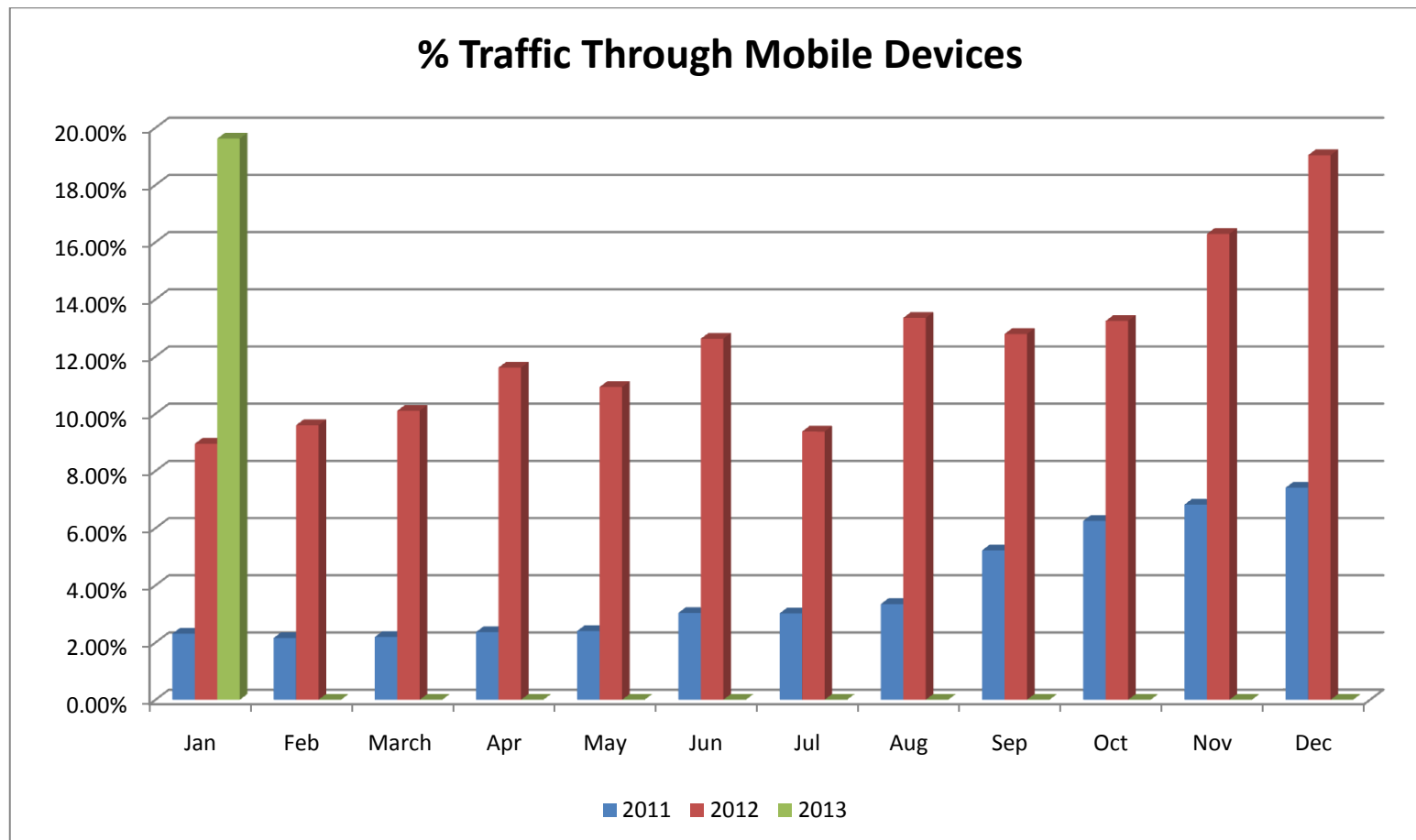


## Mobile - January Update

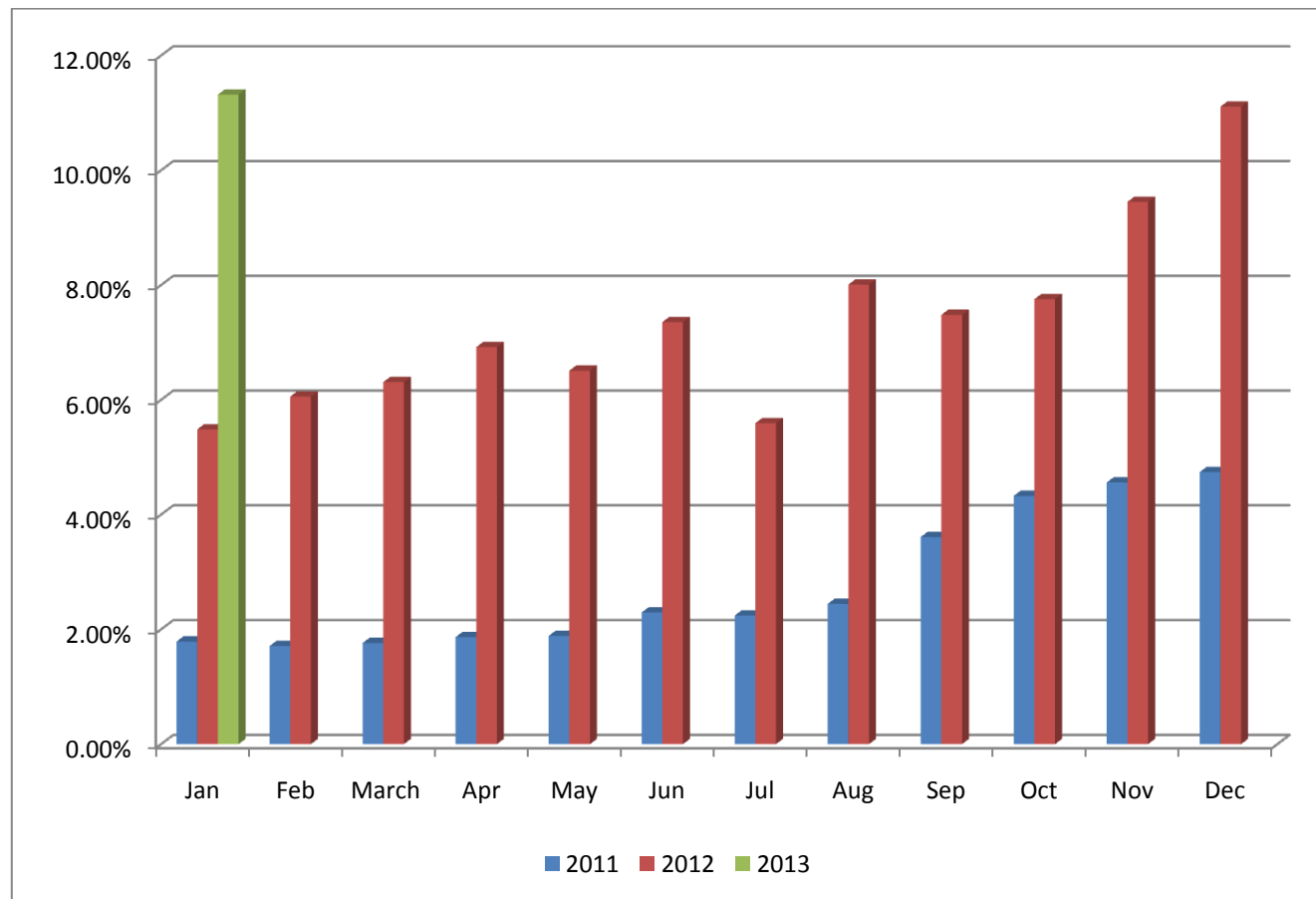
### Monthly Traffic

Traffic through mobile devices was up once again in January. With a number of consumers receiving smart phones and tablet devices for Christmas, they are more readily turning to these devices to access the internet and browse advertisers' sites. 19.63% of all network traffic came through mobile devices. This was up on December's figure of 19.04% and a 120% increase on the share of traffic seen in January 2012.



### Monthly Traffic - Handsets Only

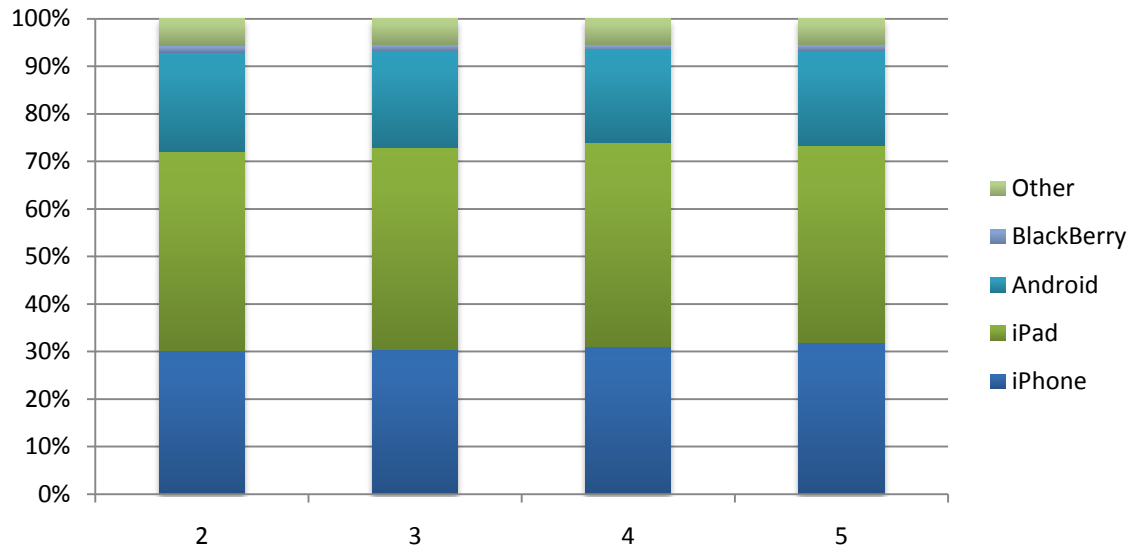
The data above looks at everything we classify as a mobile device, so includes all traffic through tablet devices. To get a true indication of mobile handsets, the data below has stripped out traffic through tablet devices. Traffic through mobile handsets also saw an increase in January with almost 1 in every 9 clicks through to our advertisers coming through a mobile handset. This is also considerably higher than we experienced in January 2012 where traffic through handsets stood at just 5.49%



### Device breakdown - past 4 weeks

Traffic through the iPhone increased week on week over the past 4 week period, increasing from 30.25% in week 2 to 31.94% in week 5. Android showed a reduction in traffic from 20.89% to 19.46% between weeks 2 and 4 before recovering to a 20.04% share of mobile traffic in week 5. The iPad enjoyed a fairly consistent share of traffic with between 41% and 43% of mobile traffic over this period. BlackBerry held a minimal share of traffic, peaking at 1.48% in week 2 and hitting a low of 1.17% in week 4. 'Other' devices maintained around 5.5% share of traffic.

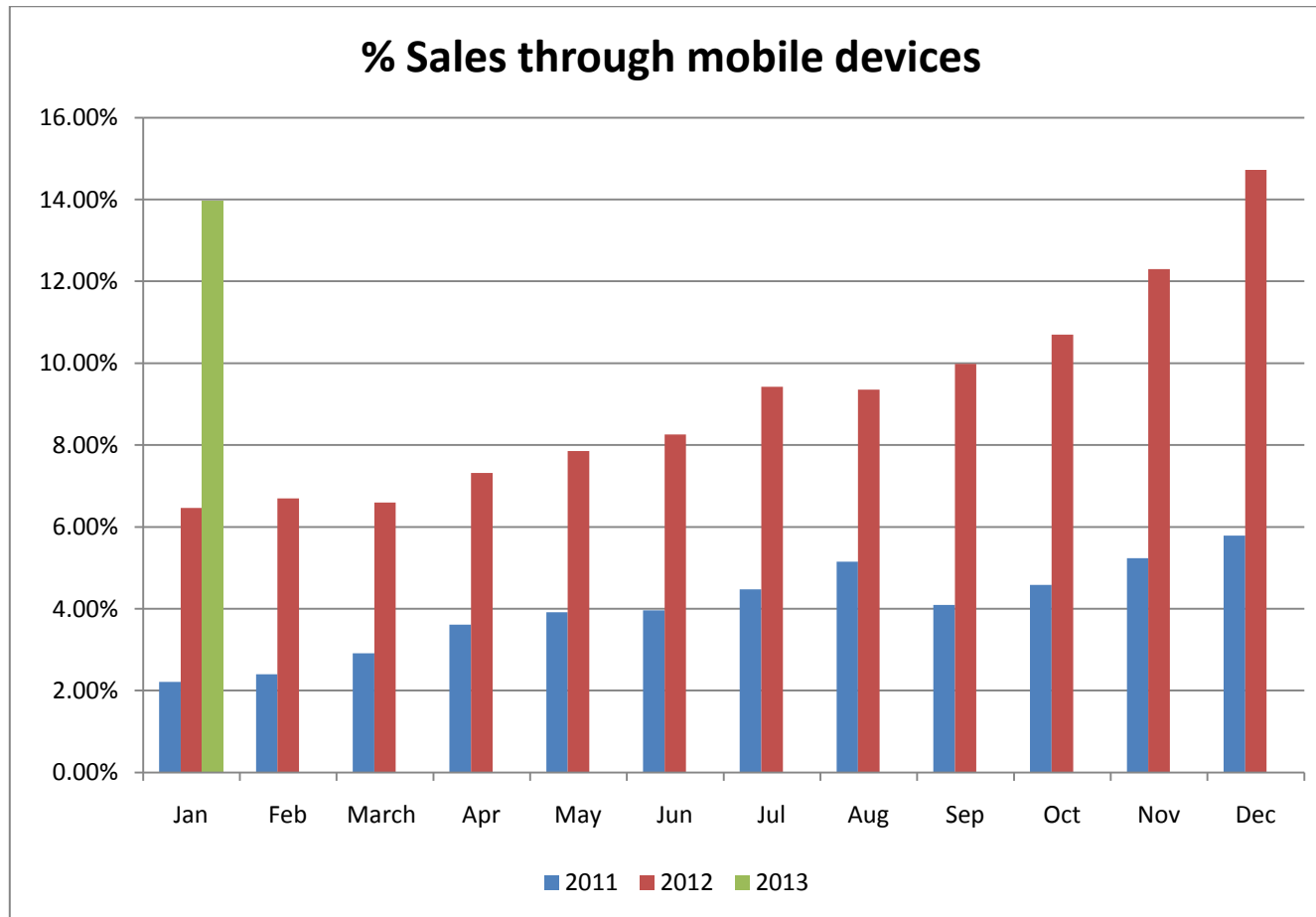
### Clicks



WeekNum	iPhone	iPad	Android	BlackBerry	Other
<b>2</b>	30.25%	41.84%	20.89%	1.48%	5.55%
<b>3</b>	30.35%	42.62%	20.31%	1.37%	5.34%
<b>4</b>	31.10%	42.87%	19.46%	1.17%	5.40%
<b>5</b>	31.94%	41.37%	20.04%	1.27%	5.38%

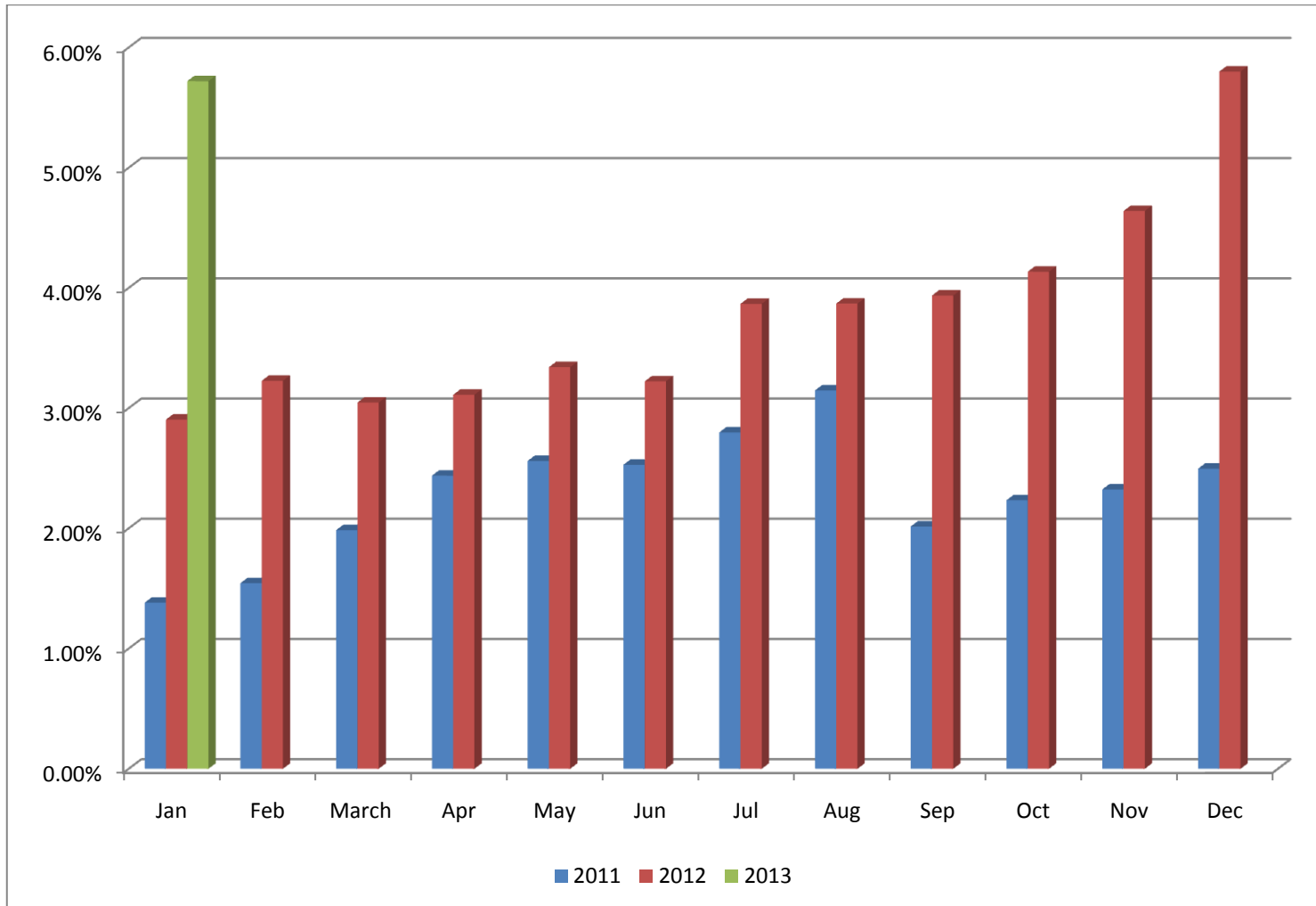
## Sales

Despite traffic through mobile devices increasing in January we saw a drop off in the share of sales. This was down to 13.97% (from 14.72%) and is indicative of a drop off in conversion rate. This is not particularly surprising as we see a hike in conversion rates over the Christmas period and would expect this to drop off in January. The share of sales through mobile devices increased by 116% on what we saw in January 2012.



### Monthly Sales - Handsets Only

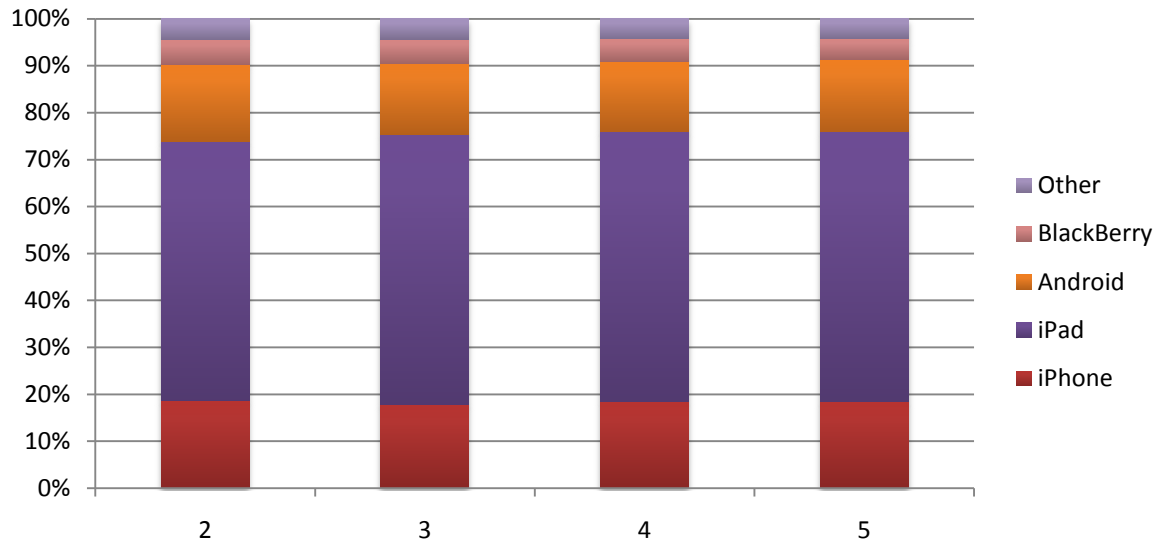
Again it is possible to break the share of sales down by mobile handsets only. We witnessed a drop off in sales from December; however this was only a minimal drop off - from 5.8% to 5.72%. The share of sales through mobile handsets has increased 97% on what was generated in January 2012.



### Device breakdown - past 4 weeks

Again it is possible to look at the breakdown by device to see where our mobile sales are coming from. The iPad is continuing to dominate with between 55% and 58% of sales over the 4 week period. The gap between the iPhone and Android devices has closed and this is something that is looked at in greater detail later in this document. Blackberry saw a decrease in the share week on week from 5.25% in week 2 to 4.49% in week 5. 'Other' devices also demonstrated a week on week decrease from a high of 4.5% to a low of 4.16%.

### Sales



WeekNum	iPhone	iPad	Android	BlackBerry	Other
<b>2</b>	18.71%	55.26%	16.29%	5.25%	4.50%
<b>3</b>	17.91%	57.48%	15.11%	5.14%	4.36%
<b>4</b>	18.38%	57.70%	14.90%	4.74%	4.28%
<b>5</b>	18.46%	57.59%	15.30%	4.49%	4.16%

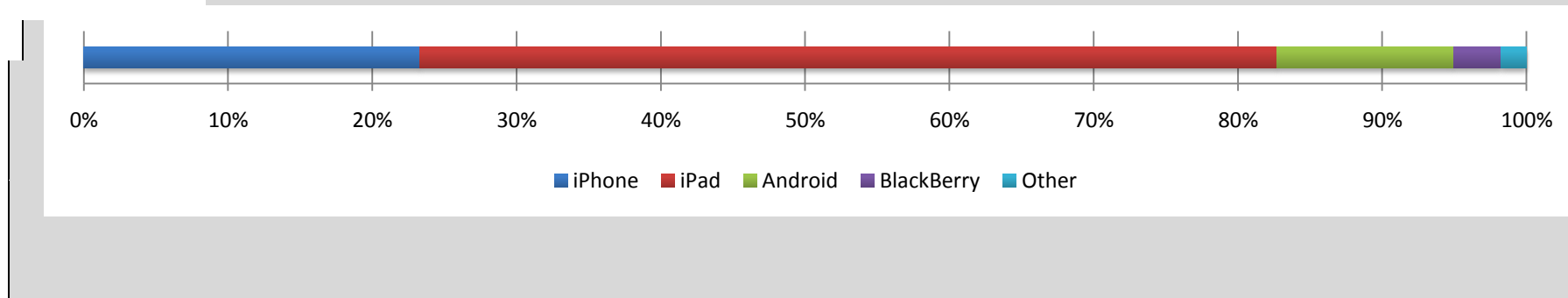
## Device breakdown year to date

It has been possible to look at the breakdown of the share of sales across 2012 and also compare this to what we have seen to date for 2013.

### 2012

The iPad was the dominant mobile device over the duration of 2012. 59% of all mobile sales through the network were driven by the iPad. Of the mobile handsets, the iPhone was the main driver of sales with 23% of all mobile sales. However, over the year we did see Android devices close the gap and by the end of the year Android had a 12% share of mobile sales.

	iPhone	iPad	Android	BlackBerry	Other	
<b>YTD</b>	<b>23%</b>	<b>59%</b>	<b>12%</b>	<b>3%</b>	<b>2%</b>	<b>The percentage of mobile device sales generated by particular devices.</b>

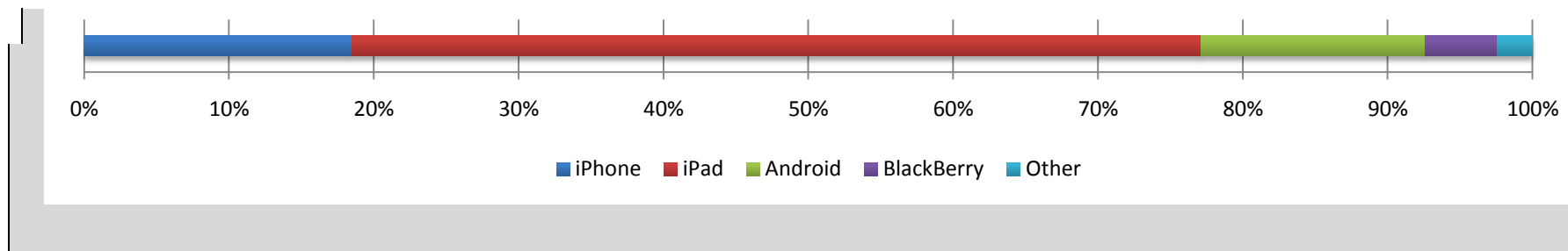


**2013**

In the first month of 2013 it is evident that the iPhone has been losing share to its competitors. The gap between iPhone and Android is now only 2% with the iPhone dropping from 23% in 2012 to 18% in 2013. Android increased by 4% to 16% and BlackBerry is now at 5% (up from 3% throughout 2012).

With Android devices typically the standard upgrade option, more consumers are now using these devices to transact.

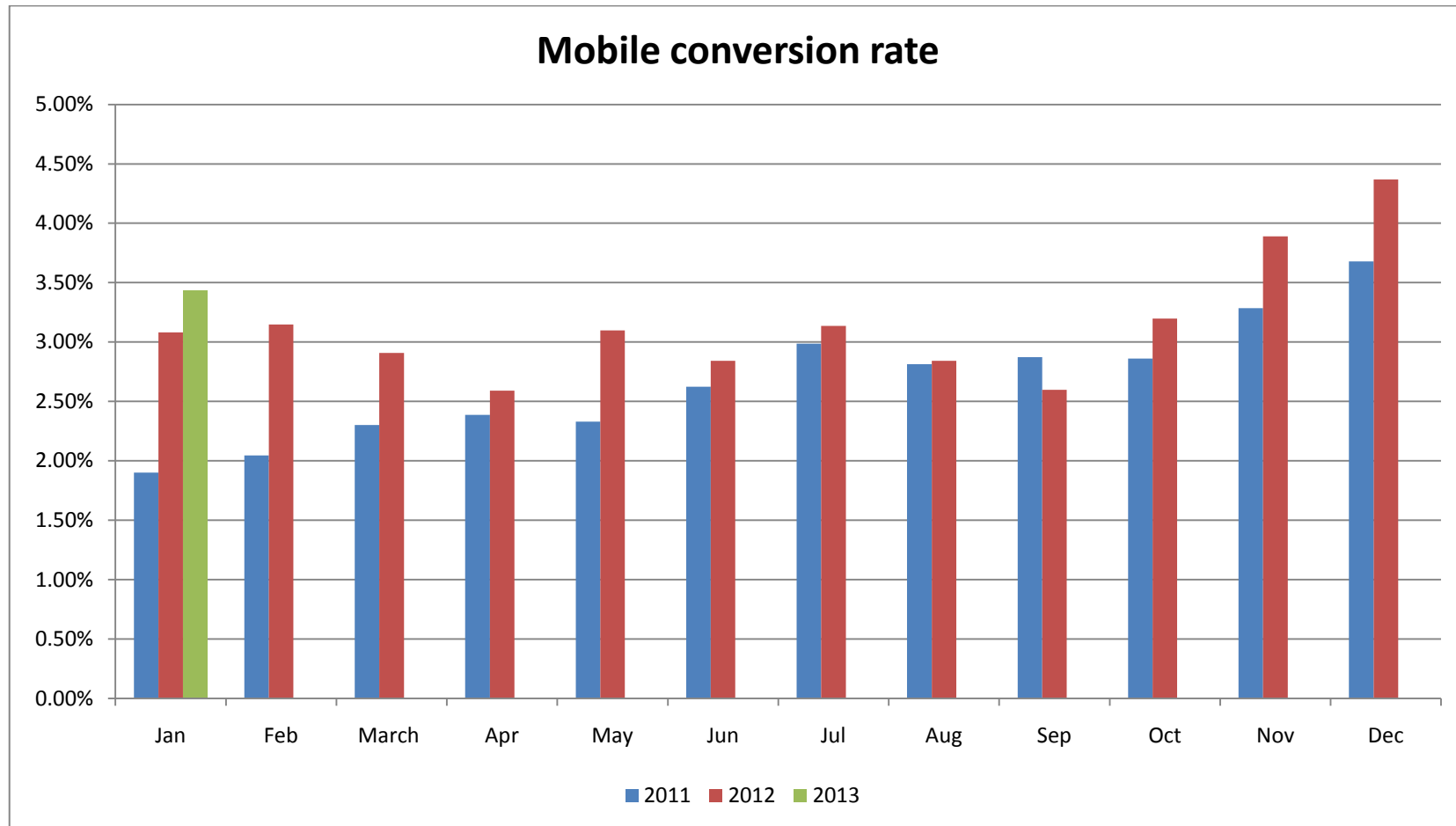
	iPhone	iPad	Android	BlackBerry	Other	The percentage of mobile device sales generated by particular devices.
<b>YTD</b>	<b>18%</b>	<b>59%</b>	<b>16%</b>	<b>5%</b>	<b>2%</b>	





## Conversion Rates

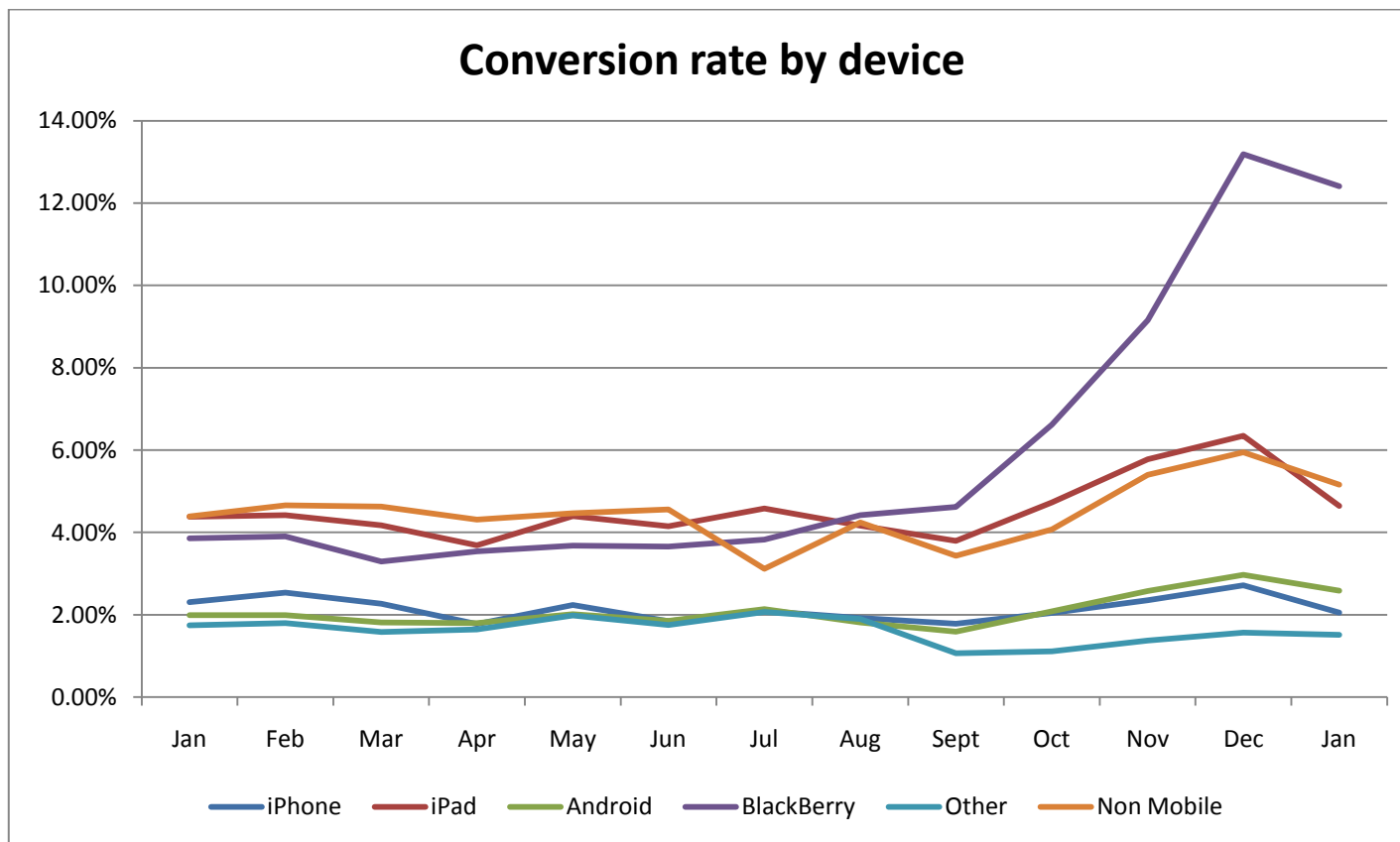
As touched upon when looking at the drop off in sales through mobile devices, we experienced a drop off in conversion rates when compared to December. This is not surprising as we see an increase in conversion rates in the run up to Christmas. This was also demonstrated last year. January's mobile conversion rate (3.43%) is above what we experienced in 2011 and 2012 though.



## Conversion rate by device

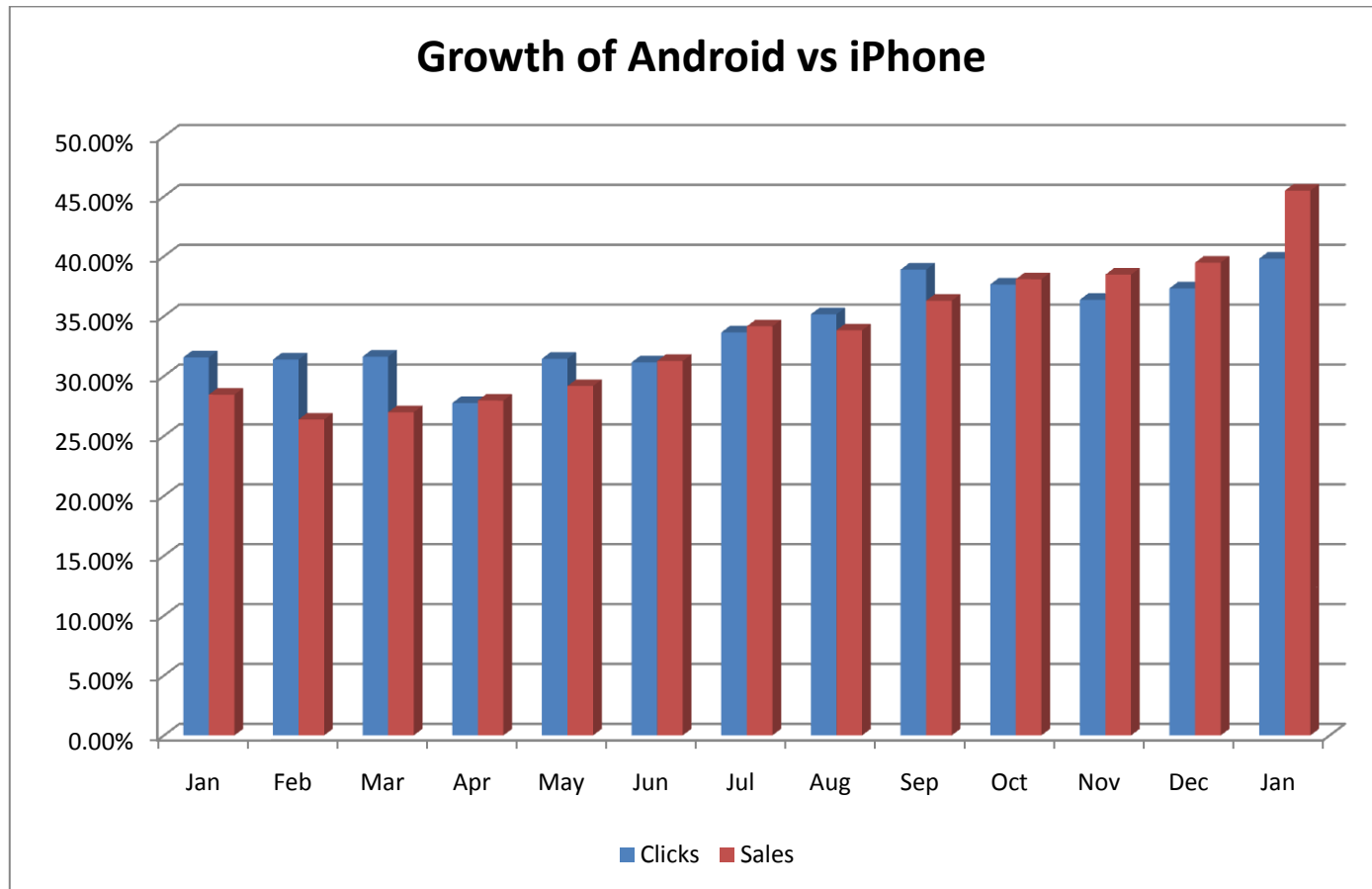
As well as looking at the conversion rate through mobile devices as a whole, it can also be broken down by device in order to split out tablet traffic and compare each device against what we have seen for desktop. The chart below looks at the conversion rate by device for the year so far.

Each of the devices monitored saw a drop off in conversion rate, contributing to the overall drop off in conversions that we witnessed. Blackberry still leads the way in terms of conversions but it is important to point out this is from a significantly lower volume of traffic. The iPad dropped back below the conversion rates through desktop and the iPhone experienced a more significant drop off in conversions than we saw through Android devices.

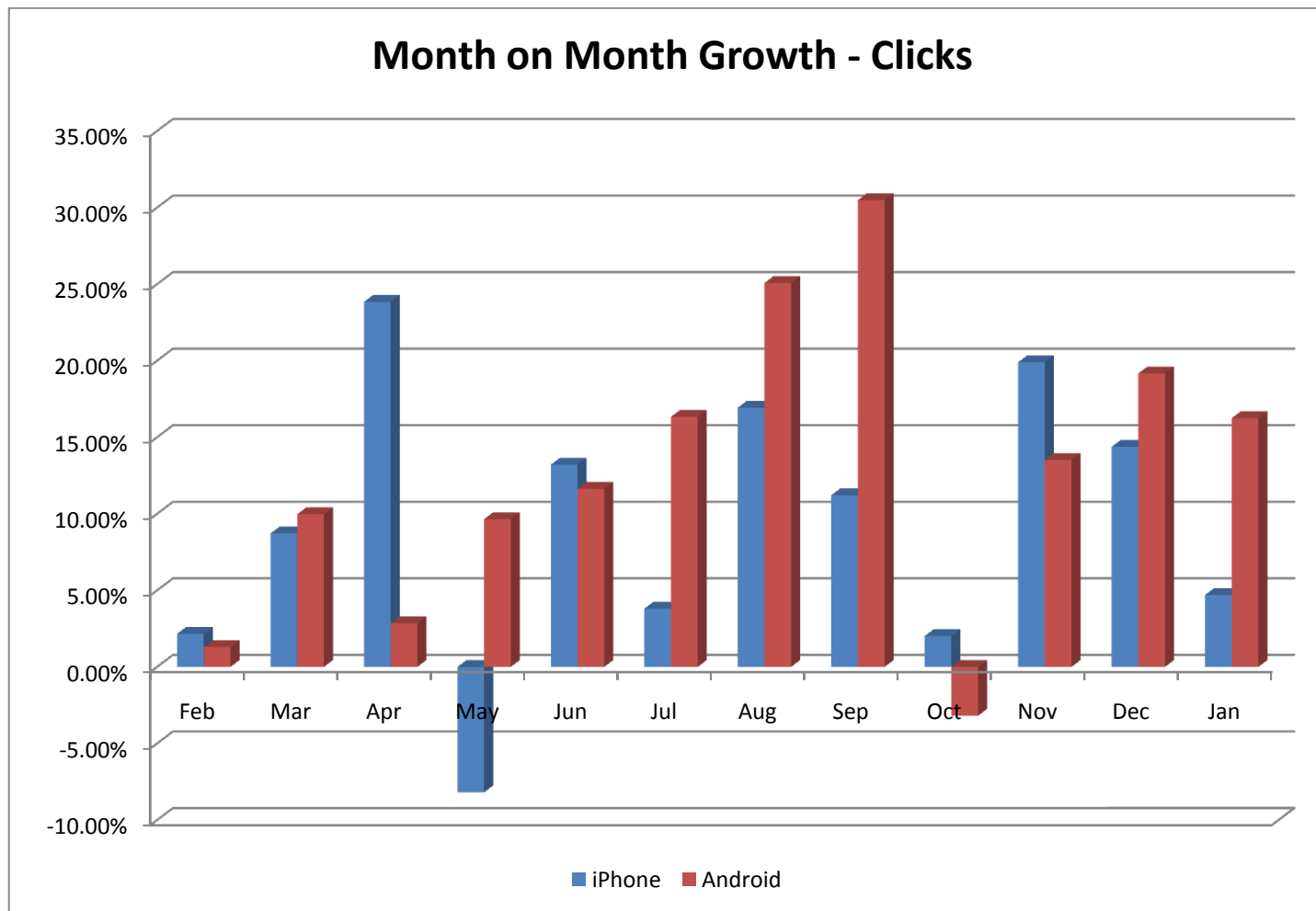


## iPhone vs. Android

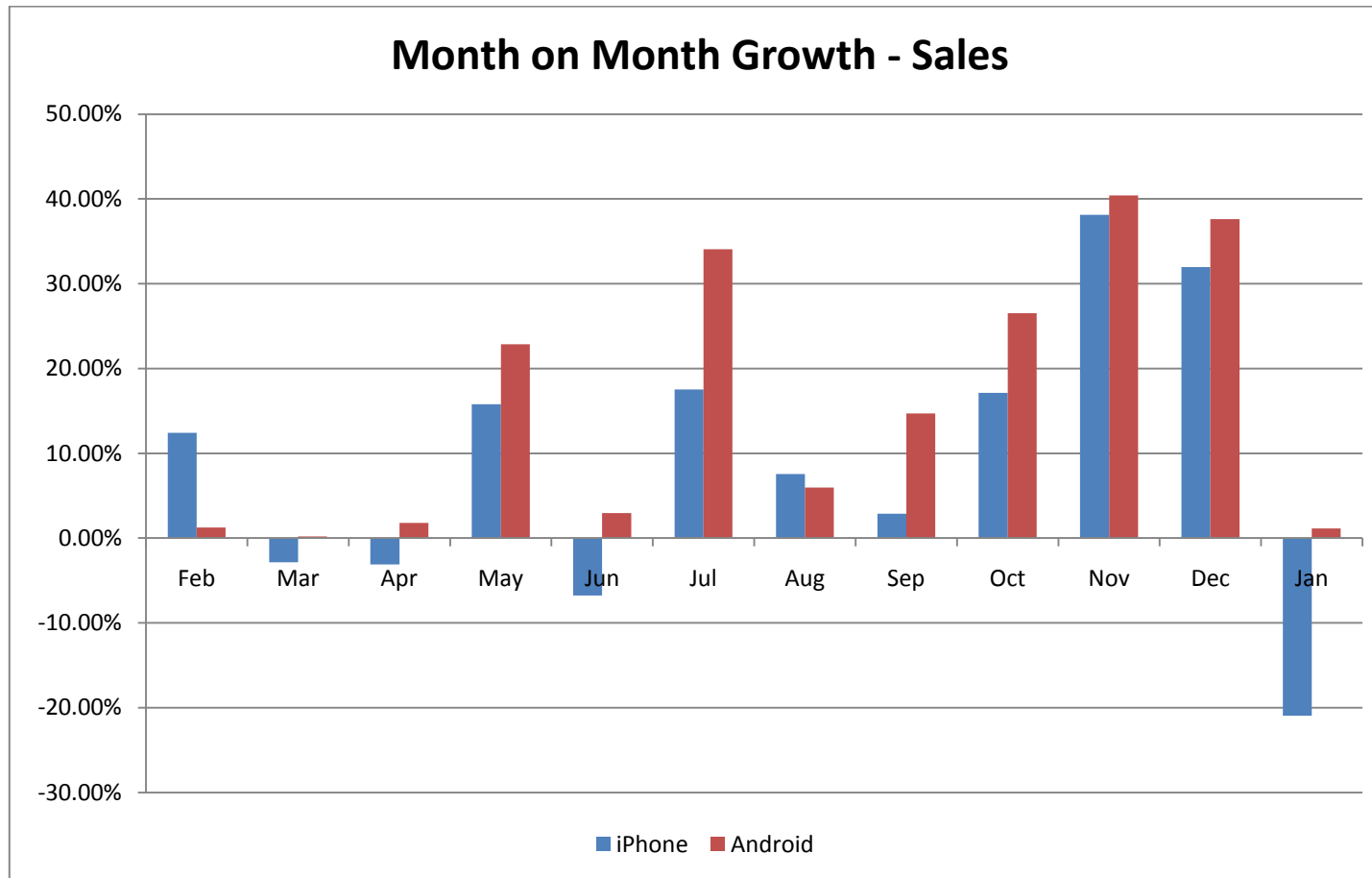
We have also been monitoring the growth rates of Android vs. iPhone throughout the year. The chart below has traffic and sales through Android devices as a percentage of all traffic/sales driven by these two devices. January once again saw Android devices eat away at the dominance of the iPhone. Traffic was up to almost 40% of the share of both devices while sales increased to 45.48% - up from 39.47% in December.



It is also possible to look at the monthly increases in traffic and sales for each of the devices to see how their growth rates compare. The chart below looks at traffic. Traffic through both devices showed a month on month increase in January, although Android devices demonstrated an increase of 16.25% on December's click volumes while the iPhone showed slower growth at 4.7%. It is important to note however, the base volume of traffic for Android is lower so has an impact on the growth rates experienced.



In terms of sales, iPhone showed a decline in the volume of sales when compared to December's figures. This would be expected with fewer transactions occurring in general in the post Christmas period. More surprising is that Android devices showed a growth in sales volumes, although this was minimal at 1.14%.



This data again backs up how important the growth of Android will be for m-commerce. With upgrade options typically Android devices, more and more consumers will be accessing the internet through these devices. It is important that advertisers also optimise for Android rather than simply focussing on Apple devices.

## Mobile Reporting in Interface

While we have been monitoring mobile performance internally for over two years, mobile reporting is now available within the interface. This allows advertisers and affiliates to monitor the device that their sales are originating from. Mobile data can be found in the following reports:

- \* Advertiser: Validate Pending Commissions
- \* Advertiser: Archived Commissions
- \* Publisher: Transactions

The data can be viewed on screen or exported via .csv or .xml downloads. With this intriguing information now available to all, the true impact of mobile on your campaigns can be seen for the first time.

Please refer to our [mobile tracking guide](#) for instructions on how to manipulate this data for analysis purposes.

## Advertisers with mobile tracking

With such a significant amount of traffic coming through mobile devices, it is essential that advertisers are tracking these sales.

The primary focus for us to date within the mobile arena has been to ensure our advertisers are tracking through mobile devices. With the vast amount of traffic that is now coming through mobile handsets it is essential this is tracked. We have put a number of checks in place to protect affiliates against the loss of commission for mobile sales and we will soon be rolling out additional controls to ensure this loss is minimised.

Looking at the detail, it's important to understand how mobile sales track essentially in three ways:

- **Optimised mobile site complete with affiliate tracking**
- **Optimised mobile site running off and tracking through the same domain**
- **No optimised mobile site, so sales track through a standard desktop site**

16 of our top 20 revenue drivers for the network are tracking sales through mobile devices in one of these ways and we are working closely with the remaining advertisers in this group to ensure they are tracking through mobile devices.

Of the advertisers that do have a mobile optimised site, almost half of them are tracking sales through mobile handsets. Considering that a large proportion of our advertiser base does not have a mobile optimised site, we estimate that 85% of our advertisers are tracking sales through a mobile device and the majority of the largest revenue drivers for the network are included in this.

In November, across the network we tracked over 11,000 mobile transactions a day.

Mobile commerce continues to be a major priority for us as we focus on ensuring that our advertisers are tracking through mobile devices - be this through adding affiliate tracking to their optimised mobile site, or directing mobile traffic to their desktop site where a mobile version of the site or affiliate tracking is not available.

Our aim is to provide as much visibility as possible as to which of our advertisers are tracking through mobile devices. Currently we highlight every advertiser that has an optimised site complete with tracking. This will be expanded to highlight every advertiser that is tracking through mobile - whether this is through a mobile optimised site complete with full tracking, a mobile site that sits within the same domain as the desktop site, or where only a desktop version of the site is available.

By providing this information, affiliates will be able to exclude any advertiser that is not tracking through mobile from their sites/apps. With affiliates holding a significant amount of control over their traffic, advertisers not tracking mobile sales will suffer and this will hopefully create a sense of urgency for them to ensure they are tracking mobile sales.

While we wait for this functionality to be displayed within the interface, you can find a full version of this [list here](#). We will aim to update this list on a monthly basis.

If you are an advertiser that is tracking through mobile but not included on this list, please contact [strategy@affiliatewindow.com](mailto:strategy@affiliatewindow.com)

\* As an update to this, we have embarked on an interim measure to ensure that advertisers with mobile sites that do not have tracking in place track through mobile devices. This has been implemented by directing affiliate traffic through mobile devices to the desktop version of the site where possible. While this will not work for all advertisers, we aim to roll this out across as many as possible.

This is only a short term solution. As soon as the advertisers in question have added our tracking to their mobile site, this will be directed back to the mobile optimised version of the site to ensure visitors are provided with a fully optimised mobile experience.

If you would like to receive any more information on this initiative, please contact [strategy@affiliatewindow.com](mailto:strategy@affiliatewindow.com)