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## The final frontier

Relevant communications, received at the right time, will help build trust in a channel which is still viewed with some suspicion.



The headline above is how mobile marketing has been described through various stages of technological development over the last decade. From SMS and MMS, to GPRS, WAP and G3, we have been told to expect advertising via our handsets to be more timely and relevant than through any other form of communication.

There's clearly still a long way to go before we reach acceptance of technology that will, for example, allow shops to buzz our mobiles with the latest promotions as we walk past.

But, with near saturation in developed markets and statistics showing acceptance of mobile advertising on the rise in many nations, it can surely only be a matter of time before this communication is commonplace.

Yet, there is still a large amount of resistance to 'handset intrusion' in the UK - more so than in some other key markets.

We recently conducted an online survey, via our 30,000-strong UK consumer ViewPoint panel, that revealed only ten per cent of respondents are more receptive to

receiving marketing messages to their mobiles, from companies advertising products and services, than they were five years ago.

This may appear worrying for anyone involved in mobile marketing in the UK. But there are some demographics that appear more willing to accept advertising in this form. Of those ten per cent mentioned here, 66 per cent were women. Meanwhile, the south-east of England was the most receptive region, with 18 per cent of positive respondents based in the area. The least receptive regions, of those that welcomed messages, were the combined outlying areas of Northern Ireland and the Republic, the Isle of Man and the Channel Islands.

In the UK, according to CAMEO classifications, poorer council tenants and single parents were the most likely to want mobile advertising. More affluent respondents seem dead against the medium. In fact, the most positive response group by income was the £20,000 to £24,999 band, making up 15 per cent of the 'Yes' total.

### Broader opportunities

A lack of knowledge of different types of mobile advertising may be behind this large wall of resistance signalled by the survey results.

Many people are probably reluctant to opt in to mobile marketing because they think they will be bombarded with irrelevant texts, their phones going off at work every five minutes. But handset technology offers much broader opportunities than SMS.

Online display and search

advertising are just some of the other options available to marketers. Internet research company eMarketer noted that worldwide spend on mobile message advertising was US\$2,560m in 2007, and will explode to more than five times that amount by 2012. While mobile display (\$52m in 2007, predicted to be \$1,203m in 2012) and mobile search (\$83m in 2007, predicted to be \$3,773m in 2012) have some way to go to catch up, they are clearly about to rocket as well.

The key to harnessing this medium is likely to be achieving even more targeted marketing than with other media.

Relevant communications, received at the right time, will help build trust in a channel which is still viewed with some suspicion.

Central to this is a concept that we call 'mutual marketing'.

Use existing customer insight to underpin all your marketing, create a dialogue and build a relationship; send people offers they want to receive and they are far more likely to respond.

As the relationship builds, so repeat purchases are made by increasingly brand-loyal consumers, who in turn are more willing to share more information about themselves, thereby allowing you to tailor offers more closely to their requirements.

### Offering something free

There is evidence in eMarketer's research to support this approach. Some 34 per cent of mobile phone users in France, Germany, Italy, Spain and the UK (aggregated as a whole) say they like mobile advertising when something free is offered.

**KEVIN SLATTER** shows how 'mutual marketing' can bring down consumer barriers to successful mobile marketing.

**Some two-thirds of Italians are likely to opt in to receive mobile ads, but the figure drops sharply to just a quarter in the UK.**

A total of 13 per cent agree that mobile ads keep them informed, while 11 per cent like to discover new products by mobile ads.

In 2007, the Mobile Marketing Association (MMA) also surveyed attitudes in eastern Europe. The MMA is a global, non-profit trade association set up to lead the growth of mobile marketing and associated technologies.

The results of the study - conducted by Synovate - make for interesting reading. They provide more insight into the receptiveness of mobile phone owners to marketing, in comparison to the ten per cent of UK users uncovered by our own survey.

Across the same five major European markets included in the eMarketer survey, a total of 44 per cent of respondents were either highly or moderately interested in receiving mobile marketing. Spain (63 per cent) and Italy (53 per cent) topped the tree for receptiveness and participation.

**Immediacy and convenience**

The questionnaire also provided some useful pointers about exactly what people want to see pop up on their screens: A quarter are highly interested in mobile coupons; 13 per cent in downloads; and 21 per cent in status alerts.

Crucially, 41 per cent in total are likely to opt in to receive ads. The figure rises to almost two thirds in Italy, but drops sharply to just a quarter in the UK.

Looking at age groups, 18- to 34-year-olds are the band with most experience of responding to mobile ads, while the 55+ segment are least interested.

To increase willingness to

accept mobile marketing, the MMA suggests marketers should emphasise the immediacy and convenience of keeping up to date with brand developments, preferably in all their communications.

It could be argued that more than half of all respondents to the MMA survey are still reluctant to accept messages on their handsets. Lack of interest in the ad content, privacy and intrusion concerns, and cost of response, are the main barriers.

It's clear, vast numbers of people are still to accept that mobile phones can be used for marketing instead of just communicating with one another.

If marketers want to break

down this barrier in the long term they must ensure their mobile marketing campaigns are based on customer insight into individual preferences and engage people in the whole marketing and purchasing process as much as possible.

That way, you will ensure better targeting and increased take-up by getting closer to the consumer and adding value to their relationships with brands.

Kevin Slatter is director and global client strategist, G2 Data Dynamics.

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