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video case

chapter 7 Social, Mobile, and Local Marketing

case 7.2 The Full Value of Mobile Marketing

watch the video at

https://www.youtube.com/watch?v=6vG0feZbj8Q

summary

Determining return on investment for marketing campaigns has gotten tougher with the advent of multi-channel marketing and the rise of the mobile platform. Adidas and iProspect have teamed up to determine where their marketing efforts are most effective. L: 2:15



As consumers continue to move more of their media consumption and computing tasks to mobile devices, marketers have followed, devising an array of methods to extend their branding and marketing efforts to the mobile platform. These include many different types of in-app advertising and mobile search advertising. This shift towards mobile has required both brands and the advertising and analytics companies they work with to analyze the impact of their mobile marketing in a different way from other marketing channels. The better companies understand the impacts of their mobile marketing, the more return on investment they can expect to see from their marketing campaigns.

continued

Millian

When the only way to access a website was using a desktop computer, using a less granular approach to assess the viability of a marketing campaign made more sense. Now, however, consumers not only can access the same website on different platforms, but two customers can reach the same site in very different ways. In this video, global sporting goods giant Adidas describes its experiences working with digital performance marketing agency iProspect to better understand the value of its mobile marketing efforts.

With clients ranging from GM, Hilton Hotels, Neiman Marcus, and T-Mobile, iProspect is familiar with marketing initiatives in very different industries. The company specializes in search engine optimization, paid search, display ads, and other social and mobile marketing techniques, while placing an emphasis on delivering measurable return on investment. For a business like Adidas, which relies on bricks-and-mortar outlets, mobile marketing that drives customers to a physical location nearby is critical. The video describes how iProspect focused on Adidas's mobile store locator to determine its effectiveness as a mobile marketing tool.

Determining the precise number of customers originating from mobile marketing efforts over a given period of time is difficult. To try and solve this problem, iProspect analyzed the effect of advertisements featuring a store locator using Adidas' internal data. They accurately estimated of the percentage of store locator clicks that resulted in in-store traffic and the value of their eventual purchases. They then incrementally increased these amounts, because potential customers who clicked on the store locator already display a higher level of intent to make a purchase.

Different types of businesses might see different returns on the same type of advertising campaigns. It's up to each individual business to accurately determine the type of mobile advertising that best drives their business.

video case questions

- 1. Of the mobile users who clicked on the store locator, what fraction did iProspect estimate entered a physical store?
- 2. What did iProspect determine to be the worth of each individual store locator click? What implications did this have for return on investment?
- 3. Why did iProspect increase the average order value per visit from its initial amount? What were the amounts?