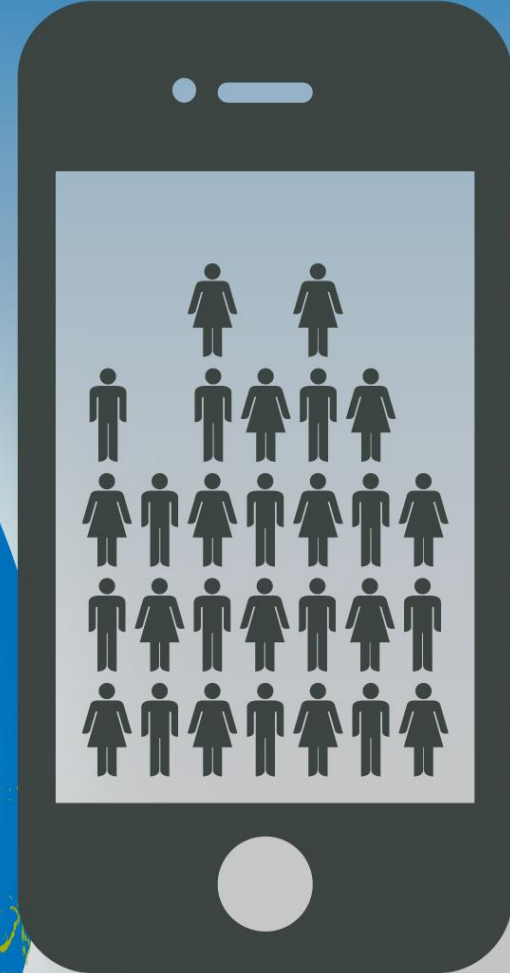


# AdReaction 2012 – Global Report

Marketing in the Mobile World





# AdReaction 2012

GLOBAL OVERVIEW



## *Marketing in the* **MOBILE WORLD**

AdReaction 2012 focuses on mobile advertising. Through this research, we provide marketers with mobile insights and a roadmap for navigating the mobile landscape – all to support brand growth.

Smartphone and tablet ownership, and time spent on mobile devices, are rocketing around the world. As we become a more mobile-based society, it is clear that the relationships between consumers and their mobile devices are unique, and that while mobile media presents many new marketing opportunities it also presents many challenges.

This report first reviews how individuals use and relate to smartphones and tablets, before exploring attitudes toward mobile advertising and the roles that mobile can play in the marketing mix. We then identify rules of engagement that mobile marketers need to respect in order to be successful in this intimate space. Finally, we wrap up with best practice guidance for delivering effectively in the mobile world.



# Research Design

For more than 10 years, AdReaction has delivered insights and findings related to the opinions and perceptions of advertising, particularly digital formats. AdReaction 2012 deep-dives into mobile and tablet advertising.

## AdReaction 2012

### QUANTITATIVE

**Who:** Smartphone and/or tablet users;  
total of over 6,000 interviews

**What:** Mobile usage and attitudes  
towards mobile ads, apps &  
websites

**How:** Mostly online interviewing, some  
mobile surveys

### QUALITATIVE

**Who:** Smartphone and/or tablet users,  
non-rejecters of mobile marketing

**What:** Deep dive into mobile advertising  
attitudes via individual examples

**How:** Mostly online forums with follow-up  
depth interviews



# Conducted in 18 countries around the world





**1.** Mobile devices are increasingly central to our lives, so there is **huge opportunity for growth** in mobile communications

**2.** **However**, while most consumers will tolerate mobile marketing, few consumers are favorable toward it

# Key Findings

## AT A GLANCE

**3.** Mobile is highly **effective** at brand building and also very **flexible** - it can play a number of diverse roles in the media mix

**4.** The industry can improve attitudes toward mobile marketing by demonstrating greater **respect** for the platform and the audience

**5.** Marketers can use mobile **websites, apps and ads** to grow brands IF simple best practice rules are applied more conscientiously



A close-up photograph of a person's hands holding a silver smartphone. The person's fingers are visible, with light-colored nail polish. The phone is held horizontally, and the screen is lit up, showing some indistinct content. The background is dark and out of focus.

*the huge*  
**OPPORTUNITY**



**MOBILE USAGE**  
*on the rise*



# Mobile web is on the move

**1.5  
BILLION**

smartphones and tablets will be installed globally by mid 2013 – overtaking laptops and PCs\*

**37%  
GROWTH**

in the number of global 3G subscribers in the past year\*\*

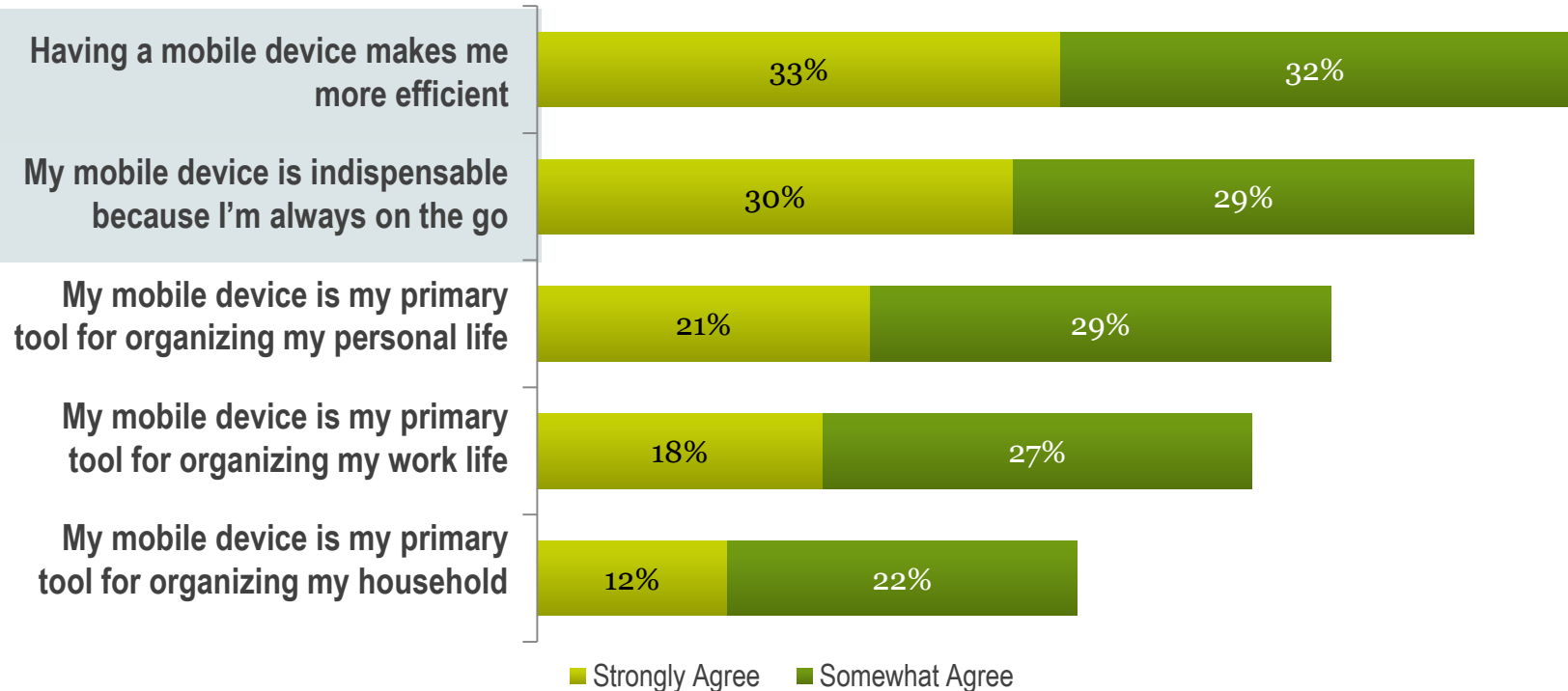
**13%  
OF WEB**

traffic comes via mobile – more than double last year; Mobile traffic share already over 50% in India\*\*\*



# Mobile devices are indispensable efficiency tools

Please indicate how strongly you agree or disagree with the following statements about your mobile device:





# People love their mobile devices

**BEYOND  
ESSENTIAL**

*"I take my smartphone everywhere. Life collapses if I forget it."*

**MULTI-  
TALENTED**

*"My tablet allows me to see the details, develop what I want, check or do work; I have more freedom."*

**LIFE  
CHANGING**

*"Living in Lagos is so stressful with all the traffic, I don't have to stress myself moving from one shop to the other when I can get online with my phone."*

**TRULY  
SMART**

*"I always have an answer; my smartphone makes me feel like a hero when I solve problems."*

**FUN**

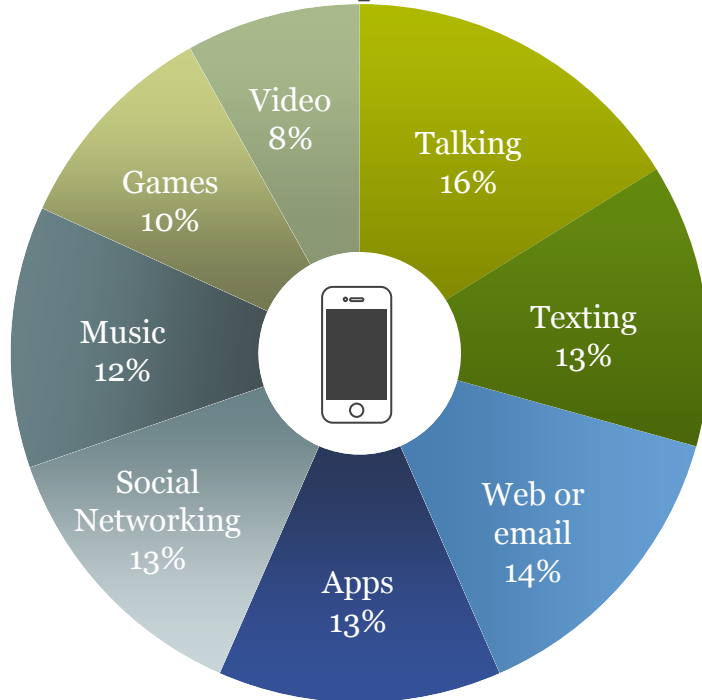
*"I feel like a wizard when I play and discover new things."*



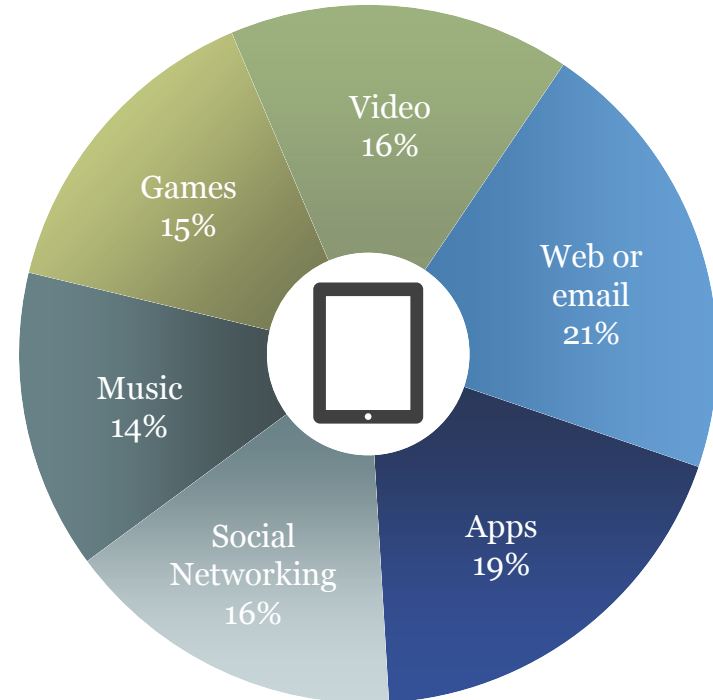
# Mobile devices act as central hubs in our lives

In a typical week, how many hours do you spend....

*Share of Time Spent  
(Smartphone)*



*Share of Time Spent  
(Tablet)*





# Massive potential for growth in mobile marketing

**11.7%  
OF TIME**

among U.S. consumers is now spent on mobile devices

**JUST 1%  
OF SPEND**

globally is committed to mobile marketing

**3X  
BY 2015**

mobile ad spend predicted to grow from \$6.4 billion (2012) to \$18.6 billion (2015)



A close-up photograph of a person's hands holding a black smartphone. The person is wearing a red top. The background is blurred, showing other people in a crowd.

ARE BRANDS  
**WELCOME**  
in this intimate space?

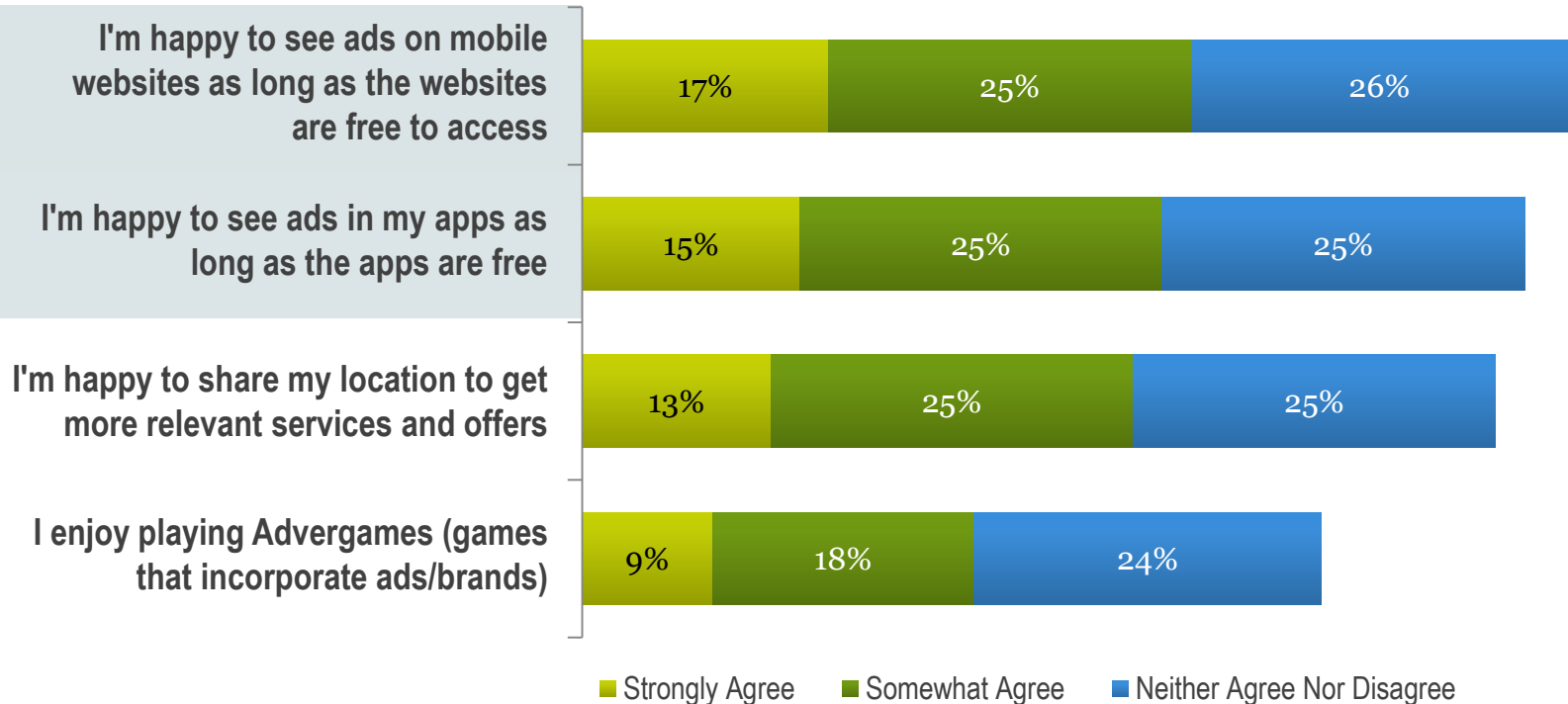


***ATTITUDES***  
*toward mobile  
marketing formats*



# Most users will tolerate mobile ads; some more actively embrace them

Please indicate how strongly you agree or disagree with the following statements about your mobile device:



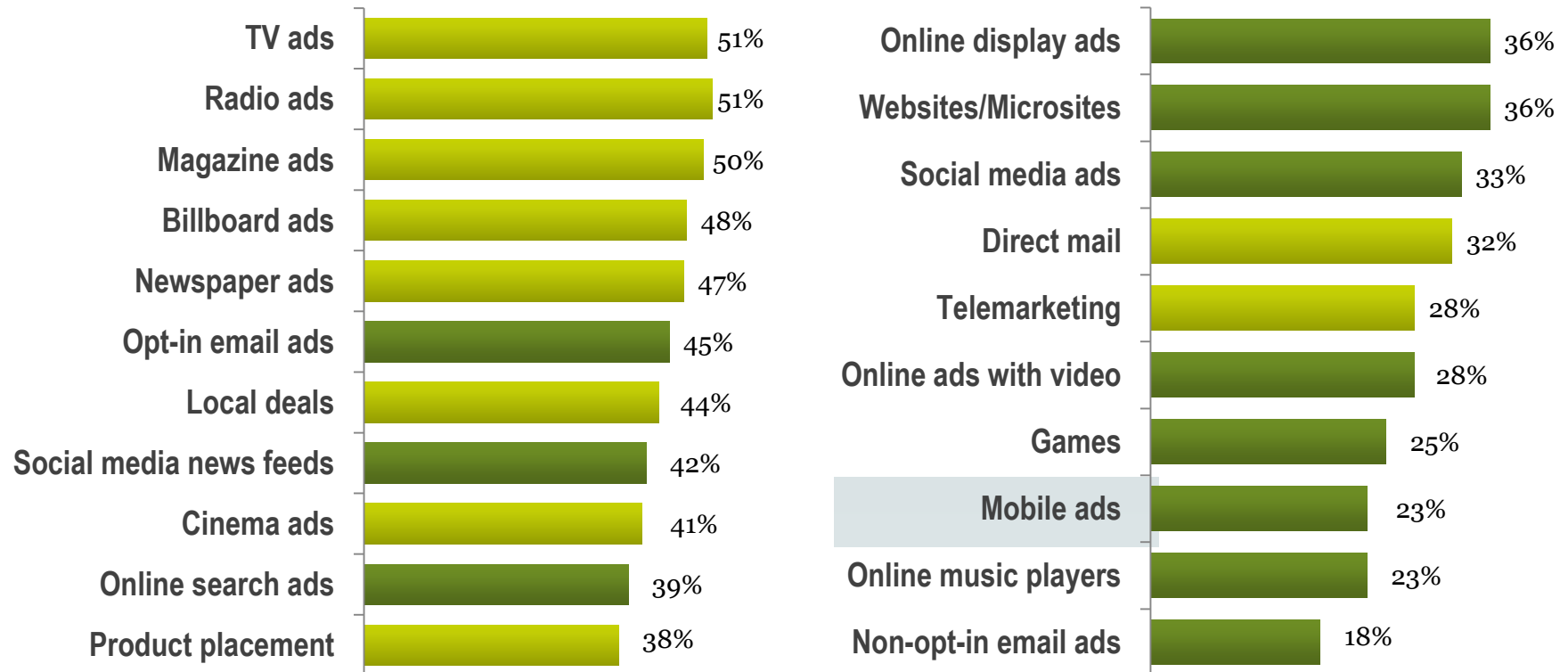


# Attitudes toward mobile ads are much less favorable than other media

How would you characterize your attitude towards advertising on....?

VERY/SOMEWHAT FAVORABLE, %

■ Non-Digital ■ Digital



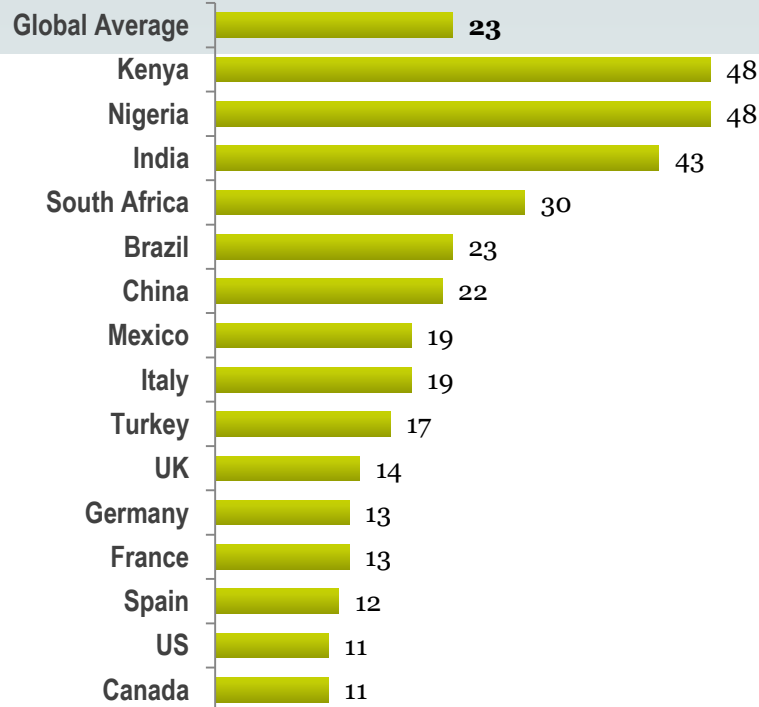


# Ads on tablets are viewed more positively; attitudes most favorable in Africa and India

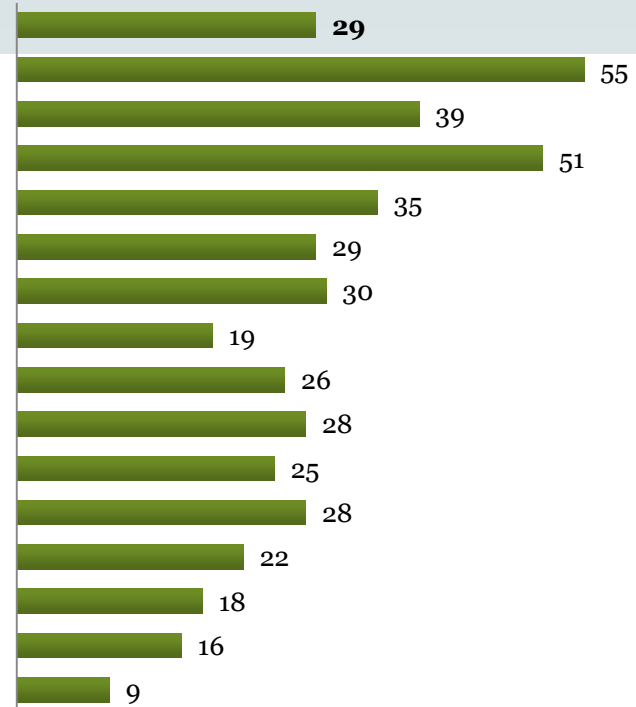
How would you characterize your attitude towards advertising on mobile phones/ tablets?



VERY/SOMEWHAT FAVORABLE, %



Sample: smartphone users

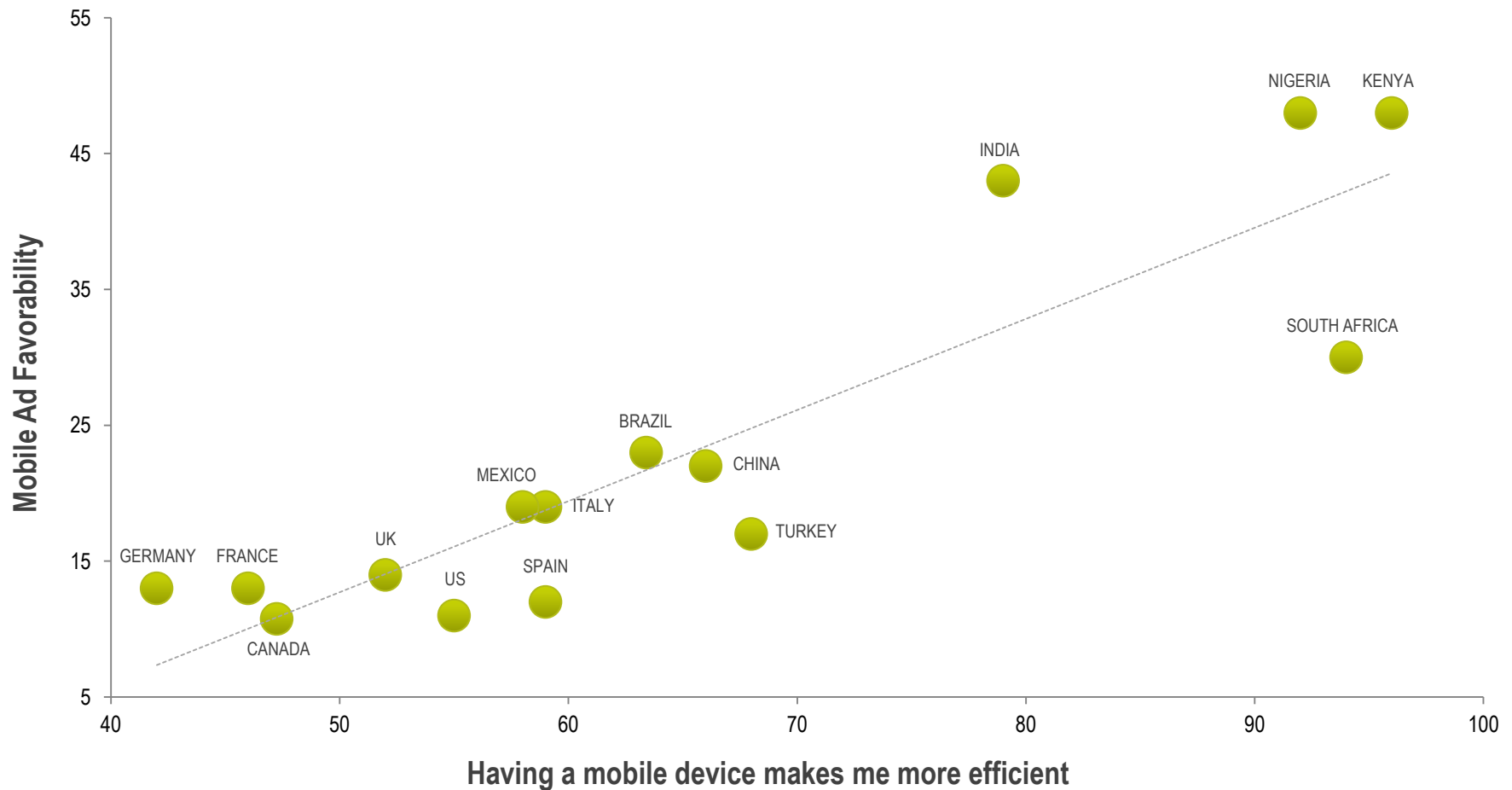


Sample: tablet users



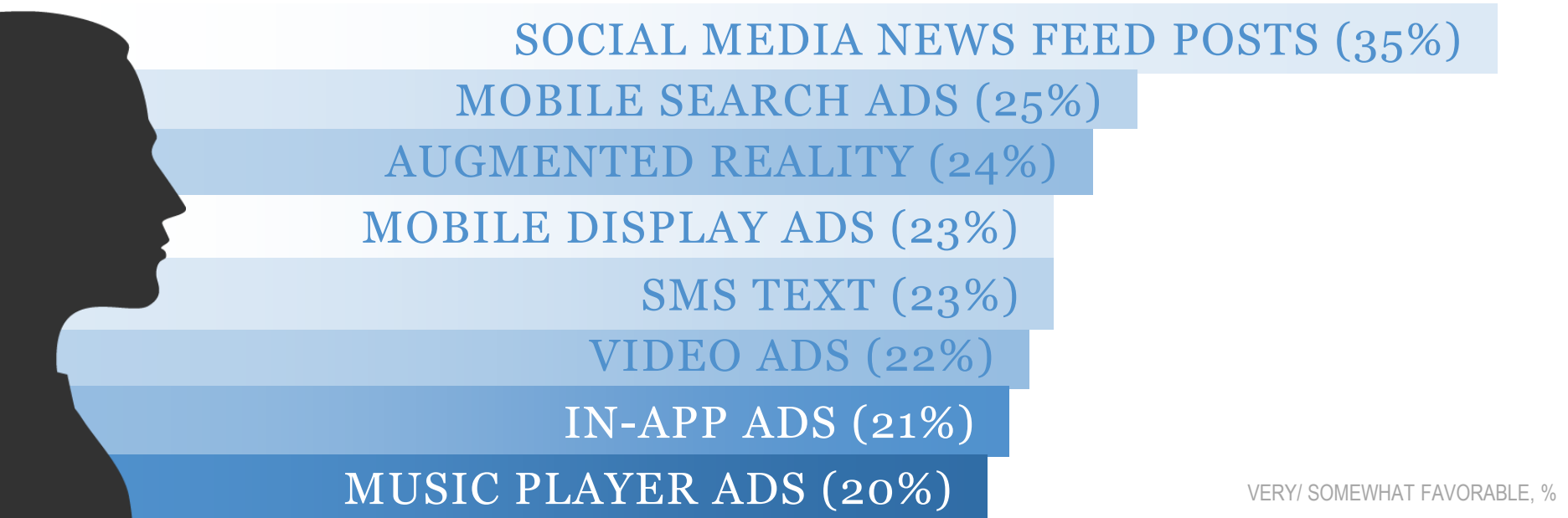
# Higher ad favorability appears largely to be driven by importance of mobile devices

## Mobile ad favorability vs. device importance





# Beyond news feed posts, there is little variation in attitudes towards other mobile ad formats



For brands with a large number of fans or followers, **social media news feeds may represent the easiest way to engage with mobile consumers.**



# Users have high expectations for mobile

1

Mobile  
will be  
competent



2

Mobile  
will know  
who I am



3

Mobile will offer an  
exchange of  
tangible value



*And audiences can be receptive to mobile when it's done right.*



# Mobile ads can be associated with many positive archetypes



## COMPANION

*"Offers information in different ways like a solution provider"*



## HERO

*"Offers help when I'm in need"*



## MEDIATOR

*"I can compare prices, features and brands, before deciding on what to buy"*



## SERVANT

*"All my 'questions' about the brand/product are answered directly"*

*BUT if it invades clumsily, negative associations can prevail*



## BULLY

*"I hate it when ads interfere with my online activity, asking me to click something that is unclear"*



## THIEF

*"It steals the little space I have on my screen"*



## REBEL

*"It's rebellious, it interrupts me while I play or work"*



## VAMPIRE

*"It enters your space, as if it were going to harm your phone"*



# Brands are welcome when they align to broader mobile benefits

## USEFUL

*"I like it when ads connect with the app, as it's offering you some more information that may be interesting." [Spain]*



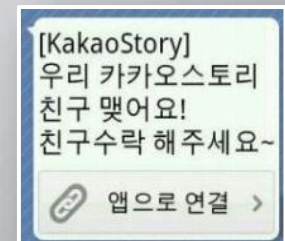
## INTRIGUE

*"The Magnum gold door is very intriguing... makes me want to know what is inside... 'Crack the code' seems mysterious and sounds like a game..." [Indonesia]*



## CONNECT

*"By offering me this friend request in the famous 'Kakao Talk' social network, the brand is demonstrating they will keep me regularly updated with brand news." [Korea]*







# MOBILE is FLEXIBLE

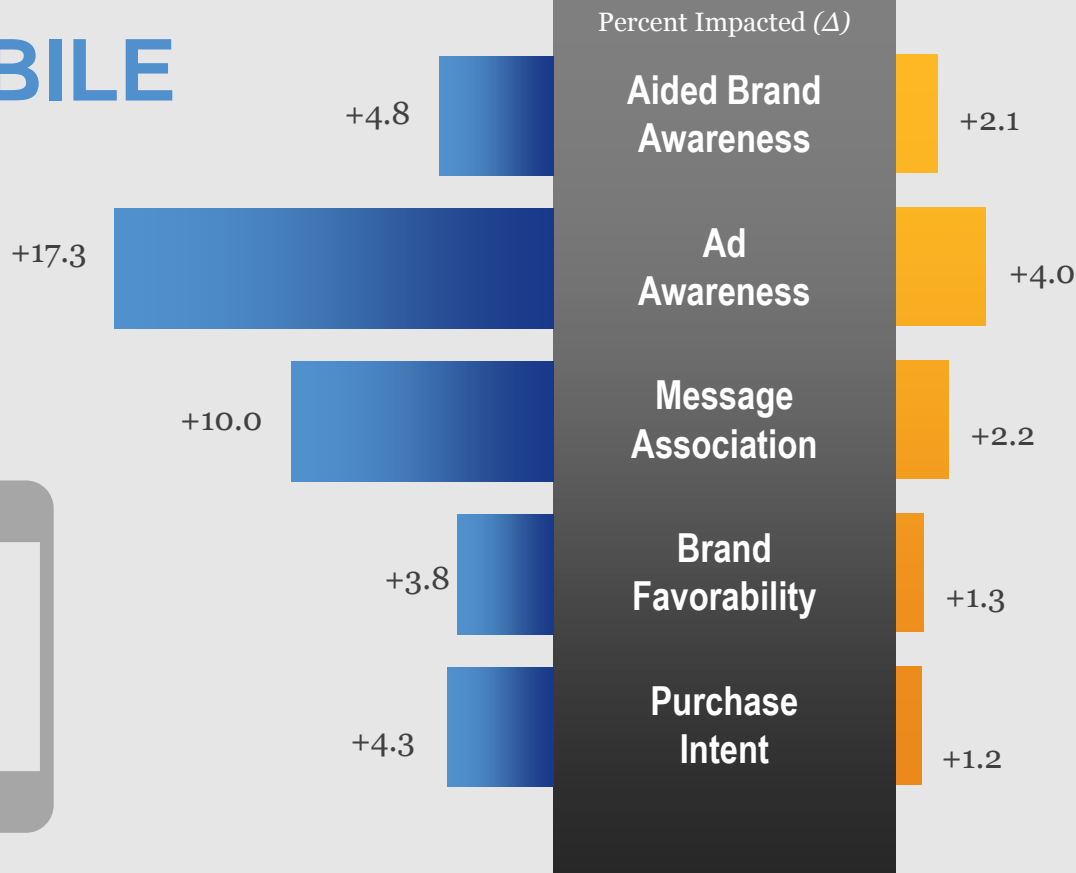
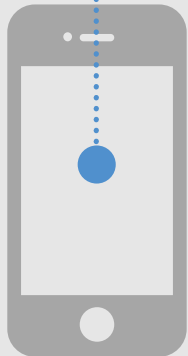
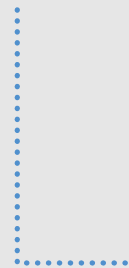
—♡—  
*AND CAN PLAY MANY ROLES*

# IN THE MEDIA MIX

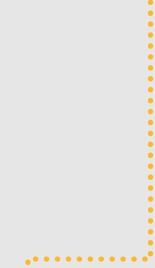


# Mobile ads generally have more impact on all brand metrics than online ads

## MOBILE



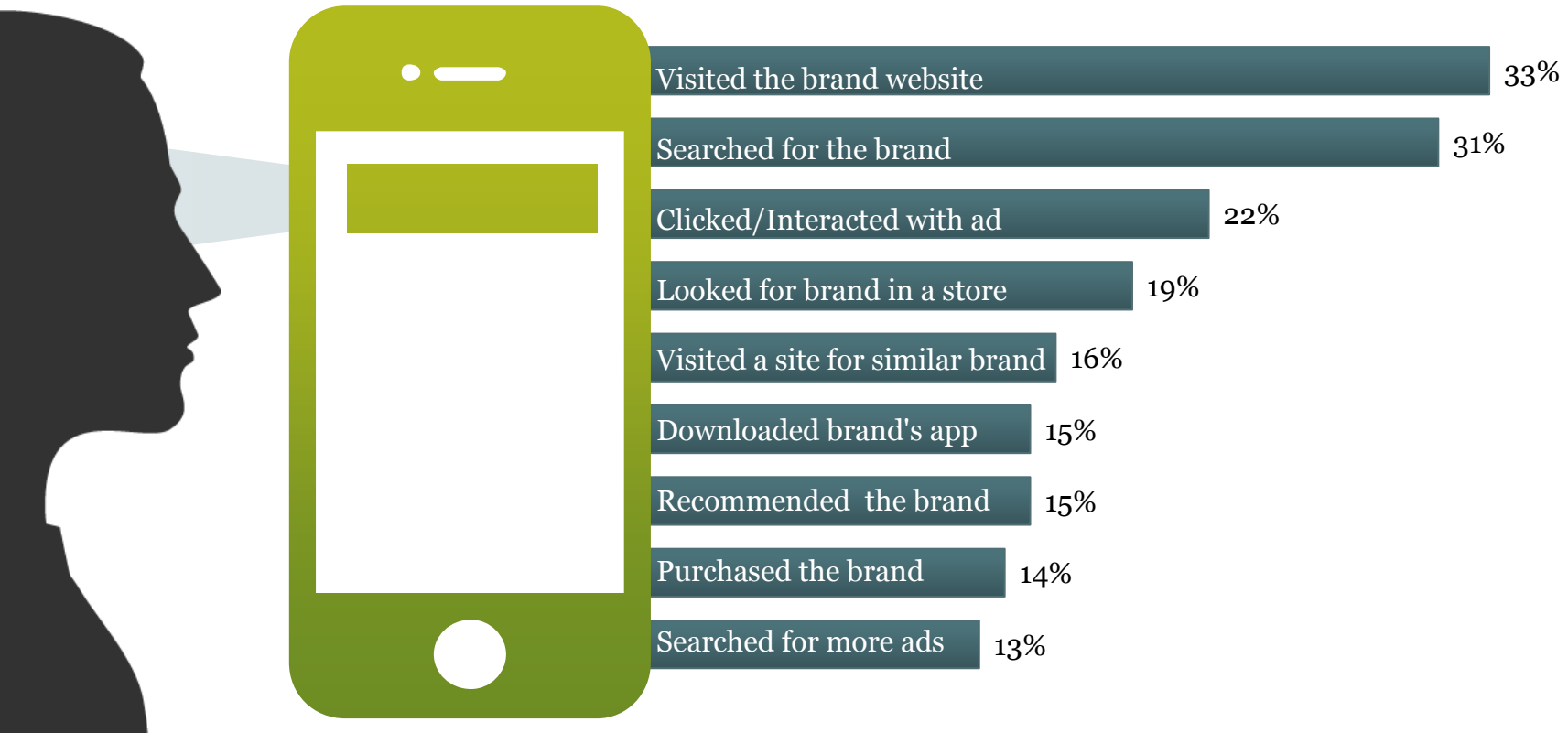
## ONLINE





# Beyond brand impact, mobile ad exposure mostly drives consumers to a brand's website or search

Which of the following actions have you taken as a result of seeing a mobile ad?

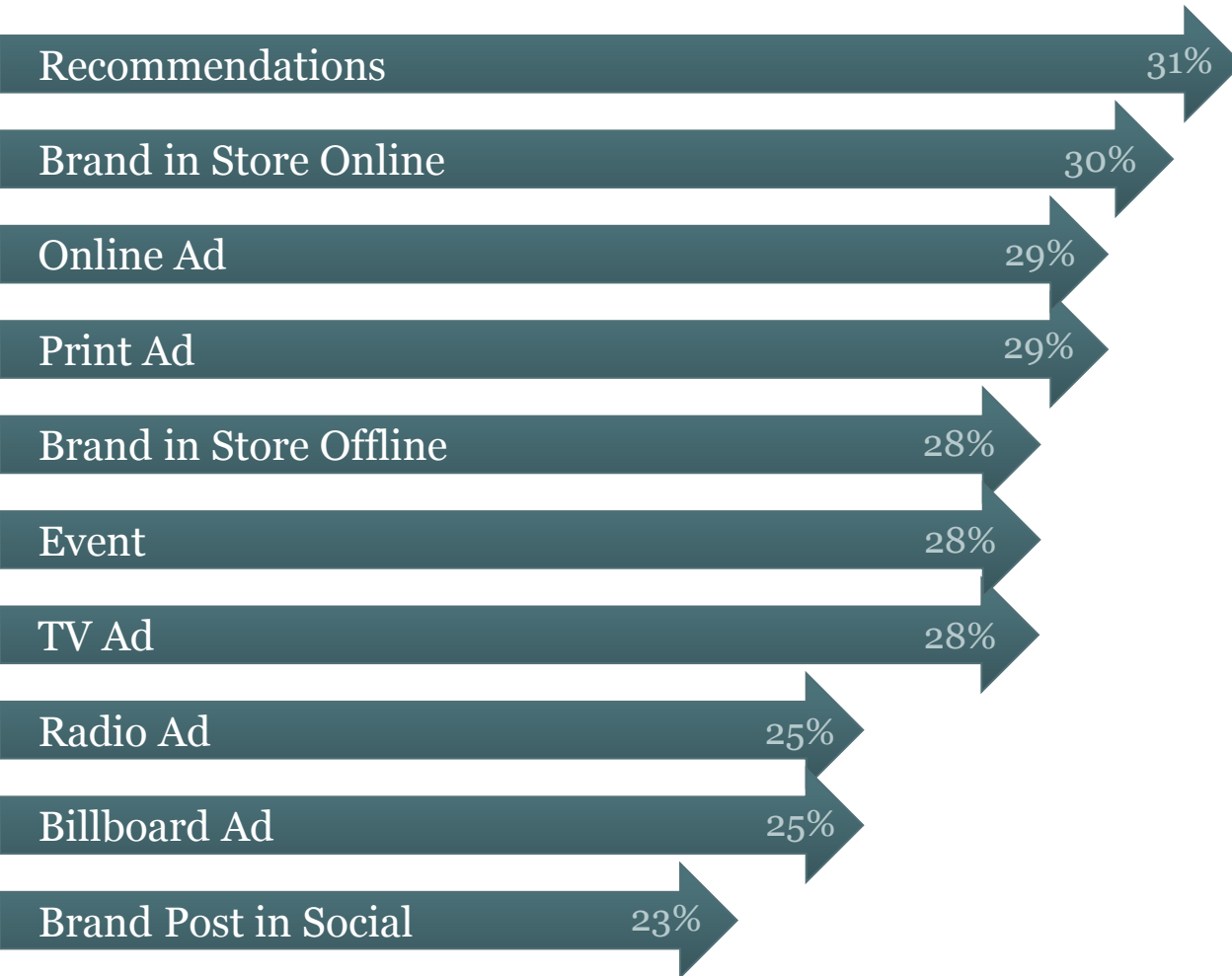


*Mobile display ads are just one element of a mobile campaign; use display to drive traffic to an optimized website for continued engagement*



# Don't just rely on mobile display to generate traffic; any media can drive users to a mobile website

Which of these could make you visit a brand's mobile website?





# Mobile users want content from many categories

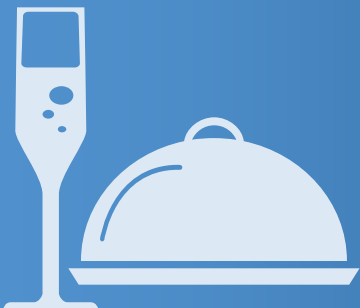
What types of companies or brands would you most like to see delivering services or features for your mobile devices?



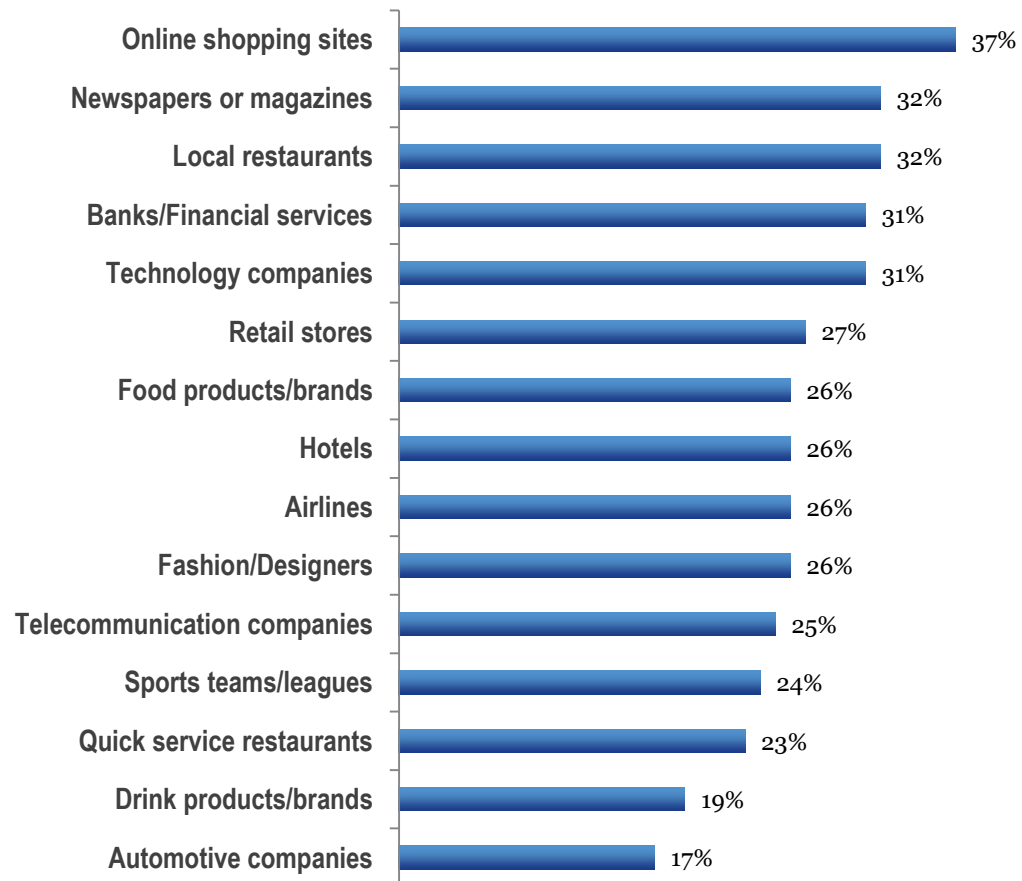
**Online retail**  
37%



**Newspapers & magazines**  
32%



**Local Restaurants**  
32%





A close-up photograph of two hands holding two black smartphones. The hand on the left holds a phone with a black case, while the hand on the right holds a phone with a clear case. The background shows a person wearing a light blue shirt and a blue jacket. The text is overlaid on the left side of the image.

# PRINCIPLES

---

*for a brand's*

# MOBILE SUCCESS



# RESPECT for the mobile audience and platform will ensure a constructive future





# Relevance

*Mobile content needs to be tailored to both the target audience  
AND the context where they will most likely experience it.*

## Guerlain, Spain



- Full-page cover up ad when consumers launch the mobile site of a Spanish fashion magazine
- Appropriate placement and a high-quality ad unit makes this high-impact format permissible
- Also polite: easy-to-close



# Engagement

*Mobile provides opportunities to go deeper when users have moments of downtime.*

## Carling Black Label, South Africa



- A unique one-off soccer match where fans could select the players and vote for substitutions in real-time via mobile devices
- Event was promoted heavily in traditional media and over 10 million mobile votes were cast
- Event generated huge interest
- Mobile acted as the primary route to engage – it was the technical glue holding the entire campaign together



# Surprise & delight

*Put a smile on the face of your consumers with every mobile connection you deliver.*

## Le Trèfle, France



- To re-launch this 20-year old brand, new and humorous TV ads presented toilet tissue as a personal care product, and a mobile app “where are the toilets?” was developed
- Funny, distinctive and surprising campaign created buzz
- The mobile app was humorous but also useful – everyone needs to know where to find toilets now and again
- Synergistic effects between TV and mobile



# Play to strengths

*Mobile can play a unique role in the wider media mix since it is both portable and personal.*

## Renault Twizy, Spain



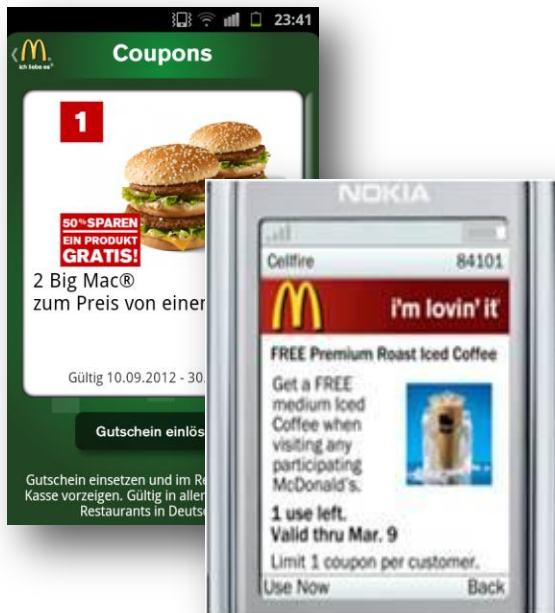
- TV ad for this electric city car encourages users to tag songs with Shazam which links to a sponsored page within the Shazam app
- Music is an integral part of the ad; Shazam helps consumers find the song and deepens engagement
- Seamless integrated experience
- Mobile website content makes more information easily accessible for those who are interested
- Use of technology aids innovative brand positioning



# Exchange

*Users are looking for something of value in return for access to their mobile phones.*

## McDonald's, Germany & Nigeria



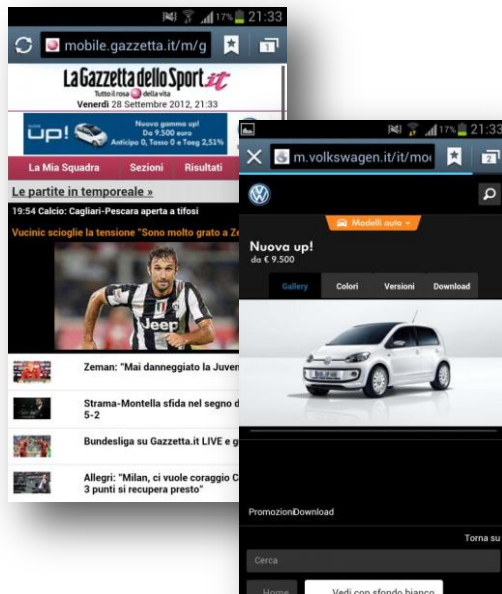
- In Germany, coupons are offered when using the McDonalds app; in Nigeria, they are delivered via SMS
- Basic, but effective
- The German app rewards loyal customers; the app page is not overloaded and the offer is clear
- In Nigeria, the simple addition of a brand logo makes the coupon stand out: *"Most text ads I see don't have pictures or brands on them so this is unique"*



# Competence

*More than any other media, mobile marketing needs to be clear, functional and focused.*

## Volkswagen up!, Italy



- Mobile banners & website for VW's new up! car
- Simple banner message (price focused)
- Simple and clean mobile site design
- Good mix of text and graphics
- Exhaustive information for each model
- Easy-to-use



# Time & place

*Mobile content needs to be tailored to when and where it is most likely to be consumed.*

## Rolex TED Sponsorship, Global



- A feature within the TED app: users select how much time they have on the Rolex watch and then suitable TED videos are recommended
- The feature serves a clear purpose within the app
- Obvious connection with the brand
- It is interactive and playful
- Surprises positively, updating Rolex perceptions from “traditional” to more “creative” and “intriguing”



A high-angle, over-the-shoulder photograph of a person with long dark hair, wearing a blue and white striped shirt, sitting on a blue couch. They are holding a black smartphone in their right hand, displaying a vibrant image of a field of purple flowers under a purple sky. Their left hand, adorned with a ring, is touching the screen. A black tablet is resting on the couch next to them, showing a dark screen with some faint text. The background is softly blurred, showing a light-colored wall and a portion of another person's head.

# MARKETING BEST PRACTICES

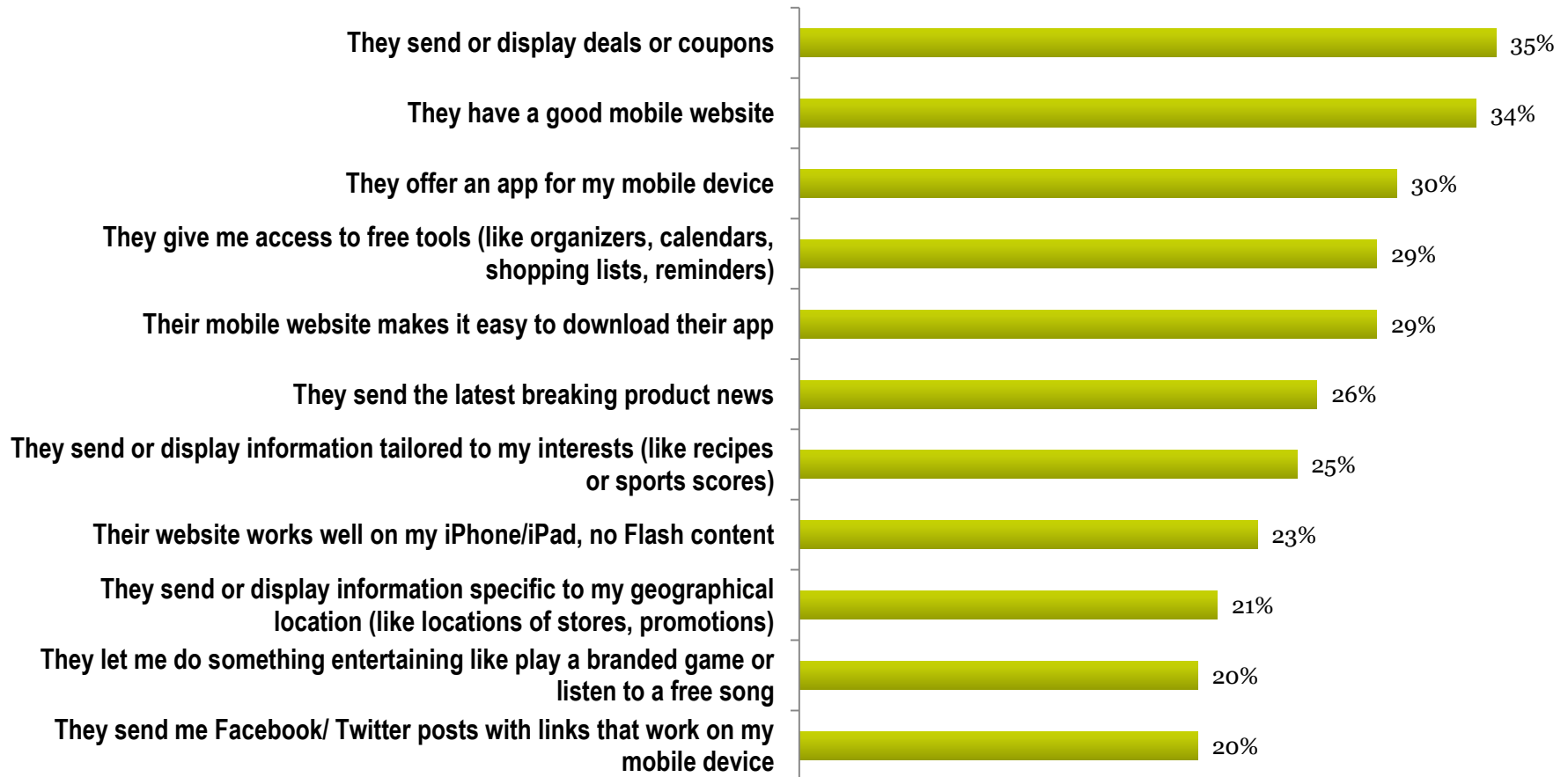
—♡—  
*for*

MOBILE WEBSITES,  
APPS AND  
DISPLAY ADS



# Start doing something: all kinds of mobile marketing can improve brand opinions if done well

When using your mobile phone or tablet, which of the following can improve your opinion of a brand?

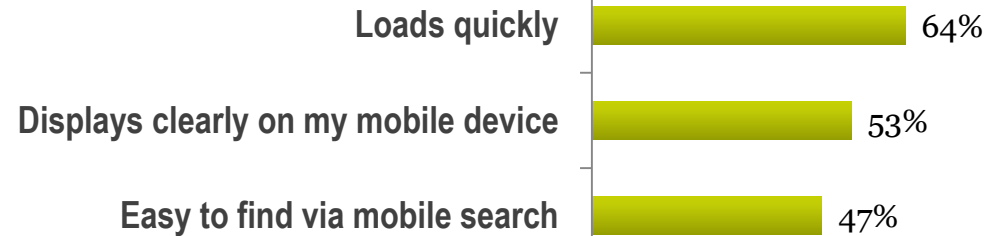




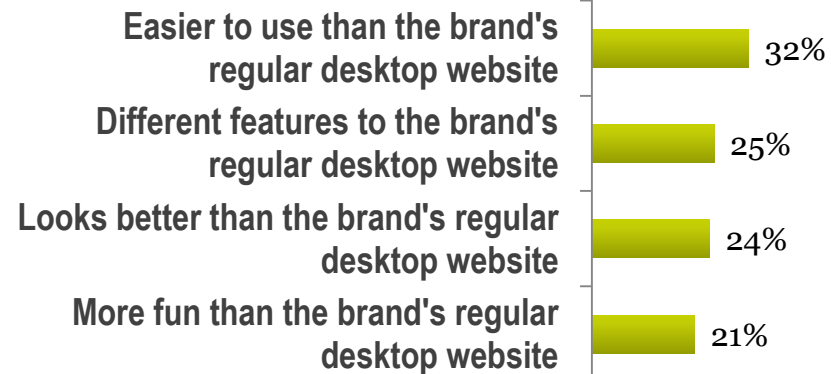
# What makes a good mobile website?



## Speed & display



## Unique to screen



## Targeted





# Mobile websites should be fast and functional



What makes a good mobile website?

*do:*

- make it fast
- make it clean
- make it easy to use

*don't:*

- feel compelled to outdo your online website
- forget mobile users are goal directed
- value entertainment over competence

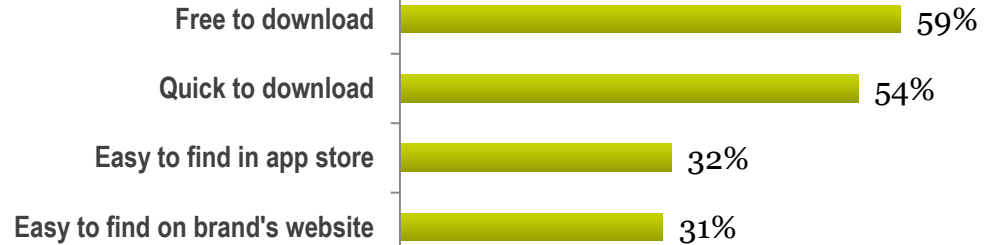
*Simple is safest until network speeds improve*



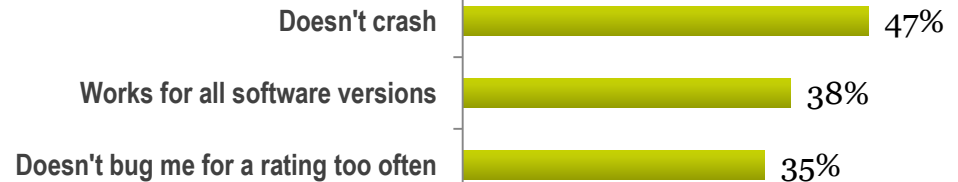
# What makes a good app?



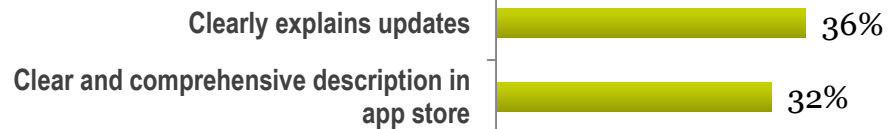
## Easy to acquire



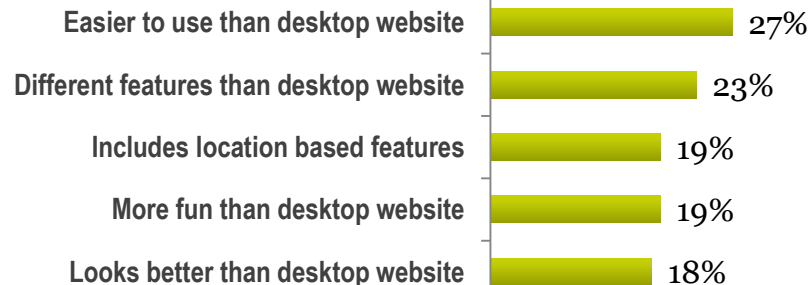
## Competent



## Clear



## Not too complex





# Make apps easy to acquire and easy to use



## What makes a good mobile app?

### *do:*

- be free if possible and easy to find
- clearly explain what you offer, and what you've updated
- focus on ease of use
- deliver something of value

### *don't:*

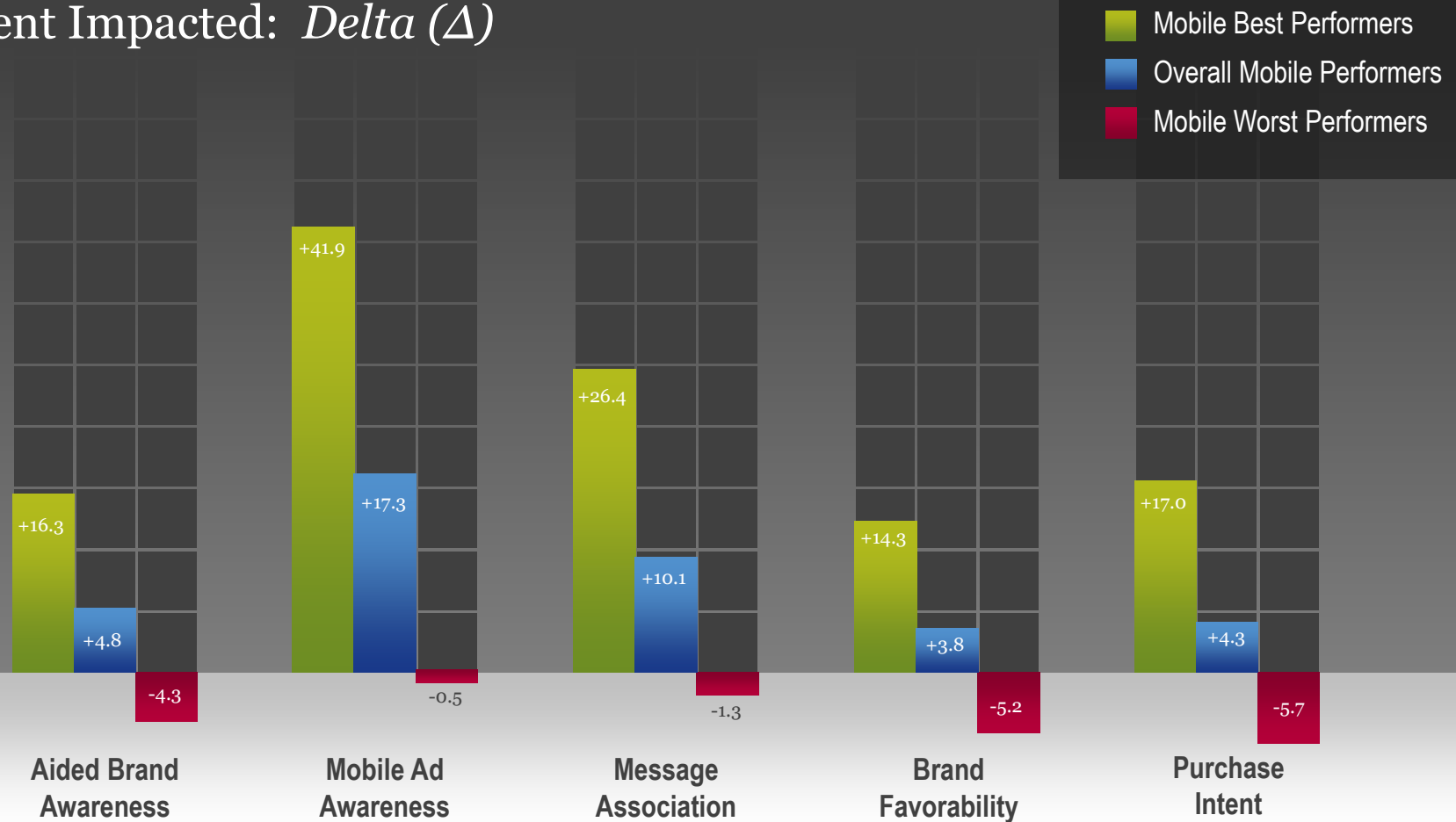
- crash (don't be too resource intensive)
- build one unless it will be used regularly
- feel compelled to make it too complex
- bite off more devices than you can chew (better no app than a poor app)



# Huge variation in effectiveness between best and worst performing mobile display ads



Percent Impacted: *Delta* ( $\Delta$ )





# Mobile display ads need clear branding, communication and call-to-action



What makes a good mobile display ad?

## *do:*

- clearly brand your creative
- make sure you have a clear call-to-action
- make the ads interactive and engaging
- target as tightly as possible

## *don't:*

- show your brand only on a product shot
- clutter your ads with too much text or too many logos
- repurpose online creative only to leave it cropped
- use intrusive formats unless context is highly relevant



# More detailed AdReaction findings

For further information on the Global AdReaction study please contact:

**Delyth Hughes** +44 (0) 1926 826 247 or [delyth.hughes@millwardbrown.com](mailto:delyth.hughes@millwardbrown.com)

If you are interested in more detailed country-level findings, please contact your local Millward Brown Office via [www.millwardbrown.com](http://www.millwardbrown.com).

Customized analysis reports are also available.

## FURTHER READING

- TNS Mobile Life: <http://discovermobilelife.com/>
- Google Mobile Planet: <http://www.thinkwithgoogle.com/mobileplanet/en/>
- Google Mobile Playbook: <http://www.themobileplaybook.com>
- Mobile Marketing Association case studies: <http://www.mmaglobal.com/resources/case-studies>
- More mobile examples: <http://digital-examples.blogspot.com/search/label/mobile>





# Changing CHANNELS

70|20|10

MillwardBrown

AdReaction is part of Millward Brown's Changing Channels campaign, a series of published insights helping marketers navigate the changing media landscape and explore new opportunities to connect with consumers.

*Learn more from the articles and studies below:*



**Changing Channels POV**  
CHANGING CHANNELS WITH  
CONFIDENCE: A STRUCTURE FOR  
INNOVATION



**Digital Media Planning**  
EVIDENCE BASED GUIDELINES



**AdReaction**  
MARKETING IN THE MOBILE  
WORLD



**Digital and Media  
Predictions**  
10 PREDICTED TRENDS FOR 2013



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