

Mobile Advertising in a Down Economy

Advertising and marketing executives in companies of all types and sizes all over the world are reconfiguring their advertising spending in order to accommodate tighter budgets, smaller margins for error, and less room for experimentation. **All forms of advertising are likely to see a decrease in spending. But there is a bright spot in the midst of all the doom and gloom: mobile advertising.** Mobile at this point is one of the few areas of the global technology sector that may just be largely recession-proof. Just think of how important mobile phones have become to a broad range of people—from those of moderate means to the wealthy. According to the Mobile Marketing Association (MMA), there are now 267 million mobile phone users in the U.S.—up from 251 million at the end of Q4 of 2007. This means that more people in the U.S. (and around the globe) have a mobile phone than an Internet-connected PC. Think about how many people are giving up their land lines as their primary phone—a phenomenon that has become so common that a major U.S. mobile operator has made ditching the landline an advertising slogan. Mobile technology is truly changing the communications paradigm—and an economic downturn is not going to stop its evolution. Not only are mobile phones and devices quickly becoming a necessary tool for consumers and professionals alike, but users are realizing that mobile devices can actually save them both time and money. For example, a recent report from comScore suggests that smartphone users are finding that they can save money by taking advantage of the utility of the mobile Internet.

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Many a small thing has been made large by the right kind of advertising.

Mark Twain

R U Missing UR Customers?

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Note that a smartphone isn't necessary to access the mobile Internet, and as more people realize what even more basic phones can do, the more we'll see use of the mobile Internet grow. But back to the numbers, besides the steady growth in handset sales and new subscribers, growth in data (mobile Internet and text messaging) has been explosive and there are no signs of a slowdown. The most impressive numbers in terms of growth, however, are in mobile advertising. As the head of a company that runs a mobile advertising network on a global scale, I've witnessed this firsthand. **At Direct Connect Media we've seen a 124 percent increase in mobile ad impressions in the U.S. alone between Q1 and Q4** this year. And we don't see any significant slowdown on the horizon. Numbers from other sources also support this strong outlook for mobile advertising. The MMA report I cited earlier found that mobile ad awareness—a key metric for effective targeted advertising—increased **56 percent**

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during the first nine months of 2008. Nearly four out of 10 American mobile phone users (totaling 104 million U.S. consumers in all) recalled seeing mobile ads between July and September of this year. Advertisers see real promise in the medium, again despite the sour economic outlook. A recent Internet Advertising Bureau survey found that 62 percent of agencies, media planners and advertisers believe mobile ad spending will continue to grow and emerge in marketing budgets. These executives realize that, with the exception of the direct sale, mobile advertising may be the most targeted advertising medium ever devised. However, what really makes the mobile business largely recession proof is the increasing importance of mobile devices to consumers' daily lives. Mobile is becoming indispensable—in good times and bad.

sales@directconnectmedia.net
bcowen@directconnectmedia.net
740-945-9474