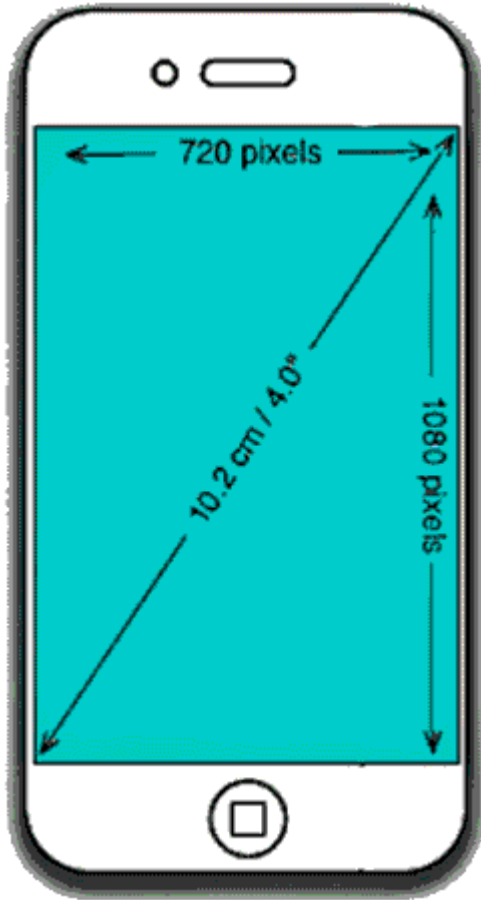# Topic 11: Mobile Marketing

MKT 485

Chapter Objectives

Identify key factors that differentiate mobile usage from desktop usage.

Identify key factors that differentiate mobile *users* from desktop *users*.

Determine unique opportunities for targeting mobile users.

Mobile Constraints

720 pixels

10.2 cm / 4.0"

1080 pixels

Less information

Slow typing

Fat-finger clicking

Slower processor

Slower internet connection

Mobile Behavior

"What can you do for me right now?"

"Let me check."

"Ooh, a video!"

"Where?"

Desktop *VS.* Mobile

Behavioral Differences

The same consumer behaves differently on a mobile device compared to a desktop computer. These differences can lead to opportunities for smart digital marketers who learn how to cater their offerings to mobile users.

1. Mobile users are more impatient than desktop users.

2. Mobile phone usage is characterized by "snacking" rather than "feasting".

3. Rich media (e.g., video) is equally effective for mobile users as for desktop users.

4. Location matters more for mobile users.

Best Buy - Desktop

Best Buy

Best Buy employs a separate mobile and desktop site. Though most of the content is the same, the organization of some content, especially the above-the-fold content, is organized differently for the desktop and mobile sites (1. Best Buy logo; 2. Search bar; 3. Promotional navigation at the top; 4. Local store and shopping cart; 5. Main navigation (Product, Brands, Deals, Services); 6. Account navigation).

- How much of the screen would be taken on a mobile device if all of these navigation options were preserved on the mobile page?
- How can we optimize the mobile page? How many navigation options should be included? How much space should be taken by navigation? Where should the navigation be located?
- The Best Buy logo could be viewed as taking space unnecessarily, but it is unwise to remove identifying information. The URL may not be visible on the mobile browser, so without the logo, site visitors may feel skittish.
- Clearly, we will have to get rid of most of the navigation options. The standard method of doing this without removing the availability of navigation is to use a hamburger menu (the three parallel horizontal lines that indicate an expandable navigation menu).

Best Buy - Mobile
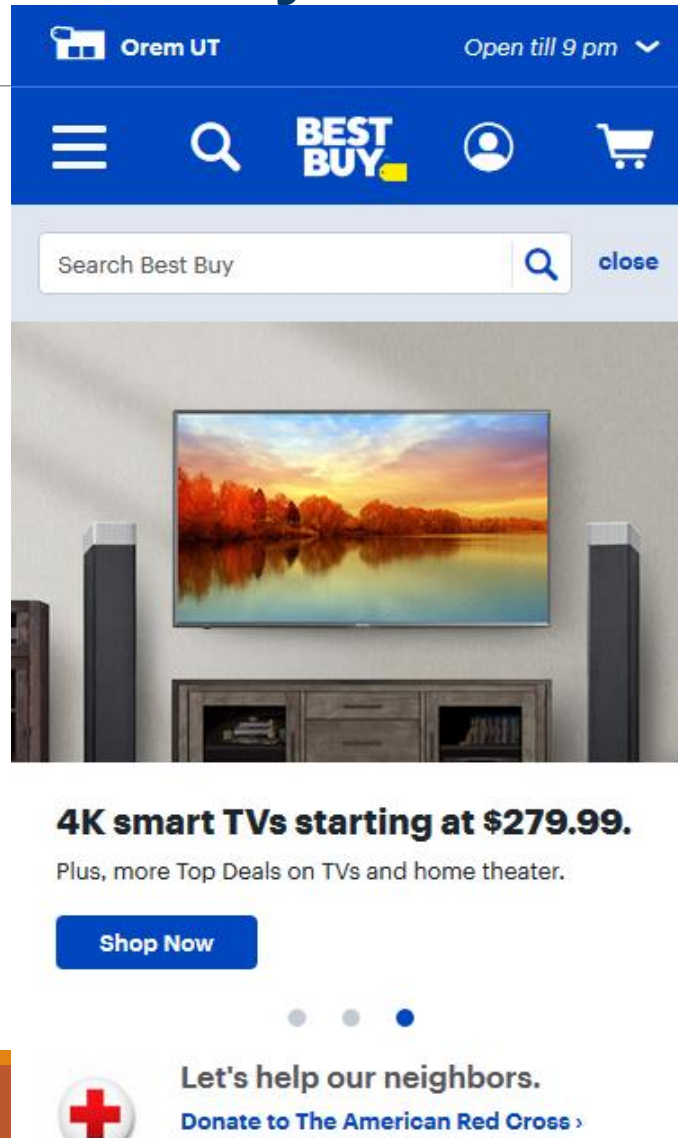
Location-Based Targeting

These concentric circles are a simple representation of distance from a store or a restaurant. The figure illustrates the principle that as distance increases from the location, the probability of response to an ad decreases.

X

.01

.001

.0001

Mobile Targeting

What the ideal advertising target would be for a See's Candies store within a mall?

Location: If See's could implement a geo-targeting fence (for push notifications, not for search or social ads), how large should that fence be.

Time: At what time of day should See's Candies increase their willingness to pay for ads? (Assuming people are more responsive to candy appeals between meals, perhaps in the early-to-mid afternoon and in the later evening)

Shopping Context: Assume we have advanced ten years into the future, when data tracking has (possibly) advanced to the point where we can know whether someone is shopping at the mall alone, with his/her spouse or significant other, with his/her entire family, with a group of friends, etc. What shopping situation would be most amenable to a response to a See's Candies ad?

Trajectory: Because mobile phones provide their location information constantly, information about a mobile user's trajectory (that is, location history) may be made available to advertisers . Would See's Candies likely have more success advertising to someone who is walking quickly in the mall or someone who is walking at a slower pace? directed path or aimlessly?

Mobile Targeting

What the ideal advertising target would be for a Zara store within a mall?

Demographics: What is the demographic make-up of Zara's customers? Who should Zara be willing to pay more to advertise to?

Interests: A person's mobile phone stores abundant information about a person's interests. Which interests might be indicative of a shopper would would respond to a mobile ad for Zara?

Location: How large should a geo-fence be for push ads from Zara?

Time: Though it is impossible to know for sure, it can be presumed that timing matters less for Zara than it does for See's. People's appetite for clothing shopping likely does not vary significantly within a day.

Shopping Context: Clothing shopping is a social activity for many people, so social group composition may affect ad response.

Trajectory: Zara may wish to avoid advertising to people who have a direct trajectory to their store. As an anchor store, Zara likely receives traffic from a large proportion of people who visit its mall. Advertisements at people who are already headed to their store would be at best a waste of money.

Additional Mobile Targeting Methods

Your digital footprint from your desktop computer usage is quite large. That is, your desktop browsing history tells a lot of information about you. Your digital footprint from your mobile device is many times larger. In addition to your mobile browsing and app usage history, your mobile phone carries an immense amount of location information that tells an intimate story about your habits and likely purchase interests. Smart marketers can use this information to create highly targeted, highly effective mobile ads.

Habits. Consumer behavior tends to differ on weekdays versus weekends; mornings versus middays versus evenings; before work versus after work. Marketers should be aware of how habits affect when potential customers are likely to respond to their ads. A bakery may find that some consumers are likely to respond to ads in the morning, as they enjoy eating a donut before work; other consumers are more likely to respond to ads in the afternoon, as they enjoy a pre-dinner treat on their commute home.

Weather. Rain dampens consumer spending, so ad response tends to be higher on good weather days. But the effect of weather goes beyond this general spending effect. Weather also affects people's moods, and they are more likely to respond to positively-valenced messages on sunny days and negatively-valenced messages ("Don't miss out!") on rainy days.

Social context. People respond differently to marketing messages when they are alone versus with their spouse versus with their family. While current data limitations make it difficult to assess a potential customer's current social situation, some researchers found a way to do so, and such targeting may become more commonplace in the future.

The Future of Mobile

Mobile technology and customer behavior are changing at a rapid pace, and predictions about the future are likely to be wrong within months of their pronouncement. However, the future of mobile in the United States can be more reliably predicted because it only requires looking outside the country. The United States is far behind many other countries when it comes to mobile, so current mobile practices in other countries provide a glimpse into the future.

Mobile payment systems. If you go out to eat in the United States with someone visiting from another country, they are likely to express confusion, and potentially frustration, at the need to pull out a credit card. Mobile payment systems are widespread in most of the developed world. The convenience advantage of such systems is dramatic, and are likely to have a sizable impact on the mobile economy when they are adopted. Reducing payment friction (i.e., making payment easier) will increase ad responsiveness.

Browser bluetooth. Once you enter a building, GPS no longer functions. If you want help locating a specific product within a Target store, browser bluetooth can be used in place of GPS for location-based guidance and ad targeting. Target can place bluetooth low energy beacons throughout the store that can detect a mobile phone's proximity and either send that phone push notifications when appropriate or provide pertinent information to the user upon request (Figure 12.2.1). Mobile-based in-store shopping aides have been predicted for some time, but as of yet no developer has introduced an application sufficiently compelling to generate widespread adoption. Plenty of companies are working on it, so the technology is primed for diffusion within the next few years.

Virtual and augmented reality. Both virtual reality (see Figure 12.2.2) and augmented reality (see Figure 12.2.3) are currently used more for entertainment than for commercial applications, but many predict an explosion of commercial applications of both. These predictions are overly optimistic. Obtrusive technologies like Google Glass have difficulty finding their way into the mainstream, so digital marketers can probably ignore these technologies for now.

Browser Bluetooth
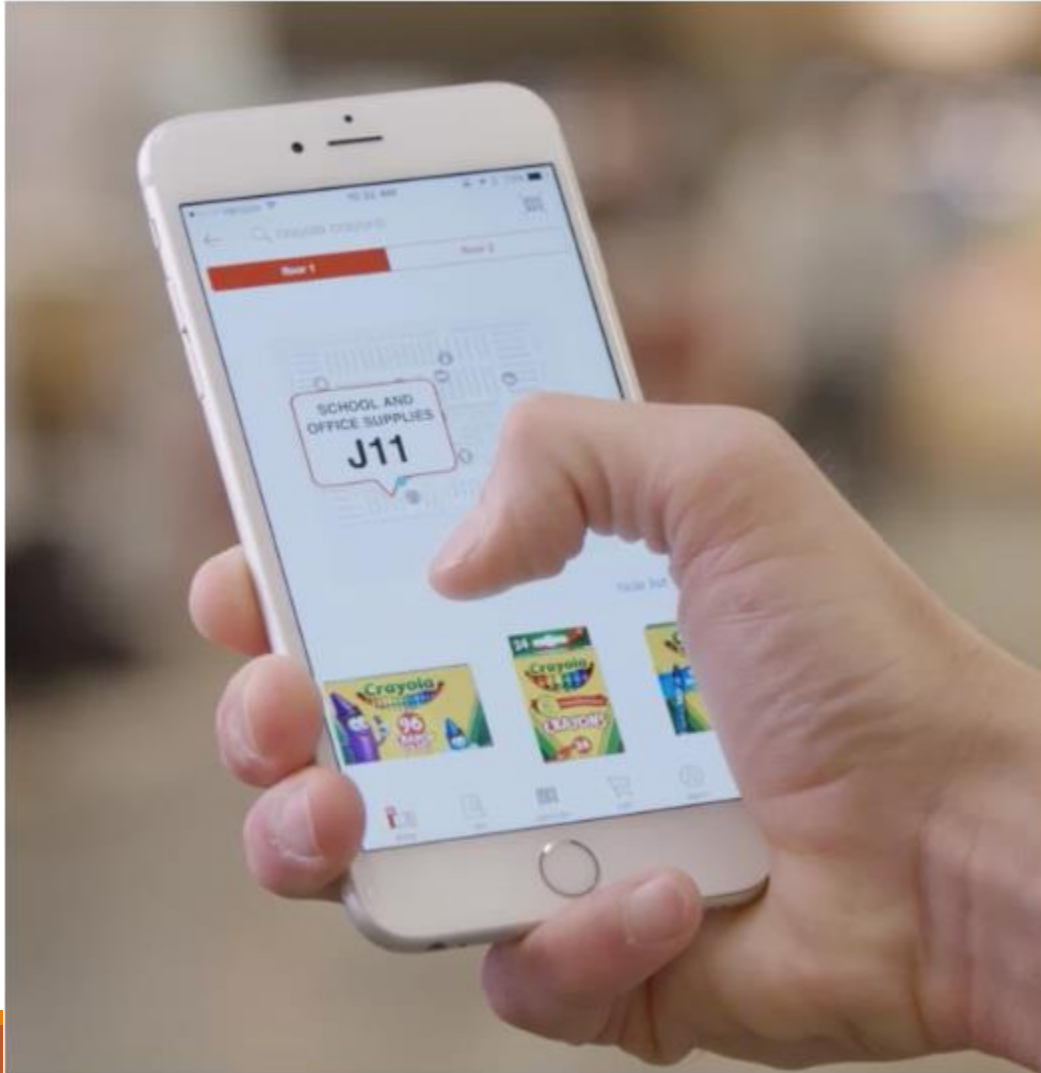
Browser bluetooth is a promising technology that is likely to facilitate some important innovations in mobile marketing in the near future.

Browser Bluetooth

Finding product locations

Push notifications
- Discounted items
- Complementary items
- Promoted products
- Item location

Automatic checkout
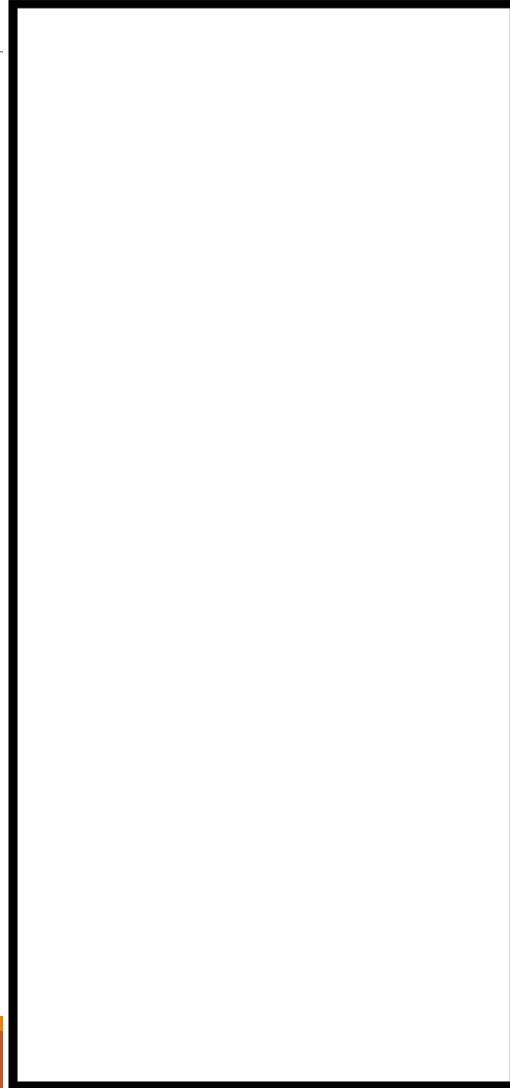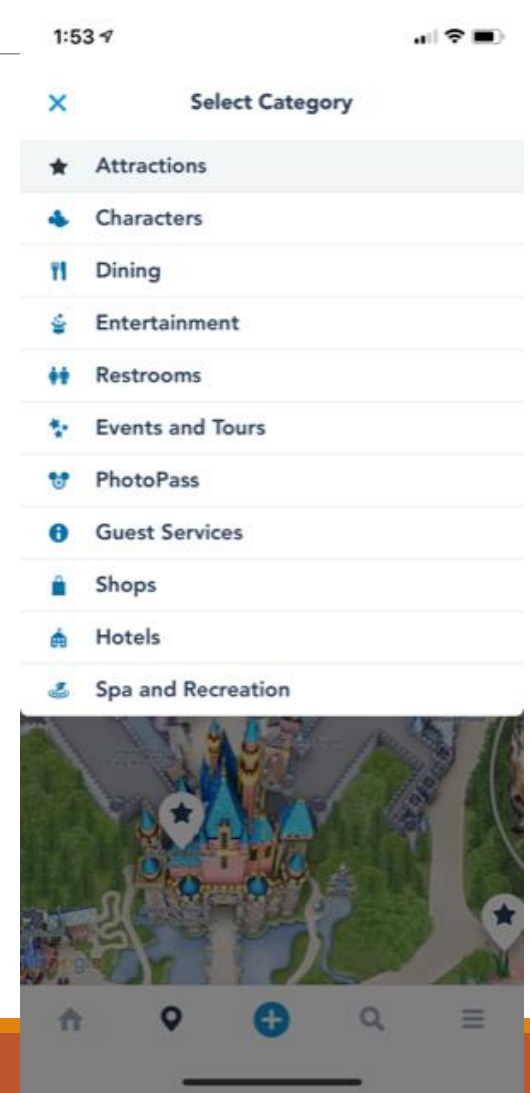
Mobile Application Design
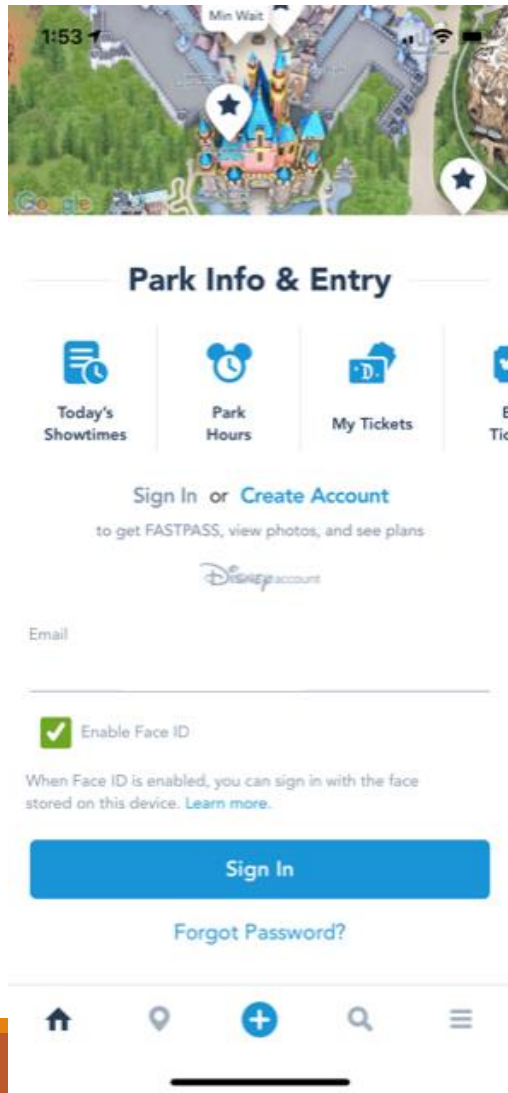
Mobile Application Capabilities

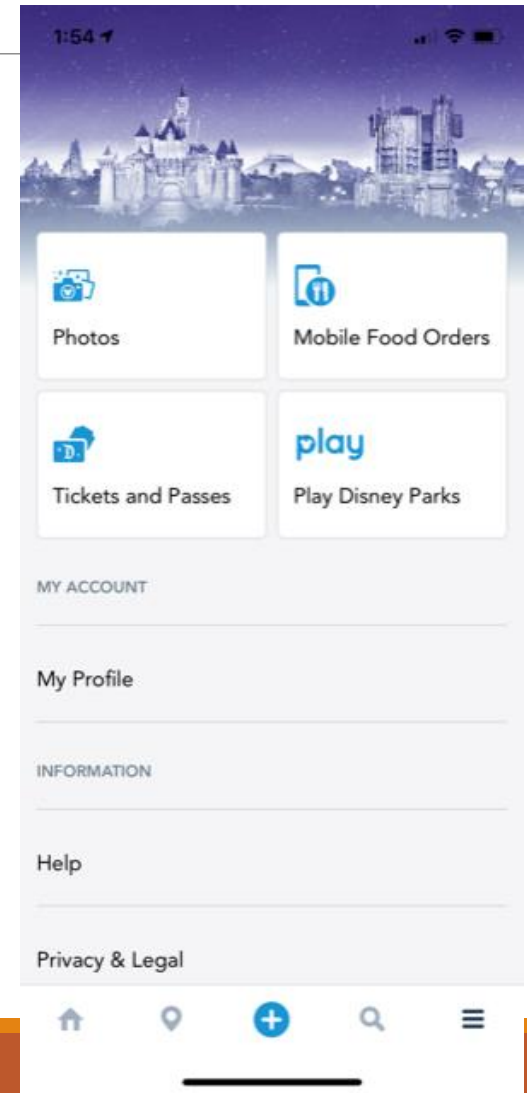Disneyland visitors

Past visitors

Future visitors

Mobile Application Layout

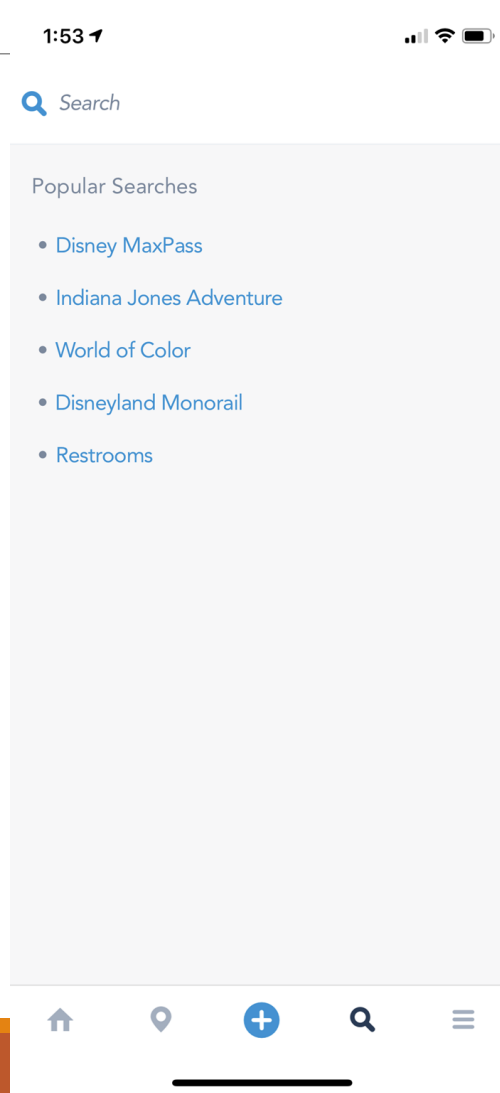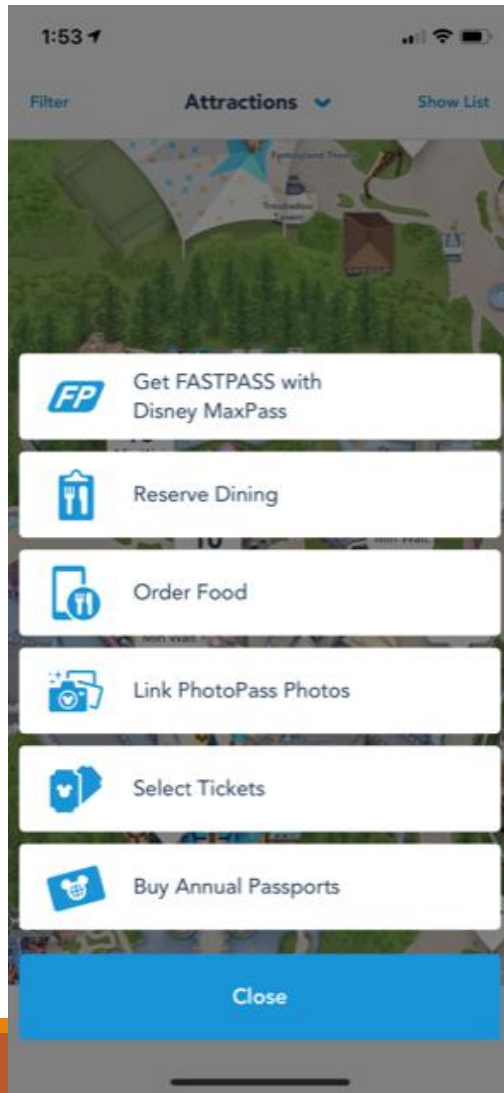# Disneyland App

Disneyland App

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