

Traditional Ads Play Key Role in the Smartphone Purchase Funnel

Google, in partnership with Ipsos OTX MediaCT, an independent marketing research firm, conducted a study in late 2010 to gain a better understanding of smartphone consumer behavior.

Interviewing over 5,000 U.S. online adults (18-64 years of age) who identified themselves as using a smartphone to access the Internet, The Mobile Movement study examines mobile habits and online activities—searching, shopping, and actions taken, such as making purchases.



70%

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Select findings:

- Nearly nine out of 10 (89 percent) smartphone users say they use their smartphones throughout the day.
- Search engine Websites are the most visited websites with 77 percent of smartphone users citing this, followed by social networking sites (65 percent), and retail websites (46 percent).
- Smartphones are a key shopping tool and are used across channels and throughout the research and decision-making process:
 - 79 percent of smartphone consumers use their phones to help with shopping (comparing prices, finding additional product info, locating a retailer).
 - 70 percent use their smartphones while shopping in the store.
 - 74 percent of smartphone shoppers make a purchase as a result of using their smartphone in-store.
- Nine out of ten say smartphone searches result in an action (purchasing, visiting a business, etc.)
- Cross-media exposure influences smartphone user shopping behavior:
 - 71 percent search on their phones because of an ad exposure—traditional, online, and mobile.
 - Traditional media advertising is the top driver of online search. Nearly seven out of 10 smart phone users (68 percent) say that TV, radio, or print ads motivated them to perform a mobile search compared to mobile ads (27 percent) and online ads (18 percent).

SOURCES: *Google Mobile Ads Blog, Smartphone user study shows mobile movement under way, April 26, 2011 and eMarketer, How Searches on Smartphones Fit in the Purchase Funnel, May 11, 2011.*

THE STATE OF CUSTOM CONTENT PUBLISHING - 2011

The year 2010 saw a surge in emerging platforms for custom content, with video, mobile, and virtual events spending hitting an all-time high of \$12.5 billion, according to "Characteristics Study: A Look at the Volume and Type of Content Marketing in America for 2011," by the Custom Content Council and ContentWise. With this said, the annual study finds print still dominates the market, with \$24 billion spent on print production and distribution, and \$3.6 billion spent on other forms of content.

Highlights from the 11th Annual study:



- **Investing in higher-impact print publications:** The average number of publication titles per company fell from 2.3 in 2007 to 1.7 in 2010 and the frequency of the average title dropped from 9 issues per year to 6.1. Yet the average per-issue page count rose from 22.2 in 2007 to 29.4 in 2010. The study finds that this is because marketers are investing in "less-frequent, higher-impact print publications."
- **Use of Color:** Nearly nine out of 10 (88 percent) of companies used four-color production in printed custom publications, an all-time high.
- **Custom magazines making a comeback:** More than half (56 percent) of respondents say they are choosing to publish more costly magazines, as opposed to putting out newsletters (37 percent).
- **Audience is customer-centric:** Companies are focusing their custom publishing on external audiences versus employees (79 percent to 21 percent). The study finds that employee communication is increasingly met by electronic communications while print mostly is reserved for marketing vehicles.
- **Decline in Number of Titles:** The number of custom titles in 2010 was 110,174 – 3,000 less than 2009. Companies have focused on broadening the array of content marketing media beyond print to make room for new communication media.
- **Circulation Soars:** In 2010, average circulation per issue increased to an all-time high of 52,010 copies per issue, dwarfing the 19,595 circulation average of 1999, the year the study was initiated.
- **Paid advertisements** expanded for the third year in a row, with 30 percent of printed custom publications carrying them.

- **Other Forms of Content Beyond Print:** The most common alternative to custom print media being used are Website updates of articles (79 percent), e-newsletters (61 percent), and branded video (44 percent). Video proved to be the fastest gainer, up 7 percent in popularity over 2009.

Forms of Branded Content Used (percent of Respondents)

CONTENT	YES	NO
Website updates	79 percent	21 percent
email newsletters	61	39
Branded video	44	56
RSS feeds	37	63
White papers	30	70
Virtual events	30	70
Podcasts/other audio	24	76
Mobile content	19	81
e-zines	18	82

SOURCE: Industry Characteristics Study, ContentWise & Custom Content Council, April 2011

- **Growing Popularity of Branded Video and Mobile:** Companies say they plan to significantly grow their use of video. Video was the biggest gainer in 2010 and should see big gains in 2011 with nearly two-thirds saying they'll produce more this year. Marketers also plan to increase spending on mobile, with 43 percent planning to increase their use of this on-the-go content delivery method.

ABOUT: The research was conducted via a mailed survey targeting a random sample of companies across all industries. Eight thousand surveys were mailed and close to 200 were completed and returned, producing a +/- 6 percent degree of accuracy at a 90 percent confidence level. Among the responding companies were: AARP, Allstate Insurance, ASPCA, Boston Scientific, GE Healthcare, Hoosier Energy, MassMutual, Nationwide, TCF National Bank, University of NC. The research was conducted by the monthly subscription newsletter ContentWise, a source of news, information and research on the content marketing industry.