

# Digital Media Insights: 2012 and Beyond





# AT&T AdWorks *presents*

## Digital Media Insights: 2012 and Beyond

### AT&T AdWorks: An Introduction

AT&T AdWorks connects advertisers with their audiences across online, mobile and TV channels. Utilizing the inherent strengths of AT&T's superior data advantage - our aggregate data and insights help advertisers effectively tap into billions of ad impressions across AT&T AdWorks' audience networks - all while respecting consumer privacy.

The newly launched AT&T AdWorks Lab is a data driven environment demonstrating AT&T AdWorks' capabilities by enabling advertisers to engage with data to better target audiences across platforms.

#### AT&T AdWorks "Digital Media Insights: 2012 and Beyond"

AT&T AdWorks' new study, "Digital Media Insights: 2012 and Beyond," includes a survey of the most innovative media and technology trends for 2012 and beyond from over 200 brand marketers, agency executives and planners in the areas of online, mobile and TV.

These advertisers believe that the key trends for 2012 and beyond (within the next 5 years) include:

- Advancements in audience targeting capabilities
- Growth in mobile/tablet advertising
- Evolvement of TV advertising
- Cross-platform advertising opportunities

“ By walking through the Lab, marketing executives will immediately understand the potential value of aligning with a company whose data advantage – its ability to understand specific audience segments and media consumption patterns – is unequalled ”

– Greg McCastle,  
Senior Vice President, AT&T and Head  
of AT&T AdWorks

## New Perspectives on Audience Targeting

In recent years, advertising was purchased solely on content and the specific demographic. Although this remains common practice throughout the industry, nearly half of the brand marketers and agency executives polled (49%) said the industry will eventually replace content targeting with audience targeting on behavioral data.

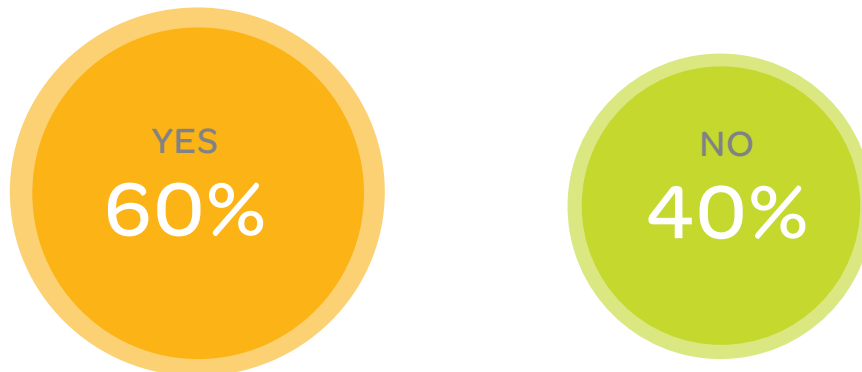
The survey also reveals that more than 60% of brand marketers believe audience targeted advertising will replace traditional content targeting, compared to only 45% of agency executives and planners.

“Most vendors set up audience targeting as an either/or decision with contextual or other forms of targeting. We consistently see better results when audience targeting is used in conjunction with the other pillars of driving campaign effectiveness: the context in which their ad is seen and when it is viewed.”

– Joshua Koran,  
Vice President, Audience Development,  
AT&T AdWorks

### Marketers Forgo Content Targeting in Favor of Audience Targeting

Split Opinion



Q. Do you believe advertisers will forgo content targeting in favor of audience targeting based on behavioral data? Base: All Respondents.

## New Perspectives on Audience Targeting

---

### Case Study:

---

Client: Laptop Brand

Advertisers are seeing success with this new audience based approach. AT&T AdWorks recently ran a campaign for a computer brand targeting an audience of laptop intenders. The campaign exceeded its CPC goal achieving an overall CPC of \$0.54. Client relayed that the campaign achieved a cost per acquisition (CPA) that was 25% higher than through traditional content targeting.



### Case Study:

---

Client: Airline Credit Card Company

An airline credit card company utilized AT&T AdWorks' Online Audience Network to target travel intender segments for air, car and car rental. The campaign's .13% CTR is more than double the industry standard (.05% CTR).

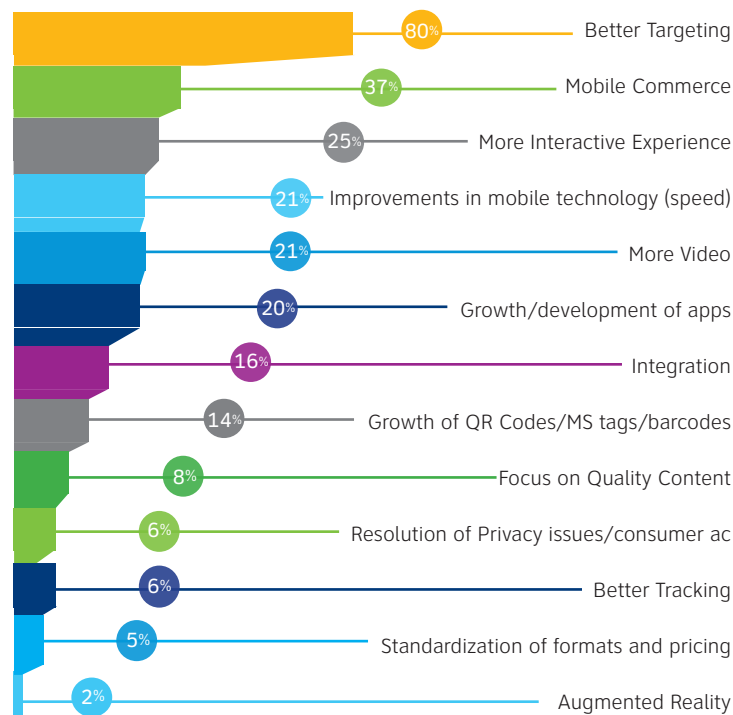


## Smarter Smartphones and Tablets

The majority of surveyed participants conclude that the mobile platform offers the greatest advertising opportunity. 80% of panelists believe that mobile advertising has the ability to target audiences more than any other platform, and will substantially increase revenue growth in 2012 and beyond.

### How Mobile Marketing will evolve in 2012 and beyond (Unaided)

Eight in 10 Advertisers Believe That Better Targeting Will Be the Result of Evolving Mobile Marketing



Q. In what ways do you think mobile marketing will evolve in 2012 and beyond? Base: All Respondents.

“What’s truly interesting is that mobile is at the intersection of two critical trends in our industry. The mobile device will become the primary device for social and local interactions in 2012.”

– Jean-Philippe Maheu,  
Worldwide CEO  
Publicis Modem

“Aggregate subscriber data provides AT&T AdWorks with unsurpassed audience targeting capabilities in the mobile space. This targeting capability, coupled with our vast scale, make us a unique media partner for advertisers looking to reach their target mobile audiences.”

– Michael Rosen,  
Vice President, Online and Mobile Sales,  
AT&T AdWorks

## Smarter Smartphones and Tablets

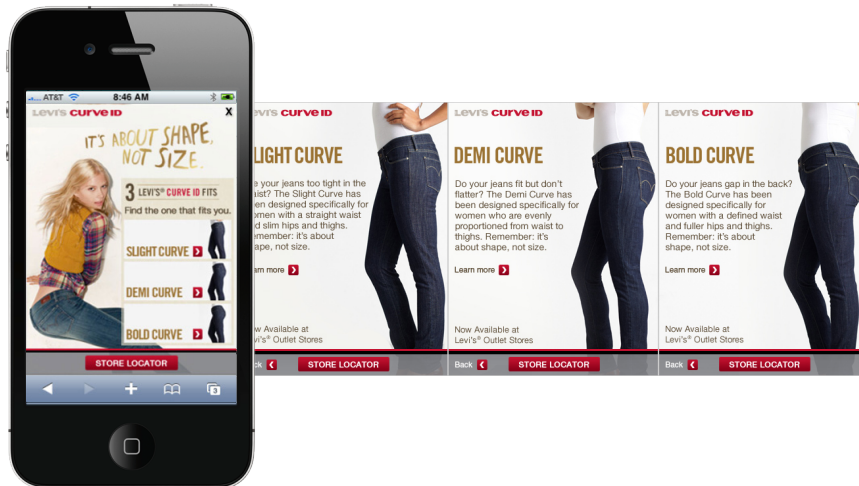
“ Never before have marketers been able to get so close to consumers to the point of purchase. New technologies will enable marketers to not only target messages at a more relevant level, but also make it possible to create experiences that truly make consumers’ lives easier; thus exponentially increasing consumer adoption of new technologies, or using what they have in different ways. ”

– Edward J. Kaczmarek,  
 Director of Innovation, Consumer Experiences  
 Kraft Foods

### Case Study

Client: Levi’s

Recently, AT&T AdWorks, launched a successful campaign with Levi’s® Curve ID jeans. The goal was to utilize AT&T AdWorks’ proprietary aggregate data across its Mobile Audience Network to reach a custom beauty, fashion and retail audience channel created for the Levi’s brand. The success was overwhelming with the campaign driving more than 85,000 clicks to the Store Finder in less than one month’s time. The HTML5 interstitial ads also drove high engagement with Levi’s® Curve ID jeans-averaging daily content engagement of 56%, with a day high of 114%. (Store Finder is AT&T AdWorks’ opt-in location enabled rich media ad unit, a perfect solution for driving engagement and store traffic).



## Innovation in TV Advertising Opportunities

The TV platform has enhanced its capabilities to become almost as “smart” as most mobile devices or computers. With the exponential growth in TV technology, the question remains why traditional linear spot TV advertising still consumes 43% of advertising spent in the U.S.?

Nearly half (49%) of those surveyed believe that TV advertising will significantly evolve in 2012 and beyond, and 60% of TV buyers agree that advanced, interactive advertising will evolve into a thriving advertising segment.

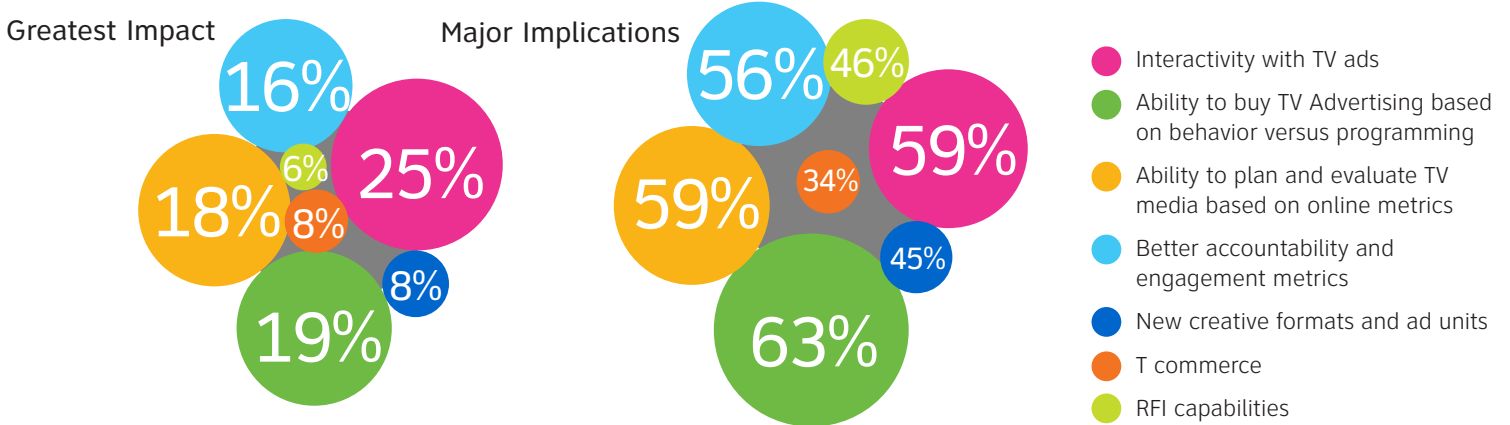
Innovative and interactive TV offerings, such as AT&T AdWorks’ “Barbie TV” branded channel, have proven to be game changers for brands like Mattel, which saw remarkable levels of interactivity. Along those lines, 25% of those surveyed believe that the greatest impact surrounding TV advertising will be the interactive ads.

“The ability to pause programming and seamlessly skip to a deeper engagement with a brand, then jump back to programming, will be a game-changer for TV advertising. Our new capabilities make it easier for brands to interact, provide information and solicit feedback from their audiences”

– Christopher Monteferrante,  
Vice President, IPTV Sales, AT&T AdWorks

### Major Implications of Convergence for TV Advertising in 2012 and Beyond

More than half of advertisers think that the major Implications of the convergence of digital technology and TV will be better accountability and engagement metrics, interactivity with TV ads, ability to plan & evaluate TV media based on online metrics, and ability to buy TV advertising based on behavior vs. programming | Greatest impact on TV advertising with the convergence will be interactivity with TV Ads



Q. Which ONE of these do you think will have the GREATEST impact on TV advertising with the convergence of digital technology and TV (IPTV) in 2012 and beyond?  
Base: All Respondents.

## Three Screens, Infinite Possibilities

Over half (57%) of respondents plan to increase their multi-platform budgets in the next 12 months, with nearly one-third planning to allocate further funding to cross-platform advertising with better advertising integrations.

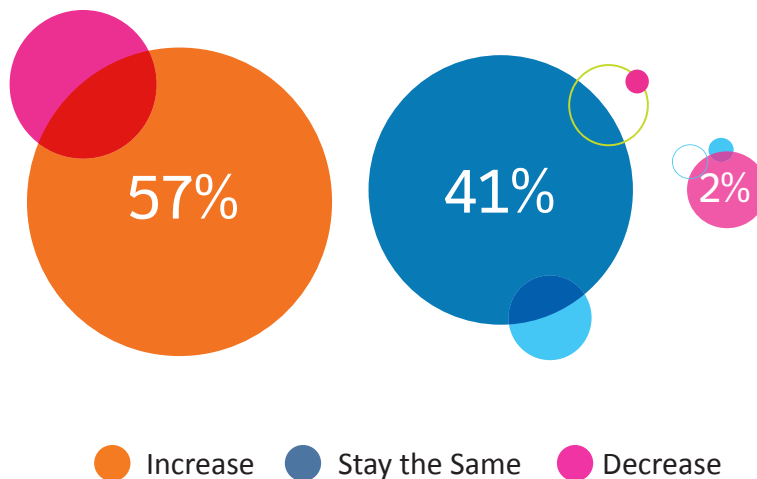
The growing number of applications for IPTV-based platforms with the ability to communicate with the mobile and online platforms is quickly growing. This is evident by the recent announcement from AT&T U-verse of its commitment to integrate social TV applications with smart phones and tablets, allowing consumers access to real-time chat, content and sharing features related to what they're watching on TV.

“ Reaching the right audience, at the right time, and on the right device is the holy grail of marketing. That is our mission and we are well on our way to making it a reality.”

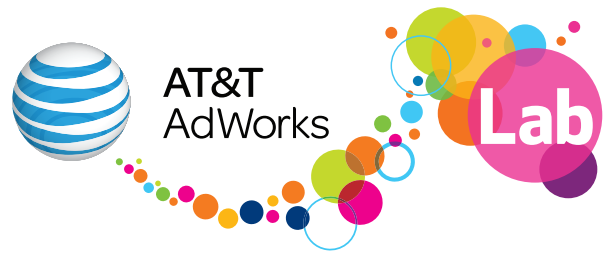
– Maria Mandel Dunsche,  
Vice President, Marketing & Media Innovation,  
AT&T AdWorks

### Multiplatform Share of Advertising Budget & 12 Month Outlook

Multiplatform Buys are Significant and Increasing. Trends in Ad Spending, Next 12 Months Differences Between the Percent Increasing and Decreasing by Type



Q: Please indicate how much you agree or disagree with each of the statements below as they pertain to the idea of a consolidated solution to placing multiplatform advertising.  
Base: All Qualified Multiplatform Respondents.



## Digital Media Insights: 2012 and Beyond

### New Test Pilots Benefit Brands

More than 75% of those surveyed are interested in participating in emerging test pilots, with nearly 50% indicating that staying ahead of competition as the main driver.

The AT&T AdWorks Lab was designed to keep brand marketers, agency executives and planners ahead of the curve, with affordable advertising options, including value-added pilots, as part of media buys.

Call:



advertisers about emerging media channels and advertising opportunities



advertisers in impactful demonstrations of AT&T AdWorks' key offerings



advertisers to pilot innovative advertising solutions

For more information about the AT&T AdWorks Lab, please visit: [www.att.com/AdWorks](http://www.att.com/AdWorks) or call 1-888-268-3648

\* AT&T AdWorks is committed to protecting the privacy of AT&T customers and its offerings focus on reaching audience segments based on non-personally identifiable and aggregate information.