

# WHAT CONSUMERS ARE DOING, AND WHAT THEY THINK OF LOCATION SERVICES ON MOBILE

---

Alex Kozloff, Mobile Manager, IAB



# Objectives

---

- Understand consumer usage of location based services on their mobile phones
- Examine perceptions and barriers towards LBS
- Look at what would encourage consumers to use LBS more
- Understand the potential for LBS as an advertising platform, and what consumers think of it

# Executive Summary

---

- With 100m people using Google maps, and 2.5m using foursquare location based services are gaining momentum
- For some functions, most notably search (85%), location is almost always used – and for social networking it is used frequently (88% 2-3 times a month or more)
- LBS' benefits are clear to those who use it, (70% agree you get more relevant info), but amongst those who don't you have to prove it's value
- Using auto look ups is an easy way to get people to use LBS, (76% prefer it) but there has to be a value to consumers to use it.
- Location based offers (49%) and personalised/targeted info (36%) are the most popular ways of using LBS for advertising.

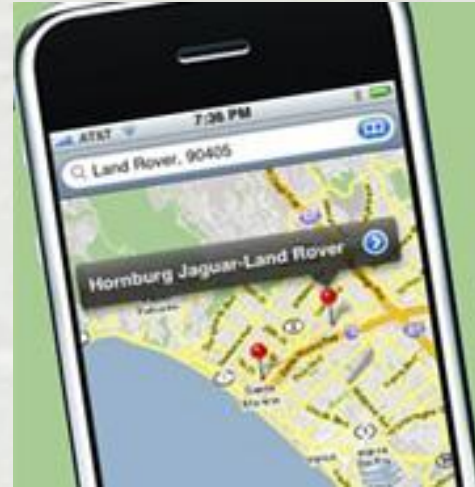
# CONSUMER USAGE OF LBS ON MOBILE

---



# 100m

monthly users of  
Google maps for  
mobile

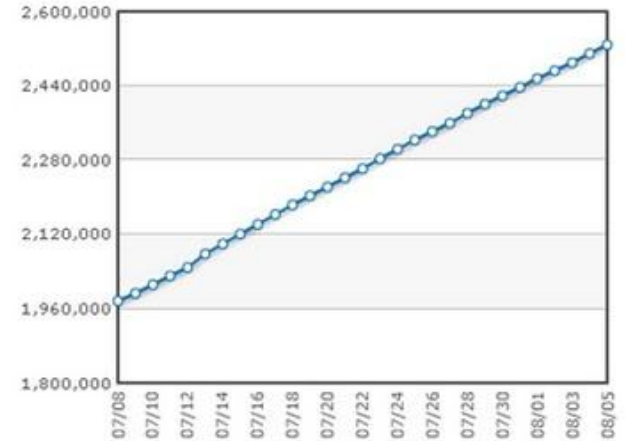


# 2,540,800

total foursquare users



Total Foursquare Users

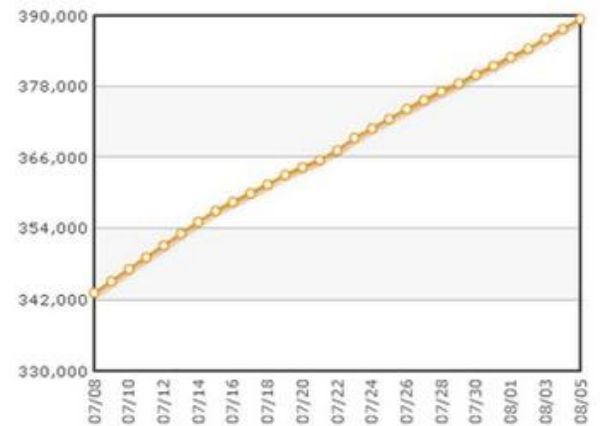


# 390,800

total Gowalla users



Total Gowalla Users



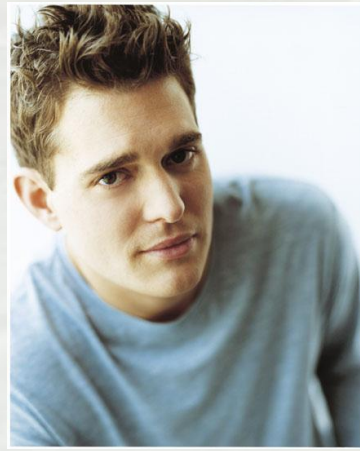
# Most popular venue names on foursquare & Gowalla



# Most popular first names on foursquare & Gowalla



Chris



Michael



Jason



David

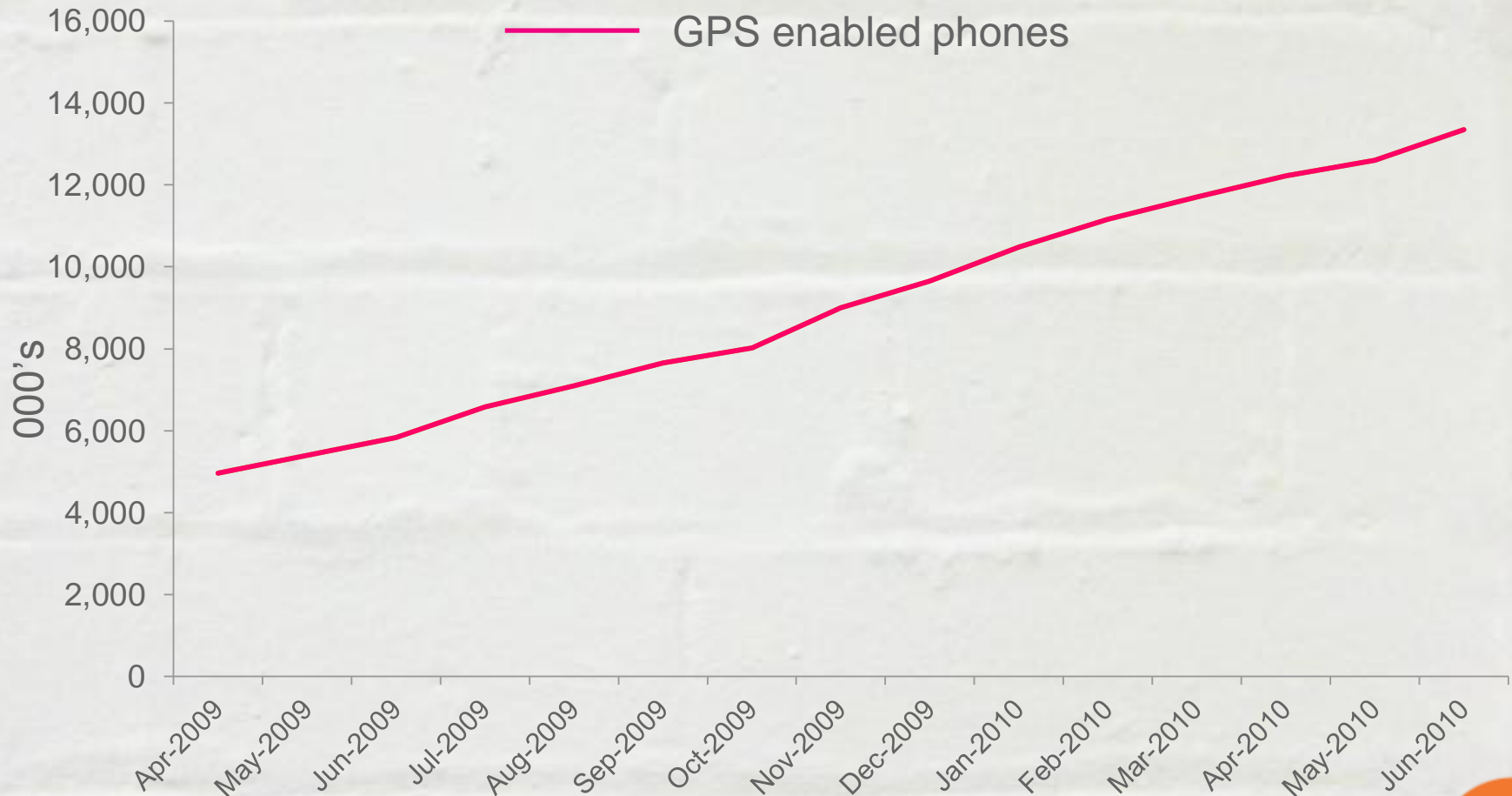


John

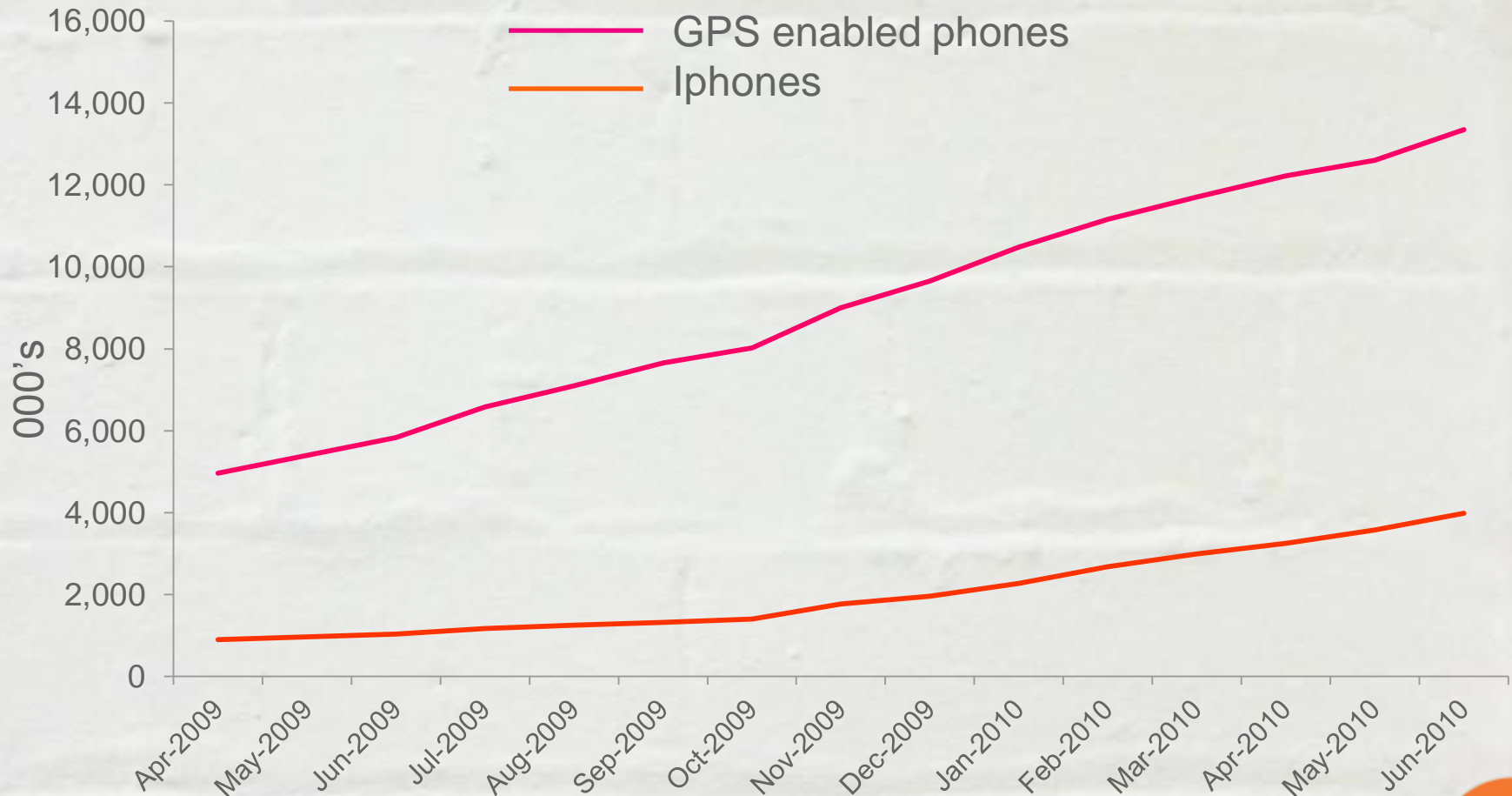




# Over 1/4 of phones are GPS enabled



# Over 1/4 of phones are GPS enabled



# Location Research

## IAB/Fly Research

---

- Partnered with Fly Research
- Online survey of 821 individuals
- Fieldwork carried out 10/08-11/08

**Fly**Research

**quick**

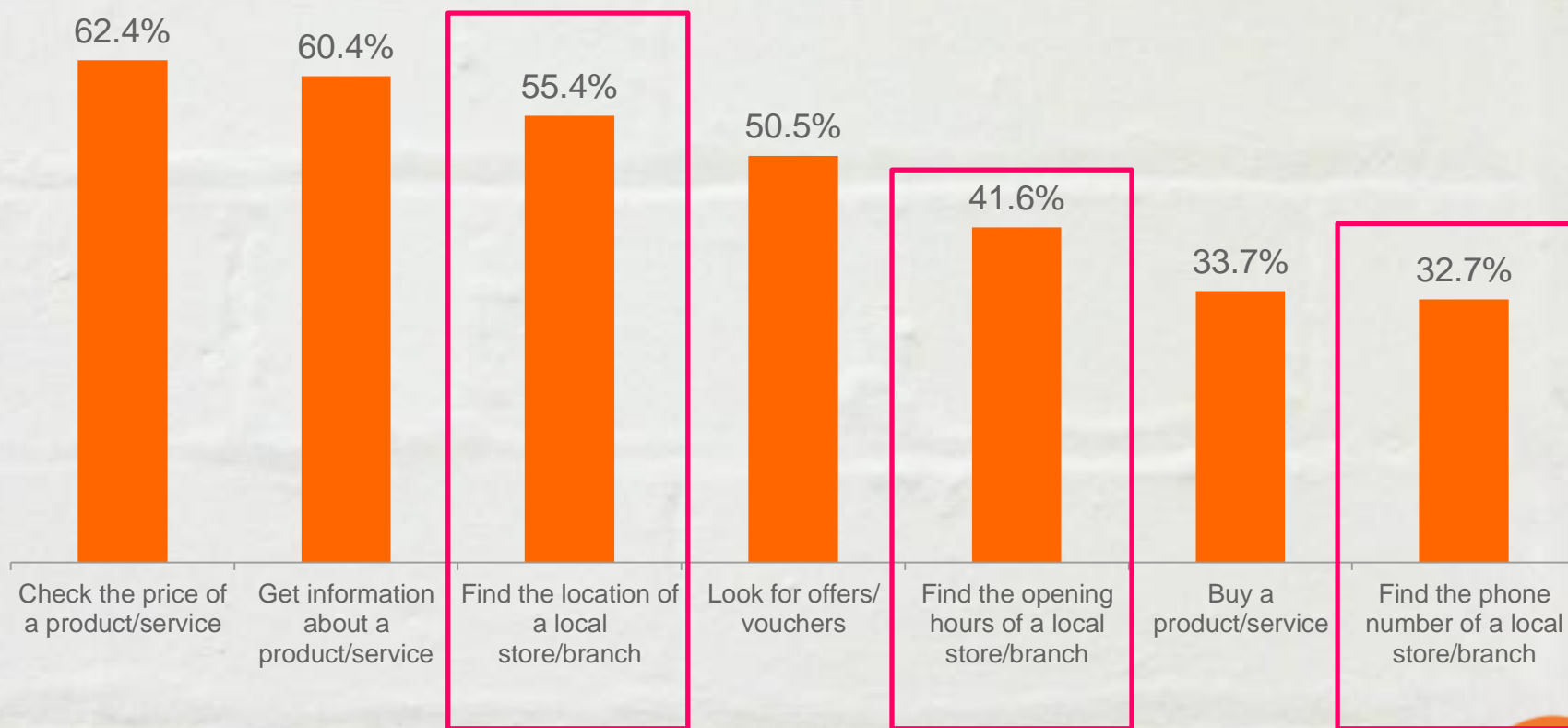
clever

**helpful**



# Location is key to consumer usage of mobile

When you go onto a mobile internet site for a company that you are interested in buying a product/service from, which of the following things are you most often trying to do?

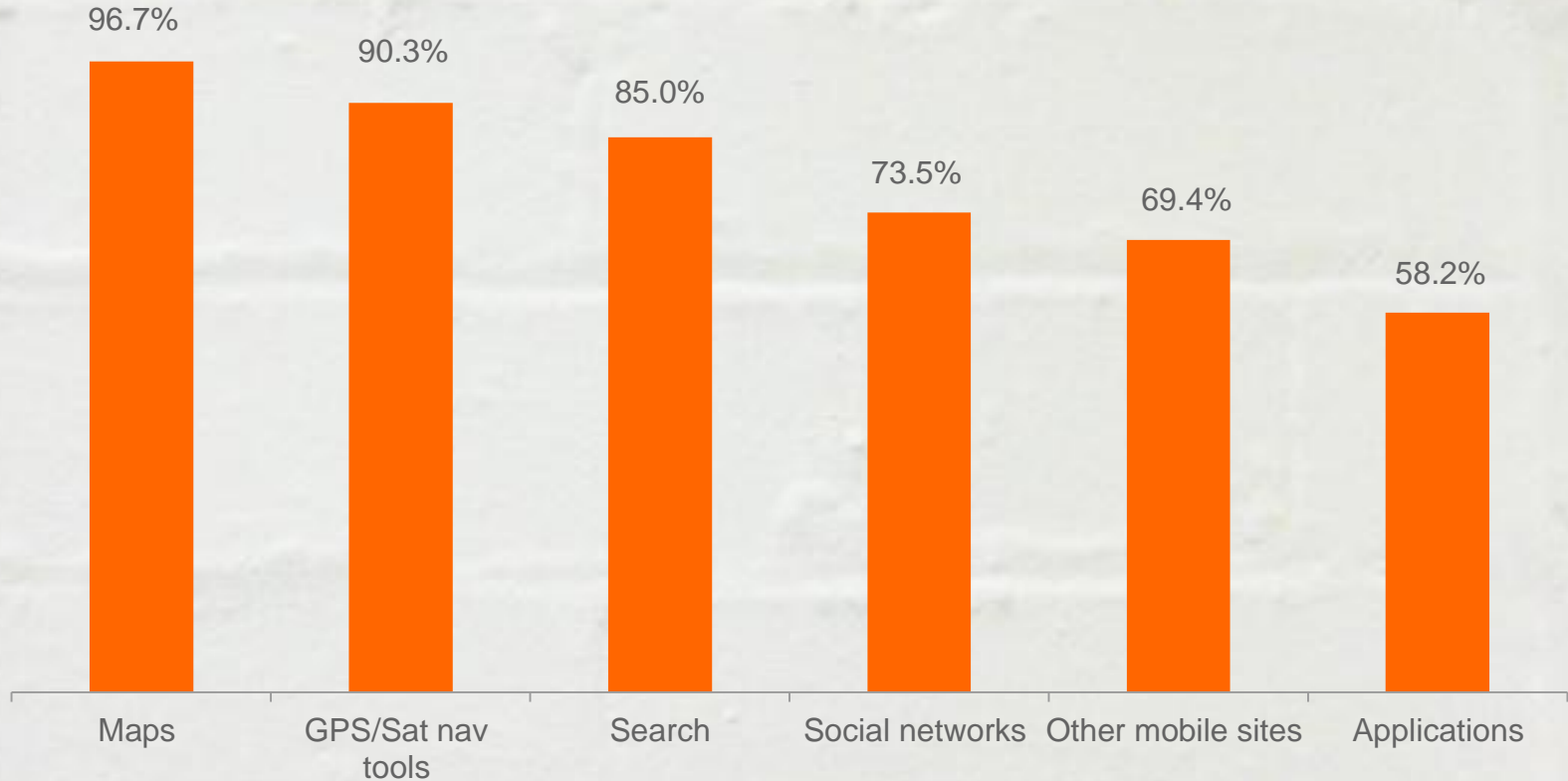


When you go onto a mobile internet site for a company that you are interested in buying a product/service from, which of the following things are you most often trying to do?



# For some functions, location is almost always used

% of overall users of each tool who have applied their location

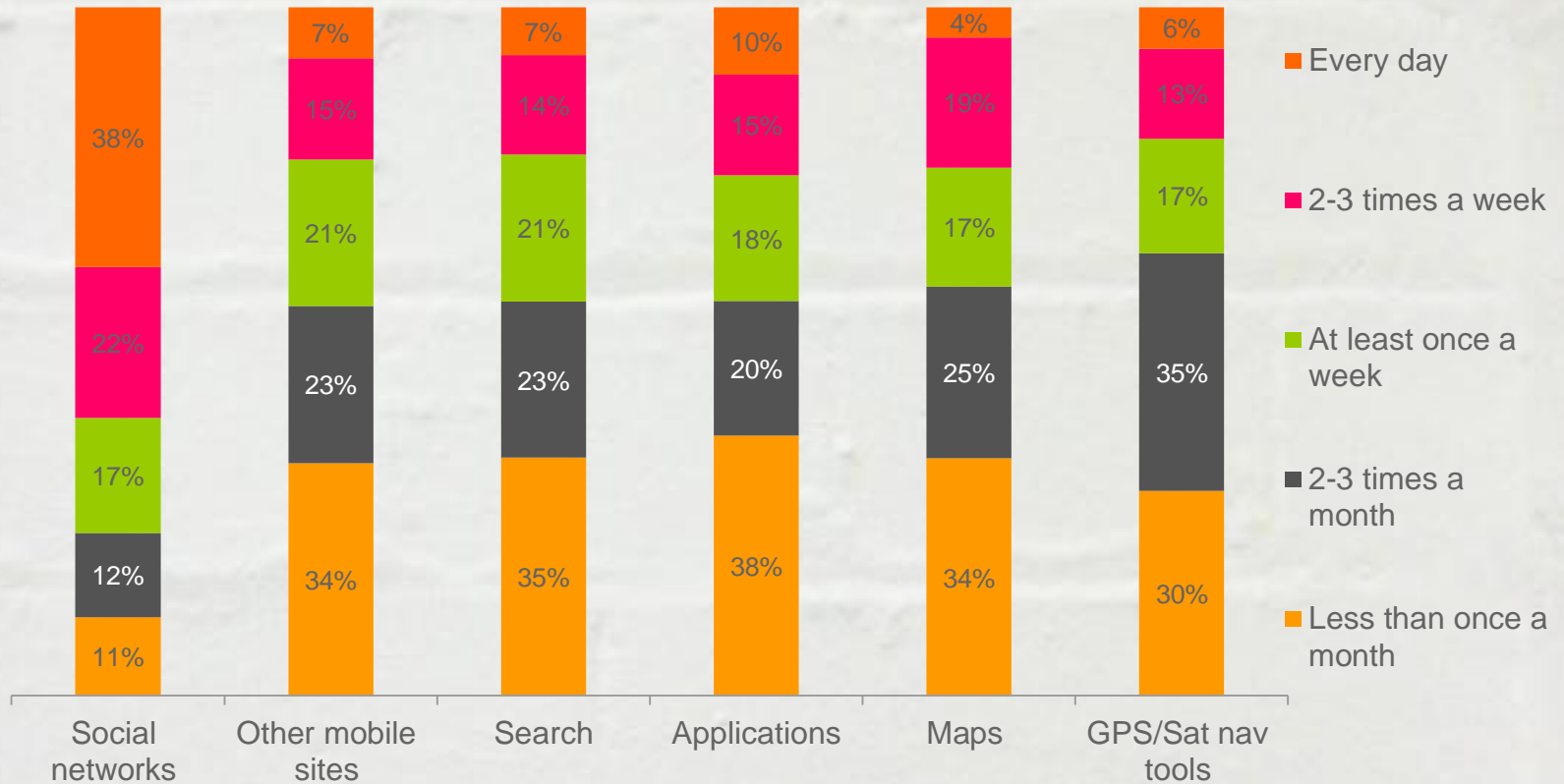


Please indicate how often you use each of the below mobile phone services, which specifically use your location information.



# LBS users frequently use the services- particularly social media

Please indicate how often you use each of the below mobile phone services, which specifically use your location information.



# When people use LBS, it is perceived to have many benefits

When I'm using a service on my mobile that knows my location...

I get more relevant and tailored information  
70%

It makes my life easier  
64%

I get the information I need more quickly  
65%

Thinking still of when you use services on your mobile phone that know your location, please indicate how much you agree with the below statements



# But for those who don't do it, you have to prove it's value

## fear factor



- “I don't see any value in my phone knowing my location” **31%**
- “I am worried about the security aspects of giving out my location” **24%**
- “I don't want to incur any costs by giving out my location” **19%**

## luddites



- “My mobile doesn't have any of these features, so I can't” **21%**
- “I never use any of this stuff, I only use my phone for texting and calling” **21%**
- “I didn't know I could do this” **17%**

Why have you not used services that use your location on your mobile before?





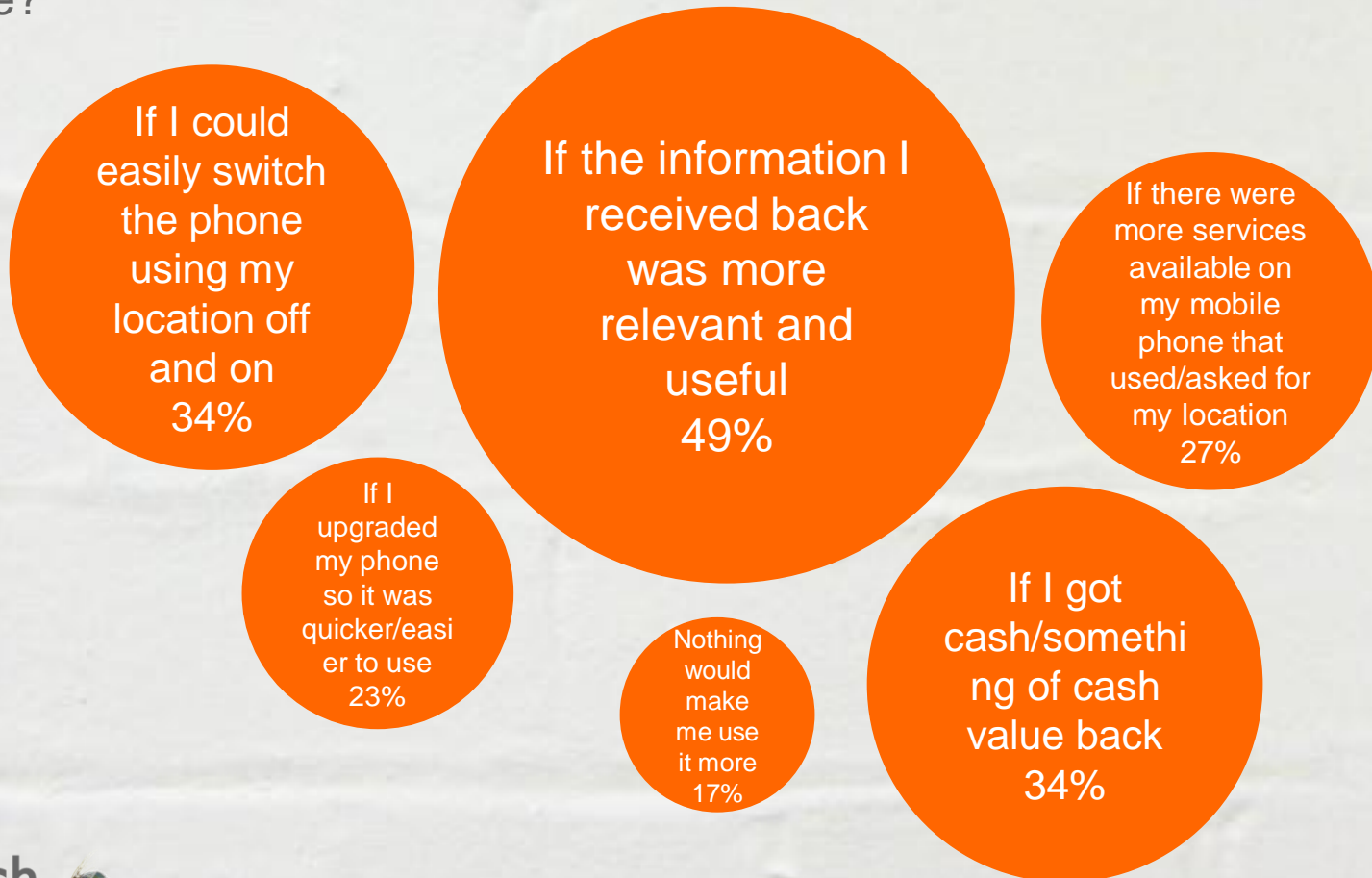
# HOW CAN WE ENCOURAGE CONSUMERS TO USE LBS MORE?

---



# Information is the key draw- even above cash!

What would make you use location services more?



What, if anything, would make you use services that know your location on your mobile phone more?



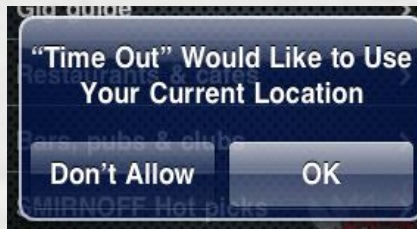
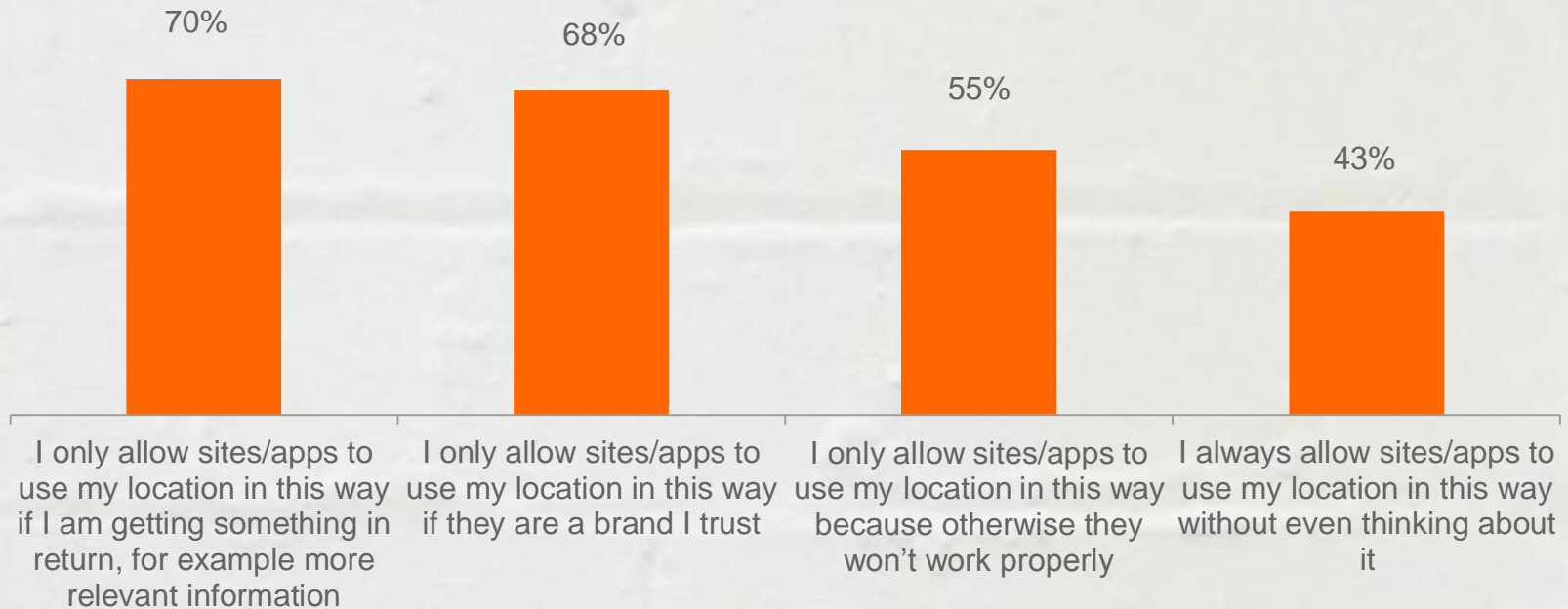
# Auto look ups are an easy way to get consumers into LBS

- **67%** of LBS users agree they would rather their phone automatically looked up their location rather than having to put it in themselves
- **58%** of people who use sites/apps with LBS allow automatic look ups



# But you still have to prove the value of doing it..

Thinking of when you use a site/app that comes up with an automatic prompt asking permission to use your location, please indicate which of the below statements you agree with.

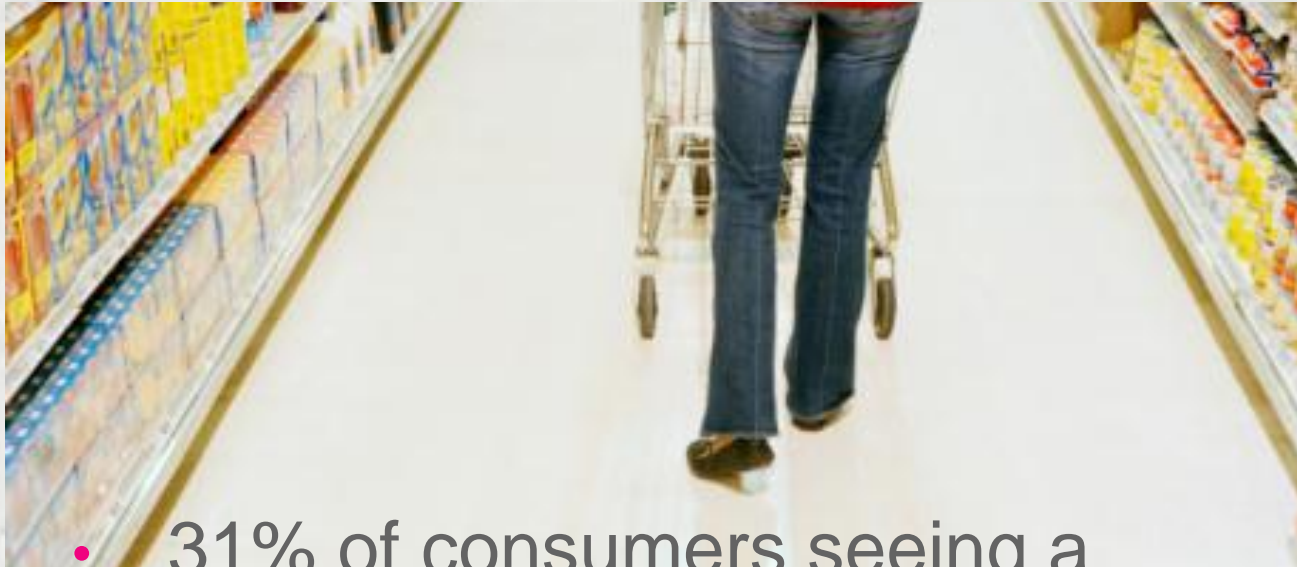


# HOW DO CONSUMERS ENGAGE WITH LBS IN ADVERTISING?

---



# LBS advertising is key for driving people in store



- 31% of consumers seeing a specific mobile ad went on to visit a store location
- 53% of those who did said they did so directly because of the ad



# Consumers find local & targeted offers the most compelling

Which of the below ways of advertising would you find the most useful/compelling?



Nowadays companies often put their advertising on mobile phones, for example sending a coupon to your mobile phone to get 2 for 1 at the cinema. It is often possible for these companies to tailor the advertising on your mobile phone to be relevant to your location. Which of the below ways of advertising would you find the most useful/compelling?



# summary

---

- Location services on mobile are key on mobile- and for some services is used by almost everyone
- Amongst those who use it, LBS is perceived as a helpful service and is used frequently
- But for those who don't use LBS, it is vital to prove it's value
- By offering information and making it easier for consumers, we can encourage them to use LBS more
- Advertising that uses LBS is well received by consumers, and can drive foot fall to stores