

Foreword

“How do we not make the same mistakes the Internet guys made” is the most common question I get from each of the newer media channels, whether it be digital out-of-home media, IPTV (Internet Protocol TV) or mobile.

Looking back at my experience as the CEO of the Interactive Advertising Bureau during the initial growth of the industry from \$6 billion to \$17 billion in online ad spending between 2001 and 2006, it is clear that success was not easily won. That’s hindsight, of course, for the online ad spending, but it’s *opportunity* for mobile advertising. No one wants to make the same mistakes and everyone wants to get there quicker.

I am offering the perspectives I gathered from that experience because they are relevant this time around.

A key obstacle was the degree to which marketers and agencies resisted the Internet as a viable ad medium despite facts to the contrary. They would explain away their disinterest with several reasons, including “Internet is not a mass medium” (false), or my favorite, “I don’t look at online ads myself” (which is equally not true). As a result, the vast majority missed the opportunity to build their company; their brands, and even their own careers.

So what is my prognosis for mobile medium on this score?

The good news is that that, like the Internet, mobile already is a mass medium. With over one billion handsets sold worldwide every year and a mobile broadband network infrastructure that can transmit those ads, mobile is at a basic level, ready for prime-time advertising. Equally important is that mobile has unique attributes versus other media choices including the locality, or geographic specificity, it can attain; and the potential personalization of the

medium because each consumer has a handset. Both factors are major differentiators and are of major value to many marketers, thereby giving mobile the opportunity to capture some of the nearly \$500 billion spent worldwide in advertising annually.

But what about the challenges to growth in mobile marketing and advertising? First and foremost, they are up against the same thing we were—marketers and inertia. As progressive as the advertising industry supposedly is, in my experience, it is painfully slow to change. Research we did at the IAB indicated that two-thirds of marketers describe themselves as “tried and true.” This is not a leading indicator of innovation, particularly when a key part of your job is to chase consumer eyeballs as they get continually bombarded with new attractions.

But why don't marketers adopt new media easily? There are many reasons but a big part of it is that they don't recognize the value and they are uncomfortable with the new and, at least to them directly, unproven.

On some level, this is human nature and understandable. Mobile advertising, just like the early days of online advertising, is emerging, complex, and filled with technospeak. It would have been helpful back in 2001 to at least have a road map: How does the medium fit into what we've seen before? And what are its unique capabilities? What is the necessary technology? What is the existing and evolving industry value chain and potential business models? What are the current challenges, and what is our best thinking on how they will be overcome?

This necessary book is the kind of road map we all wish we had back in 2001. It will guide you to success in mobile advertising and help you cross the chasm from unproven to proven success for your brand. It will help technologists think about what they can bring to the table, and help investors think about where to invest.

Mobile Advertising: Supercharge Your Brand in the Exploding Wireless Market does more than just teach you a new and strange vocabulary, although that is often half the battle.

It is also a framework for understanding how to be successful in mobile. It leverages the collective wisdom today for all of mobile advertising so that you don't have start at the bottom of the learning curve.

Let's return to the other point raised around the value of the mobile medium and the opportunity within that.

Seminal research we conducted while I was leading the IAB indicated that when online advertising was added to a media plan in the 10 to 15 percent of total media mix range, the overall campaign results would increase around 20 percent to 30 percent. This increase was in part a result of adding any new medium to a mix but also because the demand was low relative to the supply. Pricing made online advertising the so-called deal of the century. There is no reason to believe that mobile will not have a similar economics.

For that reason alone, marketers should consider mobile as part of the mix. While many marketers are slow to respond, the early adopters have a chance to capture immediate value while locking in long-term benefits by gaining valuable experience. The marketing manager at Ford, with whom we worked on one of the research studies, put it best: "We will use what we learned here [using the insights from online campaigns] to kick the competition's ass."

Additionally, the value of that unique knowledge to your brand also adds value to your career. Many people that I worked with in the early days of the Internet industry, whether they were at the agency, the client, or the media company, witnessed their careers rocketing forward. Sure, the excitement of the business attracted the talented, just as mobile is doing now, but it went well beyond that. They generally could distinguish themselves from their peers in both learning something new and then in delivering big value back to their brands and companies. Basically, they leapfrogged normal career paths.

I urge those of you in marketing and advertising to get a road map for success in mobile. Learn from this book and then from your own experience. And leverage that experience to capture competitive advantage for your brand, your company, and your career.

Peter Drucker, the father of modern management, put it best, “Today knowledge has power. It controls access to opportunity and advancement.” This book is knowledge.

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