

# Sound bytes from the GSMA CMO Forum

## *The Joined-Up Road Show*

*Connecting the Mobile Media Value Chain*



Produced by Tony Riley CEO Mobile Enterprise Ltd

One Market-One Channel-One Audience  
*Joined Up Thinking*



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# A Succinct Byte from the GSMA CMO Forum



- This is a short summary review of the **CMO Forum 2008**, focused on sound bites highlighting key issues identified by parties up and down the “upstream market value chain”
- Questions relating to this can be addressed to all parties in the Joined-Up Road Show, links contained at the end.
- Mobile Enterprise have provided this summary and can offer proven solutions to address the key issues identified:
  - Data Extraction
  - Independent Measurement and Reporting
  - Currency Creation
- The strategic issues surrounding this can be supported by all members of the Joined-Up Road Show

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*“Good bye the 4 P’s and hello the 4 E’s”* Brian Featherstonehaugh

- Should we be thinking differently?
  - Product to Experience
  - Place to Everyplace
  - Price to Exchange
  - Promotion to Evangelisation

*“A cynic knows the price of everything and the value of nothing”* Oscar Wilde

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# Mobile as a Marketing Channel: What real opportunities does it create?



- Mike Gordon: News Group
  - An opportunity for Football 24-7, brand reach and brand extension.  
*“A challenge working with operators”*  
*“A 2 year cycle to launch with 5 operators”*
  - Is it time to open the garden and embrace the market?
- Richard Saggars: Vodafone
  - *Average click through of 2-3% instead of Internet 0.2%*
  - An opportunity
- Sunil Gundeira: Walt Disney
  - Lack of transparency, audience, clarity and too much fragmentation  
*“The walled garden needs to come down”*  
*“All the partners need to work together”*

“Short term over-hyped. Long term under hyped” Martin Sorrell WPP

The opportunity has been clearly established, but the realisation is still too difficult.

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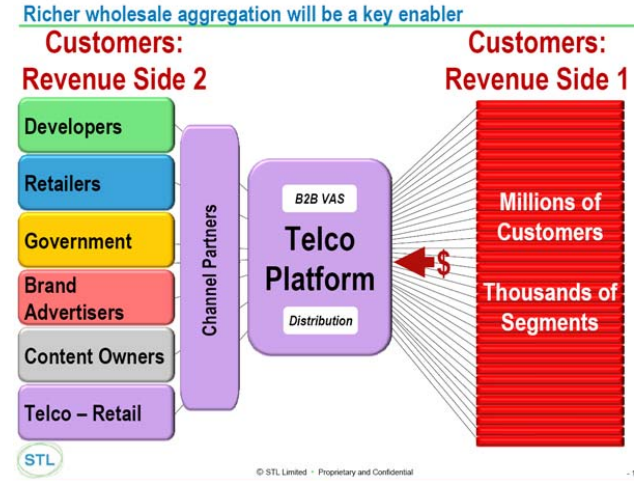
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# How can money flow?

- The two sided business model
  - Telco's have two revenue opportunities
  - Must spend more time focusing upstream
  - Value creation, channel to upstream market
  - The growth possibilities are endless



- The Panel
  - Simon Nelson, BBC Vision: *"Has £1M pounds to spend on mobile ,but struggles to work out how. Lack of clarity ,transparency and propositions"*
  - Ashraf Halim, Orascom: *"Off-deck and on-deck, a very different experience. On deck good, off-deck very bad. Two different worlds"*
  - Johan Wickman, TeliaSonera: *"It is coming, one way or another, where will we stand?"*

Clear demonstration of the potential, but is the current offering too difficult? Even operators accept that it is confusing!

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# Realising the Opportunity: Three Critical Issues



- **Extracting and abstracting data:** *Operators have an enormous amount of customer data but little information*
- **Independent Measuring and Reporting:** *The channel and market need consistent analysis across all operators, since there is only one audience.*
- **Turning data into a currency:** *The media currency (proposition) is largely made up from the extraction of data, measurement and reporting, which leads to profiling and can be sold externally.*
- **Roger Sole, Synchronoss:** *Keep-It-Simple-Stupid (KISS)*
- **Mark Donovan, M:Metrics:** *Multi-dimensional fragmentation*  
Networks (Audience); Channel (On/off-Portal) (Intra audience);
  - *“Perfect is the enemy of the good and useful”* Voltaire



**Start Simple, but demonstrate the potential and create roadmaps for the future**

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# Realising the Opportunity: Practical Examples



- Pekka Ala-Pietila, Blyk: *“Focus on text since everyone uses it!!!!”*
  - 29% response rate on average, over 500 campaigns for profiled advertising
  - Very positive feedback and **NOT** regarded as SPAM
  - Text also allows to timed push rather than waiting for the customer to do something  
*“Creating a mobile contextual Experience, Evangelised Everyplace, Exchanged between two parties”*
- Rick Joubert, Vodacom: *“By offering a  (KISS) range of solutions, Vodacom enjoy a 75% conversion from 1<sup>st</sup> to 2<sup>nd</sup> to 3<sup>rd</sup> Campaign, measured over 190 campaigns of 2-3 week duration”*
  - Revenues from “On-the Line” an independent advertising solution, Vodacom have **outstripped on-portal revenues within 3 months**
  - Focus on **ubiquitous mobile media channels**, it is what people use!

People use SMS/USSD, therefore there is a significant advertising inventory. Why do we not focus on that?

- The Industry is still heavily influenced by the mobile Internet, 10% of 10%

*This is a small part of the opportunity and further promotes that mobile is a subset of the Internet rather than a rich, multi channel medium in it's own right that WILL outstrip internet marketing value in a matter of years. The industry must only join up the thinking and deliver Media propositions.*

- Continued reticence for operators to embrace the two sided business model.

*Continues to create and exacerbate confusion, lack of clarity, propositions and encourage fragmentation*

- Operators continue to focus on end user propositions rather than market enablers and propositions (up-stream customers)

*This model has not worked in the past 10 years and has considerably influenced the continued market confusion and lack of trust. Enabling the market will turn "perceived enemies" (Google/Yahoo) into strong market partners.*

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## *“Mobile Marketing is a free-fall disaster!!!!!!”*

- **Strategic framework is needed:** *Roadmaps for organisation; technology; commercial; inventory; currencies*
- **Moving from 4 P's to 4 E's is very important in this market, for upstream and down-stream customers**
  - Mobile CAN transform the **E**xperience
  - SMS works for all and can provide the **E**xchange
  - Mobile works, potentially, **E**veryplace, but there are still significant opportunities
  - We must now **E**vangelise the true opportunity AND make it available.
- **Mobile brings new ways of phrasing the question.**
  - This will change the answer!
- A new approach: **Pro quo quid**

*“Get on with it and then figure out how to charge for it and what to share later, when there is something to talk about. We all have clever people to do that and we will find a way”*

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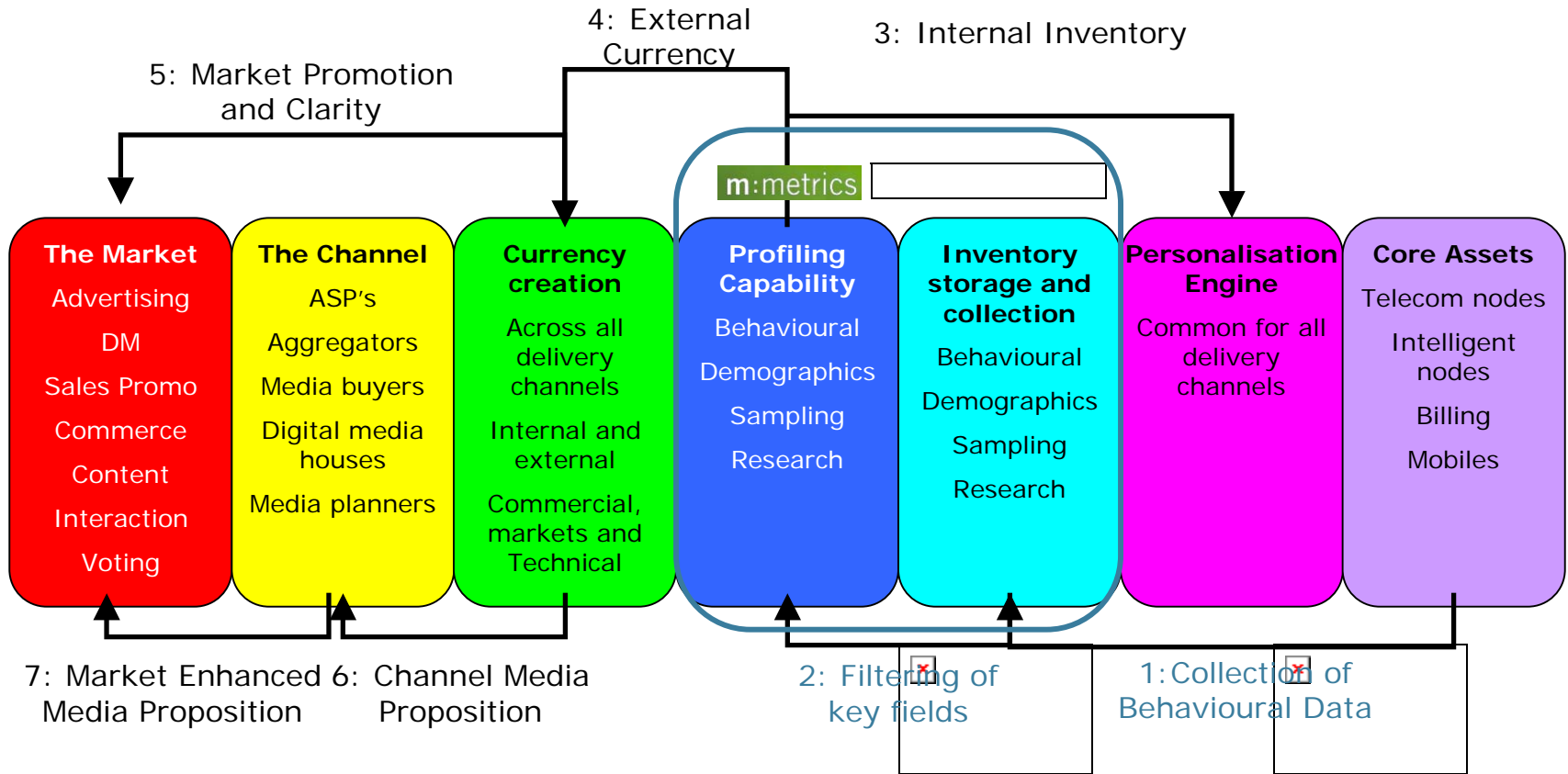
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# Value Opportunity Upstream: The Mobile Enterprise Factor



— Flow of Data

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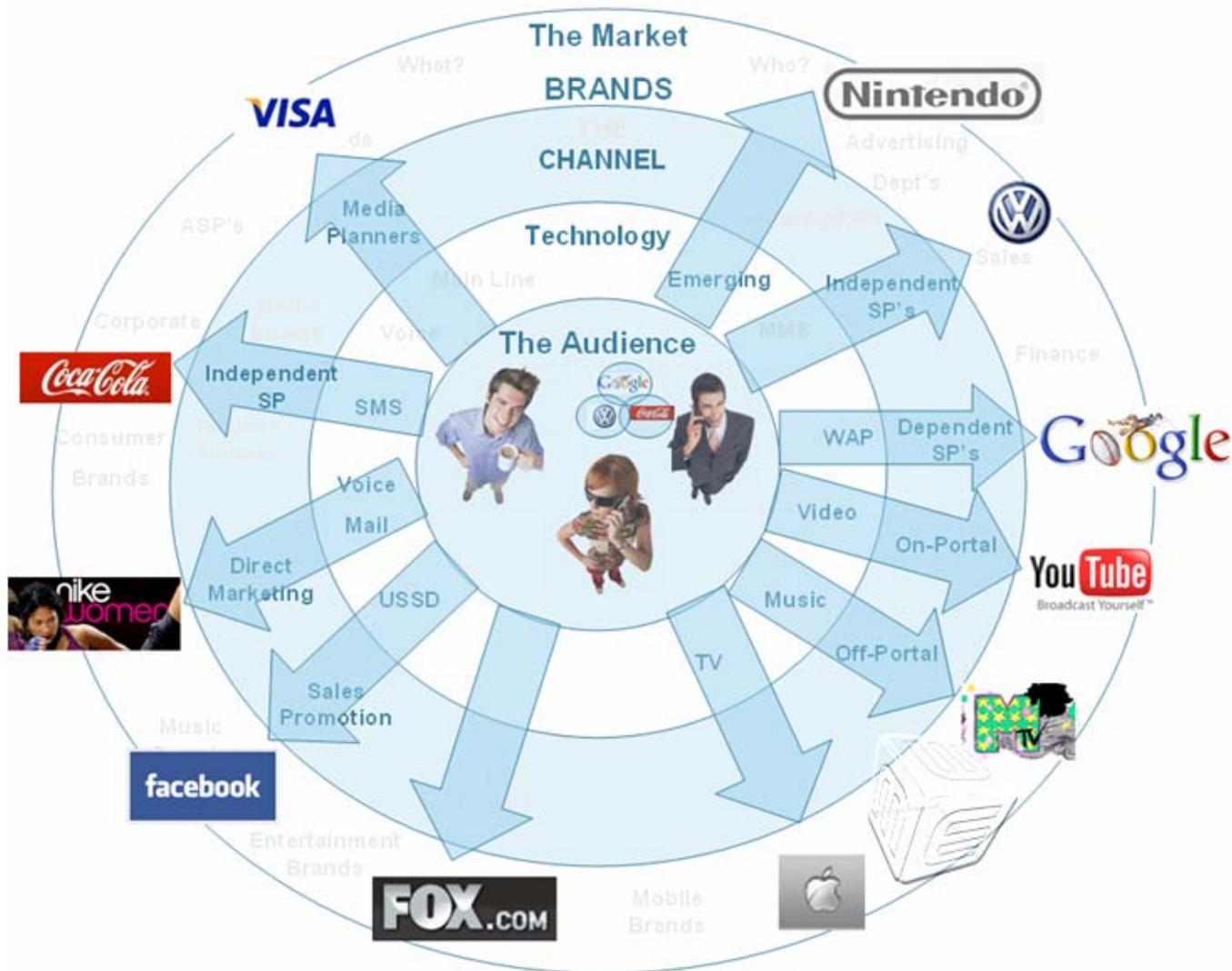
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# The Upstream Market Embrace It!

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