

# ADWEEK

## Busy Signals

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Mark Wahlberg, dressed in military fatigues and toting a sniper weapon, is running across a phone screen. After several quick cuts, he's at a table and looking pensively at a computer. Another cut, and he loads a large bullet into a gun and a politician is shot.

This action-packed clip is a trailer for the new Paramount film *Shooter*, but it's not the movie studio's version. It's one of the top-rated remixes of scenes from the official trailer on Eyespot.com, a video editing and distribution Web site. Movie companies such as Paramount and LionsGate and record labels like Jive are working with the Web site to post content like trailers and music videos, allowing users to remix them and then send them using their cell phones.

At the end of each video is an Eyespot house ad, but the company plans to introduce creative from other brands as well, most likely in the next quarter.

"Many of the advertisers are taking a wait-and-see approach," says David Dudas, co-founder and CTO of San Diego-based Eyespot. "Eventually they will realize this is where the eyeballs are and that they still need to reach those kids."

This type of mobile creative has been the norm in Europe and Asia for the past several years. But until recently the mobile work in the U.S., due mostly to a lack of bandwidth and the high price of state-of-the-art cell phones, has revolved mainly around text messaging, personalized voice mails and experiments with sending coupons. But as advanced options become more common in cell phones sold in this country, the U.S. is playing catch-up. Now, marketers, with increasing frequency, have begun to utilize cell phones to distribute branded entertainment including movie trailers, music videos, MySpace-like communities and games.

In addition, Internet companies such as Eyespot and Sunnyvale, Calif.-based Mywaves are providing technical solutions that promise new opportunities for advertisers. Mywaves, for example, plans to announce by summer Send to Mobile software that will send Web site videos to cell phones via the click of a button. Currently, the company allows users to organize video content on its Web site and then watch it on their own phones. No ads have been incorporated into the video clips yet, but the company plans to introduce interstitials and short ads before content plays in the third quarter of this year. "We want to pick a handful of advertisers we can brainstorm new ideas with," says Rajeev Raman, CEO and founder of Mywaves.

While advertisers have been slow to take advantage of the creative possibilities, experts say that is changing. According to New York-based eMarketer, while companies spent \$421 million on mobile marketing in 2006 in the U.S.—a relatively small 2.5 percent of the \$16.4 billion total spent on online advertising—it projects that number will jump to \$903 million, or 4.6 percent, this year. Online as a whole is expected to rise to \$19.5 billion in 2007.

“There was some excitement but a little bit of hype in 2005. Brands were excited and wanted to learn more,” explains Debra Bluman, vp, product marketing at New York-based Crisp Wireless, a mobile Web site builder for brands and publishers. “In 2006 we saw that momentum grow, and in 2007 mobile advertising is set to break through previous boundaries.”

“The relevant marketers are asking for mobile marketing,” adds Peter Kang, cd, interactive and emerging media, Saatchi & Saatchi, Torrance, Calif. “Mobile is as ubiquitous as gaming and the Internet. Most people just don’t understand how to take video assets and transfer them properly.”

The U.S. has been gaining ground with Europe and Asia, where companies made large investments in 3G—short for third generation (or broadband)—technology years before the U.S. (Japan in 2001, Europe in 2003.) In this country, broadband speeds on phones—each carrier must build its own broadband pipeline—are only now becoming widely available.

Price has also been a limiting factor. State-of-the-art phones capable of viewing video can cost as much as \$600, plus there’s a monthly fee of between \$15 and \$20 just to use the video options. And while videos generally only take a few seconds to download, compared to the speed of a home computer, the wait can seem interminable. In addition, videos, once downloaded, are still of fairly poor quality, especially when compared to those found in Europe and Asia.

The “time-consuming” nature of mobile video is one reason, according to Jeff Goodby, co-chairman, Goodby, Silverstein & Partners in San Francisco, that the agency decided to use personalized voice messages for a recent Bud Light campaign, “Apology-Bot 3000.” (In it consumers can go to the brand’s Web site and send to cell phones a message from a “robot.”) “The idea of sending along a message that says check out this video and having people go do it, it’s kind of an arduous experience,” he says.

(Story Worldwide, based in Norwalk, Conn., just completed a similar viral advertisement for Unilever’s I Can’t Believe It’s Not Butter, in which, users, after typing in a few personal details, can have the model Fabio call someone to spread the word about the product.)

But as the experience improves, so, too, does the creative. Some U.S. marketers, for instance, are finding success with creating sponsored mobile communities similar to Web sites like MySpace.com, but designed to be accessed via phone.

Vancouver, British Columbia-based AirG, which builds mobile online communities for companies such as Boost Mobile, a pay-as-you-go wireless service, created a multi-pronged campaign for users. In it, consumers can win a car tailored by West Coast Customs, the car shop made famous by MTV’s Pimp My Ride. Of the 1.5 million entries received between Oct. 15, 2006 and Jan. 15, 2007, 98 percent came from Boost Hookt, the mobile community on Boost Mobile phones, according to the company. The rest of the entries came through banners on Web sites such as MySpace.com.

Mobile marketers are also trying to reach groups of people gathered in one place, such as a bar. For instance, later this summer, Soapbox Mobile, a mobile marketing agency in Carlsbad, Calif., plans to roll out a game called Ice Breaker for Harrah’s Voodoo Lounge in St. Louis. To play, customers would text the word “ice” to a short code number and get a random image in return. They would then have to match their picture with other players’ in the area for a chance to win a prize.

Vlad Edelman, CEO of Soapbox, says mobile creative’s slow growth is due, in part, to a chicken-and-egg type of scenario. While many users of high-end phones don’t know how to access the various bells and whistles, creatives “need to understand how to use mobile in an interesting way. There haven’t been enough creative uses to spur consumer demand. [You can’t expect consumers] to go from SMS and text messaging to 3-D virtual worlds,” he says.

Adds Fred Ghahramani, founder of AirG: “For us to move mobile to every marketing aspect, customers have to be taught how to use all the features on their phones.”

Some marketers are utilizing avatars to engage consumers. During the 2006 World Cup, The Hyperfactory, a New York-based mobile marketing company, created a video, designed for the Hispanic market, of a dancing soccer player outfitted in a Tylenol-branded shirt that people could send to their friends.

In Europe, these types of sophisticated rich-media efforts have been done by phone carriers themselves as a way to encourage people to upgrade, says Mike Bell, CEO of Enpocket in Boston, a mobile phone agency. The company did a popular viral effort for London-based Vodafone in late 2005, in which people could record their own audio track over a video clip of a hyper monkey and then be able to forward that to their friends.

“The purpose was to promote the multimedia nature of the phone and the operator itself,” says Bell.

Kevin Swanepoel, president of The One Club in New York, whose One Show Interactive Awards are May 9, claims that Europe is still way ahead creatively. He cited agencies and their work such as Interone Worldwide GmbH for Mini in Germany, which created a virtual car for cell phones that rotated 360 degrees as the user turned around, and Neue Digitale for adidas Y-3, which put virtual clothes models on users’ cell phones. “I can’t think of anything in the U.S. that has stood out,” he says.

Which is not to say that some of the work hasn’t been innovative—even some of the “older” campaigns. For the Toyota Yaris, launched last April, Saatchi & Saatchi, Torrance, Calif., created eight 10-second humorous spots paying homage to Mad magazine’s Spy vs. Spy comic book character that book-ended mobile episodes of Fox’s Prison Break. In “Magnet,” for instance, a Yaris produces a large magnet from its engine that drags another car towards it; the first car then releases an anvil. The spot ends just as collision is about to happen. (The Future Marketing Awards, held in New York earlier this month—Adweek was a sponsor—gave three awards to Saatchi & Saatchi for the work, including best branded entertainment.)

One company that has been interested in mobile is Visa, which has been working in the medium since 2001, when it partnered with Starbucks. The promotion allowed people to click on a banner and locate a nearby Starbucks using their PDAs. Starbucks on March 1 announced it was offering the same capability on cell phones. And last summer, Visa sponsored a giant billboard in New York’s Times Square where passersby could play a game on the billboard using their phones.

“When you can interact with outdoor with your mobile it adds to the ability to engage with the customer,” says Jon Raj, vp, online and emerging media, Visa. “Nobody knows how effective it is now. It’s not about reach at this point, it’s about looking forward and prepping for the future.”

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