

Includes Exclusive  
Survey Results

Worldwide Market Analysis &  
Strategic Outlook 2001-2006

# MOBILE Advertising

New Business Models and  
Interactive Branding

*This new study looks at the current market situation in the main regions around the world, and assesses the potential for mobile advertising across a number of key areas:*

- Mobile advertising – what's involved and how it works
- New business models and revenue streams
- How to implement a successful campaign. Lessons learned from the leading global players.
- Comprehensive market forecasts by technology and region to 2006 including:
  - Mobile Advertising revenues
  - Total operator revenue streams
  - M-commerce and Mobile Internet user forecasts
  - Mobile Subscribers
  - Handset device forecasts
- Who will the leading players be in the future and what will they be doing?
- Detailed profiles of 20 market leaders from Europe, USA and Asia including: Agency.com, 12 snap, Freever, 24/7 Media, GeePs, Omnisky, SkyGo, Windwire, D2Communications and J-Phone

Produced in association with

**WAA**  
wireless advertising association



Views on previous  
ARC Group Strategic  
reports:

*'I was very pleased with the entire content of the report, particularly the forecasts for the Cellular market'*

A. S., Marketing Manger, A.R.T

*'I was extremely impressed with the authors' in-depth knowledge of the cellular industry'*

B. v E., European Marketing Manager,  
Molx Services

*'I found the report extremely helpful not only as a great way to learn about the industry, but also as ongoing reference material'*

B. N., VP Internet Services, Signalsoft



[www.arcgroup.com](http://www.arcgroup.com)

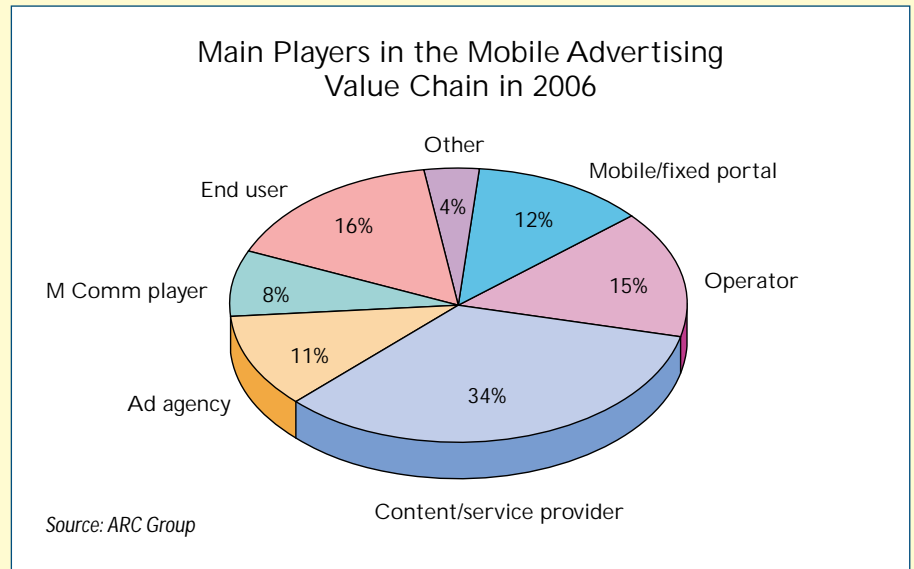
## Background and Methodology

*With offline advertising budgets under pressure, and the first signs of a shift from traditional mass media, what is the way forward for the new world of online media and for mobile advertising in particular?*

This strategic report from ARC Group, written in association with the Wireless Advertising Association (WAA) looks at the key success factors for mobile advertising, including:

- New business models and revenue streams
- The developing value chain
- Mobile advertising strategies and implementation
- Enabling technologies
- Building the business case.

Critical to this analysis is the changing mobile value chain, and the position of the main players within it. How can the network operators successfully meet the challenges of the next five years, and what are the partnerships and alliances which need to be put in place? For content and



media providers, the mobile provides a major new channel to market – but what role will advertising play in this new business model?

This report examines these questions and provides examples of best practice and the lessons learned from market leaders in Europe, North America and Asia.

Through a total of 20 detailed case studies, face-to-face executive-level interviews and a unique online survey of

over 450 industry professionals jointly undertaken by ARC and the WAA, Mobile Advertising provides an independent and authoritative guide to the world of mobile advertising. Essential global market and forecast data are combined to provide an insight into the strategies and implementation options which will maximise the revenue opportunities in this dynamic new marketplace.

## Exclusive Survey Results

*When you buy the CD ROM version of the new Mobile Advertising Strategic Report you will receive a FREE copy of the findings from the Mobile Advertising Industry survey. Results by industry sector and region are provided in Excel format, enabling interactive chart design.*

Over 400 mobile advertising experts were polled and asked their views on topics including:

- The value of the global mobile advertising market in 2005
- The main players in the mobile advertising value chain in 2004 and 2006.
- The key success factors for mobile advertising

- The the most important target audience
- Enabling technologies

The survey results and analysis have been included in the report, giving an invaluable objective and independent industry view. The views and opinions of different segments of the industry have been correlated and compared to give detailed insight of how the various sectors see the industry developing.

## Report Contents

Visit our website to view the complete lists of contents, tables and figures

### 1. Executive Summary

### 2. Market Situation and Outlook

The main trends in emerging new interactive media and what they mean for advertising; in-depth look at mobile advertising in the major regions of the world, and future developments over the coming years.

- Definitions – mobile advertising/ sponsorship; mobile commerce
- The new media – trends in online advertising, interactive TV, new developments such as personal video recorders (PVRs); advertising in a mobile context
- Mobile advertising trends in Europe, America, Asia
- Regulatory issues; legislation in Europe and the USA
- Mobile advertising standards: the WAA and WMA initiatives
- Segmenting the market – push versus pull; text/graphics/audio
- Market trends and longer term outlook

### 3. Value Chain

In the mobile world, the traditional value chain is being radically altered, and the business models deployed by operators and others need to evolve and adapt. The new mobile advertising value chain is explained, and a market mapping analysis shows the positions of the main players.

- Mobile advertising value chain: opportunities for new revenues
- Market map: advertisers, media/content providers, mobile marketing companies, platform providers
- Future developments: channel-hopping in the mobile internet, delivering the mobile lifestyle

### 4. New Business Models

The differences between offline and online media; business models in the fixed line and interactive TV markets; implications for mobile advertising.

- Fixed line internet/interactive TV: comparison of advertising models,
- Business models in mobile advertising
- Pricing the service
- New mobile revenue streams

- How to price the service; new revenue streams

- Permission marketing

### 5. Case Studies

Best practice and lessons from leading players around the world. Featured companies include:

- Europe
  - Agency.com, Add 2 Phone, 12 Snap, Freever, Mediatude, 24/7 Media,
  - Worldzap, ZagMe, XY Networks
- North America
  - GeePS, OmniSky, SkyGo, Vindigo, WindWire
- Asia
  - D2Communications, J-Phone

### 6. Mobile Advertising Strategies

What are the options in mobile advertising? How to leverage the early adopters and niche markets which will influence the market over the next five years.

- Brand building versus action driving
- Personalising the customer relationship: profiling users for better targeting
- How to make the most of the interactive aspects of a mobile advertising campaign
- Niche markets i.e. which ones to choose and when
- Building a successful mobile advertising campaign

### 7. Enabling Technologies

What are the key enablers for mobile advertising and when will they impact the market. How will multimedia messaging affect the delivery of advertising, and what are the capabilities of mobile commerce and ad server platforms?

- Platforms/operating environments (Palm, Pocket PC, Java)
- Device convergence – mobile phones and PDAs
- WAP/i-mode – future developments and comparisons
- Messaging (from SMS through EMS to multimedia; unified messaging)
- Location based technologies (network and handset based)

- M-commerce servers/Ad servers (leading platforms analysed)

### 8. Implementation

Putting the strategies into action – how to integrate mobile advertising with existing online and offline media; what are the key success factors?

- Integrating with existing media: examples of integrated campaigns
- Creative issues: addressing form factor issues, and exploiting the advantages of the mobile
- Targeting: applying the permission marketing approach
- Measurement/tracking: what to measure and where, examples of best practice

### 9. Building the Business Case

As mobile commerce and media/content provision develop, how will mobile marketing, especially advertising and sponsorship fit in? How can mobile advertising generate revenues?

- Partnering (choosing the right position in the value chain, leveraging assets)
- Harnessing the technology (devices/infrastructure)
- Mapping revenue streams (B2C and B2B)

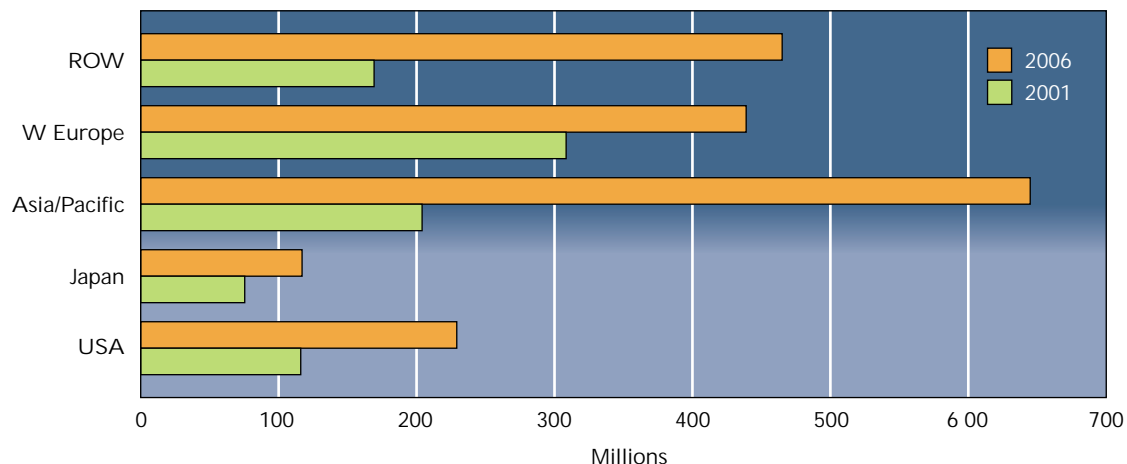
### 10. Market Forecasts

- Mobile advertising revenues to 2006:
  - By region (Europe, America and Asia)
  - By technology
  - By segment
- Total operator revenue streams, to 2006
  - By application, including advertising
- Comparison of fixed v mobile internet users, to 2006
- M-Commerce user forecasts, to 2006
- Mobile subscribers, to 2006
  - By region
  - By penetration rate
- Handset device forecasts, to 2006
  - By terminal type
  - By region
  - Penetration internet-enabled
- Mobile internet users, to 2006
  - Penetration of mobile subscribers

### 11. Conclusions

Reviewing the implications for your organisation.

Mobile subscribers by region (m) 2001 and 2006



## ARC Group Customers

Join the many customers who are already benefiting from ARC Group products and services including these leading electronic equipment and component manufacturers, software developers, network operators, banks and research institutes.

3Com • AOL • Adventis • Agency.com  
 Agilent Technologies • Airtouch Cellular  
 Akumiitti • Alcatel • Amazon.com  
 AMDOCS • Anite Telecoms • Apax  
 Partners • AT&T • AvantGo • BBC  
 Bell Mobility • Bellsouth • Betaresearch  
 BG Technology • Bit Flash • Boston  
 Communications Group • Bouygues  
 Telecom • BT • Cable & Wireless  
 Carphone Warehouse • Cegetel  
 Cellguide • Cellnet • Cetecom • Cisco  
 Systems • Compaq • Comverse  
 Conexant Systems • Cti Movil  
 Deloitte Consulting • Delta Informatics  
 Deutsche Telecom • Dialogic-Intel  
 Digiscope • Digital Bridges • Dreamline  
 Duracell NAG • Efrat Future Technology  
 Eircell • Elco Europe • Emirates  
 Telecommunication • Ericsson • Essent  
 Eurobet • France Telecom • Gemplus  
 GenRad • Golden Telecom • Hewlett  
 Packard • Hitachi • Hughes Software  
 Systems • ideaEDGE Ventures • Infineon  
 Technologies • In-Fusio • Intel  
 Corporation • Jinny Software • Latvian  
 Mobile Telephone • Leap Wireless  
 International • Lehman Brothers • LG  
 Electronics • Logica • Lord Corporation  
 Lucent • Merant • Microcell  
 Telecommunications • Microsoft  
 Mitsubishi Wireless • MobiFon

MobileOne • Mobilkom Austria  
 Motorola • Movicom Bellsouth  
 National Semiconductor • Natwest Bank  
 NeoPoint • Net2Wireless Israel  
 Netsanity • Nippon Ericsson KK • Nokia  
 Nortel Networks • Novatel Wireless  
 Omnitel • One2One • Open Mobile  
 Openwave • Orange Communication  
 Phillips • Planar Systems • Primo  
 Microphones • Psion • Qatar Telecom  
 Qualcomm • Real International  
 Realtime • Reuters • Rohde & Schwarz  
 Samsung Tech Center • Sema Group  
 Sharp • Siemens • SigmaOne • SignalSoft  
 Corporation • Smart Fusion • Sonera  
 Corporation • Sonofon • Sony France  
 Sprint PCS • Swisscom • Symbian  
 Symbionics • Tantau Software • TCS  
 TDK Electronics Europe • Telcel SA  
 Tele Danmark • Telecommunication  
 Systems • Telefonica • Telesystem  
 International Wireless • Telia Mobile  
 Texas Instruments • Toshiba • Total  
 Audio • Ubinetics • Unisys • UUNET  
 Technologies • Virgin Mobile • Visa  
 International • Visteon • Vodacom  
 Vodafone Australasia • Warner Bros.  
 International TV • Wavecom • Xircom  
 Yellow Pages

...And many more

### RELATED ARC GROUP REPORTS

#### Mobile Entertainment

Publication Date: June 2001

This report analyses the key players, value chains and service launches of mobile games and mobile entertainment services. It provides in-depth insights into the many new possibilities, which will be created by future technological advances and gives guidance on critical issues for entrants into this exciting new market.

#### Content and Applications for the Wireless Internet

Publication Date: May 2001

Analysing the players, value chains and product offerings that characterise the growing business of wireless data, this report provides guidance regarding the critical elements of applications and content development into the new millennium. This highly successful report contains a wealth of forecasts, case studies, roadmaps and strategic recommendations.

#### Future Mobile Handsets

Publication Date: May 2001

This report provides a comprehensive and detailed examination of handset technology, market and industry trends that will assist you in making competitive decisions over the next five years. This highly successful third edition contains a wealth of forecasts, case studies, technology and market roadmaps and much more...

# About ARC Group

ARC Group provides high quality products and services to leading international clients in the communications sector.

## Our core specialisations include:

- Wireless Content & Applications
- Wireless Technologies and Infrastructure
- Digital Audio & Video Broadcasting
- Residential & Business Access
- Interactive Broadband Consumer Applications
- Telematics & M2M
- Optical Communications & Optoelectronics
- Market Dynamics, Advanced Forecasting & Econometrics

### Strategic Reports

Our strategic reports are unparalleled in achieving a fine balance between technology and market issues and are highly valued for their superlative analysis and forecasts.

Central to our strategic reports is extensive primary research giving an excellent overview of each industry segment. The reports also give information about the state of the industry in specific regions, providing clients with relevant indications about particular markets. They have become an indispensable tool to help executives plan successful strategies.

While providing a wealth of technological detail, the reports are presented and written in a clear, comprehensible style, thereby allowing non-technical managers to get a concise picture of the industry.

*Recent strategic reports have covered the following topics:*

- Content and Applications for the Wireless Internet
- Mobile Handsets
- 3G Technologies
- Mobile Entertainment
- Broadcast Technologies
- Broadband Access
- Wireless Internet

### Consultancy

ARC Group's consultancy services provide senior executives with expert advice, reliable information and flexible support for tactical implementation. We tailor our research to ensure we meet the specific needs of our clients.

Building on a solid foundation of expertise in their chosen fields, each consultant draws upon a broad platform of market knowledge to deliver focused research projects, drilling down into the specific issues which are of interest to our clients.

#### *Typical projects include:*

- Market entry strategy
- Value chain positioning
- Market and technology analysis
- Product definition and evaluation
- Acquisition targeting

### Strategic Advisory Service

In addition to our customised consultancy services, the Strategic Advisory Service provides you with access to ARC Group analysts' expertise when and how you need it!

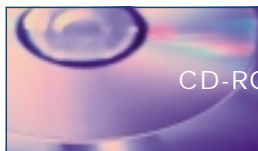
You simply purchase units of analyst time which you can use at any time.

#### *Benefits include:*

- Individually tailored research and advice
- On call consultant support
- Analyst access – face-to-face, via telephone or email ...covering all aspects of the communications value chain

#### *Contact Us*

To sign up or to find out more about Consultancy and our Strategic Advisory Service please contact Tony Crabtree on +44 (0)1483 571589 or email [tonycrabtree@arcgroup.com](mailto:tonycrabtree@arcgroup.com)



### CD-ROM VERSION

*This strategic study is available in HTML and PDF format when you buy the CD ROM version.*

The electronic version gives you considerable interactivity, with a multitude of web links, which enhance the scope of the report by providing relevant complementary information. With its extremely user friendly design, the CD ROM version is particularly useful for quickly accessing your main areas of interest whether you are in the office or travelling.

**Included in the price of the CD ROM is a complementary paper copy.**

As well as the single user version, a corporate wide licence is available – allowing every staff member worldwide to access the report. You can also purchase a licence allowing staff at a single site to view the report.

*Please see the order form for price details.*

