

MOBILE

Are agencies being cut out of mobile marketing plans?

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By CHANTAL TODE

As mobile grows, brands are investing more in mobile campaigns while also looking for ways to drive efficiency via in-house capabilities and vendor partnerships.

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Earlier this year, Walmart acquired mobile application developer Small Society, reflecting the retailer's desire to control as much of the mobile experience as possible. Other companies are also bringing mobile capabilities in-house as well as partnering with mobile platform vendors as they look to better leverage mobile's potential and improve their mobile initiatives.

"Our research shows that many companies have been frustrated with mobile initiatives in the past – whether it is the overall time taken to deliver a final product, or the ultimate functionality or usability," said Jim Somers, chief marketing and strategy officer of [Antenna Software](#), Jersey City, NJ.

"It shows that brands need – and want – to be more involved in the process from beginning to end, and to have more control of all their mobile ventures," he said.

Greater cooperation

In the past, agencies often were the only ones working directly with brands on their

mobile strategies. The agencies then approached the necessary mobile vendors to help build a program that met the brand's needs.

However, as mobile begins to play a bigger role in companies' efforts, from apps and the mobile Web to SMS, mobile payments, QR codes and in-store initiatives, brands are recognizing the need to have more control over the overall mobile approach.

"What we are seeing is companies taking a more strategic approach to mobile," Mr. Somers said. "Instead of looking at just tactical one-off mobile projects, brands are starting to see the importance of solutions and platforms that allow them to address mobile on a more continual, iterative and agile basis.

All of this means brands are working directly with mobile vendors more often.

At the same time, brands are still relying on their agencies to create design elements, branding aspects and various components of mobile initiatives, and to ensure that brand and voice stays consistent throughout all marketing channels.

As a result, there is a need for greater cooperation across the board.

"We are definitely seeing that there are certain capabilities that companies want to have in-house," said Jeff Michaud, vice president of marketing at **3Cinteractive**, Boca Raton, FL. "Walmart has definitely decided that they want a lot of control in house.

"Brands need to look at their mobile providers and their ad agencies as separate organizations and then when they are looking to put together a mobile program, they can bring both together and take advantage of the expertise that each brings," he said. "That will achieve more success.

More middlemen

For agencies, the growth in mobile means there is more pressure on them to deliver effective solutions.

"Brands are starting to realize that mobile is a critical part of the marketing mix," said Dave Martin, senior vice president at **Ignited**, El Segundo, CA. "Consequently, they are asking their agencies to bring more mobile ideas to the forefront. Agencies are working on proving effectiveness and developing strategies – which is especially difficult in such a dynamic environment.

"What worked a year ago probably does not work today," he said. "Agencies in many ways are becoming mini marketing universities where studying the changes is as important as understanding the tactics."

Coca-Cola is an example of a brand with significant in-house mobile capabilities.

The Coca-Cola Mobile Center for Excellence, which began in 2007, enables the company to plan its marketing efforts with mobile as the first screen by bringing together representatives from various departments to share knowledge about how mobile can connect the consumer experience and drive engagement. It also works directly with

mobile vendors to create various programs.

Media companies are also investing heavily in in-house mobile capabilities so they can have more control over their content across platforms.

However, not all companies are in a position to take similar moves.

“We have not seen that transition [to mobile in-house capabilities] happening yet, but we can see it coming down the road,” Mr. Martin said.

“With the introduction of RTB [real-time bidding] video on app networks, the degradation of the unique device ID, the battle between iPhone and Android, the introduction of a new Kindle and a new Microsoft tablet, the landscape is really too fragmented for companies to cost-efficiently take on mobile in house.

“We are still seeing more middlemen jumping into mobile, not fewer.”

Final Take

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