

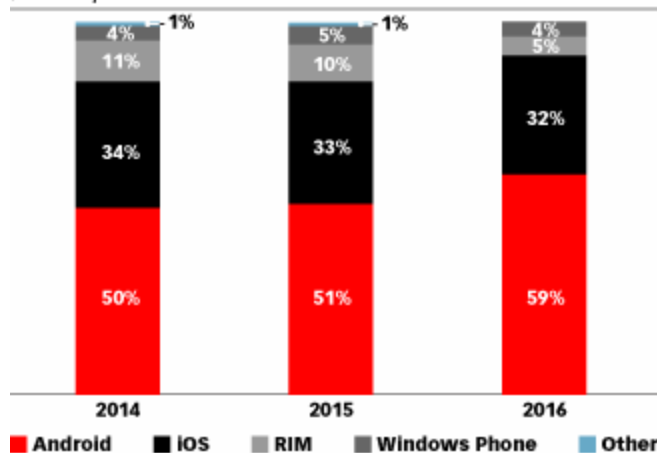
Canada's Mobile Economy Is Maturing

Aug 31, 2016

More than three-fourths of mobile phone users in Canada will use a smartphone this year

The rapid increase in mobile and smartphone usage in Canada, like nearly every other developed country, has changed the way people consume media. As a result, marketing investment has shifted to make mobile the primary focus of many brand campaigns. Despite this, best practices for mobile engagement are still developing.

Smartphone Owner Share in Canada, by OS, 2014-2016
% of respondents



Note: ages 18+; respondents with more than 1 smartphone referred to their primary device

Source: Catalyst Canada, "2016 Canadian Smartphone Landscape" sponsored by WPP and GroupM and conducted by Toluna, June 9, 2016

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"Mobile first" may well describe the design of brand campaigns, but many have yet to master mobile marketing effectiveness, especially in display advertising formats, as explored in a new eMarketer report, "Canada Mobile 2016: A Look at Smartphone Behaviors and How Brands Are Attempting to Master Mobile" (<http://totalaccess.emarketer.com/Reports/Viewer.aspx?R=2001853&ecid=MX1371>) (eMarketer PRO customers only).

Canada's mobile economy was built on early adoption of smartphones, and its penetration now exceeds 60% of the population and 75% of mobile phone users. Smartphone users spend 2 hours, 20 minutes a day consuming media on their device, more than any other single device or media except television.

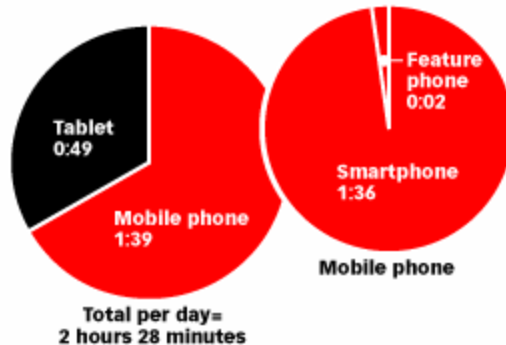
What's developed in this mobile economy is richer content from publishers designed for mobile consumption, and an app ecosystem that not only makes user-friendly experiences available, but also provides a means to track user

behavior and target them more effectively. However, user acceptance of brand advances on mobile is mixed—a creative challenge for advertisers and a significant obstacle for mobile marketers.

eMarketer estimates that 80.7% of the population in Canada will use mobile phones regularly this year. More than three-quarters of these users (76.3%) will use smartphones. When it comes to operating system, Android will continue its lead in the country with a 59% share among adult smartphone owners, according to a June 2016 report from Catalyst Canada. Apple's iOS will make up the bulk of the rest with 32%. BlackBerry and Windows phones will account for a small slice, at 5% and 4% of users, respectively.

Average Time Spent per Day with Nonvoice Mobile Activities by Adults in Canada, by Device, 2016

hrs:mins



Note: ages 18+; time spent with each device includes all time spent with that device, regardless of multitasking; for example, 1 hour of multitasking on a smartphone while using a tablet is counted as 1 hour for smartphone and 1 hour for tablet; numbers may not add up to total due to rounding
Source: eMarketer, April 2016

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The majority of adult mobile phone users between ages 18 and 44 own smartphones, with penetration rates exceeding 91% in 2016. Males are slightly more likely than females to be smartphone users (77.2% vs. 75.3%), which will remain the case over the forecast period, eMarketer expects.

Compared with the US and UK, Canada trails in smartphone penetration, with respective rates of 79.0% and 77.4%.

The amount of time adults in Canada spend with smartphones daily has increased by over an hour since 2012. More than just a consequence of increasing penetration, people are spending more time consuming media—a reflection of continually improving experiences with content on these mobile devices. This year, nonvoice smartphone activities among the adult population will average 1 hour, 36 minutes, compared with just 2 minutes for feature phones.

eMarketer PRO customers can view the full report here.

(<http://totalaccess.emarketer.com/Reports/Viewer.aspx?R=2001853&ecid=MX1371>)