Mobile Marketing - New Approach in Marketing

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Abstract

In 1973 first handheld mobile was launched by Motorola company, at that time having a mobile phone was considered a luxury, but now it is a very common commodity. Just look around and you will see someone talking or texting on a mobile phone. This device has become an integral part of our life. Keeping in view the extensive reach of mobiles, companies are now facing the need to hire employees specifically to tackle their mobile marketing and to create and develop new plans. It seems as if mobile marketing today has become a necessity for companies in order to stay relevant. Companies are focusing on providing consumers with valuable information through their mobile devices as opposed to focusing on grabbing the consumer’s attention through interruption. Companies are realizing that valuable information can be provided to consumers on a specific product through mobile marketing. Customers receive information that they are interested in and obtain information that is useful to them. This will naturally drive customers towards the business and pay off in the end. Against this backdrop, the present paper discusses the concept of mobile marketing. The review describes the value of mobile marketing in a retail context for the consumers as well as for retailers. Research methodology and objectives of the study are presented along with mobile marketing application areas, suggesting a holistic approach studying users of mobile services and marketing. The paper is concluded with implications and suggestions.

Keywords: mobile marketing.
1. Introduction
In today’s market environment where change is not an option but rather a requirement, corporations have begun to focus on marketing, and advertising in order to manage their product image through innovation and technology. In marketing technology generated consumer surplus by reducing search cost of consumers, less costly and easy for consumers to search for products and services and creating more transparency in prices (Bakos, 1997, Lynch and Ariely, 2000), increased the variety of products offered (Brynjolfsson, Hu and Smith, 2003) and lowered prices (Brynjolfsson and Smith, 2000). In order to actively respond to the change of the international market, marketers are now profoundly using mobile marketing. A mobile device which is a continuous companion of the consumer, acts as a liaison between the consumer and the retailer, making it best complementary channel for distance selling and physical retailing (Shankar, Venkatesh, Hofacker et al, 2010). Mobile marketing, an area of mobile commerce, is a form of marketing that targets users of handheld wireless devices such as mobile phones and PDAs. It can reach the target customers anywhere anytime. In order to promote the selling of products or services, all the activities required to communicate with the customers are transferred through mobile devices. Combining with the customer’s user profile and context situation, companies can provide the target customers exactly the information they desire, not just “spam” them with irrelevant advertisements. The Mobile Marketing Association definition of mobile marketing is “a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network”.

2. Research Methodology
To understand the concept and value of mobile marketing in the consumer retailing context exhaustive literature survey regarding the topic and related concepts has been done. Secondary data collected from various sources including books, research papers, newspapers, magazines, and websites is used to get an insight in mobile marketing practices in the light of the various organizations using mobile marketing. This study has followed descriptive research design.

3. Objectives of the Study
- To gain an insight into the concept of mobile marketing.
- To examine the value of mobile marketing to the retailers and consumers.
- To analyze how the mobile marketing has been devised and implemented (what specific activities, programs etc.) over a period by various firms and organizations to accomplish their goals.
- To provide the implications and suggestions.
4. Application of Mobile Marketing

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<tr>
<th>The Challenge</th>
<th>The Solution</th>
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<td>Reebok:</td>
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<td>Reebok was one of the key sponsors of the Indian Premier League, the newest and highest-profile league in domestic professional cricket. Reebok chose InMobi to drive purchase intent of merchandise through mobile advertisements.</td>
<td>With a focus on team jerseys, a range of wallpapers and apps were made available for download. Special features allowed users to share their favorite shirts among their fellow cricket fans, and even send certain items as gifts. Also, users were able to leverage Store Locator functionality to find the nearest retail outlet for Reebok Indian Premier League merchandise.</td>
<td>Because cricket is a sport with an enormous and devoted fan following in India, it was key for users to be able to share their favorite Reebok IPL jerseys with their friends. More than half of all users who clicked through banner ad downloaded jersey wallpaper.</td>
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<td>UNICEF:</td>
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<td>United Nations Children’s Fund (UNICEF) is a global organization with a mission to build a world where the rights of every child are made apparent. InMobi donated media for a mobile ad campaign across Indonesia to raise awareness about the benefits of exclusive breastfeeding.</td>
<td>Mobile display ads were targeted at specific content categories. Users who clicked through the banners were sent to a mobile landing page. This page was used to collect the name, email and phone number of users. Communication materials were then sent to this list in order to raise fund for UNICEF.</td>
<td>Liem Ay Ling from UNICEF Indonesia said, “InMobi’s scale and understanding of mobile market in Indonesia was essential to the success of this campaign. We saw impressive results for breastfeeding awareness campaign with InMobi in Indonesia.</td>
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<td>Yamaha FZ-16:</td>
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<td>The sporty Yamaha FZ-16 was designed to appeal to mid-range buyers for whom a bike is as much a lifestyle accessory as transportation. Yamaha chose the InMobi mobile network to ensure they reached their target market of young men.</td>
<td>InMobi created banner ads to build interest among likely buyers, as well as enhance brand awareness. Users who clicked through the banner ads came to a video-landing page where they could see the full-length TV commercial. Wallpapers, featuring different views of the bike, were also available for download.</td>
<td>For Yamaha, InMobi took the company’s word-of-mouth outreach efforts to a new level. Not only did nearly 10% of the users who clicked through the banner ads download the TV commercial, but almost 7% went on to locate a store.</td>
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## Adidas:

| Adidas chose Mobinil’s and optism’s permission-based marketing program, to let people know that the adiPower Predator product line was available in its stores in Egypt. | Adidas leveraged its sponsorship of the famous footballer, Kakà, in a rich dialogue message sent to opted-in subscribers. Respondents received a message with key brand information. The campaign ran a day before the weekend to encourage in-store traffic. | "Working with Optism and Mobinil enabled our adiPower(r) Predator campaign to have more impact. The use of MMS to reach a targeted audience allowed us to engage customers in a two-way conversation. We achieved an impressive 28% response rate and enriched our understanding of our customers." BugraHatipoglu, Marketing Manager, adidas Sporting Goods Ltd. Egypt. |

## Volkswagen:

| When Volkswagen planned the launch of their new Passat for Q1 2011 it was to find new ways and channels to forcefully and creatively reach out with their message and raise awareness of the new car model. “I had a dialogue with Wide space on possible means to create something new, a mobile marketing campaign that would give attention and a “wow” feeling says Katarina Lakowitz, Internet manager at VW. | Volkswagen invested heavily in the mobile channel. “Wide space presented a proposal where we would focus on large “impact” formats such as full screen ads in apps and take-overs on mobile sites to achieve maximum observation value, in combination with standard banners to maximize reach,” said Katarina Lakowitz and continues. “Together with Wide space and our advertising agency, we produced a brand new mobile campaign site in HTML5, where we showed our commercials, detailed pictures of the Passat and its innovations, and used the phone’s unique GPS functionality to directly show where the nearest dealer was and thus drive traffic to our showrooms.” | The campaign was reported in the media and became a hot topic. A very high click rate on the ads allowed for high traffic to the landing page where the average time per visitor was a full 48 seconds. “The fact that potential customers interacted with our brand that long per visit was fantastic,” said Katarina Lakowitz and continues, “I’m very happy with the results and the campaign was also a business case for headquarters in Germany. |
### Florida Department of Health:

The Florida Department of Health wanted to launch a campaign where people could privately and anonymously inquire about AIDS. The Florida Department of Health partnered with Tetherball to create a program where citizens can send their zip code to a number and privately get the AIDS information they need. To increase anonymity, only the last 4 digits of all the numbers are stored to ensure the message cannot be traced back to the individual.

The program has been running for over two years, and the Florida Department of Health has just recently renewed their contract for a third year. Over the course of the program, thousands have used the service privately to get AIDS testing information they need.

### Levi’s Curve ID:

Levi has introduced jeans, “Curve ID”, which distinguishes itself by using a new fit system based on shape, not size. Madison Communications, digital ad agency for Levi’s, leveraged InMobi’s mobile ad network to drive traffic to its mobile optimized site by specifically targeting women-related category sites.

InMobi ran banner ads targeted at women between the ages of 18-30. The ads were directed at multiple sites that attract women within the specified age range. InMobi also enabled Levi’s to target only premium carriers and thus focus its ad-dollars exclusively on qualified traffic.

By over delivering on projected number of clicks (by > 10%), and by achieving a click-through-rate of 0.99% (above industry average), this campaign provided a good example of how brand advertisers could increasingly reach their target audience on mobile phones by making use of sophisticated demographic targeting as provided by InMobi.

### Kotak Life:

Kotak Mahindra Old Mutual Life Insurance Ltd launched a new campaign, titled ‘Another You’ (“AapJaisaEkAur”), displaying the Kotak Assured Income Plan. Kotak Life planned to tap into the digital media maze to address the needs of their audience and establish regular channels of communication. To generate awareness, and drive traffic to its mobile-optimized site, Kotak turned to InMobi — the largest independent mobile ad network.

InMobi ran banner ads, with a mix of visual appeal and clear messaging. In terms of campaign analytics, Bid-optimization was carried out on a regular basis — the bids were monitored and changed according to the requirements of the campaign.

A higher than industry average CTR (click-through-rate) of 1.17%, and an over-delivery (by > 10%) in terms of projected number of user clicks, ensured InMobi was able to provide precise targeting, exact reach and desired success metrics for the campaign.
5. Implications and Suggestions
Mobile marketing implementation may be a tactical decision, adding another media to improve single media effectiveness. However, the potentials of mobile marketing seem to be in integration with entire consumer interfaces. Mobile device shoppers may be valuable segments for retailers. Retailers can deliver higher value to these consumers, potentially affecting loyalty and results. Mobile marketing maximizes retailers' exposure and connectivity independent of time and place, and increase the value of existing marketing investments. Mobile marketing seems to offer opportunities for increased consumer connectivity to retailers and potentially sustainable competitiveness. On the other hand, it demands substantial resources for change processes, may increase price competition from competing retailers and distance sellers encountering the physical environment. The worst case scenario is consumers using retailers' shop network as show rooms, and then use mobile devices to buy from the cheapest alternative on spot, in store.

Furthermore, mobile marketing is relatively at a nascent stage in India. Consumers may differ regarding the desirable content of messages and may look for customization of mobile marketing messages as per their individual requirements, tastes and preferences. Hence, the need of the hour appears to be Customerization. Customerization enables a company to respond to individual customers by customizing its products, services, and messages on a one-to-one basis. Marketers could harness the complete potential of mobile advertising by deploying Intelligent Mobile Software Agents, which enable firms to completely customize mobile marketing messages to individual customer preferences. Artificial intelligence can be harnessed, which enables software agents to learn, optimize, and individualize information dissemination to mobile users.

References