Mobile Advertising: From Intrusion to Consent

Gemma Tonijuan
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Mobile marketing publicity personalizes messages and adapts them to the consumer’s profile. It also allows the campaign’s impact to be measured in real time.

It has taken years, but advertisers are finally beginning to view Internet advertising in a better light. Some of the big companies have cut back spending on traditional advertising methods in order to invest more in digital formats. Others, such as the cosmetic company, Coty, have already made the Net their first channel of publicity. With television actress Sarah Jessica Parker promoting the brand’s new perfume, “Lovely”, Coty’s advert has been launched online before appearing on other media.

Consultancy firm, Forrester, estimates that public spending in 2005 will reach up to 14,700 million dollars, 23% more than in 2004. Jupiter Research indicates good prospects for this market and predicts a sales increase, taking the current 9,300 million dollars to up to 18,900 in the space of five years.

At the moment, it appears that the real push is coming from search engine marketing and paid advertising on online press pages. The advertising market seems to be responding to new consumer habits, tending more and more towards the Internet when it comes to searching for information. The amount of time consumers spend surfing the Net and the resources dedicated to online advertising by marketing departments are, however, highly disproportionate; only 4% of the advertising budget goes to this area. The real online advertising boom could be still to come.

Pocket Advertising

According to the experts, interactive advertising will arrive with third generation (3G) mobiles.

The power of mobile phones as a means of communication cannot be questioned. Despite the multi-million takings generated by downloading ring tones, songs and icons, the mobile telephone has not yet deployed its full commercial potential. Well, perhaps so in terms of merchandising, but not as an advertising platform.

Mobile phones have two characteristics which make them a very apt tool for advertisers: first of all, the possibility of personalizing the message and adapting it to the consumer’s interests; secondly, their interactive qualities, which mean that the impact of a campaign can be measured in real time.
But getting hold of a data base of telephone numbers is no easy task. Telephone marketing is restricted by legislation, and the Information Society’s Services Law forbids unsolicited correspondence. As a result, messages sent without the recipient’s consent are considered junk mail. The only solution therefore, is to attain the consumer’s consent. This limits the scope of mobile marketing, but should also be a way of rectifying the excesses of some online advertisers who insist on constantly and indiscriminately bombarding us with unwanted publicity. Furthermore, it is important to consider that in the case of mobile telephones, the perception of intrusion and invasion in the private sphere is greater than in the case of other means of communication.

Another reason why mobile advertising has not yet triumphed is that the telephones currently in use have very limited multimedia features. This will change radically when 3G mobiles arrive on the scene.

The take off of the 3G will see information and entertainment migrating to mobile telephones…never to turn back. This will open up a whole new territory for companies and advertisers to explore. For instance, Amena and Globomedia are working on developing multimedia content, including a mobile drama series. In the United States and Great Britain, Verizon Wireless and Vodafone clients are already enjoying “24:Conspiracy”, the first series specifically produced for 3G mobiles. Video Games are to be another channel through which publicity will filter through to our mobile phones. Coca-Cola, Paramount and Intel are already competing for the opportunity to place dynamic adverts on PC and console video games. It is just a question of time before these video games and the advertising they imply arrive on 3G terminals. The imminent arrival of live television on mobile phones and the employment of geolocation technology, enabling advertisers to locate the consumer at any moment and send him information and offers from nearby establishments using messages, is another of the applications destined to revolutionize mobile marketing.

A process for redefining marketing will have to be initiated. Third generation advertising implies the transition from intrusive publicity towards an interactive marketing model, based on personal communication and consented advertising.

**How Can Businesses Best Benefit from New Advertising Methods?**

### Awaiting the arrival of the 3G
Xavier Oliver, President of Tiempo BBDO

The problem with today’s mobile phones is that they are small-screen devices and are not user-friendly. Using them for wide-scale publicity is difficult and has not helped much in selling or improving brand images. Although they allow the user access to certain information and services, we continue to use them as telephones rather than terminals. With the appearance of the 3G, telephones will become multimedia receivers for watching videos, playing sophisticated video games, or downloading music. This means a big change for advertising. Companies will invest more in reaching consumers who own one of these terminals, because it will be a way of making more direct contact with them at critical moments in the purchase cycle. Rather than a telephone, the 3G is a screen with earphones allowing communication via voice, image and text. When will this revolution come about? Unfortunately, there is still some waiting to be done, as the current fleet of mobile phones must first be replaced – and this means a big effort on the
part of the operators. It can be expected that the revolution will not get going in Spain until there at least ten million of these terminals in existence.

**Defining a Multi-Channel Strategy**  
Sebastián Muriel, Senior Manager of the PwC Telecommunications Sector  
Advertisers are not adopting an authentic multi-channel strategy in order to integrate, in a systematic manner, incipient investment in new platforms with that which they dedicate to traditional methods. Within a context where the true interactive experience is yet to come, allow me to outline two keys to the identification and retention of a company’s most valuable clients. First of all, the combination of imagination and simplicity, considering interactivity as in the very literal understanding of the term; secondly introducing new creative ideas without *intruding*, through clear consent, which means an indication of preferences on the part of the consumer, facilitating the personalization of messages with information relevant to each user. The complementary design of various options, if properly developed, could turn out to be extremely effective, such as for instance, promotions related to location; the use of video games as a publicity platform; or the creation of a special SMS number which a company could use for all its campaigns.