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CLASSIC GUIDE TO MOBILE ADVERTISING

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EDITOR'S NOTE

Mobile advertising: It's here and now

Welcome to the first edition of Mobile Marketer's Classic Guide to Mobile Advertising.

Targeting advertisers, media planners and buyers, agency executives, publishers, teleservices pros, carrier officials and service providers, this guide is chock-full of information on how to conceive, execute and analyze mobile ad campaigns.

Mobile advertising is at a critical juncture in its history. Marketers have expressed interest in reaching consumers on the go through opted-in marketing, advertising and promotions. But not too many know their way around this latest wing of the multichannel marketing industry.

This guide aims to solve that problem.

Senior executives from key advertising agencies, service providers, site developers, ad networks, analytics companies, email specialists, search marketing firms and publishers have contributed time and wisdom in this how-to guide for seasoned practitioners and first-timers.

The list of contributors to this guide includes representatives from Bango, Limbo, Crisp Wireless, Havas Digital's Mobext, Enliven Marketing Technologies, AdMob, Telescope, Mobisix, Return Path, 5th Finger, QuickPlay Media, Avot Media, Medio Systems, Pivotal Veracity, Greystripe, Zumobi, Range Online Media and Steak Corp.

Also on that list are executives from Quattro Wireless, go2 Media, Omnicom's Prometheus, AdaptiveMobile, Safecount, Dynamic Logic, MRI-The Boston Group, GoTV Network, SiteSpect, Velti, Acision, Interpublic Group of Companies Inc.'s Draftfcb and Air2Web.

The articles offer best-practice tips, educational points of view and analysis. The case study on Johnson & Johnson is worth reading, as is the research on measuring ad effectiveness on the mobile Web.

Mobile Marketer's Giselle Abramovich scored a scoop with her detailed feature on Playboy's plans for mobile. The publisher offers a decent roadmap for most of its peers, highlighting the potential of leveraging content and advertising across several channels including mobile.

Another outstanding feature is the extensive survey on global mobile marketing trends as seen by key Draftfcb officers worldwide.

Draftfcb is known for its branding and direct marketing expertise. So the agency was well suited to deliver a fairly accurate snapshot of mobile advertising and marketing's prospects this year and in the future.

It's no exaggeration to say that mobile advertising is about to revolutionize the way that marketers reach out to consumers for branding or customer acquisition or customer retention purposes.

Of course, it bears keeping in mind that the mobile channel is the most personal of all, so extra caution is advised while devising and deploying mobile ad campaigns. Each ad or campaign must respect the consumer's privacy, while making sure that the advertiser's brand experience is not diluted.

But there is no doubt that a well-targeted mobile ad campaign will strengthen bonds between brand and consumer. The ads must lead to information or offers of value to the consumer. Keep them simple, keep them straight and keep them results-oriented.

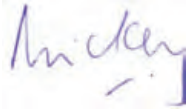
The authors of the 30-plus articles in this guide play a vital role in the mobile advertising, marketing and media ecosystem. Their insights and analysis will help you in your mobile advertising efforts as you work on your multichannel outreach plans. Reach out to them and those companies featured on every page of this guide.

To Giselle Abramovich, Dan Butcher, Gabby Kalika and Jodie Solomon – many thanks for their help in making Mobile Marketer the preeminent publication covering mobile marketing, media and commerce.

Also, thank you to marketing consultant Robert DiGioia for his art direction on this guide. It is a labor of love that shows in word and image.

Please read Mobile Marketer's Classic Guide to Mobile Advertising from cover to cover and circulate to colleagues, clients and prospects. Please also visit http://www.mobilemarketer.com and sign up for our free newsletters that offer the latest news and analysis on mobile marketing, media and commerce.

We hope you benefit from this guide and look forward to featuring your mobile advertising wisdom and work in the next.



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Mobile: A brave new world for advertisers

By Sarah Keefe

For online marketers familiar with the PC environment, the world of mobile can seem daunting.

While it's true that mobile extends the reach to many more users across the globe, individuals come in on different operator networks using a multitude of handset types – a far cry from the homogeneous world of the PC Internet.

Yet the savvy marketer will see the mobile Internet as a world of opportunity because the personal nature of a mobile phone lends itself to understanding an individual's purchasing habits and buying trends in a way that's not possible with a PC.

The mobile environment enables marketers to be more precise about how and where ads are delivered while allowing for immediate analytics to track in real-time advertising campaign success.

Why does the mobile Internet allow this level of information gathering?

Let's start by looking at how the mobile Web is different from its PC cousin.

At first glance, the two are very similar – after all it's the Internet on your mobile device. OK, the screen size is smaller but basically you can deliver information and content on the mobile as you can on the PC – just don't try and pack too much into each screen.

When you look under the hood though, you start to see a divergence from the PC. Mobile browsers are different. The majority of them do not store cookies or run JavaScript – tools used on the traditional PC tracking analytics.

In the mobile world, it's possible to collect valuable data about the mobile user such as which country they browsed from, which network they are on and which device they are using. Marketers can use this information to compile an accurate and rich understanding of their target consumer's profile.

With this data jackpot, marketers can target messages to the right audience in the right geographic location.

Also, real time data allows campaigns to be tweaked and refined to ensure success and optimize the marketing investment.

To jump on the mobile bandwagon there are just a few things you need to do:

Decide which country you want to run your advertising campaign in. The mobile Web is a global phenomenon. Today, 54 percent of people surfing the mobile Web come from outside the United States and Europe.

Bango published data indicating that the top six countries accessing the mobile Web in January 2008 were Britain at 25 percent, India at 11 percent, the U.S. at 10 percent, South Africa at 8 percent, Indonesia at 7 percent and China at 6 percent.

If you buy mobile Web traffic, you want to be sure you only pay for traffic that you can convert, so find out if your ad network can target by chosen country.

Next slice and dice the market so the mobile networks in these countries map directly to your customer profile. For example, a visitor who's identified as a Sprint subscriber might actually be a subscriber to Boost Mobile, which is a mobile virtual network operator on Sprint but caters to a completely different demographic.

Boost users may not be applicable for the service or product you are selling, so your marketing dollars aimed at this audience could be wasted.

Today's mobile phones are seen as expressions of who we are. If I own a BlackBerry, I am likely to be a professional with money to spend and it's safe to assume I prefer business applications or services over music videos.

A pink Motorola Razr user will have a totally different user profile and so on. Marketers can use this data to target campaigns, ensuring great likelihood of success.

Once you have defined your campaign by operator, country and device, you can move ahead. Be sure to monitor results by using a mobile analytics tool to measure your ROI, as it's the only way you will know if you are hitting the right demographic with your message.

According to research by AccuraCast, a mobile search marketing agency, Google AdWords conversion tracking on mobile is flawed and gives advertisers inaccurate results for any Mobile AdWords campaigns. That's because mobile browsers don't support JavaScript, which is the traditional means for analytics.

In the PC world, Web analytics can't tell you whether a mobile user is a unique individual or the same person coming back again. But this critical piece of information is available on the mobile Web.

By assigning a digital fingerprint to each user, you can attach demographics and behavior to individual mobile users. This is a marketer's dream, giving you a microscopic view on consumer behavior and buying patterns.

It's a brave new mobile marketing world out there and the wealth of data and analytics capabilities that are part of the new landscape eliminate the risk of jumping right in. Why wait? ■

Sarah Keefe is vice president of marketing at mobile analytics company Bango, Cambridge, England. Reach her at sarah@bango.com.

The potential of mobile advertising

By Rob Lawson

If the introduction of paid search was the turning point for online marketing spend in the not-so-distant past, what key will unlock spend for mobile advertising in the future?

It's the illusive question that our emerging industry must answer in order to reach the potential that so many believe in.

Looking back, we recall that online advertising was born using the familiar advertising formats of its predecessor, first adopting the print model of rectangular ad units on two dimensional Web "pages."

Rob Lawson is chief marketing officer of Limbo

That definitely worked, but online advertising didn't reach inflection until Overture (and then Google) created a scalable advertising unit based around proactive search by consumers.

This new model revolutionized the industry, working for a number of reasons.

First, it created a much better user experience that – second – didn't feel like advertising.

Most insightfully, however, it leveraged a natural behavior in the online medium – search – and it scaled massively. Not only was the industry upright, it was running.

The history of mobile advertising is similar.

As a disparate community, we have attempted, tested and retested existing formats from print, online, television and promotional marketing with varying degrees of success, yet little potential to resemble mobile's own big bang …

Banners, which originated in print and were later appropriated for online, are unlikely to grow massively until users start using mobile Web (or WAP) more widely, and advertisers have a greater desire to drive traffic to mobile Web sites.

Graphical or text based ads that simply link from one page to another will exist but are unlikely to define our industry.

Text to win programs, which stemmed from "under the cap," "scratch card" and other promotional mechanics used by consumer packaged goods marketers, have also been popular.

However, the limited size of promotional budgets and inability to scale and repeat campaigns make this a poor contender for proliferation, let alone represent an inflection point.

Mobile television advertising, with its obvious predecessor, has yet to find a foothold worldwide.

However, TV continues to be the dominant global advertising medium and consumers have always preferred ad-supported TV versus the pay-per-view model.

Therefore, if broadcasters can find a video format that consumers actually want to watch on their handset, things could get interesting.

This may be a good time for a prediction: The 30-second ad spot will never work on mobile, where entertainment is about snacking, with periods of consumption lasting seconds or, at most, minutes.

And then there is **mobile search.** Consumers have flocked to instantaneous access to relevant information provided online, so it is only natural that they will have the same, if not greater, expectations of their mobile handsets.

Currently, the services are provided through ad-supported directory assistance services such as 1-800-FREE 411, voice portals including TellMe and mobile Internet access to established search engines.

Each model is working, but if search is a natural behavior online, it's unclear that the same is or will be true of mobile.

So my prediction is that all of the above will be important, but none is the key that will make mobile advertising the biggest medium on the planet. And if I knew the secret to this, I sure as heck wouldn't tell anyone else about it.

However, I think there are some clear signposts.

Consumers use their phones to communicate, so we need to find a medium that leverages communication-based behavior (versus search, entertainment and shopping).

The phone is also uniquely portable, so the communication tends to relate to where I am now, where I want to go now, what I am doing now and what I want to do next.

So, I think that if we can invent a massively scalable ad unit that leverages the consumer's desire to communicate with friends and enhances that experience with rich, location-based information, then our industry will start to live up to its potential. ■

Rob Lawson is chief marketing officer of Limbo, Burlingame, CA. Reach him at rob@limbo.com.

Overcoming hurdles in mobile advertising

By Michael Weaver

When it comes to mobile advertising, everyone agrees about two things: one, mobile advertising is going to be huge, and two, it is coming soon.

In fact, a recent report by The Kelsey Group indicates that the U.S. mobile ad market will grow from $33.2 million in 2008 to $1.4 billion in 2012. What isn't largely understood is that mobile advertising is vastly different than Internet advertising.

On the Internet, advertising is largely placed based on the optimized data that is scraped and gathered from cookies and ad servers. Given the nature of the Web, there is a tremendous amount of ad inventory available, and the audience is more tolerant of viewing advertising given the average bandwidth and screen size.

However, in mobile, advertisers face a few unique challenges:

1. Inventory is limited.
2. Speed and bandwidth are issues.
3. Tolerance for viewing ads is low given the real estate available on the handset.
4. Understanding of how to click on ads varies based on the ease of use of the consumer's browser and his or her understanding of how to navigate within a page.
5. Optimized data from third-party ad servers is not available.
6. Each wireless carrier has its own specifications and requirements.
7. Content and advertising needs to be optimized to render appropriately across thousands of different handsets.

To successfully target users and serve mobile ads, advertisers need to understand:

a. What phone the viewer is using.
b. What that phone is capable of.
c. Which network they are on.
d. What type of content they are viewing – which is very important.

Only by understanding what content consumers are viewing can advertisers begin to appropriately target mobile advertising.

This data needs to be gathered from a myriad of places including wireless carriers, handset manufacturers, content publishers and ad servers.

Michael Weaver is vice president of strategy/business development at Crisp Wireless

Such information will allow advertisers to make decisions in real time about what ad will be seen, what type of media will be supported, by what device and in what environment.

As mobile advertising gains ground, ad serving companies are positioning themselves to resell and optimize inventory based on cost-per-click.

But as mobile advertising matures and shifts from a strategic play to a tactical program, more publishers will bring their inventory in-house and turn control over to their own in-house sales forces. This relegates ad servers to a delivery mechanism.

Therefore, while information is crucial to effective advertising, the only way to gather relevant data is through publishers.

The bottom line is, advertisers need to work closely with content publishers and their management systems.

Understanding content in the mobile environment is far more critical than in any other medium towards creating successful campaigns.

As each of the major online portals move towards creating a cross-channel platform that is capable of serving, optimizing and reporting, for both online and mobile, they should also keep these realities top of mind.

Mobile will not be an afterthought to most advertisers. Only those linked very deeply into content management will be able to effectively deliver and optimize mobile advertising. ■

Michael Weaver is vice president of strategy/business development at mobile site developer Crisp Wireless, New York. Reach him at mweaver@crispwireless.com.

Working with a mobile marketing agency on campaigns

By Phuc Truong

I often say that opportunities are sometimes all about timing. To that end, it is a great time to engage in mobile marketing projects in 2008 and beyond.

The mobile channel cuts across both online and offline channels. Just by tagging other forms of media with a short code, keyword and mobile call-to-action, advertisers can immediately increase the value of their traditional media placements, turning static inventory into direct response vehicles.

At Mobext, the mobile marketing arm of Havas Digital, we are actively encouraging our clients to pursue this strategy as an entrée into the mobile marketing arena and then following up with other tactics shortly thereafter.

If you are an advertiser interested in the mobile touch point, how can you work with a mobile marketing agency?

Plain and simple – first contact the agency by either email or phone. And just like any other consultative sales process, the agency would like to know your pain points and your ultimate objectives.

Armed with that understanding, the agency can then work with you to craft a mobile solution.

Mobile agencies can provide advertisers with consulting services in formulating mobile strategy. Often times they would provide a roadmap into the various mobile applications similar to a crawl-walk-run approach.

In addition to consulting, agencies typically offer mobile marketing services in SMS and MMS mobile messaging, mobile video and proximity-based applications such as Bluetooth and location-based services.

Many agencies also offer mobile Internet development, mobile search and WAP advertising for mobile Internet campaigns.

Until recently, mobile engagement projects typically fell within creative agencies. However, with mobile being a very effective lead generation and direct response vehicle, media agencies are starting to understand the data and measurement aspects of mobile.

Mobile is certainly an exciting channel to enter.

But, advertisers should also proceed with realistic expectations. They should understand that it is a rapidly emerging channel while at the same time a very intimate touch point so proceed cautiously – after all we carry our mobile phones with us all the time.

Response rates via mobile are currently higher than most forms of media. But remember the driver to the response is the offer itself, not the channel. The channel facilitates the consumer response.

Therefore, as it relates to mobile messaging applications, craft relevant and compelling mobile calls-to-action.

Mobile marketing fees vary with the project scope.

Obviously, the more sophisticated the project, the more work it entails. However, advertisers can engage with messaging campaigns for as little as $5,000 to $10,000.

As a parting note, mobile marketing's time is now.

As with any new media channel, it is wise to test, learn and then engage deeper. Keep in mind that those stages can be compressed.

To that end, any advertiser or brand that uses both offline and online channels can benefit from the anytime, anywhere characteristics of mobile. ■

Phuc Truong is Boston-based managing director of U.S. mobile marketing at Mobext, the mobile marketing agency arm of Havas Digital. Reach him at phuc.truong@mobext.com

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Making the mobile marketing experience Richer

By Patrick Vogt

The typical mobile phone user carries his or her phone around for an average of 14 hours per day. And with 2.3 trillion text messages predicted to ride the airwaves in 2008, wireless carriers are diligently working to deliver a richer and more relevant content experience (Gartner: Market Trends: Mobile Messaging, Worldwide, 2006-2011).

The third screen is quickly becoming the most personal and popular all-inclusive technology device available, so it is no surprise that today's savvy marketers are trying to harness the potential of mobile communications to more efficiently target consumers.

In nearly every industry, marketers are starting to recognize the true power of the mobile reach.

It is an always-on device, with an open channel based on user opt-in, which can truly offer pertinent and appropriate information to consumers in real time.

By incorrectly concluding that the small screen does not have the capacity to deliver a rich viewing experience, many mobile marketing campaigns have lacked the visual wow factor when designing creative and have often failed to effectively engage consumers on their mobile devices.

In the latter half of this year that will start to change.

Marketers will begin to embrace new, innovative technologies that make marketing to a mobile audience a more compelling experience. These will include superior visualization technologies, such as 3D and interactive video, as well as alert functionality that notifies users on an opt-in basis of a new offer or opportunity.

This will enable marketers to actively pursue their quest to capture the hearts, minds, and dollars of today's mobile consumer. And these technologies will ensure that mobile communications will be a richer experience this year.

Here are a few technologies to look out for:

Real-time geo-targeting

With the veritable omnipresence of GPS-enabled mobile phones, marketers will see an abundance of new opportunities emerge for marketing to mobile consumers based on an opt-in, permission-based strategy.

The ability to use real-time geo-targeting predicated on an individual's location and closely aligned with their interests and preferences will help marketers to deliver relevant and timely marketing creative that has true value for the end user.

Take, for a hypothetical example, a J. Crew brand enthusiast who has agreed to opt-in to mobile marketing from J. Crew, for the promise of an offer of something of value in return.

The J. Crew fan may be walking down 42nd Street in Manhattan, when she receives an offer for 30 percent-off clothing she wants, from a brand she loves, at the company's store which is located just around the corner.

The likelihood of this consumer visiting the J. Crew store and perhaps making an impulse purchase is considerably better than if that same customer saw a broadcast television ad for J. Crew, or passed a highway billboard, or viewed a full-page magazine ad with the same message.

The message she receives on her mobile phone simply has more relevance and immediate value for the customer. This is a raw and perfect marketing moment, when desire and motivation meet up with opportunity.

If the consumer does not have time to go into the store, she can just reply to the message, save the message or request to receive additional offers for a later date.

At the very least, the marketer has started a genuine conversation with a loyal customer and can now begin to build a stronger, value-driven relationship that fosters better brand engagement going forward.

Ad-supported mobile content

This is the most efficient business model and consumers want it. In fact, consumers already see value in ad-supported mobile content.

It is likely that we will see the same evolution in mobile marketing that we have seen in the online space, where marketers and publishers have been pushing to provide more of a branding experience for users on the Web.

As carriers work towards a richer, ad-supported experience on the mobile device, the ads accompanying subsidized content are likely become richer and more dynamic as well.

As the mobile channel opens to accommodate new content, in turn, marketers will benefit from being able to offer a more visually compelling, interactive and trackable experience for consumers.

Mobile connecting the integrated brand experience

As carriers fill their expanding networks with richer content, advertisers will be able to ride shotgun and steward their brands through the mobile space in concert with what they are doing in all the other channels, including television, print and the Internet.

In essence, rich mobile marketing will be able to evoke a brand's positioning in terms of passion and values and provide brand consistent messaging across all channels.

The increase in the size of the mobile screens and other design elements of the new phones will lend themselves to provide a richer experience as well.

If you see a mobile advertisement from Nike it won't be limited to just a small text ad with brand colors and "swoosh."

Brands such as Nike will have the ability to present emotionally compelling video content with audio and user interactivity which is in alignment with brand campaigns for online, TV, print and outdoor channels.

Sheer numbers

According to a new report from Nielsen Mobile, 23 percent – that's 58 million – of all U.S. mobile subscribers say they have been exposed to advertising on their phones in the past 30 days.

Half of all data users, or 28 million, who recall seeing mobile advertising in the previous 30 days say they responded to a mobile ad.

With such a high volume of interactions with consumers, and so many opportunities to reach customers with relevant and timely offers, marketers will quickly figure out what kind of marketing works best on the mobile device – probably much faster than they did online.

As seen with the explosion of rich media ads on the Internet, it is clear that a highly visual, interactive and rich experience with what we call premium rich media will also drive results for mobile devices and improve performance for marketers.

Mobile marketing has the potential to look every bit as visually compelling as what we see everyday online, in video games and on TV. The essential difference is that mobile rich media also has the capacity to be more useful for end users and is more potent for advertisers. Its evolution toward becoming a richer channel will push marketers and providers of technology to innovate on many levels.

With highly coveted products such as the iPhone changing the game for mobile marketing, the technology will quickly catch up to support a richer mobile advertising and marketing experience.

By embracing and building a richer mobile experience, marketers can dramatically enhance their ability to reach and engage with today's consumer. ■

Patrick Vogt is CEO of Enliven Marketing Technologies Corp., New York. Reach him at patrick@enliven.com.

5 tips on creative
for mobile advertising

By Tony Nethercutt

You know you can run both text link ads and graphical banner ads. You may be wondering if there are any tips on how to get the best performance from these ads.

Here are five best practices that we have learned from running thousands of campaigns and from listening to our advertisers.

Test multiple creatives for each campaign and track performance. Instead of taking a gamble by trying to predict which banner design or which ad text copy will catch the eye of your target market, I recommend that advertisers provide the site or mobile ad network they are working with multiple creatives at the outset of the campaign.

This way, you can run small-scale tests to give you meaningful insights into which creative clicks best.

The average click rates for banners range from 1 percent to 2.5 percent depending on targeting (5 percent-plus is not unusual), and around 0.5 percent for performance text ads, so you will want to test and track performance for best results.

By testing your creative, you know which ads to run based on real data.

Most advertisers want to also measure post-click results back to the creative. That functionality exists in various forms today through homegrown systems and other vendors.

Keep creative fresh. Once you have determined which creative performs best and you start running your campaign, you will want to work with your sales partners to change creative every two weeks throughout the flight of the campaign. This is particularly true if your campaign is ongoing for a few months or more.

By changing images or just the word order of your text, you are more likely to see continuous engagement with your ads, because users are more likely to click on relevant ads they have never seen before.

Most advertisers use a "champion versus challenger" approach to determine which creative to run.

Go easy on the text within the banner ad. Since banner ads run with a line of text below them, you can use the banner itself to catch your customers' attention with images and your logo. Communicate your calls to action in the line of text that runs beneath the banner.

Use trigger words in your ad text where appropriate. This recommendation may not surprise you, but if your product offering includes a free element – free download, free evaluation, et cetera – let users know by including the word "Free" in the text portion of the ad that runs below the image.

Likewise, we have seen evidence that users respond well to video offerings, so if you have video assets on your landing page, let users know. "Watch Video" is a simple and effective call to action. At AdMob, our device detection techniques allow us to only serve ads that mention videos to phones that are video-enabled.

Personalize your message. As you know, relevance enhances engagement. In mobile, one effective way to personalize an ad is to include the user's device manufacturer or device model in the ad text.

Many ad networks can dynamically insert these details at the time of the ad request. All you have to do is ask your mobile ad network to enable the feature.

For example, a Land Rover text ad that runs on a Motorola Razr could say "View Land Rover photos on your Razr" instead of "View Land Rover photos on your phone." Adding a detail like this will make any ad instantly more relevant.

Using these creative best practices to maximize click-through and conversion metrics will help you find new levels of success on the mobile Web.

You can work with brand research companies such as Dynamic Logic and Insight Express to measure brand awareness and favorability metrics of your mobile campaigns. ■

Tony Nethercutt is vice president of sales at mobile ad network AdMob Inc., San Mateo, CA. Reach him at tony@admob.com.

Mobile advertising: Ready for primetime TV

By Jeffrey Miller

If Winston Churchill was around today, he might say something along the lines of, "TV is not the best marketing channel, except for the fact that there are none better."

That may be starting to change with the explosion of participation media – connecting interactive media to the reach of traditional media. This coincides with the growth of mobile marketing for brands, agencies, content owners and mobile operators.

Nowhere is participation media more prevalent than in television. This integrated TV-mobile genre includes:

Mobile ads integrated with TV deliver necessary scale and results

- The show that launched the U.S. market, voting on "American Idol" and other major network programs;
- A wide range of content from the "World Series of Pop Culture" game show on VH1;
- To "Super Liga" sports coverage on Univision Spanish-language media.

Such activity indicates that mobile marketing when connected with participation TV is ready for primetime, literally.

The combined reach and interactivity of a TV-mobile call-to-action has all the hooks an advertiser wants – action, accountability and allegiance:

1. Participation TV content captures the attention of mass-audiences in real-time.
2. The immediacy of mobile integration delivers personalized impressions, returns consumer leads and acquisition, with measurability.
3. Opt-in leads to ongoing permission-based marketing with individuals.

TV-mobile ads evolution and examples

Participation TV has evolved over the past seven years in the United States, and so has the associated advertising. Below is a short summary of how mobile voice, text messaging and the mobile Internet are implemented.

Sponsorship. Mobile advertising started with wireless carrier sponsorship, providing brand integration and mass impressions through TV, phone and text message voting, such as AT&T with "American Idol" and Verizon Wireless with "Rockstar."

Consumer product brands also joined. For example, Motorola sponsored mobile user-generated content aired on E! television's "Live from the Red Carpet" coverage of major entertainment awards.

Targeting. More recently, advertisers have taken advantage of mobile's ability to target consumer segments and the offer.

For "Make Me a Supermodel" on Bravo, messages to Alltel customers promoted the My Circle offer, while messages to other consumers promoted different content.

Personalized multimedia. A prime example of where the category is going comes from Sprite's sponsorship and mobile advertising with the NBA 2008 Slam Dunk Contest, which was decided live by the home audience for the first time.

In addition to brand placement in mobile vote response messages, consumers received mobile Internet content, customized dependent on whether the individual has interacted with the Sprite Yard social network.

Ad response. The next step is to add mobile short codes as a response channel to TV commercials, leveraging the availability of mobile phones and their impulse use.

As brands ranging across Frito-Lay, Degree deodorant, McDonald's and even pharmaceutical companies feature mobile phones and text messaging lingo in their ads, mobile communication will integrate with the ad message.

More than ever, the continued growth of non-scripted broadcast and cable TV programming creates prime opportunities for marketers to leverage the mobile channel for both targeted branding impressions and measurable direct response leads. ■

Jeffrey R. Miller is president of Telescope Inc., New York. Reach him at miller@telescope.tv.

Key tips on buying media
for mobile advertising

By Tony Nethercutt

The audience available on the mobile Web is growing rapidly. Consequently, the interest in mobile advertising is growing rapidly. When an agency or advertiser asks about buying advertising on the mobile Web, they typically ask questions about media buying and questions about creative.

The three questions most often asked about how to buy mobile media are: What can I buy? How is it priced? How much do I need to achieve my desired impact?

What to buy

Advertising on the mobile Web is very similar to Web advertising. Many people try and make it complex, but it really isn't. The primary ad units are very similar to the ad units you are used to buying on the Web: graphical banner ads and text link ads.

I recommend a mix of banners and text depending on your goals.

For a brand advertiser, I typically recommend a mix of 50 percent graphical banner ads and 50 percent text link ads to allow advertisers to achieve both brand building and performance goals.

If your goals are 100 percent brand-building, then go with 100 percent banners. If your goals are 100 percent ROI, then go with 100 percent text link ads.

Both banners and text ads appear on mobile Web sites for visitors to see when they are browsing the mobile Web from their phones (not text ads in an SMS message).

Size issues

The biggest difference you will notice between mobile banner ads and PC Internet banner ads is that mobile ads take up a large percentage of the screen, often 25 percent or more.

The size of the ads and the fact that someone viewing the page has to scroll right through the ad to view the content below has led to click-through rates that are consistently five to 10 times higher than the average for banners on the PC Internet.

The fact that there is most often only one mobile banner ad on the page also helps create real value for the advertiser.

Graphical banner ads are images like their Web counterparts. In mobile, however, graphical banner ads are always served across the top of the page and take up the full width of the screen.

Unlike PC Internet banner ads where bigger banners are more expensive, mobile banners are all priced the same, regardless of size, because phones have different screen sizes and the best fitting ad for the phone is dynamically served.

There are four different ad sizes that we and the Mobile Marketing Association recommend so that we can optimize on the fly, and always serve the best fitting ad for each phone – resulting in a better user experience and even better performance.

Most familiar PC Web advertising tactics are also common in mobile.

Various forms of targeting, sponsorships, roadblocks, keywords and even rich media are available today. I'm focusing on discussing display advertising ad units, but if you are a keyword advertiser on the PC Web, you will likely be a keyword advertiser on the mobile Web as well.

Brand advertisers are using studies by Dynamic Logic, Insight Express and others to measure brand metrics, and direct response advertisers are measuring their effective CPA – just like they would expect to be able to do.

Many agencies are placing buys through MediaVisor and Atlas, just as they would expect to be able to do. My point is that mobile media buying is as familiar as it is easy.

How is it priced?

Mobile Web text link ads are sold on a CPC (cost-per-click) basis and graphical banner ads are typically sold on a CPM (cost-per-thousand-impressions) basis. Some ad networks also sell banners on CPC. Typical CPMs in mobile advertising range from $10 to $50, depending on the targeting, the site and the organization you are buying from – site direct, site-specific ad network or blind ad network.

Now that we have covered the basics of mobile media buying, including the available ad units and pricing, you are ready to think about the size of your buy.

How to size your mobile media buy

As with the early days of Internet advertising we are seeing a three-stage progression of mobile media buys: Test, expand and then scale.

"Test" buys are typically in the $25,000 to $50,000 range, "expanded" buys are in the $50,000 to $150,000 range and "scaled" buys are often several hundred thousand dollars and more.

In the early days of the traditional PC Internet many sellers insisted on very large initial buys. Thankfully, we haven't seen as much of that practice in mobile, as most experienced sellers and buyers have learned that test-and-learn is a good thing.

In 2007, many agencies and advertisers moved through the test and expand phases and now, in 2008, we are seeing an increasing number of "scaled" mobile ad buys from a variety of advertiser categories.

We are also seeing more test and expanded buys this year as advertisers who have not tried mobile yet are getting in the game since they realize their competition is already reaching customers on the mobile Web.

Agencies which buy on behalf of multiple brand advertisers are now making expanded and scaled buys for many clients in their portfolio after finding success with their initial test buys.

Because they started with test buys, they and their clients were able to get comfortable with mobile and they have moved forward with confidence and increased the size of their buys.

The process of determining the size of your test or expanded mobile ad buy is very similar to the way some advertisers are still deciding to size their buys for the traditional PC Internet.

In essence, advertisers decide how much they are willing to invest in the case that they have little idea what to expect as a return ("test") and how much they are willing to invest if they have already tested and are willing to wade in a little deeper ("expanded") based on past experience.

As I mentioned, expanded and scaled buys are more common now that more advertisers have tested the mobile medium.

Sizing the scaled buy

The most important things to think about when doing a scaled buy are your goals and the size of the audience you are trying to reach that is available on the mobile Web that matches your target. It sounds simple. It sounds like advertising. It is.

Nielsen Mobile reports that there are currently 40 million active mobile Web users in the United States. Of those, 53.7 percent are ages 18-34.

So, if you are looking to reach Americans ages 18-34, then approximately 100 percent of the universe you are looking to reach would be 21.5 million people.

If you multiply 21.5 million adults, ages 18-34, by a $25 CPM, for example, then your buy would be $537,000. Following standard media buying practices, this example approximates a buy of 100 TRPs.

Mobile Internet advertising buying has come a long way in a short period of time. It is now very similar to what you already know, so you are ready to get started and test, expand and scale your buys. ■

Tony Nethercutt is vice president of sales at mobile ad network AdMob Inc., San Mateo, CA. Reach him at tony@admob.com.

Gap between consumer mobile adoption and brand readiness

By Dan Roselli

A general lack of confidence and readiness exists among major U.S. brands in developing grounded and effective mobile marketing strategies.

Mobile marketing's rise and acceleration in the United States is undeniable. The most recent statistics put the number of total mobile subscribers in the U.S. at around 255 million.

U.S. consumers' staggering adoption and heavy data usage with mobile emphasize the need to address the gap between consumer mobile adoption and brand readiness, especially given that more than 350 billion SMS text messages are sent annually.

Also, there are nearly 33 million active mobile Internet users in the U.S. alone.

There is great potential for mobile to accelerate as a key marketing channel for brands.

New research from Forrester Research reveals that 83 percent of marketers believe the effectiveness of mobile marketing will increase over the next three years.

However, according to research done by Mobisix, an alarming 69 percent of brands are not confident in their mobile strategies today.

In addition, only 14 percent of respondents are very confident about their brand's strategy to integrate mobile into their marketing plans.

Mobisix's research included Fortune 1000 companies, with respondents from brands like Dell, Blockbuster, Sony and Charles Schwab.

The research revealed that more than half (54 percent) of the brands do not even have a dedicated team or person focused on mobile.

Only one-third of brands surveyed are actively engaged in mobile marketing. Though budgets are being established for investment in this emerging channel, many brands are just not sure where to start.

Like sleeping giants, brands not getting into mobile are missing an amazing opportunity to reach consumers with the most personal media channel yet.

And while mobile marketing may not hit its tipping point in 2008, the mobile device is proving itself as the ultimate direct response vehicle and clearly has the power to make all media interactive.

With a deep connection to data and analytics, mobile has the opportunity not only to reach consumers where they are, but also to create and deliver grounded, compelling and ROI-driven marketing solutions.

As brands race to catch up with consumers, when it comes to mobile, they must heed the warnings.

Brands must open their eyes to the inevitable – while they realize mobile marketing is coming and will be all the more effective with time, they must be getting ready, if not already.

As mobile marketers, as we fill the increasing need to educate our clients and help ease the uneasiness obviously pervasive with mobile marketing, let's not forget that the foundations of smart marketing still apply. ■

Dan Roselli is CEO of mobile marketing agency Mobisix, Charlotte, NC. Reach him at droselli@mobisix.com.

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Five mobile email marketing tips for marketers

By Matt Blumberg

As marketers increasingly examine the wide variety of digital marketing and advertising options available to them – search ads, display, vertical ad networks and email – they can quickly become overwhelmed.

In that context, mobile can feel like one more tactic to add to a very, very long list.

But it doesn't have to be that way. Keep these five ideas in mind and you can leverage a mobile strategy with ease:

Don't panic. While mobile marketing is clearly on a growth path, it hasn't quite hit the mainstream yet.

In fact, only 19 percent of mobile phone users have used it to send or receive emails. However, with more user-friendly, email-capable mobile phones such as the Apple iPhone available, that number will only go higher.

Plan now. With the number of people using mobile email still low, now is the time to plan.

One way to do that is to start capturing preferences from your users, so that you are ready when you do decide to embrace mobile marketing.

You can easily add information to your marketing preferences, asking your customers their permission to send them relevant SMS text messages or ask them about their interest in a mobile-formatted version of your email.

Tailor your message. Certain audiences are more likely to send or receive email on their mobile phone or PDA. This includes younger consumers.

Twenty-eight percent of users ages 18-29 have reported sending or receiving emails on their mobile phones or PDAs, according to the Pew Internet and American Life Project's Mobile Access To Data and Information Report.

Businesspeople, particularly those who travel frequently, are also more likely to use mobile email. Marketers need to keep these audiences and their tastes in mind when designing mobile email marketing campaigns.

Design for mobile. The biggest mobile issue is rendering – mobile devices don't handle HTML well. Most either show a text version or a really mangled HTML version.

In the short term, you need to make sure you have a well-formatted text version and send multi-part messaging.

In the long-term, as mobile becomes more pervasive, you need to consider a mobile version.

Know thy customer. Since there's no technology to determine if an email is being read on a mobile device or a PC, marketers can't easily determine how, or if they should format their emails for a mobile audience.

But with the looming growth of mobile email, marketers should know their audience. You can ask your readers if they are reading your emails on a mobile device.

In addition, you can offer the option of choosing a mobile-friendly formatted email on your sign-up and email preference pages. ■

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By Steen Andersson

As the U.S. mobile phone penetration rate in North America reaches 80 percent, the opportunity to reach people through the mobile channel is bigger than ever.

The first step toward mobile engagement for many brands is incorporating mobile elements into an existing campaign. Here are some tips on how to painlessly add mobile marketing techniques and create an integrated approach.

Tips on integrating mobile

into an existing campaign

Multiply the impact through multiple media: Widen your reach by combining multiple channels that will engage with consumers in a variety of settings while they are on-the-go.

For instance, place a mobile call-to-action on print ads, in-store promotions, outdoor media and TV commercials to create awareness of the brand and maximize the mobile response rate.

To reach them on mobile, use mobile: Allocate part of your media spend to the mobile channel itself, which will catch the eye of the most active mobile users.

Buying AdWords on Google Mobile and mobile banner ads – analogous to PC banner ads – through ad networks such as AdMob and Quattro Wireless are worthwhile starting points in the mobile media space.

Optimize your mobile sites for all screens, equally: Ensure that your mobile sites are dynamically optimized for at least 5,000 types of different handsets, including the iPhone.

Choosing the right technology partner is key here. This will ensure that the user experience is accurately delivered on all handsets irrespective of screen-size and orientation.

Remove limits from a limited budget: If your existing campaign budget is limited, then you should explore the option of premium-charged SMS. This can offset your costs of getting the campaign going.

Such a ploy works particularly well if your campaign has a high value call-to-action, such as a car, a boat or a vacation package. This can allow you to increase your prize pool – leading to more winners – and remove the impact of variable costs such as standard rate messaging.

A picture is worth a thousand MMS messages: If elements from your existing interactive campaign contain images or user generated content, you should explore the use of MMS to engage with your audience. This allows consumers to contribute to the experience and engage with the brand while they are on-the-go.

Mobile marketing is an important aspect to incorporate in any integrated digital campaign. Brands can take the small steps outlined above to make big strides in the level of engagement they can achieve with their audience. ■

Steen Andersson is vice president of marketing at mobile marketing firm 5th Finger, San Francisco. Email steen.andersson@5thfinger.com.

Mobile complexity

requires better way to manage and syndicate content

By Mark Hyland

The link between television, Internet and mobile-specific content is blurring, with both content producers and media outlets looking to streamline their business models to meet the evolving needs of their customers.

Unfortunately, "write-once, run anywhere" is far from ideal for the mobile experience, for the simple reason that mobile is a unique channel and its users have distinct needs.

Experience has shown that mobile is different. Most mobile content today is consumed in small "snacks," and the explosion of mobile widgets and idle screen applications suggests a need to present information and entertainment in a manner that goes beyond the browser.

Mark Hyland is vice president of marketing at QuickPlay Media

Even the Web browsing experience on the iPhone is better if the sites are customized for the device.

As a result, the onus will be on content providers to rethink their content and advertising for wireless devices to fit the mobile consumer experience, rather than taking a "shrink-wrap" approach to content originally designed for the Internet or traditional media.

With the rapid growth of mobile content, leading media and entertainment companies and prominent national advertising agencies have bulked up with resources to tackle the new mobile opportunity.

Add to that the large variety of handsets available and mobile media providers will need new ways to distribute content and advertising across different services, networks and devices. They will need to provision content for new outlets quickly, and manage it effectively.

Just as important, media companies will need the tools to gather the disparate usage information from all of these mobile outlets back into a central reporting tool to provide feedback on what's working and what isn't, and adjust content lineups accordingly.

With advertisers and media/entertainment companies vying to reach the mobile audience, mobile operators and other mobile media providers – handset makers, Web firms and retailers – will need a new approach.

What is required is intelligent media management that is able to provision, adapt and manage bits and bytes of content from a large content library to accommodate unique handset models and individual service demands, as well as adapt to the particular context of a given mobile user.

Mobile media services will compete, complement, blend and collide with media services on what we see as the Web today.

But ultimately, as mobile broadband gets faster and more popular, there's going to be an explosion of content for mobile and portable devices.

And so there will also be a demand for new services and tools to manage this explosion.

The benefits of these new services and tools that manage and syndicate content delivery are numerous.

First, access to a centralized content library streamlines content delivery – assets are ingested once and then made available to all in a controlled and secure manner.

Second, service providers can set business rules and controls to determine how and where content is accessed and distributed.

Third, the measurement of user behavior and preferences, as well as transparent reporting, provides timely business intelligence to ensure appropriate ad placement and targeted content offerings.

Last, but certainly not least, built-in reconciliation and reporting makes it easy for all parties to get their share of revenue. ■

Mark Hyland is vice president of marketing at QuickPlay Media, Toronto, Ontario, Canada. Reach him at markh@quickplaymedia.com.

10 tips on SMS marketing

By Dave Sloan

Advertisers are starting to realize that mobile marketing produces a high-volume hit rate, impressive uptake and a steep increase in brand impressions and sales.

As a result, more advertisers have been testing the waters with SMS marketing campaigns and getting some great early results. Go to any baseball stadium or shopping mall and you will start to see more of these campaigns out in the open.

As mobile marketing is still in its early stages, customers may still be hesitant to try that short code you are showing them.

Users may be slow to adopt these offers due to barriers such as perception of SMS cost, fear of getting spammed, unclear on the value of the incentive, perceived complexity of interacting with the SMS they get back and uncertainty about their phone's ability to support the incentive being offered.

If and when a user does try an SMS campaign for the first time, she needs to have a smooth and successful experience or she is likely to lose her patience and never try again.

I recently tried four SMS campaigns being run by major brands and only one of them worked.

Can advertisers afford to launch interactive campaigns that stop users in their tracks? How can we expect the mobile marketing adoption we have all been hoping for if these campaigns are dead in the water?

Here are some best practices to ensure that you don't disappoint your target customers if and when they dip their toes into the waters of SMS interaction with your brand.

Make the incentive clear. What are they getting? Why should they do it?

Users will not send off an SMS just to see if it works. The benefit has to be worth their time. A coupon? A video? A vote?

Don't use industry terms such as "get mobile content." The users need to know exactly what the benefit is and why it's relevant and timely to them today. Don't just take them to a rich WAP site and hope they take action.

Make it simple. SMS is inherently simple. Make the short code simple. Make the keyword simple. Make the expected result simple. Don't try anything fancy if there's a risk that it won't work for the majority of your target users.

Users expect to make a few clicks and get what they want. They may get turned off by too many steps or a complex WAP site.

Consider simply sending them a quick video to get your message across. If a picture is worth a thousand words, a video is worth a million. Don't expect click-to-buy response from a mobile phone – yet.

Design a great experience. Design an interaction with your brand that is fast, clear, easy and memorable. Don't expect the user to go through too many hoops or have any patience.

If you are delivering mobile video, make sure the video startup time is fast and the image doesn't have any freezing or buffering. You have this chance to wow your users. Use it wisely.

Careful of WAP. Don't just point your respondents to a rich WAP site and expect the sales to come rushing in. WAP isn't always a great experience.

The biggest mistake most companies make is trying to simulate a desktop Web experience on a handheld WAP site. Limit your images, limit clickable links and limit the functionality.

From the WAP site, give your users some quick and easy actions that they can take, such as viewing videos or reading key content.

Choose an SMS marketing vendor that supports all phones and all carriers. Have they really tested for the masses? Mobile campaigns will reach a much broader audience than you could imagine, so prepare to encounter every carrier scenario and thousands of device profiles.

According to comScore M:Metrics, 85 percent of U.S. mobile users already have a video-capable phone.

Test every link in the chain. There are lots of steps and dependencies in an SMS marketing campaign. As a result, there are plenty of opportunities for failure.

Make sure your campaign can handle high volume and various types of phones, carriers, concurrent requests and error cases. Don't just assume that your SMS marketing company knows what it is doing. Make the company prove it

Have an opt out. Most of your respondents will be on lower-end phones with slow data connections. Be smart enough to offer a consolation prize for users that can't fully experience what you offer.

To date, the most successful campaigns have focused on simple SMS responses. The American Idol television show on Fox recorded 95 million votes in its season finale.

Make sure you "fail gracefully" by having a message that explains the situation and invites users to access your campaign in some other way. Something like, "We're sorry, but your phone does not support video. Please visit our Web site to see the video you requested," might be appreciated.

Test, test, test. The last thing you want is to expose a campaign to hundreds of thousands of people and have it fail. Sadly, this happens all too frequently. Don't launch until you are sure nothing can go wrong.

React quickly when something does go wrong. Once a campaign launches, something always goes wrong. You can't anticipate every scenario.

Have your team ready to respond and fix any bugs as soon as possible. Time is money and the more failed experiences that you create, the more negative impressions of your brand you are creating.

Learn and improve for next time. SMS campaigns are relatively new. You can learn from your first experiment.

You will be shocked by the volume of responses you get, but you can expect an even higher ROI the next time if you do a postmortem with your SMS marketing company to fine-tune for the next campaign.

Also, you will have access to lots of great metrics such as which devices made SMS requests on which carrier networks. What time of day did you get the most traffic, and how often was the link/incentive clicked on? Measure sales and brand awareness as a result.

Mobile marketing has a huge potential to reach every target customer's device, so measure your campaign to confirm that it is worth your advertising dollars. It will be. ■

David Sloan is director of product marketing at mobile video services specialist Avot Media, Sunnyvale, CA. Reach him at dave@avotmedia.com.

Mobile search advertising

links to customers in last mile

By Barry Chu

In a relatively short time mobile advertising has come a long way. While we are still in a nascent stage with our best years ahead of us, mobile advertising, specifically search-based marketing, has gained traction as an additional – and unique – channel to reach customers in the last mile or, said differently, on the verge of making a purchase.

Ponder for a moment the sheer reach of mobile: 243 million citizens, or 80 percent of the U.S. population of 303.6 million, have mobile phones.

Of mobile phone users, 200 million, or 82 percent, operate phones with text messaging capabilities, and 174 million, or 72 percent, have phones capable of browsing the Web, according to CTIA-The Wireless Association.

The fact is, more people have mobile devices than they do personal computers. And they take their mobiles with them wherever they go unlike their PCs.

It seems though that most consumers resist the now-clichéd idea of receiving an unsolicited coupon via text mail when their GPS notes that they are passing near a certain store.

I think is important that mobile not fall into the same trap that online did and start annoying users with advertising, so that they distrust us as much as many do with online advertising.

In fact I'm not really thrilled with any kind of "push" process. Right now some are pushing SMS text messages to users and others are pushing banners. Push is too often disruptive to the user experience and over time – as we have seen online – click-through rates quickly start to decline when consumers are trained to differentiate content from advertising.

Why not take a page out of the online search book and give folks ads that are highly relevant, based on their interests at that moment?

By asking a question, users are prequalifying themselves for your products or services. Most importantly when they are served ads for products that are related to their search, they tend to view the results as a value-add to their query, presenting options that perhaps they had not thought about or are maybe better deals than what they thought they were looking for.

Now, mobile search by its nature is very different from online search.

Users don't have the time or thumb endurance to into put a lengthy query. And the results they get can't be millions of links that – if they are on deck – can't be accessed in many cases without paying for Internet access on their phone plans.

If your ad message is perceived by consumers as additional choices against a particular search, they respond well.

Just look at the response rates to ads served as part of mobile search results in various broad categories on campaigns run on the Medio MobileNow Search Ad Network: dating (23.56 percent), florists (24 percent), cable TV (13.38 percent), hotels (9.39 percent) and debt management (6.6 percent).

What is interesting is that the response rates are just as high for longer-term projects such as dating and cable TV as they are for more immediate last-mile purchases such as flowers.

At any rate, the mobile users took action at very high rates compared to almost any other kind of direct response medium including the Internet.

Advertising sent with the search results for this kind of data is thus pulled by the user. Because this kind of mobile advertising is non-disruptive and delivers value to the end user in the form of highly relevant answers, these ads are far more effective than banner advertising in the long run. ■

Barry Chu is general manager of advertising at Medio Systems, Seattle. Reach him at bchu@medio.com.

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Key tips for mobile ad email

By Michelle Eichner

The rise in mobile advertising has happened via two unique channels: SMS/MMS messages and email. The latter of these two channels holds potentially limitless opportunity to create targeted and immediate advertising.

SMS and MMS offer marketers a direct pipeline to the mobile audience. However, they do have some limitations in terms of the message size and the potential lead time necessary to obtain a short code.

Mobile email advertising, on the other hand, has the opportunity of being a more verbose channel for marketing, while delivering immediate content through existing delivery infrastructures.

Although the mode of sending is similar to that of normal email channels, the approach is different and requires special considerations.

Here are a few things to keep in mind about mobile advertising email.

The space above the fold is very limited. The mobile fold is a fraction the size of the average desktop's 1024x768 display.

Adopt the perspective that 320x240 or 240x320 is the new mobile fold. Your branding and message should be located within this smaller space. Consider moving your branding above the add-to-address book line in order to preserve your identity and image.

Different mobile devices handle links very differently. The Apple iPhone and Palm both support HTML and will hyperlink text that is properly coded. BlackBerry 2.x will display the full URL and the hyperlinked text separately.

However, Symbian – which has in excess of 60 percent global marketshare – will drop all of the HTML formatting and code, rendering just the content outside of the HTML tags.

This means if you use an Click Here to hyperlink the words "Click Here," all that will render is "Click Here" and it will not be clickable.

If you market outside the United States where Symbian is the dominant mobile platform, consider using fully qualified links instead of hyperlinked text.

Keep your links as short as possible. Marketers have become accustomed to using very long links in their emails with redirects for tracking and other mechanisms contained within them.

These links if used in mobile advertising emails will dominate the entire screen in a BlackBerry device, leaving your users swimming in a sea of URLs.

Michelle Eichner is cofounder and vice president of client services at Pivotal Veracity

Do not code HTML mobile advertising emails to resemble Web pages. The trend has been to create elaborate layouts for HTML emails that resemble a Web page.

Palm does not support multiple columns and will unpredictably rearrange an email's columns into a single top-down flow.

Use a single column design and take into account the W3C recommendation that mobile email, like mobile Web pages, should be a maximum 20kb in size (images included).

The larger the email, the longer it takes to download. The BlackBerry does not download the entire message. Users are prompted to download it in chunks if it is too large.

The mobile bandwidth pipe is getting faster, but hasn't reached the blazing fast dimensions of broadband or corporate T1 lines.

Be courteous and send a text portion with your HTML. Older devices default to a text portion, if one is included. BlackBerry 1.x users will see a jumble of HTML code if no text portion is sent, as the device has no HTML support.

In truth mobile advertising email is still in its infancy, but it is a fast growing sector.

Technological advances combined with the drop in price for handheld units such as the iPhone have opened up mobile email to a greater cross-section of the population.

According to the CTIA: The Wireless Association, 85 percent of the U.S. population is walking around with a mobile phone. By taking a few proactive steps you can be sure to reach the greatest possible number of consumers in the mobile ecosphere. ■

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Add to address book line pushes branding down and dominates the fold with a very long URL.

Symbian dropped hyperlinked word "online" and rendered it as text

Message relies heavily on images which are not supported in Palm's native email client

Mobile games and advertising:
the ins and outs

By Jim Durrell

When considering mobile, many advertisers think of SMS or WAP banners first – and then immediately think of their difficult space constraints.

Advertising in mobile games, however, provides bigger, richer ads that are effective for branding and driving user engagement.

Already, mobile in-game advertising has attracted advertisers such as Coca-Cola, ESPN and New Line Cinema. This article introduces in-game advertising, including formats, benefits and how to get started.

What does in-game mobile look like?

In mobile games, most advertising is around game ads that are shown before and after game play.

The games are often distributed for free or at reduced cost, creating a positive association between the advertising sponsor and fun game content. Often, advertisers are attributed as sponsors, furthering the association.

In-game creatives are typically full-screen, so the advertisement has the user's full attention and doesn't compete with clutter.

The Mobile Marketing Association has specified a range of square formats for downloadable games, with 176x176 and 240x240 being commonly served.

The ads are usually served through an ad network, rotating ads in games to keep them fresh. But advertisers may also work with developers to create exclusively branded games.

Beyond the mobile Web

In-game advertising breaks out from the restrictions of a mobile Web page, offering a richer experience.

The already mentioned distinguishing feature is that around-game ads are typically full-screen, uncluttered creatives. Brand-lift studies available through the MMA testify to the effectiveness of this format.

Each ad network varies, but some offer the coupling of multiple full-screen ads or provide simple animation.

In-game can also reach users when they are offline, playing games on an airplane, for example, when other mobile media isn't accessible.

Critically, mobile games go beyond simple advertising to mobile marketing.

For example, they can collect email addresses for customer mailings or implement a quick vote to share audience opinion with other users.

Some firms offer rich survey functionality or distribution solutions that allow brands to add game downloads to their own mobile sites.

User experience

Users find and download mobile games from either their wireless carrier, one of the many mobile Web sites that can be found by searching for free mobile games or from a brand site.

Most mobile phones run games in a fashion that protects the user from mis behaving software so users cannot infect their phone with spyware when playing games.

Also, installing and playing the game does not result in undesired text messages or pop-ups that create negative associations for advertisers.

Game-play on mobile is a safe and fun time, and that user experience benefits the in-game advertiser.

Measuring and pricing

Pricing for in-game is often on a CPM basis, reflecting the strong branding opportunities available from full-screen ads and rich data-gathering features.

As expected, the full-screen ads charge a premium over smaller WAP banners.

Pricing is also impacted by targeting.

Like WAP banners, regional targeting is almost always available and some providers offer more refined targeting to carriers or types of handset.

Measurement can vary considerably, especially when games are played while disconnected from the network. Techniques can be used to estimate based on clicks and usage patterns, or they can be based on actual measured impressions and clicks.

Jim Durrell is director of product management at Greystripe

Currently, as is common in mobile, third-party validation is not employed. As a result, advertisers and agencies should discuss measurement and any estimation techniques when buying in-game ads.

How to buy

There are now multiple networks providing in-game advertising on mobile including Greystripe, Amobee and Hovr.

Each of them work with agencies or with advertisers directly, and all can be reached through a sales contact. Contact one of these networks or speak with an agency that has experience with mobile advertising to get started.

Advertisers and agencies do not need expertise in optimizing graphics for mobile.

Because the format is unique, creative services are often available if advertisers want to buy directly or if agencies have existing creatives that need to be adapted to in-game formats.

When making a buy, discuss your required targeting.

Networks should at least be able to offer region or country targeting.

Also, for example, if your offering or WAP site is available only on limited carriers or to certain handsets, ask about that as well.

Finally, ask about reporting.

Impressions and actions – for example, clicks and survey responses – are basic and should be available.

Also, ask about the breakdown by country, carrier, handset or other criteria that you may want to see.

In-game advertising offers unique features and a rich experience, and advertisers benefit from a positive association with fun mobile content.

Agencies or advertisers can contact the ad networks directly, and creative services make it easy to get started.

Have fun exploring the many in-game marketing opportunities available including surveys, game distribution and branding options. ■

Jim Durrell is director of product management at Greystripe, San Francisco. Reach him at jdurrell@greystripe.com.

The role of widgets in mobile marketing

By Ken Willner

There's no denying marketing and advertising are in the midst of a mobile revolution, offering tremendous opportunity for brand marketers.

Approximately 3.3 billion people worldwide now have mobile phones. New research from eMarketer indicates that global spending on mobile advertising totaled $2.7 billion in 2007 and is expected to reach $4.6 billion in 2008, and rise to $19.1 billion by 2012.

Ken Willner is CEO of Zumobi

As encouraging as these figures are, advertisers continue to face challenges in building effective campaigns in the mobile medium.

Mobile devices are notorious for their relatively slow Internet connections and that combined with the small-screen format and multiple interfaces makes developing uniform and dynamic consumer experiences a difficult task.

Mobile widgets offer a compelling platform for mobile advertisers to consider. A mobile widget is a small, singularly focused downloadable application that delivers information and entertainment.

Widgets are almost always interactive and most offer access to some type of Web content.

However, not all widgets are the same.

Visual design, advertising infrastructure, content delivery and device compatibility vary significantly among the most popular options available in the marketplace. So, some additional knowledge of the opportunity is important.

Driving user engagement

One of the primary benefits that mobile widgets provide to brands is the level of interactivity that they enable with the consumer.

Unlike a mobile browser that requires intense navigation and frequent roundtrips to a server, widgets enable brands to create completely immersive experiences on the handset.

These experiences have already shown their effectiveness.

On average, users of Zumobi's mobile widget platform are making five visits a day and spending 23 minutes per day interacting with Zumobi widgets.

The mobile widget providers gaining traction in the market today offer consumers a platform for running these applications on a variety of mobile devices and include an entire infrastructure to allow brands and agencies to create, deploy and update their own widgets.

This means that mobile widgets can be designed from the ground up to overcome the challenges inherent to many mobile devices and networks today.

Advertisers can create an immersive brand experience for consumers through an enhanced user interface on the handheld device, stimulating repeat usage.

Some of the brands that are already experimenting with mobile widget campaigns on Zumobi include CapitalOne, MTV Networks, The Associated Press, AccuWeather.com and Traffic.com.

Advertising is a natural part of the mobile ecosystem and provides a means of delivering premium content at no additional cost to the mobile user, similar to the way it has supported content in other media, including print, radio, broadcast and online.

With a huge potential audience of users worldwide, mobile widgets can provide the compelling interactive experience that both consumers and brands are looking for. ■

Ken Willner is CEO of mobile widget maker Zumobi, Seattle. Reach him at ken.willner@zumobi.com.

Why Hispanic advertisers
need to consider mobile

By Michael Foschetti

Mobile marketing is emerging as a powerful marketing tool for all marketers, but those trying to reach the Hispanic segment should really take note.

While online penetration and general technology adoption among the Hispanic segment lags the general market, the Hispanic segment significantly over-indexes in mobile phone and data usage.

A 2007 Mobile Marketing Association study found that 75 percent of Hispanic consumers own a mobile phone and use it regularly. They are also much more receptive to mobile marketing messages, particularly coupons, status alerts about accounts, and sweepstakes or contests.

The rate of text message usage is also growing dramatically, increasing by 39 percent over the last 12 months, according to a recent comScore M:Metrics study.

Hispanics are also ahead of the curve in active, engaged usage of mobile content, partially due to the fact that in many cases mobile phones are serving as a replacement for a home computer or Internet connection.

The same MMA study found that this group is more likely to use wireless email, instant messaging and Bluetooth functionality to download games and to view mobile video.

In fact, the Hispanic-focused MTV Tr3s mobile channel posted a 38 percent average monthly growth in video streams from February 2007 to February 2008.

Social networking sites such as MocoSpace boast a predominantly young Hispanic membership. Hispanic users are also using mobile search more than non-Hispanic users.

Brands across all industries – from lifestyle and consumer brands to financial institutions and automotive providers – have already begun to reach this audience through their handsets, with more surely to come.

HipCricket's new Hispanic mobile marketing network of more than 50 radio and TV outlets will give marketers the ability to deliver highly targeted and interactive mobile content directly to opted-in, engaged users both locally and nationally.

Companies such as Procter & Gamble Co., IKEA, Coca-Cola Co., Univision and McDonald's Corp. have all recognized the potential that mobile marketing has to engage this audience and create a loyal customer base.

P&G's CoverGirl was a premier advertiser in the first entertainment special on Univisionmovil.com, a mobile portal that features breaking news, music, horoscopes, entertainment and youth-oriented content.

Univision Movil allows fans to access clips from their favorite Univision shows, bringing the most-watched Spanish-language broadcast TV network to mobile phones.

According to comScore M:Metrics, 18.8 percent of English-speaking Hispanic subscribers are more inclined to access news and information via a mobile browser, compared to 9.6 percent of all subscribers.

Last year, McDonald's promoted its Filet O' Fish sandwich through a cross-channel promotion focusing on SMS short codes and the Hispanic market.

Every component of the McDonald's campaign, from point of purchase, banner ads and packaging, featured the mobile aspect, instructing customers to send a message to a short code to gain access to free content such as games, wallpapers and ringtones.

Mobile is clearly an essential component of the Hispanic marketing mix. Brands that recognize this market as the sophisticated, fast-growing mobile user segment that it is will surely earn significant brand loyalty. ■

Michael Foschetti is managing director at mobile marketing agency Mobisix, Charlotte, NC. Reach him at mfoschetti@mobisix.com.

Playboy takes a shine to mobile

By Giselle Abramovich

Understanding global consumer trends and the new digital movement, the Playboy Media Group has a particularly large mission – to deliver the Playboy experience to anyone, anytime, anywhere, and in a format and product-set that its audience demands.

To accomplish this goal, Playboy distributes its products globally, with a strong focus on regional differences and local nuances to deploy successful strategies.

"As one of the most iconic consumer brands in the world, we constantly challenge ourselves to offer more interactive experiences for our customers across all platforms," said Ed Lang, senior vice president and general manager of mobile and international online at Playboy Enterprises, New York.

"Our target audience demands anytime, anywhere, on-demand and on-the-go delivery of sexy, sophisticated and stylish products and services that reflect the depth and breadth of the Playboy brand," he said.

"We target existing customers seeking an exciting and unique mobile experience and new consumers who are interactive with social media and digital forms of expression."

In North America and in the United States specifically, Playboy has been working hard to extend its brand onto the mobile platform. The company has been aggressively pursuing a multi-pronged strategy toward this end.

Playboy Mobile has launched several new programs nationwide that deliver content through both proven and emerging mobile-distribution channels.

The company has focused much of its efforts on generation "D" [digital] consumers ages 18-24.

That focus includes direct-to-consumer products, premium and ad-supported service offerings and new content and programming.

"We plan to extend offerings from our domestic Playboy franchises and media divisions, all edited for mobile, as well as produce new programming developed specifically for the mobile device and on-the-go audiences," Mr. Lang said.

"This focus has broadened our heritage-rich brand's reach created by our magazine and television properties," he said.

"By creating new and engaging lifestyle-focused content and programming, delivered in new ways, we have exposed more facets of the Playboy brand and created a new, loyal and active user-base."

Mobile efforts

In September 2007 Playboy Mobile launched an ad-supported, lifestyle-inspired WAP site.

It all began when the brand realized that it needed to move beyond just premium content sales through other channels. It launched the WAP site, delivering a variety of content offerings including the best of Playboy's TV, print, online and international content and programming.

Playboy got together with mobile site developer and ad network Quattro Wireless to deliver a back-end technology that could support its development and delivery needs.

The site launched last fall with a full suite of non-nude, lifestyle-based content. Within the first 45 days, Playboy exceeded all of its launch metrics.

Playboy sold the majority of its ad inventory, attracted more than 2 million visitors and delivered 60,000-plus daily impressions.

Mobile site advertisers include Sony Pictures, DirectTV and Lionsgate Films.

In spring 2008 Playboy invested further in its WAP offering, developing and delivering an advanced user-interface - an optimized version for iPhones. It also launched new content offerings, such as more original mobile programming, videos and other multimedia assets.

"We plan to increase our promotional offerings to our sponsors and advertisers," Mr. Lang said.

"These include the addition of branded microsites, sponsor-specific premium content delivery and sophisticated messaging solutions, all expected to be available by Q4 of this year," he said.

Prior to that, in February 2008, Playboy Mobile had launched the Miss Playboy Mobile nationwide model search.

Playboy Mobile invited women, 18 and older, to register and build online profiles in their quest to be crowned the inaugural Miss Playboy Mobile 2008.

Visitors to the online (http://www.mspbm.com) and mobile (http://wap.playboy.com) sites viewed the candidates and then voted for their favorites.

The contest received more than 900 entrants for the competition within the first week and launched a four-week promotion with 100 girls.

Selected entrants were encouraged to promote themselves to friends and fans through their social-networking profiles, both on their own and by leveraging a promotional widget tool created and launched by Playboy Mobile.

Nine finalists were selected and flown to Las Vegas for a finale event held at the Hugh Hefner Sky Villa located in the Palms Casino Resort.

Seattle stunner Amber Jay, 25, won the 2008 crown, a $5,000 cash-prize and a professional photo shoot at the world-famous Playboy Mansion in Los Angeles.

Soon after, in April 2008, Playboy Mobile launched the Playboy Audience Network.

The company announced a suite of digital partnerships introducing the Playboy Audience Network (PAN), which initially includes YouTube, Break, Veoh, Howcast and Metacafe.

"This is a deliberate strategic effort to expand our existing audience into greater demographics and networks by making our content, particularly video, available in more places online," Mr. Lang said.

"On the mobile front, we launched mPAN with an initial content deal with MixerCast, a social-media marketing tool and services provider, who also created our Miss Playboy Mobile social-media widget," he said.

Additionally, Playboy partnered with mywaves, a leading mobile video destination, to deliver Playboy lifestyle-inspired video content.

Mywaves is Playboy's first ad-supported mobile video distribution deal to handle syndication of a content channel. Similar deals will be announced later this year.

Playboy Mobile measures the effectiveness of its mobile initiatives, considering metrics such as unique visitors, overall impressions, views of multimedia content, sales and downloads, as well as via brand awareness among

Adult content publisher makes mobile central to its growth plan

consumers and media.

The strategy

"Playboy Mobile's 2008 strategy is to extend the Playboy brand to a broader audience via mobile, demonstrate the depth of the brand through its existing and growing lifestyle offerings, and enhance our partnerships to deliver new mobile applications such as mobile games with THQ Wireless and greater touch points that better expand and integrate into consumers' lifestyles," Mr. Lang said.

These initiatives include new community-centric, social-networking applications that will leverage Playboy's global partners, and original mobile content, such as animations and localized entertainment recommendations.

Playboy Mobile in the U.S. will become a hub complementing its existing online destination for interacting with Playboy properties on other mobile devices.

Playboy's mobile marketing effort towards new and existing customers comprises a three-pronged strategy.

First, Playboy aims to leverage mobile technology as brand extensions, i.e. taking existing content, applications and events from other parts of Playboy's businesses and presenting them in mobile form.

Next, the brand will expand its mobile services to advertising partners by providing cross-platform opportunities such as mobile ads on mobile sites, sponsorship of mobile-originated promotions, and microsite content portals offering exclusive content.

Lastly, Playboy plans to investigate "product-marketing" of its mobile content and services directly to consumers as it extends its distribution geographically and through evolving business channels.

"Playboy's decision to bolster its mobile efforts stems from a strong desire to broaden its audience and continue engaging with Playboy aficionados in non-traditional ways," Mr. Lang said.

"Playboy Mobile helps extend online content, as well as the magazine – the world's best-selling men's monthly publication and the backbone of the brand – in real-time, making it more timely and accessible," he said.

Benefits of mobile

Generally speaking, mobile presents challenges to all media companies, but also creates opportunities if used correctly.

In a time when information changes by the minute, Playboy can make its content available in more places and more quickly by leveraging the growing number of mobile consumers.

"By example, mobile is the best channel for many of our lifestyle campaigns, because it allows us to take the initiatives on-the-go and on-demand, while hitting our target demographic and driving higher brand engagement," Mr. Lang said.

Mobile entertainment in the U.S. appears to be in transition from an emerging personalization business, to a credible ad-supported model creating many hybrid business opportunities.

This creates an opportunity for brands and media companies to leverage another digital platform for the profitable distribution of experiential entertainment content.

Playboy's philosophy on mobile is shared between these two models: selling its content in premium offerings and services similar to other content producers, while also expanding through mPAN to generate growing ad revenue.

As industry experts predict, the next 12 months to 18 months should see noticeable growth in ad revenue.

"We aim to position ourselves in such a way to be in an early place to capture significant spend on mobile by having a compelling and engaging mobile offering including our mobile site, mobile messaging and alerts, social-media offerings accessible via mobile devices and interactive communities and online extensions," Mr. Lang said.

In addition, Playboy is exploring product bundles and purchasing options for consumers using mobile payments – as an extension to the publisher's existing ecommerce businesses – by using mobile-billing integration.

Future plans

Leveraging the success of the inaugural Miss Playboy Mobile 2008 competition, which targeted only the U.S., Playboy will expand its search next year with a global competition.

For the worldwide contest, Playboy will be tapping its international-publishing and digital partners, using the online community and coupling it with the hundreds of millions of mobile-phone users worldwide.

"Our intent is to create a broader brand interaction play engaging a very large young male and female audience with Playboy in a new way around the globe," Mr. Lang said.

"We plan to leverage social media in new and exciting ways to create repeat engagement and build brand affinity with new consumers," he said.

For its partners, Playboy plans to deliver a promotional program to drive in-territory revenue opportunities and deepen local brand affinity.

In September 2008 Playboy will re-launch PlayboyMobile.com.

The re-launch will result in a new comprehensive Internet portal featuring a storefront offering personalization content, as well as expanded multimedia content such as "Playboy on the Scene," "Miss Playboy Mobile" and "Playboy Around the World."

Users also will be able to register for free subscriptions to video content delivered weekly, which will be sponsored by Playboy Mobile advertisers.

PlayboyMobile.com will serve as the hub for Playboy Mobile's Web and mobile Web sites. Community features will be added, providing a social experience between the PC and mobile platforms.

Also, Playboy Mobile will launch a suite of mobile messaging services in September.

The strategy encompasses text and multimedia messaging and spans obvious offerings such as text alerts when Internet and mobile properties are updated, as well as audio and video delivered via MMS.

"Messaging gives Playboy an opportunity to grow a database of users who are interested in finding out about new and exciting products, services and contests, as well as a quantifiable user base which will be used to monetize the messaging channel," Mr. Lang said. ■

What it takes for a truly mobile Web

By Noah Elkin

The mobile Web has been around for several years, but most consumers still continue to use their mobile phones solely for basic functions such as voice calls and text messaging.

Many users may not be aware that nearly every handset sold today has a mobile Web browser and the capacity to access the Internet. Some may not even care.

The high cost of data plans, frequently slow connection speeds, limited screen real estate and the general complexity of the mobile Web experience have been off-putting for a good portion of the mobile subscriber base.

Noah Elkin is vice president of corporate strategy at Steak Corp.

Estimates for mobile Web usage vary, but it is safe to assume that no more than 30 percent of U.S. mobile subscribers access the Internet from their mobile devices.

Part of the problem in the early days was that while the mobile Web promised to be the Web on your phone, neither device manufacturers nor publishers nor advertisers did enough to truly mobilize the Web.

Rather, everything from form factors to page design and coding conspired to be the equivalent of cramming a square peg through a round hole.

The mobile Web experience will always be qualitatively different than going online from a PC, at least until someone invents a 19-inch screen that can fit in your pocket as well as the palm of your hand.

However, different need not mean horrible.

The dawn of the iPhone era is helping to overcome some of the challenges associated with ease of use and the overall quality of the mobile Web experience.

With Apple and other device manufacturers rushing to roll out handsets similarly designed around the Web experience, the notion of a traditional Internet browsing session on a wireless device has very quickly become more plausible.

At the same time, carriers are slowly coming around to the conclusion that streamlining data plans and lowering prices might drive adoption of their value-added services.

Even more important than the gradual elimination of impediments on the device and network fronts is the growing understanding among content publishers, advertisers and application developers of the ways in which the mobile and wireline Web are distinct yet also inextricably linked.

Because people use mobile phones on the go, most Internet browsing sessions tend to be shorter than on the wireline Web and, for obvious reasons, they also are likely to be more directed.

Consequently, everything from information, alerts and entertainment to advertising and offers needs to come in smaller snippets and everything has to be more targeted.

"Personal" is one of the watchwords that must be respected, particularly where marketers are concerned. This has translated into a changing value equation between consumers and advertisers.

Consumers have greater control over the messages they receive and advertisers must offer utility in exchange for information about and access to those consumers.

To some extent, this changing equation has made its way to the wireline Web as well, but whether it will define both channels in equal doses remains to be seen.

"Portable" is the other guideline that must be respected, especially for content owners, who must be aware that portability is now two-way.

Consumers switch from one device to another in a relatively seamless fashion, going from their desktops at home or work to their mobile devices on the go.

In the process, they are now sending content from their devices to be consumed in a subsequent wireline Web session and also are packing up content on their devices to consume on the go.

Better personalization and greater portability are helping to move the content and marketing ecosystem closer to a truly multichannel world. Expect this process to accelerate as the mobile Web experience continues to improve and gains new adherents. ■

Noah Elkin is vice president of corporate strategy at interactive agency Steak Corp., New York. Reach him at noah.elkin@steakdigital.com.

BEST PRACTICES FOR BUILDING iPhone-adapted mobile sites

By Eswar Priyadarshan

This year will be viewed as the year that the mobile Web went from a question mark to a reality, thanks to the Apple iPhone and its full Web browser capability.

Since the iPhone's launch, mobile Web traffic statistics from AT&T, Google and the Quattro Network show that the iPhone audience is one that should be catered to and capitalized upon as new and active browser territory.

Yet despite the preponderance of mobile Web usage on the iPhone, there is still an opportunity to enhance the experience.

To see what I mean, check out the iPhone-specific sites for companies such as Facebook (http://iphone.facebook.com), LinkedIn (http://iphone.linked.com), CollegeHumor (http://iphone.collegehumor.com) and Realtor.com (http://iphone.realtor.com).

Compare them to their "wired" companions on an iPhone. I think you will agree that the wired equivalents are comparatively difficult to browse.

The adapted versions of these same sites show a giant leap in site usability and performance with optimal content layout, intuitive navigation, better display and navigation for ads without sacrificing any of the site content.

Let's drill down into the design choices made by these iPhone-adapted sites and provide a rationale for the decisions.

Lightweight pages

The average 300k wired Web page will take about 90-100 seconds to download fully on an iPhone on the AT&T EDGE (2.5G) network. It will take 30 seconds to download on the faster 3G network when AT&T and Apple upgrade completely from 2.5G to 3G.

A useful page size rule of thumb is to assume three seconds for every 10k of page content on an EDGE/2.5G network and slightly below 1 second per 10k on a 3G network.

Assuming you want to have your pages load in the 3-7 second range, you should set your page size metrics to be no more than 25k-30k – thus allowing for more data because of image content in your pages.

One finger/thumb navigation

Eswar Priyadarshan is chief technology officer of Quattro Wireless

The iPhone provides a very powerful pinch-and-zoom technique to drill down within a page, but the user gesture requires two hands for page navigation.

Given that mobile navigation is primarily done with one-hand (e.g. the other hand is holding a cup of coffee), it is important to be able to navigate a site primarily by thumb scroll and tap.

Additionally, image galleries can be made much more interactive by leveraging the iPhone browser's JavaScript capabilities to provide a dynamic click-and-zoom capability for individual images.

Fewer, more prominent ads

One of the issues of having a wired Web site rendered as mobile in the iPhone browser is that the ads on the site appear small, illegible and difficult to click-through.

Reduce the number of ads on the page – perhaps down to three to four, placed strategically along the page scroll – and ensure that the click-through is easy and prominent.

Absence of Flash

The iPhone does not run the Adobe Flash Player. Recent statements from Steve Jobs, CEO of Apple, indicate that it is unlikely to ever run the Flash player. You therefore have a dead-zone for all the Flash sections in your site.

You should consider replacing the Flash sections with Ajax-equivalent interactive content.

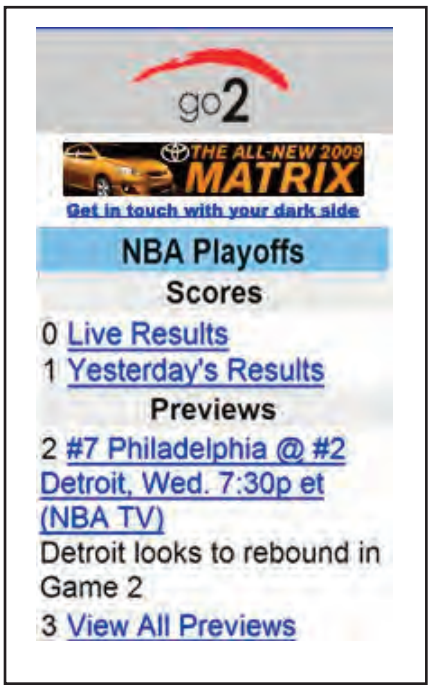
IPhone users are increasingly getting used to and coming to expect a quality and snappy user experience from their favorite sites.

Consumers may not know or care that the site was adapted for the iPhone. But based on traffic patterns that we have observed on our network, your extra effort will be amply rewarded with more repeat visits and deeper page views per visit.

Eswar Priyadarshan is chief technology officer of Quattro Wireless, Waltham, MA. Reach him at eswar@quattrowireless.com.

Beyond the mobile ad banner

By Tim Solt



Mobile advertising has clearly come of age, with numerous advertisers and agencies now including mobile in their marketing strategies and media plans.

After several years of development and experimentation with most mobile advertising buys funded from research, opportunity or other one-off budget items, it now appears that mobile advertising has become its own line item.

While the genre is still in its relative infancy, the reach of mobile advertising is growing and many campaigns are delivering performance metrics that exceed advertisers' expectations. Mobile advertising, like most digital media, is reasonably measurable and can be very effective in many situations.

Tim Solt is senior vice president of sales at go2 Media

When choosing a mobile marketing strategy, product or service, there are a number of considerations and options that extend substantially beyond the purchase of banner ads.

Having delivered more than 1 billion page views of local search and content and hundreds of millions of targeted ad impressions over mobile phones, here are a few observations and things to consider when deciding whether and how to include mobile in your media plans to meet your campaign objectives.

First, there are typically three dominant alternative objectives of mobile advertisers today – brand building, marketing of mobile consumables (games, ringtones and other products sold and typically consumed via the phone) and direct marketing of non-mobile consumables.

The first two objectives are far and away the most popular among mobile advertisers, and the most readily achievable today.

Second, designing campaigns and measuring ROI is a relatively easy task for most direct marketers.

Immediate or long-term ROI is readily ascertainable by comparing the overall marketing costs and costs on particular sites or creative to the immediate and lifetime value of visitors or acquired customers.

Sometimes click-through is measured, sometimes page views generated. Sales or other metrics provide even more clarity on the ROI.

In contrast, designing campaigns and measuring their effectiveness for brand building is a much more nebulous and subjective task.

However, there are numerous opportunities to focus on the unique mobile use case and product footprint to build brand awareness, adoption and loyalty.

Banner ads have proven very effective in mobile and generate click rates substantially higher than other digital media. Users often view multiple pages of information, participate in surveys, request additional information or other forms of interactivity to build brand awareness.

Finally, as mobile content is still limited, several brands have incorporated custom creation to help achieve their individual objectives.

Advertisers can sponsor the development of content to reach target audiences in ways that both generate and engage users and build brand awareness and loyalty.

Examples of this are the Purina sponsorship of go2Pets.com and the Acura sponsorship of go2Golf.net – two highly customized mobile content channels focused on specific user interests that drive substantial traffic, awareness and brand engagement for the sponsors.

The opportunities for brand engagement in mobile are significant, sometimes too significant.

Today, there are many facets to consider in mobile marketing that go beyond the banner and will prove effective in helping you achieve your objectives. ■

Tim Solt is Boston-based senior vice president of sales at go2 Media. Reach him at tsolt@go2.com.

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Mobile Marketing and Communication

Building momentum of mobile search

By Price Glomski

While Google, MSN and Yahoo scramble for every possibly deal within the mobile space, consumers seem to be taking a back seat approach to upgrades.

Is mobile search adoption moving more slowly than some expected? Each engine's value proposition is a bit different, which isn't a surprise considering their current online presence.

Yahoo will focus on their search, local and shopping presence, while Microsoft will do the same with additional attention on mapping and directions.

Google being Google, with its specific approach, is focused on search and localized search.

Studies show that most marketers have budgeted-up for mobile in 2008, with an average allocation of around 10 percent of their overall marketing budget.

Price Glomski is account director and integration strategist at Range Online Media

Part of this increase in budget is related to the need for device compliance and the cost of WAP development.

It seems that mobile has become a necessity for the business side of the equation, but what about the most important factor – the consumer? Where do we need to focus our attention in order to keep the channel's momentum?

A few things that come to mind:

The $19.99 phone syndrome. Now don't get me wrong, I too am a proud owner of one these modest, unobtrusive but indispensable devices. Maybe this is all I need in a world that many times seems over-connected. It allows me to text, call and answer – nothing more, nothing less.

Herein lies the problem for most advertisers, though.

A large pocket of the market is still under the influence of traditional mobile phones which provide a dysfunctional pathway for search or the Internet.

These devices do have easy access to SMS-based search, but it comes down to knowledge and, of course, the relevancy of search results.

The big three engines still have a great deal of work to do to return relevant answers via SMS-based search.

However, other search providers are entering the market and creating live SMS search which returns a stronger quality of accurate results.

With such a large section of the market using these devices, engines and direct marketers need to make sure that quality is not overlooked.

People get it, right? Well, not really.

The marketplace lacks mobile search instruction.

Outside of having to visit your nearest provider's store or digging through your device's manual, there is virtually zero education.

How did music and ringtones spread like wildfire? Well, for one – advertisers barrage markets where the new influencers would adopt the technology (i.e. MTV commercials).

A recent study shows that 46 percent of all mobile search is directed to ringtone purchase. That number is staggering, but why would that be less than accurate, considering the abundance of offline and online education that advertisers deliver on a daily basis?

In order to start seeing relevant and budget-worthy traffic, consumers need to receive this education.

Although a large percentage of advertisers lack mobile site presence in the space, which is possibly another reason for the nonexistence of search promotion, engines and providers should focus some of their strategy on ease of use and functionality to help stimulate the market.

If we leave the education piece up to engines and accept that most of the $19.99 phones will be in some way search-compatible within the next year, how do we as marketers leverage the influx of traffic?

And how do we make sure that we are providing the best experience for the consumer? If consumers lack trust in the results or click path, then we should expect a much slower acceptance of this search channel.

Success is a team effort at this point, and the value is attributed to every step of the path, from service provider to device technology, engine partnership, search results and site compatibility.

Quality at every level is a necessity to continue building momentum in this innovative and, so far, fairly inexpensive, channel. ■

Price Glomski is account director and integration strategist at Range Online Media, a Dallas/Ft. Worth-based search and interactive marketing firm. Reach him at price@rangeonlinemedia.com.

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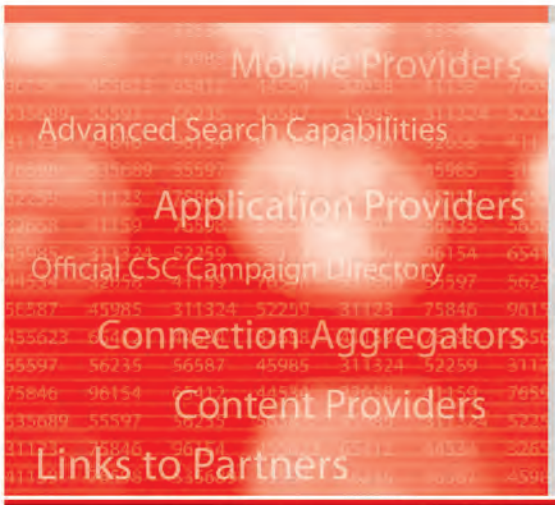

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Mobile ad networks or buy direct?

An agency's perspective

By Jamie Wells

Agencies are often confronted with a common challenge when drafting a mobile advertising plan: Should they go to the mobile ad networks or should they attempt to negotiate directly with the individual mobile publishers?

Both have their advantages and limitations that agencies would be wise to keep in mind when planning and executing their mobile marketing plans.

Jamie Wells is group director at Prometheus

Mobile ad networks

Since mobile often commands a relatively small percentage of an advertising budget, most agencies do not usually have the internal resources to plan and negotiate sophisticated mobile advertising plans on a publisher-by-publisher basis.

This challenge is compounded by the relative inefficiency of the mobile advertising marketplace.

Overwhelmingly manual, most mobile RFP processes are just beginning to become formalized, and even when established, usually require the agency to juggle multiple phone calls and emails to each individual publisher in a plan.

That said, agencies look to mobile ad networks, such as AOL's Third Screen Media, Ringleader Digital, AdMob or Millennial Media, to streamline this process.

By aggregating and bringing to market large tracts of mobile ad inventory, mobile ad networks play a highly important role in the mobile advertising ecosystem.

However, while these networks greatly simplify the process of mobile advertising planning and buying for the agency, media buyers cannot rely on the networks to provide objective media planning services, as the two often have conflicting interests.

This is because while both ad networks and individual publishers share the goal of extracting the highest price for their advertising inventory that the market will bear, ad networks are also faced with the daunting task of satisfying a large network of highly dissimilar mobile publishers.

The networks risk losing publishers to rival networks should they fail to sell a certain percentage of each publisher's inventory. This creates a conflict of interest between the network recommending the most targeted and effective inventory, versus recommending inventory solely on the basis of appeasing particular publishers.

Individual publishers

While more time-consuming, agencies negotiating media plans directly with individual mobile publishers can also reap tremendous dividends for their clients.

As is the case with online media planning, individual mobile publishers such as The Weather Channel, ESPN and The New York Times often can provide a much higher level of integration than that offered by the ad networks. This includes access to exclusive editorial content, custom promotional programs, as well as highly integrated cross-media campaigns.

It should be noted that a common misperception is that buying direct from individual publishers automatically results in huge price advantages (versus purchasing mobile ad inventory through an intermediary such as a mobile ad network).

In fact, there is usually no price advantage in either model, as publishers must sell their advertising inventory to ad networks (for resale) at significantly discounted rates versus those found on the open market.

Furthermore, considerable market pressures actually encourage mobile publishers to establish identical price floors for both their internal sales forces as well as any external sales channels, such as mobile ad networks and other resellers.

Recommendations

Obviously both the mobile ad networks and the individual mobile publishers play important yet highly dissimilar roles in the mobile advertising value chain – with the networks providing the broadest reach, while the individual publishers providing increased promotional and mobile content integration.

Clearly then, best practices dictate that planners should use both mobile ad networks and individual mobile publishers in the planning and execution of mobile advertising plans.

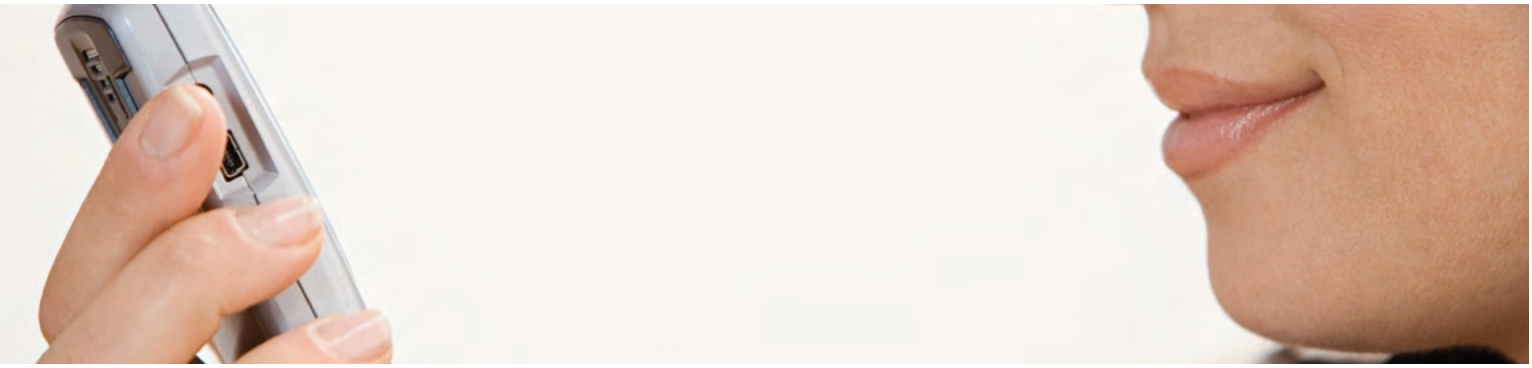
Agencies must cultivate relationships with key mobile portals if they are to bring innovative integrated mobile advertising opportunities to their clients.

Additionally, agencies should also look to mobile ad networks in order for their mobile campaigns to achieve desired levels of scale and reach.

That said, agencies need to take the time to scrutinize each site recommended by the networks by respectfully requesting a rationale for its inclusion.

At a minimum, mobile ad networks sites should be able to provide agencies with an aggregated site demographic or content target data as justification for inclusion in a plan. ■

Jamie Wells is group director at Omnicom's Prometheus, New York. Reach him at jamie.wells@prometheus.com.



Operators hold competitive advantage in mobile advertising

By Gareth Maclachlan

Open networks, third-party content, smartphones and an increasingly sophisticated mobile consumer population make 2008 the year when complex, interactive mobile marketing and advertising takes off in the United States.

For mobile marketers and advertisers looking to deploy compelling programs, the natural partner is a seemingly unlikely source: their mobile operator.

U.S. mobile operators have the technological capabilities and demographic knowledge to help deliver and manage a variety of campaigns using set user preferences and past history as compelling differentiators.

The key to working with the operators is to keep the consumer activity and experience at the forefront of the campaign.

Mobile operators have a wealth of information that makes them a natural player in the mobile advertising and marketing arenas, namely their data on individual subscribers.

Only a mobile operator can tell a subscriber's preferences for surfing the mobile Internet, past purchasing information, where the subscriber goes on- and off-deck and what types of information are most likely to receive a response.

Mobile operators can use this information to run targeted campaigns based on a number of important factors, including age, purchasing habits, personal settings and even types of contact the subscriber does not want.

Essentially, mobile operators are best placed to leverage behavioral data and preferences to run extremely effective, personalized and targeted advertising campaigns for mobile while preserving individuals' privacy.

Using advertising programs in Europe and Asia as a guide, the power of the operator's network can transform a static, passive mobile advertising environment into one that incorporates real-time incentives; works across a number of media, including television, print, radio, outdoor ads and cinema; and allows for active customer participation, such as click to call, click to locate and click to enter a contest.

The key to the programs' success is the use of the technology to engage the consumer.

In parts of Asia, for example, customers opt-in for advertising programs and the advertiser pays a part of the communication – either data or voice call – in return for customers viewing an advertisement.

In another program running in Europe, a mobile ad is transferred by SMS to the operator, who then delivers it via MMS to the consumer, adding in personal preferences and any incentives associated with the brand.

For example, a consumer who has listed movies as a preference might be given an MMS message for a discount coupon to be used at a theater that weekend.

Similarly, mobile operators can monitor and filter advertisements that consumers don't want to receive or are not age appropriate.

Gareth Maclachlan is chief operating officer of AdaptiveMobile

Some people, for example, might not want to receive advertisements for alcohol or adult entertainment based on their cultural or religious preferences. Parents may not want their children to receive advertisements at all, and mobile operators will want to filter out advertisements for gambling, alcohol and adult content to minors.

The key to the mobile operator's success is monitoring a subscriber's preferences and responding immediately to requests to opt-out of programs.

Like any other service, subscribers should have the ability to choose not to receive advertisements and other offers.

Mobile operators can easily turn on and off the mobile ad stream to subscribers, and by allowing the subscriber this level of control, the mobile operator does not have to contend with angry subscribers who feel that Big Brother is asking them to spend money.

The mobile operator should look to advertising agencies, marketers and brands as customers in the same way they target individual subscribers.

A mobile operator that offers a targeted, willing audience to brands will ensure that it does not turn into a bit pipe. Doing so successfully requires the following:

- A program that allows subscribers to easily opt in and out of programs
- Assurance to subscribers that their data is only used by the mobile operator and not shown to third parties
- A willingness to consider non-traditional incentives, such as having the advertiser pay for part of the communication. ■

Gareth Maclachlan is chief operating officer of AdaptiveMobile, a Dublin, Ireland-based mobile security and content filtering provider. Reach him at gareth.maclachlan@adaptivemobile.com.

THE MOBILE BRAND EXPERIENCE: Measuring ad effectiveness ON THE MOBILE WEB

By George Pappachen, Safecount
Kara Manatt, Dynamic Logic

This paper describes the pioneering work of conducting ad effectiveness research on the mobile Web.

By forging a process that combines innovation, collaboration, leadership and research rigor, a previously unavailable view on branding impact was introduced.

The research primarily employs control/exposed methodology and this paper grants an early look at the impact mobile ads have across traditional brand metrics (brand and ad awareness, message association, brand favorability, purchase/behavior intent).

Introduction

This paper outlines a groundbreaking way to measure the branding efficacy of mobile advertising.

While it is not novel to recruit panel respondents for mobile research, live recruitment via mobile device is. By employing custom technology in support of the reliable techniques used in quantifying Internet campaigns over the past nine years (4,000 studies), a previously unavailable read on branding impact was introduced.

This approach - the control/exposed methodology - has been successfully tested and repeated across a number of mobile studies, allowing for an early look at the impact mobile ads have across traditional brand metrics (brand and ad awareness, message association, brand favorability, purchase/behavior intent).

In addition, the approach can provide information on how consumers use their mobile devices, what their mobile Web activities and behaviors are, and can deliver insights on target audiences.

Especially if coordinated with reach and frequency data, this approach can help shape a fuller understanding of the effectiveness of mobile advertising and the audience it impacts.

Data to be discussed will include early averages across the above mentioned attitudinal measures and comparisons to what is typically seen on the Internet when using the same methodology and metrics.

Our research philosophy: Brands and advertising

In the minds of a consumer, brands are defined by all its associations – rational and emotional – which generate interest and curiosity, and set up expectations on service or product experience.

Good marketing communication is central to ensuring brand success and advertising is a leading communication tool.

Advertising across all platforms creates brand memories that are stored. The more these associations are refreshed, the more permanent they become.

Useful branding techniques for effective advertising may include clear symbols to identify the brand and insight into the distinct brand benefits, and promote positive feelings, good social values and overall desirability.

Will the ad get into the mental workspace (engagement)? Does the ad affect brand associations in the right way (association)? Do the promoted brand associations make it more desirable at key decision moments (motivation)?

These are some of the questions that an effective campaign would deliberately address and use to maximize returns.

While there's no magic formula to ensure advertising success, our experience shows that some basic principles should be observed: 1) distinctive creative is always key; 2) the creative idea should be intrinsically linked to the brand and its messages; 3) the communication should evoke a response which can be either rational or emotional and be personally relevant.

A firm foundation in advertising research has formed the basis of our development of solutions to assess the impact of advertising in new and emerging technology platforms including mobile.

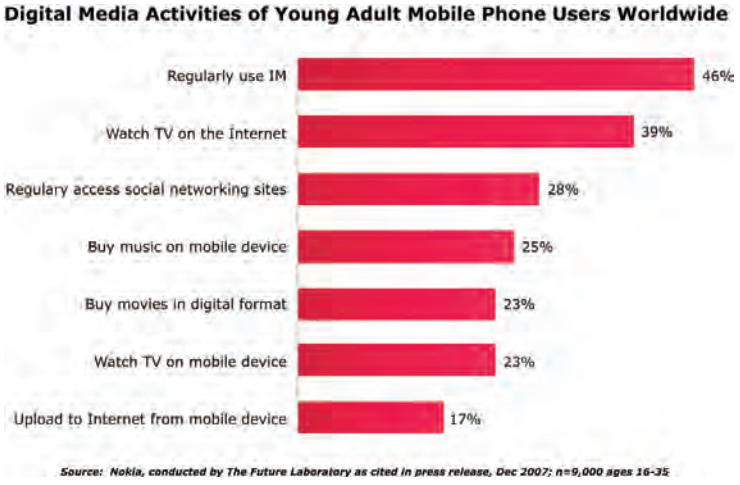
The mobile landscape

Worldwide mobile ad spending is projected to grow from $2.7 billion in 2007 to $19.1 billion in 2012, according to an eMarketer report released in March.

This report also held that marketers are increasingly incorporating mobile media in digital campaigns and that the average price for a mobile marketing campaign more than tripled to $100,000 in 2007.

Mobile content assumes many forms, which include (in order of total usage) SMS/MMS text messages, Wireless Application Protocol (WAP) the Internet, downloadable applications and video.

Mobile devices are increasingly gaining foothold in consumer lives and routines. Browsing for movie times, purchasing music and digital content, and interacting on instant messenger are some of the typical entertainment-related activities that consumers routinely undertake using a cell phone. [See below]



These behaviors reflect growing consumer adoption of the handheld as a legitimate third screen on the road to what optimistic mobile evangelists hope is an eventual battle for first-screen status.

Despite this tremendous growth trajectory, marketers are only now tapping into mobile's vast potential. And while effective mobile campaigns would capitalize on the medium's unique capabilities, marketers predictably expect mobile to offer the Internet's well-touted advantages of measurement and accountability.

So, part of the process of progressing mobile from exploratory budgets to full-fledged contender for media dollars is to determine appropriate metrics for marketing success.

In an age of disparate advertising platforms and fragmented media consumption, metrics to evaluate the impact of advertising in the mobile space

are critical.

Marketers would rightly expect to understand the return on their mobile spend or investment and mobile's place in the marketing mix.

In that vein, this paper reviews the process which enabled survey research to be conducted on a handheld, using a proven methodology that formed the foundation of more than 4,000 Internet advertising studies.

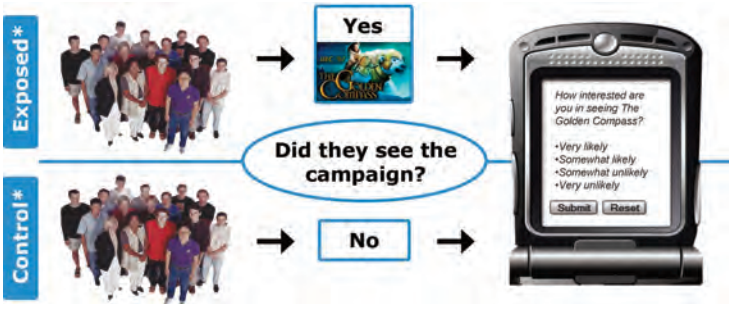
This paper seeks to contribute to the understanding of mobile advertising effectiveness in three areas:

1. Suggesting standard brand metrics as an evaluative measure for marketing messages on the mobile Web

2. Presenting a repeatable, scalable and proven method for measuring mobile advertising effectiveness – AdIndex for Mobile

3. Providing an early look at how mobile campaigns are performing, with a case study and early mobile averages

To create a research solution for measuring the effectiveness of mobile advertising, Dynamic Logic adapted its AdIndex methodology, previously employed on the Internet and applied it to the mobile Web space. [See below]



Introducing research on the mobile Web, however, had clear technological challenges, such as an inapplicable Internet recruitment model, incompatible Internet survey platforms, non-transferable Internet tracking capabilities and misaligned mobile ad serving/WAP-site technologies.

The path to progress tackled every technical obstacle with a relentless focus.

To be responsible to the still developing mobile ecosystem, respondent interface with the custom mobile survey platform was carefully managed.

The rules of engagement were narrowly tailored to fit the unique mobile environment and its distinctive capabilities – industry best practices were strictly observed.

The survey platform not only enabled custom integration with differing ad server technologies, but also delivered an innovative results exchange.

Partnerships with carriers, ad servers and other mobile enterprises were negotiated and leveraged to test and trial tracking technologies to identify and separate control and exposed cells.

Research on research was conducted to discern handset market penetration and to learn other information on critical technical components of this initiative.

Beyond behavioral measures, such as clicks and view-throughs, AdIndex for Mobile evaluates the impact of mobile advertising on attitudinal measures and, as a result, advances the knowledge of the industry in these key areas:

➤ Quantifies advertising effectiveness for mobile advertising using traditional brand metrics such as awareness, brand favorability, ad recall and purchase intent, and compares these metrics from a given campaign back to ad-effectiveness averages culled from prior campaigns.

➤ Enables visibility into the following aspects of user experience and consumer media consumption habits. These elements are selectively incorporated in collaboration with media partners and are customized to study objectives:

- how consumers perceive and react to mobile advertising
- optimize mobile advertising placement, reach and frequency levels using consumer-supplied data points
- identify points in the decision-making process where consumers are most receptive to mobile advertising
- investigate if mobile complements an advertiser's marketing mix

Prior to the introduction of AdIndex for Mobile, the research community relied on panel-based approaches and measurement built solely on user recall of mobile advertising.

George Pappachen is director of market development at Safecount

This was not an ideal approach for many reasons — prohibitive cost, inaccuracy of self-reported exposure and difficulty of recruiting respondents exposed to advertising due to the relatively low reach of mobile campaigns, just to name a few.

The solution outlined in this presentation is based on live, in-market measurement of advertising exposure and was designed to deal with these issues.

Methodology: Quantifying mobile performance

Kara Manatt is research director of crossmedia at Dynamic Logic

AdIndex for Mobile uses a control/exposed methodology to gauge the impact of mobile ad campaigns as they run live across WAP site(s).

Campaign ads are tracked through either a mobile ad server or by our proprietary AdScout Mobile technology.

This tracking allowed for the distinguishing of two cells of mobile users: those who have been exposed to the specific advertising campaign and those who have not been exposed to it.

Mobile users are randomly recruited on their mobile device using a banner invitation or text link and are guided to a survey which is taken directly on their mobile device.

The survey platform reads from a library of devices and renders optimally to the device in question.

Both the control group and the exposed group are given the exact same survey and their responses are compared.

The survey consists of approximately 10 questions ranging from mobile usage to brand awareness and purchase intent.

The basic survey question structure is held consistent across research studies for the purpose of building a normative database for mobile advertising.

However, customized questions are developed to measure the specific brand's attributes or unique campaign messages.

Simultaneous recruitment of control and exposed respondents controls for outside influences – seasonality, offline media – ensures that the only statistical difference between the control and exposed groups is exposure to the advertising.

As a result, any differences in survey responses between the two groups can be attributed to the impact of the mobile advertising.

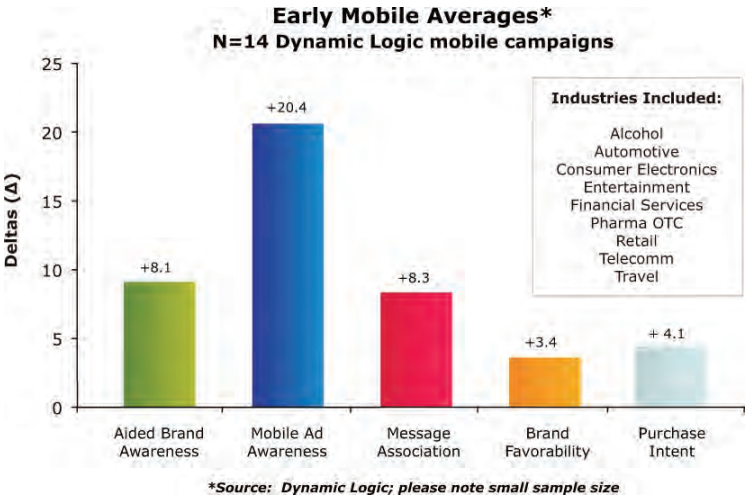
As a standard practice, Dynamic Logic samples 300 control respondents and 300 exposed respondents and uses a two-tailed t-test to determine statistically significant differences.

This methodology provides media companies, agencies and advertisers with much needed research to assess the effectiveness of mobile advertising.

(next page)

An early look at mobile performance

Early averages from 14 measured mobile ad campaigns across a variety of industries suggest that mobile advertising is a highly effective medium for raising top- and bottom-funnel brand metrics. [See below]



An average increase of +20.4 percentage points in mobile ad awareness suggests that these campaigns generally cut through and grab users' attention.

Increases in brand favorability and purchase intent of +3.4 percentage points and +4.1 percentage points, respectively, support the ability of mobile advertising to significantly change consumers' attitudes towards a brand and act as a sales vehicle.

Case study: Mobile ads for "The Golden Compass" film demonstrate the branding impact of mobile advertising

To generate excitement for its new film, "The Golden Compass," New Line Cinema commissioned Greystripe, an ad-supported mobile game and application distributor, to launch a marketing campaign.

The purpose of the campaign was to engage mobile users in a gaming environment to raise awareness of the film, raise their interest and ultimately drive movie-goers to the box office.

Greystripe commissioned Dynamic Logic's AdIndex for Mobile to measure the success of the campaign in reaching these goals.

Study scoping revealed that given the technical nature of mobile gaming, the control cell had to be recruited just prior to the start of campaign to ensure adequate recruitment of respondents who had not seen "The Golden Compass" campaign ad.

Exposed respondents were recruited from the Greystripe network between Nov. 8 and Dec. 6, 2007 while the campaign was in-market.

Due to the lack of uniform standards for mobile technology in general and for ad serving in particular, some of our early studies reflect a pre-control/exposed testing, as in this case, rather than the typical simultaneous exposed/control testing employed in other campaigns.

Respondents for this study were surveyed on their mobile phones about their movie-going habits, awareness of "The Golden Compass" movie, attitudes towards it and intent to go see it at a theater.

Results show that the campaign reached an extremely relevant audience.

Two-thirds of the sample reported having seen a movie in a theater in the past two months, and about one-third use their mobile device to find theaters and movie times, watch movie trailers and visit movie WAP sites.

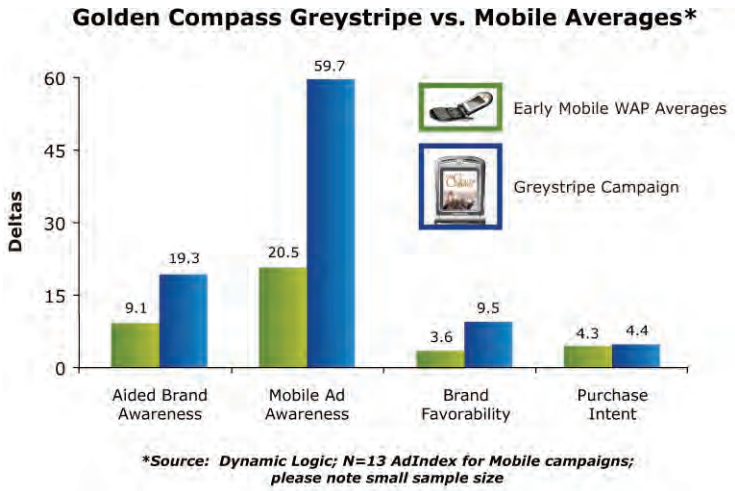
The campaign also made an impressive impact in marketing "The Golden Compass" movie.

Users exposed to the campaign showed a +19.3 percentage-point increase in awareness of the title and a +59.7 percentage-point increase in awareness of the mobile ad.

In terms of shifting attitudes, exposure to the campaign generated a +9.5 percentage-point increase in movie interest.

In other words, 9.5 percent of people who became interested or very interested in the film would otherwise not have been.

All three metrics surpassed Dynamic Logic's early mobile averages for these measures. [See below]



Relevant messaging is key

It is no surprise that consumers may be wary of advertising on their mobile devices. This may result in consumers' rejection of advertising on a device that is considered very personal. It is possible that people may not yet see the value in mobile ads at this stage.

The perception may be that ads on mobile phones will be intrusive and interruptive, more like spam, so there is an opportunity for advertisers and brands to change this perception by connecting with their audience when the message is relevant.

Relevance is critical to the adoption of mobile advertising.

While advertisers are testing the mobile ad waters with WAP display formats such as banners, the real potential of mobile marketing lies in the mobile marketing efforts that are relevant and offer value to consumers when they want and need it.

Where do we go from here?

While there's still much to learn, initial research demonstrates mobile advertising campaigns can generate a strong branding impact across a wide range of industries – across low and high-consideration categories.

Mobile advertising campaigns have the power to significantly impact top- and bottom-funnel brand metrics, from brand awareness all the way down to purchasing.

In order to provide some context around the brand performance of mobile campaigns (while not an ideal comparison), early mobile averages are higher than those typically seen from similar campaigns on the Internet across most brand metrics (based on Dynamic Logic's online ad effectiveness database MarketNorms).

While novelty of medium likely contributes to the higher averages, advertising in a new medium does present an opportunity to influence viewers in a fresh, less-cluttered environment.

Though it is clear that the mobile Web is a technology that users are heavily interacting with, differences between mobile and other media may flatten over time as the medium becomes more commonplace.

Advertisers should consider leveraging this new medium early on to optimize impact. ■

This paper was presented June 2-4 at an ESOMAR conference for researchers in Budapest, Hungary and has been adapted for this publication.

George Pappachen is director of market development at Safecount, New York, and Kara Manatt is research director of crossmedia at Dynamic Logic, Chicago. Reach Mr. Pappachen at georgep@safecount.net and Ms. Manatt at karam@dynamiclogic.com.

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Hiring a mobile ad executive

By Rick O'Connell

At the beginning, middle and end of every press release, save those around funding, is a salesperson.

When we read about SmartReply, The HyperFactory, HipCricket or Mozes announcing new account wins, we have a sales and services organization that has executed.

And when we read about great growth and expansion at quarter or fiscal year-end, we have a high performance sales and marketing engine with scale. Now assuming our model is right, how does every firm attract and retain high performing sales talent to put that engine on the road.

Finding the parts

Let's agree that in the scheme of things the industry is 10 minutes old compared with others, meaning the installed base of talent is very narrow.

In addition, those whom you admire are locked-down due to non-competes or not on the market. What's a company to do? Well, for starters, don't worry. Similar to dot-com 10 years ago, the call for industry talent was similarly vexing.

The challenge for many firms is not just daunting, but in some cases, highly demoralizing.

Your company has a great story, your clients are voting with their dollars and you are ready to scale. The executive team is a venerable who's-who in the industry and the board has asked you to hire sales talent with a Rolodex and mobile marketing background.

Seems easy enough. Run a few ads, work your network, hire and start selling. Then six to eight weeks later you have run aground. Or only one of the four new sales hires you have added is producing. You have got a great story, leadership team and a compensation plan, but you are not seeing the numbers. Why?

Fail to plan, plan to fail

Many mobile marketing firms are wondering where they will find their next sales superstar or executive, while others are addressing their hiring needs with a clearly defined talent acquisition strategy.

Those firms that will bridge the chasm between early adopter to early majority believe that no corporate activity is more germane to their success than the ability to hire and develop great people.

But if the development of a robust, ongoing talent acquisition strategy is vital and looked upon to work with zero defects, then we must consider the U.S. Department of Labor statistics that fixes the cost of mis-hiring a $100,000-per-year manager at $300,000.

Other estimates run the gamut, from a conservative multiplier of 10x the base compensation to a mind-numbing 24x.

Suffice it to say that any talent acquisition strategy that repeatedly misses the mark will create a significant drain on corporate coffers. Compound that against a young, venture-capital-backed company and the outcome from hiring the wrong person could be catastrophic.

Work backwards

How do you hire a sales organization to sell services that 12 months prior had not been invented? Consider looking at the end play. Who else calls on our buyers or partners? Did they carry $1 million-plus in annual quota? Did they make plan?

Also, do they possess the personality traits that lend themselves to the energy and excitement that startups and young firms present? Did we run a personality test? Can we teach and train our unique approach and have that translate to revenue? The answer is yes.

Net/net, we all want world-class clients and the same is true for building a world-class team. ■

Rick O'Connell is mobile marketing practice manager for executive staffing firm MRI-The Boston Group, Boston. Reach him at roconnell@mri-boston.com.

By Thomas Ellsworth

Mobile Marketing Video Content

through mobile advertising

There are 250-plus million mobile phones today in the United States. Approximately 40 million of those phones have the capability to play high-quality video and thousands more are sold daily. Still, less than 20 percent of the market is equipped to view high quality video.

In the face of these figures, how do mobile video content providers market their offerings?

Good question. It's one I ask myself every day as GoTV Networks attempts to builds subscribership and momentum for its slate of mobile video content.

In early 2007 it became clear that GoTV could not wait for more people to buy video phones and could not exclusively depend on the wireless carriers for promotion.

While the carriers are capable partners, they face a plethora of issues and promoting GoTV video content or anyone else's was a lower priority.

Thomas N. Ellsworth is CEO of GoTV Networks

Lastly, the small number of video-capable phones in market made traditional mass media advertising impractical.

GoTV turned its attention to mobile advertising and drafted a basic plan. The core thrust was to use the wireless Internet (WAP) to raise visibility of GoTV's mobile video channels including three music channels: "Hip Hop Official," "Rock with Altitude" and "ES Musica."

A number of mobile advertising companies were engaged. Almost every one of the candidate providers was venture-funded and under three years old. That fact illuminated the nascent nature of the space.

After evaluating the options, we selected Millennial Media, a Baltimore, MD-based mobile ad network.

Millennial's Decktrade platform allowed GoTV to specify where and when mobile Internet ads would appear – by device, by carrier and by site. This was key.

Ever since ringtones and mobile games came to market in 2001, mobile device models have shown diversity in content sales. Sales can vary so significantly that a content provider should over-weight mobile advertising spending on specific device models and ignore other models altogether.

Interestingly, content sales may not correlate to the number of units

of a specific phone model in market. For example, phone "A" with 500,000 units in market may generate higher mobile video content sales than phone "B" with 1.5 million units in market.

GoTV knew the phone models it wanted to focus on, and Decktrade provided even deeper information. Using this information, the campaign was refined along the way.

The results were compelling. The banner campaign on the mobile Internet generated strong click rates, with each click leading the consumer to a page where they could subscribe to a GoTV music product.

Going forward, GoTV is not limiting its mobile advertising efforts to the wireless Internet. Emerging companies are building solutions that deliver high-quality impressions to phone users as part of the phone's normal operations. One such company is DigitalSidebar.

GoTV engaged Digital Sidebar in early 2008 and is currently preparing a market trial.

GoTV, like other companies using mobile advertising, continues to experiment, gathering data and absorbing lessons even as the tools, methodologies and providers mature.

Yes, it's early, but the future is quite promising. ■

Thomas N. Ellsworth is CEO of GoTV Networks Inc., Sherman Oaks, CA. Reach him at ellsworth@gotvnetworks.com.

How multivariate testing
can optimize mobile marketing

By Kim Ann King

Kim Ann King is chief marketing officer of SiteSpect

With 75 percent of the 250 million-plus U.S. mobile subscribers able to access the Web, now is the time for successful mobile marketing.

But with more than 220 different commercially available mobile devices in the U.S. alone, how can mobile content and ecommerce providers possibly hope to discover what works best for increasing conversion rates? What turns browsers into buyers, viewers or subscribers?

Even with the different technical requirements of the third screen, it is possible to easily and effectively increase your mobile conversion rates with multivariate testing.

In fact, mobile optimization using A/B and multivariate testing has been proven as one of the most effective and immediate methods to increase sales volume, improve conversion rates and boost lead-generation efforts.

Create test campaigns that will optimize your mobile offerings

Discover what works by testing elements such as image size, image choice, specific words or phrases, placement, design, graphical elements, headlines, colors, variations in functionality or dynamic content. You can use mobile multivariate testing to:

- Stop the "back-button urge" by improving landing pages.
- Target and optimize product searches.
- Constantly test and improve the check-out process.
- Segment and target visitors.

Look for a provider that will enable you to non-intrusively test both static and dynamic content

When you are shopping for an optimization solution for your mobile media, there are nine criteria to look for when choosing a solution that will help you maximize your mobile content and commerce strategy:

1) A testing solution that does not rely upon JavaScript or cookies.
2) No need to rely on IT or make site content changes.
3) Ability to test static and dynamic content.
4) Wizard-driven test campaign creation to easily launch complex multivariate tests.
5) Automated test scheduling.
6) Unlimited content control and variations.
7) Advanced segmentation and behavioral targeting.
8) Deep interaction measurement to track user behavior.
9) Real-time reporting and analysis.
10) Web and mobile analytics integration.

While marketers can test what works or doesn't work on their regular Web site content, it is nearly impossible to test with mobile content.

That's because many mobile devices do not support JavaScript or accept cookies, making it impossible to use JavaScript-based testing solutions or cookies to track user behavior. The result is that you may be unable to test and target these mobile device users.

Solutions available on the market enable you to non-intrusively test multiple variants of your mobile user's experience to understand what content delivers the optimal conversion rates – helping you persuade your mobile users to make purchases, register for new accounts or adopt self-service functions – without JavaScript, cookies or intrusive site changes.

Bottom line: Continuously use controlled, scientifically sound testing methodologies to understand which content most effectively persuades and engages consumers, and then act upon the results. Simple, incremental changes often can yield the best results. ■

Kim Ann King is chief marketing officer of Web site optimization firm SiteSpect, Boston. Reach her at kking@sitespect.com.

TOP-DOWN APPROACH HELPS

Johnson & Johnson's BabyCenter

WITH MOBILE

By Alex Moukas

Each day we embrace a more mobile lifestyle. We are also increasingly looking to the comfort of community, both online and through mobile channels.

As companies such as Johnson & Johnson look to integrate key community-building strategies into their top-down marketing planning, they are seeing tremendous ROI by giving mobile a place at the table very early in the process.

Now advertising is becoming highly interactive, giving the audience a chance to be a part of the process, not just a target for the 30-second pitch.

Customer interaction with marketing campaigns also enriches the role of the advertiser, creating a counselor relationship of sorts by recommending other services that may suit specific needs and connecting them with people who have similar interests and goals.

Employing top down mobile planning in the overall advertising mix has been immensely successful for J&J's BabyCenter Community campaign, targeting the niche mothers-to-be segment within the larger Hispanic-American market of roughly 40 million people.

J&J's campaign was designed to span all mediums, including print, online, TV and mobile.

The mobile community essentially served as a conduit for J&J to garner immediate support for the campaign and insight about its efficiency.

Case in point, BabyCenter's target audience was Hispanic expecting mothers willing to participate in the program by texting their due dates to a specific short code, immediately providing J&J with information used to better communicate with them.

By engaging the audience from the onset with mobile technology, J&J was able to provide important information designed for each member of the community based on the specific stage of pregnancy.

Given the importance of privacy, J&J used all mediums to communicate the call to action, and encourage women to text their expected dates of delivery. This reflects the audience's willingness to move forward with the mobile relationship and join the BabyCenter community.

With community in hand, J&J was armed with vital tools to engage with its core audience through solicited product advertisements, relevant content and mobile coupons. The intent was to establish a dialogue with a narrowly defined community, not to spam.

Mobile communication provided clarity on what expecting mothers were thinking as the weeks progressed, which proved to be highly valuable feedback used to adjust the campaign in real-time.

The campaign was also able to specifically market various pre-natal and post-birth products with cross-platform advertising messages and various highly targeted coupons.

Alexandros Moukas is cofounder/CEO of Velti

In addition, the BabyCenter community gave mothers-to-be the ability to communicate their needs and form a support network with individuals going through a similar life experience.

J&J also provided tips and health guides – such as yoga classes for third-trimester users – on a Web site dedicated to this specific audience segment. Wireless application protocol-enabled devices provided mobile access to the Web site and information on the go, an essential part of a successful mobile community.

J&J proves that building an ongoing dialogue with your target audience is the most effective way to gain awareness for your products and services.

The findings of this campaign were astonishing, with 94 percent retention rate over a six-month period.

The platform also included a continuous method of re-subscribing to the community, as audience members must be willing participants in the dialogue. This alone extends the shelf-life of the engagement well beyond industry advertising averages.

The overall success of the BabyCenter campaign demonstrates how highly interactive mobile advertising can be a useful resource for a target audience going through a clearly defined life experience.

Going forward for J&J, technology updates to its system will allow for more enhanced advertising and marketing solutions spanning multiple mediums.

By using these new services, campaigns such as J&J's BabyCenter will give consumers a unique, personalized mobile marketing experience allowing them to integrate mobile loyalty programs, coupons and social networking within the overall, top-down marketing campaign. ■

Alexandros Moukas is cofounder/CEO of Velti, London. He is also on the board of directors of Ansible, a mobile marketing agency joint venture of Velti and the Interpublic Group of Companies Inc. Reach him at alex.moukas@velti.com.

The role of mobile advertising
in messaging

By Oz Eleonora

No single player can make mobile advertising a success on its own. The deep technical requirements and dynamic nature of the emerging segment require an ecosystem of players.

Mobile bandwidth limitations make access to Quality of Service a critical issue, thereby making carriers equal partners in the game.

At the same time, carrier dominance is a thing of the past. Each player will need to recognize its own value-add and focus on making that its core business.

Trying to cover too many aspects of the eco-system oneself is what creates disproportionate cost structures, which in turn lead to unworkable revenue share demands.

As the market evolves, mobile advertising business models will likely revolve more and more around micro-revenue units that will see a distribution balance comparable to the new digital music models.

The following is a high level overview of the required business parameters and technical capabilities in order for mobile advertising to be successful.

Oz Eleonora is senior vice president at Acision

Increasing the advertising pie

Mobile advertising discourse often focuses on how advertising will revolutionize the mobile sphere and infuse the medium with new revenue.

However, true success will require mobile to have an equally beneficial effect on advertising.

According to Informa, the global advertising market was worth $430 billion in 2006, while Ovum valued the global mobile market that year at $671 billion.

Extrapolating from that, if mobile advertising is to generate 20 percent to 30 percent of global mobile revenues by 2011—as some analysts predict—then mobile advertising could account for as much as 50 percent of the global advertising market.

This is hard to believe, because it would require advertising spend on certain existing channels to drop down close to zero in 36 months.

More plausible is for the majority of the revenue success for mobile advertising to come from igniting a new segment, thereby increasing the overall advertising revenue pie.

Personalization: Segmentation and targeting

In order for mobile to increase the pie for advertising it has to enable a new value proposition in advertising. This is most commonly addressed in discussion under the broad brush of personalization.

However, it is worth getting a little bit into what personalization will need to deliver in order to truly represent a new value proposition.

It is neither demographics nor personal data, certainly not in the traditional definition. These kinds of data would not add enough additional value to what is already known within advertising.

What is required is behavioral data at an individual level—data that will enable a new level of segmentation. These behavioral data have to be as dynamic and real-time as the medium within which they move.

Additionally, the segmentation models have to be sophisticated enough to reallocate themselves along with the patterns, yet flexible enough to allow modeling that will drive campaign generation and execution.

Most importantly, personalized data have to cover person-to-person traffic as well as other forms of traffic. This is because person-to-person traffic still far outweighs other forms of mobile communication and it will be some time before this will change.

The profiles will thus not be complete (read: effective) if they do not in

clude peer-to-peer traffic.

Furthermore, the segmentation models created have to be sophisticated enough to reallocate themselves along with the behavior, yet flexible enough to allow dynamic modeling that will drive campaign generation and execution.

Having data available with the characteristics discussed above will be useless unless the data is actionable.

The action must be as dynamic and real-time as the medium. If I am able to know what user X really wants and I have it, I need to be able to offer it when user X needs it most.

Capabilities required

By now it should be clear that making mobile advertising happen requires some significantly advanced capabilities. This is not to say it is impossible.

However, as an industry, we are in serious danger of repeating the over-hype and over-promise of WAP and 3G if we do not recognize the complexities such that they can be addressed.

An evolutionary path is obviously the way this will need to happen, since going for an all-or-nothing approach is more likely to produce nothing and that will not be useful to any of the stakeholders, especially the consumer.

From the mobile side, making usage data available means real-time extraction through direct interfacing on service nodes without affecting Quality of Service.

Furthermore, targeting needs require session-intercept capabilities on both voice and data. Specifically on the peer-to-peer level this is an advanced network requirement.

In addition, all of this needs to happen not just in the mobile Internet, but in mobile messaging as well.

The most optimistic estimates (Ovum) have the mobile Internet generating an equal amount of revenue compared to mobile messaging by 2011.

Thus, even in the most optimistic mobile Internet scenario, the capabilities must cover both channels or risk missing half of all interactions (read: advertising opportunities).

From the advertising side, real-time ad customization will soon be needed.

The behavioral segments will shift dynamically in real time in accordance with variable, programmable parameters and real-time ads may need to be customized dynamically.

The actual concept development process may need to be adjusted to accommodate a model based on some form of core-concept-framework that automatically adjusts to a target segment under specific circumstances.

Finally, both the mobile and advertising environments envisioned will need to be targeted toward a scenario where the consumer directs the action end-to-end.

With the level of personalization envisaged it is only a matter of time and technology evolution before consumers start to determine for themselves what they want ads to look like. In the extreme case, there may even be new revenue opportunities within this element itself.

Advertising can bring about an evolutionary shift in mobile, but it will require the stakeholders to be willing to work together.

While an industry-wide nirvana is unlikely, specific deal-based alliances will form.

The issue of who will dominate becomes less relevant. Given the personal nature of mobile communications, if mobile advertising is successful, the consumer will dominate. ■

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A Global Snapshot Of Mobile

Mobile marketing at different stages of evolution

As the world turns, 2008 may well emerge as the year mobile marketing began its rise to integrated prominence across an international landscape.

To create a snapshot of the current scene, selected offices in Draftfcb's global network were recently asked to provide answers to comment the current status of mobile in their marketplace. Draftfcb is an advertising agency of the Interpublic Group of Companies Inc. The questions asked were:

- *What is the state of mobile marketing and media in your market?*
- *Are consumers receptive to mobile advertising and marketing?*
- *What are the local challenges for mobile marketing, media and commerce?*
- *What is next for mobile in your country?*

ARGENTINA
Pablo Poncini, CEO
Draftfcb Buenos Aires

Mobile marketing has yet to take hold in Argentina and is almost non-existent.

There are only a few WAP sites and some brands – mainly mobile brands – communicating via SMS.

Our client, Personal, a mobile company, aired the first television commercial on mobile phones last year, one week before it was to appear on TV.

Consumers appear to be receptive to mobile ads if they are not too invasive. But there are no marketers who are yet successful in using the mobile channel for branding or customer acquisition or retention.

The major challenge for mobile in Argentina is for it to define itself — and really begin.

AUSTRALIA
Christine Barnes
Managing Director
Draftfcb Melbourne

The state of mobile marketing and media is definitely growing in Australia.

Within three years, more than 50 percent of all Internet access in Australia will be via mobile.

The development of an individual, instant and convincing mobile connection with a viewer, consumer or employee has allowed mobile marketing and media to benefit from mobile phone-based technology solutions.

Mobile communication is now a serious business, as it is vitally changing the way businesses interact with their customers — and it is able to reach all demographics.

There are also many advantages with mobile being more direct and personal than traditional communication.

Based on various case studies, it appears Australian consumers are receptive to mobile advertising and marketing.

Very successful results have been reported from the various campaigns targeting different demographics.

Interesting ways of grabbing users' attention have been used and methods such as competitions, interactive games, information and auctions have proved to work very well.

The major challenge is that some people still are reluctant to experiment.

Also, there is the challenge of different browsers. Many marketers don't want to be first to market in this area – they want to sit back, let others make mistakes and then make their move.

The Apple iPhone launch was big. Changing the way that we consume media on the phone is going to change the way that brands and services interact with their consumers.

Data charges will consolidate and it will be more affordable to browse. There will be more innovation across the board for brands that want to be leaders rather than followers in the field.

Moreover, there will be open source platforms such as Google's Android, whereby developers will be able to make innovative applications and upload to a central place for all to download to their phones.

CHINA
Joe Zhou
Business Manager,
CID department
Draftfcb Shanghai

As one of the fastest-growing marketing channels, mobile marketing in China becomes the next major potential consumer penetration method.

According to research, the number of Chinese mobile phone users is approximately 600 million.

Official figures show that the nation's mobile phone users increased by 40.56 million from the end of last year, and the number is still growing by 6.76 million a month, on average.

China's mobile marketing and advertising sector is on track to grow 55 percent in 2008.

Looking to take advantage of the mobile medium's ability to deliver highly customized and segmented mobile marketing campaigns, major brand names such as Nike and Coca-Cola have also begun to spend significant resources for mobile advertising in China.

At the same time, new mobile ad agencies and applications developers have emerged to drive market development.

The current main touching methodologies used are mobile marketing via SMS, magazine mobile marketing via multimedia message service (MMS), in-game mobile marketing, mobile Web marketing and mobile searching.

Mobile phone users can receive the different types of messages everyday and the most effective method is MMS, followed by mobile search, mobile Web marketing and mobile marketing via SMS.

There are great opportunities for in-game mobile marketing and mobile marketing 3G due to the developed technology, premium service and market demands.

Major challenges for mobile marketers in China include the fact that some of the mobile marketing methodologies, such as mobile television, mobile video sharing are not able to process efficiently without capable technological support such as 3G.

As of now, the Chinese government still has not officially issued the 3G license except to allow testing 3G functionality in two regions.

Regulation challenges involve stricter anti-spam and personal information security regulations, operator-centric business environments, policy uncertainties and a lack of established third-party monitoring and measurement organizations.

Significantly, the Chinese government has selected Qingdao, Xiamen and Baoding for 3G before-official-launch trial, which means the third generation of the mobile service comes to China shortly.

A 3G network enables the mobile service to widen broadband-packed data uploading and downloading which will enhance the customer mobile surfing experience.

The launch of 3G will also create a tremendous amount of mobile marketing opportunities.

Current value-add services such as mobile TV, mobile gaming and mobile music download will offer potential mobile marketing opportunities for marketers to develop as 3G will make these value-add services more efficient for the existing subscribers.

FRANCE
Benoit Marcilhacy
Junior Planner
Draftfcb Paris

France counted more than 55 million mobile phones in 2007, representing a population penetration rate of 87.6 percent.

Active users of mobile multimedia services are estimated as 17 million, as of December 2007, a number which indicates a 14 percent growth rate since 2006.

However, it is estimated that only half of that number could be classified as regular users. About 50 percent of French mobile users, or 26 million, have mobile Internet-ready devices, with 3 million known to surf on the mobile Internet and 6 million download content on their mobile phones.

Mobile campaigns in France record a rate of clicks 10 times superior than the standard Internet. In essence, users are 10 times likelier to click on a mobile banner than on an Internet banner.

One-quarter of what we in France call “mobinautes” are ages 15-24.

Mobile marketing in France has two definitions.

The first is Push, meaning a promotional message is sent (MMS, SMS) and contains an advertisement.

The second meaning is Pull, where a link is sent and the receiver chooses to go or not onto the mobile site.

An estimated €7 million was spent on mobile marketing in 2006, with €6.5 million generated by the three principal operators of mobile telephony — SFR, Orange and Bouygues.

The campaigns on mobile Internet mailing offer downloading logos and ringtones. SMS campaigns accounted for 33 percent of the total investment, while MMS accounted for 9 percent.

These investments were carried out by 41 advertisers, the largest being France Telecom.

In spite of all the available equipment, mobile marketing is not yet very developed.

Many sites and blogs give the appearance of marketing and everyone is conscious of this marketing innovation and the potential. Great change is now being seen as major players realize the advantages of this marketing tool.

Consumers in France are not reticent about receiving advertisements on their mobiles — under certain conditions.

The first is the opt-in option which indicates agreement of the user.

The second is if the advertising is not intrusive, i.e. it must justify itself through its content and bring a real benefit to the receiver.

A healthy 46 percent of French mobile subscribers declare themselves ready to receive advertising if the price of their mobile phone subscription is lower.

There is concern, however, surrounding privacy issues and harassing advertising. Even young people are leery unless the offers are interesting and beneficial.

The principal challenge of mobile marketing in France will be to find balance between effectiveness and non-intrusion to reach a standard of acceptable and interactive action with customers.

Marketing will have to exploit the specifics of mobile to the maximum degree, i.e. diffuse local and precise content in time rather than just provide additional advertising support.

The takeoff of mobile in France is likely to happen in 2008.

The market is already organizing in response to the increasing interest of advertisers. Interactive marketing agencies are creating divisions to specialize in mobile communication, large media groups are purchasing mobile marketing agencies and audience measuring instruments are being developed.

Mobile, in a few years, will integrate with public transportation subscriptions in Paris and its suburbs, with discount cards, badges, mobile payment, television and more.

And as mobile becomes more and more important in everyday life in France, its use as a marketing tool will grow exponentially.

GERMANY
Oliver T. Hellriegel
Director of Digital Media
Draftfcb Munich

Mobile marketing is still in an early stage in Germany.

Being around for only approximately five years, it still lacks a common standard.

Additionally, we have a low user acceptance due to opaque pricing schemes despite flat rates, which too often do not apply.

However, network speed is acceptable and since 2007 we have mobile phones that provide good usability for mobile Internet usage. It is expected that 2008 will be the key to success in mobile marketing.

Most consumers won't use mobile Internet due to high prices. But some brands did have success with mobile marketing in the past.

Many campaigns are based on an added value, which leads to a higher acceptance by consumers.

The main challenges for mobile marketing, media and commerce include infrastructure, standards and pricing, on one end (providers), and on the other, agencies that really understand the benefit of mobile marketing and can turn it into a success story for clients.

Next up we see location-based services, such as geo-targeting and behavioral targeting with user benefits.

INDIA
Satish Ramachandran
Vice President of Interactive
Draftfcb+Ulka Mumbai

India is one of the fastest-growing mobile markets in the world and that brings immense mobile marketing opportunities for branded consumer companies.

The mobile penetration in India is five times that of landline and is also higher than that of the personal computer — raising the expectation that more people in the region will have their first Internet experience on a mobile handset.

According to the Telecom Regulatory Authority of India (TRAI), there were 261.1 million wireless users in India by March 2008, up 58 percent from a year earlier. It is now the second-largest subscriber market in the world.

Mobile as a medium is gaining popularity, and with cheaper multimedia handsets getting into the mix, mobile Internet advertising will to continue to grow.

Savvy brands in India recognize the huge untapped potential of this medium. According to the 3rd Annual APAC Mobile Attitude and Usage Study of the Mobile Marketing Association, India and China (*next page*)

are rated as the most attractive in terms of mobile marketing solutions.

Web search giants such as Google India have big plans to come out with mobile operating systems as well as mobile phones with specific features that help them connect the average mobile user to many Internet advertising platforms instantly. Google rolled out its AdSense program earlier this year.

Yahoo India also rolled out its search facilities.

And Web sites such as Mginger and sms2india are coming up fast on the Internet. These sites specifically pay users to receive text messages on their mobile phones after getting their permission.

Local challenges include the reality that India's mobile market is also a very diverse one, where the bottom-of-pyramid consumers co-exist with the sophisticated consumers commanding 10 times the mobile spend.

As a consequence of low tariffs, service carriers are facing operating pressures due to low margins. Their only avenue of growth lies in value-added services comprising music, gaming, contests, videos and animation clips, email, news alerts and match scores.

Marketers should shift their focus from acquisition to education.

Brands must realize that this group of consumers needs to be educated about mobile value-added services in areas such as technology, tariff structures, premium SMS, interactive voice response (IVR) and data usage.

In order for value-added services to be adopted by more people, devices that support such use should be offered at lower price points.

Brands also need to be more innovative in coming up with content. The two most popular subjects are Bollywood and cricket. Marketers need to think beyond these topics — and also be able to offer content in local languages.

ITALY
Elena C. Henking
Account Director
Draftfcb Milan

Mobile marketing has been available for a number of years in Italy and the major operators are efficient at selling advertising on their consumer databases.

Nokia has also developed a mobile marketing offer, as have some other companies that manage mobile databases. Microsoft is launching its offer in Italy right now.

Mobile does not yet have a broad reach in Italy. It is currently mostly used for local event messages, contests or the sending of SMS messages.

Italian consumers have yet to be receptive to mobile advertising and marketing in great depth.

Major challenges for marketers include visibility, predictability and the ability to track results of any campaign. Possible on the horizon might be a Microsoft platform or Nokia ad center?

JAPAN
Kaori Kijima
Strategic Planning Director
Draftfcb Tokyo

Penetration of 3G mobile phones and fixed rate systems has pushed the rapid growth of mobile marketing and the media market.

Various advanced technologies, such as GPS, image-recognition, prepaid electronic money, mobile broadcasting and mobile photos have enabled advertisers to develop more and more involving/effective campaigns.

Consumers are receptive to mobile marketing as long as the advertising and its contents are attractive and create involvement for consumers.

Among the major challenges for mobile marketers is this fact that they need to focus on direct response from consumers, not merely on branding.

Transaction data (e.g. purchase history of each person) could be further used for advanced CRM programs.

The next big things for mobile in Japan include larger mobile phone screen size and data capacity.

PUERTO RICO
Carmen Cedré
Vice President and
General Manager
Draftfcb San Juan

Puerto Rico's telecoms industry operates under the same U.S. Federal Communications Commission and other federal guidelines and oversight that any U.S. state does.

Our telecoms industry infrastructure is mostly at par with that of the United States.

Mobile phone penetration in 2007 was estimated at 66 percent, or 2,150,000, of the total population over 12 years.

However, mobile marketing and media in Puerto Rico is in its infancy. Forty-four percent of mobile phone users in 2007 report having SMS, but only 29 percent report using this capability.

Little, if any, local research study on the subject of consumer receptiveness to mobile advertising is readily available at this time.

However, anecdotal evidence and findings from other related consumer research leaves us with mixed feelings.

On the one hand, mobile users of all ages clearly complain about having to pay to participate in the various contests and promotions, pay for unsolicited SMS promos, offers and ads, and not have a clear, easy way to opt out of unsolicited SMS.

On the other hand, local mobile marketing and media industry vendors claim that, in general, business is good. Our own observations coincide with these claims.

It seems some consumers are accepting and participating in some of these mobile marketing efforts, especially in particular niches such as entertainment and social networking where the users tend to be the youngest.

But in terms of the general market, overall consumer receptivity to mobile advertising and use of text messaging is relatively low.

The key challenges that mobile marketers in Puerto Rico face include:

- Creating relevant, engaging promotions-deals-offers
- Consumer receptivity beyond the 12-24 age group
- Availability and costs of new generation handsets and service plans
- Infrastructure capability limitations

Puerto Rico will probably follow U.S. trends very closely, albeit perhaps at a slower pace.

And as is most likely, the wave of new generation of handsets in the style of the iPhone combined with the proliferation of unlimited service plans that include the Internet, should help accelerate and widen the scope of mobile marketing in Puerto Rico.

SPAIN
Marian Garcia
Account Supervisor
Draftfcb Madrid

Investment in mobile marketing in Spain is projected to be about €16 million in 2008 – 5 percent of online investment – and the forecast for 2012 could be €1 billion.

Among a total number of SMS generated in 2007, 35 percent were premium SMS.

In 2006 and 2007, Bluetooth campaigns were very popular. Nevertheless, 2D mobile codes are growing in use since 2007.

That said, only 19 percent of people have activated Bluetooth on their handsets. SMS pull-push campaigns are still the most used by advertisers.

Also, mobile devices are more technologically advanced every year: 94 percent are multimedia, 85 percent have a camera, 68 percent have a video camera, 75 percent Bluetooth and 35 percent of mobile devices are already 3G.

Main wireless carriers – Movistar, Vodafone and Orange – have just come into the market and are organizing their own mobile marketing departments in addition to carriers and content providers such as Lanetro and Buongiorno that have lead the sector until now.

Consumers in Spain are receptive to mobile advertising and marketing if they obtain something in return – discounts, free tickets or mobile content for free or cheaper. Otherwise, it can be considered spam.

Consumers will authorize receiving mobile advertisements as long as the format is entertaining and creative, if they can choose their brands, how many contacts they receive and if the SMS/MMS messages have interesting information.

Currently there are a great many advertisers investing in mobile marketing.

For our client, Cacaolat milkshake, we transformed mobile devices into a contest platform.

When consumers drank Cacaolat, they received a direct gift, but the game could continue. They could upgrade the already-won gift for a better one. Contestants could win amazing gifts such as a Mini Cooper, Vespas, iPods and Sony PlayStations.

Local mobile challenges in Spain include flat rates for mobile Internet, low rates for MMS and the strategic knowledge to properly integrate mobile campaigns into the marketing mix.

Mobile Internet access for everybody, as well as mobile television – current market penetration is 5 percent – are the next big things for mobile in Spain.

UNITED ARAB EMIRATES
Dina Saddeh
Senior Account Manager
Horizon.Draftfcb Dubai

Although the mobile industry is booming in the region, mobile marketing is actually a new addition to the media mix.

Leading brands have adopted this medium in recent years and the number of companies actively using mobile marketing is growing rapidly.

The most predominant forms of mobile marketing are loyalty services (loyalty card member updates, delivery confirmations), real-time notifications and alerts (banking, finance and stock alerts, travel, service providers) and direct marketing offerings (promotions, new product announcements, event and shows, mobile coupons).

Less prevalent forms of mobile marketing are games and ringtones.

It is difficult to really gauge how receptive consumers are to mobile advertising since the predominant nature of mobile marketing in the region is not response-driven.

Nevertheless, consumers are inundated with SMS text messages from brands on a daily basis, often multiple times a day, reminding them of upcoming events or thanking them for paying their bills.

The challenge in a culture as diverse as the one in the Middle East is that it is very important that campaigns take into consideration local customs and traditions.

Given the breadth of languages spoken throughout the region, it is not enough to rely solely on an Arabic or English campaign. But at the same time, there are so many times you want to touch the consumer with SMS messages in a short time frame.

With the predominantly Muslim culture, it is also very important that mobile campaigns (and campaigns in general) take into consideration Sharia laws.

For example, in some countries it is illegal for a Muslim to SMS back to a campaign in turn for receiving a prize (text and win) as these are sometimes considered a form of gambling – a sin in the Holy Koran.

What's next is that as GPS systems become more prevalent, the region will see an influx of GPS and map-related application and tools on mobile phones.

And, in a region where the mobile phone is as disposable as a Number-2 pencil (only to replace it with a newer and better model), it will be important for the mobile marketing industry to keep up with the new enhancements found on leading mobile phone brands.

Similarly, the emerging popularity of BlackBerrys makes it important for regional brands to tailor their site structures so they are viewable on devices such as the BlackBerry.

UNITED KINGDOM
Alix Pennycuick
Digital Creative Director
Draftfcb London

There have been false dawns, but there is a very real sense that mobile marketing is ready to explode in the United Kingdom.

Technology is finally catching up with marketers' aspirations for the medium, and consumers are embracing 3G in the kind of numbers that suggest mobile will be a key channel in the future.

Where using the old-style WAP phones was like surfing on a matchstick, the latest phones offer a rich and exciting experience for users.

On the media side, buying and serving ads is becoming more structured, although it remains a largely unregulated and slightly haphazard arena.

There have also been some interesting campaigns that show the medium's potential.

French automaker Citroen's recent heritage campaign combined video downloads, a highly interactive mobile Internet site, email data capture, a brochure ordering facility and a dealer locator. It's a good illustration of how far mobile has come in recent years.

The challenge for the U.K. is partly one of education.

Advertisers need to understand the medium and what it can offer; media planners and buyers need tighter standards to help guide them; and creatives need to get to grips with the unique demands and opportunities that mobile presents.

There also remains a lack of cross-format consistency which needs attention.

For practitioners, lessons learned from direct and online marketing need to be applied to what is a particularly personal medium.

Brands are certainly waking up to the potential of mobile, but there is a definite air of caution as they flirt with its possibilities.

With the iPhone 3G and strong products from Nokia and BlackBerry, there is a lot to be excited about in terms of technology.

Content such as music and video will become more attractive as this progress continues, but the majority of mobile phone users have yet to really explore the potential of their handsets. This is sure to change, and as the full reach of the medium is realized it will become ever more attractive to marketers. (*next page)*

UNITED STATES
Kim Luegers
Associate Media Dir. of Emerging Media, Draftfcb Chicago

Mobile marketing is still in its infancy stage but is definitely growing and proving to be a viable marketing channel.

There is a lot of research that shows that consumers, especially those ages 13-34, are receptive to receiving ad-supported messages over their mobile phones.

Moreover, that receptivity increases when there is a perceived value or payout such as a sweepstake entry, ringtone or wallpaper.

Our client, Hampton Inn, has experienced a good deal of success with mobile Web advertising as a branding tool. It wanted to connect with heavy business travelers, for example, and has done so by giving travelers the ability to book a room at a Hampton Inn by using their mobile phone.

The No. 1 challenge for mobile marketing is consumer reach.

Even while millions of people have mobile phones, not everyone has access to the mobile Web.

Another challenge includes text messaging and determining the best way to reach consumers with mobile activation of traditional advertising campaigns.

As a whole, the mobile industry is still coming into its own. We expect the mobile Web to tip in terms of its access rate. It will largely rely on the handsets unveiled by manufacturers over the next few years.

Enslow Kable
Vice President and Director of User Experience Insights

Luke Bailey
Executive Vice President and Group Creative Director
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There are a lot of headlines stating that this is the year of mobile for the United States. With the mobile penetration predicted to be upwards of 90 percent by end of 2008, it would be hard to disagree.

We are seeing the market respond to this opportunity. With new big players getting into the space, such as Google with Android and existing players expanding their mobile offering, such as Nokia with Ovi, mobile marketing is sure to come into its own sometime soon.

Another positive indication is that most of the top brands such as Coca-Cola, Hewlett-Packard, Ford Motor Co., McDonald's Corp. and PepsiCo have jumped in with both feet. They are trying out different tactics and programs and optimizing along the way.

However, while marketers in general are taking notice and are increasingly interested in hearing about mobile programs, mobile is still not regularly considered in initial channel planning.

As it has been said before, mobile in the U.S. is in its infancy stage. It is still very complicated to make a mobile buy. What's the holdup?

For starters, there are few formally agreed to ad standards, the number of consumers with data plans penetration is low and privacy concerns are standing in the way of mobile's promise of true one-to-one marketing. Add to that the slow development of robust location-based services.

But once some of these hurdles have been overcome, the mobile channel will begin to take off.

Consumer and client interest. There are any numbers of studies from eMarketer and JupiterResearch indicating that people are open to ad-supported content on the mobile when surfing the mobile Web.

Consumers are open to a one-to-one communication – click-to-call, texting and interactive voice response – when it is something they have opted into.

We believe that people are receptive to mobile marketing that creates a simple user experience and has an idea behind it that provides value – a utility application, location-based information or entertainment on the move.

A thoughtful simple idea with smart user experience is still key.

While marketers using the mobile channel for branding is not mass yet, it is taking hold and clients are increasingly receptive to test campaigns.

Brands should and are increasingly starting to use this infancy stage to gain knowledge of the potential of their brand in this space so that they are prepared when it takes off.

Local challenges. The local challenges for mobile marketing, media and commerce include reach, or lack thereof.

Currently only about 13 percent of U.S. mobile subscribers have data plans. But new mobile Web-friendly devices such as the iPhone are helping solve this issue.

Privacy issues with service providers are also challenging to the development of targeting and segment buys. Every carrier is in talks with every major mobile publishing network to define privacy standards and boundaries. Everyone knows it is in the best interests of all to make this work.

Another challenge is knowledge of the medium. Clients and agencies still need a lot of education about what is possible, what works, even on the basics of what mobile marketing is and how it works.

It is up to us as mobile experts to help get the word out and evangelize the medium.

And finally, we need to ensure measurability. Not being able to measure return on investment is a big hurdle. Industry trade groups are working to develop standards and tools for cross-network comparisons.

In general, we believe mobile will be about content and service snacking on the mobile. Participants will process small bites of information throughout their day, which will augment their reality through sheer utility, relevance or entertainment value.

Specifics in mobile usage going forward

- With the rise of use of mobile search, an increase in mobile search engine marketing can't be far behind
- We will see GPS-based marketing/location-based services start to take hold – they are just too juicy to pass up
- The increase of available 3G networks and handsets will enable richer media experiences
- Given its prevalence in the rest of the world, the ability to pay from the phone can't be too far into the future and we believe this will have great appeal for a specific target market
- It would be remiss not to mention the potential of mobile social networking. The phone is inherently a communication tool and since social networking is primarily about connecting with others, there is a natural connection between the two that hasn't fully taken hold.

For mobile, the opportunity is huge and the demand is growing. While it may not be the year of the mobile, it will be the decade. ■

Draftfcb executives listed in this survey contributed toward this global snapshot of mobile advertising.

Campaign advice

for targeting the mobile generation

By Mark Emery

Today's consumer is exposed to 5,000 marketing messages every day. As advertising trends chase content-distribution innovation, consumers are perpetually seeking new ways to interact with their world – minus your expensive advertising impressions. Kids do it already.

Mark Emery is director of strategic accounts for Air2Web

Don Tapscott, author of "The Rise of the Net Generation: Growing Up Digital," suggests that what makes this generation different from its predecessors is not just its demographic muscle, but the fact that this is the first peer group to grow up surrounded by digital media.

Put another way, this generation is the first to wrest controls away from media outlets and dictate the way the world interacts with them.

Today's kids are inherently mobile, and think of technology as the first screen, not the third one.

According to a Procter & Gamble mobile strategist, online and mobile marketing saw the highest growth in use of mobile data in 2006.

Also, the Mobile Marketing Association said teen wireless usage significantly increased from 2006 to 2007 with advances in mobile device capabilities, which allow for more accessible mobile content and data consumption.

Using mobile to engage this generation requires huge shifts in the way marketers think.

Mobile marketing companies are helping brands leverage this mobile penetration to interact with consumers in thoughtful ways.

The difference between those who do it well and those who don't is a realization that mobile should be used to cultivate and shepherd a brand, not force-feed it.

There are three types of campaigns that are most likely to attract this mobile generation. Promotional campaigns use mobile as a participation mechanism, rewarding consumers with valuable offers in exchange for participating. The key here is to make the offer engaging and exclusive to mobile.

Loyalty marketing programs are also well-suited for extension into mobile. The good ones leverage what is truly unique about mobile devices – the fact they are always on and available, without asking consumers to do anything they could/should do on a wired computer.

Lastly, transactional mobile campaigns reward consumers with ringtones and other downloadable content.

An example of a successful campaign targeting the younger demographic is a loyalty mobile campaign from retailer bebe.

By simply adding a mobile opt-in component to its direct mailers and Web-based loyalty program, bebe developed a mobile database of tens of thousands of consumers who receive special mobile discounts, content and VIP access to events.

Until recently, agencies have idled on mobile, waiting for the medium to become ubiquitous – with good cause.

In the past, mobile marketing has been handcuffed due to competing network technologies, limited device functionality and costly services.

Today's devices are more capable, cheaper to own and operate on high-speed data networks.

Now, brands and their agency partners can interact with consumers on a variety of mobile mediums, including SMS, MMS, WAP and downloads.

Good mobile marketing companies insulate brands from the technologies, and allow brands and agencies to focus on the consumer experience. Today's mobile generation wouldn't settle for anything less.■

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