

## Mobile Advertising Top Trends for 2010



Understanding how consumers use cell phones is also critical in developing mobile marketing plans, BIG research said: Cell phones are much more likely to trigger an online search for young consumers than all adults (21.8% vs. 8.3%) as is text messaging (15.3% vs. 4.8%).

Other findings:

- The 18-24 year old set is also more likely to download to a cell phone than the general market (31.6% vs. 15.9%).
- More than half (50.5%) of 18-24-year-olds communicate with others about a service, product or brand via cell phone (compared with 29.6% of all adults), second only to face-to-face communication (66.9%).
- 18-24-year-olds are also almost three times as likely to communicate through text messaging than all adults (30.7% v. 10.8%).

## TOP 10 Mobile trends for 2010

This article will outline what we think will be the top 10 mobile advertising trends in the year to come. The countdown:

### 10. Relevancy

If ads are contextual and, most of all, relevant, they cease to be an intrusion and become increasingly helpful.

Thus, look for a reduction in advertising clutter in 2009, with mobile ads more relevant to the content they accompany, thus increasing consumer likeliness to do business with a company or develop an affinity for a brand.

In addition, strides will be made in overall ad targeting, based on an individual user's viewing patterns and other contextual information.

Technology can assist with this as well. For example, through use of back-end platforms that communicate intelligently with ad networks to serve up relevant ads, media companies can make this vision a reality.

### 9. Focus on fill rates

Before focusing on targeting or vertical-specific ad pairings, media companies will strive to lift mobile fill rates -- i.e., percentage of advertising inventory sold -- to the 90 percent range.

Upon hitting that mark, concepts like ad targeting will become much more meaningful and more widespread.

### **8. Measurement as a top priority**

The era of experimental mobile marketing budgets is behind us.

For media buyers, detailed campaign reporting will be a requirement for mobile ad campaigns, just as it is for other interactive media campaigns.

Questions including who saw your ad, as well as how long they interacted with it and what they did next, will increasingly be measured.

And, in a shaky economy especially, being able to provide these answers and demonstrate accountability will be important.

### **7. Consumers as content distributors**

Viral distribution will play an even greater role in 2009 as media companies look to harness user communities to spread content across platforms and create new ad inventory in the process.

In addition, services that facilitate the spread of viral content will become increasingly important.

Letting consumers interact with content via commenting, rating and forwarding sets in motion a cycle of creating advertising inventory that's a win-win for advertisers, media companies and users alike.

### **6. Bigger, bolder, better**

More users are opting for smartphones.

This growing enthusiasm for rich media devices will create a more dynamic, interactive and personalized user experience and one that advertisers will be eager to capitalize on with vibrant ads that are better suited to these handsets.

As smartphone adoption rises, in turn, driving up consumer usage, the revenue potential for content providers, service providers and advertisers will increase.

### **5. Food for thought**

As rich media becomes more prevalent on the mobile Web, it will become increasingly important to present this media in snackable ways that match the mindset of the mobile user.

Presenting media in bite-sized slices not only makes it easier for the user to navigate and consume, but also reduces the bandwidth load on the network, which is something we expect carriers to become more concerned about in 2009.

For advertisers, this presentation is especially important, as snackable content offers new ways to integrate advertising into media.

In addition, we can expect new, more snackable content formats such as mobile episodes, or "Mobisodes," which are short television shows made specifically for viewing on the small screens of mobile devices.

As these new forms of mobile content and advertising emerge, mobile subscribers will become comfortable with opting in to advertising-based content and more willing to try new content in exchange for lower prices.

#### **4. Mobile ad pacing**

Consumers have already demonstrated a willingness to view ads in exchange for free mobile content, with 70 percent of U.S. consumers preferring this model, according to an Azuki survey.

As this becomes a greater reality, more focus will be placed on optimum pacing of advertisements to ensure the type and quantity served are pleasing to users.

In addition, in-application advertising, in which brands, ads and special promotions are integrated into the content, is just beginning to grow.

These types of ads will likely gain traction in the years ahead, and they will dramatically alter business models and revenue as they change the dynamics of mobile advertising.

#### **3. Localization**

Localization, or tailoring ads and content to a user's physical location, will become more important too.

For media companies, localization equals monetization. And increasingly receptive to relevancy, consumers will see more ads paired to their location -- oftentimes determined via GPS -- and many will view these ads as helpful.

In fact, 65 percent of respondents to Azuki's survey said that if their mobile phones had location-tracking capabilities that would present them with promotions from local businesses, they would take advantage of them.

In addition, the quality and quantity of location-based advertising will increase as advertisers look to target previously untapped markets.

#### **2. Consumer receptiveness**

In 2009, as smartphones continue to proliferate and create more mobile Web traffic, and as consumer receptiveness to new ad techniques gain traction, advertisers will adopt more of the digital retailing strategies used on the Internet, including continued improvement in positively impacting the overall user experience, smarter use of ad placement and, as mentioned, more personalized ads.

#### **1. Improvements in overall ad quality**

For all the reasons above -- smartphones, increased emphasis on measurement, snackability and more -- we will see more advanced capabilities in the years ahead, including localized and in-

video advertisements, as well as interactive, sequential ads that bring more touch points to advertising campaigns.

### **Conclusion**

For advertisers and media companies alike, content monetization will remain the top priority in 2009 as they rush to deliver an increasingly interactive, palatable and relevant advertising experience.

The growth of the mobile Web is going to change the mobile experience in ways that are both dramatic and personal.

Faster transmission speeds, better handsets and the drop in mobile subscriber fees are combining to grow the global audience for the mobile Web and enhance the mobile experience.

2009 will be a year of transition as mobile subscribers look to a host of compelling services beyond voice and ringtones as must-haves, helping to grow the content, advertising and services industries, which are striving to meet these emerging users' needs.

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