

Mobile Advertising Goes Mainstream

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Mobile search, display spending surges in response to mobile web adoption

US mobile ad spending will grow 47% in 2012, reaching \$1.8 billion, as marketers seek to capitalize on rising smart device and mobile web adoption. As on the desktop, search and display (banners, rich media and video) are emerging as the dominant mobile ad formats.

“Mobile advertising is no longer a question of ‘if’ but of ‘when,’” said Noah Elkin, principal analyst at eMarketer, in the new report, “Mobile Advertising and Marketing: Moving to the Mainstream.” “A key factor pushing mobile advertising toward the mainstream is that mobile web access is fast becoming more the norm than the exception. This makes mobile a greater imperative than ever for marketers.”

Reflecting the continued advance of smartphones and rising tablet acquisition among US consumers, eMarketer’s latest forecast is sharply higher. Relative to the September 2010 forecast, mobile ad spending projections for 2011 through 2014 have been revised upward anywhere from 11% to 33% per year.

Overseas markets are experiencing comparable momentum, driven by similar trends in device and mobile web adoption.

All mobile ad formats will see sizeable spending increases through 2015, but similar to the dynamics of online advertising, search and display are emerging as the dominant mobile ad formats. Mobile display ad spending (banners, rich media and video) will overtake messaging to become the largest overall format in 2012.

Within the display category, rich media and video are growing the fastest as marketers seek to translate the desktop’s engaging brand experiences to smartphones and tablets.

Marketers are approaching mobile from a perspective of both less and more: less experimentation and more commitment, fewer test budgets and more real dollars, fewer one-off campaigns and more repeat buys. Most importantly, there is a growing sophistication in marketers’ efforts to integrate mobile into their broader digital campaigns to engage consumers.

Mobile will continue to emerge as less of an afterthought and more of a permanent fixture in marketers’ digital strategies, the report finds.

“Consumers increasingly expect to communicate, network, browse and shop from a range of devices, and the growing sophistication of smart devices will only accelerate this trend,” said Elkin. “But whether consumers access the web from a PC or a mobile device will ultimately take a back seat to marketers’ ability to build campaigns that reach across channels and devices and focus on targeting specific actions.”

The full report, “Mobile Advertising and Marketing: Moving to the Mainstream,” also answers these key questions:

- What are the outlook and growth trajectory for mobile advertising and marketing?
- How has the mobile marketing landscape shifted over the past year as a result of acquisitions and the entrance of new players?
- What formats are available to marketers, and which show the most promise?

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