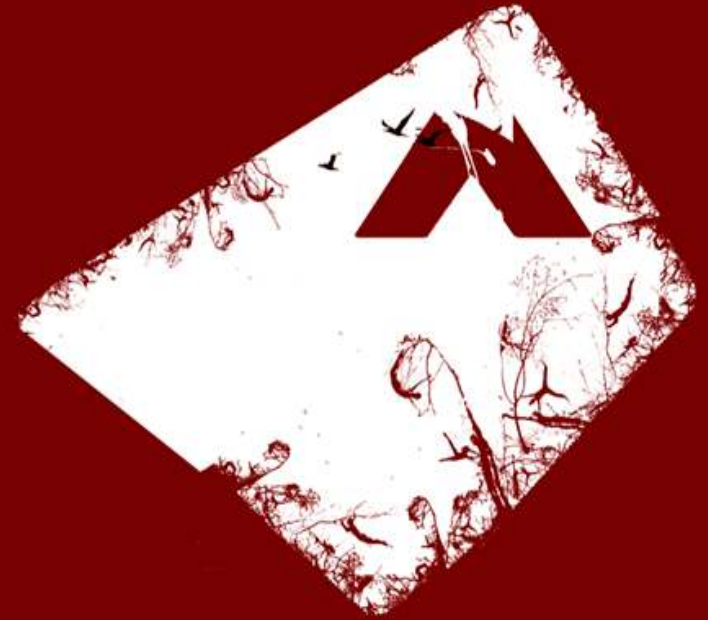


# Pekka Ala-Pietilä

## Blyk

5 December, 2007



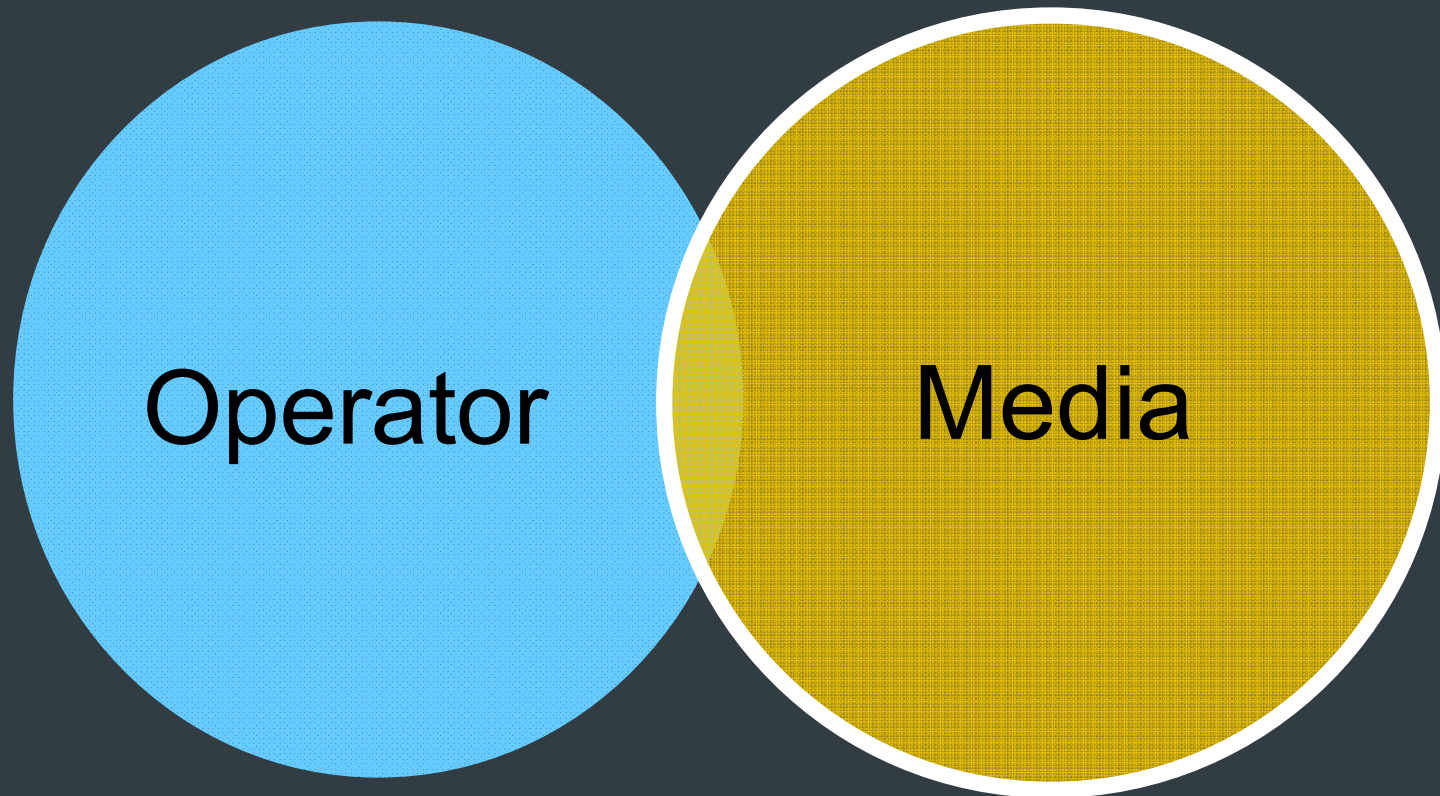
What does it take for an  
ad funded mobile  
operator to succeed?

Blyk believes



Operator

Blyk believes



So, what will drive the adoption and success of mobile over other media?

# Relevance

Conventional thinking =

# Mobile advertising is SPAM

Teens get free cell phone service in exchange for annoying ads.

Annoying me before I've even had a chance to interact with a company or product does not inspire consumer confidence.

What do young people say?

**71%** of young people surveyed would like to receive advertising messages targeted to their particular interests.

(more than double the response for non-targeted communications).

*Q Research Advertising & Mobiles Report, April 2007 UK*

Blyk's solution

# Blyk members are 100% opted-in and profiled

They've expressed genuine demand.

They profile themselves upfront and these profiles build over time.

For brands, Blyk enables **precise targeting** and **detailed insight** into the habits, tastes and preferences of young people.

Blyk's solution

# Timely messages that link to user's behaviour and interest.

Messages related to anything that helps them to organise their lives.

High value offers based on user preferences.

Therefore advertising becomes a service for our members.

*Blyk Quantitative Consumer Research January 07, 16-24s in the UK. 619 respondents*

# Interactivity

Conventional thinking =

# In mobile, content is king

CBS began selling television clips, games, ring tones designed to cell phones.

Computer becomes mobile phone.

Mobile blogging, instant uploads.

Mobile internet/mobile data services?

**73%** of young people don't use data services.

*IDC: Wireless Teen and Adult Consumer Entertainment Survey 3Q06*

**2/3** say they use it once a month or less.

*Blyk Quantitative Consumer Research January 07, 16-24s in the UK. 619 respondents*

**2/3** of students found using the internet on their mobile such a poor experience, they gave up trying.

*InfoGin/Vansom Bourne, May 2007*

Why?

**Access** to content is a barrier.

**Cost** is a barrier.

Perceived **value is minimal**.

**Not relevant** to me.

*Blyk Quantitative Consumer Research January 07, 16-24s in the UK. 619 respondents*

Blyk's solution

From the users perspective,  
the primary need to  
communicate should drive  
everything in mobile.

I call you, you call me. I text you, you text me.

Blyk's solution

Blyk ad formats are based on the most dominant and most familiar pattern among 16-24s.... **Messaging (text and picture)**

Consumers and brands interact in a dialog.

2-way communications.

Brands 'earn' attention from relevant dialog with consumers.

User experience that's 90% familiar and 10% new.

Blyk

L'Oreal: Icons - Spokesmodel dialogue







# Message

L'ORÉAL®



Back



Reply



## Message



4

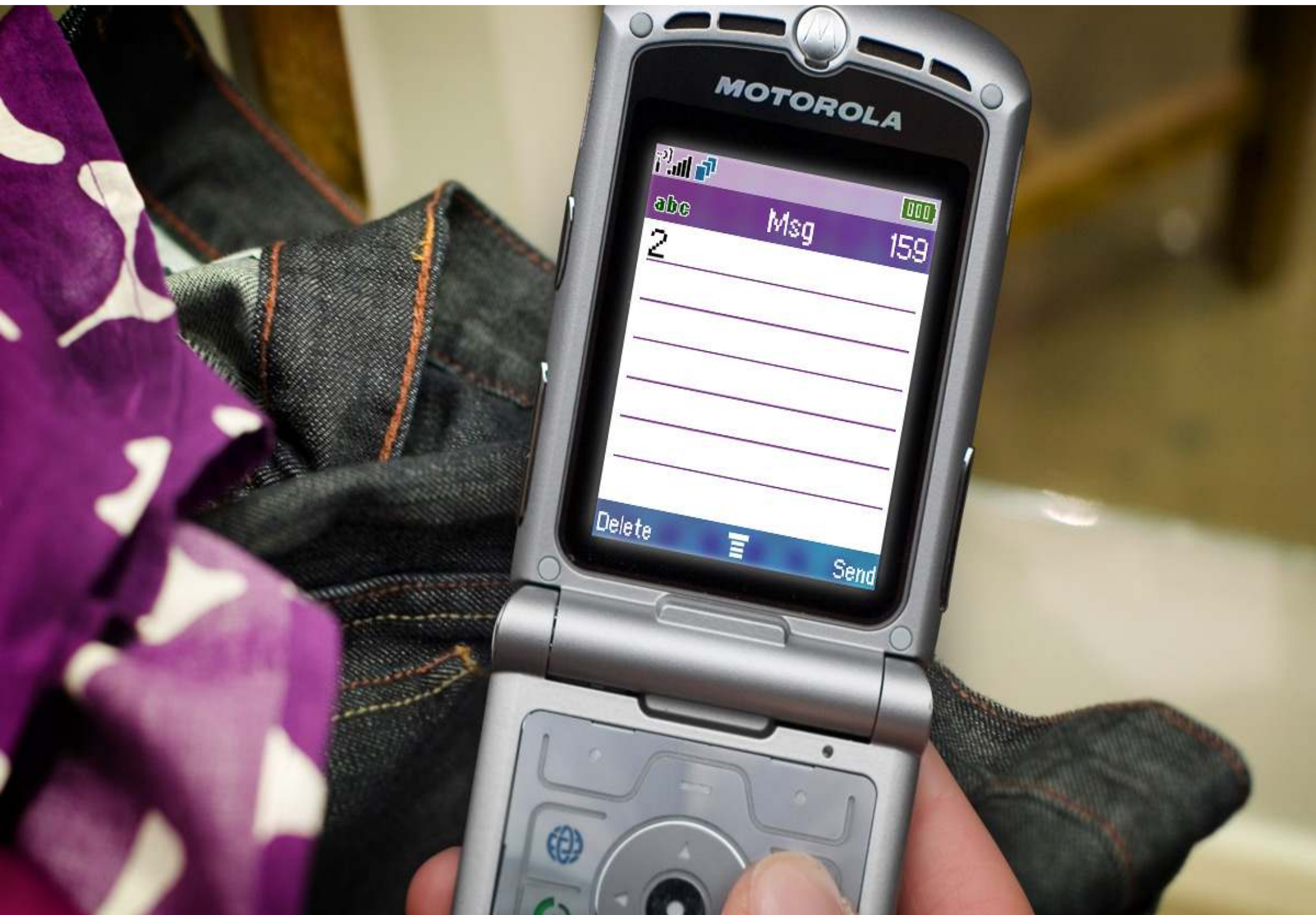
5

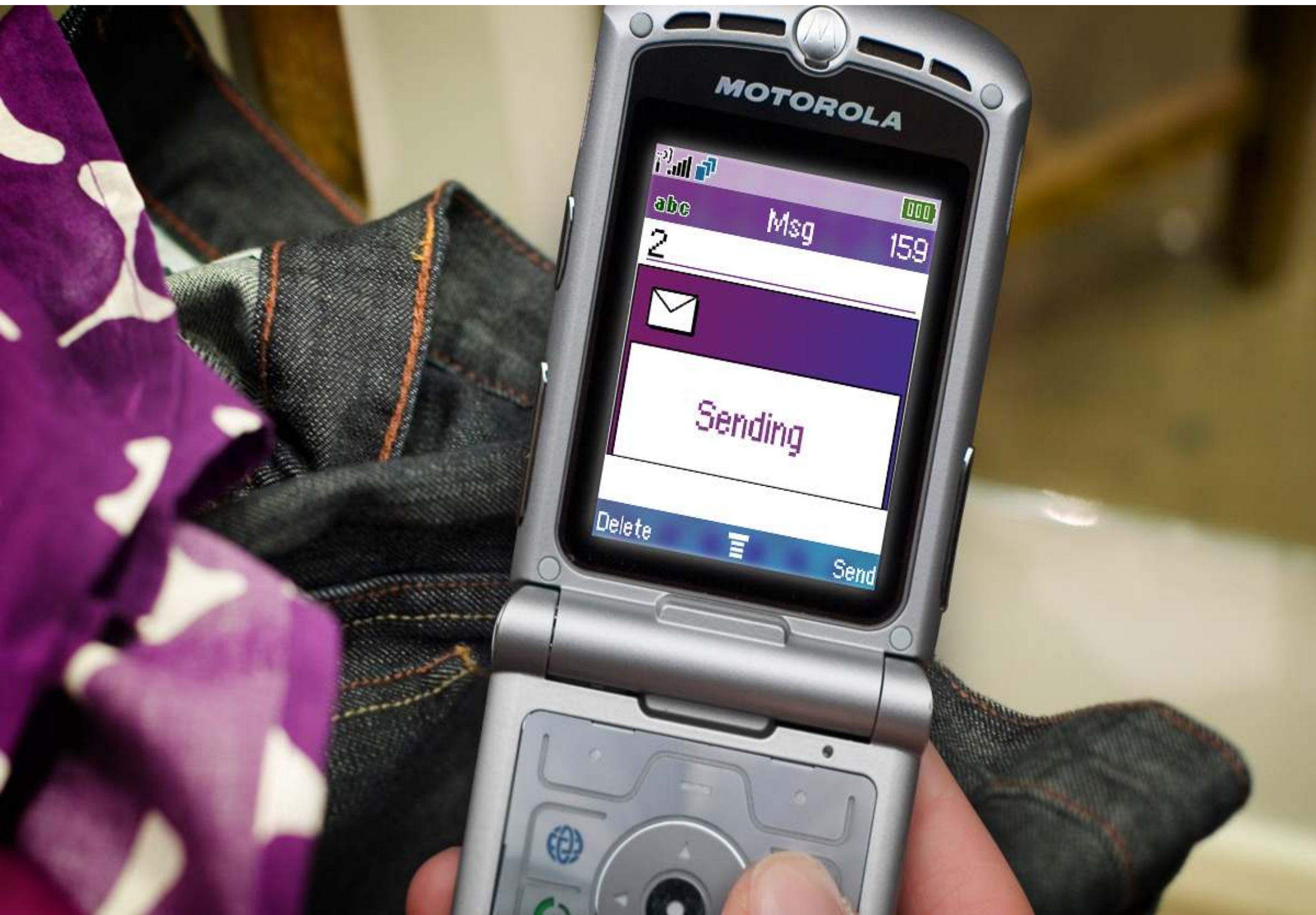
Which of these  
Celebs are you the  
most like?  
^1/2/3/4/5

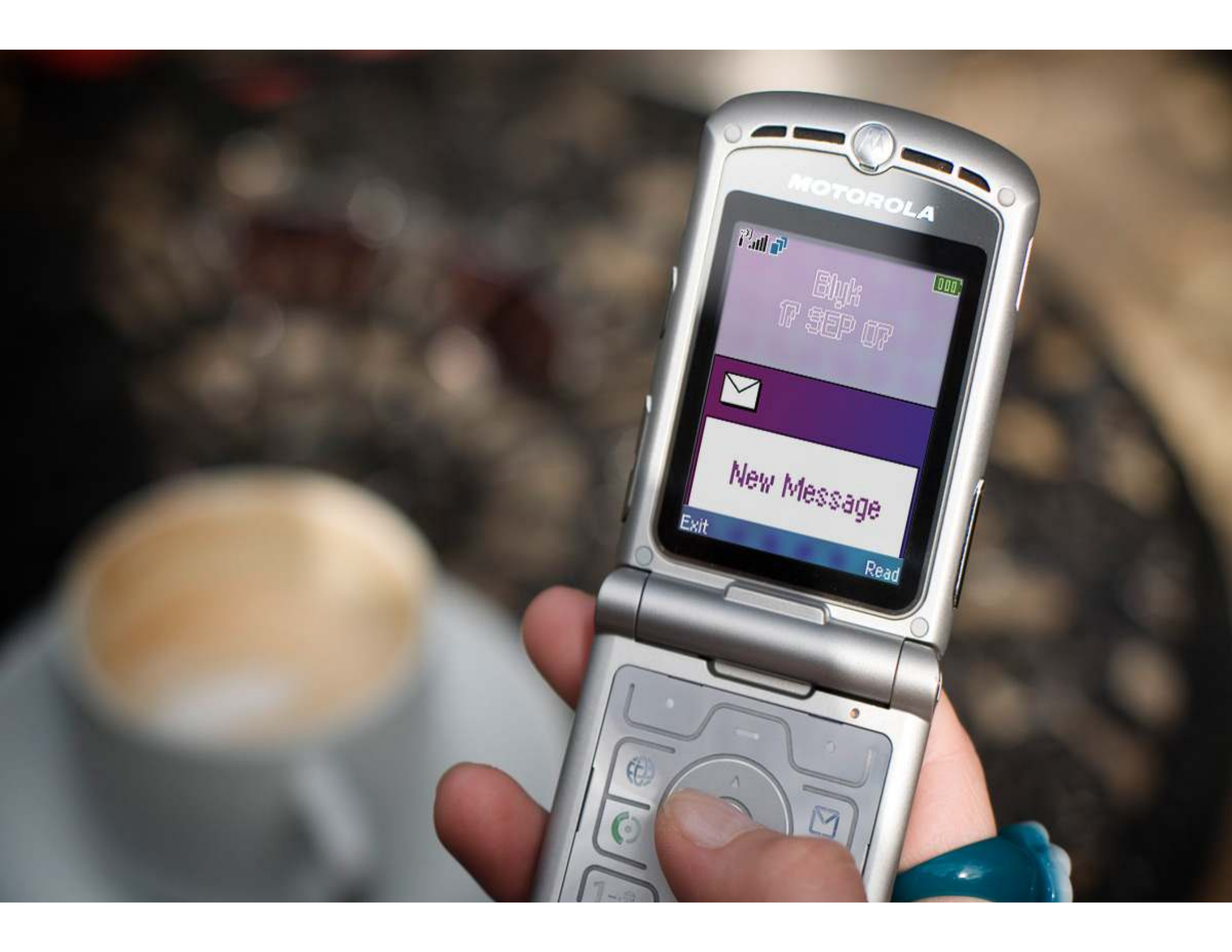
Back



Reply







MOTOROLA



Message

L'ORÉAL®

Then you'd suit  
Eva's shade of  
Color Riche  
Star Secrets,  
Caramel



Back



Reply

# Early indications

During the first six weeks, response rates to the campaigns were in the range of:

12% to 43%

## To put this in context

Medium	Average Response Rate (%)
Online Advertising	0.02
Paid Search Advertising	0.2
Email	0.1
Direct Mail	2
Direct Response TV	0.04
Magazines	0.2
Radio	0.01

Source: e-consultancy Sept 2007

*“Response rates for cold [Mobile] campaigns are in the 3- 6% range while campaigns using client’s own customer data fare much better with response rates ranging between 1.3% and 20%”*

Nick Fuller, Chair, DMA Mobile - 2nd November 2007

Mobile advertising when done right is not viewed as advertising at all...it becomes a service to the end user.

It becomes useful information.

A service that benefits both brand and consumers and builds a relationship between the two.

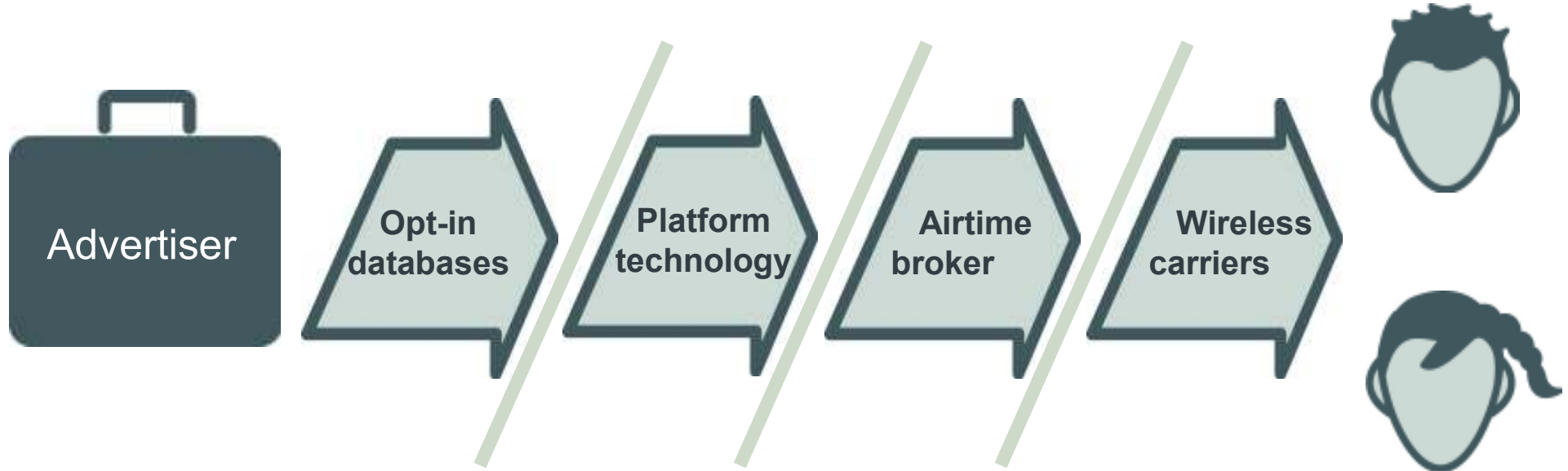
Brands and consumers create time for one another....  
not just buy it.

# End-to-end

complete control of our network,  
user experience and  
ad products

Conventional thinking =

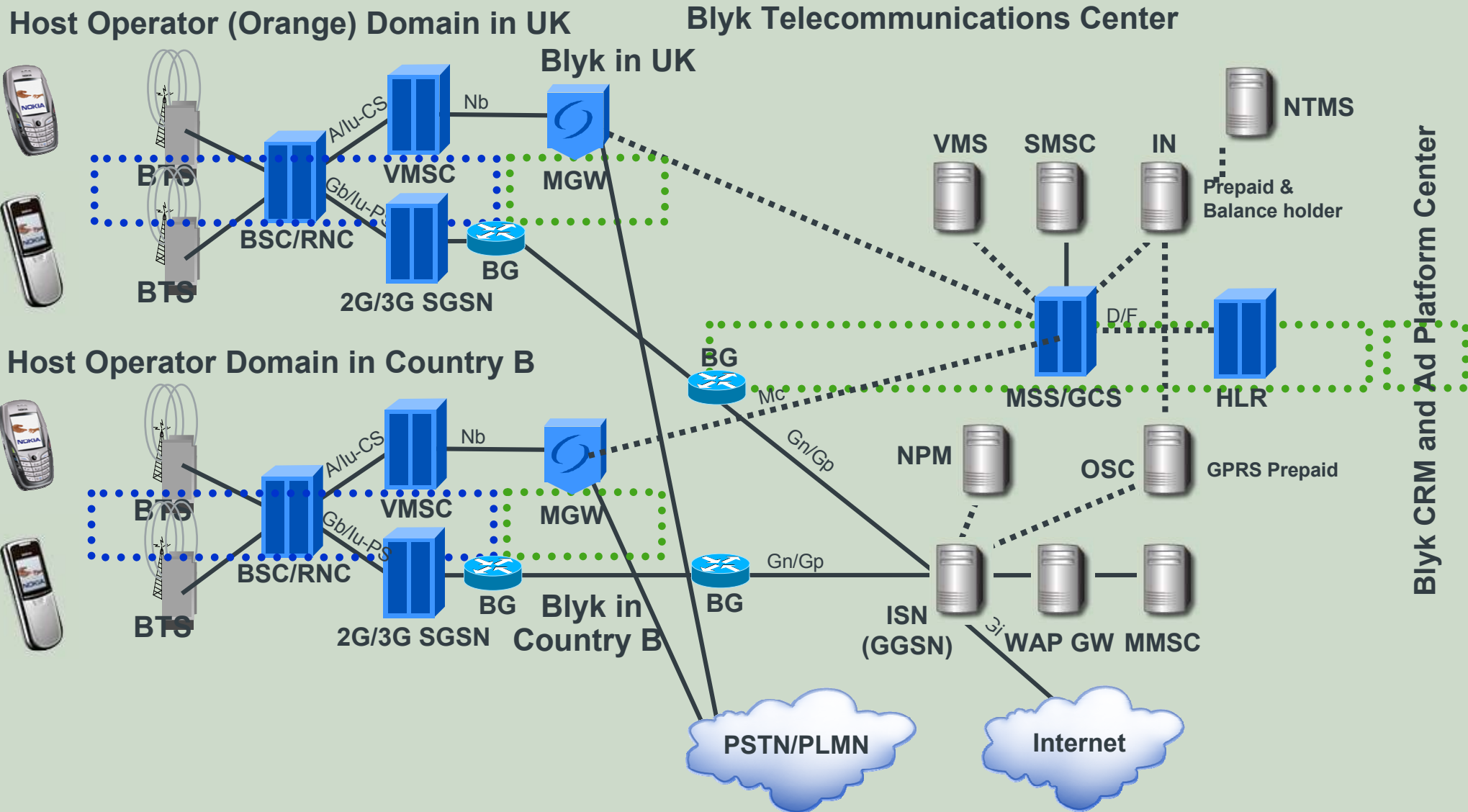
Mobile as a media is complicated



## Blyk's solution



# Purpose-built technology platform for Blyk's advertising-funded model



# Closing thoughts

- relevance
- interactivity
- end-to-end

# Thank you