



## AirG Experiments with Ads Targeted to Mobile Social Network Users

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A unique model for monetizing mobile social networking has begun to face real world tests, as mobile social networking platform provider AirG rolls out a targeted mobile advertising delivery service to media companies and other prospective advertisers.

AirG has been powering social networking communities on mobile phones since 2000 and is interconnected with more than 85 mobile operators worldwide, including Sprint Nextel, Cingular, Boost Mobile, Orange and Virgin Mobile. Similar to myspace.com, AirG's platform enables users to chat, instant message, share photos and meet like-minded people, but it allows them to do so from their mobile phone.

With more than 10 million unique users on board, AirG now is leveraging the popularity of its social networking service to offer relevant mobile advertising that targets specific consumers in specific social groups.

"It took us five years to get from 0 to 5 million customers and it took us eight months to get from five to 10 million," says Frederick Ghahramani, co-founder of AirG. "It's becoming clear that mobile communities are more than just a data service that carriers use to make money; it's actually a pretty impressive platform to be able to communicate and interact directly with end users."

After building its business through mobile operators, Ghahramani says AirG is now targeting media companies, record labels and brand holders for mobile marketing opportunities. With its ability to target specific demographic groups, Ghahramani says AirG is able to offer advertisers something far superior to Spam.

"What everybody is afraid of and the thing that will kill the industry is unsolicited Spam that just pops up without proactively using anything," he says. "But if users are proactively joining a community that's relevant to a topic, it's like being part of an opt-in mail list."

Ghahramani explains that AirG users are only subject to ads after they have joined a specific community, and even then the ad only appears during the brief time it takes to connect to the network. This methodology, he says, has already led to advertising deals with Mercedes-Benz, American Express, Dunkin' Donuts and Verizon DSL.

To get these companies on board, AirG has been working directly with advertising agencies, which is something Ghahramani says wasn't feasible in the past. "When we spoke with advertisers five years ago, they weren't interested, but the advancements in phones and mobile networks have opened the door to successful mobile advertising," he says.

Ghahramani further notes that advertisers are attracted to consumers who participate in mobile communities. He points to a recent survey conducted by AirG where more than 30,000 U.S. respondents provided insights into their spending habits and behaviors.

The survey found that the majority of users would rather chat on their phone than watch TV, do not own a PC, spend more than \$80 each month on their mobile phone, and spend more than \$100 each month on clothes and entertainment, according to AirG.

Although some of the results may be surprising, Ghahramani says digital social networking has become a phenomenon, and many people find it easier and more economical to conduct their social networking from a mobile phone than a computer. "It makes sense because someone working at Starbucks may or may not own a PC, and the taxi drivers and many of the people that power America don't work in front of a PC," he explains.

These factors, he says, have created an opportunity for mobile social networking to soon rival the popularity of social networking on the Internet. And because it can target specific groups of people, Ghahramani says AirG's mobile community gives advertisers what they are looking for.

"With this community platform, you know your users, their demographic information, and their preferences," he says. "It's an opportunity for companies to build a relationship with customers, not just Spam them, but actually communicate with them."

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