



FROM THE CREATION TO THE EVOLUTION OF LOCATION BASED MARKETING
A Canadian Deep-Dive

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SECTION 1: LOCATION-BASED MARKETING – WHAT IS IT?

THE SPACE IS CROWDED WITH BUZZWORDS...
WHAT DO THEY ALL MEAN? BIG BUSINESS.

Location Based Marketing (LBM) is awash with buzzwords and jargon. You might come across terms such as: **local**, **hyperlocal**, **geo-fence**, **geo-targeting**, **location-based search**, **location-based services**, **SoLoMo** (social, local & mobile), **location-based solutions**, **deals around me**, and many more. This may seem dizzying, but each of these terms has the same underlying concept and the same end-goal: connecting consumers with businesses within a specific geographic area.

The term “local” does itself a disservice by appearing at first glance to be parochial and old-fashioned. But local marketing is a hot trend with enormous potential, both right now and moving forward. Here’s why:

- > Mobile devices are democratizing access to digital content for a broader range of consumers; everyone has access to the same information at the same time.

- > Mobile is great because it lets consumers stay connected while on-the-go. For marketers, the beautiful thing about this is that – for the first time – digital is interacting in the physical space. That means that “place” can now be central to our digital marketing strategies

- > The current marketing reality is a mix: the challenge in the near future will be how to plan strategies that merge the digital and physical worlds

MARKETING’S 4PS ARE UNDERGOING A REVOLUTION.

Over the last few years we have experienced transformations in:

- > Product Cycle Management - now more flexible, fast and fully customer-focused

- > Promotions - now increasingly direct due to data advertising and Social Media interactions

- > Pricing - now able to sell using freemiums and to the long-tail.

- > Today we are at the onset of the final “P” transformation: Place.

- > It’s time to manage the challenge of reaching customers at their exact geographic location via Location Based Marketing and advertising.



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Location Based Marketing is about more than just search – it’s about discovery.

OUR “4P’S” ARE UNDERGOING A DIGITAL REVOLUTION



PRODUCTS

Digital revolution / mobility
Agile / faster cycles
Web maturity



PROMOTION

Digital approach
Data is the new creative



PRICE

Free / long tail
Group buying



PLACE

The new revolution

SECTION 1: LOCATION-BASED MARKETING – WHAT IS IT?

LOCAL MARKETING ISN'T NEW.

Local marketing has been around for a long time. For years, businesses have marketed using storefront advertising, town halls and community events – forums that advertisers hoped would help spread their messages across neighbours' fences and into consumers' homes. But there was a major drawback to this type of advertising: businesses were not necessarily communicating with consumers when they were open to being marketed to.

All this changed with the invention of the industrial printing press and, consequently, the introduction of the ubiquitous Yellow Pages™: a directory that consumers could turn to for help with their immediate local needs. The Yellow Pages directory connected consumers and local businesses.

Today, the internet and smartphones have increased the power of local marketing. Digital ads can lead consumers “from search to store” – 95% of purchases are made offline¹

> 80%+ of online consumers use their web-enabled devices to research where to make offline purchases²

> 41% of offline retail sales in 2011 (estimated) were web-influenced³

> 55% of smartphone owners use their devices frequently while shopping in stores⁴

LOCAL MARKETING IS ABOUT WHAT, WHERE, NOW.

Consumers' changing needs are defined by a combination of variables:

- > **WHAT** (their intention)
- > **WHERE** (their physical location)
- > **NOW** (immediacy of their demand)

Marketers can now connect one-on-one with consumers in order to provide time-sensitive information that responds to a consumer's need and is relevant to his/her precise geographical location. Here are two great examples:

> A consumer is stuck at home in a freak snow-storm at the beginning of October. They go online and immediately see a promotion on snow tires at the local garage located 2 km away.

> A consumer runs out of sunscreen on the beach. They look at their phone and see a promotion on sun care products at the local pharmacy shop only a 5-minute walk away.

Local marketing therefore helps consumers fulfill their most immediate goals in a meaningful and engaging way. To put it simply, it works. Local marketing has always been a necessary part of the marketing mix for many businesses, but now -with digital access- it has become significantly enhanced.

Consumers benefit by discovering opportunities around them. Marketers benefit by discovering qualified leads.

What's the key take-away from this? Location Based Marketing is about more than just search – it's about discovery. It's also about the merging of digital interactions with the offline world.

HISTORICAL EVOLUTION OF LOCATION MARKETING



1st US PATENT
for a Wireless Phone

New York
1st Mobile Phone Call

1st Commercial
Mobile phones TOKYO

Nokia 1st Portable Phone

1st GSM Network Finland

1st Mobile content

Blackberry introduction

3G Japan

Google Acquired Android

NTTDOCOMO launch the
"imadoco search™" location service

University of Zurich first Lesson
about LBS

iPhone Introduction
Google Maps for mobile was released

1 Billion web users
600 Millions mobile web users

Motorola released the first Google
Android Phone
Foursquare & Gowalla were created

iPad , Facebook Places
& Google Places are introduced

1750



1851



1906



1973

1979

1982

1991

1998

1999

2001

2003

2005

2006

2007

2008

2009

2010



PRINT



Cornwall, U.K



The Canadian
directory



First Yellow Pages
Directory
published in Canada



ONLINE



MAPQUEST

facebook

Canpages

urbanspoon

Canada411.ca

yelp

YellowPages.ca

YAHOO! LOCAL

RedFlagDeals

weblocal.ca

Google places

Google maps

bing

Yellow Pages™

First Yellow Pages Group
spins off from Bell Canada

Yellow Pages Group launches
new image

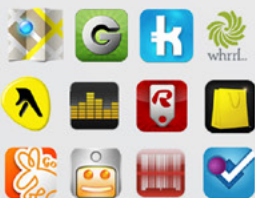
Mediative

A digital Media Company specialized
in Location Based Solutions



MOBILE

YellowAPI.com™



SECTION 2: YELLOW MEDIA POWERS LOCAL DISCOVERY IN CANADA

In the early years of the web, search engines thrived. They performed a valuable service, helping users find everything they were looking for. Life had changed forever, and the world was literally at one's fingertips. Over time, consumers became more research-savvy, and as the amount of available online information increased exponentially, users moved from browsing to searching with intent. And the capability of mobile to contextualize search results by including location has made digital searches even more personalized and more relevant.

Where has this change in behaviour had the most impact? In Canada – a land where more than four-fifths of the population spend a whole lot of time connected via their digital devices. In fact, Canadians spend more time on the internet than people in any other country, nearly double the worldwide average (43.5 hours per month versus 23.1).⁵ There's no doubt about it, with such high rates of internet usage and a population that is scattered across a huge geographic distance, Canada is unlike any other country in the world. Home-grown Yellow Media understands this distinction, and has built and designed its services to cater to Canadians' needs.

YELLOW MEDIA GETS IT.

Yellow Media understands that different groups of Canadians have different motivations and behaviours when looking online. Accordingly, Yellow Media has established a clear distinction between passive browsing and the more dynamic searching with intent-to-buy.

On search engine properties: Users are both browsing and searching with intent. 20% of searches are conducted with an intent-to-buy in a context of a local need. therefore, 20% of search engine's searches combine location and intention.

With Yellow Media: All users are searching with intent-to-buy. In other words, 100% of the company's searches combine location and intention.

This is a crucial difference for marketers and is worth re-stating:

100% of Yellow Media searches are made within a local context and with an intent-to-buy.



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With Yellow Media, all users are searching with intent-to-buy. In other words, 100% of the company's searches combine location and intention.

SECTION 2A: YELLOW MEDIA REACH AMONG CANADIANS WHO ARE SEARCHING LOCALLY

CANADIAN CONSUMERS USE YELLOW MEDIA BECAUSE THEY TRUST THE INFORMATION IT PROVIDES

Canadians used Yellow Media directories as their trusted go-to source to find local businesses throughout the last century – and they are still doing so today with Yellow Media's diversified offerings. Aside from the strong brand association with the Walking Fingers and design™, consumers' overwhelming preference for Yellow Media (whether in print, online or via mobile) is because Yellow Media is the sole Canadian company that is 100% focused on local search. It makes huge efforts to ensure that it is the most credible information available. Basically, Yellow Media is like the go-to neighbour for local advice.

It all comes down to trust. 30% of Internet Yellow Pages (IYP) users state that they use IYP because:

- > It has a good reputation for local business information⁶
- > They know it has the information about businesses they are searching for⁶

YELLOW MEDIA HAS A NICHE APPROACH TO LOCAL – IT'S ALL ABOUT HELPING LOCAL BUSINESSES GET FOUND.

Online searches with a local component are not all created equal. Search Engines claim that 20% of searches on its site are “local based”⁷. But local-based is pretty broad – it can range from local news, to local weather, to scores from the local sports teams.

Yellow Media's definition of local search relates to its mission as a company: to help consumers find local businesses.

The proof is in the pudding: Yellow Media's focused approach reaches more Canadian consumers than other business search sites:

- > 43% reach of all online Canadians⁸
- > 83% of online Canadian local business searchers visit Yellow Media sites vs. 10% who visit Google Places⁹
- > With close to 4M downloads of Yellow Media's Find a Business apps, on-the-go mobile customers are using Yellow Pages mobile apps to search for nearby businesses from the palm of their hands.¹⁰

Here is the critical distinction between consumers' behaviour using Yellow Media versus search engines like Google:

Most of the searches on the other sites aren't even by people with an immediate need! They are just folks looking stuff up for entertainment purposes or out of old-fashioned curiosity. Yellow Media users are real consumers who want to buy something right now.



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Most “local” searches aren't by consumers, just folks looking stuff up for entertainment purposes or out of old-fashioned curiosity.

SECTION 2B: YELLOW MEDIA REACH AMONGST CANADIANS WHO ARE SEARCHING LOCALLY: PARTNERSHIPS & YELLOW API

WORLD-CLASS PARTNERSHIPS

Several of the biggest names on the web are using Yellow Media data for their local search services. The company's distinct partnerships with these players means Yellow Media data is being leveraged and distributed to users via a number of different outlets.

CREDIBLE DATA

Why are the biggest names on the web using Yellow Media data? Because Yellow Media has the largest Canadian database on local businesses, with rich content that is continuously curated and updated by Canada's largest face-to-face sales force.

Yellow Media is the credible source for local data... bar none.

REACH BEYOND YELLOW MEDIA PROPERTIES

Advertising with Yellow Media means so much more than the trusted Yellow Pages print directories, websites and mobile apps. Partnerships with other major properties have created a network that is incredibly powerful and has immense scope. **Now, over 90% of online Canadians are reached by sites with ads from Yellow Media's advertisers** (comScore, 2012).

The outcome of this forward-thinking strategy is that over 90% of Canadian internet users have access to Yellow Media advertisers' messages in a way that is contextual and meaningful to them. That's huge. In addition, some of the top mobile services are also using Yellow Media data – thereby ensuring that consumers have access to the company's advertiser information across all of their screens and devices.

Yellow Media (via YellowAPI) is the only Canadian source that broadcasts local business information with such broad reach. Put simply, the Yellow Media network connects business with customers.

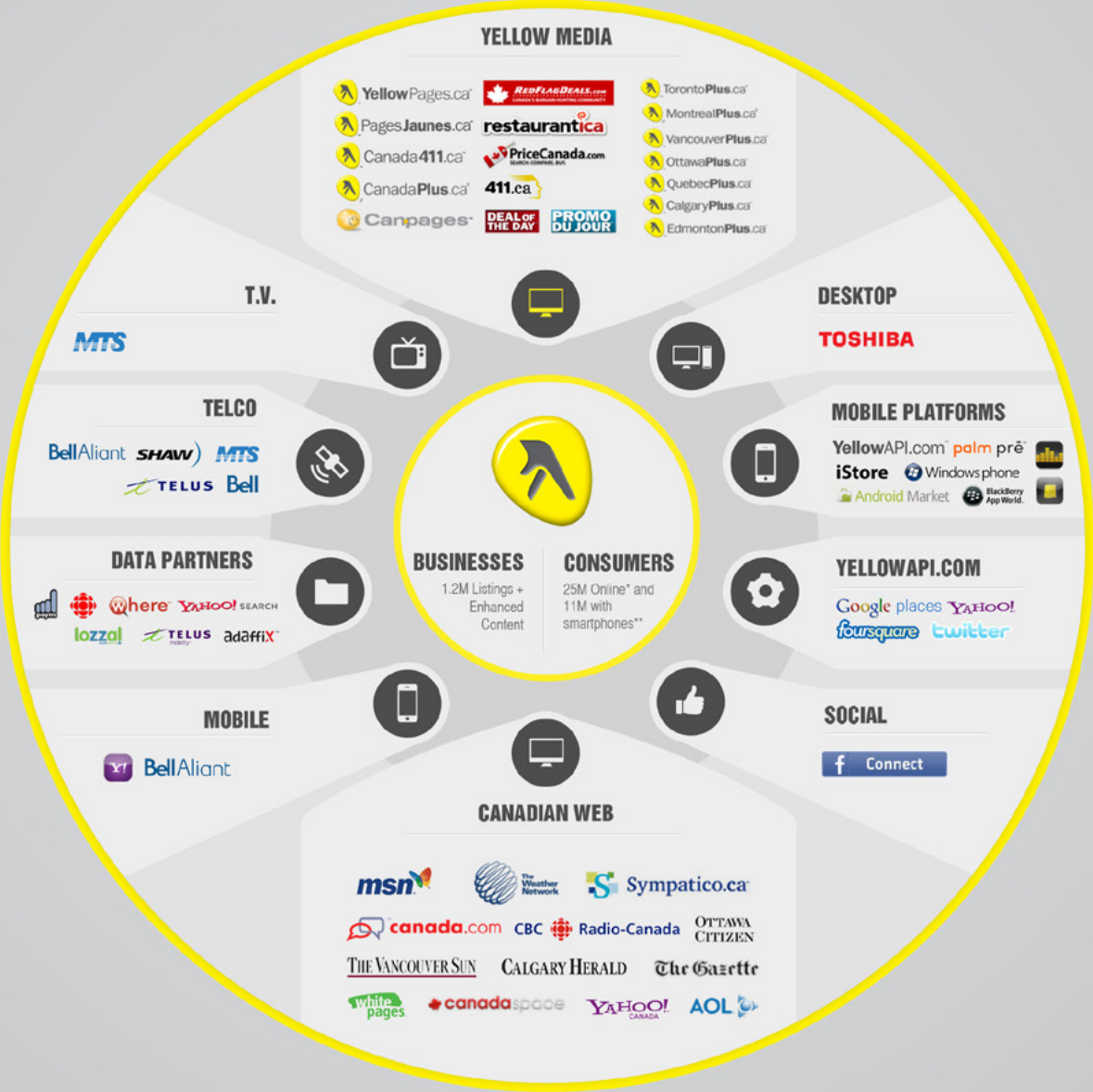
Everyone wins. Businesses advertising with Yellow Media get broader exposure and more qualified leads, while consumers have access to a wide range of services that are built on data they can trust.



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Over 90% of online Canadians are reached by sites with ads by Yellow Media advertisers.

YELLOW MEDIA ECOSYSTEM



* COMSCORE, MAY 2011
 ** COMSCORE, MARCH 2011

SECTION 3: THE CORE VALUE OF LOCAL MARKETING RESIDES IN THE CONSUMER'S STRONG INTENT TO BUY

LOCAL CONTENT IS CLUTTERED IN GENERAL ENVIRONMENTS

Businesses once spread the word about their offerings at town hall gatherings. Likewise, digital brand advertising is great for the masses who are searching, researching and considering. But it doesn't help close the sale with consumers who are ready to buy. Why? Search engines have become cluttered with messages from a slew of marketers who are trying to attract anyone and everyone. Here's a great example: the keyword phrase "dentist Toronto" is being bid on by (amongst others) general dentists, cosmetic surgeons, dental product distributors, dentistry schools and insurance providers.

LOCAL MARKETERS NEED TO TARGET CUSTOMERS WITH A STRONG INTENT TO BUY

It makes no sense that consumers who have cash in hand and are eager to buy need to wade through clutter to find what they are looking for. Especially local-mobile searchers who represent highly qualified leads for the following reasons:

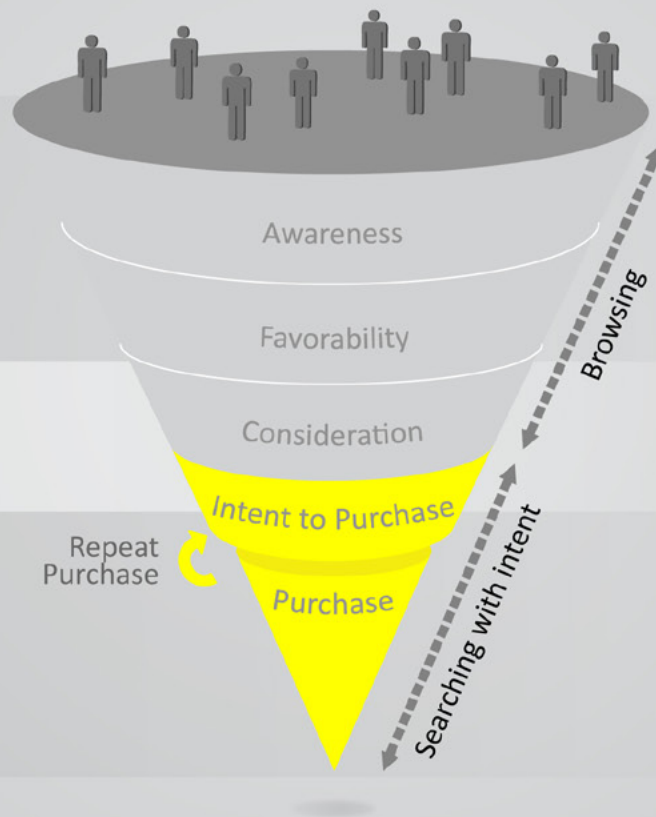
- > 68% of smartphone users visit a business as a result of their mobile search¹²
- > 61% of smartphone users have called a business as a result of a local mobile search¹²
- > For all smartphone users who conducted a local search, 43% visited the store location and 22% made a purchase at the location¹²
- > 60% of mobile users are more likely to search with specific businesses in mind because they are already outside the home and looking for a nearby business to fulfill a need¹³



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Advertisers who reward their local search customers for finding them get rewarded in return.

LOCATION BASED MARKETING FUNNEL



SECTION 3: THE CORE VALUE OF LOCAL MARKETING RESIDES IN THE CONSUMER'S STRONG INTENT TO BUY

LOCAL SEARCHERS EXPECT ADDED VALUE WITH THEIR LOCAL SEARCHES

Increasingly, the brands that will win will be those that capture consumers' attention at the moment they are ready to buy. How can they do that? By rewarding local searches with added value. In fact, consumers expect to be given something in return for searching locally, with 78% of consumers stating that they want special offers and promotions [...] from their local searches.¹⁴

Catering to this expectation of reward, Yellow Media launched in 2011 ShopWise™ – a geocoded app that allows users to browse for the latest deals around them (see screenshots on next page) and discover deals by map, by product category, by deal popularity or via a search toolbar. This helps merchants get found by the increasing number of consumers who use their mobile devices to window shop before visiting the bricks-and-mortar store.

Another innovative product within the Yellow Pages app is a new national advertising offering that merges Location Based Marketing insight with display advertising techniques. This product is called Mobile Brand Filter (see exhibit 2, Appendix p.26), and it syncs ad interaction with the user experience to promote brands and locations to today's on-the-go consumer. During the 3-month beta-testing period, an average CTR of 1-4% in addition to calls and store visits was noted. This is an entirely new way to look at mobile advertising.

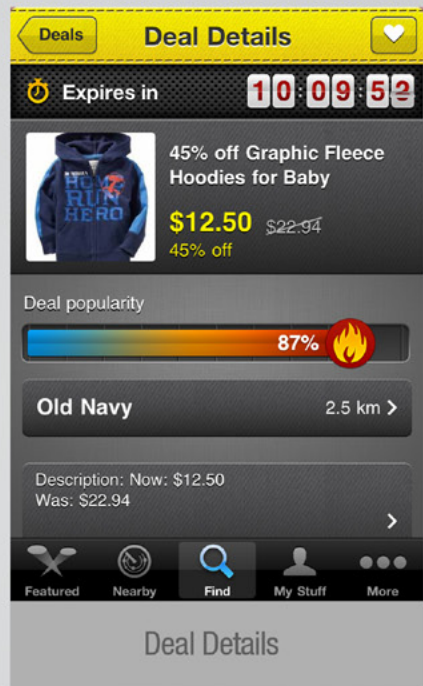
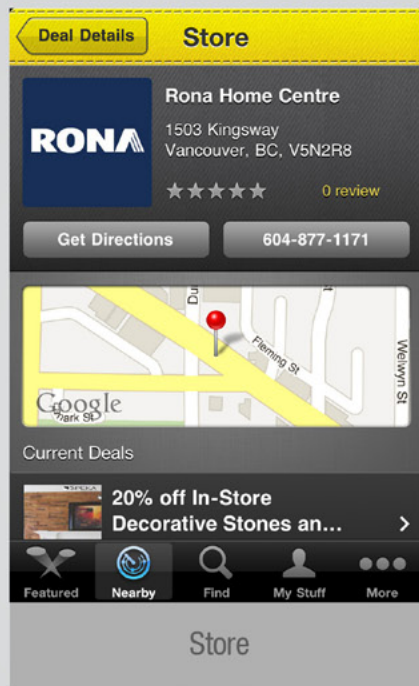
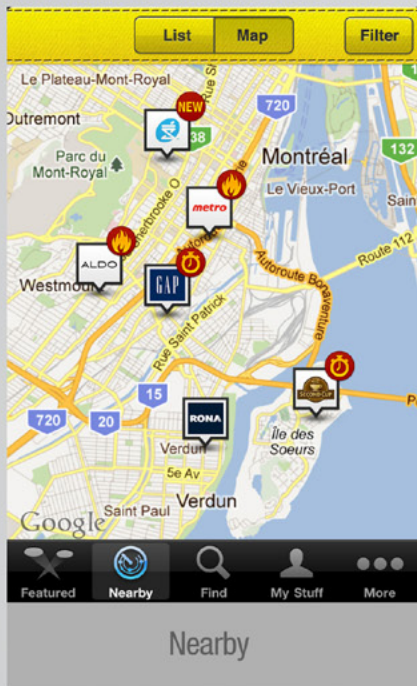
SEARCH ENGINES? LOCAL IS ABOUT "FIND ENGINES" HELPING CONSUMERS DISCOVER WHAT'S AROUND THEM

Advertisers therefore need to think about reaching purchase-ready consumers not through search engines, but rather through find engines, where consumers with cash in hand can discover nearby businesses with the best offers, right when they need them.

> Over a year, users give Yellow Pages (print and online directories) more usage (84%) than a search engine alone (76%)¹⁵

> Yellow Pages properties (45%) are more trusted than search engines (41%) and social networks (1%)¹⁵

Consumers who are searching locally are ready to buy. It's not rocket science, just common sense. And being discovered through local search makes strong business sense too.



SECTION 4: YELLOW MEDIA LEADS ARE SO STRONG BECAUSE THE COMPANY UNDERSTANDS THAT TARGETING NEEDS TO BE DIFFERENT IN EACH MARKET

PLATFORM USAGE VARIES BY REGIONAL MARKET

Today's market offers consumers a variety of platforms to conduct their local searches, with print, online and mobile options. The key insight is this: the platform that a consumer chooses is highly correlated to where they live. This is what advertisers need to realize to be found "here and now".

In other words, for context-sensitive, real-time advertising that reaches consumers with intent-to-buy, different advertising solutions are needed for different markets. Here's a clear example:

> Each of the 8 major consumer segments that are found in Canada's Cosmo markets (Canada's 9 largest urban markets) display tech-savvy attributes. That is, 100% of the consumer segments in Canada's urban markets are tech savvy. Due to their being very comfortable with (and high users of) technology, consumers in urban markets are generally best reached via digital and mobile platforms.

> There are tech-savvy consumer segments in Canada's other cities (i.e. Metro and Centro markets). However, in these markets, consumer segments that are both moderately tech-savvy and not at all comfortable with technology are also present. Local marketers in these cities therefore need to advertise across print and digital platforms in order to maximize their target audience.

The leads acquired by using Yellow Media are so strong because the company understands that targeting needs to be different in each market.

From print directories to web directories, and from shopping portals to mobile sites and apps, Yellow Media is the only company that offers a full range of national advertising solutions that can be targeted across all Canadian local markets - whether a large urban centre or a small town.

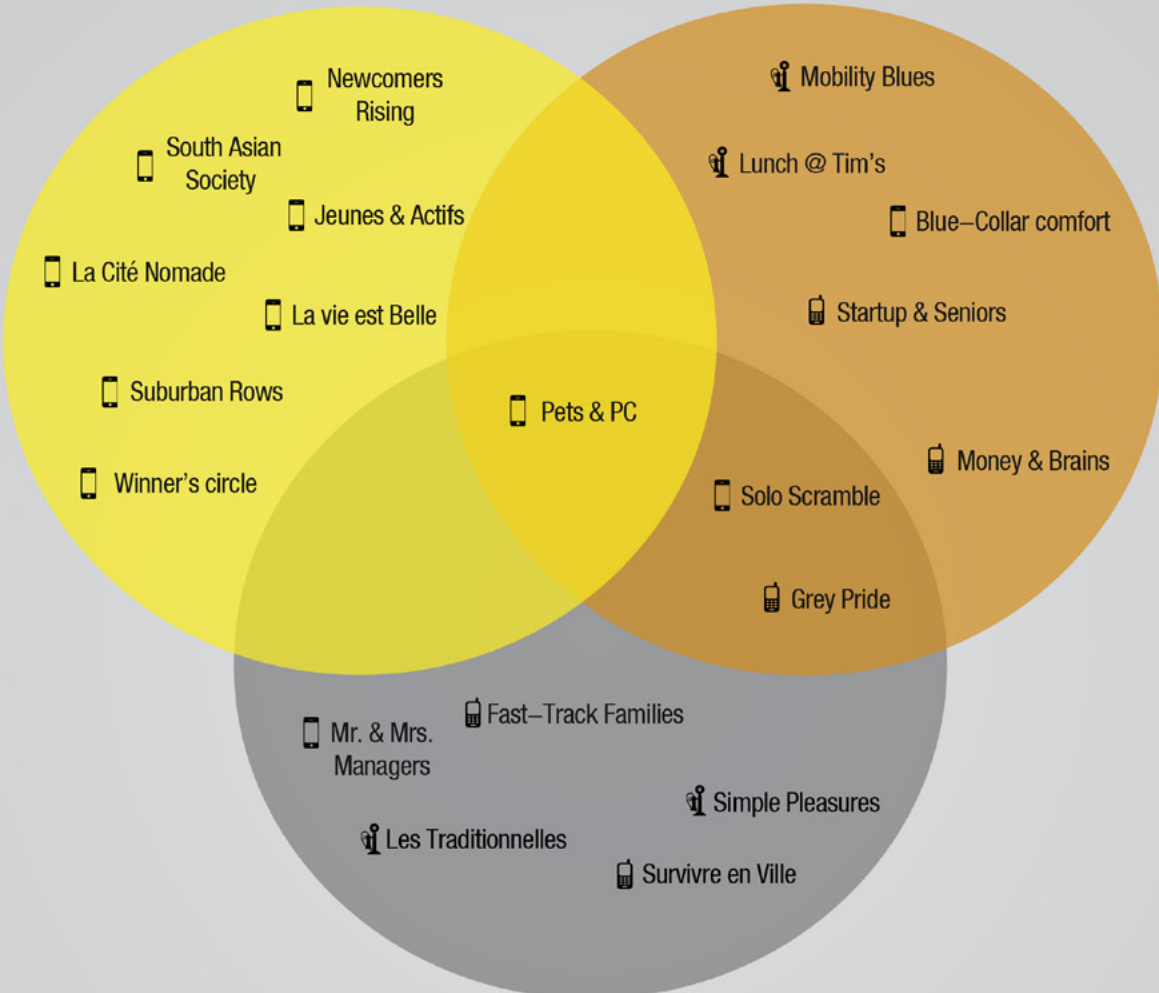
While mobile may be optimal for savvy, young urbanites, print is likely to be the best way to reach older consumers – regardless of where they live. Access to a wide range of advertising platforms is therefore the way to ensure maximum reach for all Canadian local customers. And this is the Yellow Media advantage.



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In Canada, the search platform that a consumer chooses is highly correlated to where they live.

MEDIATIVE'S MARKET SEGMENTS



Geographic Market Legend

- Cosmo Market**
9 largest Cdn urban centres. Avg 2 M ppl/market
- Metro Market**
9 next most populated Cdn. markets. Avg 373K ppl/market
- Centro Market**
8 next most populated Cdn. markets. Avg 158K ppl/market

Consumer Segment Legend:

- Tech-Savvy Segment
- Moderately Tech Savvy Segment
- Non Tech-Savvy Segment

Source: Environics Analytics for Mediative (2011), "Location Based Solutions: A Market Segmentation View".

MEDIATIVE'S GEO-SEGMENTS AND YELLOW MEDIA PRODUCTS



* % of Canadians in that segment

SECTION 5: LOCATION BASED MARKETING – TARGETING IS GOING TO GET A LOT MORE PERSONALIZED

TODAY'S REALITY: LOCATION MARKETING IS STILL NEW

Local marketing is in its infancy. We haven't even begun to appreciate the vast potential of local targeting and user-centric services. But the predictions are impressive:

> 45% of offline sales will be web-influenced come 2014²⁰

> US local digital ad revenues to nearly double to \$42.5B by 2015 from \$21.7B in 2010²¹

The top local players are currently doing two things really well. The first is providing searchers with aggregated information about opportunities within their proximity. This means notifying users which businesses (and deals) are nearby. In Canada, YellowAPI is the leading service to help businesses get found. It is the biggest and most accurate database, and is now an open platform that any developer can access.

The second is notifying users where their friends are. Check-in services have proliferated across social networks, allowing users to post their real-world location in real time to their social network and sometimes be rewarded for this promotion by the bricks-and-mortar businesses they are visiting.

And this is only the beginning. Mobile media is a truly transformational medium. It will forever change how consumers find what they are looking for, how businesses get found and (more than ever) how businesses find their consumers. Mobile phone subscriptions in Canada are estimated to reach 86.9% of the population by 2015.²² But a new door is beginning to open, marked NFC (Near Field Communication).

TOMORROW'S REALITY: A MOBILE DEVICE WILL BE LIKE A PERSONAL CONCIERGE

We, as an industry, are gaining more location intelligence by means of the extensive data gathered from mobile activity. In the very near future, we will be able to drill down from this aggregate to personalize the mobile user experience – helping the consumers with high purchase intent find exactly what they are looking for.

Let's look at some examples of how we'll be able to help users maximize the time they spend where they really want to be, by layering their preferences and behavioural footprints to their precise locations.

Imagine you have a friend who hates sushi... he only ever wants to go for burgers and beer. When he searches for nearby restaurants, LBM services should extrapolate his previous behaviour and cut through the clutter (sushi restaurants) to provide info on local burger joints, menus and current promos.

Consumers all have patterns of behaviour. LBM services should be able to follow these patterns to identify when to target consumers with information that would be most relevant to them. If I walk past my local pharmacy and grocery store every day after work, these businesses will be able to push their messages to me at exactly the right time and place, i.e. when I'm within range of the location and have the highest likelihood to buy.

And it doesn't stop with the great outdoors. We'll be able to help users at any time during their day. The race is now on to map the indoor environment.²⁴ Shoppers can already use their mobile phones to navigate through US malls, airports and big box retailers. Soon, students will be able to use their phones to navigate university campuses, and sports fans will be able to find the shortest route to their seats.

Right now, the possibilities seem endless. But one thing is sure: Marketing will be more contextual, more relevant, and more about helping each individual consumer have a better experience.

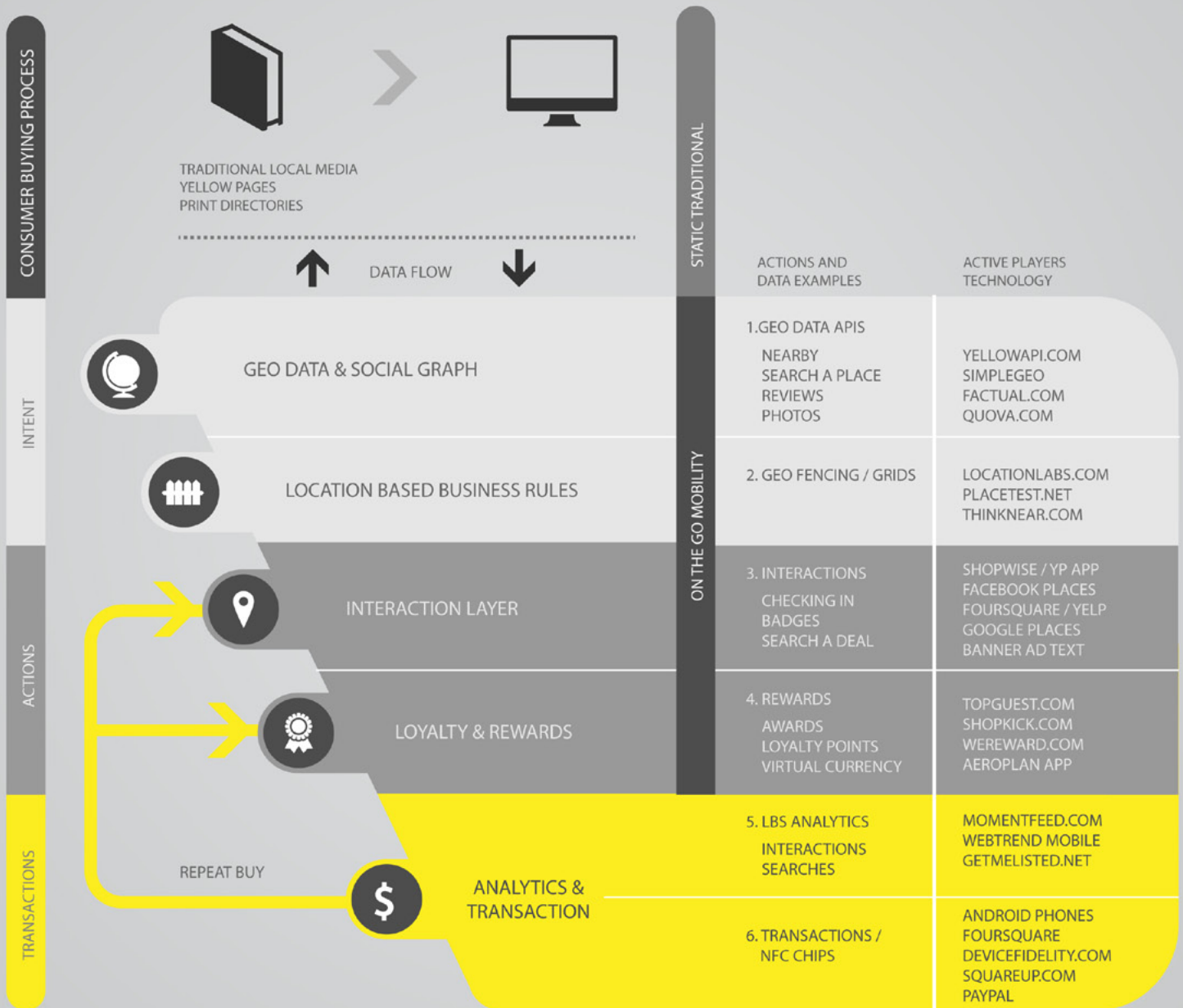


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LBM is about identifying a consumer's intention at exactly the right location

MEDIATIVE PERSPECTIVE ON LOCATION BASED MARKETING ECOSYSTEM

FROM INTENT TO TRANSACTION



* % de Canadiens dans cette catégorie

SECTION 6: WHY YOU SHOULD CONSIDER A LOCATION BASED MARKETING APPROACH WITH YELLOW MEDIA

Yellow Media has been an LBM specialist since before the term was invented, serving Canadian companies nationwide, connecting consumers to businesses, and helping businesses get found by ready-to-buy consumers. Ultimately, Yellow Media delivers value and leads to advertisers. How do they do it?

1. Yellow Media's reach to consumers who are searching for businesses is unparalleled. 83% of online Canadian local business searchers visit Yellow Media "Find a Business" sites.
2. Advertising with Yellow Media means more than advertising on its properties. With the YellowAPI, advertiser data is broadcast to popular sites by major partners. Yellow Media provides an exclusive network of partners that increases advertiser exposure and generates leads.
3. Consumers with a strong intent to buy use Yellow Media. For Yellow Media, local marketing is a targeted game of connecting consumers who want to buy with businesses who meet their needs. That's it. It's simple, and it works. This is how Yellow Media helps consumers cut through the clutter and find what they are looking for.
4. Yellow Media generates leads. Clicks are nice, but calls and visits are better. Proven time and time again, Yellow Media generates more leads for advertisers than other general advertising solutions.
5. Yellow Media offers a range of solutions that target different consumer markets and demographics. Local marketing is not a one-fits-all solution. What may work for a young urbanite may not necessarily work for a middle-aged farmer. Yellow Media provides a range of outlets that help national businesses get found locally – no matter where "locally" may be.
6. Mediative is helping to extend Yellow Media's LBM capabilities into the company's display ad network for mobile and the web. Organic location information is also being optimized in Google places, Facebook, ShopWise, YellowAPI and other networks to maximize both results and the reach. Yellow Media's Location-Based Marketing are not only taking the leadership position in the market but are shaping the future of the market.

ABOUT MEDIATIVE

Organizations who want to significantly enhance their online presence and influence buyers turn to us to help generate revenue by quickly moving their targets from awareness to purchase.

Location and research-based data fuels our insight, which we leverage across consultative performance services, online properties, location-based marketing platforms for the dynamic digital world.

With precise and unmatched knowledge of how “shoppers and clients buy”, we take a consultative and holistic approach, based on our people’s passion for insight and results, to provide the outcomes you need now, and for the future.

OUR LOCATION BASED MARKETING EXPERTS



Patrick Lauzon,
> President



Mohamed Kahlain,
> VP Marketing and Products
Innovation



Victoria Hart,
> VP National Sales



Jennifer Dunn
> Mobile Products Manager

ABOUT YELLOW MEDIA

Yellow Media Inc. is Canada's leading performance media and marketing solutions company. The Company serves approximately 370,000 local businesses through its nation-wide sales force of over 1,200 media consultants. Yellow Media also caters to the country's largest national agencies and advertisers through Mediative, its digital advertising and marketing solutions division.

Yellow Media Inc. owns and operates some of Canada's leading properties and publications including Yellow Pages™ directories, YellowPages.ca™, Canada411.ca™ and RedFlagDeals.com™ website. The Yellow Media Inc. network of online properties reaches over 9 million unique visitors monthly. For more information: www.ypg.com.

OUR LOCATION BASED MARKETING EXPERTS



Nicolas Gaudreau,
> VP, Digital Media



Matthieu Houle,
> Director, Mobile and Platforms



Yasha Sekhvat
> Senior Manager, Mobiles Applications



Darby Sieben
> Director, Business Development

APPENDIX



EXHIBIT 1: CANADIAN CONSUMER SEGMENTS DIFFERENT BY REGION AND TECHNOLOGY ADOPTION

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EXHIBIT 2: MOBILE BRAND FILTER

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APPENDIX

EXHIBIT ONE – CANADIAN CONSUMER SEGMENTS DIFFERENT BY REGION AND TECHNOLOGY ADOPTION

TECH SAVVY: CONSUMER SEGMENTS IN COSMO, METRO AND CENTRO MARKETS ²⁵					
	Quote from Segment Profile	Market(s)	Population	Households	Avg. Household Income
Pets & PCs	"They fill their homes with an array of computers and electronic gear"	Cosmo, Metro, Centro	2,040,079	668,671	\$118,545
Newcomers Rising	"Increasingly, they're turning to the Internet [...] They still describe themselves as early adopters who are always on the lookout for new – and affordable – [...] electronics."	Cosmo	882,032	351,637	\$55,677
Jeunes et Actifs	"These mobile Canadians are always surfing websites [...]"	Cosmo	678,998	354,277	\$53,029
La Cité Nomade	"[...] describe themselves as enthusiastic consumers who want to be among the first to buy new electronics and the latest fashion"	Cosmo	591,788	295,004	\$52,219
Suburban Rows	"They like to shop at mall outlets, where they can acquire the latest consumer electronics..."	Cosmo	886,681	330,307	\$78,890
South Asian Society	"They have high rates for [...] owning lots of consumer electronics."	Cosmo	839,356	230,057	\$88,796
Winner's Circle	"[...] residents can afford [...] lots of consumer electronics in their kids' bedrooms."	Cosmo	861,288	265,069	\$131,395
La Vie est Belle	"They have lively media tastes [...] trading stocks online."	Cosmo	731,459	265,239	\$89,412
Solo Scramble	"They save up their household entertainment budget for the Internet, [...] going online in order to escape into the virtual world."	Metro, Centro	770,813	375,827	\$48,415
Blue-Collar Comfort	"They have higher than average rates for owning game consoles, MP3s and computer equipment."	Metro	593,383	206,685	\$88,242
Mr. and Mrs. Manager	"Other than a fondness for the Internet, they're selective in their taste for traditional media."	Centro	944,138	324,140	\$121,427
Total :			9,820,01	3,666,913	\$85,593

Source: Environics Analytics for Mediative (2011), "Location Based Solutions: A Market Segmentation View".

APPENDIX

EXHIBIT ONE – CANADIAN CONSUMER SEGMENTS DIFFERENT BY REGION AND TECHNOLOGY ADOPTION

MODERATELY TECH SAVVY: CONSUMER SEGMENTS IN COSMO, METRO AND CENTRO MARKETS ²⁵					
	Quote from Segment Profile	Market(s)	Population	Households	Avg. Household Income
Money & Brains	"Purchases books online. .	Metro	608,798	634,694	\$122,357
Startups & Seniors	"They go online to visit sports and newspaper sites"	Metro	504,428	227,164	\$77,130
	"Tend to be fans of traditional media, but they're increasingly enthusiastic about the Internet."	Metro, Centro	623,242	322,065	\$65,516
Grey Pride	"Expressing traditional media tastes, [...] when they go online it's typically to download coupons, bid at an auction site or listen to an audio podcast."	Centro	824,867	295,171	\$90,452
Fast-Track Families	"This [mixed populace] scores high for magazines that cover computers and sports as well as antiques and senior issues."	Centro	330,191	176,630	\$40,052
Survivre en Ville					
Total :			2,891,526	1,655,724	\$90,627
% to Canadian Total:			8.4%	23.3%	8% over national avg.

Source: Environics Analytics for Mediative (2011), "Location Based Solutions: A Market Segmentation View".

APPENDIX

EXHIBIT ONE – CANADIAN CONSUMER SEGMENTS DIFFERENT BY REGION AND TECHNOLOGY ADOPTION

NOT TECH SAVVY: CONSUMER SEGMENTS IN COSMO, METRO AND CENTRO MARKETS ²⁵					
	Quote from Segment Profile	Market(s)	Population	Households	Avg. Household Income
Lunch @ Tim's	"Relatively few exhibit heavy Internet access."	Metro	546,765	238,845	\$59,129
Mobility Blues	No mention of tech usage, prefer to be traditional by "reading community newspapers and listening to the radio."	Metro	533,950	233,344	\$55,134
Les Traditionnelles	"With most household maintainers between the ages of 45 and 64, [...]their attitudes are old-school."	Centro	773,582	311,330	\$73,402
Simple Pleasures	"They are media traditionalists who like to buy by mail order, enjoy reading weekend newspapers and have yet to embrace the Internet."	Centro	741,238	316,996	\$67,443
Total :			2,595,535	1,100,515	\$64,714.48
% to Canadian Total:			7.5%	15.5%	23% lower national avg.

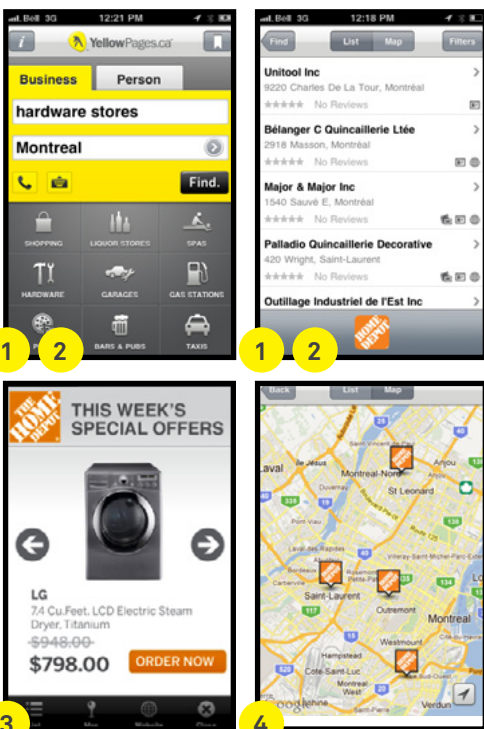
Source: Environics Analytics for Mediative (2011), "Location Based Solutions: A Market Segmentation View".

APPENDIX

EXHIBIT TWO: MOBILE BRAND FILTER

Mobile Brand Filter promotes your business and locations to Smartphone users. Your presence receives priority placement when consumers search your keywords and links to a customized and dynamic branded experience.

PRODUCT DETAILS



mBF exposes users to logos, ads, store locations and links to websites with its Search, Geo-Targeting, Customized Offerings, and Location-Based Advertising components.

1- SEARCH

The challenge of mobile advertising is to engage users who have intent to buy. Purchase a category to reach them.

2- GEO-TARGETING

Target campaigns to national, or provincial areas.

3- CUSTOMIZED OFFERINGS (Y.Ad screen)

Drive conversion through specific deals and offer incentives with a customized environment.

4- LOCATION-BASED ADVERTISING

Make your brand visible on our maps with our location-based marketing capabilities.

> Unique opportunity to connect brand with mobile audiences engaged in buying decision processes.

> Direct link with receptive users actively seeking information to communicate brand's message.

THE CANADIAN MOBILE MARKET

7.2
Million Smartphones

5.2
Million browse the mobile web or use apps

95 %
of smartphone users have searched for local business information

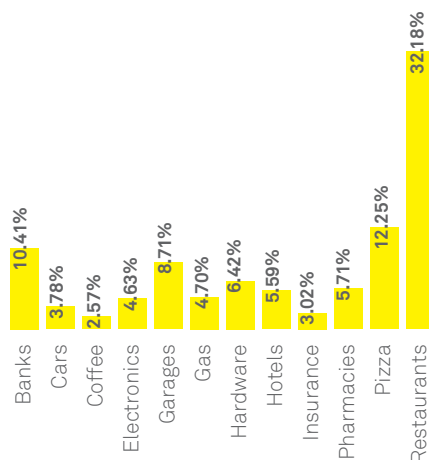
77 %
of mobile users contact local businesses after searching for local information

44 %
of them make a purchase

INTENT TO BUY CATEGORIES

- Banks
- Car Dealers
- Coffee Houses
- Electronics
- Garages
- Gas Stations
- Hardware
- Hotels
- Insurance
- Pharmacies
- Pizza
- Restaurants

- New Categories
- Apparel
 - Beauty & Wellness
 - Car Rentals
 - Couriers
 - Groceries
 - Health & Fitness
 - Moving & Storage
 - Telephone & Cellular
 - Travel



With **2.5 Million** app downloads and over **1 Million** mobile searches per month across categories, mBF delivers click-through rates between **1.25% and 4%**.

3-MONTH OFFER

Mobile Brand Filter provides unparalleled access to purchase-intent mobile users. Make them notice your brand to deliver and drive conversion.

Buy 3 months get 3 free.

Contact your representative today!

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This is Digital
Marketing

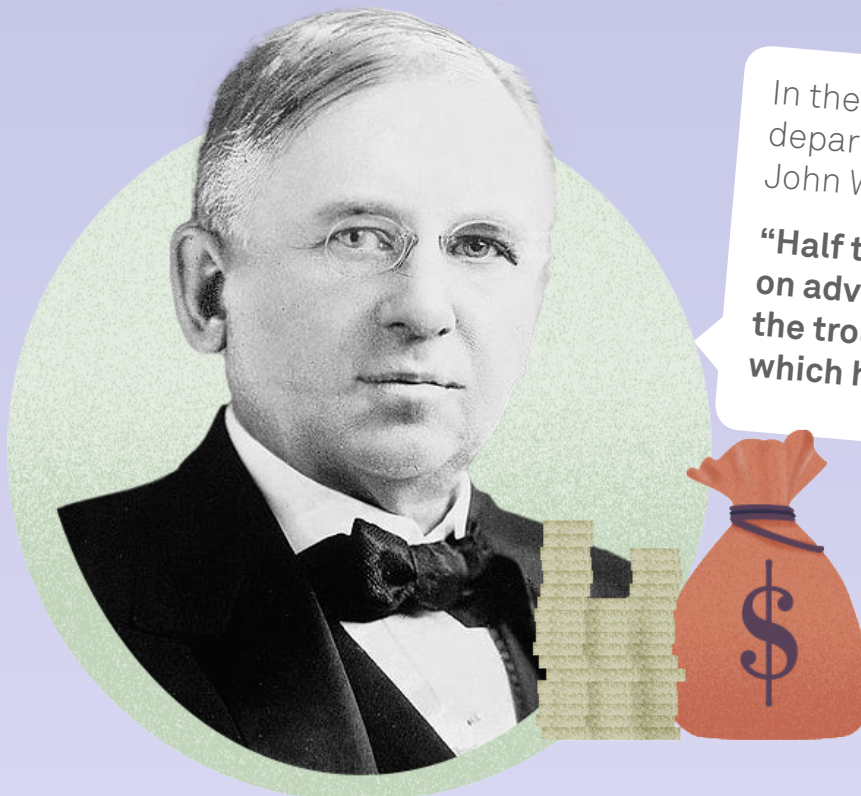
from

to

AD MEN
SMATH MEN

Digital marketing is complicated enough for insiders.

For outsiders, it's a tangled web of technology, jargon and acronyms. The aim of this video is to get a clearer picture of where digital marketing stands today.



In the nineteen hundreds, department store owner John Wanamaker said:

"Half the money I spend on advertising is wasted; the trouble is, I don't know which half!"

Visit mediative.ca/digital-marketing and check out the video to see how we managed to solve this century old dilemma.

If you're interested in reaching consumers when they are ready to buy, talk to us and we'll discuss how we can create a bigger impact for your marketing dollars.

Ask your Mediative representative for the following white papers:

- > Location Based Solutions: A Market Segmentation View
- > Eye Tracking and Click Mapping Google Places
- > Google Places on the iPhone: How to Win More Mobile Clicks