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EDITORIALS

Three things marketers must demand in 2014 without fear or favor

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Enough time has passed in the annals of mobile for brands and retailers to seek clear-cut answers on some meekly accepted wisdom. Failure to do so will sap budgets in the wrong direction, resulting in lost opportunity costs and decreased customer loyalty.

Most marketers do not hesitate to make spending decisions based on return on investment. They abhor ambiguity or opacity beyond the experimental stage. And yet, here are three issues that are getting a pass without much scrutiny. It is time to ask to show the hand.

More insight on applications. Both Apple and Google have crowed about crossing 50 billion downloads from their respective app stores. Good for them. But what does it mean for marketers?

While marketers insist on granular details from Web sites and advertising running on them, the same level of scrutiny is totally absent from apps, intentionally or unintentionally.

For instance, why is no agency or brand insisting on app deletion data on aggregate levels from Apple, Google or Microsoft?

The marker for success is not simply app downloads, but app repeat usage. That data can only come from the owner of the app stores. No amount of third-party polling or extrapolating is accurate enough.

Why is this data necessary? Because Apple, Google and Microsoft have seduced tens of thousands of marketers into spending billions of dollars on apps when this wall-garden mobile vehicle's long-term viability and ROI are still unproven.

Marketers individually or collectively via their associations must demand more aggregate insight into consumer behavior with apps once downloaded. The data sought must include download rate, repeat usage rate, deletion rate, open rate and click-through rate – overall and by industry category.

These benchmarks will help support data collected by the individual app owner and help make comparisons on performance. Such data will also result in smarter decisions around app development and maintenance.

How social media advertising really pays off. Facebook and Twitter are riding high on mobile dollars funneled their way.

Each new press release and earnings call from Facebook boasts of how mobile the company is, from the user access standpoint to the advertising dollars generated.

Similarly, Twitter is raking in significant amounts of money with sponsor posts intertwined with the real thing.

Both social companies are banking on consumer patience with a growing number of ads interrupting what is mainly a platform for people to check up on each other's business. They are hoping that consumers will not notice the ad from the post and will treat the paid content the same as the unpaid.

Well, that tactic has not had much success in the past. That is why paid advertorials in magazines never really took off – unless, of course, the title is *Fortune* or some travel book pushing sunsets, ruins or palm trees.

The question marketers must ask is, what can they expect from running an ad on social media platforms such as Facebook or Twitter? Is it pure branding, and if that is the case, how can the presumed brand lift be linked to some other metric such as sales or long-term good will that leads to a buying decision down the road? Are social media services modeling themselves on television?

If it is not branding, then the ad on Facebook or Twitter has to perform by generating a call or a click-through to a landing page where the call to action is followed up – filling the form field, calling the number, entering the content, browsing the page or buying the product. This is how traditional online or mobile advertising is measured.

But to simply confuse the posts appearing in the feeds of millions of customers and mistake that for affinity, actual engagement or some sort of success is a fallacy. It must be challenged – now and strongly. These social platforms are diverting way too much ad budget without their ROI being questioned.

Without doubt, marketing managers are under tremendous pressure to allocate mobile, digital, promotional, branding and retail budgets to social platforms. But they should not hand over the spend on bended knee.

Question Facebook and Twitter and convince them to share aggregate-level data on branding lift by category or ROI on direct-response ads that call for a transaction. Ask them how many advertisers returned and which categories perform best.

Again, way too much ad money is being directed to social media without understanding whether that is the right environment for ad dollars when all users want to do is find out how each other is doing in life, romance or work.

Clarity on native advertising. Enough already. By making native advertising – or sponsored posts, as some style it – look like the content around it, the publisher only succeeds in confusing its readers. And since when was that a smart thing?

The case against banner ads online or on mobile sites and apps is constantly made. Banner blindness is cited as the number one reason: ads are simply ignored. But that case can be made for ads in magazines, billboards on the street, commercials on television and paid search ads on search engines.

The fact is, ads are as much about real estate as they are about the message.

Well-placed banners perform, as do rightly-worded search ads. But to sneak in paid content and then expect that to outperform the banner makes no economic sense: if the native ad looks just like the content around it, will it not get lost or ignored?

Advertisers will find out this year or maybe next that native advertising is not the silver bullet it was meant to be. Advertorials will always have a place in the marketing arsenal, but only when clearly marked and where the value-add for time spent reading is obvious to jaded eyes.

No doubt billions will be spent on native ads this year and then the chickens will come home to roost.

Advertisers will realize that their ads are going unread and quickly assume the same for the content around it. That will be a bad day for already-cash-strapped publishers.

WHAT IS BEING asked here is boldness in marketing. A rapidly fragmenting media environment requires marketing executives to question conventional wisdom, agency advice, vendor whispers and the herd mentality.