

How to find mobile payoffs beyond the iPhone

By [Eric Harber](#) on March 2, 2010

Picking the elements of your mobile marketing campaign is a bit like building a stock portfolio. While it's tempting to buy 10,000 shares of Google and call it a day, that's not always the smartest investment. The same is true with mobile.

Let's look at the historical values.

When the iPhone was first introduced in 2007, it created a frenzy in the mobile marketing community. Marketers and brands immediately rushed to develop their very own application. Many thought that the iPhone would revolutionize mobile marketing overnight. However, marketers soon realized that just having an iPhone app wasn't enough. Once the app was built, how do people find it? And even if you do manage to drive downloads, how do you ensure that the app gets used more than once? Isn't the goal of mobile marketing to drive customer interaction and loyalty on an ongoing basis? Here's an interesting fact: Just 5 percent of iPhone apps are still used one month after download, and after three months the number drops to just 1 percent.

Earlier this year, when Google announced its first foray into mobile handsets, people were excited. The market was buzzing with hype that the Nexus One would be an "iPhone killer" and, similar to expectations set for the iPhone itself, that the Nexus One would revolutionize the mobile phone market. After all, it's no secret that Google has a history of revolutionizing markets (search or mail, anyone?), so it's tempting to jump on the bandwagon and throw all your resources at developing for the new platform. However, let's keep these two things in mind.

First, it can get extremely expensive to develop mobile marketing applications for different platforms if you don't do it right. On top of that, each device has its own nuances that need to be addressed.

Second, these platforms don't have a wide reach at this early stage. iPhones currently represent approximately 7 percent of the overall phone market – still a very small piece, but growing rapidly. As for the Nexus One? Well, Google sold just 20,000 units in the first two weeks the device was available.

We're not saying that mobile marketers should ignore the iPhone, or even the Nexus One, for that matter. It's clear that they are great devices and their feature sets, which include great screen resolution, navigation, Wi-Fi, etc., certainly make them attractive from a marketing perspective. But why would you only focus your attention on such a small portion of your potential customer base, when there are other broader reaching options available that should be part of a well-conceived multi-channel mobile marketing strategy? We like to view mobile marketing as a pyramid. At the base, we start with the basics – like SMS, which is the most affordable and broadest-reaching mobile marketing technique and it's been proven to be extremely effective. Programs like text-to-win campaigns, mobile alerts, and mobile coupons are great places to begin building a mobile marketing strategy.

Moving up the pyramid is mobile web or WAP sites. These sites also have a very large reach, as more than 174 million people have access to the mobile web and 31 percent of phone-owning consumers now browse the mobile web at least once a month. Mobile websites are relatively inexpensive to design and can help extend your brand to reach customers in new ways.

The next step up the pyramid is social networking – Facebook, Twitter, etc., are included in this category. Then mobile advertising – banner ads, sponsored sites, etc. And finally, at the top of the pyramid are mobile applications.

It often makes sense for those experimenting with mobile marketing to begin at the bottom of the pyramid with the solutions that have proven ROI and the broadest reach and then begin adding layers and experimenting with newer technologies available through multi-channel mobile marketing management.

Specialization may work for some. For instance, if you know that your target demographic overlaps nicely with iPhone or Nexus One owners, then by all means, there is a great "wow" factor that goes along with building a cool mobile app. However, for many brands, having a broad reach is better. So when it comes to mobile marketing, purchasing 10,000 shares of Google might not be your best bet. Our advice? Diversify.

[Eric Harber](#) is president and COO of [Hipcricket](#).