



a new
lens on
MOBILE BEHAVIOR

GRATIFICATION

Beats Personalization
in the Quest of Mobile
Ad Revenue

PHOENIX



For more information contact: info@mobileposse.com





INTRODUCTION

In their quest to improve consumer satisfaction and monetization, Facebook continues to evolve their Content Discovery algorithms by prioritizing faster loading mobile content. This has given them an inherent “unlock advantage”. People stumble upon Facebook because it’s the first thing they see. Little analytics have been done on what the impact is of this. Specifically:

1. **The role and impact of “personalization” through Instant Gratification (Immediate Discovery on unlock)**
2. **How much Facebook is already dominating the industry because of this “form” of personalization.**

In this first snapshot from ***A New Lens on Mobile Behavior*** - a new research-focused effort to dig deeper into consumer/subscriber mobile and device usage behavior - we delve into this “unlock advantage” and what Instant Gratification really means in mobile. We seek to define the concept of Instant Gratification in today’s mobile usage, and quantify the current monetary impact for Facebook and others.

INTRODUCTION (CONTINUED)

In our research we define Personalization and Gratification as follows:

Personalization prioritizes the use of visitor data, audience insights and motivations to deliver **topical content** optimized to increase engagement and satisfaction.

Gratification prioritizes the use of technology to deliver **effective and efficient experiences** optimized to increase engagement and satisfaction.

They are not mutually exclusive. In fact, one void of the other is a recipe for a disaster. That said, Gratification is much more “elastic” than Personalization – a small drop-off in Gratification has significant impact on engagement, a small change in personalization has much less. Our research finds that people are unlocking their phones dozens of times a day with no particular application in mind with only small amounts of available time. In these all-too-common “micro mobile moments”, Gratification beats Personalization.

We also look closely at the role of the **Mobile First Screen** in gratification. The Mobile First Screen is defined as the first app “in focus” after unlock.



CONTENTS



The Bottom Line



The Mobile First Screen



Facebook Dominates Fast-Loading Mobile Because it Was Already Loaded Last



Facebook and Google Continue to Grow Their First Screen Share



Facebook's First Screen Instant Gratification Yields as Much Engagement as Their Social Notifications



The value of FB's Instant Gratification is roughly \$2.5 Billion



Instant Gratification Drives Massive RPM



Report Methodology

THE BOTTOM LINE

(WHAT THIS ALL MEANS)

Facebook and Google control the lion share of time spent on Smartphones as they know and continuously improve on how to “feed content” to mobile users. Their goal is simple: make it easy for users to search, discover, consume, and share mobile content “for me” which widens the moat around their mobile ad spend castle.

WINNERS: FACEBOOK

Facebook’s hook on people’s daily lives has made it the go-to kill time app. They are the last app used more often than any other, which, in turn, makes them the most common first app seen. **The total value of being the first app seen is estimated to be worth more than \$2.5 billion to Facebook.** As the trend of people needing instant gratification grows, Facebook will continue to dominate on the First Screen.

LOSERS: PUBLISHERS

In theory, the increasing amount of time spent in mobile opens the avenue for more publisher opportunities. The reality is that a lot of this growth comes from consumers simply looking for something interesting to fill their time. This makes them publisher and content-agnostic. As a result, the rewards go to companies like Facebook, whose infinite scrolling newsfeed of juicy stories acts like a magnet to the idle mind. It’s a self-fulfilling LIFO (Last in First Out) network effect that makes life even harder for smaller publishers.



THE BOTTOM LINE

(WHAT THIS ALL MEANS)

DARK HORSES: CARRIERS AND OEMS

It's more critical than ever for Wireless Carriers and Device Manufacturers to carve out their rightful role in this space. Besides the operating system developers (e.g. Apple and Google), carriers and OEMs are the only companies that can modify the device experience to facilitate instant delivery of content on unlock to the device First Screen. Findings from A New Lens of Mobile Behavior shows that, done correctly, carriers can intersect the user journey, enrich the user experience, and recapture their share of the advertising opportunity that Google and Facebook have to date siphoned off. They need to act. And the time is now.

