



Moving Target: Mobile Consumers and the New Mobile Marketing Imperatives for Brands, Ad Agencies, and Media Companies

Leveraging Today's Turnkey Mobile Marketing Solutions to Increase Market Share and Profits for

- Ad Agencies
- Radio Stations
- Television Stations
- Print Media
- Out of Home (OOH) Networks
- Digital Signage Networks
- Captive Audience Networks

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Moving Target: The Mobile Consumer



Savvy ad agencies and traditional media companies are already increasing profits and gaining market share by offering a new breed of turnkey, private-labelled mobile marketing solutions to even their smallest clients. They recognize that SMS and *mobile* websites can do for traditional media investments what the web does for digital media - potentially with more powerful results. How? The mobile phone is the ultimate direct-response mechanism found in the pocket of every consumer. Nearly 100% of phones today support SMS (text messaging) and 39% of US subscribers already access the Internet via their mobile phones. Unencumbered from PCs, mobile consumers respond to an ad's call-to-action immediately, at the moment of peak emotional interest.

In addition, while digital marketing budgets are rising, traditional media today remains the much larger slice of the advertising pie. Therefore, traditional media, with its ability to attract large numbers of "eyeballs," provides tremendous discovery and distribution of mobile applications -- the key to reaching a broad mobile audience.

Mobile marketing is not about browsing. It's about activating traditional advertising investments to generate incremental returns with a direct and segmented link between traditional media and a mobile call-to-action.

Why Should Brands & Ad Agencies Care?: A mobile call-to-action should be included in every marketing communication because it can turn a single ad impression into a long-term brand relationship. Without a mobile call-to-action, advertising investments in traditional media miss a major opportunity to connect with consumers and close the loop between advertiser and target audience. This costs the advertiser in the form of missed revenue and relationship-building opportunities from a target market that is mobile and 'connected'.

- Less than 25% of media is consumed in front of a computer
- The 102 million US mobile Internet subscribers represent 39% of all wireless subscriptions, and a 32% increase in year over year growth since Q2 2007.
- Ad response rates to traditional media are increased 5% to 25%+ with a mobile call-to-action

Why Should Media Co.'s Care?: Ad sales teams at traditional media co.'s should be selling mobile solutions because, by measurably increasing ad response rates, a mobile call-to-action increases the value of the core advertising product being sold. Conversely, the *lack* of a mobile call-to-action in any ad actually *costs* media companies in the form of missed opportunities to increase ad revenue and gain market share within their markets. Moreover, advertising clients are beginning to look to them *expecting* such solutions



to deliver maximum value from their advertising investments.

A New Breed of Turnkey Mobile Marketing Solutions: Ad agencies and ad sales teams at traditional media co.'s are ideally positioned to offer mobile marketing solutions. But to effectively sell - and profit from - mobile marketing tools, ad agencies and ad sales teams need solutions that are easy to understand and explain to the client, and easy to implement quickly post-sale.

Fortunately, a new breed of turnkey, private labelled solutions mean traditional media co.'s don't need to be mobile experts to offer profitable Fortune 500-calibre mobile marketing solutions to their clients at prices even local brands and advertisers can afford. Today consumers *expect* mobile channels through which to interact with brands, which means having a 'mobile presence' is the new brand imperative. Those ad agencies and media co.'s that recognize this opportunity, will not only retain their clients in an increasingly digital world, but will also increase profits and gain market share.

Ad Agency and Media Co.'s Need to Offer SMS and Mobile Websites

The building blocks of any successful mobile marketing campaign are:

- Branded SMS (text messaging)
- Mobile websites

Every ad agency and every media co. should not only be equipped to provide these products to their advertising clients, but also be promoting them heavily as part of a convergent media strategy. This is easily accomplished on a turnkey basis by establishing referral relationships with mobile marketing solutions providers who understand the demands of the media business.

Best Practice Tip #1: Work with a convergent SMS + mobile website solutions provider or team: *Like anything, too many cooks can spoil the stew in your mobile marketing mix. There are many instances where your SMS campaigns and mobile website will need to be jointly coordinated. You'll get the best results working with a solutions provider that*

- Is capable of providing both services under one roof... or*
- Can connect you with a complimentary solutions provider with whom they already have a strong working relationship*

Trying to force a fit between 2 companies that have never worked together before is a risk that can yield poor results.

SMS

Every marketing campaign *needs* an SMS communication channel. While 39% of mobile subscribers are accessing mobile websites via their phones, SMS (text messaging) is already ubiquitous. 94.5 *billion* text messages were sent by US mobile subscribers in 2008.



Statistically speaking 94% of text messages are read and 75% are read instantly.

And don't make the mistake of thinking SMS is just a youth-oriented communications medium. "In the over 35 crowd, in particular, we see more and more subscribers sending texts," says Nic Covey, director of insights at Nielsen Mobile, "Take subscribers 35-54: Last year [2007] just 37 percent of them regularly sent text-messages, while this year [2008] that's up to 59 percent. The company's research suggests that around 66% of consumers recall mobile marketing campaigns, and 36% of them say that "They are likely to buy products further to a mobile marketing campaign."

While having your own dedicated SMS short code can have its advantages, setting one up can be prohibitively expensive and takes several months to do. They still remain the best choice for large brands, but are also out-of-reach for smaller and local brands. By using a *shared* short code from a mobile marketing solutions provider such as Brand2hand Media, brands, ad agencies, and media co.'s can bypass this expense and have branded keywords set up for their clients on shared short codes in minutes - at a fraction of the cost.

Marketers should keep in mind that SMS and traditional media complement each other. "One of the most compelling parts of short code marketing is that it provides an opportunity for brands to drive response immediately, wherever the consumer is," Mr. Covey said. "In that way, short codes should change the way we think about other traditional media.

"To me, short codes offer consumers and brands the engagement opportunity of a direct-response phone number, without the commitment," he said. "That is to say, brands that are not using short codes as an option for more information or engagement on all of their print and outdoor ads are probably missing an opportunity to extend the value of those media by keeping the conversation alive."

What to Look for in an SMS Platform Provider:

- A Mobile Marketing Association (MMA)-compliant platform capable of supporting all of the most common SMS short code uses including auto-responders, opt-in mailing list management, scheduled alerts, special alerts, SMS coupons, etc.
- A team willing to work with you to understand your ideas and the needs of each client, end then help you plan and execute each campaign
- A team willing to execute the technical details of launching and managing each campaign for you instead of one that tells you how to do it yourself (unless you *want* to)

- A team capable of providing mobile websites that operate in conjunction with your SMS solutions

Best Practice Tip #2: Even in 1-time SMS communications such as contest entries, always include an opt-in invitation and instructions. Take the opportunity to invite the recipient to subscribe to your company's opt-in SMS mailing list. If users understand they may receive special offers and communications from your brand in the future, many will opt-in. This enables you to build long term value out of a single ad impression. An opt-in mailing list can be used to send SMS coupons, time-limited special offers, company news, and more. As the opt-in mailing list grows, it will become a valuable marketing asset that yields larger and larger returns for the client.

Best Practice Tip #3: Include your mobile website URL link as a signature on all SMS communications (ex. mobile.companyname.com). 39%+ of consumers already access the Internet via their mobile devices and most newer phones will recognize the URL as an active link. Clicking on it will launch the user's mobile Internet browser taking them to your mobile website where you can offer further details and opportunities to engage the customer.

Mobile Websites



Why is a mobile website critical to your marketing strategy? For starters, desktop websites don't work on mobile phones. In a world where 40%+ of consumers and 80%+ of corporate decision-makers access the Internet via their mobile phones, that's a big problem. The smaller screen size and the different consumer mindset while on-the-go call for a *mobile* website. For mobile users, an Internet experience is about consuming information directly and immediately, not browsing for it over a period of time. With personal computers and laptops, users have access to a relatively large screen. Clicking from page to page, looking for information is fast.

This simply is not possible on mobile devices, as the networks are considerably slower and navigation on a small screen is awkward. A good mobile Internet site should be built with a mobile user in mind. It considers the content that mobile users want and presents it to them in a way that they can use in a practical manner, given the constraints of their device.

It takes advantage of the capabilities of modern mobile browsers, and redesigns them for more basic mobile devices. Companies who simply provide their normal Web Site via mobile devices have found that users are frustrated and can have a detrimental effect.

Best Practices: Mobile Website URL Formats

A mobile website URL should be added to all marketing communications wherever the company's standard desktop URL is published.

However, fragmentation in the way mobile URLs are formatted has led to confusion among consumers. Choosing the right URL format for publication is critical to maximizing the value you will get out of your mobile website.

Recommended Mobile Website URL Format for Publication

mobile.companyname.com

The word 'mobile' at the beginning of the URL clearly conveys that a mobile experience is available on Internet-enabled mobile phones, Smart Phones, and PDAs. No further explanation is necessary. The URL can be entered as above in any Internet-enabled phone.

Note: If you are disseminating your mobile URL via a medium that may arrive directly on a user's mobile phone (ex. **via SMS or email**), remember to add 'http://' to the beginning of the URL. For example:

http://mobile.companyname.com

Though it is not *necessary* to include the 'http://', doing so increases the chance that the user's phone will recognize the link as an *active and 'clickable'* link (as opposed to an inactive link that forces the interested user to waste time typing the URL into their mobile browser).

NON-Recommended URL formats

- **companyname.com** : Device recognition technology enables you to identify users trying to access your website via mobile phones and automatically direct them your mobile optimized website, but without publishing a mobile-specific URL, your target market is not made aware that your mobile website even *exists*. Instead, take the opportunity to tell the world that you have a mobile presence by publishing your *mobile-specific* URL alongside your *desktop* URL wherever it is published.
- **companyname.mobi** : The .mobi Top Level Domain (TLD) was specifically designed to designate a mobile website, but .mobi domains haven't had the impact that was anticipated. Studies suggest many consumers are still unfamiliar with .mobi domains and don't recognize .mobi as denoting a mobile-specific website. Critics accuse the .mobi TLD of causing unnecessary fragmentation and cyber-squatters have already bought many .mobi URLs in hope of reselling them at a premium. If your company's .mobi domain name is still available, it *is* recommended you purchase it. However, instead of publishing this URL, simply point it to the mobile URL that your company does publish in its marketing communications.
- **Companyname.com/pda** : PDA is an acronym for Personal Digital Assistant, which has many and conflicting meanings in the minds of





consumers. Some recognize the term as a device used by business people that is separate from their mobile phones. Others recognize it as a Smart Phone. Both these misconceptions suggest the URL won't work on standard Internet-enabled phones, which causes confusion.

- **wap.companyname.com** : WAP is an acronym for Wireless Access Protocol and, while technically accurate for describing your mobile website, the term 'WAP' is meaningless to consumers who are unfamiliar with the acronym, and has distinctly negative connotations among many consumers who have experienced WAP sites on the mobile Internet via mobile phones of 2 to 4 years ago. They found the experience slow, clunky, and hard to navigate. Today's phones and mobile networks are far faster and provide a much better user experience than what comes to mind with the term WAP. In your marketing materials, don't use the term WAP site. Call it your 'mobile website' or 'mobile site.'
- **m.companyname.com** : In a world where typing URLs into mobile devices can be difficult, brevity is best so this URL format *should* win top prize. However, to the uninitiated consumer the 'm' could mean anything. Many would guess that 'm' represents the word 'mobile', but there are those who might not make the connection and you can't afford to lose or confuse them.
- **companyname.com/mobile** : This format can be confusing because it is often used as a desktop webpage that describes the *availability* of a company's mobile website offering at another mobile-specific URL such as mobile.companyname.com. When viewing a desktop website, this becomes immediately obvious to the consumer. But when published in marketing, corporate, or media communications, that might be consumed away from a computer, it can lead to confusion.

While it is not recommended that you publish your mobile URL in any of the above noted formats, it *is* highly recommended that you *point* each of these URLs to your mobile website at your published URL. As consumers become more and more accustomed to mobile URLs, many will try to guess your company's mobile website URL by simply typing a mobile variation of your desktop URL into their mobile browsers, per one of the common mobile URL formats above. Pointing *all* commonly used mobile URL formats will ensure all mobile users get the proper mobile experience, even if they guessed your mobile website URL.

You should also add a device recognition system to your desktop website so that users trying to access your company's desktop website URL from a mobile device are automatically redirected to a mobile website optimized for their device.

*"You need an experienced
mobile website developer,
or your mobile
website may not work
properly on your target
audience's phones."*



Mobile Websites: **ONLY** Use an Experienced Mobile Developer

What you don't know CAN hurt you... Having a mobile website designed by a team that does not specialize in *mobile* website design is a mistake that can have disastrous and costly consequences. *Desktop* website design and *mobile* website design operate on many of the same principles, but they are very different animals and you need a mobile specialist to create a mobile website that works properly.

Must be Optimized for 5000+ Handsets: At issue is the fact that your mobile website needs to function on each of over 5000 unique mobile phone models, each with its own unique user-interface, screen size, programming language, and mobile network. If you don't have a team that specializes in mobile website development, you might think your mobile website is working because it works on your own mobile phone and then find out months later that it doesn't work on hundreds – even thousands – of mobile phone models being used by your target audience.

Keep Your Existing Web Designer for your Desktop Website: Your desktop web development team provides a valuable service by specializing in the design of websites that are consumed via desktop computers. You will always need your desktop website. Some desktop website developers may feel concerned about losing you as a client when it comes to the development of your *mobile* website so take the opportunity to assure them they are not being replaced. A professional developer will understand the complementary, yet mutually exclusive nature of the desktop and mobile web development roles. Your *desktop* website includes many of the stylistic elements that your mobile website development team will utilize in your *mobile* website. This will ensure visual continuity between your desktop and mobile websites.

The Mobile Browsing Experience: If your mobile website is going to be a success, users need to have a good browsing experience, regardless of the content being viewed. The best approach is to recognize the unique characteristics of the mobile device, both in terms of the size of screen available and the users' expectation of content and context, and create a version of content adapted specifically to work on it.

Desktop-Grade Graphics Aren't for Mobile: Like it or not, when it comes to building a mobile website, you need to design for the lowest common denominator because the majority of Internet-enabled phones on the market do not support a sophisticated browsing experience. While it is certainly *possible* to build a mobile website to rival the look and functionality of the most cutting edge desktop websites, it simply won't work on 75%+ of the mobile phones on the market today. If the goal in building your mobile website is reaching the widest possible audience, it is imperative that the graphic design elements follow mobile website design best practices, which is another way of

saying: keep it simple. An experienced mobile website designer will be able to walk you through the specific possibilities and limitations.

If you have the extra budget for it, and insist on offering a premium experience for those mobile phones that *can* support it, consider creating mobile websites for the specific premium devices you want to target. For example, many brands will opt to create a special iPhone version of their websites that take advantage of the device's large screen and superior graphics capabilities. If you've created special versions of your mobile website for specific devices, your developer should be able to use device recognition technology to direct requesting devices to the appropriate version of your site.

What to Look for in a Mobile Website Developer

Finding the Right Team: In selecting the right team to build your mobile website, a good analogy is to think of your desktop and mobile website developers like a family doctor and neurosurgeon, respectively. A desktop website developer must ensure your desktop website works for a mass market audience via Macs and PCs, and using a handful of different web browsers/operating system combinations. A mobile website developer must be able to deliver a website that leverages a complex combination of device recognition technology and dynamic site rendering to deliver a properly sized and functioning mobile website on any of over 5000 unique handset models that may be trying to access your mobile website. In short, you need a mobile *specialist*.

Make Sure They Actually Specialize in Mobile Websites: The first thing you need to find out from any firm you are considering for the development of your mobile website is whether they actually *specialize* in mobile website development. The learning curve with mobile website development is steep and you don't want your company's mobile website to be anyone's guinea pig. If less than 50% of their current business is not focused on mobile website development, they are not specialists.

Make Sure They Support Mobile Streaming Video: When individuals who have seen a company's mobile website are asked what element impressed them the most, the most common answer *by far* is streaming video. If you have commercials, product videos, corporate videos or news clips, you will want to feature them on your mobile website for maximum impact. However, mobile streaming video is extraordinarily complex to deploy and requires specialized streaming video servers. Make sure your mobile web development team supports *mobile streaming video* and demand to see a working demo on your own mobile phone.

Check References: Ask for references from satisfied clients and demand to see working demonstrations of mobile websites that the firm has created. Make sure to view the mobile website demos on multiple phones to ensure the site is rendering properly on different screen sizes and carrier networks.





Don't Bargain Hunt: When it comes to mobile website design, you get what you pay for. Experienced and qualified mobile developers are in short supply so their talents command a premium. Rates of \$75 to \$150 an hour are typical plus monthly hosting/maintenance fees. Keep in mind you are paying for more than just design services. Constantly updating and maintaining a platform that will reliably deliver a properly sized and functioning mobile site on every new device that hits the market is a costly and time consuming service to provide. Before embarking on a totally customized solution, ask your mobile developer if they have any fixed-fee packages designed for your industry sector.

Mobile Marketing Campaigns: Understanding the Consumer Perspective First

Mobile increases consumer engagement by offering a tangible benefit on the spot. But before consumers are willing to take part in any commercial activity, they want to know, 'What's in it for me?' Consumers want answers to these questions:

- Can you deliver the information I need right here? Right now?
- Can you save me money?
- Can I get something for nothing?

A clear Call to Action in the ad encourages viewers to respond to content that captures their interest. Offer an incentive or benefit for the consumer. Give them a reason to text for more information or log on to your mobile Web site. The best call-to-action includes an incentive or promise of relevant and timely information. Offering prizes for advertiser-sponsored sweepstakes and trivia games increases consumer engagement; few people understand the crucial role that prizes play in subliminally training consumers to look for deals conveyed in traditional media.

In the consumer's mind, having a 100 percent chance of winning a smaller prize is usually more attractive than having a smaller chance of winning a bigger one. An Absolut vodka billboard in Times Square, for example, displays a visible code that lets passers-by text message the code for a free Lenny Kravitz song download. The consumers are guaranteed the reward, so opt in more regularly than an entry for a more valuable prize.

Make it simple and focus on the consumer experience. Mobile users expect instant gratification, and do not want to jump through hoops to get the information they need. Complicated processes, improperly formatted mobile sites and other roadblocks will frustrate consumers who will ultimately abandon the experience altogether, driving down response rates and ROI. Simplicity and utility are important things to keep in mind.

Best Practices

Mobile marketing campaigns have better success when leveraged as lead-generation and customer acquisition tools rather than a transactional sales



channel. Some of the key elements that make mobile marketing campaigns successful are:

- The ubiquitous nature of the cell phone. There are more than four times as many mobile phones sold as PCs, and more than 80% of the U.S. population owns one.
- Mobile programs can be easily tied into an overall media plan and integrated alongside traditional media to make existing campaigns more effective.
- Customer response is typically instantaneous, since most people always carry mobile phones with them.
- The direct-response element of mobile campaigns is track-able, contrary to some reports.

An optimal mobile marketing strategy must have the ability to:

- Deliver content to viewers' mobiles immediately
- Communicate with opt-in customers for future promotions
- Provide a mobile site that customers can access for future offerings
- Deploy text-to-win, voting, polling, surveys and trivia games
- Collect marketing data such as demographic information, signage site response rates and ad effectiveness.

More than any other medium, in the mobile realm, marketers must strike a good balance between a creative idea and the technical execution of that idea in order to ensure ROI. With the rapid evolution of mobile consumer devices, the smart marketers will be the ones who figure these things out now, and through the very personal nature of mobile, gain a foothold in the psyche of their target customer.

Reliability - The 95% Rule: No matter how sophisticated or current your mobile website platform, there will always be a few mobile phones on which your mobile website does not work properly. With 5000+ unique mobile phone models on the market, each with their own unique user interface, programming language, operating system, and carrier network, finding the occasional bug is to be expected. When identified, they are usually fixable. However, it is nearly impossible to provide a perfect experience on every device. With the right platform and team, you should expect your mobile website will work on about 95% of mobile devices used to access it. Plan to encounter the occasional bugs and have patience with having them fixed – it will be an ongoing process.

The Power of Convergence

Mobile technology will soon be at the center of all cross media advertising



convergence. Look at the numbers and you'll understand why mobile is already on everyone's mind: The number of mobile subscribers worldwide rose from 11 million in 1990 to 3.6 billion in 2008; that number is projected to rise to 5 billion by 2011. And almost all mobile phones are capable of receiving ad content in one form or another.

Use television, print, direct mail, online and/or other media to prompt consumers to take action through their mobile phones. Whether you include an SMS keyword or a mobile URL (or ideally both), make sure that mobile elements are included in your traditional media channels to extend reach and allow instant interaction.

Brands

Companies should use traditional media for discovery of a brand's opt-in SMS mailing list, mobile landing page, or mobile website. A mobile website might contain company locations and maps, a photo gallery, movie clips and a call-to-action -- i.e., click for a free trial, a discount coupon or product brochure.

By adding a well-positioned mobile component to your campaigns, you can reduce the number of impressions required to capture target customers while improving the effectiveness and efficiency of your marketing budget.

Consider also the green effect of a mobile loyalty program: No more paper, postage, printing, fuel and related labor costs.

Ad/Media Agencies

All large ad agencies are looking for the most effective way to get into SMS and the mobile web. The answer lies in integrating mobile as an essential element within each client's multi-channel marketing initiatives and utilizing mobile phones as ubiquitous direct-response mechanisms. When paired with traditional advertising, mobile injects new value in the media buy -- even for brands that have not allocated budgets for mobile marketing.

Mobile applications that provide maximum take-up and the best ROI are those paired with traditional advertising. Effective mobile marketing activates otherwise static, non-interactive media -- such as print, radio and out-of-home -- while providing the added benefit of measurement to traditional media.

With the significant response rates that mobile marketing can attain, directly to a particular target audience, it is now an imperative to integrate it into all other strategic marketing activities. It should not be seen as an after-thought, but integral to the overall marketing strategy.

TV & Radio Stations

Ad sales teams at television and radio stations should be leveraging mobile solutions to increase returns for clients, and ultimately for the media co.'s themselves. Mobile websites and SMS campaigns drive new revenue and

customer loyalty for broadcast stations and their clients with interactive solutions than engage audiences and deliver measurable results. They increase response rates 5% to 25%, which increases the value of the core media products being sold. Mobile marketing solutions are also the most effective way for stations to gain market share in local markets.

Print & Out of Home (OOH)

Online advertising has been steadily gaining market share at the expense of traditional media because it delivers measurable results. The key to understanding the changing landscape of advertising lies in the simple fact that mobile ad content forms a symbiotic relationship with print and OOH advertising. It does this by solving some of the deficiencies associated with print media and OOH signage, such as information recall, distance of influence and lack of long tail marketing opportunities.

Adding a mobile-call-to-action to your clients' print or OOH investments closes the loop between advertiser, advertisement, and consumer. Mobile *measurably* increases response rates to your clients' media buys by 5% to 25%+, which in turn increases the value of your core media offering. Consumers expect to be able to engage with brands on their mobile devices. And your clients are beginning to expect you to be able to pull mobile solutions out of a hat. Embrace the mobile trend and profit from it.

Digital Signage and Captive Audience Networks

According to a recent survey, mobile is the most important emerging media, followed by digital signage. Due to their symbiotic relationship, the convergence of digital signage and mobile responses is sure to give rise to a powerful and effective advertising medium.

For example, The National Guard recently launched a nationwide theater advertising campaign featuring "Warrior," a two-and-a-half-minute video spot with music by Kid Rock. As part of the campaign, a mobile Internet site was created that allowed movie watchers to access and interact with the "Warrior" site on their mobile phones while sitting in the theater.

Warrior appeared for a two-month period before PG-13 and R-rated movies in 3,117 theaters on 27,079 screens nationwide. The mobile portion of the campaign drove thousands of unique visitors to the mobile site and saw more than 9,000 MP3s, 2,600 videos and 600 wallpaper images downloaded.

Advertisers are looking to enable a higher level of engagement with digital signage audiences by enabling a backchannel. Due to the simplicity of SMS messaging and the ubiquity of wireless handsets, 40% of new network digital display platform installations will leverage SMS for interactivity by 2012, according to recent research. This is up from approximately 5% in 2007.



Mobile Marketing Costs & Budgets

Mobile Marketing – What Does It Cost?: Gone are the days when mobile marketing solutions were accessible exclusively to large brands with multi-million dollar marketing budgets. Today, mobile budgets in the \$10,000 to \$50,000 range can yield a full-scale, full-featured mobile website and customized SMS solutions. Even \$5000 is an entry level mobile marketing budget that will enable most small/local brands to create a mobile presence in less than a week that includes:

- A basic mobile website
- A branded SMS keyword on a shared short code

These two mobile call-to-action elements should be added to all marketing communications. In short, a 'mobile presence' is within reach for most small/local-sized and medium-sized consumer brands that already have a marketing budget. In fact, by delivering increased response rates to traditional media of 5% to 25%+, these brands would find it hard to justify *not* adding a mobile channel of communication for their customers – but only if their ad agencies and media co.'s made them aware of the incremental returns they could be generating through mobile.

Mobile Marketing – What's the ROI?: Again, mobile should not be thought of as an experimental digital medium, but rather an extension of traditional media that can increase response rates and deliver long-term value. To that end, ad agencies and traditional media can profit from selling that outcome. Be aware though that mobile is a highly cost-efficient medium... there simply isn't much margin from which to extract direct profits. Some media industry-oriented mobile developers will offer industry standard discounts in the neighbourhood of 15% to recognized agencies and media co.'s. And some agencies and media co.'s add administrative mark-ups to mobile development work they've subcontracted.

However, in the context of 6- and 7-figure media budgets, 15% of \$5000 to \$50,000 isn't much. If you're focused on extracting profits from the mobile development work itself, you're missing the point. The real source of profits that will be realized by adding mobile solutions to your mix is, mobile's capacity to increase response rates 5% to 25%+ - If advertisers are realizing this level of incremental value out of adds run with you, they will be more than happy to pay a premium for it... giving you a profitable edge over competition. And if mobile solutions are enabling your sales team to earn commissions on higher priced media buys, they will be highly motivated to sell mobile solutions.

Make the Case – Now

Brands, agencies, and media co.'s must not shy – not even in a period of economic slowdown – from making the case for a short code or a mobile Web site. Everyone can make a case for not adding costs in a down year. But an SMS short code and a mobile website are not costs, but an investment to a





quicker economic recovery through customer focus and engagement. Mobile solutions will also demonstrate the kind of innovation that will be critical to retaining valuable clients through tough times and beyond.

Mobile has historically been seen as a “money left over” media channel. However, in the current economic climate, mobile needs to be front and center in the planning process. It’s a low-cost channel with access to 255 million U.S. mobile subscribers, according to new data from Nielsen Mobile.

Not only that, it increases profits for traditional media co.’s while helping them gain market share... a win/win/win for brands, ad agencies, and media co.’s.

Conclusion

- Even in an economic downturn, the consumer will remain just that: a consumer of goods and services, albeit for smaller purchases.
- A mobile call-to-action injects new value into traditional media investments by increasing ad response rates 5% to 25%+
- By increasing ad response rates, a mobile call-to-action increases the value of the core media product being sold by traditional media co.’s
- SMS is ubiquitous and 39% of consumers already access the Internet via their mobile devices.
- Consumers expect mobile communications channels so brands are beginning to demand them
- To remain competitive, ad agencies and media companies need to be able to offer their clients turnkey mobile marketing solutions including SMS and mobile websites
- By working with convergent SMS + mobile website solutions providers, ad agencies and media co.’s can offer powerful, turnkey mobile marketing solutions to their clients of any size - affordably

Those marketers that make the right appeal in the right channel with the right message at the right time will win the loyalty, confidence and business of these consumers.

But brands, marketers and media co.’s cannot sell the house without making sure the plumbing is working. In this case, the SMS short code and the mobile website should be part and parcel of every marketing land-grab in 2009 and beyond.

About Brand2hand Media: *Brand2hand Media is a convergent mobile marketing solutions provider offering SMS solutions and mobile websites. The company works with brands, ad agencies, media companies, and IR firms to make brands accessible to the mobile consumer. The company’s clients include local brands you’ve never heard of and many famous brands you probably have heard of including Comcast, Time Warner, New Balance, ExerciseTV, and Diet.com. Learn more about how to put the power of SMS and mobile websites to work for you and your clients at www.brand2handmedia.com*

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