

Mobile as the 7th Mass Media

An evolving story

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EXECUTIVE SUMMARY

Mobile is now emerging as the 7th of the mass media, joining Print, Recordings, Cinema, Radio, TV and Internet. This SMLXL White Paper briefly reviews the introduction stages of each of the previous mass media, illustrating what impacts they had to their predecessors. Drawing from those lessons the second half of this document outlines the six benefits unique to mobile (personal; always carried; always on; built-in payment channel; available at point of inspiration; and measures audiences accurately). This document then explores areas where mobile media concepts are succeeding, and the roles of advertising, user-generated content, viral marketing. The White Paper calls for creative people to invent “magic” for the mobile content and services industry, giving early examples of the kinds of services that already exist, but which on first use will truly seem like magic.

SMLXL have explored and reviewed the developments in the mobile space to provide true insight to the world of the 7th Mass Media. These include the staggering membership of nearly the entire Korean teenage population to the virtual world of Cyworld, the prosumer, revenue sharing mobile content platform MyNuMo, the Japanese Camera Dictionary, the mobile adservices company that have sold over 3 billion ads on mobile in just over 14 months, or that music downloads on mobile is a bigger industry than the fixed internet, and the launch of the revolutionary mobile offering otherwise known as Blyk.

These compelling stories tell us why mobile as the 7th Mass Media is so critical to understand, because if we don't, someone else will be taking your revenues, profits and audiences with them. It does not matter what industry you are in, the story of the 7th Mass Media affects us all.

MM7TH

Mass Media

What shape is our digital universe?

Introduction

The comedian Bill Bailey describes reading Stephen Hawking's *A Brief History of Time*. In it Hawking suggests the Universe could be 3 possible shapes. These are:

- 1). Long and thin like a piece of *tagliatelle*
- 2). Round like a marble
- 3). Saddle shaped

Bailey finds it hard to deal with the notion that our universe could be saddle shaped. The point is, that our once familiar analogue world, which we understood so well, and so comprehensively no longer exists in our digital universe. As Bailey observed, in the days pre-Christopher Columbus it was easier to buy a "To the edge and back ticket." We don't really know what shape our new digital universe is, so, we have to learn to navigate and describe it. Tomi T Ahonen introduced the concept of the mobile phone as the 7th of the Mass Media. In this White Paper SMLXL will explore what this concept means.

An evolving historic technological revolution is under way, which is creating new industries, new products, new services and, unmercifully redefining or even destroying others. It is more powerful, with greater reach and is growing faster than any other media-ecology. It is the grass roots of the mobile mass media. It is not as clear and coherent, with established well-known global brands, as the older internet is today, with its Google's, Yahoo's, YouTube's and Second Life's. But the foundations are now being laid for the future corporate giants for the 7th Mass Media to emerge.

Differing from the internet, mobile as the 7th Mass Media channel is similar to the five legacy mass media, economically viable with a stable business model from day one. Yet, differing from the legacy mass media, all of which are witnessing a decline in their audiences and revenues, mobile like the internet, is an interactive media enabling it to fully capitalize on social networking and digital communities.

But more importantly from a media audience point-of-view, there already are over twice as many mobile phones worldwide as there are personal computers, nearly twice as many mobiles as TV sets. The only mass media that is carried upon the owner at all times, mobile is also the first mass media where near 100% accuracy is feasible on measuring the audience.

Is it any wonder that in its short 8 year life as a mass media, mobile has already cannibalised over one fourth of all music sold, as well as one in six dollars spent by videogaming. Whilst paid content on mobile is already 20% greater than all paid content on the internet. TV, movies, newspapers, even books are migrating to mobile. The first paid content was downloaded onto a mobile phone as recently as 1998, yet today at 31.3 Billion dollars, content revenues on mobile have grown to be larger worldwide than Hollywood movies, videogaming software or global music industry revenues.

The story of 7 Mass Media

But lets start at the beginning. Access to knowledge has been a defining story of civil society. Information technologies have historically redistributed access to knowledge and information from controlling institutions to the masses. We are witnesses to another period of profound change, and its not just knowledge that is being redistributed, but in fact, the possibility of economic production. Which means that those once privileged institutions are no longer able to dominate markets by exercising control over them.

We are getting used to living in a connected age where we naturally and increasingly draw on our participation in various networks for assistance, information and support. Mass media started with the invention of moveable type and the book. With each mass media new opportunities, new skills, and new industries, have emerged.

There is a pattern, which in fact is a lesson we should all heed.

And in the beginning was the word

Print 1st of the Mass Media

Prior to Gutenberg inventing moveable type and printing the world's first book, the 42-Line Bible, information was vigorously controlled by the church, ensuring its control over a society that is described as a feudal society, but, it was also a feudal economy. And to whose benefit? The church. The church was a controlling institution, it was wealthy and it was powerful. Wrestling control from the gate keeper is, we would argue, never an easy business.

Printing technologies from the late 1400's, opened the floodgates for information and knowledge to be shared through pamphlets, books, newspapers, music scores, and magazines. It was the First Mass Media, and it was a significant contributor to the demise of the feudal system and the hegemony of the church over large swathes of Northern European populations'. As printing spread and publishing developed, technological innovation created new market structures. Soon publishers became the controlling institutions, wishing to exercise their control and hence domination of that market space. The oldest of today's media giants such as TimeWarner and Rupert Murdoch etc., trace their roots to the newspaper and print industries.

Printing and publishing created a whole new raft of job descriptions: the author/writer as the creative talent, with other professional writers including journalists, columnists, screenplay writers etc. For the newspapers and magazines, the job of editor was invented to manage the written content. Illustrators appeared for books and periodicals, and after the advent of the photograph in the 1850's, photojournalists and photographer illustrators also were added into the creative skills of print and publishing. Advertising was born through the newspapers and magazines. Advertising revenues also changed the business model of newspapers, and became the model thereafter on how every mass media made a sizeable proportion of its money. But importantly because of the possibility of reuse, public libraries were born, where industrial man and woman could better expand their knowledge were they so inclined.

With newspapers and magazines, from a commercial context, the role of information changed. Content became the necessary glue, for the really important stuff – commercial messaging to a targeted audience. Today many free newspapers exist funded by advertising.

Needless to say, like all industrial economies, barriers to entry for print publishers were high. The capital costs of setting up a publishing business were not insignificant, and as publishers realized they could reach greater audiences with wider distribution, those capital costs increased. However, the considerable benefits were that whoever had the wider distribution controlled the story, the news and the information. Until very recently it was a few media proprietors, from around the world that were the arbiters of what we could or should know.

Lessons from First Mass Media: a new media will introduce new industry, new professions, and new business models. Advertising can support, even carry a media channel.

Rockin' all over the World

Recording 2nd of the Mass Media

Analogue recordings from late 1800's introduced the first "new" mass media. What were first only music recordings on "clay" records eventually evolved to the vinyl recordings of the later half of the last century. The music industry added new recording methods from open reel audio tape in the 1960's to the C-cassette and music cartridge in the 1970's, the music CD in the 1980's and digital music stored as MP3 files from the late 1990's and the ringing tones now in the current decade. The music recording alone is worth 30 billion dollars worldwide today.

Music was not the only recorded content. In the 1970's movies appeared on video cassettes and a second major content category for the recording industry was created. Movies started off as a rental business but then added video cassette sales and then the DVD sales and rentals. The movies sold and recorded on DVDs today are worth about 20 billion dollars or nearly as much as Hollywood earns on the box office "cinema" income of first-run movies. Today several other recordings categories exist including computer programmes, videogames, TV shows etc.

Recordings as a new mass media channel was radically different from print, in that while anyone could read a book, magazine or newspaper, for consuming a record or tape, CD, DVD, you needed to own a media player. This forced households to go buy the new home entertainment gadget, the record player. And then later the cassette player, the CD player, the DVD player etc all replicated this pattern, needing the player to consume recorded media.

Early recordings were music concerts, longer symphonic orchestra music, which was what you would go to listen to, if you went to the theatre to listen to a concert. The recording industry then innovated and created shorter forms of music, inventing the pop song of about 3 minutes in length. This was not viable on the stage, we don't go to listen to the London Symphony Orchestra play 3 minutes. This new format created the pop music industry which today features the artists like Justin Timberlake, Britney Spears, Coldplay, 50 Cent, Black Eyed Peas etc. At its peak around the 1950s and 1960s the music recording industry produced the biggest global artists such as Elvis, Frank Sinatra, the Beatles etc. They were able to use their music success to expand into other media, most notably radio and the movies.

Recordings brought culture and entertainment to the masses. It meant for the first time, you did not have to be wealthy, to go to the opera, own your own instruments or be able to enjoy music. It was also like publishing a controlled economy and distribution system.

Analogue recordings created a new industry, the music business and slowly **cannibalised music from print**. Analogue recordings as a mass media and distribution model created a new spectrum of jobs; from studio and live recording, to music management and touring bands – created for the modern era by the Beatles. A&R, publicists, managers etc., but as ever the story evolves.

Lessons from Second Mass Media: a new mass media can cannibalise from the old, but also add new opportunities. A new media can create formats which were not viable before it. In addition to creative and technical talent there can be performing talent in media. Even with an expensive media player to be purchased by users, a media can flourish.

Easy Riders Raging Bulls

Cinema 3rd of the Mass Media

In the 1910's cinema became the 3rd evolution of the Mass Media. This introduced yet another very distinct form of enjoying mass media. Cinema thus became an audience media, mostly enjoyed in the movie theatre with hundreds of other members of the public. Interestingly it was a communal experience, and still is.

Reservoir Dogs

Technically we now had a first truly visual mass media, with moving pictures. Movies told stories of the Wild West, brought to us the madness of war via Vietnam and Apocalypse Now, scared us to death via Jaws, and took us to new galaxies via Star Wars.

Very popular cinema content formats were invented in the first half of the last century for the cinema. These included “newsreels” short about 5 –10 minute news summaries in moving pictures - the precursor to today's nightly TV news. Also weekly “serials” were introduced, where the same hero would battle a series of villains one week, be left in a perilous situation, to be continued next week. The cliff-hanger style of serial short movies which brought cinema audiences back every week for a further instalment. Interestingly this format continues on TV with soap operas and continuing storyline TV series such as; The Shield, The Sopranos, Desperate Housewives, Big Brother, Pop Idol, and, Star Trek Enterprise etc.

Gone with the Wind

Cinema was thought of threatening books as a viable media. The exact opposite happened. Good books spawned movies, and successful movies that were not based on books, were turned into printed books. Hollywood ruthlessly cannibalised the topmost talent and content from print and recordings and attempted to turn them into movie stars. Some succeeded like Ian Fleming's James Bond series of books or Elvis Presley's transition into movies. Madonna and Prince are examples of where cinema tried but failed in transferring a recording artist to the silver screen. Comic books were turned into movies such as Superman, Batman, Spiderman etc, which in turn helped sell more of the comic books but other titles such as Darkman have failed.

While recording was a decade older as a mass media, cinema was able to overtake recordings in its importance due to its distribution model. As soon as cinema theatres started to make money, they sprung up everywhere and by the 1930s there were dozens, even hundreds of cinema theatres in major cities around the world. Recordings were still suffering from the high cost of individual record players and thus the slow adoption and expansion of record players which did not reach most of the population until the 1960's.

Like recordings, cinema also introduced new skills and new artists. The Hollywood star was born, with Charlie Chaplin the most recognized person on the planet in the 1930's. Even long after its peak influence in the 1950's, cinema still today holds a premier position among all media stars, as the ultimate indication of true celebrity. The most paid artists worldwide tend to be the big box office Hollywood stars, and most music artists, stage actors, TV celebrities, professional dancers, comedians etc hope to land a major movie role to boost their careers.

Lessons from the third Mass Media: moving pictures are more compelling than written words or just sounds. People are willing to pay per view. And a media that does not require the audience to go buy new equipment has the ability to bypass older media in adoption speed.

Radio Romance

Radio 4th of the Mass Media

The 1920's brought us radio and 4th of the Mass Media. Radio was the first ubiquitous broadcast media, the first "streaming" media. This was the first time a media required the audience to make an appointment to join and listen. With books and newspapers we could read at any time we wanted. With recordings we could replay the recording whenever we felt like it. With cinema we could select which night we would go and see the movie, as long as it was still playing. But with radio our show came once and was gone. If we were not there to hear it, we missed it. This meant the birth of the broadcast schedule and appointment in the instance to listen. And introduced the need for new printed magazines and newspaper pages telling us what was on radio, on which channel, and at what time.

Radio brought a new diversity of news, information, debate and music to the people. And, it brought a new channel for commercial communications.

Radio was the engine that started to drive mass consumption, content became the glue for commercial communications. And that is an interesting and important point to consider. Radio brought us the *Soap Opera* as continuing storyline radio plays that were sponsored by the consumer detergents and soaps giant Procter & Gamble and featuring their main brands such as Palmolive, Colgate and Pepsodent.

Radio also did something that never before was possible the rapid dissemination of breaking news and information, experienced live as it happened. It complimented the long-form more in-depth analysis of newspapers and specialist magazines.

Radio was funded either on an advertising model or by national license fees, or in some cases a mixture of the two. However a strange symbiotic relationship developed, with music recordings and the Top 20 chart radio play format. Suddenly the music recording industry noticed that those songs that the radio DJ's played would become economically successful chart hits.

Like each new media, new talent was needed and radio's new talent were the DJ's and announcers, newsreaders and other radio voices. New radio plays emerged and comedy hours and familiar radio voices became celebrities.

Lessons from the Fourth Mass Media: include that broadcast is tied to a schedule, even a cannibalistic new media typically will not kill off an older media, rather adjust it. Even if two mass media use similar content, the newer one will still spawn new professions and a new industry. It's possible for two media to form a symbiotic relationship.

This is Soap. Confused? You will be

TV 5th of the Mass Media

The 1950's brought us the mass introduction of television. TV combined the broadcast concept of radio and its business model with the visual and multimedia impact of cinema. Like radio and recordings, TV required the audience to purchase a consumption device, except that in the 1950's and 1960's even the cheapest TV sets were easily ten times more expensive than record players or radios. But this enormous price barrier was no obstacle to TV. Television's economic and cultural impact was simply seismic it was the first mass media to physically and metaphorically replace the fireplace as the heart of the home.

TV took a great deal from its older broadcast siblings, radio and cinema obviously, but also print. The economic model of radio was copied – including the business models of either TV licence or advertising, or in some countries both. Only much later with cable TV did subscription models appear and today even pay-per-view models are being introduced for TV.

More than just a media TV soon dominated all other media economies. By the 1970's TV attracted the largest audiences and become the engine room for driving mass consumption via TV advertising. For example, Morecombe and Wise a British comedic duo got the highest recorded TV audience in Britain, with 26 million viewers, almost half of the UK population watching their Christmas special. The Superbowl in the United States is the annually most-watched TV show gathering about 80 - 90 million viewers to the show. TV also changed previous media concepts. A good example is music. After TV innovated with the music video (MTV), suddenly TV became the determining factor in a recording artist's chances of climbing the music charts. Radio, once the sole arbiter of the audiences taste in music was superseded.

TV introduced again new skills, both technical from TV studio, video, audio, editing, lighting etc staffs to the on-air personalities from news anchors, game show presenters, talk show hosts etc. More recently VJ's (Video Jockeys on MTV and music video channels), and even reality TV contestants in shows like American Idol and Big Brother have become celebrities that TV audiences aspire to become.

From Scarcity to Plenty

From cable and satellite TV and now digital TV, various multi-channel TV systems has given the TV audiences ever more choice. It has also caused severe fragmentation of the advertising audience. P&G Chief Marketing Officer Jim Stengel says that in 1965, 80% of adults in the US could be reached with three 60-second spots. However in 2002 it required 117 advertisements to achieve the same result.

Lessons from the fifth Mass Media: even a very expensive media player is not an obstacle to adoption if the format is right. A media can gain a dominant position without a unique technical benefit. A new media rival with an absolute advantage - such as TV over radio - will still not kill of the previous mass media.

You are no longer in control

Internet as 6th of the Mass Media - and the first interactive media

The 1990's brought us the 6th Mass Media, the anarchic internet. But, of all instances of a new media appearing onto the scene, the internet was the first time that a new media could do everything that the earlier five Mass Media could do. Furthermore the internet added two unique benefits never possible on the previous five: interactivity and search.

From Cold Media to Hot Media

What the internet has achieved single-handedly is to demonstrate that humans are a “We” species, a social and networking species. We have an innate need, to connect and communicate. The networked and interactive nature of the internet suddenly enabled us humans to get back to what our DNA demands us to be via: the blogs, Wikis, Citizen Journalism, peer production, collective intelligence, Netvibes and del.icio.us. Multiplayer Online Role Playing Games such as World of Warcraft, social networking like MySpace and Cyworld. Or even Habbo Hotel, a virtual children's playground which releases new variants every six weeks based on the feedback of its 8 million users worldwide. This enables a community-improved system with improvement cycles unheard-of in legacy media, capitalizing on the “wisdom of the crowds.” As Alan Moore the CEO of SMLXL likes to say,

Nobody is as clever as everybody

This radically changes the relationship between media content creation and media content consumption. Industrialisation and the mass media have conveniently forgotten that we are a “We” species and really don't like being reminded of the fact that we want to be part of creation, of storytelling, of networks and communities. And that it is a fundamental need of every society on this planet, no matter whether we live in forests or indeed cities.

The 6th Mass Media demonstrates an audience can, and indeed demands the possibility for direct participation in media creation and consumption. We can think of the first five mass media as “cold” mass media, consumed passively. By contrast the internet was the first “hot” mass media, which allowing users to create, rate, participate in and propagate media content. Business Week explained of the relevance of social networking in its June 2006 cover story,

This is the biggest change to business... since the Industrial Revolution

Napster: You're a very naughty boy

Napster was perhaps the earliest example of the destructive power of our technological revolution. Napster demonstrated how rapidly a 6th Mass Media service can change consumer behaviour. Not over decades as with previous mass media, but rather in years, months even. The result, a decline of over 10% of global music sales and a reordering of the music industry. By the time it shut down, 57 million people were using Napster's people-powered music-swapping site. Were all those people criminals? Or does this say something fundamental about the shift in the relationship between mass media, consumption and the audience?

Audiences migrating away from legacy media

Today, readership of newspapers is pointing to terra firma, traditional TV viewing is in terminal decline, whilst internet use continues to look to the blue sky of growth. Print, radio and TV are also becoming media channels for increasingly older people. The ITU Digital Life Report for 2006 reveals that over 55 year olds spend 31.5 hours per week with traditional newsmedia (print, radio and TV) and only 8 hours with modern digital mass media (mostly the internet). Meanwhile young people i.e. under 35 year olds, by contrast spend only 25 hours with all the three major forms of legacy media and already 16 hours per week with interactive media. Young people spend 50% more time on the internet as on TV, twice as much as on the internet as on radio, and four times as much time on the web as in print media.

Search

“I search therefore I am,” is the mantra of today’s digital natives. Search changes everything. A good example of how search is altering legacy media is with recorded music. Pitchforkmedia.com has emerged as one of the more important indie “must-read” music sites in any medium, with 125,000 unique visitors a day and only three full time employees. Bands that have struggled for years once picked up by pitchfork have often witnessed a rapid increase in sales and their music. Google’s sponsored search words concept has radically altered advertising revenues on the web, and in 2006 more revenues were earned by search advertising than all other forms of advertising on the internet.

Like each of the previous mass media, the internet has brought about new professions requiring new skills. Some of these are technical, like web designers, others are on the creative side such as bloggers. Already today there are more bloggers than all professional journalists in TV, radio, newspapers and magazines combined. But also most bloggers are not paid for their work, the number of professional and semi-professional bloggers are measured in the low tens of thousands out of the 72 million blogsites today.

Lessons from the 6th Mass Media: if a mass media is an inherent threat media, threatening to cannibalize all legacy media, it also will rapidly alter each of the legacy media. Interactivity creates digital community and moves media from push to pull. A hot media is inherently preferred over any cold media and will cannibalize older media at unprecedented speeds.

Last thought before moving to 7th Mass Media

While this White Paper is intended to explore mobile as the 7th Mass Media, and the first 6 are presented for lessons to be learned in the transitional stage to the introduction of a new mass media, we need to conclude this part with the internet as the 6th Mass Media with the sentiment, that it won’t go away. For all the huge changes enabled by the internet so far, the changes ahead caused by the internet are going to be greater than all changes we have seen up to now. The internet alone is an iceberg still mostly under the water. Don’t misunderstand this White Paper in suggesting mobile would somehow “kill off” the internet. Just like cinema and TV did not kill off books, radio did not kill off recordings and the internet has not killed off newspapers, magazines, videogames, etc. So too, mobile is the newest mass media, it is a very different mass media but it will not be the hangman of the internet.

For all of the major internet services, companies and media formats, their bright future is still ahead of them. Only that while the internet has started its path towards the second billion users, the youngest media, mobile, is already nearing its third billion users.

PART 2 - MOBILE AS THE 7th OF THE MASS MEDIA

Today, Gutenberg would be a mo-blogger Mobile, 7th of the Mass Media

In the early 2000's, we get the 7th Mass Media and the 2nd interactive media: the mobile. Mobile like the internet before it, is capable of cannibalising all of its older siblings, even devouring the internet. The consumption of news, the playing of music, watching TV, listening to radio, even viewing movies are all possible on a mobile device. And the internet's two unique capabilities, interactivity and search, are also available on the mobile platform.

While it is only 8 years old as a mass media, mobile is growing and greedily capturing business revenues and content from its older media siblings. So mobile can replicate all the capabilities of the other 6 Mass Media. But mobile, actually has six unique benefits. In his explanation of the 7th Mass Media Tomi Ahonen believes that mobile is:

1. The first personal mass media
2. The first always carried media
3. The first always-on media
4. The first media with a built in payment mechanism
5. The first media always present at the point of creative impulse
6. The first media where the audience can be accurately identified

BENEFITS OF MOBILE

Personal: My Media

It's a fact that people today are more wedded to their mobile phones than to their wallets. And the mobile is rapidly cannibalising our wallet too. A Unisys survey revealed that if we lose our wallet, on average we report it in 26 hours. But if we lose our mobile phone, on average we report it in 68 minutes. Meanwhile a 2006 survey by Wired found that 60% of married mobile phone owners will not share their phone with their spouses. A Carphone Warehouse survey found that 68% of teenagers won't let their parents see what is on their phones. It is that personal.

Always Carried: The City in my pocket

It is no longer surprising that we will not leave home without our phone. A global survey by BDDO in 2005 found that 6 out of 10 people sleep with the mobile phone physically in bed with them. A worldwide Nokia survey in 2006 found that 72% of the population use the mobile phone as their alarm clock. The phone is taken to the restroom and it was quoted at Forum Oxford that the bathroom is one of the common uses of both the mobile internet and mobile TV. No other mass media has this intense a relationship with the audience.

Always On

Some early opinions by the newspaper publishers were that maybe the internet could offer a rival experience to the printed newspaper, but the mobile phone screen has so little "real estate" that it could not fulfil this need. This is also being proven not to be true. Mobile offers an *active screen* which, can be far superior to the static printed paper view of a newspaper or magazine. It just took a while for the mobile content industry to develop its formats to capitalize on the power of mobile.

iMedia

For example Japanese mobile operator NTT DoCoMo has introduced iMedia - a news ticker feed that uses the idle screen mode of the mobile phone. So whenever the phone is placed on the desk or table for example, it will scroll breaking news like the CNN News Ticker on the bottom of the TV. Users can select whether they want sports news or world news or financial news or celebrity gossip news and so forth, in any combination. When the phone owner clicks on the current news, it goes to more of the story with text, pictures - and video. The service costs 2 dollars per month and in 18 months from launch, 8 million Japanese were

paying for this service, which amounts to a 16% adoption rate and a massive 192 million dollars per year in Japan alone. Consider all subscription news services online on the internet, Japan's NTT DoCoMo has more paying subscribers on one mobile news service than all online newspapers worldwide combined.

If we assume that the same rate of adoption happens around the world - and there is no reason to doubt it - this one mobile news service alone, if used by 16% of the 2.8 billion mobile phone users could generate over 10 Billion dollars of revenues worldwide. Can a mobile news service threaten a newspaper? It already does, the same service was recently launched in Portugal by Vodafone. Coming soon to an idle phone screen near you.

Built in payment

In Helsinki Finland 57% of the public transport single tickets are paid by mobile. In Croatia over half of all parking is paid by mobile. In South Africa you can have your paycheck paid directly to the mobile phone account linked to your mobile banking account. In Soweto a barber shop has more than half of its customers paying by mobile. 20% of London's congestion charge is paid by mobile. In Slovenia every vending machine, every McDonalds restaurant and every taxicab accepts payment by mobile phone. In Kenya the maximum limit of mobile-to-mobile money payments is set to 1 million US dollars per single transaction. And in South Korea all credit card companies enable their credit cards to the owners' mobile phones by default, offering to send an optional old-fashioned plastic credit card to the customer's home address for free.

Where the internet is an iceberg that has started to rise, and parts of its impacts are already visible, mobile as the 7th mass media is mostly still submerged. But make no mistake about it, mobile will be far greater in its reach, much larger in its revenues, more influential as a mass media, more relevant as an advertising vehicle and more potent as a creative platform than the internet.

At point of Creative Impulse: Convergence of User & Creator

In the context of mobile and the web, the mobile web is focused on the user as the creator and consumer of content, as Mobile Web 2.0 author Tony Fish says, 'at the point of inspiration.' It is "Prosumption" (production and consumption). We are using the mobile platform to share information with a trusted network, we are collaborating, and we are using our mobile as a media production tool. Witness the use of mobile technologies in the London July 7th bombings, witness the use of the mobile to bring down the government of Joseph Estrada of the Philippines, or SeeMeTV on the Three mobile network, the use of Mo-blogging at Moblog UK, which has recently been incorporated into a project with commercial TV broadcaster Channel 4. MyNuMo allows people to create mobile content and if they can sell it they get a revenue share. Even Al Gore's Current TV is noted as being a leader in the use of user generated mobile content.

Mobile makes TV interactive: Pop Idol

To illustrate its power, mobile is able to act as the interactive channel for legacy media. A good example is the global Pop Idol format, with its American Idol, Australian Idol, Germany's Deutschland Such Der Superstar and the French Nouvelle Star variants. Pop Idol has had over 60 runs in over 30 countries over the past five years, gathering a total of 3.2 billion viewings, where nearly half of that number has been watching the finals of any given national Pop Idol run. More revealingly, those 3.2 billion viewers have voted a staggering 1.9 billion times, and almost all of the votes were on mobile phones, mostly using SMS text voting. The Pop Idol reality TV format alone has generated more than 600 million dollars of revenues out of viewers voting. (For more see SMLXL 2006 White Paper on Pop Idol)

Accurate Audience: The Holy Grail of marketing

The Holy Grail for Mass Media is to clearly identify an interested audience. We know what gets measured gets made, and so the more accurately we know who the audience is, the more precisely advertising and marketing can be targeted. With magazines and newspapers those who subscribe can be identified, usually by name and address. But then we don't know exactly how many in the given household actually read that publication. And for those issues bought at the newsstand, we have no idea. With radio and TV we can only measure audiences by Nielsen ratings, a sampling of 1000 families telling us what millions watch. With cinema we know even less about the actual viewing audience.

The internet promised “a segment of one” – that we could identify by the IP address of the computer, the actual user base. This proved very inaccurate due to corporate networks, firewalls, multiple PCs, and multiple users on a given PC such as a family PC shared by teenagers and parents, or a university computer lab shared by thousands. Not to mention internet cafes. The internet industry has gone to great lengths such as the use of cookies installed in internet user computers to try to track usage. But even with the best of methods, only a tiny fraction of internet users and their usage is accurately captured.

That is the exact opposite with mobile. With the 7th Mass Media, every phone is identified and all web traffic and service content usage can be tracked. There still are imperfections, in that some mobile phone users have two phones. But for example the fact that over half of the world’s phones are “prepay” accounts (where the user name is not known) often surprises people outside the mobile telecoms industry, that these accounts are perfectly and uniquely identified and can be tracked perfectly. The only element not known is the actual name of the person. But for Playboy page views by phone number 0123 456 7890 can be tracked use after use, day after day, month after month. And we can see which other pages this user consumed, at what time of day, from which address, eg., home or work or hotel, etc that access was made.

AFM Ventures illustrated the degree of accuracy in 2007. On TV only about 1% of audience data is captured. On the internet this is about 10%. But on mobile, about 90% of audience data is captured. This is totally unprecedented accuracy in any mass media ever. And that is what’s has aroused the interest of brands and advertisers as they see the effectiveness of traditional marketing communications as a pale shadow of its old self.

Data the Next Intel Inside

From who consumes our media content, to what the user consumes. The first level of audience understanding is who is our audience. That is easy to understand. Who is my audience. A magazine subscription or Nielsen rating or internet profile or cookie can get us that information. But a more powerful element is what that customer consumes. Some internet services can capture that level of information, such as which YouTube videos a given customer has watched, but this has the internet draw-backs of incomplete user data to begin with. On mobile perfect user-information can be collected. As every click of a mobile web page is transmitted over the air (and may incur a charge to the phone bill), the mobile network operator already collects total usage information on its millions of customers, all day and all night. Perfect usage information. This is much more valuable to the media owner or the advertiser than just knowing the size of the audience. Which pages of the news feed were consumed, which were ignored, etc.

Social context of consumption

If we can understand every click and as mobile is also a communication tool, we can apply “social data analytics”, to the massive flows of data. Not only discovering what we consume, but with whom. If we like a joke, to whom do we forward it to? If we receive a mobile coupon which friend did we share it with who retrieved our coupon? Only if the users are accurately identified, their actual usage is measured, and the media allows sharing, can we map out social networking dimensions accurately. This is far more valuable to advertisers and media owners than only knowing the size of an audience.

One of the first discoveries out of the social networking analytics was the concept of the “Alpha User”, as discussed in Ahonen & Moore’s book *Communities Dominate Brands*. When communities of interest can be identified by their communication patterns and, members each be accurately identified, then it becomes a matter of tracking their communication to identify who are the influencers of the communities. These are called Alpha Users and they are vastly more relevant to any service adoption than the previous concept of the “Early Adopters” from the marketing theories of the 1970’s. Commercial social networking techniques were launched only four years ago and one of the pioneers, Xtract of Finland, reports that by using social networking insights, mobile operator Swisscom was able to increase its sales by of a new product launch by 90%.

The mobile device is the perfect platform for this to happen. Also it provides advertisers to provide relevant, contextual information and services that are “Just in Time” vs. “Just in Case,” avoiding the huge wastage that is incurred with “Just in Case marketing.”

Further more social data analytics enables the receiver of information, driven by commercial need to see that information as timely and relevant. It is a critical component in the migration that is occurring from what advertising was, Interruptive, to what advertising is becoming, Engaging. Engagement marketing is a very broad term, and purposefully so. At its heart, is the insight that human beings are highly social animals, and have an innate need to communicate and interact. Therefore, any engagement marketing initiative must allow for two-way flows of information and communication. We believe, people embrace what they create. Engagement is about connecting large or small communities to content that they care about and, delivering that content in such a way that is always an emotional and valued experience. Something that interruptive communications cannot do. For more information download the SMLXL little book of Engagement Marketing. http://smlxtralarge.com/docs/pdfs/the_little_book.pdf

MEDIA CONTENT AND MOBILE

Music on Mobile

Most media executives know the Apple iPod and iTunes story well. In 2001 Apple brilliantly created a new market space into what many thought was a diminishing market owned by Sony Walkman on the portable music player side, and in terminal decline due to Napster on the content side. Apple turned it around, now having sold 100 million iPods in six years and creating a billion dollar revenue stream for the music recording industry out of legitimate music sales through iTunes.

What most media executives outside of music do not know, is that the mobile music industry is actually dramatically larger. Last year alone, 309 million musicphones were sold. The musicphone versions from Nokia, Motorola, Samsung and SonyEricsson each outsold total iPod shipments last year. While the growth in iPod sales is down to 40% year-on-year at under 50 million units, the much larger musicphone market of 309 million was growing at 250% year-on-year. This is the underlying reason why Apple had to rush the iPhone to the market, the iPod had lived a beautiful span in music but its reign had come to an end.

The same is true of the music content side. While iTunes delivered about a billion dollars of music sales revenues in 2006, mobile music was worth over 8.8 billion dollars worldwide. Three classes of mobile music - ringing tones, ringback tones, and full-track MP3 songs - each outsell total iTunes sales on a worldwide basis. In South Korea 45% of all music sold is sold straight to musicphones; in America less than 10% of all music sold is to iTunes.

Artists First

Artists First, a UK based firm of musicians turned-technicians that enables artists to create, package and sell their content directly to mobile users and collect payment via reverse SMS. After launching in March, the service is live in over 25 countries. The company is also working on a peer-to-peer application and developing a range of content-creation tools that will allow artists to rip a part of their content and deliver it as a ringtone. The CEO Mark Bjornsgaard says,

Its all about empowering artists to communicate directly with their mobile audiences, limiting the role of the middleman who could get in the way of that exchange and generating revenue streams from a whole range of income streams over and above the music.

Gaming going mobile

Videogaming is the second content category to follow music to mobile and has already grown bigger than online gaming. The most played videogame is not Pong or Pac Man or Donkey Kong or Madden's Pro Football on a Playstation. The most played videogame worldwide is Snake on Nokia mobile phones. But games pre-installed to phones do not power the worldwide videogaming industry any more than Minesweeper and Solitaire preinstalled onto Microsoft Windows. The gaming industry makes money on console sales (Playstation 3 and PSP, Xbox 360, Nintendo Wii), on console game sales, and on networked games. While most internet games tend to be large format multiplayer games like CounterStrike, World of Warcraft, Lineage and Everquest, most mobile games tend to be small quizzes, sudoku games, poker etc which are better suited for the smaller screen. Still multiplayer games are emerging onto mobile as well, such as Disney Studios' Pirates of the Caribbean, and

Nexgen's Dwarf battling game Elven Legends. What is interesting to note is that at 2.5 billion dollars, mobile gaming has already grown to be larger than internet online gaming in revenues earned.

More social

As with the internet, interactivity is built into mobile - in fact SMS text messaging is used by twice as many people worldwide as e-mail, and through SMS text messaging you can reach three times as many people as through any messaging platforms on the internet. Because of Metcalfe's Law (the utility of a communication network grows by the square of the number of network users) and Reed's Law (a collaborative network derives even greater benefits than a communication network), mobile has already become a bigger social networking platform than the internet. And a very young mobile content category, the first mobile social networking services went commercial in 2003 as Cyworld Mobile launched in South Korea. But in only three years, by 2006, mobile social networking had shot past internet social networking in revenues, reaching a massive 3.45 billion dollars worldwide, according to Informa. This is a world record in how rapidly a new billion-dollar industry has been formed.

Even books going mobile

First books published for mobile phone consumption were released in Japan in 2002. The early concepts did not work very well. Much like so many others, the book publishers first tried to copy what worked in print, take their bestsellers, and release as mobile books. The concepts failed badly. But experimentation found success. New authors publish shorter novels to mobile before they have received deals to publish traditional books. Those authors who do well, get their works released in book form as well. The publisher has no risk of printing thousands of books of a title that won't sell, then having to resell them at a loss. Booksellers don't have to struggle with stocks of obscure titles. But because of the payment channel inherent in mobile, very low cost delivery is possible for content which is not heavy in data load - moving text on the cellular network is not nearly as expensive as moving images or sounds. Future prospective authors get more easily published, and publishers can test with only modest costs, the ability for a given author to find an audience. In five years mobile books have turned into an 82 million dollar industry in Japan, or across the whole mobile phone user base, the average Japanese phone user spend 90 cents per year consuming books on mobile. When this catches on worldwide, it is another multi-billion dollar content industry where mobile has cannibalized an older mass media content format.

After Cyworld opened, I hardly touched MySpace

MySpace is the well known social networking site with over 100 million users worldwide. Users post personal profiles, comments, assign indications of who are their online friends, exchange digital photos, rate music, etc. Cyworld is a similar social networking site from South Korea but older than MySpace, and built in the country with the world's highest penetration broadband internet and 3G mobile phones, Cyworld has evolved to become by far more advanced social networking site, and fully integrated onto both broadband internet and 3G mobile. Cyworld combines all the innovations of MySpace with the avatars of Second Life, the personal virtual rooms of Habbo Hotel, the music store of iTunes, the online store of eBay, the video sharing of YouTube and the full blogging experience (blogs, web logs, personal diaries and personal publishing online).

By every measure, adjusted for South Korean population size of 50 million inhabitants, Cyworld leads the world. 42% of the total South Korean population is active inside Cyworld. Over 90% of all pictures shared in South Korea go through Cyworld and for all its immense power of videos shared on YouTube, out of less than a fourth the size in absolute user numbers, Cyworld actually generates more video uploading today than YouTube.

Its no longer a question of "should" Coca Cola or Nike or Ford find marketing tools to join social networking sites such as Second Life or MySpace or YouTube. In Korea every consumer brand HAS to be inside CyWorld. 30,000 businesses including all major consumer brands offer over 500,000 items of branded digital content for sale already. This is on top of all of the user-generated content. It truly is a virtual economy eco-system.

Eating the Big Fish

And the internet itself, currently still mostly accessed by personal computer, is rapidly being cannibalised by mobile phone. Japan became the first industrialized country where more than half of all internet access was from mobile in 2005. By 2006 South Korea and Japan joined

this club and in 2006 the internet user migration to mobile of European countries such as Italy, Germany, Spain, Austria etc was in the 30% range. 19% of American internet users already use mobile to access the web. What was technically impossible until this decade, mobile access to web content is rapidly becoming the preferred choice.

As the majority of internet access migrates from PC to mobile, the first effect is that all internet content owners start to format their content with the small screen as the default. Secondly internet content owners discover the power of mobile money – Japan’s Cybird was the world’s first internet company that had been unprofitable on PCs but turned profitable in 2000 due to their mobile internet money streams, and made the cover of Wired in 2001 for this feat. After the majority of internet users move from PC to mobile, the next to follow is usage and traffic, also already observed in Japan in 2006. And the next stage is that new PC shipments start to decline at the expense of new smartphone sales. This trend too was just observed in 2006 for the first time in Japan.

But what is important to notice, is that the internet was the most rapid cannibal new media ever. Now mobile is not only a faster cannibal of legacy media than the internet; mobile is cannibalizing internet access itself! That is why Google’s CEO Eric Schmidt keeps repeating his mantra on the future of Google

Mobile, mobile, mobile!

MOBILE AS ADVERTISING PLATFORM

Advertising

Will mobile be an advertising platform? Of course it will, it already is. In Japan 54% of all mobile phone owners have opted to receive ads on their phones, and the Japanese mobile advertising industry has been so creative that today 44% of Japanese mobile phone owners actively click on ads they have received on their phones. In various countries from India to Spain to South Africa to Finland mobile marketing and mobile advertising innovations are becoming elements of the advertising mix.

Will mobile be part of redefining what advertising is? The answer to that is absolutely. The rules have changed.

Before you say “but I would not want intrusive ads on my phone” consider this finding from a survey of 1500 under 20 year olds in the UK by Q Research in 2007. If asked simply would they be willing to receive ads on the phone, 68% said no. But if the question is changed to offer “targeted ads” it jumps to 71% willing to accept! If the proposition involves coupons and discounts, 76% say yes. And if given the chance to top-up their phone accounts through mobile ads or mobile marketing, 82% of British youth are willing to accept mobile ads.

Even if some older, well-paid, professional white-collar adults feel they would “never” want ads on the phone, a very significant portion of the population is already willing to do so. And here the economics of mobile come into play. If only one in three mobile phone users were in this group, that is more than all personal computers connected to the internet in the world. But it cannot be spam or interruptive advertising. Because mobile is so personal, always carried, and always on, our point is that any mobile marketing communication has to be permission-based, timely, relevant and contextual.

Mobile as an advertising platform

Over the last 14 months Admob has sold over 3 billion ads for mobile phones. TomiAhonen Consulting has estimated that in Britain alone, Admob UK has already cannibalised 9.5% of all British interactive advertising. In fact Admobile is making so much money, revenue generation is not the problem, it’s what to do with the cash that gives the Admob guys a headache. Advertising will always go where the audience is. If the audience is leaving television in droves, advertising dollars will eventually follow. Whilst in the UK ITV the commercial terrestrial broadcaster, who once claimed they had a license to print money lost over £50m in advertising revenue in 2006.

And so its no wonder that Nokia who has something approaching 1 billion phones in the world, has launched an Adservices offering. This clearly is a sign that Nokia realizes that

1 billion phones is a very serious piece of Media Real Estate, and one that they can capitalise on. And the final part of this story is the launch of the revolutionary mobile phone service Blyk, which offers free telecoms services to its customers funded by advertising.

Blyk, expected to launch in 2007 in the UK, is the start of a journey which will redefine what advertising is and, what marketing is, in the early 21st Century, because on the mobile platform advertising can be turned into valuable services, information and products.

Word of Mouth & Advocacy

As the media platform which is most carried and always on, mobile is by far the most potent viral marketing platform. Why is this important? Jupiter Media in 2006 reported that 64% of the population will try something that is recommended by a friend. And the same survey found that 69% of the population will forward something they like. Not only to one person, if they forward, it is typically to between 2 - 6 friends. Thus any media content for mobile should include forwarding options, whether passing on the actual content or a web link, coupon, etc. In fact the CEO of Fjord, Mike Beeston has advocated a “minimum requirement” for any mobile content including mobile advertising, that it should be “sufficiently contagious.” Sufficiently contagious does not mean “totally contagious.” We don’t suggest a service has to be that fantastic that the recipient will spam all 200 names on the phone book with it. Sufficiently contagious means that for the intended target audience (niche mass marketing), the recipient feels compelled to forward it to at least one other person.

That means it is sufficiently contagious. That means also, that both the service did have a forwarding option (cannot be contagious if you cannot forward it) and it must have been “good enough” to the initial recipient, so that he/she would want to forward it. That means that any mobile marketing that we receive, *should be that good, that we want to receive it.* We liked it so much, that we felt compelled to forward it to friend. That is the standard we at SMLXL also advocate. Any content for the 7th Mass Media needs to be sufficiently contagious, else it is not worth launching.

The iPhone Era: Bi and Ai

A TV executive once said that Mobile TV was a bit like sex in the open air. It always seems like a good idea, but its not always practical. This was said in a world before the iPhone otherwise known as “Bi,” but we now are entering a new Era called “Ai,” after iPhone. The iPhone is not technically a breakthrough device, faster cellular networking technologies already exist, as do larger mobile phone screens, better resolution cameras etc. What the iPhone seems to be, at least judging by the interest around its launch, is a plausible pocket media device. We’ve had pocket TV since the 1980s and clumsy heavy pocket internet devices since the 1990’s, but suddenly the sleek, elegant, sexy iPhone suggests that the “pocket internet” is totally viable today. Not only the internet, but music, movies and videos as well. We expect because of the heavy hype around the iPhone in North America, the home of most media giants, major media moguls will wake up to the possibilities of mobile in June 2007.

ABILITY TO CREATE MAGIC

The Creative Challenge

Bill Bailey is a comedian, and he was once asked how he comes up with his jokes. Bill replies,

I start with a laugh and work backwards. What do I need to do to create that amount of merriment and laughter?

So creativity is what we need, putting the user experience before the technology, something that technologists struggle with and that is why the iPhone is creating so much interest.

We can of course try to copy TV programs or web pages or other traditional media formats onto mobile and yes, some of them will probably succeed simply because there are three times as many mobile phones as PC’s and twice as many phones as TV sets. But this is severely under-utilising the true power of the 7th Mass Media channel. SMLXL hopes to ignite the creative industry minds to think beyond the obvious. This White Paper has examined the introduction of the earlier six mass media explicitly for that purpose, to illustrate that new, innovative and inventive media format concepts were invented when new mass media channels appeared. Reach past the existing, into what now becomes possible with this, the

newest mass media. And in so doing, create media services, content and formats for mobile that are truly magical.

Like the first time at the start of the last century, when our great-great-grandparents went to their first movie and saw the story of Lawrence of Arabia in moving pictures in front of their eyes. Or how magical it was when live baseball games were broadcast for the first time from another city on radio. Or when Neil Armstrong stepped onto the moon, shown on live TV. Or the first time in a fax and letters age, when you sent one of your first e-mails, and the other person sent an immediate response? That seemed like magic. Or the first use of a search engine, which gave your hundreds of pages of content you never knew they even existed. Today they seem ordinary, commonplace. But the first time those were truly magical experiences. That is what mobile as the 7th mass media can bring to us. That is what we should strive to invent. And to show what is already out there, we will showcase a few concepts of magic, on the 7th mass media.

Its right on the tip of my tongue: Shazam

You're sitting in the bar with some friends arguing about who is that band playing that great track, no-one knows, its on the tip of everybody's tongue, its driving everybody round the bend and up the wall. Someone pulls out their mobile phone and dials Shazam, holding the phone up to the music, in 20 seconds the service identifies the song and artist, and sends info as SMS to phone. Relief. It's such a simple service, but it answers a human need, at the point of inspiration. Launched in the UK Shazam already is used in 20 countries and has had more than a million songs "tagged" in Britain alone.

Can you read English?

Can't speak a word of English? No problem, because now there is the Camera Dictionary. In Japan the service has launched offering any Japanese the chance to read any printed English text, simply by pointing the cameraphone over the text, and having the Camera Dictionary service perform the translation. Moments later, the same page is displayed in Japanese. The cameraphone scans English text, then transmits it via the network to a dictionary database which then sends the Japanese text back to the phone display, in real-time.

2D Barcodes

Why type? Typing is so last year. Yes, most print ads display the www.mycompanyis.com type of web addresses for more information. But that is an interactive metaphor for the last decade. Rather than printing the long web address, we can print a small fuzzy square called a 2D Barcode or QR Code (Quick Response Code) What looks like a square thumb print. Suddenly we don't need to do any typing whatsoever. We don't even need to wait to be at our PC. We point our cameraphones to the 2D barcode and suddenly, magically, the intended website is displayed on our screen. The immense satisfaction of seeing words appear on screen automatically, without any typing has proven to be highly successful in Japan. In 18 months, NTT DoCoMo reported that 56% of their subscribers already used the feature. The applications are wide and far-reaching. Anywhere you might find a web address today, you can use a 2D barcode, for example; magazine advertising, billboards, business cards, etc. Semapedia connects Wikipedia knowledge with relevant places in physical space, Kerrang the guitar rock music magazine has used 2D Barcodes and even wine lovers can get valuable information by shooting the 2D barcode on the side of a bottle.

Knowing me, knowing you

There is no doubt that there is a symbiotic relationship between mobile, and the fixed internet. Like radio drove music sales, so the mobile and internet and then the mobile internet will drive sales in a far more effective and targeted fashion. We can see a world where consumption can be driven via the internet but payment is made to get the content onto your phone as pioneered by online social networking service Habbo Hotel used by 8 million teenagers worldwide on the PC based internet, which makes most of its revenues from mobile payments.

As we outlined in the earlier part of this paper, human beings are a "We" species, programmed to collaborate, network and socialise. So the simple challenge for those that what to succeed in a world of Mobile as the 7th Mass Media, is create something that inspires me, that engages me, that enables me and that I want to share with my friends.

And undoubtedly this is driven by the passion, of mass niche communities of interest. Passions around a whole cornucopia of interests, from bird watching to well, you name it frankly.

LESSONS

In this White Paper we have examined lessons from the introduction of each of the earlier six mass media. Some of those lessons have great bearing to mobile as the seventh of the mass media. We briefly return to those lessons here and highlight selected lessons.

From Print we learn that a new media will introduce new industry, new professions, and new business models. Just like the radio DJ's or TV talk show hosts or web bloggers are the talent in their respective media, mobile will spawn its own content formats and a demand for totally new types of media professionals. Perhaps some of the user-generated content such as cameraphone paparazzi and citizen journalism is starting to show the way.

We also learned from Print and advertising that some content forms evolved to be supported, even fully sustained by advertising, like free newspapers, while other print formats have limited advertising, such as books. The same is likely to happen with mobile, that both advertising-supported and not advertising supported formats will co-exist.

From Recordings we learned about cannibalisation. It is possible that a new media like mobile can cannibalise totally a previous media format, but not all of a media channel. What is a more important lesson from recordings is that totally new content formats can be invented with any new mass media.

From Cinema we learn that moving images are more compelling than written words or sounds. Think of that when you consider the older current phones as voice devices (voice calls) and using SMS text messaging. Do not for one moment be seduced by the thought that video and multimedia won't play on mobile. Of course they will. Cinema (and TV) proved how compelling moving images can be, and even on mobile, soon will be.

A very important lesson from Cinema is that if we can launch a media concept which does not require an audience to go buy a separate media player, it can be adopted very rapidly. As all mobile phones can accept very basic media content via SMS text messaging, and over 2.5 billion people today can receive basic web content in the form of WAP pages, we have a very large installed base of prospective customers who can consume media content on a phone. We don't need to wait for a "chicken-and-egg" situation for basic content services for mobile.

From Radio we learn that even a very compelling free service will not kill previous paid mass media like radio did not kill of music recordings. Rather older mass media will adjust to the newer one. And it is possible to form symbiotic relationships between two media channels like radio did with recordings, and mobile is now starting to do with the internet as we saw with Habbo Hotel and with TV as we saw with Pop Idol.

From TV we have a very powerful lesson that a media can gain a dominant position without a unique technical benefit. Bear this lesson in mind, when you notice that mobile has six unique benefits.

From the internet we learn that if a mass media is an inherent threat media, threatening to cannibalise all legacy media, it also will rapidly alter each of the legacy media. Bearing in mind that mobile is also an inherent threat media, able to cannibalise all six before it, once suitable media formats are launched, expect mobile to cannibalise previous media at least as fast as the internet has been doing.

Form the internet we also learn that interactivity creates digital community and moves media from push to pull and a hot media ecology is inherently preferred over the permafrost of a cold media world. Mobile is the second hot media and community services and social networking will thrive on mobile.

Mobile as the newest mass media channel is least understood. Even the internet is often misunderstood. What we hope this White Paper helps in doing is to assist readers to see beyond limitations of a tiny screen and a clumsy keypad. The above lessons can guide into opportunities. But the big picture should not be forgotten. Mobile today has twice the reach of TV, three times the reach of the internet, and is the only media carried upon our person every hour of the day both when we are awake, and even in arm's reach when we are asleep. The only mass media channel with a payment channel, it also is the only mass media where audiences are accurately identified. This is easily the richest mass media opportunity.

Summary

If Gutenberg were alive today, he would be taking pictures and shooting videos with his mobile, he would be blogging via his mobile and vlogging via his mobile, paying for his car parking spaces via his mobile, getting his library books renewed via SMS and dating on Flirtomatic.

We wonder if our universe might be saddle shaped? We no longer live in a linear world. And traditional media is struggling to deal with that. And what we are witnessing is a profound change in the communication and media consumption habits of younger people. We see a divide between Digital Immigrants and Digital Natives. Our kids are the digital natives. We the adults, we are merely digital immigrants. We may learn to play the game well, but we will never be masters of it. That's only for your kids.

In this paper we hope we have taken you on a journey to understand how profoundly different our world is from a media perspective. The mobile as you can see is part of a narrative that dates back to Gutenberg. It is the 7th Mass Media.

About SMLXL

SMLXL help marketers develop strategies and engagement thinking that enables them to create brands that carve out deeper and more significant roles in people's lives and that can be leveraged in a multitude of ways to reflect different stakeholder needs.

SMLXL creates new products and services, new ways to communicate, new ways to create consumer communities and new ways to win their advocacy.

We are a company of creatives, strategists and entrepreneurs who work outside the boundaries of conventional communications agencies and brand consultants. We help marketers develop brand and executional ideas, across the full experience and communications spectrum, that grow their brand communities and that make them stickier and monetisable.

We help companies harness their own untapped creativity and apply that across all the channels where their customers come into contact with their brand, and we help them understand how to make sure all these touch-points work for the brand.

SMLXL is a creative company. We believe in the power of ideas and the power of communication. In today's world, creativity has to be repurposed for the world we now inhabit. It is a synthesis of understanding business, media, communities, communication and, the economics of our digital world.

SMLXL has workshops, executive seminars, consultancy and training available to support on thoughts expressed in this White Paper including understanding Mobile as the 7th Mass Media, Hot and Cold media, Engagement Marketing, etc.

Blogs

If you are interested in a free resource of thoughts, ideas and statistics, on topics covered in this White Paper, visit Communities Dominate Brands, one of the highest readership blogs

<http://www.communities-dominate.blogs.com>

SMLXL Founder Alan Moore

Alan Moore is the originator of the term, philosophy and principles of Engagement Marketing. He started working on the concept in the late 1990's, which, culminated in his founding the first specialist Community Engagement Marketing company in 2001, SMLXL (Small Medium Large Xtra Large), <http://www.smlxtralarge.com> and, the writing of the seminal book Communities Dominate Brands. SMLXL is a new type of marketing company that helps businesses and customers (to) better engage with one another. He lectures at Oxford University's short course on Mobile Social Networking.

Advocacy

Alan Moore is a unique individual because a lot of us see strategy, but most of the strategy you see is very predictable. What Alan brings to the table is an extremely creative approach to strategy, so hence the name of his company Small Medium Large and Xtralarge. Which I think means that if you have a strategic issue of any proportion, he's going to tackle it.

Keith Pardy – Nokia Strategic Marketing CMO

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