

COLUMNS

3 challenges facing mobile programmatic buyers

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By A LUXURY DAILY COLUMNIST

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The long-proclaimed "Year of Mobile" is finally ringing true in 2016. Smartphones and tablets are ubiquitous as most consumers have a mobile device with them around the clock. These devices have become by far and away the most personal and important device that consumers own: their work, social lives, events and schedules are all managed from this electronic cortex.

Advertisers are now realizing the opportunity and shifting spend at an increasingly faster pace.

However, as more marketers look to reach people using these devices, there are significant challenges that they face. Here are three worthy of discussion:

Data quality

As mobile eats the world and mobile applications continue to attract the highest quality mobile engagement, the lack of accurate targeting data across the ecosystem becomes a monumental issue.

If programmatic buyers want to reach users in arguably the most important digital media channel, they will need new and innovative data sources that are deterministic, not simply mapped from online cookies using probabilistic methods.

Companies that originate their targeting in the mobile app ecosystem will gain importance as they provide the highest quality, deterministic data for use across the ecosystem.

Speed of targeting

Programmatic is fundamentally about speed and immediacy. However, custom-targeting executions from the traditional data targeting providers can take days or weeks to implement.

Today's digital media buyer needs to create segments and activate via demand-side platforms in minutes to respond to priority client requests.

Executing custom-targeted campaigns with speed and precision allows for easier intra-campaign iteration, optimization and fine-tuning of segment targets that otherwise would not be possible until after the campaign has completed.

Mobile ad fraud

Applift and Forensiq estimate that 34 percent of programmatic mobile ad inventory is fraudulent.

In a recent campaign analysis, we found fraudulent or invalid devices on 41 percent of impressions available through popular mobile app exchange inventory.

Mobile fraud comes in three flavors: impression fraud, click fraud and install fraud.

The techniques used to validate devices, IDs, and apps for successful fraud detection and elimination can and should include:

Traffic source quality scoring: Monitoring programmatic traffic sources for indicators of fraudulent impression and click activity, including presence of identified fraudulent devices and IDs

Device interrogation: Interrogation of basic device settings and attributes to eliminate invalid devices

ID-level activity pattern recognition: Monitoring device advertising IDs for known activity patterns associated with fraudulent impressions and clicks

Using high-quality mobile data to target verified devices helps eliminate up to 90 percent of this waste.

AS MOBILE FINALLY assumes its rightful position as a critical part of the advertising ecosystem, programmatic efforts will expand quickly. This shift will be accompanied by its fair share of growing pains associated with some of programmatic's key benefits: quality data for targeting, speed and the promise of greater transparency.

By using innovative solutions that have emerged in direct response to these specific issues, programmatic marketers can navigate the near-term issues, laying the groundwork for long-term success.

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