

Mobile Advertising Report (US) 3rd Quarter 2008

What is the Mobile Advertising Report?

More people in the United States (and indeed globally) have a mobile phone than an Internet-connected PC. Consumers are quickly emigrating away from pay-per-use mobile services and are heading toward free-to-end-user services that are supported by advertising. Coupled with a fragmenting media landscape, advertising-supported, free-to-end-user services create exciting opportunities for brands to reach consumers in ways never before possible.

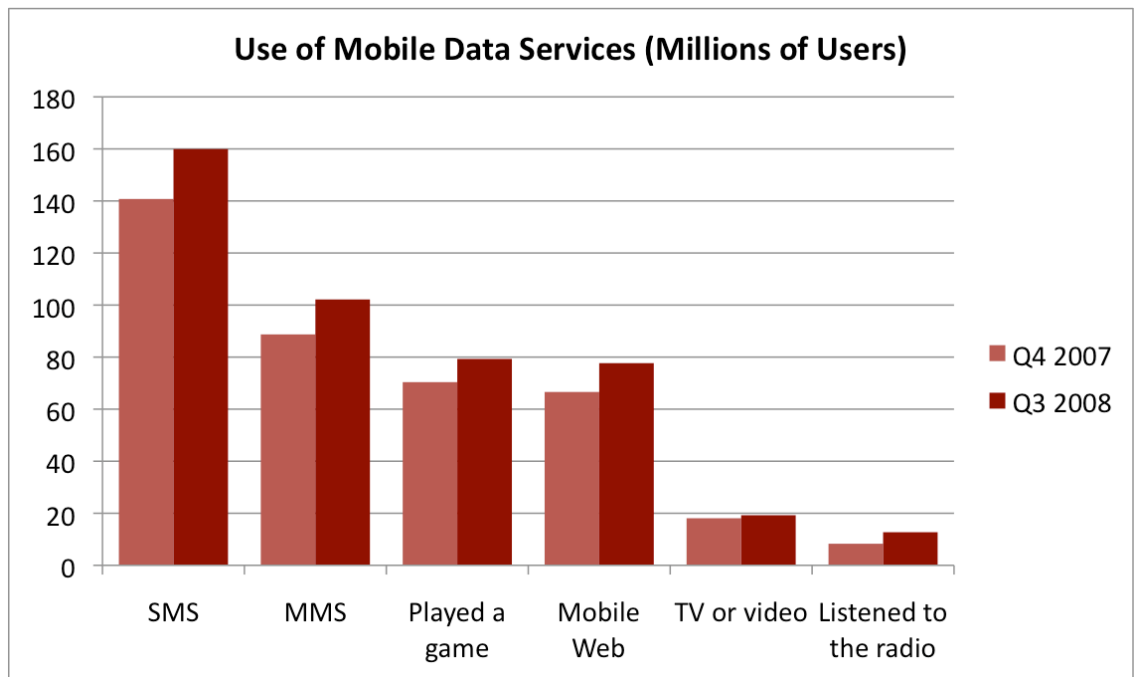
The *Mobile Advertising Report* is a tool to help marketers and their agencies understand this fast-changing medium. The *Mobile Advertising Report* is distributed free to marketers. To receive the mobile marketing report, email mar@limbo.com. The *Mobile Advertising Report* is produced by Limbo and GfK/NOP research. The Q3 2008 (US) report is based on a survey of 1,000+ representative adults in the US.

1. Mobile Phone Usage

There are more than 267 million mobile phone users in the US – up from 251 million in Q4 of 2007 (a 6% increase).

Text messaging (SMS) remains the dominant data service used by US consumers. More than 160 million consumers used text messaging in the third quarter of 2008. This was a 14% increase over Q4 2007 – more than double the growth in the overall market.

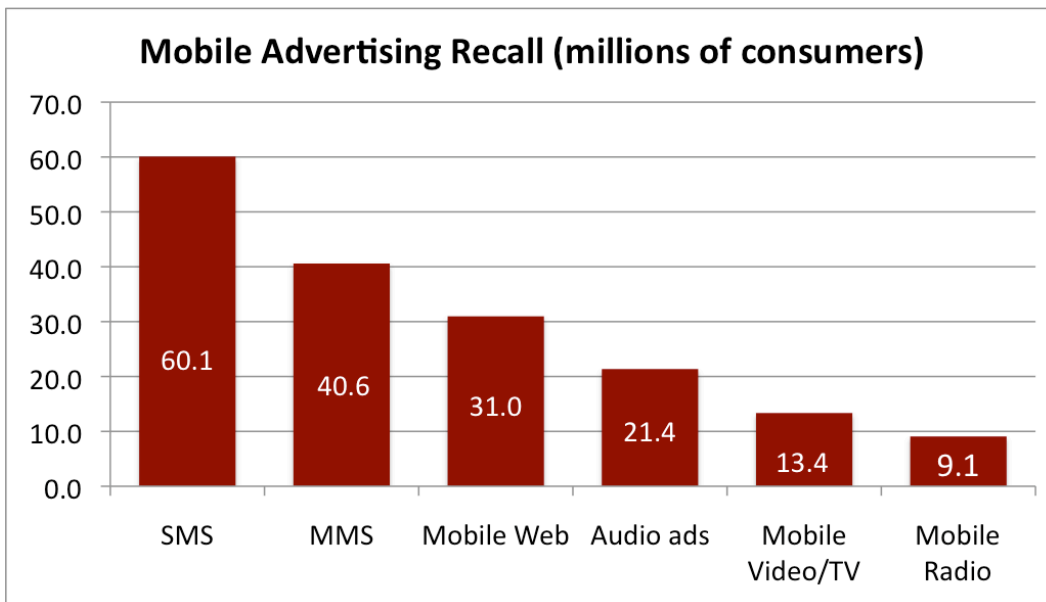
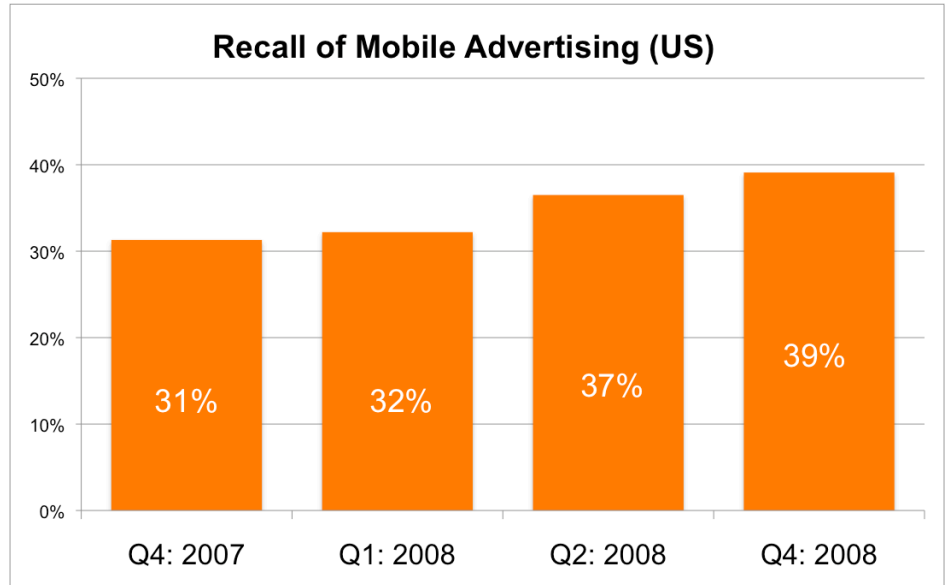
MMS is also increasingly popular – showing a 15% increase over the same 9-month period to 102 million users. The mobile Internet is used by 29% of phone users (78 million people). Mobile video/TV usage showed the slowest growth rate of 6% - flat with the market and 19 million users in Q3 2008.



Mobile Advertising Penetration

US consumers are not just using their phones in more ways. They are increasingly aware of advertising delivered to them through the mobile device.

In Q3 of 2008, 39% of mobile phone users (104 million) remembered advertising of some format on their phone. This was the first time the number of Americans aware of mobile advertising has exceeded 100 million in a 3-month period. In Q4 of 2007, 78.7 million US consumers recalled seeing mobile advertising.

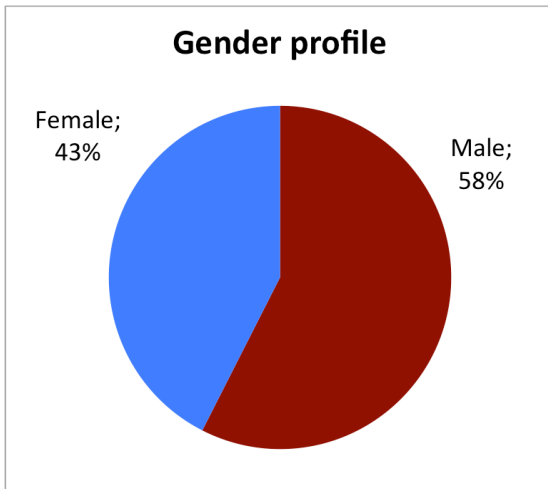


The most commonly recalled ads are those seen in text messages – 60 million consumers recalled seeing them in Q3. This is a remarkable 42% increase since Q4 2007.

Mobile Web advertising awareness is roughly 50% that of text messaging ads. However, it is growing slightly faster – a 56% increase over Q4 2007.

2. Who is seeing mobile advertising?

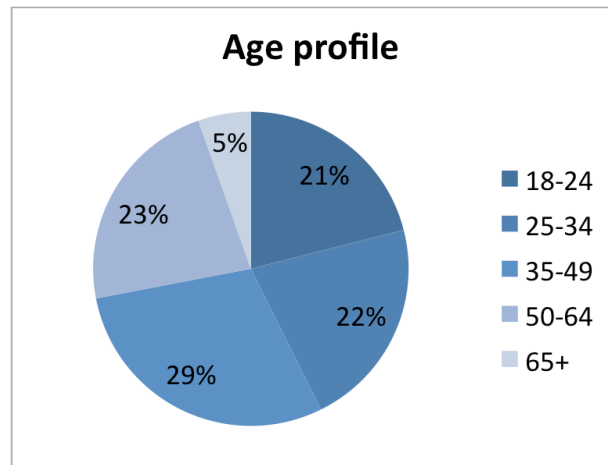
The following charts show the profile of consumers that recall seeing mobile advertising.



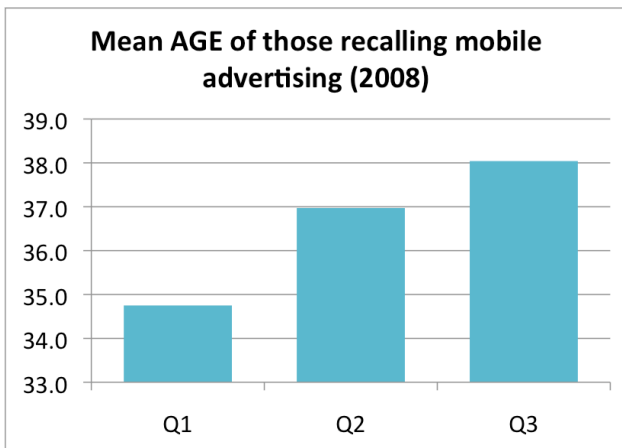
A slight majority (58%) of those recalling mobile ads are male. This may reflect targeting of ad campaigns, or increased relevance or interest in male recipients.

64% of those recalling SMS ads were male
 52% of those recalling MMS ads were male
 58% of those recalling mobile Web ads were male
 66% of those recalling mobile TV/video ads were male

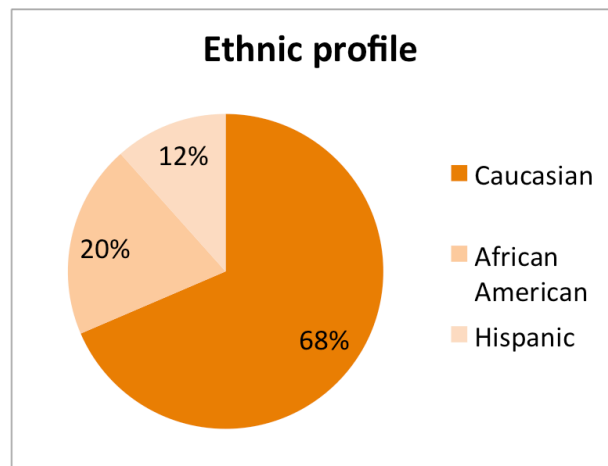
Although mobile penetration is highest for younger age groups, 52% of those that recalled seeing mobile ads are aged 35-64, and 28% are aged 50 and above. Just 43% are under 34.



The mean age of those seeing mobile advertising is gradually increasing. As penetration of mobile media in older age segments grows, so does the ability for marketers to reach a broader demographic through mobile advertising.



Mobile ownership and data service usage generally skews higher for non-Caucasian ethnic groups (for example, SMS usage is 20% higher amongst African Americans compared to Caucasians). However, Caucasians dominate the population of people who recall mobile advertising on their cell phones. All groups are roughly flat against the overall population. This suggests that mobile marketing campaigns targeting non-whites are either not taking place, or not having great success.





Mobile Advertising Report (US) 3rd Quarter 2008

3. Get Involved

If you'd like to have your mobile advertising campaign measured in the next Limbo-GfK *Mobile Advertising Report*, please email all pertinent details to measureme@limbo.com. And if you'd like to receive future copies of the report, please email mar@limbo.com.

4. About Limbo

Limbo (www.limbo.com), founded in 2005, is one of the largest, fastest growing mobile communities in the US, with over three million passionate members and a monthly reach of over five million people. Limbo makes life more social by giving us more from our mobile phones: more friends, more fun, more connections. Limbo is free for everyone to use and is paid for by innovative mobile advertising formats. The award-winning, privately held company, headquartered in Burlingame, Calif., is backed by three of the world's top venture capital funds: Azure Capital Partners (www.azurecap.com), Draper Fisher Jurvetson (www.dfj.com), and New Enterprises Associates (www.nea.com).

5. About GfK Technology

With a global team of over 200 research professionals in 40 countries, GfK Technology is a leading provider of tailored consumer and business related research services to the Technology, Telecommunications, Media and Entertainment industries.

As these sectors continue to converge and evolve, the opportunities for the industry players are huge. But they face many challenges – increasingly complex markets; new types of competition; and the need to carefully manage growth and diversification. At the same time, consumers and businesses are becoming more demanding, sophisticated and influential in the way they choose, buy and use technology, data and content – increasingly on the move.

To find out how GfK Technology can help you meet these challenges and exploit new opportunities, visit our website at www.gfknop.com/technology.