

COLUMNS

Five mobile advertising predictions for 2013

December 18, 2012



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This was a year of incredible growth for mobile. According to Nielsen, more mobile subscribers than ever have smartphones, 55.5 percent as of July, while Pew reports that more than half of all mobile subscribers use their phones to access the Web and 43 percent download applications.

Also, this year saw a 221 percent year-over-year increase in Thanksgiving mobile sales that led to smartphones share of total ecommerce traffic grow to 20.44 percent.

Yes, the third screen is here to stay and can no longer be viewed merely as an advertising experiment or side project. But what does the future hold for mobile advertising? Here are five predictions for 2013.

Know your audience

Without question, the arrival of mobile audience buying this past year was a significant milestone in mobile's evolution as an advertising medium.

In 2013, that trend is only going to continue and we expect nearly half of brand-focused mobile display advertising campaigns to use audience buying.

In addition to better ad relevancy for end-users, the efficiencies created through the use of mobile audience buying will enable advertisers to move the industry forward in other important ways, such as better measurement and improved creative.

This will also shift more big-brand dollars into mobile, therefore the distribution of mobile ad spend between different advertiser goals branding/awareness, app download/CPI will shift more in favor of branding.

It is time to measure

If brands and agencies are going to invest significant dollars in mobile then it is time to get serious about measurement.

Simply put, mobile measurement needs to catch up to online, and quickly.

Next year is going to see more brands demand that their agencies measure more than just impressions. Look for engagement tracking to quickly become an expectation, not an exception. If mobile is truly here to stay, it is time to measure something.

Focus

Targeting across online and mobile is a great idea in theory, but technical and measurement challenges will prevent it from becoming a reality for several years.

Brands need to place a greater focus on mobile as a standalone channel and create specific campaigns to take advantage of this always near-at-hand device.

As more networks and agencies do away with minimum mobile spend in 2013, look for brands to reinvest that money into better creative and optimized targeting.

Brands get native

Marketers want standards, but the reality is that you need to be able to engage consumers on mobile.

Space on the mobile screen space is much too limited for marketers to merely extend the look and feel of online ads to mobile.

In the early days of mobile, generic banner ads were the most cost-effective way to reach an untargeted audience.

Advertisers would purchase as many impressions as their budget would allow on contextually relevant sites and hope for the best. The end result was underwhelming campaign performance highlighted by low click-through rates.

Brands need to take a mobile-first creative approach, designing for specific experiences. Luckily, with audience buying coming to mobile, efficiencies that cannot be gained through standard banner creative can be gained through standardized audience targeting.

Let us get real

Real-time bidding (RTB) is expected to gain traction much faster in mobile than online, but there is one key factor holding it back audience understanding.

Without knowing who the audience is, bidding is restricted to geography and content category at best.

In 2013, the emergence of premium audience segments will see brands start to compete in real time, as they do online, to get in front of mobile's most desirable users. This, in turn, will lead to better CPM rates for publishers and an increased return for marketers.

THIS WAS a strong year of growth for mobile display advertising. Next year will be one of refinement.

As with the evolution of any new medium, it takes time to establish an identity. Next year is when mobile finally establishes itself as a medium to reach a desired audience.

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