
IAB & IIACC

**Mobile's Role in A Consumer's Media Day in
The United States and China:
The Smartphone As an Extension of the Self
and Extension into the World**

August 14, 2013

Background

- **IAB and IIACC (Interactive Internet Advertising Committee of China) collaboration**
- **Goals**
 - Develop multi-stage research and insights partnership
 - Produce cross cultural research on mobile ownership, media usage and mobile consumer attitudes as the first step
- **Implementation**
 - In July 2012, IAB released “Mobile’s Role in a Consumer’s Media Day: Smartphones and Tablets Enable Seamless Digital Lives”
 - Adapt the US study to the Chinese market - fielded in China late 2012
 - Produce cross cultural report using findings from both
 - Share findings in both the US and China
 - Continue collaboration

The Six Key Takeaways

- **The pace of change in consumer habits is accelerated by ownership and usage of mobile devices**
- **China may emerge as a one screen market**
- **The US continues on the established trajectory of incremental new media use and multiscreen consumption**

The Six Key Takeaways

- **In the US, the smartphone is an extension of the self, the highly personal “don’t leave home without it device”**
- **For the Chinese, the smartphone is an extension into the world, primarily a way to access info and entertainment**
- **Mobile advertising effectiveness in China will not manifest in clicks and ad interactions. More traditional impact measurement will be required**

Research Objectives

- **US study conducted by ABI Research examined time, location, device usage as they relate to mobile as well as other media use and the perception of mobile in daily life**
- **The Chinese study fielded in Fall 2012 had three objectives**
 - Size the Chinese mobile devices market
 - Benchmark consumer mobile behaviors
 - Produce findings that are comparable to the work done in the US

Methodologies

- **Survey questionnaires with comparable questions**
- **Differences in survey instruments were due mostly to country/culture specifics e.g., search engines**
- **Chinese study deployed rigorous multi-stage stratified sampling methodology designed to draw a representative sample of Chinese aged 10-80 (required to benchmark device penetration) for a total of 3539**
- **US study used a targeted approach to recruit smartphone users* (552) and oversample tablet users (563), yielding samples that provide broad understanding of behaviors ad attitudes**

*smartphone users use a smartphone at least weekly and use data services

The Findings

Thumbnail Sketch of Chinese Market

- **Device Penetration**

- Traditional mobile phones 45.5%
- Laptops 27.9%
- **Smartphones 23%**
- Tablets 7.5%

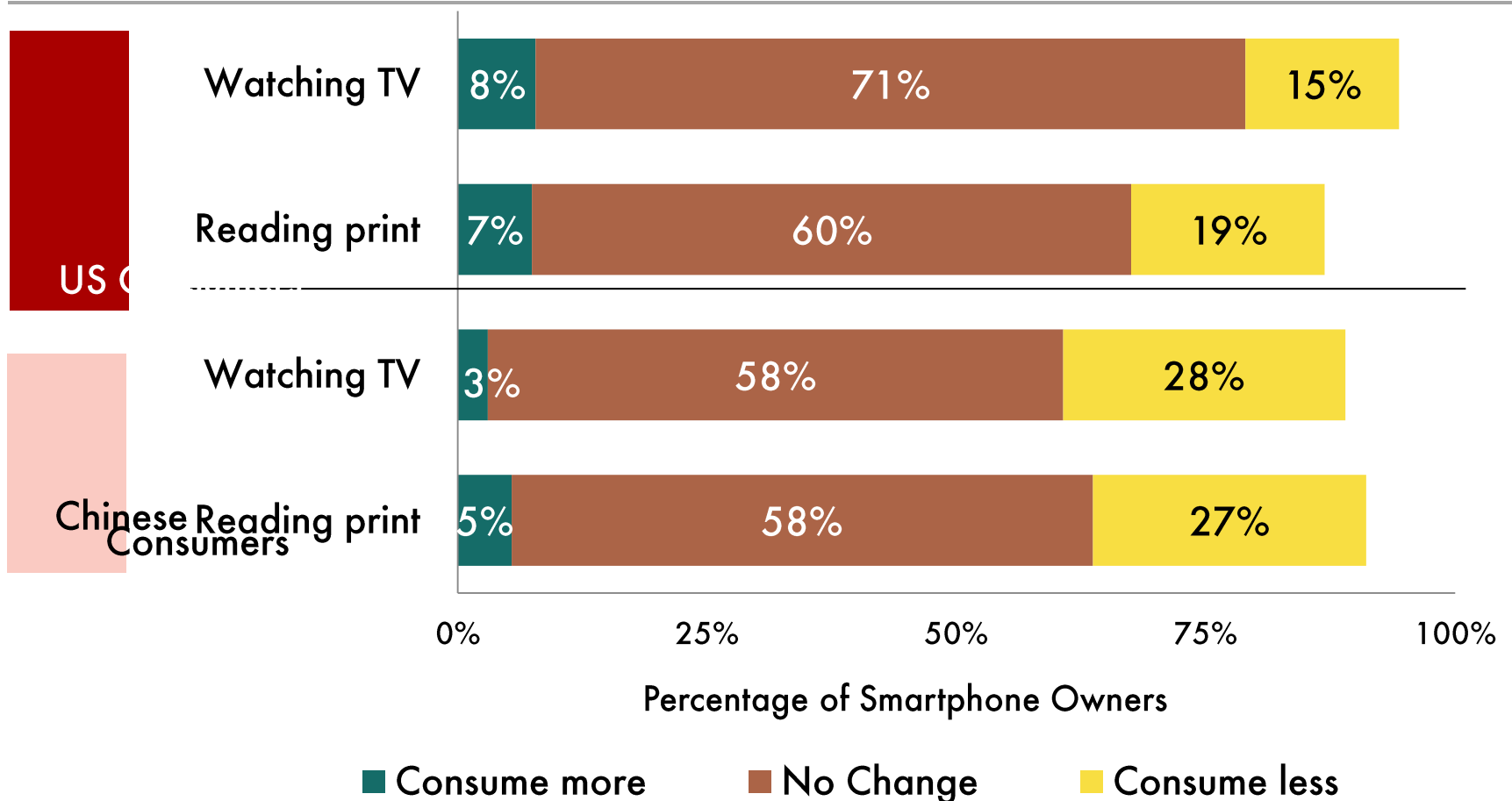
- **Smartphone and tablet skew more affluent and more educated than other device users**

- **Larger cities show higher tablet coverage**

- **More than 40% of smartphone users use the device to access the internet for more than one hour per day**

- More than one fifth(23%) spend 3+hours per day accessing the internet on their smartphones

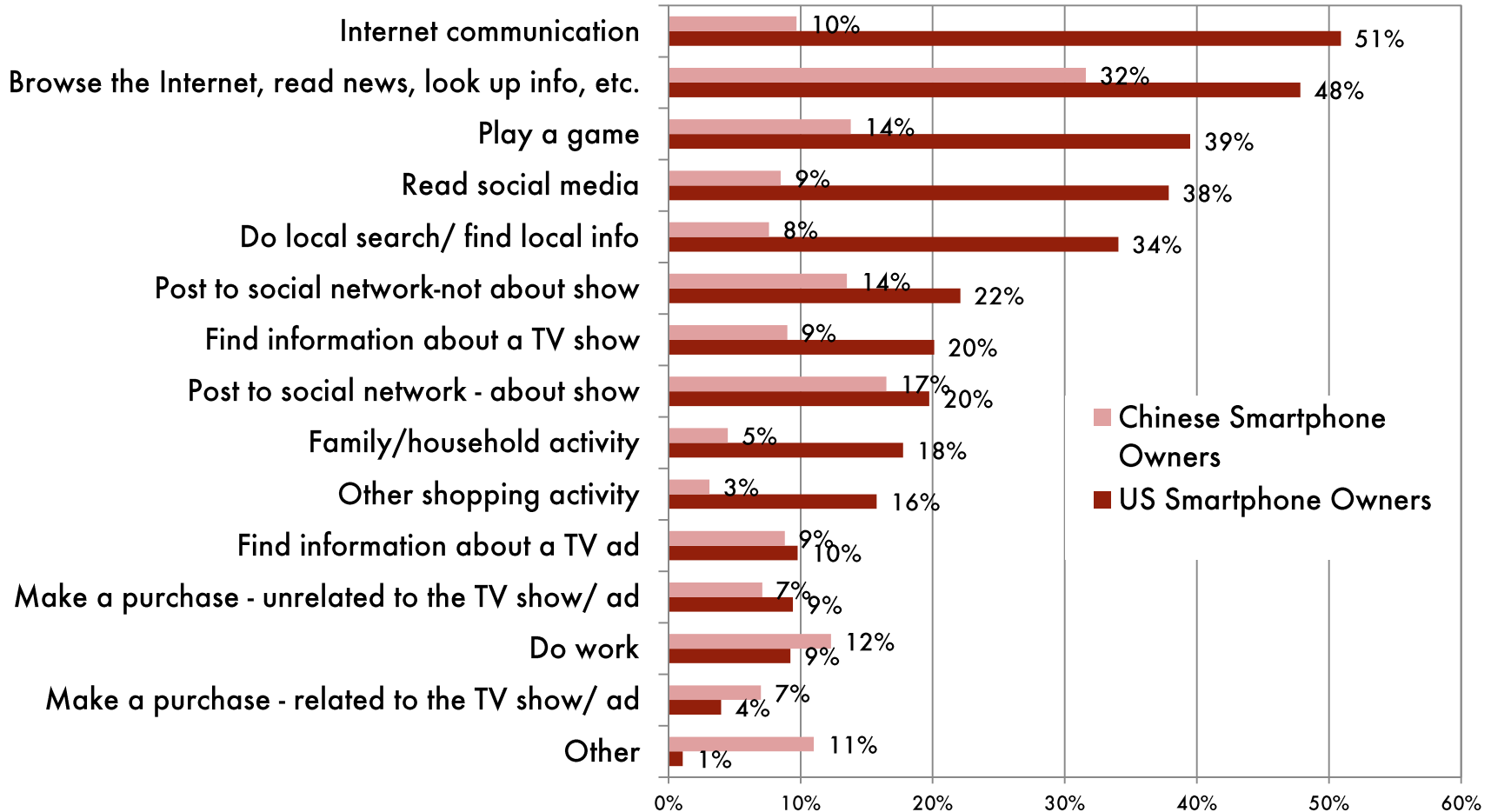
For Chinese Consumers, Owning a Smartphone Alters the Media Mix



Q: How, if at all, has accessing entertainment, video, news and other content on your smartphone affected your TV watching/print viewing in the past year?

US, Chinese Smartphone Owners' In Home TV+Mobile Use Diverges

Q: Which of the following have you done on your smartphone while watching TV at home in the last 3 months?
(please select all that apply)

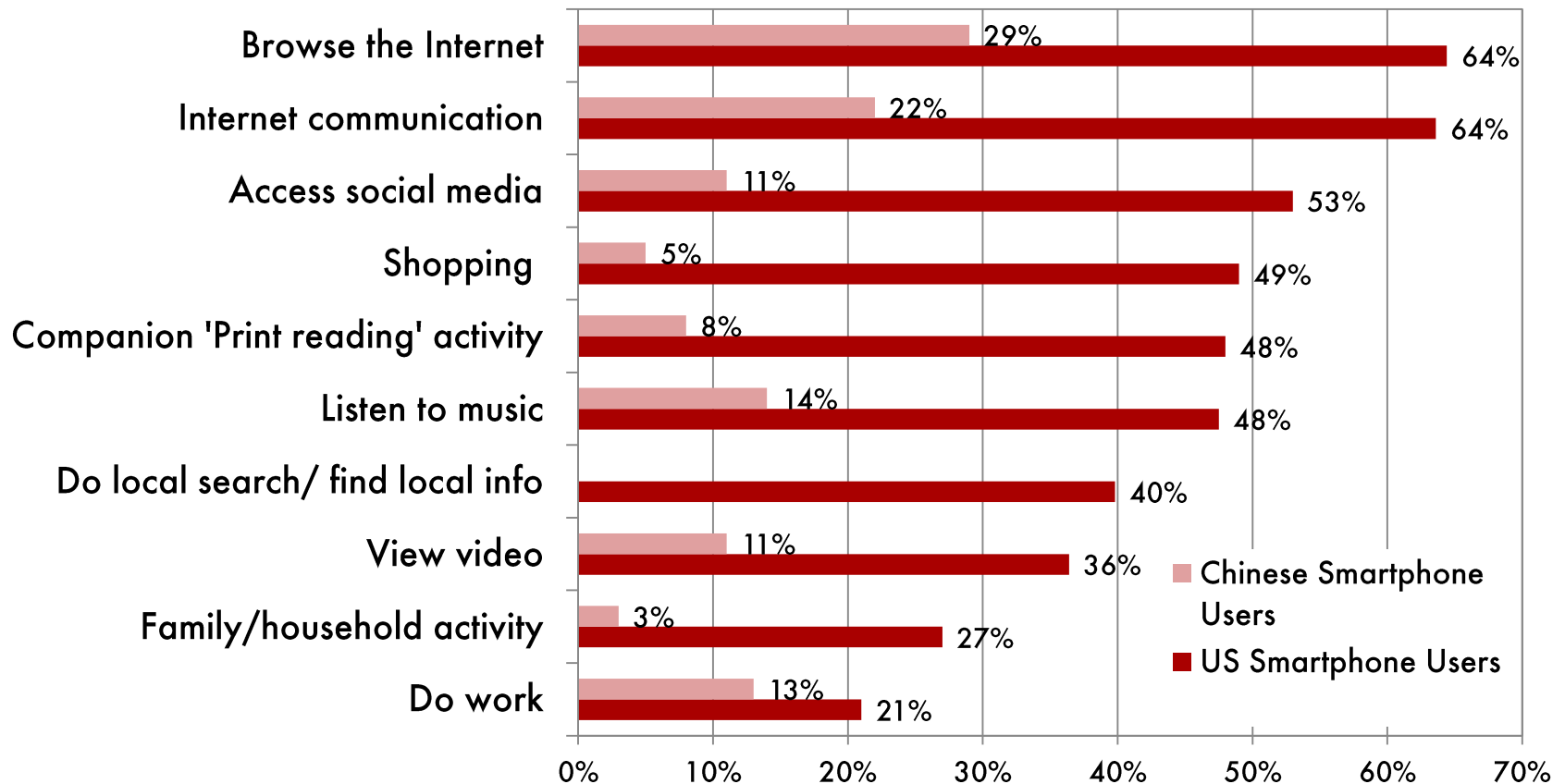


In the US, Smartphone Serves As Important Companion to Print Media;

In China, Print + Smartphone Usage is Less Diverse

Q: Which of the following activities have you done with your [device] while reading a print magazine or newspaper?
(please select all that apply)

Use of Smartphone While Reading Print Magazines/ Newspapers – at Home

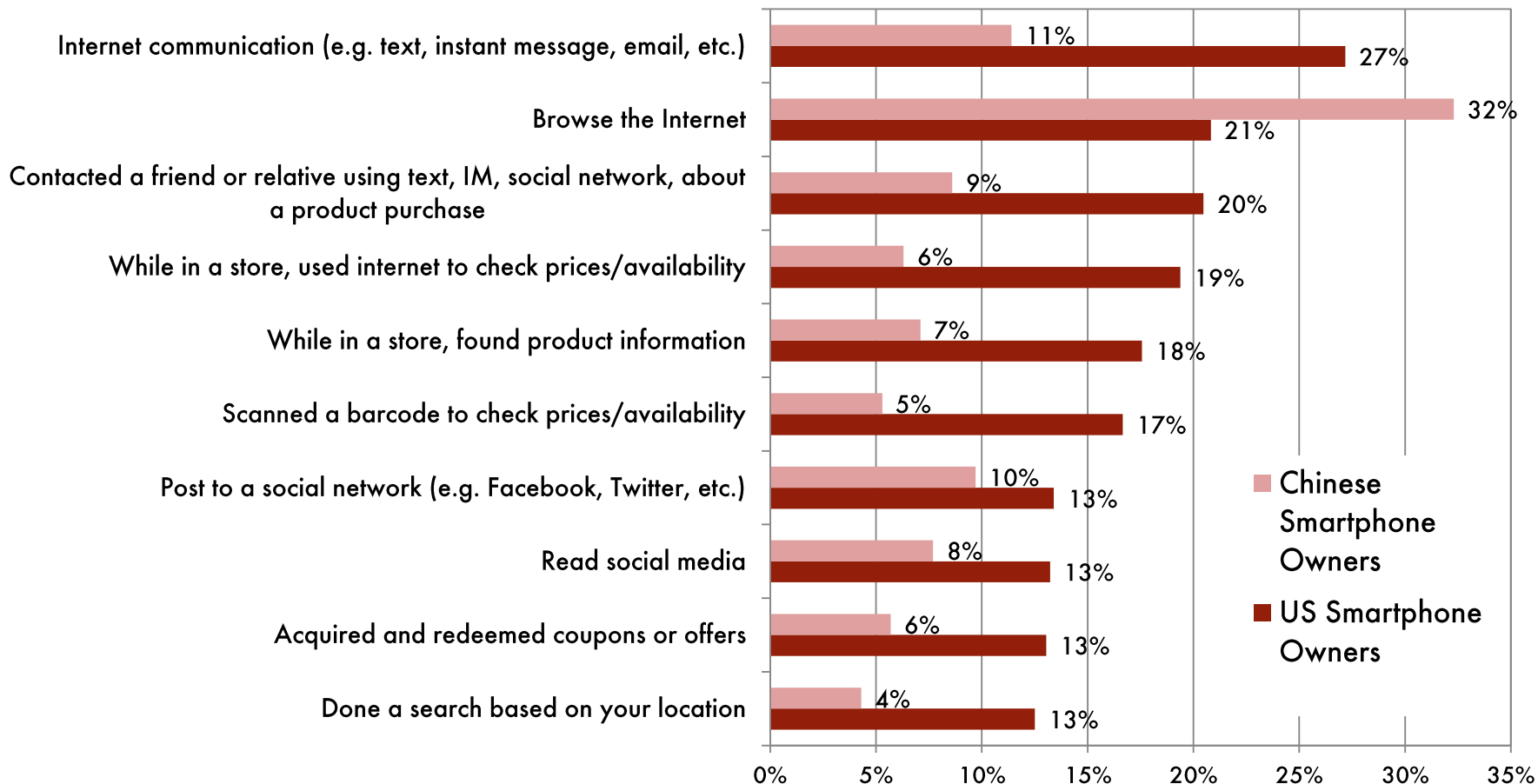


US Source: ABI Research Survey, June 2012

China Source: IIACC Study, fielded by Beijing Normal University, Communication Effect Laboratory, CATI Center, September 27 - October 6, 2012

Smartphone Impact on Shopping Behaviors Still Nascent

Q: Which of the following have you done on your smartphone while watching TV at home in the last 3 months? (please select all that apply)
 Top 10 US responses shown.

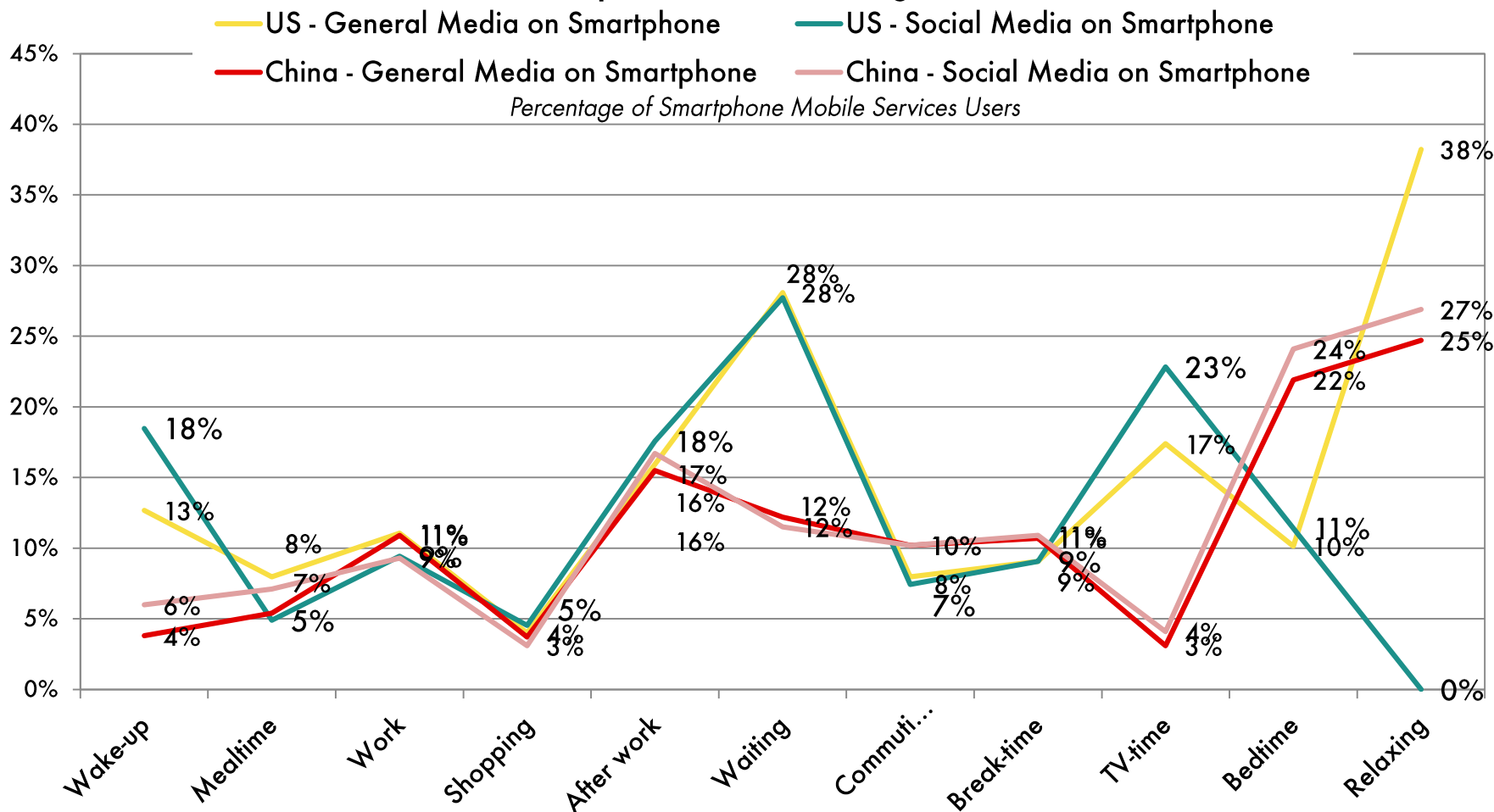


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TV Time Marks a Lull in Media Activity on Smartphones in China But Not the US

Smartphone Media Usage Patterns



Question: When, if at all, do you **most** use [general media] on your smartphone? (Select up to 3)

Question: When, if at all, do you **most** use [social media] on your smartphone? (Select up to 3)

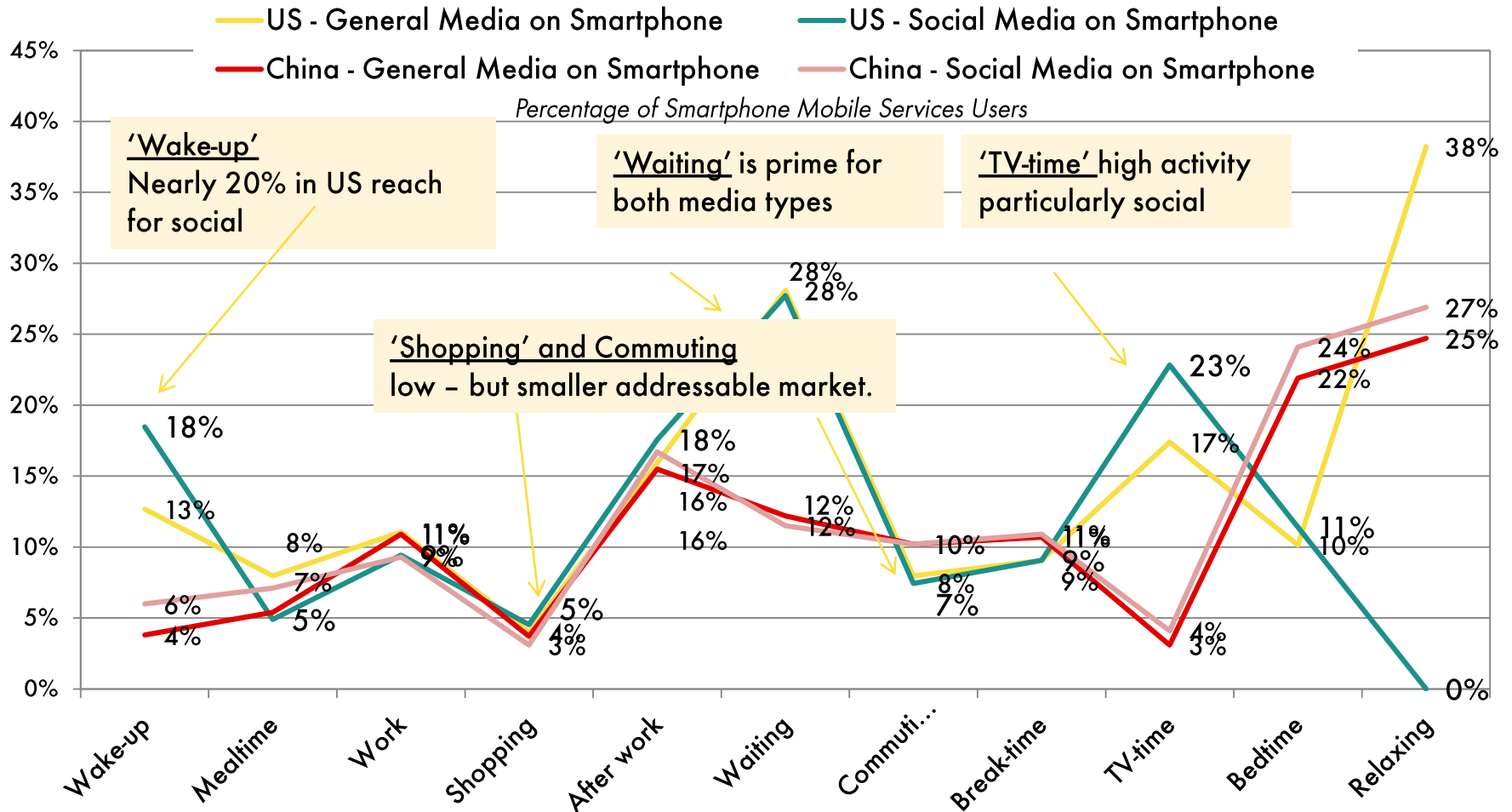
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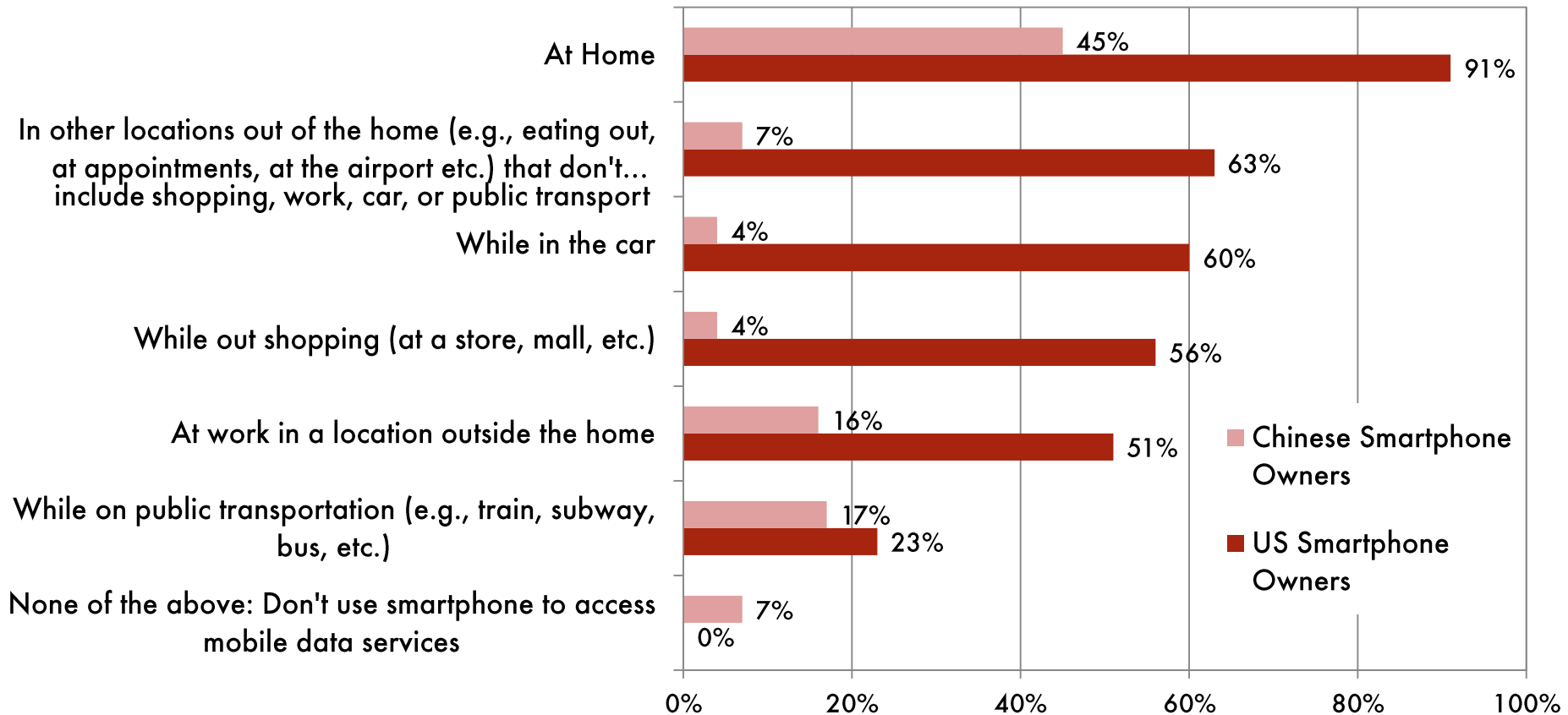
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Mobile Lives at Home

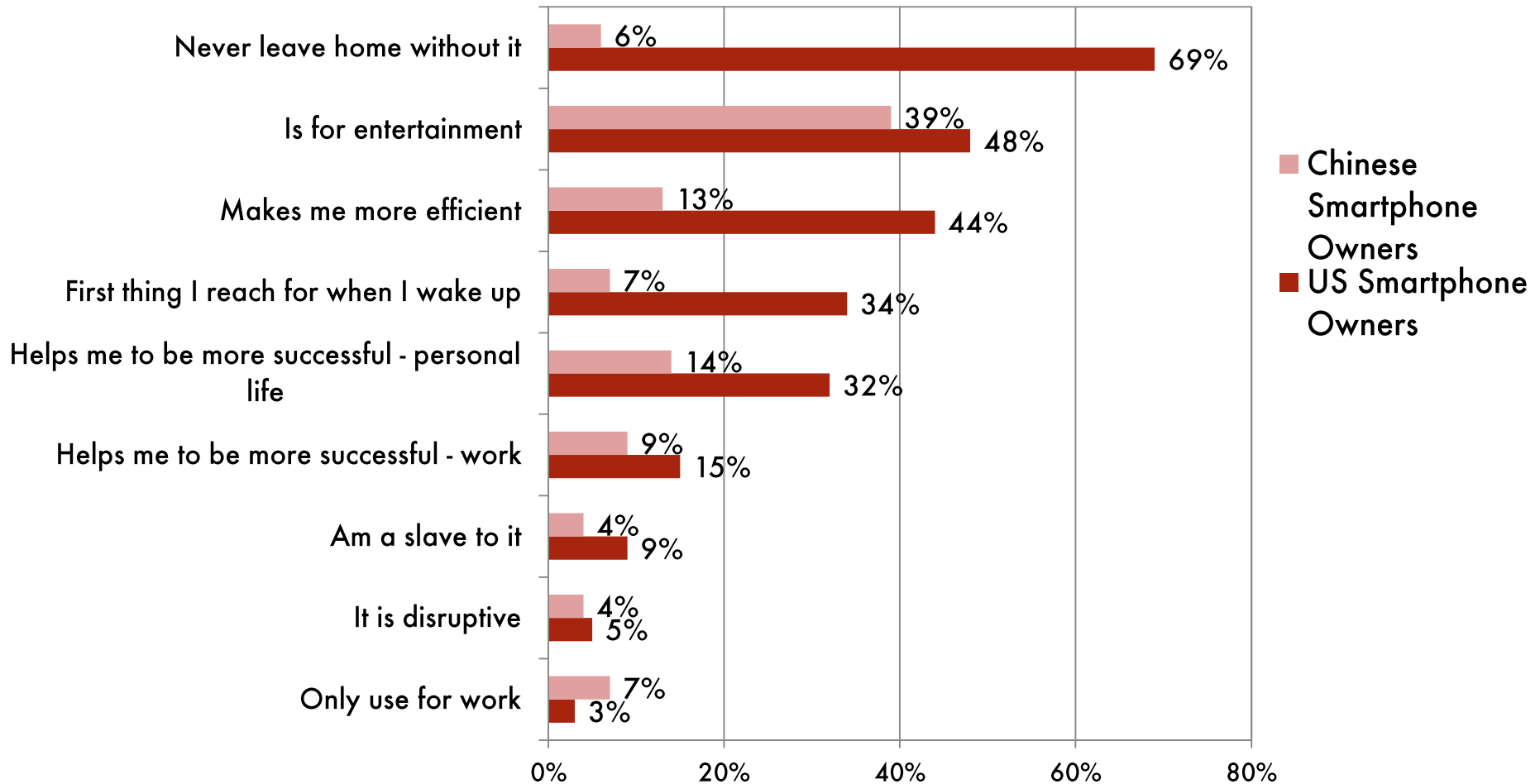
Q: In this survey, we will be asking you about using your smartphone to access "mobile data services". By this, we mean services that enable you to use your smartphone to browse the Internet, shop, search for information, read digital content (e.g. newspapers, social networks/ media), use mobile apps. (please select all that apply)



US Source: ABI Research Survey, June 2012

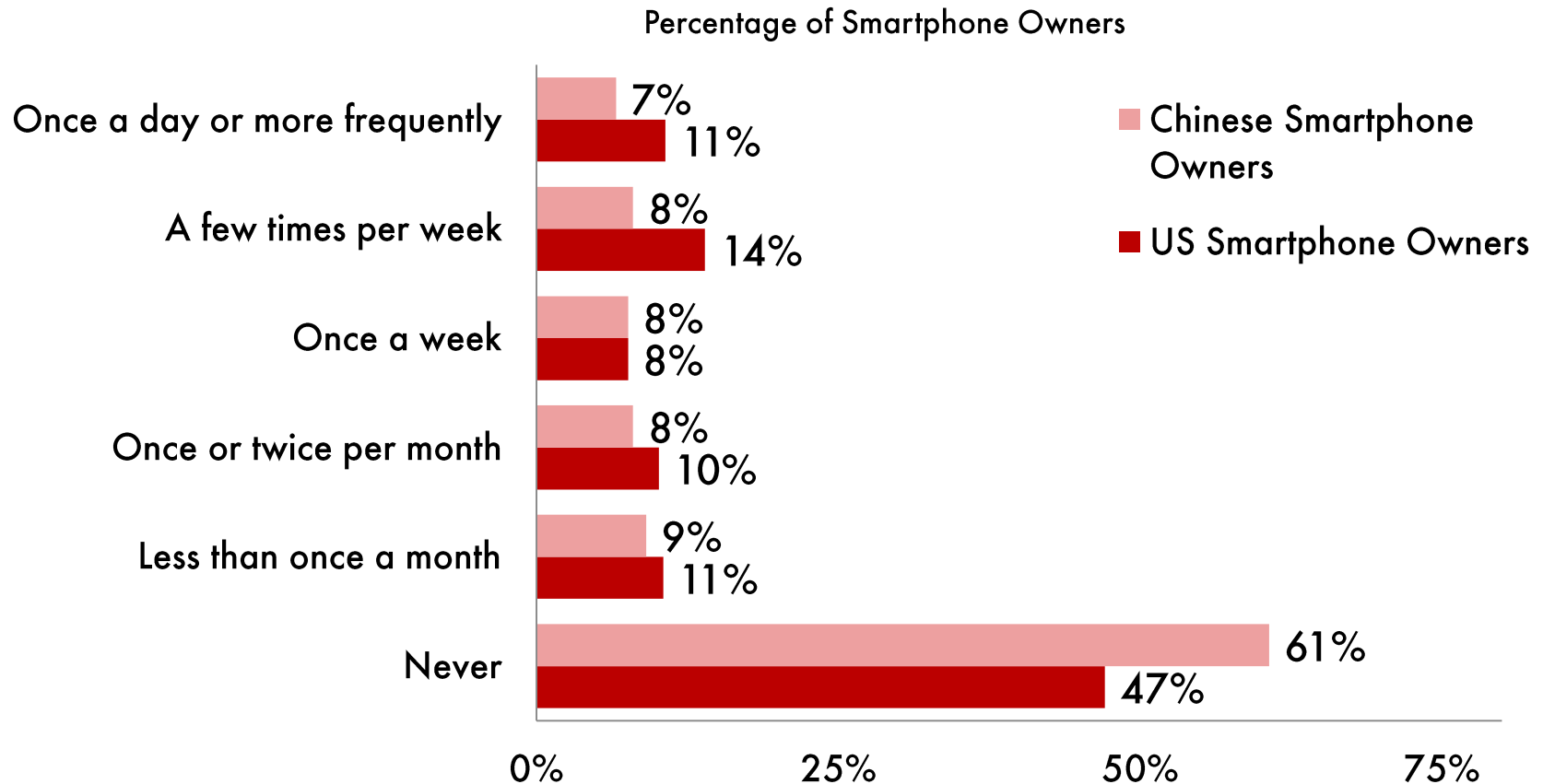
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In the US, the Smartphone is An Extension of the Self; In China An Extension into the World



Q: Which, if any, of the following statements apply to you? (please select all that apply)?

US Smartphone Owners More Likely to Interact With Ads Than Chinese Smartphone Owners



Q: In the past 3 months, how often would you say you typically interact with, tap, view, get more information or respond to an advertisement you see on your [device]? (select one)

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Thank You

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