

Key opportunities for mobile marketing in 2009: A sector-by-sector look

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Where are the key opportunities for mobile marketing in 2009? As marketers look to engage with customers and prospects on tighter budgets, they will turn to mobile and the Internet for their ROI potential.

First off, the use of common short codes for text messaging along with a mobile-friendly Web site should be standard issue for every ROI-focused company's mobile marketing and commerce kit in 2009. But there are other mobile marketing tactics that marketers can deploy to meet their strategic objectives in a year when most of the world will be licking its wounds from an economic meltdown.

Here are some ideas for marketers, ad agencies, publishers and mobile service providers to mull on. They are not comprehensive – and some tactics are already employed by many marketers – but at least should stimulate action in 2009. This is not a time to be coy, but to prove that mobile marketing will help revive a flagging economy because of the value it delivers to the end-consumer.

Apparel and accessories

The biggest value that mobile delivers to the apparel and accessories business is helping build a database of opted-in consumers.

Marketers can use their stores, shopping bags, wired and mobile Web sites, email newsletters and loyalty card bills to encourage customers to sign up for the mobile loyalty program.

SMS alerts on a pre-decided frequency will help inform consumers of sales, new merchandise, special offers, store openings and gifting occasions.

The mobile site should serve as a comparison-shopping service, store locator or inventory search tool. The site should actively encourage consumers to opt in for SMS alerts and for the brand's email newsletter, thus cross-promoting with another channel.

Don't forget the mobile coupon. While most point-of-purchase systems are not equipped for mobile coupons, it is just a matter of time before mass redemption becomes a way of life for deal-loving consumers.

And then there's mobile video. Victoria's Secret has its own channel on Qualcomm's MediaFlo mobile television service. The lingerie brand recently ran a mobilecast of its famed fashion show on mobile.

Similarly, upscale fashion brand Stella McCartney launched a WAP and Apple iPhone site for its merchandise, stores and videos of its catwalk appearances. So can other fashion labels.

Arts and entertainment

This sector has been adept at using mobile for sales of music – ringtones fetch more revenue on a per unit basis than downloads of an entire song – as well as advertising new movie releases and television shows.

What would on-the-go consumers want from their mobile for entertainment? Short clips of movies and TV shows, songs, ringtones, trailers, theater locations, SMS alerts of premieres and concerts, discounted tickets, mobile coupons, mobile fan clubs, backstage passes, mobile games and links to mobile sites.

Enabling those activities are SMS, free content, mobile sites and microsites, mobile coupons, mobile videos, in-game mobile ads and mobile banner ads on popular content sites.

Automotive

Alas, this industry is on extremely shaky legs. But it must be said that the U.S. auto industry has been a good friend to marketing for the longest time – as one of the largest-spending ad categories and also in terms of marketing innovation.

If budgets are available, automakers should focus on using every possible channel to build a mobile database of loyal customers and prospects. Imagine a mobile fan club of Cadillac enthusiasts or the Chevy Malibu owners.

Automakers can use their wired Web sites to encourage visitors to sign up for alerts from dealers – new models, test drives, markdowns, dealer events and tune-ups.

In addition, automakers can use their various channels to encourage consumers to text in for dealer quotes by email, fax or phone call. They can also use mobile to invite consumers to car shows.

Every major auto brand should have its own mobile site, replete with specs, dealer information, pricing, images and videos. The site should offer the option for SMS and email alerts as well as feedback on the brand.

Consumers using mobile sites of auto information brands such as Cars.com, Kelley Blue Book or Edmunds.com are already comparing prices on dealer lots. It's important to ensure that automakers and their key dealers have a comparison-shopping tool on their mobile sites.

What can mobile do to sway consumers toward an auto brand? In-game ads, mobile fan clubs, mobile videos, mobile banner ads on key auto sites, SMS alerts and mobile sites – all developed to complement existing marketing channels in their effort to create desire among consumers.

Above all, banner ads on mobile sites can work. Clicking on the banner takes the consumer to a mobile landing page, with request for further pre-qualification.

Once the ZIP code is entered, the consumer clicks through to another page to face three options: click through to a mobile microsite with the car brand's details and videos, click to text or click to call directly to the car dealer or to a call center.

Remember, the car business is all about creating desire for a particular model – something Detroit forgot in the past 30 years. The car, the mobile phone and the house typically reflect the consumer's personality.

Consumer electronics

It's a no-brainer: Use SMS alerts to invite opted-in consumers to visit stores or online for deals on various electronics items. Retailers such as Walmart and Amazon employed mobile alerts to drive consumers to shop for discounted television sets over the holidays, for example.

Consumer electronics manufacturers must work closely with retailers to encourage such mobile shopping. They must use their wired Web sites to ask consumers to opt in for SMS alerts and tips on deals at various stores based on the ZIP code volunteered.

These manufacturers should also work with comparison-shopping services to ensure a presence on mobile sites.

Finally, there's nothing like running mobile ads on reputable mobile sites as part of a wired and mobile Web buy. A Samsung ad across The New York Times' mobile site at <http://mobile.nytimes.com> during the holidays would have won the manufacturer precious branding time and space, for example.

Would consumers buy a big-ticket electronics item from a mobile site or by clicking on a mobile banner ad? Yes – eventually. Who thought in 1999 that consumers would buy furniture online? And yet store chains such as Crate and Barrel, Pottery Barn and Williams-Sonoma have a strong ecommerce business.

Consumer packaged goods

Without any doubt, the No. 1 pressing need for all consumer packaged goods marketers is to list a common short code and pertinent keywords on all product packages.

There is no excuse: Research shows that consumers are trending toward more texting as data plans get cheaper. What better way to elicit feedback from consumers other than a keyword FEEDBACK texted to a short code?

Sure, CPG companies list a Web site and toll-free number on their product labels. But many consumers today prefer texting instead of calling and talking to a disinterested voice at the end of the line.

In addition to SMS for texting in praise or criticism, marketers can also use the short code for encouraging consumers to sign up for recipes, alerts, mobile coupons and fan clubs. Yes, why can't there be a Campbell Soup mobile fan club?

Most important, SMS can help CPG companies build an opt-in mobile loyalty program. These companies are increasingly worried of becoming disconnected from their end-consumer since the retailer owns that last-mile relationship.

A mobile loyalty program keeps CPG players connected to their end-consumer, just as their online loyalty programs do with their newsletter updates, helpful tips and special-deals news.

CPG companies should employ SMS alerts, mobile banner ads on targeted sites, mobile coupons and a mobile loyalty program.

Education

Students are the most text-savvy demographic nationwide and around the world. Talk to them in their language: SMS alerts for classes and recorded wakeup or reminder calls from professors for their classes – all opt-in, of course.

Every university and college should have a short code. The short code can be used in conjunction with various keywords for purposes such as open houses, campus-wide alerts of closures or security threats, reminders, recruiting and feedback.

All campus bookstores should use mobile coupons to encourage student visits. So should campus and off-campus restaurants.

Educational institutions should begin working on building opted-in mobile databases for alumni activities. There's a fair chance those students will retain their mobile phone numbers for a number of years, so texting them alerts on alumni gatherings, recruiting or fundraising events seem logical.

It is also common sense for every university or college to have a mobile site with class schedules and the ability to sign up for SMS alerts.

The institution's mobile site and short code should be publicized everywhere: prospectuses, wired Web site and in stores.

Come enrollment time, educational institutional should run banner ads on top-notch publisher sites to attract not just the potential students but their parents. How about mobile banner ads on the mobile sites of U.S. News and BusinessWeek? They are known for their college rankings.

Let's not forget mobile videos of lectures. Why not sell them a week after the class? It's a good revenue stream for the university or college and a resource for the student who may have attended or missed the class.

Mobile videos – including a brief introduction from the dean – on the institution's mobile site is also a powerful recruitment tool. The video file can also be delivered to the email account if the prospective student texts in to request.

Oh yes, how about the admission news by SMS?

Financial services

For all the turmoil that investment and retail banks have wrought, they are pioneers in mobile commerce. Bank of America, for example, has signed up more than 1 million customers for mobile banking. And that's only since the summer, when it launched that facility.

Similarly, Chase ran a \$70 million ad campaign on television, with supporting mail, online and in-bank collateral to promote its mobile banking service. Text alerts on balances, transfers from one account to another, checking balances, updates – you name it, these pioneering banks have it on their mobile applications.

Sure, security is a major fear with mobile, just as it is for online banking. But it is yet another option for customers on the go. So mobile Web sites and SMS alerts make absolute sense in this case.

Food and beverage

Why can't every can of Coke and Pepsi have a short code with the keyword FEEDBACK? Why can't every pack promote a mobile game or promotion? Why can't Coca-Cola actively promote its MyCokeRewards mobile effort on its packages?

It's the same argument as the consumer packaged goods segment: Food and beverage marketers need to engage with their end-customers to engender lasting loyalty with the brand, not the retailer selling it.

Fast food chains get mobile. McDonald's and Subway franchisees are using mobile coupons to drive traffic in-store. Domino's Pizza and Papa John's Pizza allow consumers to order food and drinks from their mobile sites.

In fact, Papa John's recorded more than \$1 million in mobile Web sales from the five months since the mobile ordering system's launch in July.

Restaurants can encourage consumers to sign up for mobile alerts geared to deals and special offers. Domino's, for example, sends SMS alerts during lunch time.

Some food manufacturers are already texting recipes in the late afternoon so that consumers can shop for the ingredients on the way home to prepare dinner.

Employ the same tools as the CPG players: SMS alerts, mobile sites, mobile loyalty program, ringtones, leveraging television advertising on mobile, mobile coupons, in-game advertising, mobile banner ads and mobile videos.

Government

Mobile can be a legal swamp for government. But government departments can learn from online. How about allowing consumers to pay bills on mobile in the same manner as they do online? Local town councils can certainly benefit from that facility.

What government can certainly do is ensure that all public spaces – airports and train stations, for example – have Wi-Fi coverage to help laptop warriors and mobile users.

Another must for each town and city is a short code and keyword FEEDBACK. Town and city councils must know what's on the mind of their citizenry.

And it should be mandatory for every town, city and state to have a mobile site and short code. Tourism and business visits play an important role in this interconnected world.

So, make sure that every city or state's visitor's bureau has a mobile site with all the details that their wired Web site would have – where to stay, tourist attractions, videos, video welcome from the governor or mayor, shopping destinations, parks, museums, beaches and the most important of all – maps.

Encourage visitors to those mobile sites to sign up for alerts for the duration of their stay. Those signed up can get text messages on shopping and dining deals, museum visits, hotels and tourist attractions. Serve mobile coupons, too.

Healthcare

Another area where the lawyers take a look before the ad agency. The highly regulated healthcare industry can certainly stand up informational mobile sites modeled on their wired Web sites.

A major utility is the use of SMS to alert opted-in consumers of the next refill of their prescription. This alert can come from a pharmacy such as CVS/pharmacy or Walgreens or from a pharmaceutical manufacturer such as Pfizer or Johnson & Johnson.

Pharma companies can also offer allergy information on their mobile sites and via text messages.

SMS is the best tool for pharma companies simply because some patients – the elderly, for example – may not care much for fancy mobile stuff. But given the fact that 99 percent of mobile phones nationwide have SMS, the channel is ideal for delivering refill reminders or health alerts.

It makes sense for pharma manufacturers to run mobile banner ads with links to microsites or videos on reputable publisher sites – weather.com, AccuWeather.com or the various newspaper brands with a mobile presence, for example.

Home furnishings

Similar to apparel and accessories and the retail sectors, the home furnishings business can benefit vastly from using mobile to develop deeper ties with customers.

Don't expect consumers to buy a sofa from the mobile site – it may happen yet, especially on an iPhone-friendly site – but at least it offers pricing and style information that help with store, online or telephone purchases.

All home furnishings brands should list a short code and keyword DEALS on their catalogs. They should encourage consumers to opt into the mobile database to receive timely SMS updates of new merchandise, special offers, coupons or sales, be it cookware, tabletop items, rugs or furniture. The messages can drive consumers to the store or online.

Legal

Law firms can certainly use a short code and keyword ADVICE on all marketing material – ads in publications, television and radio commercials or on the subway. The goal should be to encourage those in need of legal help to text in if they haven't already been recommended a law firm.

A mobile site would help, outlining the biographies of the attorneys, their specialties, victories and contact details. A video from one of the top partners would reinforce the credentials of the firm.

Media/publishing

The media industry, just like the financial services and automotive industries, is in for the ride of its life. The entire media business model has changed.

Compound that misery with an economic slowdown where advertising and marketing budgets are the first casualty.

Print advertising revenue that used to support a publisher's operations is on a rapid decline, especially across daily newspapers and business and trade magazines nationwide. Blame the reader's preference for consuming free content on the Web for this malaise. Advertisers have gauged that trend and moved budgets online, but with vastly smaller spend than in print.

Web advertising and content-access revenues alone will not be able to support a publisher's expenses – mortgage or rent, salaries for staff or columnists, transportation, printing, postage, insurance and technology.

Now add to that another gathering trend: consumption of news on mobile phones. Ad revenues for Web aren't even there yet, and mobile is still a rounding number for most publishers, so what to do?

Have a mobile-friendly Web site with banner space for advertising. Strike single-sponsorship deals with existing advertisers to combine their online buys with mobile. It is key to link the two channels.

What an established publisher has on mobile is a brand that advertisers can trust and place their ads next to without fear of unpredictability. Publishers and content owners need to leverage that reputation.

Also, work with advertisers to sponsor channels and text alerts. That's another SMS-based revenue stream.

And then there's mobile video that again can be sponsored.

There is no easy solution for publishers at this time. But their survival is critical for banner-based mobile advertising to flourish. Mobile ad networks and ad agencies should work closely with publishers and content owners to ensure that mobile is a complement to online.

The unspoken fear is that mobile sites will do to the wired Web sites what the wired Web did to print: not just complement, but cannibalize and question print's utility in an interactive world.

Nonprofits

Every nonprofit must have two mobile tools: a short code and a mobile-friendly site. Individual donations are falling to below the \$10-level, especially when large nonprofits such as the American Red Cross suck up all the household charity budgets during hurricanes and large-scale calamities.

So it is critical for smaller nonprofits, and even the bigger charities such as the Red Cross or The Salvation Army, to raise donations by text to rapidly respond to emergencies.

The Red Cross, for example, has successfully worked with the wireless carriers to encourage \$5 donations for its disaster relief fund. The organization raised more than \$200,000 in its most recent September through December appeal.

Subscribers of participating wireless carriers can donate \$5 up to five times per month by texting the keyword GIVE to 2HELP (24357).

Charges for these donations will appear on the subscriber's mobile phone bill each month. They can also be debited from prepaid account balances for those mobile consumers without a contract.

Standard text messaging rates may apply to those texted donations.

Other charities can follow the Red Cross' example. Publicize the short code on the direct mail, email and Web sites. Encourage donors to sign up with the mobile program. Strike a similar billing relationship as the Red Cross did with the carriers and also work with an SMS aggregator.

Building a mobile database not only will save smaller charities in these hard-pressed times, but will also result in repeat donations.

Mobile also cuts creative, printing and postage costs out of a charity's operations. Thus, a larger percentage of the donations can go to the actual cause for which the funds are raised.

Politics

Barack Obama.

Yes, ask Team Obama how they used the combination of a mobile Web site and SMS text alerts to elect the 44th president of the United States.

Ask them how they used SMS to build a database of grassroots supporters.

Ask them how much they spent on the Obama Mobile site. They will tell you: \$7,000. Highly subsidized, of course.

Every politician needs to have a mobile database of voters, just like they do of mailing and emailing lists. That's the future of get-out-the-vote efforts and stirring the base.

But the key point here is that mobile was used effectively in conjunction with other channels to elect a candidate to the highest office nationwide.

Real estate

Bad time to suggest mobile, isn't it? But the irony is, mobile can help get those lots and houses sold.

Smart agents and Realtors will use short codes and keywords unique to each house on the signs or placards over the property.

Consumers walking or driving by can text in for information on that property, with returned links to the mobile site, images, videos and pricing information. They can also click to text or click to call the Realtor.

Agents get to know that a prospect is interested when that initial text is sent. So they are completely alert and informed and can respond accordingly.

Retail

Retail is the biggest beneficiary of mobile. Every retailer worth its salt should have a short code and mobile Web site.

Retailers should use mobile to build a mobile database of opted-in consumers signed up for the mobile loyalty program. Offer existing online and offline loyalty program members that option.

Once in the mobile database, retailers can text alerts on offers, discounts, store openings, sales, new merchandise and events.

A mobile-friendly site is a must. Consumers must have the convenience of shopping and searching for merchandise as comfortably as they would on the wired Web, keeping in mind the screen-size and download-speed limitations of mobile.

As cheaper data plans proliferate, more consumers will expect to have the same experience on the retailer's mobile site as they did on the wired Web site. That's just the way it is – see what happened with ecommerce as it developed in the early years of this decade.

A presence on mobile comparison-shopping sites is a must. Consumers will flock to such sites to compare prices, especially as more iPhone-friendly sites proliferate.

Retailers must use SMS, mobile sites, mobile videos, coupons, mobile banner ads on content sites mobile email, mobile search and a mobile loyalty program.

This industry must also prepare for mobile commerce.

It is a matter of time before impulse or smaller-ticket purchases – flowers, books, music, theater tickets, utility bills, travel and food – migrate to mobile. In that respect, mobile will take cues from the wired Web, which poached those purchases from store, telephone and catalog.

Yes, many have security concerns over mobile commerce. And many still do harbor fears over online shopping. That still hasn't stopped tens of millions of shoppers from making ecommerce the one bright spot for retail this holiday season.

Retailers shouldn't let their fears hold them back. Eventually, almost every mobile phone nationwide will have Web-capability and every subscriber will have the same expectations of mobile commerce as they have of ecommerce.

Better to be prepared now, with mobile marketing and commerce, and learn on the job with a smaller audience than have an outage during a future holiday season because of crushing demand.

Amazon and Walmart are smart in that respect. They have got their alerts program up and running and are sure to analyze the response to mobile overtures this holiday season.

Walmart's mobile holiday alerts program is a pioneering venture that few expect from a limbering retail giant whose superstores lack gloss.

Carriers have to gear up, too. Mobile commerce can not only be an opportunity – the purchases can be added to the subscriber's bill if a retailer has partnered with the carrier – but it can also threaten the network.

Too much shopping traffic during the holidays and the network may slow down crash, unable to pull up the request Web pages. That could harm the retailer's brand and also the carrier's reputation.

So carriers need to anticipate that by 2010 or 2011, mobile purchases will become second-nature to consumers as ecommerce.

Sports

The opportunity for sports publishers and franchises on mobile is tremendous. Checking sports scores is one of the top activities on mobile. So it's no surprise that ESPN Mobile is one of the top mobile destinations nationwide.

For publishers, the sports section or the sports mobile site is an ideal opportunity to sell banner ads or sponsorships against content. Marketers can also sponsor text alerts to opted-in consumers, as well as run ads in mobile videos of games.

Sports franchises such as Major League Baseball or the National Football League can transfer their wired Web dominance to mobile.

With their grip on content, these organizations can charge consumers for access to their mobile sites for exclusives, screensavers, ringtones and videos. Don't forget the potential to sell tickets to games.

Selling mobile with the wired Web in a package would be ideal.

Team owners can pretty much do on mobile – content-, commerce- and advertising-wise – what they do on the wired Web. Only the imagination limits.

Travel

Travel is ideally suited for mobile. So it's not a surprise that the industry is one of the most mobile-savvy.

Mobile sites and SMS alerts to hotel and airline deals as well as gate changes have become standard issue. Many hotel chains allow mobile bookings. Airlines let fliers change flight details as well.

All players in the hospitality and travel business are acutely aware of mobile's valuable use. Hence the emphasis of getting consumers signed up for the mobile loyalty program. Hotels, for example, can text guests that a restaurant on the property has a special deal for dinner.

Likewise, casino players such as Harrah's are using mobile to track the movements of loyalty club members on their premises. Driving traffic to the desired venues and to increase spending per guest are key objectives.

In addition to SMS, the mobile database and the mobile site, hotels and airlines must use mobile banners on reputed publisher sites to advertise packages and deals.

There's no reason why, say, a British Airways media buy on The New York Times' wired Web site can't extend to the publication's mobile site, since the demographic will likely mirror.

In conclusion, regardless of the state of the economy, budgets are moving toward more measurable, ROI-focused media. That means Internet marketing and mobile marketing.

This is not the time for mobile marketers to hibernate, but to press their case to marketers looking for value from their advertising and marketing budgets.

Neither is this the time for marketers and brands to completely disappear from the consumer marketing scene. Remember, out of sight is out of mind. Better to trust a short code than a short memory.