

COLUMNS

## Popular as it is, brands are not spending enough on mobile

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*Making the right call. Image courtesy of Michael Kors*

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You have probably heard it too many times to count: "2016 is the Year of Mobile." Come to think of it, you probably heard "2015 is the Year of Mobile" last year and "2014 is the Year of Mobile" before that and "2013 is the Year of Mobile" before that.

You get it we all get it: Not only is the future all about mobile, but the mobile future is already here.

But sometimes what we all understand about the marketplace does not necessarily sync with what is actually happening in terms of marketer practice. Call it the "Mobile gap": the distance between where consumers already are and where brands and agencies need to go in terms of mobile-first marketing.

Mind the gap

To gain a better understanding of what marketing pros are seeing in the mobile ecosystem and how it is affecting their planning and strategy, we recently conducted a mobile-focused survey of more than 300 media agency representatives. What we found:

Forty-two percent expect the majority of total traffic to their sites to come from mobile by the end of the year

Now consider:

Nearly a quarter (23 percent) of brands are spending 10 percent or less of their marketing budget on mobile

Just over a quarter (26 percent) do not run tablet ads at all

84 percent say that their mobile spend does not align with the mobile usage that they are seeing among their consumers.

Why the gap between mobile usage and mobile marketing spend among a critical mass of marketers?

Some of it, our survey suggests, has to do with a game of catch-up.

For instance, 51 percent of respondents said they have been working on having mobile-optimized sites which

arguably should be in place already.

And let us be honest: Figuring out the right mobile marketing strategy can be a daunting challenge.

As Rachel Weiss, vice president of digital innovation and entrepreneurship at L'Oreal, put it during a Modern Marketing Summit panel I moderated recently, our mobile devices "are the remote control of our lives."

The challenge for marketers, she added, is to figure out not how to translate experiences from the old desktop paradigm, but to invent new experiences for mobile.

That takes investment.

Numbers game

Unfortunately, in some organizations, our survey reveals, it is extremely challenging to justify upping spend on mobile marketing for a number of data-related reasons.

For instance:

Twenty-nine percent of our survey respondents say they have been unable to quantify a successful mobile marketing ROI

Thirty-four percent attribute low investment in mobile marketing to the lack of mobile purchases among their target consumers

Essentially, many marketers feel that they lack the necessary data to confidently say "This mobile campaign was successful" or "Spending this much on mobile marketing led to this much of an uptick in sales."

What it comes down to is that there is a cart-before-the-horse or chicken-before-the-egg aspect to some marketers' investment, or lack of investment, in mobile marketing.

Consider that only 20 percent of our surveyed agency representatives say that they are focusing on cross-device targeting. That means that only one in five are actively working on getting a clear view into whether or not, for instance, a mobile-targeted campaign created brand and/or product awareness that then triggered a desktop or bricks-and-mortar purchase.

Without that view, marketers can fall into the last-click-attribution trap, wherein the digital ecosystem where the purchase action finally takes places, usually desktop, gets all the credit for making that purchase happen and therefore a disproportionate share of the marketing budget.

In its widely cited "Mobile Path to Purchase" study, Google offered clear evidence that mobile was driving cross-platform purchases.

For instance, one of the study's findings was that "93 percent of people who use mobile to research go on to complete a purchase of a product or service," with brick-and-mortar stores the most likely point of purchase.

And that study was released ages ago, in 2013 yes, one of those earlier "Year of Mobile" years. Consumer time spent on mobile has only continued to explode since then.

Also keep in mind: Given that half of our respondents say they are working on mobile-optimized sites, that suggests a less-than-ideal existing mobile shopping environment for consumers.

In other words, by underinvesting in mobile, advertisers may be literally driving mobile-obsessed consumers to other platforms to complete their purchases and along the way risking the dissipation of purchase intent and the loss of sales without even realizing it.

WHERE DO WE go from here?

As always, marketers have to go where their consumers are.

And speaking of mobile ROI, marketers have to make the case to their CEOs and boards that it takes smart, serious, strategic mobile "I" and the right cross-platform metrics to truly understand the "R."



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