

Where are all the iAd campaigns?

By [Dan Butcher](#)

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Flighty campaigns

Apple successfully built up a lot of buzz for the debut of iAd as it always does for its launches. But aside from a Nissan campaign here and a JCPenney campaign there, the rollout has been quiet.

Many of the campaigns have yet to launch due to production delays in finalized insertion order agreements, according to agency sources who preferred to remain anonymous. Many campaigns will have flighting focused around back-to-school and the holidays, so there will be a lot of chatter around November right before Apple expands the program to iPad and possibly Apple TV.

“The iAd launch date was announced earlier in July, but brands still wanted to have flighting for their campaigns around back-to-school and the holidays,” said Paul Gelb, director and mobile practice lead at [Razorfish](#), New York. “We’re going to see a lot more iAd campaigns in two weeks or so through August and September—back-to-school—and October, November and December for the holidays.

“Flighting will not differentiate from other campaigns they have going on, but in the next few weeks we’re going to see a lot,” he said. “Many marketers signed up for iAd and allocated traditional budgets, and they were only looking to capitalize on the buzz or PR value.

“How to evaluate or measure that will likely vary from brand to brand.”

Beautiful? Intuitive? Pricey.

Even among those brands that have launched an iAd campaign, most

are not ready to discuss any specifics.

“Brands will want to wait at least until the end of the campaign,” Mr. Gelb said. “For those back-to-school iAds running with heavy flight in August and September, by October there should be enough information to evaluate the campaigns.

“If the campaign is planned for two-to-three months, at some point in October there will be enough data to look back at,” he said.

Apple's iPad is taking off...will iAd?

“However, without third-party tracking, it is still very uncertain if there will be any actionable data to determine if an iAd campaign was successful.”

Competing with Google Apple countered Google’s acquisition of mobile ad network [AdMob](#) by acquiring Quattro Wireless, then announced the launch of iAd soon after.

Perhaps the company was a bit blinded by its coveting of how Google created not one but two new advertising platforms—AdWords and AdSense—and thought it too had latched onto something new, ownable and ridiculously profitable.

“I think Apple might have miscalculated to some degree how the advertising food-chain operates,” said Thom Kennon, vice president of strategy at Wunderman, New York. “The trouble is there is no clear buyer for this advertising vehicle.

“iAds is a very compelling package, a truly wholly-owned, end-to-end engagement media,” he said.

“And it has the potential to disrupt not just the advertising media business but the publishing industry itself, not to mention the agency business, and this is where I think they’re having trouble with traction,

since iAds is essentially a direct sale to a brand's product or brand manager or chief marketing officer even, with its glitzy new patina."

But that is not the typical buyer of an advertising campaign—it is the media, marketing and advertising agencies that normally buy, build and launch these campaigns with the brand's money.

"So [Apple is] challenged with finding brand managers who are willing to pony up a million bucks for the chance to appear in Ad Age but not a whole lot of other additional brand value or business promised—yet," Mr. Kennon said.

"The net-net is that I think after the novelty sales wear off, they will change their pricing and their service model, and begin to partner with the agencies to build these programs and campaigns with their very rich media and content vehicles," he said.

"This has the potential to become a true game-changing engagement media—I just think the way they sell it needs to be re-thought."

There are iAd campaigns out there, but no one seems to be talking about them.

When the iPhone first launched, the amount of campaigns on the platform took over the media.

Why the silence with iAd?

"As we all know some major brands like, Citibank, Unilever and Nissan have already launched campaigns, and in my opinion more will be coming," said Jon Vlassopoulos, CEO of [skyrocket](#), San Francisco. "In terms of when the news will start flowing, my bet is that Apple will let their agency and brand partners do the talking and make the buzz more organic.

"Presumably as these campaigns have just launched, we'll hear more

noise in a month or so when the results start coming in,” he said.

Work in progress While brands and agencies are investing in mobile advertising like never before—with iAd being exhibit A—it is a new concept for many.

Perhaps the delay is attributable to the natural learning curve of anything new. Experimentation is necessary to find what works best.

“Mobile advertising is a huge growth area based on the explosion of smartphone purchases, but how mobile advertising will look is still a work in progress,” said Larry Weintraub, cofounder of [Fanscape Inc.](#), Los Angeles. “Banner ads, pop-ups and takeovers are all online ad configurations that won’t necessarily work on mobile devices.

“So, figuring out what will work is still an unknown,” he said. “There are a number of different concepts being tested, but nothing that would be considered groundbreaking—yet.

“There are ad integrations on social gaming sites, applications and WAP sites, but again, nothing groundbreaking and nothing that has yet to prove anything other than a repurposing of online ads.”

Limiting factors Some brands and agencies are frustrated by the fact that Apple does not support Adobe, making HTML5 a necessity.

“The requirement for iAd creatives to be coded in HTML5 has been a limiting factor,” said Michael Chang, CEO of Greystripe, San Francisco. “The time and expense of creating an ad in HTML5 with Apple is a limit to speed and scale.

“Having Apple communicate about how powerful mobile can be for brands to engage their target audiences has amplified the message that Greystripe has been evangelizing for almost two years...and brands are listening,” he said.

“We saw bookings for our rich media Immersion ads triple following the iAd announcement.”

All about results How long does it take to judge the level of success a mobile advertising campaign has had? Are brands waiting to get more of a sample size before discussing results?

“With the current novelty affect surrounding iAds, the results are almost baked into the simple doing itself,” [Wunderman's](#) Mr. Kennon said. “But a million dollars is a lot of money just to say you’ve got a iAds running.

“And let’s be honest, the addressable universe of consumers—no matter how demographically rich—is still small in the grand scheme of eyeballs across all media, especially mobile and certainly digital,” he said.

Many agencies are waiting to see how Apple delivers on the ability to optimize a campaign based upon real-time results and response.

“If they can deliver the sort of granular control over measurement and optimization we’re used to having with other mobile campaigns, as soon as brands and agencies get their heads around its mechanics and integration, it will begin to get some traction,” Mr. Kennon said.

“But again, as long as it is limited to the subset of addressable users with iPhones and iPads, it will remain but a component of a brand’s advertising activities, rarely its core,” he said.

Competitors have yet to see anything from iAd that would make them think about throwing in the towel.

Buzz is one thing, but Apple will have to deliver results in order to build a sustainable business.

“In terms of iAds itself, there has been a lot of hype but much is yet to

be seen," [Greystripe's](#) Mr. Chang said. "Will advertisers see iAds as worth the investment when Greystripe can offer proven engagement across multiple platforms with full advertiser control for a fraction of the price?"

"Will iAds meet performance expectations?" he said. "Typically, a new ad product like iAd will have skewed results in the initial phase."

"I think it will take at least six months before we can start having a conversation about the sustainable performance and success of iAds."

Success metrics for digital and mobile campaigns often vary, brand by brand, depending on their ambitions.

Great expectations? The question of the moment is: Will Apple succeed—will iAd live up to the hype and have a significant impact on the mobile ecosystem?

The jury is still out.

"If you're selling soap to moms, iAds doesn't look like a very efficient or effective way to reach your target via mobile media, given the demographic of iPhone and iPad ownership," Mr. Kennon said. "It's a bit like those out-of-home units we all see in and around the business traveler haunts in airports and hotels—very well targeted, limited reach."

"And their walled-garden, black-box approach to creative, production, distribution and measurement will remain somewhat problematic for many agencies, if not brands," he said.

Apple can seriously make an impact on the mobile advertising ecosystem if it focuses on education and helps brands think about mobile as a line item on the same level as traditional media.

"All that said, Apple has something going for them which is this: Most

agencies, even the digital ones, haven't quite yet sorted out their integrated mobile offering and chops," Mr. Kennon said. "So their brand clients aren't yet accustomed to buying mobile campaigns and programs from them—yet.

"This creates an opportunity for Apple to position iAds as an entry point into mobile media and content distribution for a brand," he said. "The agencies response to this potentially disintermediating moment will be important to watch."

Look at the track record While Apple may not have much experience running a mobile ad network, it does know marketing inside and out.

"The main reason mobile is finally becoming a major component of the interactive spectrum is because of the iPhone," Fanscape's Mr. Weintraub said. "Apple has made it sexy and functional to own a smartphone.

"All the other handset manufacturers are competing with what Apple popularized," he said.

Apple also figured out content distribution through its iTunes store when nobody else could.

"So, to expect that Apple will lead in the mobile advertising space is not a stretch in anyway," Mr. Weintraub said. "I'd expect Apple to lead, with Google closely behind.

"We will see mobile advertising evolve over the coming years—especially if we want applications and services to be priced cheaply or free," he said.

Final Take *Dan Butcher, associate editor, Mobile Marketer*