



THE SCHOLL GROUP

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Advertising and Communications

Recent Marketing Thinking

2010 Report #2: Mobile Marketing

Richard J. Scholl • July 20, 2010

## THE LANDSCAPE

- According to research, consumers use their cell phones to accomplish the following in order of frequency: make calls; exchange text messages, send photos, get directions, surf the web and check email (Lorél).
- “Consumer adoption and usage of mobile communication and multimedia services has reached critical mass. Any brand that interacts regularly with consumers—from retailers to banks to media companies to airlines—should be considering their mobile strategy” (Forrester April, 2009 Technographics report).
- An estimated 11% of consumers—and 20% of young adults, but only 4% of ages 50-64—make purchases through their phones (Pew Internet & American Life Project). Also, 72% send and/or receive text messages (95% ages 18-29), 38% access the web with their phone and 47% go online via both mobile phone and laptop.
- MarketResearch.com forecasts that mobile e-commerce revenue will increase 65% annually by 2015.
- One third of women ages 18-34 have visited a store after receiving location-based mobile alerts and 27% said they were motivated to buy (Harris Interactive). These alerts, in the form of text message or app notification, are sent when the consumer is within a predetermined area. Younger women (18-34) are the most interested.
- Among men and women, top categories of interest are groceries (68%), restaurant chains (68%) and fast food (50%). In other words, eating.
- Of those who have opted in for location-based text alerts, 37% say such services could be useful and 24% say that the alerts could be more relevant and innovative.
- Most text message alerts are read.
- Mobile users are understandably more sensitive to receiving too many emails; 45% only want to receive them when necessary. Consumers want marketers to know what products/services they like (64%), offers they like (61%), whether they are a new or returning customer (54%) and communication preferences (47%).
- 68% consider discounts most relevant; 58% are highly receptive to advance notice of sales; 86% want companies to ask about their email preferences at registration.
- Common strategies: enable consumers to opt in for text messages about special products/promotions; compare prices and get more information before making purchase decisions.
- Often works best for time-sensitive promotions such as expiring eBay auctions and last minute travel deals.

- Many marketers are focused on mobile-enabled website and apps to enhance retail and web experiences.

## **SUCCESS FACTORS**

- Develop a strategy based on understanding mobile users' behavior and usage: leverage the mobile platform and tap into what consumers like to do—connect with family and friends. People want quick access to the information they consider important. What about your product, service or message is useful for an audience on the move?
- Respect screen size, the nature of the device and the audience mindset.
- Leverage your existing channels—email, direct mail, point of sale, websites, etc., and encourage consumers to interact or respond via mobile phone. If you're launching a mobile campaign, dovetail with an integrated marketing campaign.
- Understand and appreciate the cost. If the consumer doesn't have an unlimited plan, they pay for each SMS message.
- Make opt in and out easy and clear.
- Be customer-centric, relevant and transparent.
- Focus on content and product offerings; technology is secondary.
- Concentrate on iPhone and Android and create a Webkit optimized experience without Flash. Website should have mobile version, also without Flash.
- Worry principally about mobile browser; consider apps if you need advanced interactivity.
- Understand that you're competing in a complex, ever changing and messy arena. Last year, mobile data traffic exceeded voice traffic, and it's projected to grow 40-fold over the next five years.
- Repurpose content for mobile, including increasing font size.
- If you're thinking about creating apps, they'll need to be tailored to operating systems and sometimes must be OS version specific. Apps have advantages, especially in terms of navigation and look and feel. But users need to know where to click and what they're supposed to do. App interface should be simple and straightforward.
- Remember that your website is the entry point for most of your mobile audience. Maximize the consumer experience. Pay attention to links because consumers want to share interesting content with friends—easily.

- The expected continued rise of tablet computers will complicate mobile marketing, in part because the tablet user isn't typically looking for quick access to timely information. They may be in the more laid back PC mode.
- HTML5 is the preferred technology for video playback. For everything else, strive for simple interactivity. Again, focus on content rather than form.

### **PRIMARY SOURCES**

DMNews

InternetRetailer

Lorel.com

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