



MOBILE AUDIENCE INSIGHTS REPORT

MAY 2015

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80% increase
in store visits on the
1st day a mobile ad
was viewed

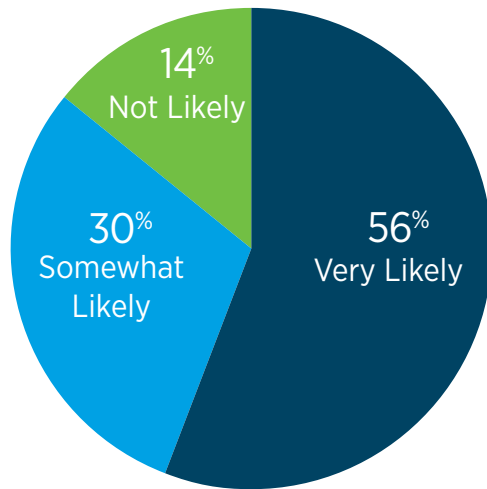
Our Mobile Audience Insights report focuses on understanding how the role of mobile has evolved in various stages of the consumers' path-to-purchase — from product discovery to ad experiences to purchase trends. By establishing unique benchmarks across each of these areas, we're able to offer marketers insight into how consumers are using mobile differently than in prior years, as well as identify trends to watch as mobile's role in the consumer shopping experience continues to change.

Key Findings

- 54% used a mobile device to shop for products before making a purchase — a 59% increase from 2013 (34%).
- Store visits increased 80% within the 1st day a mobile ad was served compared to average store visits.
- Mobile programmatic ad buyers were 8X more likely to target audiences based on ethnicity than either income or gender.
- 57% of advertisers delivered offer-based mobile ads.
- Consumers spent 5.2 seconds longer on mobile ads in Q4 2014, likely due to mobile video driving increased engagement.

Mobile's Role in Product & Brand Discovery

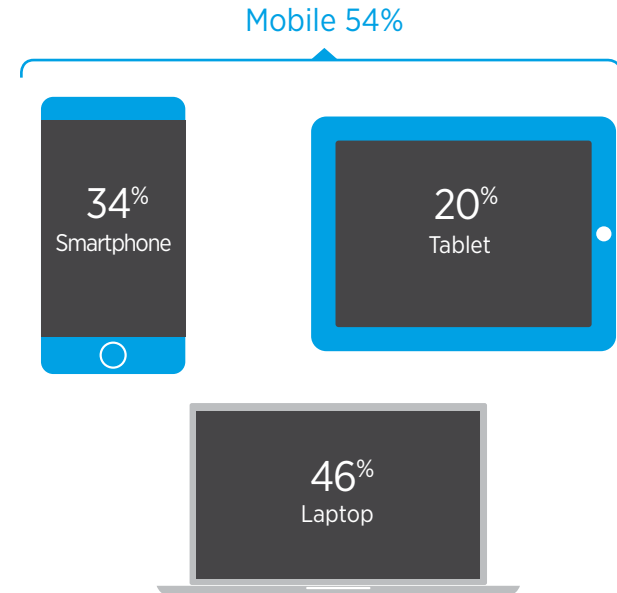
Likelihood to Discover Products/Brands Via Mobile



Source: NinthDecimal 2015

Shoppers were **2X** more likely to discover new products/brands on a mobile device in 2014 vs. 2013

Shopping Behavior by Device



Source: NinthDecimal 2015

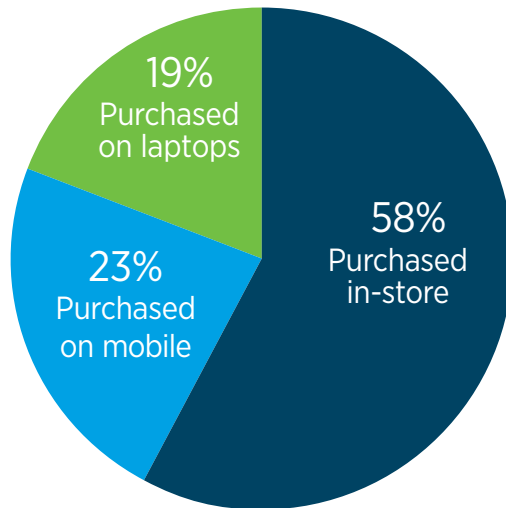
- Shoppers were 2X more likely to discover new products/brands on a mobile device in 2014 vs. 2013.
- 86% of consumers reported that they were likely to discover new products/brands on their mobile device.
- 54% shopped on a mobile device over a laptop before making a purchase — a 59% increase from 2013 (34%).
- 34% of consumers that shopped on a device preferred to use a smartphone over a tablet or laptop.

Cross-Device Path-to-Purchase Benchmark



In 2013, **34%** shopped on a mobile device before purchasing

Of that 34%...

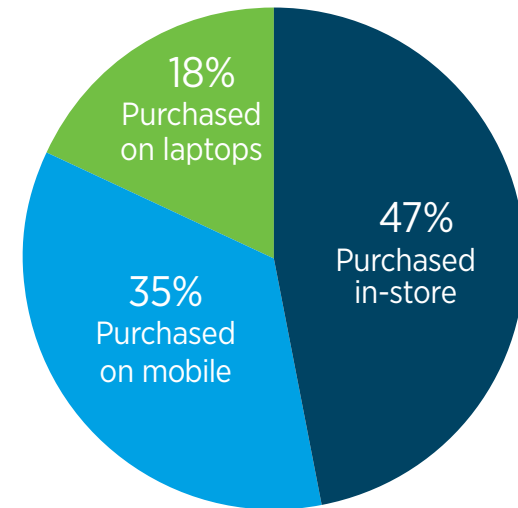


Source: NinthDecimal 2015



In 2014, **54%** shopped on a mobile device before purchasing

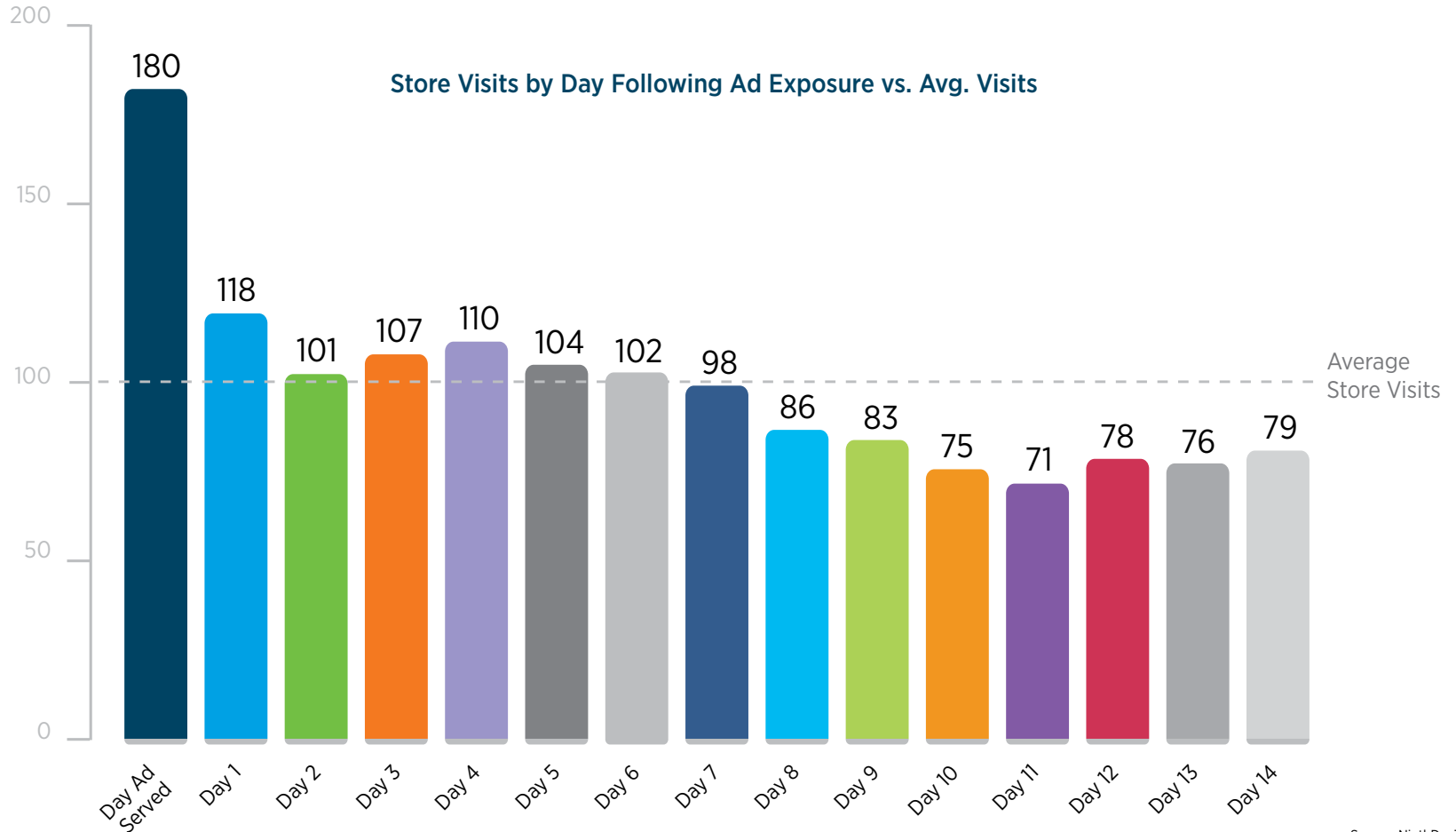
Of that 54%...



Source: NinthDecimal 2015

- More consumers shopped via mobile before making a purchase in 2014 (54%) vs. 2013 (34%).
- While mobile shoppers still prefer to purchase in-store (47%), more made their final purchases on mobile in 2014 vs. 2013 (35% vs. 23%).
- Laptop purchases remained under 20% of total purchases made by mobile shoppers.

Average Time to First Visit Index

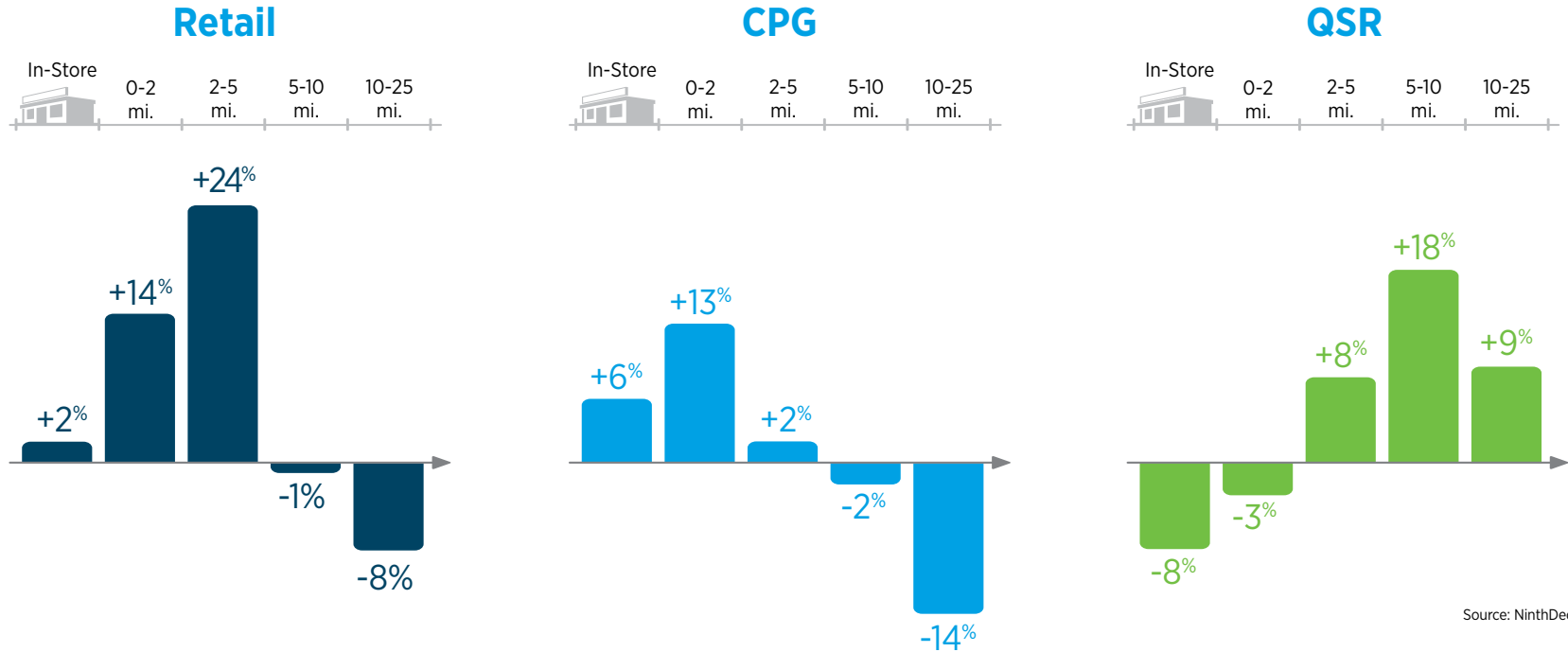


Source: NinthDecimal 2015

- Store visits increased 80% within the 1st day a mobile ad was served compared to average store visits.
- Store visits remained above average for the first 6 days after consumers were exposed to an ad.

Mobile Ad Performance: Proximity Index

Ad Performance by Proximity to Store vs. Avg. CTR

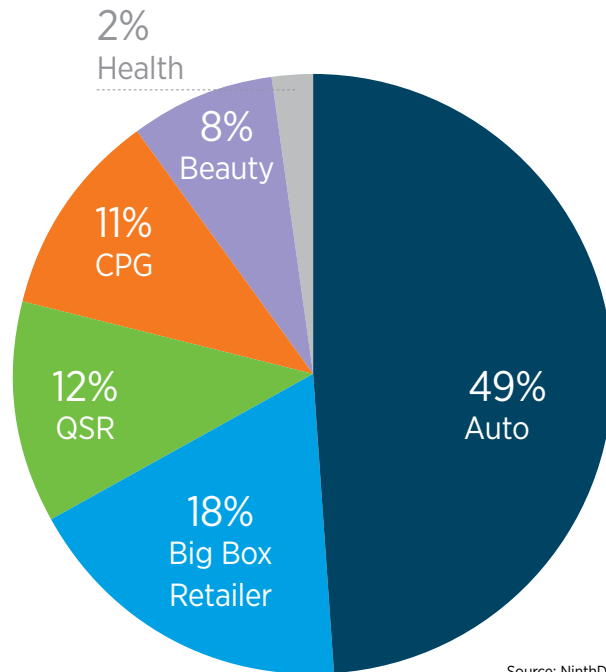


Source: NinthDecimal 2015

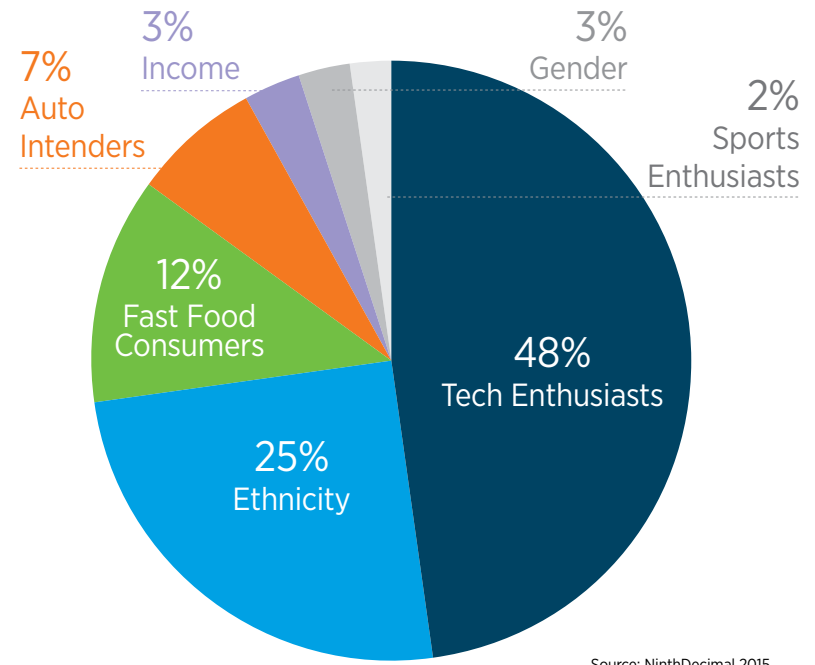
- Retail mobile ads performed best when served within 2-5 miles of a store — 24% better than the average CTR.
- CPG mobile ads performed best when served between 0 & 2 miles away from a store — 13% better than the average CTR.
- QSR mobile ads performed 18% better than the average CTR when served within 5-10 miles of the establishment, but underperformed when served less than 2 miles away.
- Retail & CPG mobile ads served more than 10 miles away from a store underperformed, while QSR ads performed 9% better than average at the same proximity.

Audience-Targeted Mobile Programmatic Benchmark

Who Is Buying Audience-Targeted Mobile Programmatic?



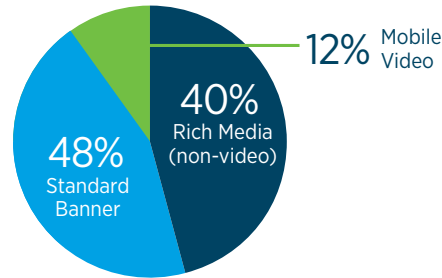
Most Popular Mobile Programmatic Audience Segments



- Automotive brands were the greatest early adopters of audience-targeted mobile programmatic ads, making up 49% of total ad impressions.
- Almost half of audience segments targeted by mobile programmatic campaigns were tech enthusiasts (48%).
- Advertisers were more than 8X as likely to target audiences based on ethnicity (25%) than income (3%) or gender (3%) in their mobile programmatic ads.

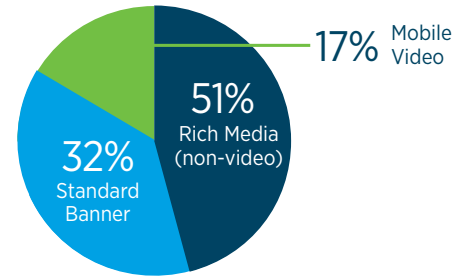
Mobile Ad Creative Execution Benchmark: Ad Types

Q4 2013 Ad Types



Source: NinthDecimal 2015

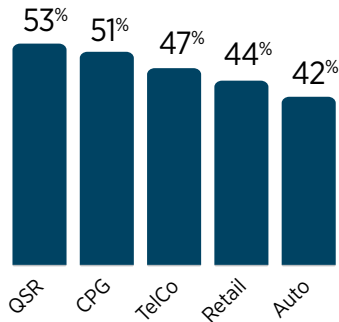
Q4 2014 Ad Types



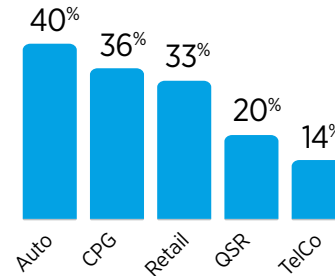
Source: NinthDecimal 2015

Q4 2014 Ad Types by Vertical

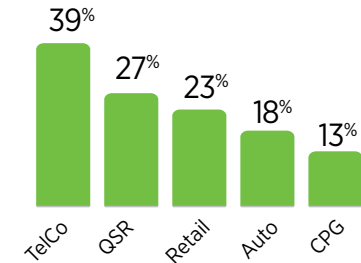
Rich Media (non-video)



Mobile Video



Standard Banner

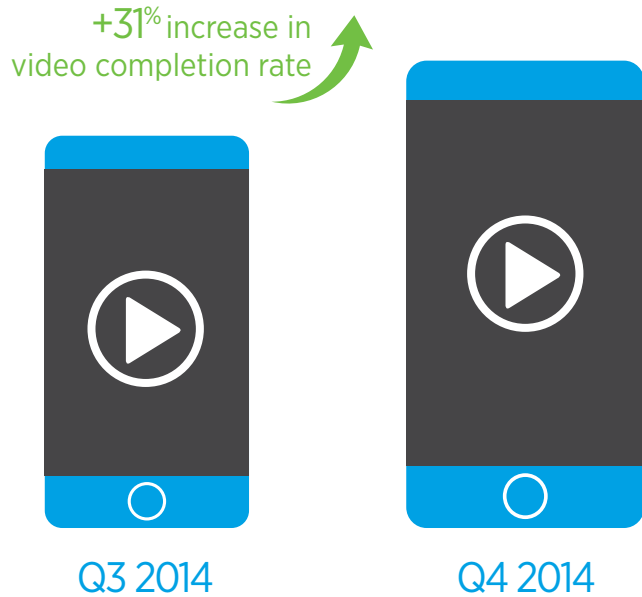


Source: NinthDecimal 2015

- Since 2013, the use of rich media ad formats has increased by 28%, & standard banner has decreased by 33%.
- Over 1/2 of QSR & CPG mobile ads leveraged rich media formats (non-video).
- Auto & CPG verticals led in mobile video ad execution, each with over 1/3 of ads containing this format.
- TelCo leveraged standard banner formats more than any other vertical – 3X more than CPG & 2X more than Auto.

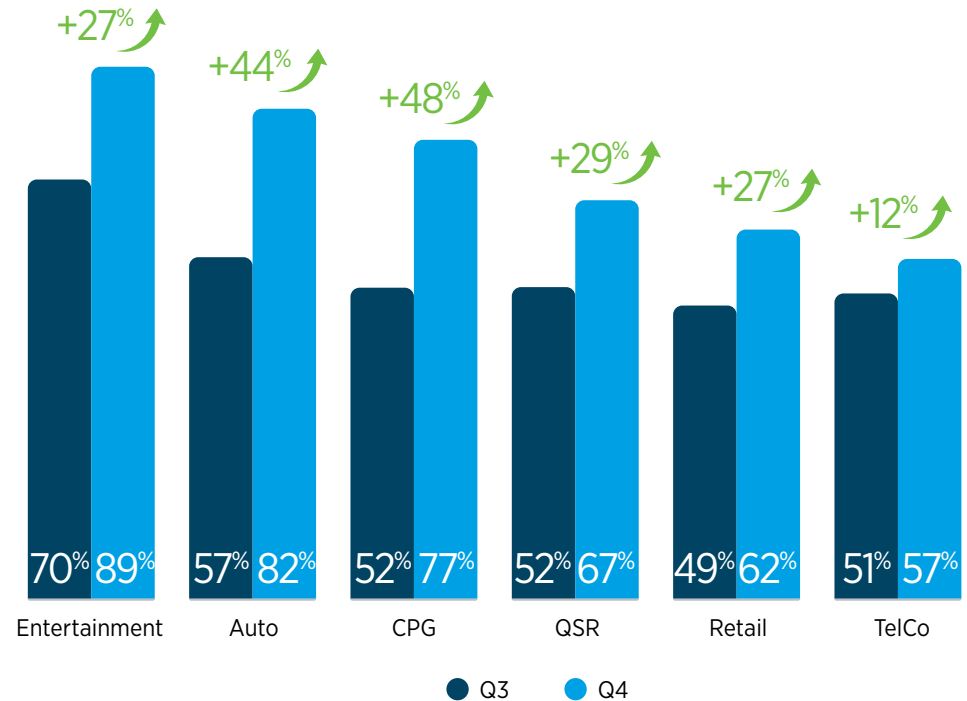
Audience-Targeted Mobile Video Benchmark

Mobile Video Completion Rate by Quarter



Source: NinthDecimal 2015

Mobile Video Completion Rate by Vertical

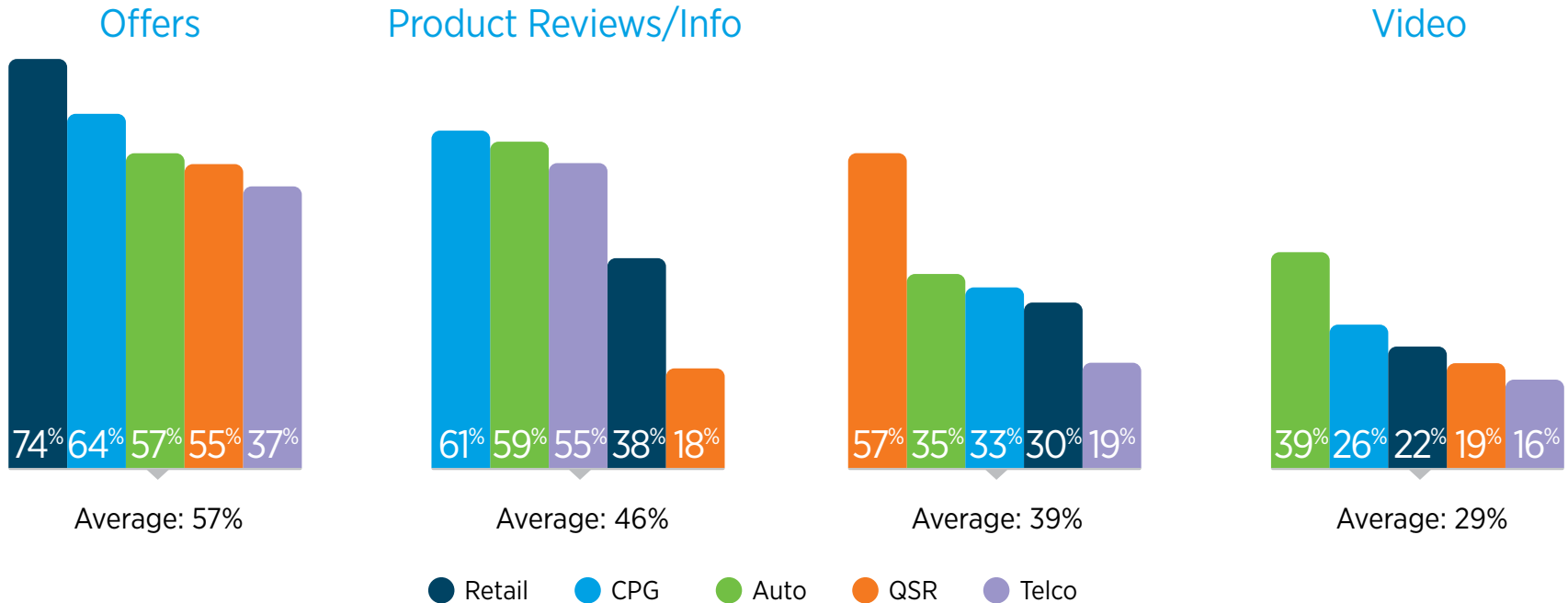


Source: NinthDecimal 2015

- Mobile video ads across all verticals saw a 31% increase in completion rate from Q3 to Q4.
- The average mobile video completion rate across all verticals was 72%.
- Entertainment (89%), Auto (82%) & CPG (77%) mobile video ads experienced the highest completion rates of all verticals.
- CPG mobile ads saw a greater QoQ increase in video completion rate than any other vertical (+48%).

Mobile Ad Creative Execution Benchmark: Creative Content

Most Common Types of Mobile Ad Content



Source: NinthDecimal 2015

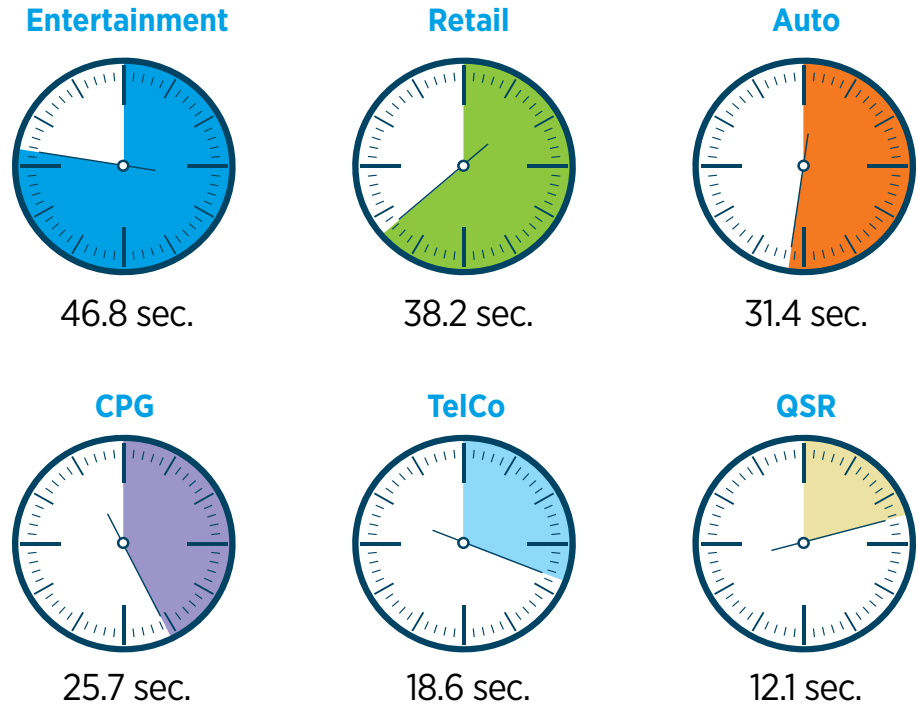
- On average, 57% of advertisers leveraged offer-based mobile ads.
- Retail & CPG verticals delivered offer-based ads more so than any other vertical (74% & 64%, respectively).
- Over 50% of CPG, Auto & TelCo mobile ads contained product reviews/information.
- QSR advertisers led in ads containing location information at 57%.
- Auto advertisers (39%) leveraged mobile video more than any other vertical.

Mobile Ad Creative Execution Benchmark: Ad Engagement

Avg. Time Spent on Mobile Ads



Avg. Time Spent by Vertical (Q4)



Source: NinthDecimal 2015

- Consumers spent 5.2 seconds longer on mobile ads in Q4, likely due to mobile video driving increased engagement.
- Consumers spent the most time on Entertainment ads (46.8 seconds) & the least amount of time on QSR ads (12.1 seconds).
- Consumers spent more than 2X longer on Retail & Entertainment ads than TelCo & QSR ads.

Mobile Audience Insights Report

Methodology

The Mobile Audience Insights Report identifies consumer mobile usage trends & actionable insights that marketers can apply to their mobile strategies & campaigns.

NinthDecimal's May 2015 Mobile Audience Insights Report research is based on data compiled from a survey of 1,535 randomly selected mobile users, as well as the billions of data points from NinthDecimal's proprietary mobile audience intelligence platform. Location Conversion Index™ measures ROI by finding the normal visit rate for the general population, then comparing it against specific audiences both exposed & not exposed to mobile campaigns in order to measure incremental store visits.

The survey & platform data were collected from Q2–Q4 2014, & YoY comparisons were made from the same time period in 2013.

About NinthDecimal

NinthDecimal is the leading mobile audience intelligence company empowering marketers with the most comprehensive understanding of people by connecting their digital and physical lives. Fortune 500 companies and marquee brands, including American Express, Comcast, Kraft, Microsoft, Starbucks, Target and Toyota, use NinthDecimal to achieve high-performing campaigns by reaching and engaging the same audience across all media channels on one single platform. By bridging online and offline data sources, NinthDecimal offers the most precise audience solution in the market to create a true understanding of mobile consumers and how to engage them throughout their path-to-purchase. Its Location Conversion Index™ (LCI™) is the industry's first offline attribution solution that goes beyond the click to measure physical-world behavior at the point of purchase, and data partnerships with companies like Axiom, BlueKai, Datalogix, Experian, LiveRamp, Neustar and more provide a comprehensive closed-loop solution.

NinthDecimal Key Differentiators

- **Precise audience intelligence:** We offer the most precise audience solution in the market, bridging data from the digital & physical worlds to create a true understanding of mobile consumers & how to engage them throughout their path-to-purchase.
- **Audience scale:** The scale of our proprietary data, comprised of over 1 trillion data points from more than 1 billion devices, enables us to create hundreds of custom audience profiles for massive campaign reach to the right consumers.
- **Top-tier measurement & performance capabilities:** Our Location Conversion Index™ (LCI™) enables us to measure the true impact of mobile campaigns on real world behavior to effectively close the loop & provide measurement down to the point of purchase.
- **One audience & one integrated solution:** We enable marketers to achieve high-performing campaigns by reaching & engaging the same audience across all media channels on a single platform.