

Mobile marketing prepares for lift off

Mobile marketing in Ireland has finally come of age and smart brands are now using it as an essential part of their marketing mix. **John McGee** looks at what's being tipped as marketing's next great white hope.

Of all the marketing opportunities that have been thrown up by the rapidly changing world of so-called new media, the mobile platform arguably holds the most potential. Five or six years ago, the now ubiquitous mobile phone may not have been an obvious choice for marketers looking to engage with their customers. While some of the more enlightened companies began to dip their toes in what was predominantly a SMS-driven marketplace, it's probably fair to say that most of them were still trying to get their heads around the idea of online marketing via the internet while grappling with alien concepts like CPMs, pop-unders, and superstitials.

Given that global mobile phone penetration now heading rapidly towards the 4 billion mark and the overall global mobile phone marketing business is currently estimated to be worth around €20 billion a year and rising all the time, the enormous potential this opens up to marketers is mind boggling. Apart from allowing marketers to engage directly with consumers through a wide range of clever applications, the growth of the so-called mobile internet together with the arrival of mobile TV has opened up a slew of other opportunities for brands, publishers and digital agencies.

Indeed the significance of these numbers has not been lost on many global companies within the wider media and communications industries. Global giants like Google, Yahoo!, Sony, Samsung, Apple, Nokia, Microsoft, Intel, Vodafone and O2, to name but a few, have all been busily developing products, services and strategies that will get them into the hands, hearts and minds of the increasingly sophisticated mobile consumer.

With some 4m people in Ireland owning a mobile phone of some description, we are, as a nation, one of the highest users of mobile phone services in Europe. Putting it another way, there are now more operational mobile phones in Ireland than there are TVs and radios. And what's more, the vast majority of them are in the hands of relatively tech-savvy and sophisticated customers who are using their mobile to email and interact with friends and family, download digital content and surf the mobile internet.

A number of factors have conspired to make mobile marketing, in all its forms, an attractive proposition for brands looking to connect and



Donald Douglas, managing director of Return2Sender

interact with consumers. The roll out of newer and faster technologies like 3G has meant faster connection speeds that allow instant access to email and the internet. Probably the most significant development, however, is the roll-out of a wide range of media-rich and highly functional mobile handsets that allow people to do things that was once the preserve of the desktop PC. This blurring of the lines between the PC and the mobile handset looks set to continue as manufacturers ramp up their R&D in attempt to make the once humble mobile phone an integral part of our daily lives.

It's probably fair to say that the game changed

forever when Apple launched its ground-breaking touch-screen iPhone to universal applause in mid-2007. Having sold 22m iPhones around the world since they were launched, Apple has defiantly thrown down the gauntlet to rival manufacturers who have since been falling over themselves to launch sleeker and sexier iPhone-killers. From a position of zero in 2007, Apple now has a 14% share of the global market for smartphones according to the international research firm Gartner. The same research firm estimates that these smartphones will probably account for around 80% of all mobile phone sales by 2011.

While these international trends are being replicated in Ireland, it would be wrong to suggest that the Irish mobile marketing landscape has developed with the same gusto as it is in other markets like the USA, Japan and even the UK. It's not; but there rich pickings to be had for both agencies and brands if the current trends are anything to go by.

There are, of course, a few minor hurdles to overcome. Depending on who you talk to in the industry, the Irish mobile marketing industry is worth anything between €7m - €10m a year. While the market has been growing at around 20% per annum over the past few years, the fact remains that it's still small and relatively under developed. But not for long.

Getting marketing directors and advertising agencies to buy into mobile marketing has always been a bit of a struggle. While there are enlightened marketing and brand managers out there in corporate Ireland who understand and use mobile marketing as an important part of their overall campaigns, a lot of education and persuasion is still required.

Brands that have embraced mobile in Ireland in recent years include Guinness, Heineken, Carlsberg, Coke, Cadburys, the IRFU, Xtravision, Woodies DIY, Peter Mark, RTE, MyHome.ie, Jameson, Mars, Dublin Bus, the HSE, McDonalds, to name but a few. And of course all the main mobile phone companies have, for obvious reasons, been busily ramping up their mobile offerings.

"A lot of the tactical mobile stuff is being driven by below-the-line agencies as opposed to the marketing directors," says Donald Douglas, managing director of the Dublin-based mobile

Who's who in mobile marketing

Return2Sender	www.return2sender.com
Sales Online	www.salesonline.ie
Customer Minds	www.customerminds.com
Púca	www.puca.com
Xiam Technologies	www.xiam.ie
DotMobi	http://mtd.mobi
Data Conversion	www.dataconversion.ie
Phonovation	www.phonovation.ie
iWord	www.iword.ie
O2	www.o2.ie
Vodafone	www.vodafone.ie
3	www.three.ie
Meteor	www.meteor.ie
Go2Mobile	www.go2mobile.com
Xiam Technologies	www.xiam.com

stuff, the pull needs to come directly from marketing directors. I don't think advertising agencies would say that they are the best people to talk about mobile. Clients generally get the best results when they bring us to the table or when they introduce us to their media and creative agencies."

Return2Sender, which was set up in 2000, is one of the pioneers of the mobile marketing sector in Ireland and has worked with a wide range of Irish and international brands in helping them get their message across to Irish mobile consumers. Irish clients that have worked with the company include Carlsberg, Snickers, Budweiser, Cadbury's, Coke and Peter Mark.

According to Douglas, there are a number of key trends driving the growth in the mobile marketing sector in Ireland. "I'd say the key trends that are driving mobile at the moment are the ubiquity of rich media handsets coupled with the number of mobile applications that are out there that enable brands to build emotional experiences with mobile consumers. The advertisers and marketers that are experienced in mobile are seeing that there is a genuine appetite for mobile stuff from their consumers and they are now thinking a lot more strategically about mobile.

"Brands that have never done mobile before should definitely consider it and there is plenty of evidence to suggest that it does work and works effectively. They should very simply assign a role to mobile either for customer acquisition, retention or brand affinity and differentiation because mobile is very good at this," he says.

According to Malcolm Fogarty, head of marketing for Pucá Technologies, another mobile specialist agency, mobile marketing needs to be viewed strategically by brands. "It needs to be viewed strategically rather than tactically or at very least acknowledged as another key channel in the media and marketing planning. Marketing directors need to understand how mobile can be business critical and agencies need to incorporate mobile into their creative thinking, media planning and measurement.

"The majority of my time is spent educating and inspiring brands and agencies on the simple to sophisticated opportunities for integrating mobile into their business, marketing and communications channels. It's encouraging that brands and agencies are now proactively approaching us to strategically advise them on best practice and innovation. Building a future-proof strategy is my mantra and encouragingly there are more and more clients with long term vision and the roadmap required to realise opportunities for mobile market, mobile services and mobile commerce."

Like Return2Sender, Pucá has been to the fore in the roll out of mobile solutions for a wide range of brands in recent years including Heineken, Bacardi, Mars and mobile phone operator 3. It has also developed a range of mobile enterprise and payment solutions for companies in Ireland, the UK and China.

For companies that have not delved into mobile yet, Donald Douglas says that there are a number of important considerations to take into account.



Mobile Facts

- 9.74 billion text messages were sent in Ireland in 2008
- There was a 50% growth in MMS message during 2008
- Mobile penetration in Ireland is now 123%
- There are 4.9m mobile subscribers in Ireland
- 1 in 5 Irish consumers use the mobile internet
- Pre-pay and top-up accounts for 70% of the market.

"I think the first thing to acknowledge before getting creative with mobile is to embrace the fact that nearly everyone has a mobile phone and if you don't have a mobile element to your campaign, you're ruling out four million mobile consumers. Secondly you need to develop a usability checklist to adapt your content for all the different devices and channels. For example you can have an SMS element, a WAP version, a mobile application and or an iPhone version. Generally it's a case of understanding the unique and personal relationship that consumers have with their mobiles and how they actually use them. That's where the real points can be scored."

The arrival of the iPhone on the market was, according to Douglas, one of the defining moments of mobile marketing's relatively short history. Now the lines between the traditional PC are becoming increasingly blurred "The real impact of the iPhone is that it has proved everything is going mobile. It's a brilliant example of a near perfect mobile eco-system. I heard Omar Hamoui, the founder of AdMob in the USA, describing the iPhone as the "Jesus Phone" because it made Madison Avenue sit up and re-evaluate mobile. I'd say that every marketing director in the land would like an iPhone version of their website. It's all happened so fast and I would imagine that marketers who haven't even got their online story on track are probably looking on with bewilderment at developments like augmented reality enabled iPhone apps".

Having a cool and fancy branded iPhone or Blackberry application, however, is all very well but it must form part of a wider and well thought out



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