

COLUMNS

Why brands and agencies are not buying mobile ads

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Why is mobile advertising only 5-10 percent of the average brand or agency digital budget today when media consumption and time on the device is so much higher? It is simple: buyers want and expect mobile media buying to be just like its more mature desktop counterpart.

What is lacking in mobile media today? First, there is a lack of audience buying at scale. Second is the lack of brand safety. Third, there is a lack of efficiency. Finally, there is a lack of audience buying.

You may have noticed that I repeated one of these twice, because I believe the main thing that is holding mobile ad spend down is that media buyers today are addicted to cookies – not Oreos, but the third-party kind – and how easy it is to buy and then retarget audiences on the desktop.

The good news is that buyers can reach similar audience goals on mobile today as their desktop plans. It just requires a mobile-first approach.

Cookie jarring

The first step requires acceptance. Say it with me, “I will not try to chase cookies on

mobile.”

If you say that every day you will feel better. At least, I do.

Cookies on the desktop are having their own issues anyway, with Mozilla fighting, consumers clearing them, and regulatory issues across the planet combined.

To be mobile-first you need to find another path.

The way forward is to use device IDs in a privacy-sensitive manner that needs to include an opt-out.

The privacy-sensitive part is important. As marketers we have the chance to learn from the issues that the online desktop industry has faced for so long in reacting to regulation versus being proactive from the start.

Serving a mobile opt-out today is the proactive and healthy thing for all the players to do across the board.

Now back to what is real on mobile audience buying today – device IDs.

Devising right

Apple did the industry a favor last year and cleaned up the UDID confusion and gave us the IDFA (ID for Advertising), which provides the consumer choice.

Instead of looking for cookies, buying platforms can identify users based on their device ID – i.e., IDFA – when buying in-application ads.

Identification is the first step and then buying platforms/mobile demand-side platforms (DSPs) can then build a user store that segments users into specific behavioral, demographic or interest-based groups – just like our older siblings on the desktop side do today with cookies.

Popular segments that attract agency and brand interest today on the desktop such as “soccer moms,” “business travelers,” “foodies” and “auto intenders” can now be built on mobile and targeted in ad campaigns, too.

Back to the privacy aspect and being good actors.

None of the above requires PII – personally identifiable information – such as name, phone number, mailing address or email address, which is a good thing since it strengthens consumer confidence and hopefully appeases regulatory concerns.

Remember, this is behavioral targeting and it needs an opt-out and that opt-out must be respected.

Different ballgame

So, now that we know that audience buying on mobile can feel similar to buying on the desktop and we can build the same audience segments directly and natively on mobile – i.e., “soccer moms” – let us move on to the next piece of what desktop media buyers do today that is missing on mobile: retargeting.

Retargeting on the desktop takes a large percentage of campaign focus and budget and is again based on cookies.

So we wind up where we started. We need to forget about cookies on mobile again and look towards our friendly device IDs.

Retargeting on mobile with device IDs is here today at scale thanks to DSP platforms bidding across multiple exchanges.

The key for retargeting is listening to a high volume – which can be 25,000-plus bids per second – of in-app bid requests with device IDs present and bidding only on the device IDs, which match the retargeting campaign.

Retargeting match rates on device IDs can range from 10 percent to 30 percent, which is strong and at scale globally.

AS DESKTOP media buyers are educated on what makes mobile unique and how they can buy mobile audience and retargeting in a similar if not exactly the same way, the budgets will come.

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