

Mobile + Me

The Remodelled Brand Opportunity



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Introduction from Quantcast

“The mobile device has become our communications hub, our diary, our entertainment portal, our primary source of media consumption, our wallet and our gateway to real-time information tailored to our needs. The revolution is now.”

Nihal Mehta

Founding General Partner,
ENIAC Ventures

Everywhere you look, people are using mobile devices. On public transport we're embracing our mobile devices to read, catch up on work, watch videos or keep in touch with friends. In the street we're using maps to find our way to our destination, looking up places to eat, drink and buy food or get a cab. At home we use them to chat to friends, check recipes, order the groceries, figure out the name of that actor on our favourite TV show, read a book and catch up with the news.

And it shows no sign of abating. Smartphones overtook laptops as the primary device for British internet access in August last year, according to Ofcom, the UK communications regulator. And, said Ofcom, two-thirds of people now own a smartphone, which they use for nearly two hours a day to get online.¹

Some of that growth is clearly driven by ever-improving mobile data infrastructure. Ofcom noted last year that people with 4G are much bigger users of mobile shopping,

banking and communications apps than those without, with 55% of 4G users using their devices to shop compared to 35% of those with 3G-enabled smartphones.

As mobiles have become a much more vital part of our lives, some analysts are even questioning the need for traditional PCs. The analyst Benedict Evans remarked at the end of last year: “Will you always need a mouse and keyboard and Excel or PowerPoint for ‘real’ work? Probably not — those will linger on for a long time ... but all the software will change. It will move to the cloud and on to ‘mobile’ devices ... and be reshaped by them.”²

In short, improvements in infrastructure mean that our mobile devices have not only become important parts of our lives, they've become our friends. For many people, they're not just devices, they are an important part of our “me” time, the time we spend doing things we enjoy away from work or family commitments.

¹ Ofcom, August 2015

² Benedict Evans, 16 Mobile Theses, December 18 2015


At Quantcast, in the markets we operate in, we see connected users, across four billion devices, 50% of which are mobile. When we analysed this data we found some interesting insights relevant to those customers building a mobile strategy. It is these insights — and our natural curiosity — which prompted us to go directly to consumers in the UK, France and Germany to find out more about their mobile phone habits and perception of mobile advertising. We wanted to share the findings with everyone else.

Matt White

UK Managing Director, Quantcast



REMODELLING “ME” TIME



“Your mobile device has quickly become the easiest portal into your digital self.”

– Phil Nickinson, Editor of Android Central

According to research 88% of us look at our mobile phones within an hour of waking up.³ With mobiles so ubiquitous and indispensable in our lives, we decided to look more closely at exactly what it is we’re doing with our devices during the time we spend on them.

One key leisure activity — shopping — has been transformed by the mobile device. In today’s digitally led world, you no longer have to go out to the shops: we can do careful research at our leisure, compare other consumers’ views from the sofa and make purchases without leaving the comfort of our own home and we can share what we’re interested in with our friends, whether that’s buying a car or going to see Adele in concert. So perhaps we shouldn’t be surprised that mobile shopping is on an upward trajectory. **Today a third of us shop on our mobiles and on average we’re researching purchases five times a day.**

³ Deloitte Mobile Consumer 2015: The UK Cut, <https://www.deloitte.co.uk/mobileuk/assets/pdf/Deloitte-Mobile-Consumer-2015.pdf>
⁴ John Lewis trading update, January 6 2016

Christmas is of course the key time for mobile shopping: John Lewis in the UK reported in January that online sales via smartphones and tablets had grown 31% in the six weeks up to the new year compared to the same period the previous year, while Internet Retailing said that 41% of us were using our mobile devices to check for better prices online rather than going out into the cold to bricks-and-mortar shops.⁵

As Benedict Evans remarked at the end of last year: “Mobile is the internet ... smartphones are mostly used when you’re sitting down ... and their capabilities make them much more sophisticated as internet platforms than the PC.”⁶


Even keeping fit has been revolutionised by our mobile devices: we use them to keep track of our workouts, set goals and share achievements with our friends. Our mobiles are more than just personal devices: they are firmly rooted in — and are transforming — our “me” time.

On average we research purchases on mobile five times a day

5x/day



HOW “ME” TIME IS EVOLVING



“Mobile means ‘on the go’ proximity, 95% agree that it best allows them to keep in touch on the move”

– IAB UK⁷

We know that mobile devices are playing an increasingly important role in our lives, but what about how we use them while we’re relaxing? We live in a world where looking up something online or browsing through the sales no longer means you have to fire up a laptop or a desktop: we can do that from the sofa, while we’re out with friends, even while we’re in bed. Looking up things has never been easier or quicker, thanks to the growth in devices, improved software and faster connection speeds.

And we make sure we’ve got our mobiles with us during our “me” time precisely so that we can do these things when we think about it rather than waiting until we’re in front of a traditional PC. So what do we do in our “mobile me time?”

Communicating

Primarily we communicate with friends and family — 84% of say we use our mobiles in our downtime to text and message, while 61% of us access social media. Life admin is also something we spend a lot of time doing via our mobiles. 20% say the time we spend paying bills and making notes has gone up over the past year, while nearly 25% expect to spend more time on life admin via our devices over the next year.

Entertainment and Fitness

Other “me” time activities include watching or listening to music and films, playing games, and taking photographs. And what about fitness and exercise? 18% of us say we track fitness on our devices, with the same proportion expecting to spend even more time keeping an eye on their runs, workouts, steps and other fitness-related activities over the next 12 months.

⁷IAB UK, ‘Three device lives: tablets in context’

These are all activities that present an opportunity for advertisers: when we are already doing things that are important to us, we are more likely to respond positively to relevant and appropriate advertising.


Shopping

We are increasingly using this “me” time to shop. A third of consumers said they use their mobile phone to shop, with 26% saying they expect to spend even more time shopping on their mobiles in the next 12 months. In fact on average consumers make a purchase on their mobile phones once a week. Consumers in the age bracket 25–34 make an average of two purchases a week.

With these highly personal activities being increasingly closely tied to our use of mobile devices, this growth of “me” time is a fantastic opportunity for brands to reach consumers, not only to bring opportunities for purchasing on to our devices, but also to help us make decisions about what to buy.



A CONSUMER RESEARCH TOOL



“The smartphone is the sun and everything else orbits around it”

– Benedict Evans

41%

of us on average use our mobiles for researching

A key area of growth when it comes to mobile usage is researching consumer items and online shopping. 41% of us on average use our mobiles for researching and making choices about what to spend our money on (51% if you are aged 25 to 34).

This is a trend that advertisers need to take note of. We no longer spend our time online sitting at a desk in front of a PC. As Benedict Evans points out, mobile “means ubiquity — universal access to the internet for anyone at any time.”⁸ That means that rather than firing up a PC specifically to perform a task, we can research and buy items and services when the impulse hits us – and many of us are doing just that.

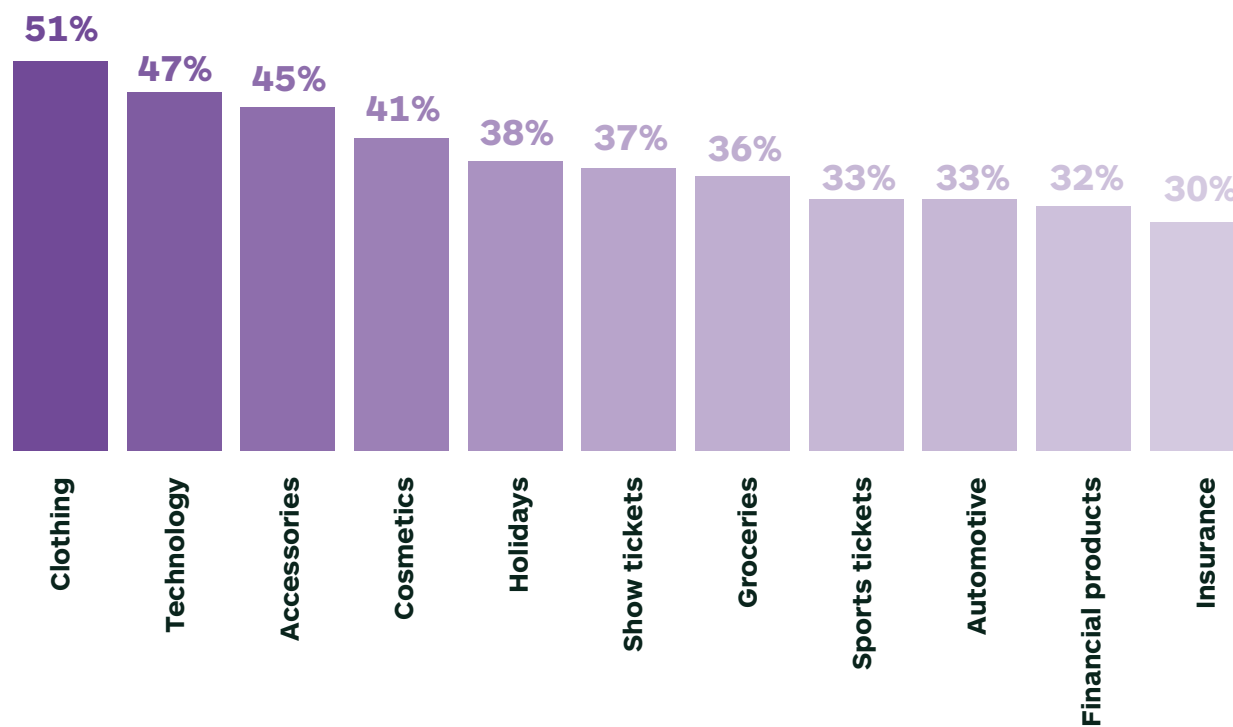
The idea that advertisers should not just be looking to sell on a specific device, but

understand that there is the potential to reach their audience on one to influence behaviour on another was something that piqued. So we decided to mine our own troves of data to get a deeper understanding of what it really means.

Quantcast’s proprietary data on mobile behaviours highlighted that while consumer propensity to convert (e.g. purchase) on mobile varies greatly by industry, they consistently rely heavily on their mobile phones to research purchases. For instance, we found that **consumers are three times more likely to research travel purchases on their mobile phones**, than they are to make the purchase itself. So when speaking directly to consumers for this report we wanted to look in to this more closely.

⁸ Benedict Evans, Forget about the mobile internet, September 4 2015


Percent of consumers who research on their mobile phones



A significant number of consumers are researching purchases on their mobile phones.

So what does this mean for advertisers? It means that mobile phones are now a shopping catalogue. Our “mobile me-time” is often focused activity directed towards researching a purchase – even if we go on and make that purchase in another way, on another device. For advertisers that may have disregarded mobile previously because conversion rates are low, it opens up a vast opportunity for mobile to deliver relevant brand advertising and influence the consumer’s purchase journey.

THE BRAND OPPORTUNITY



“Everyone is not your customer”

– Seth Godin

80%

of 16-34 year olds say they have been influenced to purchase by a mobile advert

But there's more to this picture of consumers using their mobile devices for an increasing range of personal activities. As well as knowing what consumers are doing with their devices and how this is changing, there is also a need to understand how useful or relevant they find the adverts they are receiving — and when and how that differs.

The overriding message from the research was this: brands need to be more mindful about their mobile advertising strategy; if they are, there is room to increase brand awareness and drive direct response. 64% of us say we have been influenced to purchase by an advert we have seen on our mobile phones — a figure that goes up to 80% among 16 to 34 year olds.

And here's an important point for brands: it's easy to annoy someone on their devices. Because our mobiles are so personal, we resent something appearing that isn't useful. Currently 51% of consumers find mobile adverts more intrusive than adverts received on their desktop or tablet. While half admit that advertising received on their mobile phones that isn't

relevant to them negatively impacts their overall perception of a brand — a frustration felt more acutely by 16–34 years olds (54%) than older generations.

So how can advertisers get it right?

Consumers have higher expectations of mobile advertising than other forms. 37% of consumers said that they expect adverts received on their mobile phones to be more relevant than on other devices, while 40% say that they wish mobile advertising was more creative or engaging. And again it's the younger generations that have higher expectations, with 50% expecting more relevancy and creativity.

What is the impact of more relevant mobile advertising?

A third (33%) say they would be more likely to purchase from a brand that only showed them adverts relevant to them — an average that jumps to 43% among 16–34 year olds. More than a third of consumers (36%) admitted they would be more influenced by more creative adverts — again the average increases (48%) among 16–34 year olds.

What else can brands do to reach would-be consumers?

Another important aspect is user experience: make it easy and more of us follow through on our purchases.

A fifth of us warn that the user experience is not good enough to complete a purchase on our mobile devices, while 17% say that a site or app requires too much detail to be inputted. This seems to reflect the broad concern about the amount of data that are captured while we are online. A further 15% say they wanted to see the item in person.

What do consumers want?

From the findings we believe there is a real need for adverts to be smarter and more relevant. Do that, and consumers are more likely to use their precious “me-time” to engage with and act on adverts. And it's not just about relevance; to be a success, brands need to make sure their adverts are creative or clever or appeal to the emotions are more effective.

59%

of consumers agree that they would be more accepting of mobile advertising if it was relevant to them



CONCLUSION

What should brands do to improve their mobile advertising effectiveness?

The answer is: **know your audience**.

Mobile is growing and will continue to grow. Advertisers need to make sure the products and services they are selling are welcome in consumers' precious "me" time, that they are not intrusive, that they are relevant and that they are creative.

Advertisers need to work with the technology to increase relevance. That means using the right tools – music, video, images, words – in the right place at the right time, and making sure the right people see those messages.

Knowing your technology and knowing your user should be at the forefront of advertisers' minds.

Brands that fail to recognise these important trends will be left behind – and will lose out to their competitors. For brands, 2016 should be the year that they focus not only on who their consumers are, but how they live their lives and how their devices fit into their lives.



Research methodology

The research was commissioned by Quantcast and conducted by Censuswide, with 3,704 consumers in the UK, France and Germany with a mobile phone aged 16+ between 04/12/15 – 06/01/16. Censuswide abide by and employ members of the Market Research Society which is based on the ESOMAR principles.

The research sought to understand people's use of their mobile device in their "me time" and specifically how users browse on their mobiles, specifically through a browser as opposed to within an application. For the purposes of the study "me time" was defined as the time spent relaxing.

The research comprised quantitative research across three geographies: UK, France and Germany. Across all geographies we completed 3,704 online interviews with consumers. The panel was representative of each country based on age and gender. Panellists are recruited with a double opt-in process to check and confirm that they wish to join.

All research conducted by Censuswide adheres to MRS Codes of Conduct (2010) in the UK. Within these parameters there are guidelines that ensure all research is carried out in a professional and ethical manner. Furthermore as members of ESOMAR and AIMRI Censuswide abide by the ICC/ESOMAR International Code on Market and Social Research.

Censuswide is registered with the Information Commissioner's Office and is fully compliant in accordance with the Data Protection Act. The company is also certified under Quality Assurance Scheme ISO 9001.

The details of the demographic and geographic breakdowns within the online sample are shown in the tables on the right:

Geography	Size of sample	Proportion of study
UK	1254	33.85%
France	1242	33.53%
Germany	1208	32.61%

Age	Size of sample	Proportion of study
16 – 24	832	22.46%
25 – 34	671	18.11%
35 – 44	680	18.36%
45 – 54	782	21.11%
55+	738	19.92%

Gender	Size of sample	Proportion of study
Male	1815	49.00%
Female	1889	50.99%

Why Quantcast?

Truly relevant brand and performance advertising

Our research has clearly identified the growing importance of mobile devices to individuals, and this is only going to increase. Computing is increasingly mobile rather than desk-based, and research indicates that the day is rapidly approaching when we will spend more time online via mobile devices than all other devices combined.

Since 2006 Quantcast have built one of the world's most sophisticated data-intelligence platforms that unlocks proprietary data generated by more than 100m global digital destinations which give us visibility into four billion devices of which two billion are mobile.

We understand better than anyone, people's online behaviours and intent – this data allows us to deliver full funnel, brand and performance advertising solutions from awareness to purchase, at scale.

Get in touch

To find out more about what we can do for you, email us at **UK@Quantcast.com**.