

COLUMNS

Can BlackBerry exploit its own distinctive market for mobile ad inventory?

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From its heyday a few years back, BlackBerry maker Research In Motion is struggling to keep up with its Apple and Android competitors. This is no more apparent than in the quality of its ad inventory offering which has fallen by the wayside.

In the heady days before banner ads and rich media integration, it was one name that stood out as the flag-bearer for mobile innovation: BlackBerry.

But, today, things have changed.

Slice of market

Instead, Apple and Android enjoy almost complete dominance in the smartphone market with innovations constantly improving both the overall user experience and the methods for advertisers to effectively target users via their beloved smartphones, be it through real-time bidding, IVR or hot transfers.

With iPhone inventory peaking between \$1.50- \$3 per click, Apple's digital advertising platform iAd had seen a 2011 revenue of \$95million, just one year after launch. That makes up nearly a quarter of RIM's total fourth-quarter revenue for last year.

With such healthy profits available from mobile advertising, it is no wonder that questions are being asked of BlackBerry's lack of focus and inability to position inventory that will return attractive and tangible results for those that choose to advertise on BlackBerry devices.

Yes, BlackBerry devices are not optimized for browsing the Web or playing with applications, whereas iPhone and Android handsets are. The BlackBerry screens are smaller, and only RIM's most recent line has it rolled out universal touch screens. But its market is different.

Traditionally focused toward business users, those with a BlackBerry device are not as likely to spend time on the train browsing apps or on their lunch break surfing the mobile Web.

Instead, they prefer ease of use when receiving and sending emails, a clear and easy-to-navigate calendar and, believe it or not, making phone calls.

This leaves limited scope for effective advertising that we have seen implemented on competitive devices in the form of rich media ads or effective real-time bidding across Apple and Android systems.

Key to riches

The key issue with BlackBerry inventory is the lack of excitement or emotional engagement that can be experienced

from advertisements across other platforms such as Android or Apple.

Rich media ads are seeing a rise in popularity with more than 40 percent of U.S. ad impressions coming from Flash or other rich media ads. But BlackBerry devices just are not built to use these and the cost of ad inventory, which is way below that of BlackBerry's competitors, is testament to that.

Rich media ads are designed to excite and engage with consumers, whether they are required to shake, tilt or swipe or even react to a video. iPhones and Android devices are great for this, taking advantage of big, spacious displays along with quick operating systems that allow responsiveness and fast refresh rates.

BlackBerrys, on the other hand, do not boast similar attributes.

Instead BlackBerry is positioned at producing the solid bread-and-butter of mobile, making calls without fuss, sending emails and text messages and occasionally browsing the Web.

Would an advertiser want to advertise in a space that struggles to appeal to the consumerist instincts of the user? Well, maybe.

Tailor, tinker

What BlackBerry needs to do is recognize their roots as a smartphone for business users and tailor an ad inventory production strategy that complements this.

Instead of competing with the consumer powerhouses of Apple and Android, BlackBerry should take a step back and evaluate how it can tailor models purely for business users, just as social networks differentiate themselves.

Think of the iPhone as Facebook, Android as Twitter and BlackBerry as LinkedIn.

Doing so would allow increased targeting on BlackBerry devices, and could even result in a dramatic return to the top for BlackBerry.

It will not be easy, and it will not immediately yield as much profit for advertisers as they have made from the iPhone or Android ad ecosystem, but it could position BlackBerry back into a market it is comfortable with, complete with a ready-made consumer base.

Who knows? BlackBerry may be reaping the fruits of the mobile world once more.

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