

Chapter 4

Mobile Marketing

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ABSTRACT

Mobile technologies have dramatically changed the world's ability to communicate. The number of mobile phones used worldwide has exceeded 4.6 billion with continued growth expected in the future. In fact, in the United States alone, the numbers of mobile phone users comprise over 80% of the population. Mobile phones and tablets (mobile devices) are not simply voice communication devices. They have become a medium to create voice, music, text, video, and image communications. Importantly, these various types of communication can be created and shared on demand by the mobile user. In addition to communication methods, mobile devices are also a tool used to access the Internet, view television and movies, interact with GPS (Global Positioning System), and read and respond to barcode and augmented reality messages. Each of these methods utilized by the mobile phone user becomes a tool that can be used in mobile marketing to expand beyond traditional marketing methods. Mobile devices are considered to be "the most personal piece of technology that most of us will ever own" (Krum, 2010, p. 7). We usually take them with us wherever we go and are usually reachable through them. However, mobile devices also provide the ability to access the most personal information about us. Mobile devices know who we communicate with and how often. They know our schedule – both business and personal. They often know all of our email addresses and frequently accessed web sites. They know what videos, music, television shows, and movies we like. They know about us through pictures and text messages sent and received. They know where we go, how often, and how long we stay through location tracking technology. This collection of accessible personal information allows mobile marketing to target individuals at the time and place where their message will be most effective. Mobile technologies over the past 20 years have dramatically changed the way people communicate, collaborate, search for, receive, and share information. These dramatic changes have had striking impact on the world of marketing to the extent that mobile marketing has become the predominant form of customer engagement.

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INTRODUCTION

“Whenever our world changes, so must the practice of marketing.” (Becker, 2010, p. 9).

Mobile technologies have dramatically changed the world’s ability to communicate. In recent years, the number of mobile phones used worldwide has exceeded 4.6 billion with continued growth expected in the future (News, 2010). In fact, in the United States alone, mobile phone users are soon expected to comprise over 80% of the population. (Butcher, 2010). The growth of a subset of mobile phones, referred to as smart phones, is also increasing at a rapid rate. In 2009, 20% of mobile phone users bought smart phones. By 2010, smart phones comprised 30% of all mobile phones purchased. It is predicted that by 2011, purchases of smart phones will exceed purchases of other mobile devices, computers and laptops (Entner, 2010) Smart phones provide users with added functionality such as email, web browsing and the ability to download games and other applications. Smart phones also provide an array of marketing opportunities. According to a recently published Nielson Study (Nielson, 2010), by 2015 smart phones “will be the primary enabler of consumer shopping engagements” (p. 1).

It is also important to take into account other mobile technologies such as the growing use of tablet mobile devices. Led by the Apple iPad, which shipped 13 million devices in 2010 alone, tablet mobile devices are clearly changing the face of mobility and computing. It is predicted that by the year 2015, tablets will represent 23% of all PC sales (Butcher). As the widespread adoption of mobile technologies becomes the platform for several new approaches to marketing available only in the mobile environment, the impact of mobile technologies on marketing is significant.

“Fundamentally, mobile phones are now media” (Wertime, 2008, p. 4) Mobile phones and tablets (mobile devices) are not simply voice communication devices. They have become a medium to create voice, music, text, video, and image communications. Importantly, these various communications can be created and shared on demand by the mobile user. In addition to communication methods, mobile devices are also a tool used to access the Internet, view television and movies, interact with GPS (Global Positioning System), play games, and read and respond to barcode and augmented reality messages. Each of these methods utilized by the mobile phone user becomes a tool that can be used in mobile marketing to expand beyond traditional marketing methods.

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