

Mobile Marketing: The Big Picture

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-By Jeff Hasen

Years from now, when the mobile phone really is the remote control for life, historians will best be in position to gauge the 2007-09 contributions of Steve Jobs and Apple's iPhone.

One may argue that the iPhone did more for the advancement of mobile marketing than any other piece of hardware.

According to a recent survey from Crowd Science, 38 percent of smart phone owners who don't own an Apple iPhone would "probably" or "definitely" switch when making their next purchase. That article isn't looking to demystify the iPhone, but it does aim to highlight an important point: Despite the unbounded enthusiasm for the device and the mania surrounding its mobile applications, the iPhone represents only a small fraction of today's opportunity for marketers.

As of the end of second-quarter 2009, Apple had sold "only" 26 million iPhones, according to Apple (I agree the number is incredibly impressive, but let me finish). What this means is that there are approximately 244 million mobile phone subscribers in the U.S. who are not using the iPhone, according to statistics provided by CTIA.

Translation: If you are dedicating a significant amount of your marketing budget and effort to targeting just 9 percent of your potential audience, you're selling yourself short.

The reality is that mobile marketing is not a one-hit wonder, but rather a robust pyramid comprised of several layers that individually and collectively can elevate a brand's awareness and drive positive consumer action. At the bottom is SMS. According to CTIA, more than 160 million people in the U.S. are on a text plan and the average age of a "texter" is 38. Taking these numbers into account it should surprise no one to discover that SMS gives brands the greatest reach and taps into the behaviors and interests of hundreds of millions, all through a simple 160-character message. SMS is a proven mobile-marketing weapon that is driving brand awareness right now.

As you move up the pyramid, the next layer introduces mobile Web/WAP sites. According to the Kelsey Group, there are 54.5 million mobile Internet users on a regular

basis. Add to that the fact that more than 172 million phones are capable of browsing the Web and it's easy to see the value these sites can bring to a brand.

Moving up the pyramid, you come to the social networking tier. Did you know that in January alone, comScore reports more than 27 million people accessed a social networking site from their mobile phone? Furthermore, experts from CCS Insight recently released the results of "Report on Mobile Internet Usage, 2009," which found that a third of young adults are regularly accessing Facebook and Twitter from their mobile phones. By creating a branded Facebook page, companies can connect with this audience, giving them a chance to engage with the brands they care about as well as other brand devotees, all from their mobile phone.

On the next tier of our pyramid resides the mobile banner ad. The banner has been a core component of online advertising campaigns for years and now is making its mark in the mobile world. One example is Wiley Publishing. As part of its mobile marketing campaign, the makers of the For Dummies series launched a series of banners ads that in about three months delivered more than 1.3 million impressions and produced a 1.4 percent click-through rate, which is four times that of the more traditional online component, according to Wiley. This superior click-through rate agrees with findings from Verizon Wireless, which at the 2009 Mobile Advertising Degree conference shared its experiences. Specifically, Verizon found its mobile banner ad click-through rates to be 2 percent, compared to the .3 percent achieved from the online counterparts.

The final layer of the mobile-marketing pyramid ironically brings us right back to where we started -- the mobile application. While it's true that the number of iPhone users pales in comparison to the total number of mobile users, the fact is that adoption is growing and the power and influence of these applications will undoubtedly follow suit. Add to that the emergence of the BlackBerry App Store, the Google Android Application Store and the upcoming releases of the Windows Marketplace for Mobile (the new application store for Windows Mobile) and it's easy to see how mobile applications will become more pervasive and influential. In fact, Jupiter reports that revenues from mobile applications will top \$25 billion by 2014.

The mobile phone may fit nicely into your pocket, but mobile marketing's limits reach much farther. Whether your brand taps into one layer or all layers, the opportunities exist to drive your brand to new heights, and the iPhone is just part of the equation.

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