

SAMSUNG GIVES APPLE A RUN FOR ITS MONEY, WITH A STRONG PUSH IN THE MOBILE AD MARKET



Samsung Electronics Co. announced on Tuesday that it was forming a partnership with OpenX Technologies, a leading provider of digital advertising technologies. The partners aim to create an exchange, called Samsung AdHub Market that will allow advertisers to purchase mobile ad space directly from mobile developers and Samsung, thereby enabling them to reach a specific audience at whom the ads are targeted. Even though the pricing has not yet been disclosed, the service is scheduled to commence in the second half of the year. This exchange, Samsung believes, could make Samsung a potential advertising competitor to Google and Apple. The exchange will also make it simpler and financially more worthwhile for app developers to offer advertising to Samsung mobile phone subscribers. Through the Samsung AdHub, brands will be able to deliver 3D, video, and other interactive advertisements into the living room via Samsung's Smart TVs. Samsung's AdHub is expanding its capabilities with the OpenX partnership to include mobile devices. Samsung is promising the same benefits as Apple, to developers. Apple had claimed that, iAds are the best avenue for developers to generate revenue, when compared to other advertising platforms, because "iAd provides easy integration into iOS." Samsung says, that the exchange allows for real time bidding on the advertising inventory and that, "this will help app developers maximize their ad revenue, and it will also allow developers to have more control to ensure the ads they display in their apps are of high quality. Daniel Park, Vice President of Samsung's Media Solution Center, said in a statement. "Samsung is empowering both the developer and the advertiser, by creating a win-win solution, in which the app developer is able to achieve higher revenues and advertisers are able to reach their marketing goals." Apple's iAd has not been able to get the adoption rate as anticipated and if that is anything to go by, getting advertisers and developers to give priority to Samsung, may not be easy. Apple had to greatly dilute its profit share to attract advertisers and developers and until Samsung releases details of how it intends to run the exchange and what its profit sharing ratio's is analysts are unsure of its success prospects. According to researcher Gartner Inc., Samsung has a share of 19.4% share of world-wide sales of mobile devices, just behind the leading phone maker Nokia, but ahead of Apple. As per data given by eMarketer, spending on mobile advertising in the U.S. is expected to reach \$10.8 billion in 2016, up from \$2.6 billion this year.

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