

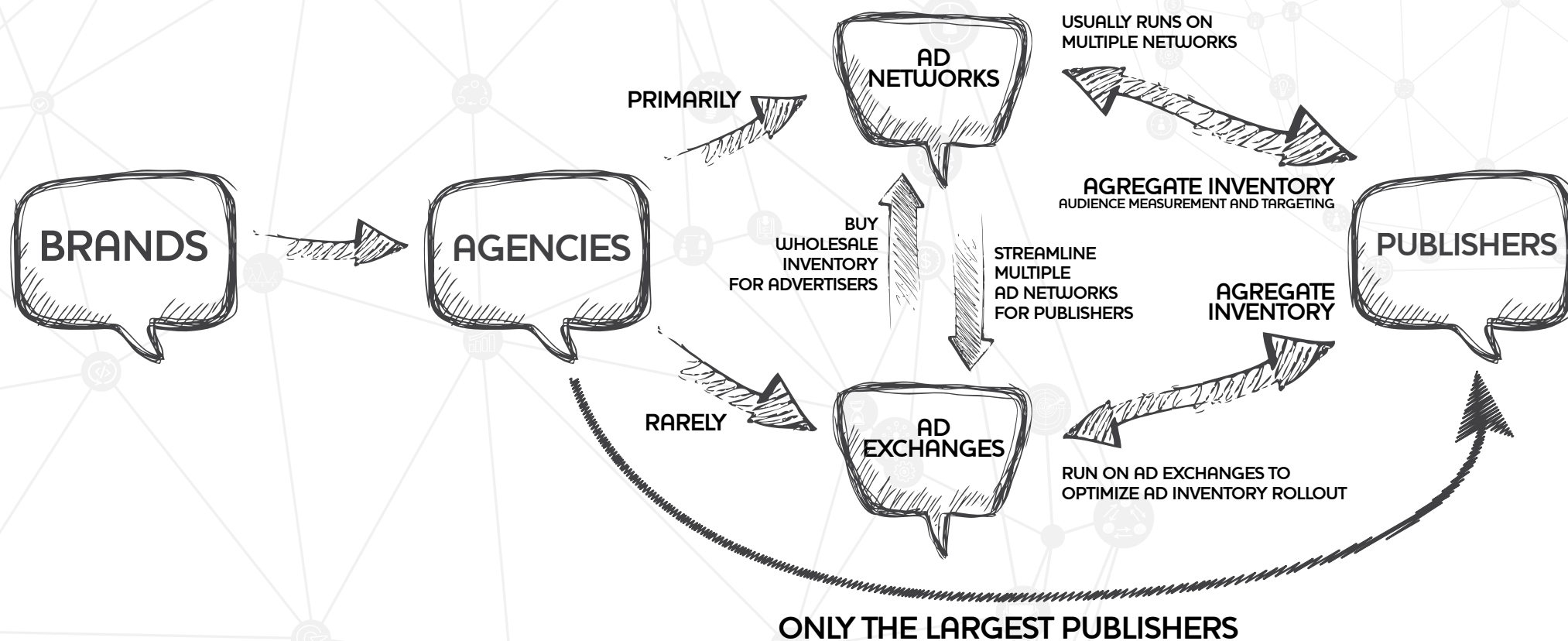


Mobile advertising:
ecosystem and opportunities



Mobile Ad Ecosystem

The mobile ad ecosystem is a crowded space!



* Source: BI Intelligence



From web to mobile

Mobile advertising is following an evolution curve similar to that of Internet advertising.

- Overall **Internet advertising revenues** for 2013 **outperformed** those of **broadcast TV**.
- With **mobile ad revenues accounting for 19%**

For Adcash® the dynamic shift from desktop to mobile meant that:

- **Web mobile traffic** accounted for nearly **10% of overall traffic** and **15% of profit**.

2012 vs 2013 Internet Ad Revenues

	Full year 2012	Full year 2013
Revenue (Ad Formats)		
Search	46%	43%
Classifieds and Directories	7%	6%
Lead Generation	5%	4%
Email	0%	0%
Mobile	9%	17%
Display-related		
• Digital Video Commercials	6%	7%
• Ad banners / Display Ads	21%	19%
• Sponsorships	2%	2%
• Rich Media	3%	3%
Total display-related	33%	30%
Revenue (Pricing Models)		
Impression-based	32%	33%
Performance-based	66%	65%
Hybrid	2%	2%

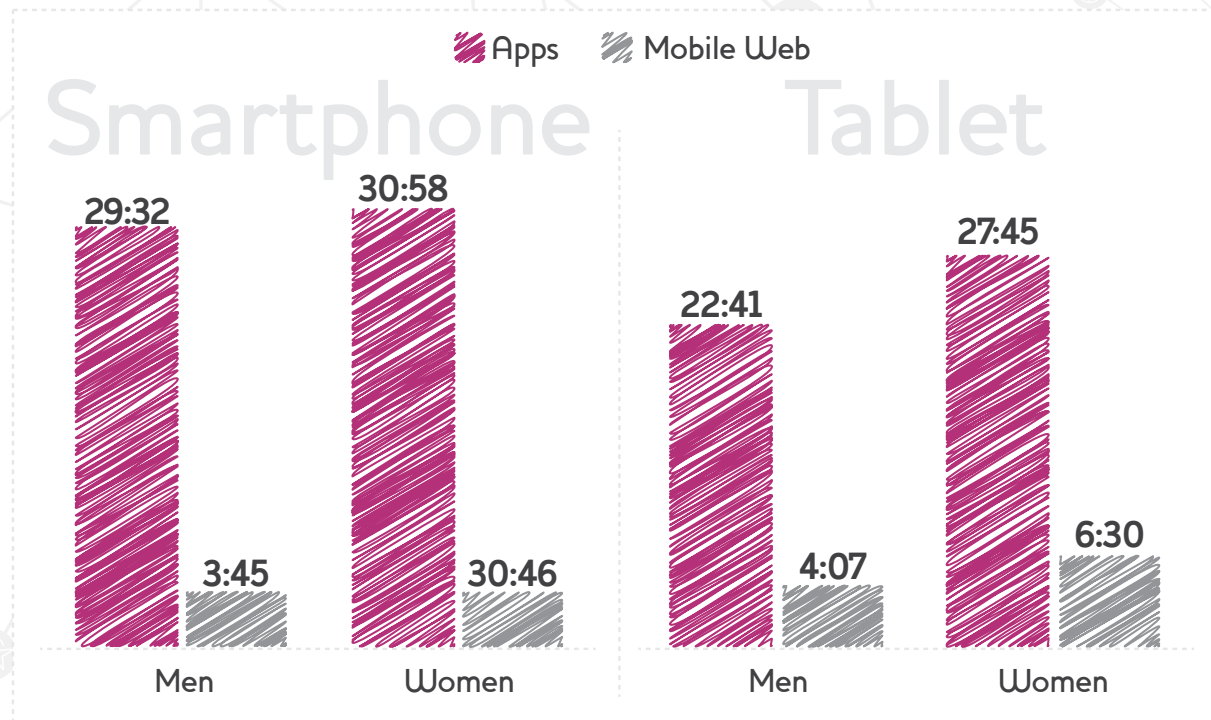
* Source: IAB/PwC 2013 Internet Advertising Revenue Full Year Report

In-app advertising

Why choose **in-app advertising**:

- **Higher users' engagement for apps** rather than mobile websites
- **Effectiveness** of in-app advertising vs standard banner advertising
- **Fastest growing sector** of the mobile advertising market.

Monthly usage of apps versus mobile web by U.S. smartphone and tablet users



* Source: Nielsen Cross-Platform Report Q4 2013

Challenges

The key to effective mobile advertising are sophisticated ad monetization strategies that incorporate multiple ad formats across a **unified SDK integration**.

Among other things this means having:

- A first-rate tech stack
- Unique Inventory
- Big data

However some challenges lie ahead:

- Device fragmentation
- Changing ad models
- Monetization models





Advertising technology

