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research

*Always On – A Global Perspective of
Mobile Consumer Experience*

June 2017



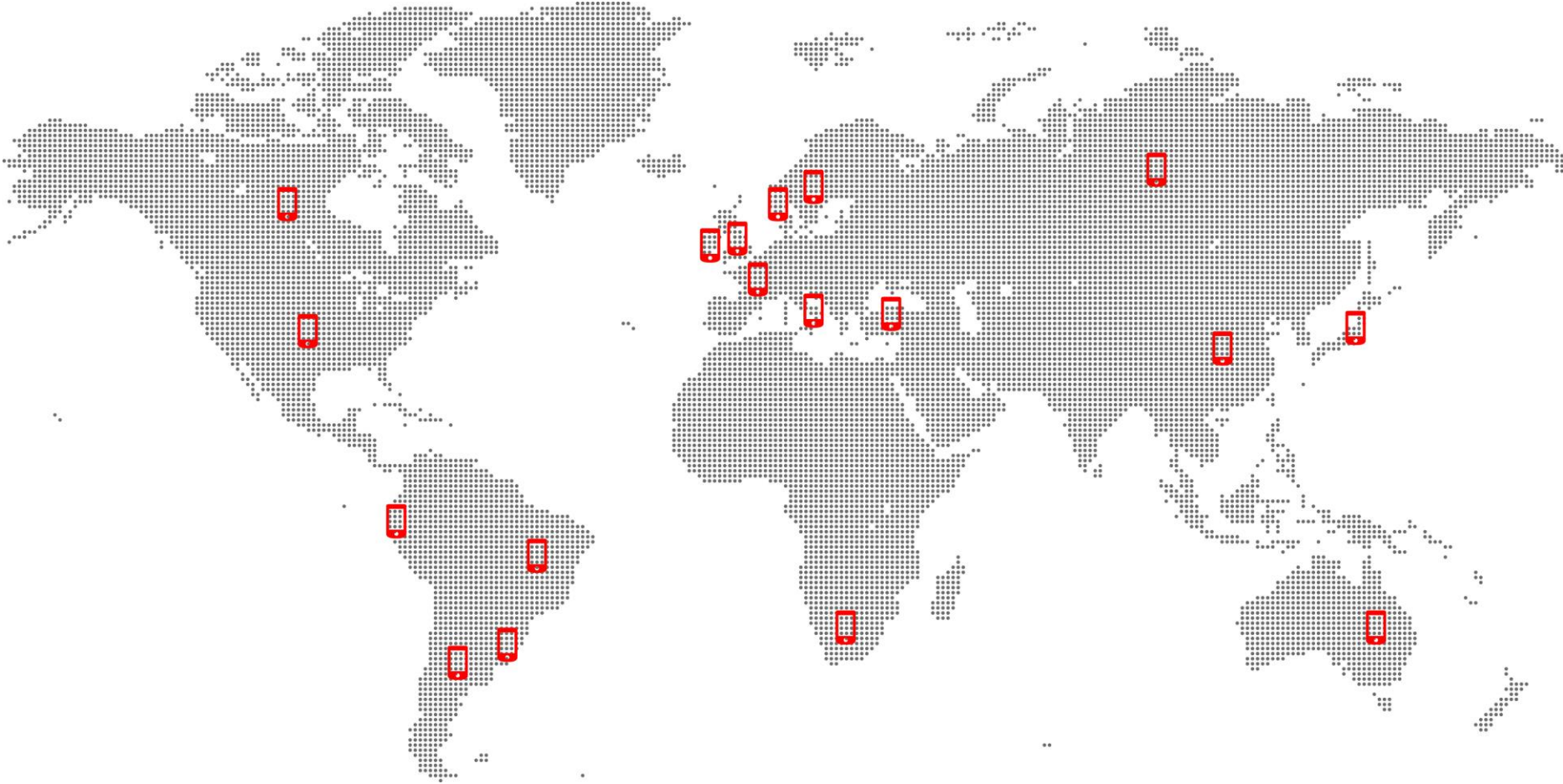
Objectives and Background

Today's consumers around the globe are living in an "always-on" world due to the ubiquity of mobile devices and mobile internet access. IAB (US) and its Mobile Marketing Center of Excellence, in conjunction with 17 IABs from around the globe, aims to uncover the latest trends of mobile behaviors and perceptions, particularly among global smartphone owners and mobile internet users. This study examines how consumers access and use the mobile internet and how they perceive and react to mobile advertising.

Specifically, the key interests lie in understanding and comparing the usage pattern of mobile web and mobile apps to access the internet among smartphone users across the participating countries.

The main objectives for this research project are to:

- *Understand consumers' mobile internet usage and perceptions toward the experience on mobile web and mobile apps.*
- *Examine whether there are differences in consumer reaction and perceptions to advertising on these two mobile platforms.*



18 countries participated in the research, 200 representative smartphone owners from each country.

All respondents must access the internet via mobile web and/or mobile apps.

When referencing global average or regional average throughout this report, the results are derived from the 18 participating countries.

See Appendix for more details on methodology and sample specification.



Takeaways

The global mobile adoption and usage is prevalent. Mobile devices are an integral part of consumers' daily lives.

- The majority (63%) of smartphone owners worldwide use their mobile device at least every 30 minutes. This usage includes any and all different ways a mobile device can be used, from making calls, to checking the time, to accessing the internet.
- A core group of frequent mobile users (around a fifth across all participating countries) report using their mobile device every 5 minutes.
- Nowhere is this more evident than in South America, where 68% use their mobile device at least every 30 minutes. This frequent usage is most prevalent in Brazil (78%) and Argentina (73%).

Mobile usage is not only frequent, it also commands a bulk of consumers' time each day.

- Nearly half (49%) of smartphone users worldwide spend at least 3 hours each day on their mobile device, 22% spend 6 hours or more.
- South America has the most heavy mobile users (29%) who spend 6 hours or more on mobile each day.
- At the country level, Brazil, China and Argentina lead the way in terms of time spent on mobile, with 38%, 31%, and 29% respectively using their mobile device for 6 hours or more.

Takeaways

Smartphone users access the internet via mobile web and/or mobile apps frequently. Awareness and impact of mobile advertising on these platforms are similar.

- An overwhelming majority of mobile web and mobile app users access the internet via these platforms daily/multiple times a day, 88% and 84% respectively.
- Awareness of advertising on both mobile platforms is high. Nearly all remember seeing mobile ads within the first few days the ad was originally shown, 90% on mobile web and 86% on mobile apps. This is consistent across regions and countries.
- 45% have taken some sort of action after seeing an ad on mobile web, while 47% have done the same on mobile apps. Remembering the brand advertised and interacting with the ad are the most mentioned responses.

Despite the clear potential and the current success of mobile advertising in cutting through and motivating actions, consumers perceptions of mobile advertising exhibit both improvements and challenges. There is a similar pattern of advertising perceptions on mobile web and mobile apps.

- Smartphone users worldwide report having seen improvements in ad loading speed and creative quality on both platforms. Those in Russia, Brazil, and South Africa noted the most progress.
- There were consistent concerns across the globe about increased quantity and intrusiveness of ads. However, smartphone users in Brazil and France saw moderate advancement with mobile advertising relevance.

Takeaways

Consumer's preference towards using mobile web and mobile apps varies by type of activities and type of content. Generally speaking, mobile web leans towards functionality and utility, whereas mobile apps skew personal and social.

- The average number of mobile websites and mobile apps used is about 6 each day. China shows the strongest levels of daily consumption of both mobile websites and mobile apps.
- Among consumers who use both mobile web and mobile apps to access the internet, there is a clear preference for mobile web when conducting utility-oriented activities as search, booking services, and purchasing products.
- When it comes to entertainment and communications which could be considered personal and social in nature, such as messaging, calling, social networking, watching video, listening to music etc., mobile apps are preferred.
- The functional/utility vs. personal/social distinction is further evident in consumers' preference by content type. The mobile web environment is clearly preferred when it comes to accessing information about education/work, travel, and news. For entertainment content, such as videos and gaming, and social networking, mobile apps are preferred.

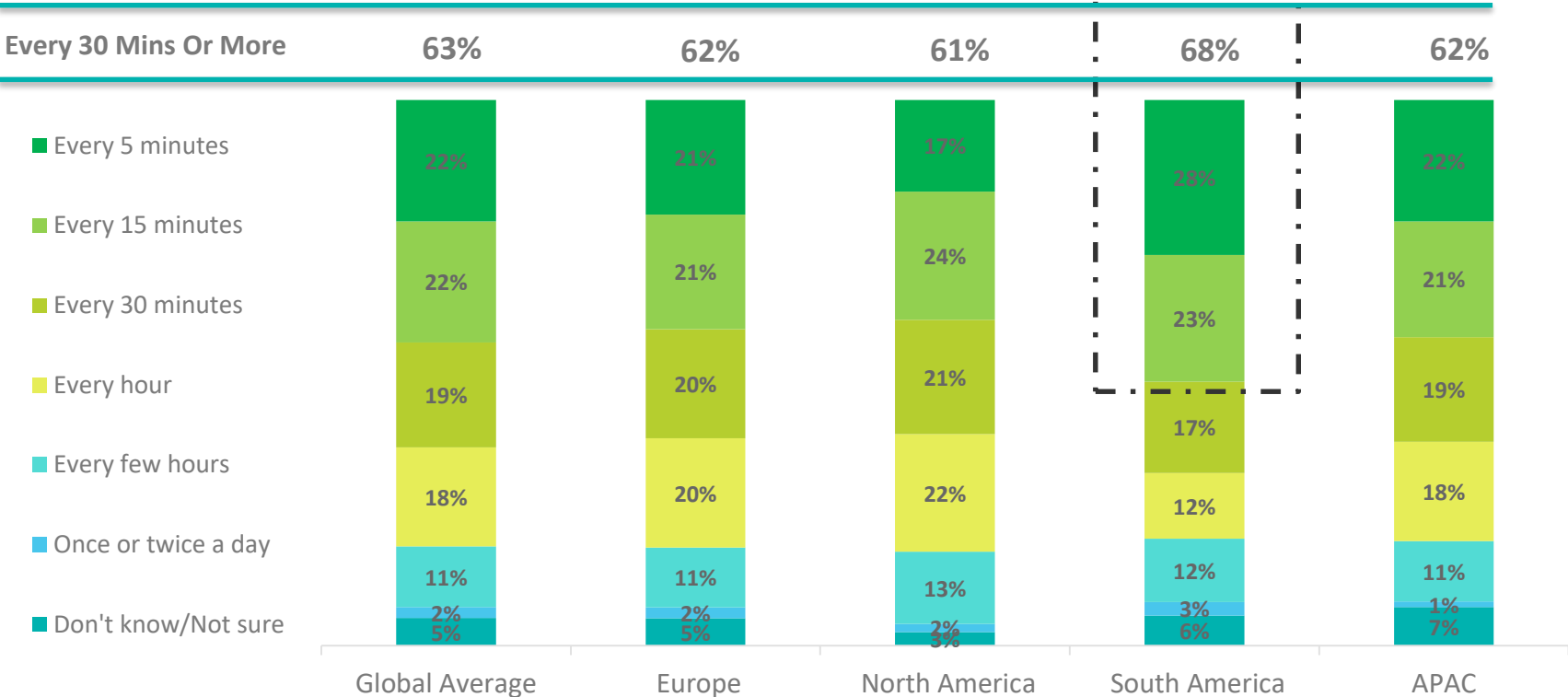
Mobile usage is global and prevalent. Mobile devices are an integral part of consumers' daily lives.



63% of global smartphone users use their mobile device at least every 30 minutes, over a fifth do so every 5 minutes. Regionally, South America has the most frequent users.

Q8. On a typical day when you use a mobile device, how frequently would you say you use it? By using your mobile device we mean anything and everything you can do with it. From making a call, to checking the time, to accessing the internet, reading a book, playing a game or taking a photo. All the different actions you use your mobile device for.

Frequency of Mobile Device Usage (on a typical day)



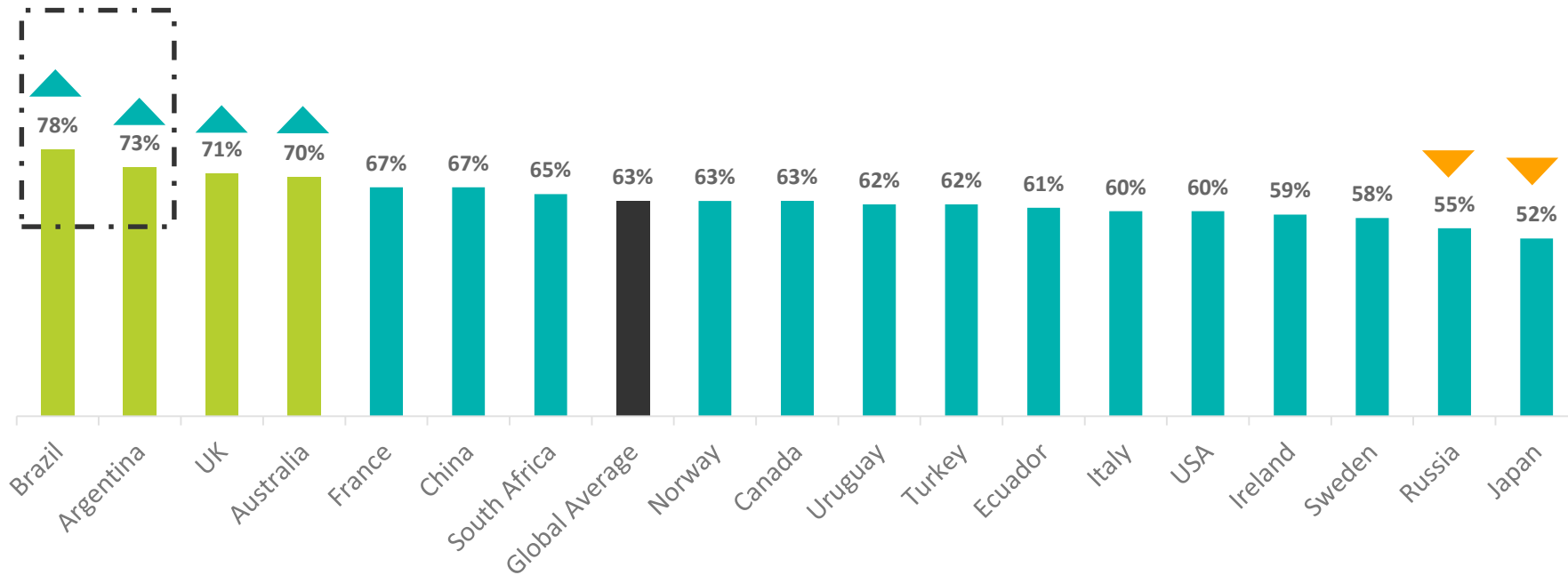
Base: Smartphone users who access the internet via mobile web and/or mobile app



Brazil and Argentina in South America have the most frequent mobile users.

Q8. On a typical day when you use a mobile device, how frequently would you say you use it? By using your mobile device we mean anything and everything you can do with it. From making a call, to checking the time, to accessing the internet, reading a book, playing a game or taking a photo. All the different actions you use your mobile device for.

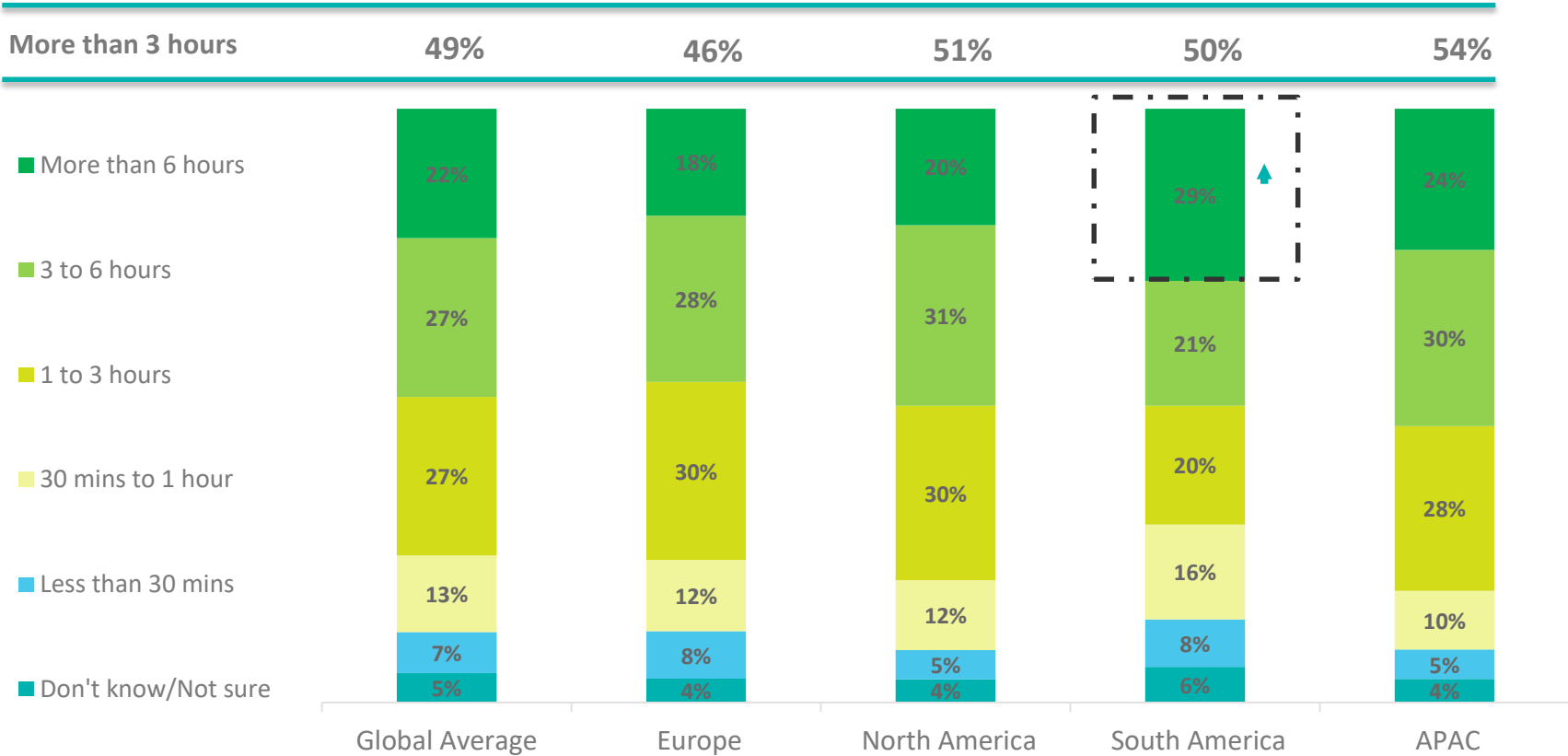
Using Mobile Device At Least Every 30 Mins



Nearly half (49%) of smartphone users spend more than 3 hours on their mobile device daily. South America has more heavy users (29%) who spend more than 6 hours on mobile daily.

Q9. And on a typical day how long would you say you spend using your mobile device?

Time Spent on Mobile (on a typical day)



Base: Smartphone users who access the internet via mobile web and/or mobile app

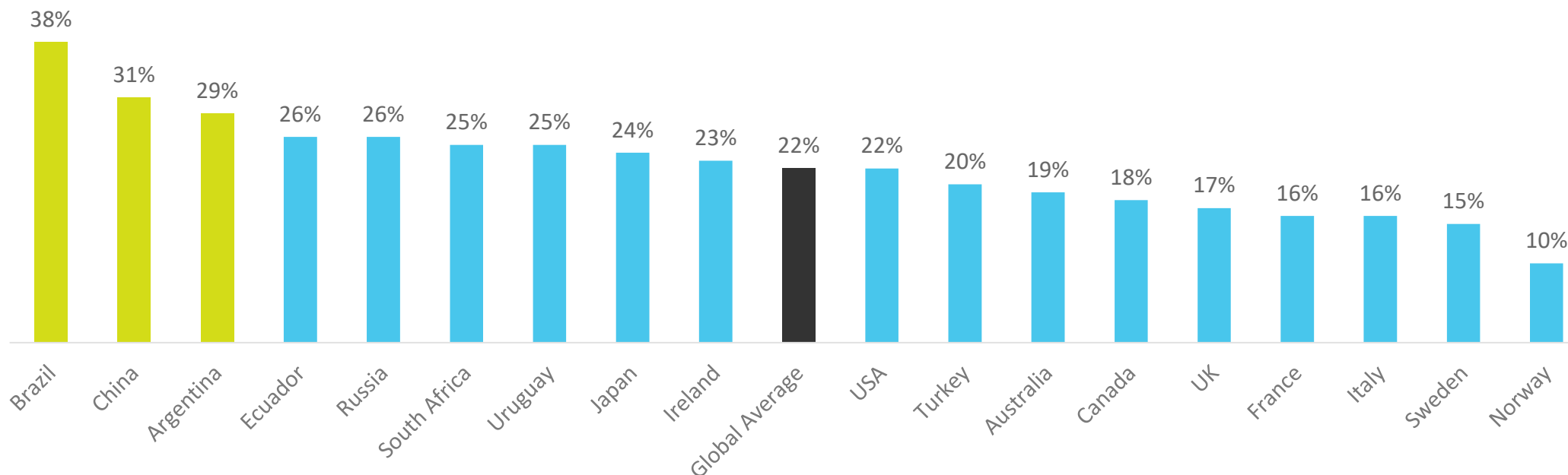
▲ ▼ Significantly higher/lower. Tested at 95% confidence interval



Looking at daily time spent on mobile at the country level, Brazil, China and Argentina take the lead, reflecting the regional concentration of heavy mobile users in South America.

Q9. And on a typical day how long would you say you spend using your mobile device?

Using Mobile Device More Than 6 Hours (on a typical day)



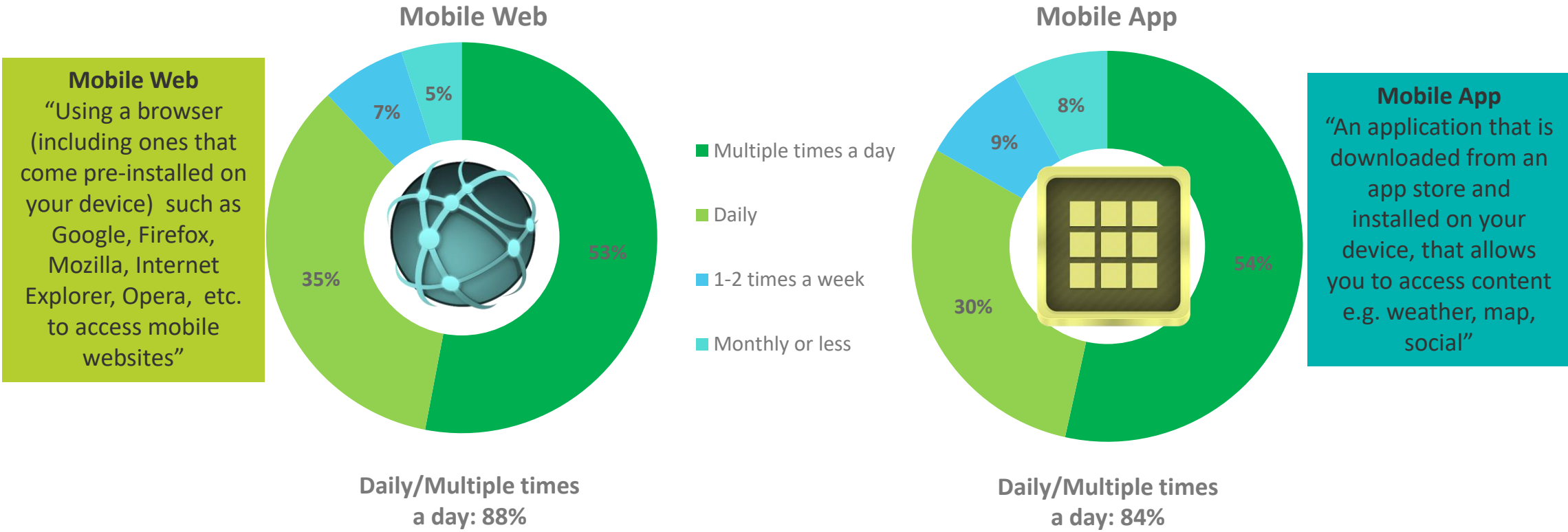
Advertising experience is common and effective on mobile. Mobile web and mobile apps have similar impact on consumer engagement.



Both mobile web and mobile apps are used frequently by smartphone owners to access the internet. This pattern is similar across all regions and countries.

Q12 & Q13. How frequently do you access or use the internet on your mobile device using...?

Frequency of Usage



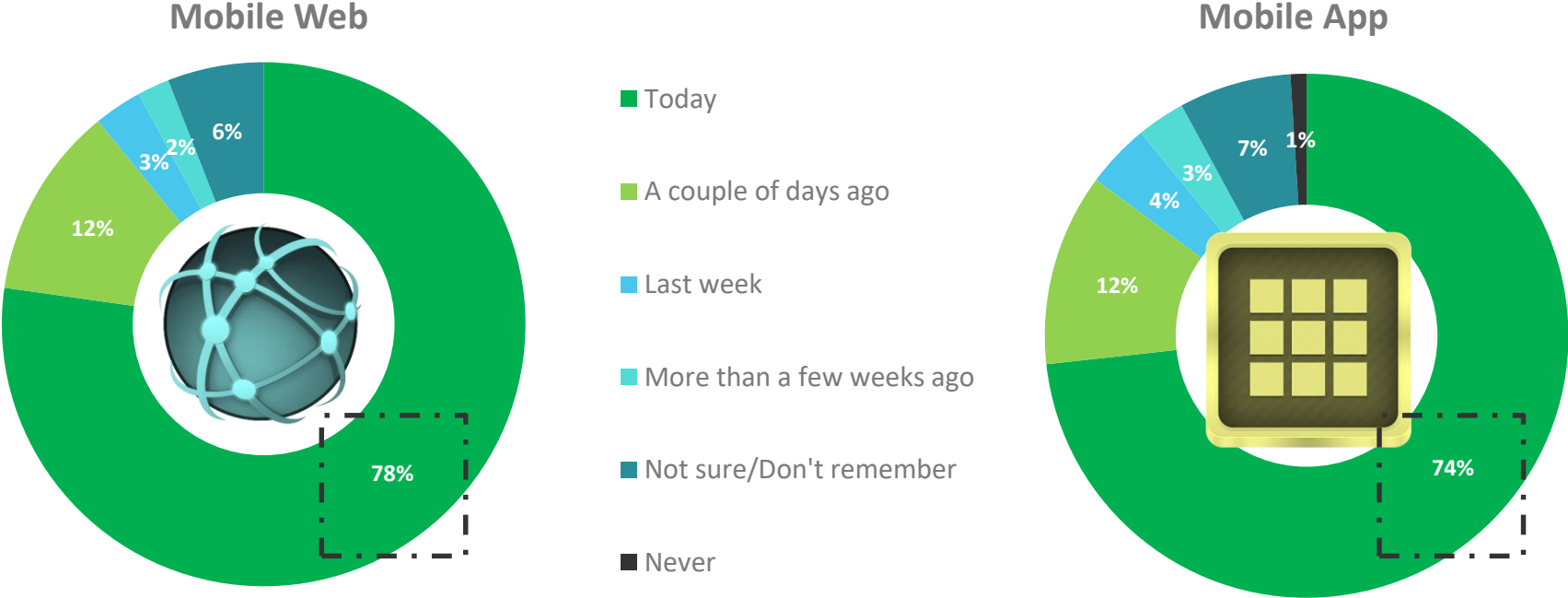
Base: Smartphone users who access the internet via mobile web and/or mobile app



Awareness of advertising on both mobile platforms is high – nearly all remember seeing mobile advertising within the first couple of days. This is consistent across regions and countries.

Q20/Q22. When was the last time you remember seeing an ad on your mobile device when accessing the mobile internet on the mobile web/using a mobile app?

Recall of Mobile Advertising on...

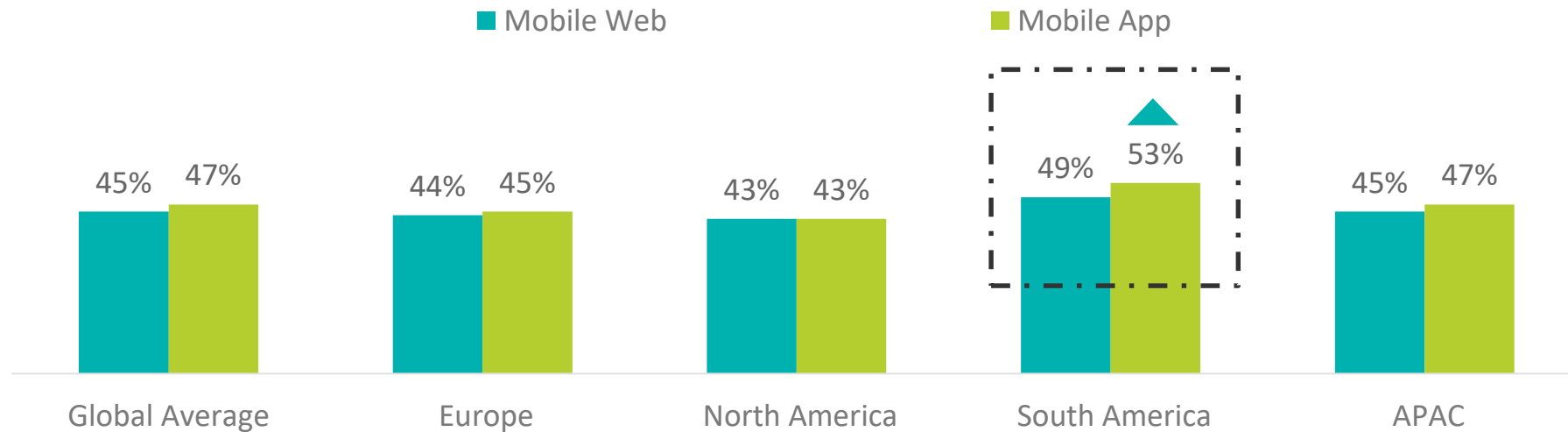


Nearly half of smartphone users took action after seeing mobile advertising. South America shows a higher level of engagement, especially in-app.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Any Action After Mobile Advertising Exposure

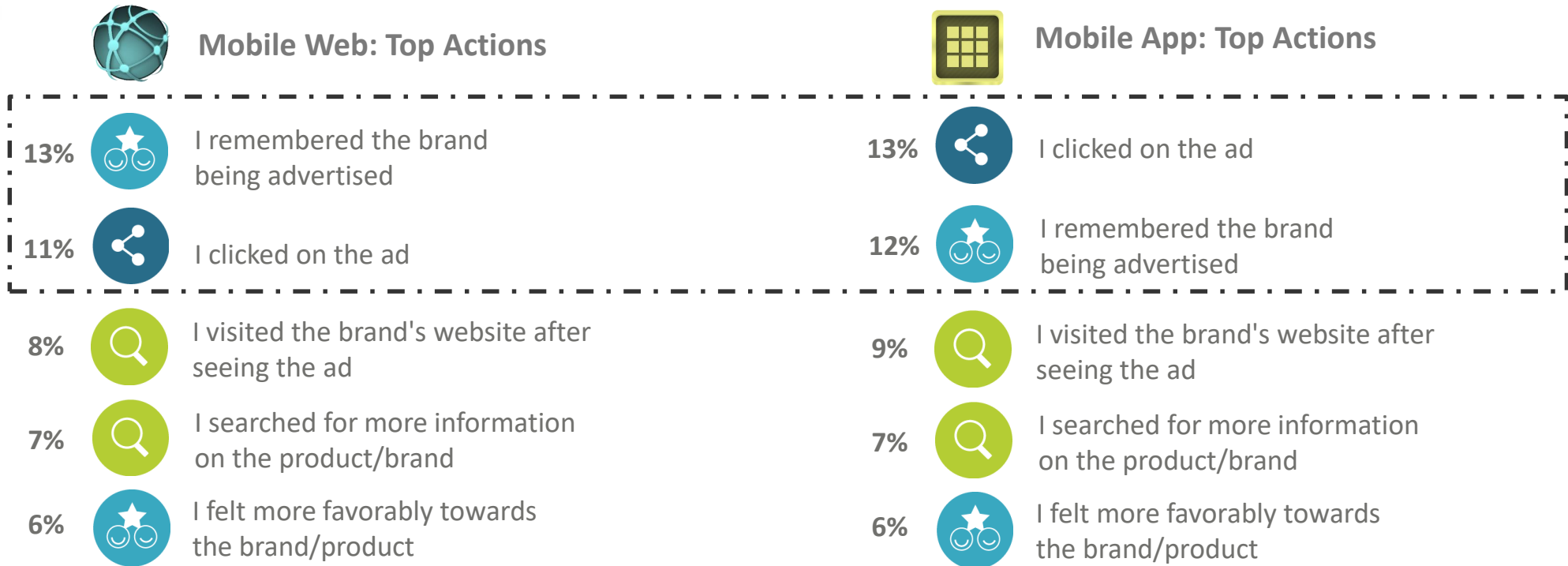


Overall, advertising generated similar impact on both mobile platforms. The most often mentioned responses and actions are remembering the brand advertised and interacting with the ad.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Specific Action After Mobile Advertising Exposure – Global Average

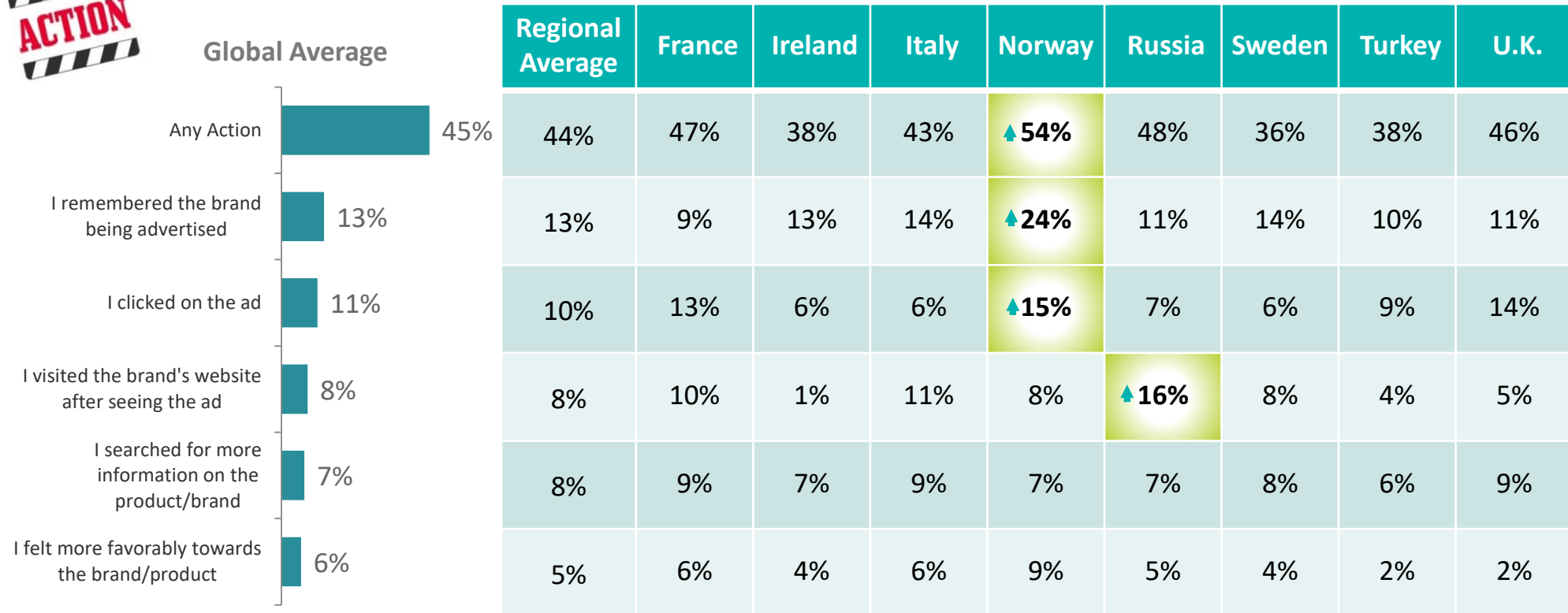


Europe shows a similar pattern of ad engagement on mobile web to the global average. However, consumers in Norway have stronger reaction to ads on mobile web than others in the region.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile Web: Actions – Europe



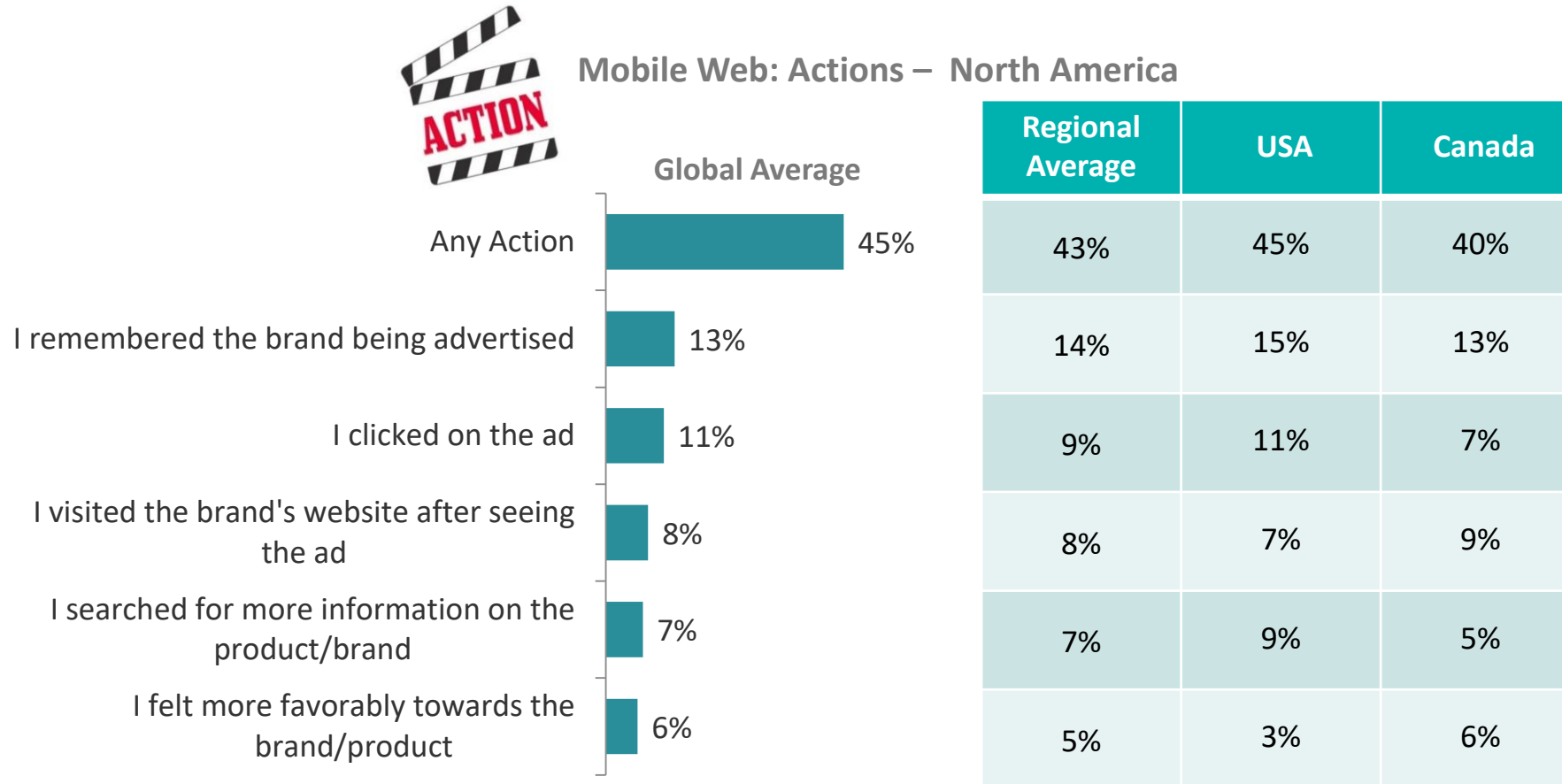
Base: All who saw an ad on mobile web in the past few weeks, All who saw an ad on mobile app in the past few weeks.

▲ ▼ Significantly higher/lower. Tested at 95% confidence interval



In North America, actions and responses after seeing ads on mobile web are in line with those seen at the global average level.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?

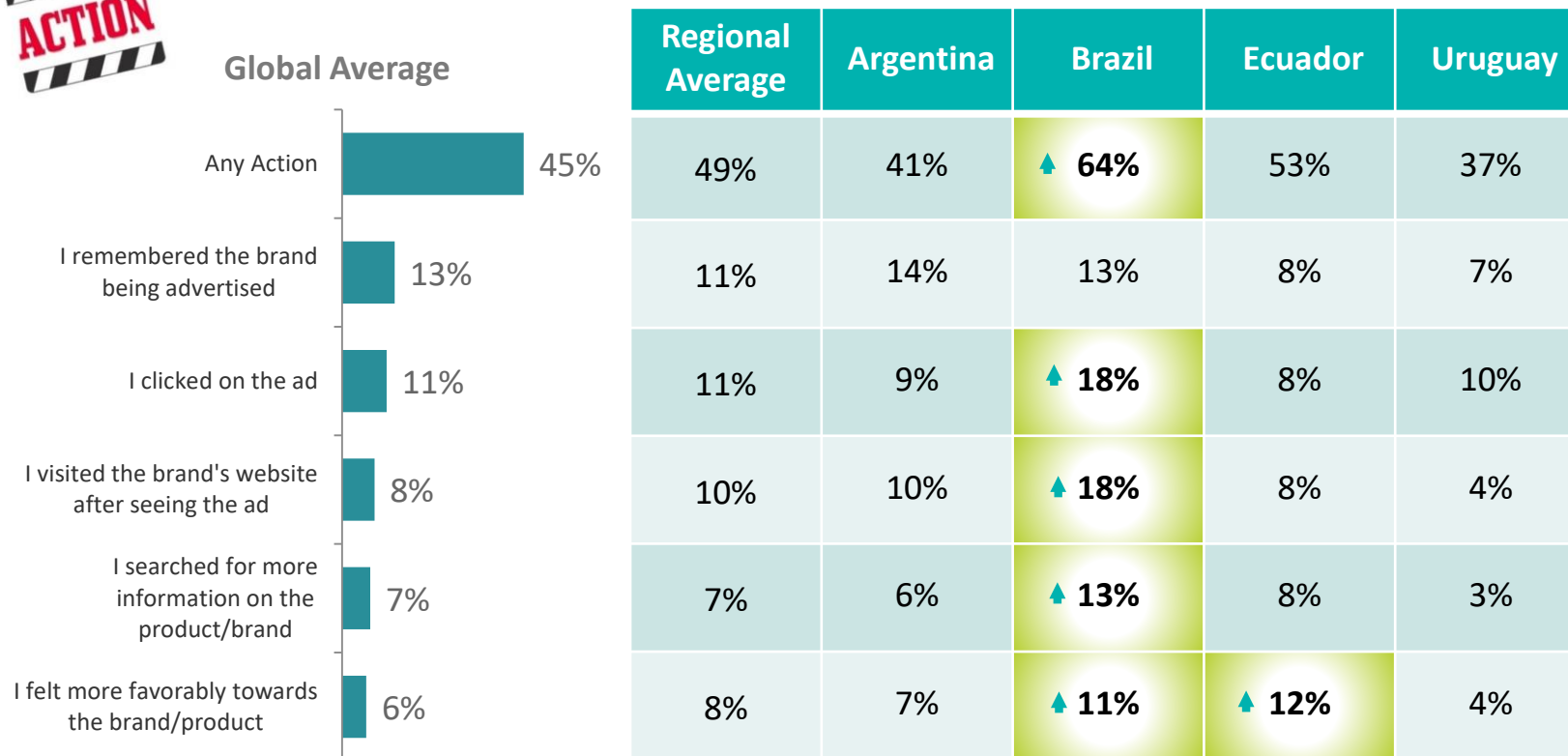


In South America, Brazilians exhibit the highest level of reaction to advertising on mobile web – the strongest of all countries measured.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile Web: Actions – South America



Base: All who saw an ad on mobile web in the past few weeks, All who saw an ad on mobile app in the past few weeks.

▲ ▼ Significantly higher/lower. Tested at 95% confidence interval

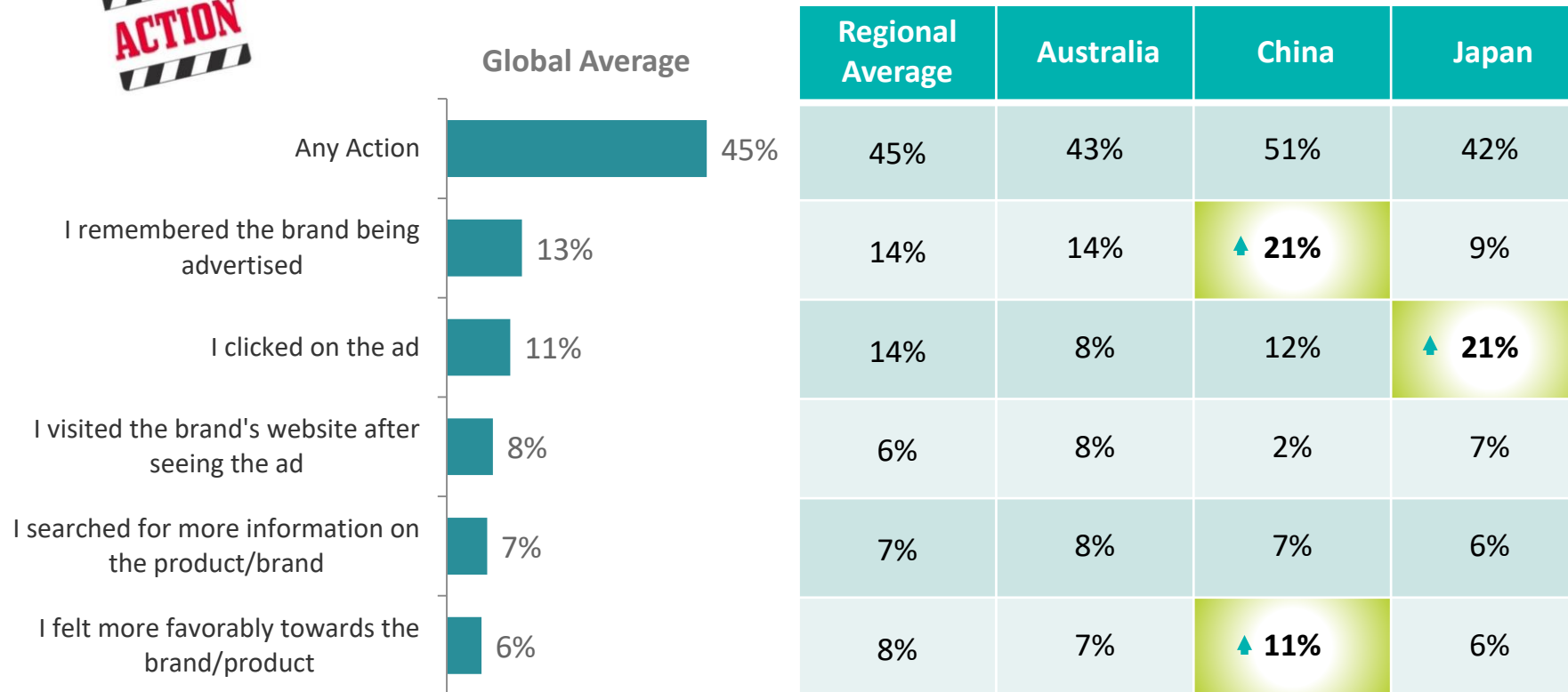


In the APAC region, China reports a higher level of brand recall and favorability after ad exposure on mobile web, while consumers in Japan are more likely to interact with the ad.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile Web: Actions – APAC

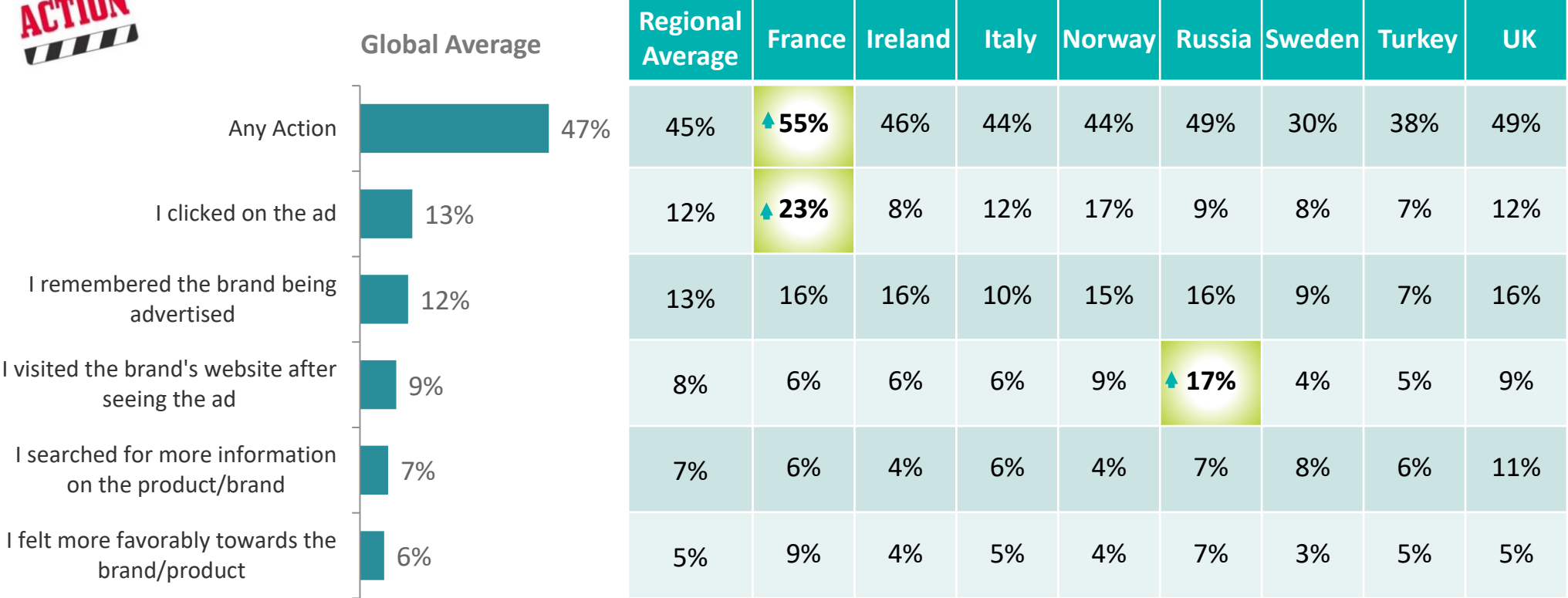


Switching to the mobile app platform, consumers in France display the strongest overall ad reaction in Europe. Russians are more likely to visit the brand’s website after seeing an ad.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile App: Actions – Europe



Base: All who saw an ad on mobile web in the past few weeks, All who saw an ad on mobile app in the past few weeks.

▲ ▼ Significantly higher/lower. Tested at 95% confidence interval

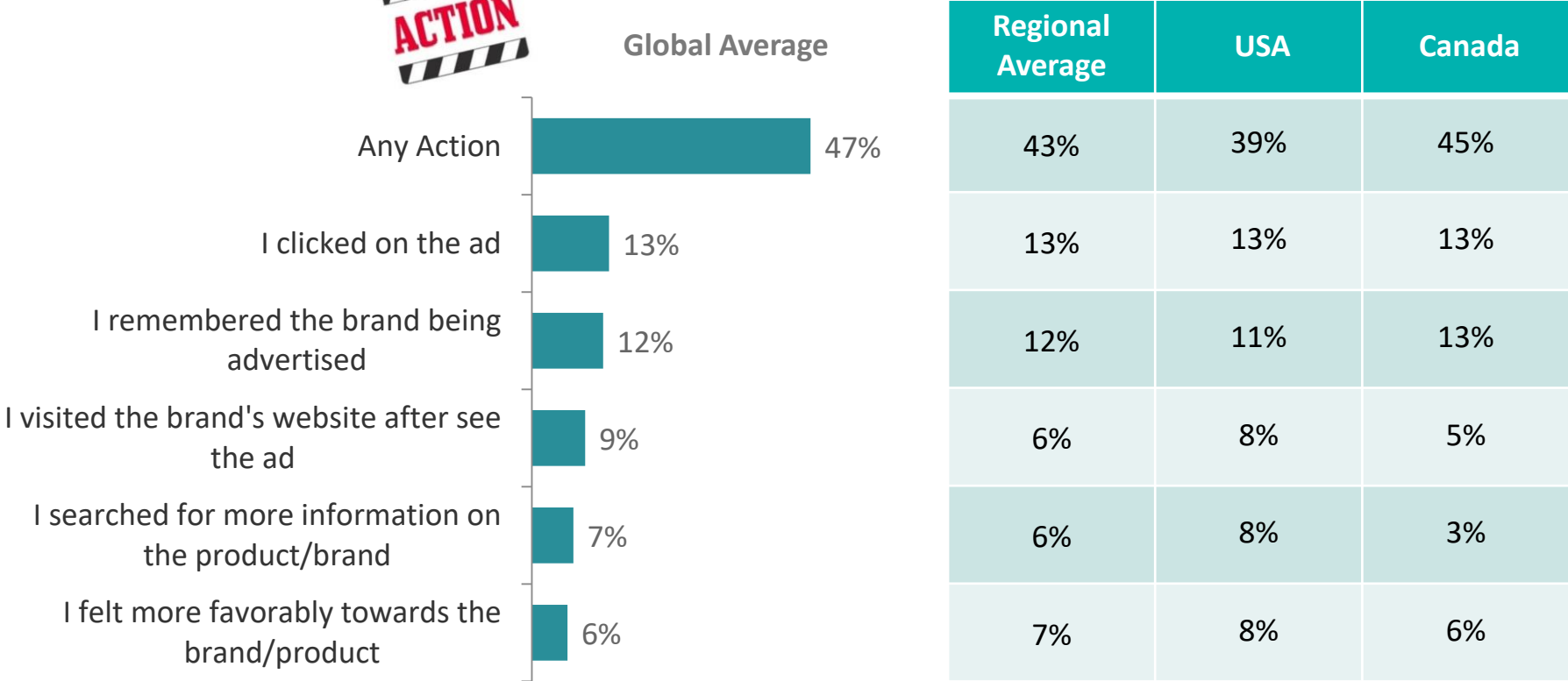


Actions and responses generated by in-app ad exposure in North America reflect those seen at the global average level.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile Web: Actions – North America

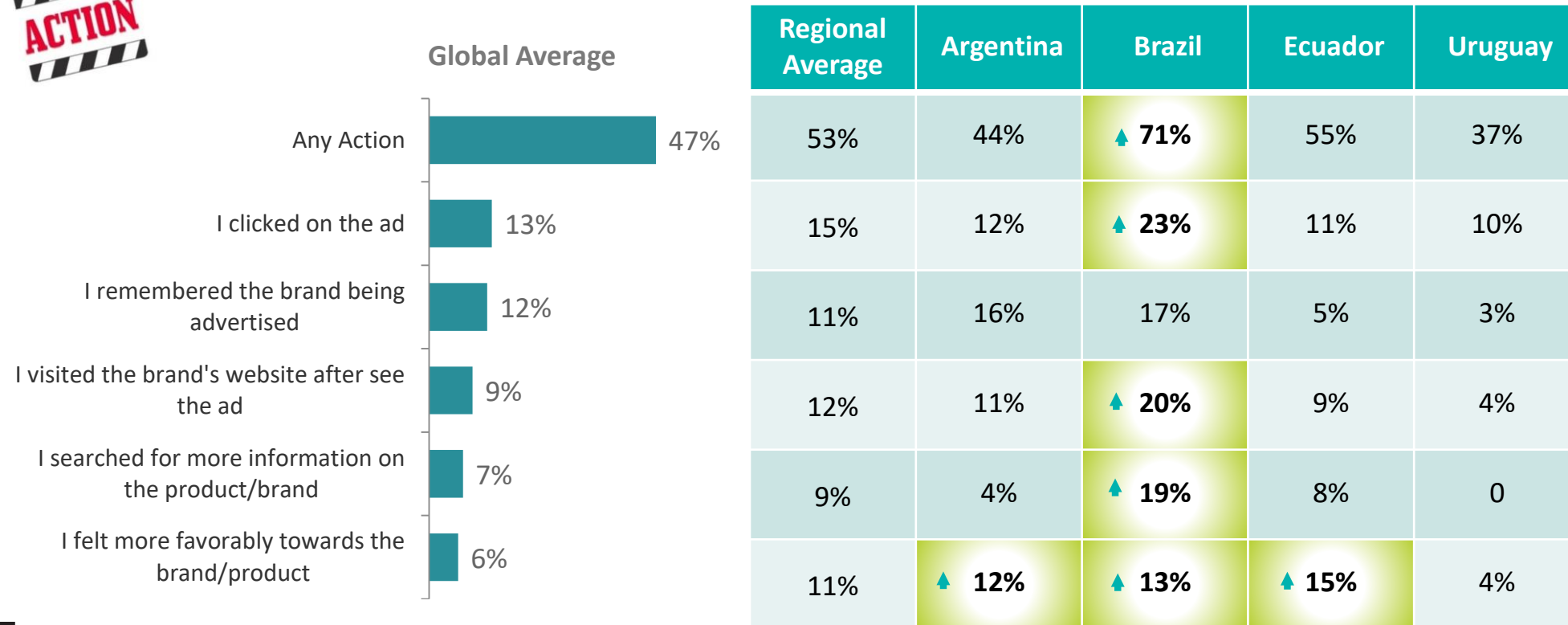


South America overall registers a higher impact of advertising on mobile apps than the global average. In particular, consumers in Brazil report the strongest level of engagement.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile App: Actions – South America

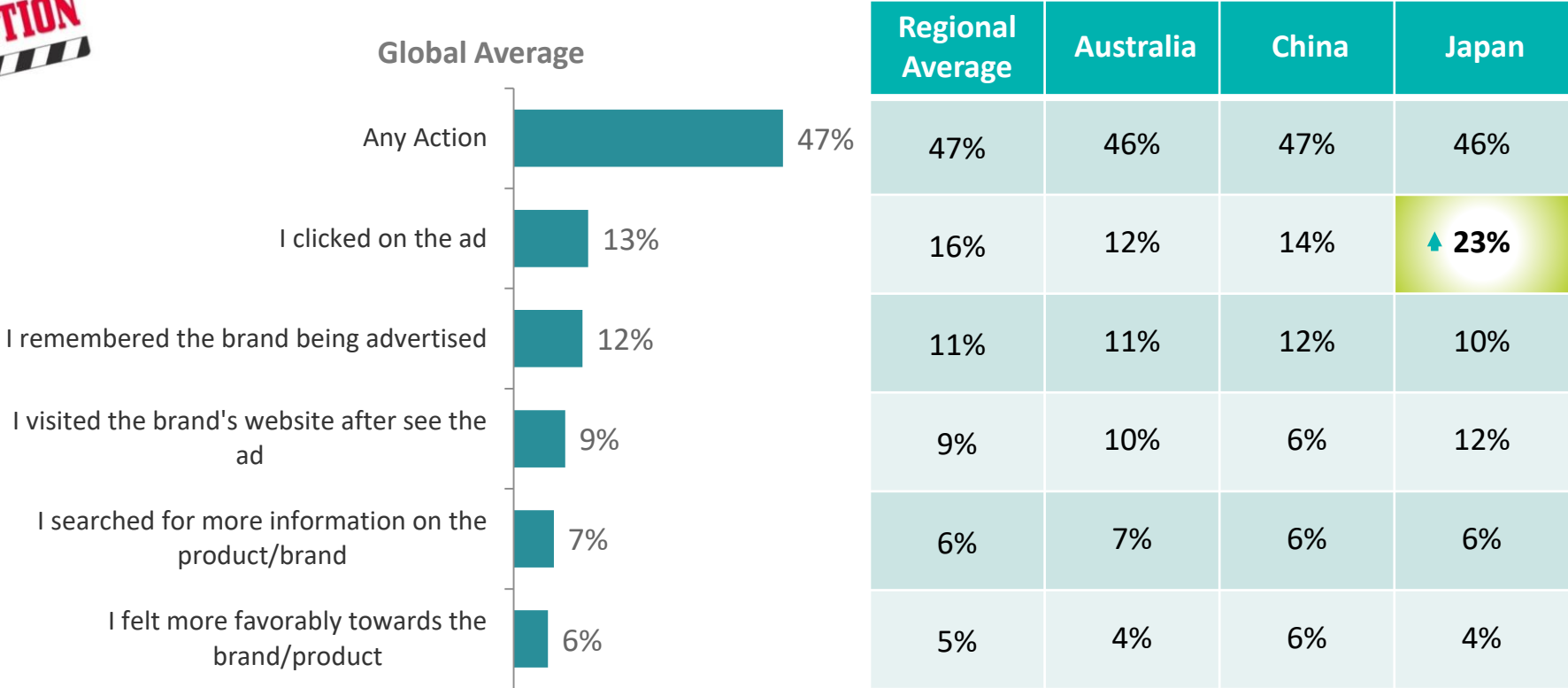


APAC reports a higher level of interaction with the ad after ad exposure on mobile apps than the global average, primarily driven by Japan.

Q21/Q23. Continue to think of the last mobile ad you saw on the mobile web/on a mobile app. Which of the following describes what you did?



Mobile App: Actions – APAC



Base: All who saw an ad on mobile web in the past few weeks, All who saw an ad on mobile app in the past few weeks.

▲ ▼ Significantly higher/lower. Tested at 95% confidence interval



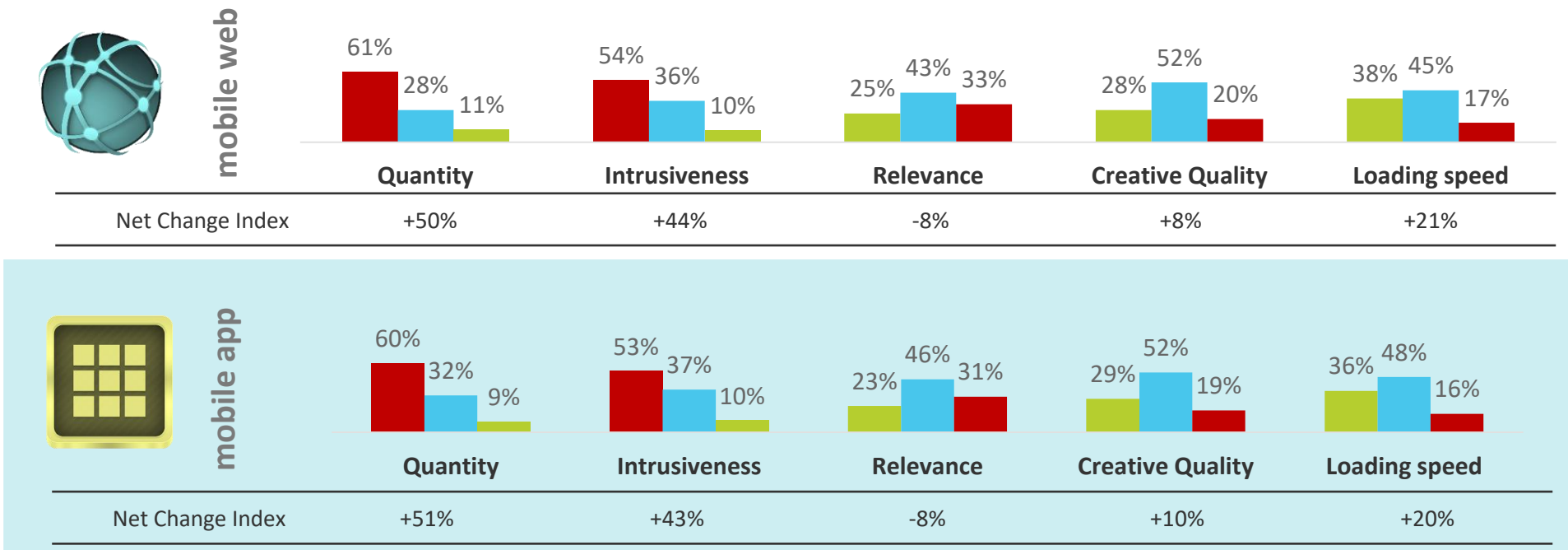
Smartphone users worldwide report both improvements and challenges about their mobile advertising experiences.



Smartphone users report positive changes to ad loading speed and creative quality on both mobile web and mobile apps; however, there are consistent concerns across the global about increased quantity and intrusiveness of ads.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?

Summary – Mobile advertising perception compared to a year ago



■ More/Better/Faster ■ About the same ■ Less/Lower/Slower

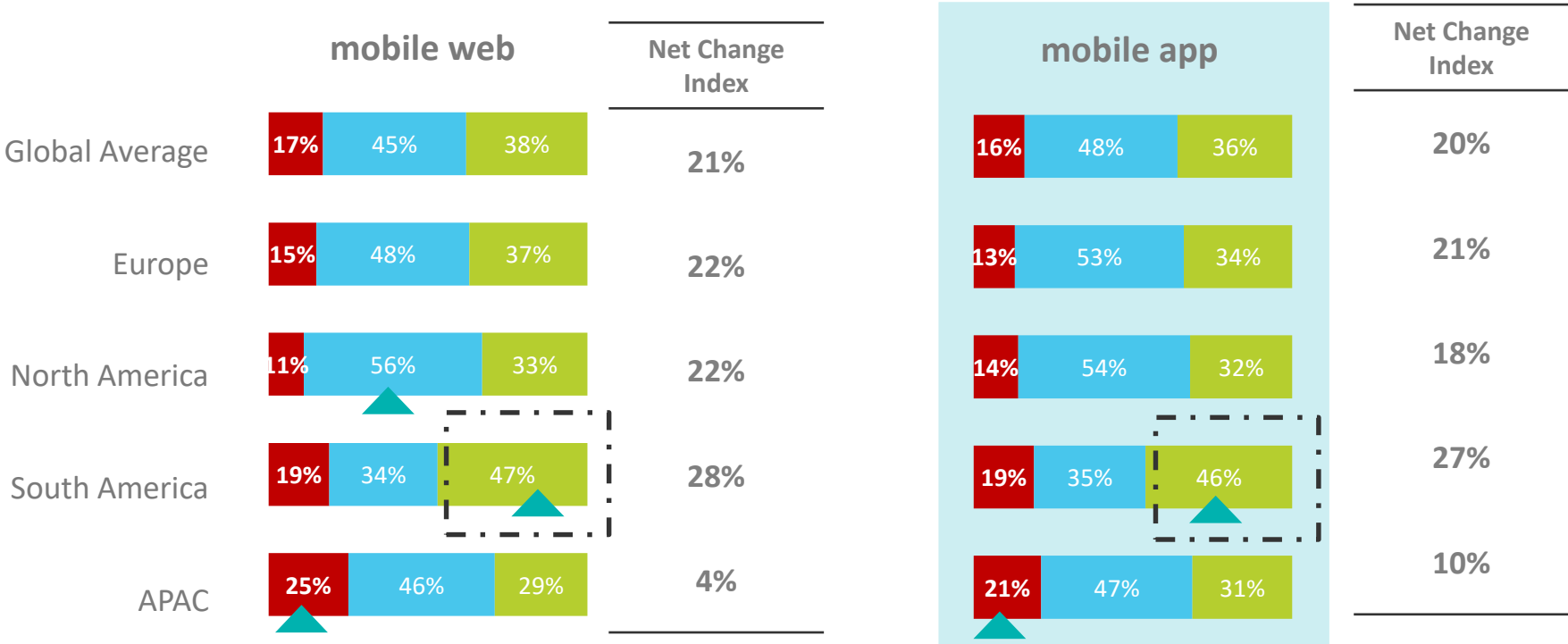
Consumers in South America feel the greatest improvement on ad loading speed on both mobile platforms, while those in APAC report the least improvement.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



Speed: How do you feel about the mobile ads compared to a year ago...?

■ Slower to load ■ About the same ■ Faster to load

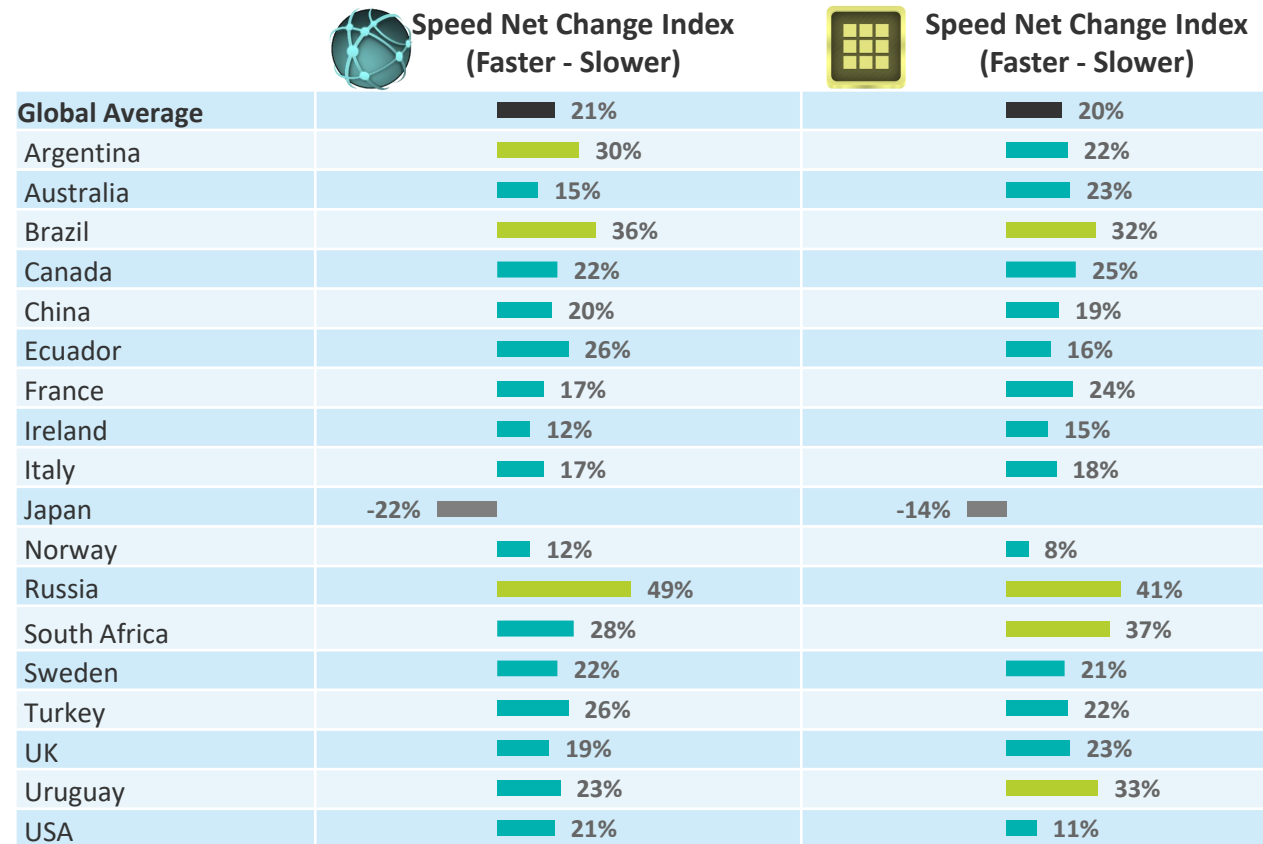


Base: Smartphone users who access the internet via mobile web and/or mobile app



Nearly all countries indicate an increased loading speed of mobile ads, especially Russia, Brazil, and South Africa.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



Consumers in South America and North America give higher scores of improvement on creative quality of mobile ads.

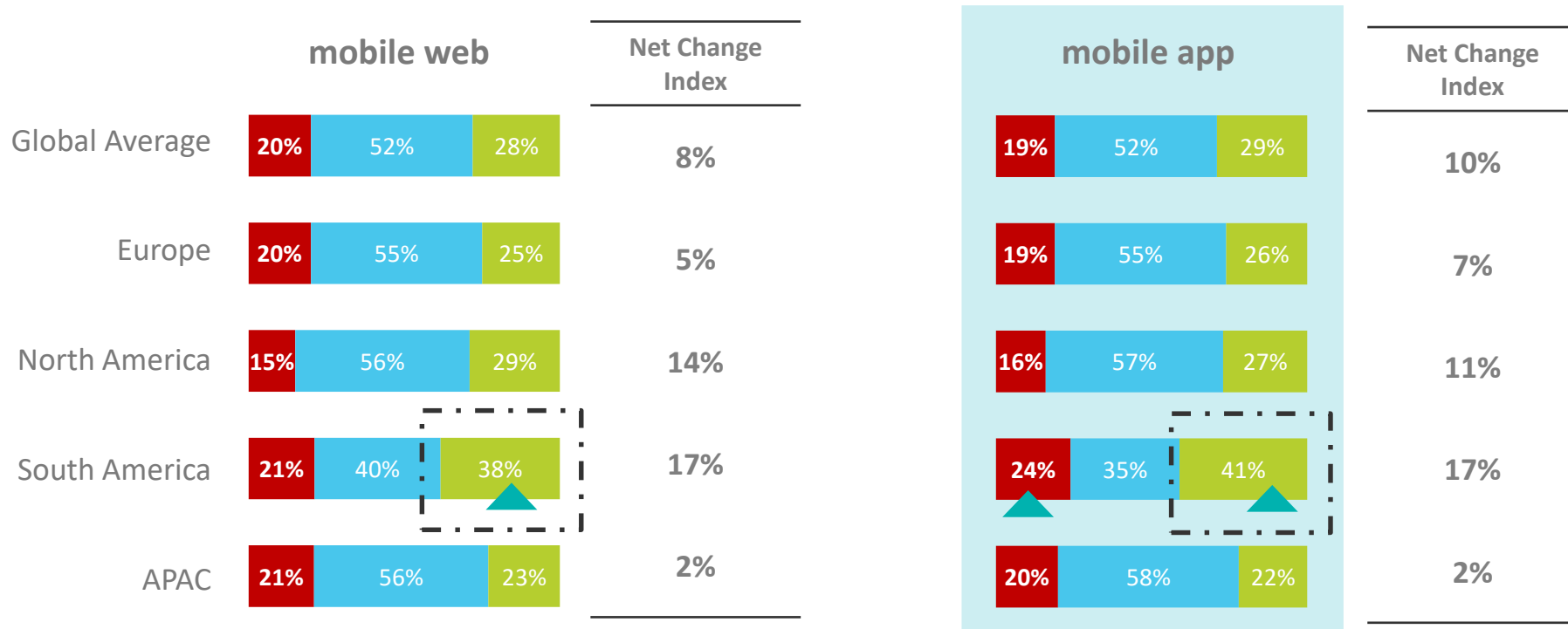
Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet.

How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



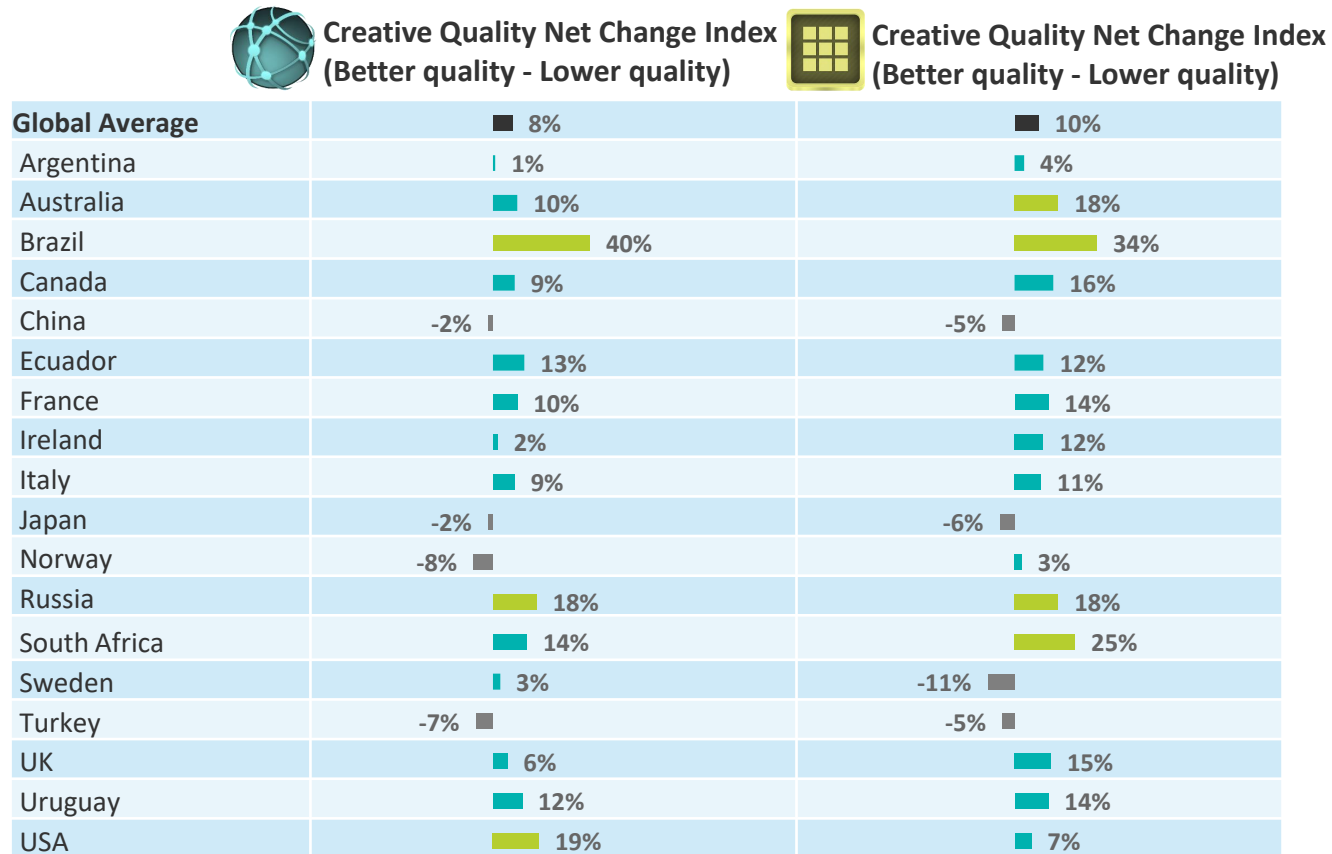
Creative Quality: How do you feel about the mobile ads compared to a year ago...?

■ Lower in creative quality ■ About the same ■ Higher in creative quality



Most countries report an increase in creative quality of mobile advertising seen on both mobile web and mobile app.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



Opportunity to improve mobile ad relevance clearly exists. North America and South America report best results on mobile web, APAC the lowest.

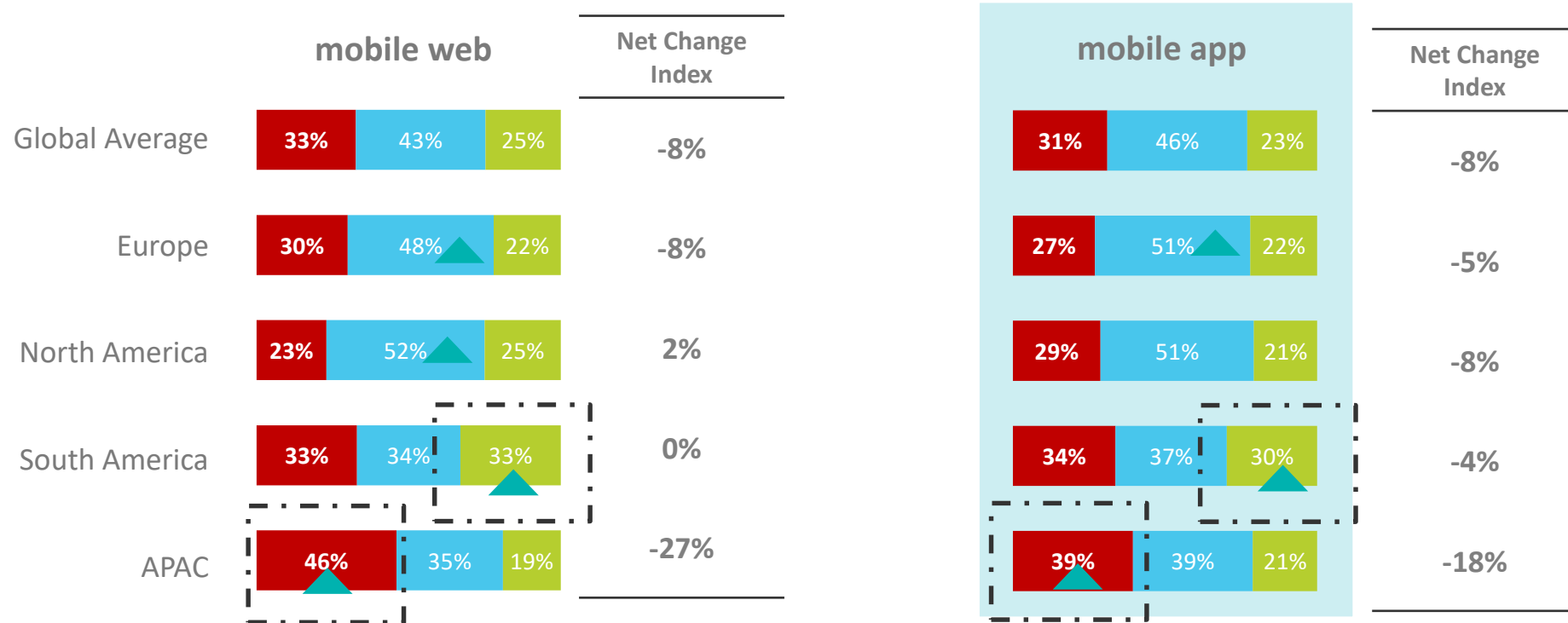
Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet.

How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



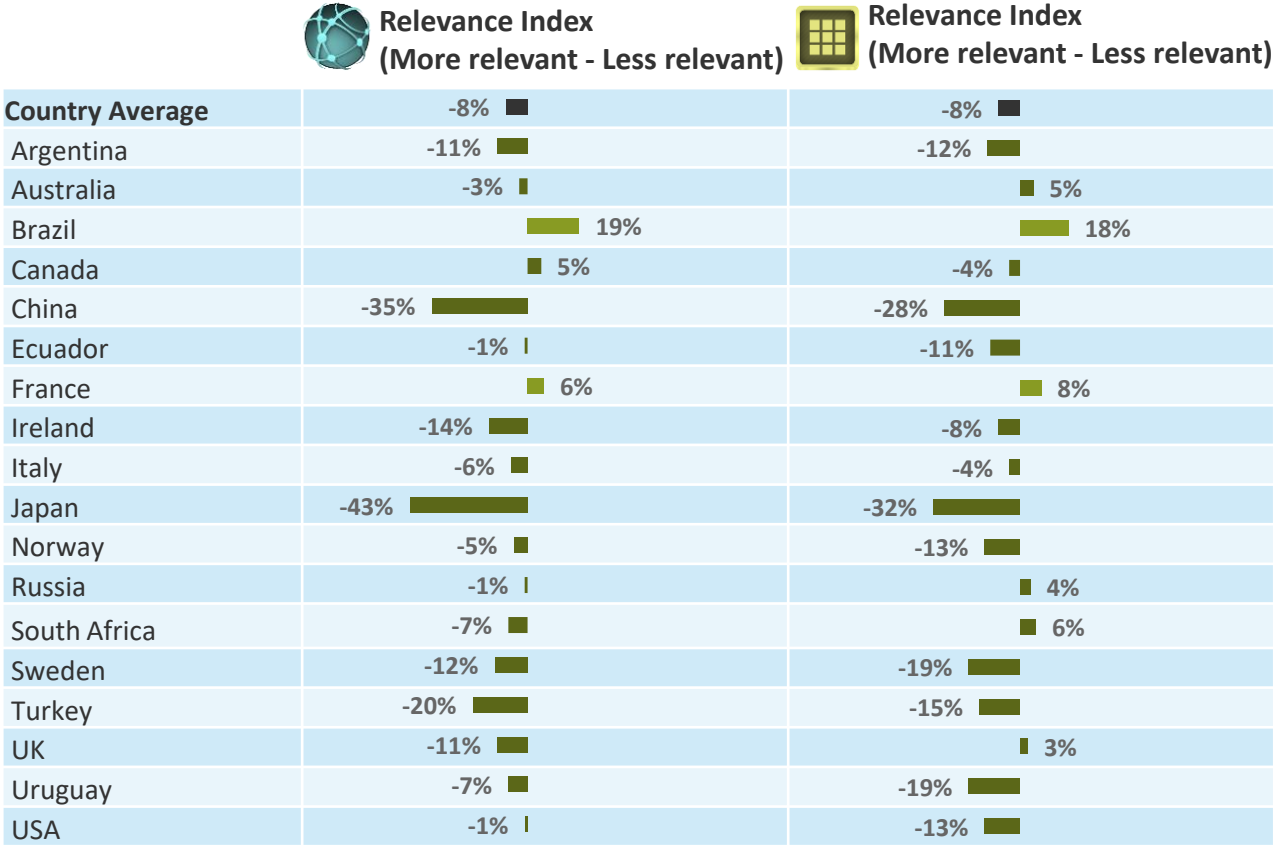
Relevance: How do you feel about the mobile ads compared to a year ago...?

■ Less relevant to my interests/needs ■ About the same ■ More relevant to my interests/needs



Relevance of mobile advertising remains a challenge to most countries; only a few show moderate advancement, led by Brazil and France.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



Base: Smartphone users who access the internet via mobile web and/or mobile app



Consumers in all regions report they are seeing more ads on both mobile platforms, this is especially the case for those in APAC.

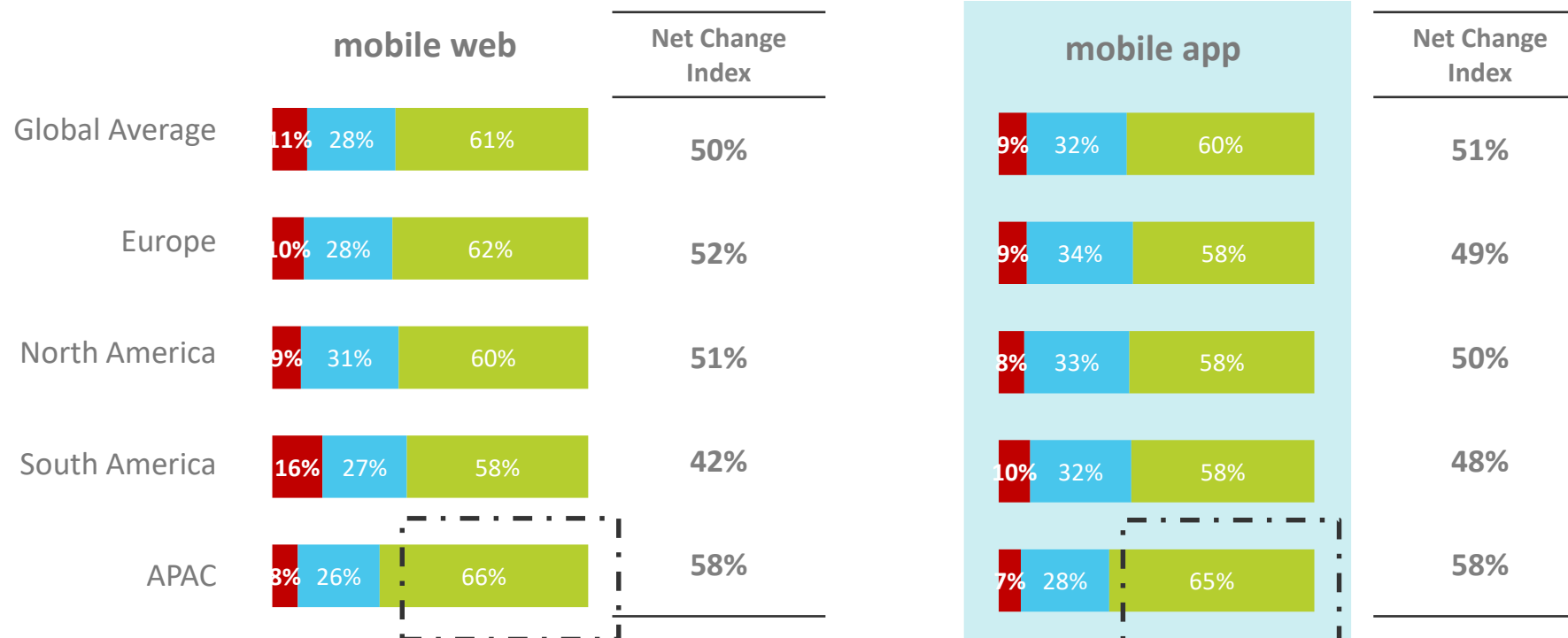
Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet.

How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



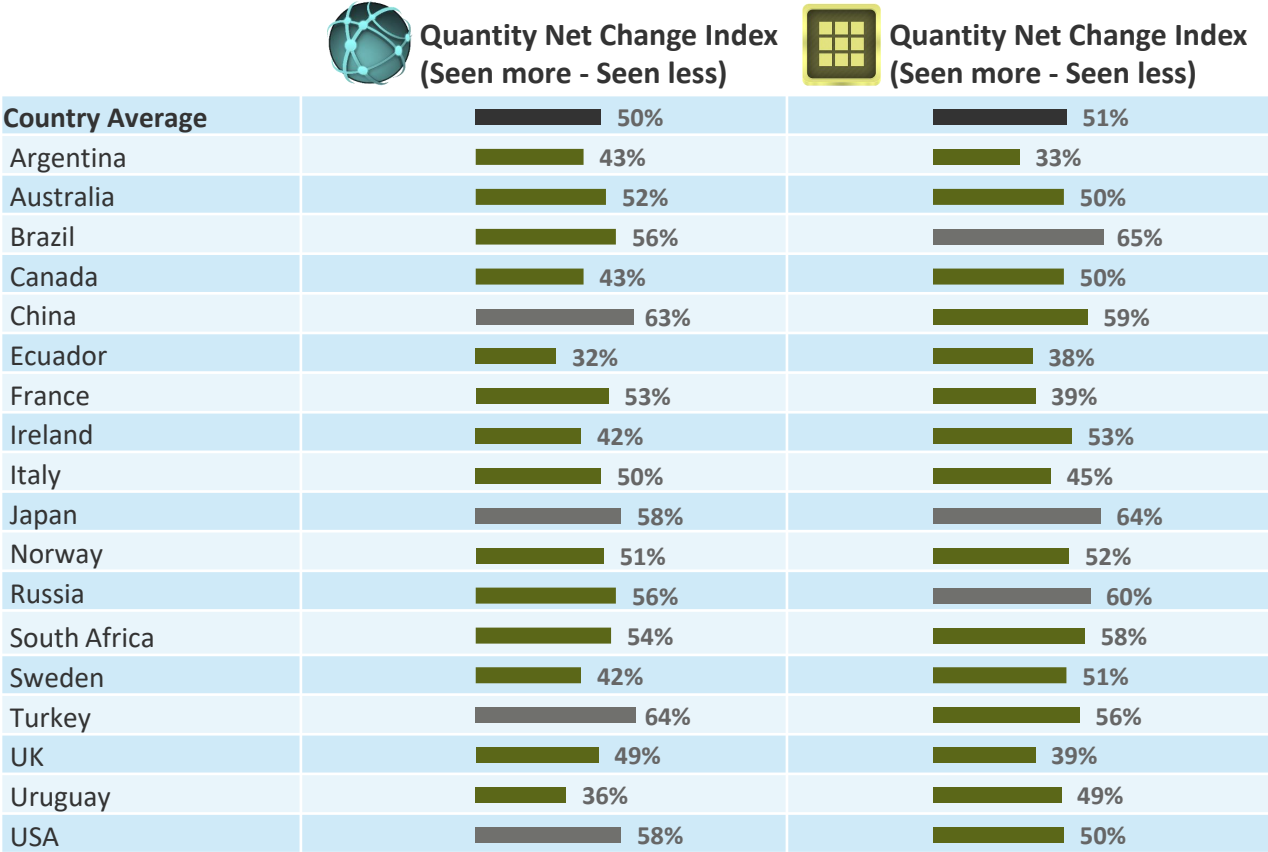
Quantity: Seen more, less or about the same number of ads compared to a year ago?

■ Seen less ads ■ Seen about the same number of ads ■ Seen more ads



Consumers report seeing more ads on mobile web and mobile apps across all countries.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



Base: Smartphone users who access the internet via mobile web and/or mobile app



Across all regions, the perception of advertising intrusiveness increases on both mobile platforms. Consumers in APAC express this feeling more strongly.

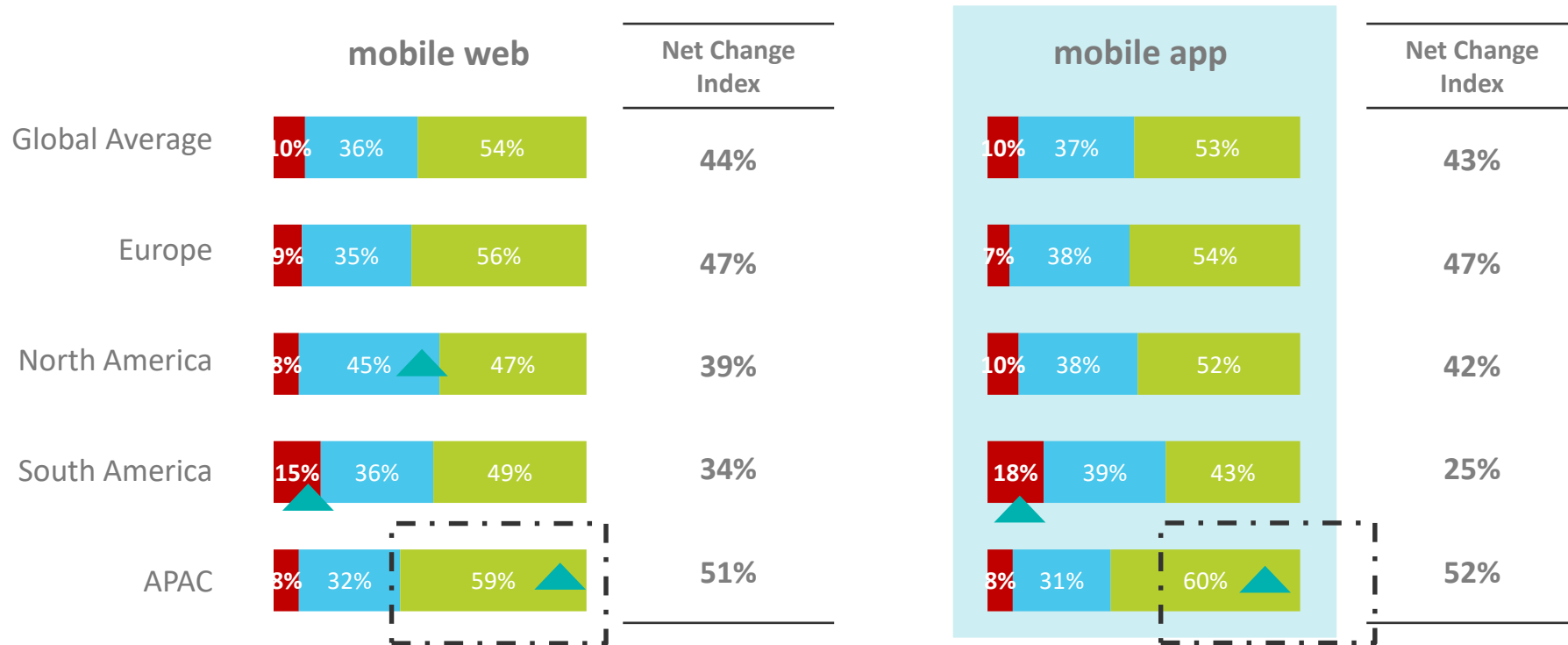
Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet.

How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



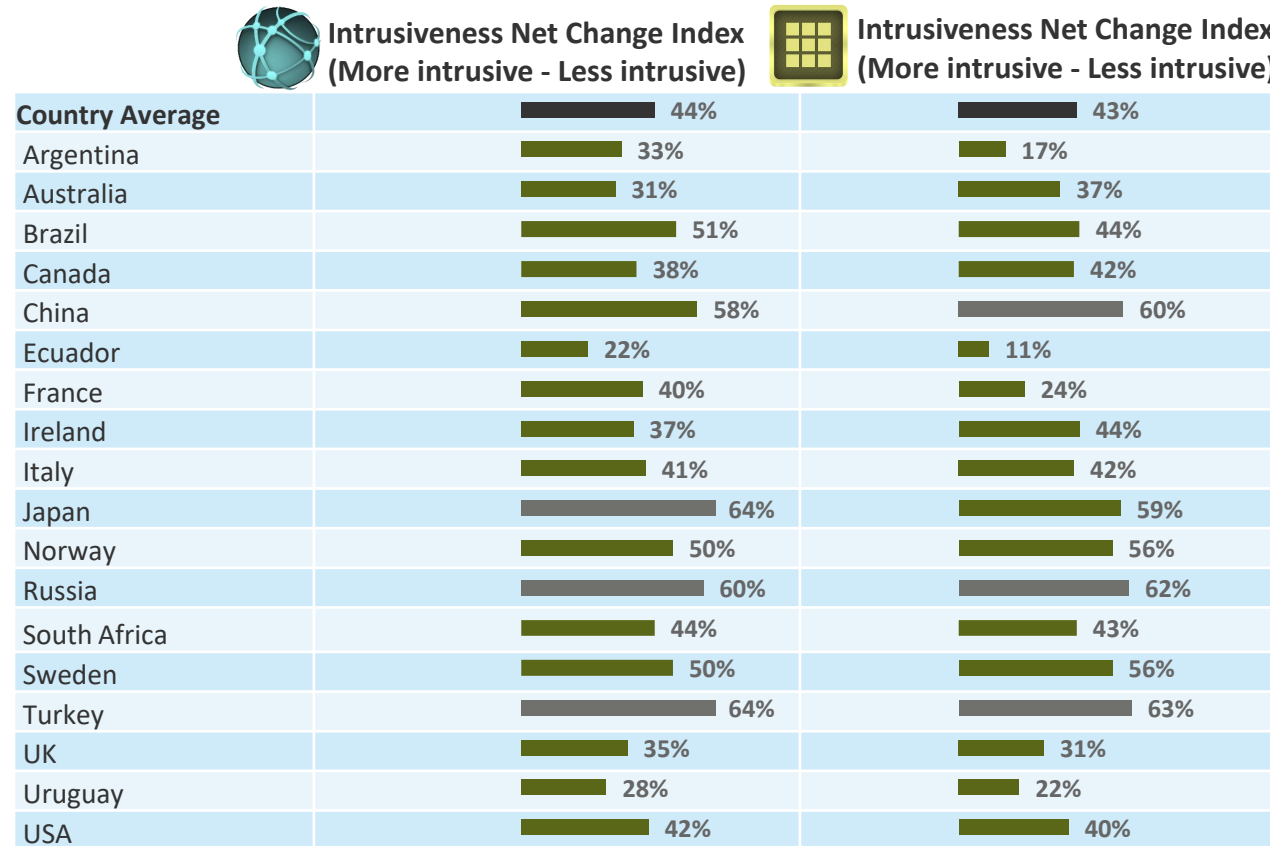
Intrusiveness: How do you feel about the mobile ads compared to a year ago...?

■ Less intrusive ■ About the same ■ More intrusive



The perception of intrusive mobile advertising is stronger in Turkey, Russia, China, and Japan.

Q24/Q28 Advertising Diagnostics mobile web v mobile app: Now we'd like you to think about a few aspects of the mobile ads you see when accessing the mobile internet. How do you feel about the mobile ads compared to a year ago when using the mobile web/a mobile app?



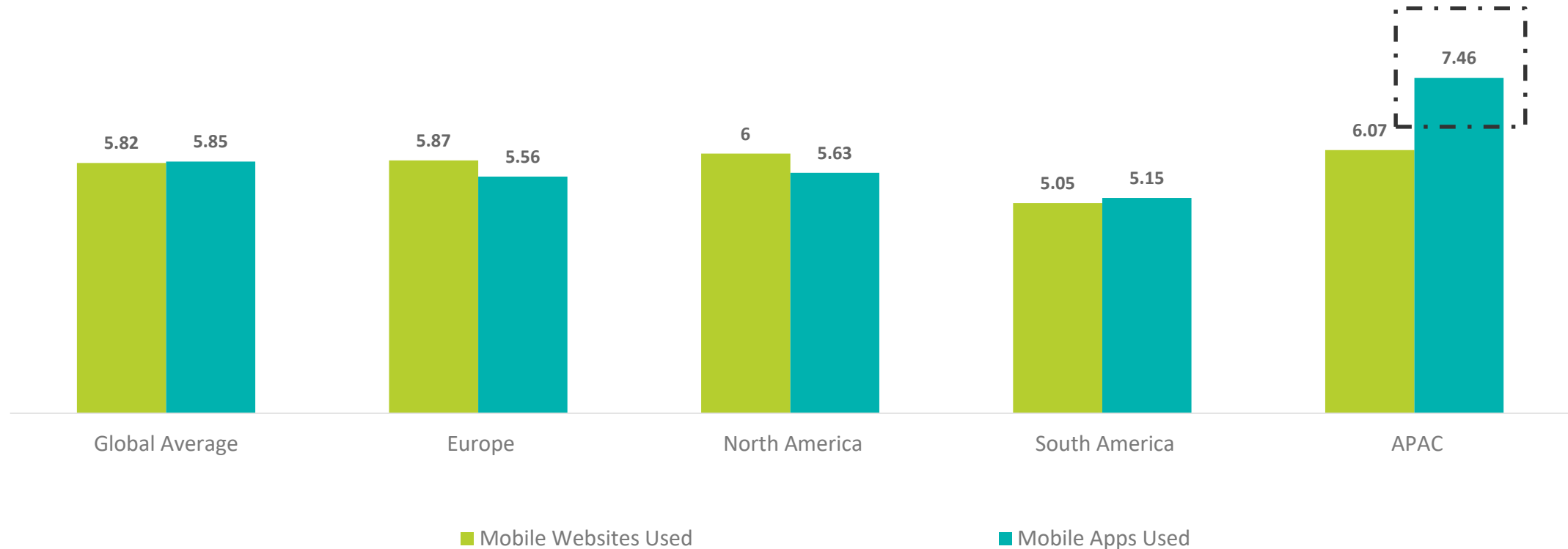
Platform distinction - mobile web: the functional environment, mobile app: the personal and social one.



On average, the number of mobile websites and mobile apps used daily is about the same. Those in APAC use considerably more mobile apps each day.

Q11 And on a typical day when accessing or using the internet on your mobile device, how many mobile websites do you visit/mobile apps do you use?

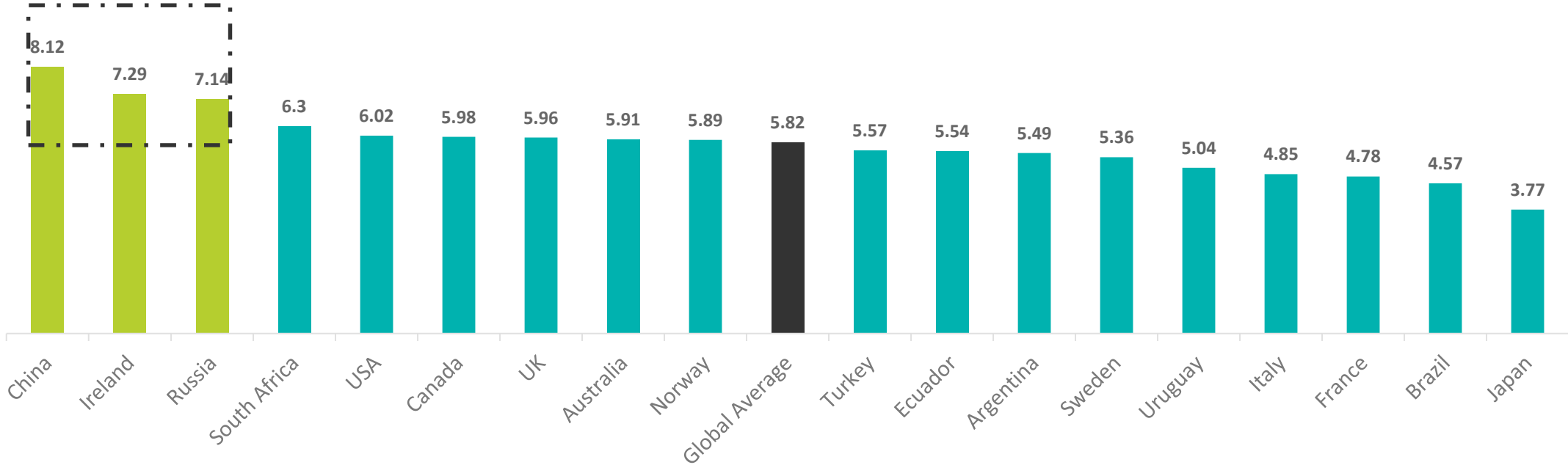
Average Number of mobile website/Apps Used (on a typical day)



On average, smartphone users visit 6 different mobile websites each day. APAC leads the number of mobile websites used, primarily driven by China.

Q11 And on a typical day when accessing or using the internet on your mobile device, how many mobile websites do you visit?

Average Number of mobile websites Used (on a typical day)



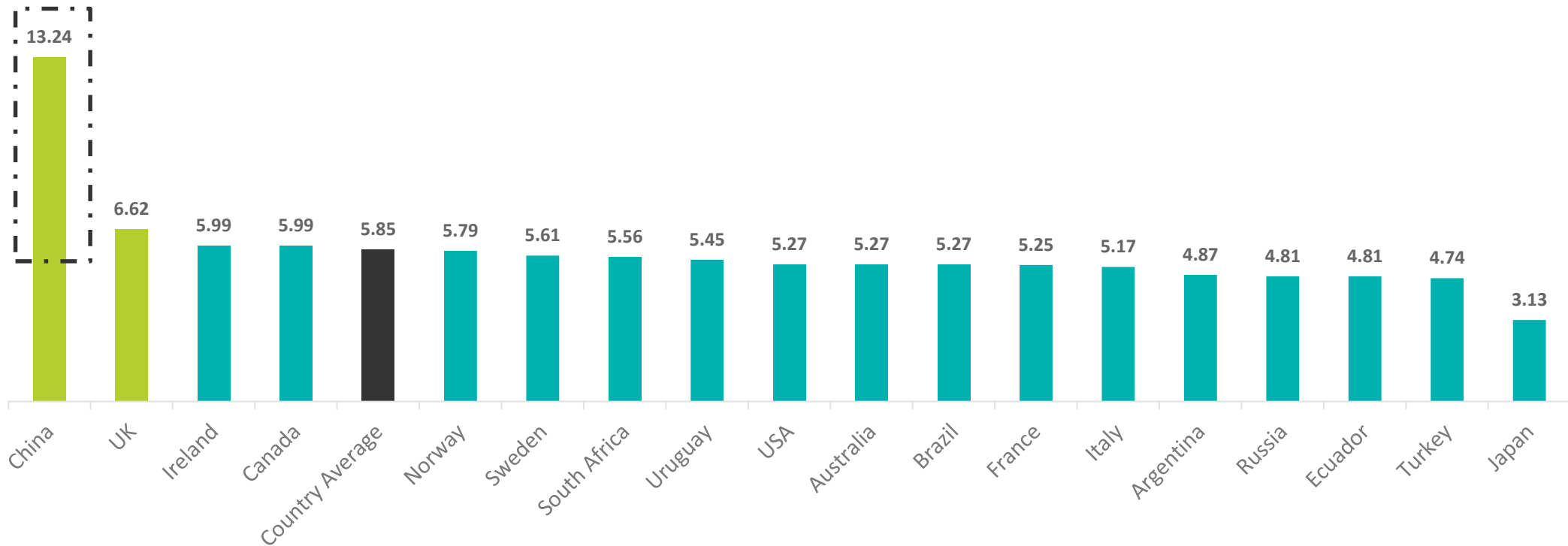
Base: Smartphone users who access the internet via both mobile web and mobile app



Similarly, on average smartphone users use 6 different mobile apps on a typical day. China's mobile app usage doubles the global and regional averages.

Q11 And on a typical day when accessing or using the internet on your mobile device, how many mobile apps do you use?

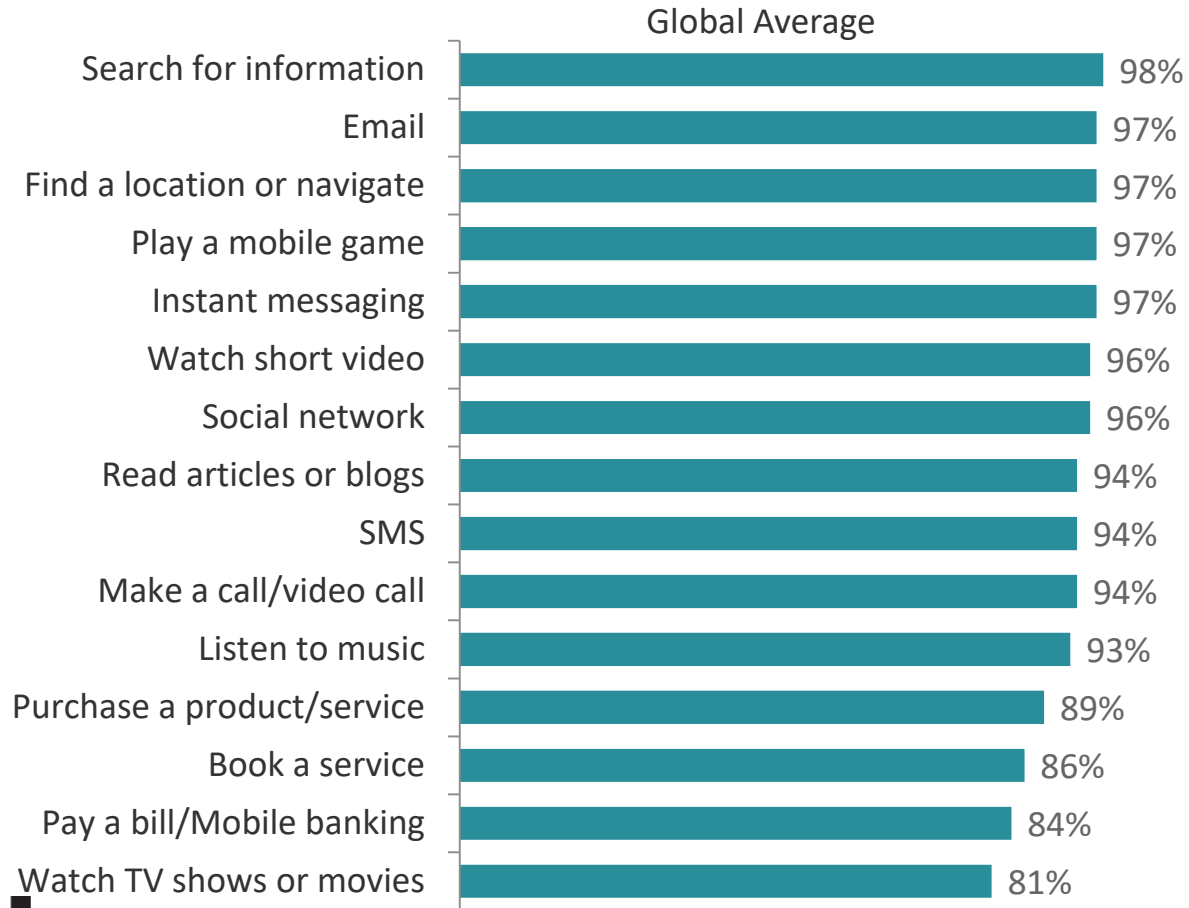
Average Number of mobile apps Used (on a typical day)



Smartphone users access the internet on mobile to engage in different types of activities.

Q17. Think about the following activities you can do via the mobile internet, which of these do you prefer to use the mobile web or a mobile app to do?

Activities on Mobile (Have ever done so)



| | Europe | North America | South America | APAC |
|-----------------------------|--------|---------------|---------------|------|
| Search for information | 99% | 96% | 97% | 97% |
| Email | 97% | 96% | 98% | 97% |
| Find a location or navigate | 97% | 96% | 97% | 97% |
| Play a mobile game | 97% | 96% | 98% | 97% |
| Instant messaging | 97% | 91% | 99% | 95% |
| Watch short video | 96% | 93% | 97% | 95% |
| Social network | 96% | 90% | 97% | 95% |
| Read articles or blogs | 94% | 92% | 96% | 95% |
| SMS | 96% | 85% | 93% | 94% |
| Make a call/video call | 95% | 86% | 96% | 93% |
| Listen to music | 94% | 87% | 93% | 93% |
| Purchase a product/service | 90% | 86% | 86% | 91% |
| Book a service | 87% | 78% | 89% | 88% |
| Pay a bill/Mobile banking | 84% | 81% | 79% | 88% |
| Watch TV shows or movies | 80% | 71% | 89% | 85% |



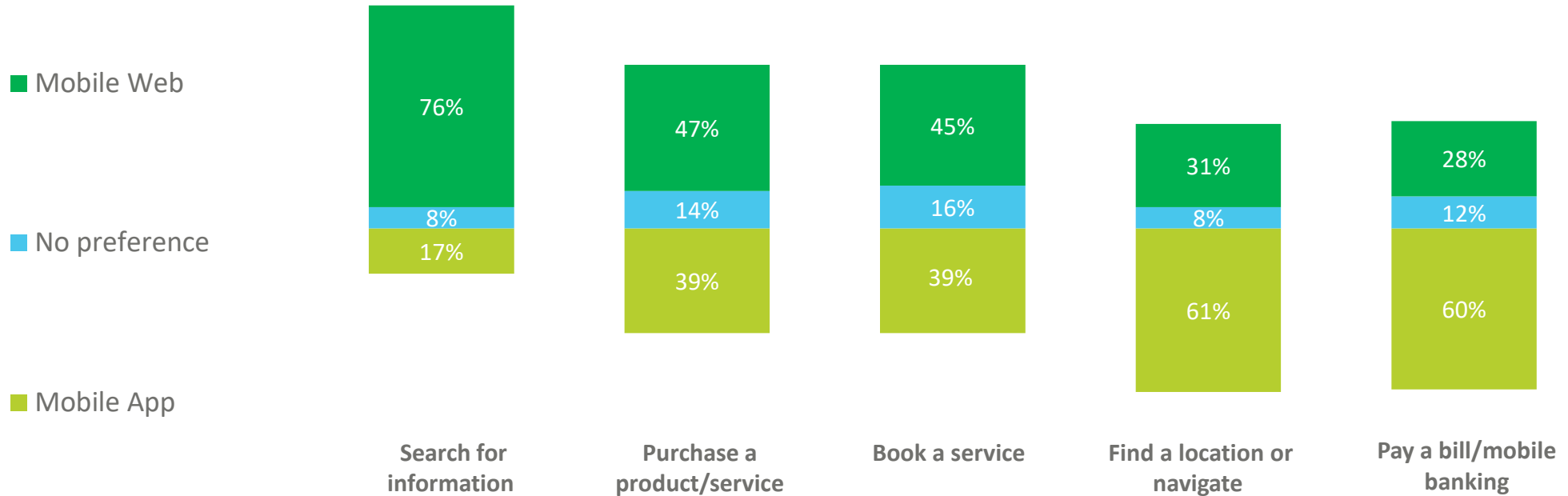
Base: Smartphone users who access the internet via both mobile web and mobile app



Search, purchasing, and booking products or services are dominant mobile web functions; for navigation and banking, mobile apps are more preferred.

Q17. Think about the following activities you can do via the mobile internet, which of these do you prefer to use the mobile web or a mobile app to do?

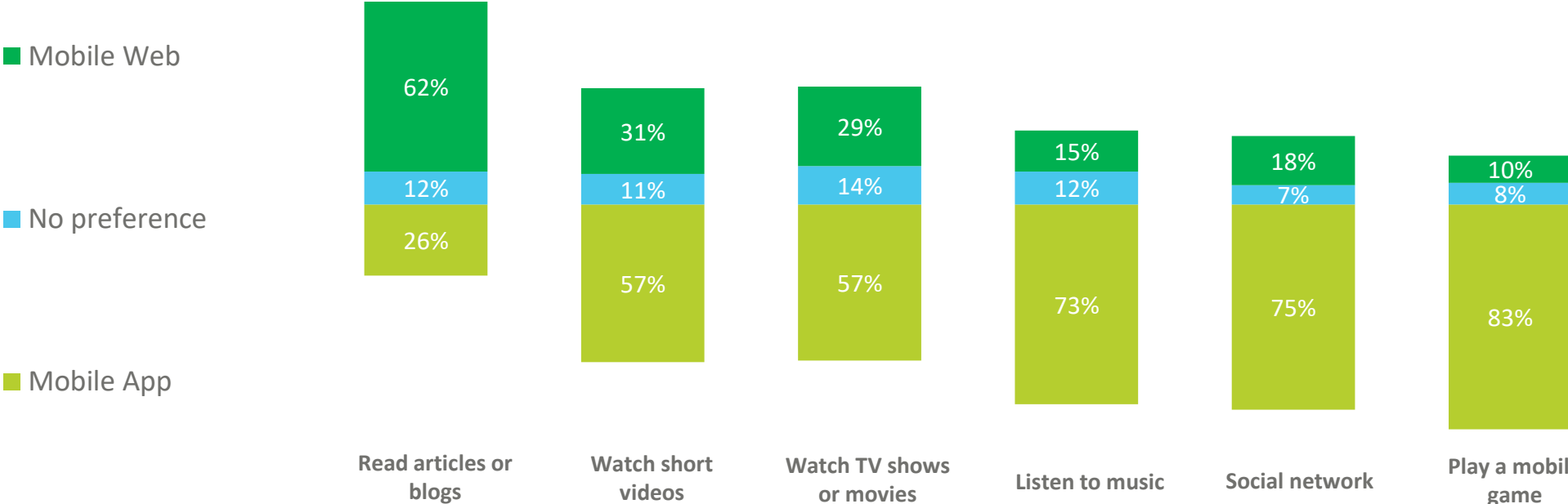
Consumer Preference - Utility/Functionality



When it comes to entertainment such as videos, movies, music, gaming, and social networking, consumers consistently prefer mobile apps.

Q17. Think about the following activities you can do via the mobile internet, which of these do you prefer to use the mobile web or a mobile app to do?

Consumer Preference - Entertainment



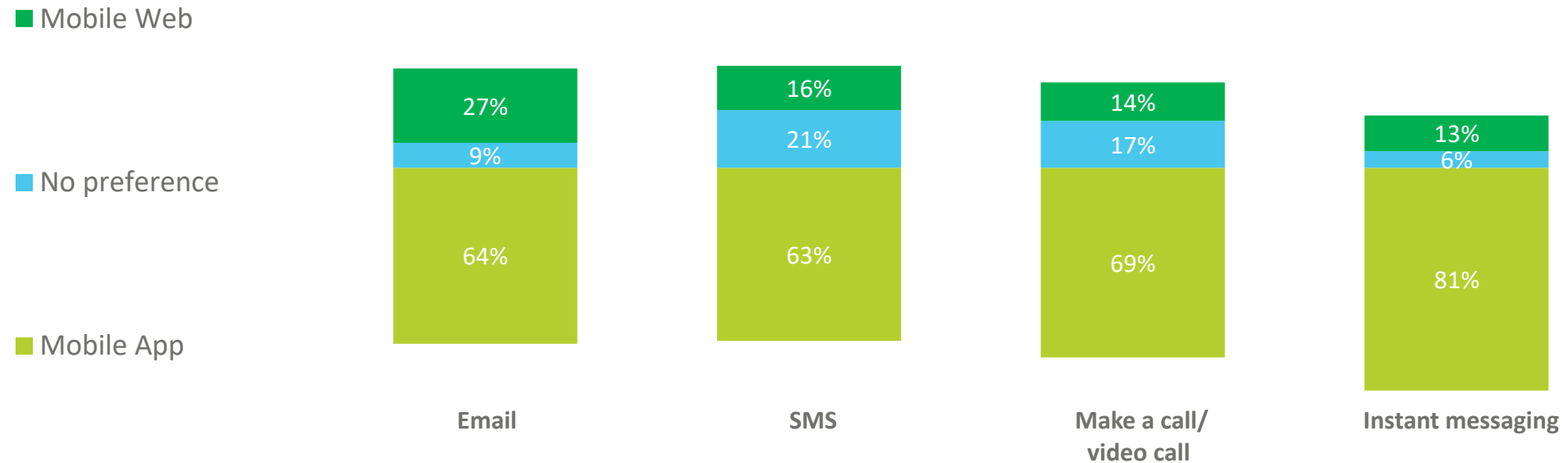
Base: Smartphone users who access the internet via both mobile web and mobile app and do this activity



Mobile apps are the choice of communications functionalities including email, messaging and calling/video calling.

Q17. Think about the following activities you can do via the mobile internet, which of these do you prefer to use the mobile web or a mobile app to do?

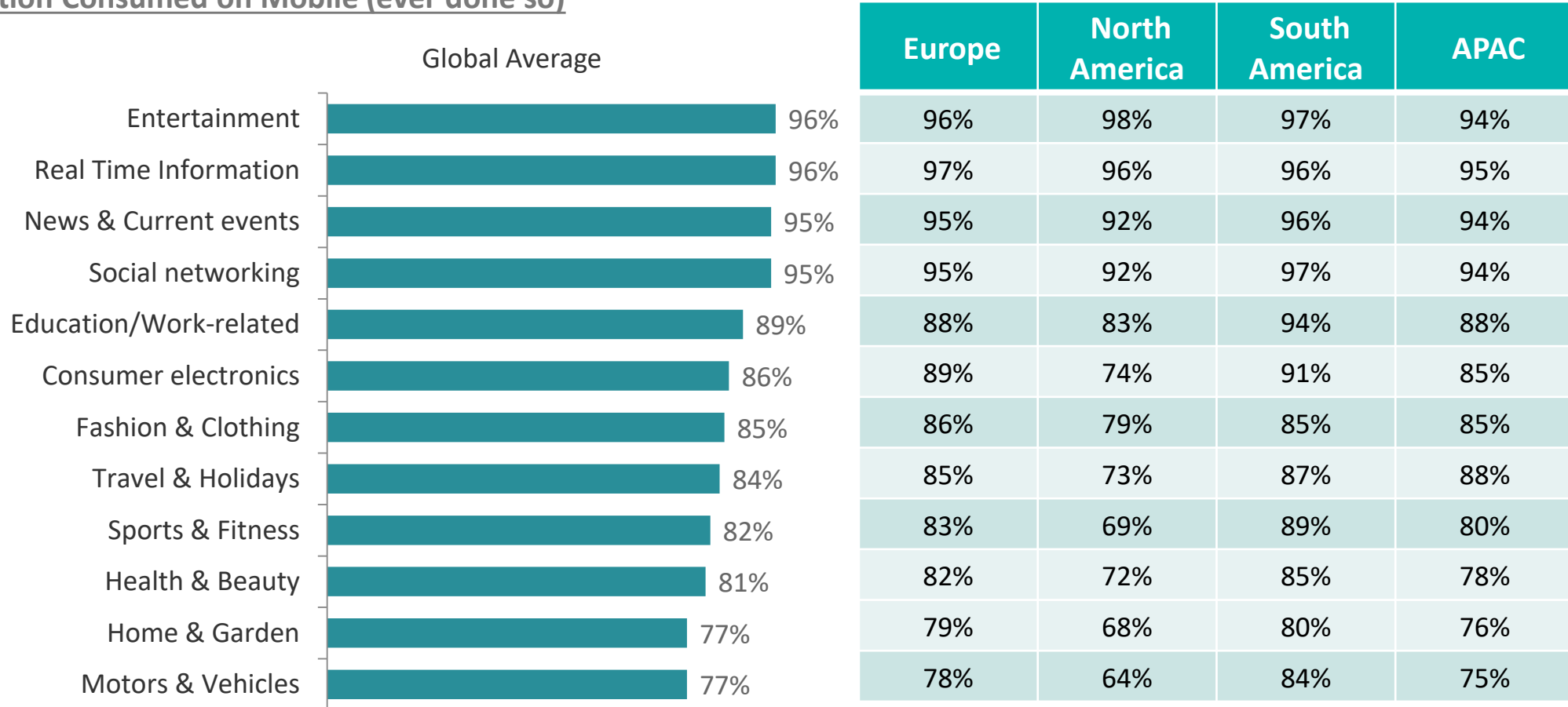
Consumer Preference - Communications



Real Time Information such as weather and navigation, as well as entertainment, news and social are the most consumed information types on a mobile device.

Q18. Now let's talk about the type of information you can access and consume via the mobile internet. What types of categories or genres do you prefer to use the mobile web or a mobile app to do?

Information Consumed on Mobile (ever done so)



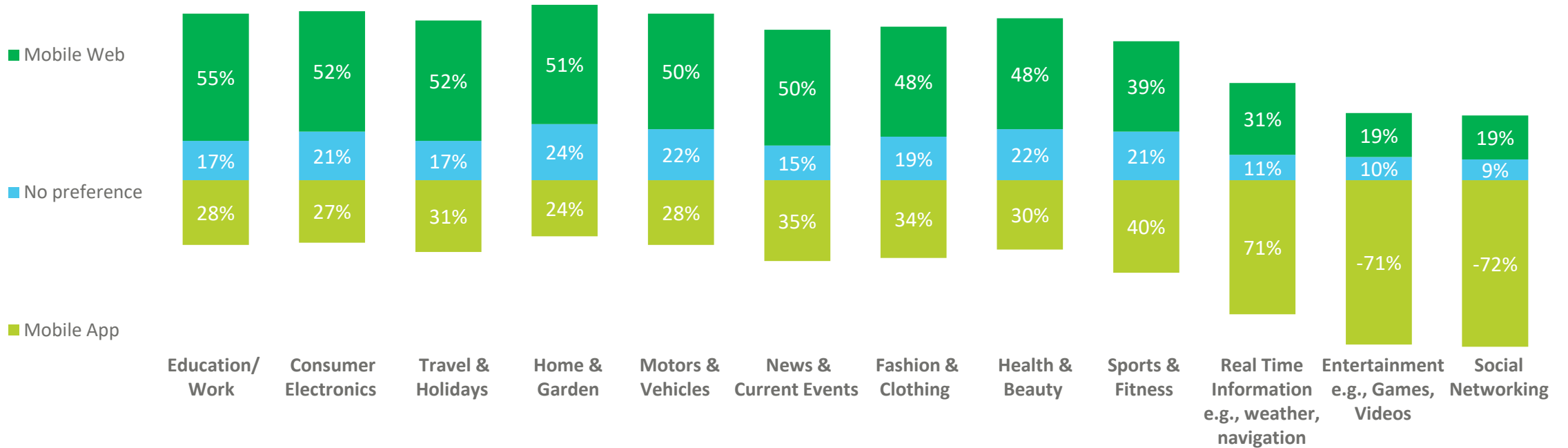
Base: Smartphone users who access the internet via both mobile web and mobile app



Smartphone users generally gravitate towards mobile app for entertainment and social content.

Q18. Now let's talk about the type of information you can access and consume via the mobile internet. What types of categories or genres do you prefer to use the mobile web or a mobile app to do?

Consumer Preference – Content Type





Thank you!



IAB

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IAB

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About IAB

The Interactive Advertising Bureau (IAB) empowers the media and marketing industries to thrive in the digital economy. It is comprised of more than 650 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. Together, they account for 86 percent of online advertising in the United States. Working with its member companies, the IAB develops technical standards and best practices and fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. The organization is committed to professional development and elevating the knowledge, skills, expertise, and diversity of the workforce across the industry. Through the work of its public policy office in Washington, D.C., the IAB advocates for its members and promotes the value of the interactive advertising industry to legislators and policymakers. There are licensed IABs in 43 nations around the world and one regional IAB in Europe. Founded in 1996, the IAB is headquartered in New York City and has a West Coast office in San Francisco.

The logo for the Interactive Advertising Bureau (IAB) features the lowercase letters "iab." in a bold, black, sans-serif font. A red dot is positioned above the letter "i", and another red dot is positioned to the right of the period.

APPENDIX

Research Sample

Method:

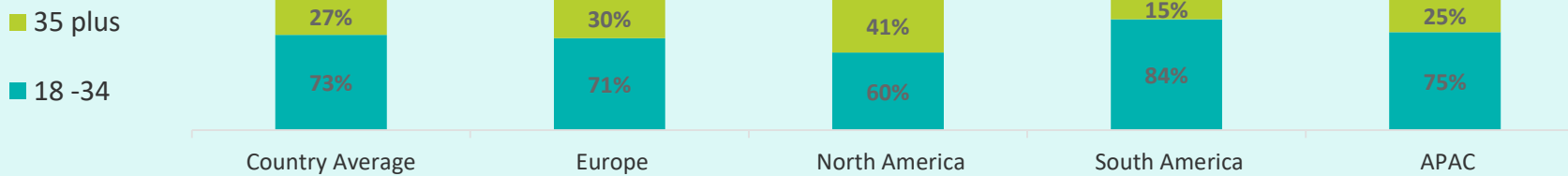
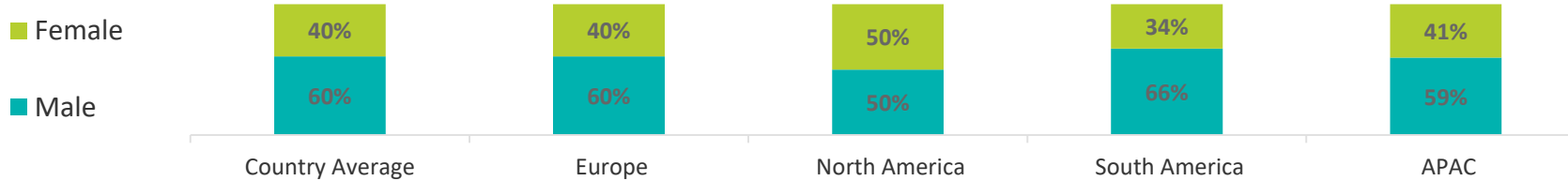
- 22 question survey was designed and fielded in 18 markets
- All respondents were asked the same questions.

Sample Target:

- N=200 per market
 - o 18 years or older
 - o Own and use a smartphone,
 - o Aware of and use either mobile web and/or mobile apps to access the internet on their mobile device.

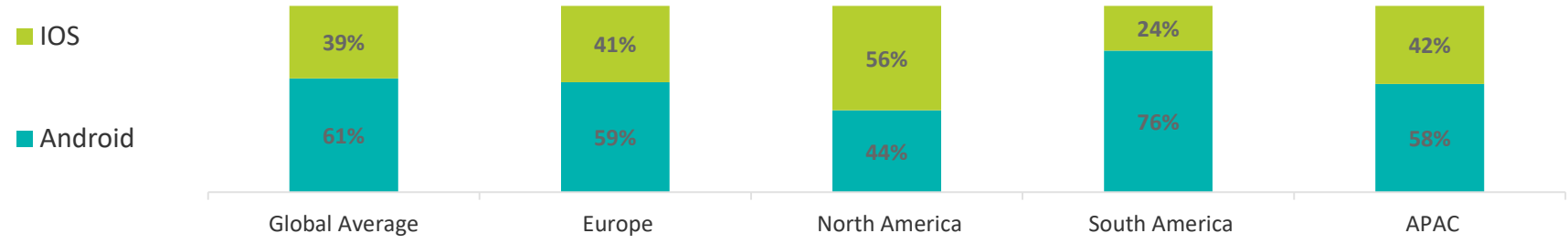
Fieldwork Period:

From – 21st April 2017
To – 8th May 2017



Research Sample (Cont.)

Operating System



Ownership by Device Type

