

Android moves ahead of iPhone in new Smaato Mobile Advertising Metrics - Symbian still on top

Google Nexus One and Motorola Droid effect? Smaato Metrics for January suggest that new Android devices are revolutionizing mobile advertising performance measured by CTR (click-through-rate)

Smaato Metrics show average worldwide ad network fill rates down from 35% to 29% in January 2010

Redwood Shores, CA February 4, 2010 – Today, Smaato Inc. published the Smaato Mobile Advertising Metrics (<http://metrics.smaato.com>) for January 2010. January’s metrics show a significantly improvement of Android Click Through Rate (CTR) compared to the past month but Symbian handsets remain top of the list. The Smaato Metrics present for the first time also the average response time of ad networks worldwide as 256 milliseconds.

Smaato’s metrics are based upon 35 mobile ad networks and over 4 billion ad requests served in the Smaato Network of more than 2300 registered mobile publishers in January 2010.

Worldwide CTR (Click Through rate) by Handset Operating System

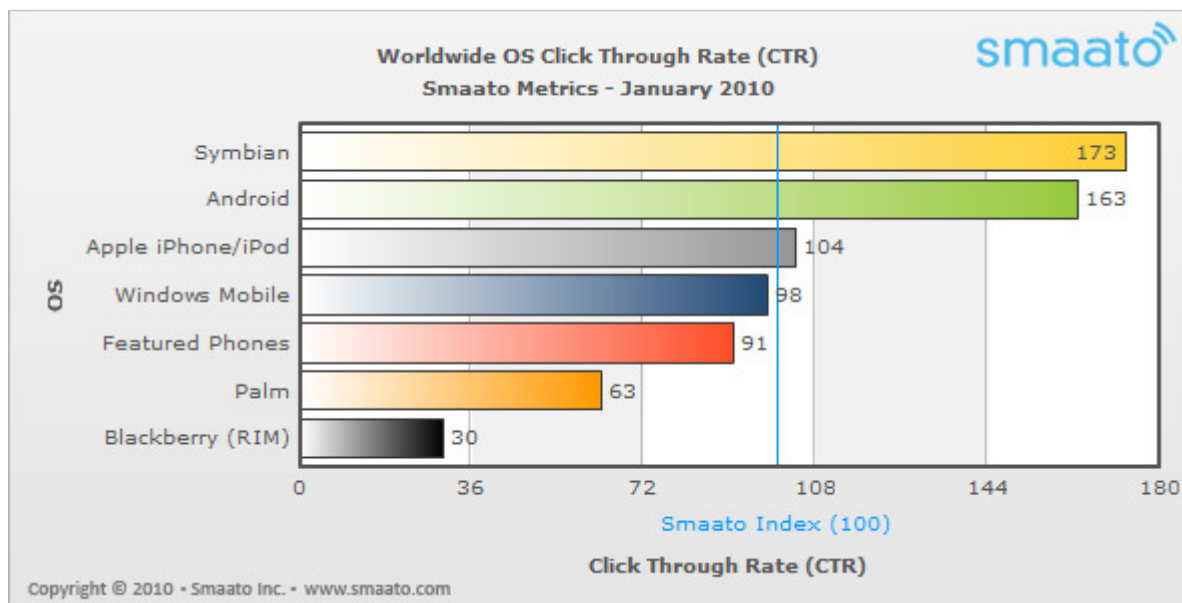


Chart 1: Smaato Index – Operating System CTR (Click Through Rates) worldwide, January 2010

The performance of the different handset types in January, again show a significant spread between the operating systems. The big surprise is the jump of Android CTR, which have more than doubled (to 163) in comparison to December 2009 where it was only fifth best (65).

The boost in Android CTR comes with a large uptake in Android ad requests in the Smaato network and newly introduced Android phones by Google (Nexus One), Motorola (Droid) and handsets branded by mobile operators. The numbers suggest, that there have been a mix of high performing advertising campaigns that where interesting to the Android audience and it could be attributed to new owners of handsets that are curious about responding to mobile advertising.

As in December 2009 Symbian handsets still hold the highest CTR (173) compared to the averaged Index of 100, edging on further from the numbers last month where it hit 161.

Apple iPhone (104, with iPod Touch) dropped slightly in comparison to December (119), but still comes third and above the Smaato Index.

The Index consists of the average CTR of all devices and this number is set to 100.

Fill Rate Worldwide

Smaato’s metrics demonstrates the performance of mobile ad networks globally and the fill rate is measured as the percentage of ads delivered per ad request and varies by different factors, like country, device, content type.

The ad networks are not published in the monthly Smaato metrics, but are revealed in the dashboard of registered Smaato publishers reporting & analytics tools.

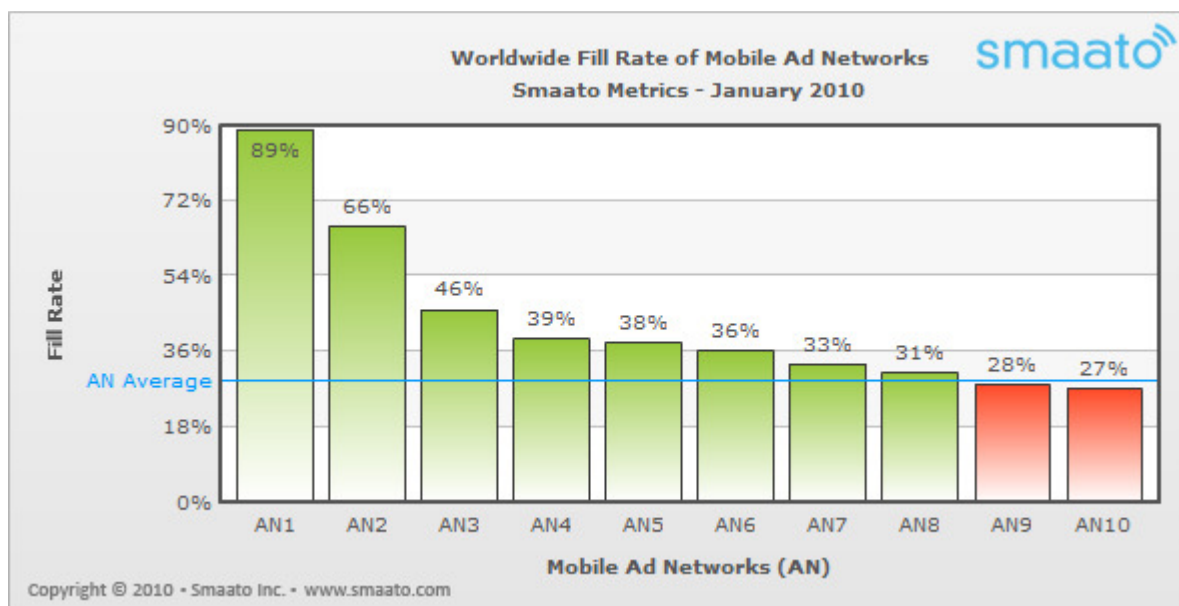


Chart 2: Smaato Index – Fill Rate of Mobile Ad Networks (worldwide), January 2010

The top performing mobile ad network worldwide in the Smaato Index had a fill rate of 89% in January 2010, which is an increase of 10% compared to the top performing ad network in December. Despite this increase, the average for worldwide ad network fill rate performance declined from 35% to 29%.

This confirms that mobile advertising had a very strong holiday season in 2009. In the second half of January the industry saw higher fill rates as campaigns and advertisers returned to business.

Fill Rate USA

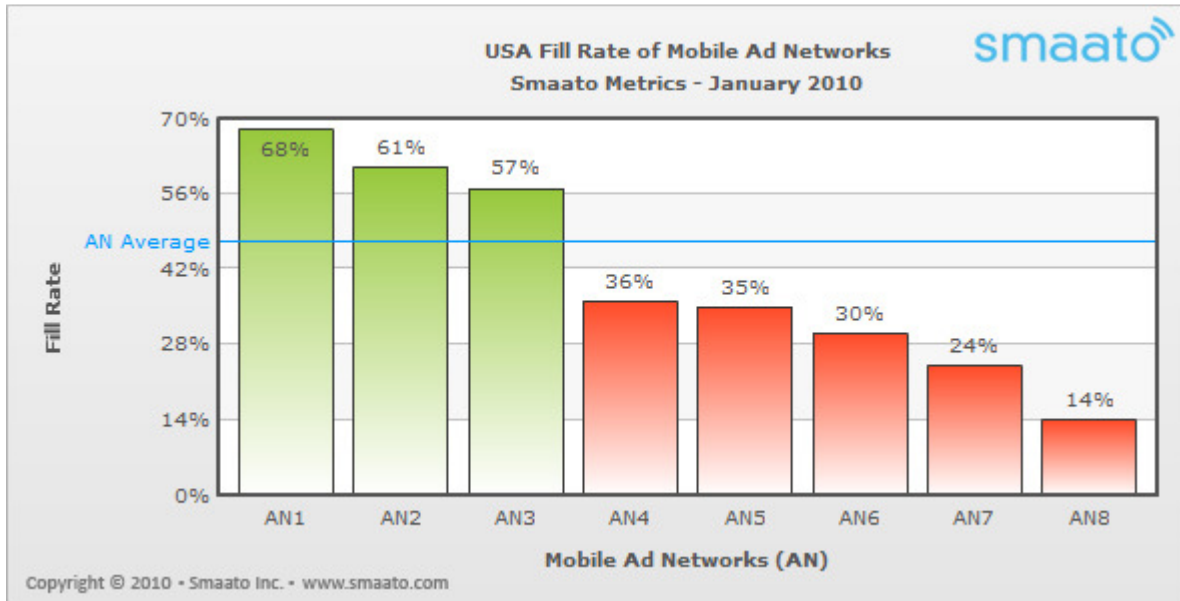


Chart 3: Smaato Index – Fill Rate of Mobile Ad Networks (USA), January 2010

The average fill rate of mobile ad networks in the USA was 47% in January down from 55% in December 2009. Similar to December, it remains significantly higher than the worldwide average fill rate of only 29%. Three ad networks performed above the average in January according to these metrics.

It is especially important for mobile publishers and app developers, to recognize the revenue potential of the US market compared to the worldwide average. A much higher fill rate could imply higher revenue through a bigger chance to sell more mobile inventory to advertisers.

Fill Rate UK and India

For the first time, Smaato metrics has also unveiled the average fill rates of mobile ad networks in the UK and in India.

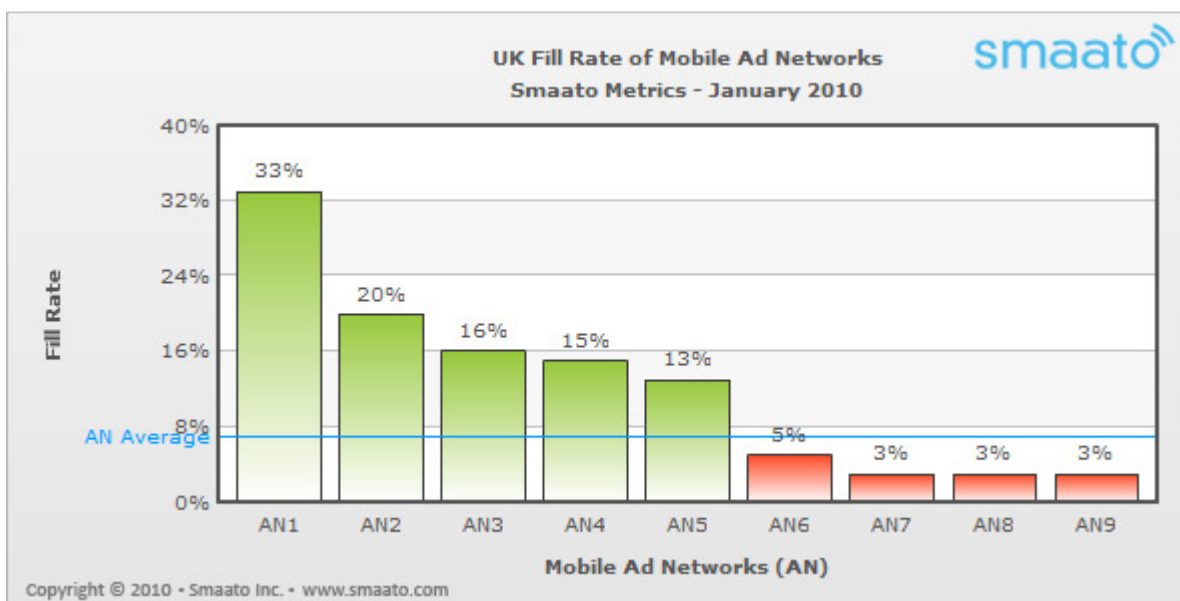


Chart 4: Smaato Index – Fill Rate of Mobile Ad Networks (UK), January 2010

UK shows a very low average fill rate with only 7%. The top performing mobile ad network has a fill rate of 33% significantly above the average and eight other ad networks compared.

Mobile developers with strong UK inventory can see, that there is a clear benefit in adding more ad network partners to fill their mobile inventory, and also to consider mobile ad optimization or mediation platforms.

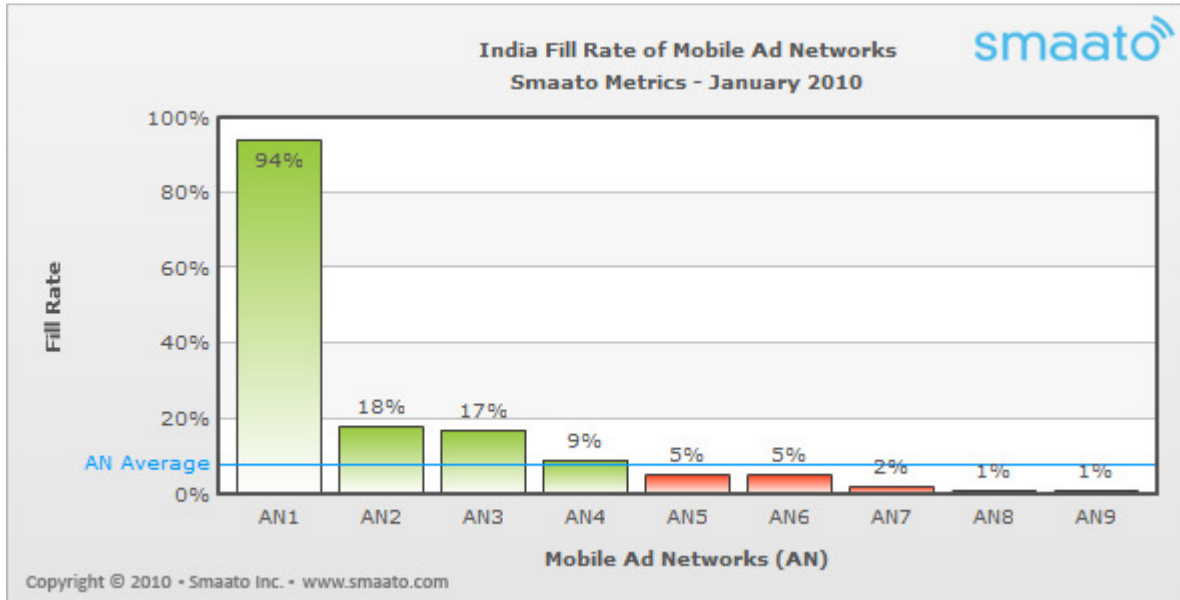


Chart 5 Smaato Index – Fill Rate of Mobile Ad Networks (India), January 2010

India shows one very strong performing ad network, but the fill rate is only 8% in average. India has seen vast amounts of mobile inventory that is still unclaimed by mobile advertisers represented through mobile ad networks. Again the low fill rates mean to mobile developers and publishers that they should consider adding more ad revenue sources from additional ad networks and optimization platforms.

New: Response Time Worldwide

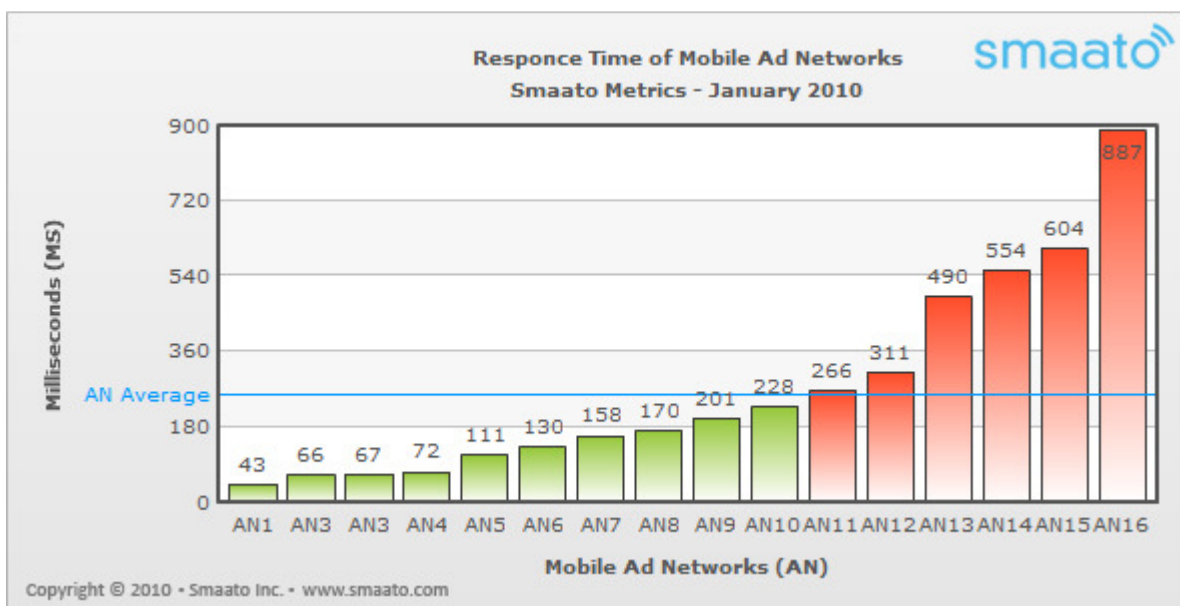


Chart 6: Smaato Index – Response Time for Mobile Ad Networks (worldwide), January 2010



For the first time, response time of the top-performing ad networks is compared in the Smaato Metrics for January 2010. When evaluating the top 16 ad networks in regards to their fill rates in the Smaato network, a significantly broad spectrum of performance is measured.

The fastest response time for a mobile ad network has been 43 milliseconds compared to 887 msec. by rank 16. The response time is important to consider when adding several ad networks within a page load and therefore an allotted time to fill the ad space reserved.

This is a significant consideration for mobile publishers as they are concerned with the best user-experience in fasted loading time of a mobile web site or for in-app advertising. If an ad is requested from a mobile ad network and no ad is available, then a faster response time allows sending this request to one or more ad networks for a chance to get an ad delivered.

More background about these mobile advertising metrics is provided free in a white paper "Global Choices in Mobile Advertising" available at www.smaato.com/whitepaper.

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About Smaato Inc.

Smaato (www.smaato.com) is a pioneering mobile advertising company that operates the mobile ad optimization platform called SOMA (Smaato Open Mobile Advertising) and partners with mobile publishers, developers, ad networks and operators. More than 2300 publishers have signed up with Smaato as a partner to monetize their content in 215+ countries and Smaato is managing 4 billion ad requests per month.

SOMA's unique feature is the aggregation of 35 leading ad networks globally to maximize mobile advertising ARPU. SOMA can be easily integrated with ad networks, ad inventory owners (publishers, developers and operators) and 3rd party ad technology providers.

Smaato is an active member of the Mobile Marketing Association, the dot.mobi Advisory Group and the German Digital Media Association BVDW. Smaato received a Top 100 Private Company Award by AlwaysOn Media (2009 & 2007) and was an Andrew Seybold Choice Awards finalist at CTIA 2008 for best Newcomer, among other awards.

Smaato Inc. is based in Redwood Shores, California. The privately held company was founded in 2005 by an experienced International management team. The European headquarters are in Hamburg, Germany and the Asia-Pacific presence of Smaato has been established in Singapore.