

HipCricket Expands Mobile Marketing Services to Mexico

HipCricket is expanding internationally beginning with a strategic partnership in Mexico that has brought mobile marketing services to that country's carriers, broadcast stations and brands.

HipCricket is teaming with Mexican investors Pablo Peralta and Enrique Lopez-Negrete, executives in the Mexican telecommunications and media sectors for more than 10 years. HipCricket de Mexico will produce measurable programs for companies seeking to reach Mexican consumers via mobile.

"I think Mexico is a whole world of opportunity for marketers and advertisers, because they don't have the kind of Internet penetration in Mexico that we do, so many people access the Internet using their handset," said Ivan Braiker, CEO of HipCricket, Kirkland, WA. "This is a whole new way to open up one-on-one conversations with consumers using the most personal device, the mobile phone.

"We saw a wonderful opportunity in what was going on in mobile marketing in Mexico and taking that to a whole another level," he said. "Mobile marketing there is delivering content like ringtones and wallpapers and those types of things, which is very different than HipCricket's U.S. model, and we see an opportunity to open up those types of campaigns using mobile as a tool for engagement with Mexican consumers."

HipCricket claims that it has delivered more than 33,000 mobile campaigns for customers including Clear Channel Radio, Premiere Radio Networks, Sandusky Broadcasting, NBC, Coca Cola, Staples, Hershey's and Jameson.



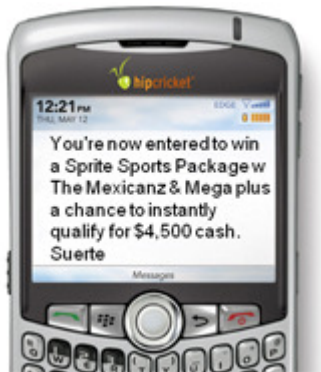
Ivan Braiker is CEO of HipCricket

HipCricket produces interactive campaigns through SMS, mobile Web/WAP and mobile advertising.

The company sees Mexico as a natural extension of its business.

HipCricket's plans include opening up the broadcast world for TV and radio stations and brands to build loyalty clubs and for listeners and viewers to engage with them using mobile.

HipCricket can provide them with mobile coupons, offers and other incentives for being part of a loyalty group, whether for a brand or a radio or TV station.



HipCricket says it all starts with SMS

There are nearly 78 million mobile subscribers in Mexico, according to statistics provided by the carriers.

According to the latest Attitude and Usage study from the Mobile Marketing Association, many Mexicans regularly send text messages and are open to receiving offers and information from brands and other groups.

In fact, 70 percent are either highly or moderately interested in mobile marketing.

In addition, 67 percent text on a daily or weekly basis; 34 percent are highly interested in receiving alerts for special sales and discounts; and 30 percent are highly interested in receiving information about new products or services.

The same study found that 30 percent of Mexican consumers are highly interested in participating in text-to-win contests; 29 percent are highly interested in receiving mobile coupons; and 30 percent are likely to opt-in.

According to the Mobile Marketing Association, Mexican consumers spend more than eight hours a week on their phones, nearly six hours watching television and approximately five hours listening to the radio.

HipCricket's goal is to help Mexican broadcasters and advertisers interact with consumers on their mobile devices.

Looking beyond Mexico, HipCricket intends to expand into other Latin American countries.

Mobile penetration in Latin America is six times computer penetration, according to the Mobile Marketing Association.

Looking at Latin America as a whole, 68 percent of consumers use mobile phones; two in three say the mobile phone is highly important in daily life; 62 percent text on daily or weekly basis; 60 texts are sent and received per person in a typical week; and 47 percent frequently text while listening to radio.

HipCricket has worked with businesses marketing to Hispanic consumers for some time.

In April 2008, HipCricket launched a Hispanic Mobile Marketing Network, the first of its kind in the United States.

The network consists of a family of Hispanic media properties that brand managers and agencies can leverage with a single buy for targeted, interactive mobile campaigns to Hispanic consumers in U.S. markets that include Los Angeles, Miami, Chicago and New York.

HipCricket's U.S. Hispanic reach extends to 14 of the top 15 Hispanic markets and to more than nine million potential listeners and viewers.

In September 2008, global analyst firm Frost & Sullivan said HipCricket "has taken an early lead in the U.S. mobile marketing space." The firm named HipCricket the winner of the 2008 Market Penetration Leadership Award.

"Many big American brands have been involved in mobile in the U.K. and Asia for years now, but they don't know what's going on in Mexico," Mr. Braiker said. "Whether they are American or Mexican brands, it's about educating them and showing the value you can get from one-on-one permission-based mobile marketing.

"Smartphones' penetration is very low in Mexico, 5 percent was the last number I saw, and it is growing, but not at the rate it is in the U.S.," he said. "SMS is the ubiquitous format of a mobile phone, in addition to speech, and there are 70 billion-plus cell phones in operation in Mexico."