

MOBILE ELITE 2014

Mobile Technology - Breaking down Boundaries

Mike Jeanes, Director of Research, CNBC International

First commissioned in 2010, Mobile Elite 2014 is the fifth wave in a series of surveys among European business executives tracking the impact of the mobile revolution on their personal and working lives. In September 2014, CNBC extended the regional coverage to Asia and the US capturing over 600 online interviews across the three regions. Independent research agency T-Poll managed the survey in Europe and the US, and GMI in Asia. Mobile Elite 2014 collates the data into a single global dataset, enabling regional profiling comparisons against a global average.

Mobile Elite 2014 explores how the unparalleled speed of mobile technology change has influenced the way business executives consume and interact with different types of content across different devices. The survey covers mobile device ownership, how these devices are used, the types of content consumed, and the use of social media. This year there is a particular focus on business and finance information needs.

Technology change

The level of influence mobile technology has on the world we live in continues to march on. Last year, 48% of European executives believed that *'Mobile technology has more influence on global change than governments, countries or businesses'* and this has increased to 57% in 2014. Despite the increasing influence of mobile and other technologies on enterprise, business executives are still keeping on top, with 71% of Europe's elite *'keeping up with technology change within their sector'*. This confidence is also reflected across Asia (90%) and the US (73%).

Keeping up with technology developments has been cited as one of the biggest priorities for European businesses. However, in 2013 only 39% of European executives felt that their company was keeping up with technology change. Encouragingly, this has risen to 46% in 2014, with a similar proportion in the US. Belief in their company's ability to keep up with change is higher among Asian executives (60%).

Key obstacles that prevent technology progression within their organisation vary across the regions. *'Complexity of solutions and integration across business functions'* is the highest barrier for US executives, *'Insufficient budgets and funding'* is the biggest obstacle for European executives and *'Lack of technical expertise and knowledge'* is cited as the main issue for Asian executives.

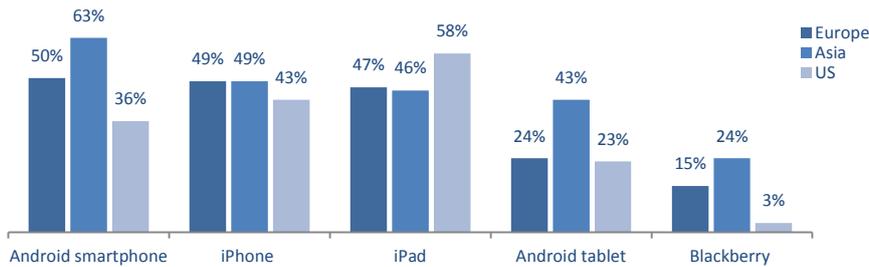
In order for organisations to stay ahead of the game, overcoming the obstacles that prevent change is essential. In the enterprise market, mobile technology in particular is a game-changer for organisations across multiple sectors. From location-based services, marketing and advertising, content purchase and execution, brokering services and mobile payment systems, mobile commerce is becoming an indispensable consumer technology. Looking at online transactions, 55% of global executives claim to have purchased products, services, stocks or shares on their smartphone or tablet and 68% believe that *'Mobile payment technology is the future for e-commerce'*.

Device ownership

Smartphone or tablet ownership has now reached total saturation for all regions in 2014 (increasing from 93% in Europe last year). In the US, 88% claim to own a tablet vs. 75% in Europe and 81% in Asia, and in the last twelve months the average number of devices owned in the home has grown from three to five in Europe, with a similar average score in Asia, and four in the US.

2014 sees significant growth for Android smartphone ownership in Europe, leaping from 35% in 2013 to 50% in 2014 - overtaking iPhone (49%) for the first time (Figure. 1) Ownership of an Android smartphone is significantly higher in Asia (63%) compared to Europe (50%) and the US (36%). Across the regions, Samsung dominates the Android smartphone market registering 80% share of all devices owned in each region. In Europe, Apple device ownership has grown to a lesser degree year-on-year, with iPhone increasing from 44% in 2013 to 49% in 2014. iPad also grows from 46% to 47% year-on-year. Blackberry ownership falls for the second consecutive year (now at 15%) as users continue to migrate to other devices. Across the regions, iPad ownership is particularly high in the US (58%) compared to Europe (47%) and Asia (46%).

Figure 1: Device ownership by region



Source: Mobile Elite 2014

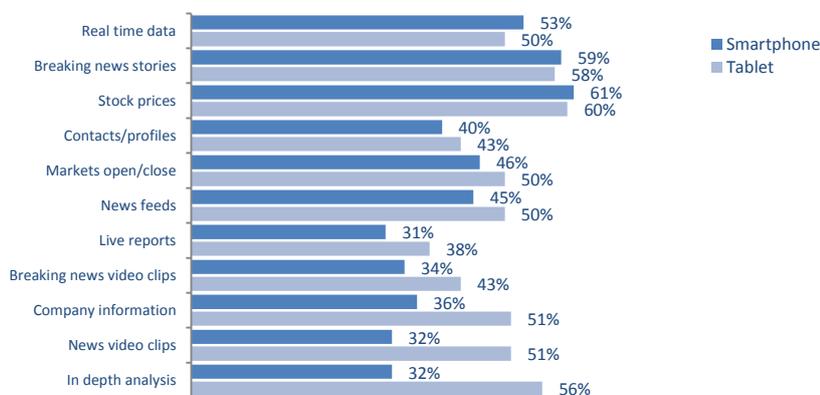
Content differentiation

In 2014, over seven in ten global executives claim to use their smartphone or tablet to access ‘both’ work and personal content. This is reflected in the wide range of content accessed and featured used on these devices. Top scoring features for tablets include ‘web browsing’ and ‘email’ (both scoring 74% globally) followed by ‘business and financial information’ (69%). More engaging activities such as ‘watching video and TV’, ‘reading magazines or books’ and ‘shopping’, all scored higher for tablets. Features and functions used on smartphones differ slightly from tablets. Global executives tend to use their smartphone for more immediate information and on the move functions with ‘email’ scoring highest (77%), followed by ‘GPS/mapping’ (68%) and ‘taking photos/recording videos’ (67%).

Business and finance content

We also see clear differences between the types of ‘business content’ consumed on different devices. Among global executives, smartphones score higher for quick fix ‘news to use’ content including ‘breaking news stories’, ‘real-time data’ and ‘checking stock prices’ (Figure 2).

Figure 2: Business content consumed by platform



Source: Mobile Elite 2014

Tablets on the other hand, register higher scores among global executives for more engaging business content that requires more time and attention such as *'news video clips'*, *'researching a company'* and *'in-depth analysis'*. In addition, global executives are more likely to watch longer video clips on tablets with the average preferred news/business video clip length at one minute 45 seconds vs. one minute for smartphones.

The size of the screen on tablets undoubtedly creates a more engaging experience for the user compared to smaller mobile devices, but as big-screen smartphones emerge this is likely to dilute the differentiation in the type of content and functions currently used on tablets and smartphones.

'Push' and 'Pull' content access points

When business executives consume business and financial content via smartphones and tablets there are differences in 'how' this information is accessed on these devices. Although *'news/business websites'* scored highest for both smartphones (60%) and tablets (70%) among global executives, with the demand for quick fix *'news to use'* content on smartphones, *'news alerts via email'* and *'alerts via apps'* ranked second (both scoring 56%). These can be described as **'Push access points'**. On the other hand, *'newspaper and magazine apps'* (65%) and *'TV'* (50%) were the second and third highest scoring content access points for tablets. These can be described as **'Pull access points'**.

Timing

Access to business and leisure content 'everywhere' via mobile devices is blurring the perimeters between the working week and weekend. Seven in ten global executives agree that *'Mobile technology is breaking down the boundaries between work & leisure'* and two thirds now claim to access business content via their mobile device over the weekend. The consumption of business content is still highest during weekday morning in both Asia and the US, as executives prepare for the day ahead. On the other hand, weekday evening is the highest scoring day part among European executives, primarily driven by the closing of the US markets.

The type of business and financial content consumed by global executives on tablets and smartphones over the weekend is different to content consumed during the week. Over the weekend it tends to be longer form content or content that requires more time and thought to digest. Top business content consumed over the weekend includes *'in-depth articles'* (48%), *'company information'* (42%) and *'contacts/profiles'* (38%). Weekday morning is focused on short, quick fix business updates with *'breaking news'* and *'stock prices'* scoring highest (both with 66%), followed by *'real time data'* (64%) and *'opening/closing of the markets'* (63%).

TV and mobile synergy

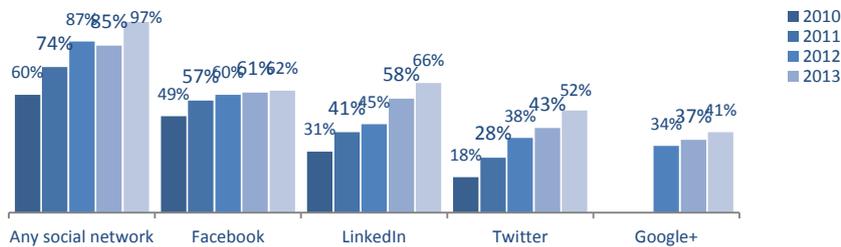
The synergies between TV and tablets in particular are increasingly evident in 2014 with 73% of all global executives claiming to watch TV at the same time as using their tablet. This is higher in the US (80%) compared to Europe (71%) and Asia (70%). The flow of information gathering switches back to TV, with 56% of global executives returning to their tablet (or smartphones) as a direct result of watching TV. The type of action taken on these devices as a result of seeing TV content ranges from *'web browsing for products or services'* (69%), *'purchasing products, stocks or shares'* (55%) and *'responding to advertising'* (42%). A higher proportion of executives in Asia (57%) and Europe (55%) claimed to have *'shared TV content via social media'* on their mobile devices compared to those in the US (32%).

Social media growth

Membership of social network sites in Europe remained relatively stable between 2012 and 2013 with 85% claiming to be a member of at least one network last year. 2014 sees a significant jump in social media use to 97%. This growth is fuelled by LinkedIn membership increasing from 58% in 2013 to 66% in 2014 and

Twitter growing from 43% to 52%. Facebook has remained relatively stable for the last three years (moving from 60% in 2012 to 62% in 2014) and for the first time, LinkedIn overtakes Facebook in Europe (Figure 3).

Figure 3: Social media Europe trend



Source: Mobile Elite 2014

Looking at the other regions, membership of any social network in Asia is saturated compared with 83% in the US. Membership of all social network brands measured is higher among Asian executives with the exception of LinkedIn and Twitter where Europe leads. WhatsApp membership scores 43% in Europe and 63% in Asia ranking higher than Google+ in both regions.

In 2014, use of social media for business is higher in Asia and continues to grow in Europe, with 61% claiming to use social for a variety of business related functions (vs. 58% in 2013, and 53% in 2012). Top scoring business applications include *'interacting with clients and customers'* (37% vs. 31% in 2013), *'building brand presence among social network communities'* (34% vs. 27% last year) and *'tracking industry trends'* which shows the highest year-on-year increase in Europe (22% in 2013 to 31% this year).

Improved perceptions of social media

Among a range of brand image attributes, perceptions of the three main social media brands slumped in 2013 among European executives. However, things have picked up again in 2014 with Twitter, LinkedIn and Facebook all registering year-on-year increases for most attributes including *'trustworthy'* and *'respected brand'*. Twitter registered its highest score to date among European executives for *'use for both work & leisure'* (55%) increasing from 32% in 2013. LinkedIn consolidates its number one position in Europe as a *'useful business tool'* (59%) and *'useful recruitment tool'* (59%) and also scores highest for *'respected brand'* (64%). Despite limited growth in European membership since 2011, Facebook appears to be gaining ground at the expense of Twitter for *'useful marketing tool'* and now ranks number one among European executives for the first time (54% vs. Twitter 48%).

Summary

In 2014, mobile device ownership reached saturation point among executives throughout Europe, Asia and the US. *'Mobile everywhere'* has enabled both business and leisure content to be accessed by executives around the world anytime, anyplace, anywhere. This is blurring the boundaries between work and leisure, and the working week and weekend, with the majority of global executives now consuming business content over the weekend. They use their smartphones for quick fix *'news to use'* information and tablets for more engaging content requiring more processing time and attention. Social network membership among European and Asian executives is now saturated, and the value of social media in a business context continues to grow in importance with perceptions of social media brands improving in 2014.

