

RESEARCH BRIEF: Mobile Phone Marketing

Mobile Phone Marketing in the United States

Mobile phone marketing initiatives in the U.S. have been said to be 12-18 months behind our European, Asian and African counterparts. This is primarily due to infrastructure challenges in the U.S., adoption of advanced mobile phone usage, and the inferiority of the displays on mobile handsets. According to a September 08, 2008 report released by ComScore's MobiLens, the first of three issues may be changing - the United States has caught up with Western Europe in the number of American mobile subscribers with 3G devices. Rapid adoption of iPhone and the upcoming launch of Google's Android will only help this trend advance even more rapidly.

Percent of Subscribers with 3G Devices 3-Month Average Ending June 2008 and June 2007 Source: comScore MobiLens			
	Penetration June 2007	Penetration June 2008	Point Change June 07 vs June 08
Germany	15.1%	23.9%	8.1
Spain	22.5%	37.2%	14.7
France	12.6%	17.1%	4.5
Italy	32.1%	38.3%	6.2
United Kingdom	19.9%	27.6%	7.7
European Total (5 countries)	20.3%	28.3%	8.0
United States	16.7%	28.4%	11.7

Advertising on the "Third Screen"

According to two studies here in the U.S., text-messaging seems to be the best performing marketing tactic for mobiles. According to a September 2008 Limbo study, 22% of U.S. mobile phone users in the study recalled text-messaging advertisements and only 8% recalled mobile web banners. In a recent DMA study, 70% of the 800 U.S. mobile phone subscribers polled had responded to a text-messaging campaign, while only 41% had responded to a survey and only 30% to email offers. This may have to do with the fact that the ability for an advertiser to send a text message advertisement to a mobile subscriber is tightly controlled by the mobile carriers thus ensuring that the messages are more targeted and accepted. In fact, recent research found that 10% of mobile messages are spam, compared to 65% of email messages.

Internet Usage Habits of Smartphone Subscribers

Internet Usage Habits among Smartphone Subscribers Three-month Average Ending May 2008 Mobile phone subscribers in France, Germany and the United Kingdom Source: comScore M:Metrics, MobiLens			
Internet Service Accessed via Phone	Percent of Subscribers		
	iPhone	Smartphone*	Market
Any news of information via browser	80.4%	32.2%	10.7%
Accessed web search	56.6%	18.3%	5.0%
Watched any mobile TV and/or video	32.0%	14.6%	7.4%
Accessed a social networking site or blog	42.4%	10.3%	3.2%
Listened to music on mobile phone	70.0%	32.5%	18.4%
Used email (work or personal)	69.5%	25.6%	7.6%

*Smartphone defined as a device running the Windows, Palm or Symbian operating system

-ComScore July 2008

Mobile Quick Statistics

263 Million US Mobile Phone Users in 2Q08
-Limbo & GFK Technology, September 2008

2.7 Billion Mobile Phones in Use Worldwide - Experian, June 2008

By 2010 70% of the Global Society Will Carry a Mobile Phone - Experian, June 2008

iPhone Increases Mobile Internet Consumption of Social Networking by 13x - ComScore July 2008

69% of Travelling Executives Use Mobiles to Browse Internet - Association of Corporate Travel Executives, July 2008

Mobile Phones Penetrate US Households at a Greater Rate Than PCs, Digital Cameras, and MP3 Players - Parks Associates, June 2008

9 out of 10 U.S. College Students Own a Mobile Phone - Harris Interactive, August 2008

577 Million Mobile Internet Users Worldwide in 2008 - Juniper Research May 2008

31 Million Mobile Phone Gamers in the U.S.
- eMarketer, August 2008

500 Million Mobile Gamers Worldwide
- eMarketer, August 2008

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Top 10 US Mobile Website Categories

Top 10 US Mobile Web Site Categories, Ranked by Unique Visitors, May 2008 (thousands)

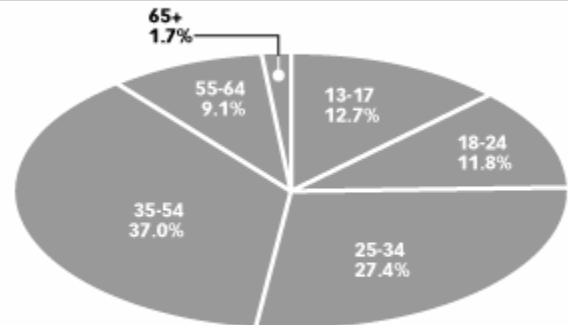
1. Portals	35,700
2. E-Mail	26,100
3. Weather	16,800
4. News/politics	13,000
5. Search	11,800
6. City guides & maps	9,900
7. Sports	9,700
8. Entertainment	9,600
9. Video/movies	8,600
10. Music	6,800

Source: Nielsen Mobile, "Critical Mass: The Worldwide State of the Mobile Web," July 8, 2008

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US Mobile Internet Users by Age

US Mobile Internet Users, by Age, May 2008 (% of total)



Note: numbers may not add up to 100% due to rounding
Source: Nielsen Mobile, "Critical Mass: The Worldwide State of the Mobile Web," July 8, 2008

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Most Important Features to US Mobile Users

New Mobile Phone Features Most Important to US Mobile Phone Users, January 2008 (% of respondents)

Text messaging	73%
Camera	67%
E-Mail	63%
Internet access	61%
Music	34%
Video	33%

Source: ACCESS Systems Americas, Inc. conducted by Amplitude Research, July 2, 2008

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Worldwide Mobile Phone Penetration

Mobile Phone Subscribers* and Penetration Worldwide, 2004-2010 (thousands, % change and % of population)

	2005	2006	2007	2008	2009	2010
Subscribers	1,755,676	1,944,377	2,145,111	2,319,756	2,493,572	2,665,258
% change	11.9%	10.7%	10.3%	8.1%	7.5%	6.9%
% penetration	26.0%	28.4%	30.4%	31.9%	33.4%	34.7%

Note: ages 7-75; *registered mobile service numbers
Source: Korea Investment & Securities and Dataquest as cited by Cellular News, November 21, 2007

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