

Questions and Answers - Mobile Local Media Webinar

During the BIA/Kelsey Webinar, "How Can Media Companies Tackle the Mobile Opportunity and Extend Their Brands to the Mobile Market?", questions were asked of our panelists. In order to provide a resource to all those who registered, we have provided answers to all questions posed during the Webinar.

Question: Google and others have tried to convince advertisers that they don't need to design for mobile b/c of better full html browsers but other sources have demonstrated that user engagement is much higher with mobile designed content. Have you measured this and what are your thoughts.

This has a lot to do with quickly evolving mobile web browsers that can not only render full web pages but can begin to pull in users' locations and other things that Google believes will allow them to more accurately target ads. In Google's way of thinking, this leads to higher relevance → CTRs → Revenue.

Related to this is that Google has opted to build mobile websites (aka "web apps) instead of native apps whenever possible for their own mobile products (gmail, gtalk, latitude, etc). This is behind their overall strategy to extend existing online text ads to the mobile device. This represents a general shift away from apps because user engagement spikes then quickly drops and it's getting increasingly difficult to rise above all the noise (i.e. 65,000 apps for iphone).

Alternatively mobile browsers are evolving quickly to possess the capabilities that were previously reserved for the more resource intensive native apps. Designing a mobile website is cheaper than a native app and allows for greater reach because you're not confined to one mobile O.S. or device (i.e. iphone). A more in depth argument can be found in this past column -- [The Future of the Mobile Web: To App or Not to App?](#)

Question: What app is pictured on the slide entitled "how will all of this be monetized."

The name of this app is TheFind. It not only indexes products and where to buy them but can tell users how many are on the shelf, price, and if they can reserve one. It does this by tapping into point of sale inventory systems of local retailers (via data partners) More detail can be found in our our past writeup: <http://blog.kelseygroup.com/index.php/2008/10/17/where-to-shop-now-available-for-iphone/>

Question: Talk a little more about apps vs. building Web sites that are suited for smart phones. Is there an advantage of a mobile app; i.e. iPhone app, vs. a

mobile website? Why have an app when an iPhone can just as easily access a mobile website? The mobile website would be accessible by all smartphones.

As more mobile phones are web-enabled, it is far more efficient to develop either Wireless Access Protocol (WAP) sites or web sites with versions optimized for smaller screens. Odds are much higher that one application or web build can then service any web-enabled mobile browser. Browser-based apps are cheaper to build and can reach more devices. These apps may not leverage the full capabilities of individual devices.

Building device specific phones is more intensive given the different mobile operating systems and device drivers that must be accommodated.

There is also a general shift away from apps because user engagement spikes then quickly drops and it's getting increasingly difficult to rise above all the noise (i.e. 65,000 apps for iPhone). (see - <http://www.techcrunch.com/2009/02/19/pinch-media-data-shows-the-average-shelf-life-of-an-iphone-app-is-less-than-30-days/>)

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Question: Isn't Qualcomm's MediaFLO a terrestrial broadcast multicast format not a 3G-based format?

Correct but MediaFLO's system actually relies both on its broadcast and a 3G component for the full service.

"3G" refers to a family of standards from the International Telecommunications Union known as ITM-2000 (ITM – International Mobile Telecommunications). In the U.S., 3G networks have evolved to various levels of implementation from GSM and CDMA. 3G networks operating or planned offer higher data rates ranging from 114 kbps (e.g., GPRS) up to 100 Mbps (e.g., LTE).

MediaFLO USA operates a broadcast (i.e., one-way, multicast) platform utilizing the former UHF TV channel 55.

MediaFLO uses its broadcast network in combination with carriers' 3G networks for its services.

Question: We currently have two of our radio stations stream on some mobile phones. How can we sell this feature into customers? How can mobile marketing work with radio?

BIA/Kelsey advertising forecasts for the mobile market show U.S. mobile ad revenues growing from \$160M in 2008 to \$3.1B by 2013 and certainly we see radio stations accessing this opportunity. Radio's brand equity in part relies on its localism and that's great since we see local mobile search and local mobile video as particularly strong categories where radio can compete well with 3rd party partners. As we said in the webinar, while not a fast growth category, any mobile strategy will want to look at SMS ad revenue as a foundation.

In terms of selling to advertisers, we recommend using SMS text ads as calls to action in existing radio spots. This helps leverage the client's investment in radio by driving action and accountability.

Question: In your opinion, what are some of the most effective ways for yellow page publishers to market their multiplatform product offerings to their users in small-to-mid-size market areas? Put another way, what is the best way to create local public awareness, and develop local public loyalty, to new multiplatform products that compliment a "tried and true" print product? Dealing in small-to-mid-size market spaces is typically approached differently than to metro areas.

Agreed. In newspapers and yellow pages online and mobile products, the new brand often struggles with keeping the "brand legacy" of the print product, or looking at it more as "brand baggage". That's a question that comes down to many specifics regarding your brand equity that probably can't be answered here with certainty.

Branding aside, the print product should be viewed as an asset in terms of seeding activity for the mobile product. One of the biggest challenges with mobile search products is having them rise above the noise. The mobile world has been democratized in the last few years with app stores popping up everywhere, but the downside is lots of noise. Publishers have what most others do not: an established channel to market a mobile product. This should happen through mobile calls to action that are tied in with the print product. This not only can generate traction around the mobile product, but serves advertisers with an additional value add in the form of a measurable component to their print buy. It also allows you to maintain a continuity with the user beyond the print impression – in some cases leading them all the way to the point of conversion (in a more trackable way than ever before). Of course your individual situation will depend on lots of variables but generally speaking, the opportunity can be viewed in this light.

Question: How do you see privacy concerns, and in particular, possible FTC regulation of mobile advertising, effecting your monetization projections?

The Federal Trade Commission (FTC) issued a staff report on mobile privacy concerns in April 2009 (<http://www.ftc.gov/opa/2009/04/mobilerpt.shtm>). This helps set the agenda. Generally, we see the FTC continuing to defer to industry self-regulation but taking legal enforcement actions in specific instances.

Question: What kind of boost would you expect to occur in mobile media usage when the exclusive iPhone/AT&T marketing arrangement ends and other providers can offer the iPhone ?

This will open things up a great deal for Verizon and its 80 million subscribers. The issue is that Verizon is on a CDMA network and AT&T is GSM. This plus a few other “technical requirements” will require another iPhone build. Apple wants to simplify things as much as possible and it prides itself on having one phone and one operating system (compared to windows mobile which runs a mess of different devices and versions). Furthermore, both carriers are moving towards having LTE (aka 4G) networks by 2011, which means apple may wait to build a device for those networks and stick with AT&T in the meantime. Also in the meantime, the rumored apple tablet device could go with Verizon because it has no calling feature and therefore doesn’t break the terms of the AT&T/Apple contract. Such a device would be internet connected and have lots of implications for mobile content delivery and how we define “mobile devices”. The rise of netbooks could play into this as well. Privacy will continue to be a concern in mobile marketing – and a legitimate one. It will however recede as consumer comfort levels with targeted mobile content delivery evolve. This will happen slowly through positive reinforcement of relevant and successful search scenarios. There will also be generational factors at play, having to do with younger consumers and their comfort levels with technology and targeted content delivery. Furthermore, we’ll see the same acceptance and learning curve we’ve seen evolve online with respect to behavioral targeting – erstwhile a privacy minefield.

Question: Do you think devices like iphone will add a radio tuner?

The iPhone actually has a Broadcom chip in it with FM/RDS/RBDS receiver capability. Issues for using this feature include battery utilization and the ability for carriers and device manufacturers to monetize this feature both of which seem to compete with other business models associated with devices.

There are legitimate barriers to making this happen. Some of the benefits include generating more transactional revenue around content delivered via broadcast. Consider such a growing portion of apple’s revenues are from iTunes (apple now sells 25 percent of all music in the u.s. <http://www.businessinsider.com/itunes->

now-25-of-all-music-sold-2009-8) . A radio tuner with songs that can be tagged and identified and tied to transactional iTunes capability could be a big revenue driver for Apple. It already does this with music search and discovery engines like Pandora and Shazam. Radio is the ultimate discovery engine though and the content and coverage are all there. They just need to close the loop. If this were to happen, Apple's status as a market mover could cause other device manufacturers to follow suit for competitive reasons.

More here: <http://blog.kelseygroup.com/index.php/2009/07/20/the-marriage-of-radio-and-mobile-a-conversation-with-jeff-smulyan/>

Question: How can mobile marketing work with radio?

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Question: Can you give a "for instance" on how you help TV broadcasters?

BIA/Kelsey works extensively with TV clients in financial valuation, database publishing, research and strategic consulting engagements. With respect to our Mobile Local Media continuous advisory service, we designed this to help publishers and broadcasters learn how to develop strategies, operate in the mobile ecosystem to develop business models, evaluate partnerships, forecast revenue opportunities and set metrics and milestones toward success.

Question: Not being "on demand" like streaming video, what kinds of programming models do you see for mobile broadcast TV, is a viewer likely to watch the same long-form programming on a mobile device as they are their living room TV?

For mobile broadcast TV, it is certainly possible to support on demand by combining either the ATSC M/H or MediaFLO broadcast delivery platform with the inherent interactivity of 3G networks.

Recent data are in fact showing that mobile video users are consuming long form content at higher rates than some initially expected.

One of the downsides of broadcast consumption on mobile is that it's live – this works for some forms of content like breaking news and sports, but otherwise we're generally moving away from scheduled viewing as a media culture. If you consider devices with more and more storage capacity, there is the possibility to record and cache some of this broadcast content for on demand viewing – sort of a DVR for your phone. There are also downsides to this however, such as tying up your bandwidth for recording video when you want to make a call or do something else. One alternative is the "DVR in the cloud" scenario where your content is stored delivered and stored elsewhere for you to view on whatever screen you happen to be on. The mobile device in this scenario becomes an important point of entry for not only accessing and consuming content but controlling and managing content such as setting recordings or watching selected clips.

Question: Please comment on whether this mobile opportunity will have the same effects for non-profit radio stations.

The same principles in mobile media that help

commercial broadcasters also apply to non-profits. This includes user engagement, portability, and interactive personalization which we feel can convey well to non-profits' goals for informing, entertaining and raising sustaining revenues.

Question: We've got a station launching with a local news and information focus. Any way we can further monetize such would be great.

Mobile is a great platform to add value to your content, personalities and extend your local brand while adding critical ad inventory to engage your audience.

Mobile has the potential to continue the relationship with listeners beyond the initial impression. This increases your engagement levels and that of your advertisers. It can include mobile calls to action in existing radio spots and programming to do things like opt in for contests, games, promotions, or content alerts.

Question: Explore techniques and equipment for auto record of newscasts and auto upload to FTP website for "near live" mobile news podcast.

There already are exciting applications to support both user generated rich media mobile content as well as for professionals. News packages can be live from the scene using mobile devices or recorded, stored and forwarded to a remote server for podcast. This can be free (e.g., YouTube's near local news near you feature) or premium, e.g., News Over Wireless.

If you have questions about the BIA/Kelsey Mobile Local Media Advisory Service, we ask that you reach out to our team.

For questions about mobile issues, please contact Program Director, [Michael Boland](#).

For questions about BIA/Kelsey service offerings, please contact [Michael Taylor](#).

Questions about future BIA/Kelsey Webinars?

For questions about this or other BIA Webinars, please e-mail us at: webinars@bia.com