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Why clicks don't work in a mobile world

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By Zephrin Lasker

In an August 2010 article in Wired Magazine, Chris Anderson proclaimed that the Internet as we know it is dead.

"Over the past few years, one of the most important shifts in the digital world has been the move from the wide-open Web to semi-closed platforms (apps) that use the Internet for transport but not the browser for display. It's driven primarily by the rise of the iPhone model of mobile computing."

The Internet, Mr. Anderson concludes, is "less about the searching and more about the getting."

Jobs throws book

Smartphone adoption rates have greatly increased the use of mobile applications.

According to Morgan Stanley, Internet mobile adoption rates are ramping up faster than the desktop Internet did, and the number of smartphone users is increasing exponentially.

The shift in consumer habits has led to mobile quickly becoming a must-buy for advertisers.

But capitalizing on the proliferation of mobile apps via advertising is easier said than done.

A large number of mobile advertising solutions today rely on click-based online display banners.

Yet click-based units do not create user-friendly experiences on mobile devices.

Steve Jobs recognized this problem when launching Apple's mobile platform, iAd.

"Today when you click on a banner ad, it yanks you out of your app and throws you onto the advertiser's Web page," Mr. Jobs said at the 2010 iOS conference. "So people don't click on the ads."

Mobile ads that force people out of an app and take them to a clunky Web browser offer a sub-optimal user experience.

For this reason, the last year or so has seen the rise of in-app advertising solutions that aim to address this problem and engage users directly within apps.

According to Borrell Associates, the in-app mobile advertising market will rocket to \$8 billion by 2015.

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Today, there are primarily two types of in-app advertising solutions.

The first focuses on delivering a TV commercial-like experience.

Apple's iAds platform, which delivers a branded experience in mobile app environments, is an example of this kind of ad.

IAd offers a deep branding experience at the moment of engagement and brands such as AT&T, BMW, Campbell, Dove and Nissan have used this model to engage consumers within mobile apps on the Apple iTunes store.

The second half of 2010 saw the launch of a new kind of in-app advertising on both the Android and iPhone platforms mobile signup ads.

Mobile signup ads work by presenting users with a simple sign-up form where they can opt in to receive email communications from brands.

The advertiser then engages the user with branding messages after the initial touch point via email, Facebook or Twitter.

Major brands such as the ASPCA, Tommy Hilfiger and Tiger Direct use signup advertising to deliver relevant deals and information to their prospect bases.

In-app mobile advertising may very well be what marketers need to finally kick the click.

Both iAds and mobile signup ads will allow marketers to measure mobile ad campaigns using more meaningful metrics than the abstract click-through.

With iAds, marketers can measure brand engagement metrics.

With signup ads, they can measure the number of people who have signed up and the quality of these signups, in addition to measuring how consumers respond over a lifetime via email or Facebook.

In both cases, the marketer gets a more meaningful view of the campaign and how consumers perceive their brand.

The jury is still out on whether click-based advertising works in the online world, but one thing is certain: the click-reliant model definitely will not work in the mobile world.

Zephrin Lasker is CEO of Pontiflex, New York. Reach him at zlasker@pontiflex.com.

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