

COLUMNS

How mobile ads will evolve

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By A LUXURY DAILY COLUMNIST

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As Web traffic rapidly shifts to mobile devices, online marketers scramble to adapt. What do ads look like in a mobile environment? Where do you even place them? How do the mechanics of a click work? Where does that click land you? These and other questions remain open and subject to a rapidly evolving landscape.

As with the last shift of this nature, attempts at defining the new model find themselves burdened by points of view informed by the old model. The same process occurred with early Web advertising – and even Web sites – as a lot of time and ingenuity went into making to make the Web look and perform like print or television.

The result: Flash interstitials, “flipable” pages, the banner ad. Given that less than 20 years have passed, it is unsurprising that the remnants of this force fitting of offline metaphors remain with us today.

Similarly, it is no surprise that mobile advertising should look a lot like Web advertising to start. Not because this is the right answer, but because at least for now it is the thing we know how to do.

But just as the Web generated distinct marketing opportunities such as search engine marketing, so to will mobile move beyond the imposition of Web-based advertising models.

Form and function

What form will mobile ads take? Rather than presume to layout the end state, here are three attributes that will contribute to what that form ultimately takes.

1. Utility will be core. From the Web's earliest days, forward-thinking marketers recognized that the balance of control shifted markedly toward the consumer. Mobile shifts that even further. And so ads will need to help the consumer accomplish a goal if they are to have any hope of succeeding.

More precisely, the ad should to act as a tool to help accomplish the consumer's task at hand. Grabbing attention will just be the start. Utility will be the ultimate test.

2. Right place/right time will be paramount. Following directly from the utility point, the ad must not only align with what the consumer wants, but when the consumer wants it.

Timing will be everything, because anything coming at the wrong time will be in the way.

McKinsey & Co. recently threw out the term "on-demand marketing." This feels like a great way to describe it and it encapsulates this notion of timing coupled tightly with utility.

3. Mobile ads will be "native" to the metaphor. As noted earlier, force fitting familiar ad concepts from print and TV only took us so far – they were migrants into a new metaphor.

It was not until SEM was invented – a form of advertising wholly tied to and enabled by Web capabilities – that online found an ad model that truly worked for advertisers and consumer alike.

Similarly, mobile ads will be tied to and enabled by the distinct nature of mobile. Identity, portability, location, touch, the form factor, camera – successful mobile marketing will ultimately embrace and be enabled by these distinctly mobile components.

Future is here

One brief aside on all of this: it is safe to say that these three attributes will apply equally – but differently – on tablets versus smartphones.

Even beyond the form factor differences, the "where" and "how" of these devices is divergent enough that it will warrant a meaningful degree of distinctiveness in marketing between the two.

So are any examples of the future already with us?

One place worth looking is not actually an ad per se. It is Hotel Tonight's app. It is tightly aligned with a customer use case, it comes up on demand – being under consumer, rather than marketer control – and it takes advantage of a number of mobile attributes such as location and click-to-call.

The “marketer” in this case is more accurately deemed a merchandiser, loading her available inventory and setting her price within the Hotel Tonight application. The consumer and his mobile phone then do the work of ensuring relevancy and accurate targeting.

DOES THIS suggest “traditional” advertising will disappear? Hardly.

SEM did not end TV advertising anymore than mobile will end online marketing. But it does feel like the long running compression of marketing and ads with selling/merchandising will cross an event horizon within the mobile context. It must reach a point where the two are so fused that people will say “but that’s not an ad.”

Which is actually about the highest compliment an ad can get.

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