

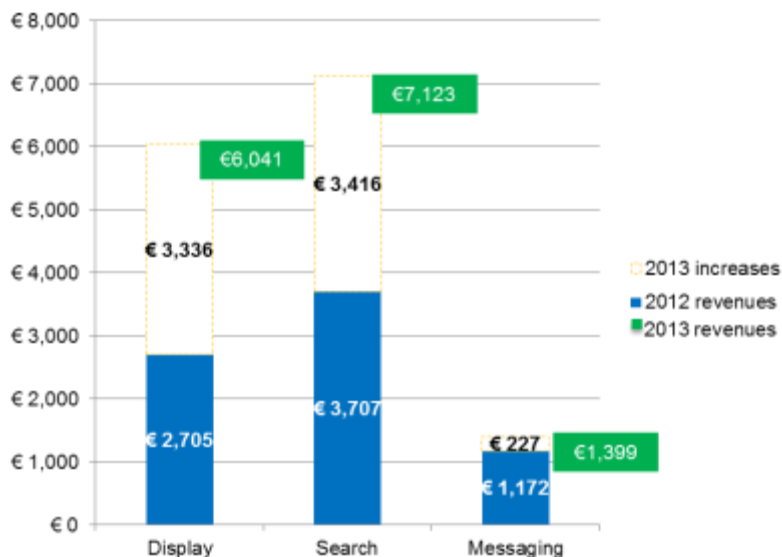
Global Mobile Advertising Revenue Hits €14.6 Billion (\$19.3 Billion) in 2013 Nearly Doubling from Previous Year, According to IAB Europe, IAB & IHS

Latin America shows highest year-on-year growth, soaring 215%, with major increases coming from North America, up 122% and Europe up 90%

Brussels and New York, NY (August 13, 2014): IAB Europe, the U.S. IAB Mobile Marketing Center of Excellence and IHS Technology revealed today their global figures for mobile advertising revenue which soared a massive 92% to €14.6bn (\$19.3bn) in 2013 from €7.6bn (\$10.1bn) in 2012, confirming the adoption of mobile as an essential element of the marketer's toolkit.

Mobile display shows the highest growth at 123.4% and mobile search, up 92.1%, flourishes mainly driven by smartphone penetration as affordable data plans fuel location-based search-on-the-go. Messaging, itself up 19.4%, might not be sharing as much robust growth due to migration from operator-owned messaging services (e.g. SMS and MMS) to alternative platforms. Successful messaging innovation, particularly in Asia, reinforces the commonly held industry belief that mobile players need to be ahead of the curve.

2013 revenue gains over 2012 (€m)

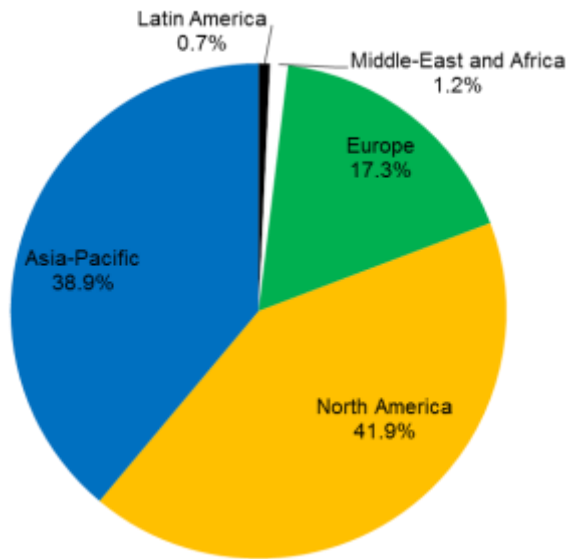


Search remains the dominant segment representing 48.9% of the total global mobile advertising revenue in 2013 at €7.1bn (\$9.5bn), while display approaches parity with a 41.5% share at €6bn (\$8bn), and messaging takes a 9.6% share at €1.4bn (\$1.9bn).

The share by region of the global figure of €14.6m (\$19.3m) for 2013 is:

- North America: 41.9% (€6,099m / \$8,100m)
- Asia-Pacific: 38.9% (€5,666m / \$7,525m)
- Europe: 17.3% (€2,519m / \$3,346m)
- Middle East & Africa: 1.2% (€170m / \$225m)
- Latin America: 0.7% (€109m / \$144m)

2013: Global mobile advertising revenue: share by region



Growth year-over-year was strong across the board, led by Latin America, which saw a massive 215% leap over the 2012 figures. North America and Europe also saw major increases:

- Latin America – 215%
- North America – 122%
- Europe – 90%
- Asia-Pacific – 69%
- Middle-East and Africa – 45%

“The Global Mobile Advertising revenue study emphasises the importance and adoption of the mobile platform, both in Europe and globally,” said **Townsend Feehan, CEO, IAB Europe**. *“Businesses of all sizes are now able to engage their customers via mobile and demonstrating a clear opportunity for publishers to take advantage of. However many publishers still need to hone their mobile advertising strategies and acquire mobile skillsets as growth has been largely driven through in-app and native advertising whilst the delivery of a qualified audience at scale with demonstrable campaign impact is still a work-in-progress in some markets.”*

“These powerhouse numbers directly reflect mobile’s rapidly increasing role as a vital part of the marketing media mix,” said **Anna Bager, Vice President and General Manager, Mobile Marketing Center of Excellence, IAB**. *“In particular, as mobile ad campaigns become easier to plan, create, buy, and measure – in great part due to programmatic strategies – these operational efficiencies are spurring the growth of the mobile display ad market. And, this impressive rise in mobile advertising is unquestionably a worldwide phenomenon, with strong year-over-year upticks being seen in every corner of the globe.”*

“This year’s global mobile revenue sizing reveals that growth is driven by a diverse array of developments in the mobile advertising ecosystem,” said **Daniel Knapp, Director Advertising Research, IHS, and author of the report**. *“Improvements in marketing technology have enhanced targeting and measurement of mobile advertising, while consolidation among market participants simplifies the process of reaching large audiences. The most technologically advanced markets, and those that have concentrated mobile advertising spend on fewer players, have grown above average in 2013. Rising smartphone penetration is extending the addressable market and is inducing a shift from messaging to display-based formats, although messaging remains strong in emerging markets. More fundamentally, the pervasiveness of mobile consumption has sparked a change in the mindset of marketers. Increasingly, they come to realise mobile as a medium in its own right that rewards*

abandoning engrained desktop-based marketing principles with new creative, tactical and strategic opportunities.”

You can download the complete report [here](#).

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Definition of Mobile Advertising Formats:

- Display: Any display advertising viewed or read on a mobile phone including rich media and video advertising. This could be browser-based as well as in-app.
- Search: Advertising appearing on specific word requests on search engines, viewed on a mobile device.
- SMS/MMS: 3rd party ads in SMS and outbound SMS only - this includes advertising either within the body copy of an SMS / MMS message, or outbound messaging.

Market Sizing Methodology:

Market size is gross, defined as after discounts, before agency commissions. Global market sizing and format split is based on reported data by local IABs, and a statistical and econometric model. Reported data has been harmonised to adjust for discounts and agency commissions. Modelled data is based on variables such as smartphone penetration, 3G subscriptions, messaging volume. The model has been refined based on benchmarking variables such as ad spend per capita, mobile subscriptions and 3G/4G penetration as well as through interviews with key players across the mobile advertising ecosystem. Model also takes into account typology of mobile ad markets in terms of maturity and format proliferation.

Adjustments to the previously released 2012 data are due to a number of factors including:

- The use of a 2013 constant exchange rate local currency to EUR for both 2012 and 2013 in order to eliminate currency effects on the growth rate
- Estimates previously used are now replaced with actuals
- Changed methodology in local markets
- Smartphone forecasts replaced by actuals (model uses smartphone penetration as one of several independent variables)

About IAB Europe

IAB Europe is the voice of digital business and the leading European-level industry association for the interactive advertising ecosystem. Its mission is to promote the development of this young and innovative sector by shaping the regulatory environment, investing in research and education, and developing and facilitating the uptake of business standards. Together with its members – companies and national trade associations – IAB Europe represents over 5,500 organisations. www.iabeurope.eu

About the IAB

The Interactive Advertising Bureau (IAB) is comprised of more than 600 leading media and technology companies that are responsible for selling 86% of online advertising in the United States. The IAB empowers the media and marketing industries to thrive in the digital economy. The organization educates marketers, agencies, media companies, and the wider business community about the value of interactive advertising. The organization educates marketers, agencies, media companies and the wider business community about the value of interactive advertising. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. Founded in 1996, the IAB is headquartered in New York City with a Public Policy office in Washington, D.C. For more information, please visit www.iab.net

About HIS

IHS (NYSE: IHS) is the leading source of information, insight and analytics in critical areas that shape today's business landscape. Businesses and governments in more than 165 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs more than 8,000 people in 31 countries around the world.

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