

Chapter 59

Mobile Marketing Management: Marketing Objectives, Types and Implementation Techniques

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ABSTRACT

Mobile marketing is a new form of marketing communication using mobile communication techniques to promote goods, services, and ideas. The marketing instrument provides anytime and anywhere interaction, location and situation dependency, targeted addressing of consumers, and inherent measurement of campaign effectiveness. Based on case study research and empirical studies this chapter examines marketing objectives, types and implementation techniques of mobile marketing. Moreover two instruments for mobile marketing are provided: The campaign type implementation toolbox supports the development of campaigns on a tactical level and the campaign type selection toolbox enables a purposive planning of mobile marketing campaigns on a strategic level.

INTRODUCTION

Mobile communication techniques provide the opportunity to revolutionize marketing as they support advertisers in coping with their major challenge today: getting time and attention from consumers. For years, advertisers have created

communication strategies based on print, radio, TV, and Internet to broadcast their messages, but the advertising effectiveness of these media has significantly decreased in recent years. However, the rapid growth in mobile phone ownership throughout the world (Fife & Pereira, 2005) has opened a new mass marketing channel that enables advertisers to come closer to consumers than ever before. The groundbreaking characteristics

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of mobile communication techniques (ubiquity – context sensitivity – identifying functions – command and control functions) enable potentials not reachable with other media types. (Pousttchi & Wiedemann, 2006)

Mobile marketing: a new tactical marketing instrument of marketing communication using mobile communication techniques to promote goods, services and ideas, providing anytime and anywhere interaction, location and situation dependency, targeted addressing of consumers, and inherent measurement of campaign effectiveness. With these options, the mobile channel is ideal for building a real one-to-one relationship with the individual customer (Scharl et al., 2005). This is reflected by response rates far higher than those for traditional advertising: Up to 20 percent responses within certain mobile marketing campaigns are not uncommon (Kavassalis et al., 2003). M:Metrics (2006) found that a sizable percentage of mobile subscribers are responding to short codes placed in advertisements or in other media, with Spain topping the list at 29.1 percent, followed by the UK at 18.5 percent, France at 10.1 percent, the United States at 7 percent and Germany at 3.4 percent. According eMarketer (2005), it is predicted that advertisers will spend from \$254.8 million to \$760.4 million on mobile marketing in the U.S. by 2009. Moreover, it is already apparent that mobile marketing will in the long run become an important source of revenue for mobile network operators (Sharma & Wildmann, 2009).

Despite these optimistic predictions of current and future success of mobile marketing our understanding of mobile marketing strategy formulation and implementation remains deficient. Leppäniemi and Karjaluoto (2008) argue that mobile marketing is too often implemented at ad hoc basis. Thus, in this early stage a mobile marketing campaign still has to be developed by an “artist” who relies solely on intuition and personal experience. In order for a professional worker to perform this task, he must be provided with well-defined toolboxes that distinguish the available

elements of a mobile marketing campaign and link them to the different marketing objectives. To develop these toolboxes, a four-step approach is used: identify and classify major mobile marketing campaign characteristics, derive four mobile marketing standard types, identify and discuss the reachable mobile marketing objectives, and finally link standard types and objectives in a conceptual framework, complete with typical instances of the respective combinations.

The findings reported here draw upon the results of three empirical studies conducted in 2005 and 2007, including a case study research of 71 mobile marketing campaigns¹ and, based on the results, a web-based survey with 44 invited experts (both part of the MM1 study as described by Pousttchi & Wiedemann (2006)), as well as in-depth interviews with 10 senior managers of advertising agencies specialized in mobile marketing (the MM2 study).

CAMPAIGN TYPE IMPLEMENTATION TOOLBOX

Case study research indicated that a broad variety of characteristics is necessary to specify a single mobile marketing campaign. Basically, two main categories can be distinguished: push and pull. In push campaigns, advertisers send relevant but not explicitly requested mobile ads. According to the MM2 study, the number of push messages should be limited to two per month; more are typically considered mobile spam. In pull campaigns, other supporting media serve as triggers for customer requests and result in higher customer involvement. Therefore, pull campaigns are clearly preferred by the MM2 informants. The high suitability of on-pack advertising as a supporting medium (Figure 1) reveals the potential of mobile marketing for the food industry, as campaign instructions adequately describing the campaign process and the added value can be printed on the packaging at low additional cost. Providing this latter type

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