

MOBILE

## Marketers making mobile moments more personal as investment surges

December 8, 2014



*L'Oreal Féria*

---

By STAFF REPORTS

Companies are pouring millions of dollars into retrofitting their corporate culture and business models, promising to make personal advertising a reality as the mobile engagement platform market explodes.

**Sign up now**

**Luxury Daily**

With mobile users increasingly expecting brands to deliver personalized messaging and content relevant to users' physical and digital environment, the mobile engagement platform market will more than double this year to \$405 million from a year ago, according to Smith's Point Analytics. The emergence of a multitude of vendors focused on helping brands engage with mobile users on a one-to-one, personal and contextually relevant basis shows how mobile is gradually redrawing the marketing-investment and engagement landscape.

"The biggest challenge facing mobile marketers – or really, any marketer right now, is how to truly personalize communications," said Vanessa Horwell, chief visibility officer with Miami-based ThinkInk. "Marketers are talking about how they're focused on personalization and one-to-one outreach but the reality is they do not have all the technology pieces and infrastructure needed – complete customer profiles, access to data, cross-team/agency collaboration and marketing competencies to actually make this a reality.

"Discussions about personalized marketing and one-to-one marketing are still largely just that – discussions," she said. "Until marketers are able to connect every marketing touch point and properly use the data being collected across each of these, and all the agencies they're working with, only then

can we really start talking about personalized communications and providing contextually relevant information.”

### **End of an era**

The engagement boom furnishes further evidence that the era of anonymous messaging with generic segmenting or targeting has ended.

The arrival of technology that supports more contextual engagement has shifted mobile marketing toward a customer focus from a campaign focus, according to market-research firm Smith's Point. A good example of ad-personalization is L'Oreal's ads for its Ombre hair color line.

□

*L'Oreal ads detected consumers' hair color.*

The beauty marketer recently incorporated GumGum's photo recognition technology to personalize Ombre ads based on a consumer's hair color.

Delivered across desktop and mobile, the campaign detected the hair color of people in photos in L'Oreal's partner publications Parade and Hollywood.com. In turn, a corresponding ad was delivered directly to the consumer. If dark hair was detected, the technology could deliver an ad for dark hair-coloring products.

An in-image “Slider” unit enabled all of Ombre's color products to be included when ads appeared over photos unrelated to hair.

“For some time, marketers have used targeting to reach the right consumer at the right time through digital advertising,” said Paul Bremer, general manager for mobile with Rhythm. “Now that similar targeting has come to mobile, we can add right device to the mix. As tech continues to advance, the door is open for more and more localization and personalization.”

There are caveats, however. If a brand's aim is to achieve mass awareness, personalized messaging might not be the most cost-effective answer. If, however, the aim is to deeply impress and engage with receptive, qualified, convertible consumers, creating a forum for sustained engagement is advisable. The digital revolution has paved the way for the ramp-up in personal-engagement services.

“Mobile marketers are faced with a growing challenge: consumers expect their experiences across channels to be tailored based on their overall interests, physical context, and immediate needs,” said Chris Hansen, president of Netmining. “The data available and the consumer's understanding of the marketers' capabilities brings a whole new meaning to right place, right time, right message.

“The key to a successful campaign is not just to deliver the right messaging, but to ensure its delivery on a channel where the consumer is most likely to be influenced by the creative and engage in the call to action,” he said.

The competition for consumer attention has never been so high.

“It's now simply not enough to “be found” through a Google Search,” said Deep Katyal, director of demand advertising solutions, with Opera Mediaworks. “Today's audiences demand engagement at every single transaction that they have with a business.

“And with the advancement of mobile becoming the screen of choice for users one to one, personalized and contextual engagement techniques will spread to any company that needs to catalyze decisions — from car companies to telecom vendors.”

To capture the always-on consumer, marketers need to be always-on.

“As consumers embrace apps, ecommerce and social networking sites, the explosion of 'over-sharing' - wants, needs, desires, frustrations and problems - is now on display, publicly for the first time,” said Tami Kelly of Qualia.

“Users are more apt to engage with brands that feel authentic to their everyday, connecting the physical and digital worlds, enhancing the overall experience. The mobile device, given the emerging ad tech capability to personalize and localize, offers a more individualized experience,” she said. “Unlike other mediums, users engage with mobile devices everyday, all day.”

Engagement platforms are benefiting from organizational issues that have increased their value to brands that face significant risks if they get any nuance of a marketing outreach wrong. For instance, a lack of communication between some corporate information technology and marketing departments has obstructed corporate formulation of a holistic mobile strategy just when brands realize they need to wring more value from existing mobile applications, according to Smith's Point Analytics. A broader embrace of engagement platforms also has been presaged by technical breakthroughs, such as the arrival of Apple's iBeacons and Bluetooth low energy technology and smartphones with improved sensors and battery management.

"Personalized mobile advertising does challenge marketers to think and act differently," said Joseph Zahtila, Qriously's general manager for North America.

"Traditional notions of over exposure and frequency capping in a personalized, mobile advertising environment need to be completely reconsidered - in general, effective frequency levels are much, much higher than the old three to five exposure guidelines.

"Another potential challenge is scale," he said. "By definition, one to one mobile marketing can yield a variety of niche segments each requiring unique messaging which can be difficult to manage."

The engagement spending splurge is opening opportunities for marketers in a relatively unexplored frontier.

"Investment money must be carved out for personalized, contextualized mobile marketing campaigns," said Bill Aurnhammer of Aurnhammer, New York. "As mobile emerges as the preeminent way for marketers to reach their customers, budgets must be factored into any advertising or marketing plan.

"The evolution of mobile marketing allows brands to have a two way dialogue with their customers, creating a deeper engagement between customers and their favorite brands."

### **Wild West**

The emergence of not only a multitude of vendors in the personalization space, but each with their often not readily detectable solution or technical differences, means mobile marketing will likely remain in its current Wild West state for some time to come.

□

*Mobile mind-shift has driven demand for personalized ads.*

"The rapid evolution of the mobile devices themselves, the constantly evolving integration of screens and channels, and the explosion of new data triggers and signals, being both introduced and restricted faster than they can be mastered, says to me we'll be in test and prove mode for the foreseeable future," said Shannon Denison, vice president of product and insights, Voltari.

What is clear is that brands will want clarity as they venture deeper into new territory to engage customers.

"The vendors that are entering the space to help marketers achieve this personalization panacea will have to prove that they're not simply adding another layer of complexity, integration issues and disintermediation," Ms. Horwell said.

The biggest concern will always come back to data.

"As the crux of successful personalized communications is being able to properly mine, utilize and respect data through a single customer view, questions like 'who owns it, how much access do we give a vendor, how much will we have to work with, and how do we actually make it work?' will need to be answered," Ms. Horwell said.

### **Final Take**

*Michael Barris is staff reporter on Mobile Marketer, New York*

Embedded Video: [//www.youtube.com/embed/t-Hz5Dvyyt4](http://www.youtube.com/embed/t-Hz5Dvyyt4)

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.