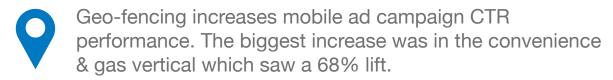
PayPal Media Network

Location-Based
Mobile Advertising:
Q2 Highlights

Highlights from the PayPal Media Network Location Based Mobile Advertising Q2 Report include:



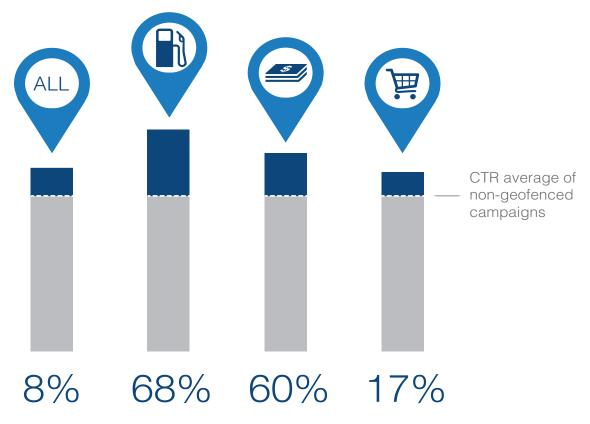




PayPal Media Network provides targeted advertising solutions enabling retailers and brands to drive commerce.

Geo-Fencing Boosts Performance

Geo-fencing provided an 8% lift in CTR on average compared to campaigns that didn't utilize location-based targeting. The Convenience & Gas vertical saw the greatest boost, with a 68% lift in CTR from geo-fencing. Financial Services and Big Box Retailers rounded out the top three.



Source: PayPal Media Network, Q2 2013

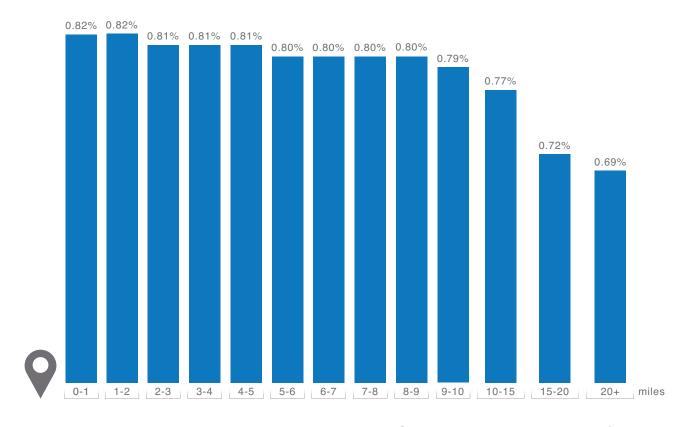
Competitive Conquesting Boosts CTR

Competitive conquesting is when advertisers geo-fence their competitors' locations.

Average performance lift for campaigns that utilize competitive conquesting

Proximity Matters

Mobile users who were located within 1-10 miles of an advertised location were most likely to engage with an ad.



Source: PayPal Media Network, Q2 2013



Insight

Proximity is key in the Financial Services vertical, which had its best performance in the 1-4 mile distance band.

Top 10 Geo-Fenced Cities

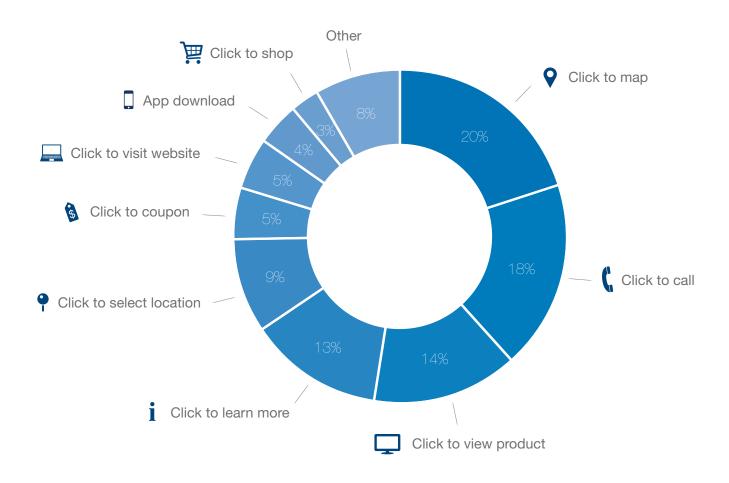
New York was the most targeted city on our network, with almost twice as many geo-fenced impressions as Los Angeles, the second most targeted city on our network.



Source: PayPal Media Network, Q2 2013

Mobile Advertising Drives ower-Funnel Actions

Geo-targeted campaigns showed a strong effect on actions associated with purchase intent, with over half (57%) of landing page clicks comprised of lower-funnel actions -Click to Map, Click to Call, Click to View Product, or Click to Coupon.

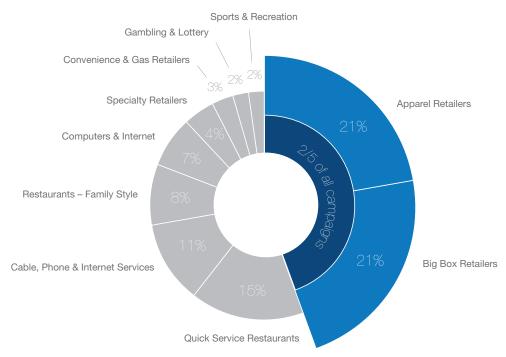


Source: PayPal Media Network, Q2 2013

Who is Leveraging Geo-Targeting?

Top 10 Verticals Ranked by Number of Geo-fenced Impressions

- **Apparel Retailers** 1.
- Big Box Retailers
- 3. **Quick Service Restaurants**
- Cable, Phone, & Internet Services
- 5. Family Style Restaurants
- 6. Computers & Internet
- 7. Specialty Retailers
- 8. Convenience & Gas Retailers
- 9. Gambling & Lottery
- Sports & Recreation 10.



Source: PayPal Media Network, Q2 2013

Apparel & Big Box Dominate Q2

Apparel and Big Box retailers were the top verticals leveraging geo-fencing on our network last quarter, together comprising two-fifths of location-based impressions.



Travel & Transportation were the most likely to leverage location-based targeting. 1/2 of Travel & Transportation campaigns utilized geo-fencing.

Case Study: Best Western WA

OBJECTIVE

Increase traffic to Best Western's one-click access reservation booking engine

SOLUTION

Geo-fence around Best Western and its top 3 competitors as well as airports in Washington. PPMN's location-dynamic technology automatically populated the user's proximity to the nearest Best Western







RESULTS

.95%

Overall CTR

2.3%

CTR on highest engagement day

Read more about this campaign in Mobile Commerce Daily