2016
MOBILE MARKETING TRENDS

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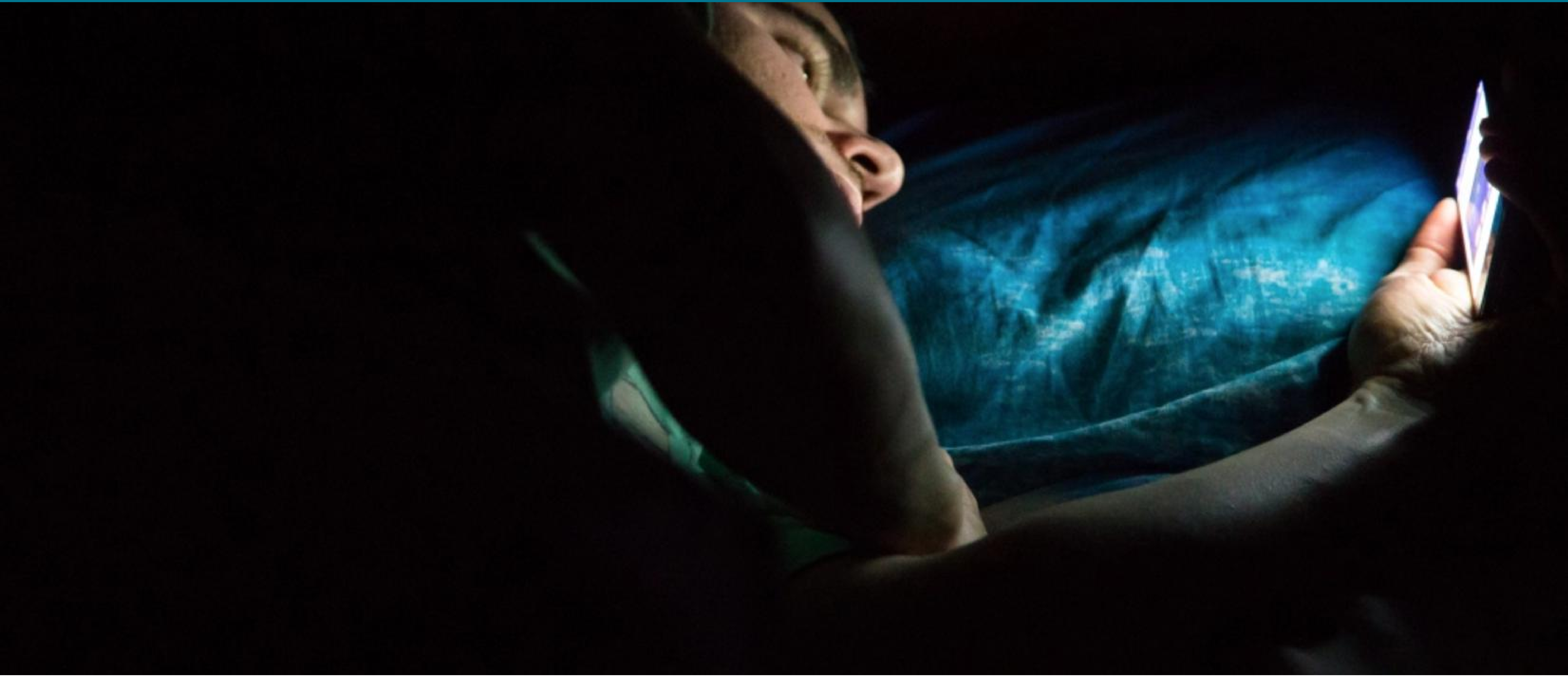
THE GREATEST TRANSFORMATION IN CONSUMER BEHAVIOR THAT WE WILL SEE IN OUR LIFE TIME




THAT MOMENT

A

CONSUMERS
Still can´t get enough

C

TECH & INFRASTRUCTURE
Mobile continues to evolve and excite

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Mobile continues to evolve and excite

A

CONSUMERS

Still can´t get enough

A. CONSUMER TRENDS: CAN'T GET ENOUGH

Prepare to chat
85% Chat is
eating the world

Consumers want to be
"uber-satisfied"

Video Is Mobile
85%
In APAC

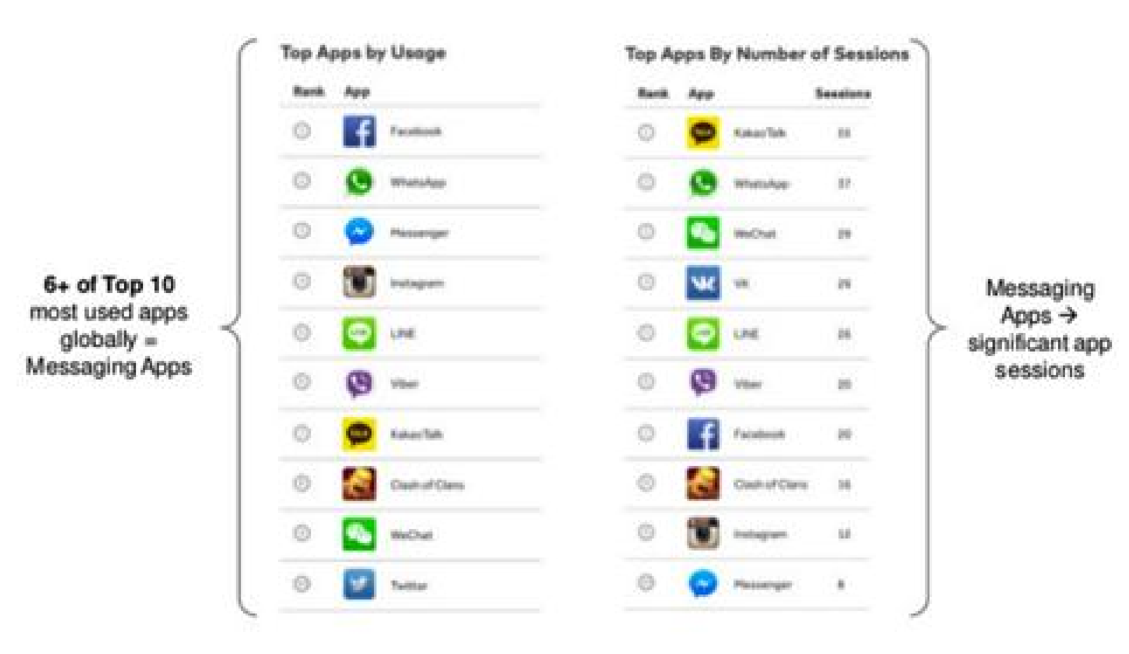
You can have my data
But it will cost you

User generated
content goes to
Entertainment

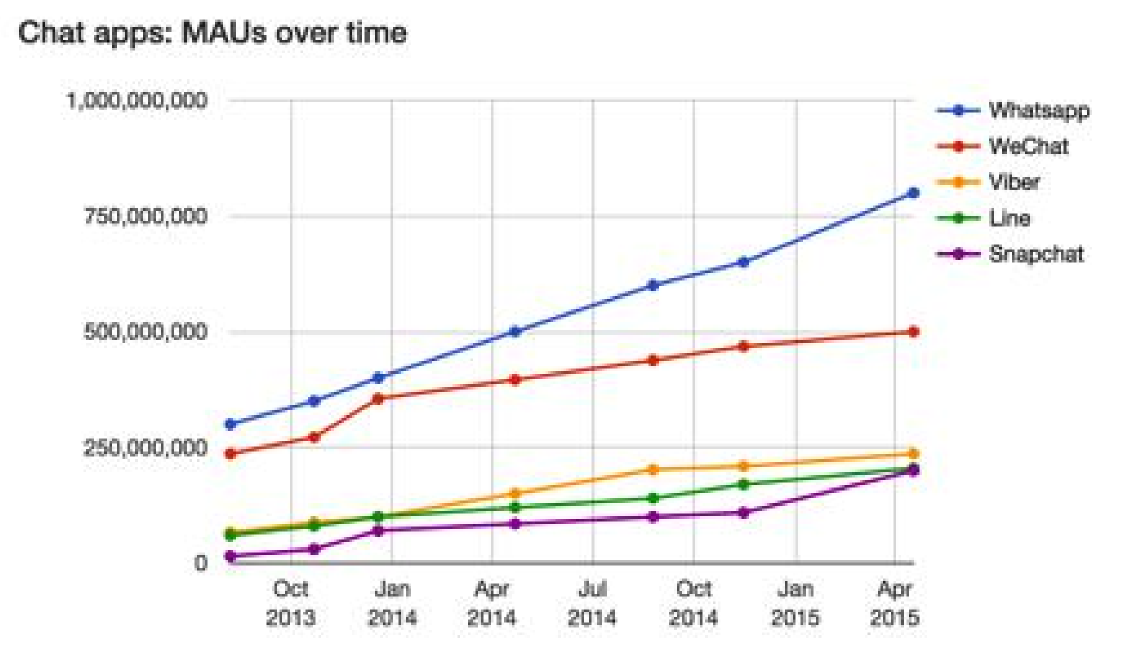
1. PREPARE TO CHAT

Messaging Apps will lead in terms of overall **usage and # of sessions**

They are projected to **keeps growing,** attracting new users in 2016



Global Usage vs Sessions



Global Growth

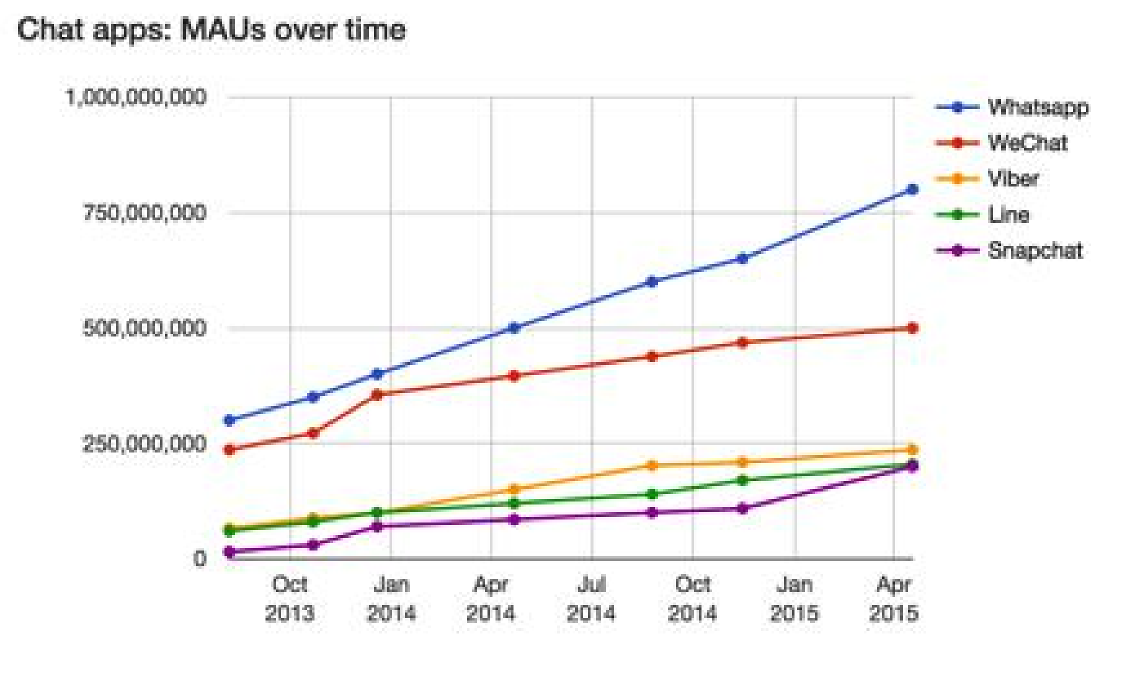
1. PREPARE TO CHAT (cont'd)

Chat is the new ____, well everything.

Messaging will become the **hub for everything** else

Name	KakaoTalk	WeChat	LINE
Launch	March 2010	January 2011	June 2011
Primary Country	Korea	China	Japan
Messaging	✓	✓	✓
Group Messaging	✓	✓	✓
Voice Calls	Free VoIP calls (2012)	WeChat Phonebook (2014)	✓
Video Calls / Chat	✗	✓	Video call update (2013)
Payments	KakaoPay (2014)	(2013)	Line Pay (2014)
Stickers	(2012)	Sticker shop (2013)	(2011)
Games	Game Center (2012)	(2014)	(2011)
Commerce	Kakao Page (2013)	Delivery support w / Yixun (2013)	Line Mall (2013)
Media	Kakao Topic (2014)	✓	✓
QR Codes	✓	QR code identity (2012)	✓
Food Delivery	✗	Partnership with Foodpanda (2014)	Launched beta in Thailand (2015)
Taxi Services	Kakao Taxi (2015)	Taxi services w/ Didi Dache (2014)	Launched taxi service in Tokyo (2015)
User Stories / Moments	Kakao Story (2012)	WeChat Moments	Line Home (2012)
Developer Platform	KakaoDevelopers	WeChat API	Line Partner (2012)

Including **Commerce** and other transactions



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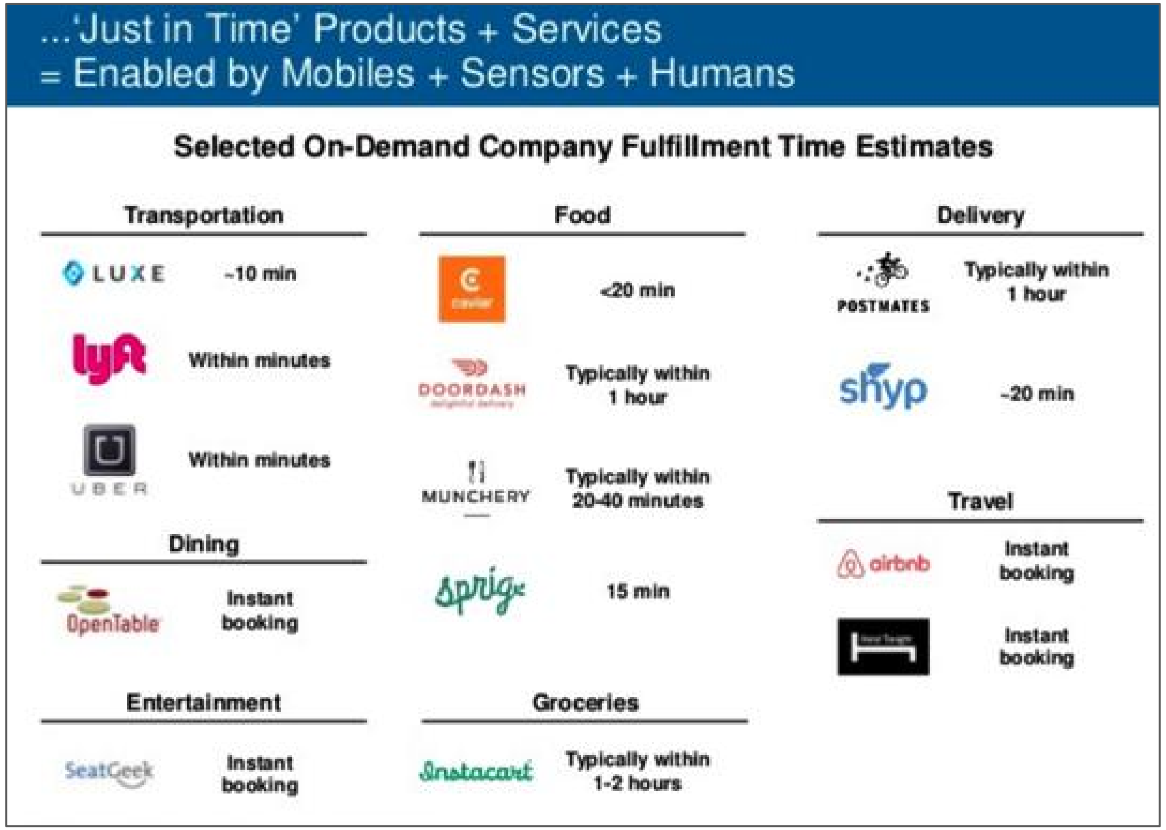
2. CONSUMERS WANT TO BE "UBER-SATISFIED"

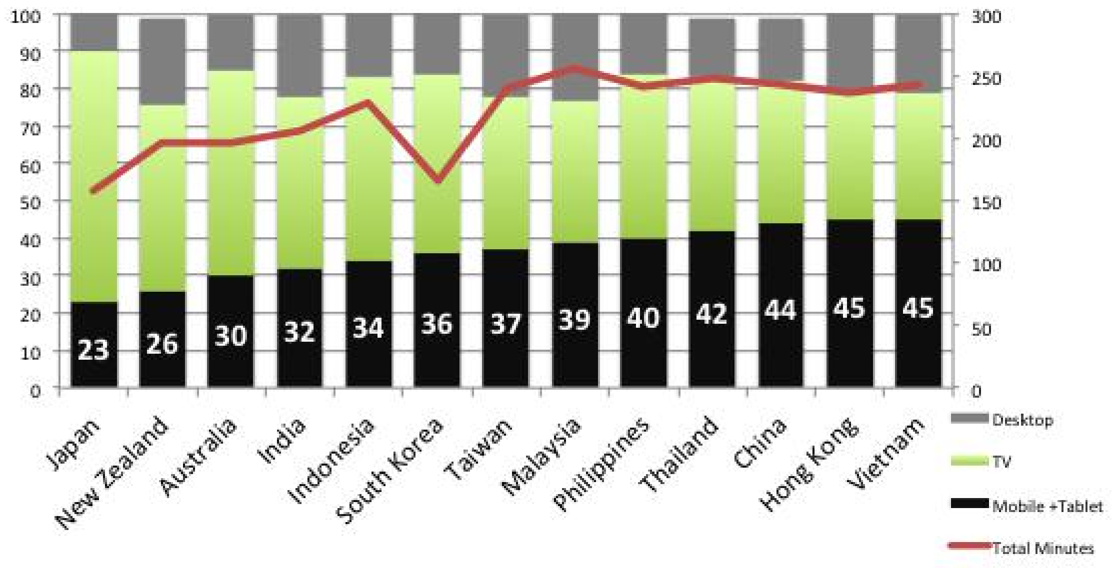
"**Just in Time**" products raise the bar and educate consumers in terms of **what´s possible** in any Industry.



*"When you're browsing on your phone, **you're a consumer**-- you want what you want, and you **want it now**"*

3. VIDEO IS NOW MOBILE

Video has already become **primarily MOBILE** in many countries



Share of Video that is Mobile by Region: APAC 36% Europe 27% NA 27%

Time spent with Mobile video, **doubles every year**

Average Time Spent per Day with Digital Video by US Adults, by Device, 2011-2015
hrs:mins and CAGR

	2011	2012	2013	2014	2015	CAGR (2011-2015)
Digital video	**0:21**	**0:36**	**0:50**	**1:03**	**1:16**	**38.4%**
—Mobile	0:03	0:09	0:21	0:30	0:39	91.8%
——Tablet	0:01	0:04	0:13	0:18	0:22	119.8%
——Smartphone	0:02	0:04	0:08	0:12	0:17	81.1%
—Desktop/laptop	0:12	0:21	0:22	0:24	0:24	18.6%
—Other connected devices*	0:06	0:06	0:07	0:09	0:13	22.9%

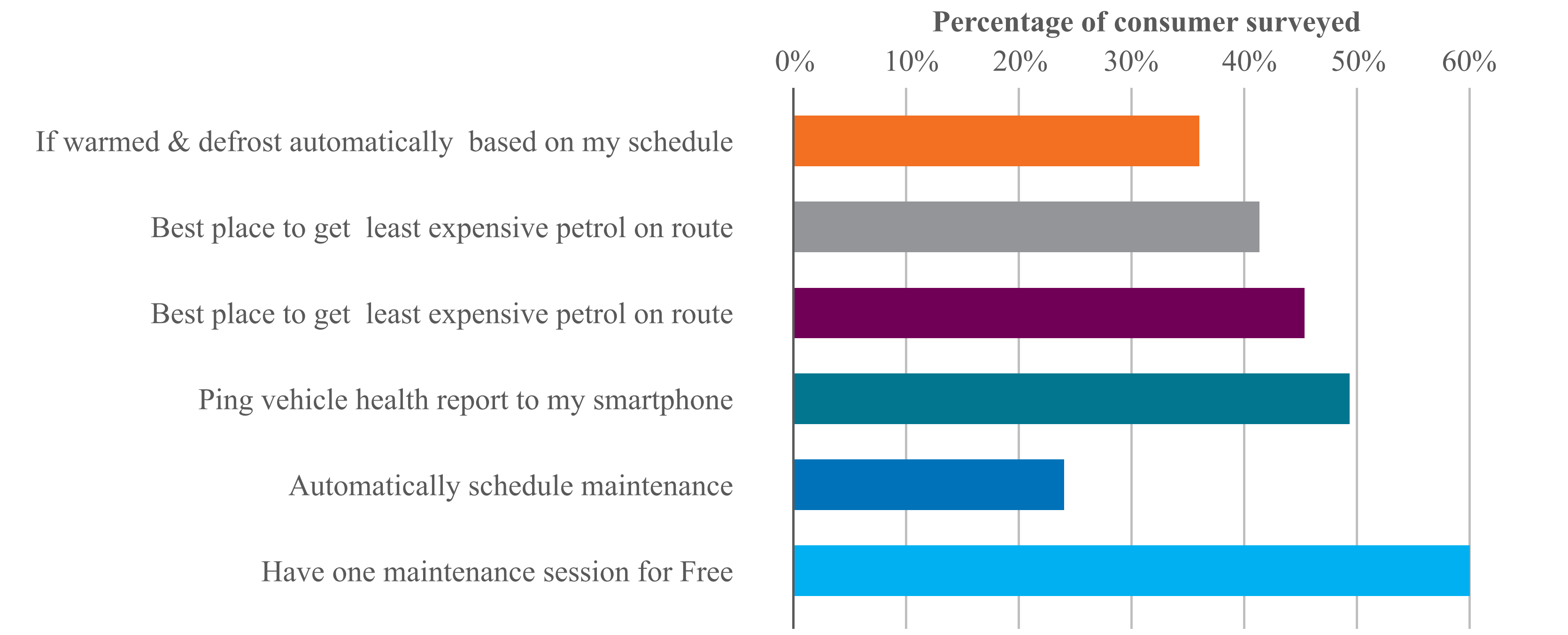
*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; *includes game consoles, connected TVs or OTT devices*
Source: eMarketer, April 2015

188130 www.eMarketer.com

FORUM SHANGHAI
SEPTEMBER 2, 2016 • SHANGHAI

4. YOU CAN HAVE MY DATA .. BUT IT WILL COST YOU

Consumers become **more pragmatic** about the value exchange with brands and are willing to share data in return for **tangible benefits**

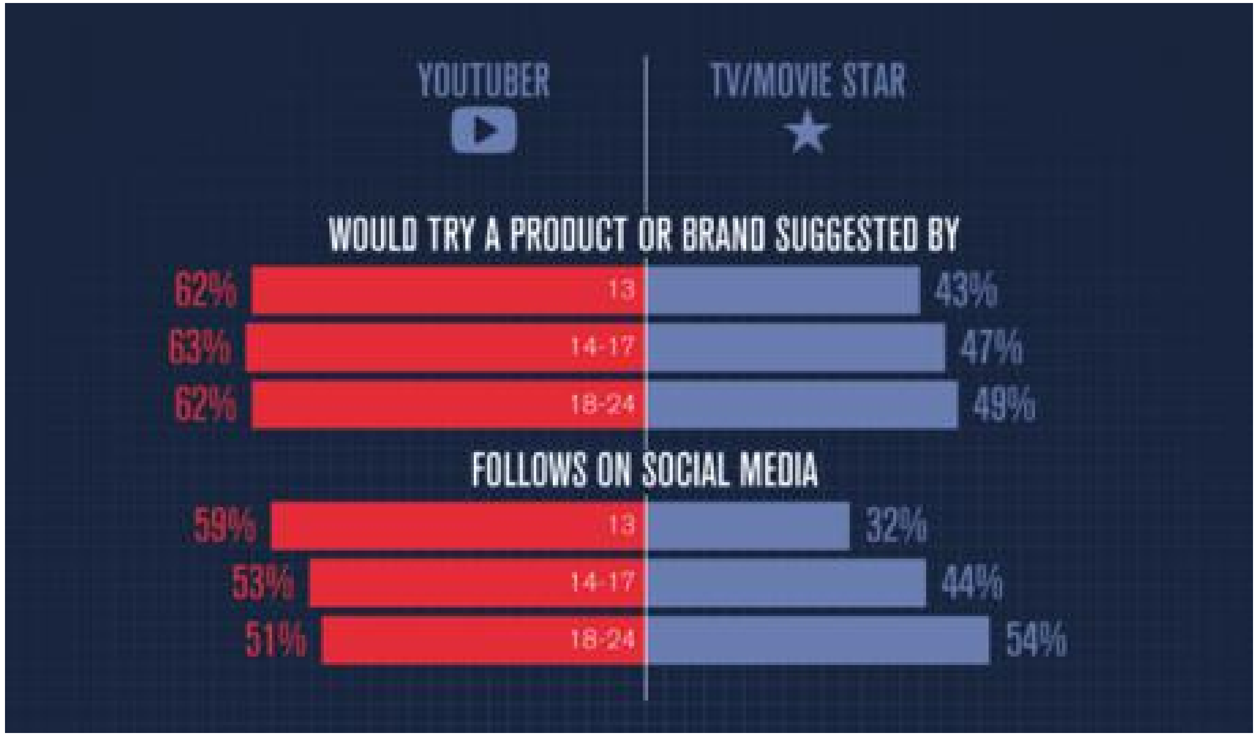


Survey: I would be willing to share my data from my car with the automobiles manufacturer's

5. USER GENERATED GOES TO ENTERTAINMENT

Rachel Bloom becomes **the first YouTube** star to win a Golden Globe in 2016

YouTube stars are now **more influential** vs. TV & Movie Stars



B

BRANDS

Start catching up

B. BRAND TRENDS: START TO CATCH UP

Mobile takes it's role in the **media mix** **10-15%**

Mobile gives life to **"other media"**

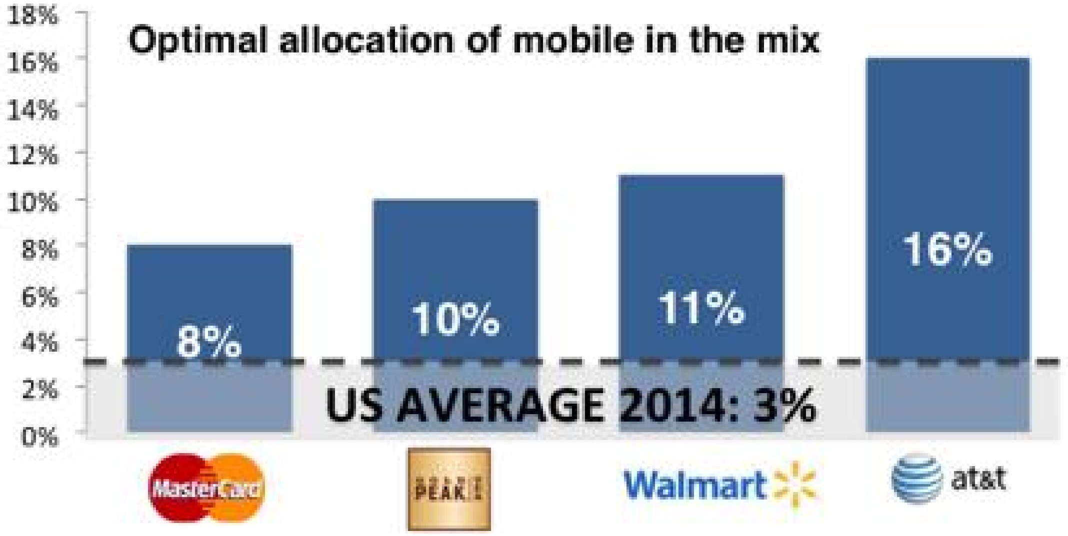
Brands discover Mobile **Video** (Deal of Decade)

Geo Targeting creates next must have Marketing approach (Conquesting is King)

Marketing **measurement** is about to go through a complete **rethink** (it's needed)

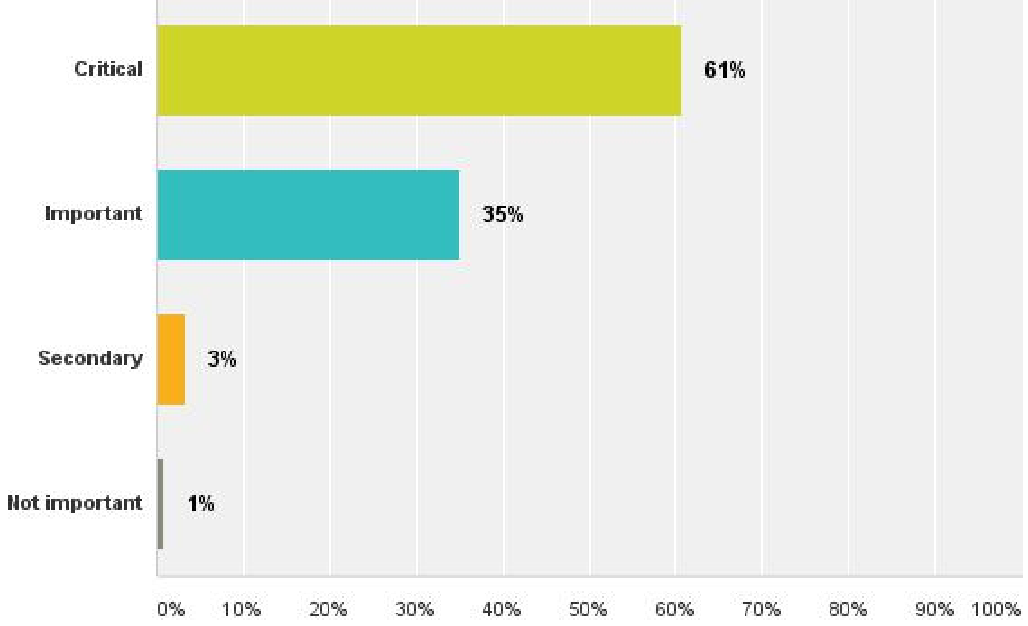
1. MOBILE TAKES IT'S ROLE

Up to now, brands are not investing nearly enough in mobile



Source: SMoX 2015

But marketers think that **Mobile is critical** to the future of their Company in 2016



Source: MMA Marketer Research

2. MOBILE GIVES LIFE TO OTHER MEDIA

PRINT: Low on battery power for your smartphone? Pull this ad out to charge your phone.

TV: Synchronizing to improve results

- **87 %** of consumers engage with a second screen while watching TV
- This **second-screen behavior** means fewer eyeballs are on the TV screen at any given time, resulting in a drop in TV ad awareness of more than **50%.**
- Serving synchronized ads to reinforce the TV ad message, can improve results (**39% brand uplift** and significantly increased ad awareness in aNissan Case Study).

Source: Fourth Source

3. BRANDS DISCOVER MOBILE VIDEO

They start experimenting with new video formats

- **Vertical video** is becoming a legitimate format,
  - Driven in large part by live streaming apps
- **360-degree videos**, which social netowrk like FB has integrated into its newsfeed
  - provide users with a new level of immersiveness
- Developing common mobile **video ad standards**
  - preventing the profusion of different formats that are currently out there may be a challenge

3. BRANDS DISCOVER MOBILE VIDEO (cont'd)

They realize it´s the *deal of the decade*

SMoX shows that Video is very effective and **seriously undervalued**

	Price	Effectiveness at Low Frequency
Mobile Video	320	650
Mobile Display	100	100

Better ROI!

Still, video is **less than 10%** of the total mobile ad spend in '16, making it a **big opportunity**

US Mobile Ad Spending, by Format, 2014-2019
billions

	2014	2015	2016	2017	2018	2019
Display	**$9.65**	**$15.55**	**$21.58**	**$26.21**	**$29.83**	**$33.70**
—Banners, rich media, sponsorships and other*	$8.11	$12.77	$17.50	$21.02	$23.85	$26.89
—Video	$1.54	$2.78	$4.08	$5.19	$5.98	$6.82
Search	**$8.72**	**$13.62**	**$18.54**	**$22.18**	**$25.11**	**$28.25**
SMS/MMS/P2P messaging	**$0.24**	**$0.26**	**$0.27**	**$0.26**	**$0.24**	**$0.23**
Other (classifieds, email, lead gen)	**$0.55**	**$1.02**	**$1.63**	**$2.18**	**$2.77**	**$3.30**
Total	**$19.15**	**$30.45**	**$42.01**	**$50.84**	**$57.95**	**$65.49**

*Note: ad spending on tablets is included; numbers may not add up to total due to rounding; *includes ads such as Facebook's News Feed Ads and Twitter's Promoted Tweets*
Source: eMarketer, Sep 2015

195307 www.eMarketer.com

4. GEO-TARGETING (CONQUESTING)

Next must have marketing approach

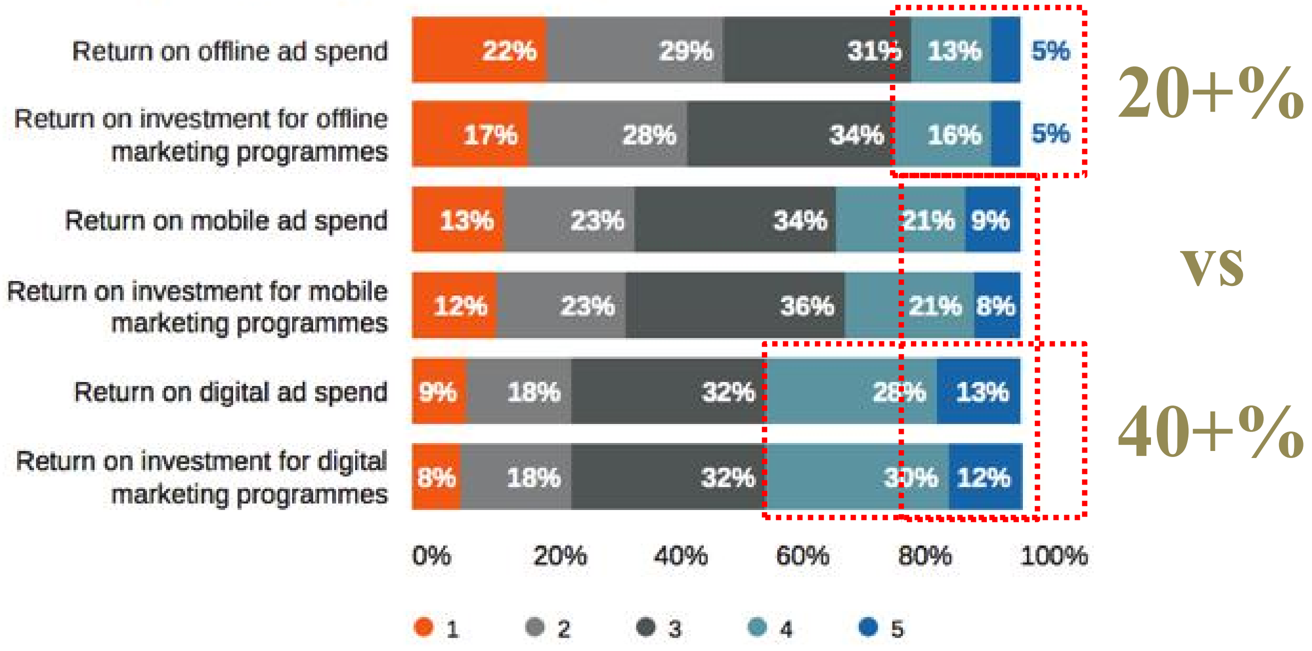
*'**Combining location-based** [big data] and **programmatic**' will likely have a dramatic impact on outcomes for marketers in 2016."*

Beth Principi
AdTech writer

5. MEASUREMENT NEEDS TO GO THROUGH A COMPLETE RETHINK

It’s needed

Figure 19: On a scale of 1-5, where 1 is ‘Not at all confident’ and 5 is ‘Extremely confident’, how confident are you in your organisation’s ability to measure the following?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,894

C

TECH & INFRASTRUCTURE

Mobile continues to evolve and excite

C. TECH/INFRASTRCTURE

Internet of **Things** (IOT) becomes Internet of **Everything**

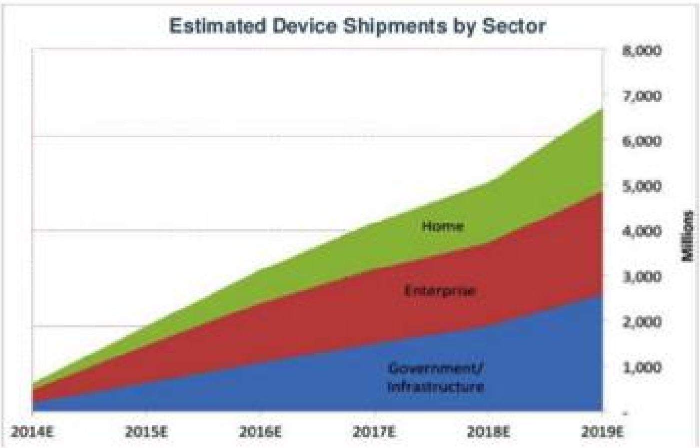
Mobile **payments** adds a new payment **Platform**

Virtual reality is becoming **Mainstream**

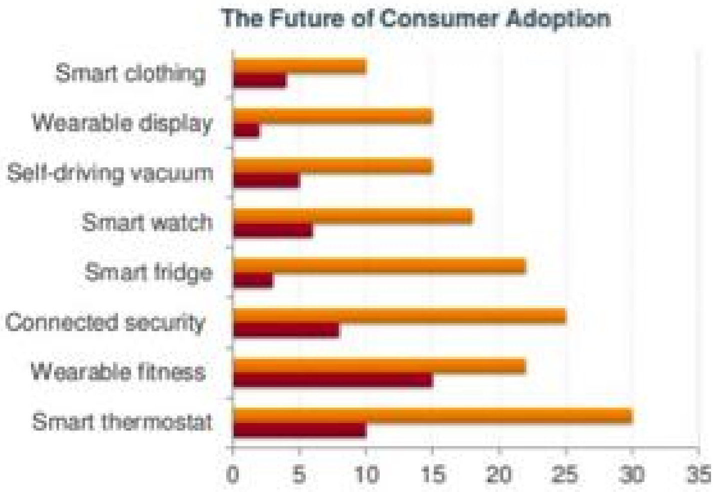
Voice is New **Remote Control**

1. IOT BECOMES INTERNET OF EVERYTHING

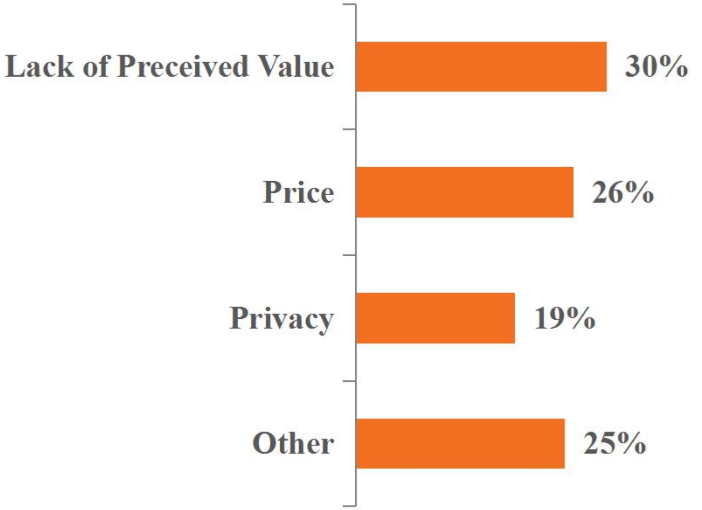
IoT will grow fast, but **enterprise** and **government** will drive part of the **growth**



Wearables & **Thermostats** are leading the charge with consumers



Low Value for Money perceptions will **limit further growth** until clear consumer benefits are identified

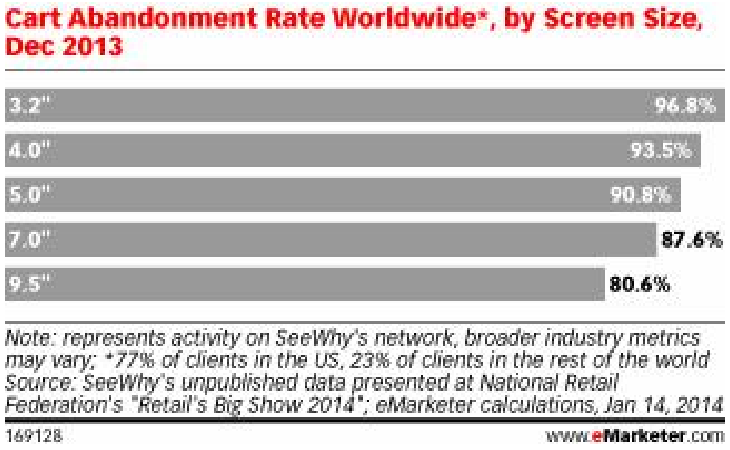


Source: Accenture, Barrier to adoption

2. MOBILE PAYMENTS ADDS A NEW PAYMENT PLATFORM

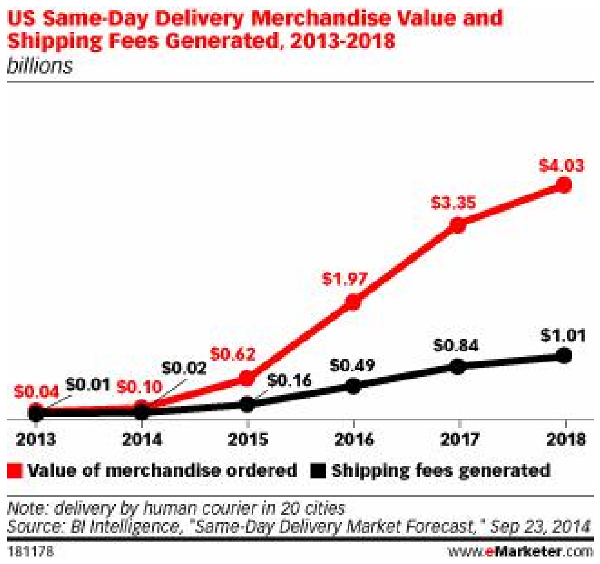
They realize it´s the *deal of the decade*

Larger Screens and improved UX will **improve transactions**



Mobile will put a **buy** button **everywhere**

Expectations for fast delivery will unleash consumers **on demand mentality**



3. "MOBILE REALITY" IS BECOMING MAINSTREAM

Augmented reality

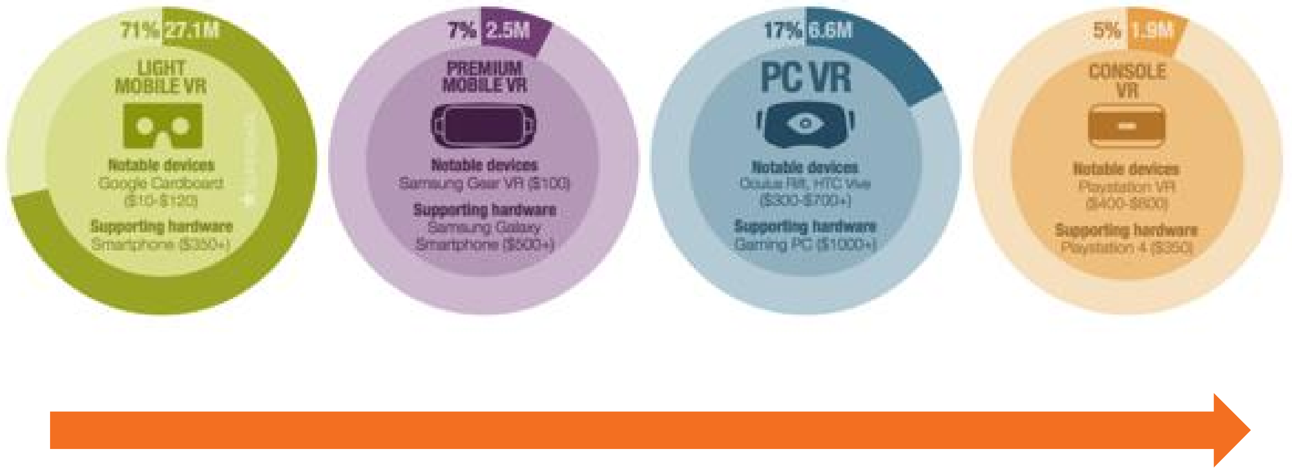
Augmented reality **on the go** means that rather than scanning (or ignoring) QR/Bar codes for basic coupons: open a gateway for personalized rewards programs, mobile gaming, and non-traditional shopping experiences

200M +
Users in 2 months

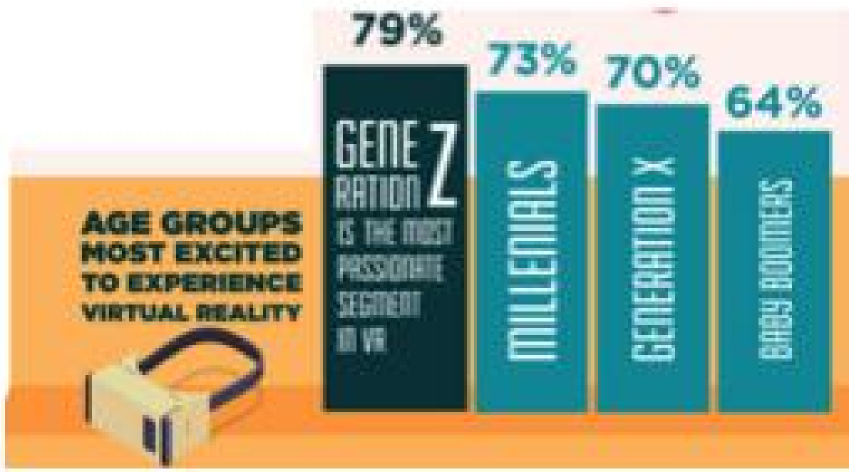
3. "MOBILE REALITY" IS BECOMING MAINSTREAM (cont'd)

Augmented reality

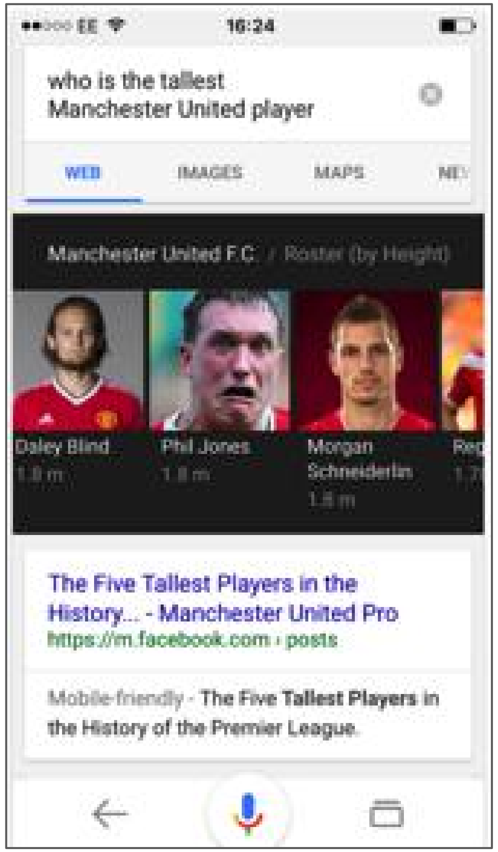
Mobile will drive **consumer adoption** of virtual reality gaming; Billions installs soon. Consumers will initially familiarize themselves with virtual reality on their smartphones and less expensive options, before committing to a bigger expense



Everyone is excited but Gen Z leads in terms of anticipation

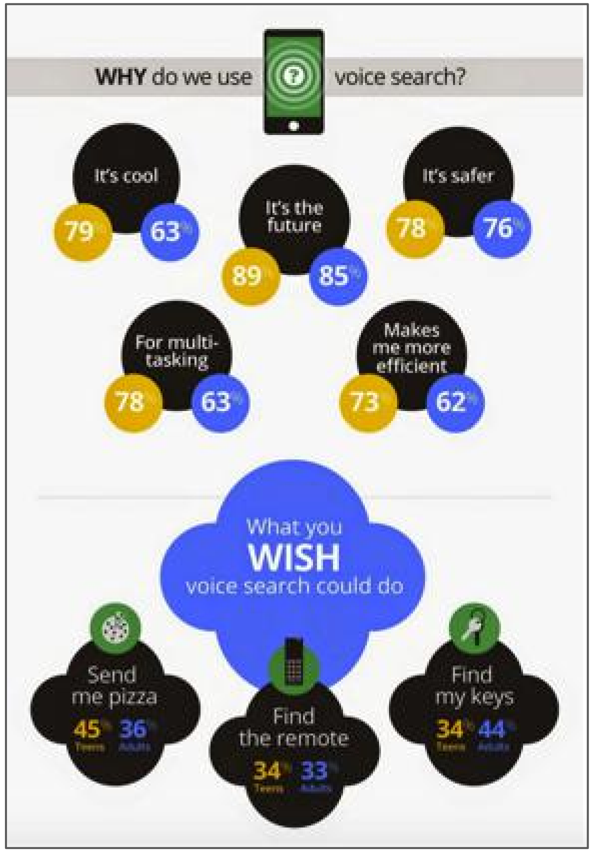


4. VOICE BECOMES THE NEW REMOTE CONTROL



Progress with speech recognition technology – making it easier and more reliable – is set to **drive voice search** in 2016.

Brands will need to **reassess their search strategies** to take advantage of the different way in which people vocalise their searches.



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Thank You!

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