

Mind over matter

Today's research gives credence to discarded notion of subliminal ads.

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A perfect fit

Innovative campaign ups denim brand exposure, generates worldwide buzz.

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Close calls

Growth of mobile marketing allows marketers to zero in on customers.

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Marketing News

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PAN
communications

Hot topic

Mobile marketing

Verbatim:

'It's not like advertising where you place a buy. It's about messaging and interactions, and layering onto traditional media makes it more powerful.'

(THIRD) SCREEN TESTS

Mobile growth offers targeted connection opportunities

By ALLISON ENRIGHT
Staff Writer

Whether your customers are Hookt on Boost Mobile, hanging in The Lounges (from Sprint Nextel), saying "hello" on Hello or just checking on their text messages, mobile phones are changing the way they socialize. And as consumers come to rely on the third screen riding along in their pockets or purses, marketers are finding ways to connect with them there through a variety of opt-in platforms that benefit both parties.

Nearly 70% of mobile phone owners use text messaging; among these users, 44% report sending text messages daily, according to a recent survey of 1,800 mobile-using consumers ages 13 to 65 years old. The survey, conducted by Boulder, Colo.-based Mobile Marketing Association and its research partner, Chicago-based Synovate, also found a significant jump in consumer participation in mobile marketing efforts, to 29% in 2006 from just 8% in 2005. Recent analysis by Reston, Va.-based comScore Networks also found that 23% of the Cellular Generation (ages 18 to 24 years old) currently subscribes to an Internet browsing capability on their mobile phones and 29% of Transitions (ages 25 to 34 years old) do so.

"Mobile is in high-growth mode, and the (added) revenue (from data packages) is important to carriers," says Jack Philbin, president of Vibes Media, a Chicago-based mobile marketing firm that focuses on executing text-based targeted marketing campaigns.

For marketers, the strengthening market for mobile communication is a chance to spur interaction between consumers and brands in a highly targeted and personal way. "Mobile is in its infancy but is moving full steam ahead," says Cindy Krum, a search engine optimization analyst focusing on mobile platforms with Denver-based digital agency Blue Moon Works Inc. "One of the buzzwords these days is the 'third screen.' For marketers today, you want your brand to interact with all three screens (TV, Internet and mobile) equally. If you eliminate one



The latest mobile applications let users join in social communities, post personal profiles and chat with other users across multiple mobile networks.

from the group you lose a lot of opportunity, and in the future will lose a little credibility if you can't hold your own on all three," she says. Krum adds that "the only thing more personal to (consumers) these days than your phone is your underwear."

Despite the growth, marketers are still in the experimentation phase with mobile. At this time, a popular form of mobile marketing programs focus on prompting mobile users to action by getting them to text a word or message to a short code number. Incentives are typically contest or giveaway promotions. For example, the Princeton, N.J.-

based Church & Dwight Company Inc.-owned toothpaste brand Close-Up, working with Vibes Media, incorporated a game element to its recent mobile venture called

Rock Paper Kisses. Radio ads aired in select markets seeking consumers to text the word "kisses" to a short code, where they could then play a text-based game modeled after Rock Paper Scissors and be entered in a contest to win an iPod. Players averaged 21 messages per person. "It created a dialogue and the client could look at real-time analytics," Philbin says. "It's not like advertising where you place a buy. It's about messaging and interactions, and layering onto traditional media (like radio or outdoor) makes it more powerful," he says. Austin, Texas-based advertising group Mobile Campus had another idea for using text messaging as a marketing tool for college students and faculty. The company works with universities—University of Texas-Austin and University of Florida in Gainesville, among others—to offer its service to students. Students sign up for the opt-in service, filling out a form describing their interests, and begin getting advertising text messages, usually about two a day, offering a coupon or other incentive that matches their preferences. Ads primarily feature local businesses that already serve the student population, but some national advertisers, such as Dell Computer, also have used the service. Students opting for messages would, for example, get a text message for the local Subway sandwich shop offering a two-for-one deal good for that day.

"We're finding that we are actually changing the way students act in the day. They'll get (the Subway advertisement) and those students will text one another and say, 'Let's meet at Subway and we'll cash in our text message,'" says George Tingo, CEO and founder of Mobile Campus. "We're tapping into their discretionary spending and allowing them to receive the messages by the means that are important to them."

The selling point for universities is that by offering the ad service, faculty and student group leaders can also send text mes-

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MOBILE
GOES MORE
'SOCIAL'

sages through the Mobile Campus network to reach the students with relevant campus news and updates. "All universities are beginning to look for a mobility strategy because they are finding that their students no longer check their e-mails (as frequently).... With us, the football coach can get ahold of his team instantly... through the one device that's with them all the time," Tingo says.

According to Mobile Campus, almost 20% of all students at UT-Austin and UF have signed up for the service. The service has garnered the most interest among incoming freshmen, of whom nearly 70% across both schools have registered.

Another part of mobile marketing currently under heavy construction relies on the social networks that are emerging in the digital space. The Internet-based social networking giant MySpace.com reached an agreement with Cingular Wireless, the No. 1 carrier in the United States with more than 60 million subscribers, in 2006 that allows users to manage their MySpace.com page from their phones, including uploading photos and videos. Newly hatched mobile carriers targeting teens and young adults with their advanced social networking and Internet browsing capabilities also are gaining traction. Amp'd Mobile Inc. and Heliio Inc., both based in Los Angeles, launched in 2005 and 2006, respectively; the former boasts more than 100,000 users and the latter expects to hit that mark in April. Boost Mobile, a division of Sprint Nextel in Irvine, Calif., launched in 2002 and has more than 3.8 million subscribers, and is the portal for Hookt,

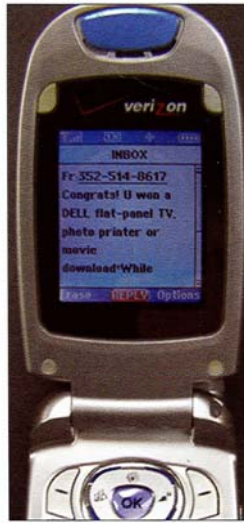
'What is going to move (mobile marketing) out of trial and into conventional campaigns are the click-through rates and actual results.'

a social networking platform for users to interact with other mobile users.

AirG, a Vancouver, British Columbia, Canada-based mobile communities software company, provides the back-end support for most of the mobile social networking communities available in North America, including Boost's Hookt, Sprint Nextel's The Lounges, Amp'd Lounge on Amp'd Mobile and Cool Talk on Cingular. Each service is branded by the mobile carrier, but provided by AirG in a pseudo-private label arrangement. In addition, members of each community are linked with members of the others. Fred Ghahramani, founder and CEO of AirG, believes the mobile communities hold a great opportunity for marketers in their ability to segment the user community and target messages to them with advanced demographic data. Users will also receive marketing messages only when they are already engaged in the community.

He says that among AirG's more than 10 million users around the world (more than 60% of the users are in North America) the average time spent each day in the community is 59 minutes. "Unlike text messaging, in (social) communities you have people who are engaged in what they are seeing on the screen. You don't try to reach them when they are away from the service and disrupt them," he says.

Marketers are already getting active in the social networks and are developing campaigns targeted specifically to the desired consumer. Ghahramani points to a 90-day campaign AirG developed with West Coast Customs, a custom car shop in Corona, Calif., to run on Boost Mobile's Hookt network. The "Get Hookt Up With A New Ride" promotion,



Mobile Campus sends opt-in, targeted ad messages to college students.

which gave away a customized Dodge Charger to the winner, garnered 1.5 million entries; 98% of which came through mobile carriers. West Coast Customs strengthened brand awareness among this focused group of entrants.

"(By hosting the promotion on Hookt, we were) able to drill down in the target segment. The more you target, the higher the click-through rate you can get. This kind of promotion wouldn't work on Alltel because it has an older demographic... it is a different kind of customer-facing value," Ghahramani says.

AirG also is developing target promotions with an undisclosed automobile brand as well as a well-known CPG brand, Ghahramani says. Marketing spending at this time is still small and many marketers of non-mobile-based products consider most mobile marketing programs experimental. "The majority of spending is coming from trial budgets right now. They are just throwing it at the wall and seeing if it sticks. What is going to move (mobile marketing) out of trial and into conventional campaigns are the click-through rates and actual results," he says, adding that the marketing sell is easier for AirG with companies that operate in the mobile space, such as ring tone operators.

The social aspect of mobile is one that isn't going to be ignored for long. Just as text messaging was rarely practiced even six years ago, the adoption of Internet browsing and social networking on mobile phones is expected by many to accelerate as consumers trade in their phones for newer models prepackaged with more features—the average consumer gets a new mobile phone every 18 months or so.

"Social is a natural follow-up with mobile. It is the next dimension where we are living our lives but are also connected. People want to be involved in their social networks but do it when on the run," Blue Moon Works' Krum says. ■