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## Global Mobile Ad Dollars Poised for Dramatic Growth

**Dr. John Morse of Byron Media** after analyzing new data comments: "Our use of mobile devices continues to expand at a rapid pace. Many people now organize their lives around them and would feel lost without them. The critical question for advertisers is whether consumers will accept ads popping up on their phones. I believe that, if an ad is keyed to personal interests (e.g., Starbucks is at the next corner on the right), there is exceptional upside potential for this new revenue stream."

While the entire advertising marketplace is forecast to increase from \$220 billion in 2012 to \$278 billion in 2021,

mobile emerges as the fastest growing of all sectors. It is slated to move to third-place behind the Internet with billings catapulting from \$5 billion to \$33 billion. The cable network sector is projected to double in the next 10 years (from \$33 billion to \$66 billion).

- Broadcast dollars should be flat
- Out of home (not outdoor) almost doubles (from \$2.5 billion to \$4.6 billion)
- Radio should reflect small but steady increases.
- Direct Mail, Magazines, and Yellow Pages are sectors that continue to fade dramatically. Newspapers also continue to decline but not as significantly as the other print vehicles

*SNL-Kagan, January, 2013*

## Explosive Mobile Ad Sales Present Challenges to Marketers

A recent report indicates that with the surge in mobile spending the challenge for marketers is to optimize the effectiveness of their ad buys. There are a number of elements that can help to achieve this goal:

- Mobile content needs to be tailored extraordinarily well to both the target audience and the context where they will most likely experience it.
- Mobile can provide opportunities to go deeper when consumers have moments of downtime
- Marketers should put a smile on the face of their consumers with every mobile connection they deliver, while being careful not to intrude Mobile can play a unique role in the wider media mix since it is both portable and personal, and it can link to and from many other channels
- Consumers are looking for value in return for access to their mobile phones and their personal information
- Mobile marketing should be clear, functional and focused
- Mobile content should be tailored to when and where it is most likely to be consumed

When a Morgan Stanley forecast for an audience of 1.5 billion smartphone and tablet users by the middle of this year is factored into the sales equation, the opportunity for marketers is even more greatly enhanced. Other findings include:

- 55% of users consider their device indispensable, with an equal percentage indicating that having a mobile device makes them more efficient
- Almost half report interacting with a brand on their mobile device following recommendations from friends or family members
- One-in-four report a willingness to relinquish privacy about their location to receive relevant content and promotion from marketers
- One-third report taking action in response to mobile advertising
- One-third say that receiving deals or promotions on mobile improves their opinion of the brand

# Mobile Content Usage

As of November, 2012

- 75.9 percent of U.S. mobile subscribers used text messaging on their mobile device (up 0.3 percentage points).
- Downloaded applications were used by 54.2 percent of subscribers (up 0.8 percentage points),
- Browsers were used by 52.1 percent (up 0.1 percentage points).
- Accessing of social networking sites or blogs increased 0.9 percentage points to 39.2 percent of mobile subscribers.
- Game-playing was done by 33.7 percent of the mobile audience,
- 28.7 percent listened to music on their phones (up 0.4 percentage points)

Also of Note:

Samsung ranked number one among mobile phone providers with subscribers totaling 26.9 percent of the market. Apple was second with 18.5 percent followed by LG (17.5 percent), Motorola (10.4 percent) and HTC (5.9 percent).

comScore *MobiLens*, January 3, 2013

**Whether its audience measurement, distribution or ad sales, marketing/promotion, multi-platform, or program content and scheduling, Byron Media has made the bottom-line difference for companies like yours. For further information please contact [John@ByronMedia.com](mailto:John@ByronMedia.com) or call 212-726-1093**