MERGING MOBILE TECHNOLOGIES

into Your 2011 Direct Marketing Mix

QUANTUM digital®

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Among the varied marketing trends and strategies that are predicted to dominate in 2011, two are consistently mentioned: a wider use of QR codes and the integration of mobile in the marketing mix. The ubiquity of smart phones and other internet-enabled mobile devices is presenting marketers with a wide range of unique opportunities to increase brand awareness and communicate with target audiences. Businesses that are working to thread mobile into their marketing mix will benefit from deeper interaction with consumers, richer data sets, and diversified revenue streams.
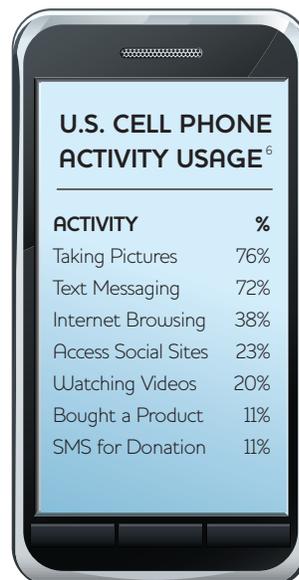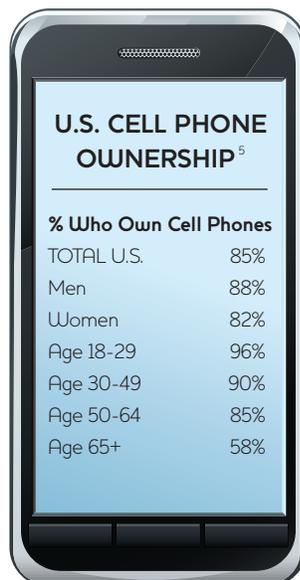
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Although close to 70% of businesses do not yet have a mobile marketing plan in place,[1] sources are suggesting a steady increase of spending on mobile advertising in the U.S.—a 48% rise, from $743.1 million in 2010 to $1.1 billion in 2011.[2] Video, display, search, and development of mobile applications will receive a majority share of mobile ad spending in the future. Today, however, SMS text messaging is one of the most embraced mobile activities by consumers and an easy entryway for marketers wishing to incorporate mobile into their marketing plan.

WHO'S USING MOBILE AND HOW?

According to the Pew Research Center's Internet & American Life Project, 85% of U.S. adults (and three-quarters of teens) own mobile phones.[3] And, among U.S. mobile subscribers, market research firm Nielson is forecasting that smart phone penetration rates will be over 50% in 2011.[4] The ubiquity of smart phones among consumers and the growing accessibility to affordable text and data plans is making it more common for consumers to participate in a wide range of activities on their phones.

U.S. CELL PHONE OWNERSHIP[5]

% Who Own Cell Phones	
TOTAL U.S.	85%
Men	88%
Women	82%
Age 18-29	96%
Age 30-49	90%
Age 50-64	85%
Age 65+	58%

U.S. CELL PHONE ACTIVITY USAGE[6]

ACTIVITY	%
Taking Pictures	76%
Text Messaging	72%
Internet Browsing	38%
Access Social Sites	23%
Watching Videos	20%
Bought a Product	11%
SMS for Donation	11%

U.S. MONTHLY TALK & TEXT AVG.[7]

AGE:	MINS:	TEXTS:
<18	631	2779
18-24	981	1299
25-34	952	592
35-44	896	441
45-54	757	234
55-64	587	80
65+	398	32

Not surprisingly, younger age groups text more and talk less on their cell phones. Marketers in the process of determining who to target via mobile may choose to segment audiences based on age; however, analysts at Forrester Research suggested in a recent report that marketers could garner better results if they also consider how target audiences use mobile devices.[8]

In Forrester's report titled, "U.S. Mobile Technographics 2010," six distinct user groups emerge from behavior:

SUPERCONNECTEDS	ENTERTAINERS	CONNECTORS
• 57% own smartphones / 24% own text-enabled mobile phones • 53% are male • 7% make purchases via their device • 21% research via their device • Demand a quality experience on their mobile device	• 48% own smartphones / 23% own text-enabled mobile phones • 41% are under the age of 30 • 54% are male • 7% make purchases via their device • 19% research via their device • 15% play games, listen to music or watch videos on their phones at least weekly	• 51% own smartphones / 18% own text-enabled mobile phones • 63% are male • 6% shop via their device • 14% research via their device • Use their device for work at least 25% of the time • Partial to Blackberry devices and are concerned about mobile phone / data security
COMMUNICATORS	**TALKERS**	**INACTIVES**
• 7% own smartphones / 27% own text-enabled mobile phones • 57% are female • 94% use text messaging • Receptive to text alerts, coupons and contests	• 2% own smartphones / 5% own text-enabled mobile phones • 48% are male • 52% are female • Majority are over 50 years of age • Occassional text messaging	• 11% of the adult population that does not own a mobile phone • 63% are over the age of 50 • Most likely to have low incomes

Of course, marketers need to examine their business model and the characteristics of their target audience before deciding how to position mobile within their mix. They have the option to choose communication and response channels based on a number of factors including age range and/or behavior.

WHY PAIR MOBILE WITH TRADITIONAL DIRECT MARKETING CHANNELS?

Effectively synchronizing multiple marketing channels has been proven to offer more revenue-building benefits. According to a Shop.org study, multi-channel shoppers make purchases 12% more frequently than those shopping via a single channel. They also spend more per year by an average of 32 percent. This audience of multi-channel shoppers is growing. In a study conducted by commerce solutions provider Art Technology Group, 78% of shoppers use two or more channels while 30% use at least three to research and purchase goods and services. Poll results from the study found that 43% of shoppers research online or with their mobile device; while a robust 78% researched products and services via print catalogs.

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More surveys are showing that direct mail, too, is a relevant channel to capture attention of key audiences. Not only is the medium popular with consumers within the 65+ age group, surprising to some, 15 to 24-year-olds are very receptive to direct mail.[9] Information services firm Experian revealed in a UK study that younger audiences receiving direct mail go online to do more research before visiting brick-and-mortar locations to purchase goods and services.

For charitable organizations, combining mobile technologies with direct mail is a way to lower costs and boost donations. As mentioned previously, 11% of U.S. adults made a donation via SMS, according to the Pew Research Center's Internet & American Life Project. Furthermore, a study of more than 500 donors, recently released by research firm Campbell Rinker, revealed that direct mail was more effective than email in motivating people to make donations online. Fifty percent of donors from both the 27 to 47 and 18 to 26 age groups said they were more likely to contribute online in response to a direct mail piece. Twenty-six percent of donors aged 47 to 65 and just 14% of the 65+ group said they would do the same.

Data aside, marketers working to integrate mobile into their marketing mix have the ability to motivate immediate response and facilitate two-way communication with consumers. Mobile technologies, such as SMS texting and QR codes, not only allow consumers to immediately access coupons, landing pages, product information or other data directly from their mobile devices, they also enable marketers to collect data on consumer activity and track the effectiveness of marketing elements in real time.

KEY MOBILE TECHNOLOGIES FOR 2011

There is a wide range of mobile technologies available today that are becoming more commonplace in the marketing landscape. They allow users to manage finances, shop, compare product pricing across the globe, find local services, browse the web, exchange information with friends, family members, and even with brands—all from the convenience of their mobile device. As ownership and use of internet-enabled mobile devices continue to expand, so will the way marketers communicate with consumers.
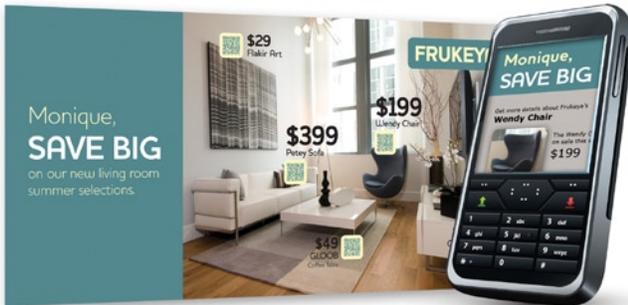
Following is a description of the two mobile technologies that are predicted to dominate in 2011.

QUICK RESPONSE (QR) CODES

QR codes are two-dimensional, square barcodes that can store large amounts of unique data and, when scanned, can launch specific actions. QR codes allow consumers to immediately access coupons, landing pages, product information or other data directly from their mobile devices. Using QR codes, marketers can not only help to eliminate the gap between customer response and the delivery of coupons, product information, special offers, or other marketing follow-up communications, but they can also collect valuable lead data and generate ROI metrics in real time.

QR codes take advantage of the ubiquitous nature of smart phones and can easily be integrated with printed materials. These codes connect people between traditional media and new media in just a matter of seconds, making printed materials truly interactive and immediately trackable.

Download a QR code reader onto your smartphone. Many free QR code reader apps are available via Apples iTunes Store, BlackBerry® AppWorld, Android Market, etc.

SMS TEXT AND SHORT CODES

A short message service (SMS) is a feature on a mobile device that allows users to send short text messages to an abbreviated phone number known as a short code. Consumers may use SMS texting to initiate a survey, provide feedback, access a mobile-friendly web page or a link to a video, receive promotional offers, or redeem customer loyalty rewards. More complex campaigns may even provide consumers with a coupon presented on their mobile phone which can be scanned during checkout at physical locations. Marketers benefit through real-time response metrics in addition to capturing mobile phone numbers and other information to enhance consumer data sets.

WAYS TO INTEGRATE MOBILE INTO YOUR DIRECT MARKETING MIX
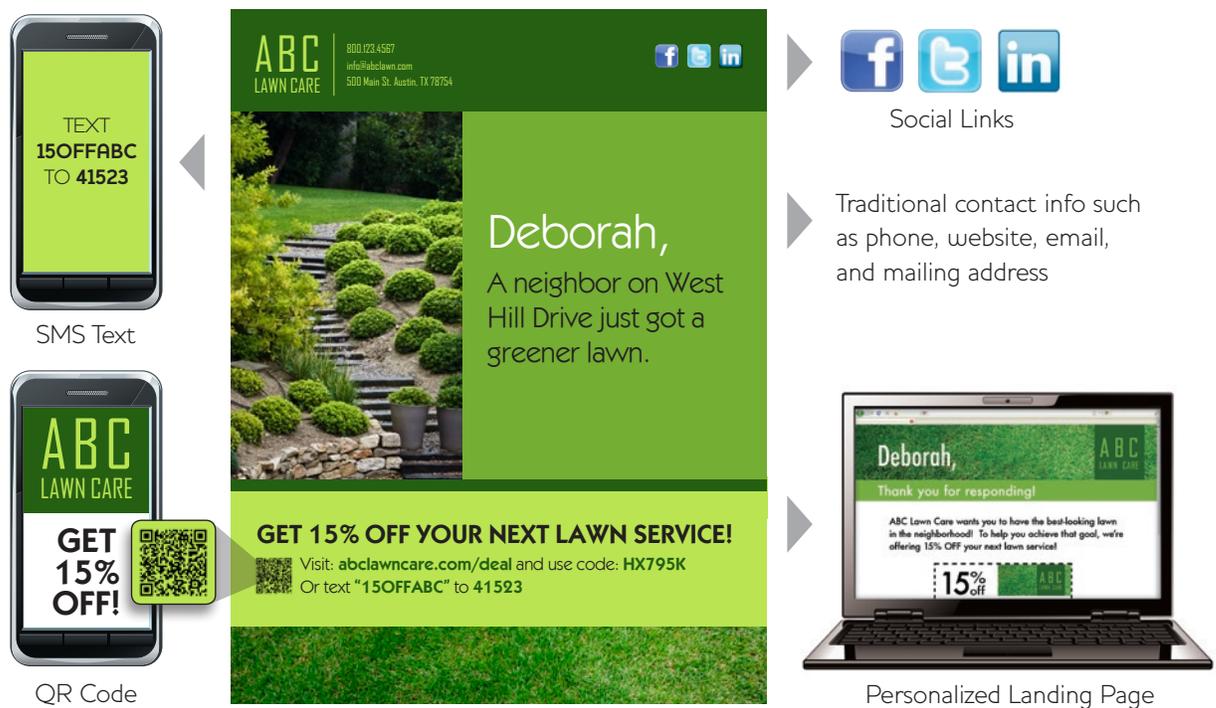
INCLUDE MORE WAYS FOR CONSUMERS TO RESPOND

The preferred communication channel of choice may vary among consumers based on generational attributes, behavioral patterns, or convenience. By including more ways for consumers to communicate with a brand, marketers can increase the likelihood of response. Additionally, marketers have the opportunity to measure which response channels are most effective in getting a response—information that can help to shape future campaigns or provide insight about their target audience.

Consider including these channels on direct mail and print pieces:
- Traditional communication channels like phone, mailing address, email and website
- Links to social media platforms such as Twitter, Facebook, Linkedin, and YouTube
- Mobile SMS text and/or QR codes
- Personalized URLs

ENHANCE PRINTED COLLATERAL WITH DIGITAL ELEMENTS

Direct mail and print pieces no longer need be static. Using QR codes, marketers have the ability to incorporate digital elements with printed marketing materials to make them truly interactive. QR codes can be included on virtually any printed piece and can lead consumers to videos, photos, detailed information about a product or service, coupons, customer testimonials and more. QR codes may even be used to automatically facilitate a purchase right from the consumer's mobile device.

SMS Text

QR Code

Social Links

Traditional contact info such as phone, website, email, and mailing address

Personalized Landing Page

LEARN MORE NOW

Scan this code to watch a quick video describing more ways marketers can integrate mobile technologies with their existing direct marketing efforts.

ABOUT QUANTUMDIGITAL

QuantumDigital is your turnkey provider for measurable direct mail, on-demand printing and email marketing. For more information on how you can merge traditional direct marketing efforts with the new technologies discussed in this whitepaper, contact QuantumDigital today.

Contact Us

A complimentary 15-minute strategic planning session could uncover the direct marketing technologies you never knew you needed until today.

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