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September 2008

MOBILEYOUTH®
UNDERSTANDING MOBILE YOUTH CULTURE SINCE 2001

www.mobileYouth.org
Tel: +44(0) 207 386 3635

# What is mobileYouth?

mobileYouth is both a study of the universe of young people and a guide to better develop and market products for these consumers. It's all too easy to get lost in the technology, the non-sensical self-talk of the internet, mobile and media industries when sometimes the smallest things create the biggest leverage in customers satisfaction.

**Building dialogue and trust with young consumers through internal change**

Points of change typically revolve around:

- Building proactive dialogue with consumers rather than "listening"
- Change through adopting new internal language and semantics (e.g. dumping useless terms such as "killer applications", "value chains", "end users" etc in favor of "services", "value networks", "consumers")
- Integrating the product development and marketing processes
- Creating consumer advocacy through establishing the company within the peer group
- Experimenting with youth as brand stakeholders
- Measuring internal performance and KPI through "lifetime customer value" rather than "net adds"

**From Apple to Zain**

We've been covering nearly 60 countries now since the project's inception and it continues to grow, bringing on board new and exciting clients who we have the privilege of working with and learning from for the first time - from McDonald's to Adidas to Apple to the European Commission. It doesn't really get much better than that in terms of scope and scale for consumer insight.

**Some of our clients**

3. Adidas. Adobe. AKQA. AOL. Avea. Avery Dennison. BBC. BBDO. BBH. Belgacom. BSkyB. BT. Carat. Channel 4. Comverse. Disney Mobile. EA. EMI Music. Ericsson. Hasbro. Hutchison Whampoa. Intel. Isobar. ITV. KPN. Kyocera. Leo Burnett. LG. Mediacom. Mobilink. Microsoft. Motorola. MTN. MTV Networks. NEC. Nokia. Telefonica O2. Orange. Plantronics. Proctor & Gamble. Publicis. Rogers Wireless. RTL. Samsung. Sony Electronics. Sony PlayStation. Sprint Nextel. Sun Microsystems. Telenor. TeliaSonera. TIM. TIM Hellas. T-Mobile. Turkcell. Verizon Wireless. Virgin Mobile. Vodafone. Walt Disney Internet Group. Walt Disney Television. WPP. WIND . Zain

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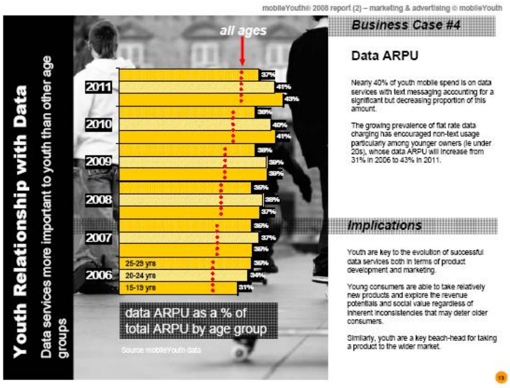
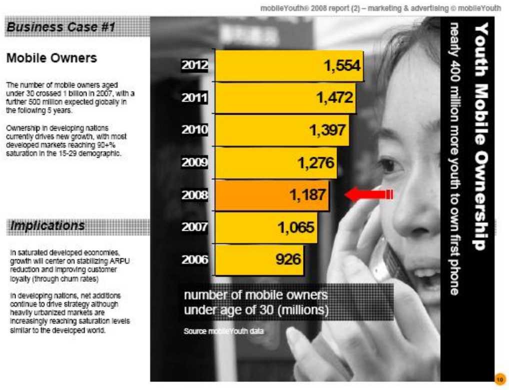
Screenshots from the report




# Chapter 1 Executive Summary

1. Why youth?
2. What is youth marketing?
3. Attention is your biggest cost
4. Technology over Trust
5. Building beach-heads
6. Channel ARPU v. ARPU

# Chapter 2 The Business Case for Youth Marketing

Key Questions Answered:
1) What is the Direct Economic Value of Youth?
2) What is the Indirect Economic Value of Youth?
3) What is the Value of Youth to Product Development?

Business Cases
1. Youth Mobile Ownership
2. Generation Y Spending Power
3. Youth Lifetime Value
4. Youth Relationship with Data
5. Youth & Mobile Search
6. Youth Active in Social Networks
7. Youth and SNS Advertising
8. Youth and Mobile Ad Recall
9. Youth open to buying on phone
10. Youth most familiar with widgets
11. Youth most likely to market you
12. Youth influence household purchase
13. Youth and profiling
14. Product Development

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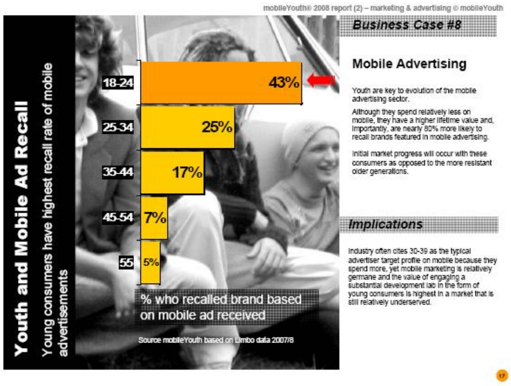


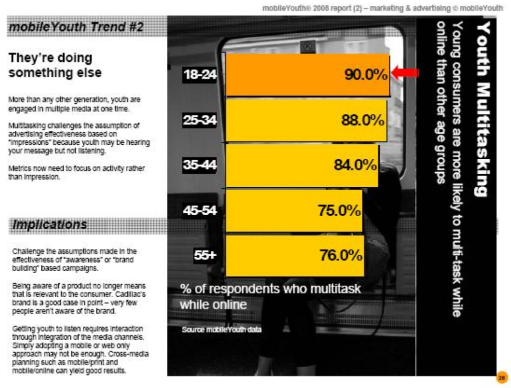


# Chapter 3 The Youth Marketing Challenge

Key Questions Answered
1) Why is Attention is Your Biggest Cost?
2) What is The Trust Dividend?
3) Does Organizational KPI Reward Acquisition over Retention?

1. Attention is your biggest cost
2. They're doing something else
3. Youth Trust Handsets more than operators
4. Trust impacts Profit
5. Global or Local?
6. ARPU ceiling near
7. ARPU driving churn
8. Marketing and Strategy have different goals
9. Plateau in youth spending
10. Channel ARPU
11. Flipping the funnel
12. Who owns the brand?

What are the Key Trends in Advertising & Marketing to Young People

# Chapter 4.1 Changes in the Marketing Landscape

Key Questions Answered
1) Where are the Marketing Dollars Going?
2) How Effective is Mobile Marketing Compared to Other Media?
3) How Important are Trust and Integration in Moving Mobile Marketing Away from Interruption?

1. Digital advertising growth
2. Global online advertising growth
3. Which budget will you grow – digital or online?
4. Growth of mobile advertising
5. Mobile offers best response rates
6. Effectiveness varies by region
7. Trust varies by region

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Examples
Dunkin Donuts - mobile integrated with display media
New Line Cinema – mobile marketing to build a profile of consumers
Hyundai Elantra – offering value beyond standard marketing promotion

8. They want freebies for Ads
9. From Interruption to Dialogue

Operator Examples
Swisscom Mobile
3 UK

# Chapter 4.2 The Need for Better Targeting

Key Questions Answered:
1) What are the Key Benefits of Profiling Young Consumers?

2) Are Advertisers Buying into Behavioural Targeting?
3) How do Youth Respond to Profiling?

10. The Business Case for Targeting
11. Ad Dollars follow Behaviour
12. Relevance Premium for Youth

# Chapter 4.3 Growth in Search

Key Questions Answered:
1) How Important is the Paid Search Market?
2) What is the Impact of New Mobile Devices on Search?
3) Are Advertisers Buying into Mobile Search?

13. Paid Search continues to dominate
14. The iPhone Affect
15. Growth in Mobile Search Advertising

# Chapter 4.4 Social Media

Key Questions Answered:
1) How are Advertisers Responding to Social Media?
2) On what Basis are Advertisers Investing in Social Media?
3) Does Social Media Replace or Complement Existing Media?

16. SNS Advertising Growth
17. Mobile SNS Growth
18. Best uses for Social Media
19. Media Execs Remain Unsold



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20. Marketer appetite for social media
21. Feature: Games

# Chapter 5 Word of Mouth

Key Questions Answered:

1) Why do Consumers Spread the Word?
2) How important is WOM with Young Consumers?
3) How do Media Execs want to Implement WOM in their Marketing?

22. 2 Key Drivers of Youth Behaviour
23. Being Remarkable
24. Word of Mouth attracts Advertisers
25. Informed through WOM
26. The Power of Review
27. Consumers Trust Themselves

## The Author

Born in the UK, Graham Brown has spent his life living and working in both London and Tokyo. A keen psychology graduate, Graham has focused his marketing career on understanding what influences consumer behavior.

Graham established mobileYouth in 2001 with Josh Dhaliwal at a time when the blanket industry response to youth was “we don’t do kids”. Needless to say, things have changed a little since then and Graham’s role in the organization has evolved from knocking on the doors of operators to maintaining the research momentum and deepening our understanding of what the consumer wants.

As well as speaking at industry conferences on the subject of young consumers, Graham has appeared on CNBC, Sky, CNN and BBC TV regarding youth marketing issues as well as in print with the FT, Guardian, WSJ and the Sunday Times.

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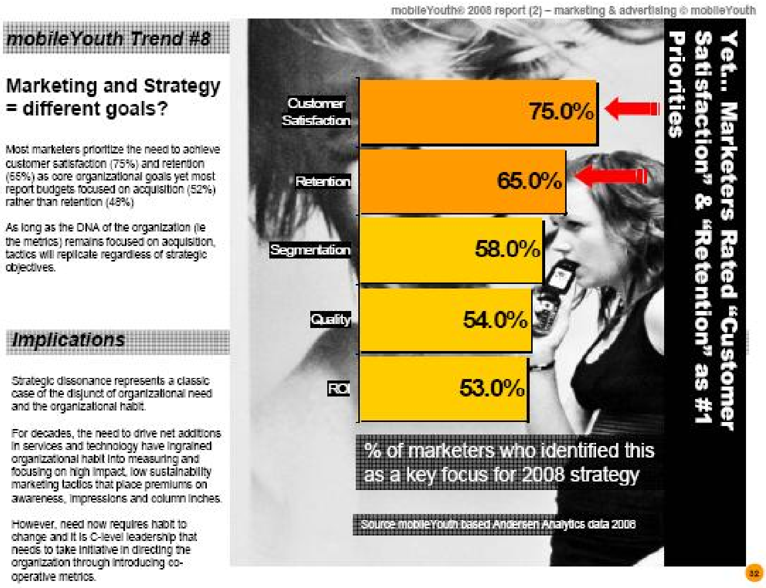


# Pricing and Ordering Information

Please call +44(0) 207 386 3635 or email us on josh@w2forum.com

# What our clients have told us

### Tony Kypreos, International Vice President, T-Mobile
“We use Mobile youth extensively within International Marketing at T-Mobile as it is a consumer centric comprehensive report that effectively describes the desires, motivations and behaviours of this complex consumer segment to mobile as part of their overall lifestyle…[issues are] debated throughout a report offering valuable insights backed by robust quantitative analysis.

### Harry Prabandham, Global Alliances Manager, Motorola Inc.
"The report gives us some unique insights into youth."

### Tobias Freudenberg, Product Strategy Manager, AOL Deutschland
"We found the report very informative and have used the extensive data supplied"

### Dusan Hamlin, Director, Carat International
"An excellent report! One that we have used again and again."

### Caroline Dewing, Communications Manager, Vodafone
"mobileYouth has been very helpful in the development of Vodafone's approach to delivery of content in a responsible manner"

### Matt Champion, Brand Advertising Director, Mediacom
"We have found the report to be an invaluable source of data and statistics that we have used again and again."

### Nicolas Droulat, Senior Analyst, Bouygues Telecom
"We used the report to help us understand what products we should be focussing on in our youth offering."

### Damien Brady, CEO, Extreme Mobile
"As always, an excellent report"

### Daniel Bevis, Knowledge & Intranet Administrator, Leo Burnett
"A thoroughly informative and enjoyable read. I was particularly impressed with the deconstruction of perceptions of youth and fashion - very insightful - and the presentation of data is very accessible too."

### Comverse
“mobileYouth has deep psychological observations and great youth market analysis”

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