



Book The Third Screen

Marketing to Your Customers in a World Gone Mobile

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Recommendation

Chuck Martin is a “mobile evangelist” and the guru of mobile marketing. The CEO of the Mobile Future Institute, Martin is a respected pioneer in the digital interactive marketplace, and an authority on marketing products and services to mobile users. In this book, he expertly segments and details the enormous and burgeoning mobile marketplace, which offers many large-scale and rather easily accessed portals to profit. *BooksInShort* suggests that if you want to learn everything you can about mobile and how your company should plan, organize and handle its mobile marketing, you cannot find a better guidebook.

Take-Aways

- Nearly three out of four people worldwide own cellular telephones.
- Besides television and the personal computer, mobile technology is the “third screen.” It will soon be the most important one.
- Promoting your products and services via cellphones offers tremendous marketing opportunities.
- Mobile technology has become popular with users because of smartphones such as Apple’s iPhone.
- The smartphone is a camera, a movie player, a musical instrument and a Web surfer. It makes phone calls and is the perfect place for a marketer to reach you.
- Smartphones enable marketers to influence consumers directly at the precise moment they plan their purchases inside stores.
- Mobile users, not corporations, control the mobile marketing channel.
- Most marketers who try mobile marketing expand their original initiatives.
- Mobile phones are ubiquitous and always on, so marketing companies must post up-to-date messages in real time, every minute of the day.
- Mobile phones are not search devices; they are “find” devices.

Summary

Calling All Cars.com

Mobile technology is your “third screen.” The first is television, which communicates from giant companies to mass audiences. The second screen is the personal computer. The future belongs to the third screen.

Within a year of Cars.com’s 1997 debut, visitors reviewing automobile classified ads numbered half a million. Users indicate the “make and model” they seek, a preferred price and local postal code. In seconds, they receive a full list of sellers and contact information for the cars they want. Today, Cars.com boasts 10 million monthly visitors. In 2009, Cars.com began featuring a mobile phone interface geared to quick sales. “With the mobile site, the assumption is that the user is not looking

for detailed specs,” says Nick Fotis of Cars.com. The mobile browser looks for cars close to the shopper who wants “to buy them now.” The company’s smartphone app is faster than browser access at its website. Cars.com’s research indicates website visitors check “12 to 15 pages per visit,” while mobile app users see “25 to 35 pages per visit.” The app brought Cars.com “a 100% increase in mobile traffic.” Fotis expects 20% to 30% of the site’s traffic to be mobile soon.

Time to Go Mobile

Five billion people (or 73% of the world’s population) use mobile phones to connect to the Internet, send messages, access bank accounts, buy almost anything, check the weather, monitor traffic, view movie clips, and so on. In 75 countries, including Russia, Spain, Uruguay, Iceland and New Zealand, “cellphone penetration exceeds [the] population.” In 2010, “45 million mobile subscribers” routinely accessed the Internet. Mobile technology is in a far more advantageous position – and far more advanced – than the Internet was during the mid-1990s. At that time, Web infrastructure was still developing. Today, mobile devices are fully adapted to exploit a robust and mature Web. Many mobile industry developers and leaders have digital backgrounds and experience with practical business models for the Internet, including mobile technology’s “digital interactive model.”

“In a world gone mobile, all information is available to all, all the time, creating new business challenges, including how to market in real time and how to market all the time.”

While sharing many of the PC’s attributes, mobile technology also offers unique benefits:

- **“It’s personal”** – People often share computers and televisions, but seldom share mobile devices.
- **“Multifaceted communications capability”** – Mobile phones communicate “by voice, by typing or by tapping.” Plus, you can create, send and receive videos and pictures, as well as “read, record voice, or scan.”
- **“Time, location, and supply and demand”** – Marketers can discover customers’ precise location and plan their advertising messages accordingly.
- **“The standing up medium”** – PCs and television are not ideal for reaching people on the go. Accessing content while moving is the whole point of mobile technology.
- **“Installed base”** – Mobile technology’s base of customers nears “100% in many countries” and has reached 94% in the US.
- **“Ramp-up speed”** – The network for mobile technology does not need to come up to speed; it is mature and sophisticated.
- **“Self-service platforms”** – Mobile platforms already exist. Mobile marketers can go right to work.
- **“Call-to-action capability”** – “Buy now” has greater relevance when you know your customer is shopping in a store that sells your products.
- **“The mobile ecosystem”** – Mobile technology’s offerings are rich and diverse.
- **“Customer-centric”** – With the first screen, television advertisers are in charge. With the third screen, mobile technology customers call the shots.

Close Connections with Consumers

Advertisers now spend more than 50% of their marketing dollars on “nontraditional media,” and, increasingly, that means mobile. Still, many companies do not understand mobile and remain unsure how to promote to “untethered” customers. This may be why 41% of advertisers who do not now promote on mobile do not plan to do so in the future. That would be a grave tactical error; mobile marketing will be the next big wave, and that wave is already forming.

“The individual customer has more control than ever before.”

Thanks to mobile technology, advertisers can create personal, relevant connections with customers and prospects. Every marketer seeks strong one-on-one relationships with consumers. Mobile technology users develop close connections with consumer brands.

Smartphones are where the action is. These amazing devices include “a speaker, microphone, keyboard, display screen, circuit board with microprocessors, camera, GPS locator and storage.” The Apple smartphone, the iPhone, with its “hundreds of thousands of applications,” put mobile on the map. Cheryl Lucanegro, senior vice president of the music site, Pandora, says that half of the site’s “free listening is now done over mobile, and the iPhone doubled use overnight.”

“With the mobile revolution, there are two types of people: those who see it and those who don’t.”

Marketers need to know which platforms – iPhone, BlackBerry, “Android-based phone” or others – their customers and prospects prefer. And they should know how and why their customers use their mobile phones. Since most mobile users belong to online social networks – “Facebook is the largest draw on mobile” – companies need to learn their consumers’ online identities to connect with them on the Web. Firms must leverage “location-based services” (LBS) that focus on social media. In terms of platforms, marketers may decide to market exclusively to smartphone users (USPT for “Using Smartphone Technology”), or to people with any cellphone (UPT for “Using Phone Technology”). Those who go the USPT route can develop a “mobile website” known by the acronym WAP (wireless access protocol).

“If we told people a decade ago that they would be typing messages with their thumbs, they would not have believed it.”

Like Cars.com, you can develop your own applications (“branded apps”) for your customers. Research indicates that 80% of those who use smartphone apps believe it is worth receiving an onscreen ad message in return for a “free app.” InterContinental Hotels Group’s app lets mobile users check rates and book rooms. The Automobile Association of America (AAA) offers the AAA Discounts app, which shows members the discounts they can earn. A company’s dream situation is when “one consumer is telling another, ‘Hey, look at this new app’...as he holds up his smartphone to show a friend.”

AIDA Is So 20th Century

AIDA, that is, “Attention, Interest, Desire and Action,” is a marketing concept employed successfully for decades. But it does not work for mobile marketing. The “untethered consumer,” not the company, “drives the [AIDA] process.” Transactions are much “faster and more intimate” than in years past. At the same time, mobile allows more active engagement with consumers when they plan to buy something.

“Mobile marketing is now poised to transform the entire coupon value proposition.”

To illustrate, a smartphone user can use an app to “check in” to a retail location. If the user agrees, the store can immediately send marketing messages to the smartphone regarding shopping information, including special pricing that is relevant to that customer. “Marketing in place” is the name for this sophisticated, personal outreach. Coupons.com leads the market in downloadable product coupons that encourage sales. “Use location as a research tool,” advises Phuc Truong of the mobile marketing agency Mobext. One savvy mobile marketer, Steve Madden Ltd., a women’s shoes, handbags and accessories firm, employs a seven-part “mobile strategy”:

1. **“Assessment”** – Define the business goals and “statistics.”
2. **“Departmental”** – Determine which business units to involve. Be certain to include “e-commerce, IT, marketing, finance and legal.”
3. **“Process”** – Manage the mobile initiative, including “hosting, testing, security, calendar, go-live strategy, data collection, methods, vendor selection and contracts.”
4. **“Testing”** – Make sure everything works. This may encompass “e-commerce vulnerability testing, load testing, mobile environment testing and uptime testing.”
5. **“Soft launch”** – Bring the mobile site online for a select, small audience. Make sure your “site management” is effective.
6. **“Formal launch”** – Get your full-blown mobile initiative underway, with features such as “Short Message Service, the text communication service component of mobile communication (SMS),” Web and phone systems, WAP site, ‘Quick Response Code, a two-dimensional bar code intended to be read at high speed’ (QR Code), and click-to-call capabilities.”
7. **“Mobile marketing and data analysis”** – Monitor your mobile system using appropriate “technology and tools.”

“Untethered consumers are doing more on their mobile phones than ever before, and plan to do even more over time.”

Some percentage of mobile customers always is up and active, no matter what time of day. Since the aggregate of global mobile consumers is immense, the number of people awake and busy at every hour of the day in every time zone of the world is substantial. Companies must keep their marketing up to date and dynamic 24 hours a day, an approach called “real-time marketing.” “Many smartphone owners are willing to view ads on mobile devices, leaving marketers who do not adapt at a sizable disadvantage.” Mobile phones enable numerous advertising formats, including:

- **“Full screen”** – The messages capture the phone’s whole screen.
- **“Expandable”** – The user enlarges ads that start out in a small format.
- **“Location-based”** – The ad directs users to the nearest place to buy the product.
- **“Tap-to-video”** – The user taps the screen to activate a video. “Tap-to-social network” uses the same idea, but tapping brings up Facebook or a similar website, and “tap-to-call” provides a commercial phone number to contact.
- **“Commerce-enabled”** – The user can buy something immediately; for example, a song from the iTunes store for Apple’s mobile devices.

Mobile Users Don’t Want to Search, They Want to Find

Search dominates the Internet, but searching is passé in the mobile universe. Users care about locating what they want quickly, including products or services that trusted sources recommend for their needs. Well-known finder services include Yelp, which features “11 million reviews”; Aloqa, which constantly updates activities and events of interest on a user’s mobile phone; and Urbanspoon, which provides information about restaurants, including availability, and allows users to make reservations. Smartphone cameras’ ability to read UPC codes opens a new way for companies to market their goods. When users scan a product’s UPC label, an app such as Red Laser immediately retrieves online discount pricing for that product, and provides information and prices for nearby retailers.

“Mobile is the next video platform.”

Mobile is “push-pull”: Companies push their commercial messages to users, who pull in the information. Your company can score big with sophisticated apps for smartphone users, but you should not neglect SMS, or quick text messages. An SMS can reach virtually everyone in the mobile universe. Your customers must grant permission (or “opt-in”) to receive your text messages. MobileStorm helped pioneer SMS messaging, and other respected vendors include iLoop Mobile (California), Open Market (Washington) and Express Text (Illinois). Multimedia messaging service (MMS), for “photos and video,” is another option. California’s Mogreet is a leading MMS vendor.

“Mobile is not incremental, it is transformational.”

While the mobile third screen is a growing venue, it faces some bumps in the road. Connectivity and availability are problems in some areas. Another issue is overloading users with too much mobile information (too many apps, too little time). The best way to achieve mobile marketing success is to deliver true value to mobile users. Help consumers find what they want, when and how they want it, to win in the dynamic new mobile arena.

About the Author

Chuck Martin is CEO of the Mobile Future Institute and author of *The Digital Estate*.
