



**T.C
YEDİTEPE UNIVERSITY
GRADUATE INSTITUTE OF SOCIAL SCIENCES**

FUTURE OF ADVERTISING IN MOBILE WORLD

“Mobile Advertising will be a killer application in the near future, no other mass advertising medium will survive”

By

İ. EYMEN İŞGÜDER

**Submitted to the Graduate Institute of Social Sciences
In partial fulfillment of the requirements for the degree of
Master of Visual Communication and Design**

ISTANBUL, 2007



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Approved by:

Prof. Dr.Emin Doğan AYDIN

Yrd. Doç. Dr. Cüneyt BUDAK
(Supervisor)

Doç. Dr. Tuğrul TANYOL

Date of Approval by the Administrative Council of the Institute 18/06/2007

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LIST OF ABBREVIATIONS

1G	The first generation of mobile cellular communications systems
2G	Second generations of mobile cellular communications systems
3G	Third generations of mobile cellular communications systems
4G	Fourth generations of mobile cellular communications systems
AD	Advertisement
BBDO	Batten, Barton, Durstine & Osborn; an advertising agency
BMP	Bitmap, an image file format
CPM	Cost per thousand; CPM is used by marketers to price ad banners.
CTR	Click-through Rate
EDGE	Enhanced Data for GSM Evolution
GIF	Graphics Interchange Format
GPRS	General Packet Radio Service
GPS	Global Positioning System
GSM	Global System for Mobile Communications
ITN	Independent Television News
JPEG	Joint Photographic Experts Group
KBPS	Kilobit per second
MBPS	Megabit per second
MMS	Multimedia Messaging Service,
MVNO	Mobile Virtual Network Operator
PALM	Personal Digital Assistant
ROI	Return on Investment,
SIM	Subscriber Identity Module
SMS	Short Message Service
SMS PUSH	Consumers receive SMS to Interact
SMS PUL	Consumers send SMS to Interact
URL	Uniform Resource Locator
WAP 1.0	WAP version 1 relied on the WML markup language.
WAP 2.0	WAP version 2 relied on the XHTML markup language.
WAP	Wireless Application Protocol
WEB	A computer programming system
WIFI	Wireless Fidelity
WML	Wireless Markup Language
XHTML	Extensible HyperText Markup Language

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ABSTRACT

The purpose of this study is to demonstrate the current state of mobil advertising, how it will surpass traditional advertising and marketing medium and show what types of mobile advertising applications await consumers.

Technology has brought mobil phones to a point that they are necessity in our lives. More than 2 billion people in the world own a mobile phone. Primary use of mobile phones was voice transmissiion. This was followed by short messaging (SMS), listening to music, taking pictures and videos and nowadyads has reached video calls in 3G networks. Short messaging had been an hype and the amount reached billions in a very short time. This phenomenon had attracted the attention of the marketing sector and gave birth to mobil marketing agencies. These agencies started developing SMS based mobile campaign for their clients.

Mobil phones lead us to great deal of information such as age, gender, location, monthly expense, personal interests. Seeing that potential, advertisers and mobil marketing agencies started developing mobil advertising applications.

The most irritating factor from the user's perspective is to receive advertising messages without his or her consent. Today, permitted advertising messages specially crafted to user's area of interest is being used as an effective tool that also benefits the user. Finally, in the near future, traditional advertising and marketing medium will not be as significant as they are today and the most successful advertising medium will be mobile.

ÖZET

Bu tezin amacı hızla gelişmekte olan mobil sektörün hayatımıza yavaş yavaş soktuğu mobil reklamın şu anda hangi noktada olduğu , yakın gelecekte mevcut geleneksel reklam ve pazarlama mecralarını nasıl geride bırakacağını ve tüketicileri ne gibi mobil reklam uygulamalarının beklediğini göstermektir.

Geçmişten günümüze teknolojik gelişmeler her alanda olduğu gibi mobil sektörü de inanılmaz boyutlara getirmiştir. Şu anda dünyada 2 milyardan fazla kişi cep telefonu kullanmaktadır. Bu insanlar daha önceleri sadece sesli arama yaparlarken şimdi mesaj, müzik, resim ve video gibi birçok fonksiyonları kullanılabilir duruma gelmiş, hatta 3G ağına sahip olan ülkelerde görüntülü konuşulabilmektedir

Mobil Pazarlama ajansları markalara müşterilerine ulaşabilmeleri için mobil kampanyalar geliştirmeye başlamıştır. Cep telefonları kullanıcılar hakkında diğer hiçbir mecraanın veremediği kadar bilgi sağlayan cihazlardır. Bunlar; yaş, cinsiyet, lokasyon, aylık harcama ve kişisel ilgi alanlarıdır. Bu büyük potansiyeli gören reklamcılar ve mobil pazarlama ajansları mobil reklam uygulamaları geliştirmeye başlamışlardır. Gelecekte reklam mobil hayatın birçok noktasına girecektir.

Günümüzde, insanlar sürekli koşuşturma halindedir ve herkes gün içinde onlarca reklama maruz kalmaktadır. Ama bu reklamlar kitle mecralarına yönelik ve standart mesajlar olduğundan tüketicilerin pek de ilgisini çekmemektedir. Yapılan mobil pazarlama uygulamalarında tüketicileri en çok rahatsız eden unsur, kullanıcıların cep telefonlarına izinleri ve istekleri dışında gelen SMSlerdir. Mobil reklamda artık tüketicilerden daha önceden izin alarak, ilgi alanlarına yönelik ve son derece kişisel mesajlar ile ulaşmaya çalışılacak ,reklam karşılığında tüketicilere çeşitli faydalar sağlanacaktır. Sonuç olarak, yakın gelecekte mevcut geleneksel reklam ve pazarlama mecraları giderek değer kaybedecek ve gelecekte en başarılı reklam mecrası mobil olacaktır.

INTRODUCTION

Advertising is a form of communication via paid message by various mediums. It is designed to encourage purchasing behavior. Mass communication has started with Newspapers and continued with other printed medium between the years 1600 and 1900. Mass communication gained momentum after that radio was invented in 1900s. Couple of decades later, TV came into our lives in 1940s. In the early 2000s we met with mobile phone which was another milestone in mass communication.

Mobile phones became popular day by day because they were more than a device; they became the most personal thing that people want to keep with them all the time. Today, all around the world more than 2 billion people use mobile phone.

After mobile communication has increased, mobile phones became a new marketing channel

Mobile marketing and advertising agencies started to connect brands with consumers over mobile networks. Mobile medium has provided efficient, low-cost and targeted opportunity for the advertisers to reach their consumers. It also provides brands to reach more than a million consumers possible in a very short period of time like in a month.

With the increase of mobility, people start moving more and faster in a routine daily life. Personalization became more important, there are lots of advertising bombing outside and consumers don't have time as much as before, so they will only accept the messages which are relevant to their interest and personal needs.

The aim of this study is to explain mobile advertising in other words revolution of advertising. In my thesis I will try to describe how mobile advertising will replace TV as most important advertising medium. While focusing on the subject, mobile advertising is explained then mobile phones as a new marketing & advertising medium is described. After that consumer's attitudes towards mobile advertising researches are determined. Furthermore, mobile advertising applications are exemplified by giving comparative information from mobile advertising applications from Turkey.

2) EVOLUTION OF MOBILE PHONES

Decades ago, mobile phones were so heavy that they were as big as a brick (Figure2). First Mobile Phone is made by Motorola engineers. When making the phone, engineer's only aim is to make and receive calls. Nowadays mobile phones weigh about a hundred grams, fit in the palm of your hand, and allow users to surf the Internet, take



pictures, record video and store thousands of bits digital data. With the evolution of mobile phones, nowadays modern mobile phones are more equipped than original computers which were used forty years ago.

Figure 2: First mobile phone, made by Motorola engineers.

2.1) Generations of mobile communications

The first generation (1G) of mobile communications was introduced in the late 1970s; it was primarily used for voice transfer. In the early 1990s, second generation (2G) systems came into existence. 2G brought a simple but popular application which is Short Message Service (SMS). This allows text messages to be sent from one phone to another.



Couple of years later, Wireless Application Protocol (WAP) commercially launched by many operators. WAP allows mobile phones to browse the Internet. Users access WEB sites which are specially prepared in order to fit the screen size of the particular mobile phone.

Figure2.1: 1990's Ericsson handset works with 2G systems

The industry is now on the track of another breakthrough which is called the third generation (3G) mobile networks. This milestone is meaningful for two reasons: Firstly, it enables that there will be a global standard for mobile networks for the very first time. Secondly, the new 3G networks will support broadband Internet access. It will deliver data speeds from 384 kbps to 2 Mbps and over wireless interfaces.

Finally, in the future we will face with 4G, which transmits both voice and data in packets (pure IP system). Data transmission speed will be at least as good as in 3G, and as high as 20 Mbps or even 100 Mbps. 4G systems will not be ready until 2010. (Gangar, 2003)

Table 2.1: Transmission speeds of 2G, 2.5G and 3G & 4G networks

TRANSMISSION SPEEDS OF 2G, 2.5G AND 3G & 4G NETWORKS				
(2G) GSM	(2.5G)GPRS	(2.5G) EDGE	3G	4G
9.6 kbit/s	171.2 kbit/s	384 kbit/s	2 mbit/s	20 – 100 mbit/s

None of the Turkish Operators get the 3G licence however according to Ericsson Turkey's market research, numbers showed that people are willing to use 3G applications now. 48% of the user want to use video phone, 47% want to go online more faster and 38% of the users want to watch Mobile TV. 3G means more data usage and with the today's data prices it means high costs for the end user, Operators should use fix price system. In addition, every year 1.5 million new subscribers enter the market. (Ericsson, 2006)

3) TYPES OF MOBILE HANDSETS

3.1) Mobile phones



Simply, mobile phones are the devices which can make/receive a call, send/receive SMS & MMS (multimedia messaging), take picture, record video and surf the WEB & WAP.

Figure 3.1: Image of a regular mobile phone

3.2) PDAs



PDAs are touch screen handheld computers that are created as personal organizers. PDAs not only make/receive a call, send/receive SMS & MMS, take picture & video and surf the WEB & WAP, but also send and receive e-mail, utilize Global Positioning System (GPS), they also have media player, WEB browsers and Microsoft Windows office applications. They can access the Internet, intranets or extranets via Wi-Fi, or Wireless Networks.

Figure 3.2: Image of a standard PDA

3.3) Blackberry



Blackberry is a wireless handheld device introduced in 1999. It supports push e-mail, mobile telephone, text messaging, Internet faxing, WEB browsing and other wireless information services. Nowadays, engineers include regular PDA applications (address book, calendar, to-do lists, etc.) as well as telephone capabilities on newer models.

Figure 3.3: Image of a standard Blackberry

3.4) High tech gadgets

Technological developments make impossible things possible. As an example for the high tech gadgets, Apple introduced their latest technologic device which is called I-Phone. You can see it in Figure 3.4.

iPhone combines three amazing products; a revolutionary mobile phone, a widescreen iPod with touch controls, and a breakthrough Internet communications device with desktop, class email, Web browsing, maps, and searching into one small and lightweight handheld device.



Figure 3.4: Image of Apple I-Phone

The iPhone, which runs Mac OS X, has full iTunes integration and can seamlessly sync data with a Mac, PC, or Internet service, including music and videos from iTunes, contacts, calendars, photos, notes, bookmarks and e-mail accounts. (Apple, 2007)

iPhone also introduces an entirely new user interface based on a large multi-touch display and pioneering new software, letting you control everything with just your fingers. So it takes us in an era of software power and sophistication never before seen in a mobile device, completely redefining what you can do on a mobile phone.

4) MOBILE PHONE USAGE RATES

Table 4: Statistics of mobile phone usage rates worldwide, (Gsmworld, 2007)

Millions	2003				2004				2005				2006	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
World	851.5	894.7	945.4	1,012.0	1,070.9	1,131.6	1,207.2	1,296.0	1,378.2	1,467.1	1,560.7	1,709.2	1,796.8	1,941.6
Africa	39.6	43.1	47.0	52.3	57.5	62.2	68.9	78.4	88.3	97.5	111.9	126.3	139.5	154.9
Americas	11.9	15.4	20.0	29.0	35.6	43.7	53.1	66.7	87.7	104.0	117.4	137.6	140.9	161.1
Asia Pacific	334.1	352.2	370.3	394.6	419.9	443.4	470.8	494.4	524.5	556.3	584.0	631.2	671.8	730.2
Europe: Eastern	79.3	86.5	96.3	108.5	118.7	132.5	150.3	174.6	194.0	213.9	236.2	265.2	281.1	304.6
Europe: Western	314.6	319.9	328.2	337.0	342.1	346.1	352.6	361.7	366.9	370.3	375.7	380.6	381.7	393.2
Middle East	43.9	46.6	49.6	52.8	55.8	59.4	63.5	67.6	73.0	79.3	85.3	93.2	102.0	112.1
USA/Canada	28.1	30.9	34.1	37.8	41.2	44.3	48.0	52.6	43.7	45.7	50.2	75.2	79.8	85.4

Source: Wireless Intelligence

Table 4: 2005's GSM usage growth table (Gsmworld, 2007)

	2005 growth (M)	% growth in 2005	Share of 2005 growth
World	413	32%	-
Africa	48	61%	12%
Americas	71	106%	17%
Asia Pacific	137	28%	33%
Europe: Eastern	91	52%	22%
Europe: Western	19	5%	5%
Middle East	26	38%	6%
USA/Canada	23	43%	5%

As you can see on the Table 4.1, GSM subscribers are increasing quarter by quarter, year by year. However, there was an amazing increase occurred in 2005. The total 2005 growth in all around the world is 32 %. According to latest "Wireless Intelligence" reports, we know that today more than 2 billion people use GSM network. (Gsmworld, 2007)

4.1) Mobile phone Usage Rates in Turkey

Generally, when we look at mobile communication in Turkey, we see that there's a huge demand so that Mobile phone company's find Turkey, high potential and profitable market. Development of mobile phones started in early 90's and today, the point it has reached is incredible. Young or old, everybody has at least one mobile phone. Approximately 73 % of Turkey's population use mobile phones and the remaining 27 % don't use mobile phone at all.

According to Turkish Telecommunication Institution, mobile phone usage rates have increased 40% in last 8 years. Mostly used regions are Marmara, Central and Aegean respectively. The least mobile phone usage is in East Anatolia Region with 1.2 million. In addition, Turkish people's monthly average talk time over mobile phone is 60 minutes. As a result; 1 out of 2, every household has at least 1 mobile phone.

Table 4.1: Mobile phone Usage rates according to regions, Ntvmsnbc Research 2001 & Tubitak's communication technologies, press bulletin 2001

REGION	MOBILE PHONE USAGE
Marmara Region	61 %
Central Anatolia	50 %
Black Sea Region	45 %
Mediterranean Region	37 %
Aegean Region	35 %
East Anatolia	30 %
Southeast Anatolia	29 %

Table 4.2: GSM operator's subscription total in Turkey. Radikal, Bazzal Fadime and Takvim 2007

TURKEY'S GSM OPERATORS SUBSCRIPTION TOAL (Millions)		
TURKCELL	VODAFONE	AVEA
32.2 m	13.9 m	8.6 m

At the moment, there are more than 54 million GSM subscribers in Turkey. However more than 15 million subscriber use two GSM numbers, that's why unique GSM subscriber number is more than 35 million. According to Ericsson Turkey Market Research; 18 % of the users have two SIM cards, 3% have three SIM cards. Also, 20% of the users are post-paid, 80% of the users are pre-paid, in young population pre-paid usage ratio is 90%. (Ericsson, 2006)

5) WHAT IS MOBILE WEB (WAP)?

In this hi-tech age, people on the move need any-time access to the Internet. This is where Wap comes in. It provides Internet access to mobile phones but the mobile Web sites are usually optimized specifically for mobile, so you should understand that there is a big difference between browsing a normal Web site and a Wap site from a mobile phone.

Wap brings standardization for mobile Web pages, so that each mobile phone can easily access everything on the page. For instance; when you're trying to surf a Website from your mobile which you usually surf over your computer, the site can crash or could not see some parts of the Web page, because Web and Wap aren't same at all. The standards have huge differences. In order to surf the mobile Web properly handset should have Wap browser and the site should be specially built for mobile devices to surf. Nowadays, mobile phones often come with Wap and GPRS technology. Wap and GPRS also allow you to download games, videos, ringtones, themes, send & receive e-mail and even transfer your messages to your PCs.

Generally, there are two types of Wap sites: Wap 1.0, which is WML, and Wap 2.0, which is XHTML. Wap 2.0 is increasingly the platform of choice, as it allows for a much richer experience than Wap1.0. Many manufacturers and carriers are moving away from Wap 1.0. (MMA, 2006)

6) HOW MOBILE PHONES BECAME A VITAL DEVICE

Mobile phones became more than a device, they became a necessity that people want to keep with them all the time. An international survey which is made in 2005 with more than 3,000 people by BBDO Worldwide, an advertising agency, 75 % of Americans said they had the phone turned on and within reach during their waking hours, 15 % of Americans have interrupted sex to answer a mobile phone call, 59 % people wouldn't think of lending their mobile phone to a friend for one day and 26% said that a mobile phone is more important to go home to retrieve than a wallet. (Kim, 2006)

7) HOW MOBILE PHONES TURNED INTO AN MARKETING & ADVERTISING MEDIUM

As you see on the Figure 7, Advertising spending are much lower and the audience was passive, brands were trying to reach them via standard messages till 1980s. After computers came into our lives, consumers became interactive. GSM technology brought mobile phones into our lives and interactivity was increased.

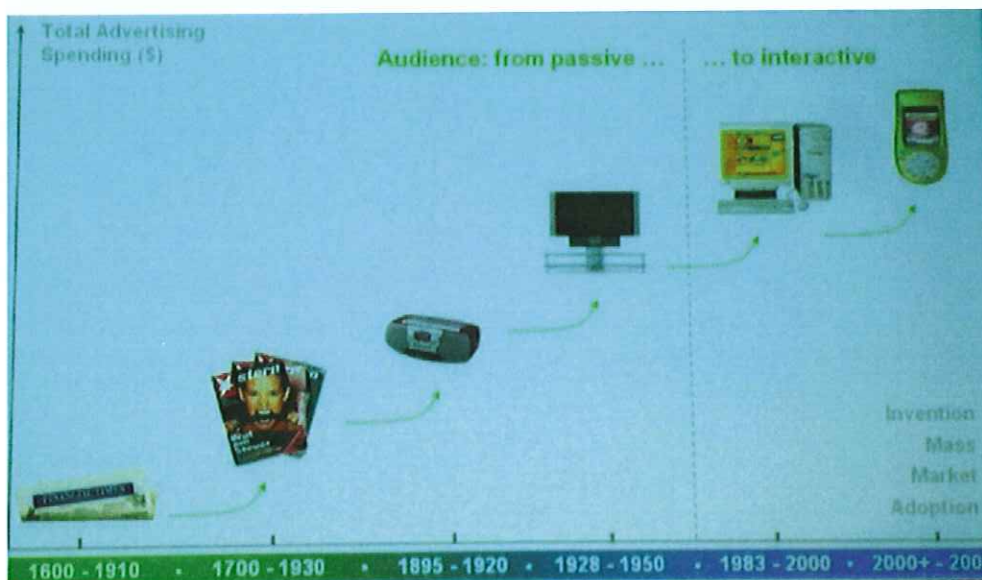


Figure 7: Advertising spending between "1600 – 2007",MIPTV Cannes 2007

Now, mobile devices usage has increased so that new marketing channel has been created. The use of SMS, to reach customers through their mobile devices obtained popularity and that made the mobile phone, a magnificent medium for one-to-one marketing.

Mobile marketing and advertising agencies started to connect brands with consumers over mobile networks. Brands who are willing to connect their customers digitally paid attention to the potential of the market because they understand that mobile devices became a medium, and mobile advertising agencies are providing the most efficient, low-cost, targeted opportunity to the advertiser Brands.

7.1) Mobile Advertising Timeline

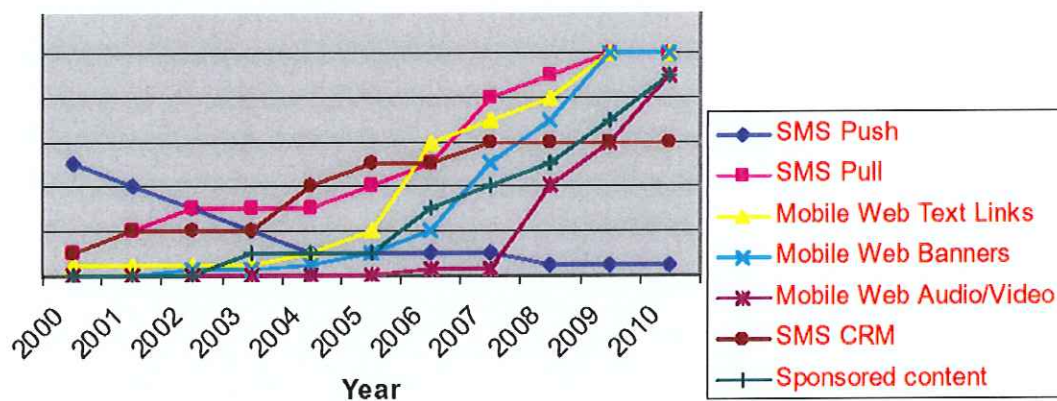


Figure 7.1: Mobile advertising timeline

As you see on the Figure 7.1, between, 2003 - 2004, there were a huge increase in SMS CRM and decrease in SMS Push. In 2005, Mobile Web Text Links, SMS Pull, Mobile Web Banners and Sponsored content started to increase and they're still increasing today. In the near future as you can see on the Figure 7.1, we are expected to see more sponsored content, Mobile Web text links and Web Banners and Mobile Web Audio / Video in mobile advertising sector.

7.2) Interview with Binatlı Tugay: “How Mobile Phones became a medium for mobile marketing & advertising”

Binatlı Tugay said that, marketing became mobile in Turkey after 1, 5 billion SMS sent between GSM subscribers in a month. That total SMS amount took attention of marketing and advertising agencies. After a while Multinational brands have chosen mobile marketing as a new medium because it was providing cost efficiency, and a potentiality to reach their targeted customers directly. It also provides brands to reach more than a million consumers possible in a very short period of time like in a month. It shows us, there is a huge potential in Turkey. In Turkey, Multinational Brands like Nokia, Ruffles, Pepsi, Ford and Doritos has added more values to their brands with mobile marketing. As an example; 4 years ago, in UK, only 40 million SMS was sent in a year, however today 65 million SMS was sent daily. It means SMS usage rates have made a 40-50 times of growth.” Ice Tea, Mercedes Benz, Garanti Bank, Süttaş, Eti, Peugeot, Yedigün, Pepsi, Efes Pilsen, Koç Allianz, Aygaz, Marshall, Arçelik, Miller, Fosters are in Aerodeon’s customer portfolio, they have created successful campaigns with them especially, with the Doritos campaigns, they made a big change in eyes of everybody who don’t believe in mobile marketing.

Firstly, they made the campaign which is called “What’s the name”, and eventually, they’ve reached more than 650.000 customers in a month. This amount was unbelievable in 2004 and that success has continued with the Doritos second biggest campaign which is called “Love or Money?” Doritos want to reach their teen target group via creating an emotional link with them. At the same time, they are trying to generate incremental volume and strengthen the brand image through an interactive concept and gifts. The main theme of the campaign was “Which one would you prefer: Love or Money?” Each Doritos pack contained a unique code. Participants were to text the code on the scratch card and their choice among love or money. The reply texts were customized according to the choice made by the participant. Participants that chose love entered a draw to win a voyage Ibiza. Participants, who chose money, entered a draw to win a Debit Card. This second biggest Doritos campaign is one of the most successful campaigns realized in Turkey, with almost 1.5 million participations. Campaign won the award of MMA Best Use of Mobile Marketing. (Tugay, 2007)

As far as, Aeroedon had already made more than 500 mobile marketing campaigns. When, I observe Aeroedon. I saw that whole team members are a young, creative and talented professional, that's why they're one of the best mobile marketing & advertising agency in Turkey so that they are also Turkcell's gold partner.

We can say that on pack campaigns brought mobile marketing to higher levels. That huge increase pulled the mobile marketing standards to the higher levels. Turkey has a young population and 1.5 billion people send SMS in a month, which has triggered the boom of Mobile marketing in Turkey. (Tugay, 2007) After brands realized the marketing and advertising potential in mobile sector, every brand try to create an emotional link between their customers and wanted to be in the hands of their customers.

8) CONSUMER ATTITUDES TOWARD MOBILE ADVERTISING

The present research investigates consumer attitudes toward mobile advertising and the relationship between attitude and behavior. An instrument for measuring attitudes toward mobile advertising is developed.

The results of a survey show that, consumers generally have negative attitudes toward mobile advertising unless they have specifically permit to it, and there is a direct relationship between consumer attitudes and consumer behavior. Thus it is not a good idea to send SMS advertisements to potential customers without prior permission. (Tsang, Ho, and Liang, 2004)

8.1) Incentive-based advertisements

According to the study, a surprising 35 percent of adult mobile phone users are willing to accept incentive-based advertisements. Of these adults, 78 percent say the best incentive would be cold hard cash, followed by free minutes (63%), free entertainment downloads (e.g. ring tones, games; 40%) and discount coupons (40%). (Porus and Ricker, 2007)

8.2) Preferred method of delivery

The survey further reveals that over half (56%) of those who are at least somewhat interested in receiving ads on their mobile phone say they would prefer to receive them via text message, while 40 percent would like to receive them as a picture message. Less than one-quarter of adults would choose to receive them as videos (24%), while others would have them transferred automatically to email (23%), as a voice message (22%) or something else (7%). (Porus and Ricker, 2007)

8.3) Privacy and control matter

Just under three-quarters (70%) of respondents who are at least somewhat interested in receiving mobile advertising are also willing to provide information about themselves to their mobile phone provider in exchange for an ability to customize the service to their needs. Among them, 30 percent are willing to receive the ads for the right incentive, while 20 percent would receive them if they have control to turn them on or off and 20 percent are willing to receive the ads if they can choose who the information is sent to.

(Porus and Ricker, 2007)

8.4) Incentives

Adult mobile phone users who are at least somewhat interested in mobile advertising also feel that the following could lower the pain associated with watching these ads:

- The ability to opt out (66%)
- Choosing the type of ads to be received (56%)
- Choosing the number of ads to be received in a given period of time (48%)
- Providing a profile of desired areas of interest so only specific ads are sent (43%)
- Different/discounted plan if ads included (42%)
- Choosing specific times when ads would be received (40%).

(Porus and Ricker, 2007)

9) WHAT IS ADVERTISING?

Advertising is a form of communication via a message by the use of various medium. It is designed to influence purchasing behavior or thought patterns, that's why it must be persuasive and informative

10) WHAT IS MOBILE ADVERTISING?

Mobile advertising has two different meanings in the marketing literature. Firstly, the term contains advertisements that move from one place to another, like the ads we see on buses, trucks, trains, taxis and etc. Secondly, mobile advertising contain ads which are sent to and received on mobile devices, i.e. Mobile phones, PDAs and other handheld devices.

More than 2 billion person has a mobile phone across the globe, and the user numbers are increasing by the minute. Mobile phone is the most personal consumer good that people use. Besides unlike a newspaper or even a computer, it belongs to a single owner. That's why advertisers find them as an efficient medium due to its potential. It provides a possibility of being able to target the ads in a highly personalized way.

Mobile advertising is irresistible for young customers. Because, it is a youth-driven market and youth is very price sensitive, so they'd be interested in services that are free or heavily discounted.

Mobile advertising offers a genuine opportunity to engage the consumer. It captures a share of advertising due to targeting capability. Reach segments more effectively than traditional media. Engage consumers in advertising provide control and encourage interaction and create integrated campaigns across media. There is a big opportunity for everybody. Operator, advertising agency, advertised company and the targeted user, everybody will have some profit from mobile ads.

11) DEFICIENCIES OF TRADITIONAL ADVERTISING AND BENEFITS OF MOBILE ADVERTISING

With the increase of mobility, people start moving more and faster in a routine daily life. People work more and travel more in the competitive life challenge. As a result, mass media advertising become unsuccessful; can not reach to the targeted audience.

Personalization became more important, there are lots of advertising bombing outside and consumers don't have time as much as before, so they will only accept the messages which are relevant to their interest and personal needs.

The mobile phone is a very personal device that most people carry with them 24 hours a day. It provides advertisers an opportunity to present very targeted and time-sensitive information that is of interest to the user. With customer permission, advertising agencies can collect valuable demographic and behavioral information to create the marketing message.

Improving ROI

Customer profiling	TV Proxy targeting by channel, programme and time of day	Internet Context targeting through search	Mobile Individually targeted and frequency managed
Age	?	?	✓
Gender	?	?	✓
Location	✓	✓	✓
Income	?	?	?
Spend	?	?	✓
Interest	✓	✓	✓

Mobile advertising is most narrowly targeted to an individual

= by inference or separate research only
 = by close proxy / approximation
 = definitive data

Figure 11: Customer profiling according to medium, Saggars, 2007, MIPTV Cannes

As you can see on the Figure 11, mass media will not be successful anymore, because consumers will not take attention to their standard messages which they expect everybody to receive.

TV and Internet do not provide brands user's age, gender, spending. However, mobile will brand to know user's age, gender, location, spending and personal interest so that brands can brand create an emotional link with its customer, and try to reach them according to consumer's personal needs.

Mobile Advertising is a great potential for cross media campaigns like; Print advertising with mobile coupons, Radio advertising with click to call, TV advertising with prompted MMS, Interactive WAP browsing, Mobile TV with Interactive banners, ad-funded mobile games. Interactivity is also another important factor which mobile advertising provide between brand and consumer, via mobile phones. Interactive communication is much better than one way communication.

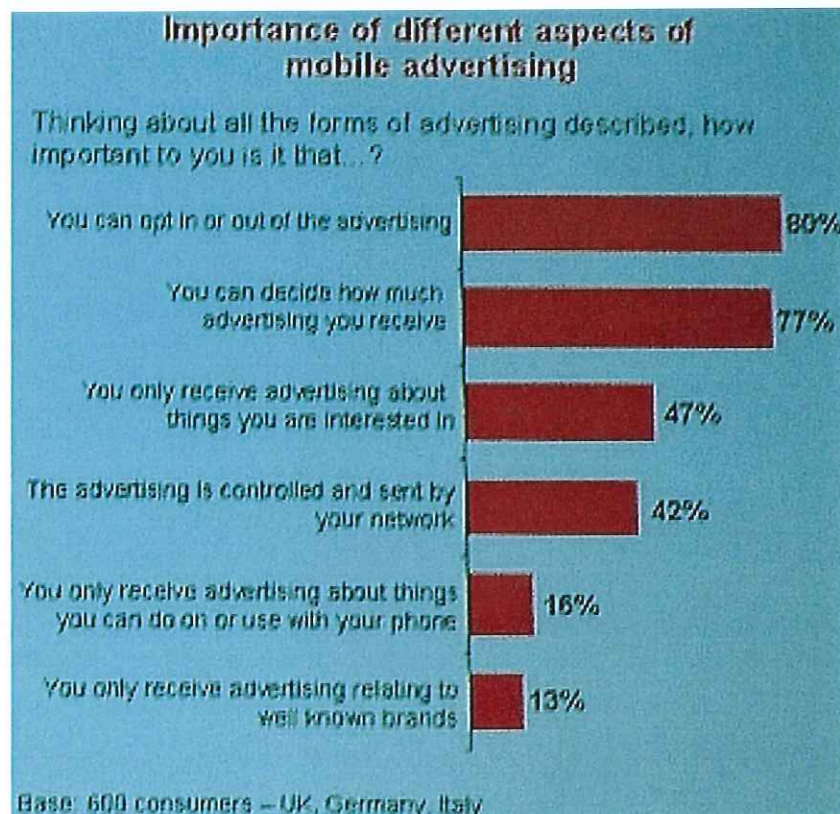


Figure 11.1: Importance of different aspects of mobile advertising, Saggors, 2007, MIPTV Cannes

As you can see on the Figure 11.1, According to the reach, Firstly, consumers want to control the advertisements by their permission that is the main aspect of 80% of the consumers. Secondly, consumers want to decide, how much advertising they receive. Thirdly, consumers want to receive ads according to their interest.

In addition, when we compare the costs of traditional advertising (mass medium) and mobile advertising (personal medium), we can say that traditional advertising is more costly than mobile advertising. This cost efficiency is also another benefit of mobile advertising.

12) MOBILE MARKETING ASSOCIATION (MMA)

The Mobile Marketing Association (MMA) is the premier global association that strives to stimulate the growth of mobile marketing and its associated technologies. The MMA is a global organization with 400 members representing over twenty countries. MMA members include agencies, advertisers, hand held device manufacturers, carriers and operators, retailers, software providers and service providers, as well as any company focused on the potential of marketing via mobile devices. (MMA, 2007)

12.1) MMA's (Mobile Marketing Association) Standards of Mobile Advertising

12.1.1) Handsets Display and Corresponding Ad Images

In printed media, advertisement spaces are measured by the Columns and Rows and this rows and columns standardize the printed ads, however about the mobile advertising it is much more complicated. Due to different mobile phone screen sizes, mobile advertising agencies were facing with trouble because there weren't any standard measurements.

The handsets differ by screen size, supported formats, and other variables. For color images, typically JPG, GIF and BMP formats are supported. The table below gives an overview of various handset screen sizes and the recommended image size for each type. (MMA 2006)

Table 12.1.1: Division of handsets according to screensizes, MMA 2006

Handset	Approx Handset Screen Size (pixels wide x tall)	Example Handsets	Ad Unit	Ad Size (pixels)
X-Large	320 x 320	Palm Treo 700p Nokia E70	X-Large	305 x 64
Large	240 x 320	Samsung MM-A900 LG VX-8500 Chocolate	Large	215 x 34
Medium	176 x 208	Motorola RAZRr LG VX-8000 Motorola ROKR E1	Medium	167 x 30
Small	128 x 160	Motorola V195	Small	112 x 20

12.1.2) Technical Specifications: Mobile WEB (WAP)

Table 12.1.2: Wap banner sizes according to screensizes, MMA 2006

Ad Size	Technical Specifications	Sample Creative (approx. size)
X-Large Image Banner	<ul style="list-style-type: none"> • 305 x 64 pixels • <3k file size • Static • .gif, .png or .jpg 	
Large Image Banner	<ul style="list-style-type: none"> • 215 x 34 pixels • <2k file size • Static • .gif, .png or .jpg 	
Medium Image Banner	<ul style="list-style-type: none"> • 167x 30 pixels • <2k • Static • .gif, .png or .jpg 	
Small Image Banner	<ul style="list-style-type: none"> • 112 x 20 pixels • <1k • Static • .gif, .png or .jpg 	
Text Tagline (optional) ¹	<ul style="list-style-type: none"> • 16 -24 characters 	Find a dealer!

12.1.3) Click-through Capabilities Guidelines

Table 12.1.3: Click-through Capabilities, MMA 2006






Landing Page Type	Technical Guidelines	Sample Creative
Standard	<ul style="list-style-type: none"> • Header Image: <ul style="list-style-type: none"> - 112 x 20 pixels - 16 color gif • Text for Jump Page: <ul style="list-style-type: none"> - 6 lines of text appear before user scrolls - 32 characters per line (including spaces) 	
Email Opt-In	<ul style="list-style-type: none"> • Header Image: <ul style="list-style-type: none"> - 112 x 20 pixels - 16 color gif • Text for Jump Page: <ul style="list-style-type: none"> - 6 lines of text appear before user scrolls - 32 characters per line (including spaces) • Email Opt-In: <ul style="list-style-type: none"> - Enter e-mail address for more information - E-mail should include link for consumers to opt-out 	
Landing Page Type	Technical Guidelines	Sample Creative
Location Finder	<ul style="list-style-type: none"> • Header Image: <ul style="list-style-type: none"> - 112 x 20 pixels - 16 color gif • Text for Jump Page: <ul style="list-style-type: none"> - 6 lines of text appear before user scrolls - 32 characters per line (including spaces) • Location Finder <ul style="list-style-type: none"> - Business listings details • Return to referring page: <ul style="list-style-type: none"> - After location is found, where possible, the mobile web (WAP) page should redirect back to the referring publisher page 	

Table 12.1.3: Click-through Capabilities, MMA 2006

Landing Page Type	Technical Guidelines	Sample Creative
Click-to-Call	<ul style="list-style-type: none"> • Header Image: <ul style="list-style-type: none"> - 112 x 20 pixels - 16 color gif • Text for Jump Page: <ul style="list-style-type: none"> - 6 lines of text appear before user scrolls - 32 characters per line (including spaces) • Click-to-Call: <ul style="list-style-type: none"> - Phone number for users to call - Preferably specific number to track campaign 	
Messaging Opt-in (SMS or MMS)	<ul style="list-style-type: none"> • Header Image: <ul style="list-style-type: none"> - 112 x 20 pixels - 16 color gif • Text for Jump Page: <ul style="list-style-type: none"> - 6 lines of text appear before user scrolls - 32 characters per line (including spaces) • SMS Message: <ul style="list-style-type: none"> - 160 character text message to be sent on a specific date/time - Should default to number entry where possible • MMS Message: <ul style="list-style-type: none"> - Can contain images (gif, jpg), video (3gp), audio (mp3, amr, wav) and text - Less than 100KB in total message size. - Should default to number entry where possible. - Disclaimer on additional messaging costs should be displayed where applicable. • Return to referring page: <ul style="list-style-type: none"> - After opt-in, where possible, the WAP page should redirect back to the referring publisher page. 	

12.1.4) MMA’s Ad Measurement Criteria

Ads’ values are measured according to some rates; these rates are as follows;

Acquisition Rate: Percentage of consumers that were “acquired” (typically refers to giving a phone number or e-mail address) for a particular campaign.

Ad Impression Rate: An ad impression is recorded each time an ad is displayed on the user’s handset screen. The process goes like this: while a subscriber is browsing a data product, ads appear within the content. The ads are then sent to the users screen by an ad server that reacts to “calls” from the mobile content provider.

Click Rate: When the user interacts (highlights and clicks) on the advertisement (banner, text link) that has been served to their screen.

Click-through Rate: Each time an ad is clicked on to take the consumer to a jump page for more information or to take advantage of an offer.

CPM (Cost per mille / thousand) Rate: CPM is used by marketers (not just Internet marketers) to price ad banners. Sites that sell advertising may guarantee an advertiser a certain number of impressions (number of times an ad banner is served and presumably seen by visitors) and then set the cost based on the guarantee multiplied by the CPM rate.

Impression Rate: Each individual page view on a mobile publisher's site.

Redemption Rate: The number or percentage of consumers that actually took advantage of a particular offer.

Unique user: A unique user is a specific subscriber. Every mobile phone user has some sort of alpha and/or numeric code (not personal subscriber data like name or phone number) that is sent with each ad request. These unique identifiers are used to determine how many "unique users" view each ad. (MMA, 2006)

13) MOBILE WEB (WAP) BANNER ADVERTISEMENT

13.1) Text Link

Texts with a specific link send the clicker to another landing page which gives more information about the advertisement campaign. They're the simplest ads on the WAP.



Figure 13.1: Text Link view from a mobile phone screen

13.2) Standard Banners



These banners are hosted on the branded mobile WEB sites like turkcell-im.com.tr.



Brand wants to intensify the brand value on its customer's mind.



Figure 13.2: Standard Banners

13.3) Banners with landing page



When you click to Banner, you are directed to the specially prepared landing page.



Figure 13.3: Banners with landing page

13.4) Click-to-call



When you click to Banner First you go to the landing page and second click to banner will make your phone call, the number which the banner ad provides. In this example; Garanti Call Center



Figure 13.4: Click to call

13.5) Email opt-in & SMS opt-in

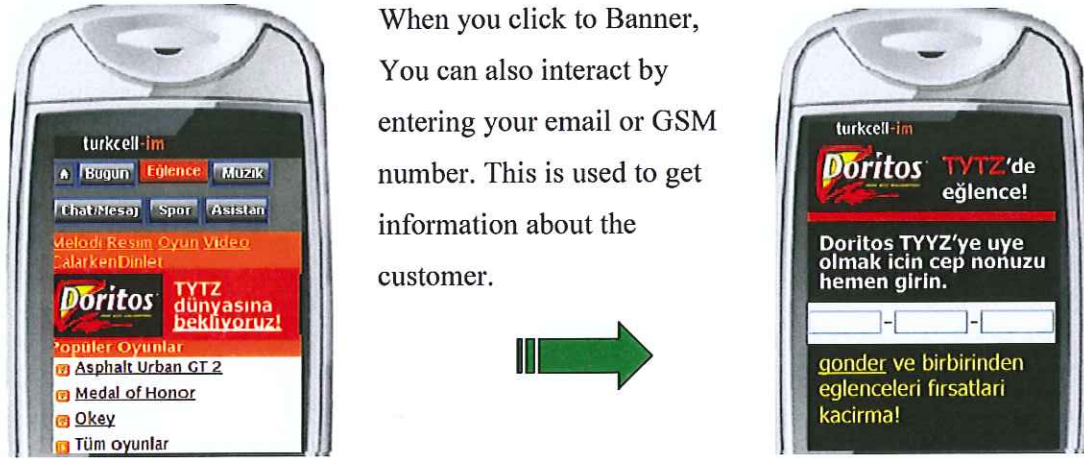


Figure 13.5: Email opt-in & SMS opt-in

13.6) Location Finder

This is an easy way for a subscriber to find a place like a store, restaurant, shopping mall, car dealer and etc. Consumer can either write a keyword or click to Wap banner in order to learn the closest store to his/her location. If the consumer click on the Wap banner, his/her handset sent and SMS with a specific keyword for that store or by typing manually for example consumer is trying to find the closest Puma store, PUMA and send to short code number, with both two way, operators find the exact location of the consumer from GPS and match that location with the store addresses of Puma then send the closest Puma store's phone number and address to consumer by SMS. Turkcell have that service, and it is called "Where's my Brand". BP and Garanti Bank are providing that services to their customers.

14) MOBILE ADVERTISING SOLUTIONS & EXAMPLES FROM ABROAD

14.1) WAP Advertising: USA TODAY Newspaper - USA

Objective:

- ❖ Increase awareness and the visitors of the USA Today's Wap site
- ❖ Offer their visitors ad supported richer content
- ❖ Lower the cost of the rich content by advertising

Solution:

- ❖ USA Today made agreements with the well known brands.
- ❖ With the ad support, content's costs are lowered.
- ❖ Users downloaded contents by paying less or freely. (Marriott, 2006)

14.2) On pack advertising: Pepsi Super Bowl Case - USA

Objectives

- ❖ Expand the promotion of its Super Can contest
- ❖ Increase awareness of the 15 new Pepsi can designs
- ❖ Drive traffic to its mobile WEB site
- ❖ Increase video and wallpaper downloads

Solution

Pepsi enabled users to download a custom wallpaper of the Pepsi can, click to see the video spots featuring the new Pepsi can designs, and click through to Sprint Power View, this was the only made-for-mobile video programming network in the United States with original sports and entertainment shows, where they could view live Super Bowl video clips, sponsored by Pepsi.



Figure 14.2: Pepsi Super Bowl Cans

Result

- ❖ An average click through rate of 4.5 percent, with the most popular creative achieving an 11.5 percent average
 - ❖ 9 million impressions
 - ❖ 175,000 Pepsi wallpaper downloads
- (MMA Global, 2007)

14.3) Ad words: Google – USA & Japan



Figure 14.3: Google Mobile Ads view

Google has added a new feature to their search engine's results. After a search done, they are listing related topics that may help the user to filter his/her search query. System is similar to ad display when a search done on the Website via PC, however Google mobile ads are text based. Rather, than displaying on the side, mobile ads display on the top and bottom of the search result page.

The user can jump to the Brand's mobile Web page by clicking the link provided or can make a call directly to the Brand just by clicking the "call" link in the ad. Google continues to focus on making the mobile phone a more convenient and reliable device for accessing useful and relevant information while on the go. Just like existing AdWords for the PC, Brands can bid for keywords that will bring potential customers to them. The Brand will be charged when a user clicks on the link to their mobile Website or the "call" link. Furthermore, the limited space on handheld device interfaces makes it crucial to place ads ideally, so as to receive maximum coverage at the most efficient cost. (Google, 2007)

14.4) Vodafone's Advertising Projects – Europe & USA

Vodafone Group, Europe's largest mobile phone operator, is working separately with search engine giants Google and Yahoo. Google is developing a service that would link advertising to Internet searches a counterpart to its flagship business of selling ads linked to regular Internet searches. With Yahoo, Vodafone aims to jointly develop advertisements in a variety of formats, including banner ads and short videos. To help make ads interesting to customers, the operator plans to offer discounts on services such as mobile TV, games and MMS (multimedia messaging service). (Blau, 2007)

14.5) AdMob: Largest mobile advertising marketplace

People who are dealing with mobile advertising must know the company "AdMob". Because they are providing an unbelievable service, they are the world's largest mobile advertising marketplace. Founded in 2006, AdMob allows advertisers to reach their customers on the mobile Web and publishers to increase the value of their mobile sites. AdMob offers both advertisers and publishers the ability to target and personalize advertising to their customers in 150 countries with 13 million web and wap partners.

For instance; during the world cup, world cup portal used AdMob to build traffic for World cup portal, and the organization used only 4% of its budget for AdMob however the response was amazing, 40% of the portal traffic was made via AdMob. (Buckley, 2007) In the mobile advertising sector, AdMob found the key of success and in only 6 months they have served 1 billion mobile ads across 150 countries.

14.6) Ad- funded Content

14.6.1) Mobile TV Advertising

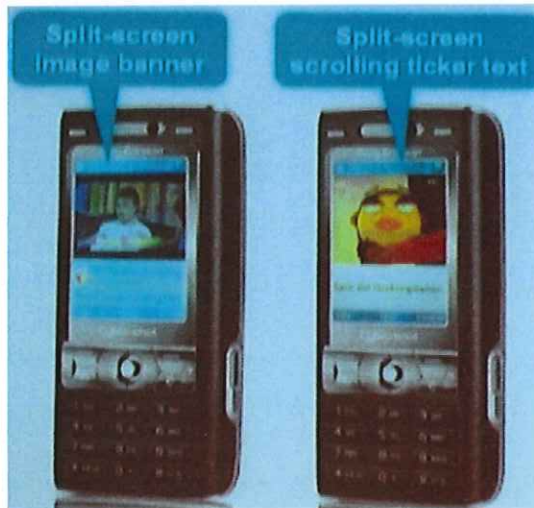


Figure 14.6.1: Types of Ads while watching mobile TV, Sillen, 2007

Third generation (3G) provides wider band which means faster data transfer, so that we will be able watch TV from our mobiles.

As you can see on *Figure 14.6.1*, there will be two types of mobile TV ads. These are; Image banner and scrolling ticker text. While we are watching the Mobile TV, there will be some areas where advertisers can use for their products & services.

Ericsson and the Norwegian Broadcasting Company (NRK) recently completed a trial testing the effectiveness of personalized mobile TV advertising. Almost half of the users were 30 to 44 years old, followed by those 18 to 29 years old. Participants identified entertainment and music as their most common interests when starting in the trial.

Advertisements in the trial were interactive, customized to ensure their relevance to individual users, and tailored to the user's age, gender, location and personal interests. According to Paul Goode, vice president at M:Metrics, "Previous research from M:Metrics has shown that pricing is a major deterrent to the adoption of mobile TV, and that up to 41% of mobile TV consumers would accept advertising-subsidized services. The results of this trial confirm the willingness of viewers to embrace advertising. (*WirelessWeek*, 2007)

Subsidization will be the key element in mobile advertising; operators and brands try to reach the consumers by offering them the content according to their interest free or with discount.

In Europe, for instance, HotSMS in the Netherlands currently delivers a free, ad-sponsored SMS offer. Blyk in the U.K. and i-Wood in the Netherlands are preparing to launch free or heavily-subsidized voice and data services in exchange for mobile phone users' consent to receive ads. In the U.S., Sugar Mama, an MVNO owned by Virgin Mobile USA, gives prepaid customers' additional minutes by watching online ads, answering questions by SMS or filling out surveys about products and services. Earlier this year, U.S. startup AdMob opened for business as a middleman for managing cell-phone ads. (Blau, 2007)

14.6.2) Ad-funded Mobile Games

Mobile Advertising will be everywhere which means every mobile product or services will be adorned with ads. Mobile games are one of the most popular products in the sector and very suitable for advertising. Consumers will see the ads in three different places. Firstly, they will see the ad before the game start, secondly at the end, while exiting from game and thirdly consumers will see the ads in the game, while playing. For instance; consumers will see a very well known brand name on the wall, or a very new car model of a well known brand will pass in front of you in the game.

Israel's largest mobile operator, Cellcom has launched an ad-funded mobile games service powered by innerActive. The new service offers the subscribers free games downloads, sponsored by top brands such as: Nokia, McDonalds, Diadora, Samsung, Adidas and Walt Disney. The mobile game service offers Cellcom's mobile users the opportunity to download free of charge mobile games, in exchange for exposure to advertisements within the games. (Olsder, 2007)

Also another company named as "Bor3d" has made a group of mobile games available to consumers for free in exchange for serving them advertising. Before a game begins and during the play gamers will be shown ads in order to fund this service. The service connects to the network before play begins in order to serve the ad dynamically. Bor3d has collected 400 games from around 40 developers and built .mobi domain thumbgames.mobi to distribute the content. The games are divided into content categories including action, puzzle and retro. (Vibrafoon, 2007)

14.6.3) Ad-funded Mobile Videos

Videos are the second most downloaded content all around the world especially adult videos have the biggest ratio. Just like the ad-funded games, video will be ad-funded. Consumers will see ads before the video starts, at the end of the video or at the background of the video when it is playing. British news and content provider ITN launched the UK's first major ad-supported mobile video service via operator 3. ITN On the broadcaster's mobile, radio and broadband division will provide news and entertainment clips for consumption over mobile handsets. Subscribers will also be required to provide personal details including age and gender, enabling ITN to tailor the ads to their demographic profiles. "From trials, we've seen that ad-funded content drives usage," said ITN On head Nicholas Wheeler in an interview with The Guardian. Added 3's marketing director John Penberthy-Smith: "We recognize that you can not just force ads on to customers, you have to give them something valuable in return if you expect to get their attention." (Allen, 2007)

14.7) Mobile Tag "Just scan the tag!"

Imagine that there is a barcode, if you scan that barcode from your mobile phone's cam visor and click; you immediately go to the Wap site which that barcode contain. This is one of the newest trends in mobile marketing & advertising sector.

In order to use mobile tags, firstly, you have to download the application from Web or Wap to your mobile device. You can scan the mobile tag by using that application so that you start the application. Application simply makes your camera work, and then you just need to scan the tag via your phone's cam visor. At the end, software instantly uses your Wap browser and directly opens the site which the tag is made for. You can see on the Figure 14.7



Figure14.7: How the Mobile Tag system works

14.7.1) Mobile Tag Advantages

End User

- a) Minimize the Click : reduce the number of clicks for accessing operator's or content provider's services.
- b) Easy & Friendly Access: instantly and effortlessly access to any desired location on the Internet.
- c) Interaction : Printed Media (Paper) to multimedia.

Media

- a) Revenue Generating: provide one-click access to revenue generating services.
- b) Tag Management: user friendly interface letting to manage and track easily your tags
- c) Exclusive functionality: adding interactions to paper

14.7.2) Mobile Tag Examples



Figure 14.7.2: Mobile Tag Examples

As you see, Mobile Tags are just like barcodes and used in different types of marketing and advertising campaigns.

14.7.3) Mobile tag current status

Operators are working on common specifications. 14 millions bar code printed every month. Current implementation for Nokia N70; Real Time OS. In discussion with handset manufacturers like Motorola and Samsung. (Cédric, 2007)

14.8) Ad-funded Mobile Virtual Network Operators (MVNO)

A Mobile Virtual Network Operator (MVNO) is a company that provides mobile cellular telephone service but MVNOs do not have its own allocation of the radio frequency spectrum and none of the infrastructures required to provide mobile telephone service. They're using the existing GSM operator's infrastructure and provide the same services that GSM operators provide but MVNOs offer more reasonable prices.

For instance; Blyk is a MVNO. Blyk offer mobile cellular telephone services free of charge for young people, funded by advertising. Blyk will be launched firstly in the UK market in second quarter of 2007, and then other markets will follow. Blyk is an innovative mobile media channel for advertisers. Blyk offer brands an opportunity for direct engagement with a young audience with real-time feedback. Blyk has been in development since January 2006.

Customers between 16-24 years old will receive free voice and text messages in exchange for receiving advertising when Blyk has launched. Multinational brands such as Buena Vista, Coca-Cola, I-play Mobile Gaming, L'Oreal Paris, StepStone and Yell.com mobile will be the first brands on Blyk network, which is claimed to be the first pan-European ad-funded mobile network. (Blyk & Crmchump, 2007)

15) WHY TO CHOOSE TURKCELL-IMM WAP PORTAL AS A MOBILE ADVERTISING MEDIUM?

Turkcell-im WAP portal (see the Figure 15), has launched on September of 2006. Today, more than 6, 5 million user satisfy their mobile Internet need via Turkcell-im. Impression Rate of the portal is 56 million in 7 months, and this makes the portal most viewed mobile site. People who had reached Turkcell-im are 8.7 times more than the people reached Google mobile. Most users visit the site for Entertainment. There is more than a 1 million different content available at the portal. Since Turkcell-im launch, 4, 3 million contents have downloaded. The percentages of the downloaded content as follows; 62% Music, 21% Video, 10% picture and %7 games. People has downloaded 10 million song and the result is more than good because in Turkey the total download local music more, music album sales amount is 15 million. 113 million times different news are read by the portal visitors. They've started to take adverts to their portal via WAP banners. (Serdar, 2007)

In turkcell-im, everything has combined under 6 main sub pages. These are; Today, Fun, Music, Chat/Message, Sport, Assistant.



Figure 15: Turkcell-im's Wap pages view

16) MOBILE ADVERTISING EXAMPLES FROM TURKEY: TURKCELL-IM WAP BANNER APPLICATIONS

16.1) Garanti: Credit in 5 min.

Garanti banner was under today and finance pages. When you click on the banner, you are directed to the landing page, on the landing page, visitors find detailed information about the campaign. If the visitor wants to go further and apply for the credit, he make a request from the site than enter his credit amount with your citizenship number. Finally, the result of your credit apply is send to his mobile via SMS.



Figure 16.1: Garanti Bank's Wap banners

Table 16.1: Garanti Bank's Wap Banner Success Evaluation Table, Aerodeon, 2007

Wap site:	Wap.turkcell-im.com.tr
Company:	Garanti Bank
Duration:	06.04 - 06.05
Category:	Today
Display Count:	143.266
Visit Count:	5.530
CTR (Click Through Rate):	3.9 %

Source: Aerodeon, 2007

As you can see on the Table 16.1, out of 143.266 person saw the banner, 5.530 has clicked the banner and the CTR is 3.9 %, which is more than expected.

16.2) Arcelik: Mother's Day Campaign

It was a Mother's day campaign banner, just like the Garanti banner when the visitor click it gives you detailed campaign discount information on another landing page. Arcelik's objective is to increase the awareness of the Mother's day campaign and add value to their brand on customers mind.



Figure 16.2: Arcelik's Mother's Day Wap banners, Aerodeon, 2007

Table 16.2: Arcelik's Mother's Day Wap Banner Success Evaluation Table

Wap site:	Wap.turkcell-im.com.tr
Company:	Arcelik - Anneler Günü
Duration:	01.05 - 14.05
Category:	Today
Display Count:	113.489
Visit Count:	3.465
CTR (Click Through Rate):	3.1%

Source: Aerodeon, 2007

As you can see on the Table16.2, out of 113.489 person saw the banner, 3.465 has clicked the banner and the CTR is 3.1 %, which is less than Garanti but still can named as a successful banner.

16.3) Yedigün: www.yedigundayim.com

It is a campaign about Yedigun's new portal. Banner gives information about the portal and how portal members can win the promotion gifts. Yedigun's objective is to increase the awareness of www.yedigundayim.com portal and get the personal data of its customers.



Figure 16.3: Yedigun's Wap banners

Table 16.3: Yedigun's Wap Banner Success Evaluation Table,

Wap site:	Wap.turkcell-im.com.tr
Company:	Yedigun
Duration:	02.05 - 09.05
Category:	Entertainment
Display Count:	95.495
Visit Count:	8.151
CTR (Click Through Rate):	8.5 %

Source: Aerodeon, 2007

As you can see on the Table16.3, out of 95.495 person saw the banner, 8.151 has clicked the banner and the CTR is 8.5 %, which means campaign was more than successful.

16.4) Cheetos: Chester is Lost!



Figure 16.4: Cheetos' Wap banners

Table 16.4: Cheetos' Wap Banner Success Evaluation Table, Aerodeon, 2007

Wap site:	Wap.turkcell-im.com.tr
Company:	Cheetos - Chester kayboldu!
Duration:	30.04-07.05
Category:	Game
Display Count:	14.184
Visit Count:	1.477
CTR (Click Through Rate):	10.4 %

Source: Aerodeon, 2007

As you can see on the Table16.4, out of 14.184 person saw the banner, 1.477 has clicked the banner and the CTR is 10.4 %. According to the CTR, we can say that this Wap banner campaign was the best out of other examples. 1 out of 10 people, has clicked on the banner, visited the landing page and got the campaign information.

As a result, turkcell-im Wap banner applications are more than average, because a click is better than getting out your mobile, remembering URL, typing URL and Visiting the site.

16.5) Pepsi Max: Pepsi Max sponsored Aysun Kayacı content

Pepsi Max's Wap banner ad is different than other wap banners in turkcell-im. You can see in Figure 16.5. Because, this campaign offers to consumers free contents which are brand sponsored. Campaign works like that; when you visit turkcell-im portal, under Fun page, you can see Pepsi Max banner, If you click on the banner, you will be directed to the landing page, there you're informed that you can download Aysun Kayacı's free wallpapers to your mobile and also after download you can send it to your friends.



Figure 16.5: Pepsi Max Wap Banner under Fun page



Figure 16.6: Pepsi Max sponsored Aysun Kayacı wallpapers

Campaign has launched on 18.05.07 and it is still live. CTR is expected to be between 8 – 9 % (Aerodeon, 2007). As you can see from the successful Wap Banner Ads, a click is better than, getting out your mobile, remembering URL, typing URL and Visiting the site.

17) PROFILING

Profiling will become more important when advertising pass the crawling period. After realizing either in marketing or advertising, consumers are important as an individual and they're at the focal point. Operators started to profile the subscribers. Profiling provides reaching to the right targeted audience, with relevant content, right time and right feedback analysis. Now, Turkcell has more than 4.2 million subscribers who permit to relevant ads and get some discount over operator's services such as SMS or airtime. Turkcell expect to reach 5 million permitted subscriber at the end of 2007. To make their mobile campaigns more effective, advertisers should take note of how mobile phone users are most interested in being contacted. Advertisements need to have a clear value proposition, be relevant and allow recipients to control how they are profiled.

17.1) What are the Criteria while profiling?

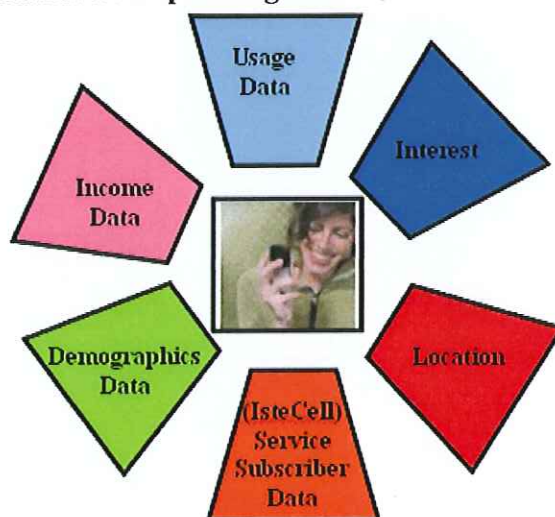


Figure17.1: Criteria of Profiling

Every segment also divided into their sub segments while profiling the subscribers

Interest: Music, Internet, Sport, Technology, Finance and etc...

Location: City, County, Precinct, Dynamics and etc...

Demographics Data: Location, Age, Sex, Job and etc...

Usage Data: MMS, SMS, Local Call, International Call, Trip, Wap, Roaming and etc...

Service Subscriber Data: Iste Cell, Gencturk Cell, Kampus Cell, Bizbize Cell and etc...

As a result, profiling will enable brands to build a dialogue with highly targeted young consumers who it is hoped will welcome the interaction and information.

18) FUTURE OF MOBILE ADVERTISING; WHAT WE'LL FACE WITH

Operators will offer their subscribers something in exchange for advertising permit, and they must make relevant offers according to customer's interest. Customers are more likely to accept advertising on a mobile phone if the promotions are directly related to their own interests.

Now Turkcell does two types of mobile advertising. These are; Turkcell-im WAP Banner and Sponsored services (i.e: GoolCell). However with the 3G networks, bandwidth became wider and the data speed have risen to 2 mbps, that data transfer speed brought Mobile TV in some countries like U.K and Tokyo. As you can imagine, just like the regular TV ads, we will be watching same kind of ads from our mobile phones while watching mobile TV.

Another type of mobile advertising will be sponsored calls. We will be listening advertisements at the beginning or at the end of our calls. In order to make that calls free, most of the people will be interested in for sure. Patent owners of the sponsored calls; Mehmet Akif Köse and Ozan Baykal are trying to launch the system in Turkey. In order to make that system work, they have to come to an agreement with operators. If the system applied, a person who has ad-package subscription will not pay any communication fee. Communication cost will be under the advertiser brand's responsibility. If the demand will be so high and can not cover the communication cost than these ad packages will provide consumers some partial discounts or it will be used only for special periods. In the US, Operators like Verizon, Sprint and AT&T provide 40% discount to their subscribers. *(Güven Akyarlı, 2007)*

Another invention in mobile advertising will be "Location Based Advertising". By keeping track of user's purchasing habits and current location, more targeted advertising campaign can be performed. In one possible scenario, shown in Figure 19, mobile users are informed about various on-going specials. Messages can be sent to all users who are currently in a certain area (identified by advertisers or even by users) or to certain users in all locations.

Depending on interests and personality types of individual users, mobile advertising agencies could decide whether a “push” or “pull” form of advertising is more suitable. As more wireless bandwidth becomes available, content rich advertising can be produced for individual users with specific needs, interests, and inclinations (Varshney and Vetter 2002). It has been demonstrated in several trials that mobile users are willing to receive advertising messages with incentives.

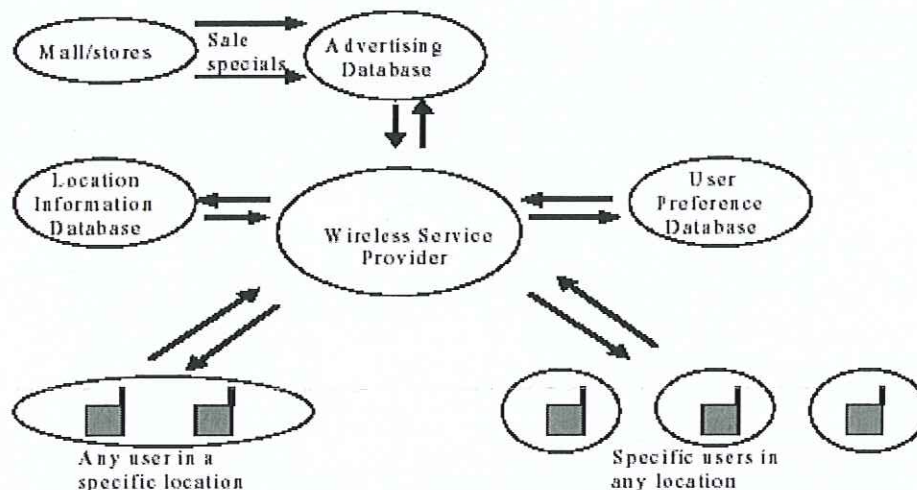


Figure 19: Location Based Advertising Flow Chart, Varshney, 2002

GSM operators can observe, several factors including the size of advertising messages, number of customers targeted and the value of items can be used to determine how to charge for mobile advertising. It should be noted that there are major issues of privacy and sharing of user information with other providers. (Varshney, 2002)

In addition, location based advertising for a specific user is much more challenging than specific location because the system should always, 7/24 follow every customer separately and send them the advertising which are relevant and match with the interest. We will see that kind of advertising, if GSM operators can handle location based system’s infrastructural requirements.

Informa Telecoms & Media, a division of Informa, expects mobile phone ad spending in 2007 to more than double from 2006 levels to \$1.5 billion. Market researchers project that the spending will reach more than \$11 billion by 2011. (Blau, 2007)

Pepsi, Procter & Gamble, Hilton, Nissan, Intel and Singapore Airlines already made the advertisement agreement with Yahoo. Due to developed technology about mobile phones, they will be capable of doing much more things and this shows that in 2007 the mobile ad sector will boom. (Hurriyet, 2007) It means in the near future, we will face with fully loaded advertising packages which are offered by the operators. Subsidizing will be the key element in mobile advertising, people will accept any kind of mobile advertising due to the provided benefit to them. We will be used to listen 10-15 sec ads, before watching a video or playing music.

Mobile handset prices are decreasing day by day worldwide. I believe, in the future your mobile phone could be free, by the growth in mobile advertising sector, for instance; you will be able to own an average mobile phone for free, because that phone will be covered with Advertiser brand's colors and logos, and the person who owns that phone will be a 7/24 live advertising billboard.

Cell Phones provide consumer's detailed personal information to the mobile Advertisers. This information is consumer's age, sex, location, monthly spending and personal interests. None of the today's advertising medium can provide these data. In addition, that information flow continues 7/24.

In the near future, it's obvious that mobile advertising will be very successful, because only the people who want to receive ads, will receive ads and the content which is sent to the consumer will be relevant to his/her interest. These are the two vital things which haven't been noticed before, but show us why mobile advertising will stay as advertising sectors' precious and become a milestone in the sector

CONCLUSION

At first, we met with 1G phone then we learned messaging with 2G, after a while 2.5G speed up the data transfer and now 3G. 3G network will change everything which is related with mobile phones. This change will affect the users' habits. For instance, after 3G, people start to make conference calls, download full track music and high size movies to their mobile phones. When 4G comes we will be able to do our banking transactions from our mobile.

Mobile phone is the next media platform because none of the today's advertising medium can provide that kind of detailed personal information like age, sex, location, monthly spending and personal interests. However, subsidization will be the key element in mobile advertising. Operators and Advertisers will make relevant and beneficial offers to the end users, in exchange for advertising permit..

In Turkey, mobile advertising has started with Wap banners where in Europe and US, different mobile advertising applications; Mobile tags, ad supported contents such as videos, games, SMSs were already launched. Today, Wap Banner application's results showed that CTRs (Click through rate) are much more effective than regular Web banners. On the Web, CRR is 1% where in the Wap, CTR is %5. There is not any medium which provides that much successful feedback rates. After mobile advertising passes this stage, it will spread everywhere in the mobile sector. In the near future, mobile advertising will be the most killer application. It makes it possible for an advertiser to reach the right consumer at the right time, at the right place and with the relevant message according to consumer's interest. It is so obvious that Mobile phones will replace TV as most important advertising medium; it is the revolution of advertising.

Finally, we passed the Communication Age where the phone is unable to support mobile entertainment. We are now in Infotainment Age where phone supports mobile entertainment but consumers will not pay. We will be in the Entertainment Age where consumers identify with value proposition of mobile entertainment at affordable price points. A new dawn will arrive but it is the consumers setting the pace, not the industry.

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ÖZGEÇMİŞ

İ.EYMEN İŞGÜDER

Kişisel Bilgiler

Doğum Tarihi: 30.07.1982
Doğum Yeri: İstanbul
Medeni Durumu: Bekar

Eğitim :

Yüksek Lisans 2005-2007 Yeditepe Üniversitesi Sosyal Bilimler
Enstitüsü, Görsel İletişim ve Tasarım
Lisans 1985-1989 Yeditepe Üniversitesi, İşletme Fakültesi
Lise 1989-1991 Özel Gökdil Lisesi

Çalıştığı Kurumlar:

2005 - Devam ediyor Mobilink Ltd. Şti. , İstanbul- Ürün Sorumlusu
2004 - 2005 Hilal Trans , İstanbul- Pazarlama Asistanı

Referanslar:

Işık Uman Mobilink – Genel Müdürü - 0533-4775824
Mert Sevinç Digitürk – Yeni Proje Müdürü - 0532-2536660