

Mobilise your brand for the smartphone revolution

Smartphone ownership



Aileen O'Toole,
Managing Director,
AMAS

are not optimised for mobile and this can make otherwise simple tasks, like making contact by phone or email or finding a store, difficult.

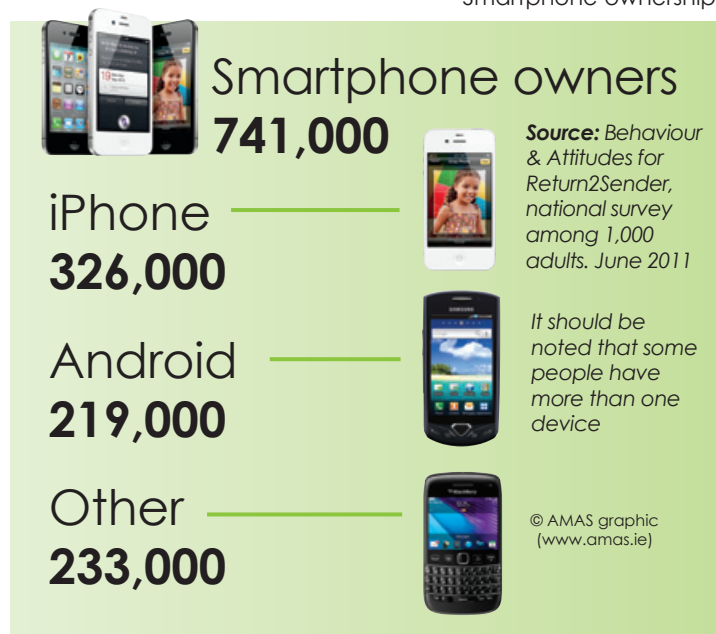
The non-availability of a mobile site can send customers or prospects into the arms of online competitors. In the UK, online retailers are estimated to be at a risk of losing 30% of potential business by not having a website that works on mobile (source: IAB Rich Media Brand Effectiveness Study July 2011).

Likewise, email marketing campaigns can fall flat if they do not display well on mobile, the preferred platform for many smartphone owners to access their email.

Adoption

Led by the iPhone, and keen competition between mobile operators, 2011 saw significant strides in smartphone adoption levels. Smartphone ownership was estimated at 741,000 in June 2011, with the iPhone accounting for 326,000 of those devices (source: Behaviour & Attitudes for Return2Sender). It is reckoned that close on five million apps have been downloaded in Ireland.

Those who monitor the patterns of web traffic are



noticing the phenomenal shift to mobile. RTÉ has seen traffic to its web services from mobile devices increase from 15% to 40% within the last year.

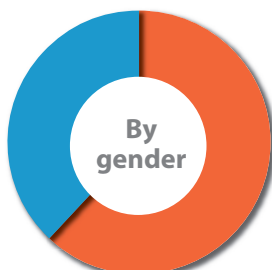
Mobile marketing in Ireland appears to be several steps behind shifting consumer behaviour and trends in other markets. Brands are certainly dabbling in different mobile formats, from QR codes and SMS campaigns to mobile display campaigns, but to date do not appear to have committed significant budget to mobile.

That is set to change, as the scale of smartphone ownership grows to levels where they will overtake desktops within a few short years and as marketers recognise the effectiveness of campaigns delivered via "always on" devices. Integrated with other forms of advertising, there is strong evidence that mobile delivers results – leads, sales, engagement and interaction. And all activity – response rates and conversions – can be easily tracked and analysed to inform future campaigns.

Location-based

Nowhere is the power and the potential of mobile advertising more evident than with location-based services, where geo-targeting allows consumers opt in to receive offers or services in their locality. Accessing local content drives action, such as

Continued on page 4

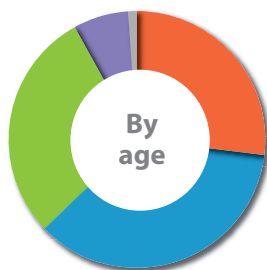


Smartphone ownership

62%	Male
38%	Female

Source: As above

© AMAS graphic (www.amas.ie)



27%	-24
36%	25-34
29%	35-49
7%	50-64
1%	65+

1. Broadband

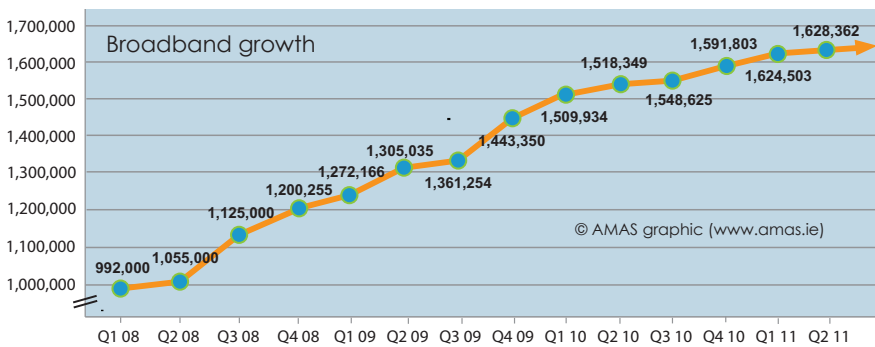
Irish broadband penetration continues to grow, albeit at a slower rate, according to the latest quarterly research from ComReg. The total number of broadband subscriptions

for the second quarter of 2011 stood at almost 1.63 million, a healthy annual increase of 8.3%.

More than half of the country's

dial-up modems were decommissioned in the previous 12 months, with a year-on-year fall in narrowband subscriptions of 55.8%. Cable broadband (such as from UPC) enjoyed the highest growth level of 32% to a total of 229,000 subscriptions, followed by mobile at 14.8% to 584,000.

While DSL broadband connections account for almost half of the market (44.8%), it has experienced a moderate yearly decline of -0.2%.



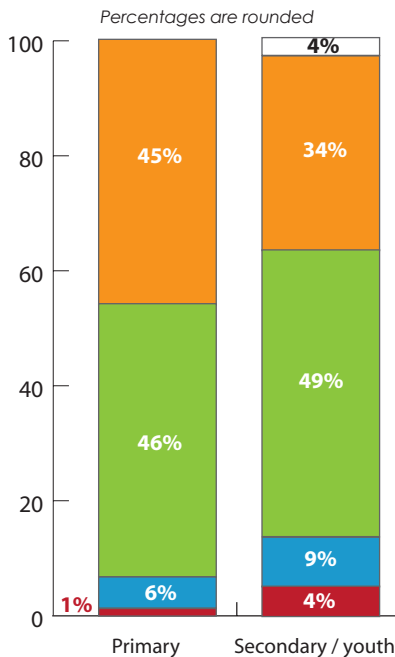
Source: ComReg Quarterly Key Data Report, September 2011

2. Children online

Hours spent online per day

- I don't use the internet*
- Under 1 hour
- 1 to 3 hours
- 3 to 5 hours
- 5+ hours

*N/A for primary group



Online activities

	Social networking sites	Chat to friends	Check email	Look up information for school projects	Look up music, videos etc	Hobbies/interests shopping sites	Games
Primary group	40%	21%	19%	15%	14%	14%	13%
Secondary / youth group	67%	37%	35%	28%	29%	24%	32%

© AMAS graphic (www.amas.ie)

Source: ISPC, Children and the internet: "This will come back to bite us in the butt." Published Oct 2011

Around half of Irish children and teenagers spend an average of one to three hours online each day and many do so from their bedrooms, without parental supervision. These are some of the topline findings from a survey that canvassed the views of more than 18,000 children and teenagers.

The large sample size was split into two groups – primary students, who were mainly aged 11, and secondary students and members of youth groups. Different usage patterns were recorded between the two groups, with a strong social media and communications bias among the older group.

For the teenagers, the majority (56%) go online from the family kitchen or sitting room, but 44% said that they accessed the internet from their bedrooms. Among the primary group, 23% used the internet in their bedrooms while slightly more than half the sample said that they used it from their kitchen or sitting room.

The survey threw up some serious privacy concerns. Nearly a quarter (24%) of the older group indicated that they did not use privacy settings, while over a third (36%) of the younger group (primary) said they didn't know how to keep their social network accounts private.

Top Trends

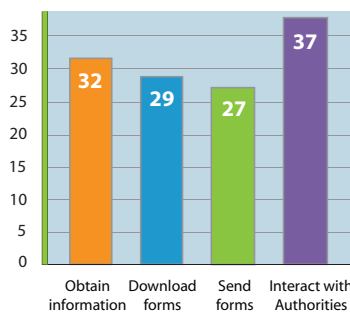
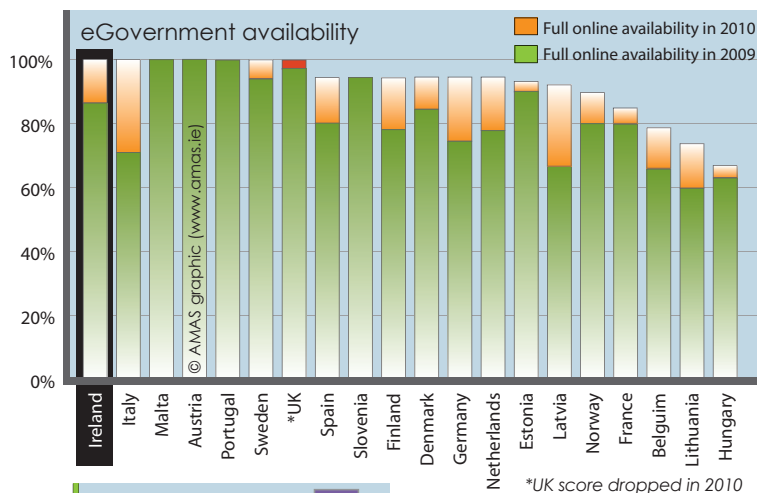
3. eGovernment

eGovernment is back on the agenda, with internet services from online voting registers to a new central portal for government services being planned as part of public sector reforms.

Where does Ireland stand in terms of eGovernment adoption? Quite well is the conclusion from a European benchmarking study. Ireland was one of just six European countries to achieve full online availability of key government services in 2010, according to the latest European Commission data. Along with Austria, Italy, Malta, Portugal and Sweden, Ireland scored 100% on 20 basic services.

Some 12 of the services, such as vehicle registration and health-related services, are aimed at citizens, while a further eight, such as corporate tax and environmental permits, are targeted at businesses. The services were measured against two indicators: full online availability and level of sophistication.

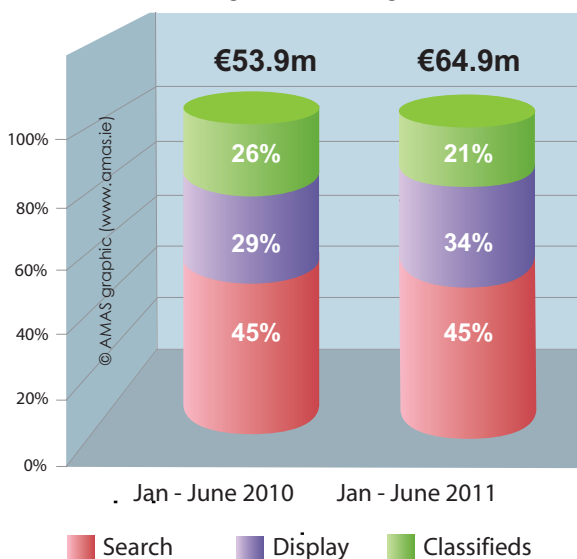
Eurostat figures show that while Ireland enjoys significant eGovernment availability, just 37% of Irish people are interacting with public authorities using the internet – a figure that has remained broadly static over the previous three years and still below the EU27 average of 41%.



Source: Digitizing Public Services in Europe; 9th Benchmark Measurement; Eurostat, Information Society Statistics, 2010

How Irish people interact with the authorities online

Irish digital advertising market



Source: IAB Ireland/ PwC Online Adspend study, January-June 2011

4. Digital advertising

While weak consumer demand has depressed the advertising market, one medium is experiencing significant double-digit growth and grabbing market share. New IAB Ireland/PwC data shows that digital advertising was worth €65 million in the first half of 2011, a 20.5% increase on the previous year.

This makes it the third largest medium behind TV and print, with an advertising market share of 13%. By contrast, advertising on non-digital media declined in value by 1.5% to €443 million over the same period, according to Nielsen data.

Digital is now a core part of big brand advertisers' media strategies, rather

than an also-ran. The result is that budget is flowing into a variety of digital formats. SMEs, too, are diverting scarce marketing resources into online campaigns, predominantly search.

Among the three categories of digital advertising, display advertising showed the greatest growth. Valued at almost €21 million, display experienced year-on-year growth of 41%, buoyed up by demand for social media, video and mobile formats.

Search – predominately Google – is the largest category at €27.2 million and showing annual growth levels of 17%. Online classifieds was worth €12.7 million, a modest decline on the first half of 2010.

the opportunity to win online

5. eCommerce

More than half of Irish consumers plan to use both online and offline retail channels in combination for research and comparison when shopping this Christmas. When it comes to buying, half will do it in-store, 11% online and 39% will do both. The buying figures are broadly in line with the European average.

These are among the findings of the Deloitte Christmas Spending Survey, which examined the shopping habits of 18,000 consumers in Europe and South Africa.

When it comes to research and comparison, the online stores of brands and shops are the most popular information sources, along with search engines. Email advertising and newsletters are more popular sources with those aged 35 to 64 than with younger consumers, who tend more towards blogs and social networks.

The main reasons Irish consumers give for choosing to shop online are:

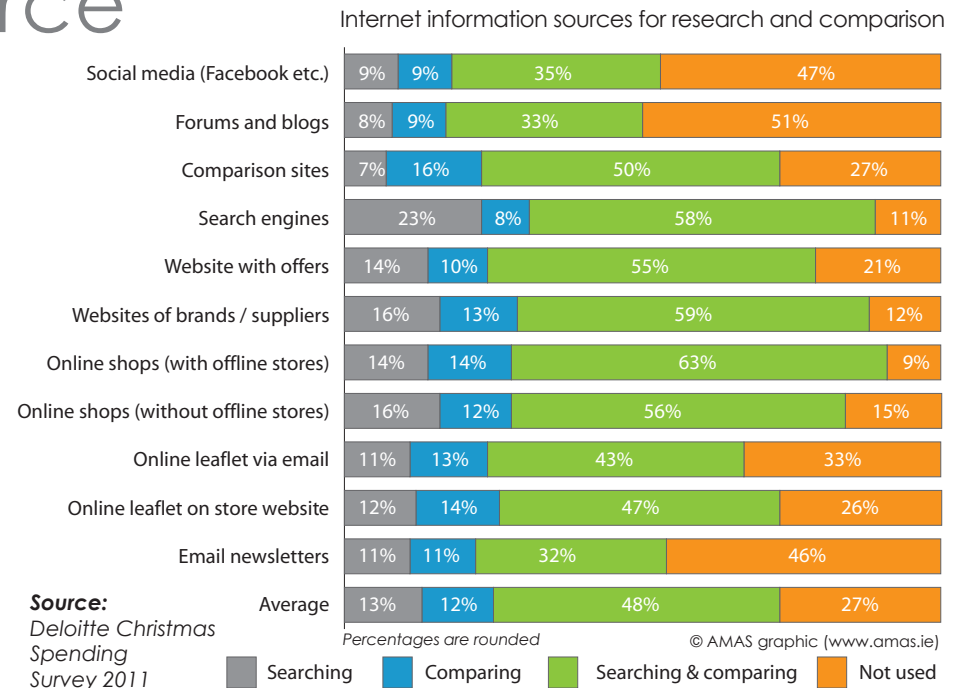
- Shopping when I want (54%)
- Saving time (54%)
- Getting other consumers' opinions (50%)

Continued from page 1

calling a business (61%), physically visiting a business (59%), making a purchase in the store or business (36%) or through an online store (22%). (Source: The Mobile Movement Study, Google/Ipsos OTX MediaCT, April 2011).

Technological innovation is happening at a rapid pace. Near Field Communication (NFC) is one example, which will allow consumers to pay for items or exchange data by swiping their phones against a pay point or another device.

The building blocks for embracing mobile are about understanding customer behaviour and habits, and having clear objectives about where mobile fits within the overall marketing strategy. With increasing fragmentation of online



The weaknesses of shopping online were reported to be after-sales service, exchanging or returning products easily and payment safety. In 10 of the 18

countries, consumers said lower prices were a priority for them in relation to all retailers. In the other countries lower prices were second or third priority.

channels, marketers need to be flexible and adopt the channels that best suit their objectives and their brands.

Planning

Ignore the planning at your peril. Some brands have had bruising experience with apps, sometimes developing them purely because their competitors had one or it was considered the trendy thing to do. They hadn't worked through the benefits for the consumer and how and where an app adds value to the brand.

They underestimated the bear pit of competition that is Apple's App Store and the need to invest in marketing apps and encourage use. Beware the fickle consumer, who is spoilt for choice and routinely ignores apps and will delete them

from their phones if they don't hit the mark.

Other brands have rejected app development or made it a lower priority than developing a mobile website in HTML5. Their reasons for doing so include avoiding App Store restrictions, retaining as much revenue as possible and assessments that mobile websites will better match their users' needs and their business goals.

It is impossible to say which strategy will win out in an area where technology, services and user behaviour are all evolving rapidly. One thing, however, is certain - the revolution summarised in the unlovely abbreviation SoLoMo (the social, location-based and mobile internet) is only beginning.

Top Trends

6. Social media

New milestones have been reached for the numbers of Facebook and LinkedIn account holders in Ireland. Facebook has passed the two million mark, gaining approximately 120,000 new accounts

over the past six months.

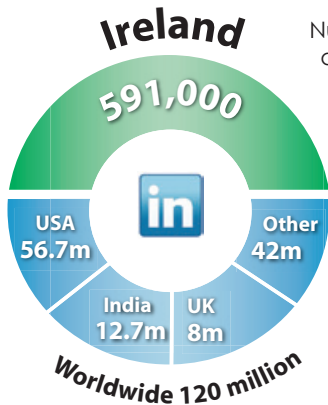
While the rate of new accounts being established is slowing down, Facebook has critical mass in Ireland, building up its presence from a lowly 400,000 accounts less

than three years ago. Three quarters of Irish Facebook account holders who specify an age declare that they are under 35.

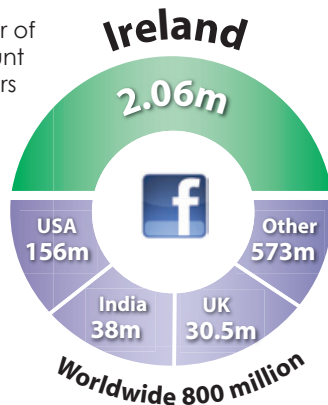
LinkedIn has shown a growth spurt over the past six months, gaining 120,000 accounts to bring the Irish total to 591,000. LinkedIn

members are less inclined to reveal their age compared with Facebook's.

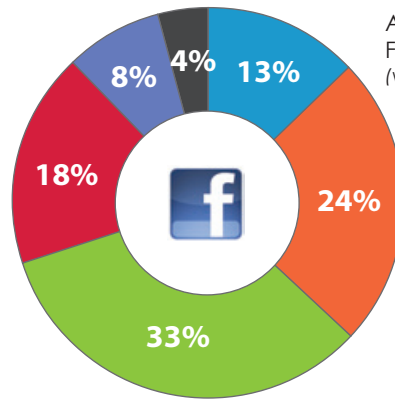
The number of actual users of both social media sites may be far less than the number of account holders, as some users have duplicate accounts and many accounts are dormant.



Number of account holders



© AMA'S graphic (www.amas.ie)



Source: Facebook; LinkedIn



Joan Mulvihill
CEO, Irish Internet Association

Smartphones are about to get a good deal smarter and more indispensable than ever. At a recent Irish Internet Association networking event, members were briefed by the mobile micropayments service Boxpay on this rapidly growing area – where

mCommerce set to be major theme in 2012

consumers make mobile payments on their phones like a credit card, using near-field communication (NFC) technology.

ABI Research has estimated that shopping on the mobile web will reach \$119 billion by 2015, and you can be sure that a growing number of these consumers will be replacing their wallets with their phones for making payments – online and offline.

Just when consumers and business owners were getting used to the internet as part of everyday business, the convergence of mobile, cloud and social will mean

a year of rapid change in 2012. With pervasive smartphone devices, realtime social influence is leapfrogging SEO with Google tracking +1 social likes and crowdsourcing influence trends.

Within this combination of realtime and social via mobile devices, a potential commerce game-changer is the new breed of "contextually aware" technologies that anticipate user needs and deliver products and services proactively.

While 2011 marked a turning point for the

open data movement in Ireland, in 2012 the focus is likely to shift towards the commercialisation of big data. "Enterprising OpenData: The Game Is On" was a brainstorming seminar/conference that explored the interesting possibilities for open data in the interactive gaming and social space.

While many people associate open data with eGovernment and citizen services, the potential for social gaming underpinned by a demand for contextually aware services makes for a wide-open platform for new business opportunities.

Intranets have big productivity potential

Intranets deliver – and are increasingly doing so with in-house social media features. Those were among the messages from the first Intranet Global Forum.

Another key take-away was the critical role of intranet governance. Repeatedly, the G-word cropped up in case studies, presentations on best practice and discussion sessions. Who does what, who posts content and (most critically) how it is archived and removed are vital questions for successful intranets.



Fiachra Ó Marcaigh
Director, AMAS

survey of over 1,400 intranets which found:

- 61% had one or more web 2.0 tools, with blogs and discussions the most popular
- The most common platform was a portal such as SharePoint (34%), followed by content management systems (27%) and custom-built systems (20%)
- Over half (55%) had social media tools for most staff.

Among the many other findings, he emphasised the limited satisfaction levels reported, with just 30% of intranets seen as good or very good and the remainder satisfactory or poor. Noting the low levels of spending reported, he said that despite its potential for saving cost and boosting productivity the intranet was often the very poor relation of the corporate website.

"It may be that you get what you pay for" (in terms of satisfaction), he said.

Case studies

The forum heard detailed case study presentations on large-scale intranet projects that had delivered very substantial gains.

Cisco Systems invested heavily in its intranet to support its strategic corporate goals of accelerating time to market and faster revenue generation. Social profiles, blogs, wikis and dynamic communities were part of the intranet roll-out to its 50,000 staff world-wide.

Top tips for an intranet that works

1. Remember that a successful intranet is a process, not a project
2. Set out a mission statement, objectives and targets
3. Understand staff and business needs fully
4. Involve staff in design work and test drafts with them
5. Keep it simple and focus on navigation and structure
6. Make it fast, easy and helpful to staff in their daily tasks
7. Create an effective, interesting home page
8. Good change management will drive use and satisfaction
9. Get visible senior management support
10. Governance, governance, governance

Among the benefits cited were:

- Time to market halved to 12 months
- Email volume reduced by 38%
- A 12% productivity gain per employee.

PepsiCo does business in 200 countries, marketing hundreds of food and beverage brands, and 145,000 employees use its intranet. Its redeveloped intranet, launched in December 2010, relies heavily on video content and social features. Its home page has been viewed

49 million times this year.

IBM relies on its intranet to communicate with its 400,000 staff, and it also has one of the world's most sophisticated and extensive websites. Attendees were fascinated to hear Peter J. Ceplenski of IBM describe the "Galactic Internet Presence Redesign" that will see it converge its intranet and internet sites. Poor relation or not, many companies expect big returns from intranet investments.



Toby Ward, CEO Prescient Digital

(Photo: Prescient, www.PrescientDigital.com)

The forum brought together developers, intranet managers and agencies from around the world for a two-day event in New York in November. Prescient Digital, the Canadian consultancy that organised the forum, declared itself pleased with the event and said that it may become an annual one.

Prescient CEO Toby Ward presented results from a

AMAS: what we do

AMAS is an internet consultancy with a simple goal – help our clients to exploit the internet. Large corporates, government bodies and, increasingly, high-potential businesses retain us to develop and help implement internet strategies.

Contact Us:
Aileen O'Toole,
Managing Director on
+353 1 6610499 or info@amas.ie

Follow us:
For digital research and insights,
follow AMAS on [Twitter@AMASinternet](https://twitter.com/AMASinternet)

We cut through the clutter and the complexity to allow our clients to capitalise on the unlimited opportunities offered by the internet.

Services:

- Strategy
- Research
- User experience
- Content
- Training
- Marketing
- Project management

