

COLUMNS

Mobile ad blocking: Shifting the advertising paradigm

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By A LUXURY DAILY COLUMNIST

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While Apple's iOS9 ad-blocking feature presents quite the conundrum for advertising industry players, it is a long-overdue opportunity to impress customers.

In an era of instant gratification fueled by the consumer-centric business models of the likes of Uber, Spotify, Seamless and Amazon, consumers expect personalization at every turn. Advertising, however, still has not caught up.

Take a break

The history of advertising's growing pains is filled with unwanted interruptions.

First, there were the disappointing commercial breaks interrupting the most gripping part of a Law and Order episode.

Then arrived the glory of pre-programmed television with TiVo and DVR, allowing you to gleefully zip past pesky ads for yogurt, allergy medications and paper towels.

Next, while cruising your favorite discount shopping site obnoxious pop-up ads filled your screen and, BAM pop-up blockers rushed to the rescue. Pop-ups be gone!

Today, the ad interruptions are infiltrating our devices.

Our favorite news sites are riddled with ads that have nothing to do with our interests.

The online advertising industry reached an estimated worth of \$141 billion last year and mobile marketing accounted for \$70 billion of that.

Yet despite its size, mobile advertising leaves much to be desired.

However, with Apple's latest ad-blocking friendly iOS9, a shift is imminent.

Consumers have spoken.

Block and tackle?

After debut day, iOS ad-blocking apps already skyrocketed to the top of the iPhone App Store chart.

By providing users with a variety of third party apps, Apple is starting to silence the interruptions and bring preference and control back to consumers.

On the flip side, this presents many obstacles for developers, publishers and advertisers. They are being forced to reconsider their methods.

One report indicates that ad blocking could cost online publishers nearly \$22 billion in lost ad revenue this year.

If industry players do not rethink their strategies, it could end up being not just a missed opportunity but also a costly mistake.

With consumers calling the shots more than ever before, brands will be pressed to adapt by developing non-invasive, user-centric ad strategies. They will need to establish true consumer engagement, encouraging users to participate at-will.

At the moment, personalized or targeted ads are most often executed on the marketer's terms. Data and information is used to track a user's actions and send ads in response. But that is not personalization. It is still an interruption.

Hence those so-called targeted ads that follow you around for weeks wherever you go online.

It is clear that consumers are looking for a better experience.

One survey found 35 percent of United States Internet users said they would like to receive personalized recommendations online.

Mobile ad-blocking will pave the way for a new optimized experience pushing mobile further as the primary platform leading to an even more connected and individualized world.

THE ADVERTISING industry is entering a much-needed period of transformation.

We believe that this latest improvement to the user experience is a step in the right direction a step towards providing an opt-in marketing culture and one in which the ads are no longer considered an interruption or an intrusion, but desirable and sometimes even helpful.

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