

Synchronoss Study: Brands - Telcos Better Source of Data Insights Than Google, Apple & Samsung

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Latest Ovum study underlines the lucrative potential of operator customer data insights

BRIDGEWATER, N.J.--(BUSINESS WIRE)--Feb. 27, 2017-- [Synchronoss Technologies, Inc.](#) (NASDAQ:SNCR), announced the results of an independent study of more than 300 brands from the US, UK and France. The study was undertaken by industry analyst research firm Ovum and commissioned by Synchronoss. The study reveals that 67% of brands consider telecoms operators to be a better original source of data insights than Google, Apple and Samsung. However, a staggering 48% of brands are not aware of operators' ability to even offer these insights – suggesting that many operators have been slow to market to monetize these core assets.

The new study, *“Brand perceptions of data insights in digital advertising - and the role of operators.”* explores the value and potential of the contextual customer data operators have at their disposal to global brands. It uncovers a lucrative, relatively untapped opportunity for operators to monetize customer data insights through commercial brand partnerships.

“We’ve known for years that operators are sitting on a gold mine of contextual customer data. Studies have estimated the market to be worth potentially billions of dollars. But no one’s looked at this from the brand’s perspective – and it’s good news for telcos,” said Ted Woodbery, VP Comms & Media Marketing at Synchronoss. “More than two thirds (67%) of brands surveyed value it above everything but social network data. Of those brands that weren’t previously aware that telco data existed, 92% are willing to explore commercial partnerships with operators once elucidated.”

Addressing a Critical Problem

Of those brands that do currently know or use telco data to underpin digital advertising, 64% say that it’s of high quality and compelling. However, availability and awareness of this data remains a critical problem as most advertising agencies don’t offer it. This is surprising given how half of the brands surveyed considered the lack of good quality, actionable customer data insights as the biggest pain point impacting their adoption of mobile advertising.

Challenging the Established Order

Google (59%) and Facebook (52%) remain the dominant brand partners for data insights and digital advertising. Operators are also very much in the frame however. Just over a quarter (26%) of brands currently partner directly with telcos that specialize in digital advertising. Despite the existing established order, less than a quarter of brands (22%) confessed to being completely satisfied with the depth and quality of customer data insights currently provided from any of their partners.

For brands that know about and are using telco data assets, the most compelling aspect is its value as a whole rather than constituent parts (real-time location, billing and network intelligence), followed by its depth and breadth. This is a positive finding and suggests that brands have a good overall perception of telco data that can enable telcos to differentiate themselves in the data economy.

Reaping the Rewards

Most brand executives expect their firm’s total annual digital advertising budgets to increase over the next two years. More than a fifth (21%) of respondents expect that total annual advertising spend will increase by more than 25% in the next two years, while 4% are looking at punchy increases of more than 50%. Brands are willing to pay a premium for capabilities that enable better targeting. Six out of ten respondents said they would pay more for data insights and analytics that support enhanced targeting.

Woodbery continues: “These findings offer significant encouragement to telecom operators, especially as global digital advertising revenues from brands are set to soar. The ability to capitalize on this revenue is driving the global digital transformation of the operator community. Operators must arm their data with analytics and tagging if it is to lead to better digital experiences, sharper engagement and better monetization. It’s interesting that brands place operators above digital service companies like Google as a source for data insights. What perhaps is more encouraging is that operators also have the potential to emulate the social networks that are revered as the best overall source of insight, by investments in chat bots and A2P messaging platforms. These enable operators to create messaging communities of their own, capable of extracting even higher metrics than those being delivered by the likes of Facebook today.”

EDITORS NOTES

Ovum itself predicts that total revenues from online digital advertising will grow from \$126.4 billion at the end of 2016 to \$158.6 billion at the end of 2021, with mobile Internet advertising accounting for \$64.1 billion and \$134.2 billion respectively.

About Synchronoss Technologies, Inc.

Synchronoss (NASDAQ:SNCR) is an innovative software company that helps both service providers and enterprises realize and execute their goals for mobile transformation now. Our simple, powerful and flexible solutions are used by more than 3 billion mobile users and 300 of the Fortune 500 worldwide. www.synchronoss.com

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