Executive Summary

**Smartphones have become an indispensable part of our daily lives.** Smartphone penetration has risen to 62% of the population and these smartphone owners are becoming increasingly reliant on their devices. 65% access the Internet every day on their smartphone and 80% never leave home without it. **Implication:** Businesses that make mobile a central part of their strategy will benefit from the opportunity to engage the new constantly connected consumer.

**Smartphones have transformed consumer behaviour.** Mobile search, video, app usage and social networking are prolific. Smartphone users are multi-tasking their media with 79% using their phone while doing other things such as watching TV (55%). **Implication:** Extending advertising strategies to include mobile and developing integrated cross-media campaigns can reach today’s consumers more effectively.

**Smartphones help users navigate the world.** Appearing on smartphones is critical for local businesses. 87% of smartphone users look for local information on their phone and 76% take action as a result, such as making a purchase or contacting the business. **Implication:** Ensuring that clickable phone numbers appear in local results and leveraging location based services on mobile make it easy for consumers to connect directly with businesses.

**Smartphones have changed the way that consumers shop.** Smartphones are critical shopping tools with 73% of users having researched a product or service on their device. Smartphone research influences buyer decisions and purchases across channels. 39% of smartphone users have made a purchase on their phone. **Implication:** Having a mobile-optimised site is critical and a cross-channel strategy is needed to engage consumers across the multiple paths to purchase.

**Smartphones help advertisers connect with consumers.** Mobile ads are noticed by 87% of smartphone users. Smartphones are also a critical component of traditional advertising as 46% have performed a search on their smartphone after seeing an offline ad. **Implication:** Making mobile ads a part of an integrated marketing strategy can drive greater consumer engagement.
Understanding the Mobile Consumer

This survey is designed to gain insights into how consumers use the Internet on their smartphones.

In detail:

- Facts and figures about smartphone adoption and usage
- Internet usage in general, search, video, social networking, mobile advertising and m-commerce behaviour via smartphones
- This country report is part of a global smartphone study conducted in multiple countries. Visit thinkwithgoogle.com/mobileplanet for access to additional tools and data

How are smartphones used in daily life?

How do consumers multi-task with their smartphones?

What activities are consumers conducting on their smartphones?

What role do smartphones play in the shopping process?

How do consumers respond to ads, offline and on mobile?
Agenda

1. Smartphones are Indispensable to Daily Life
2. Smartphones Have Transformed Consumer Behaviour
3. Smartphones Help Users Navigate the World
4. Smartphones Change the Way that Consumers Shop
5. Smartphones Help Advertisers Connect with Customers
SMARTPHONES ARE INDISPENSABLE TO DAILY LIFE
Smartphone Penetration is on the Rise

Q1 2011: 30%
Q1 2012: 51%
Q1 2013: 62%

Base: National representative population 16+, n=1,000
Q1: Which if any of the following devices do you currently use?
Smartphones are a Central Part of Our Daily Lives

65% have used their smartphones every day in the past 7 days

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q18: Thinking about the last seven days, on how many days were you online with ...?
Smartphones are Always On, Always with You

80% don’t leave home without their device

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q52: To what extent do you agree to each of these statements?, Top2 Boxes; scale from 5 – completely agree to 1 – completely disagree. “I don’t leave house without my smartphone”
### Smartphones Are Used Everywhere

<table>
<thead>
<tr>
<th>Place of Use</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>At home</td>
<td>97%</td>
</tr>
<tr>
<td>On the go</td>
<td>85%</td>
</tr>
<tr>
<td>In a store</td>
<td>72%</td>
</tr>
<tr>
<td>Work</td>
<td>71%</td>
</tr>
<tr>
<td>Cafe or coffee shop</td>
<td>69%</td>
</tr>
<tr>
<td>Public transport</td>
<td>68%</td>
</tr>
<tr>
<td>Restaurant</td>
<td>68%</td>
</tr>
<tr>
<td>At a social gathering/function/event</td>
<td>63%</td>
</tr>
<tr>
<td>Airport</td>
<td>52%</td>
</tr>
<tr>
<td>Doctor’s office</td>
<td>36%</td>
</tr>
<tr>
<td>School</td>
<td>24%</td>
</tr>
</tbody>
</table>

**Base:** Private smartphone users who use the Internet in general, Smartphone n= 1,000

**Q16:** Where do you tend to use your smartphone? Please first select at which locations you ever use it - even if only seldom.
Perceived Smartphone Usage Intensity increased in last six months

34%

Spent more time online with their smartphone in the last 6 months

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q21: Thinking about the last 6 months, have you been using your smartphone to access the Internet more or less than you had before?
Smartphones Have Become so Important to Consumers that …

23% would rather give up TV than their smartphone

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q52: To what extent do you agree with each of these statements? Top2 Boxes; scale from 5 – completely agree to 1 – completely disagree. I would rather give up TV than my smartphone. *I would rather give up my TV / desktop PC than my smartphone.*
SMARTPHONES HAVE TRANSFORMED CONSUMER BEHAVIOUR
Smartphones are a Major Access Point for Search

54% search on their smartphones every day

Base: Private smartphone users who use the Internet in general and who are searching via search engine, Smartphone n= 941
Q31: How often do you do searches (via Google, Yahoo!, Bing, etc.) on your smartphone?
Smartphones Inform Our Daily Life

68% Product Info

46% Restaurants, Pubs & Bars

38% Travel

24% Job Offers

23% Apartments, Housing info

Base: Private smartphone users who use the Internet in general, Smartphone n= 1.000
Q23: Which of the following activities do you do with your smartphone? Please indicate whether you ever do this at all.
### Smartphones are a Multi-Activity Portal

#### Communication
- Emailed (sent or read): 79%
- Accessed a social network (e.g., updated a status message, checked messages or friends’ pages): 67%

#### Stay Informed
- Read news on newspaper or magazine portals: 41%
- Reviewed websites blogs or message boards: 36%

#### Entertainment
- Browsed the Internet: 83%
- Played games: 64%
- Listened to music: 62%
- Watched videos on a video sharing website (e.g., YouTube.com): 53%

**Base:** Private smartphone users who use the Internet in general, Smartphone n= 1,000

**Q23:** Which of the following activities do you do with your smartphone? Please indicate whether you ever do this at all.
App Usage is Ubiquitous

- 29 apps installed on average
- 10 apps used in the last 30 days
- 8 paid apps installed on average

Base: Private smartphone users who use the Internet in general, Smartphone n= 1.000 Q24: How many apps do you currently have on your smartphone?
Base: Private smartphone users who use the Internet in general and who have, at minimum, one app on their smartphone, n= 985
Q25: And of the apps that you currently have installed on your smartphone, how many have you used actively in the last 30 days?
Q26: And of the apps that you currently have installed on your smartphone, how many have you purchased for a certain amount in an app distribution platform?
Smartphones Users are Avid Video Watchers

67% watch video

14% use video at least once a day

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q35: How often do you watch videos via websites or apps (e.g. short video clips, videos of TV shows, TV movies online, etc.) on your smartphone?
Smartphone Users are Frequent Social Networkers

77% visit social networks

53% visit at least once a day

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000, Q38: How often do you visit a social network (via websites or apps) on your smartphone?
Smartphones Are Used While Multi-tasking with Other Media

79% of smartphone users listen to music while using their smartphone, with other common activities including watching TV (55%), using the internet (28%), reading magazines/newspapers (17%), playing video games (13%), watching movies (25%), reading a book (11%).

Base: Private smartphone users who use the Internet in general and who were online yesterday with their smartphone, n= 1000
Q22: When you use the Internet on your smartphone, which if any of the following – do you normally do at the same time?
SMARTPHONES HELP USERS NAVIGATE THE WORLD AROUND THEM
87% of smartphone users have looked for local information

76% have taken action as a result

**Base:** Private smartphone users who use the Internet in general, Smartphone n= 1000

**Q33:** How often do you look for information about local businesses or services on your smartphone? (Ever)

**Base:** Private smartphone users who use the Internet in general and who look at least less than once a month for information on their smartphone, Smartphone n= 867

**Q34:** Which of the following actions have you taken after having looked up this type of information (business or services close to your location)?
Looking for Local Information is a Frequent Smartphone Activity

41%  
Look for local information at least once a week

13%  
Look for local information daily

Base: Private smartphone users who use the Internet in general, Smartphone n= 1.000  
Q33: How often do you look for information about local businesses or services on your smartphone? (Ever)
Local Information Seekers Take Action

47% connected with the business
- Looked the business up on a map or got directions to the business or service (33%)
- Called the business or service (32%)

58% visited the business
- Visited the website of the business or service (43%)
- Visited a business (e.g. shop or restaurant) (39%)

14% told others about it
- Read or wrote a review about a business or service (10%)
- Recommended a business or service to someone else (6%)

35% made a purchase
- Made a purchase from a business online (25%)
- Made a purchase from a business in-store (23%)

Base: Private smartphone users who use the Internet in general and who look at least less than once a month for information on their smartphone. Smartphone n= 867
Q34: Which of the following actions have you taken after having looked up this type of information (business or services close to your location)?
SMARTPHONES
CHANGE THE WAY THAT CONSUMERS SHOP
Smartphones Allow Users to Research Products Anytime, Anywhere

**Place of Search**

- **52%** At home
- **25%** On the go
- **18%** In a store

**Base:** Private smartphone users who use the Internet in general, Smartphone n= 1,000

Q51a: And where were you when you researched for products or services with your smartphone?
73% have researched a product or service on their phone

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q51a: And where were you when you researched for products or services with your smartphone?
Smartphones are Our Primary Shopping Companions

I have changed my mind about purchasing a product or service in a shop as a result of information that I gathered using my smartphone.

I have changed my mind about purchasing a product or service online as a result of information that I gathered using my smartphone.

Base: Private smartphone users who use the Internet in general, Smartphone n= 1.000
Q52: To what extent do you agree to each of these statements? Please answer on a scale from 1 to 5. A "1" means that you completely disagree with the statement, a "5" means that you completely agree with the statement.
Research that Starts on Smartphones Leads to Purchases Across Channels

40% then purchased via computer

28% then purchased it offline

Base: Private smartphone users who use the Internet in general, Smartphone n= 1.000
Q48: Listed below are various products or services. For each of these products or services please indicate which statement applies to you.
Smartphones Are an Emerging Point of Purchase

39% of smartphone users have purchased a product or service on their smartphone

65% of these smartphone shoppers have made a purchase in the past month

Base: Private smartphone users who use the Internet in general, Smartphone n= 1,000
Q44: Have you ever purchased a product or service over the Internet on your smartphone? By product or service we mean everything that you can buy excluding apps.
Base: Private smartphone users who use the Internet in general and who purchased via Internet on their smartphone n= 388
Q45: Have you made a purchase by using your smartphone in the past month?
Smartphones Shoppers are Frequent Buyers

60% make mobile purchases at least once a month

Base: Private smartphone users who use the Internet in general and who purchased via Internet on their smartphone, Smartphone n= 388 Q47:
How frequently do you purchase products or services with your smartphone?
Barriers to Mobile Commerce Still Exist

- Cannot trust credit card security on the mobile device: 46%
- Screen size is too small: 36%
- Cannot see detailed product/service information: 29%
- It takes too much time to open the web site page: 26%
- Hard to compare prices and options: 17%
- Mobile online access tend to be interrupted: 15%
- Hard to type: 13%

Base: Private smartphone users who use the Internet in general and who NOT purchased via Internet on their smartphone n= 612  Q46: Why have you not made a purchase using your smartphone? – Top 7
Smartphones Help Advertisers Connect With Their Customers
Offline Ad Exposure Leads to Mobile Search

46% have performed a mobile search after seeing an ad

Ad location:
- TV: 41%
- Shop/business: 37%
- Magazines: 32%
- Posters / Billboards: 25%

Base: Private smartphone users who use the Internet in general, n= 1000
Q43a: Thinking about the last 6 months, how often have you used your smartphone to do a search in response to an ad you have seen in a magazine, on a poster, on TV or in a shop/business?
87% of smartphone users notice mobile ads.
Mobile Ads Make an Impression

Where Mobile Ads Are Noticed

- While on a website: 40%
- While in an app: 39%
- While using a search engine: 33%
- While watching a video: 22%
- While on a retailer website: 20%
- While on a video website: 14%

Base: Private smartphone users who use the Internet in general and who at least rarely notice advertising n= 868
Q42: Where have you noticed advertising when using your smartphone?
Background
Research Methodology

• In partnership with Ipsos MediaCT, we interviewed a total of 1,000 British online adults (18-64 years of age) who identified themselves as using a smartphone to access the Internet

• The distribution is according to a national representative study and the data is weighted on age, gender, region, brand of smartphone, mobile internet usage frequency and tablet usage

• A smartphone is defined as "a mobile phone offering advanced capabilities, often with PC-like functionality or ability to download apps"

• Respondents were asked a variety of questions around device usage, mobile search, video, social, web and commerce behaviour and mobile advertising

• Interviews were conducted in Q1 2013
Demographics

Base: Private smartphone users who use the Internet in general, n= 1,000
Demographics

Base: Private smartphone users who use the Internet in general, n= 1,000
D4. What is the highest level of education that you have completed? D5. Which of the following best describes your employment status? D8. Which of these ranges comes closest to the total (annual) income of your household before anything is deducted for VAT, National Insurance (Social security), pension schemes, etc.?