# The Anatomy of Mobile Advertising

## An IAB Canada Guide to Mobile Web & In-App Advertising

iab canada

## IAB Canada Mobile Committee Industry Paper

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**IAB Canada – The Anatomy of Mobile**

# Introduction

In 2019, mobile accounted for an estimated 70% of online advertising revenue in Canada. Canadians continue to spend most of their digital minutes on mobile platforms and with mCommerce steadily on the rise, it has become increasingly important for marketers to understand the finer details around effectively advertising on portable devices.

Advertisers are faced with an increasing array of options within the online advertising landscape. Focusing solely on mobile, it is often a challenge to strike the appropriate budgetary balances between the "mobile web" vs. in-app environments. Furthermore, there are nuances in measurement, ad unit choices and creative best practices that require some attention in order to maximize the benefits of this dynamic advertising platform.

This guide was developed by the IAB Canada Mobile Committee and aims to provide concise definitions around mobile advertising in all of its forms. The document will delve into research supporting mobile advertising and cover off everything from available ad formats to targeting and buying strategies.

While we have mentioned measurement through third-party cookies throughout the document, it is important to note that the use of third-party tracking has diminished over recent years and is anticipated to be phased out completely by 2022. IAB Canada continues to work on global efforts to re-imagine this tracking framework. Today, cookies are still in play while the industry works to develop an alternative. More information on this critical topic can be found in our industry paper entitled Moving Towards Cookie Independence.

# Much Ado about Mobile in Canada

Mobile devices have become an integral part of consumers' daily lives and advertisers have seen real results when leveraging mobile as a marketing platform. Perhaps the biggest indicator of mobile advertising effectiveness is the incredible year over year increase in media investment. For the past 5 years, mobile has represented the most rapid area of growth with video being the only format that matches its trajectory.

- 63.4% of total digital minutes are spent on mobile
- An overwhelming majority of mobile web and mobile app users access the internet via these channels daily or multiple times a day, 88% and 84% respectively.
- Almost all mobile users remember seeing mobile ads within the first few days that the ad was originally shown; 90% on mobile web and 86% on mobile apps. This is consistent across all regions and countries.

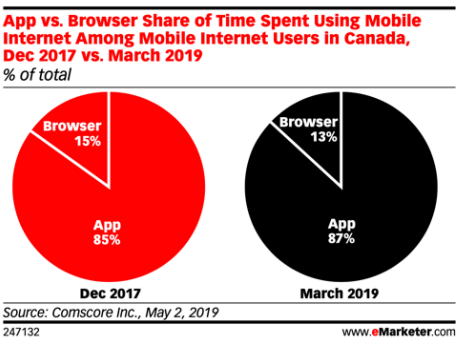
- 45% of mobile users have taken some sort of action after seeing an ad on mobile web, while 47% have done the same on mobile apps. Most responses in the study indicated that consumers remembered the brand advertised or interacted with the ad.
- Mobile web is slightly more insulated from ad blocking with reports of up to 50% less opting to block on mobile web and the rest making conscious decisions to download apps that are ad supported. IAB Canada's 2017 Ad Blocking study showed 5% ad blocking on mobile vs. 16-17% on desktop.

Sources: IAB Global Mobile Experience Study 2017, eMarketer Canada Time Spent with Media Report 2020, https://www.emarketer.com/content/canada-time-spent-with-media-2020

The incredible momentum of mobile advertising has only increased in recent years. While advertising investments are getting closer to reflecting the platform's usage and potential, some barriers to growth include:

- The perception that the web "works better"
- Marketers not yet leveraging the full toolkit available through mobile – functions like location data, payment platforms etc.
- Multi-platform design challenges
- Operational challenges
- Omni-channel confusion – how to isolate mobile and build strategy that appropriately measures attribution

One of the largest areas of confusion in the industry today, is understanding the difference between mobile web and in-app. For many, mobile is mobile. However, as the table below illustrates, this is far from true. The nuances may present unique opportunities to advertisers based on their specific needs and desired media outcomes.




## Mobile Web vs. Apps in Canada

In 2019, mobile accounted for 71.8% of digital time spent in Canada. Furthermore, 63% of Canadians are using a mobile device at least every 30 minutes, which is more than the US (at 60%).

According to Comscore, app usage dominates when it comes to time spent with 87% of time vs. browsing on the mobile web at 13%. As a key strategy towards loyalty and retention of first party data, brands continue to invest in app development, this trend may further increase time spent in-app.

IAB Canada continues to monitor this disproportionate time spent and will update this report as new information becomes available.

The following table provides a closer look at some of the differences between the two mobile environments:

| | **Mobile Web** | **Mobile Apps** |
|---|---|---|
| **Time Spent** | The average visitor spends 13.8 hours on mobile web per month. | The average visitor spends 95.2 hours on mobile apps per month. |
| **Accessing the Web through Mobile** | 98.9% access the web via mobile web per month. | 99.6% access the web via in app per month. |
| **Top Categories by Web/App** | • Services<br>• Social Media<br>• Lifestyles<br>• Entertainment<br>• News/Information | • Social Media<br>• Entertainment<br>• Services<br>• News/Information<br>• Retail |
| **Top 5 sites 18+ by Web/App** | • Google.com<br>• Google.ca<br>• Facebook.com<br>• YouTube.com<br>• CBC.ca | • YouTube (Mobile App)<br>• Facebook (Mobile App)<br>• Google Search (Mobile App)<br>• Gmail (Mobile App)<br>• Google Maps (Mobile App) |
| **Top Categories By Web/App (FRENCH)** | • Services<br>• Social Media<br>• Lifestyles<br>• Entertainment<br>• Retail | • Social Media<br>• Entertainment<br>• Services<br>• News/Information<br>• Games |
| **Top 5 sites 18+ by Web/App (FRENCH)** | • Google.com<br>• Facebook.com<br>• Google.ca<br>• Radio-Canada.ca<br>• YouTube.com | • Facebook (Mobile App)<br>• YouTube (Mobile App)<br>• Google Search (Mobile App)<br>• Google Maps (Mobile App)<br>• Gmail (Mobile App) |

Source: Comscore Canada, Mobile Metrix, Persons 18+, April 2020

## Key Considerations for Strategic Planning

- Use various research tools to determine what content categories are growing against your target audience and how this is changing over time.
- Understand how your target audience interacts within and across each medium – does your brand play a role?
- Which channels have decent audience time spent – how would an ad be received in a given environment based on what it has to offer?
- Is there a loyalty factor of your target audience – might this be a longer-term strategy?
- Are there unique functions that a specific app may offer over another vs. a mobile web experience?
- Explore different content categories of interest against your custom target.

## Mobile Web vs. In-App Top Line

Mobile web and mobile app work differently, especially when it comes to data collection.

For instance, between the two, mobile apps with SDK integration tend to have higher accuracy on location and demographics, thus more accurate reporting on attribution.

A major advantage of mobile advertising is the access to unique data sets. Therefore, it is critical for advertisers to have a good handle on what data sources to choose. The data contained in the following table will shed further light.

| | **Mobile Web** | **Mobile App** |
|---|---|---|
| Data Collection | • Today, cookies are available and used for most mobile users, however as discussed earlier, 3rd party cookies have diminished and will be phased out completely by 2022.<br><br>• Industry is currently working on solutions to replace the cookie. | • Mobile apps can collect mobile device IDs and pass them to data partners or an ad server via an SDK or S2S (Server 2 Server) integration. The advertiser cannot collect device IDs without the intervention of the DSP (demand side platform), ad server, or similar technology<br><br>• Mobile apps using identifiers such as Apple's Identifier for Advertisers (IDFA) or Google's Advertising ID (AAID) are at (low) risk of delivering inconsistent reporting as both can be refreshed (initiated by the user). |

| | | |
|---|---|---|
| | | • Many mobile apps have built-in servers in their Software Development Kit (SDK) which provides the app location/geofence & custom user data.<br><br>• Apple's new iOS 14 will create an opt-in for the IDFA and we anticipate a reduction in tracking capabilities through Apple as a result. |
| Availability of Granular Data Sets | • All data is associated with a cookie, whether it is the site or section being browsed.<br>• Depending on the users permission settings, location data and login/PII (personal identifiable information) can also be obtained through cookies and provide deterministic data sets. (i.e. email address matched to cookie ID) | • Location data accessed through device ID or SDK.<br>• Demo data (i.e. age and gender) can all be tied to the mobile device ID. Here, data collection is fully customizable, with publisher driven decisions on what to pass along i.e.: location, demos, in app behaviour (i.e. DSP sees user is on Site A and then visits xyz sections of the site).<br>• Apps can also collect: OS, device make/model, carrier, device ID and act as a potential more secure way to clear age and obtain required consents.<br>• Beacons - Apps may also connect to beacons (bluetooth + in-store). An app publisher may connect this action / association to device ID to provide clearer attribution data. |
| Re-targeting | • Cookie-enabled mobile web sites may allow for re-targeting across mobile and desktop. Deterministic environments are able to seamlessly identify re-targetable audiences across desktop and web. This information may also be passed along to apps at registration. | • Uses deterministic data. There are also a variety of identifiers like location, geo-behaviour and past in-app purchase history that can be pulled from the app SDK, to help deduce the profile of a consumer |

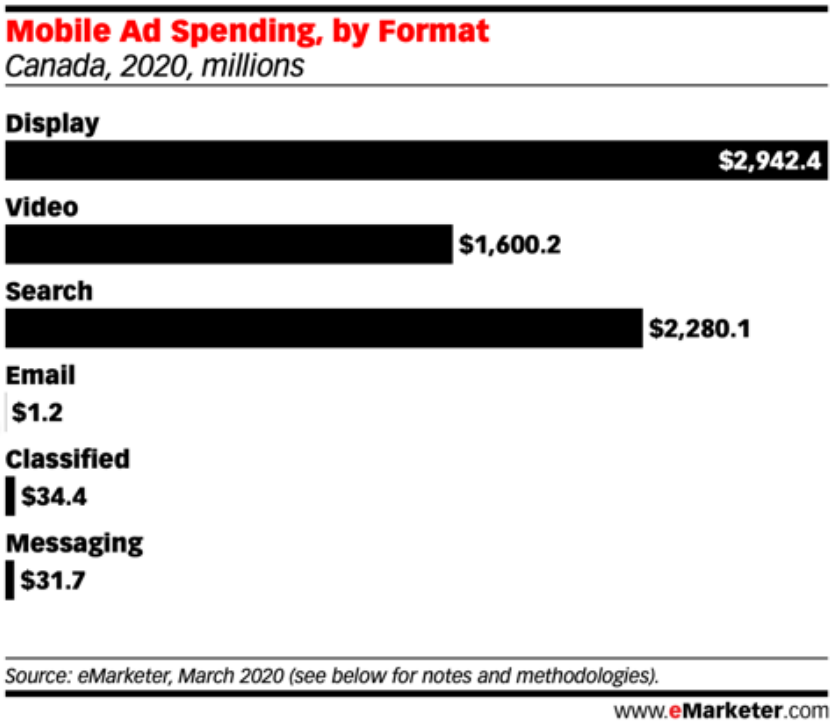
## Apples to Apples?

When it comes to measurement, there are fundamental differences in definitions like “page views”. In mobile web, a visit to a unique URL is typically referred to as a page view or video view. Apps however, do not currently have a well-defined “view” unit. It is important to consider this variance and the role it might play in measuring success.

This IAB US webinar provides further information on the differences between mobile web and mobile in-app.

## Ad Formats

When it comes to different mobile formats, it is important to consider how mobile might fit into an overarching strategy and the types of KPIs that are important to a given campaign. The eMarketer chart below shows allocation of budgets against the various formats in Canada for 2020.



Let's take a closer look at some of the options and tools that drive successful format selections.

| | Mobile Web | Mobile App |
|---|---|---|
| **Common Formats** | • Programmatically, the mobile web is structured to support traditional IAB mobile ad units.<br>• The IAB Canada Mobile Committee reports that roughly 50% of mobile web ads are standard units, 35-40% include rich executions and only 10% currently use video.<br>• Average creative sizes:<br>  ○ 40-45% 320x50<br>  ○ 20-25% 300x250<br>  ○ 13% video<br>  ○ 10% 320x480 and 728x90 | • While some mobile apps support more standardized units, the app environment specializes in native formats.<br>• Due to the nature of how an app is built vs. a website, apps don't support reactive or interscroller-like units.<br>• Other standard IAB formats are fully supported (320x50 and 300x250 being the main ones).<br>• MRAID enabled creatives are supported in most ad placements, which allow for deeper interactive elements within the creative.<br>• Mobile app inventory presents a rich array of unique opportunities for high impact formats and incentivized videos due to their customization capabilities. |
| **Inventory Volume for Different Formats + Connect to Demand** | • The IAB Canada Mobile Publisher Community estimates that only 20% of mobile ads are run on mobile web due to sheer inventory/availability differences. | • Approximately 80% of inventory is estimated to be app based. |
| **Unique Users** | • Mobile web tends to provide more unique users than apps. This is most likely due to frequency of top ad-supported app usages. | • Deterministic data helps identify the unique users vs. high frequency and can be useful for frequency capping purposes. |
| **Clutter (number of ads per page)** | • Industry standards have placed a tremendous amount of pressure on publishers to enhance user experiences and implement LEAN Ads into the mobile environment. Load times are impacted and as a result risk de-prioritization in search results. | • In-app environments create careful balances to ensure the user experience is prioritized. Ads are built into the UX and are designed to minimize disruption to the user while providing viewability and placement-appropriate options. |

| | | |
|---|---|---|
| **Demand for Different Formats** | • As a result of research performed by the Coalition for Better Ads, indicates that interstitial, uninitiated video play and disruptive ad formats are unacceptable practices, and have been largely diminished from the eco-system.<br>• User-initiated expanding banners and inter-scrollers are becoming more and more popular. Inter-scroller units offer both full screen impact with a user-friendly experience. The functionality of the phone allows for unique ad engagements like shaking, swiping, dynamically updated locator units and more.<br>• Demand for video has gone up. It is important to note however, that the user's response to non-skippable pre-roll ads specifically, is generally negative according to IAB and CBA reports. | • There is demand for ad formats that enable engagement, personalization, use of device features, real-time targeting and contextual relevance to the app environment.<br>• Video and interstitials are also in high demand from buyers for branding and awareness campaigns but the available inventory is often lower.<br>• Video Ads are better measured on a completed-view basis than on a click-through basis and are usually recommended for branding purposes due to the often-cheaper CPM cost.<br>• While interstitial and full screen uninitiated video formats are fully supported and have a reputation for yielding higher response rates than mobile banners, the performance may be offset by the lack of availability.<br>• Anecdotally, our IAB Canada Mobile Committee members noted that when running mobile in-app campaigns, the availability of banner ads is high as most apps have standard banner inventory available. |

## Getting AMP'd

It is well documented, that there is a direct correlation between positive user experience and results across all digital media. Mobile is no exception. Initially, when mobile started to pick up steam in North America, there was an influx of mobile web pages that were simply migrated from desktop without much optimization. This resulted in a sluggish eco-system that not only taxed servers but also negatively impacted the user experience which became a motivator to downloading ad blocker software.

In an effort to prevent ad blocking, Google developed an optimized mobile web page standard called AMP. AMP (Accelerated Mobile Pages) is an open source HTML framework developed by Google in 2016 and continues to represent a major growth opportunity providing the plumbing for a growing source of mobile traffic that has not yet been monetized in the most optimal way. Optimized for mobile web browsing, it is intended to help webpages load faster. AMP pages may be cached by a content delivery network, which allows pages to be served more quickly.

At launch, Google made it one of the mobile search engine ranking factors driving site owners to quickly implement the framework to avoid negative SEO impact.

AMP, like Facebook's Instant articles, requires custom integration on the publisher side. Once configured, multiple demand sources can be plugged in, but options are limited due to the nature of the framework's existing formats (pre-expanded ad containers, max file sizes, etc.).

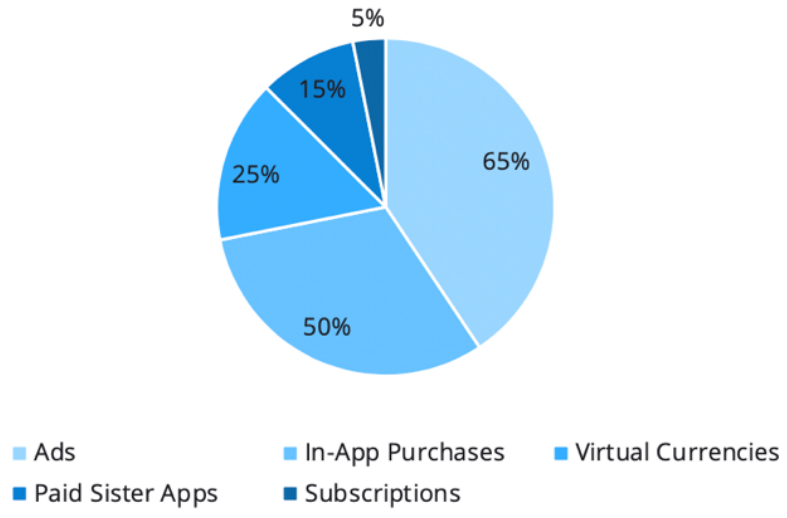
## Monetization – Addressing the Demand Channels

The majority (65%) of the most popular mobile apps use advertising as their primary source of monetization.

Other methods include:

- In-App Purchases
- Virtual Currencies
- Paid Sister Apps
- Subscriptions

**Distribution of Mobile Monetization**




Source: Sensor Tower, January 2019

As with most digital media, mobile ad servers enable publishers to monetize their inventory with an ad stack that addresses direct sales, 3rd party tags and private marketplace (PMP) set-ups.  Once publishers are optimized to service all demand sources, they work to yield the highest eCPM. Given the smaller screen size involved in mobile inventory there have been industry discussions around implementing fewer ad units per page. Optimized demand "plumbing" should deliver fair market values based on demand and supply provided there are standardized approaches to media currency definitions (viewability, brand appropriateness etc.).

One development towards driving greater inventory management, is the adoption of flexible ad sizes. This provides publishers and advertisers with a pixel-based approach to creative, which will allow for greater flexibility across all creative ad-types as well as more fluid inventory management.

## Buying Mobile Ads

### Direct Buying

Direct buying in most cases, provides more control for both the buyer and seller. In a competitive environment where it is increasingly difficult to stand out, advertisers continue to look for opportunities that are unique and impactful. These are often limited to direct buys.

Having a fully automated approach to media buying and selling can leave several blind spots.

For Sellers – Direct buys give publishers better control over their alignments while also preserving their own user experience.

For Buyers - For technical reasons, there are certain placements within both apps and a publisher's mobile site, that are simply not available programmatically and must be bought through a sales rep. This exclusive inventory may be negotiated and unlocked with specific publishers to help support niche executions. These arrangements can range from dominant ad units like take-overs that are used sparingly and selectively, custom sponsored content, vertical content deals (like sports) among others.

Working with a sales rep can also give buyers access to unique audience insights and exclusive areas of the site/app that programmatic buyers might otherwise not have access to.

It is important to note that buying direct does not always mean buying specialty or premium inventory. Even when negotiating a programmatic guaranteed deal, there is a higher level of certainty and security around confirming "which inventory" and "at what cost". This can help generate significant cost savings, an increased value while also providing advertisers with a peace of mind knowing exactly where their ads are running and when.

### Buying Programmatically

According to a Q4, 2019 eMarketer study, most of the $3.02 billion spending in programmatic, is being spent on mobile (including tablets).

- The majority of mobile display ad dollars in Canada (90.5%) were transacted programmatically in 2019
- Most of these mobile programmatic ads are in-app (97%)

Mobile web when purchased programmatically, is largely driven by data that is currently delivered via cookies. This approach might provide a limited perspective on important audience attributes like frequency of exposure to ads and carry-over behaviors from one platform to another. A strength of mobile advertising is the reduced barrier to volumes as there is no need to download an app and many publishers offer mobile web extended properties to advertisers to capture audiences across multiple platforms.

When buying in-app programmatically, the buyer is depending on unique device identifiers as opposed to cookies. Apps offer strong targeting capabilities, as they have access to anonymized demographic and location data. By virtue of downloading the app, the user is more readily providing specific, actionable data and more detailed analytics.

Main vendors facilitating programmatic buying of mobile are listed in the IAB Canada Programmatic Landscape some examples include: AppNexus, Google, Index Exchange, AdMob, InMobi and Amazon.

## Targeting Strategies

### Contextual Ads vs. Behavioural Targeting

Questions around the strengths and weaknesses of contextual vs. behavioural ad placements are not unique to the mobile landscape. Both mobile web and in-app environments are strong on native/contextual targeting capabilities. While mobile web may provide quicker execution due to approval processes in-app, the benefits of context are certainly worthwhile.

Depending on the advertiser strategy and the stages of the marketing effort, behavioral ads may provide a great way to develop new segments and to deliver messaging to larger audiences in a cost-effective way. Context is powerful in that messaging is always perceived with a native halo effect. Context may be the higher cost tactic as the demand usually outweighs the supply (especially in key categories like finance and automotive).

## Targeting a Mobile Audience

Audience targeting and its accuracy in the mobile environment depends on several factors. Publishers have varying methods of data collection as well as various methods of passing on data to advertisers. As discussed in the data collection section of this document, the amount and type of information collected by cookies (for web) and device IDs (for apps) varies. The device ID method typically provides larger volume of user data points vs. cookies.

## Location Targeting

In mobile web, targeting by location depends on IP addresses which can narrow down targeting to country, province, city, and postal code. However, an IP address can rotate regularly and can obfuscate the data particularly in the area of frequency capping.

Third party partners often provide valuable data that is embedded in the Demand Side Platforms (DSPs) for publishers. Additionally, collecting 1st party data from rich media ad units for re-targeting can help with accuracy**.**

In-app location targeting works with several layers of data sets.

1. GPS is among the most accurate methods as it can identify user location within 10 to 100 meters. A draw-back on this front may be diminishing volumes as users can select “do not track” mechanisms.

2. Wi-Fi, can also be used and can be just as accurate as GPS coordinates. The determining factor on accuracy is the size of the Wi-Fi zone.

3. Beacons can be precise to within a couple of meters. However, the user must consent to passing their data and the technology requires a Bluetooth connection

4. Carrier data is the least accurate method as the data is determined based upon the radius of the nearest cell tower. A mobile user’s true location can be up to 10 km from their reported location.

### Behavioral Targeting

Cookie-based data is the most popular form of behavioral targeting implementation and this continues to be true in the mobile environment. Broader web properties with several verticals may be in a unique position to leverage first party data sets to deliver on behavioral traits like preferred subject matter, creators, imagery and video content.

In-app environments conform to the same idea of broad content analytics. Specialized apps may have a limited capacity to provide behavioral insights as they are focused on one vertical type. We can see the difference between a weather app user vs. a specific game or function like photo imaging.

### Age-Gating

Both mobile web and in-app platforms are dependent on self-declared ages and both are vulnerable to inaccuracies. Cross-pollinating behavioral activity with age profiles can reduce some of the gap. For example, a declared adult that has no history of purchasing or exhibits strong preferences to content skewed towards younger cohorts, may be eliminated from the data set.

## Ad Serving & Tracking

There are some differences in the way ads are served and tracked via mobile web vs. in-app. For mobile web, most tracking is done through cookies and tags. Some publishers do not allow for 3rd party tags in an effort to protect premium inventory, avoid data leakage, or as a result of limited resources. There are also some 3rd party tags that are not compatible with the ad serving environment (i.e.: vPAID tags on apps). Compounding the issue, cookies have steadily been diminished from the eco-system. Starting with Apple's ITP initiative in 2017, there has been a clear downturn in trackability with some mobile web publishers reporting a loss of up to 40% in trackable inventory. More about the disappearing cookie can be found in IAB Canada's industry paper entitled "Moving Towards Cookie Independence".

In-app serving and tracking has also had its challenges due to the absence of standardized reporting metrics among trackers and a general lack of development/integration from 3rd party tracking vendors. In-app detailed reporting requires a heavy investment of time and resources through aggregate pipelines. In some cases, to pull campaign details, each creative must be wrapped individually – an exhaustive process.

| | Mobile Web | Mobile App |
|---|---|---|
| **Ad Servers that Enable Mobile Ads** | *Any ad server listed in the IAB Canada Programmatic Landscape should be able to serve in app. | Include but are not limited to:<br>• DoubleClick Manager (DCM)<br>• Sizmek<br>• eyereturn |

## Brand Safety

Brand safety is an important topic for all stakeholders across all platforms. Understanding the nuances of brand suitability and brand safety is critical to developing appropriate guidelines and infrastructure for each brand. More on this subject is covered in detail within the IAB Canada Brand Safety Guidelines Guide.

For the purposes of this document, we will discuss brand safety holistically and delve into some of the particular strengths of mobile.

Advertising on mobile web provides some added assurances around "allow-listing" and "block-listing" in that one is able to cover off refined exclusions (or exceptions) at the domain level (URL) as well as page-level content. For example, site A may be allow-listed, but certain content that has been pre-defined as unsuitable (largely through keywords) can be omitted.

Currently, in-app brand safety measures are tied to the app level. Advertisers must classify brand safety according to the app titles and themes as opposed to the specific content they may hold within. These titles and themes are broken into categories.

Apps face a unique challenge in that they deliver a large source of entertainment content to users and drive the majority of traffic which, unfortunately is attractive to fraudsters. As an example, torrent apps drive enormous amounts of traffic but are not brand safe. When considering “categories” of apps, one might decide to exclude torrents and gaming apps etc.

Following are some vendors that helps facilitate brand safety in both mobile web and app environments:

| Mobile web | In-App |
|---|---|
| • Comscore<br>• eyereturn<br>• IAS<br>• MOAT<br>• DoubleClick<br>• Nielsen<br>• Sizmek | • IAS<br>• MOAT<br>• Doubleclick (Activeview)<br>• IAB OpenSDK |

# Viewability

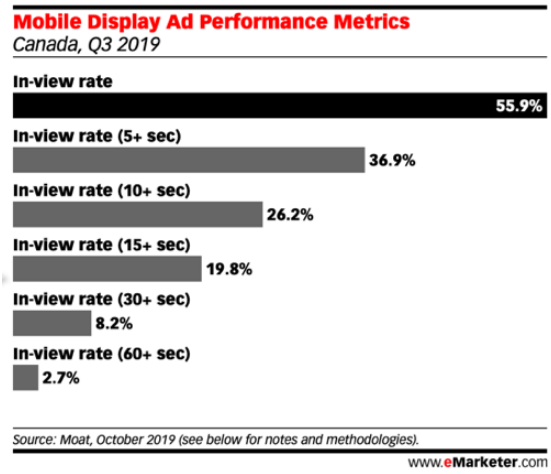
Viewability refers to the opportunity of an ad to have been seen. As in desktop, advertisers insist on viewability as a key currency measure for mobile advertising. The MRC (Media Ratings Council) along with several trade bodies including the IAB, developed foundational definitions on which measurement solutions could be built.

The current MRC definition:

- Display - 50% of an ad is in the viewport for at least 1 continuous second.
- Video - 50% of an ad is in the viewport for at least 2 seconds.

Over the years, various stakeholders have created their own internal definitions for viewability and many buyers insist on 100% viewability for all buys. Best practice is to review definitions and measurement tools implicated with all parties prior to finalizing deals.

Historically, there has been a lack of clarity as to how many pixels are in-view primarily because the definitions and systems that measure them show variances. Ambiguity around proper definitions for viewability supports the notion that standardized, "Open" measurement is much needed to develop confidence for investors. Open measurement allows for more consistency as well as the ability to capture elusive measurement of native ads, video, and in-app activity.




IAB Tech Lab has addressed this concern, by introducing the Open Measurement SDK a toolkit that provides the industry with the ability to provide consistency in standard measurement taking some of the tension out of the reporting process.

*Measurement/Verification considerations:*

| | Mobile web | In-App |
|---|---|---|
| **Verification Vendors – As listed in the IAB Canada Programmatic Landscape** | Comscore, DoubleClick, eyereturn, IAS, MOAT, Nielsen, Sizmek | |
| **Challenges/Considerations** | Without OpenSDK implemented - viewability does not include video or native | |
| **Measurement Limitations** | Easier to measure – through established means | Harder to measure – some inconsistencies as standards continue to be implemented |

## Creative Best Practices

Fundamental best practices for mobile advertising can be described as "the 5Ps of mobile engagement":

**Presence**

- Understanding of channels and content the target is accessing so the message can be pushed out at the right moment.

**Personalization**

- The need to be compelling and personal, e.g. by being location-specific.

**Presentation**

- Tailored for the small screen, leveraging native features and device functionality.

**Peer-to-peer**

- As most mobile moments are some form of socialising, shareable content is more likely to gain attention.

**Performance**

- Fast, flawless delivery and easy, intuitive interaction.

### What Does "Good" Look Like in Mobile?

Looking at one of the most prestigious awards, the Cannes Lions definition of mobile is creative work which lives on or is activated by a mobile device, app or mobile web. Mobile Lions are awarded to the freshest creative mobile ideas that present the technology and creativity behind the work seamlessly, and push the boundaries of mobile

advertising/marketing to reach and engage with consumers and increase business sales and recognition.

Cannes further breaks down the areas of focus for award consideration as follows:

**Activation by Location or Proximity** - Campaigns that use location technology e.g. GPS, Geo Tagging, online maps, RFID, NFC etc. to activate the campaign.

**Augmented Mobile Experience** - Campaigns that employ AR, visual search, image recognition, incl. QR codes, mobile ticketing and barcodes, etc.

**Networked Mobile Technology** - Campaigns that use networked screens, complementary screens, networked games, etc.

**Innovative Technology for Mobile** - Campaigns that employ breakthrough/innovative mobile technology that expand user experience and create/increase consumer engagement

In 2019, Burger King was awarded the Grand Prix in the mobile category for The Whopper Detour campaign. **The Whopper Detour,** was a bold campaign that rewarded its customers for 'going the extra mile' and offered 1-cent Whoppers to those who drove up to the stores of its biggest competitor.

## eCommerce

eCommerce accelerated significantly in Q1 2020 as a result of the Covid-19 crisis. With an intense shift to online buying, there are some key factors to consider when planning media budgets to seamlessly capture purchase activity.

Apps provide a secure buying environment to mobile users as they are convenient, fast and contain stored settings. Some challenges of the closed environment include the comparative shopping behaviors that browsing allows for as well as the lower commitment attached to transient web-based purchases. Nevertheless, according to Business Insider, Q4 2017 was the first time mobile app sales surpassed desktop and mobile web. In fact, the study goes on to report that **eCommerce sales are divided as follows: 44% mobile-app, 33% desktop, 23% mobile web.** Additionally, according to Forbes, mobile apps have the lowest cart abandonment when shopping and Comscore reports that in retail, 54% of digital time spent is in apps.

A Comscore report from Q1 2017 noted that desktop and mobile web are still important to retailers as people often browse on a mobile site before converting on a desktop. This “research factor” should not be underestimated on the mobile web side and is also true of conversion to bricks and mortar. Google reported that more than 50% of searches are now

happening on mobile devices and that mobile web users often rely on search to serve a short-lived, immediate desire, such as finding a nearby restaurant. This is evidenced by more and more consumers adding the phrase "near me" when searching for products and services.

*Following are some additional considerations for both approaches to eCommerce:*

| | **Mobile Web** | **Mobile App** |
|---|---|---|
| **Benefits** | • Easily indexed by search engines for better search results.<br>• More eyeballs than apps.<br>• Easier to design and maintain.<br>• Cost effective in terms of development. | • Better behavior tracking.<br>• Push notifications for alerts and sales.<br>• More engagement and higher loyalty.<br>• Consumers who download apps are more likely to sign-in, provide credit card, opt-in to loyalty programs. |
| **Drawbacks** | • Less engagement.<br>• Less likelihood of tracking loyal customers and converting them into emails.<br>• Lack of access to smartphone components like GPS, Bluetooth or contacts. | • Less accessible in search results.<br>• Smaller audience.<br>• More expensive to design and develop, frequent updates for app stores. |

## 5 Key Takeaways

- Platforms are constantly in flux. Staying informed can prevent decisions based on outdated standards and norms.
- Consumers use apps on their devices beyond social media. Understanding usage habits and the realities of user behaviors can provide clearer perspective on media investment opportunities.
- Mobile is not dominated by one demographic. As mobile nears 100% adoption, activity profiles follow.
- When assessing performance, consider it may not be apples to apples measurement. Smart optimization starts with understanding platform nuances.
- Leveraging mobile for its unique capabilities can yield much higher results than transferring existing desktop campaigns to "fit" the mobile environment.

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## Getting Involved

If you would like to contribute to the IAB Canada Mobile Committee or have suggestions on content for this document, please contact us at committees@iabcanada.com or membership@iabcanada.com.

# Glossary of Terms

| | |
|---|---|
| Ad Server | Technology that stores display advertisements, delivers them to website visitors in a way that would maximize the Advertiser's (or Publisher's) revenue, monitor campaigns and create reports. |
| App | Short for "application." There are millions of apps covering virtually all categories and interests. Apps are developed as part of an owned media strategy between a brand and a consumer. Some apps act as larger platforms or their extensions like Facebook's mobile app for iPhone others may provide broadcast extensions for mobile video consumption. |
| Apple Identifier – IDFAA | Mobile advertising IDs like Apple's IDFAA allow developers and marketers to track activity for advertising purposes. They're also used to enhance serving and targeting capabilities. |
| Beacons | Small, wireless transmitters that use low-energy Bluetooth technology to send signals to other smart devices nearby. Beacons allow businesses to track foot traffic and enable end to end measurement. |
| Bid-Caching | Bid-caching occurs when a lost bid from one auction is unknowingly used to fill a subsequent auction with slightly different ad targeting information.<br>This activity is a common culprit when discrepancies are identified in reporting between the ad server and DSP / Publisher. |
| Cookie – Third Party | A cookie placed on a website by a third-party, such as an ad server or data provider. Information from these cookies is collected and can be used to place you in one or more demographic groups, based on your online activity. These cookies can be used to target advertising and manage campaign aspects. |
| Deterministic | "Deterministic" refers to data sets that are known be true. Examples include: purchase information and accompanying data like name, address, postal code, phone number, credit card number, etc. |
| Device ID | A device ID (device identification) is a distinctive number associated with a smartphone or similar handheld device. Device IDs are separate from hardware serial numbers. |
| DSP (Demand Side Platform) | A DSP is a technology platform through which buyers (Advertisers or Agencies) can plan, target, execute, optimize, and analyze digital media buying programs across 100% of the media plan. Through a DSP, the buyer can set targeting criteria, pricing, frequency, and other criteria governing the purchase of digital ad units. Advanced DSPs will provide additional capabilities to the buyer, including integration of various online and offline data sources, the ability to provision direct media buys (as opposed to just RTB), advanced optimization and decisioning capabilities, and creative tools. |
| Google Identifier - AAID | Mobile advertising IDs like Google's AAID allow developers and marketers to track activity for advertising purposes. They're also used to |

| | |
|---|---|
| | enhance serving and targeting capabilities. AAID is a unique identifier that allows mobile applications running on the Android operating system (OS) to gather data about specific customers in order to improve both personalization and customer analytics. |
| PII – Personally Identifiable Information | The Personal Information Protection and Electronic Documents Act is a **Canadian** law that relates to data privacy. PIPEDA stipulates that Personally Identifiable Information (or **PII**) must be: Collected with consent and for a reasonable purpose. Used and disclosed for the limited purpose for which it was collected.<br><br>Under PIPEDA, the following is **considered** sensitive or Personally Identifiable Information (**PII**) and is explicitly protected under the law: Age, name, ID numbers, income, ethnic origin, or blood type. Opinions, evaluations, comments, social status, or disciplinary actions. |
| Re-targeting | Re-targeting, also known as remarketing, is a form of online advertising that can help you keep your brand in front of bounced traffic after they leave your website. For most websites, only 2% of web traffic converts on the first visit. Re-targeting is a tool designed to help companies reach the 98% of users who don't convert right away. |
| SDK | SDK is the acronym for "Software Development Kit". An SDK is a set of tools that enable the programming of mobile applications. This set of tools can be divided into 3 categories: SDKs for programming or operating system environments (iOS, Android, etc.) Application maintenance SDKs. |
| S2S | Server-to-server connections can be defined as demand partners integrating with each other. |
| Viewability | An online advertising metric that aims to track only impressions that can actually be seen by users. |

Other reading:
https://www.campaignlive.co.uk/article/Ads-premium-sites-effective-social-media-neuroscience-study-claims/1456544#rwD1xRMZWWKtChlo.99