

COLUMNS

Apple Watch's role in a data-driven advertising environment

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With the much-anticipated Apple Watch finally here, the discussion now turns to how this brand product and other wearables will not only fit into our personal daily routines but also how they will influence business.

One of the biggest impacts that the Apple Watch and wearables, in general, will have, predictably, is on the advertising industry.

Dial tone

Like in the early days of mobile, there will be some gaffes as the industry tries to figure out the balance between marketing to consumers and annoying them to the point where advertising dollars do more harm than good.

What will be the “right” frequency to advertise to someone with a wearable and is a push notification the answer?

Will the watch become the first screen, overtaking mobile in terms of ad spend?

And what will ads look like across a 42mm screen?

Yet, perhaps the most important question posed to the industry will be what role it takes on in defining how far data-driven advertising can go in a wearables world where marketers will now have access to an explosion of data as adoption increases.

As questions swirl around what we define as personally identifiable information (PII) today with more data becoming available and consumers begin to push back against Big Brother, it feels as if we are at an inflection point.

Advancements in technology bring about change and change ushers in new guidelines and standards.

As a result, the great responsibility now falls upon the advertising industry to navigate the application of data that now exists and that which will become available to them.

It is upon the industry to figure out how it can improve the overall consumer experience with an emphasis on communication between the brand and the consumer.

For marketers, there is an accountability that exists for the direction that the industry will take in redefining the consumer experience across devices and how they will all work together.

Watch out

The area that seems poised to gain the most is healthcare, given that the most obvious wearable utility is fitness and health tracking.

With emerging shareable data about cholesterol, heart rate and iron counts, there is the opportunity for the Apple Watch to disrupt the healthcare sector.

However, how responsibly marketers handle access to this personal data and how they use it to connect brands and consumers will determine how much further we are able to go, the result of how much more consumers are willing to accept.

Thus, the onus is on the marketer to not exploit this evolving 1:1 relationship between brand and consumer, but to exceed with caution and redefine it.

The other critical input to how wearables will affect advertising is the sway they will have on consumer behavior, particularly the way in which consumers will interact with and what they will expect from advertising.

Will the relationship between marketer and consumer grow even closer with the adoption of wearables, particularly as millennials age? And what about the next generation, a generation that does not know a world without Apple dominance?

One cannot help but wonder what the consequences of the emergence of wearables will be as millennials age and accumulate more buying power.

You could predict that with this closer contact, the consumer will expect even more personalized communication.

MOVING BEYOND location data, which still confuses most in terms of privacy and application, there will now be an even greater understanding of “who” the consumer is with an abundance of the aforementioned health-related, sleep-tracking and fitness wearables.

As we have seen with mobile marketing, the more consumers “give” in terms of data, the more they tend to expect in return. And thus the marketers in a wearable-dominated age will need to provide more to consumers in terms of value and content than mere promotion.

How the industry rises to this challenge will either propel the wearable movement forward as a new media channel or prevent it from progressing into the most important one.

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