

SL Interactive – Mobile Marketing Guide 2011

INTRODUCTION

Mobile phones and mobile devices are set to play a huge role in advertising and commercial communication in the very near future. There are now more mobile phones than people in Australia and many countries across the world are enjoying 100% mobile penetration. The personal nature of mobile devices makes for an amazing marketing and advertising tool.

The year 2010 established a new record for new mobile phones sold, at 1.37 Billion units sold. Bear in mind, that the world has only about 1.2 Billion PCs and about 1.6 Billion TVs. But mobile phones sold almost 1.4 Billion new handsets just during the 12 months of 2010.

The purpose of this document is to help highlight the creative ways that mobile technology can be used to implement successful marketing campaigns.

The document contains a range of successful mobile marketing ideas both from SL Interactive archives and from around the world.



Even with a range of newer mobile technologies now available, mobile messaging continues to grow at a steady pace – having tripled since 2007.

“Over 5 trillion SMS were sent over wireless networks in 2010, which is over 160 000 messages every second”

Mobile devices are:

- Always on
- Always at hand
- Always personal, rarely shared

No other marketing medium can say any of these things, much less all three

“95% of all text messages are delivered within 10 seconds”

Did you know, the open rate for an SMS marketing campaign is over 98%!

See also our: [Mobile Marketing Blog](#)

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SMS COMPETITIONS

Txt-2-Win competitions are a proven way to build opt-in marketing lists. Unlike traditional competition entries, SMS competitions automatically capture data (including phone number) of all entrants.

The Australian Grand Prix Corporation contacted SL Interactive in order to replace its coupon competitions of the past with an SMS entry mechanism. Each day 50 ticket holders were awarded with an upgrade to Grand Stand seating during the 4-day competition weekend.

The promotion no longer needed any on site staff or data input. The switch from coupon entries to SL Interactive SMS competition system provided the Australian GP Corporation with cost savings in excess of \$50,000 and more than doubled the number of entries from the same promotion from previous years!



LEAD GENERATION

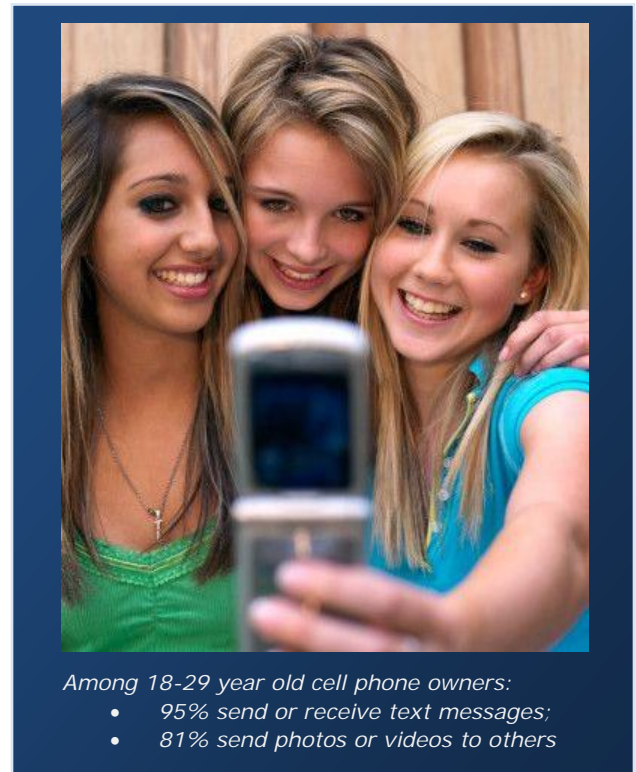
An agency contacted SL Interactive to help setup a lead generation campaign for KIA motors. In order to win a KIA SUV, viewers were asked to text in **KIA** and their **NAME** and **POST CODE**.

Two six second TV spots on Channel 7 (one in Melbourne, one in Sydney) on a Sunday afternoon generated a remarkable result: over 100 leads every second with a total of over 10,000 unique leads in a matter of minutes!

The same promotion will now be replicated in other states as well.

“Over 100 unique leads every second - amazing!”

“The total active user base of SMS is more than 2.5 times larger than the total unique user base of email”



In the US, Wikipedia runs a simple and effective SMS donation service where users are billed directly on their phone bill – it’s simple, it’s easy and it’s effective.

Unfortunately, Australian carriers have strictly forbidden the setup of these types of SMS donation campaigns.

PR CAMPAIGNS AND CUSTOMER SERVICE

Mobile and SMS service set ups can offer informative and useful services to the public. Many brands have utilized SMS to increase their brand awareness and offer valuable and informative service to their customers via their mobile phone.

Health SMS is a government initiative in the UK that allows the public to obtain informative information regarding health issues via SMS. Subscribers to the service create their own profile by filling out an online questionnaire focused on common health issues.

Subscribers will then be sent relevant information and advice on health issues pertinent to their profile. Alternatively, non subscribers can obtain valuable health information by easily texting a keyword; topics include obesity, smoking, safe sex or even information on 24-hour pharmacies in their area.

Pharmaceutical company [Novartis](#) launched a pollen count text alert service to promote the launch of a new allergy nasal spray for hay fever sufferers. The Pollen-Count Alert text message service enables sufferers to send a message to get current pollen counts updates for free; also the service can send notifications and warnings of extreme pollen count days.



With the explosive growth of mobile device web browsing, advertisers need to respect the individuality of mobile browsing. Visiting a web page designed for a PC can produce bad consumer experiences when visited with a mobile device.



Unlike 'shotgun' mobile campaigns of the past, today's messaging campaigns can be personalized and traceable.

EXTENDED PRODUCT INFORMATION

Mobile interaction can be used as a tool to offer more information to consumers. A simple call to action to SMS for more information creates an extremely targeted list of interested parties that can be sent more product info either via SMS or another method. For example: "SMS your address to receive a full product brochure". For online content this is as easy as sending a URL back to users for mobile browsing.

SL Interactive has setup a campaign for Expedia and Hotels.com, where people send a free text with their email address and then receive a discount voucher into their inbox. Hotels.com benefits by getting an immediate opt-in database of users, including their mobile number and their email address, without lifting a finger.



"It is estimated consumers are spending 25% longer looking at their mobile screen compared to last year"

SMS AND SOCIAL NETWORKING

A new study by Deloitte confirms that text messaging still far outweighs social media and email engagement for mobile users.

The study found that 90% of smartphone users send at least one SMS per day, compared to only 40% of smartphone users who utilize social networks like Twitter and Facebook at least once per day.

Despite claims that SMS is being surpassed by mobile email and social networking, it seems the opposite is true as SMS still reigns supreme.

(MobileMarketingWatch 14 February 2011).

BUSINESS COMMUNICATIONS

A national insurer did an SMS blast to those who had an outstanding balance of \$100 or more with a friendly reminder to pay their premium and if they wanted 20% off any products to SMS back the word 'happy'. This in turn meant an automatic MMS voucher sent back (to be displayed in any insurance office). It was valid for family and relatives only.

As a result the outstanding dropped from 33% to 9% and 10% of clients responded back and 20% of those converted to a new sale.

Simple, cost effective, immediate, accountable.

Perisher Blue Ski Resort uses SL Interactive SMS systems to manage the timely and quick roster needed in running a weather dependent resort. The company sends out messages to employees when more shifts are needed to be filled and employees can respond via text message whether they can do the extra shift or not.

Johnson & Johnson set up an international SMS platform to communicate with its 100,000 employees in the field. Company's relevant employees receive SMS stock situations in real time, stats, delivery dates etc.

“SMS remains the most accepted and understood mobile communications technology”

RECRUITMENT

SMS can be used as a way to communicate with recruitment candidates.

Recruitment officers in the [Australian Defense Force](#) have sent young people text messages encouraging them to sign up.

SMStheJOB is the new way to receive and apply for jobs using SMS. Job seekers can register to receive SMS job alerts on their mobile phone.

“Text messaging still far outweighs social media and email engagement for mobile users”



In a recent study it was shown that a good MMS can have a viral/forward rate of 28%!

ANONYMOUS FEEDBACK

Mobile service lines can easily be set up to gather a range of inbound data. Feedback and surveys can easily be completed on the fly using SMS.

At the Melbourne Cricket Ground (MCG), patrons use anonymous text messaging technology to crack down on anti-social behaviour.

The text messaging service allows anyone to send anonymous text messages to security pointing to the location of rowdy patrons.

Through the use of Premium SMS, many campaigns can be setup to be cost neutral or even offset the cost of the marketing expenses entirely.



MICRO PAYMENTS

Mobile devices can also act as a means of making payment on the fly. There are a range of technologies allowing mobile phones to process payments: Premium SMS, PayPal Mobile, App Store and In-App purchases etc.

Plusdial is a company specialized in mobile ticketing for Public Transport operating out of Finland.

Today they operate public transport ticket via SMS in over 9 cities across Europe. The service means you can quickly and easily order and receive a metro, tram, bus or ferry ticket with your mobile phone - simply by sending an SMS. The set up has proved a major success in avoiding fare evasion and increasing revenue.

Today plusdial has sold over 55 million tickets via SMS!

“64% of the population would use mobile advertising if a friend liked it and it involved a coupon or another form of incentive”

LIVE CROWD INTERACTION

Mobile phones have the unique ability to be interactive to a consumer at any time anywhere. They are always on and consumers are rarely without them. This opens the flood gates for marketers to utilize the live or real-time nature of mobile campaigns.

Data and information can be gathered from audiences live at events, such as Big Day Out and Good Vibrations.

Melbourne Storm has implemented the use of SL Interactive’s live inbound SMS voting solution to implement game day voting. Patrons at the game are asked to vote for the ‘Man of the match’ whilst watching the game. The votes are tallied and the people choice ‘Man of the match’ announced after the match. From a marketing perspective, the key benefit for Melbourne storm has been the gathering of vast amounts of data for direct fan membership drives.

SL Interactive has developed a custom TextSCREEN system. The system allows clients or event patrons to send text messages to be projected onto a large screen at a live event or venue. The system is effectively a live, broadcasted chat board. All of TextSCREEN’s features allow you to collect the mobile phone number of every single user. The system has been used with great success to increase interaction at events

Running a live game day promotion Sydney FC had a response rate of 4.5% of the total crowd to a sponsors SMS promotion during a home game.

The winner was drawn on the big screen after the game. Naturally they were impressed with the ability of SMS to gather data on so many of their fans without lifting a finger.





FACTS & FIGURES

Angry Birds the enormously addictive smartphone game has passed the 50 million download level on the iPhone and Android.

Most early iPhone downloads of Angry Birds were paid, most later Android downloads are free versions. How is it doing? - 200 million gaming minutes per day!

The game cost 100,000 dollars to develop and earns a fresh 2 million dollars every month. Half of the income is directly from gamers, half from advertising
(Advertising Age 18 January, 2011)

“The real money of mobile is made on SMS, MMS and other simpler services that work on most phones”

APPS VS SERVICES

Apple App Store produced app revenues of about 1.5 Billion dollars in 2010. If we double that, the global market for user-installed apps bought from all the app stores worth somewhat less than 3 Billion dollars – however, it is growing strong.

In comparison, the value of MMS multimedia messaging globally was worth - 32 Billion dollars in 2010. If you add SMS and mobile data, then the total 'value-add' services opportunity for mobile was worth over 300 Billion dollars in 2010.

The total market of new smartphones sold in 2010 was about 300 million handsets. Not all of those will be used to download apps. But the active user base of SMS text messaging grew by 600 million new users in just one year! While smartphones are big, the app store opportunity is in its infancy, and the real money of mobile today is made on SMS, MMS and other simpler services that work on most phones.

APP VS. WEB

Let's look at the Guardian and its mobile strategy.

The Guardian has an iPhone app, but the Guardian also believes in no phone left behind strategy, which it servers through its mobile site.

The iPhone app has been downloaded 214,000 times.

What about the mobile web users of the Guardian mobile website? It has *3 million unique* users monthly.

Result = Mobile Web vs iPhone App (14:1)
(Mobile Entertainment 19 January 2011)

MOBILE BANNERS AND SMS

How big is the mobile banner and in-app advertising today?

According to JP Morgan the total value of mobile advertising in 2010 was 11.5 Billion dollars, which amounts to *2.5 times growth in one year!*
(Nothing but Net report by JP Morgan January 2011)

How did SMS text messaging stack up in 2010? Informa counted that the total value of SMS was 105.5 Billion dollars (Informa 28 January 2011).

APP STORE FACTS

Appsfire reports of their survey of iPhone and iOS device owners, that the average iOS device has 88 apps on it that were downloaded by the user.

28% of all apps that have been downloaded by the users were paid apps, and 72% were free apps.

Games formed 32% of all downloaded apps.

Just 20% of users ever return to run a free application again the day after it's downloaded and is nearing zero after three months.

An average free app would need to earn \$8.75 CPM in order to equal revenues that paid apps receive on average, but the market is currently standing in a range of 50 cents to two dollars CPM. Thus, only a few high-performing applications, representing less than 5% of the market, can maximize earnings with advertising.
(AppleInsider, Pinch Media).

“Typical app would have to *bombard* its users with ads to beat the money it'd make from paid sales”



1 CREATE



2 BULK SEND



3 TRACK

TOP CREATIVE TIPS FOR SMS MARKETING

USE YOUR BUSINESS NAME

By displaying the business name as the sender of the message makes your communication look and feel professional. Below are some options for you:

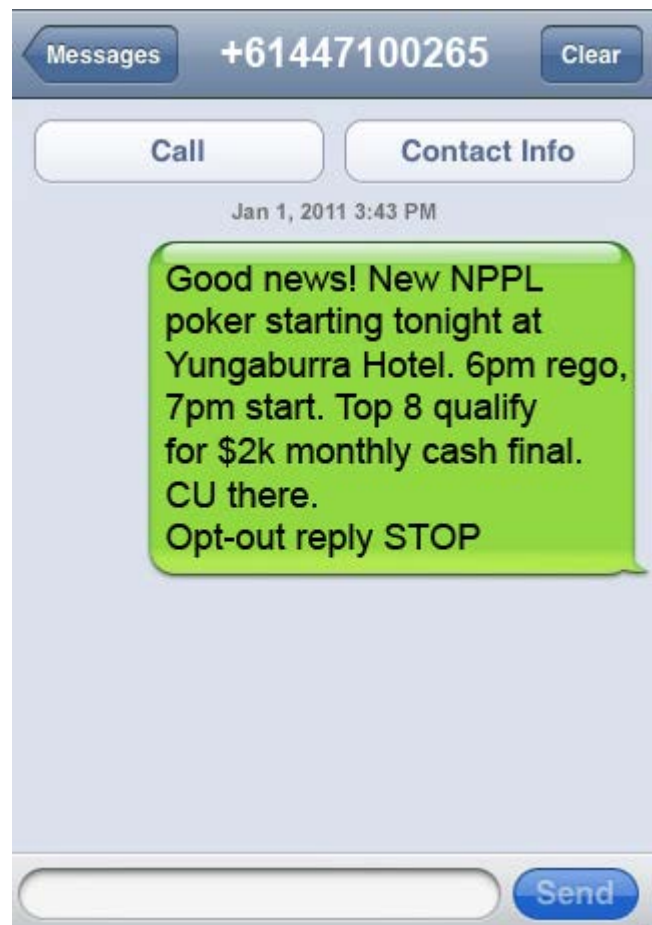
1) Set the senderID (number you are sending from) to be a name up to 11 characters.

Remember that since it's not a number, recipient cannot reply to it so you still have to have an opt-out method in your message:



The benefit of a name in the senderID is that you get a little extra branding on the incoming message.

2) The alternative is to use the opt-out number as the senderID. You must then remember to put the company name in the message:



With this method it is easier for the recipient to opt-out.

DON'T FORGET CALL-TO-ACTION

Always engage your customer by adding a call-to-action. You can use SMS keywords to have people reply to the message with. For example:



“Always engage your customer by adding a clear call-to-action”

“The average CTR for text messaging is 14.06%, while the average conversion rate is 8.22%”

“Use URL shorteners for simple click-through tracking of SMS”

With keywords you can also add auto-responders that can send further details and add them to separate lists:



You can also add URL's to mobile web pages, Google Maps, Mobile Coupons and even streaming video.

There are a multitude of URL shorteners available that are excellent for use with SMS. bit.ly is one of the most popular ones as it has analytics for simple tracking of clicks.

Here is one of our own: www.j.mp/notxt

This short URL links directly to our mobile optimized SMS Blacklist Tool, allowing people to optout from SMS campaigns.

CREATE A GENUINE VALUE OFFERING

Your customers need to feel that they are getting something that others aren't when you approach them with an SMS. Your value offering needs to be compelling and it needs to be well timed.

As a rule of thumb, ask yourself if you were interested in receiving and taking action on the SMS yourself?

If the answer is yes, you are very likely to enjoy a great response rate. If the answer is no, you might wish to reconsider the value offering in the message.

Good SMS content can come in the form of freebies, discounts, mobile coupons, reminders, links to free applications, competition entries, mobile video, alerts etc. Just sending out a vague sale alert tends to come across as spam and will most likely result in an optout.

Try making the recipient feel that they were special in receiving the SMS, for example, by personalizing the message:



GLOBAL MOBILE STATS OF 2010

- 3.75 Billion unique people with a mobile phone, reflect 54% of the total planet's population of any age;
- Nearly 1 Trillion of revenue out of mobile telecoms services;
- Mobile data accounts for about 295 Billion dollars. Mobile data reflects globally now 32% of total mobile service revenues and mobile data is now about 10 times as big as the global music industry or Hollywood box office revenues;
- In fact, mobile data is roughly speaking as big as both the global internet business AND radio, combined;
- Mobile messaging comes in at the value of 170 Billion dollars with SMS forming 119B dollars, MMS forming 34B dollars and the other messaging types, IM and email adding the remaining 19B dollars in 2010;
- 100% can do SMS - this is 4.25 Billion phone handsets that can send and receive messages;
- 97% have at least a basic browser (including WAP);
- 95% have a color screen - this is 4 Billion, more than twice the number of TV sets and 3x number of PCs;
- 92% are data-capable (at least 2.5G);
- 85% support MMS - this is 3.6 Billion, more than twice number of TV sets and 2x active users of email;
- 81% are camera phones - this is 3.4 Billion cameras;
- 76% have a full browser;
- 62% have a media player;
- 61% support apps using Java or Brew;
- 51% have a memory card slot;
- 35% are 3G phones (not nearly all are on 3G networks);
- 21% support WiFi;
- 17% are smartphones;

- The average CTR for text messaging is 14.06%, while the average conversion rate is 8.22%. E-mail brings in an average CTR of 6.64% and an average conversion rate of about 1.73%, and Internet display doesn't even hit the radar with an average CTR of 0.76% and average conversion rate of 4.43%