

# Mastering the Mobile Marketing Maze

Everyone's talking about mobile marketing as the next big thing. But despite the panoply of available options, the desired ROI is unlikely to be achieved without careful consideration and management. Success depends not just on knowing the range of mobile options, but on your ability to match these options to your brand's objectives.



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Mobile marketing, though still in its infancy, already encompasses a wide range of options that can suit many different marketing needs. The ground rules have already been established: get permission from the consumer, and offer something that's relevant, valuable, or useful. But within these boundaries, mobile can be used effectively in a number of ways. Mobile applications need not be limited to direct response (though they can excel at such tasks); they can serve other, less obvious functions as well.

An advertiser seeking the best mobile option first needs to consider what role mobile is meant to play in a campaign. Just like TV, print, and online advertising, mobile can be used to motivate a call to action, deliver information, or build brands. The table below lays out a number of mobile options against these three functions.

What's the main role for mobile in my campaign?		
Drive consumer action	Deliver information or news	Build consumer relationships
<ul style="list-style-type: none"><li>• SMS promotional response</li><li>• Mobile search</li><li>• Push messaging</li><li>• Proximity marketing</li></ul>	<ul style="list-style-type: none"><li>• Mobile Internet display</li><li>• Mobile search</li><li>• Push messaging</li></ul>	<ul style="list-style-type: none"><li>• Sponsored content</li><li>• Advergaming</li><li>• Viral MMS</li><li>• Downloaded applications</li></ul>
<ul style="list-style-type: none"><li>• Mobile WAP site</li></ul>		

## Driving Consumer Action

One of the early selling points of mobile advertising was the possibility of generating immediate response from consumers, at any time, from any location. Though this is a real strength of the medium, advertisers should proceed with caution. Having experienced e-mail spam (though not from many reputable brands), consumers fear an onslaught of indiscriminate mobile spam. Sending messages directly to a person's mobile phone requires clear "opt in" permission.

One way to gain this permission is to pull people in through other media. For example, one simple route to a dialogue with customers is through "Text to win" promotions. These can work off of packaging or other major media, such as outdoor, print, or TV. The most successful promotions garner millions of responses and can help build large databases for secondary marketing.

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As the mobile Internet develops beyond the initial constraints placed by the networks, search functions are growing in importance. Mobile search is likely to be the fastest-growing type of mobile marketing activity over the next few years. A Jupiter Research report in December 2007 found that just 4 percent of the mobile audience in Europe was actively using mobile search. But growing mobile Internet usage is expected to create an explosion in the next five years: iResearch estimates that there will soon be over 100 million mobile search users in China.

Although Google and Yahoo! dominate at the moment, some commentators feel that more specialized offers will evolve. As a recent Nokia thought leadership forum in the UK noted, "Search on the mobile is not the same as on the PC." Advertisers would do well to bear this in mind. The phone screen can display far fewer sponsored links, and consumers will be even less willing to expend time and effort on searches than they are at home.

The possibility of adding a location-based element to contextual search is tantalizing — but mobile technology still has to improve before this becomes an everyday reality. Proximity marketing (using technology like Bluetooth to transmit a message to a particular person or group in a specific location) has yet to be effectively exploited, though opportunities present themselves. For example, sponsorships could be activated more effectively by transmitting a message or downloadable free content to people experiencing the sponsored event.



## Delivering News and Information

The elements of push messaging and mobile search are not limited to direct response purposes; they can also be used to deliver information. But whatever the objective, push messaging must always be approached cautiously. Brand owners can use their own customer lists or those of partners, but should take care to target messages in terms of relevance and interest.

In exchange for spending time with a brand, consumers want something that is personally useful or relevant. And yet, mobile operators have a long way to go in providing the highly specific targeting many advertisers wish for. For now, advertisers have to think creatively about reaching their audience. Land Rover guessed that owners of smartphones (like Blackberry, Palm Treo and the new iPhone) were likely to belong to its affluent target group for the Range Rover Sport, and so used MMS to push a demo video introducing the vehicle, along with tools like a postcode-based store locator and a click-to-dial link to book a test drive, to the devices. This example clearly illustrates the use of simple messaging that requires minimum effort from the customer.

Land Rover used the mobile device itself as a basis for targeting. Timing was used by travel company Expedia, guided by mobile agency Enpocket. Expedia sent messages about holiday bargains to consumers during their lunch breaks on Thursdays and Fridays, choosing this time because the target customers had both the time and the resources to browse the deals available. By retaining the SMS message, a recipient could readily access the URL again in the future.

Mobile Internet advertising is much like other forms of Internet display advertising, but because it's so much smaller, there are real constraints on creativity. And because the speed of the mobile Internet is still well behind home broadband, ads on the mobile may be much slower to load. Subscribers will not be happy if your ads cost them money.



Therefore, the first step for advertisers is ensuring that their own Web sites are mobile-enabled. In January of this year in the United States, ESPN reported that the mobile version of its National Football League content site was already matching the PC version with almost 5 million visits over 24 hours.

The next step is to design banners and skyscraper ads that work as they do in a PC environment. These can be pure brand messages or they may contain click-throughs, but they must be simple enough for the typical mobile screen. In testing a range of mobile Internet campaigns, Dynamic Logic has observed typical uplifts of around 20 percent in ad awareness, 5 to 10 percent in brand and message awareness, and around 5 percent in brand favorability and purchase intent. These all represent good ROI for the media investment.

Currently, click-through rates (CTRs) are typically higher for ads on the mobile Internet, but we don't expect this to continue. As the number of advertisers grows and the novelty value wears off, CTRs are likely to decline toward online levels.

*Like TV, print and online, mobile advertising can serve a variety of purposes. It can motivate a call to action, deliver information, or build brands.*

### **Brand Building and Consumer Relationships**

While mobile capabilities are clearly well suited to pushing information and encouraging direct response, the medium also has the potential to support brand building and strengthen consumer relationships. However, at this point in time, mobile (and the Internet) will accomplish this in a different way than TV. Traditional video ads are less likely to exert a major influence, but opportunities abound for sponsoring content and services that consumers will appreciate.

For example, both global and local brands pay for the pre- and post-roll advertising that supports the mobile video channels provided by Swisscom for its customers. This creates a win-win-win for operator, consumer and brand. According to Ad Infuse, ad recall for these ads averaged 7 percent, but ranged as high as 29 percent. This clearly shows that effective creative is as important for mobile advertising as for any other channel of communication.

Other sponsored content includes music and mobile applications. In Singapore, Johnnie Walker is launching a mobile application called "Jennie" for download. Jennie is a digital personal assistant who can find bars, help organize your social calendar and even find you a taxi at the end of an evening out. In the UK, Lynx (Axe in other countries) created award-winning downloadable applications to help young men in the seduction game.

Mobile gaming, which until now has been seriously constrained by cost, is another type of content that advertisers can subsidize. Gamers really appreciate this and are clearly willing to accept advertising as a trade-off for their entertainment. In-game advertising of various types also offers possibilities, though these are far more limited on the mobile screen than on the PC. Our own studies for network operators have already proven that the incremental gains in brand awareness, brand interest and brand associations generated by in-game advertising are on par with those produced by other media.

Like online, mobile can be used to encourage consumers to connect around shared interests. A brand can simply facilitate this, or it can participate in the community to varying degrees. As part of the relaunch of their Pureness line, cosmetics manufacturer Shiseido targeted 18-to-25-year-old women to develop a beauty community called the Puretext Club. This text-based service offered skincare advice, tips and free samples. Over 14,000 women joined in the first year (2002). The "return to counter" response was 14 percent among club members, and Shiseido claimed a 260 percent increase in sales.



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### **Mobile Web: The Glue that Holds an Integrated Mobile Campaign Together**

Spanning the full range of mobile advertising roles is one particular application: the custom WAP site. Designed expressly with mobile functionality in mind, these sites can provide interesting and useful content while handling various types of information needs and facilitating consumer response. Not only do these sites create “stickiness” and real engagement, but they are also essential for collecting customer profile data and creating databases.

Working on behalf of the UK’s Royal Air Force (RAF), Incentivated designed a mobile WAP site to highlight more than 60 different career opportunities for a recruitment campaign. People responded by sending a mobile text (SMS) to a number provided in TV and magazine ads. After receiving an SMS reply with a link to the RAF Web site, potential recruits could access the career information of interest with just a single click. This element of the highly targeted campaign generated 10 percent of all leads at a cost of only U.S. \$14 per lead.

Sites like this, which help consumers find information quickly and easily, are invaluable for mobile marketing because the evidence shows that mobile behavior tends to be more single-minded than PC browsing behavior. There’s no opportunity for multitasking and switching between windows on a mobile, so marketing needs to aid the consumer by quickly and easily delivering tools, resources, and answers.

### **Conclusion**

Mobile marketing is still developing, and no doubt many more technological innovations are in the offing. But the points that follow should be useful in navigating both current and future challenges.

- Be relevant. Be sure you can match your brand to the mobile needs of the customer.
- Keep the campaign simple from the consumer’s point of view. Don’t cram too many messages in or ask for unnecessary actions on the user’s part.
- Working creatively within the medium, give consumers something that’s useful or rewarding. Help them achieve their goals. Give them free content.
- Optimize your campaign around the unique attributes of mobile: ubiquity, immediacy of response, and personal engagement. Ally mobile elements to every other medium you use.
- Think about building a community or tapping into an existing one. Use aspects of social networking to create a role for your brand in people’s lives and get your brand talked about.

The future of mobile marketing will certainly see new developments and ideas, creating new opportunities for advertisers. The year 2008 is a real opportunity to “test and trial” mobile marketing before it becomes truly mainstream

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