

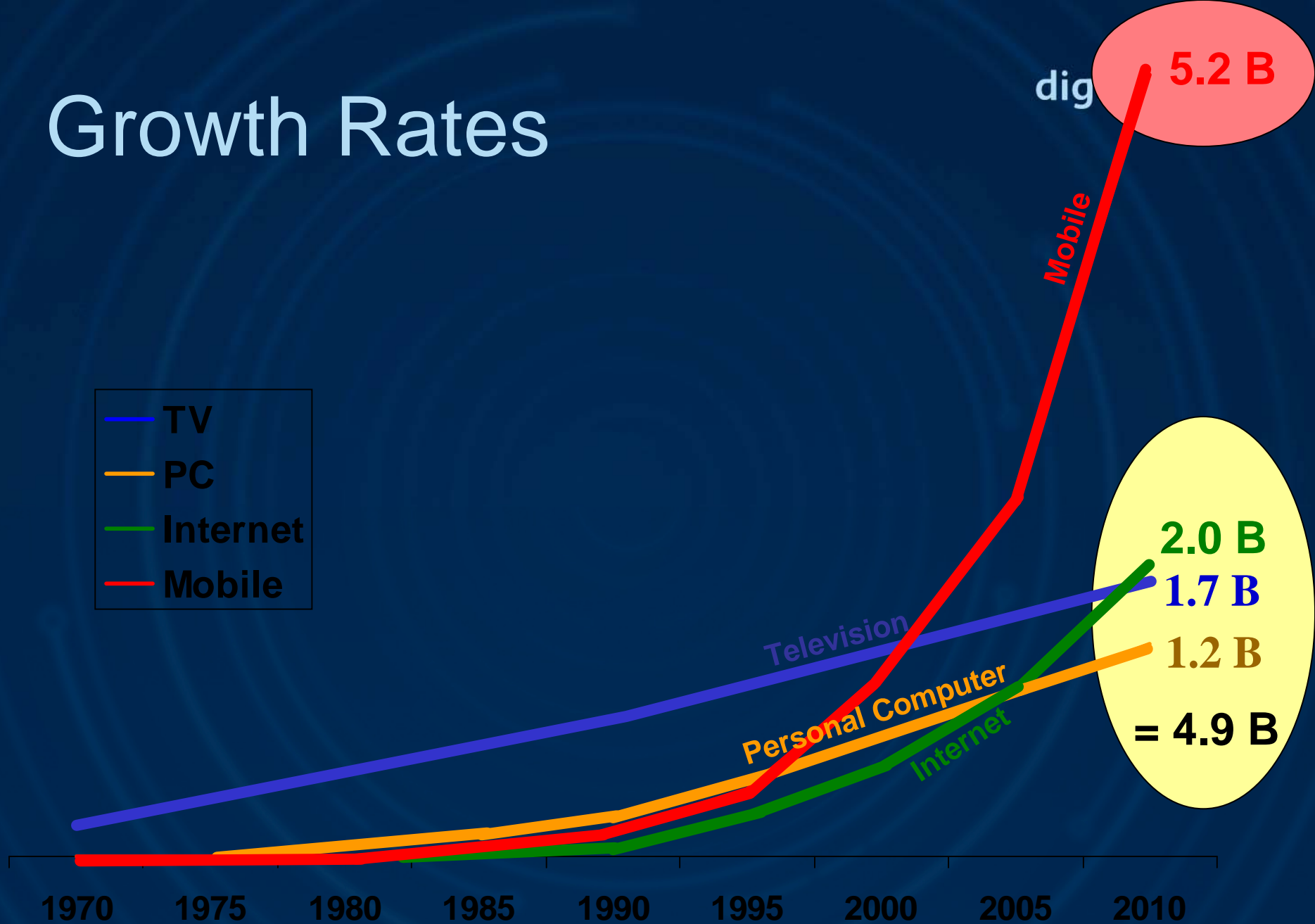
# Digital Now: And What Role Mobile?

Tomi T Ahonen  
Author & Consultant  
[www.tomiahonen.com](http://www.tomiahonen.com)

Lets Start with Size..

**How *Big* is it?**

# Growth Rates



- TV
- PC
- Internet
- Mobile

2.0 B  
1.7 B  
1.2 B  
= 4.9 B

## 4.2 B have toothbrush

- Yes, we've run out of technologies to compare mobile phones. More people have a mobile phone subscription than have access to running water or a toilet.
- At the MMA Forum Asia conference it was said 4.2 Billion people have a toothbrush but 5.1 Billion people have a mobile phone subscription..

Source: MMA Forum Asia 12-14 Apr 2010

# ***How Addicted Are We?***

# Every 6.5 Minutes

- Nokia reported at MindTrek 2010 that the world average is already 150 times per day
- That means once every 6 and half minutes of every waking hour of every day across the planet..
- Source: Nokia presentation MindTrek Tampere Finland Oct 2010

**How *Important* is it?**

# Run Into Burning Home?

- *"Photographs used to be the item people would run into a burning building to go retrieve; **today a mobile phone has replaced that.**"*
- - Jeffrey Hayzlett, CMO Kodak, 2010



**Not Your Father's *'Phone'***

# Primary Use of Mobile?

- From 1979 to 1993, the only thing you could do with a mobile phone, was the same as any other phone - to talk with it
- In 1993 that changed, when SMS launched in Finland
- Now UK to India to South Korea to New Zealand report that **primary use of mobile phones had shifted from voice calls to... SMS text messaging!**
- **Even USA found that trend, the CTIA said** in 2009 that now for American cellphone owners the primary use is SMS, with voice relegated to second place

## 4.2 Billion Use SMS

- ABI Research has reported that the world's active user base of SMS has reached 4.2 Billion mobile phone subscribers - that's not just 81% of all mobile phone users,
- its 61% of the total population on the planet!
- Bear in mind 800 million (11%) are illiterate and 860 million (12%) are too young to know how to read..

Source: Wireless & Mobile News, Dec 29, 2010

Pearls: Real Mobile Services  
collected by Tomi T Ahonen

# India 33% SMS: content

- India has wide use of SMS as a mobile content vehicle
- The Indian regulator IAMAI reports that each Indian mobile subscriber sends and receives 4 person-to-person SMS per day
- But also receives 2 machine-originated SMS per day (media content like news, and/or advertising and marketing)

Source: MMA Forum Asia 12-14 Apr 2010

# What Do We Do With It

# MMS use 42% says TNS

- TNS global survey of 34,000 mobile phone owners found that 61% use the camera function (note, not all have a cameraphone yet) - is 3.2 Billion people
- 44% use the video camera feature - is 2.3 B people
- and **42% use MMS picture messaging - is 2.2 B people**

Pearls: Real Mobile Services  
collected by Tomi T Ahonen

Source: TNS Mobile Life 2011 survey

# Smartphone Time Used

- A survey by Zokem of 10,000 smartphone users in USA and Europe found that the time used per month on different activities was:
- 671 minutes (29%) on **messaging (1)**
- 667 minutes (29%) on **apps (2)**
- 531 minutes (23%) on **voice calls (3)**
- 422 minutes (18%) on the **mobile web (4)**
- The use of pre-installed apps was far greater than installed apps (only 20% of all time used on apps) Source: GSM Association 13 February 2011

# Pew: US Mobile Users

- 76% take pictures on the phone
- 72% send SMS text messages\*
- 54% send picture or video messages\*\*
- 38% access the internet
- 34% play videogames
- 34% send email\*
- 34% record video
- 33% play music
- 30% access instant messenger services\*
- 23% access social networks
- 20% watch videos
- 15% post pictures or videos online\*\*
- 11% have made a charitable donation
- 11% have made a purchase with the phone

Source: Pew Mobile Web Access 2010

# 10% of Mobile Users Are..

- Young and Rubicam offers four good guidelines to think about designing mobile services and apps:
- 10% of all mobile phone users, when consuming premium content or apps, are in watching TV at the same time
- 10% are in the dark
- 10% are nearly asleep
- 10% are drunk

Source: Young & Rubicam Mobile Mania, Feb 2010

Then Customers..

*Youth of Today, are Consumer of Tomorrow*

# 100 SMS per day

- Virgin Mobile study of SMS use in the UK in 2006 found 10% of UK phone users send 100 SMS per day!
- In South Korea, the Korea Times reported in 2007 that already one THIRD of the student population send 100 SMS text messages every day!
- In USA, Pew reports in 2010 that 30% of American teenagers average sending over 100 SMS per day

# UK Youth and Mobile

- Carphone Warehouse / YouGov survey of 1,258 teenagers (age 11-17) :
- **48% send texts while talking to someone**
- 35% communicate via phone with someone their parents would not want to know about; 37% avoid contacts by parents to their phone; 68% will not let parents snoop inside their phone

Source: Carphone Warehouse Mobile  
Life Youth Report Sept 2006

# US Teens & Phones

- Nielsen survey of US Teen use of mobile phones:
- Half of 8-12 year olds have mobile phone
- First phone now received at age 10 or 11
- **42% can send SMS text messages blindfolded**
- one third play games on phone
- 20% use phone for social networking
- 40% would accept ads if receive free phone services

# 61% take mobile over TV

- ChaCha interviewed 1,500 teens and young adults about their media habits.
- If forced to pick one device, 61% would take phone, 18% the computer, 11% TV and 11% radio
- 68% of teens said their favorite way to communicate was SMS, vs 10% voice calls, 9% facebook, 3% instant messaging and ...0.3% preferred email

Source: ChaCha 18 May 2010

# Don't think its *only* mobile

- In the industrialized world, it will be a Multimedia, multi-platform environment
- But the (smart)phone is the *preferred media*
- And mobile will always be present when they consume other media

Source: Tomi T Ahonen book *Insider's Guide to Mobile* 2011

Pearls: Real Mobile Services  
collected by Tomi T Ahonen

# 10% *during* Sex?

- Astonishing finding from UK survey of youth
- 10% of youth think its ***ok to send SMS text messages while having sex***, according to Retrovo research
- 49% say its ok to send messages while eating

Source: Mashable 8 May 2010



# Mobile is the 7th Medium

*Better than the internet or television*

**Wikipedia page: *Seven Mass Media***

# The 7 Mass Media

**1st mass medium Print 1500:** books,  
newspapers, magazines

**2nd medium Recordings 1890s:** music,  
games, movies

**3rd medium Cinema 1910s**

**4th medium Radio 1920s**

**5th medium TV 1950s**

**6th medium Internet 1995s**

**7th medium Mobile 2000s**



**KRISTIE LU STOUT**

SEOUL, SOUTH KOREA



- Tomi T Ahonen



*"Mobile is as different from the internet, as  
TV is different from radio."*

- Tomi T Ahonen

# 8 *Unique* Benefits

1. Mobile is first personal mass medium
2. Permanently Connected
3. Always Carried
4. Built-in Payment Channel
5. Available at Creative Impulse
6. Has Most Accurate Audience Info
7. Social Context of Consumption
8. Enables Augmented Reality

# The 8 Benefits of the 7th Medium

*Better than the internet or television*

**Wikipedia page: *Seven Mass Media***

*Unique benefit number 1 of 8:*  
Mobile is first *personal* mass medium

First four benefits identified by Tomi T Ahonen about 7th Mass Media in 2006

# 1 in 4 Snoop Your Phone

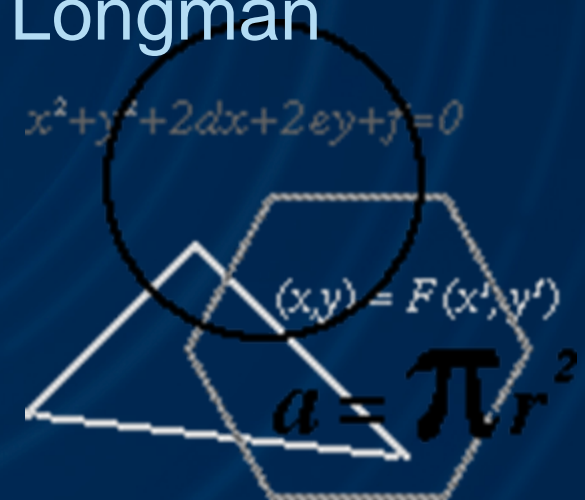
- Similar to the finding from Australia..
- Best Buy Mobile ran survey of 1,000 US consumers and found ***one in four will snoop inside the phones*** of spouses, partners, children without permission
- 51% read messages while driving and 34% have sent text messages while driving a car.
- 23% have sent text messages while drunk

Source Wall Street Journal 24 June 2009

# 14% better in Math

- Nokia ran MoMath project in South Africa, for Grade 10 level school kids do math lessons via mobile phones for 4,000 students in 30 schools.
- Via Mxit app for featurephones that 82% of students could use. There are over 10,000 maths lessons via Maskew Miller Longman textbook publishers
- Result? 14% better math scores!

Source: Textually 9 Dec 2010



*Unique benefit number 2 of 8:*  
Mobile is permanently *connected*

First four benefits identified by Tomi T Ahonen about 7th Mass Media in 2006

# Reaches Through Sleep

- Yes, we sleep with mobile phones.
- Now latest research by Lightspeed Research reveals that 67% of UK citizens not only take their phones to bed with them (ie use alarm clock) but yes, two out of three actually keep the phone on and connected - to receive SMS or calls at night.
- And only 14% will switch the phone to silent. **So 53% will sleep with the phone not just on, but so that it will wake you if a message or call arrives at night..**

# Smart Medical Bottles

- Finnish medical industry specialist, Medixine has developed many mobility and wireless solutions to medical bottling
- Now a medicine distributor is automated /motorised so that the patient cannot take more than the prescribed medication dosage.
- Monitoring can be enhanced with a button to press to release the pill(s). Alerts via SMS can be sent if pill is not taken on time

source: [www.medixine.com](http://www.medixine.com)

# Just In Time Dentist

- A **Dentist** in Lahti Finland launched its Just-in-Time Dentist service in the summer of 2004
- Cancelled appointments re-allocated via SMS to first-come, first served basis to urgent patients who pre-register
- The service has eliminated waiting at the dentist office. Now city of Lahti has combined the queueing for all dentists in Lahti,
- Saves 15-20 minutes per time slot fulfilled
- Customers and dentists love the service
- Won best mobile service award in Finland for 2005

Source: Tomi Ahonen book *Mobile as 7th of the Mass Media* 2008

Consider that killer flash flood in  
Arkansas



This is typical of standard SMS emergency messages we receive in Hong Kong from government, as free alert messages to all phones

*Unique benefit number 3 of 8:*  
Only mobile is *always* carried

First four benefits identified by Tomi T Ahonen about 7th Mass Media in 2006

# 6 M walked into obstacles

- UK survey of 1,055 adults by directory inquiries provider 118118 found that one in ten has walked into an obstacle, such as crashing into traffic signs on sidewalks, when texting-while-walking. That's 6 million Britons
- 63% of the population concentrate so hard while texting, that they become oblivious to their surroundings
- A project in London is trialling padded traffic signs to prevent injury..

Source: ITN 5 March 2008

# Carbon Diem

- Location-Based service that tracks how move
- If it moves at walking speeds, you are walking and not creating a carbon footprint. Same for bicycling.
- If move at the speed of traffic, its a car, and carbon footprint charged.
- if the travel pattern is stop-and-go on bus routes or train routes, charge is less as you share carbon costs

Source: Springwise 13 Oct 2008



*Unique benefit number 4 of 8:*

Mobile has built-in *payment* channel

First four benefits identified by Tomi T Ahonen about 7th Mass Media in 2006

# 30% of Kenya GDP

- M-Pesa by Safaricom is now 4 years old. Rival Zain's Zap is also widely used in Kenya
- M-Pesa has 23,000 merchants
- Central Bank of Kenya says daily transaction value is 1B Kenya Shillings (\$10M) ie average transfer \$29
- Already **30% of Kenya GDP** transits a mobile phone

Sources: Reuters 2009, AllAfrica.com 8 Jan 2010, VoA 27 May 2010, World Bank 21 Feb 2011, Grameen Foundation March 2011

# \$41 M via SMS for Haiti

- Mobile Giving told the MMA Forum in Asia that 41 million dollars were raised using SMS donations
- It took just ten days for the first of the funds to arrive in Haiti to be deployed in disaster-relief

Source: Mobile Giving at MMA Forum Asia 12-14 Apr 2010

# m-Stamps Spreading

- First done in Germany with E Plus and Postal Office selling stamps via mobile phone. Virtual stamp equivalent is by unique 12 digit code. You just print those 12 digits on your envelope and mail it..
- Now Denmark and Sweden have also launched it

Sources: Netsize Guide 2009, Textually 7 March 2011

*Unique benefit number 5 of 8:*

Mobile is available at creative *impulse*

**Thank you Tony Fish** for discovering this fifth benefit in 2007

# As Addictive as Smoking

- An Australian study of addiction at Queensland University finds that ***SMS texting is as addictive as smoking cigarettes.*** This follows up on similar findings by research at Catholic University of Leuven in Belgium first proving mobile phone addiction
- Also removing mobile phones produces similar withdrawal pains as attempting to stop smoking



# Knorr Celebrity Chef

- Knorr the soup maker has innovated in the mobile marketing space with a service in Poland
- They have a celebrity chef prepare various cooking recipes that are made available via mobile phones

Source: Tomi Ahonen *Pearls Vol 1: Mobile Advertising*, 2009

# 400K m-Study

- In less than 1 year, number who use m-learning in Bangladesh to study English is 400,000.
- Daily 3 minute lessons cost 4 cents; basic speaking course runs 78 lessons
- If Bangladeshi gets English speaking job, gets 20X better salary in country where minimum wage = 25 dollars/month

Source: AFP 13 Dec 2009

*Unique benefit number 6 of 8:*  
Mobile measures audience *accurately*

**Thank you AMF Ventures** for discovering this sixth benefit in 2007

# Finnair Mobile Check In

- Finnair started mobile check-in late in 2001.
  - 2% of global travel used it in 2008 (IATA). 10% of Lufthansa passengers used it in 2009
- 50% of Finnair passengers***

- 2010 Book It upgraded Finnair with iSMS:
- After passenger checked in economy, they check business class seats, and offer instant upgrade offer paid by credit card/mobile or frequent flier miles!

Sources: Book It October 2010 and Paul Berney MMA May 2010



# Rite Aid m-Loyalty

- Rite Aid pharmacy in the USA has adapted its loyalty card system to allow consumers to register their mobile phone number to the loyalty program, and rather than carry the Rite Aid card, use the phone number to enter their loyalty program info and get same benefits
- Now Rite Aid can communicate directly to the consumers, including sending reminders when prescriptions are due, plus normal m-marketing benefits

Source: Sybase365 presentation at MMA New York 8-9 June 2010

# Tax Return - via SMS

- Estonia became second country to allow tax return to be made via SMS in 2010 (joining Norway)

Source: MMA Global New York 8-9 June 2010

# SMS Bus Tickets

- In Tanzania a medical clinic that specializes in women's pre-natal care, found that many women with fistula were not coming to get the treatment because it was too expensive to travel
- A typical round trip bus ticket would cost 60 USD (Tanzania average daily income 2 USD)
- The hospital started to offer free round trip bus tickets for the patients, prepaid via SMS! They treated 2.5x more women after this was introduced

Source: Textually, Dec 29, 2010

*Unique benefit number 7 of 8:*  
Only mobile captures *social* context

Thank you Alan Moore and Xtract for discovering this seventh benefit in 2008

# 1 in 7 when using 7th..

- Its the 7th mass medium all right.. Universall McCann reports of US consumers, that 1 out of every 7 minutes of media consumption is spent on mobile
- 82% used mobile media consumption at work, 65% while commuting
- **77% use phones while watching TV**
- 42% had gone to another medium driven by mobile
- Only 27% are "completely focused" using mobile

Source Adweek 8 July 2009

# The Obama M-Campaign



- Obama iPhone App for 2008 elections..
- iPhone app showed latest poll per US state, based on the phone number for friends, and tied to phone book
- So next to any name in phone book, latest Obama vs McCain stat was shown

Source: Communities Dominate blog 2008

*Unique benefit number 8 of 8:*  
Mobile enables *augmented reality*

Thank you Raimo van der Klein of Layar for discovering this 8th benefit in '09

# Mobile Virtual Worth \$2B



- Morgan Stanley measured the total value of virtual goods (avatars, etc) 2 B dollars in 2009
- The world's largest provider of mobile virtual goods is China's TenCent (as QQ brand)
- Similar to Habbo Hotel, Cyworld, Flirtomatic etc, only 9% of TenCent virtual services users are paying users, yet generated 725 Million dollars

Source: Morgan Stanley Mobile Internet Report Dec 2009

# AR Battlefield

- Layar now has a battlefield re-enactment layer used for example with USA Civil War battle re-enactments
- Any visitor can go to the historical site, use their smartphone, and see the scene with the battles happening
- Is a bit like you were a general, with binoculars, that show a 'historical view'

Source: Layar 18 Jan 2011

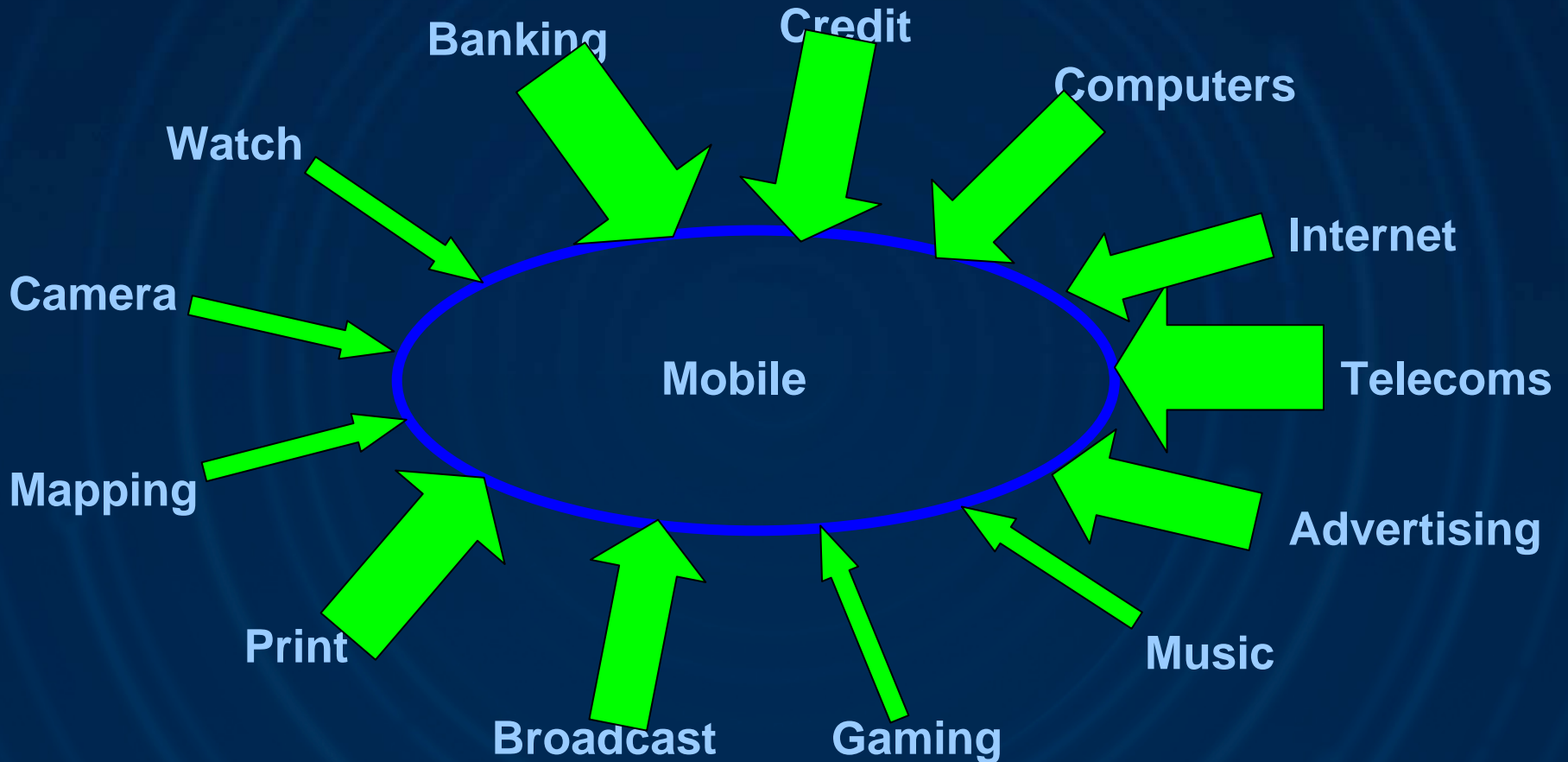
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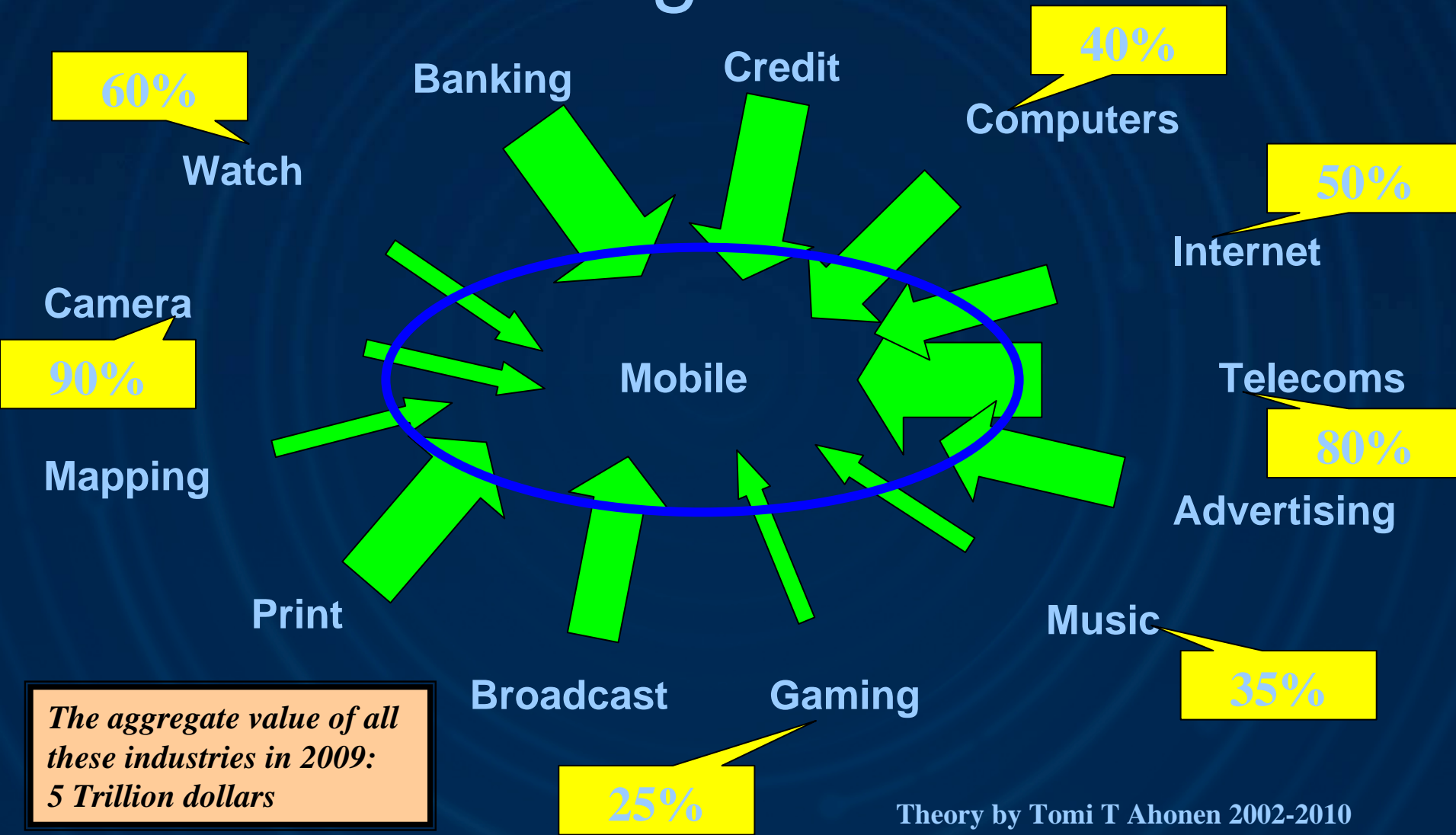
# Convergence ?

*Its more than you ever imagined..*

# Grand Convergence



# Grand Convergence



*The aggregate value of all these industries in 2009: 5 Trillion dollars*

# 2011: Grand Convergence



# Golden Age of Pictures

- For 150 years, the global camera and photograph industry grew about 50% to 100% per decade
- Suddenly from 2000 to 2010, the usage of photography exploded - user base grew 10 fold
- The biggest global camera industry brands in year 2000 were Canon, Minolta, Nikon and Konica in cameras, Kodak and Polaroid in film

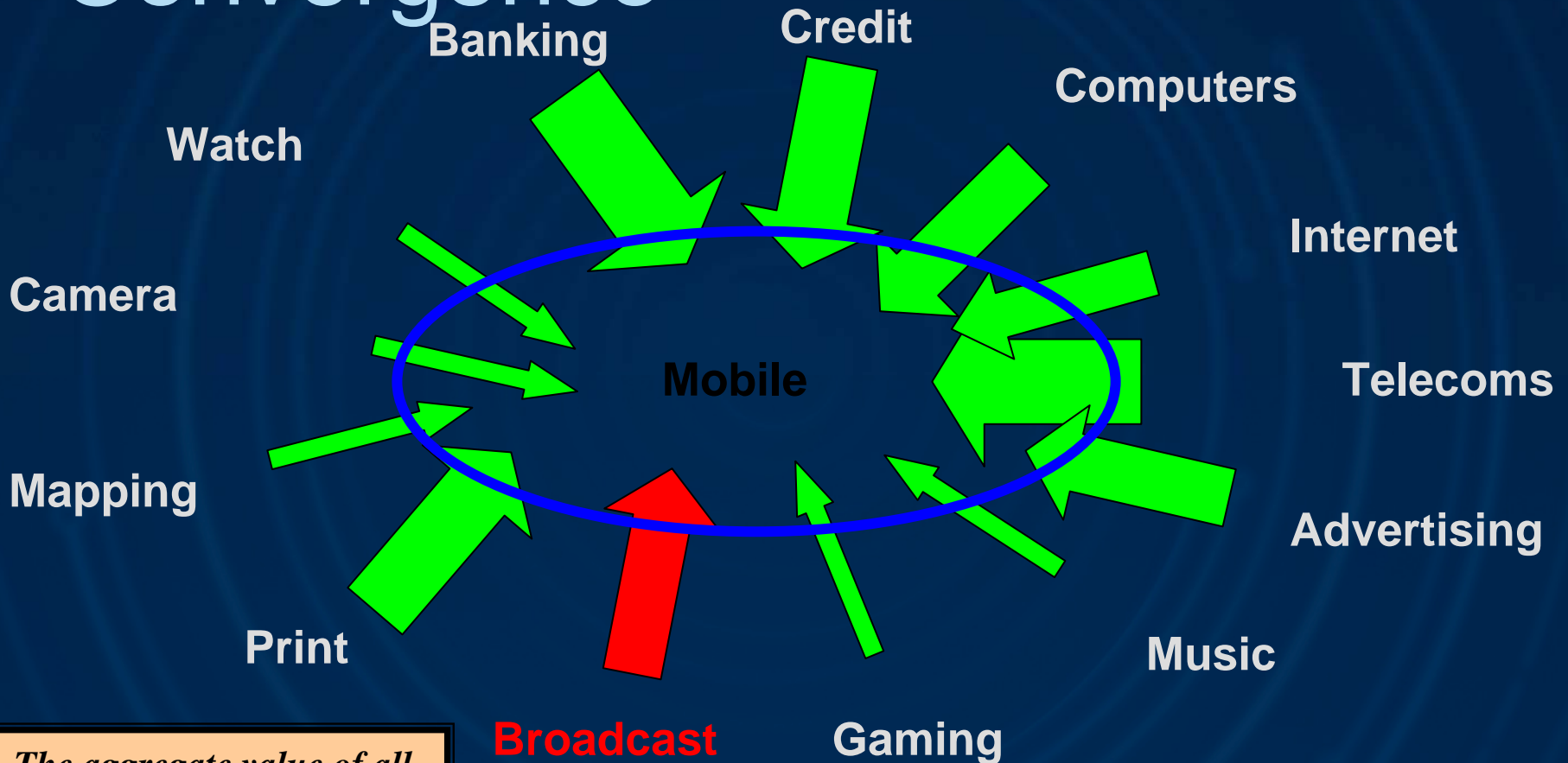


# The Golden Age of Pictures

- For 150 years, the global camera and photograph industry grew about 50% to 100% per decade
- ***Today world's biggest camera brand is Nokia***
- Minolta & Konica have quit the camera business. Kodak consumer film business shrunk to 2%, Polaroid bankrupt twice. Canon & Nikon focused on professional camera segment



# 2011: Grand Convergence



*The aggregate value of all these industries in 2009: 5 Trillion dollars*

# m-Secrets

- ABC's TV *Pretty Little Liars* has run a mobile engagement campaign
- Send word 'Secrets' to number, via SMS. Receive secret messages from a character known as "A" and preview MMS video clip
- 12% of core teen audience joined. 4X more than expected
- 100K viewers. 550K messages. 2.2M page views. ABC made money by selling ads to Microsoft

Source: Mogreet, November 2010

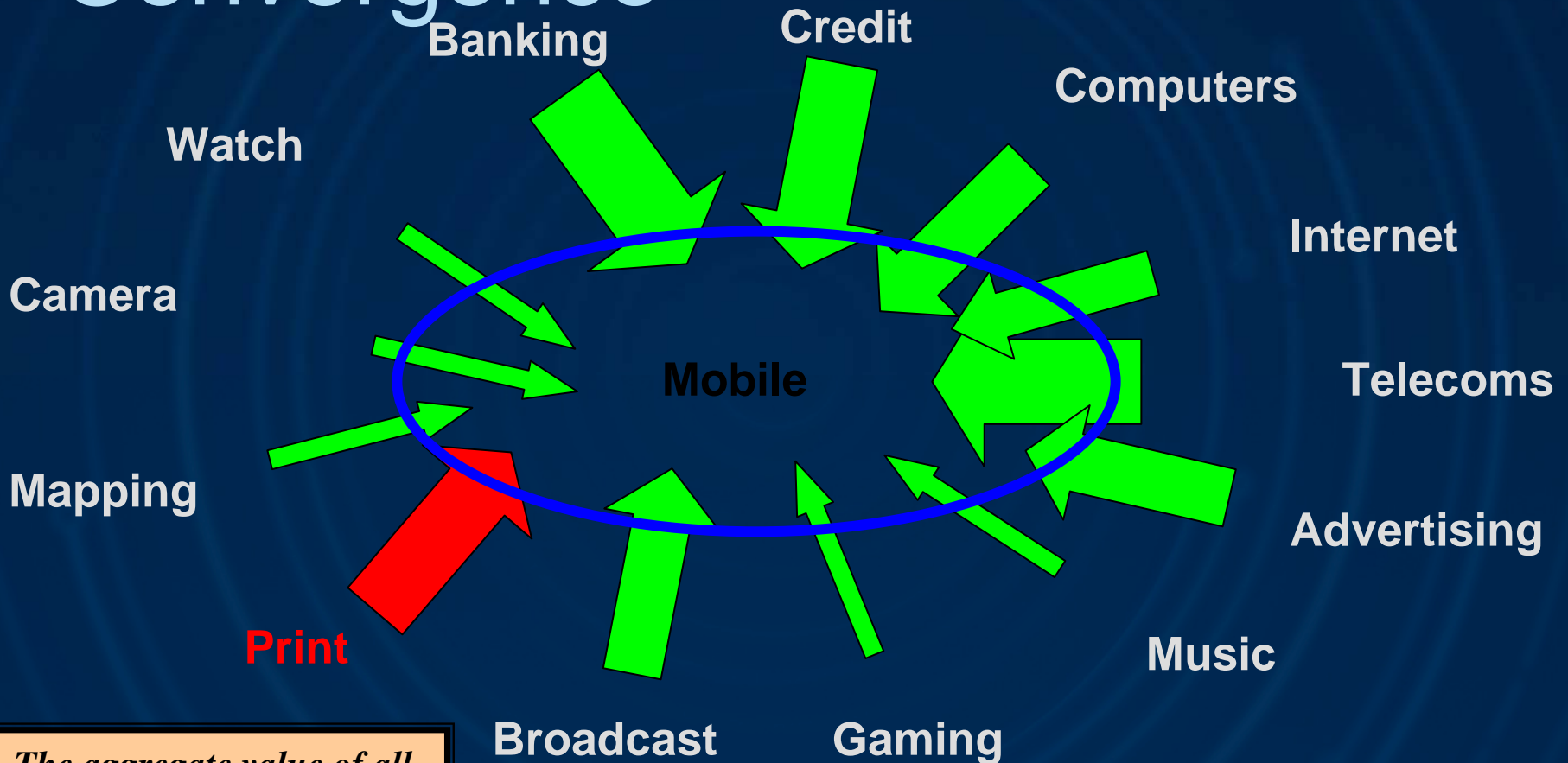


# SMS TV Voting USA

- The SMS-to-TV concept is spreading
- Latest run of *American Idol* had 100 million text votes, generating **99 million dollars** of text vote revenues
- The TV quiz show *Deal or No Deal* has received 57 million SMS text messages in participation, generating **56 million dollars**
- Typical US revenue-sharing deal gives between 30% and 40% to the carrier/mobile operator

Source: The Star Herald 8 May 2010

# 2011: Grand Convergence

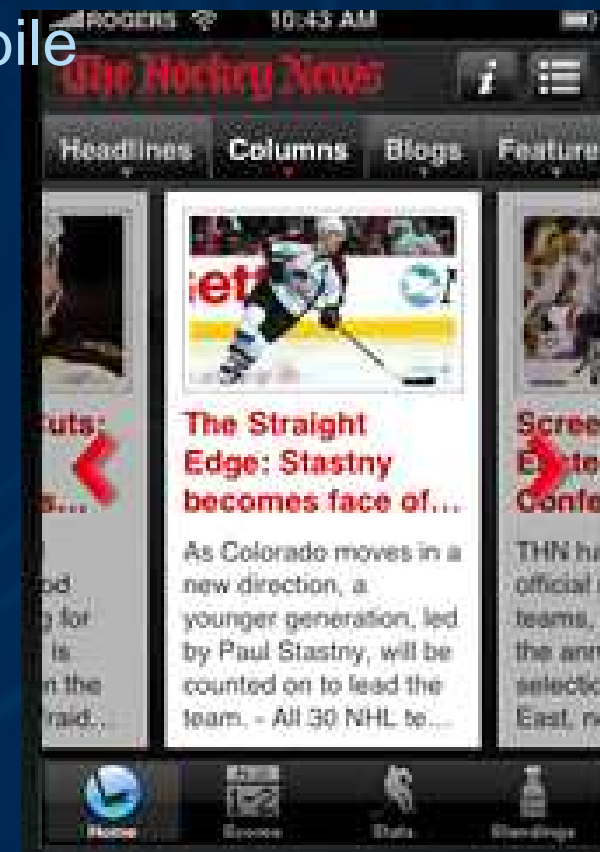


*The aggregate value of all these industries in 2009: 5 Trillion dollars*

# Canada - *The Hockey* News Mobile

- The Canadian weekly print newsmagazine had been struggling like most print titles with declining sales.
- In 2009 The Hockey News launched its mobile version, developed by Toronto based Polar Mobile
- It created new sales to new younger customers with 300,000 mobile users
- Print edition reversed the trend, and actually grew print sales by 5%
- Hockey News mobile edition was totally revised as an improved mobile application four times in its first year

Source: Polar Mobile Sept 2009



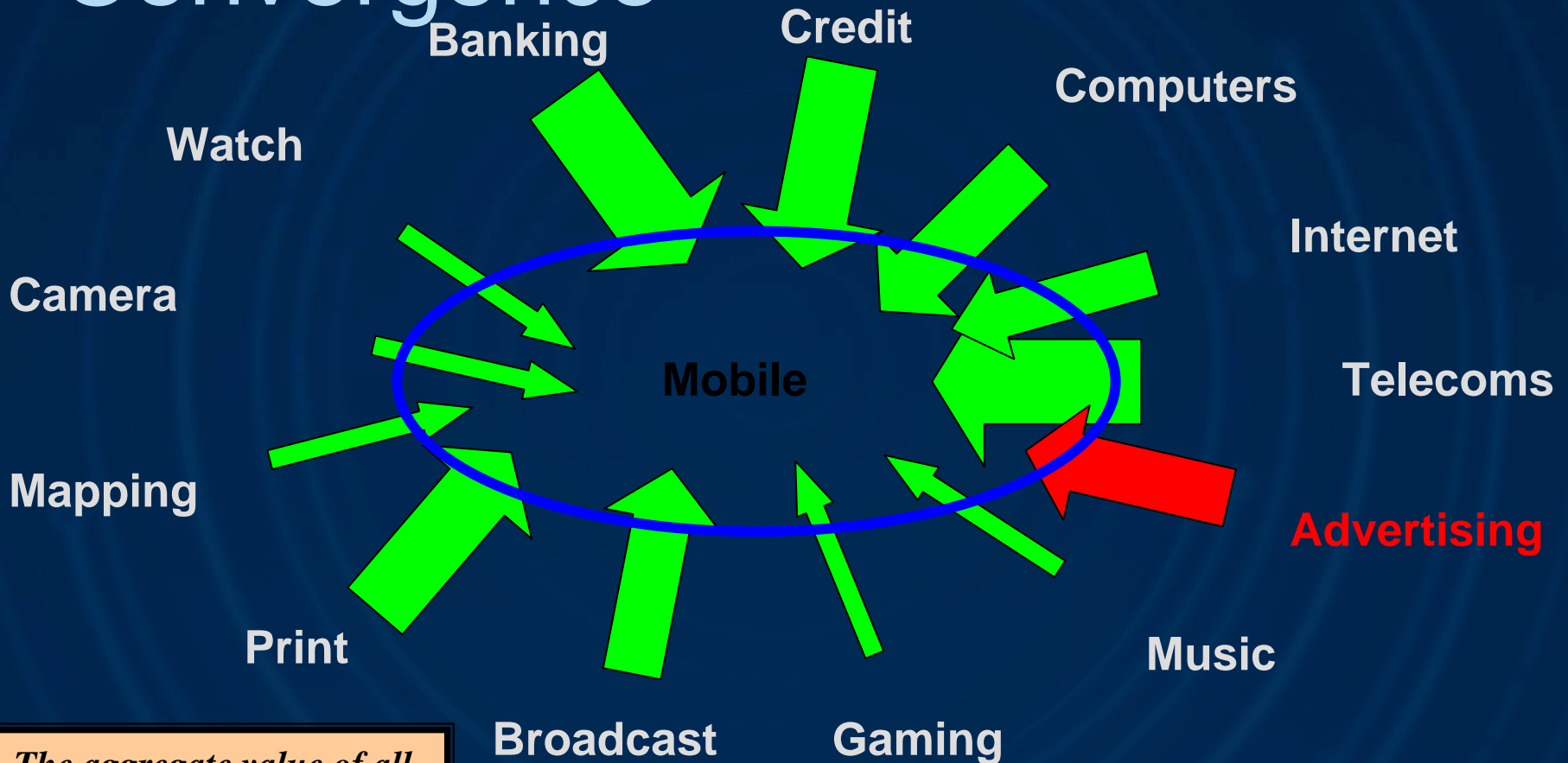
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# 2011: Grand Convergence



*The aggregate value of all these industries in 2009: 5 Trillion dollars*

# Ford Gone Totally mAd

Home About Resources Newsletter Job Board » Contact Advertise

Enter search keyword

 **MobileMarketingWatch**  
The Pulse of the Mobile Community

 **2011 mHEALTH REPORT**  
MOBILE TECHNOLOGY TRENDS & INNOVATIONS

Best Practices » mHealth Mobile Advertising Mobile Marketing » Platforms » Resources » Technology » Top

## Ford Making Mobile Marketing The Cornerstone of its 2011 Vehicle Advertising

Posted on 11 February 2011  39  216  39  0

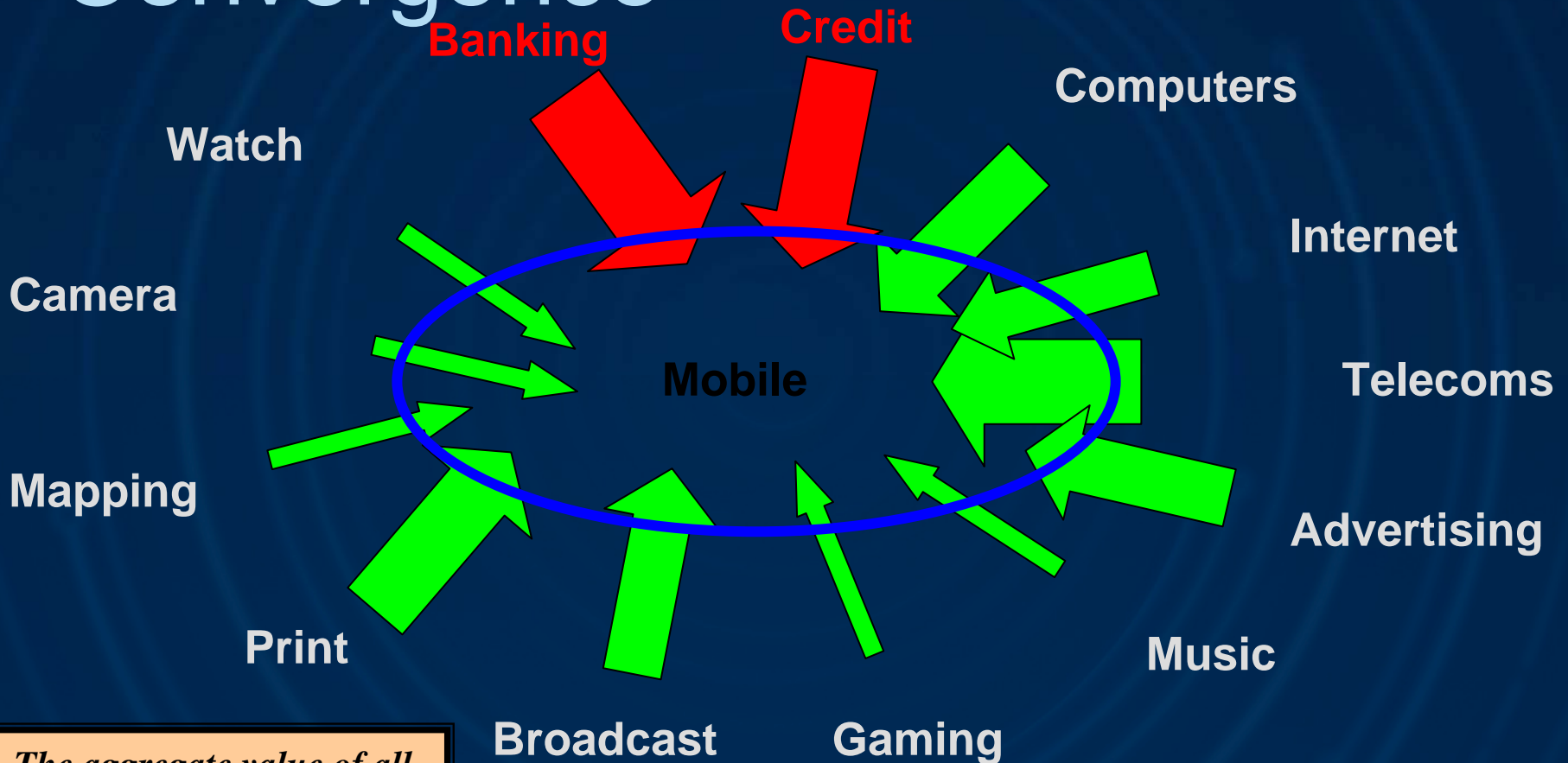
On the eve of the 2011 Chicago Auto Show at the Windy City's legendary McCormick Place, Ford Motor Co. announced that social media and other "new advertising strategies" will be employed to market all of the car-maker's 2011 vehicles.

Jim Farley, chief marketing executive at Ford, told those gathered at the Auto




Source: *Mobile Marketing Watch* 11 Feb 2011

# 2011: Grand Convergence



*The aggregate value of all these industries in 2009: 5 Trillion dollars*

# Sweden - Bus Drivers

## Robbed

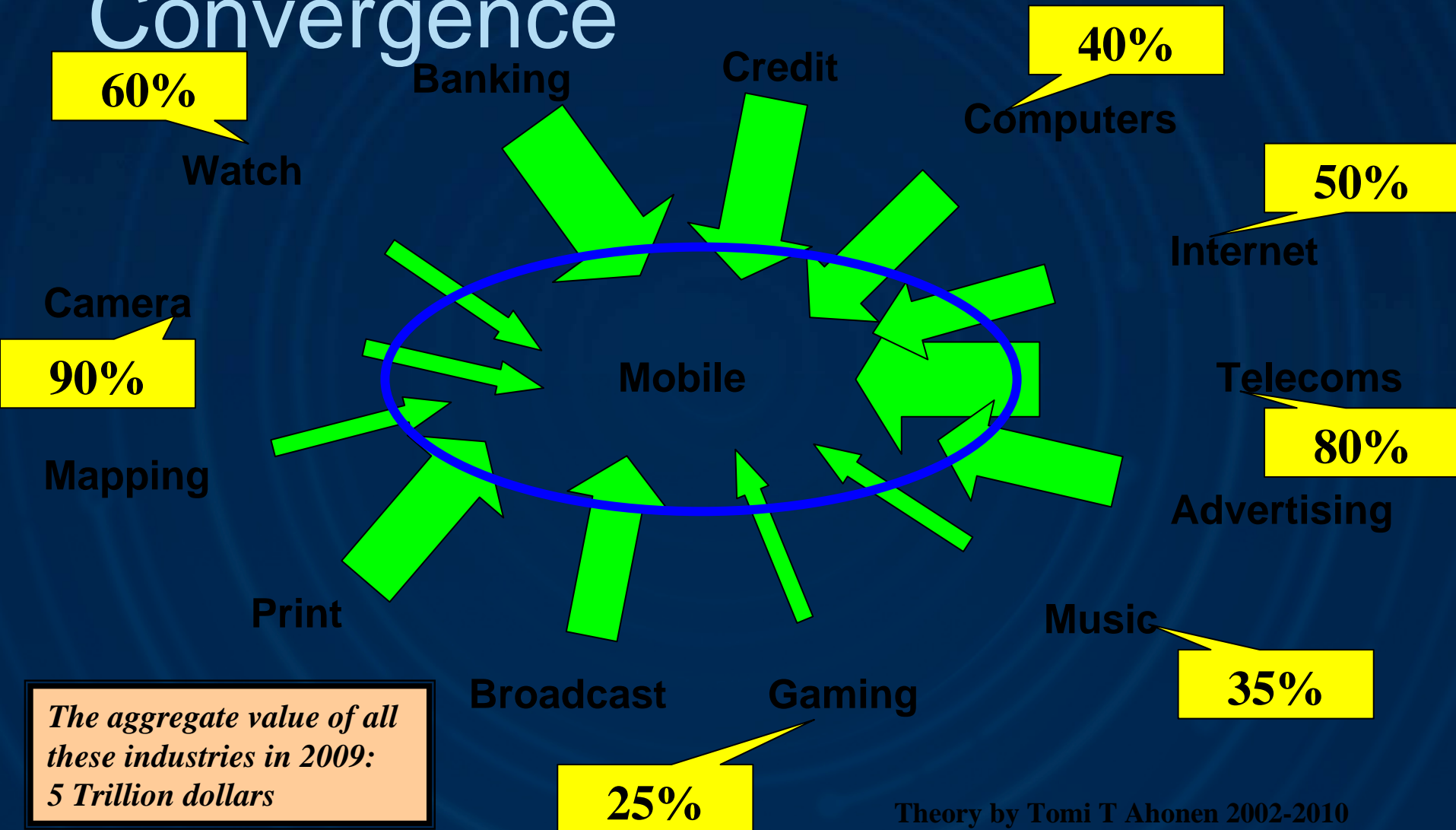
- Sweden had a wave of robberies of bus drivers for their cash. So Sweden followed Estonia's m-parking example, and eliminated cash as acceptable payment for public transport
- The crime ended
- Most used way to pay? Mobile of course

# Sweden - Bus Drivers

## Robbed

- Sweden had a wave of robberies of bus drivers for their cash. So Sweden followed Estonia's m-parking example, and eliminated cash as acceptable payment for public transport
- ***Sweden became first country to start official government discussions of the elimination of cash altogether, in parliament in 2010***

# 2011: Grand Convergence



# Making it Magical

*Delight and Astonish Your Audiences*

# Cameraphone Translator



- And the latest gadgetmania continues in Japan
- MediaSeek developed called Kamera Jiten (camera dictionary) allows cam-phone used as an instant translator
- OCR application (Optical Character Recognition) converts written pages of English into data. Then translator utility converts page into Japanese
- And displays on your phone screen
- Now copied like Word Lens app

Source: Tomi Ahonen book *Mobile as 7th of the Mass Media* 2008

Pearls: Real Mobile Services  
collected by Tomi T Ahonen

# Guinness & Rugby

- Guinness adver-app Guide to HK Sevens rugby trmnt
- Included free tournament guide, players, stats etc
- Was also Hong Kong tourist guide, maps, etc including of course pubs serving Guinness
- Translator English to Cantonese basic tourist phrases
- Generated 25% more Guinness sales, said Sean Rach of Ogilvy (2010)

# Kids to Museums

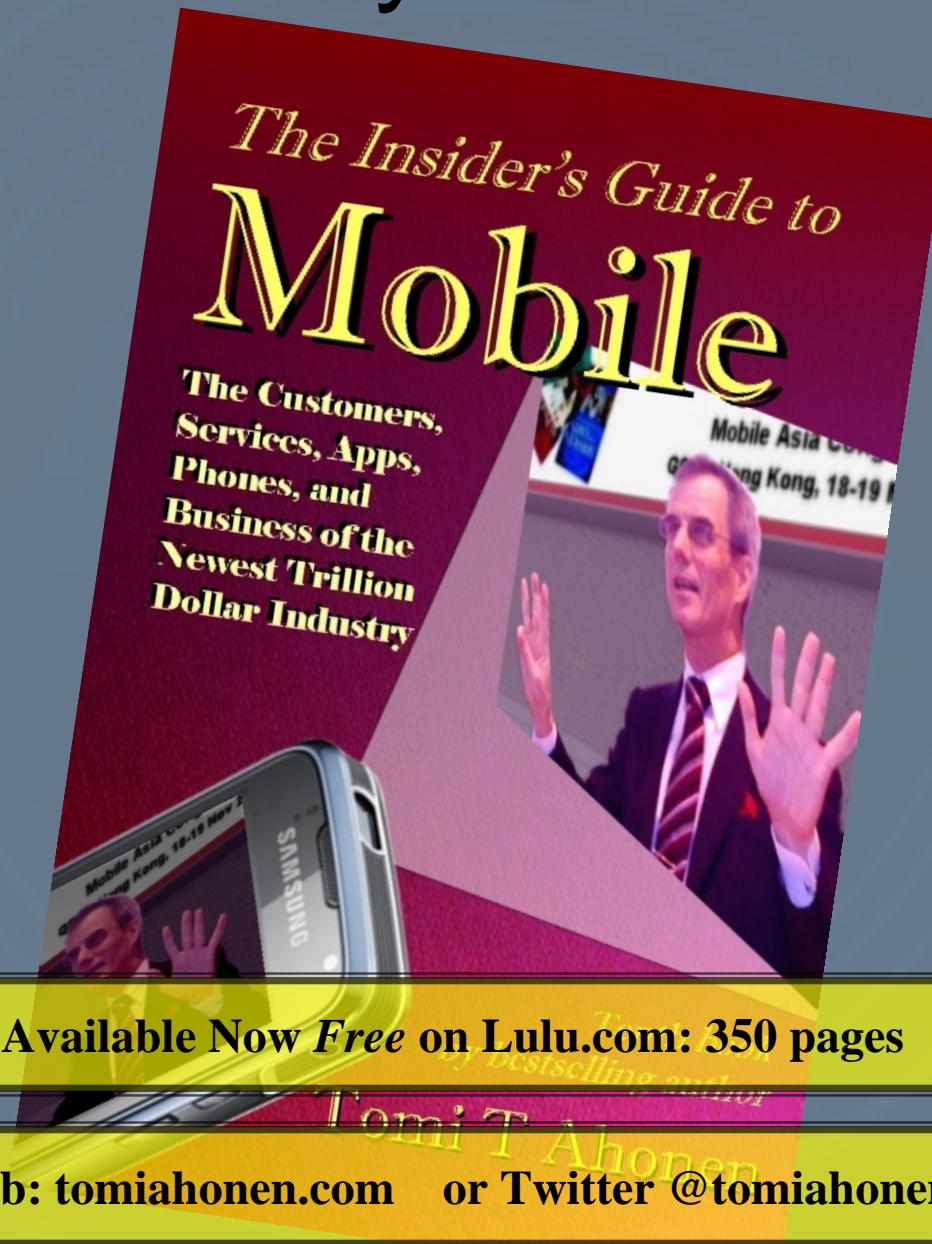
- Three UK museums set up 'My Art Space' to make school children visits to museums more interesting
- Kids tasked to take pictures, create blogs, rate items and discuss, all via mobile phones. Loaners provided
- 3,000 kids from 100 schools participated
- The kids loved it so much, they spent 4.5x longer on average in the museums (90 minutes vs 20 minutes)

source: mLearnCon, San Diego USA, 15 June, 2010

*"Put your best people on mobile."*

- Eric Schmidt CEO Google

# Who Wants My Latest Book?



Available Now *Free* on Lulu.com: 350 pages

web: [tomiahonen.com](http://tomiahonen.com) or Twitter @tomiahonen

# Tomi T Ahonen, Author & Consultant

## Competitiveness, Business Case, Marketing, and Profitability

*"Service creation and marketing will be key to 3G," Ahonen said. Total Telecom 12 October 2000*

- Provides workshops, training and consulting in how to make money with mobile and converged services.
- The world's most prolific new mobile service evangelist, has introduced **over 1,000 new service** concepts at public conferences; he is quoted in 60 books by his peers
- Quoted in over 300 press stories in a dozen languages; keynotes at over 200 major conferences on 6 continents; his daily blog is syndicated on CNBC, NY Times, etc
- Lectures at **Oxford University** on 3G and Convergence
- **Available as a motivational speaker** in telecoms marketing, sales, product development and innovation.
- Read his books *"Digital Korea"*, *"Communities Dominate Brands"*, *"m-Profits"*, *"3G Marketing"*, *"Services for UMTS"*

website: **[www.tomiahonen.com](http://www.tomiahonen.com)**

e-mail: **[tomi@tomiahonen.com](mailto:tomi@tomiahonen.com)**

blog: **[www.7thMassMedia.com](http://www.7thMassMedia.com)**

twitter: **[@tomiahonen](https://twitter.com/tomiahonen)**

- Tomi's new book ***"Mobile as 7th of the Mass Media"***



Earlier Tomi Ahonen has set up & run Nokia's 3G Business Consultancy. Previously he worked for 3 operators where he created the **world's first fixed-mobile service bundle** and set a **world record** for taking market share from the incumbent