



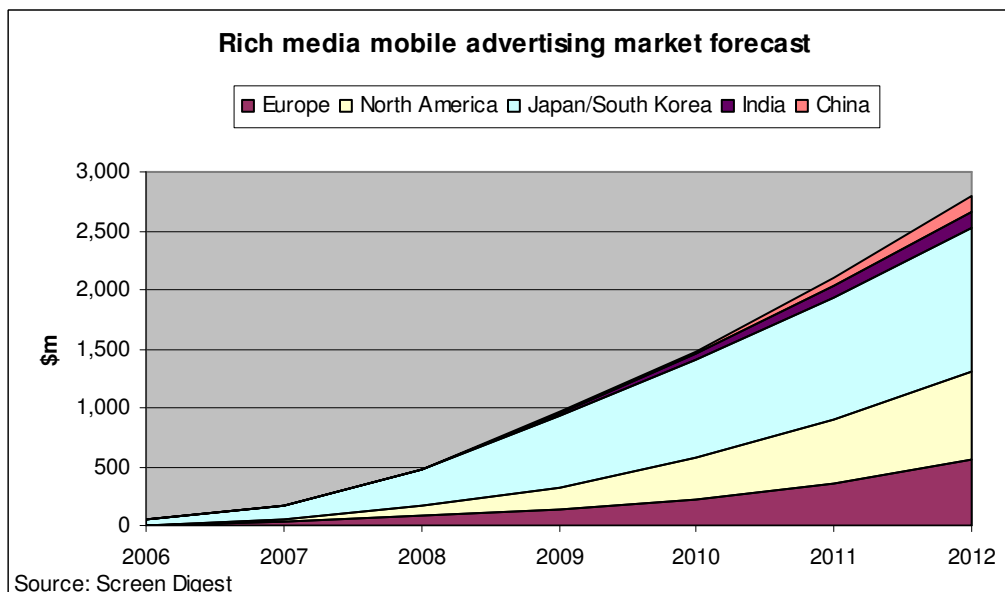
Mobile advertising using rich media formats

TV, video, user-generated content, games & music to reach \$2.79bn by 2012

London 29th April 2008: Media Analyst Screen Digest has just published its latest report (www.screendigest.com) entitled 'Mobile media advertising opportunities: The market for advertising on TV, video and games'. The research examines the emerging market for rich media advertising delivered to consumers via their mobile phone in the form of TV, video, games, user-generated content (UGC) and music. The report includes the findings of an exclusive survey of GroupM's advertising agencies in 25 countries to assess the current and future potential for this form of advertising across the globe.

Screen Digest believes the market for rich media advertising on mobile will reach \$2.79bn (€1.77bn) by 2012, with global mobile TV advertising accounting for the lions share at \$2.44bn (€1.55b). In terms of the formats that will deliver this revenue, there are those that will deliver, and those that will disappoint.

Rich media mobile advertising market forecast by region (in \$m)



Delivering revenues: Mobile TV and Video on Demand

By 2012 advertising will account for over 20% of mobile TV revenues, but without its own metrics it will struggle to be considered a stand alone advertising channel. Free-to-air broadcast markets such as Japan and South Korea will offer bigger advertising opportunities than markets where mobile TV will be offered as paid subscriptions to the consumer, such as North America and most of Europe. Mobile Video-on-Demand advertising will be small in comparison, reaching €213m (\$336m) in 2012 by supporting extracts from popular programmes and sponsoring recurring content such as news and weather forecasts.

Marketing tools: Games, user-generated content (UGC) and music

In terms of delivering advertising revenues, Screen Digest believes that games, UGC and music will disappoint. However, these formats will provide a valuable source of innovative marketing opportunities for brands aspiring to connect and interact with their customers. For example, Screen Digest predicts that by 2012 over 60 million ad-funded mobile games will be downloaded per year worldwide.

Getting advertising direct to the consumer – anytime, anywhere, any format

More ubiquitous than the PC, mobile offers the opportunity to send personalised messages to people in all markets. Advertising sent via the mobile phone reaches the recipient directly, wherever they are, at any time and location, offering effective targeting as well as interactivity and consumer engagement.

Yet despite these benefits, mobile advertising is very much in its infancy. Julien Theys, one of the authors of the report notes the factors that are holding back the mass market take up of mobile advertising: “Data pricing structures, handset and mobile web usability, content quality and the lack of audience metrics to measure effectiveness are preventing mobile advertising from reaching its market potential. Although we expect these hurdles to be overcome in the coming years, mobile media advertising will have to compete with search, display, messaging advertising as well as many innovative uses of mobile in marketing campaigns.”

View from GroupM: An emerging format with potential

The advertising executives surveyed in GroupM's agencies in 25 countries were positive about the capabilities offered by mobile advertising, in particular targeting by location, interactivity and high response rates. To date only 15% had used mobile advertising, either as a stand alone or integrated campaign, underlining Screen Digest's view that this is an emerging technology. Of those agencies that had trialled mobile advertising, 75% had used mobile content at least once as a promotional item, while 67% had at least once placed an ad in rich media. The reasons given for not incorporating it into ad campaigns included poor user experience and usability, handset limitations and the lack of clear measurement metrics.

David MacQueen, Head of Mobile and co-author of the report concludes "Mobile advertising, and mobile rich media advertising in particular, is a growing industry with a rapidly evolving landscape. Nokia, Microsoft and Google have been very active in developing mobile advertising operations, either internally or through external acquisitions. The potential is huge, and some of the world's largest companies are vying for control of what they see as the next major advertising medium."

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About this research

The research in this press release is taken from Screen Digest's report 'Mobile media advertising opportunities: The market for advertising on TV, video, and games'. Published in April 2008, it includes forecasts for advertising markets in mobile TV, Video on Demand, User-Generated Content and Games in the US, Europe, Japan, South Korea, India and China to 2012. Analysis includes results of a survey conducted in collaboration with and among GroupM's international agencies, identification of key players and their strategies and a recap of recent industry consolidation in mobile advertising. The research will be presented in full to an audience of industry players in London on May 20th. For more information about the event, please contact fay.hamilton@screendigest.com.

About Screen Digest

Screen Digest is the pre-eminent firm of industry analysts covering global media markets. Headquartered in London, with offices in New York and Carmel, California, we employ a team of 40 specialist analysts covering film, television, broadband, mobile, cinema, home entertainment and gaming. Our online services and reports provide the information and analysis that hundreds of media companies worldwide base their decisions on. Most recently we have launched Global Media Intelligence (GMI), a new service which provides research and analysis specifically for media-focused institutional investors. www.screendigest.com. To find out more, please contact Screen Digest sales sales@screendigest.com Tel: +44 (0) 20 7424 2820