AMERICAN MARKETER

Business at its best

COLUMNS

Moving beyond the cookie-dependent economy on mobile

May 31, 2013



By John Mracek

Mobile advertising is beginning to mature, but still has a way to go. We have witnessed broadscale consumer smartphone and tablet adoption amid predictions that mobile phones will outship PCs this year, earning these devices a first-screen status in their own right.

At a time when mobile ads account for a very respectable 9 percent of the total online advertising spend and are poised to rival display numbers in the not-too-distant future, the outlook is very rosy. And, yet, despite all these gains, the majority of mobile advertising is still the domain of driving downloads and narrow, conversion-based campaigns for advertisers.

The good news is there is a great deal yet-untapped potential.

As it crumbles

Whereas in-app advertising accounts for a large swath of ad dollars and attention on mobile, publishers are making a parallel investment in mobile-enabled sites and content.

As a result, there is an incredible opportunity to deliver high-impact ad placements that have a meaningful association with the content, resulting in a more cohesive, compelling experience for consumers and deeper engagement for advertisers.

This all sounds idyllic, right? The catch is that the "cookie economy" upon which so much of the Internet is reliant does not quite translate in the world of disparate mobile devices and platforms.

The cookie is a well-understood targeting currency across the desktop Web, with a long history and established user profiles.

By contrast, the lack of uniformity among platforms, browsers and operating systems makes the creation of rich, cookie-based audience profiles a big challenge on mobile.

With so much targeting fragmentation, the match between ad placements and quality editorial becomes critically important to reach the right audience when they are most receptive.

But, even if a cookie-based targeting approach were to suddenly materialize, it would not change mobile's fundamental live-in-the-moment nature.

Capturing real-time consumer intent is all the more critical for smartphones and tablets, when there are bad, good and better moments to engage.

If you were researching summer camps with your children last night but are now searching for a restaurant to host a

business lunch in the next hour, your likelihood of engaging with an ad for summer camps would be slim, even though you would be cookied as "in market" for summer activities.

This timing disparity is only amplified on mobile, where content-based signals for intent are strong.

That said, there are a few areas where the same rules apply on the Web and on mobile.

Not winging it

Relevance, brand-safety and a predictive understanding of user intent must all be considered before serving an ad.

The best tools for relevancy targeting go beyond keywords to read and analyze the key concepts on the page, their relationships with each other, and with other related content.

Sophisticated ad technology exists today that does just that by providing a precise and accurate picture of a user's intent that far surpasses the capabilities of keyword advertising.

For example, a consumer reading about an "angry bird" may be researching the popular Rovio game, the Alfred Hitchcock's famous film, "The Birds" or a bad day for the Toronto Blue Jays.

If you are advertising a mobile game, it is essential for your ad system to understand if the consumer you are messaging is on a gaming page, a film site or a sports page. It makes the difference between a conversion and wasted ad dollars.

The mobile form factor has the potential to work wonders for brand advertisers provided that the advertising is highly targeted.

Concept targeting is uniquely capable of ticking off the boxes for the three "rights": time, place and audience. This is far more effective for brand messaging, rather than relying on the crutch of the cookie economy.

To make the most of mobile advertising efforts, look beyond the cookie clutter to make relevant, brand-safe content adjacency a top priority for your campaigns.

John Mracek is CEO of NetSeer, Mountain View, CA. Reach him at john@netseer.com.

^{© 2020} Napean LLC. All rights reserved.

American Marketer is published each business day. Thank you for reading us. Your feedback is welcome.