

Opinion Piece

What is in the data? Leveraging mobile ad network data

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INTRODUCTION

AdMob, one of the world's leading mobile advertising networks, recently released the September 2007 AdMob Network Metrics Report.¹ This report provides details on mobile advertisement impressions generated through the AdMob global mobile advertising network. Key metrics derived from this report include:

- (1) where the AdMob traffic is coming from and
- (2) which mobile handsets are generating this traffic.

Why is this data important? Both these figures are key forensic data points for understanding the nature and changing landscape of consumer mobile services adoption. While, admittedly, the AdMob data cannot be assumed to be a representative sample of all mobile usage around the world, it can, however, be used as a compass of market movement and is useful to look at as long as one keeps some margin of error in mind when attempting to generalise the data for thoughts toward broader market implications.

In looking at the AdMob data we find a few key data points, including ad impressions broken

down by country:

- North America: 44.2 per cent;
- Asia: 22.3 per cent;
- Western Europe: 9.3 per cent.

The data support the industry's assumption that the US market is a relatively important market to go after, but it also shows Asia to be an increasingly important market as well.

Delving into the data a bit deeper, for the month of September 2007, we see that 42.2 per cent of AdMob ad impressions came from the US, 10 per cent from India, 6.9 per cent from South Africa, 5.4 per cent from the United Kingdom and 3.9 per cent from Indonesia, with all other countries falling into the 2 per cent and below range; again, important data for a company to help focus their strategies.

Additionally, important data points from the AdMob report include handsets metrics, which AdMob derives by detecting and reading the User Agent Profile (UA Prof.) from the mobile handset when the mobile handset pulls the ad from AdMob's network. Below are lists of the top ten mobile handsets detected on the AdMob ad network for the month of September 2007 (Table 1).

The top ten handsets worldwide represent 19.9 per cent of the market, while in the United States they represent 37.2 per cent. Motorola and RIM take the first four slots in both the worldwide and US cases. It is also interesting to note that

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Table 1: AdMob network metrics report Sept. 2007

Top ten handsets	Model	% of Imps
<i>Worldwide handset penetration</i>		
Motorola	RAZR V3	4.00
Motorola	KRZR K1c	2.70
RIM	BlackBerry 8700	2.40
RIM	BlackBerry 8100	2.20
Nokia	N70	2.20
Nokia	6600	1.60
Nokia	6030	1.30
Samsung	A900	1.20
RIM	BlackBerry 8330	1.20
Samsung	I607 Blackjack	1.20
Total		19.90
<i>United States handset penetration</i>		
Motorola	RAZR V3	7.10
Motorola	KRZR K1c	6.30
RIM	BlackBerry 8700	5.50
RIM	BlackBerry 8100	4.30
Samsung	I607 Blackjack	2.70
Samsung	A900	2.70
RIM	BlackBerry 8830	2.60
Sanyo	SCP6600	2.40
Danger	Sidekick II	1.80
LG	LX550	1.70
Total		37.20

Top ten handsets worldwide and in United States

Samsung is playing a more prominent role in the United States than it is worldwide, and Nokia does not even make the US list, while Sanyo, LG and Danger do not make the worldwide list.

Providing a good customer experience on the mobile phone is critical to developing and maintaining consumer adoption and acceptance of one's mobile services. Therefore, leveraging data like that provided by AdMob is helpful, since this data can assist a solution provider in understanding which handsets to focus on first when tailoring and testing its mobile services to serve its target market. For instance, in the US, one's mobile solutions better work on Razrs and Blackberries or you will have a problem.

Knowing the handset model is not enough, however, to ensure you will have a great service. In addition to knowing what handset a consumer has, it is also important to know the capabilities of the handset. Some phones, especially SmartPhones, can have a tremendous number of features. Handset functionality can be derived from a number of sources, including handset manufacturers, carriers, open-source initiatives like WURFL, as well as from commercial sources like Mobile Research. Many companies also support

extensive internal testing groups to develop their own phone profile databases as well as to refine the information derived from the sources named previously. Finally, a number of industry associations, such as the Mobile Marketing Association, dotMobi Mobile Advisory Group and others are looking into developing device profile initiatives.

By taking video as an example service to explain this concept of handset capability, one can derive some interesting knowledge from the AdMob report. Both static download and play as well as streaming video business models for serving video are hot topics in the industry right now and the AdMob data provide some helpful insight as to whether or not the market is ready for video services. According to the AdMob report, 52.7 per cent of mobile handsets that pull an AdMob ad support download and play video (compared to worldwide numbers of 59.2 per cent), while 15.8 per cent of United States subscribers' phones support streaming video, which is significantly lower than worldwide penetration of 35.6 per cent. These numbers are up significantly from last year in the United States; in 2006 only 32 per cent or less of phones supported download and play video and streaming video was far less than what it is today. So, these numbers are encouraging for those service providers wishing to offer video.

Surprisingly however, even if you know what phones people use and the features the phone supports, this will not guarantee market acceptance and applicability of your service. For example, only about 5 per cent of the market consumes video on their phone with any regularity.² Moreover, in order for video services to work a consumer must have an active data plan with their phone subscription, not just a data capable phone. Today, only about 60 per cent of consumers use data services (some report the number as low as 14–30 per cent), although this number is increasing rapidly.³

Consumers actually report using very few features of their phone. For instance, the 2006 MMA Attitudes and Usage Study reports that consumers on average use only 4.8 features of their phone, with the top four features being Call Waiting, Text Messaging, Speaker Phone and

Hands Free.⁴ Simply because the phone supports a certain function does not mean that the service is ready for prime time or mass market consumer channels. There are a number of key variables to consider when launching a mass market service, such as^{3,5}:

- Interoperability — a term used to designate whether or not a service can work across carrier networks (or even on a particular network). Can consumers easily share video clips, to name just one example, or can they view a streaming video clip, to name another? Video still has many interoperability issues. For example, T-Mobile in the United States has not enabled off-portal video streaming, and most Verizon Wireless phones do not support clickable links in a text message (a common method of content propagation), although this is changing with many of the latest Verizon Wireless handsets supporting this feature.
- On-deck vs Off-deck support — will the service only work from the carrier’s branded portal (On-deck) or will the service work throughout the rest of the ecosystem, such as from a mobile enhanced television show, newspaper, magazine, website, IVR session, mobile internet site, outdoor media, etc?
- Standards and Guidelines — do industry standards, guidelines and best practices (such as those published by the Mobile Marketing Association) exist to help regulate the industry?
- Business models — have the business models matured across all spheres of the ecosystem in order for all those providing value within the solution value chain/cluster to be in position to maintain a viable business?

- Consumer adoption/acceptance — has consumer adoption and acceptance reached a critical mass for a particular solution? Moreover, have consumers adopted/accepted the necessary periphery services required to sustain the services in question? For instance, in order to use mobile data services like video, consumers must have first activated and chosen a data plan (ie metered vs unlimited) as noted above.
- Handset adoption — as discussed, consumers must have a handset capable of supporting the application in question. On an average, consumers change their handset every 18–36 months; therefore, even if we ignore all the other variables, if a service requires a handset with a particular software or hardware feature that has just been released, it may take some time for that handset to reach critical mass in the market and for the service to even have the chance of being mass market applicable (obviously there are a number of variables that can and will effect this construct).

Figure 1 shows a current mapping of key mobile marketing channels and services and where they are aligned with the variables discussed. In order for an item to be ‘mass market’ it must have full market penetration of all the above variables, if it does not than it falls somewhere along the scale to the left of mass market. Voice and SMS services are very much in line with the mass market constructs, while mobile internet is on the low end of mass market constructs and many of the other up and coming mobile services are still within niche market classifications since they are not fully mature within one or more of the variable constructs discussed.

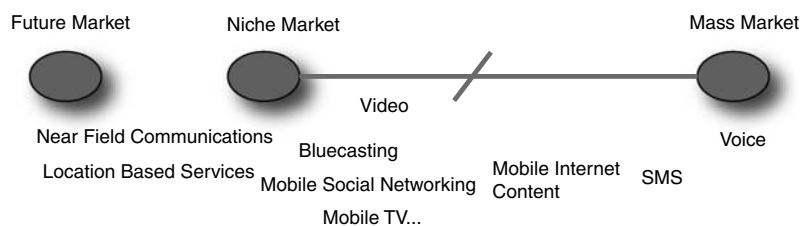


Figure 1: Sample mobile services maturing mapping

The mobile market is maturing at a rapid pace, and data from sources like AdMob is incredibly valuable. As noted, however, the AdMob data is specific to AdMob, meaning these numbers are a by-product of the company size, expansion plans, the fact that most of their traffic is derived from when people 'surf' mobile internet sites in English, etc and, therefore, the data are not necessarily representative of the entire industry. However, when one triangulates the AdMob data with other industry reports, one finds that the AdMob data are in accordance with general industry trends and thus going forward may be a useful indicator for general market movement. Leveraging the data and operationalising this data with the constructs above is critical for services success.

For additional references of key resources of mobile industry data, see the Mobile Marketing Resources Article at <http://blog.iloopmobile.com/?p=23>

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use by brands and content providers. The 500+ global member companies include agencies, advertisers, hand-held device manufacturers, wireless operators, aggregators, technology enablers, market research firms and all companies focused on marketing via the mobile channel. The Mobile Marketing Association's global headquarters are located in the United States and has representatives in over 40 countries across the globe. It recently formed the Europe Middle East & Africa (EMEA) and Asia Pacific (APAC) divisions. The Latin American (LATAM) division will be launched Q4 2007. For more information, please visit www.mmaglobal.com.

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