

COLUMNS

3 ways to approach mobile measurement

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By [Ken Harlan](#)

For people involved in the mobile advertising industry, there is one burning question that has been an elephant in the room for the last few years: When will ad dollars begin to catch up with consumer behavior?

The tide is turning in the direction of mobile, but even still, when looking at Kleiner Perkins Caufield & Byers partner Mary Meeker's famous chart comparing the percentage of media time spent on mobile to the percentage of ad spend, the industry is under-spending by roughly \$25 billion.

There are a few reasons for this, but when you boil it down, it is about misconceptions with measurement and overall comfort level.

Bucket list

Although mobile measurement capabilities are no less insightful than traditional online metrics, there is a perception that mobile lacks the in-depth data needed to evaluate campaign performance and penetration. Often times, perception can become reality in terms of how people view an industry.

Much of this comes from mobile being the new kid on the block.

Even if mobile can deliver the same and sometimes better insights than television or traditional media, if advertisers do not have the built-in comfort level that comes with using a medium for years, that makes them hesitant to loosen the purse strings and dive in wholeheartedly.

As a result, mobile campaigns are often run as extensions of online campaigns, with key performance indicators that do not match the medium or consider how people use their phone.

So, what is an advertiser to do?

From my experience, it is about education.

Everything starts with an understanding of what is possible, and then tying that back to campaign goals.

When I try to explain it to people in the industry, I like to look at measurement in three buckets:

Tracking activity in the advertisement

With performance campaigns, there is generally only one metric that matters how many installs did the campaign drive, and what was the cost per action (CPA). But for branding campaigns, there are a multitude of measurements available.

The most common type of measurement, click-through rate (CTR), would fall into this bucket of "activity in the ad." But solely relying on this engagement metric is not the most effective way to judge a campaign's ROI.

If it is a video ad, check out the completion by quartile and the overall finish rate.

For an interactive rich media ad, advertisers can identify which parts of the ad drove user engagement, the duration of engagement and if users replayed anything.

Even in a static banner ad, you can set up pixel tracking to measure specific objectives, and go beyond a basic click to actually look at where users clicked and what calls-to-action were driving the activity.

Tracking in-store activity

As measurement has evolved, the most promising development has been the option to track in-store activity and close the loop on digital and mobile campaigns.

Visitation is a metric that we are seeing more advertisers ask for, and there are a number of ways to actually measure in-store visits.

Companies such as Placed, for example, can compare exposed versus non-exposed consumers and establish a baseline for looking at audience behavior by location.

Mobile coupons and wallets have also become a valuable tool to measure in-store activity.

As more advertisers are running campaigns that integrate with Passbook and Google Wallet, it has become possible to look at redemptions as a key performance indicator.

Finally, beacons have emerged as a key new way to engage and measure in-store activity.

Beacons are viewed by some in the industry as more a product of hype than a viable tool to integrate into an ad stack. But we are starting to reach a tipping point where marketers recognizing that beacons are here to stay.

We are seeing more brands' applications integrating beacon software developer kits (SDKs), so they can run push notification campaigns and have extremely accurate in-store attribution.

Purchase studies

The final piece in the measurement puzzle today is purchase studies.

By comparing SKU-level purchase data before, during and after a campaign, it is possible to measure the actual retail sales lift. This can vary by vertical, too.

For automotive advertisers, for example, they can integrate DMV registration records to measure purchase data.

Companies such as Nielsen and Millward Brown are complementing these studies by running polling campaigns, where a simple one-question poll aimed at consumers who saw an ad could offer insight on brand lift.

THERE ARE MANY ways to approach mobile measurement.

Yet, as with most things in the advertising world, there is no one-size-fits-all solution. Each brand and campaign has to find the metrics that work best for them.

With the strides being made in mobile ad measurement, though, you may just blink and find the capabilities to be equivalent, or dare we say better, than traditional advertising models. When this happens do not be surprised to see the gap between ad dollars and eyeballs in mobile start to close.

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