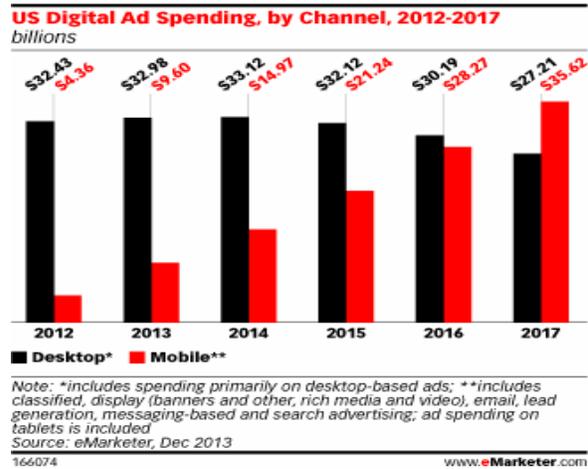


Introduction

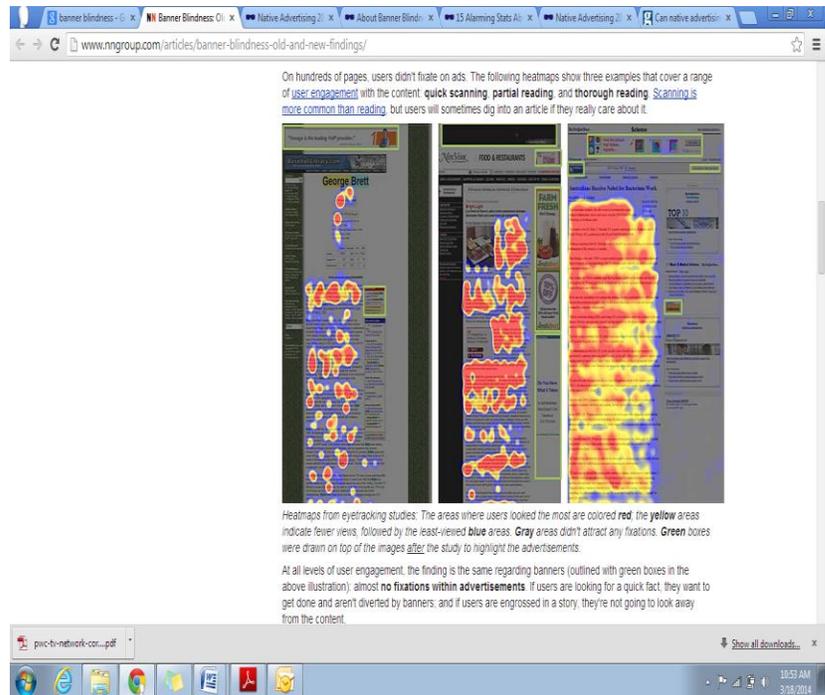
Mobile is gaining popularity as a customer engagement channel and is being leveraged to connect brands with their target consumers at the moments that matter the most. Real time targeting, reliable ROI measurement & attribution and interactive creatives have helped mobile score over any other traditional media.

In the US, average time spent per day on mobile (non-voice) stands at 2 hours 21 minutes and has already exceeded the time spent on other online channels that include laptop and desktops. Hence, it is no surprise that US digital ad spending is going to be dominated by mobile channel by the end of 2017. This year, at Google the mobile search ad revenues are expected to comprise 26.7% of total ad revenues against 19.4% in 2013. Facebook reported 53% of its ad revenues coming from mobile advertising for the last quarter of 2013 up from 23% same period last year. While these numbers look very promising for the future of mobile advertising we must acknowledge that with traditional ad formats like banner ads we have just scratched the surface and a lot needs to be done for a fuller realization of mobile's potential. Source: www.eMarketer.com



Banner ads have been the main stay of digital advertising for almost two decades now. Between the first banner ad was sold by Wired.com to AT&T back in 1994 and today, there has been an explosion of banner ads. But what is equally true is that users have learnt to ignore most of them. Over 5.3 trillion display ads were served to U.S users in 2013 and only 0.1% got clicked. This phenomenon of users not fixating on the ads called banner blindness is the challenge that needs to be addressed.

The heat map from eye tracking studies highlights how banners ads are almost always ignored by an average reader irrespective of the style of engagement of the user with the original content; quick scanning, partial reading and thorough reading. Source: <http://www.nngroup.com/articles/banner-blindness-old-and-new-findings/>



In this context, smart phones with their native features like touch screen, accelerometer, advanced image and sound processing abilities are delivering more engaging brand messages. Consumers are no longer passive recipients of ads, they prefer interacting with the advertisements and like to control when, where and how they engage with the brands. A recent study by Google shows that majority of the consumers who engage with brands online also buy more. Brands have identified the need to close the engagement gap in order to move the customer down the marketing funnel right from winning a prospective customer to earning brand advocacy from him. Read more at http://think.storage.googleapis.com/docs/brand-engagement-in-participation-age_research-studies.pdf.

5 Mobile Features that are changing the way the brands engage with consumers

1. Native mobile capabilities leading transition from Passive to Active engagement



Tap on the touch screen and play to win concept was used in the McDonalds campaign with the objective of driving brand awareness and store visits around the new egg white McMuffin. When consumers tap on the mobile banner ads they are taken to mobile landing page where they can play this game and win McMuffins. This creative uses rich media features like expandable banner ad to

deliver a custom gamification unit that drives brand engagement in a fun way. (Read more at <http://www.millennialmedia.com/advertise/top-creatives-2013>)

Gyroscope capability was used in this campaign for Infiniti hybrid car to break the myth that hybrids have to compromise a key performance factor, either power or efficiency.

The ad allowed consumers to tilt and rotate their phone to discover the difference between two key features in hybrids, performance and efficiency and how Infiniti maximizes both. Following this initial engagement, Infiniti M drives on the screen and users are prompted to paint away the screen to explore more features, symbolizing the human touch behind the new technology. (<http://www.celtra.com/about/blog/48>)



Motion Sensor was leveraged in Unilever's Slim-Fast ad such that it utilized the iPhone's ability to shake the device to control the content within the ad. The motion sensor feature was employed to transition between flavors of Slim.

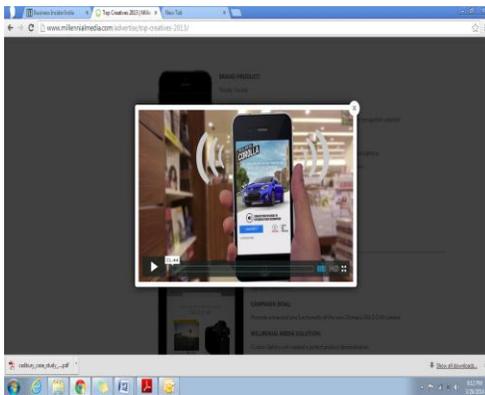
To maximize consumer interaction with Slim-Fast's seven new flavors, InMobi created a motion-activated rich media ad. It enabled users to discover each of the new flavors by shaking their phone. Once they arrive at each flavor, users have an option of expanding to see the nutritional information or clicking through to their site for more information. The creative strategy behind such a fun and interactive consumer experience proved to be successful. The ad engagement rate was 2x the industry standard, with the average user going three pages deep. Slim-Fast was also able to gain valuable insight into

consumers' top 3 flavor choices. Read more at <http://www.iab.net/mobilecenter/smartphoneshowcase>

User generated content (via built camera) was leveraged to promote the Friday the 13th release of the supernatural horror film Insidious Chapter 2, a sequel to 2011's Insidious. The photo shoot unit leveraged the native camera to access consumer photos and allowed users to upload their own picture into the unit. Once a consumer uploaded their photo, a ghoul appeared in the background. Click to share functionality and additional calls to action included watch video and buy ticket etc created above industry average interaction through more at



perman<http://www.millennialmedia.com/advertise/top-creatives-2013/>



Microphone, another innate feature of a smart phone was used in this campaign to introduce the new Toyota Corolla in a new and innovative way with voice recognition solution

Innovative Voice Ad unit leveraged a native feature of the device: microphone to enable a two-way conversation between Toyota and their consumers. Consumers were able to browse through the features of interest by merely speaking to the phone. Read more at <http://www.millennialmedia.com/advertise/top-creatives-2013/>



HD Video was used to deliver a haunting rich media unit for "Paranormal Activity 4." The unit delivers the convincing impression that the user's phone has been taken over by a mysterious force. The ad unit was unusual and so spookily realistic that users were legitimately frightened at first, then delighted upon learning it was a clever promotion for Paranormal Activity 4.

Beyond the initial "activity" of the fake video phone call, users also had the choice of buying tickets while interacting with the video or visiting the mobile-optimized site, where they could, among other things, view a full-length trailer.

Hundreds tweeted about experiencing the ad. The combination of surprise and shock delivered in hyper-realistic multimedia – video plus audio, perfectly simulating a video phone call – just like the films themselves helped the ad achieve an average interaction rate of 5.8%,

which is 190% above industry norms. <http://www.iab.net/mobilecenter/smartphoneshowcase>

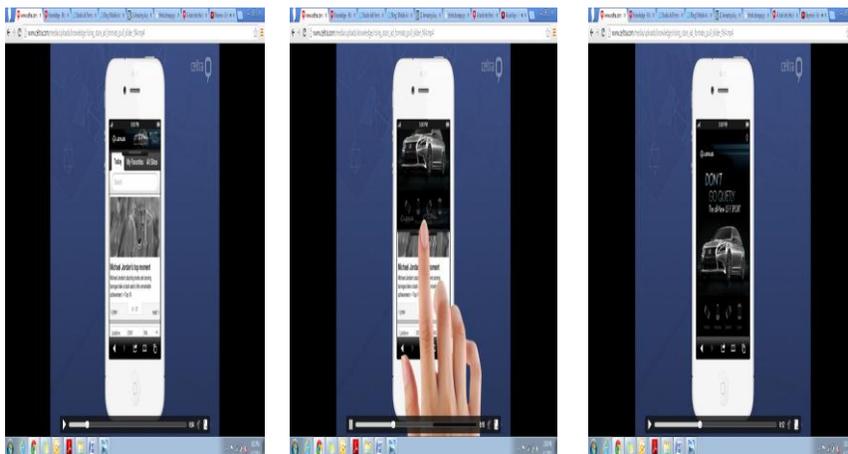
2. Defining industry standards through IAB rising mobile stars

IAB examined the role of interaction on mobile ad effectiveness and in driving brand health metrics by comparing the interaction rates of the IAB Mobile Rising Stars ad units. A research was developed to examine the effectiveness of IAB Mobile Rising Stars ad units on mobile devices. Find out more about the research at http://www.iab.net/media/file/Mobile-Rising-Stars-Final-2-24-12IAB22512F_mobile.pdf

KEY FINDINGS:

- Mobile Rising Stars Ads Inspire Users to Interact with the Ad
 - Generating nearly **2x** the interaction
 - Consumers are **79% more likely to interact** with an IAB Mobile Rising Stars Ad than they are with a standard Mobile Banner Ad
- Consumers React Quicker To Mobile Rising Stars Ads
 - Mobile Rising Stars units inspire a quicker response -- **about 9 seconds faster** than standard mobile ads
- Interacting with Mobile Rising Stars Ads Leads to Higher Brand and Message Recall
 - Users interacting with Mobile Rising Stars ads are **18% more likely to recall** the brand name and **23% more likely to recall** the brand message advertised vs. viewing a standard banner ad.
- Interacting with Mobile Rising Stars Ads Increases Positive User Perceptions of Mobile Ads
 - Leading to stronger ad receptivity compared to viewing standard banner ads:
 - Ads are attention grabbing **+43% higher**
 - Enjoyable/fun **+38% higher**
 - Better than other mobile ads **+22% higher**

Mobile rising star ad formats



Pull and Slider

A bottom or top banner that expands to full screen, upon dragging the banner ad from top to bottom, left to right etc allows for an immersive, in-page ad experience, with users in control.

For example, in the display ad on the left for Lexus uses a pull ad unit that can be pulled down

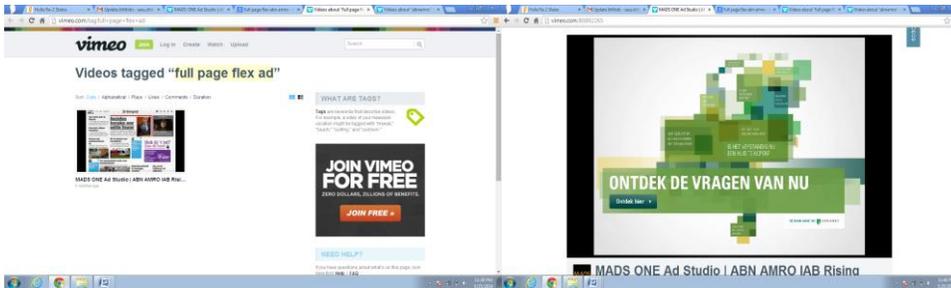
in case the reader wants to engage more with the ad. To see the ad in action please visit http://www.celtra.com/media/uploads/knowledge/rising_stars_ad_formats_pull_slider_f64.mp4



Adhesion Banners

Conventional ad banners disappear when a user scrolls to read content giving ads minimal display time whereas adhesion banners offer the following benefits like persistent placement, greater visibility and higher user engagement. Typically adhesion banners outperform standard banners by 2 to 1 in terms of CTRs.

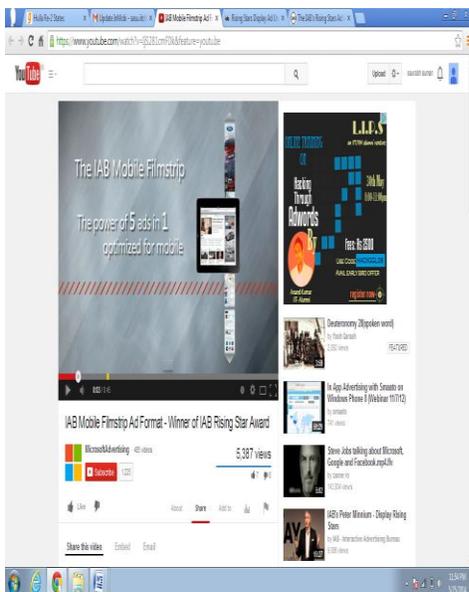
By not going out of view as the user scrolled, the Volkswagen ad above generated greater display times and higher user interaction. To see the adhesion ad in action please visit <http://vimeo.com/17820991> and for details regarding ad effectiveness and engagement read <http://m.crispmedia.com/site/crispmedia/new-page>



Full page flex

This format provides ad engagement by automatically adjusting to any screen size and orientation. It uses a background image

design that is safe for both portrait and landscape cropping, and leverages CSS to automatically adjust the width and height of foreground elements without any flickering or reloading that could degrade the user experience. For more <http://vimeo.com/80892265>



Film Strip

This ad unit enables marketers to tell a brand story as consumers scroll through multiple frames on the units built to deliver awareness, build interest, intent, and call to action and even advocacy.

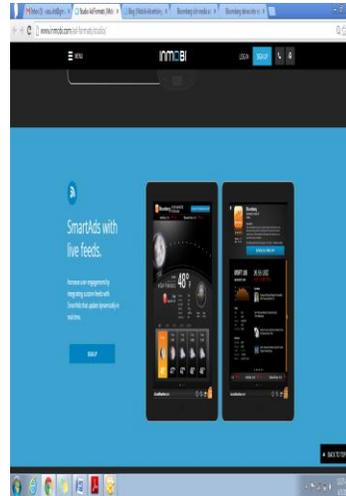
For example, in the ad on the left the user is guided through a series of interactive rich media panels including video, animations, downloads, store locators and other information that leads the user to an informed buying decision.

This ad format has consistently outperformed traditional ad formats with 2.5X interaction rate and 2X time interaction time.

<https://www.youtube.com/watch?v=ljS281cmFDk&feature=youtu.be>

3. Personalized smart triggers are driving customer engagement

Gone are the days of mass-marketing. To effectively connect with mobile users, we have to understand the places, moments and circumstances that trigger the desire or need for an advertiser's products or services. Smart triggers are deployed to deliver brand message that is highly contextualized and determined by real time feeds like weather, popular sports update, financial stock feeds etc. Smart triggers dynamically adapt to end user's current context and environment as can be seen in the examples



below:

Goal: Bloomberg wanted to promote the revamp of its flagship iPad application that allowed users to dig into its content.

Approach:

An expandable rich media unit with live feed allowed consumers to view market data with a live stock ticker that pulled in Bloomberg content. When clicked on, the ads let consumers get more information about a company, including historical data, highs, lows and headlines

Impact: With rich features touting a very attractive ad, targeted placement (in games, travel and finance properties), and strategic and well-implemented great calls to action, the Bloomberg ad resulted in a 37% install rate - See more <http://www.inmobi.com/blog/2013/02/13/Dynamic-Feed-Success-37-Conversion-Rate#sthash.1YeoUmCJ.dpuf>



Below is another example of a successful smart ad where local contextual signals such as **weather and time of day along with geographical coordinates** were used to drive brand communication.

Goal: A Major QSR sought to reach mobile audiences at the most relevant times and locations to increase interest and consideration in the brand's various fresh meal options: including their selection of hot soups, sandwiches and salads. The goal of the campaign was to increase foot traffic to the QSR's physical locations during the heavy lunch rush hours in areas that were experiencing lower sales due to aggressive competition

Approach:



By leveraging time of day targeting and location- specific weather triggers – the QSR brand was able to provide relevant lunch related messaging to their target audience just before the heavy lunch rush.

The campaign utilized geo-fenced ads that were served within a 1 mile radius around the brand's location as well as top competitive locations and large business parks in the area. One hour prior to the lunch rush ads were targeted with meal options that were generated based on local weather conditions.

When temperatures dropped below 60 degrees, ad creative promoted the restaurant's hot selection of fresh soups; while temperatures above 60 degrees would trigger creative focused around the brand's cafe salads and sandwiches. Soups-focused creative was also served when and where weather events such as snow or rain appeared.

Impact: The campaign exceeded the clients benchmarks by 124%, generating an above average click-through-rate (CTR) and measurable sales lift in the targeted markets. Read more at <http://www.iab.net/mobilelocation>

4. Augmented reality is taking engagement to the next level



The online luxury fashion retailer created AR storefronts in Paris, New York, London, Munich and Sydney to promote the new Karl by Karl Lagerfeld collection.

Using Net-A-Porter Karl mobile app, consumers were able experience window shopping like never before. By pointing their mobile phones to the AR pictures, they could watch videos of the catwalk, product information, 360 degree product models, pricing and the ability to purchase the products. Read more:

<http://www.businessinsider.com/11>

[-amazing-augmented-reality-ads-2012-1?op=1#ixzz2xIDH0Jae](http://www.businessinsider.com/11-amazing-augmented-reality-ads-2012-1?op=1#ixzz2xIDH0Jae)

5. QR codes: Bridging the gap between physical and digital worlds



TESCO wanted explore the possibility of becoming #1 in sales in South Korea without increasing the number of stores.

They created virtual stores at subways, bus stands and other public places by displaying banners that looked just like shelf displays. Every SKU had a QR code and people could use Smartphones to shop while they were waiting for their train or cab. As a result;

The number of new registered customers rose by 76% and online sales increased by 130%. It became #1 on online grocery shopping and a close 2nd in offline shopping. <http://www.wired.co.uk/news/archive/2011-06/30/tesco-home-plus-billboard-store>

Conclusion

As the world moves from Desktop to Smartphones/ Tablets to Wearable devices (Smart watches/ Eyewear), we are witnessing a paradigm shift in the ways brands engage with consumers. Some of the trends that we can predict are; advertisements won't be pushed rather they would be opted in by users, consumers would have more control over what they see and how they interact with the content, ads would become more interactive and beautiful at scale and ads will help people live their lives on the go by integrating the fragmented digital behaviour from multiple devices. Mobile phones with wide range of native capabilities are perfectly placed to ride on these trends to shape brand engagement in hitherto unimagined ways.