The online advertising overview media essay

As the presence of technology meshes into every aspect of our lives, mobile advertising has been recognized by many if not all marketers as being the future, but is it truly? Mobile devices have taken over our lives in many aspects. With their ability to shoot video, take pictures, playing your music library, browse the internet and so on; these new features allow marketers to target consumers via mobile ads and mobile applications. As time passes and technology evolves, new types of advertising venues spring up transitioning from newspapers to billboards, TV and radio, and now the internet. The authors of a peered reviewed scholarly article discuss how, " Online advertising has three characteristics; ease of targeting; personalized contents; and interactivity (Dhar, Subhankar, and Upkar Varshney, 356). In comparison to TV or radio advertising, the internet medium allows advertisers to create interactive advertisements that can be tailored to be personalized and target the consumer's direct interests. But with the introduction of new methods and technologies to the market, it does not come without its disadvantages.

Online Advertising Overview

The end of the 20th century and the beginning of 21st were characterized by rapid developments of communication tools. Advertising delivered over the Internet or better known as ' online advertising' has become a significant source of revenue for web-based businesses. Internet-based advertising is a " gale of creative destruction" (in the words of Schumpeter, 1942) sweepin g across the advertising and media landscape. Online advertising's humble beginnings began in in 1994 when HotWired, a web magazine, sold a banner ad to AT&T and displayed the ad on its webpage (Kaye and Medoff, 2001).

But since that time, the e-commerce hype has taken hold, and the focus has already moved on to the mobile Internet. The new technology changed the world by revolutionizing communication at a time when mobile computing technology as a communication tool was solely limited to telephone. However, due to digitalization and the consolidation of telecommunication networks and Internet technology, mobile devices have evolved to provide the same experience as full-scale Internet-enabled computers. The convergence of these technologies provides endless possibilities for mobile computing applications and usage. M-advertising is inexpensive and can be highly targeted towards a certain individual. The potential of mobile devices as direct marketing tools has not gone unnoticed and advertisers have realized the opportunity to use the mobile channel to ' text' information to targeted consumers. Unlike traditional print, TV, or even email advertising, companies can now reach speci¬)c consumer groups or even individuals, virtually anywhere, anytime, and based on the physical location of the mobile user. In addition, companies have more knowledge about their client pool than ever before. This provides businesses with the opportunity to reach their prospects when and where it is most appropriate for the effectiveness of a marketing campaign. M-advertising could most likely become a very powerful new marketing tool enabling businesses to customize and personalize advertising for mobile users.

The Negative Side Effects of Mobile Advertising

Although there are various de¬)nitions for the concept of M-advertising, no commonly accepted de¬)nition exists. This is because not much research is done in the area of M-advertising. In the present article M-advertising is

referred to as the sending of electronic advertisements (mobile ads) to consumers carrying mobile devices. M-advertising is regarded by many as one of the most promising and pro¬)table business opportunities amongst mobile computing applications. A recent mobile marketing survey suggests that about 7% of the mobile users would be willing to receive mobile ads ' if they were relevant'. Unlike personal computers (PCs), mobile devices typically are not shared, which allows for precise targeting of advertising to a single person. Moreover, mobile users rarely leave their home without their device and use them frequently throughout the day. As a result a message sent to a mobile device commands the immediate attention of the mobile user and may be perceived as intrusive if the message is unanticipated.

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The authors bring up the negative side effects of mobile advertising which include spam mail, SMS text messages, and privacy invasion. The authors go on to explain that, " Since mobile communication is perceived as a truly private way of intercommunication, consumers can easily have a feeling that their privacy is invaded" (Dhar, 356). The biggest fears that have arisen in recent years are location based marketing via GPS enabled mobile devices. (Dhar, 356). It isn't a surprise though that the idea of combining location information and user data could raise a serious privacy concerns for consumers because the activity of the individual can possibly be traced, which the authors also bring up. Privacy of the consumer can come in many different tolerance levels.

Consumers nowadays prefer advertisements which are geared more towards their interests than ones that don't. Email and other types of internet messaging services are often times the center of spam targeting. A scholarly article by Evelyne Beatrix Cleff affirms that, " Unanticipated advertising messages, commonly referred to ' mobile spam', are considered to be a form of privacy violation" (Cleff, 229). Data which is collected from the market is used to create a profile of the consumer and help to categorize what that person's interests are. Cleff later states in the article that " These practices may lead to an over-collecting of personal data without the proper implementation of personal data privacy, such as providing a set of standards governing the collection as well as the use of personal data and addressing issues of privacy and accuracy" (Cleff, 229). Since most of use our smartphones for popular social networks such as Facebook, Twitter or Instagram, our standard of privacy as changed completely. 50 years ago, for

example, the general population would have never dreamed of putting up their personal home phone number up on a billboard for all to see. Yet nowadays, Facebook users will post even their home addresses on their profiles and other social networking websites with millions of eyes to see it.

Because these advertising methods interfere into people's private information, there are opt-out programs when using these services that restrict personalized advertising from gathering any information from your online browsing habits. A statement made by Cleff brings up the point that " Consequently, privacy fears may not only be limiting the growth of m-advertising, but may also be affecting the validity and completeness of customer databases and pro¬)les, leading to inaccurate targeting, wasted effort, etc" (Cleff, 229). Because online privacy has been a huge issue, there has been doubt that as the consumer becomes more annoyed by the presence of advertisements on the internet. Since literally all major social networking and online e-tailors provide opt-out programs for their users, will it be able to provide continued revenue growth in the coming years?

Regulation and The Future

Regulation in the United States falls under the Federal Trade Comission (FTC) with their Federal Trade Commission Act (FTCA) which protects consumers from unfair practices by sellers and marketers alike. A scholarly article in the Texas Law Review by David DeMarco goes indepth on the topic of privacy issues related to online marketing methods and subsequent regulations that comes with it. He goes on to explain that " Although e-companies and Internet users may differ about the degree of access to collected information

that companies ought to provide to their customers for verification purposes… businesses have a compelling interest in maintaining accurate and complete information about their customers" (DeMarco, 1042). He goes on later to explain how there has been a push in the last two decades to push for industry self-regulation which is considered by a source in his article to be an " abject failure". Because the internet is so vast and unregulated by governments, there have been huge doubts as to how consumers' privacy will ever be regulated. According to a statement made by DeMarco, " At the core of the self-regulatory regime sits a website's privacy policy" (DeMarco, 1045). Since website's won't take responsibility for your information, who will? People don't realize as they allow for these websites and applications to access our photos, contacts, emails and so on, we give up ourselves to potential criminals that may lurk on the internet. As social networks come and go, the privacy we give up won't change. Society today as shifted completely due to the internet and without regulation, privacy or the idea of it will become nothing more than a word since all our information will be out there for the taking, regardless of your opinion.

Overall, privacy issues and mobile advertising have turned into something highly taboo. Opinions on the matter vary from consumer to consumer due to younger people being more open about information their parents' generation would have deemed unimaginable to post on the internet for all eyes to see. Laws and regulations by governments cannot keep up with the ever changing fads on the internet. From location based personalized advertising to the billboard you drive past on highway, mobile advertising is becoming embedded into every aspect of our lives. Consumers today carry

their phones everywhere and with the mobile internet service providing the link, millions if not billions of people have their information gathered daily to provide a more personalized and creepy targeting campaign for your buying desires.