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# Apple Watch's limitations to present challenges for advertiser, media relations

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Apple Watch

By JEN KING

Although worries of Apple Watch impeding interest in traditional watchmaking and its sales have subsided to a degree, media companies will also face challenges as consumers' attention turns from screen to wrist.



On a whole the luxury industry is still on a learning curve when it comes to mobile technology, but have used smartphones and tablets to their advantage by adapting, albeit slowly in some cases, to ensure branded communications maintain relevance among today's mobile-ready consumers. Now, the Apple Watch is set to shake up consumer behavior, for better or worse, and alter how brands, especially those in the media space, will communicate with targeted audiences.

"[Media companies] appear more progressive and with the times," said Jake Athey, director of marketing at Widen Enterprises. "If the device and channel they deliver the content is more progressive, it creates the perception that the content and the organization behind it is more progressive.

"It's another channel to include in your strategy and it lends itself to products and services that have greater immediacy for attention," he said.

"You're wearing media on your body. It creates a stronger connection. Consumers will love you or hate you more. It's a greater responsibility to use the channel wisely because the opportunity is for greater immediacy, trust and reliability because your more visible.

### Shaking the Apple cart

After months of anticipation, Apple organized an online only pre-sale event April 10, while the official launch was scheduled on April 23. According to Forbes, data mined by Slice estimates that 957,000 consumers pre-ordered the Apple Watch on the pre-sale date.

During the pre-sale the average buyer bought 1.3 Apple Watches and spent approximately \$503.83 per watch, mostly the least expensive Sport version with a starting price of \$349.

Other sources have estimated that together with the pre-sale and the official launch, Apple has sold as many as 2.3 million Apple Watches.



# Apple Watch range

"The Apple Watch is the biggest and most popular of all wearable devices," said Simon Buckingham, CEO of Appitalism, New York. "The Apple Watch represents a new medium and a new user interface and a new user experience, allowing all media companies with smartwatch apps to learn from this new consumer behavior.

"Many Watch apps have created streamlined notifications and alerts so that consumers can keep up with key things and updates that they are interested in," he said. "In the early days of mobile phones, consumers received text message alerts with news updates and sports scores and horoscopes and weather and many of these services will come to smartwatches.

"Consumers may start using mobile devices even more regularly than checking their smartphone every few minutes as the key updates will be sent to them rather than them picking up their devices and checking. The most important thing for media companies and app developers is to get services up and running and live on the Watch-advertising best practices will follow at a later date."

Given the anticipation, and the obvious interest among consumers, media companies were among the first to create applications for the Apple Watch. As with any new

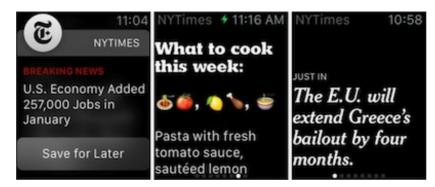
technology, brands that are directly involved from the beginning will show their own modernity and relevance in the process.

"Any time there's a substantial platform shift, such as desktop to mobile or mobile to wearable tech, there is an opportunity to earn valuable real estate on the interface," said John Barker, chief idea officer at Barker Advertising, New York. "If media companies can claim some of that space early on, it will be a tremendous boost to their content as well as their advertisers."

For example, The New York Times is among the growing list of high-end brands to create apps for the Apple Watch.

As a media outlet, The New York Times may benefit from the quick format of Apple Watch notifications as news breaks. News notifications from The New York Times will consist of a sentence accompanied by bullet point summaries and photography or graphics.

In a statement, the media company described its app as being able to "provide the news at a glance across many Times sections, including business, politics, science, tech and the arts." A breaking news alert will also appear on the Apple Watch (see story).



Screenshots of The New York Times' app on the Apple Watch

But, there are limitations to the Apple Watch due to its display size. Media companies will only be able to produce short-form content, likely in bullet points or possibly an image, to capture the "glance" of a wearer.

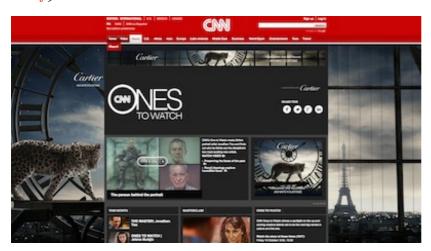
Although many of the media apps currently available in the App Store allow the wearer to save news alerts for later, to be read via desktop or handheld device, the initial format does not allow for the publication's advertising partners to play a part. Even if there were space for an ad on the wearable's display, Apple Watch's first generation does not have mobile Web, further hindering any chance of continuing the consumer journey, let alone a point of sale.

The relationship between an advertiser and publication is a source of exposure for the brand and revenue generating for the media outlet. This partnership may become strained if more and more consumers begin the journey on their smartwatch and never continue to read the full article, thus diminishing the advertiser's chance for a click-through.

For instance, 24-hour news network CNN has developed an app for the Apple Watch and has a strong relationship with its advertiser, French jeweler Cartier.

Cartier is the primary sponsor of CNN's new "Ones to Watch" feature series, which profiles up-and-coming artists.

Cartier's integrated advertising campaign includes TV spots on CNN International, CNN U.S., CNN en Español and CNNArabic.com, vignettes and digital placement. The jewelry house selected CNN to be associated with its high-quality content, as well as benefit from CNN's reach among a global affluent audience, especially male luxury consumers (see story).



Cartier ad takeover on CNN's Web site

Also, traditional publications such as fashion and lifestyle publications do not operate on the same breaking news cycle as news outlets and gossip titles, which also limits some media's infiltration of Apple Watch apps. For example, lifestyle publications such as Town & Country or Departures do not have the same degree of breaking news as a news publication, but there is room for expansion with some imagination.

The New York Times has already displayed its inventiveness through emoji-driven recipes, for example, that catch the wearer's attention. Likewise, publications will have to think outside the page to continually engage Apple Watch wearers in new ways.

### Silver lining

There has been significant discussion about wearer irritability due to vibrating notifications and alerts, as well as wearers being deemed as rude by the peers for constantly checking their wrists. But, some suggest that if the Apple Watch is used as a smartphone accompaniment, rather than a full replacement, some of the aforementioned challenges and limitations can be avoided.

In a column published on Luxury Daily, Craig Palli, chief strategy officer of Fiksu said, "The proliferation of watches beyond just Apple's hints at a broader future for wearables and advertisers who are already having success in mobile are eager to add watches to their campaigns."



# Apple Watch time display

No one expects banner ads on watches to do much – in fact, they are not even part of the Apple Watch for now. But these kinds of contextual messages, delivered through apps, are likely to be an important way to connect with consumers.

In fact, the ability to understand context and behavior creates an expectation that all ads should be that relevant. As a result, no matter what form the ads ultimately take, there is likely to be a high bar for marketing to wearable users" (see story).

Though Apple Watch does present challenges the possibilities for further ad spend and app integration offers opportunities for marketers.

"The Apple Watch is positive for the media companies, without question," said Todd Krizelman, CEO of MediaRadar, New York. "It represents a boost in ad spend. Apple is an active marketer and historically has supported their new product launches, across TV, online display and magazines. For example, in launching the iPhone 6 in 2015, Apple placed ads on 136 Web sites and 54 magazines.

"The additional benefit however for the media community is the ecosystem of products that support the iPhone," he said. "There are hundreds of companies selling accessories, ranging from cases to earphones.

"These brands also market themselves and so widen the amount of ad spending (a sort of Apple halo effect). The Apple Watch is expected to introduce a whole new world of apps too, further amplifying the impact Apple has on ad spend. After all, all those apps will market themselves."

Final Take

Jen King, lead reporter on Luxury Daily, New York

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