

# Marketing Gets Mobile

Smart marketers around the world are using mobile communications to meet their marketing objectives. Simon Young checked out some of the latest ideas at the recent BIA m-commerce summit in Auckland.

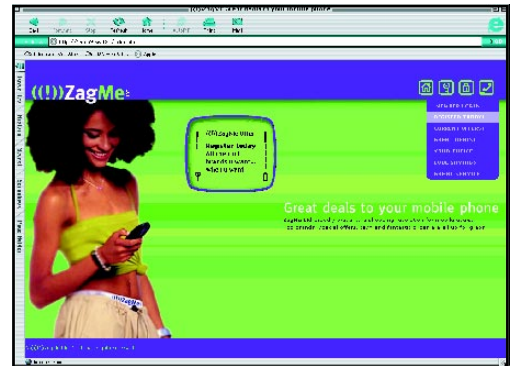
## Boost CRM

Marketers in The Philippines are using mobile technology to build stronger customer relationships. Late last year major phone company Smart Communications introduced Smart Money – a mobile wallet that virtually replaces the bank. Through a partnership with Mastercard, Filipinos can use their cellphone to pay for just about anything, anywhere.

Imagine a group of teenagers at home, hungry. They decide to order a pizza, which they do through their mother's mobile wallet. Even though their mum is elsewhere, she's contacted on her mobile device and asked to approve the purchase. As soon as she authorises it, the pizza is delivered. Simple.

Laurence Millar, business head of Infrontier, a Pan-Asian business solutions provider and the company that enables all this, says it's an example of how mobile commerce gives companies competitive advantage by making use of their single most important asset – their customer relationships.

"Your database is your only asset that's not available to your competition. That's why you should build loyalty by operating across all channels – including mobile."



## Grow retail loyalty

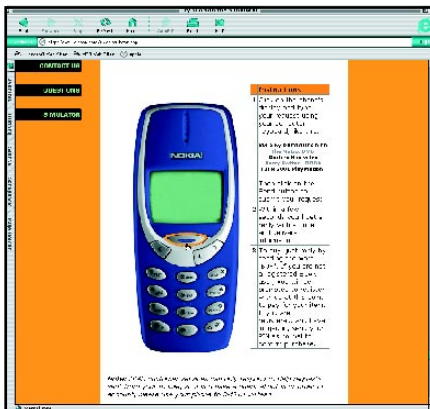
In November last year London, UK-based shopping centre Lakeside Mall launched its ZagMe! programme with 100 of its mall retailers. Customers entering the shopping mall were encouraged to opt in to the programme for a specified time to receive special offers.

Over November/December 2000, 350 customers signed up each day. Reebok received 50 people in its stores within four minutes of the message going out.

Part of the campaign's success was its relevance to location – users didn't receive messages if they weren't in the mall – and its time-sensitivity. ZagMe! ([www.zagme.co.uk](http://www.zagme.co.uk)) continues to operate in Lakeside and other retail outlets through the UK.

## Build a database

In Japan buyers of Wella Bleach and Colour were given the opportunity to register for a product coupon via mobile. The response to this campaign means Wella now has a database of customers ready and willing to receive future offers. The emphasis is on building up a database and practising one-to-one marketing.

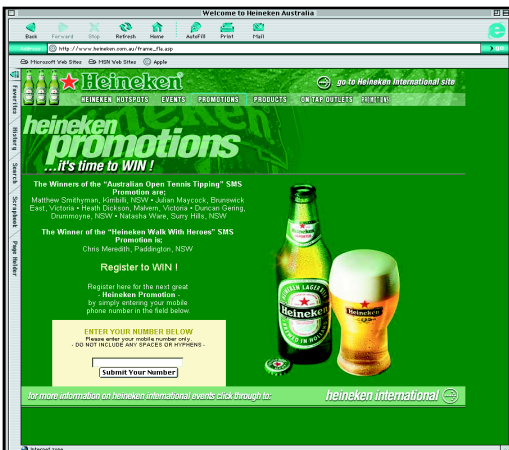


## Provide relevant information: fast

In the tradition of comparison shopping websites like MySimon ([www.mysimon.com](http://www.mysimon.com)), a company called Scan ([www.scan.com/uk](http://www.scan.com/uk)) has become a thorn in the side of bricks and mortar retailers. Consumers who spot a book, CD or DVD in a shop can use their mobile to immediately find out if they'll get a better deal through Scan. The only cost to the consumer is the text message.

Between May and December 2000, 100,000 people in the UK registered with Scan. No wonder, then, that in December it opened a partners programme to allow telcos and others to offer its shopping applications to their customers.

Scan now has more than half a million customers' mobile numbers in its database.



### Build the brand

Heineken has taken golf and tennis high tech. In January this year, The 2001 Australian Tennis Open was the venue for Australia's first permission-based wireless promotion campaign.

Spectators were given the opportunity to get a free beer: all they had to do was text-message the letter "H" to a specific number and they were sent a free beer voucher on their mobile.

Later, at the Heineken Classics Golf Tournament, Heineken offered its "Walk with the heroes" interactive SMS competition. Participants were asked each day of the four-day competition to select their "golf hero" from a list. A follow-up SMS message asked participants to select the score their golf hero would reach.

According to Heineken, participation rates averaged 50% of registered users and retention rates were 75%. These exercises achieved the threefold goals of building the brand, testing the medium for effectiveness and creating a long-term relationship with customers.

## Here In New Zealand

Despite our reputation as early adopters of new technology, uptake of mobile marketing has been relatively minimal so far. But stay tuned or better still get involved.

### Support medium for print and online

Pulp eSpy currently has a print publication, a multimedia website, an opt-in email service and, since August 2000, a WAPsite with location-sensitive information (gig guides) and links to other 'cool' WAP sites.

According to Pulp eSpy's online media director Tim Lawrence, the WAPsite has now been put on the back burner. "We were getting maybe five visits a day, but not much return from it. We had to try it out, but we've found that the reality doesn't measure up to the hype. At least not now."

Instead, the publication is now looking at innovative ways to use text messaging promotions. "It's better known, less intrusive and more personal. People don't want to be bombarded with ads. But they do want something that gives them value."

### News

People wanting their news on the run have a choice between hearing it through an agreement between wireless content specialists iTouch and IRN, or reading the NZ Herald on their WAP phone (also done by iTouch).

Although neither of the services run advertising at present, the folks at iTouch are looking at viable ways to commercialise the service in future. "Sponsorship is a possibility, as is personalised ads," says iTouch's sales and marketing manager Neil Fraser, "although that scale of personalisation may be too much investment for anyone to try."

### Location-based services

Since September last year, Vodafone has provided a location-based service called Close2U. From their WAP-enabled cellphone, users can locate their nearest taxi rank, ATM or petrol station. Restaurants, takeaways, tourist information centres and other services could do the same.

The Close2U service is mostly an awareness-building exercise by Vodafone, but there is money changing hands. "Commercial arrangements for Close2U are all different depending on Vodafone's existing business relationships with the companies concerned. But we have to be a bit like a newspaper – impartial," says Vodafone's general business manager Todd McLeay.

"We don't want to tell someone their nearest petrol station is 70kms away when there's a competing brand just around the corner."

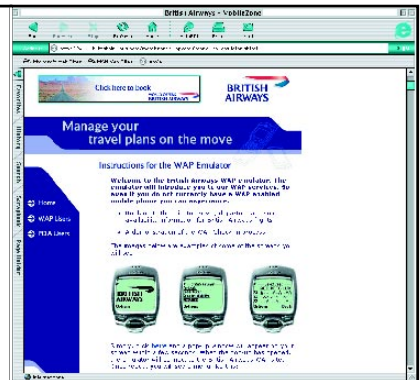
### Add convenience

British Airways, which prides itself on one-to-one marketing, has recently introduced WAP and text services to further improve service and boost convenience.

This all came about after British Airways started dabbling with WAP and text messaging for its budget airline Go. The airline already had 50,000 opt-in email subscribers to special deals. It encouraged users to sign up for SMS messages to take advantage of last-minute offers.

In September and October 2000, of all WAP messages sent out by Go, 14% of recipients clicked through and 27% of them subscribed to the offers. Compare that with traditional 0.5%-2% response rates for DM and it's easy to see why British Airways is now making WAP a core part of its service.

Very soon, British Airways' customers will be able to either check flight arrival or departure times on their mobile phones, or use their PDA (personal digital assistant) to find their way around unfamiliar cities through a content partnership with Vindigo City Guides.



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