



## **HipCricket Makes Noise in Mobile Marketing, Heads for Profitability This Year**

*Gregory T. Huang 9/16/09*

A small Seattle-area company is blazing a trail in the crowded field of mobile marketing. Kirkland, WA-based HipCricket, a company founded in 2004 to do mobile marketing for brands and media companies, has been growing its revenue significantly from quarter to quarter and aims to be profitable for the first time by the end of this year.

It's a big step for HipCricket, which has been diligently chirping away in a nascent but noisy industry. Mobile marketing essentially just means advertising via mobile devices. The sector has gained in popularity since the rise of text messaging, particularly in Europe and Asia. But marketing firms, at least in the U.S., have largely struggled to make much money in mobile. So HipCricket makes for a compelling case study in how to deliver the goods for big brands—all while helping create a new industry.

On Friday, I spoke with Ivan Braiker, HipCricket's co-founder and chief executive, after his talk at a [Northwest Entrepreneur Network venture breakfast](#). Braiker previously co-founded Satellite Music Network, the first radio network to distribute live, 24-hour satellite programming. He has extensive experience in building radio networks and in the broadcasting industry.

Things at HipCricket have been very busy, he says. "Even in the down economy, the activity level has been incredible," Braiker says. "Mobile is getting to be better understood on the brand level." He didn't disclose any specific sales numbers.

The company was self-funded in its early days, followed by a friends and family round, and then a round of outside investment. HipCricket went public on London's Alternative Investment Market in November 2007, only to be de-listed this summer after the markets crashed. The firm, which is now privately held, is backed by some prominent investors, including Joe Schocken from Seattle-based Broadmark Capital.

One of its key advantages is its deep relationships in broadcasting. HipCricket's customers include some 300 local and national radio and TV stations, including KZOK, KUBE, and KOMO-TV in Seattle, and KIIS-FM in Los Angeles. The company also does marketing for about 50 brands, including Arby's, Macy's, Coca-Cola, Rite Aid Pharmacy, and Harley-Davidson. "It's all about creating engaged communities," Braiker says.

The technology is important too. HipCricket's software and services, for which it charges a subscription fee, lets broadcasters and brands track response rates to ads based on keywords, type of media, or time of day—all in real-time. Braiker says this is a key differentiator for his business. "There's a new vendor every day that gets into this. But they don't understand the millions of dollars of software we have that parses data and comes up with sophisticated analytics," he says.

HipCricket, which has just shy of 60 employees (it has added nine so far this year), now seems to be growing steadily. Earlier this year, [the company expanded to Mexico](#) and is seeing a fair bit of growth in the Latino advertising community. In the next few months, Braiker says, HipCricket will be pursuing some "new, unique things" in the mobile space, including "mobile coupons integrated with point of sale," a mobile billing service that bypasses wireless carriers, and other e-commerce applications. "We see HipCricket as a full-service mobile marketing company," he says.

Asked for his advice to entrepreneurs in the sector, Braiker says, "Understand you're going to need endless energy. You have to clearly see your vision, you have to understand that vision, and never stop evangelizing. If you believe you're right, you have to stay with it." He adds that the most important factor in success is, in a word, "tenaciousness."

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