Mobile Advertising:
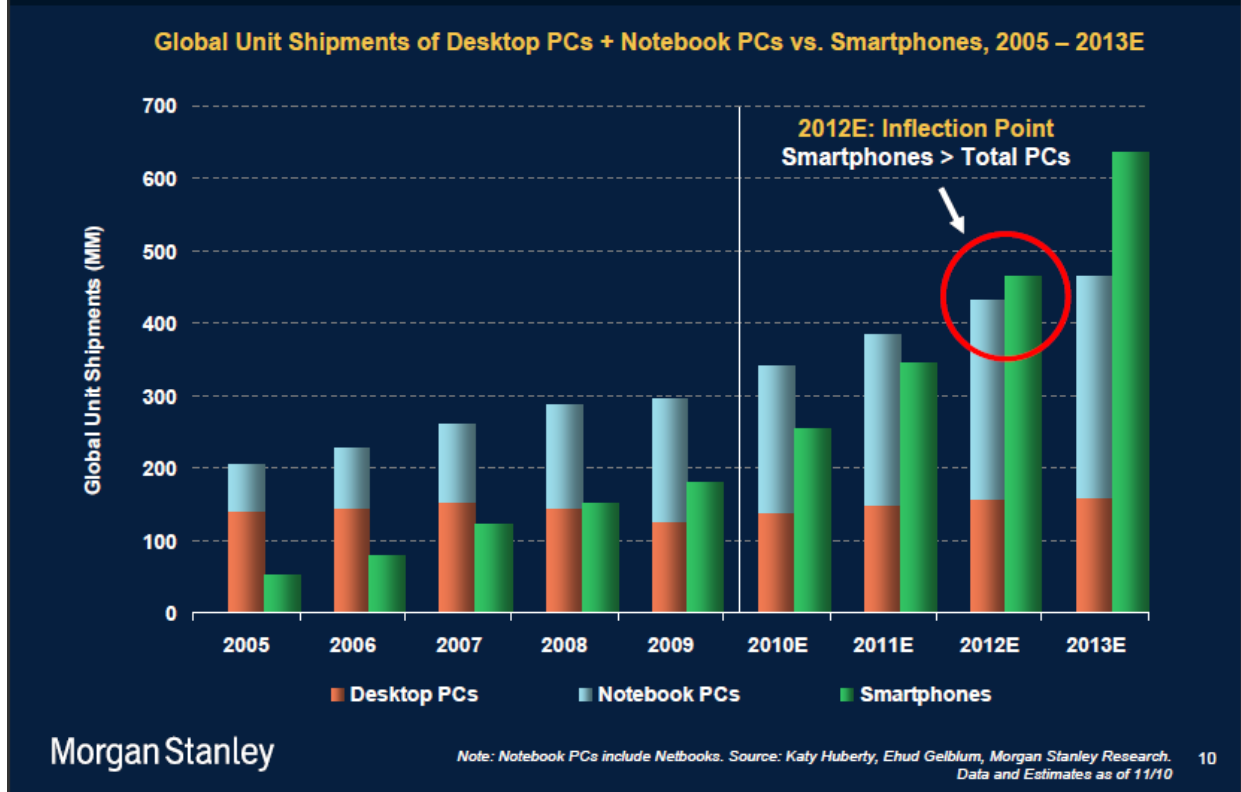# growing faster than any 'new new thing'

According to Morgan Stanley, Internet mobile adoption rates are growing faster than the desktop Internet did, and the number of smartphone users is increasing exponentially.

In 2012 smartphones sales will surpass PC shipments!
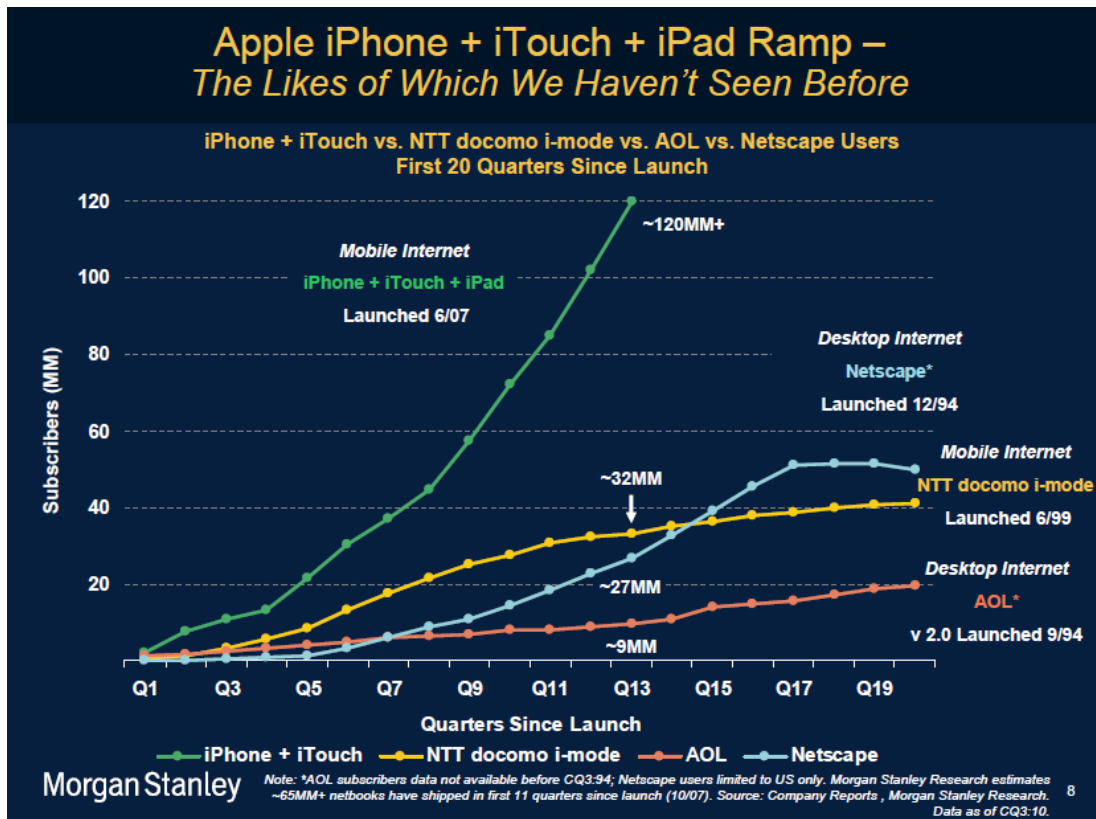
VCs investment in mobile technolgies are imponent, mobile internet and mobile marketing seems to be "Next Big Thing".

In this scenario **mobile advertising** plays an increasingly important role.

In this paper we briefly describe the state of the art of mobile marketing, as emerged in our work at Studio-SG, publishing ads on our Android apps.

Next generation mobile advertising

Actually a large number of mobile advertising solutions rely on click-based online display banners. Yet click-based units do not create user-friendly experiences on mobile devices.

Steve Jobs recognized this problem when launching Apple's mobile platform, iAd. Mobile ads that force people out of an app and take them to a traditional Web page offer a sub-optimal user experience.

For this reason, the last year or so has seen the rise of in-app advertising solutions that aim to address this problem and engage users directly within apps.
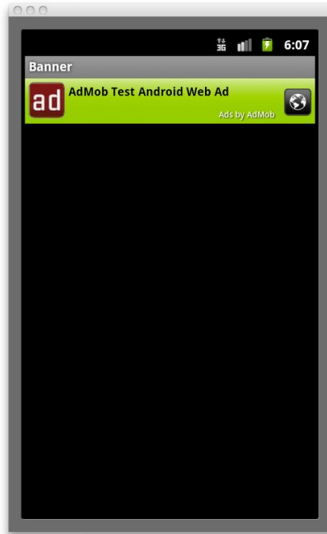
Banner based advertising, example provided in the Google Ads SDK

Currently a good compromise between classic click based banners and brand new ways of advertising is **interstitial advertising**; interstitial ads means placing full screen messages between the current and destination screen.

We the viewers, quickly learn at some level to recognize banner ads or anything that looks like a banner ad. We filter out most of the irrelevant noise but we also filter out many of the important messages. Interstitial messages, like TV commercials make viewers a captive of the message.

Actually Google, the biggest player in the field of Mobile Advertising, is betatesting **interstitial advertising** with a select group of publishers.

Interstitial ad example provided in the Google Ads SDK

Don' t trust Raw download numbers

A study released by Massachusetts-based application analytics firm Localytics show that 26% of mobile app users go on to become the most loyal customers.
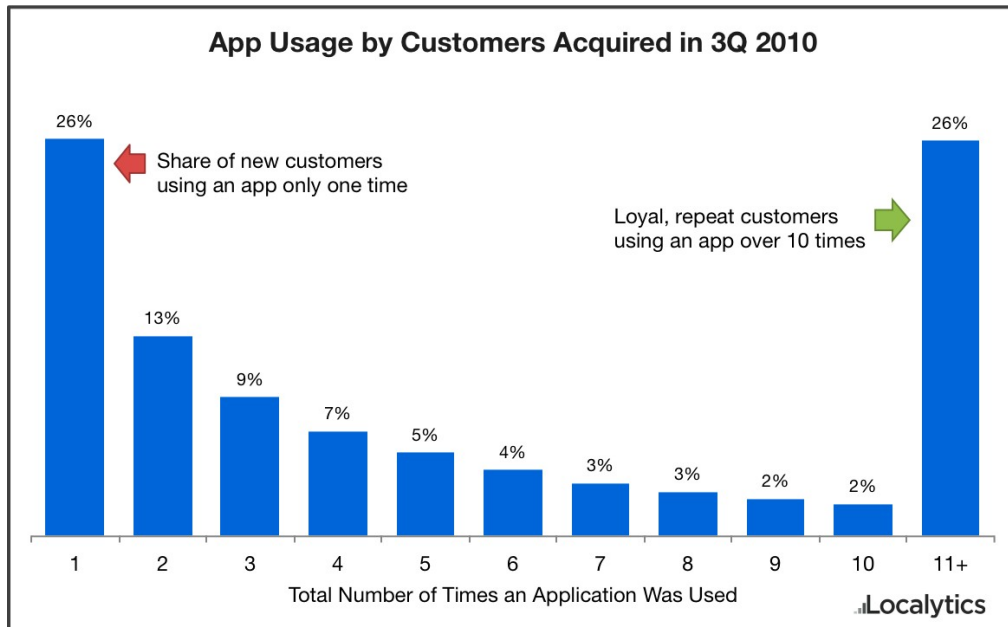

This loyal following use an app more than 10 times in the months following download and, found Localytics, may go on to use that app hundreds of times.

It is these app users that spell success for brands, not the hoards of one-use-wonders. Marketers need to focus less on download numbers and more on who is using the app, and how.
Developers need to figure out what type of people use their apps and how to attract those type of people for the first time and as returning users.

Our experience at Studio SG in serving ads on Android games tells **accumulated installs** is a more accurate indicator than raw download rate indicators.
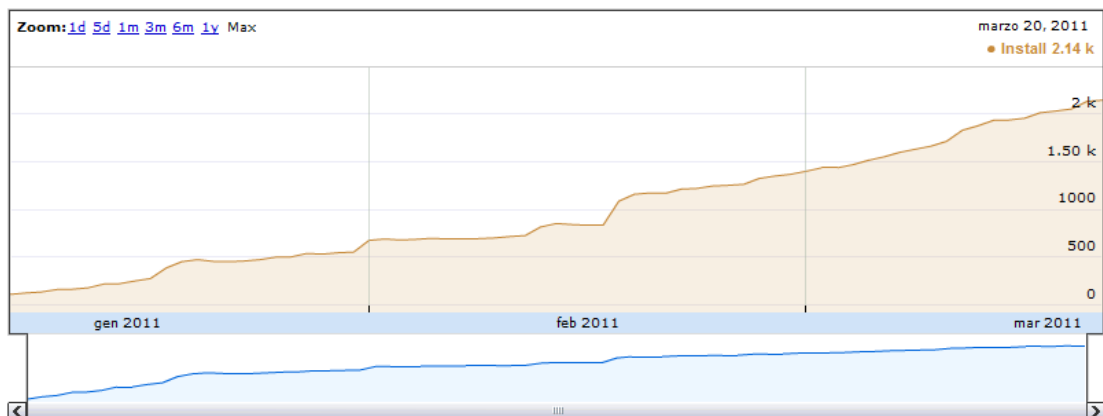

Accumulated installs related to one of our Android products

Thematic connection to the brand's product

A study pubished in the Journal of Interactive Advertising reveals a stronger positive relationship between attitude toward the brand when participants play games with a high thematic connection to the brand's product.

Therefore, designing **advergames** that relate thematically to the product of the sponsoring brand should increase the likelihood of positive conditioning of brand attitudes evoked by playing an advergame.

Examples of apps specifically developed to advertise a brand may be CKone, by Calvin Klein or McDonald's Restaurant finder by Inc.McDonald's Restaurants ltd.
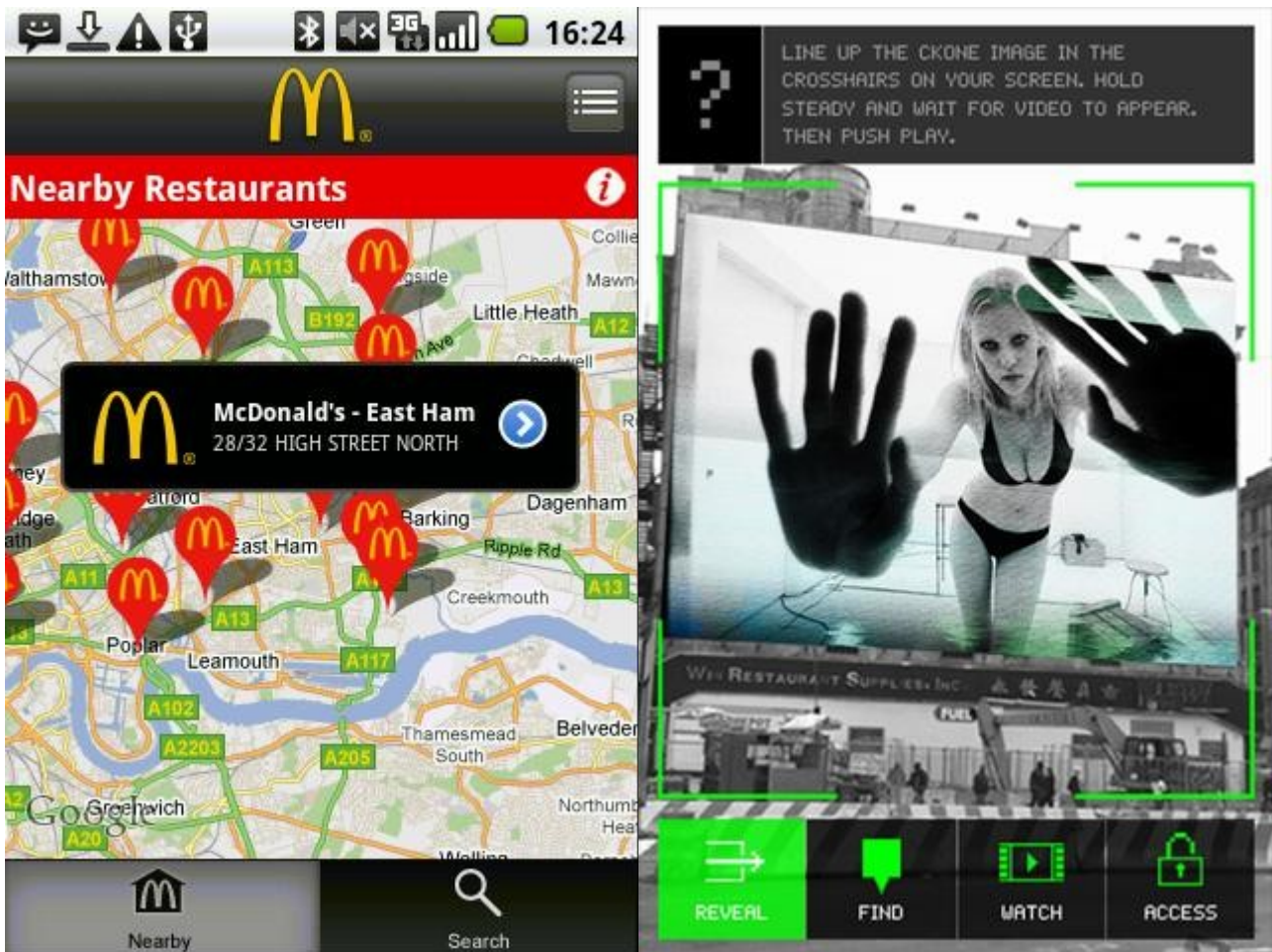
Is your business leading or lagging ?

2011 Will Be All about Mobile Advertising. There are truly colossal sums of investment being made by Vcs on the mobile space. Mobile VC investment made up 34% of ALL tech venture investment in 2010, totalling $6.1bn.

Mobile advertising is a brand new way of advertising that has nothing to do with classic web based advertising;

Marketers needs to **forget click-based banners** and consider the production of mobile games specially designed to advertise and strengthen brand attitude (*AdverGames*).

About the authors:

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