

Mobile advertising is recession-proof: BuzzCity

By [Giselle Abramovich](#)

January 14, 2009



KF Lai is CEO of BuzzCity

BuzzCity released its BuzzCity Mobile Advertising Index for the last quarter in 2008, showing almost 50 percent growth in paid banner advertisements in the United States during the last three months of the year.

The report represents inventory sold across the BuzzCity Mobile Advertising Network. The BuzzCity report tracks, by extension, the growth of off-portal mobile internet use in more than 200 countries.

"Even as newspapers are fleeing to the Web, some to the mobile Web, so are more users, and an ever-increasing number to the mobile Internet," said to KF Lai, CEO of BuzzCity, Singapore. "This growth can be sustained if access prices are kept sensible—this will only nurture the growth of the mobile economy.

"Sensible also means avoiding price dumping as this will only mean, as we sometimes see, poorly maintained networks that can't keep up with traffic demand," Mr. Lai said. "Overall, the off-portal market is growing steadily in a larger and larger number of countries, even if it is still impacted by operator price policy."

The growth of the [BuzzCity](#) Mobile Advertising Network nationwide is an indicator of the resilience of mobile advertising in the face of the current economic downturn, as well as the exponential growth in mobile Internet use among U.S. consumers during 2008.

In total, 382 million paid advertising banners were served to a U.S. audience during the fourth quarter. For the entire year, banners served in the U.S. grew by 209 percent

In the fourth quarter, just over 7.5 billion advertiser banners were delivered across the network, representing quarterly growth of 40 percent, a slight increase from the previous quarter's growth of 38 percent.

While the top 10 performers ([see chart](#)) contributed 80 percent of the traffic, the network continued to grow beyond these markets.

In fact, by the end of December 2008, 28 markets exceeded 10 million banners per month compared to 23 in the third quarter.

Year-on-year the network grew by some 300 percent and growth is expected to continue.

So, what does this mean?

The increasing number of users also means that they are looking to do more with their mobile phones—presenting more opportunities to mobile marketing campaigns and initiatives.

Not surprisingly, there are implications.

"The first is to basically fish where the fish are—mobile advertising is growing, and effective, even in the bad economy," Mr. Lai said. "Our numbers are not the only indicators of this.

"Additionally, the mobile Web is measurable, targeted and easily fine tuned mid-flight, because off-portal is a playground where creativity is far less restricted than with the operators," he said.

The mobile medium is very personal—marketers should start early and experiment with campaigns that go beyond just the banner, Mr. Lai said.

Some companies are already earning and learning much from this market.

In the U.S. in particular, the users are there and continue to migrate to the mobile Web. It is up to marketers to continue to devise creative ways to reach them.

"Evangelizing the medium to the client can be difficult, as we have found," Mr. Lai said. "On this note, many, even among marketers, still see the medium only as a juvenile tool.

"But the truth is that the user base, particularly over the last couple of years, has grown up and has grown-up expectations," he said. "Users are more mature than the brands who want to target them, and those that recognize this fact are finding success with this medium."

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