



**MOBILE
MARKETING
ASSOCIATION**

MMA FORUM SINGAPORE
AUGUST 22-23, 2013

State of the Mobile Marketing Industry in APAC

Edward Pank

Warc Asia Pacific

Platinum Partner



Gold Partners



Silver Partners



Regional Premier Partner



Cocktail Partners



Corporate Partners

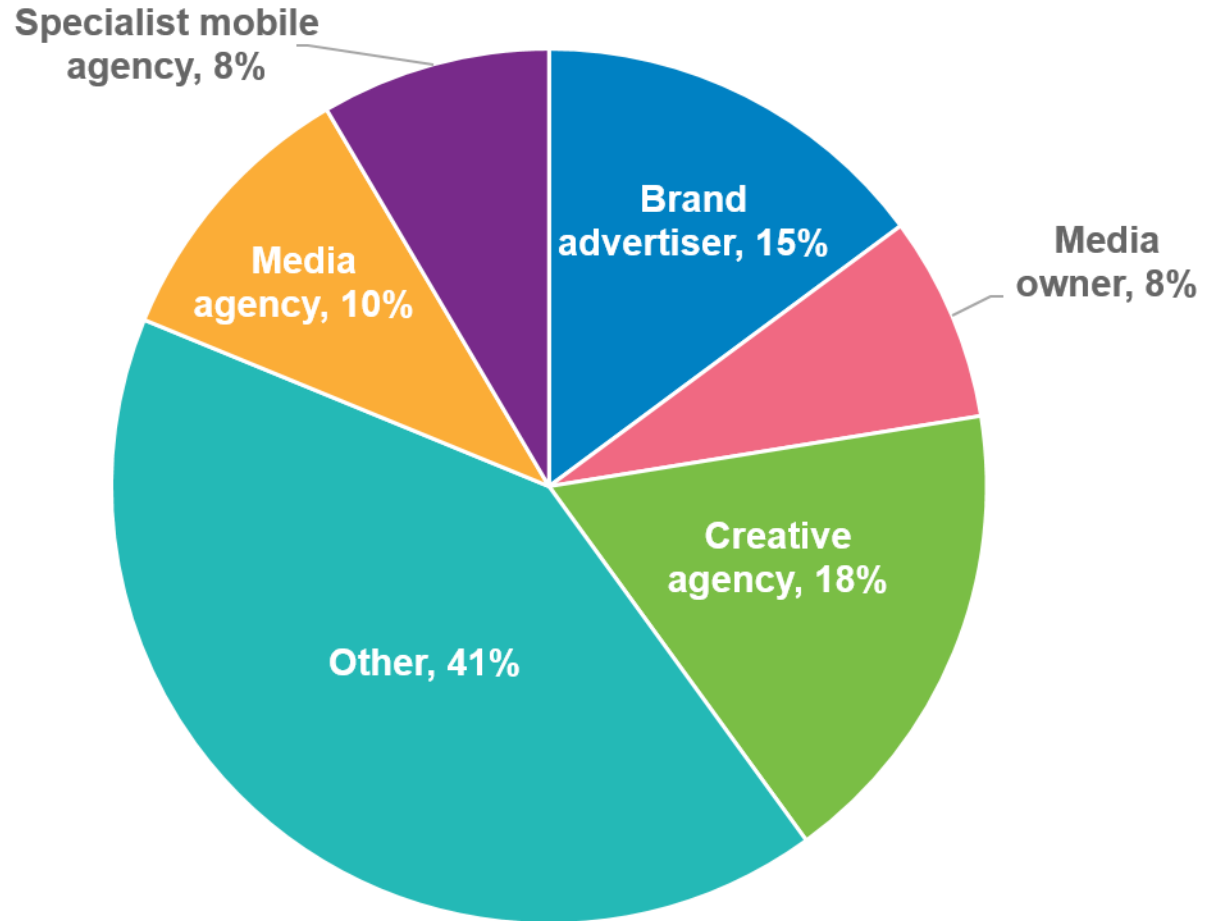


Background to the data

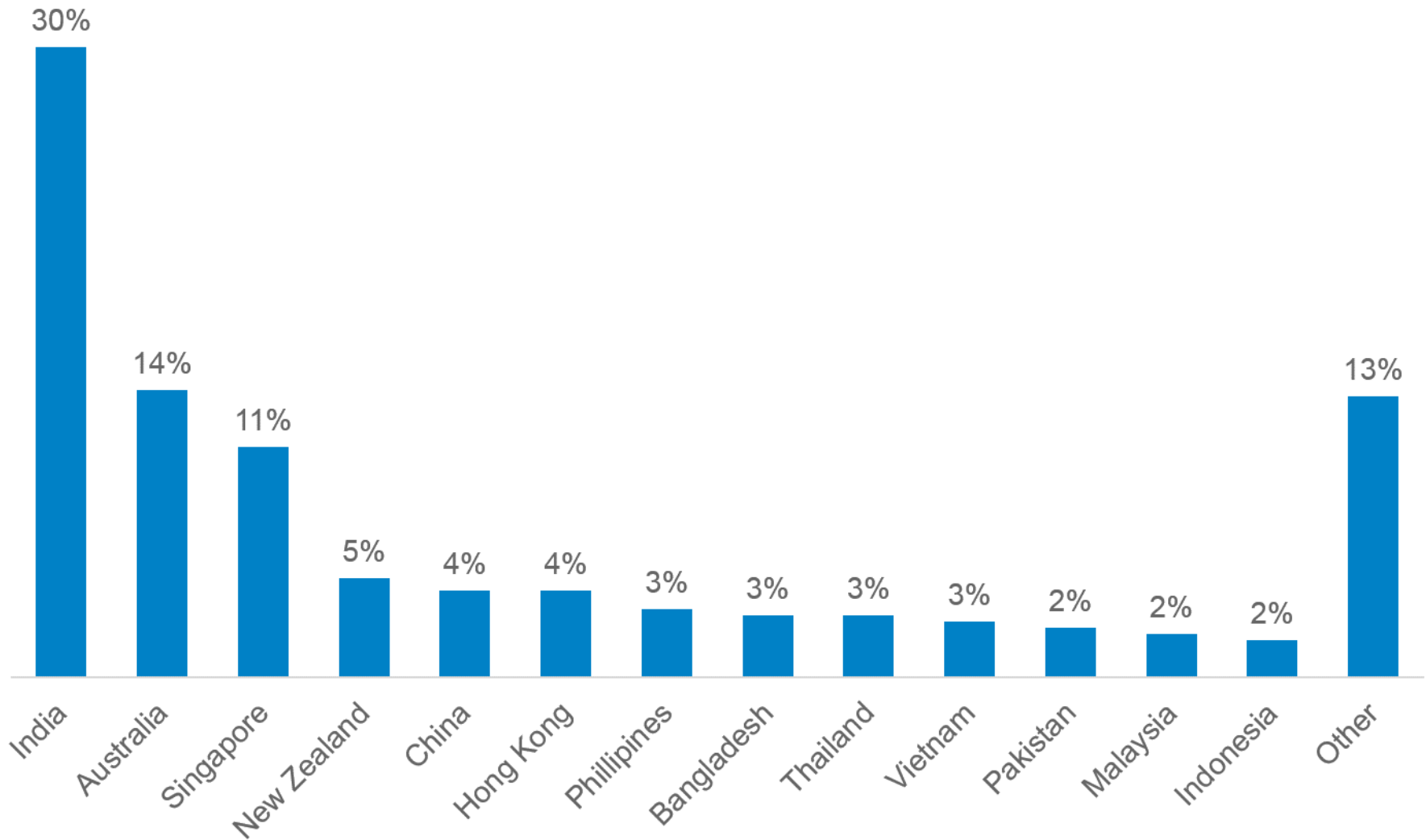
- This survey was sent to brand advertisers, creative agencies, media agencies and specialist mobile agencies in Asia Pacific.
- Respondents were contacted using the databases of Warc, the MMA and FOMA.
- Survey conducted in July and August, 2013.
- 336 responses received.

Breakdown of respondents by profession

Q: Which of the following best describes your job/company?



Breakdown of respondents by country

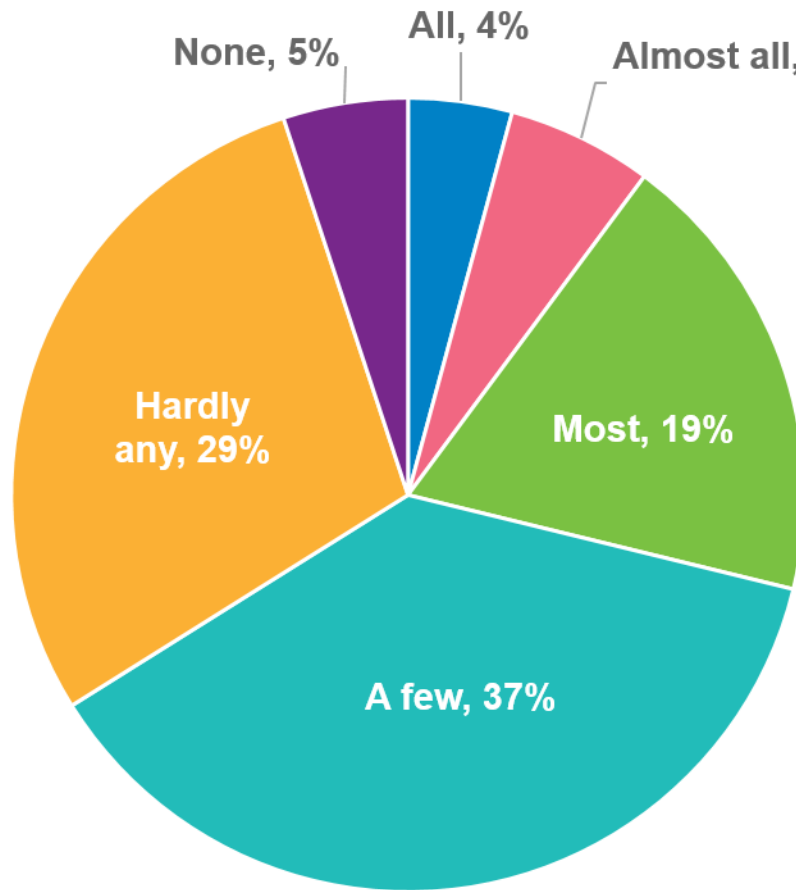


Key findings

- Mobile is not yet a priority for brand owners: a majority do not have formal mobile marketing strategies, do not connect mobile to other activities and allocate only a fraction of spending to the platform
- However, this is set for change – almost all mobile budgets are predicted to increase strongly over the next 12 months
- The biggest barriers to the growth of mobile marketing in Asia Pacific are consumers' concerns about privacy and security
- Most innovative brands: in line with February's survey, Samsung was the most innovative brand on mobile, followed by Coca Cola, Nike and Unilever
- Most innovative markets: larger, richer countries are seen as far more innovative than smaller, emerging economies

Mobile marketing not yet a priority for brand owners

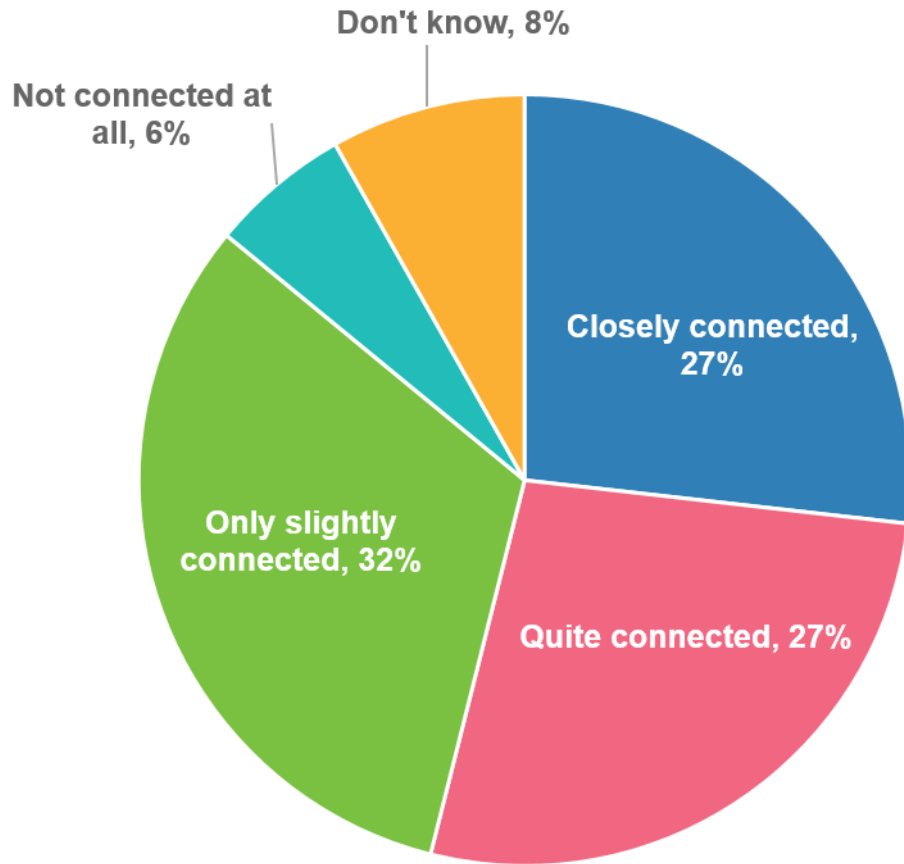
Q: Agencies, how many of your clients have formal mobile marketing strategies for their brands?



- Only 29% of mobile marketing agencies said all, almost all or most of their clients have formal mobile marketing strategies
- 66% said 'a few' or 'hardly any' have mobile marketing strategies

Mobile often disconnected from other marketing activity

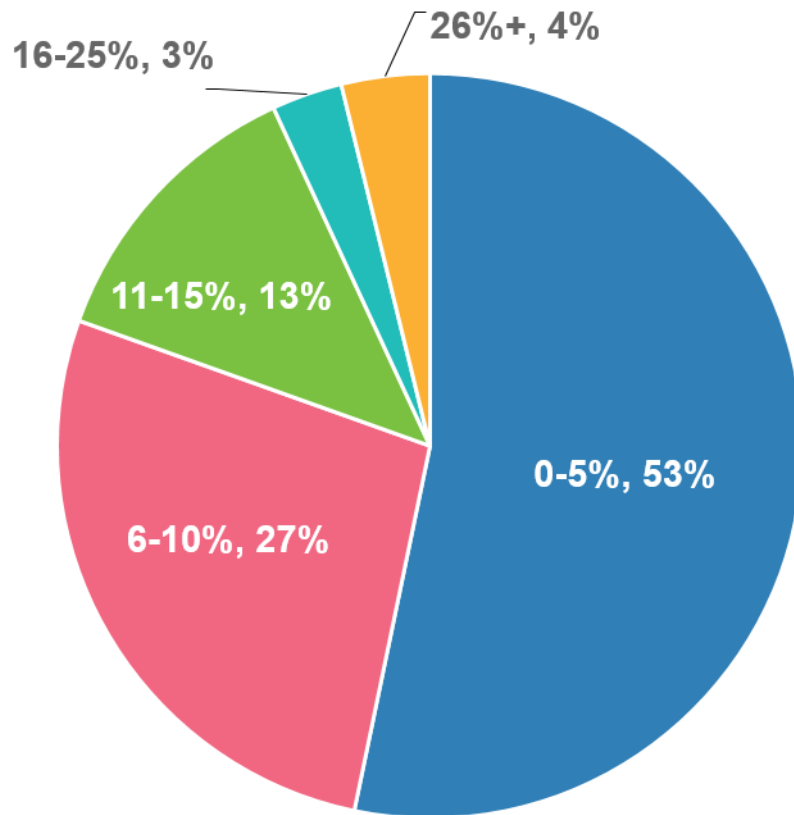
Q: If you/your clients have a formal mobile marketing strategy, how closely is it integrated with other marketing activities?



- Only 27% of respondents said their mobile activities are closely linked to other marketing
- 32%, the largest group, said mobile marketing is only slightly connected to other marketing activities

Mobile taking 10% or less of most marketing budgets

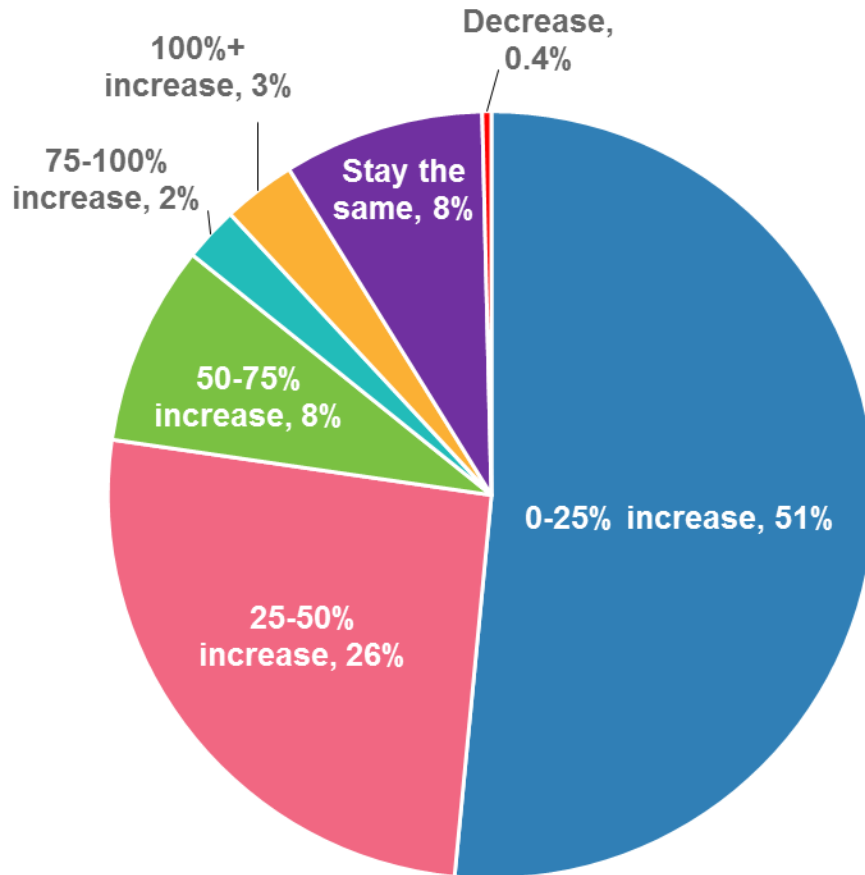
Q: What percentage of you/your clients' marketing budgets are being allocated to mobile marketing and advertising activities?



- 80% of respondents said that 10% or less of marketing budgets are being allocated to mobile
- 16% said mobile marketing is receiving between 11 and 25% of budgets
- Only 4% said mobile is receiving more than 26% of spending

But budgets set for strong increase next year

Q: How much do you/your clients expect your marketing budgets to grow over the next 12 months?

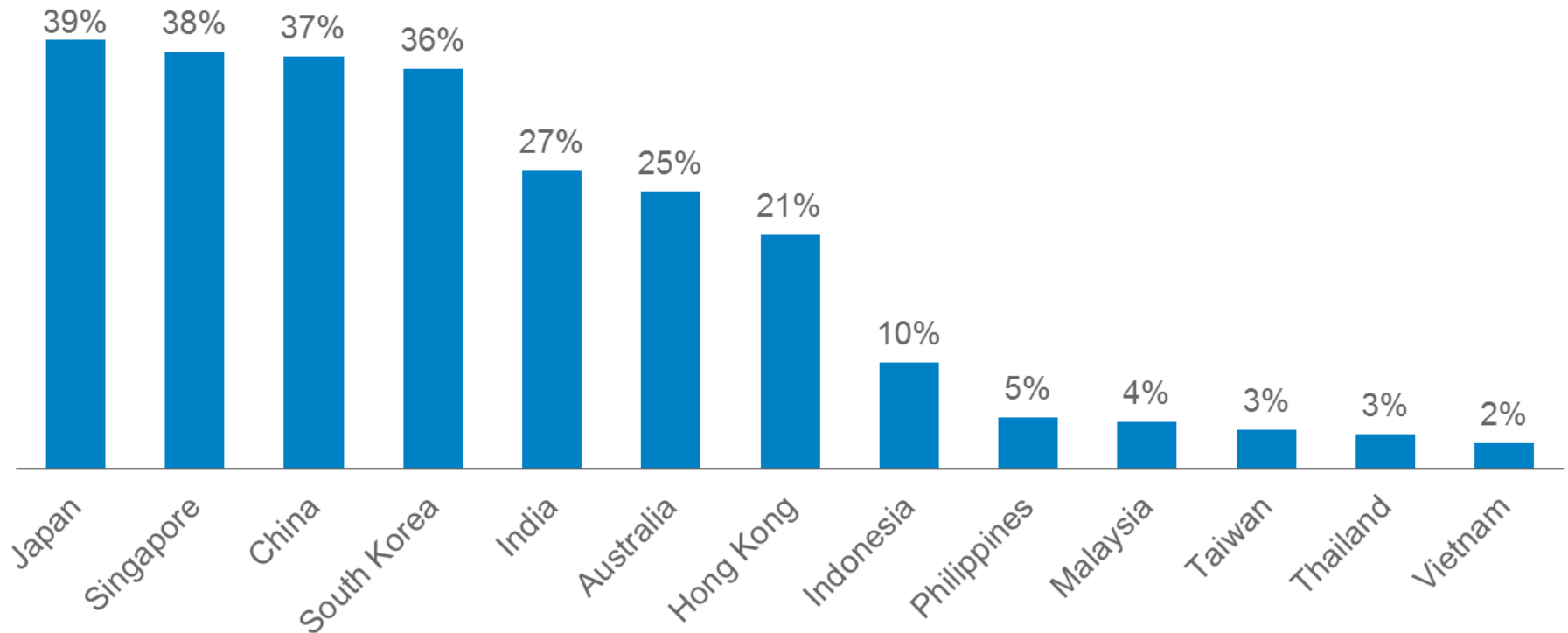


- Despite mobile's low share of overall marketing budgets, the medium is set for strong growth: 34% of marketers said spending will increase by 26-75% over the next 12 months
- Just 8% said budgets would stay the same, and just 0.4% expected a fall

Innovation divide between large and small markets

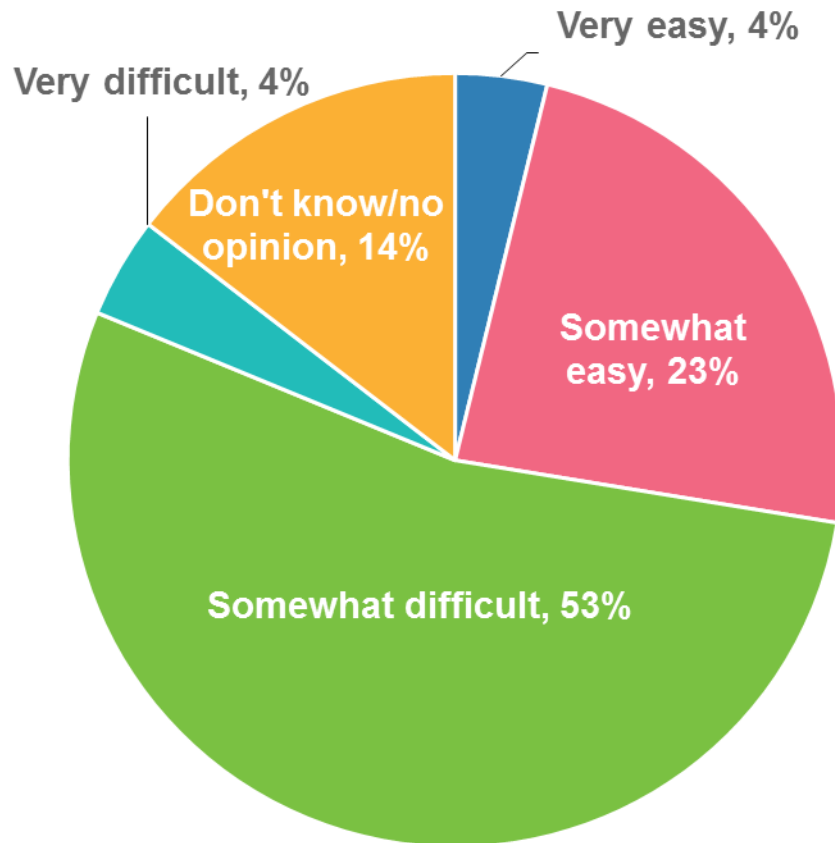
Respondents believe that the most innovative markets for mobile are Japan, Singapore, China and South Korea. Smaller and emerging markets were chosen much less often

Q: In which Asia Pacific markets are you seeing the most innovation on mobile? (Choose up to three)



It's difficult to transfer mobile strategies between markets

Q: In your experience, is it easy or difficult to transfer mobile strategies between Asian markets?

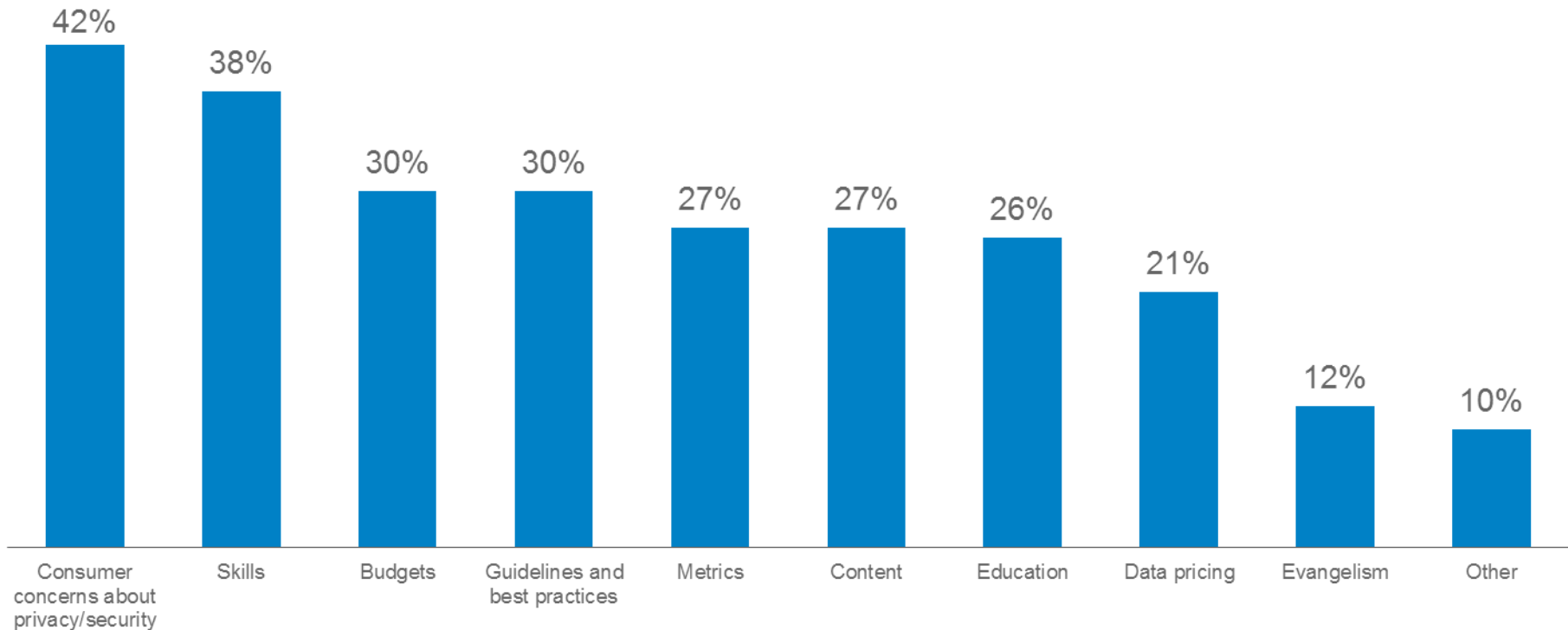


- A majority of marketers, 53%, said they find it 'somewhat difficult' to transfer mobile marketing strategies between Asia Pacific countries
- 27% said they find it 'somewhat' or 'very' easy

Privacy and security are biggest obstacles for mobile

42% said consumer concerns about privacy and security are the biggest barriers to the growth of mobile marketing. Next came skills (38%) and budgets (30%)

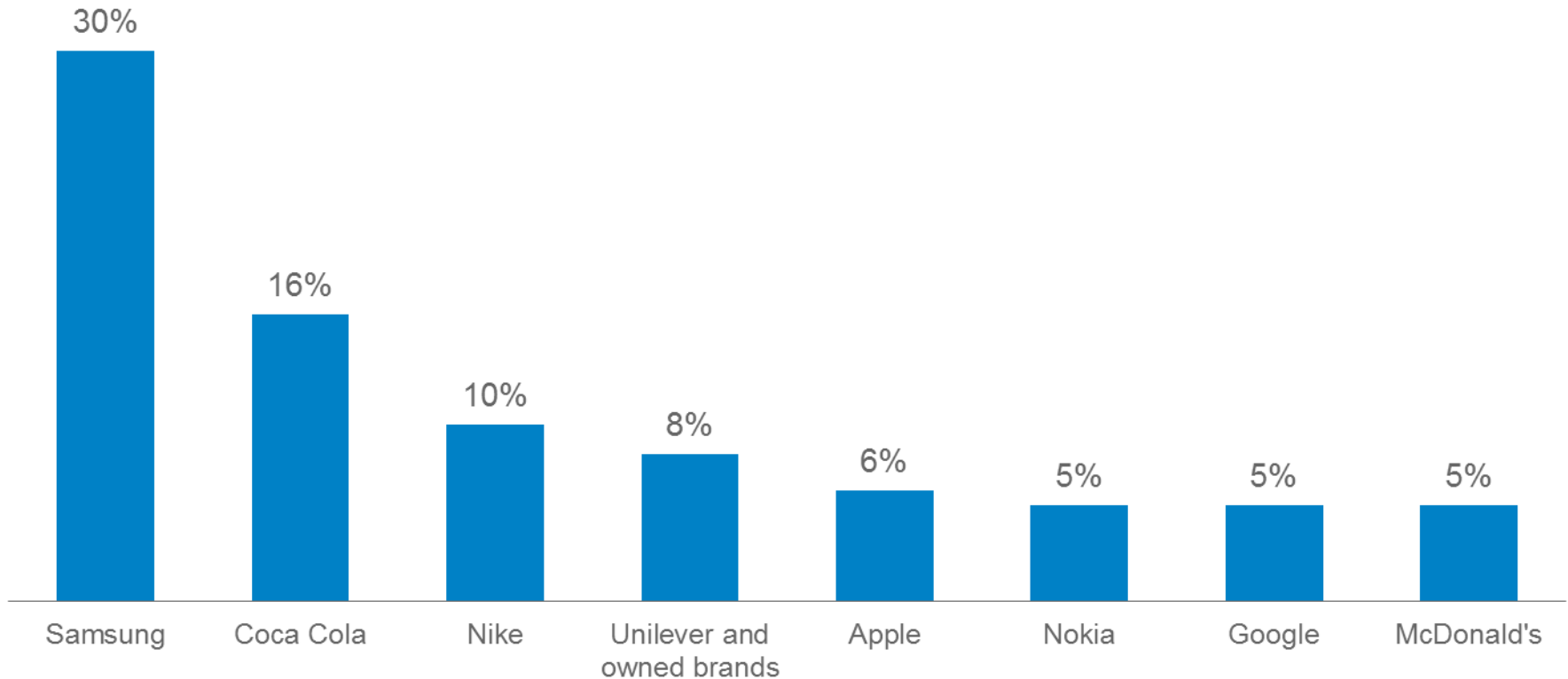
Q: In your opinion, what are the biggest barriers to mobile marketing in Asia Pacific? (Pick up to three)



Samsung the most innovative brand on mobile

Coca Cola, Nike and Unilever also lead in a field dominated by technology and FMCG

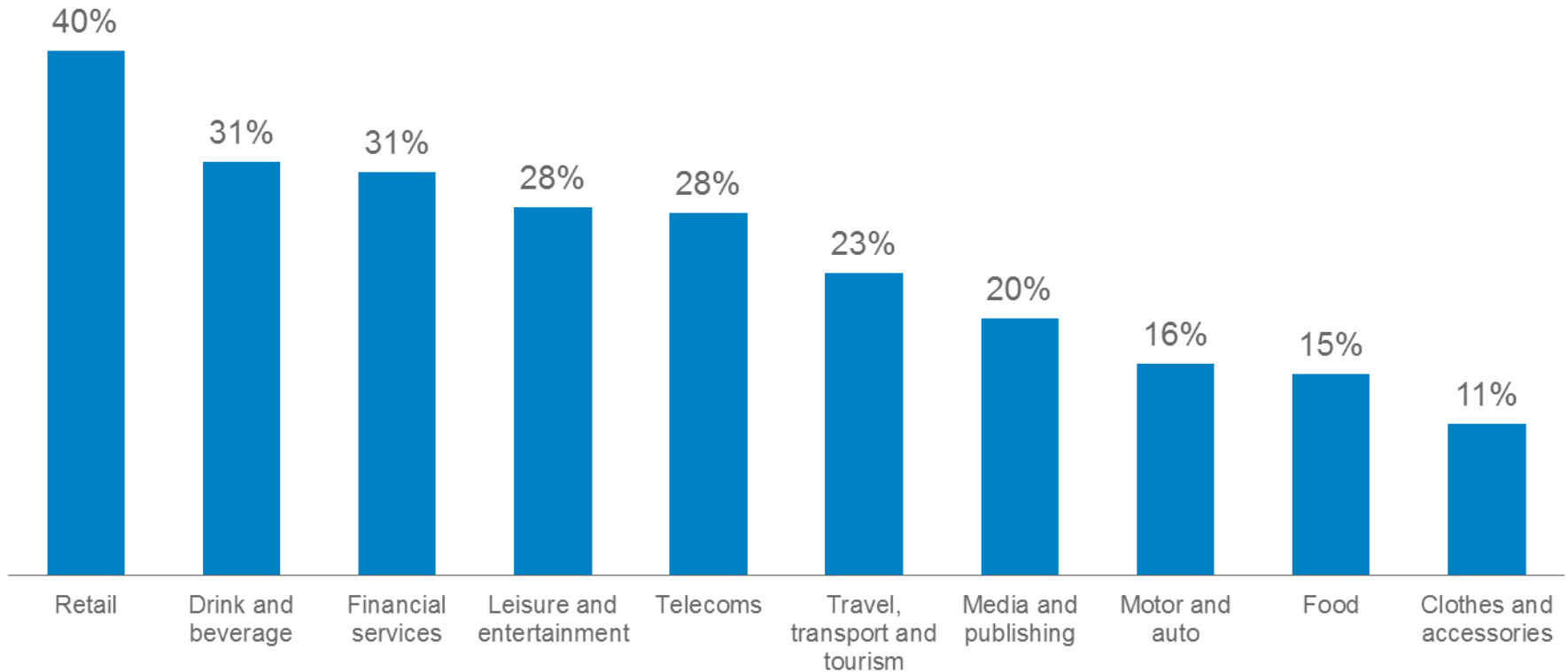
Q: In your experience, which brands are most innovative in the mobile space in Asia Pacific?



Retail the most innovative industry on mobile

40% of mobile marketers said they were seeing the most innovation in mobile marketing in retail. Other top choices were drink and beverage (31%) and financial services (31%)

Q: In which categories, in Asia Pacific, are you seeing the most innovation in mobile? (Pick up to three)



App development and social marketing are leading channels

Q: Which types of mobile marketing and advertising are you/your clients most planning to use in your marketing activities in 2013/14 (pick up to three)?

2013/14 mobile plans	%
App development	55%
Mobile display ads (inc. in-app ads)	43%
Mobile-based social marketing	41%
SMS marketing	33%
Mobile-based coupons/discounts	26%
Mobile-based content	24%
Mobile search	20%
Mobile-based loyalty schemes	19%

2018 mobile plans	%
Mobile-based social marketing	49%
App development	43%
Mobile-based content	42%
Mobile-based loyalty schemes	36%
Mobile display ads (inc. in-app ads)	34%
Mobile search	30%
Mobile-based coupons/discounts	28%
SMS marketing	11%

Mobile tech: QR codes will lose importance

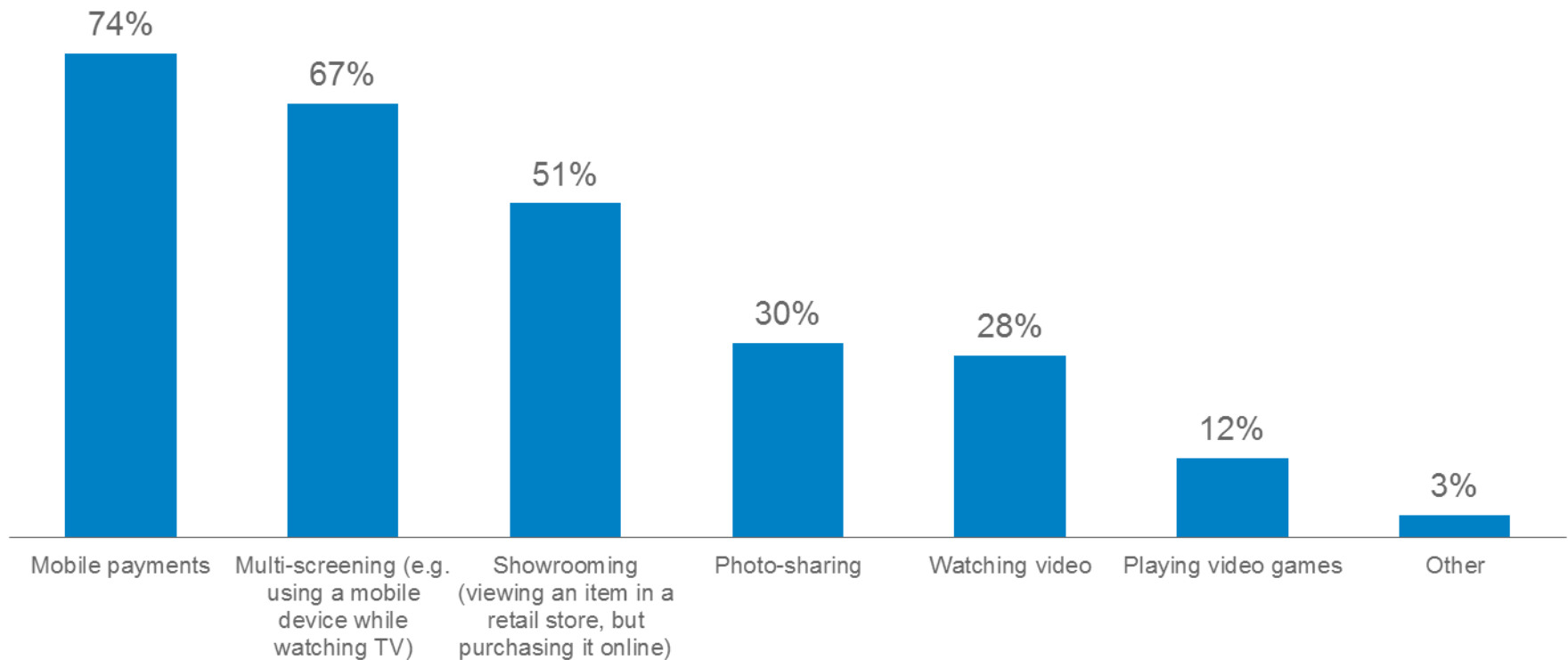
Q: Are you/your clients planning to use any of the following technologies in 2013/14? And in five years' time?

2013 mobile technology plans	%	2018 mobile technology plans	%
Location based	79	Location based	71
QR codes	65	QR codes	44
Mobile video	43	Mobile video	44
Mobile wallet	39	Mobile wallet	37
Augmented Reality	31	Augmented Reality	31
Mobile gaming	28	Mobile gaming	30

Mobile payments are most significant consumer behaviour

Of the new consumer behaviours made possible by mobile, the most significant for the industry are mobile payments (74%), multi-screening (67%) and showrooming (51%)

Q: Of the following consumer behaviours made possible by mobile, which do you think has the most importance for the mobile marketing industry?



Some final thoughts

- **Budgets:** 90% of marketers predict rises next year, now is the time to start planning your mobile marketing strategies.
- **Integration:** We need to move on from mobile as an add-on to where mobile plays a central role in well integrated campaigns.
- **Brand fit:** Mobile is a broad channel. Which element of the channel are most relevant to your brand and target audience?
- **Experimentation:** Consider setting aside some test budget for to help garner greater confidence
- **Privacy and security:** as top concerns, think about the data/value exchange
- **Emerging economies:** seen as less innovative, opportunities abound for brands in those markets.

McDonald's China – Real-time Olympics

- Built an Olympics-themed campaign around an in-store mobile game.
- Linked game to sales via in-app coupons.
- Drove interest via TV ads and social media work.



Thank You

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Thank You