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Making a case for native advertising on mobile

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By Michael Goldberg

We have heard it for almost a decade. Each New Year brought the same statement from the advertising industry. "This is going to be the year of mobile." But it never came to fruition.

Despite consumers spending more time on their mobile devices than with their friends and family, digital advertising never really exploded on mobile. But as we enter the second half of the decade, can we finally say that 2015 will be the year of mobile? I believe so. Thanks in part to native advertising.

Point by numbers

First, let us look at mobile media usage. There is no debate here when it comes to the power of this medium.

Over the past few years, mobile media consumption has exploded. I would wager you are probably reading this article on a mobile device right now. By 2017, more than one-third of the global population will own a smartphone, and 60 percent will own a tablet, according to data from eMarketer. This will give consumers the tools they need to spend more time on their device reading, chatting, watching and shopping.

Of all time spent per day on major media, 23 percent of time is spent on mobile devices. In fact, it is one of, if not the only, mediums users successfully multitask with, using it as they watch television or listen to music often playing from said device.

So it is no wonder the industry has been anticipating each coming year to be the year of mobile. The consumers are there. Unfortunately, the advertising has not caught up.

Make no mistake about it, advertising has indeed found its way onto mobile devices it is just not been very good.

In reality, what happened was that banner ads that were designed to live on desktops made their way to mobile devices screens often one-eighth the size of desktops.

To say this was a failure is an understatement. You probably have seen these ads, and more than likely clicked on them by accident. That is because there is no right hand rail to ignore.

Instead, these ads tend to pop up right over the content or games with which you are engaged. And since they are so small, when you try and close them, you wind up clicking on them, making people believe that the mobile click-through rate (CTR) is more impressive than it is.

In fact, according to a report by GoldSpot Media, nearly 50 percent of mobile banner ad engagement is accidental.

So what do consumers really think of these mobile banners?

Going native

Well, four out of five consumers find them unacceptable, according to a study conducted by the Harvard Business Review. I believe the word "unacceptable" is HBR talk for "they suck."

So here comes native advertising.

Delivered in-feed and integrated with content, it seems that these ads were specifically designed for mobile.

In fact, major players such as Facebook, Twitter and Yahoo all pivoted to a mobile-first strategy, ignoring banners and focusing on selling their premium in-feed mobile inventory because these companies understand this is how their users consume content.

However, outside of these platforms, the majority of ad inventory available to marketers is the mobile banner, and we already know how well that has gone over.

Fortunately, many publishers are taking a cue from social media and are incorporating in-stream, in-feed content designs within their mobile and desktop layouts, and opening up the door for advertisers to deliver their message natively, within the feed.

This, I believe, will be the spark that mobile advertising needs to explode. Why? Because unlike banners, it is effective.

According to a study conducted by the Interactive Advertising Bureau, more than 5,000 consumers said that in-feed, sponsored content was more appealing and less intrusive than any other major paid media format.

ONCE CONSUMERS stop getting ads that disrupt their mobile experience, they will be more likely to engage with these ads on their devices.

Just be sure to label it an ad as to not fool them, and you will have the formula for a successful mobile advertising campaign.

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