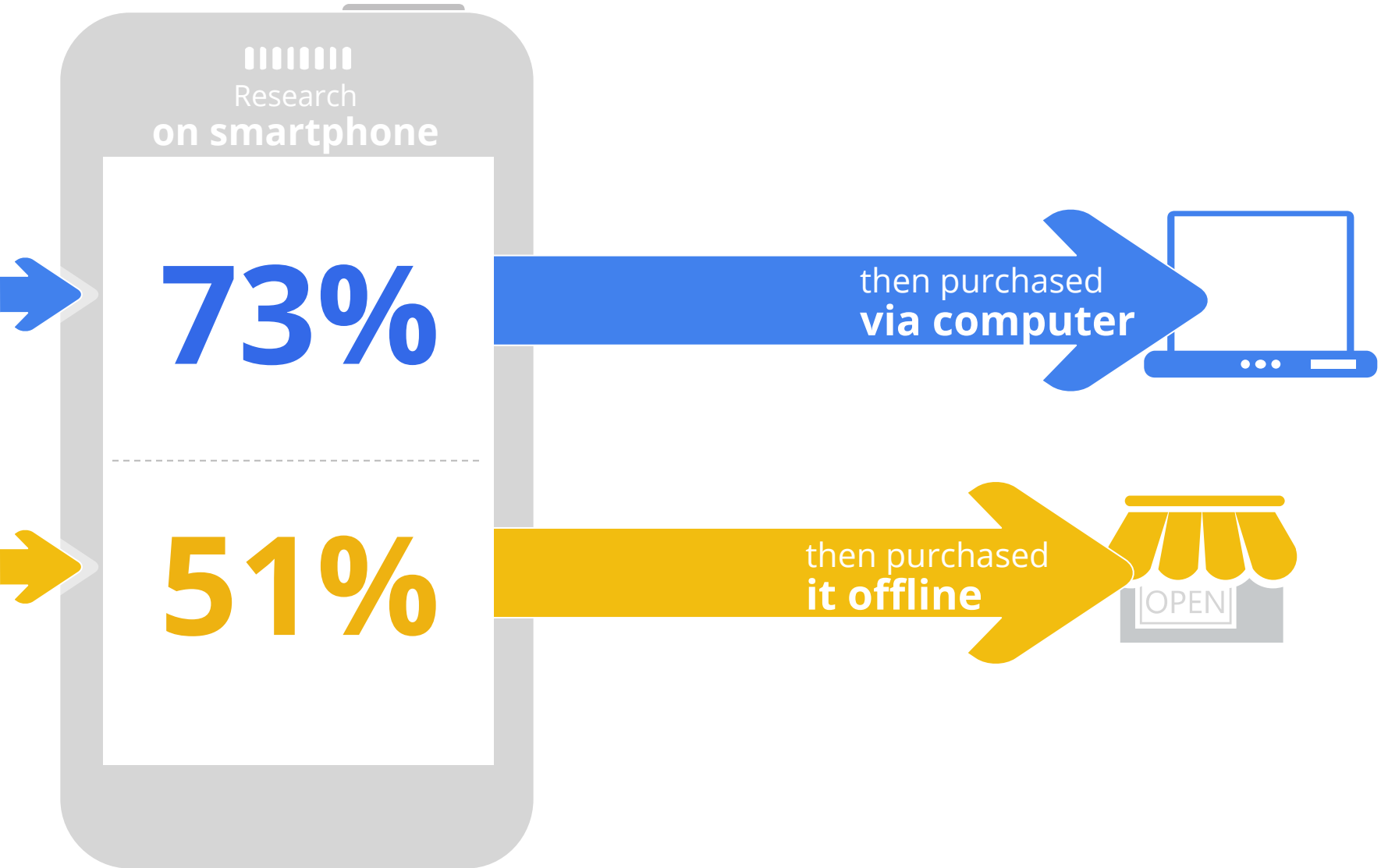


I intentionally have my smartphone with me  
**to compare prices and inform myself about products.** 53%

**I have changed my mind about purchasing a product or service in store** as of a result of information I gathered using my smartphone. 50%

**I have changed my mind about purchasing a product or service online** as of a result of information I gathered using my smartphone. 49%

# Research that Starts on Smartphones Leads to Purchases Across Channels



Base: Private smartphone users who use the internet in general, Smartphone n= 1.000  
Q48: Listed below are various products or services. For each of these products or services please indicate which statement applies to you.

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# Smartphones Are an Emerging Point of Purchase



**59%**

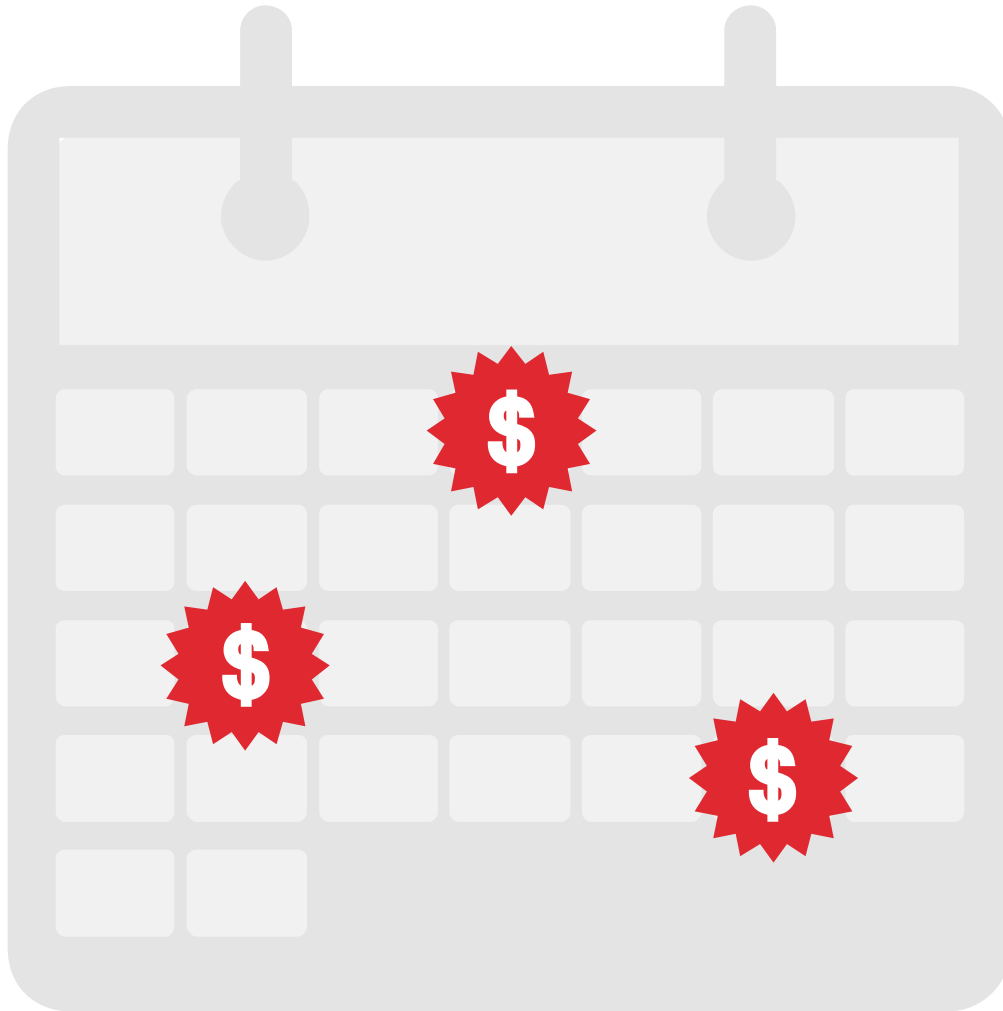
of smartphone users  
have purchased a  
product or service  
on their smartphone

**77%**

of these smartphone shoppers  
have made a purchase  
in the past month

Base: Private smartphone users who use the internet in general, Smartphone n= 1,000  
Q44: Have you ever purchased a product or service over the internet on your smartphone? With product or service we mean everything you can excluding apps. Base: Private smartphone users who use the internet in general and who purchased via internet on their smartphone n= 591  
Q45: Have you made a purchase by using your smartphone in the past month?

# Smartphones Shoppers are Frequent Buyers



**76%**

make mobile purchases  
at least once a month

# Mobile Commerce will Continue to Grow

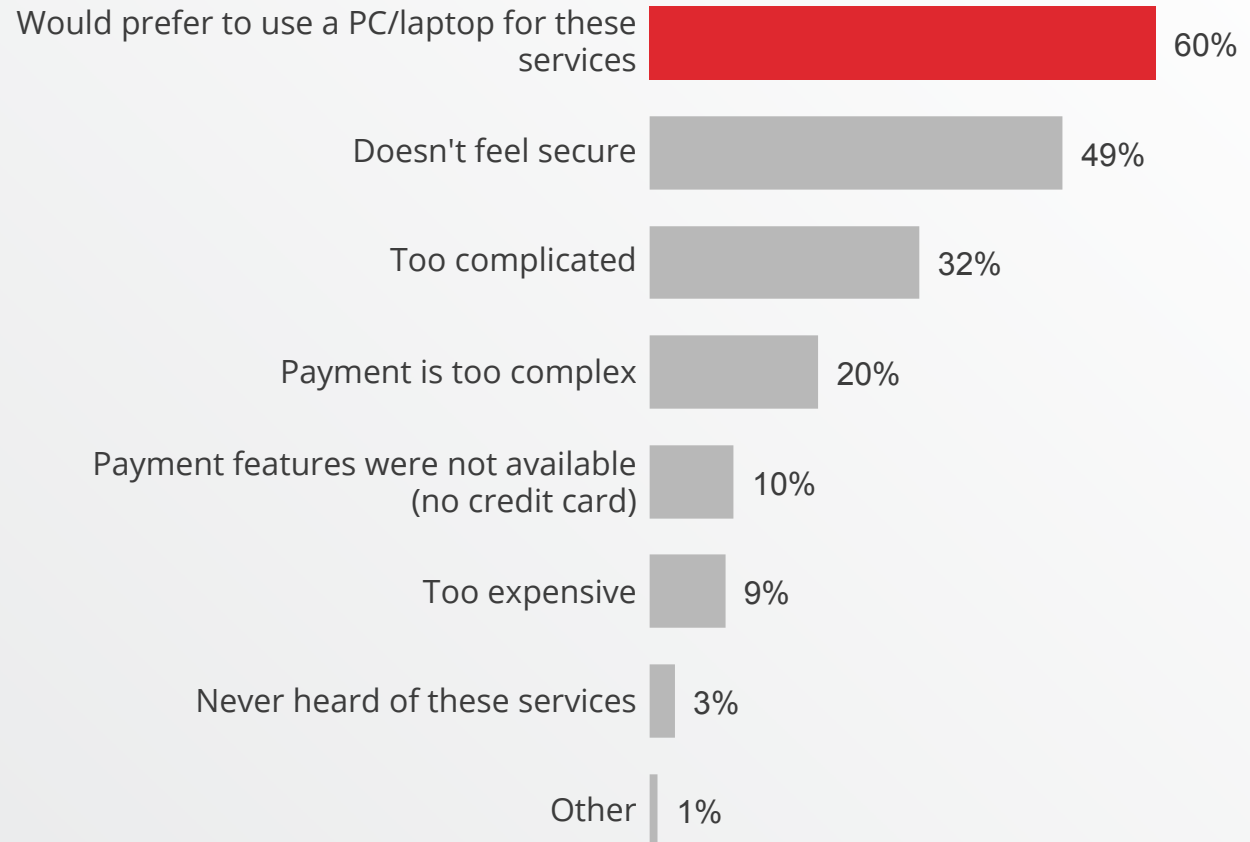


# 56%

expect to make **more mobile purchases** in the future



# Barriers to Mobile Commerce Still Exist



# Smartphones

## Help Advertisers Connect With Their Customers



# Offline Ad Exposure Leads to Mobile Search

## Ad location



**87%**

have performed  
a mobile search after  
seeing an ad



TV  
**84%**



Shop / Business  
**83%**



Magazines  
**77%**



Posters / Billboards  
**77%**

# The First Page of Mobile Search Results is Key

41%

only look at the **first page of results** when conducting a search on their smartphone





# 97%

of smartphone users  
**notice mobile ads**

Base: Private smartphone users who use the internet in general, Smartphone n= 1.000  
Q41: How often do you notice advertising when you are using the browser or an app on your smartphone? (Ever)

# Mobile Ads Make an Impression



34%

While in app

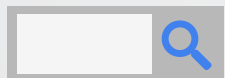
54%

While on a website



49%

While using a search engine



43%

While watching a video



## Where Mobile Ads Are Noticed

While on a website

54%

While using a search engine

49%

While watching a video

43%

While on a video website

37%

While in an app

34%

While on a retailer website

24%

Background

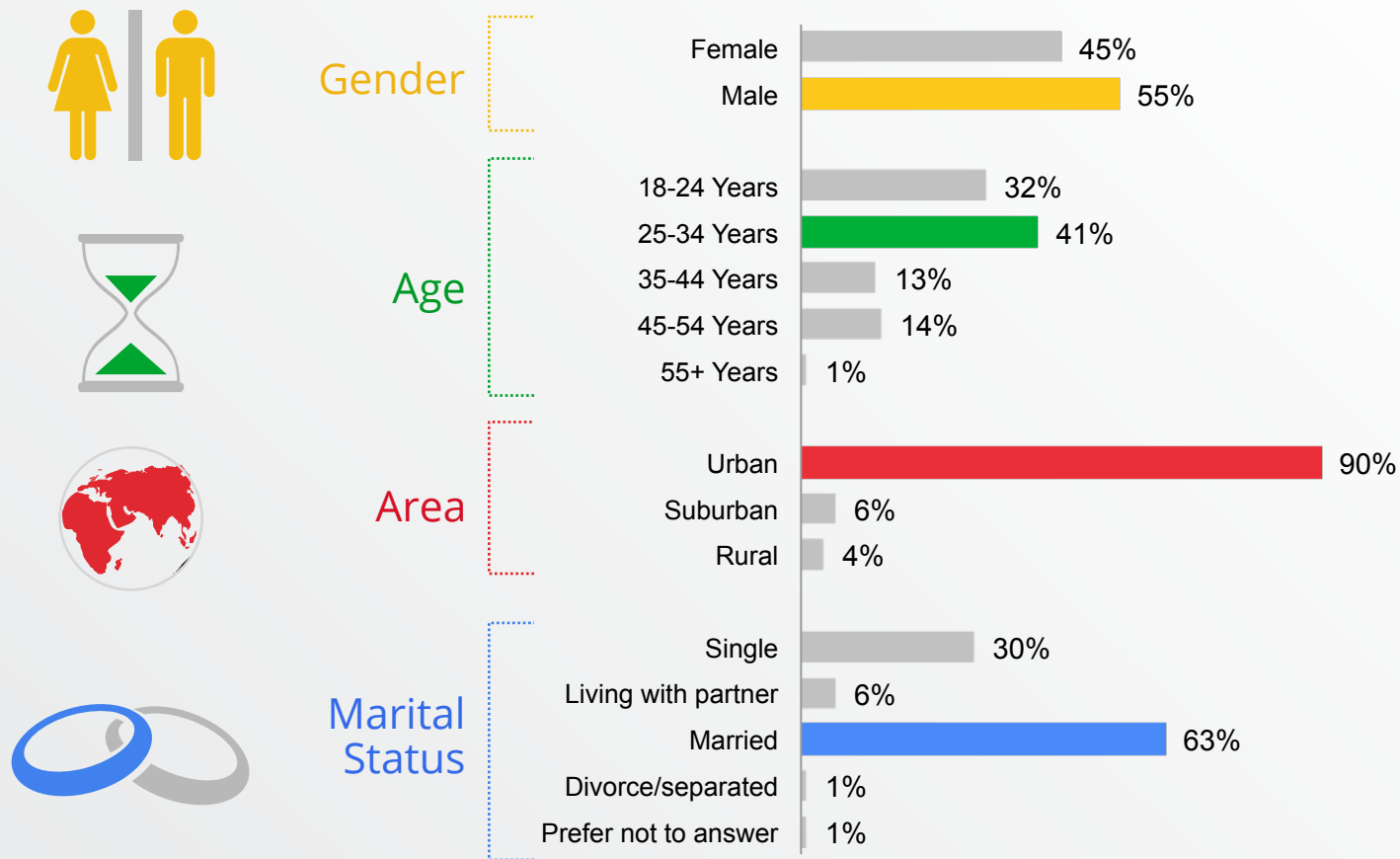




# Research Methodology

- In partnership with Ipsos MediaCT, we interviewed a total of 1,000 Chinese online adults (18-64 years of age) who identified themselves as using a smartphone to access the Internet
- The distribution is according to a national representative CATI Study
- A smartphone is defined as “a mobile phone offering advanced capabilities, often with PC-like functionality or ability to download apps”
- Respondents were asked a variety of questions around device usage, mobile search, video, social, web and commerce behavior and mobile advertising
- Interviews were conducted in Q1 2012

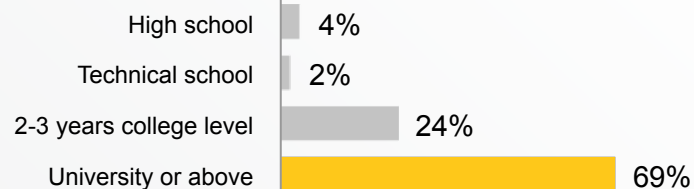
# Demographics



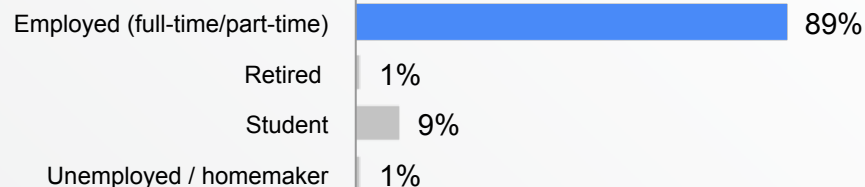
# Demographics



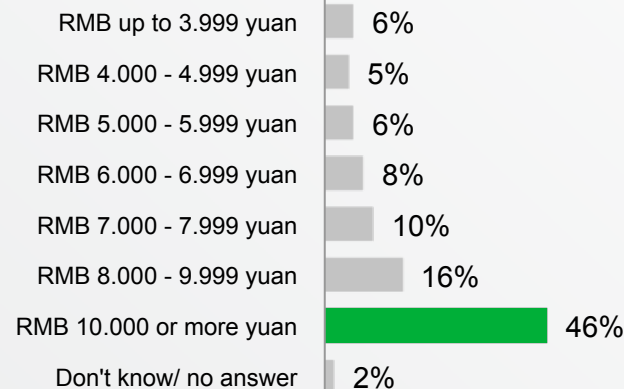
## Education



## Employment Status



## Income



Base: Private smartphone users who use the Internet in general n= 1.000

D4. What is the highest level of education you have completed? D5. Which of the following best describes your employment status? D8. Which of these ranges comes closest to the total (annual) income of your household before anything is deducted for tax National Insurance (Social security) pension schemes etc.?