

10 Predictions

for Mobile Marketing in 2011 and Beyond

- the technologies, trends and enablers



By Colin McCaffery – Director of Products, 2ergo

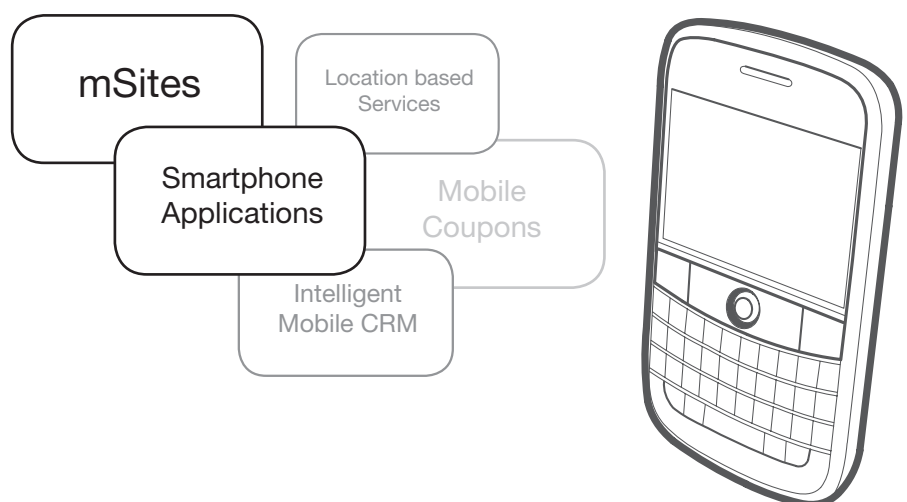
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As smartphone and app fever intensifies, Colin McCaffery, 2ergo Director of Products, predicts a number of significant developments for mobile marketing over the year ahead and beyond that will have interesting implications for consumers and businesses alike.

- 1 The emergence of 'Intelligent mobile CRM'**, as behavioural based CRM, retention and marketing (intelligent and rules based) becoming business critical. The supermarkets are leading the way here, with targeted mobile marketing, triggered by specific rules changes, to customers who show a change in their behaviour. For example, customers who stop shopping at their usual store for an extended period will receive a mobile coupon to entice them back. The major operators are already doing this with their pay-as-you go mobile customers and sending personalised and targeted communications once customer spend ceases or drops below a specified level.
- 2 Pervasive mobile integration into retail through mobile coupons and loyalty schemes.** With eBay generating yearly \$380 million in sales through its mobile commerce channel, retailers such as M&S, Top Shop and Next have woken up to the potential value of m-Commerce. The rise of the likes of VoucherCloud will become particularly evident as other retailers see the potential for driving footfall into stores through the medium of the mobile voucher and coupon.
- 3 mSites becoming the new websites**, with almost every organisation owning a mobile internet presence. Gartner predicts that in three years time, more people will access the net through the mobile as they do through their PCs. This has already happened with Facebook and with mobile web traffic having grown 500% in the last two years and 85% of smartphone owners browsing the mobile web regularly, (*source TNS Compete survey 2009) the trend can only expand further to the point where most organisations with a web presence will also have a mobile element to their marketing by 2013.
- 4 The growth of mobile advertising** to the point where it overtakes on-line advertising in three years time. Google can see this coming, as evidenced by its recent acquisition of mobile ad startup AdMob for \$750 million - Google's third largest ever acquisition since the \$1.65 billion YouTube acquisition in 2006.
- 5 Mobile eCommerce coming of age** with mobile retailing through mSites and application based retail stores. The figures are showing retailers that enough shoppers are prepared to make purchases on their mobiles to make it logical to launch full eCommerce mobile sites and apps. Reaching customers through traditional channels has become increasingly difficult and consumers now spend an average of 6.5 hours a week on the mobile web as opposed to just over four reading magazines. The growth of social networking and its integration into mSites will act as a catalyst for growth and the corresponding opportunities for mobile marketing.



6 The use of SMS as a mobile marketing tactic will proliferate into customer service, marketing and customer lifecycle management. Traditionally used as a marketing tool we will see SMS expanding into new areas and used increasingly in a CRM capacity. This is already evident with companies and organisations using SMS to remind customers in advance of appointments and banks advising of customers reaching their overdraft limit. We are about to see the mobile used more as a customer loyalty and lifecycle tool where customers are reached at every stage of the purchasing journey, and at just the right time, to drive footfall. A good example would be your local electronics retailer sending you a voucher on Saturday morning for a discount on the TV you have been recently researching, followed by a follow on offer as you leave the store.

7 The coming of age of location based services. It is now easier than ever for business to take advantage of location services. Location-aware phone functionality means customers will be increasingly tracked and pinpointed with retailers communicating with customers based on their locations. Location based marketing will reach mass adoption and when bundled with customer lifecycle marketing, customers will soon receive highly relevant and personalised offers and promotions at exactly the right time through their mobiles. Developments with augmented reality (AR) are likely to extend the potential for this medium significantly.

8 The development of one-to-one mobile marketing. The phone is a very personal device, and as such it can be a very valuable tool for delivering relevant information, but it can also be easier to offend someone and turn off your customers. The future of mobile marketing is one-to-one marketing – marketing that looks less like marketing, because it is more and more personally relevant, and therefore personally valuable. This approach is also likely to extend to a B2B context.

9 Mobile to cause social networks to become 'always on threads'. Android has been multi-tasking capable for a while but now that Apple's iOS4 has been released, users can use the likes of Skype in a similar way to Instant Messaging (IM). This is a perfect scenario for mobile users who will benefit from an always present chat environment that they can dip in and out of at will. This will open up great customer service opportunities with customers more likely to buy from those sites that differential themselves with a mobile customer service offering.

10 Mobile entertainment to become 'entertainment all the time'. Football followers are about to enjoy the ability to watch goals scored in near real time. Coupled with increasing network sophistication, always on mobile entertainment is set to explode. The conditions are now just right for businesses to take advantage of the advertising opportunities around real time streaming and video highlights and a variety of other market hotspots such as the gambling industry are likely to be one of the first to jump on the bandwagon.

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