



## Mobile advertisers paying 4x more for location-based impressions

By Ryan Kim

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Location, location, location: It's not just for real estate. Mobile advertisers are increasingly prizing location-based ads, according to real-time bidding exchange Nexage, which said mobile publishers and developers are getting 3.8 times more for eCPMs, or ad impressions, that include location data in the last three months.

Demand for location-based ads are also going up, jumping by 170 percent over the same period. More and more, advertisers are pursuing mobile ads that include location data because they can find users where they are, target specific areas and can drive consumers to take actions locally.

Some companies are seeing an even bigger pop from location-enabled ad impressions. Social gamification platform Beintoo said its partner apps like Fruit Ninja have seen an 11x premium in location-enabled impressions over ad impressions without location data, said Nexage. Beintoo has doubled the number of ads it has requested on the Nexage Revenue Platform over the last three months.

I talked with Nexage CEO Ernie Cormier and he said the rising value of location-based advertising is driven by growth in local deal providers, who want to push out very targeted coupons, as well as brand advertisers looking to hit specific regions or metro areas. And there are advertisers who want to confine their message to specific latitude and longitude locations or zip codes to hit only local consumers.

He said the big constraint is on the supply side, where mobile developers and publishers need to enable ad inventory that leverages location information. Some publishers just need to work through their customer privacy policies to reflect the fact that they will tap a user's location for advertising. Other developers are constrained by platforms like iOS, which prohibits apps from leveraging a user's location unless they are providing a service based on location. Nexage is working with developers and publishers to show them how they can get more value out of their inventory, especially ads that can include location data.

"Any kind of location data we can get — lat-long, zip code or region — we're getting demand for it. All the inventory we can get, we're selling," Cormier said.

Nexage's real-time bidding is well suited for advertisers looking to buy location-enabled impressions. Because it's a real-time auction, they can choose when they want to target their

ads, which go out immediately, and they can combine it with location to make them more effective. Increasingly, advertisers are getting savvy about using a combination of time and location to better target consumers and understand what they might be open to depending on where they are and the time of day.

Cormier said the demand for more location-based ad inventory is only going to go up in the coming years. And publishers are learning that the power of location-based ads is real and valuable to their bottom line.

“We don’t see any end in sight for demand. As people see the value especially for offer-based advertising and publishers manage their privacy issues, we think it will continue to grow. If publishers do the things we talk about today, it’s not really theory anymore. It’s fact; you will see an uplift in revenue,” Cormier said.

LOC-AID is the largest Location-as-a-Service (LaaS) company that allows mobile developers to locate over 350 million wireless devices for enterprise authentication, fraud management, and hyper-local marketing, all through a single, privacy-protected cloud-based gateway. LOC-AID has the largest reach in North America, covering smartphones, feature phones and any device connected to a carrier’s wireless network. [mediarelations@loc-aid.com](mailto:mediarelations@loc-aid.com)

