3 lessons mobile advertising can learn from display's mistakes

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By Phil Guest

Take one look at the mobile marketing ecosystem and you will see the parallels between mobile and display advertising: vast swathes of investment from venture capitalists (VC) over the past five years that resulted in a boom that has left a fragmented ecosystem.

It is well documented that the boom days of VC ad-tech investment in Silicon Valley are coming to a dramatic end, leaving marketers with a mobile advertising ecosystem that is increasingly difficult to navigate.

Add in multiple operating systems alongside the opportunity and challenge proffered by walled-garden publishers such as Facebook and Google present, plus the differences in mobile-Web and application environments, and things start to get messy for marketers.

Mobile has the opportunity to help marketers put their consumers first, but that currently is not happening as much as it should.

Learning from the past mistakes of display advertising, here are three areas that the mobile industry should focus on to develop a better consumer experience.

Avoid same growing pains
Take a look back to the early days of programmatic digital display advertising when media owners were selling their inventory direct to advertisers and giving unsold long-tail, or remnant inventory, to SSPs and exchanges.

Prices for direct advertising were much higher and inventory was largely left unsold. Remnant inventory that was sold was often un-targeted, undesirable and inappropriate, leaving many editors in despair.

Then, publishers woke up to programmatic as a great way to monetize their inventory at scale and started releasing premium ad units to an auction environment.

Fast-forward to today, and programmatic display advertising has cleaned up its act, while mobile appears to be back in the same early cycle as display.

In-app inventory is in abundance and prices are low. Mobile Web is relatively under-developed and reliant on micro-banners that most consumers click by accident.

Repeating the same learning pattern as display would be insane and mobile can avoid many of the pitfalls.

Programmatically traded mobile inventory that is aligned with a good mobile experience, based on quality rather than quantity, is the only way forward.

After all, Albert Eisenstein described insanity as doing the same thing over and over again and expecting different results.

Deliver a seamless experience
The media industry is learning a tough lesson from the adoption of ad blocking and if we do not pay attention, it will jeopardize much of what we have built.

If you go to many of the top news Web sites today, you will find great content and increasingly fresh layouts.

Scroll to the bottom of the page, however, and on many of these sites you will see placements full of irrelevant content designed as clickbait for a third party. These ads are contaminating content on the rest of the site, leading to a poor consumer experience.

Those content segments are not only jarring, but when you do click, they take you out of the main site, breaking the flow and putting us in a whole new environment, inconsistent with the original experience.

All advertising, whatever the medium, works best when it is relevant to the consumer.

Native ads that blend in with site content help build brand trust and affinity. Social formats also offer in-feed solutions that are less out of place because of their friend- recommendation associations.

These are great opportunities for advertisers to add value to users in the way some large publishers are doing now. Mobile environments are well positioned to create a better, more consistent consumer experience.

An example such as Amazon Video's X-Ray feature within its mobile player provides additional information on actors and the sound track, enabling viewers to jump to that content in a click, all within the same window.

Mobile advertising should employ a similar seamless approach to content and function, avoiding the dumbing down of the content experience.

Expandable ad formats are one current way to give the consumer the same option to open new content and remain in the same window.

Publishers should rethink all their formats and invest in their mobile Web properties to encourage marketers to think outside of linear formats.

Mobile has the potential to create engaging personal ad experiences in real-time, adding to customers' lives rather than turning them off.

Focus on what counts
In the same way that it took marketers 10 years to recognize that clicks do not determine display performance, the same should be said about mobile advertising.

This comes down to better measurement and attribution of mobile campaign performance for which the industry currently is not set up.

True campaign attribution should cover a user across multiple devices and take into account multiple touch points, something that no vendor is able to do currently at scale.

Multi-touch attribution helps build a clear consumer picture for marketers, taking into account branding and other performance influences on consumer behavior. Clicks alone cannot do this.

TELECOMMUNICATION AND technology vendors need to come together to share both user preferences across platforms and consumer tracking.

While uniting an industry that is used to competing against each other rather than working together may be ambitious, this needs to happen for the benefit of consumer experience as well as marketers.

Mobile has the potential to unlock momentous marketing experiences and holds great opportunities for marketers to think outside the box.

The digital industry has had to learn its lessons the hard way. Mobile has a great advantage that it must use to take advertising to the next level before it loses the consumer forever.

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