

MOBILE MARKETING

Pocket power

Mobile marketing is set for big things, as brands realise its power to drive engagement and sales, says David Murphy

By whatever metrics you want to use to measure it, mobile is powering ahead as a marketing channel. In May, the Internet Advertising Bureau (IAB) and PricewaterhouseCoopers reported that the UK mobile advertising market was worth £28.6m in 2008, a 99.2 per cent increase on the previous year. The number of people using their phone to access content online is also increasing. In the UK, the Mobile Data association reports that 17.38m people used their phone to access the Internet in December 08 compared to 16.7m a year earlier, while in the US, comScore reported in March that the number of people using their mobile device to access news and information on the Internet more than doubled between January 2008 and January 2009. And according to the mobile marketing firm, Netsize, the percentage of companies' digital marketing budget allocated to mobile is set to rise from 18 per cent in 2008, to 30 per cent in 2010.

"Everywhere I look, I see reasons to be cheerful," says Paul Berney, managing director, Europe, of the Mobile Marketing Association, the body charged with promoting mobile as a marketing channel globally. Berney concedes that the mobile marketing industry is not very good at sharing these success stories, but says there are plenty to talk about.

"You can look at the advertising-funded 'Please call me' SMS campaign in S. Africa that generated 22m commercial messages a day, or the fact that the top

10 mobile advertising networks are currently delivering 20bn page impressions every month," he says. "Whatever aspect of mobile marketing you look at, there's a very good story to tell."

MISUNDERSTOOD

One of the problems the sector faces is that, like any new channel, it is misunderstood. The term, 'mobile marketing' is somewhat nebulous, and few outside of the industry really know what it embraces. For many people, their only experience of interacting with a brand via mobile is probably when they text their vote for their favourite X-Factor contestant. Text voting, of course, has suffered a number of scandals in recent years, but Edward Boddington, chairman of AIME (The Association for Interactive Media & Entertainment) the trade body for the premium rate industry, says he's confident the industry can win back the public's trust by providing more transparency and customer care.

Text voting aside, however, mobile marketing covers a whole range of disciplines. Mobile advertising, which users see if they browse around the mobile internet on their phone, probably gets the most attention, but the sector also includes sales promotion, through text & win campaigns; direct response (all those 5-digit shortcodes you see on press ads and billboards; text voting; mobile search; mobile CRM, where companies use the phone to tell customers their goods have been despatched, or their next appoint-

ment is due; and, the hot thing right now, mobile applications or "apps".

"Mobile apps are the latest new mobile content category," says Andrew Bud, chairman of the Mobile Entertainment Forum, which represents companies providing entertainment content for mobile phones. "We have had ringtones and logos and games and mobile video, but this is the next great content category and it's very exciting. We are seeing clear evidence that apps will be a very successful content category that appeals to customers and generates revenues."

For that, the industry has not Nokia, Motorola or any of the other traditional players to thank, but the upstart Apple, whose iPhone and associated App Store, have revolutionised attitudes towards what a mobile phone is and what you can do with it. Apps are, as they sound, small applications for a mobile phone, intended to divert, amuse, and sometimes promote. Apps such as games are sold, while branded apps, created by brands to engage with customers and prospects, are usually given away for free. John Wade, director of digital strategy at digital agency Wunderman, says mobile apps have piqued marketers' attention and made brands think differently about mobile's role in the marketing mix. "In the past, brands have tended to measure mobile purely in direct response terms, such as the number of clicks on an ad," he says. "But we are seeing more openness on our clients' part to consider apps as brand engagement devices and measure them on slightly softer metrics such as brand awareness and recall."

ONE BILLION APPS

In just nine months after its launch, there were 1 billion downloads from Apple's App Store, and according to figures from Strategy Analytics, the App Store captured a 12 per cent volume

continued on page three



Bob Jeffrey, CEO of ad agency JWT worldwide, explains why after years on the sidelines, mobile marketing's time may finally have arrived **page 3**

Appetite for Apps

Mobile applications are booming, as consumers discover a world of fun and entertainment on their mobiles.

page 6

Global force

All around the world, brands are tapping into the power of mobile to amuse, engage and persuade consumers.

page 8

Multichannel mobile

To make a success of mobile marketing, integrating the mobile activity with what the brand is doing in other channels is key.

page 11

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targeted, mobile - proximity marketing



Mobiventures Limited is the holding organisation for a group of companies operating in the digital communications space, providing both services and platform solutions to a global marketplace. Key solutions include proximity marketing, including but not limited to Bluetooth, as well as SMS marketing, mobile gaming and social networking solutions.

Mobiventures constantly seeks to invest in, acquire and build new businesses within this sector enabling brands to access a full range of innovative products and services.

One of Mobiventures focus companies is Propinquity Media

Propinquity Media is a proximity marketing company that combines various technologies with Bluetooth in order to add value to this underutilised technology and provide static or interactive location based services, information and rich media to mobile phones and devices.

An example of the above is its partnership with Millwall Football Club that has led to the creation of an interactive Bluetooth installation which allows two way communications between the mobile phones of the fans and a network of Bluetooth nodes that covers the total seating area of the stadium. The big screen is used to communicate to fans and the fans will be able to interact with the services via BlueTooth or SMS; this level of interaction is a mobile first and fans will be able to use the services throughout the match. Their interactions will feed into a Millwall loyalty scheme which is part of the service and the Millwall management believes that this will lead to a 10% uplift in the sale of merchandise and associated products.

In addition Millwall will utilise the hardware, software and media planning expertise that Propinquity and Mobiventures offer to create additional revenue streams.

Another example is the partnership with BBC 1xtra's Rampage Sound a Notting Hill Carnival first. Bluetooth Nodes will be installed within key areas at the carnival at Notting Hill allowing the carnival crowds to download exclusive content directly into their mobile phones. The opportunity exists for organisations such as the Metropolitan Police to utilise this immediate method of communication on issues such as anti-gun and knife crime to the public with the use of media like video.

All of the above are easy to install, involve minimal investment and provide huge returns to the host of the Bluetooth nodes (venues); also with all of the above examples, it is possible to capture the mobile number of the recipient (provided they have opted-in) to be able to provide other offers or to gather more data in the form of feedback from the recipient.

Propinquity Media is always seeking new sponsors and partners for their innovative products across a broad range of venues. So if you would like to find out more please get in touch.

Typical usage scenarios for proximity marketing:

Restaurants & Cafes / Bars, Nightclubs and Casinos
Cinemas & Theatres / Schools, Colleges, Universities &
Student Unions / Exhibitions & Events / Retail Outlets
& Shopping Centres / Airports & Train Stations.

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continued from page one

share of the mobile applications market in 2008, despite a handset penetration of only 2 per cent. Since the launch of the App Store, operators and other handset makers have launched their own in a bid to emulate Apple's success.

THE NEXT LEVEL

Those working on the marketing coalface have their own views on what needs to happen now to move the channel to the next level and get more brands using it. "The challenge is getting mobile as part of a brand's integrated thinking for campaigns nine months down the line; too often it is bolted on as an afterthought so there's not enough budget or it sticks out like a sore thumb," says

Tim Dunn, head of mobile marketing at Mobile Interactive Group, which provides mobile marketing services for several large clients, including ITV.

Jonathan Bass, managing director of mobile marketing agency Incentivated, which counts British Airways and the COI among its clients, feels the industry is simply not good enough at marketing itself. "There is a lack of understanding of the marketing bit of mobile marketing in the industry," he says. "There are a lot of small, tech companies who know a lot about the technology, but not why it would be deployed, or what constitutes a good result. When we hire people, we look for marketing knowledge and experience; the mobile bit we can teach."

The other thorny issue is data, or rather the cost of it. When someone sits at

home in front of a PC surfing the internet, he or she does not worry about the cost of doing so, having paid a monthly subscription to their internet service provider. In the mobile world, until relatively recently, things were different. You paid your monthly tariff for talk time and texts, but any data you downloaded was charged by the megabyte, which led to some big bills, and left a lot of people with the perception that accessing the internet on your phone is very expensive, especially since no one knows what a megabyte of data represents.

FLAT RATE DATA

The situation today is much better, with most of the UK's operators offering flat rate (aka 'all you can eat') data tariffs, which offer unlimited internet access (subject to

a fair usage cap) for a fee of around £5 per month. Many people, however, don't realise these plans exist, and so the number of people browsing mobile websites and interacting with mobile campaigns on their phones is lower than it could be. But John Mew, head of mobile at the IAB, believes things are moving in the right direction. He says: "There is still a long way to go, and there is still a massive disparity between the amount of time a user spends on their phone and the share of media spend for mobile advertising, but things are starting to fall into place."

As evidence Mew points to a 109 per cent increase in the number of people on flat rate data tariffs in 2008 over 2007. "109 per cent growth in a year is massive," he says. "We would like everyone to be on flat rate, but it takes time to ed-

ucate people, and I think the operators have done a good job for non-contract customers, offering internet access for a one-off fee of around 50p a day."

In a sense then, mobile marketing may still be a work in progress, but according to Incentivated's Bass, those brands that have been brave enough to try it have found the results very much to their liking. "When we ran our Bowtime promotion for Strongbow, we signed up 100,000 people, and we got a 39 per cent response rate to the CRM campaign that followed," he says. "Those kinds of results should be enough to make any brand marketer sit up and take an interest."

David Murphy is editor of Mobile Marketing Magazine
www.mobilemarketingmagazine.co.uk

MOBILE MARKETING TOOLS



Mobile advertising

Nothing in the mobile space has been hyped quite as much as mobile advertising.

"Mobile advertising was tremendously overhyped," says Mark Slade, managing director of 4th Screen Advertising, which sells mobile advertising inventory. "It's quite unhelpful when you see analysts predicting hundreds of millions of pounds in the market in a short time."

Stefan Bardegård, a director of media agency MediaCom, says that clients who have tested mobile have become repeat users, so while budgets are small, they are growing.

One of the difficulties brands face is that the market is very fragmented. "It is painful, because there are around 25 ad serving platforms, and the ad serving technology is not as robust as what you get for online advertising," says Harry Dewhurst, operations director at RingRing Media, which plans and buys mobile ads across all networks on brands' behalf.

Yodel Digital also plans and buys mobile media. Chairman Mick Rigby says part of the challenge, and the fun, of mobile advertising, is that new opportunities constantly present themselves.

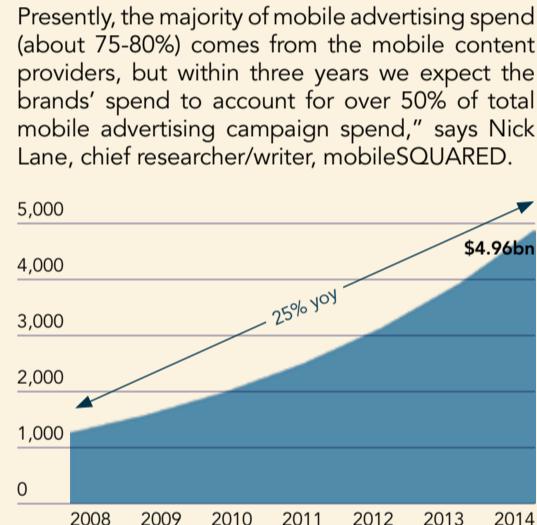
One underused tactic in the UK is text message advertising, where some of the 160 characters available are given over to a promotional message. Rapid Mobile Media offers this type of advertising via its ad2text platform, and CEO Jeremy Copp says brands are keen to trial the system.

Russell Buckley, vice president global alliances at mobile ad network AdMob, says that mobile advertising is popular in English-speaking countries such as the Philippines and Indonesia, among consumers who have no PC, but use their phone to go online. "Procter & Gamble talk about wanting to address the next billion consumers, and they won't find them in the US or Europe," says Buckley. "It's all about developing markets, and smaller pack sizes. To advertise something like that, mobile is the only game in town."

Mobile Search

The mobile search market is made up of made-for-mobile specialists, such as Taptu, and the internet search giants. Google's mobile search offering can rank results based on how far they are away from the user's current location – useful if you're searching for a shop close by.

Estimated global mobile advertising spend, 2008-2014 (\$Millions)



Idle screen search enables the user to search direct from an application on their handset. Nuance, the company behind the T9 predictive text entry system has a solution called T9Nav. Tapping out the first few letters on the phone's keypad returns a list of all matching content. So tapping out '932' ('wea' for example, might bring up a weather application on the phone, as well as links to online weather resources, and the names of any contacts beginning with those letters.

Yahoo also has an idle screen solution, and Charles Sword, director of monetisation, Yahoo Mobile, Europe, says the company's relationships with mobile operators – it provides search services for 70 operators around the world – will be vital in getting its idle screen solution embedded on handsets.

The best of the rest

- **Bluetooth/Proximity marketing** – brands can send free content to users' phones, but must be careful not to be perceived as "spamming" them.
- **Mobile response** – buy a 5-digit shortcode and use it on print adverts to offer an easy response mechanism.
- **Mobile sales promotion** – Text & win campaigns can drive sales.

With JWT worldwide CEO, Bob Jeffrey

Talking advertising, technology and tie-wearing with worldwide CEO of creative agency, JWT. By James Silver



Q&A

What's your all time favourite advertisement?

Bob Jeffrey: The Volkswagen ad "Think small". (<http://adage.com/century/campaigns.html>)

I don't know how tough you are about dress codes at JWT, but as a rule should advertising creatives wear ties?

BJ: The dress code here is completely casual. But years ago, when creative people were walking around, looking like slobs, I had a creative partner who deliberately wore a tie, white shirt and blue blazer because he was convinced that clients were so unaccustomed to that wardrobe that he had a greater chance of getting edgy work approved. My view is that [JWT staff] should wear whatever they want, but they should err on the side of the unexpected versus the predictable.

How has the NY advertising scene changed from the hard-drinking, hard-living world of the TV show Mad Men?

BJ: I think it's actually become too serious. My view of advertising is that conceptually we should be closer to Hollywood than Wall Street. When I travel the world and go to places like India and Brazil, it reminds me of the energy that existed in the business when I first got into it.

What is the one thing no advertising man or woman should ever be seen without?

BJ: I would say some kind of smartphone device...

Mac or PC?

BJ: I do both!

Which city is now the global capital of advertising and which are the cities to watch?

BJ: In terms of destination and the stimulation that exists here, I'm going to say New York. Cities to watch would be San Paolo, Mumbai and Shanghai. Name the technological invention which has had the single biggest impact on advertising?

BJ: I'm going to say TV, because TV was the first mass medium, so it was beyond advertising, it transformed the culture. Also TV in my estimation was the single biggest thing which began to export American culture to the rest of the world. The industry has been predicting mobile marketing to be The Next Big Thing for years now. Any sign that its moment is finally here?

BJ: I believe that now more than a couple of years ago. I've always been a big believer in mobile and I've always thought it was an underleveraged weapon in our communications arsenal. But I think the ubiquity and popularity of the iPhone and the applications that exist on that is paving the way for more specific advertising applications.

When are you clients telling you the downturn will be over?

BJ: Most clients are fairly conservative and are saying the second half of 2010. Coach or First-Class?

BJ: I'm a pragmatist, I try to fly coach as much as I can. But on long-distance flights, I pretty much fly Business class. I rarely fly First Class anymore.

RACONTEUR on MOBILE MARKETING

Keep it relevant, please

The mindset of both operators and advertisers needs to change before mobile marketing can reach its full potential, writes Andrew Leslie

Brands are often slow to embrace new marketing channels, much to the frustration of those who champion them. But in the mobile marketing world, even the most enthusiastic supporters are hyper-aware of the risks that run alongside the opportunities. They know that before mobile marketing can begin to move on from its current hit-and-miss status and start reaching its real potential, there needs to be a radical change of mindset on the part of both operators and media buyers.

The consensus is that operators need to re-think how they work. Tariffs based on minutes and texts, with an added premium for data, need to move to a service-based model. "They consider the application revolution a godsend, because they can charge more for it," says Simon Milliship, managing director, VML Europe. "But in the end, operators are just the pipelines; they need to re-consider where the value lies in the equation."

He points to the model used by Blyk, where users receive £15 a month credit in exchange for leaving their phones open to receiving brand messages, as one possible way forward.

Mobile operators also need to work more closely together, says mobile consultant Andrew Grill. They are not maintaining the customer data that advertisers need, he says. They do it in Sweden, he adds, but not in the UK.

But the real challenge to making a success of mobile marketing lies in the need to think differently about what a brand message is in this medium. If mobile is simply perceived as another thread in a conventional campaign, it is unlikely to provide a satisfactory result. The key lies in considering afresh the nature of the relationship between consumer and brand. Peter Walshe, global account director at market research agency, Millward Brown, stresses the importance of recognising the unique nature of the mobile. "It is a very personal device. You invade this

personal space at your peril. Anything unwanted or intrusive is a risk."

He says that research shows that while people love receiving content that is relevant or timely, they don't like it if they feel something is being pushed at them. Even matching content to the target group may not be enough. You need to think about what people will be doing at particular times of day. A scattergun approach will merely be irritating. That said, according to Walshe, people who search and buy digitally have stronger relationships with brands by about 15 per cent, so if the right approach can be found, there is likely to be a responsive audience.

Steve Griffiths, managing director of icomobileUK, agrees about the need for relevance. "By putting old models onto mobiles, you are not thinking about the value you are providing to the customer. Mobiles are inherently personal. You don't want to be spammed with stuff that isn't relevant." He points to the Lynx 'Weapons of mass seduction' campaign as a good example of creating brand affinity with a target



Lynx: a great branded app

group, through content which combines humour and interest – such as the application which turns the mobile into a 'Fit girl finder'.

Mobile marketing evangelists watch the future like hawks. The 'sleeper' says Grill, is mobile networking and the power of recommendation. Brands need to track what people are saying about them on Twitter – and react. Some already do. Irn Bru, the lurid orange soft drink, for example, follows 979 people and has 715 followers. The numbers may not be huge – but sensitivity to huge numbers is something else that will need to change in favour of smaller but loyal audiences. The back and forward brand chat on Twitter fulfils another of Grill's prescriptions – 'something that doesn't smell like an ad; something you refer to every day'.

Both Grill and Milliship see the mobile device as metamorphosing into a remote control, through which customers access a raft of different functionalities held on the internet. "The desktop revolution is slowing," says Milliship. "In the future the mobile will have the same power as the laptop."

"Think of it as everyone sharing information with the mothership," says Grill.

PROMOTIONAL FEATURE

Introducing iPhone 'play for real' games

Upstream, the largest player in the global mobile interactivity and marketing space, will be introducing a genre-changing game for Apple's iPhone and iPod Touch. True to Upstream's "play for real" philosophy that mixes casual gaming with real prizes, "Brawn GP Racing" is the first GP iPhone game and offers a world-class racing experience and the opportunity to win a real Mercedes SL roadster.

TAKING MOBILE GAMING TO THE NEXT LEVEL

Upstream's marketing philosophy concentrates on leveraging common, natural but rarely combined human appetites: our love for games, flirting with luck, our attraction to high-value prizes and our inclination for personal and entertaining interaction. The "play for real" approach to promotional game design has been doing just that using familiar, low-tech interaction media such as premium SMS. Signature campaigns such as "100 days 100 SLK" for Vodafone Italy have proven that Upstream's mix of gaming, prize winning and 1-to-1 marketing works wonders for consumer marketing and revenue generation.

Only recently, with the advent of devices such as the iPhone, did mobile phones start to offer the potential for more engaging gaming experiences. For a company so versed in mixing game with prize, promotion with in-



Brawn GP Racing on the iPhone

teraction, entertainment with brand-consumer connection, smartphone gaming is the logical next step.

Combining gaming with actual prizes, casual thrills with real-world competition, is not just a twist in play, but a truly distinct genre of entertainment. In-game action is extended and enriched with thrills beyond casual gaming, as players can take their game to a new level by competing against other players for real-world prizes.

Brawn GP Racing will be the first such genre-defining title that embod-

ies Upstream's "play for real" philosophy. The game is currently undergoing the approval process to be released on Apple's AppStore.

A TEAM OF WINNERS

To create the most exciting racing game, one needs not only a great development team, but also an in-depth understanding of how real racing works. For this reason, Upstream partnered with the Brawn GP Formula One Team, current leaders of the 2009 FIA Formula One World Championship, and Fishlabs, one of the premier iPhone developers, known for some of the best 3D gaming titles on the platform.

The result is the best Racing game on the iPhone. With 4 original tracks, combining some of the most challenging GP track elements, realistic 3D graphics and life-like GP handling, the game is a treat for both hardcore Brawn GP fans and casual gamers alike.

PLAY FOR REAL

A great performance in-game should also be awarded in real-life. A brand-new Mercedes SL roadster is the grand prize for one lucky winner! While not quite as fast as the Brawn GP cars, the Mercedes SL provides

unparalleled performance on the road, and will provide real-life thrills to our lucky winner.

Qualifying to win the Mercedes SL is easy: With every lap completed, players get ranked on a global online leader-board, available on-line at www.brawngpcontest.com

The competition among players is fierce, as a higher ranking translates into more entries into the final draw for the Mercedes SL. Players can qualify until November 1st, after which time all valid entries will be entered into a draw and the winner will be selected.

THRILLS BEYOND CASUAL GAMING

The game literally puts you into the driver's seat, and the stakes are really high. Racing takes a whole new dimension when you know that the prize is real. Remember that you don't have to be the best player to win – while skill is rewarded with more chances to win, anyone can be the winner, even after completing a single lap.

IT'S MARKETING! THE BEST OF ITS KIND.

This is not merely a branded piece of merchandise. The unparalleled experience offered by "Brawn GP Racing" puts the consumer in the exciting world of Brawn GP by combining racing with a vivid sense of competition. Emotional engagement of consumers brings them into Brawn GP's world and state of mind, helping the brand connect

with the audience, while, at the same time, strengthening brand awareness in the gaming audience – a segment that is getting increasingly out of its teens, more affluent, and largely overlapping with the racing fandom sphere.

TRY IT YOURSELF

Currently undergoing approval, the game will soon be available on Apple's AppStore for £2.49 (€2.99/\$3.99) – so you can download it yourself soon and get the thrills of the Brawn GP Racing experience.

While this may be the first game in this new genre, it is certainly not the last; Upstream is already looking into several new titles that will once again up the ante with innovative game concepts, more chances to win, more prizes and more fun!

ABOUT UPSTREAM

Upstream (www.upstreamsystems.com) is the leading mobile marketing company in the world with operations in more than 40 countries. Its list of customers includes some of the largest Mobile Operators in the world such as Vodafone, TIM, Orange, America Movil, Telefonica and T-Mobile as well as blue chip Brands including Nestlé, The Coca-Cola Company, Shell, BSkyB and ESMAS. Upstream has received international acclaim for its work including most recently the MAMA 2009 Gold Award (Mobile Advertising and Marketing Awards) for 'best use of mobile in driving revenue and sales'.

Privacy rules

For mobile marketing to work, the consumer must be in control, says Nick Huber

The mobile phone is a powerful marketing medium, but campaigns can backfire if they are seen as intrusive.

Industry best practice says that advertisers should stick to the "three P's" – permission, privacy and preference.

Permission means the mobile phone user choosing to "opt in" and receive

the ads. Privacy means respecting the user's right to it, and preference means that campaigns and promotions must be relevant to the interests of the user.

Size matters too. Experts say that mobile marketing ads should be tailored to the small screen.

"Mobile advertising cannot succeed if it requires users to download



large video files that may cost a couple of dollars in data usage charges," says Deloitte, the accounting firm, in a report on mobile advertising.

Mobile campaigns need to comply with various regulations. In the UK, mobile marketers must comply with the Data Protection Act, which requires that information is collected fairly and that people have the right to opt out of having their personal data used for marketing purposes.

More specific legislation includes The Privacy and Electronic Communications Regulations 2003, which state that companies should obtain the consent of individuals

before sending unsolicited marketing messages by text or other electronic communications.

However, there is an exception to this rule. This is when someone's details are collected in the course of a sale of goods or services, provided marketing relates only to similar items. More detailed guidance is available from the Information Commissioner's Office.

Mobile advertising is also governed by the British Code of Advertising, Sales Promotion and Direct Marketing. In addition, the Mobile Marketing Association, which represents the mobile industry, has a code of conduct for mobile marketing to protect

mobile users from "unwanted communications" from marketers.

The code includes requirements for its 700-plus member companies to make it easy for users to stop receiving ads, and for marketers to take reasonable steps to keep customer data safe.

While there is no shortage of regulations controlling mobile marketing, Jon Nugent, director, at PricewaterhouseCoopers, an accounting firm, says mobile marketers can turn compliance with the rules to their advantage.

"Compliance does not just benefit consumers but will help advertisers win the trust of the public," he says.

TIPS FOR A SUCCESSFUL MOBILE AD CAMPAIGN

1. Lead with the marketing ideas

Don't let the excitement surrounding mobile marketing and various new mobile technologies blind you to what's best for your brand. Start with your consumer and ask what are you trying to do? How are you trying to reach that consumer? Let that define the role of mobile advertising.

2. Keep it simple

Choose an application that is easy for the consumer to use. Avoid complicated technologies or those that very few consumers are using and the need to download special software.

3. Make it fun, interesting and useful

Consumers want entertainment, fun, and useful features, such as free content for their mobile phone,

when interacting with their favourite brands.

4. Respect the consumer

The customer should always be able to say yes or no to anything they receive on their mobile phone. Communications with the consumer should be limited to a reasonable number with clear and frequent directions on how to unsubscribe.

5. Integrate mobile into the overall marketing mix

If mobile advertising is treated as an integral part of what you do, then you'll have a better chance of reaching your goals. Adding a "call to action" (allowing a customer to call, text or email for more information about a product) makes ads truly interactive and measurable.

Source: Mobile Marketing Association

Measure of success

Its supporters say that mobile marketing works, while its critics say the industry needs to produce the evidence, says Nick Huber

According to Jonathan Mew, head of mobile at the Internet Advertising Bureau, a successful mobile ad campaign can get click-through rates of up to 20 per cent, which is much higher than the low-to-mid single digit rates typically achieved by Internet ads.

Calculating the return on investment of mobile advertising is particularly difficult, however, because customers use different mobile networks, and operators have been reluctant to pool their customer data.

This means that advertisers lack comprehensive data on customer demographics, tastes and web browsing habits; data that would help plan their campaigns and calculate ROI from ads.

The mobile industry has promised to provide more data. Later this year the GSMA, the mobile industry association, says it will publish an "audited mobile measurement service", comprising data on the web browsing habits of customers, of the leading mobile operators in the UK. Customers in the survey are anonymous.

Operators hope that having better information about their customers will help them target ads more effectively.

"If you have a target audience for your product, you need to under-

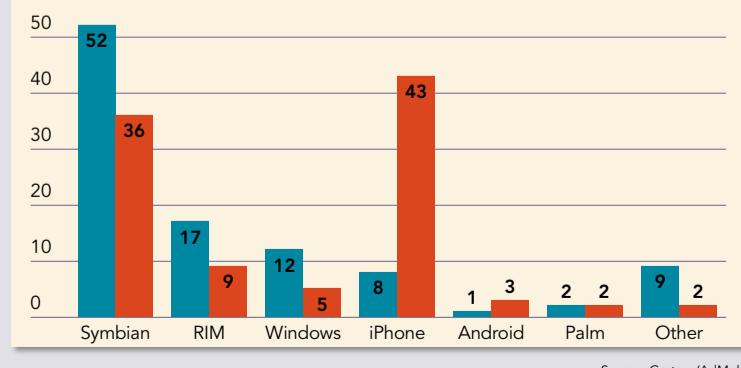
stand their mobile habits deeply," says Edward Kershaw, vice president of mobile media at Nielsen Online, a research company. "What kind of phones do they tend to have? What

RETURN ON INVESTMENT

Despite accounting for only 8% of the worldwide smartphone market share, the iPhone operating system, including iPhone and iPod Touch devices, is responsible for 43% of mobile web ads served. An ad served is defined as someone viewing a page on which an ad appears on their phone while browsing the internet or using a mobile application.

Worldwide Smartphone Share Comparison (%)

■ Handset Sales (Gartner)
■ Ads served (AdMob)



mobile network tariffs do they have? Even if their phone technically allows them to access the mobile internet, would they ever try it themselves?"

And the most effective type of mobile marketing? Some of the most impressive returns on investment have come from simple text messaging, Kershaw says.

"It's far, far quicker to text 'yes' to a mobile short code you see in a TV commercial than to remember a URL for next time you boot up your PC," he says.

PROMOTIONAL FEATURE

It's arrived – The year of Mobile Marketing

Author – Tim Dunn, Head of Marketing Services, Mobile Interactive Group

Mobile marketing should be celebrating its 10th birthday!

In the early days, before the ubiquitous 5-digit shortcode was invented, we used to run big on-pack text'n'win campaigns by putting four mobile numbers onto each pack and the user having to pick one at random to send in their code!

Things have changed massively for mobile, and whereas the scope for our creativity was once 160 characters, we now have MMS, iPhone and other applications, fast mobile internet, virals, video, image recognition and more - We are able to really engage audiences with new technologies.

The range of marketing activities has broadened. Far beyond simple text'n'win, brands now push boundaries in various fields – experiential, media placement, outdoor and TV activation.

At The O2, the mobile operator has created a unique mobile approach to live experience. A video booth, called 'Create', has been built where users select from a choice of pop videos, dance in front of a blue screen, and then the combined video clip of the users superimposed with the band is sent to the user's phone as a memento. It can also



be posted to Facebook, Bebo and MySpace accounts, giving the experience real viral reach.

The Home Office, trying to target the notoriously difficult 11-16 year old demographic for an anti Knife Crime campaign called 'It doesn't have to happen', launched an application called Pocket Beatz, a music studio for your mobile. Filled with grime beats, loops and synths, users can compose a sequence of sounds, and forward the app to their mates. The campaign used Bluetooth in cinemas and shopping centres in knife crime hotspots to deliver the right message.

Rimmel have recently taken the lead in mobile in cosmetics, having a permanent mobile internet site, created to capture young women and teenagers surfing the mobile web. The site is constantly updated with new products and users can download promotional videos, read make-up tips, win free samples, and sign up to be a Rimmel Ambassador.

There are endless possibilities available to marketers and there has never been a better time to expand and invest in the channel and go mobile.

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App Store avalanche

Users will increasingly rely on tools to help them navigate the ever-expanding world of mobile applications. By Ingrid Lunden

Apple has seen some wild success with mobile apps - which can cover anything from games and music, to productivity tools and social networking facilitators - seeing 1 billion downloads from its App Store before its first anniversary in July.

Now the rest of the industry is scrambling to capitalize on the hype with apps of their own targeting the substantial bulk of non-iPhone users worldwide.

There are already 50,000 apps, and counting, on the Apple App Store. Palm says it is porting some 30,000 apps on to its new WebOS platform (used for the Pre). Nokia says it's adding some 500 pieces of content a week currently to Ovi. The Google Android Market reported 5,000 apps a month ago. Meanwhile, Microsoft is promising apps in the region of tens of thousands for Marketplace. And that's not including app stores from RIM/BlackBerry, GetJar, Vodafone, O2's Litmus project, Sony Ericsson, and many, many others.

It's no surprise, then, that one of the biggest areas of attention, according to

Pam Deziel, VP of Software Product Management at Palm, is on figuring out how to present this content to people in a way that's intuitive to navigate and use.

Some users will be happy to buy from the list of the most popular apps, but it doesn't give much entry to developers just breaking in. Now a load of advertising and marketing opportunities have opened up to give more apps a leg up. Among them are the services being run by the app stores themselves. GetJar, for example, which only offers free apps, gives developers the option to advertise in its "new and cool section" of the store for a flat rate, or to pay on a scale depending on the number of downloads they receive, similar to Google's model for online advertising. Google, too, offers an ad-placement service for its Android market.

Microsoft might be missing a trick in this area when it launches. "We're not monetising in that way," says Dav-



id Weeks, a product manager for Microsoft UK. "We're not doing a Good on it... The ones at the top of the on Marketplace will be the ones are most downloaded. There will be other ways that we can monetize that are more beneficial."

In-app advertising is also on the rise. First pioneered by mobile advertising firm Admob, the idea use an app's download page, or estate on the app itself, to promote other apps. There is still a lot of room for growth in this market, some 1,500 publishers have signed up, the company has seen over 125 million ads within Apple's a

Touch me

One product is rewriting the rule book for what makes a great portable device, and it starts with a touch screen. By Ingrid Lunden

Apple's iPhone has unit sales in the millions - only a dent in the overall world handset market, which according to the International Telecommunications Union, totals over 4bn. But it has nevertheless impacted the collective psyche of mobile users everywhere, who recognise the iPhone, even if they don't own one themselves.

That influence has also stretched into the industry itself, and is evidenced in large part by the number of touch-screen devices hitting the market this year from Apple's competitors.

"I think touch screens are a logical progression, especially in the mobile consumer space," says Laurence Painell, Windows Product Manager for Microsoft, who says we will also be seeing touch screens on netbooks and other portable devices. "What I find [even] from a business perspective is that it's much easier to navigate using touch. You feel more productive from a navigation perspective."

In June, Apple launched its latest iPhone, the 3GS. This device picks up on two key trends: first the Android onslaught. There will be at least 13 Android-powered devices hitting the market from now until December, according to IntoMobile. And second, like the Palm Pre - which has yet to be given an official release date outside the US - the Hero puts a big accent on integration. It claims to automatically unify your contacts and

Big improvements on video, processing power and battery life are giving the newest iPhone top reviews, and the hype that's surrounded Apple's move into mobile seems not to have abated: the company claims 1 million devices sold in the first three days of sales. Here are four other touch-screen devices to watch in the market:

Samsung Jet. Part of a growing base of devices that are not "smartphones" but based on pared-down feature phone capabilities. Could it be that devices like this, at lower price points but retaining a wealth of functionality, will move app stores and other mobile data usage even further into the mass market? Samsung claims that it had pre-orders of 2 million units for the Jet.

HTC Hero. HTC has been the early mover with Android devices, and this is the latest in that line-up. This device picks up on two key trends: first the Android onslaught. There will be at least 13 Android-powered devices hitting the market from now until December, according to IntoMobile. And second, like the Palm Pre - which has yet to be given an official release date outside the US - the Hero puts a big accent on integration. It claims to automatically unify your contacts and

Nokia N97



provide seamless communication on the device through voice, texting, email, and social networking, without needing to switch applications.

Nokia N97. Nokia is still the biggest handset maker in the market, but it's managed to lose claim to being the most exciting one. This is their attempt to right that, with a phone that combines touch screen with keyboard, but reviews so far have been mixed, particularly in the crucial US market. The company is now trying to get back into the centre of innovation with an Intel partnership, and of course, its Ovi app store.

Amazon's Kindle. Not a handset as such, but a sign of the other kinds of innovative devices that use the touch-screen interface, link up with wireless networks, and allow you to consume content and communicate while on the move. Like Apple's iPhone, the Kindle has an early mover advantage, but there are and will be more devices like this in future from other players, too. And some, like Plastic Logic, are focusing on making the devices lighter and thinner.



HTC Hero

TOP-SELLING APPS SINCE 2008

1. **Bejeweled 2**, Games, PopCap Games Inc.
2. **Flick Fishing**, Games, Freeverse Inc.
3. **TETRIS**, Games, Electronic Arts
4. **iBeer Updated**, Entertainment, Hottrix
5. **Touchgrind**, Games, Illusion Labs
6. **Tweetie**, Social Networking, atebits
7. **Koi Pond**, Entertainment, The Blimp Pilots
8. **SCRABBLE**, Games, Electronic Arts
9. **MONOPOLY Here & Now: The World Edition**, Games, Electronic Arts
10. **Ocarina**, Music, Smule

Source: Distimo, www.distimo.com

The company is looking to extend to Android Market and other app stores now, and the idea is also being adopted by others, too, including GetJar, which shares some of the same backers as AdMob, and mobile marketing firm Velti.

Meanwhile, it appears that the business model for apps is something of a moving target. While they were largely free at launch, now more apps are relying on a charging model. Research from one app store tracking company, Distimo, found that more recently, successful apps with a higher price tag tended to stay higher ranked for longer, and that there are a decreasing number of apps that are free.

What people are willing to download is changing, too. Overall, on the

App Store, games dominate the paid-for apps space in terms of popularity since launch (see table), but in the last two months, according to Distimo, other kinds of applications have crept into the top 10: iFitness, Classics (a book app) and photo-editing software, ColorSplash.

There is bound to be a lot more development in terms of what will work best and what will fall by the wayside when future stores get into the swing of it. "[Most of the] data points are about the number of applications being downloaded, but this whole ecosystem is still in an early stage. They download it once but maybe they never use it again. We're probably still in the very early stage of this application ecosystem," cautions Florian Seche, VP in charge of Europe at handset maker HTC.

PROMOTIONAL FEATURE

Mobile Marketing on Any Device?

Every mobile device has its own capabilities and its own specifications. Big screen or small? Images or text? Which mobile browser? Reaching out to consumers through their mobiles raises dozens of questions. Dr Frank Gielen reports



HOW IT USED TO WORK

In the past, marketers would customize content for the most popular smart phones on the street. The downside? Several versions would have to be developed (and maintained) from scratch and new ones added as new devices were released. Even worse, there would always be a number of incompatible devices and subsequent lacunas in the target audience.

A NEW WAY

What about a fully managed solution that ensures your mobile content looks great on any device? Well, that solution now has a name: Siruna. Siruna is a unique platform enabling developers to turn websites and web applications mobile quickly, efficiently and cost effec-

tively. Most importantly, it automatically optimizes mobile content to match the specifications of any mobile device.

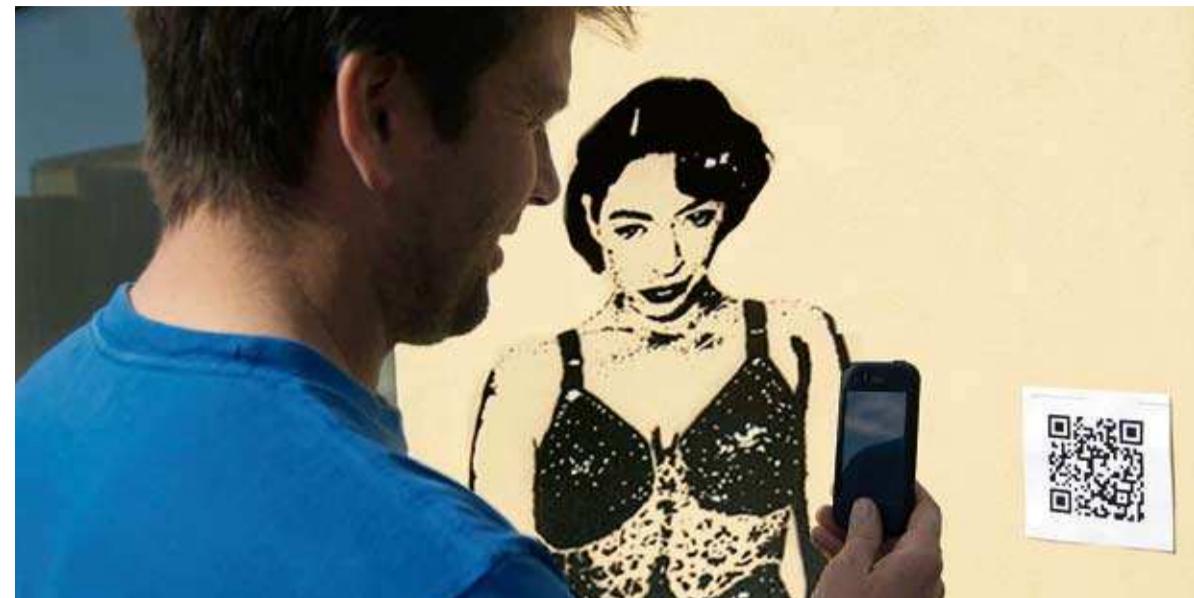
TOTAL CONTROL

Siruna's advanced technology allows developers to exploit the full breadth of features available on any given device from direct calling or texting from mobile content to the activation of built-in GPS receivers, cameras, etc. Updates are also a breeze as modifications are automatically propagated in the mobile version.

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QR code technology is hampered by slow uptake due to lack of understanding

Can you hear the bells and whistles?

A raft of new technologies could take the usefulness of mobiles to a totally new level. Now we just need to start using them, writes Ingrid Lunden

The gadget guru in all of us loves the idea of using your phone as a wallet or a scanner: brandishing your handset instead of fumbling for money and cards, or holding it up to a little square of scrambled boxes for instant information, instead of all that tedious key-prodding. But how close is this to reality?

Technologies like near-field communication (for wallet functionality) and QR codes (those squares of boxes) may have hit the mainstream in Japan, where they're used regularly in magazines, billboards and points of sale, but they have been slower in coming to the UK and the rest of Europe.

What's the holdup? Experts say it's a chicken-and-egg conundrum. People in the West simply don't use their phones regularly enough as code-scanners or payment devices to make this second nature. But there is also the issue of devices: NFC needs chips built into devices; and with visual codes, a reader often needs to be downloaded to work with your camera, but it might not work on the next code you encounter because of proprietary issues.

The world of marketers may be equally disengaged. "I'm not convinced brands understand all the opportunities that mobile offers," says Shaun Gregory, MD of O2 Media. He says mobile advertising technology roughly falls into two categories. The first is "stuff you can do today," such as messaging, pictures, video and click-to-call. The second is "stuff you can do tomorrow" like QR codes. "This is the part that the advertising community doesn't quite understand," he says.

Of all the technologies that may get incorporated further into mobile services, location-based services may be the most ubiquitous today and perhaps tomorrow. There are many mapping applications, and a raft of information services, that pinpoint your location and deliver results based on this, using GPS or cell-tower data: how well depends on your device and the app. On a more basic level, operators have access to data about users that might not be real-time, but is still an effective way of incorporating location into marketing.

A recent campaign for Fitness First on the O2 network is a typical example. O2

used data it had on its customers - not just billing address, but also age, relative interest in fitness, and willingness to get SMS promotions - to send texts to people within a three-mile radius of a gym, offering them five days of free membership plus a personal training session. O2 says 7.5 per cent of users responded to the initial texts, 3,200 then visited a club, and 340 of them became members. It plans to do more campaigns in future. "Over the years, services like LBS have been overhyped as the holy grail on mobile," says Gregory. "You need location-based technology, but you also need preferences. The reason Fitness First was so successful is because it was targeted to those interested in sports and looking out for themselves. Location-based on its own doesn't do much."

There are bright spots on the horizon for all these bells and whistles. Nokia, for one, has committed to NFC chips in devices in future, and marketers are becoming more sophisticated in how they can leverage these technologies to make mobile campaigns stand out. "Applications like QR codes and visual search are the first developments of the unique format of mobile," says Scott Seaborn, head of mobile for Ogilvy. "Mobile banner ads, videos, and SMS will grow, but you'll also see more of these other unique formats."

CASE STUDY: THE ART EXHIBITION

Consumer brands like Fanta are trying out services like QR codes in selected markets to improve user engagement, but almost equally, there are non-commercial applications appearing. This July, a public art project called Street Art Dealer will install works of art by Tomoko Takahashi, James Powderley, and graffiti artist Zeus throughout the centre of Bristol. The organisers, Steal From Work and C6, will provide QR codes alongside the art for viewers to interact with and potentially purchase them as

well - a spokesperson says there will also be signs explaining how the codes work. Further afield, Will Hawkins, new business director at digital marketing agency MMT Digital, reports that in France, a series of informational "totem poles" along the D-Day beaches in Normandy feature QR codes that take the viewer to a web page from which they can view short videos on their mobile phones about what happened, where they are standing. "It's very good," he promises.

Emerging opportunity

Mobile marketing is booming in India, where mobile devices rather than computers are the primary means of accessing the internet. **James Silver** reports on emerging markets and how they may come to influence the West.

When mobile advertising marketplace firm, AdMob, was founded in 2006, it served about 200 million advertisements to mobile users around the world in its first six months of business. Today it serves over 6½ billion ads-per-month, many of them in developing world nations.

In the firm's latest set of figures, Indonesia, India and the Philippines are sandwiched between the US and the UK as the top five marketplaces for mobile advertising consumption worldwide – and there are good reasons for that, explains Russell Buckley, AdMob's vice-president of Global Alliances. "What those developing markets have in common is that the operators in those countries have always run very attractively priced fixed rate or effectively-priced data packages,

they all have a very high standard of literacy in English and they all have relatively low penetration of fixed-line broadband, which means they've leapfrogged the PC generation in favour of mobile."

Buckley adds that with global brands looking for their next billion consumers in developing countries, interest in using mobile to reach them is very high.

Naveen Tewari, founder and CEO of mobile ad-network mKhoj, which has offices in Mumbai, Bangalore, Singapore and California, says that as recently as "a couple of years ago", only 2m Indians were surfing the internet on mobiles - compared with 35-40m today.

"From a marketer's perspective, you actually don't have any other digital medium to reach to a mass audience, apart from mobile," he says."

Between 2005-07, ads on Indian mobiles were primarily delivered via SMS, says Tewari. "But it reached the stage where SMS advertising became intrusive and obnoxious – people were receiving text messages every two minutes from different advertisers." So, in came a 'Do Not Disturb' facility from the regulators and uninvited messages were reduced. Today, marketing is starting to shift from text to mobile internet.

In Brazil, where only around 15 million people – just 10 per cent of subscribers – use their phones to browse the Web, mobile marketing plays a supporting role to mainstream media.

"We are a very 'traditional media'-orientated country," says Leonardo Xavier, general director of Pontomobi, a Brazilian mobile and digital marketing agency. "We try to use this as an opportunity to develop more interactive advertising with traditional channels, especially press and TV."

He cites a promotion for Cadbury Adams' product Halls cough-drops for which Pontomobi designed an interactive campaign in partnership with MTV, in which the audience were invited to send an SMS in return for a "surprise phone call" from the TV show's host. "It's a very simple idea, but we're showing traditional media planners that they can use mobile as a tool to create more interactivity with audiences."

While in percentage terms mobile web-browsing remains small – primarily due to the country's high tariffs – Xavier says initiatives, including a government investment programme in free wi-fi in public spaces, is certain



In many developing countries, mobile is the primary form of web access

to boost online mobile use within the next 3-5 years. In the meantime, he says, SMS will remain the main way for marketers to engage with consumers via mobile.

Elsewhere in the developing world, mobile phones are playing an ever-greater role in everyday transactions, including 'high-street' banking. Marco Veremis, founder and president of mo-

bile marketing agency Upstream, which operates in 40 countries, says the trend is particularly apparent in Africa.

"In countries like Tanzania and Nigeria you see mobile payments becoming in effect the leading banks in terms of attracting small-size customers in great numbers," he says. "They are using their mobile phones to pay directly at supermarkets and

INTERVIEW

JWT, whose clients include Diageo, Johnson & Johnson and Microsoft, recently appointed worldwide digital director David Eastman to oversee the global agency's push into digital. In his first interview, he talks 'personal media' and tipping points with **James Silver** in New York

The idea came out of advertising giant JWT's branch in San Juan, Puerto Rico. Entered for last week's Cannes Lions festival, the campaign for Centennial Communications, was entitled Phonestar and is perhaps best described as 'American Idol - on a mobile phone'. 4,000 participants took part in a talent show in which they sung down their mobile phone lines. Sony BMG then picked 10 finalists, from which the Puerto Rican public chose a winner – using their mobiles.

While the Phonestar campaign can hardly be described as high-tech, the fact that JWT are chalking it up as a success story for mobile marketing signals that the company is finally getting serious about the medium as an advertising platform. Indeed, the agency are currently working on another mobile campaign for an "iconic" New York brand, although they won't reveal the client's name.

For more than a decade, mobile had routinely been predicted to be the industry's 'new frontier' - a brave new world in which brands and the latest technology interacted with consumers

on a 24/7 basis. Yet, the years passed, and mobile marketing remained the Cinderella of advertising platforms, a nerdish add-on best left to digital micro-agencies. However, according to JWT's incoming worldwide digital director, all that is poised to change. Speaking in the company's swish Lexington Avenue offices in New York – recently fitted with new TV and animation studios - David Eastman says the medium's moment has come.

"People have been talking about [mobile marketing] being 'on the cusp' for a very long time indeed, since 1998 or 1999," he says. "But the promise, back then, was so far ahead of the technological reality, that it turned the consumer off for quite some time. Now the technology for what more and more people refer to as 'personal media' is beyond where everyone thought it was going to be and the marketing department of every client that we have is asking 'And what can we do over mobile?'"

And don't just take Eastman's word for it. Leading marketers in the US retail sector are starting to say the same thing too. "We've reached a tipping



David Eastman, JWT

point," Domino Pizza advertising executive Rob Weisberg told a recent edition of Business Week magazine. "Marketers, especially consumer brands, have to take mobile seriously now. You have to be where your customer works, lives and plays."

But why is 'personal media' suddenly on the radar of advertising mega-agencies and big-name brands? Eastman replies that a number of important factors have converged to create "a tipping point". Among them, he cites vastly-improved technology, what he calls the "real-time-ness" of the medium, typified by the popularity of social-networking and

the fact that "a device that is with you all the time becomes very compelling to advertisers."

The real "game-changer", he argues, has been the success of Apple's iPhone. "There is a clear demand from clients now and the iPhone is responsible for that. In the US, iPhone only has 8 per cent of the mobile phone market. But the twist is that 43 per cent of all mobile web-browsing, here, is done on iPhones. The iPhone's operating system was so immensely usable that ever since it arrived, the industry talks in terms of 'before the iPhone' and 'after the iPhone'."

Global agencies like JWT, built for 'traditional' media campaigns, have come in for flak for being slow to respond to digital, including mobile. "JWT isn't at the forefront of this," says a well-placed observer. However, Eastman, who has only been with the company for four months, explains that there were perfectly good historical reasons that mobile, in particular, remained sidelined.

"If I build content for the web, I have to think about which browsers are going to be used to view it. There are only four or five browsers and you have to test your content through those, as well as the latest and earlier versions. From a mobile perspective, there are about 17 browsers, but each handset works with them in a different way. So if a client came to us and said I want to develop a mobile campaign, we'd have to do about 600 or 700 tests. And that situation only gets worse the more phones there are."

"So it's the lack of uniformity, and in the US, at least, no single carrier covers the entire country. If I take my device and go from here to Kansas, even though this is a T-Mobile device, the chances are in Kansas I'm going to be roaming with AT&T and their rules for how they interpret [technical] information are different. These hurdles are the reasons why it's taken so long for personal media to happen. But now there's an irresistible urge for brands to be in this media space and the industry will find a way to make it work. So the next thing you'll see will be greater uniformity of browsers."

Also around the corner will be a way for consumers to make 'micro-payments' with their mobile phones, says Eastman. "The ability for mobiles to make in-store or in-situations micro-payments will really change things. These devices will end up replacing your credit card – your card details will be stored on its SIM card. The micro-payment aspect was what took so long to crack – in other words, it cost so much in terms of the software needed and the hardware needed by the retailer that for anything less than £10 it was never worth it. Now, it's at the point where it's ubiquitous and very cheap."

"Ten years ago people used to talk in wistful terms about your phone being a 'digital wallet'. I'm not sure anyone really believed it back then, but now we do. That's why there's more potential with these devices than with anything else."



their phone bills become, in effect, their bank account."

In Serbia and Turkey, he adds, consumers are using their mobile phones to buy tickets for the national lottery. It's within such non-traditional areas – niches like everyday shopping and lottery-participation – that the "leapfrog" mobile markets of the developing world look set to influence innovations in the West.

Nobody's fools

From recipe tips to roosters on web-cams, many branded 'apps' on mobile phones are designed by boutique digital agencies, like Stockholm, Amsterdam and New York City-based Perfect Fools. James Silver meets the firm's CEO, Patrick Gardner

Pecking away at a keyboard in his Broadway office in Manhattan's Midtown, Patrick Gardner is downloading 'live' pictures of Claudio, a rather magnificent Mexican rooster. "Those are his hens right there," he explains, as the somewhat fuzzy images of poultry strutting and feeding appear on his laptop screen. "And Claudio's the white one, hiding in the background."

Claudio is not just any old rooster. As the star of an advertising campaign "celebrating the chilled out lifestyle of Mexico", for the Mexican beer brand Pacifico, he's a rooster with an entourage and, who knows, maybe even an agent. A co-production between Perfect Fools and Seattle-based agency Creature, the iPhone-only application allows users to download a "Pacifico Alarm Clock" - featuring Claudio crowing - as well as a 'live' stream of his life, from a Web-cam feed trained on his coop in "a dusty backyard" in Cuernavaca, a resort town outside Mexico City.

"He lives in a cage, hosted by a Swedish non-farmer, who's been feeling his way and blogging about his experiences," says

A GLOBAL PERSPECTIVE

Countries in emerging markets figure prominently in mobile advertising network AdMob's list of the top 10 countries for mobile ad requests. AdMob's Russell Buckley says the mobile web is popular in English-speaking countries where consumers typically do not own a PC, but can access the internet on their phone, thanks to competitively-priced, "flat-rate" data tariffs.

Ad Requests by Geography - April 2009

Country	Requests	% of Requests	%Share Change
United States	3,538,714,000	47.0%	-0.5%
Indonesia	813,863,841	10.8%	1.6%
India	447,079,855	5.9%	-1.7%
Philippines	298,303,054	4.0%	0.1%
United Kingdom	254,014,870	3.4%	0.5%
Canada	168,366,971	2.2%	0.4%
South Africa	125,325,923	1.7%	0.1%
Saudi Arabia	99,635,571	1.3%	-0.1%
France	94,083,136	1.2%	0.3%
Mexico	93,927,678	1.2%	0.4%
Other ⁽¹⁾⁽²⁾	1 601 958 002	21.3%	
Total	7,535,272,901	100.0%	

Region	Requests	% of Requests	%Share Change
North America	3,707,273,534	49.2%	-0.1%
Asia	2,206,105,880	29.3%	-0.3%
Western Europe	645,994,709	8.6%	1.0%
Africa	376,774,577	5.0%	-0.7%
Latin America	235,319,029	3.1%	0.3%
Eastern Europe	142,650,560	1.9%	-0.3%
Oceania	85,541,331	1.1%	0.1%
Other ⁽²⁾	135,613,281	1.8%	
Total	7,535,272,901	100.0%	

(1) Other includes 50 countries having more than 10 million requests. (2) Other includes unclassified requests where the country of origin could not be determined. Targeted ads were not shown to these requests.

Source: AdMob

Over the past twelve months, Gardner says he has noted ever-growing interest from clients about running campaigns on mobile devices. "It's getting to be a pre-requisite and brands are realising that it is a very cost-effective platform for reaching people," he says.

In five years time mobile marketing will be "massive", he adds, particularly when richer delivery 'Flash'-style platforms arrive and smartphones allow opted-in users to receive location-based advertising – say, coupons for discounts in stores. "There are so many possibilities with these [devices]," he says, waving his own iPhone about. "We haven't even begun to exploit the tip of the iceberg."



What we can learn from Japan

Once considered the spiritual home of mobile communications, Japan is being caught up by the West thanks to the iPhone and other 'smart' devices, reports James Silver

In April 2008, JWT's global chief, Bob Jeffrey, gathered top staff for a "big meeting" on Rolex – one of the firm's many household-name clients – in which his agency unveiled its latest creative work from around the world to the luxury watches brand's bosses.

In an effort to convince their client of the growing importance of digital – previous Rolex campaigns had tended to be print-orientated – he took a snap decision to fly JWT's creative director from Japan into New York City. "He came into the meeting with his cell-phone and showed the CEO of Rolex all the different applications on it and how we could take our Rolex ideas and make them work online and on mobile," recalls Jeffrey.

The JWT CEO recounts this anecdote to illustrate the technical cutting-edge and unique 'emotional' role mobile devices play in Japanese culture.

"[In the Rolex meeting], I was trying to demonstrate how Japan is really ahead of everyone else and we should take our cues from that," he says. "I see Japan, from my standpoint of running a global network, as an inspiration for what is possible on the mobile device."

The origins of mobile marketing in Japan can be traced back to February 1999, when telecoms giant NTT DoCoMo, which currently has 54 million customers, making it the country's biggest provider of "mobile voice, data and multimedia services", launched 'i-mode'.

Although the i-mode platform initially consisted of – according to one analyst – "quite primitive micro-sites", and had just 1 million customers post-launch, by March 2001 its base had boomed to 20 million.

Indeed, the sector as a whole has grown exponentially since i-mode's launch. Today, the mobile advertising market in Japan is estimated to be worth \$1.2bn – approximately five times the size of the US market.

However, while the Japanese were undoubtedly the pioneers in mobile communications, the market-transforming success of the iPhone – and the anticipation surrounding Google's Android, which has yet to launch in Japan – has recently seen the West streak ahead in terms of design, capability and overall web-browsing experience.

"Not very much advertising is being done on smartphones in Japan at the moment because smartphones as a segment of the market are small – sort of a sub-set," explains Japan-based John Lagerling, vice president of mobile advertising marketplace firm, Admob, and a former Google executive.

"If you look at total marketing-spend [on mobile] here now, it's nearly all done on traditional mass-market



Gadgets: big in Japan

handsets, which are pretty basic in terms of their capabilities."

Similarly, marketing messages on Japanese mobiles currently mostly consist of standard advertisements for device ring-tones, wallpaper and downloadable games, as well as banner recruitment and e-commerce ads for consumer goods, he says.

Meanwhile, the big global brands have so far steered clear of the platform altogether. Does Lagerling see that changing anytime soon – particularly as take-up of iPhone is thought to be rocketing – with estimates of between 700,000 and 800,000 units sold in Japan to date?

"In the US we only really saw spending on mobile phone campaigns by top tier advertisers after the arrival of the iPhone and the early Android handsets and I see that trend coming in Japan too," he replies. "I expect we'll see a whole new breed of advertiser who hasn't spent much time on mobile, now willing to leverage mobile as a platform."

Another trend analysts expect to see in Japan is increased use of mobile phones as payment devices. "Many small purchases for sodas, food, lottery tickets, cigarettes, those sorts of things are already done with phones," explains Christian Lindholm, director and partner of digital services agency Fjord.

"When you can establish a connection between the buyer and the brand, then that creates a mobile marketing opportunity, [allowing] the customer to opt-in to different schemes offering discounts."

"Marketing was traditionally a one-way type of communication – that will increasingly turn into a dialogue," he continues. "Commerce will go mobile and transactions will become more personalised. That will be some sort of revolution before our eyes."

So what does Lindholm think the UK and Western Europe's mobile marketing industries can learn from Japan's experience?

He ponders this for a moment. "Many experts in the mobile industry now call Japan 'Mobile Galapagos' – interesting to study, but it's evolved in such unique ways it is difficult to copy."

With voice and text revenues declining, mobile advertising offers operators a lifeline, says **Nick Huber**



Towards an ad-funded future

Mobile operators are having a tough year. After a decade of rapid expansion, growth rates are faltering and Western markets are already saturated. Most customers already have phones, and revenues from traditional services – voice and text – appear to be in long-term decline.

But amidst the gloom, there has been a recent surge in the number of people accessing the Internet through their mobile phone. In the first quarter of 2009, almost 9m Britons used their phone to access the internet or used an instant messaging application on their mobile within the previous 30 days, according to Nielsen Online, a research company.

Advertisers are beginning to take the mobile phone seriously as an ad-

vertising medium. Mobile operators are hoping to cash in. They are offering customers flat-rate web access data services, free calls over the internet, and free access to popular networking sites such as Facebook, Bebo and MySpace.

Smartphones like Apple's fashionable iPhone, and its App Store, have also fuelled demand for the mobile web and also mobile advertising.

Experts say that Vodafone and Orange are the most active in mobile advertising. Both have large web portals, which are accessed via a mobile phone and entertainment, news and advertising.

"Orange and Vodafone haven't given up on the idea of becoming a media company on top of traditional telecom operations," says Julian Theys, an analyst specialising in mobile media at Screen Digest, a media research company.

In the UK, the mobile advertising market is small but growing fast. In 2008 the market was worth £28.6m, but grew by nearly 100 per cent over the year, according to research by the Internet Advertising Bureau and accounting firm, PricewaterhouseCoopers. Across Europe, the Middle East and Africa, advertising sent to mobile phones jumped more than 55 per cent in the same year to \$1.1bn.

Some experts have claimed mobile operators have been slow to the wake-up to the potential of mobile advertising.

Most mobile operators only introduced flat daily rates for mobile web access in 2007, according to Brad Rees, Chief Executive Officer of Mediaccels, a research company specialising in the mobile handset market. Before then, charges were based on the amount of web data used – a price per megabyte – leaving many customers with a nasty shock when opening their first monthly bill.

"It really was the mobile equivalent of binge drinking tequila," says Rees. "Once you are bitten by the mescal bug you never want to drink tequila again."

Mobile operators are cautiously optimistic about mobile advertising.

MOBILE INTERNET USER INCREASE

After a slight dip in 2007, the number of people using their mobile phone to access the internet in the UK grew steadily during 2008, and has increased more rapidly in 2009. In the US, mobile users are taking to the web with enthusiasm. The number of people accessing the web from their phone has increased by 47 per cent over the last two years.

Number of people accessing the web on their mobile (Millions)



Source: comScore

mobile customers. The idea is to turn customers into "fans", he says.

Gregory's former employer, Blyk, is considered one of the most pioneering of ad-funded mobile services. The virtual mobile network lets its 200,000 customers have free calls and texts in return for receiving ads on their mobile phone.

Brands advertising on the service, which is targeted at 16-24 year olds, include Yell, the directories company, Penguin, the publisher, and Calvin Klein, the fashion label.

Other operators hope to learn from the experience of internet advertising to help them grow mobile ad revenues.

"We are trying to take the internet ethos to the mobile advertising marketplace and offer customers compelling content, while at the same time providing brands with the opportunity to reach as many relevant eyeballs as possible," says Neil Andrews, head of Mobile Advertising at mobile operator, 3.

5 MOBILE MARKETING TRAILBLAZERS

Orange Wednesdays

Perhaps the best-known mobile marketing campaign, Orange Wednesdays offers two-for-one cinema tickets to all Orange mobile and broadband customers. Customers text 'FILM' to 241, or call the number, and are sent an electronic coupon, which is redeemed at a participating cinema. A marketing campaign to publicise the offer featuring the Wicked Witch of the West from the Wizard of Oz with her friend Vicky, has been running across cinema, TV, radio, press and posters.

Free Web calls

In 2007, 3 launched the UK's first mobile handset to enable free calls over the internet. The phone, developed in partnership with Skype – the voice over internet protocol (VoIP) technology supplier – lets customers make free calls to other Skype customers. The phone can also be used to make normal calls and to access 3's internet services.

Ad-funded calls and texts

In return for receiving adverts on their mobiles, Blyk customers get free texts and calls.

Free "reverse call" texts

Vodafone pre-pay customers in South Africa who are running low on credit can send a free message over the network, asking the recipient to call them back. According to Vodafone, 22m of these messages are sent each day. The service is also available in Spain, Egypt, and the Czech Republic.

Location, location, location

Virgin Media customers can find and book cinema tickets or a table at a restaurant through a mobile internet portal offering location-based information. The service, called RoundU, is free, and includes listings information from sources including toptable, Itchy guides and Thomson business listings.

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Integrated approach

Integrating various channels to make the most of a single marketing campaign is never simple, but it is a challenge that has to be faced in an economic climate where consumers are feeling the pinch, writes **Michael Dempsey**

One business that knows all about moving traditional advertising onto new media is CBS Outdoor. This is the company that owns poster sites at key locations around London and has transformed the London Underground with a series of giant video screens in place of the familiar paper and paste adverts that once dominated the tube system. The newly-opened Westfield shopping centre in West London hosts CBS Outdoor's digital advertising screens and now it's looking at extending the reach of these screens via the iPhones of Westfield's visitors. CBS Outdoor is working with digital agency Clusta to allow iPhone users in Westfield to interact with its giant digital advertising screens.

Russell Townsend set up Clusta as a design agency in Birmingham 12 years ago. Since then Clusta has expanded to open offices in London and Los Angeles, and digital design has come to dominate its portfolio.

Townsend thinks the iPhone marks a big opportunity for mobile marketing. "Mobile was the poor relation in the marketing mix, but with the arrival of the iPhone you can do so much more." Gizmos and gadgets are only part of the answer, and Clusta looked hard at the behaviour of consumers in the Westfield location. "People will want to interact with digital displays there because they spend time waiting for partners or family members to emerge from shops." This 'dwell time' as marketers refer to waiting around, is a window of opportunity for CBS Outdoor to engage with its audience via software written by Clusta.

Nicky Cheshire, director of CBS Outdoor's digital division, talks of capitalising on the enthusiasm that has met the giant digital advertising screens. "The public wants a greater dialogue with adverts and Westfield gives us a venue where we can experiment using the Clusta software." Options available to Westfield visitors who've got an iPhone to hand may

include free digital downloads from the adverts via wi-fi connections, or games that allow them to interact with other players in the vicinity right up there on a public screen.

At telecoms group Orange, head of mobile advertising Steve Ricketts thinks that 5-digit shortcodes mark a shift in marketing relations. Shortcodes link straight through from a mobile to a website or call centre and hence represent a very significant single point of contact. "Mobile can stand alone or it can be used to open up a conversation between the consumer and a brand. When you use a shortcode within an advert you seem to get more responses."

Orange's own research among UK mobile users indicates that mobile media is viewed as more personal than other established channels. The speed at which a mobile user can connect to a brand via a shortcode means that a very personal connection is possible. But whether the relationship thrives or withers still relies entirely on the



Mobile: an interactive medium

substance of the brand and the deal that is on offer.

Orange has partnered with Italian mobile marketing giant Buongiorno to produce the two for the price of one discount coupons at the heart of its Orange Wednesdays scheme, originally devised by mobile marketing firm Flytxt, whose agency business Buongiorno acquired in 2007. This is the world's largest mobile voucher campaign outside of Japan and is credited with delivering three million extra visits to UK cinemas every week. As a simple deal that encourages consum-

ers to take up cinema seats for quiet mid-week viewings, this programme benefits from the conventional hype around film releases and obviously hit on a latent public demand.

The idea of communication between a brand and the public has witnessed some outlandish activity. When marketing group Your Opinion Counts (YOC) launched in Berlin, public attention was captured via a text exchange. A Porsche was suspended from a crane with people invited to text in and vote on the vehicle's fate. Should it be lowered to the ground gently or just dropped? The inevitable childish but predictable desire to witness an expensive machine smashed to earth won over, wrecking a sports car but confirming YOC's ability to judge what fascinates the public.

YOC is employed by brands like Coca-Cola, Nike and Samsung, integrating their digital campaigns with traditional media. This can involve planting shortcodes in print and TV adverts to elicit consumer responses. One recent campaign for Kraft foods drew 450,000 responses via online and traditional adverts, with 80,000 of those replies registering their details to be used in further permission-based marketing. This campaign also led to 500,000 product samples being distributed among the consumer community YOC had created. Campaigns that integrate the mobile phone with established marketing channels are here to stay.

VoiceAd



Targeted at the caller
The primary function of the VoiceAds Engine is the replacement of the standard waiting tone (...toot...toot...) by a VoiceAd. This happens during the period that the call is being 'built up'. The caller will hear the telephone ringing 'at the other end' and, at the same time, will listen to a VoiceAd. During this period of time, the VoiceAds Engine will ensure that VoiceAds targeted at the profile of the caller are played, with a maximum length of 10-15 seconds. The average waiting time is 15 seconds, therefore, the VoiceAds can be heard in their entirety.

Profiling
The most important goal is to ensure that the right target group is reached at the right time. For that reason, VoiceAds have to be relevant, particularly within the personal environment of the caller: the mobile phone. On the basis of a selection of details, which are acquired during the registration process, the profile of the caller can be established.

Advertisers
Advertisers are nowadays confronted with the following market conditions:

- Declining acceptance of traditional media
- Declining effectiveness of traditional media
- Budget shift to 'New Media' (internet & mobile)

New mobile channel
The VoiceAds Engine gives advertisers a new way of mobile advertising, with an enormous potential reach and high effectiveness: the target group will always hear your advert. This new media channel is highly effective: VoiceAds are always heard by the target group before the call begins. Because of focused targeting on only the target group(s), there is no waste and every advertising euro is spent on the target group(s).

Operators
In today's telecom market - where rates are under pressure - increasingly more operators are introducing so-called adfunded services. By using Adfortel's VoiceAds Engine operators are offered the following benefits:

- A handset independent solution
- Low investment in technology, high ROI
- A higher ARPU by media sales revenue

VoiceAds Engine position



The diagram illustrates the VoiceAds Engine's position in the mobile ecosystem. It shows the 'number of customers' on the vertical axis and 'usage per customer' on the horizontal axis. The VoiceAds Engine is positioned at the top left, labeled '1. VoiceAds'. To its right, a vertical stack of boxes represents different media types: 'SMS', 'Voicemail notification', 'Missed call notification', and 'Prepaid notification'. Below these, a horizontal stack of boxes represents customer usage: 'mobile internet', 'gaming', 'mobile TV', 'video calling', and 'MMS'. The overall diagram shows the VoiceAds Engine as a high-volume, low-usage channel compared to traditional media.

Integration
To implement the VoiceAds Engine, connection to the mobile network of the operator is required. The VoiceAds Engine will be placed in the network and will be driven by our VoiceAds Campaign Manager. Existing campaign planning systems can be integrated with our VoiceAds Engine.

About Adfortel
Adfortel was established in May 2007 and is both a technology provider and full service provider. For more information go to www.adfortel.com.

Mobile money-off

Customer Relationship Management (CRM) is a much-abused term. Michael Dempsey looks at what it means in the world of mobile marketing

CRM grew out of the first generation of large call centres where agents were expected to personalise conversations with customers using information about previous calls that popped up on the agents' computer screen. In theory, this conversation would create a space the call centre agent could use to cross-sell other products. However CRM was seized on by the IT industry as an excuse to sell elaborate software packages to corporate clients. In the ensuing sales frenzy, the meaning of CRM became stretched to cover just about anything a software salesman thought a business might need. But the mobile phone has given CRM the chance to get back to its roots, cementing a bond of loyalty between a brand and its consumers.

Money-off vouchers and coupons are a well-established way of trying to bind customers to repeat purchases, while gathering basic information on the product's consumers. But reaching for the scissors and cutting out vouchers is an inelegant process. People forget to carry the voucher with them, processing the information backward to the brand is troublesome for the small retailer, and overall redemption rates are low. Flashing an electronic voucher straight to a mobile phone and then giving the retailer the ability to redeem the voucher while simultaneously transmitting customer data makes the whole process a lot more appealing and starts to provide businesses with genuine CRM.

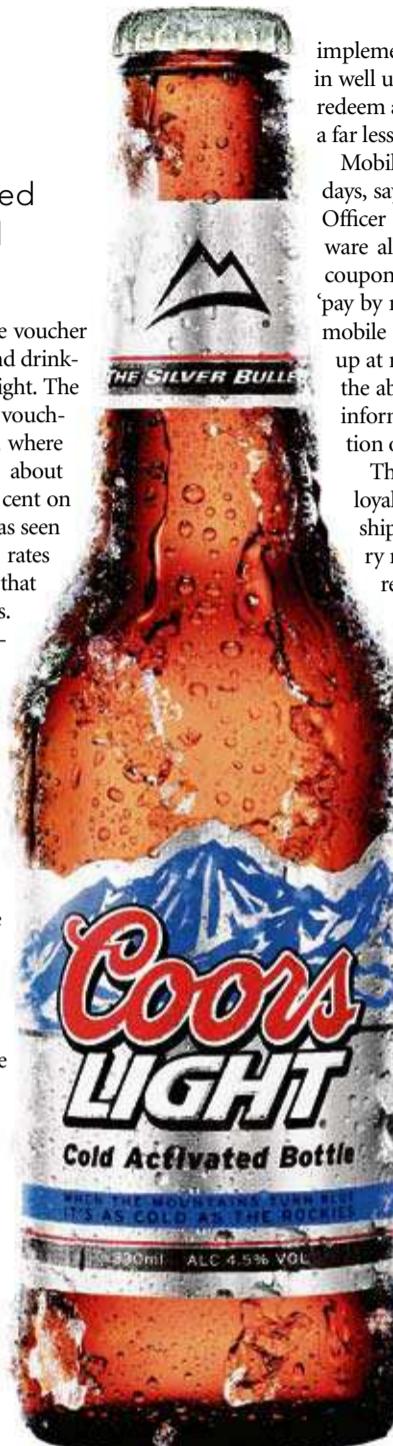
Commidea is a payments systems business whose chip and PIN products authenticate mobile vouchers. This eliminates a huge handicap thrown up by the traditional paper vouchers, says Ian Rutland, marketing director at Commidea. "The beauty of mobile vouchers is their flexibility. You can make them single use, or as create them as a viral marketing initiative that consumers can text onwards to their friends."

This flexibility was seen in action at bars in the Pitcher & Piano chain during the Christmas of 2008. Coors Light beer was promoted through mobile phone vouchers that drinkers requested from the Coors

website. Bar staff entered the mobile voucher number via Commidea terminals and drinkers received a free bottle of Coors Light. The software that authenticated these vouchers came from Eagle Eye Solutions, where director Steve Rothwell enthuses about voucher redemption rates of 10 per cent on many campaigns. Occasionally he has seen a mobile voucher push redemption rates as high as 30 per cent, and he claims that ease of use is the secret of this success.

"The holy grail of mobile vouchers is authentication and redemption at the point of sale," Rothwell notes that keying in a simple number is more reliable than attempting to scan information off a phone's screen and doesn't interfere with the work of hard-pressed counter staff in a hectic environment such as a bar at Christmas. Tracking the redemption rate instantly via an online connection gives the vendor an immediate snapshot of just how each campaign is progressing. The lifespan of the electronic vouchers can be expanded or contracted depending on the success of the scheme.

If this flexibility is one attractive facet of mobile CRM then short lead-times is definitely another big plus. Traditional CRM efforts have often assumed the mantle of Napoleonic campaigns, with strategy and support weighing heavily on the minds of planners. Research conducted for BlackBerry maker Research In Motion (RIM) indicates that many companies can



implement a complex mobile CRM project in well under eight weeks. Basic schemes to redeem and monitor discount vouchers are a far less challenging proposition.

Mobile CRM can be executed within days, says Hugh Cockwill Chief Operating Officer at Mobilize, which produces software allowing retailers to redeem mobile coupons. "There is a lot in the press about 'pay by mobile' but I think loyalty is where mobile will score. We can set a campaign up at really short notice and give retailers the ability to read campaign redemption information very quickly after the initiation of the campaign."

The potential for enhanced customer loyalty and closer consumer relationships that mobile offers is huge. But every mobile marketing campaign should remain cautious about content. One business that studies every conceivable type of CRM project is Unica, a US software house that specialises in pulling marketing campaigns together by assessing the data they have captured. The objective is to provide the client with a consistent marketing profile across different media.

Elana Anderson, Unica's vice president for product marketing maintains that mobile marketing only really adds to the mix when people remember how it differs from posters and print campaigns. "The important thing is to remember that text is a very personal channel, people get annoyed if you just blast out material." Winning mobile CRM initiatives still need to start with the right idea, but the rapid pace of roll-out means that smart operators will know when they've got it right very quickly indeed.

Mobile vouchers went down well with Coors Light drinkers



CASE STUDY

Pharmaceuticals giant GlaxoSmithKline has seized on the potential of mobile messaging to prompt patients to make medical appointments says Michael Dempsey

Some vaccinations, such as GSK's ground-breaking anti-cervical cancer preparation Cervarix, need to be taken in stages at carefully arranged intervals in order for the drug to be effective.

GSK has linked the dispensing of Cervarix to an SMS broadcast service that patients can opt-in to. The service uses software from mobile marketing company Incentivated to manage registrations and to send out reminders to arrange second and third vaccinations. These have to be tailored to each individual prescription, with the first reminder sent 21 days after the initial jab, and the next reminder arriving 144 days later.

The SMS broadcasts are followed up by a final message asking patients to confirm they've taken all three shots and to contact their doctor if they have failed to make the appointments. Running across the UK, Germany, Denmark and Greece, this campaign took Incentivated and GSK just five days to set up.

Robert Thurner, commercial director at Incentivated, attributes this rapid set-up to the software-based environment of mobile marketing that allows projects to move forward at a pace that would be unthinkable using conventional media. The matching of mobile technology with a vital health education role by an organisation of GSK's stature marks the acceptance of mobile marketing techniques as mature, tried and trusted.

PROMOTIONAL FEATURE

Mobile marketing – it's easier to get started than you might think

With everyone talking about Mobile Marketing as the greatest thing since sliced bread, it can appear quite a daunting prospect to add the discipline to your marketing mix.

Yet it doesn't have to be that way and in fact any company that employs print advertising or has visible logos (e.g. retail outlets), poster ads or even TV advertising can use Mobile Marketing to reach consumers, allowing them to engage with your brand when they choose to do so and providing you with immediate response.

You are probably finding it harder and harder to efficiently reach your target audiences using traditional media. While at the same time a demographic shift has occurred that now sees an entire generation rely on their mobile phones for all forms of entertainment, research and comparison. Mobile marketing has now become essential for almost any consumer brand – including yours.

So how do you get started? At the heart of all mobile marketing is the fact that it must provide value to the consumer to trigger interaction. To do that the marketing must be targeted and engaging. If you get that balance right then you can achieve excellent results.

At EMP we provide strategic advice, creative expertise, as well as industry-leading technology, to help you create and deliver long-term strategy and campaigns that will excite your target audience, creating a stronger emotional attachment to your brand, as well as having a positive effect on your bottom line.

Our experience in this sector, garnered while working with brands such as American Express, Microsoft, SKY, Nike and many SMEs, means that we know how to create effective and profitable campaigns – as proved by the recent success we had with the prestig-

ious fashion brand Amanda Wakeley – 70 per cent of all sales were directly attributed to the EMP created mobile marketing campaign.

One of the greatest benefits of mobile marketing is the fact there is something for everyone. The variety of available campaigns means that you will be able to find a solution that fits your brand, matches your audience's desires and works within your budget... and create more accurate metrics than any other form of marketing.

It could be a simple, well targeted SMS campaign – sending a text message with a specific offer, notice or piece of information to an audience that opted in to receive such infor-

mation; or a fully click-enabled campaign – allowing anyone to use their mobile phone camera to 'snap' your logo, poster advert or even TV ad to receive more information about your company, products and offers straight to the palm of their hand.

Mobile marketing allows you to interact directly with your audience, the benefits are enormous. You need to do it, do it right, but do it now.

For more information on how to run an outstanding mobile marketing campaign contact EMP on info@empuk.net or 0780 3594697 / 0759 5154753 or visit www.empuk.net
Adrian Clarke, CEO of EMP



PROMOTIONAL FEATURE

net mobile AG – Delivering Mobile Media Services to Brands, Agencies and Network Operators right across Europe

net mobile AG is the leading provider of interactive mobile media applications and value-added services to broadcasters, publishers, production companies and mobile network operators across Europe.

The company is behind many of the biggest digital agencies providing the technology that powers award-winning mobile marketing campaigns, mobile web and application development, messaging, ticketing and barcode system integration, as well as being the leader in enabling interactive broadcast services to UK, Swiss and German media companies like Bauer and Global Radio, Channel 4, RTL and MTV.

Building on its past success, net mobile AG has achieved stellar revenue growth of €42.5m (49 percent increase year on year) for the first half of 2008/2009 financial year after successfully integrating MINICK AG, including its UK operation, into its corporate structure. The move reflects the group's increasing business and wider portfolio of solutions for its regional clients. Set against the present economic climate, net mobile AG is bucking corporate financial trends and pressing ahead with the delivery of even more innovative customer service offerings and making Mobile a real business opportunity.



Theodor Niehues, CEO net mobile AG

'We have experienced tremendous growth across Europe and have developed a very strong business particularly in the German speaking markets. We plan to further strengthen our UK operation through continued investment and the introduction of additional products and services that have proven successful in mainland Europe.' Said Mr. Theodor Nieheus, CEO of Net Mobile AG.

The primary objective for 2009 -10 is the implementation of more global download portals for several of Europe's largest mobile network operators. Net mobile AG already manages mobile and web-based store fronts, including video, audio and game downloads, as an outsourced service for leading operators such as Vodafone Germany, Swisscom, O2 Ireland, Eplus in Germany, and has recently taken

over the management and hosting of the entire mobile portal for Swiss operator Sunrise.

Net Mobile AG also provides mobile internet publishing services to Universal Pictures and Sony Pictures International, delivering cutting-edge portals for new movie releases across North America and Europe, further underlining its capacity to help big media companies offer dynamic and innovative entertainment for consumers who want to be 'ahead of the pack'. In addition, Playboy International selected Net Mobile to manage its mobile marketing and content distribution on a Pan-European basis in a seven figure deal which gives Playboy access to every single major European mobile operator.

Companies that use Net Mobile's services take advantage of the benefit of more than 15 years of experience (MINICK was founded in 1994) and expertise in developing cutting-edge interactive solutions which are managed across robust and reliable technology platforms. The company has built one of the largest premium messaging networks in Europe and operates its own v-SMS and v-MMS centres with direct connections to many mobile networks. Service providers, agencies or network operators who would like to benefit from Net Mobile's experience are able to obtain full flexibility by building an in-house technology operation or have the opportunity to license one of the most successful mobile service platforms in the market.

Our service platform is one of the most comprehensive solutions within the industry with a broad range of supported functionalities. The platform has been continually enhanced since 1998 with over 200 man-years of R&D investment.

This full service in-house platform capability is a key differentiator from Net Mobile's competitors, many of whom simply act as brokers for a myriad of platform and technology module providers.



Lourens de Beer, Managing Director, Net Mobile UK

'We develop and host complex mobile solutions entirely on our own platform providing our customers unprecedented control over their various campaigns and provides a unified view of end use activity across SMS, MMS, Mobile Internet and Mobile applications.' said Lourens de Beer, Managing Director of Net Mobile UK.

Here are some examples of key Net Mobile service delivery solutions and the customers who use us:

MOBILE PORTAL DEVELOPMENT

By using Net Mobile's portal module, publishers can create stylish mobile portals that automatically support and are optimized for the entire relevant global base of handsets (>3,000).

The mobile web has experienced phenomenal growth globally these past few months. Page impressions and unique visitors are exploding and the mobile Internet is now emerging as a new profitable distribution channel for content and services. It is now fast becoming a 'must have' for Brands and Media Owners to have a significant presence on the mobile internet landscape and already a solid revenue stream can be developed in this channel.

Clients already using Net Mobile's portal module include: Ringier (Switzerland), CNN (UK), MTV (Germany), Mobilkom (Austria), Swisscom

(Switzerland), Universal Pictures (UK & USA), Sony Pictures (USA), Playboy (UK) and many more.

MOBILE APPLICATION DEVELOPMENT

We have been developing mobile applications for a number of years, predominantly for Java (J2ME) enabled handsets. The advent of the iPhone has created a new wave of public and corporate interest in this space and rightly so. Net Mobile is capable and experienced in delivering iPhone, Android, Symbian, BlackBerry and J2ME applications.

Our applications can also integrate deeply with back-end systems including live market information, content management systems, billing and through our diverse range of APIs we can connect to any advanced enterprise system.

Our team of 20 developers in Shanghai offers express porting of applications across a wide range of handsets to ensure our clients cover a big range of mobile devices in an economical manner.

Clients already using Net Mobile's Mobile Application Development services include: Cash.ch (Switzerland), MTV (Germany), Universal Pictures (USA), MobiPro (UK) and many more.

MESSAGING GATEWAY

SMS has become one of the four most used communication channels on the planet next to voice, e-mail and instant messaging. The utilisation of SMS as a communication tool is limitless. SMS can be used in a wide variety of cases, for e.g. sending out pollen alerts, sending a football match score, ordering goods from a catalogue or vehicle tracking. What do you need to start communicating with your target group via SMS? A highly reliable, low cost and simple to use messaging gateway from Net Mobile is the answer.

One interface for all types of messaging, standard SMS, premium SMS, standard MMS and premium MMS, easy to integrate into your application and supported by our own high availability network operating centre.

Clients already using Net Mobile's Messaging Gateway include: Channel

4 (UK), Bauer Radio (UK), Global Radio (UK), UBS (Switzerland), RTL II (Germany), T-Online (Austria), Warner Music (Germany), BBDO (Germany) and many more.

MOBILE BILLING GATEWAY

Mobile Content is a growth market estimated to expand to over €60bn in 2011. One of the drivers of this growth is the seamless integrated one-click or one-text billing mechanism. Mobile micro-billing is perfect value for the consumer. It is easy to handle from both a consumer and merchant perspective via the seamless order-delivery billing process.

Via direct connectivity to the carriers' billing systems, Net Mobile is able to provide merchants with an easy to integrate and secure billing interface for their services, regardless whether those services are mobile or web-centric.

All mobile subscribers can be billed, from pre-paid users to credit subscribers. The reach of our mobile payment solution covers over 350m individuals which our merchant partners can bill via one single interface at competitive payout rates from premium sms to credit card billing. More importantly Net Mobile consults its partners on regulatory requirements and helps set up service descriptions in local languages where required by operators or regulatory bodies. Net Mobile's billing gateway is currently used by over 500 merchants and has completed over 200m billing transactions in 20 countries including Algeria, Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Holland, Ireland, Morocco, Norway, Poland, Slovenia, Spain, South Africa, Sweden, Switzerland, Tunisia, United Kingdom and USA.

Clients already using Net Mobile's Mobile Billing Gateway include: Universal Pictures (USA, UK), MTV (Germany), Super RTL (Germany), Bob Mobile (Pan Europe), Universal Music (DE), Moustik (Switzerland) and many more.

To Contact us

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JOIN US

To find out more about the explosive growth and how the mobile internet landscape is opening up join us at AIME Knowledge Seminar: "Untangling the Mobile Internet – It's more than just WAP and the iPhone"

Thursday 16th July 2009

6.30pm – 8.30pm, Portland Suite, Grange Fitzrovia Hotel,
20-28 Bolsover Street, London, W1W 5NB

For more details, please visit:

<http://www.aimelink.org/KN/UntanglingMobileNet.aspx>



Let me entertain you

Mobile entertainment services are at an all-time high, and so are the number of business models supporting them.
By Ingrid Lunden

Application portals, and the attention they've had since the launch of Apple's App Store, have provided a major catalyst for the world of mobile entertainment - that catch-all category that covers content from mobile TV, music and games, to ringtones and wallpapers and social networking.

For years, the key debate for mobile content people was whether to offer services "on-deck" or "off-deck" - within a mobile operator's walled garden or directly via the mobile internet - and how to manage charges and development associated with this. Now app stores offer a third way of targeting the consumer.

The result has been an explosion of mobile content, much of it from outfits with no previous distribution outlet. "The value has moved around: 93 per cent of content in the iPhone is value that wasn't there before," says Sean Kane, global head of mobile at social networking site Bebo.

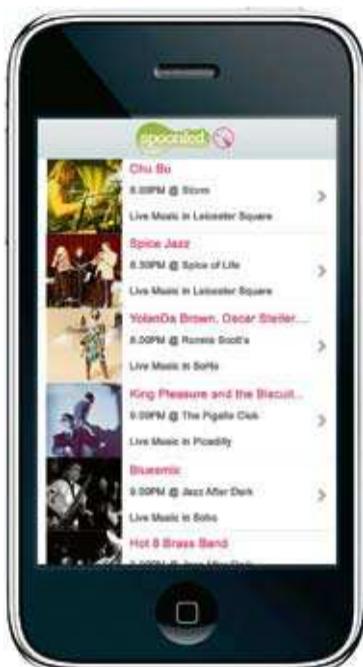
Even in these recessionary times, the mobile content industry feels confident enough to forecast average revenue growth of 28 per cent next year, according a recent survey from KPMG.

The Mobile Entertainment Forum currently values the mobile content market at \$32bn worldwide. The revenue models behind that number, however, appear to be all over the map.

The MEF says that most mobile entertainment revenue comes from charged content, with advertising accounting for only 10 percent of its figure, according to Andrew Bud, its chairman.

That does not mean there isn't still huge potential for rich content funded by advertising. In the past, analysts speculated the biggest opportunities for mobile entertainment advertising might be in mobile TV: figures from Juniper Research in 2008 predicted that revenues from this would reach \$2.5bn by 2013.

The ad-funded services out there are growing. WeROK—an ad-funded, free-content-over-WiFi portal run by ROK Entertainment - has just expanded its



The iPhone is big on entertainment

offerings to include ad-funded games. WeROK has already been providing TV, email, comics and chat services, all free, since April this year.

More recently, there has been a greater focus on advertising within long-tail content, courtesy of these app stores. "Games are a low hanging fruit. You start from there until you can serve more complex ads that will go after other niche markets," says Alex Moukas, CEO of mobile marketing company Velti, which has traditionally focused on mass-market, direct marketing campaigns based around services like SMS.

But what to do with totally free content, which, after all, is here to stay? Observers say the clever publishers will be those that embrace free and use it to a wider marketing advantage.

"People are consuming for free, so it's very clear you can't compete on price longer term," says Barney Wragg, a consultant who was formerly the digital head of music label EMI. "The upside is an understanding that you have a much bigger market with passions and interests that add up to creating something very bespoke. The entertainment industry says, 'hell, it's all going to advertising,' but now you can target customers with exclusive tickets and other promotions. That all adds up to a lot of CDs being sold for £9.99."

Andy Zimmerman, an MD at consultants Accenture, thinks mobile

could follow a paradigm being set online. Focus groups indicate that when young people are online, they tend not to pay for anything, and yet these are the same people who will fork out substantial cash for what Zimmerman calls "tangibles": electronic devices, clothes, tickets to a concert and so on. "You need to figure out how to bundle value into devices and other tangibles because people are willing to pay for them," he says. "Amazon and Apple are two examples."

There is another key area emerging in mobile entertainment, where the content is actually marketing, but entertaining or useful enough to keep users engaged.

Last year's award-winning campaign for Lynx deodorant may be setting the bar for how elaborate these can become. The Lynx Effect is an all-in-one mobile portal dedicated to the single man on the prowl (tongue-in-cheek of course): dating advice, chat forums, user-generated content, mobile wallpapers and other material gets added to the site regularly - along with promotional slots for the products, of course.

Ogilvy last year developed a marketing-led app for Guinness, aimed at the 20,000 British people traveling to Hong Kong for the Rugby Sevens tournament. "We made a city guide for the event. When users pressed a button, the phone would speak phrases in Cantonese," says Scott Seaborn, head of mobile for Ogilvy. "It's essential in a city where, for example, most cab drivers don't speak English."

Another mobile city guide, from Spoonfed, offers Londoners entertainment listings based on their location at any moment. The service is provided as a freebie so that it can amass data for its revenue-generating product: selling mobile marketing services to companies that list events. Spoonfed plans to extend the service to other cities as well.

These infotainment campaigns have yet to make it to top ten downloads lists, but they reveal an encouraging sign in terms of how mobile entertainment is getting consumed. Golden Gekko, the digital agency behind the Lynx campaign, says that when it develops an app for multiple devices, collectively, devices from Nokia, Blackberry, Sony Ericsson and others outnumber Apple downloads by a factor of 10 to 1. The bottom line is, it's not all about the iPhone.



© Oskar Kihlborg/Ericsson Racing Team

CASE STUDY – ERICSSON

Creating and maintaining a worldwide brand in the face of massive competition is a complex and expensive process says Michael Dempsey. If a business is going to promote the brand by investing in something as costly as building and crewing an ocean-going yacht it needs to make the most of it.

The 10th Volvo Ocean Race set sail from Spain in October 2008 finished on 27 June 2009 in Russia. Swedish telecoms giant Ericsson is estimated to have spent over £30m on putting two yachts into the 8 strong field and linking this endeavour to a much broader global marketing initiative that thrives on mobile communications technology.

Ola Rembe, communications boss at Ericsson Racing Team, strenuously resists talk of this programme as mere sports sponsorship. "This is part of our sales and marketing toolbox," he explains. As the teams battled it out across 37,000 miles of ocean towards the race finish in St Petersburg their pitstops at locations such as Cape Town and Boston were accompanied by an Ericsson Pavilion, designed to impress the company's customers and underline the brand principles of tenacity and technical mastery that Ericsson hopes to reinforce.

Keeping this whole effort afloat and in touch with a vast community of interested parties were online and mobile portals. These tied Ericsson's brand to both corporate customers and the general public. The mobile portal provided live updates on the race as the eight vessels vied for the lead. "The race comes to life through satellite technology that allows the public to recreate courses and tracks and see compass bearings and speeds" says Ericsson spokesman Dave Curl.

The ability to follow the yachts via a mobile campaign was built into the race plan from the very start by Ericsson. Each yacht had a media crewman whose sole role was to pump out information on events, seeding the online connections and mobile phones of an international fan base.

Ericsson studied its mobile community in detail and identified a range of character types including influential professionals and bloggers, as well as sailing enthusiasts whose experience of the mobile portal helped to drive both product adoption and brand awareness.

Generating content that Ericsson describes as "exciting, accessible and immediate" the yachts underlined the company's communications technology credentials, while generating a powerful buzz during the nine months of the race and beyond. By the time one of the two Ericsson yachts, Ericsson 4 was confirmed as the winning vessel in this epic voyage, the mobile portal had gained 30m hits. Ericsson had won a race and a dedicated global audience.

Some responses just need to be immediate

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The future of mobile marketing

We asked four leading thinkers in the mobile marketing space to give us their thoughts on what the future of mobile marketing might look like...



Westley Gillard,
retail solutions
director, Velti Plc

The capabilities of future mobile technology, when used by 'digital natives', or individuals that have only lived in a digital age, should establish mobile marketing as a de-facto part of every consumer's lifestyle.

From a retail perspective, in the future mobile 'click-and-buy' technology will increasingly allow shoppers to consume, and have brand experiences, wherever and whenever they want. For instance, image recognition technology will mean that consumers can take a photo of an item of clothing, and via the mobile internet, find out where to buy it for the best price online and purchase it via their phone. This search could also provide the consumer with the name of the nearest stockist to their current location, where they could redeem a discount mobile voucher.

As peer-to-peer reviews continue to provide a powerful aid to purchasing decisions, geo-tagging will mean consumers will be able to leave 'virtual post-it notes' for other consumers to pick up in certain stores, offering their thoughts, advice or comments to other shoppers. Retailers in turn will be able to provide extra data through 'intelligent' goods. Shoppers, using their phone as a reader, can then scan the goods to verify provenance and origin ahead of making a buying decision."



Scott Seaborn,
head of mobile
technologies,
Ogilvy Group UK

Let's not forget that mobile is not just about telephones. There is a whole bunch of wireless devices that do not support voice calls but are still very much in the mobile space. Mobile also means 'in transit' and thus mobile marketing can and will grow outside of

the mobile telephone. Take GPS devices like the Tom Tom for example. Imagine an application that turns the device into your own personal tour guide or concierge. Wireless devices like Tom Toms hold great potential for creative work. At Ogilvy we like to use new technologies to solve old problems and with mobile we have lots of opportunity to create branded utilities - to turn marketing into a service. An application we have developed for IBM which is being used at this year's Wimbledon tournament is a case in point. It's an augmented reality and visual search application for the G1 Android phone. As you point the phone at various parts of the Wimbledon village, it recognises where you are which way you're facing and brings up information about the building you're looking at, including the current score if you point it at one of the courts. Smart, intelligent applications like this that make people's lives easier, more fun, or more informed, are the future of mobile.



Russell Buckley,
vice president,
global alliances,
AdMob

Apple's iPhone has undoubtedly had the biggest single impact on mobile advertising in the last year and in turn, gives us a clue as to what the future holds.

It was very clear from the start that iPhone's user-friendly interface and fixed rate mobile web pricing led to far more mobile web usage than on other phones,

including other smartphones. The next major change in consumer behaviour came with the launch and success of the Apple App Store, which to date has seen well over 1bn downloads, and today has more than 50,000 apps.

The iPhone has driven the creation of new ad formats for both the mobile web and in applications, which play to the core strengths of the iPhone as the alpha handset in the mobile medium. AdMob has been the major player in creating advertising on iPhones over the past year and has created unique ad units with features like touch to call, touch to watch video, and even the ability to go straight to a brand's pages within social media sites like Twitter and Facebook.

It's also obvious that consumers find the iPhone interface easier to engage with the ads they see, both within apps and on the mobile web. Not only are we finding consistently higher responses to ads, but far higher conversion to the advertisers' call to action.

As to the future, it's already here – on the iPhone at least. Sophisticated and rich media ad formats and landing pages, real scale (over 1bn ads per month), the parallel importance of apps as well as web, strong measurability, case studies, location awareness and – proof of the pudding – brands already commissioning multi-million dollar advertising campaigns. As other handsets reach the bar that Apple has raised, all this will come to all mobiles, benefiting advertisers and consumers alike.



Helen Keegan,
mobile marketing,
advertising and
media specialist

The future of mobile is that mobile will just be a normal part of the marketing mix. It will be almost invisible, in that people won't know whether they are browsing on the mobile web or the "full fat" web; they will just be looking at Facebook or the BBC, or checking email, so their consciousness of how they are doing that will disappear. The focus will be on making brands' services and products accessible, however anyone wants to get hold of them and that's the priority.

Mobile technology is moving forward, and there are some exciting innovations around and we will see mobile being used in some interesting ways in the future, but we should not get carried away with the new shiny thing, when a good, reliable mobile website and old fashioned SMS are still really important. There is a lot of mileage left in messaging for customer service, saying thank you, getting feedback, the simple things. It's not about push advertising, it's about having a proper relationship with customers who want to have relationship with you.

It's easy to get carried away with the technology, but good marketing begins and ends with good service. You have to make it easy for people to find and buy your stuff and do it again.

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"Defying the tube strike, EMP's mobile marketing drove 70% of all sales in our stores" Prestigious fashion brand Amanda Wakeley

EMP are a mobile marketing specialist, delivering engaging & measurable services that ensure our clients ROI. Whether increased sales, attracting new customers, re-engaging existing customers or creating brand awareness.

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EMP work with clients to decide which mobile technology best suits their business model using an array of tools at our disposal. By applying our experience in technical, strategic and creative methodologies as well as taking into account historical data from past successes, we will utilise the most appropriate technology for every service and each client.

The 'right tools for the job' can be anything from a simple and effective SMS-based service that allows consumers to receive information about products and services, right through to the cutting edge in Image Recognition, such as our image zoning example below. Here, the consumer's mobile phone is effectively turned into a mobile mouse, replicating a web interaction, and they can choose one of the three objects to make a decision and hopefully win a prize.

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