

HOW DO I MAKE THE MOST OF ADVERTISING ON MOBILE DEVICES?

While advertising on mobile devices tends to be highly effective, it is becoming less so as the novelty wears off. And mobile advertising has the potential to irritate more than most other forms of advertising. To capitalize on the unique advantages offered by mobile, advertisers should focus on engagement and relevance while also being respectful of the personal nature of the mobile device and offering people rewards that they value.

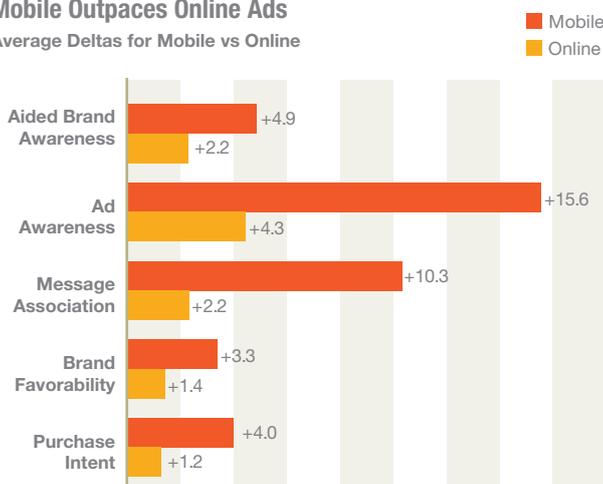
Mobile advertising is still relatively new, but as smartphones and tablets are increasingly used for internet access, advertisers are focusing more on its potential. Many people check up on their social networks daily, if not hourly, and smartphones make this process even more personal and immediate. This represents a huge opportunity for mobile advertisers, but there are also pitfalls that they need to avoid.

HOW EFFECTIVE IS ADVERTISING ON MOBILE DEVICES?

Analysis of more than 450 mobile ads in our database, including banners, videos, and apps, shows us that mobile ads are effective. They typically impact awareness, ad awareness, message association, favorability, and purchase intent to a much greater extent than online ads.

Mobile Outpaces Online Ads

Average Deltas for Mobile vs Online



Base sizes: Online (2,012 campaigns, 2,324,781 respondents), Mobile: Overall Mobile (320, campaigns, 221,548 respondents)

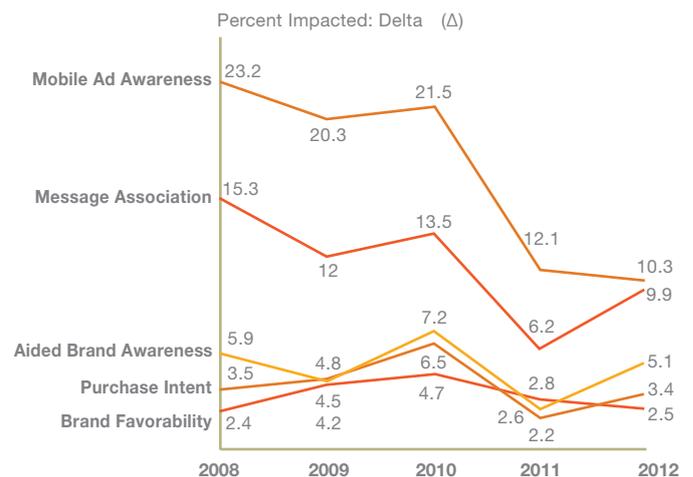
Delta (Δ)=Exposed-Control

Source: MarketNorms for Online, last 3 years through Q4/2012, AdIndex for Mobile Norms through Q4/2012

This seems likely to be due to several factors: the novelty of mobile advertising, the fact that mobile ads use a larger proportion of the screen than online ads, and the tighter focus that results from constraints of screen size and technology.

However, the edge enjoyed by mobile ads is diminishing. As we have seen with other digital technologies, as the novelty wears off, the effectiveness of the advertising declines.

The novelty factor is wearing off: Mobile metrics trending down



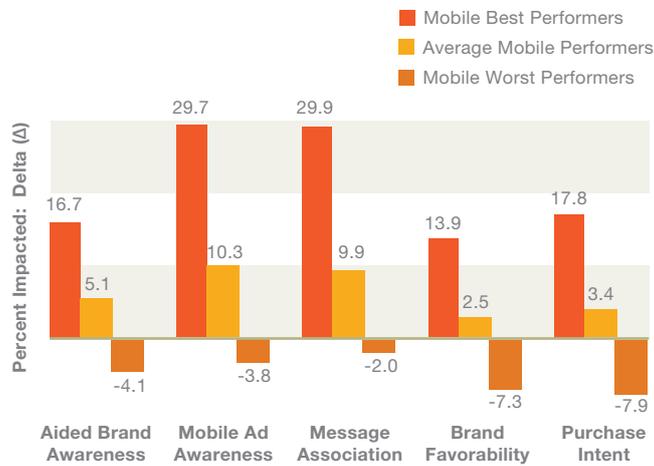
Base sizes: 2008 (22 campaigns), 2009 (39 campaigns), 2010 (65 campaigns), 2011 (68), 2012 (117)
Delta (Δ)=Exposed-Control

Source: AdIndex for Mobile Norms through Q4/2012

As the gap between mobile and online narrows, it becomes increasingly important to optimize mobile creative. Our database shows that the best ads on mobile devices increase brand awareness by 17 percent, brand favorability by 14 percent, and purchase intent by 18 percent. By contrast, the worst performing ads actually have a detrimental effect on the brand.

Creative matters more than ever:

Variation between best and worst performing ads



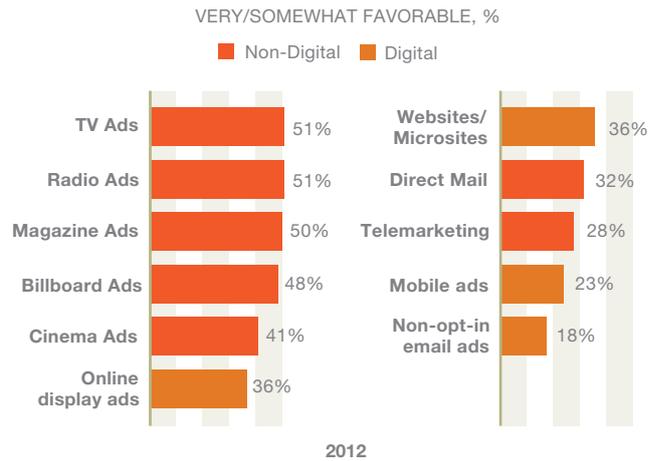
Source: AdIndex for Mobile Norms in 2012
 Base sizes: Overall Mobile (117 campaigns), (64,722 respondents).
 Delta (Δ)=Exposed-Control

WHAT MAKES MOBILE ADVERTISING APPEALING TO CONSUMERS?

Attitudes towards advertising on mobile devices are much less positive than for most other media; our AdReaction 2012 study, covering 18 countries, showed attitudes towards advertising on mobile devices were barely more favorable than towards non-opt-in email ads (spam). This may improve as familiarity with mobile ads increases. Even so, because many people are still uncomfortable with the idea of mobile advertising, and because this platform offers its own unique range of options, advertisers and agencies should stop and think before simply repurposing their online campaigns on mobile.

Attitudes towards mobile ads are much less favorable than towards other media

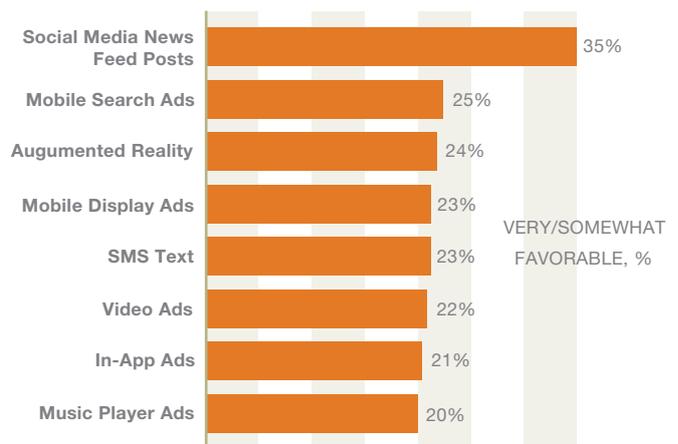
How would you characterize your attitude towards advertising on.....?



Sample: smartphone and/or tablet users, global average

However, while attitudes to most mobile ad formats on mobile are largely unfavourable, posts in social media news feeds are viewed more favorably than others.

Beyond news feed posts, there is little variation in attitudes towards other mobile ad formats

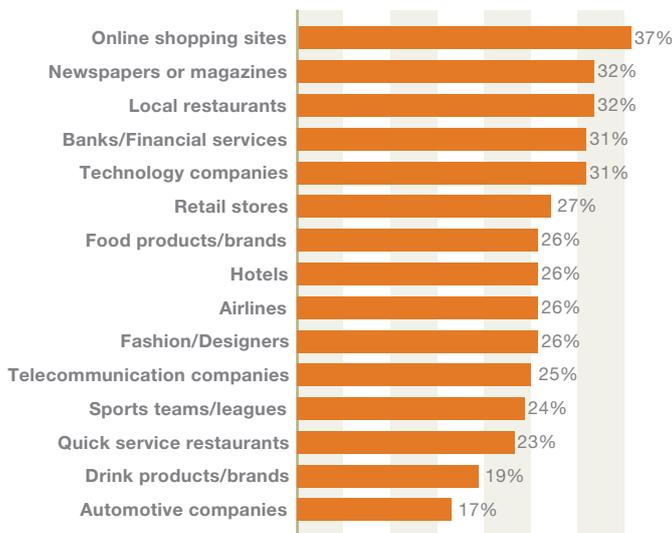


Sample: smartphone and/or tablet users; global average

Category makes a difference. Overall, people are more interested in mobile services and features from online shopping sites, newspapers, magazines, and local restaurants than they are from beverage makers and automotive companies. However, with appropriate targeting, this can be overcome.

Mobile users want content from many categories

What types of companies or brands would you most like to see delivering services or features for your mobile devices?



Sample: smartphone and/or tablet users, global average

FACTORS THAT CONTRIBUTE TO SUCCESSFUL MOBILE CAMPAIGNS

Through a combination of database analysis and qualitative research, we've identified factors that contribute to successful mobile advertising. However, these elements are not intended to be a foolproof recipe for success – there may be solid creative reasons for going against all these guidelines. Also, other factors such as targeting need to be in place to generate high performance.

Engagement

One key factor that emerges from qualitative evaluations of the most successful mobile ads is the need to engage. When consumers enjoy or get involved in an ad, for instance through humor, or if they have the opportunity to shape an outcome, the ad stands a better chance of being successful.

Relevance

One of the key benefits of mobile advertising is the ability to tailor a message to the specific time and location

where contact is made with the consumer. Advertisers can capitalize on this in a number of ways, depending on the product category and circumstances. Time and location are often crucial when people are searching for restaurants and if you are a credit card company, knowing that customers are in a shopping mall or a car dealership could give you the opportunity to tailor your message.

Another way brands can drive relevance is via contextual targeting. One notable example comes from the mobile site of a fashion magazine, where viewers were greeted with a full-page ad for a quality fashion brand.

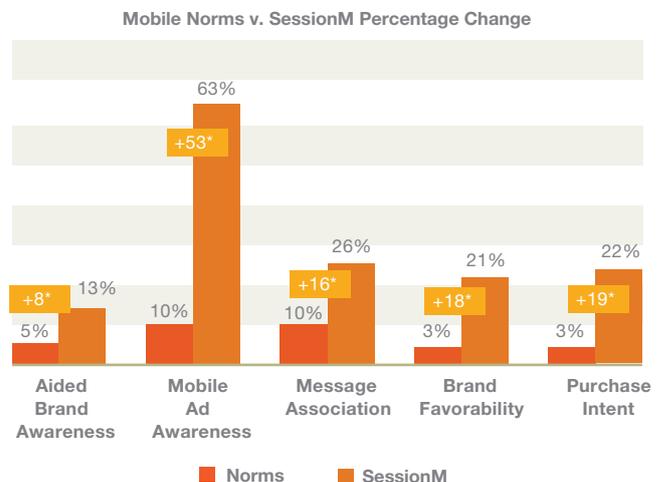
Show respect

Given the attitudes to mobile ads shown above, it is particularly important in this medium to show respect. Don't interrupt people. Be sensitive, and wait for a natural break before offering viewers the option of engaging. People are likely to be dipping into content for just a few minutes before returning to other tasks; interrupting with a 30-second ad is unlikely to be appreciated. Consider the relationship you are trying to build. Don't bombard people, and avoid "tricks" that may disappoint, as well as complex processes that may take a lot of time or drain the battery. Finally, make it obvious how to close the ad.

Rewards

Results tend to be better when mobile ads offer coupons, games and premium content; five campaigns we researched for SessionM, a mobile loyalty advertising network, outperformed other mobile ads.

SessionM outperforms mobile norms on all measures of brand effectiveness



*Statistically significant difference between control and exposed group at a 90% confidence level

In the AdReaction 2012 study, people told us they would most appreciate mobile advertising that offered coupons, tools, and interesting information such as recipes and sports scores. There was less interest in access to exclusive content or free games.

BRANDED APPS AS MARKETING VEHICLES

Mobile Apps provide an opportunity to reach people by offering them something they want. Good apps are quick, free, and easy to download. They work for all software versions without crashing, they have clear descriptions in the app store, and they are more fun than desktop sites (perhaps through location-based functionality).

They should also offer something of value. However, what constitutes “value” covers a range of options. One branded app we researched for a drink offered rewards for succeeding at a simple racing game. This app was appreciated as being a fun way to pass the time. By contrast, one toilet tissue brand launched a “Where are the toilets?” app; the app was considered appropriate to the brand, humorous but also helpful.

It can also be appropriate to capitalize on existing apps: some ads are now encouraging viewers to use the popular music-identifying app Shazam. As well as identifying the music, the app launches a sponsored page.

While advertising on mobiles is still relatively new to both advertisers and consumers, it is clear that it offers some unique advantages and, when used properly, can be a useful part of a marketing program.

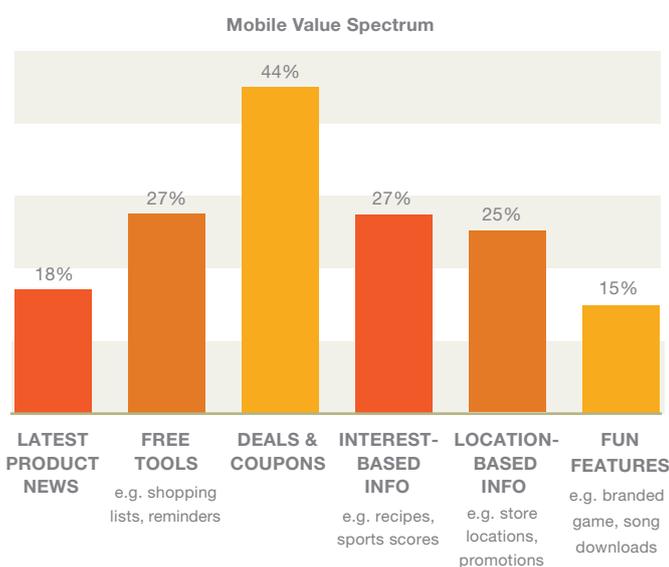
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“How do I Use Online Video Effectively in my Campaign?”

“Digital Is Powerful. Handle with Care”

“Marketers: What’s “App” with your Brand?”

Mobile audiences expect tangible value in exchange for their attention and engagement



CREATIVE POINTERS

An analysis of our database, combined with the views of mobile creatives, suggest a number of creative pointers to be considered for static ads:

- Legibility is vital; consider the interaction of text and background. Text will almost always be more difficult to read against a dark background
- Consider the use of at least one bright color, perhaps for calls to action
- Keep messaging clear and concise
- Consider the balance of text and images
- Branding must be persistent. The brand logo (or other branding device) should appear in the corner of every mobile ad frame. While this sounds like overkill, consumers may not see every frame of the ad when scanning the mobile screen and so may miss the brand if it is restricted to one frame.