

The power of mobile marketing

By  Sherry Zameer

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There are more than seven billion mobile phones worldwide. Always on and accessible everywhere, mobile devices have become central to people's lives. Mobile represents the most important screen today for end-users and it is definitely the number one screen for young generations, making them a major point of contact for brands.

Unlike TV and radio, mobile phones are always with us, they are personal and portable and accompany us on our daily journey wherever we go. It therefore makes it the perfect channel to reach, in a click, your targeted audience and is supremely well suited to deliver brand messages and enhanced customer service.

Also and most importantly, whereas traditional advertising channels such as radio and TV only allow brands to push messages and promotions out, the mobile device offers a fantastic opportunity for brands and mobile operators, through a well thought out and segmented mobile marketing campaign based on Gemalto's Smart Message solution, to interact with the end users, better engage with them, share feedback and even spread the word to friends and family as social communities through social media.

If compared to other media channels such as radio and TV, the real power of mobile clearly lies in the fact that it is contextual, timely and immediate, which makes it simply the greatest persuasive technology device ever invented. As studies from the Mobile Marketing Association shows, optimising mobile's role in the advertising mix delivers better results for the exact same budget, reaching + 2,4% awareness and +3.4% purchase intent.

The latest surveys we conducted at Gemalto, in partnership with IFOP market research around the world (UK, Germany, France, USA, Brazil, UAE, South Africa and Nigeria) reveal the willingness of respondents to engage with mobile marketing - provided that mobile operators and brands respect the 'golden rules' of messaging, and offer real and immediate incentives to those who respond. The research shows that respondents are particularly receptive to targeted campaigns, and highlights the untapped potential for operators and brands to build closer links with their consumers via mobile marketing.

Pitfalls to avoid

The 'old school' sledgehammer marketing approach, which was all about shoving unwelcome messages at consumers, is today broken. Nowadays consumers are bombarded with thousands of marketing messages on a daily basis but the majority of them are ignored and this traditional, one-way marketing approach doesn't work anymore.



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As it is always on and interactive, the mobile channel appears as the perfect media to run marketing campaigns, but we

have to be careful. A mobile phone is a personal device to which people are attached and running 'mass market' untargeted marketing campaigns through this media could easily be perceived as too intrusive by the end user and abusive mass marketing campaigns could simply spoil the channel. However, executed correctly, mobile marketing campaigns don't only lay the groundwork for effective marketing; it can boost loyalty and provide end users with relevant promotions and information they care about.

Best practices to run successful mobile marketing campaigns

Our research shows that consumers have clear expectations regarding the way mobile marketing campaigns should be run. Allowing people to make their own choices and opt-in for marketers' messages is the first critical step to fostering a relationship built on trust. It ensures the brand message is delivered to an audience of opted-in consumers who genuinely want to hear it. Thus, it provides the cornerstone of a strategy that delivers reach, interactivity and high response rates.

But respondents to our survey don't just expect to be asked permission first; they also demand a clear way to opt-out of receiving messages that have no benefit because they are neither relevant nor interesting. Of course, relevancy of the messages sent is key and they must offer tangible reward. Generally speaking, discounts top the list of what consumers would appreciate most and respondents also express interest in participating in loyalty programs that would reward them with points or other benefits.

It is also important for companies to identify themselves from the get-go, and be transparent about who they are and what they want. Messaging is a conversation and a relationship. You would not let a stranger into your home and the same holds true for brand communications on mobile.

If those golden rules are respected, the majority of the adult population would be won over by mobile marketing. Successful mobile marketing is about meeting customers' requirements for relevant messages and implementing strategies that put the end user in control of the conversation.

Taking mobile marketing to the next level, we kept those golden rules in mind when developing a complete permission-based and contextual mobile marketing solution. The Smart Message is a messaging channel piloted by a SIM application which enables mobile operators to run new types of campaigns with multiple screens and decision trees to deliver a superior user experience. Messages can be fully personalised to match the profile and behavior of each end-user and can be delivered at the precise moment it offers the most value for the consumer. End users are free to opt-in and opt-out at any time and thanks to this enhanced mobile marketing approach, customers relationship just get more personal, more relevant and more respectful, the key elements to make them successful and beneficial to the end user.

Opportunities for mobile operators

Mobile operators in the AME region and around the world are among the best positioned to operationalise the principles of mobile marketing to achieve continuous customer touch and interaction and several factors provide them competitive advantage. First of all, they own the network and this control allows them to connect with their audience and harness

permission based mobile marketing to deliver targeted marketing messages about services, tariffs and special offers. They also own the customer relationship and this allows them visibility into key subscriber information, including service usage, personal preferences and purchase patterns. These insights, combined with customer data people opt-in to volunteer freely about their interests and preferences as part of the 'conversation', enable them to deliver marketing their subscribers will genuinely appreciate.

Many mobile markets, in both developed and developing markets, are approaching saturation. With current growth rates there will be more mobile subscriptions than people on earth well before the end of the decade. But this hardly represents a tremendous growth story because mobile operators in all markets also face a rapid decline in the 'average revenue per user' (ARPU). Against this backdrop, mobile operators have two options: they can attract more customers from rival operators, or they can wring more value from their existing customers.

Operators are in an enviable position, well equipped to deliver what their subscribers want and appreciate. The question is: Are these companies fully aware of how they can use messaging to refine their services and - ultimately - ensure customer loyalty is deep and long-lasting?

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