25 REASONS YOU NEED A MOBILE MARKETING STRATEGY TODAY

ABSTRACT »

Mobile technology is rapidly transforming the way that businesses and their customers communicate. What we've seen thus far is barely a glimmer on the surface of the upcoming sea change. This white paper presents 25 reasons that you should begin adjusting your marketing strategy for this paradigm shift today. We'll address four key questions:

- How big and important will mobile be?

- What can you do to be prepared for mobile?

- What mobile devices and platforms should you consider?

- How can you start marketing via mobile right now?

These 25 reasons will jump-start your efforts to create a mobile marketing strategy that works...

1. YOU CAN MARKET WITH MOBILE RIGHT NOW

If you haven't already launched a mobile website, implemented a mobile-specific marketing campaign or dabbled in mobile search advertising, what's stopping you? It's important to begin identifying your mobile market, what devices they are using to access your content and what works with your audience marketing via mobile. And the quickest way to get that information is by testing the waters with some simple campaigns:

- An email campaign optimized for mobile
- A Google pay-per-click (PPC) campaign optimized for mobile
- An SMS text-messaging campaign

2. MASSIVE GLOBAL MOBILE STATS

There are now about 5 billion people in the world who have mobile phones, about 70 percent of the population. There are 3 billion mobile devices (phones and tablets) that can currently connect to the web. In regard to mobile and text, 8 trillion texts were sent in 2011, which is just a staggering number.

- 5B mobile phones active
- 3B devices can access the web
- 8T texts sent in 2011

## 3. MOBILE IS VERY POPULAR IN THE US

While the US only has 6 percent of the world's mobile subscribers, it has 20 percent of the 3G and 4G subscribers. With the extra bandwidth to handle smartphones, the US is poised to lead the world on the mobile web.

- US population approximately 300M
- 330M US mobile subscribers
- 102.3% US mobile penetration
- 20% of global 3G/4G subscribers are in the US
- 238M US mobile web subscribers
- 72% US mobile web penetration
- 95M US smartphones

4. SMARTPHONES ARE JUST THE BEGINNING

Just about every person in the US over the age of 13 has a mobile phone, and some have two or more mobile devices including tablets and eReaders. 95 million people in the US are using smartphones with fast 3G/4G access to the web.
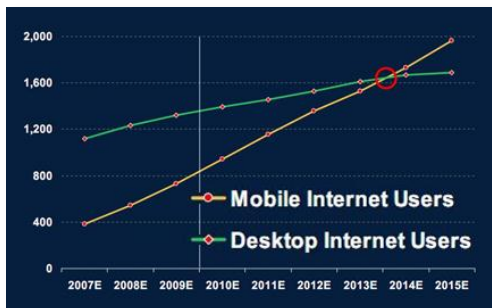
5. YOUR PRIMARY BUSINESS TOOL WILL BE A MOBILE DEVICE SOONER THAN LATER

An interesting study from Morgan Stanley projects that mobile Internet users will surpass desktop Internet users in early 2014. Currently, 25 percent of US consumers are using a mobile device as their primary device for accessing the Internet.

6. MOBILE IS PERSONAL AND IMMEDIATE

Mobile devices have the potential to be far more personal than, say, a desktop computer. People carry mobile devices pretty much everywhere they go and have them on 24/7. Because of an individual's constant proximity to the mobile phone, there are some interesting usage comparisons.

Consider an email message that doesn't get opened on a desktop computer for an hour or so. The situation is almost unthinkable on a mobile device. A text message is typically opened within one minute. Studies have shown that approximately 97 percent of all texts are opened within four minutes, which is just amazing.

What does this mean for businesses that send messages via mobile? The message is viewed by the recipient almost instantaneously:

- Avg. email opened within 90 min.
- Avg. open rate for email marketing campaigns is 10%
- Average text opened within 90 sec.
- 91% of Americans have a mobile device within reach 24/7
- 97% of all texts opened within four minutes
- 24/7 availability via mobile is a requirement for certain businesses

7. MOBILE IS A BILLBOARD AND A CASH REGISTER

Mobile advertising's growth rate is accelerating; it reached about a billion dollars in 2011, up almost 50 percent from 2010. Mobile purchases now account for around 15 percent of all online retail sales in the US, and that figure is growing by about 40 percent per year.

8. MOBILE IS SOCIAL

Mobile usage is very social. Currently, the majority of Twitter usage is via mobile, and there are similar stats for Facebook. Mobile users are twice as active on these social networks compared to non-mobile subscribers for both Twitter and Facebook.

9. YOU DON'T WANT TO BE LEFT BEHIND

Businesses shouldn't ignore how integral mobile devices will become for their target market. Chances are your best prospects have a mobile phone with them right now, and it is probably a smartphone. Mobile devices are already becoming their primary gateway to the Internet. How long until your competitors realize the opportunity this presents them to communicate with these prospects? Do you really want to be playing catch-up?

## 10. CONDUCTING A MOBILE AUDIT IS A BREEZE

Even if you've just begun thinking about mobile marketing, you can still evaluate your readiness and opportunity fairly quickly and painlessly. Ask yourself the following:

- Do you have a mobile website? If not, how well does your main website display on a smartphone? How about on a tablet?
- How much of your current website traffic is mobile, and how much has that changed/grown in the past year? What operating systems and mobile browsers are accessing it? What global or national regions are your mobile visitors coming from?
- Do your competitors have mobile websites? Are they running mobile campaigns?
- Has your company considered developing a mobile app? Do any of your competitors offer one or more?
- What kind of content do you have that can be repurposed for mobile distribution?
- Are your employees using mobile devices? How are they using them?
- Do you have the tools and the technology in place to handle tracking mobile users? Can this be tracked through to your CRM system?

11. MOBILE OPERATING SYSTEMS ARE IMPROVING AND CONSOLIDATING

Mobile applications (apps) are a very powerful way to reach certain audiences. But the wide spectrum of different devices out there might make the prospect of creating apps for your mobile market seem daunting.

The fact is, however, that only a few mobile operating systems dominate the global marketplace: Apple's IOS, Android and Symbian. The release of Windows 8 may add another major player to the list, especially for tablets. But overall, it's a digestible landscape of technologies to support. If you research your audience thoroughly, you may find that you need to only support one or two platforms to reach the majority of your prospects anyway.
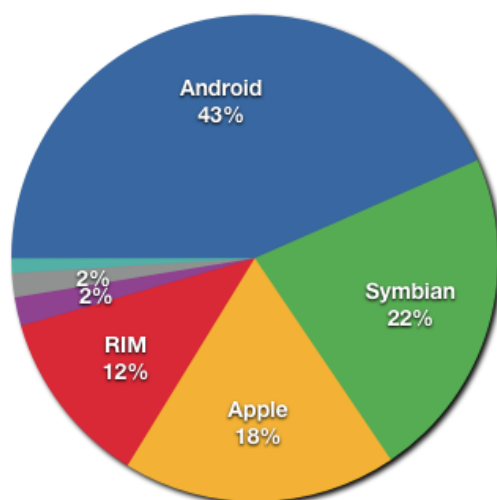
12. APPS RULE!

Anyone who owns a mobile device will tell you, apps have changed their lives. Whether it is as simple as providing on-the-go access to online banking or a tool that simulates a full-featured recording studio (Garageband), the app market is huge and growing rapidly. Come up with an application that your target market will install and find beneficial, especially if it extends the functionality of your existing products or services, and you can gain some serious traction in your marketplace.

13. MOBILE WEBSITES ARE GETTING BETTER, FAST

Back in the days of the flip-phone, mobile websites were some godawful text-based novelty. Now they can be even more compelling than a website on a laptop or desktop computer, especially if they incorporate gesture-based behaviors like swiping to navigate content. Best of all, a single mobile website can support virtually every mobile OS with smart, adaptive website design.

Mobile devices are constantly increasing their screen sizes and resolutions, but the experience of a website on a smartphone with a 4" screen will inherently be different than on a 10" tablet or a 15" laptop. Your website can know what device is accesing it and serve up the right experience for that visitor.

If you haven't already, it's definitely time to start thinking about updating your main website so it accomodates some mobile device best practices, or at least testing the waters with a mobile-specific website(s). Be sure to take into consideration the specific needs and behavior of a mobile device user. Speed and usability become top concerns, and interactivty that relies on a keyboard and precise mouse clicks should be replaced (where possible) by touchscreen gestures.

14. CONNECTIVITY IS IMPROVING EXPONENTIALLY

A 2011 focus group studied over 2,000 mobile website users. It had them undertake a wide range of tasks from very specific actions to very general tasks, like web searches on Google. Success rates ranged from 58 to 64 percent. Those are some very poor numbers—approximately equivalent to the success rate of a desktop computer accessing the Internet in 1999. I don't know if you remember what using the Internet was like in 1999. It was probably dial-up; you probably hadn't heard of Google yet. Need I say more?

The same two factors, connectivity and website quality, are the key influencers here. We're already experiencing a quantum shift in connectivity. 3G and 4G networks can match or beat the performance of traditional "wired" access in many cases.

When broadband came in and replaced dial-up, it really changed the game, and we are in the midst of that same degree of transformation. As more and
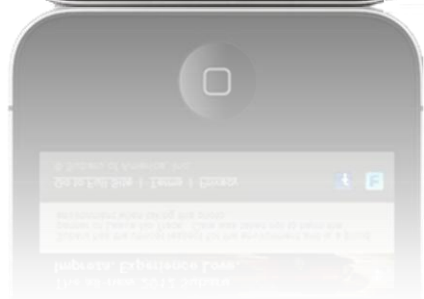
more businesses adapt their websites to be mobile-friendly, those success rates will climb to 80 and 90 percent. Don't you wish that in 1999 you knew how important your website would become?

15. YOUR MOBILE WEBSITE DOESN'T HAVE TO SUPPORT FLIP-PHONES

Sure, not everybody in your target market has a smartphone or tablet. So what? Non-touchscreen-device owners aren't using the mobile web, and their level of access will soon go the way of the dinosaur.

In the US in 2011, Apple iOS and Android had 77 percent market share in terms of installed OS on mobile devices but represented 90 percent of browser-based page views (neither OS is available on a non-touchscreen device). If your data shows that a significant portion of your audience is still using a basic phone, make sure that SMS is part of the mobile marketing mix.

16. APIs MAY ALLOW YOU TO PUSH CONTENT TO MULTIPLE PLATFORMS WITH A CLICK

You might be thinking, "Do I really want another set of marketing assets to manage?" Enter Application Programming Interfaces (APIs). Even a large-scale mobile initiative that might include apps, campaign-specific mobile websites and your main website could be greatly simplified with a single point of content distibution and management. Doing so will require developing and/or integrating with existing APIs.

17. YOU CAN TAP INTO THE POWER OF LOCATION-BASED SERVICES

Nearly all smartphones and tablets include GPS functionalty. That means that your device (and your service provider) knows exactly where it is and presumably where you are. Whether or not you find this creepy, location-based services (LBS) can be the crux of a mobile application, for example, alerting you about a sale going on in the store you're currently shopping in.

LBS might also add depth and functionality to your mobile website. For your visitors, the fact that they can see services, offers and content based on their location is hugely influential.

A couple of quick stats from a recent survey: a person is about 48 percent more likely to engage with an ad that's relevant to their location, and about 56 percent of the folks surveyed said that they were willing to share his or her location for more relevant content.

18. YOUR PROSPECTS ARE ALREADY CHECKING THEIR EMAIL ON THE GO

Email remains a hugely popular personal and business communications medium. There's a good chance that 20 percent or more of your customers and prospects are seeing your email campaigns on their mobile devices first. Addressing this reality may require tweaking your email templates, messaging and offer strategy.

Email best practices such as utilizing short and clear subject lines have become paramount, especially on a 4" smartphone display. Your content must lend itself to text-only consumption, and any offers that you include should be compelling and immediately actionable from a mobile device.

19. SMS MAY BE AN EXCELLENT WAY TO REACH YOUR AUDIENCE

Smartphone market share is growing rapidly, but it is still below 50 percent in most global regions. SMS text messaging, on the other hand, works on 99 percent of all mobile phones worldwide. Depending on your target market and line of business, SMS may be the best way to reach your audience via mobile.

Keep in mind, however, that connecting to your audience via SMS requires permission. You'll need to build an opt-in database of mobile phone numbers. Offering something in exchange for permission usually works well, especially if the prospect's mobile phone is required to take advantage of the offer: for example, having participants send a text (preferably to a short code) in order to receive a discount.

20. SMS CAMPAIGNS REALLY WORK

RedBox offered customers who responded via text instant discounts on their movie rentals ranging from 10 cents to $1.50. They gained 1.3 million opt-in prospects as a result. They were recognized by Forrester with a Groundswell Award for the campaign.

21. QR CODES ARE MORE THAN A PASSING FAD

QR codes are those funny-looking squares that can be read by smartphones to send a user directly to a website or mobile app. During the month of June 2011 alone, according to one study, 14 million mobile users scanned a QR code or a barcode. Some 58 percent of those users scanned a QR or bar code from their home, while 39 percent scanned from retail stores.

QR codes can be included on anything from business cards to billboards. They provide a great opportunity for retailers to drive shoppers toward coupons and product information, and for businesses to create effective interactive promotions.

22. QR CODES DRIVE ENGAGEMENT

A compelling mobile campaign using QR codes was developed by Central Park, NYC. Smartphones and QR codes were used to augment reality—as visitors walked around Central Park they could scan QR codes on signs placed in strategic locations. A video specific to each location would then play, for example, showing the exact spot where Dustin Hoffman taught his son to ride a bike in Kramer vs. Kramer … very cool.

23. MOBILE-SPECIFIC CAMPAIGNS WORK BETTER

Web searches on mobile devices are increasing by 40 percent per year. This growth is cannibalizing search volume from laptops and desktop computers. More and more of your audience is viewing your online assets via their mobile devices, and this is having a measurable impact on campaign performance.

In search advertising today, for example, mobile-only campaigns perform 11 percent better in terms of click-through rate. And that number is likely skewed downward by advertisers who may target mobile users but don't necessarily offer mobile-optimized content. We'll no doubt see an even more dramatic performance gap as best-practices adoption by mobile advertisers and user expectations for mobile-friendly content increase.

24. YOUR WORKPLACE WILL BE MOBILE IN 2017

- Mobile devices will replace laptops for many users as their primary business tool.
- Business assets will be in the cloud so that everything can be synced to your mobile devices: emails, documents, etc.
- Your coworkers are going to be walking around with tablets and smartphones to communicate in and out of the office.
- Barring major upheavals in the world markets, Android, Apple iOS, Symbian and possibly Windows 8 will be the platforms that power your mobile devices.

25. WHY NOT BE PREPARED?

Remember the last major sea change for Internet marketing? It started with a handful of social sharing tools and became today's social web. Maybe you're still one of the holdovers—unconvinced that Facebook or Twitter can be beneficial to your business. Maybe you're right.

The point is that it never hurts to be ahead of the game when a game changer is on the horizon. Get started by developing a mobile strategy that includes a test plan, building a permission-based mobile database and creating offers that promise value even when served up on a smartphone screen. Here are some specific steps to take right now:

- Conduct a mobile audit.
- Optimize your PPC campaigns for mobile.
- Start with a small mobile campaign and focus on measuring engagement.
- Solicit permission to market to your prospects' mobile phones in all your marketing activities.

HOW CAN NOWSPEED HELP WITH MOBILE?

Whether you have or haven't started developing your mobile strategy yet, we can help. We've worked with businesses like yours to plan and execute their mobile initiatives including websites, landing pages, search marketing, advertising and other mobile-specific marketing campaigns. Just give us a call or visit our website for more information, www.nowspeed.com/mobile-marketing.

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