

The Adfonic AdSnap: Tablets

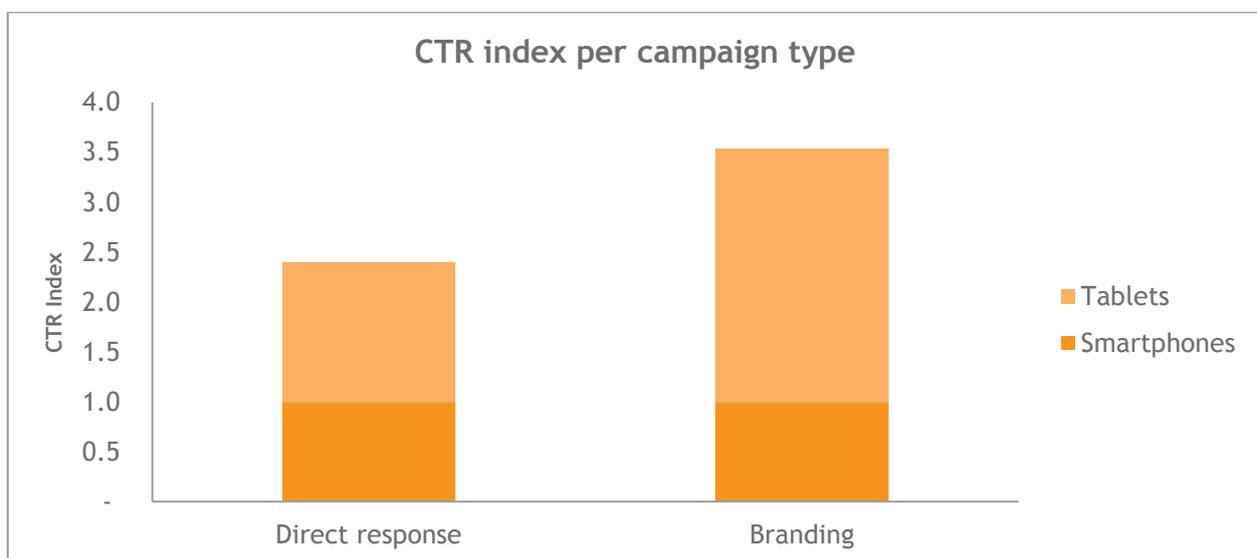
Tablets are about to change the mobile advertising world.

We first saw tablets gaining share of ad impressions in 2012, with our Q3 Global AdMetrics Report. Then, we looked back and noticed that in the previous quarter, nine percent of ad impressions had been viewed on tablets. By Q3 this had risen to 11%. By Q4 it was becoming clear that tablets were steadily penetrating Adfonic's smarter buying platform, as they closed the year with 14% of ad impressions, over 50% more than at the beginning of the year.

Moreover, when we focused on the festive season, we saw that tablets had dramatically increased their share of ad requests, by 40% over two weeks. Looking closer still, it became evident that this was mostly driven by Android tablets, especially the Kindle Fire HD. You can read the Global AdMetrics Report for Q4 2012 and see the infographic showing how tablets are hot on our website at adfonic.com/news/reports/

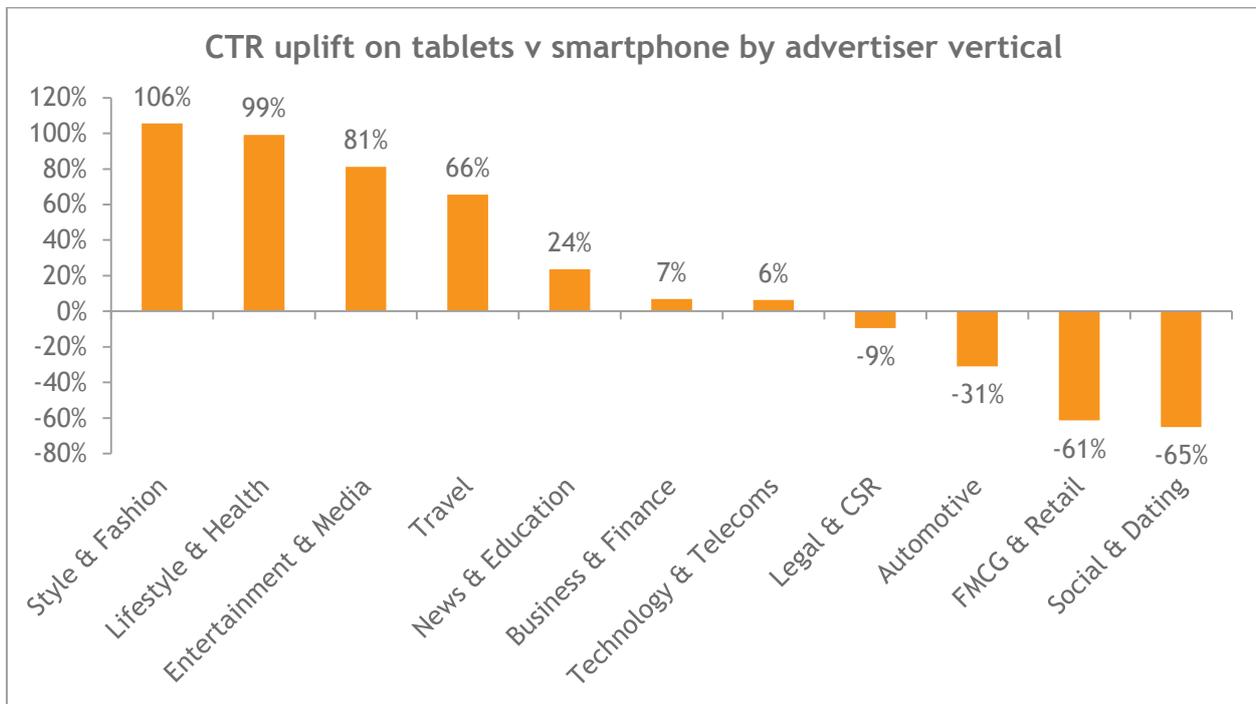
So tablets are clearly becoming significant members of the mobile family, and this AdSnap is a deeper dive into the genepool. It shows how tablets outperform smartphones across all types of campaign and most verticals. It explains how - and perhaps why - tablets are particularly attractive to older demographics. And it also demonstrates how tablet and smartphone usage varies throughout the day, with prescriptions for advertisers who want to run smartphone campaigns alongside their larger cousins.

Tablets outperform smartphones for any campaign type



By any advertising measure, tablets outperform smartphones. The above chart shows that there is an uplift in clickthrough rates (CTRs) for tablets when compared to smartphones, for direct response campaigns (such as cost per acquisition CPA, per click CPC, or per impression CPI), and especially so for branding campaigns based around cost per thousand (CPM). These two distinct campaign types would typically involve different creatives or user journeys, yet tablets outperform smartphones for both types.

Tablets outperform smartphones for many verticals

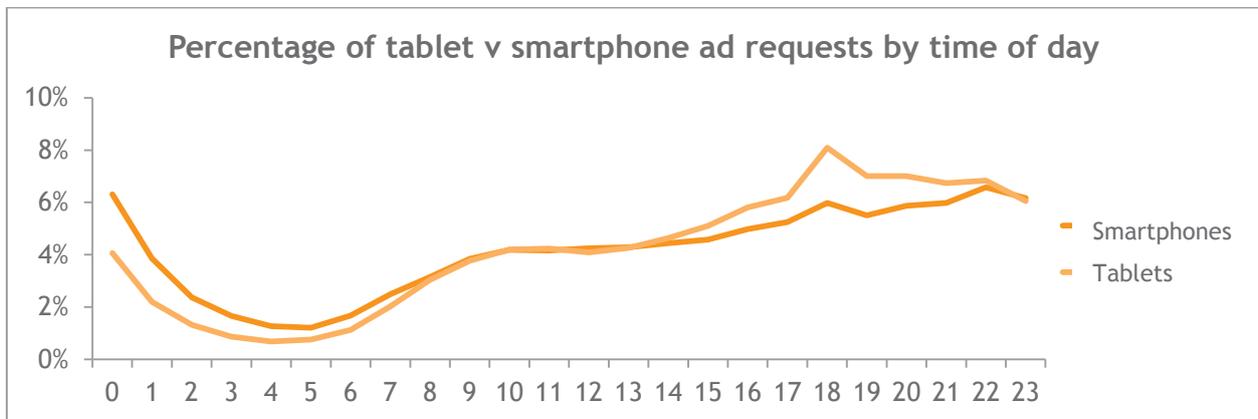


Tablets achieve especially strong CTRs for advertisers in the Style & Fashion, Lifestyle & Health, Entertainment & Media, and Travel verticals.

However, smartphones are stronger in some areas such as FMCG & Retail, where the added mobility of the smartphone could be important in checking out locations. Likewise Social & Dating could be more amenable to people checking their phones while on the move.

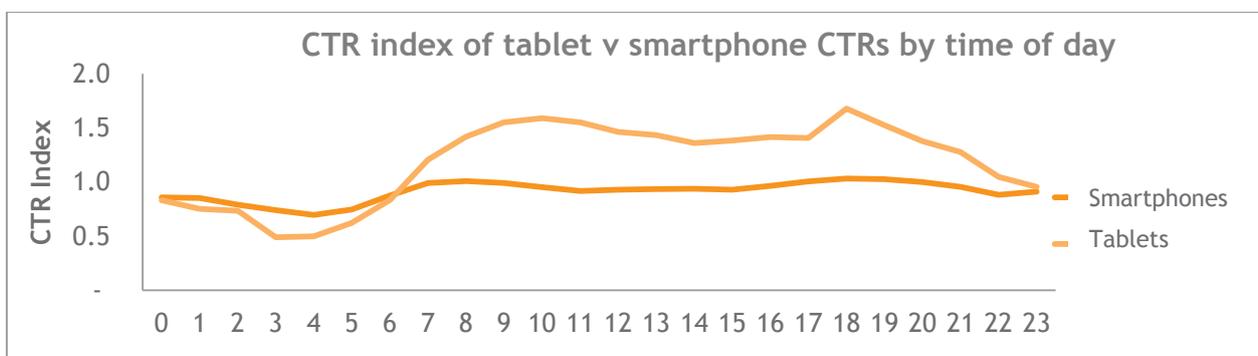
As a broad division, tablets are more for browsing through entertainment while smartphones are about true mobility. There are other reasons why tablets perform well however, such as their bigger size and sheer volume growth. We cover this topic in greater depth at the end of this AdSnap.

Smartphones for the small hours, tablets in the evenings



This chart shows the proportion of ad requests for tablets and smartphones throughout a typical day. For example, it shows that at midnight, displayed on the extreme left of the chart, over 6% of smartphone ad requests occur, while we receive around 4% of tablet requests. By contrast, at around 6pm, around 8% of tablet ad requests occur, and 6% of smartphone requests.

This shows that tablet users tend to be more active during the evening, reflecting for example the IAB's Three Device Lives study which illustrated how tablets dominate for living room activities such as email, social networks and retail. Smartphone users are proportionally more active from midnight through to the morning, perhaps showing that the smartphone's place in the home is typically on the bedside cabinet throughout the night.

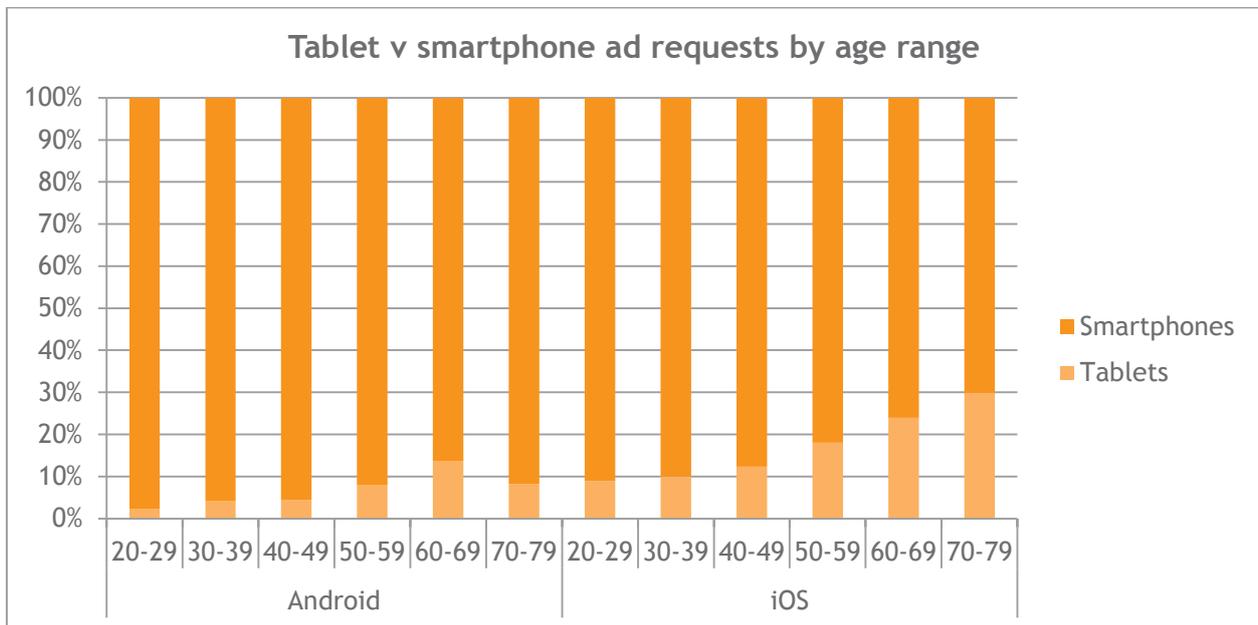


This chart shows the CTR indexes throughout the day, so for example at 10am on a typical day, tablets have a CTR 1.6 times that of the average tablet rate, while smartphones have a CTR below 1.0 - that is, below average for smartphones during a typical day.

The CTR index for tablets is much higher during all hours of the day from 6am through to midnight.

For smartphones, an interesting insight here is that not only do people tend to use their smartphones more at night, as we have already seen in the ad requests chart, they are also more likely to tap ads displayed on them throughout the night, as shown above.

Tablet ownership increases with age



The above chart shows the percentage of ad requests coming from tablets for each age group, when compared to mobiles. For example, for the 50-59 age group we see just under 10% of Android ad requests coming from tablets, and just under 20% of iOS ad requests coming from tablets.

Here we see a definite pattern: when older users decide to use mobile devices, they are much more likely to choose tablets than are their younger counterparts. In particular, iOS tablets appeal to the 70-79 age group: iOS tablets account for one in every three ad requests from this group.

This could be simply because they find the larger screen sizes much amenable than those of smartphones, but could also reflect their increased affluence and ability to invest in more expensive technology.

Adfonic AdSnaps are snapshots of performance, insight and analysis across Adfonic's smarter buying platform. Adfonic also produces the Global AdMetrics Report on a quarterly basis, providing more actionable insights that help advertisers and publishers understand what drives campaign performance and effective inventory monetization. To see all of Adfonic's reports, visit adfonic.com/news/reports/