

COLUMNS

## Will 2011 beget a DoubleClick for mobile?

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As 2011 gets underway, we are starting to examine the major mobile advertising issues of the new year.

The fact that mobile is no longer a fringe medium cannot escape mention. Smartphones account for 40 percent of all phones sold nationwide, and the overall adoption of smartphones and tablets is increasing dramatically around the world.

To aid in smartphone adoption growth rates, AT&T, Verizon and other wireless carriers nationwide have moved away from all-you-can eat data plans and reduced a major barrier to smartphone adoption by introducing cheaper, limited-data mobile plans.

Yet at the same time, fragmentation in the mobile ecosystem is steadily increasing, and maintaining consistency across the disunited mobile landscape will be a challenge for mobile advertising technology companies.

I would like to outline what I believe will determine winners in the mobile advertising space, as well as point out significant trends and challenges facing mobile advertisers in 2011.

We will likely see the emergence of mobile's own DoubleClick equivalent: a service that connects advertisers with publishers and ad networks, simplifies the mobile advertising value chain with simple but effective tools that can repurpose online ad content, creates rich mobile ads cost-effectively, and guarantees high-quality delivery of ads across every ad network and publisher.

Here are the trends:

### 1. Bandwidth-capped mobile data plans will prove problematic for video and rich media advertising

We saw carrier networks in 2010 progressively change their strategy from unlimited data plans to lower-priced and data-capped plans, which allow the user only a fixed amount of data usage per month.

While this may attract new smartphone users and increase mobile advertising's overall reach, the bandwidth cap will impose a heavy limitation on rich media and video advertising.

As a content publisher, two options arise: either downgrade advertising content to simple banners, or seek solutions that sidestep the data limit, such as mobile advertising platforms that pre-cache video and rich media ads while the device is connected to Wi-Fi rather than stream or download ads on the carrier data network.

### 2. Tablets will rise as a new mobile advertising medium

There has been quite a bit of buzz about tablets becoming a separate, new medium, complete with its own applications and distinct advertising opportunities.

With promises of new, shiny tablet gadgetry on the horizon the Nexus S, the BlackBerry Playbook and the rumored iPad 2, to name a few anticipated devices expect to see new advertising units that put the increased screen real estate to effective, creative use.

### 3. Cross-platform standardization will continue to be a major issue

With increasing fragmentation of mobile screen sizes and platforms Android has released 7 versions of its operating system to date cross-platform capability will continue to be a major obstacle for advertisers.

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While HTML5 and JavaScript have been acclaimed to provide standardization for rich media advertising, it still does not offer a true solution for delivering the correct ad sizes to the correct devices, nor does it offer consistency in call-to-actions across mobile Web and mobile applications.

To gain maximum reach and achieve true standardization across different native platforms and screen sizes, cross-platform enablers will be key players in the mobile advertising value chain.

#### 4. Mobile Web and mobile applications will compete neck to neck for advertising dollars

U.S. mobile ad spending is projected to reach \$5 billion by 2015, and application developers and publishers will naturally follow suit by focusing on creating more advertising opportunities within their products.

Investment in both mobile application and mobile Web advertising is key to a well-rounded, 360-degree mobile marketing strategy. That is why, in 2011, we can expect to see a boom in mobile advertising, both in-application and on the mobile Web.

#### 5. More accountability, analytics and insight

As mobile ad spend grows significantly in 2011, advertisers will demand independent third-party verification of ads and dynamic tracking of ad performance across ad networks and publishers, as well as demand-side ad creation platforms to guarantee high-quality ad delivery to mobile devices.

All in all, the industry shall see the true DoubleClick of mobile emerge in 2011.

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