

PRESS RELEASE

99 OUT OF 100 FTSE FIRMS FAIL MOBILE BUSINESS TEST

**Research finds even the top decile of FTSE-100 mobile websites are haphazard.
UK businesses are way behind their American competitors and losing out as a result.**

London, 3rd January 2013

Despite the rapid take-up of smartphone and tablet mobile devices, a surge in m-commerce and the introduction of 4G, FTSE-100 companies are not mobile-ready and as a result are wasting millions of pounds on internet advertising by sending consumers to sites that do not work as users expect them to. The fix is easy.

A comprehensive study into UK mobile business performance, by [Incentivated](#), reveals a chasm between consumer behaviour and Britain's top companies. Incentivated employed the kind of rigour that consumers do when voting with their thumbs, and the reason why leading US brands are dominating the digital landscape as it mobilises. UK and Europe no longer lead the way in mobile marketing. The Americans follow the dollars and people are buying through mobile.

Each FTSE-100 company website was analysed and scored for mobile readiness based on three objective criteria as well as two subjective ones: whether a mobile search is automatically detected and directed to a mobile site (or served a meaningful responsive design); whether the page size is small enough to load quickly on a 2.5G or 3G network (i.e. an element of server-side responsiveness or 'RESS' to reduce payload); and whether the site is optimised to work across multiple mobile platforms such as Android, Windows and Blackberry rather than just iPhone alone. (Minor UX issues, like hiding the URL bar to release more space for content, have been ignored in this analysis.)

The subjective criteria included: whether the site contained useful content or was just a blog or similar short-form content such as a list of links to un-optimised desktop content, and whether there was branding in place. Mobile real estate is just as valuable as anything



else and some businesses have shown that a small screen-size is no limit to creativity.

The tests revealed (full detail of the research findings available on request):

- 69 of FTSE 100 firms are not optimised for mobile at all
- 22 have had a go but scored badly
- Only eight score moderately well but frankly are inadequate
- Only one (M&S) stood out, scoring four out of five

Yet it's so easy to obtain a score of four or even five out of five. You have to look outside the FTSE-100, to publishers and smaller businesses (e.g. Gatwick Airport) or to American businesses to find scores of four to five. In comparison US brands, a handful of global brands get it all right; businesses such as Amazon, Ebay, Twitter, Remington etc. (That said, businesses like Samsung and Microsoft only score slightly better than average and Apple still refuses to play ball at all, but maybe you don't need to when people are falling over themselves to buy your product.)

Surprising results included ARM (the designer of chips that power most mobile phones) and WPP (world's largest marketing services business); both of which scored poorly.

Examples of failings by type

Category	Company	Commentary
No mobile site	Legal & General	What can you say – a missed opportunity.
Mobile site not accessible from or presented through the www. URL (i.e. difficult to find via search)	Next	This retailer has been left behind by the entire sector and will be missing out on sales. Evidence is clear that consumers buy through sites more than they do through apps (Next has a good app).
Page file size too large	CRH	In CRH's case the home page is >4mb (could take several minutes to download on 3G and even longer on GPRS).
Technical issues	Babcock	Technical issues prevent content working on most

		devices, including iPhone.
Poor or no branding	ARM	Looks like it was built ten years ago.
Poor or no content	WPP	Professional services firms rarely practise what they preach.
Veneer of mobilisation	Aviva	Clicking on most of the content links takes you to the (non mobilised) desktop site.

Localisation has not been tested, i.e. we have assumed the user is UK based even though many of these businesses have global reach.

See appendix for Screenshots.

Company focus: J Sainsbury's, BT and M&S

Recognising that it is less essential for corporate sites to be mobilised if their consumer and brand sites are mobile ready, the study examined three 'technically good' FTSE 100 companies in-depth: BT, J Sainsbury's, and Marks & Spencer.

This analysis found that only **BT's** corporate site is optimised but none of its consumer-facing phone or TV services is available in a mobile format, while its broadband users are dealt with minimally through one Wi-Fi hotspot finder. With price comparison sites mobilising BT has a chance to leave Virgin Media and Sky behind i.e. these comparison sites will direct traffic to a mobilised BT.

Marks & Spencer mobile site is fully optimised, scoring four out of five with the one scoring loss coming from the way the site has had to be built initially – a short-term constraint dictated by a pre-mobile website strategy. The current mobile solution does its best to work around these known issues.

Both **J Sainsbury's** corporate and consumer sites are optimised for small screen. However, while the latter fulfils all technical criteria, its branding and content are greatly lacking. Most of the desktop site's imagery has been stripped away and sections of the site are not optimised. In any other sector, for UK businesses, this would be considered 'OK' – but UK retailers have woken up to the ROI from mobile commerce and businesses like J Sainsbury and John Lewis have been left behind.

Best and worst mobile companies

The research found that M&S has the best mobile site in the FTSE100, while seven companies jointly hold the title for worst mobile sites (scoring 0/5) including Rolls Royce and International Airlines Group (parent of BA and Iberia).

According to the Standard Industry Codes (SIC) the best performing category is Information and Communication, the worst is a three-way tie between Transportation, Admin and Water Supply, Sewerage, Waste Management and Remediation Activities.

Sector examples of mobilisation in action (not exhaustive*)

Sector	Company	Commentary
Accommodation & Food Services	Intercontinental Hotels	No re-direct, slow loading due to large file sizes and little content and branding.
Energy	SSE	Almost no branding or content on the site, but technically capable. The energy sector lags others.
Financial Services	Barclays	Desktop site served to mobile devices, slow loading due to large file sizes though to give them credit their app strategy is good.
Arts, Entertainment & Recreation	BSkyB	BSkyB are making real efforts to provide mobile access to their customer base, yet this is through apps restricted by access to specific devices that cause as much frustration as delight. Meanwhile they still serve their desktop site to mobiles
Mining & Quarrying	Tullow Oil	Almost no branding or content on the site, but technically capable.
Manufacturing	Imperial Tobacco	No re-direct, little branding and content but technically capable. New

		mobile site “coming soon”.
Information and Communications	Vodafone	Slow loading due to large file sizes but good content and reasonable branding.
Pharmaceutical	Shire	No re-direct, little branding and content but technically capable.
Professional	WPP	Negligible brand and content (just press releases and share price) – odd given who they are.
Property	Land Securities	Negligible brand and content (just new and telephone numbers).
Retail	M&S	One of the best sites; a few technical improvements required to make it work on more devices etc.
Transportation	None have	n/a

Millions wasted by all British advertisers

In the first half of 2012, £1,527 million was spent on pay per click search advertising in the UK*. Google estimates that 25% of all searches are made from a mobile device, which means that up to £381million was wasted by UK advertisers, many of which are in the FTSE 100, because they are directing people to mobile websites that do not work effectively, if at all.

*Source: PwC-IAB, October 2012

Mobile homogenisation

There is also a mobile branding issue as Incentivated found 70% of companies that have attempted to mobilise use an almost unbranded, homogenised, ‘stacked bricks’ design. All FTSE companies have invested heavily in their brands in the real world and online, but almost all have ignored mobile. This completely erodes individual brand character or distinctiveness in the mobile environment.

Jonathan Bass, managing director of Incentivated, said: “It’s a myth that 2013 will be a tipping point for mobile, British business is woefully unprepared compared with our American cousins. Lots of companies are dipping their toes into mobile, but very few getting properly wet. Too many businesses assume that mobile is an extension of their current online offering. It isn’t, it requires a very different approach. They don’t know what they don’t know and nor do their digital agencies. And don’t get me started on SMS; an incredibly powerful tool alongside a mobile site or to support the physical presence, logistics and customer services.

“Mobile is becoming more important than the desktop and the benefits are screamingly obvious. Companies with a mobile-optimised website generate more revenues and customer engagement. They stand-out from their competition right now as well. The lack of investment and inconsistencies among FTSE business should worry all boardrooms.”

A final word on apps

Some organisations have adopted an ‘app-only-strategy’, believing these to be the answer. In our experience, and based upon numerous examples, case studies and the like, an app is never ‘the’ answer – it is one element of a response. As Steve Jobs has said: “you have to start with customer experience and work backwards to the technology”. Creating an iPhone app and working from there ignores the context of the mobile relationship a customer has with a brand – too many fail to appreciate it is their customer that is mobile. A website is the universally accessible default starting point for all of us, rather than being locked out because we didn’t choose the ‘right’ phone to do business with a given brand. Google remains, for now, the place people start browsing.

The research was conducted by Incentivated in November 2012. Full research documents available on request.

/ENDS/

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About Incentivated Ltd

Incentivated (incentivated.com) is a specialist full-service mobile agency staffed by experts totally focused on building mobile-enabled businesses. For more than a decade Incentivated has developed mobile and m-commerce strategies, built websites, apps, campaigns, SMS and CRM solutions for blue chip businesses, brands and charities.

Today's clients are a mix of high street retailers, utility companies, Government, airports, airlines and car marques that believe m-commerce will be more important than e-commerce. These clients looked to Incentivated's industry insight and proprietary technology to best position themselves to profit from mobile internet across smart phones and tablet devices. Incentivated delivers an end-to-end mobile service from consultancy and creative applications, to campaigns, hosting and data management. Its proprietary mobile content management system, called IRIS, enables Incentivated to build sophisticated mobile platforms and apps, set up and send high volume messages, manage and interrogate data.

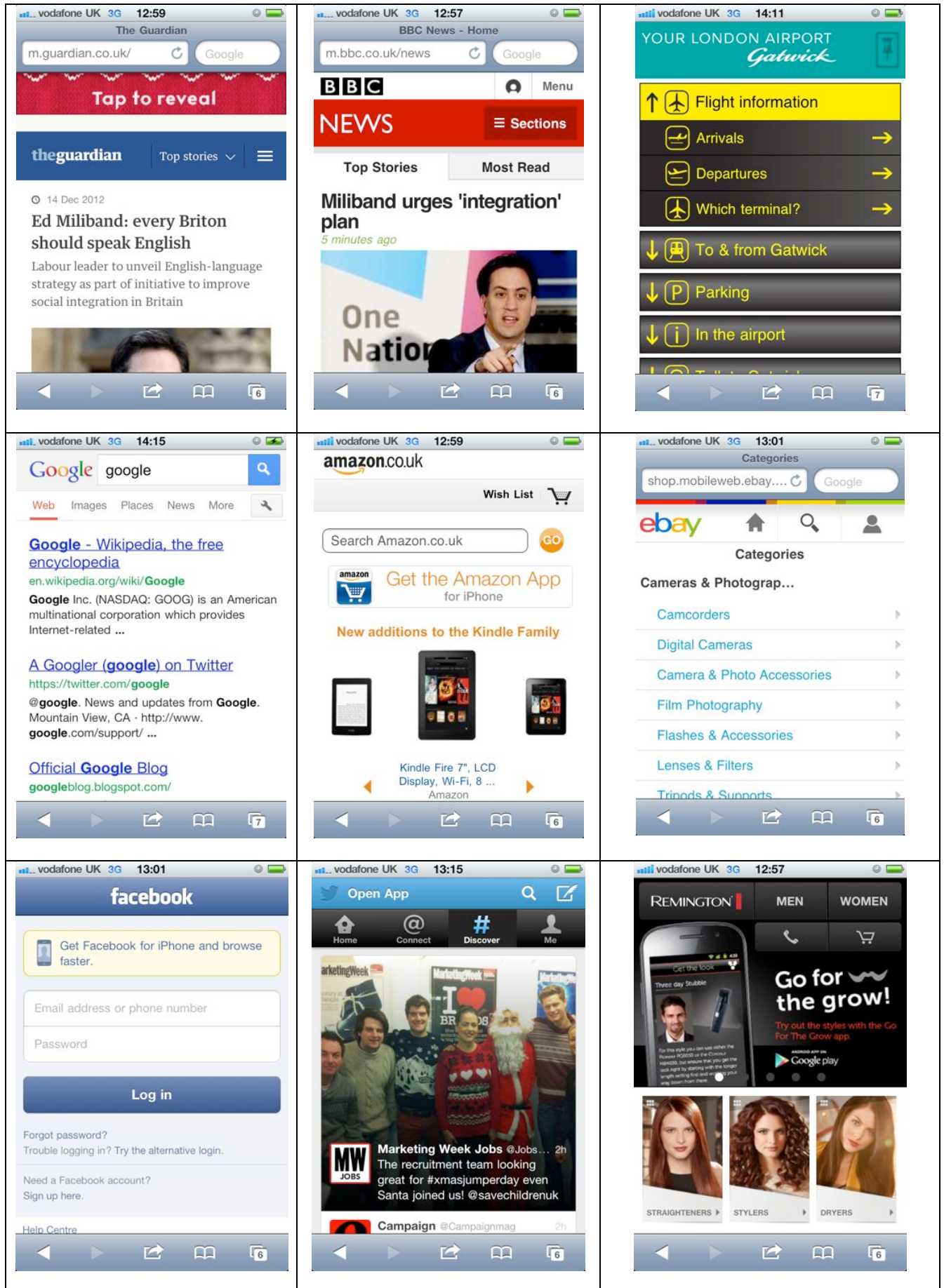
Incentivated is writing the rule book for mobile business and helping UK PLC to think 'mobile now & mobile first' not 'mobile tomorrow'.

UK clients include: Airbus, British Airways, British Gas, Gatwick Airport, John Lewis, M&S, Waitrose, Mitsubishi, Monsoon, nPower, Scottish Power and Tesco amongst others.



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Appendix – screenshots



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On 01 October 2012, Apple Inc. published a statement on its UK website in relation to Samsung's Galaxy tablet computers. That statement was inaccurate and did not comply with the spirit of the Consumer Protection Act 2008 and the Consumer Protection Regulations 2008. The correct statement is at [Samsung/Apple UK website](#).

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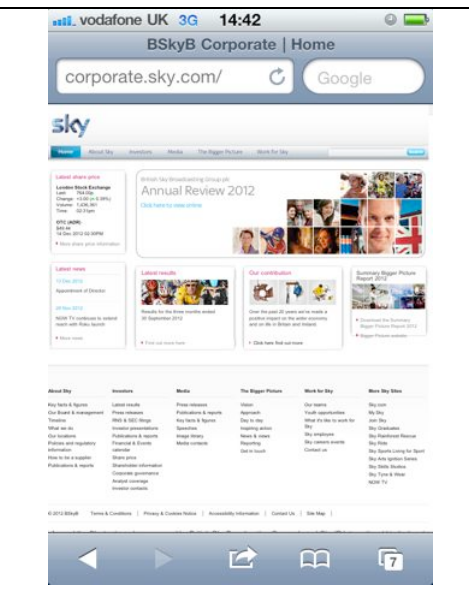
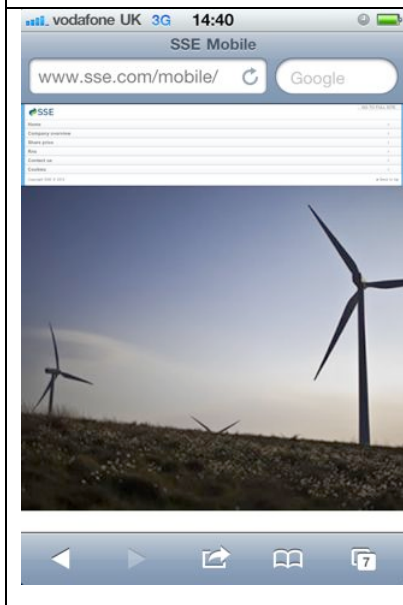
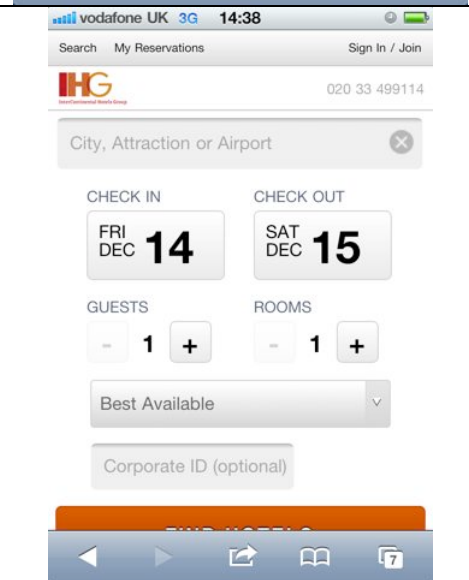
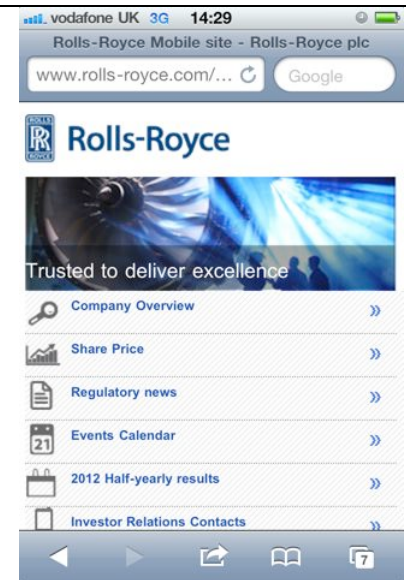
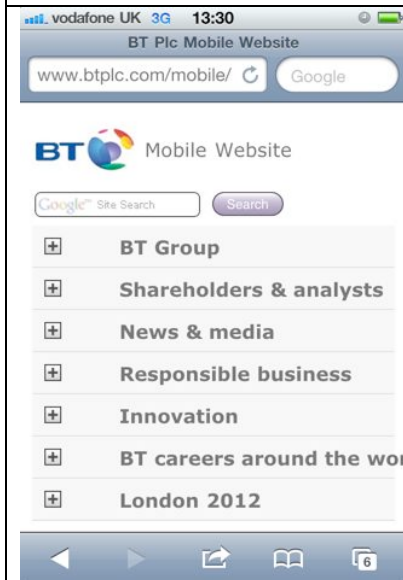
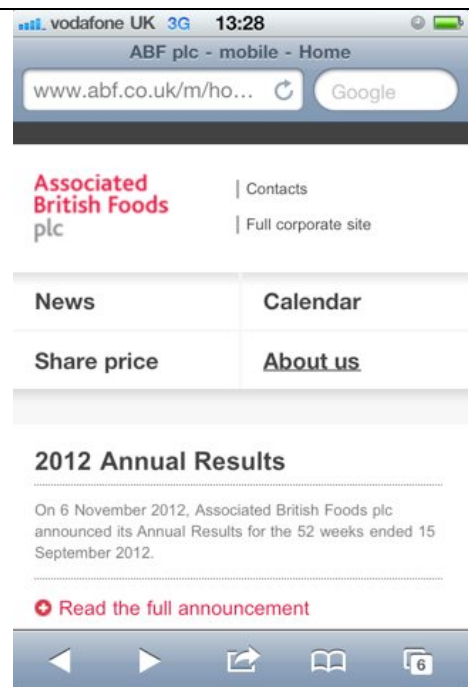
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