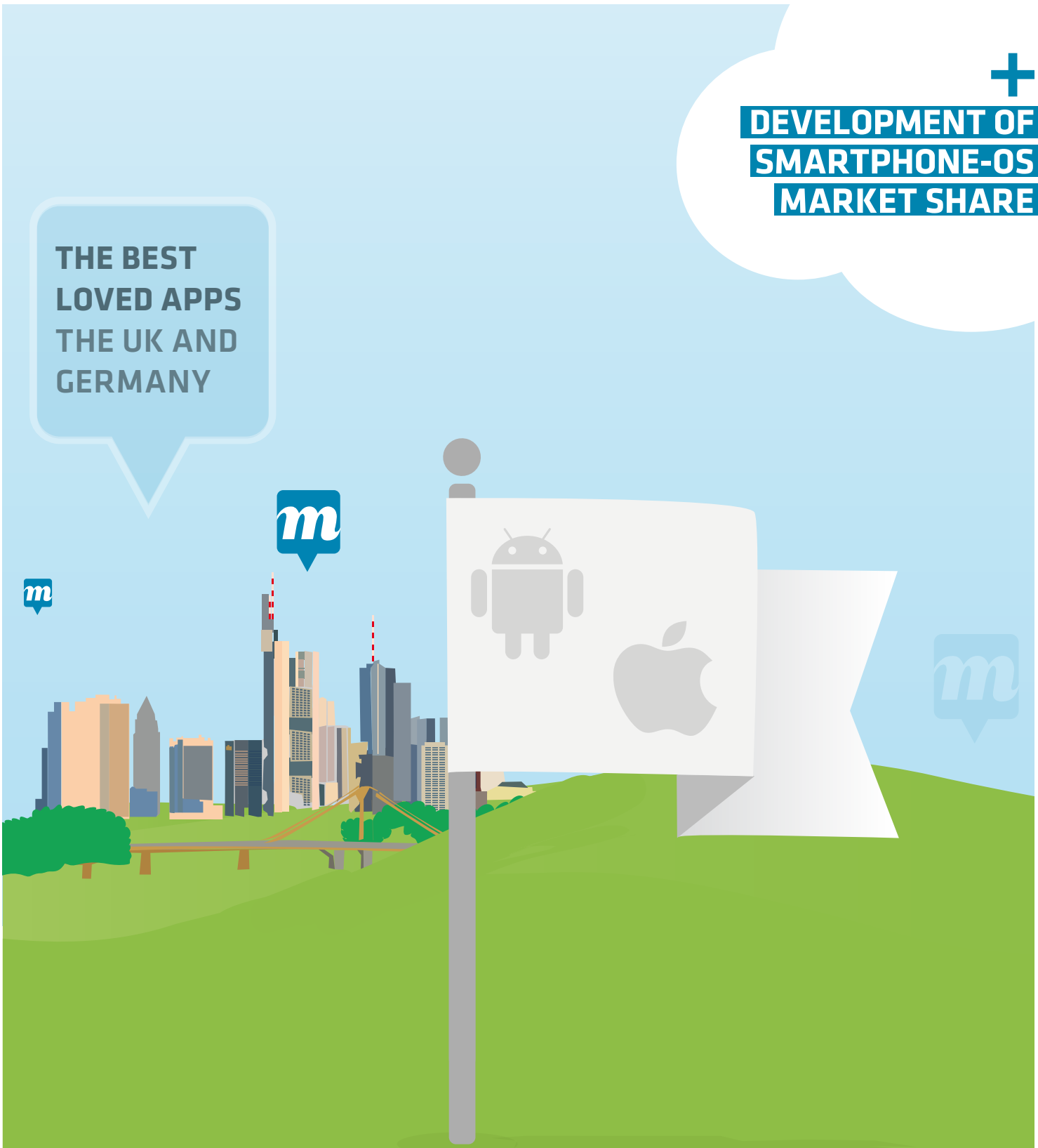


madreport

July 2011

+
**DEVELOPMENT OF
SMARTPHONE-OS
MARKET SHARE**

**THE BEST
LOVED APPS
THE UK AND
GERMANY**



Mobile OS market share developments

Mobile advertising goes from strength to strength

Mobile Advertising is rapidly becoming an important addition to the marketing mix; according to the study "Decision-making criteria for planners within print and online"¹, 27.3 % of media planners are already considering running mobile campaigns. Mobile advertising spending in the US for 2011 is expected to increase an incredible 48% from \$743.1 million to \$1.1 billion². In Europe, it will reach a total of €216.9 million in 2011, according to market research firm FirstPartner³.

In the last few months, madvertise secured multiple campaigns with exceptional five digit values. Many marketing decision-makers recognise the possibilities offered within mobile, such as interaction, targeted on location and engagement, are simply unachievable through classic online or print. The 2010 study by BIA/Kelsey⁴ published that the average CTR's (click-through rate) within mobile (Android CTR 0.4% and iOS CTR 0.8%) are significantly higher than online, through a combination of detailed targeting that encompasses demographic data, mobile devices, gender and location. The Longtailer publishers⁵ within the madvertise network even reach an average CTR of 1.4%, nearly double the average rate in the industry.

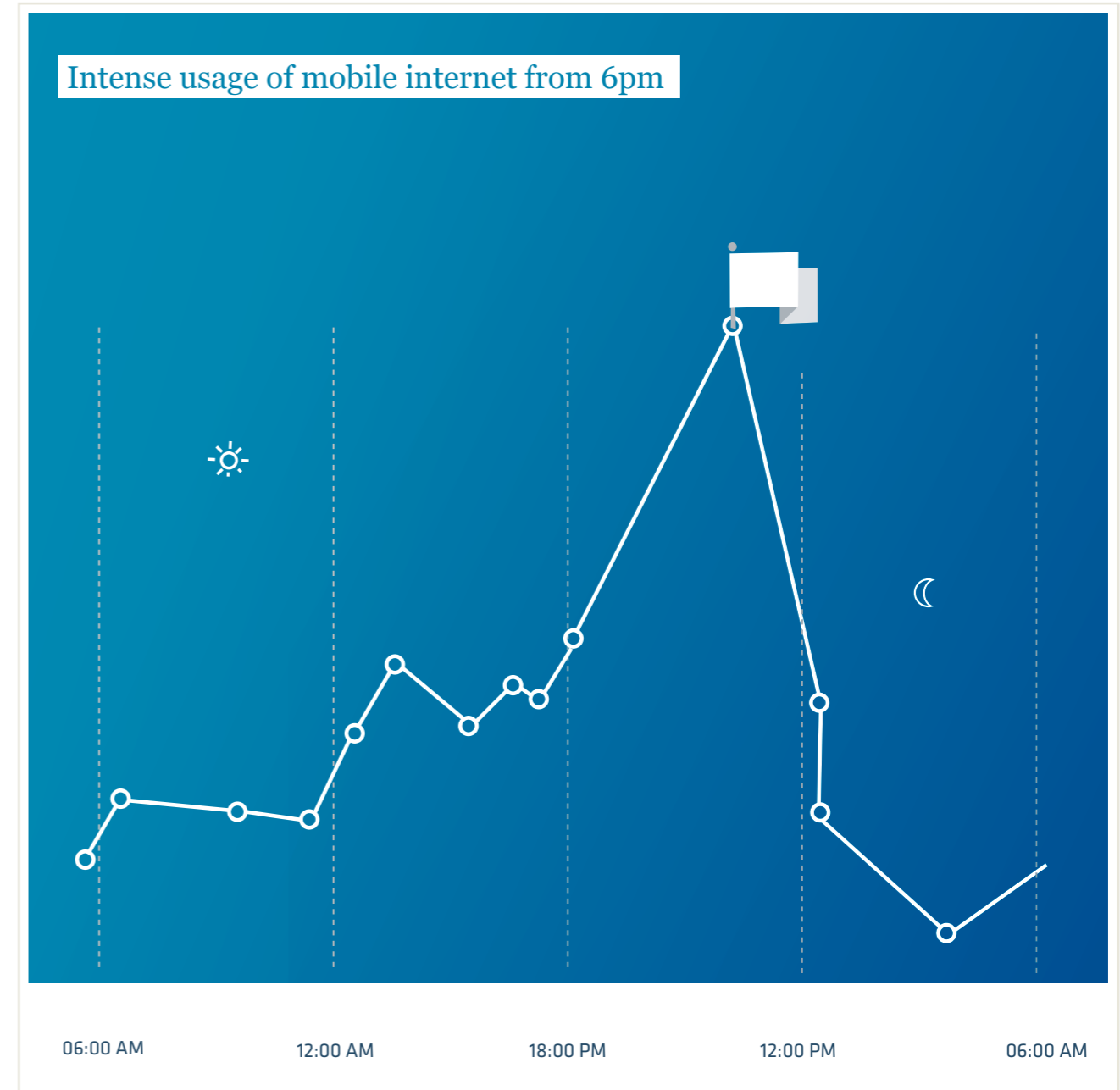
Majority of mobile browsing occurs during prime time TV

As the smartphone boom continues, it is unsurprising that mobile internet usage has also grown at an incredible rate. A third of consumer's media usage is watching TV; yet, now, they spend just as much time (32%) on the internet. Smartphone owners are increasingly using their devices to surf the web, in increasing cases, instead of a PC. According to the GoSmart 2012 study⁶ published by Otto Group⁷, mobile surfing now takes up al-

most as much time as reading print media. However, just like with print, mobile surfers consume many other forms of entertainment whilst online.

For example, it's not unusual to check Facebook⁸ on the couch whilst watching a film. An analysis of madvertise's 1.4 billion monthly global page impressions shows that the daily use of mobile internet peaks at similar times to those of TV.

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¹ Entscheidungskriterien von Mediaeinkäufern bei Fachmedien Print + Online. Feldstudie April 2011. zanetti, altstoetter & team. http://mobilbranche.de/mobilbranche/wp-content/uploads/2011/05/KDF2011-AMF-Tagung_25_05_11_Volker-Zanetti_Feldstudie.pdf
² Mobile Advertising and Marketing: Past the Tipping Point. October 2010. http://www.emarketer.com/Reports/All/Emarketer_2000703.aspx
³ Studie: „Western European Mobile Ad Market to hit €5 bn by 2015“, FirstPartner 2011, www.firstpartner.net
⁴ [http://www.biakelsey.com/Company/Press-Releases/101201-U.S.-Mobile-Advertising-to-Reach-\\$2.9-Billion-in-2014.asp](http://www.biakelsey.com/Company/Press-Releases/101201-U.S.-Mobile-Advertising-to-Reach-$2.9-Billion-in-2014.asp)
⁵ <http://madvertise.com/en/publisher-developer>



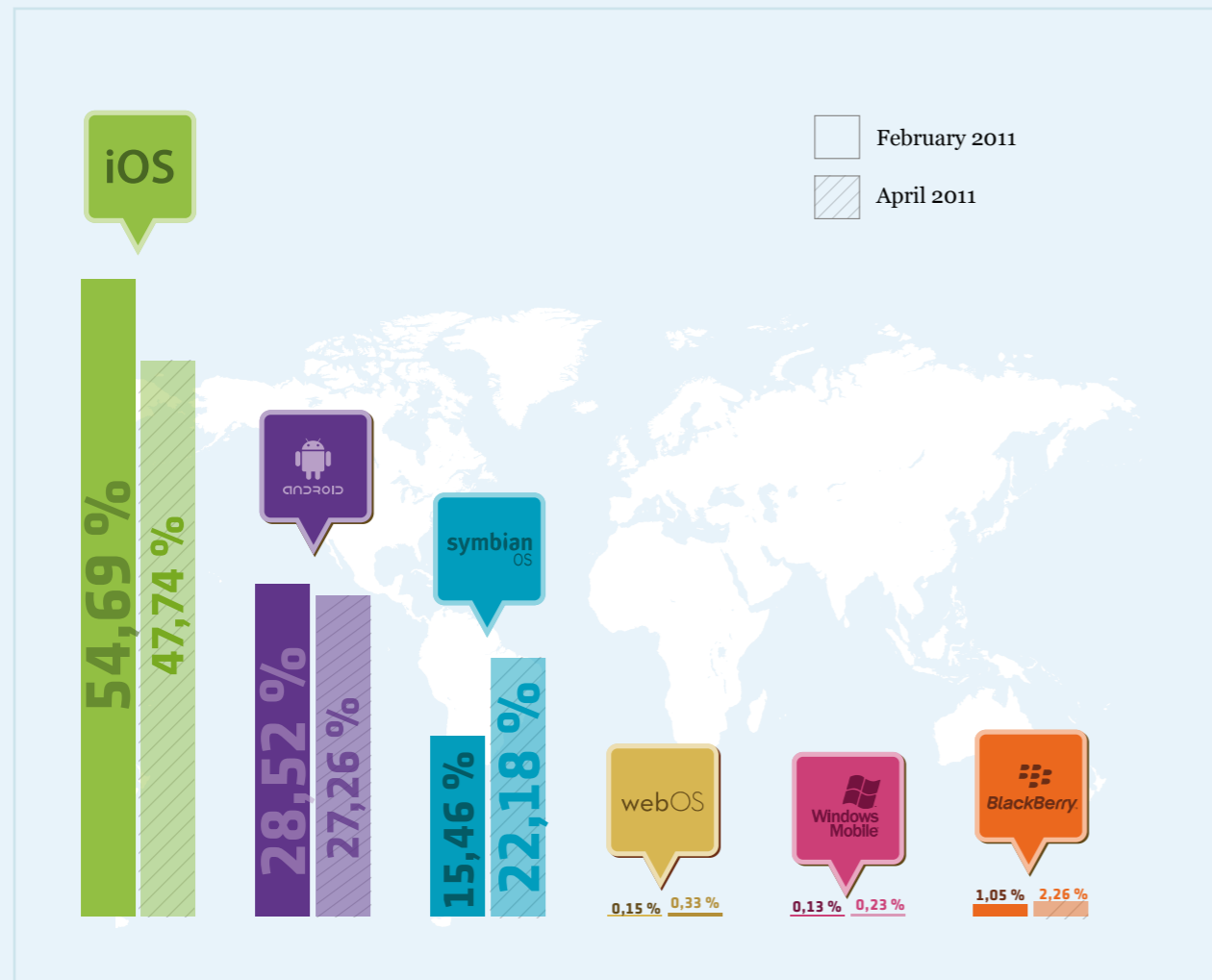
- 'Prime Time' of both media lies between 8 and 10pm
- 50% of peak traffic falls between midday and 2 pm
- 'Optimum broadcasting time' lies around 9:15 pm
- From 4 pm, usage gradually increases until it reaches its highest level at 9:15pm
- Between 7-9am, mobile internet usage reaches 41% of the highest daily traffic usage.
- By midnight, however, usage dropped down to the same number as witnessed at midday
- This trend is also similarly witnessed across TV

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⁶ Studie: Go Smart 2012 - Always-In-Touch. <http://www.mobile-zeitgeist.com/2010/06/21/studie-go-smart-2012-always-in-touch>
⁷ <http://www.ottogroup.com/de/index.php>
⁸ <http://www.facebook.com>

Worldwide OS market share

It is worth looking at madvertise network's figures pertaining to spread and development of operating systems within the smartphone's global market. Apple's iOS is undoubtedly the leader within madvertise's network with 47.74% of total share (April 2011).

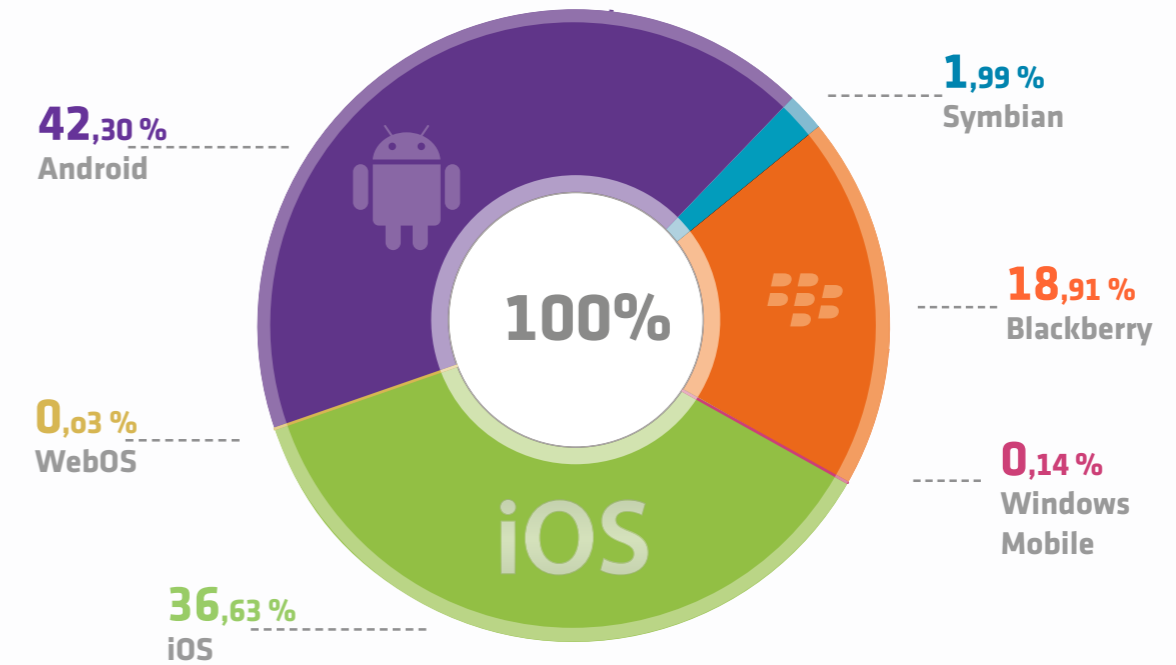
Comparisons between February and April 2011 on a global level display a slight downward trend of iOS (-6.95% loss across two months), with Nokia's Symbian picking up Apple's loss (+6.72% gain across two months). Google's Android also witnessed a slight loss of 0.9% within the two month comparison. Much further down the line are Palm's WebOS, Windows Mobile and RIM's Blackberry, despite minor fluctuations.



Global market share of mobile platforms. (Platform breakdown within madvertise's network based on global total page impressions. May 2011).

Mobile OS usage with madvertise's UK Network

Based on total UK page impressions (May 2011)

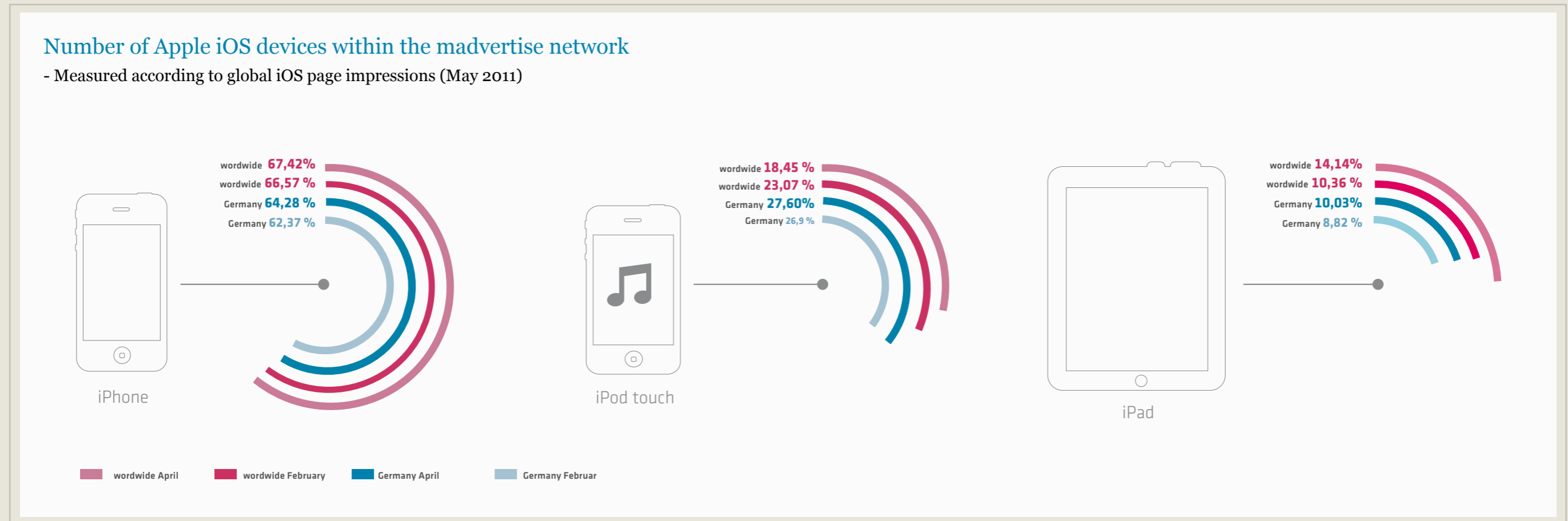


UK OS market share

At the beginning of April, madvertise established its international presence by opening offices in London, Barcelona, Madrid and Milan. At this time, madvertise was generating 35% of its turnover through international campaigns. madvertise can now release reliable data for April from the UK market, which makes up most of the international campaign revenue.

It is clear that Google's Android is the UK's leading operating system, with 42.30% share. 36.63% of madvertise's requests originate from iOS devices. Blackberry is the third highest used Smartphone OS, accounting for 18.91% of madvertise's total UK page impressions. The least used operating systems are Symbian, WebOS and Windows Mobile.

Breakdown of iOS device usage



iOS Breakdown: Globally

Apple's smartphone operating system iOS doesn't only run on iPhones, but also on the equally internet capable iPod Touch and iPad. At madvertise, we are able to identify our requests to the adserver according to individual devices. This allows a detailed analysis of iOS hardware within the total usage of iOS.

When analysing global iOS device usage, it becomes apparent that the iPhone commands a stable user base, with 66.57% in February and 67.42% in April. Visible fluctuation is witnessed amongst the iPod Touch (lost 4.82% across March and April 2011) and the iPad (gained 3.77%).

The most-loved categories in Apple's App Store

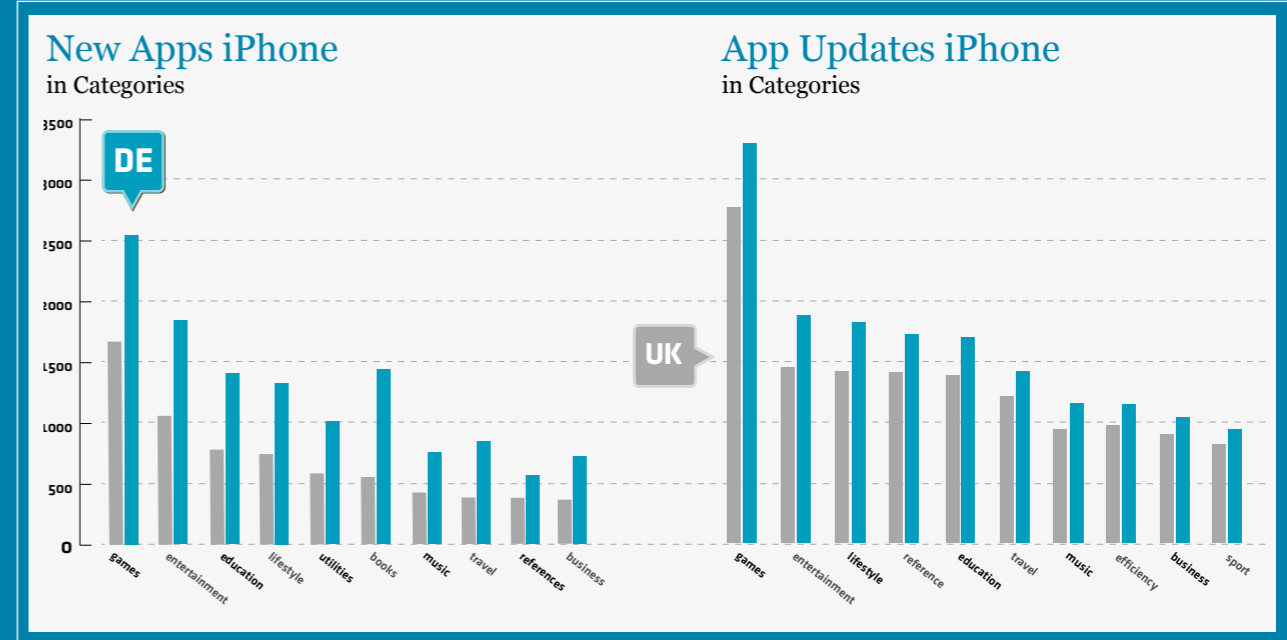
The best-loved app category for iOS devices is games. The findings came from AppZapp, the App-Finder and Community for iOS apps on iPhone, iPad or on the web.



Games for the iPhone account for 16.3% of all in the UK. Even for iPads, games are the strongest category (21.17% within UK app store).

1,670 new games were added in the UK, whilst there were 3,217 game updates for the iPhone, as well as 489 new game additions and 584 game updates for the iPad throughout

the month of May 2011. The second strongest category for the iPhone is entertainment, coming in 10.73%, followed closely by books, at 10.73%. These categories also witnessed high growth with 1,059 new apps and 1,732 updates. Following games, entertainment and books are education, lifestyle, utilities as well as travel, music and reference.

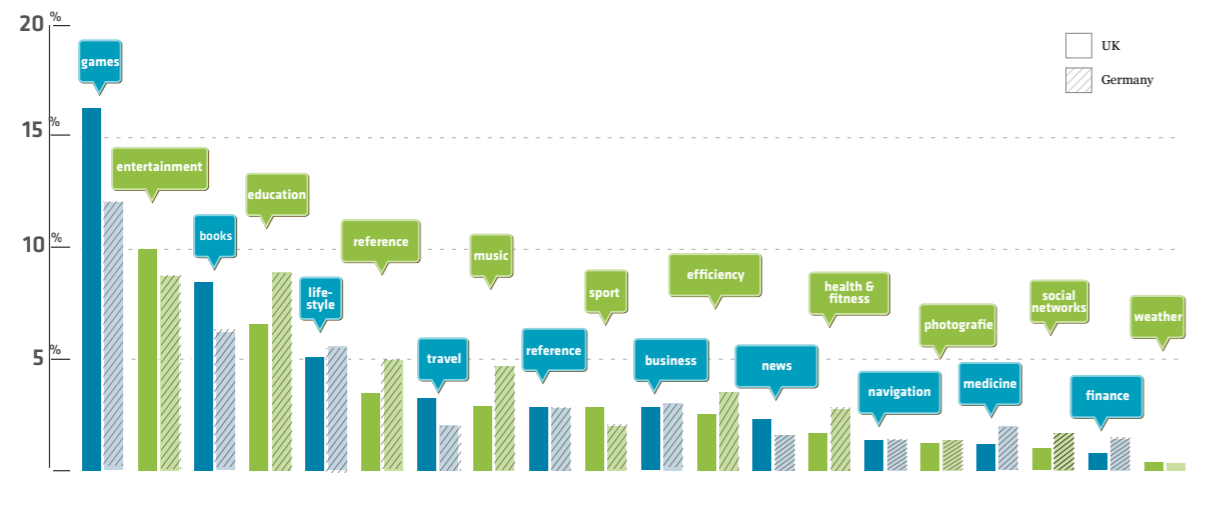


When examining the number of new apps and updates per country, we see a similar pattern between Germany and UK. The three strongest iPhone categories within new and newsworthy are games, entertainment and education, whilst updates occur most frequently within games, entertainment and lifestyle.

The number of new apps and updates are higher in Germany than the UK, showing that competition amongst apps is stronger within the single categories.

Categories within the iPhone App Store

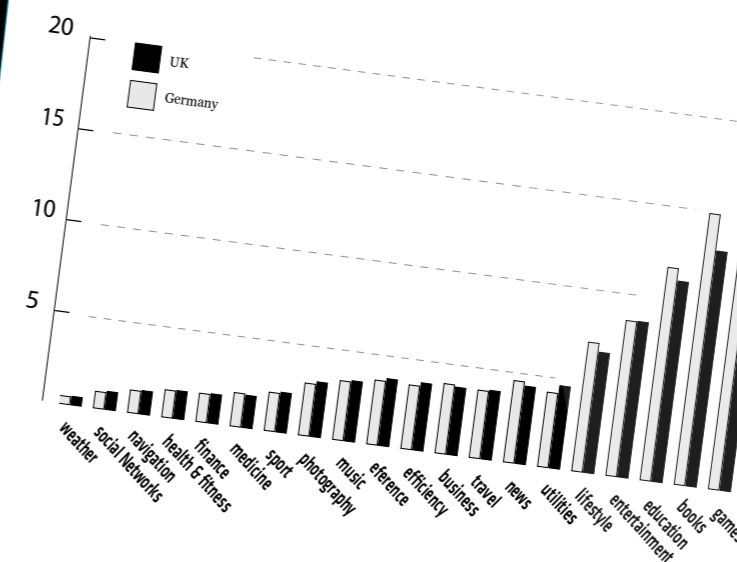
Breakdown of total apps in App Store



Source: AppZapp

Category breakdown within the iPad App Store

The breakdown of apps for iPad is different to that of the iPhone. Following the biggest category games, books comes in second with 12.92%, with education third at 11.02%. Fourth and fifth positions are taken by entertainment and lifestyle.



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