Mobile marketing essay

Business, Industries

Marketing on a mobile phone has become increasingly popular ever since the rise of SMS (Short Message Service) in the early 2000s in Europe and some parts of Asia when businesses started to collect mobile phone numbers and send off wanted (or unwanted) content. Over the past few years SMS has become a legitimate advertising channel in some parts of the world. This is because unlike email over the public internet, the carriers who police their own networks have set guidelines and best practices for the mobile media industry (including mobile advertising). The IAB (Interactive Advertising Bureau) and the Mobile Marketing Association, as well, have established guidelines and are evangelizing the use of the mobile channel for marketers. While this has been fruitful in developed regions such as North America, Western Europe and some other countries, mobile SPAM messages (SMS sent to mobile subscribers without a legitimate and explicit opt-in by the subscriber) remain an issue in many other parts or the world, partly due to the carriers selling their member databases to third parties. Mobile marketing via SMS has expanded rapidly in Europe and Asia as a new channel to reach the consumer. SMS initially received negative media coverage in many parts of Europe for being a new form of spam as some advertisers purchased lists and sent unsolicited content to consumer's phones; however, as guidelines are put in place by the mobile operators, SMS has become the most popular branch of the Mobile Marketing industry with several 100 million advertising SMS sent out every month in Europe alone. In Europe the first cross-carrier SMS shortcode campaign was run by Txtbomb in 2001 for an Island Records release, In North America it was the Labatt Brewing Company in 2002.

Over the past few years mobile short codes have been increasingly popular as a new channel to communicate to the mobile consumer. Brands have begun to treat the mobile shortcode as a mobile domain name allowing the consumer to text message the brand at an event, in store and off any traditional media. SMS services typically run off a short code, but sending text messages to an email address is another methodology. Short codes are 5 or 6 digit numbers that have been assigned by all the mobile operators in a given country for the use of brand campaign and other consumer services. Due to the high price of short codes of $500-$1000 a month, many small businesses opt to share a short code in order to reduce monthly costs. The mobile operators vet every short code application before provisioning and monitor the service to make sure it does not diverge from its original service description. Another alternative to sending messages by short code or email is to do so through one's own dedicated phone number.

Besides short codes, inbound SMS is very often based on long numbers(international number format, e. g. +44 7624 805000), which can be used in place of short codes or premium-rated short messages for SMS reception in several applications, such as product promotions and campaigns. Long numbers are internationally available, as well as enabling businesses to have their own number, rather than short codes which are usually shared across a number of brands. Additionally, long numbers are non-premium inbound numbers. One key criterion for provisioning is that the consumer opts in to the service. The mobile operators demand a double opt in from the consumer and the ability for the consumer to opt out of the service at any time by sending the word STOP via SMS.

These guidelines are established in the MMA Consumer Best Practices Guidelines which are followed by all mobile marketers in the United States. [edit]Mobile marketing via MMS MMS mobile marketing can contain a timed slideshow of images, text, audio and video. This mobile content is delivered via MMS (Multimedia Message Service). Nearly all new phones produced with a color screen are capable of sending and receiving standard MMS message. Brands are able to both send (mobile terminated) and receive (mobile originated) rich content through MMS A2P (application-to-person) mobile networks to mobile subscribers. In some networks, brands are also able to sponsor messages that are sent P2P (person-to-person). A good example of MMS mobile originated Motorola's ongoing campaigns at House of Blues venues where the brand allows the consumer to send their mobile photos to the LED board in real-time as well as blog their images online.

[edit]In-game mobile marketingThere are essentially four major trends in mobile gaming right now: interactive real-time 3D games, massive multi-player games and social networking games. This means a trend towards more complex and more sophisticated, richer game play. On the other side, there are the so-called casual games, i.

e. games that are very simple and very easy to play. Most mobile games today are such casual games and this will probably stay so for quite a while to come. Brands are now delivering promotional messages within mobile games or sponsoring entire games to drive consumer engagement.

This is known as mobile advergaming or Ad-funded mobile game. edit]Mobile web marketing Google and Yahoo! as displayed on mobile phones

Advertising on web pages specifically meant for access by mobile devices is also an option. The Mobile Marketing Association provides a set of guidelines and standards that give the recommended format of ads, presentation, and metrics used in reporting. Google, Yahoo, and other major mobile content providers have been selling advertising placement on their properties for years already as of the time of this writing.

Advertising networks focused on mobile properties and advertisers are also available. edit]Mobile marketing via Bluetooth The rise of Bluetooth started around 2003 and a few companies in Europe have started establishing successful businesses. Most of these businesses offer " hotspot" systems which consist of some kind of content-management system with a Bluetooth distribution function. This technology has the advantages that it is permission-based, has higher transfer speeds and is also a radio-based technology and can therefore not be billed (i. e. is free of charge).

The likely earliest device built for mobile marketing via Bluetooth was the context tag of the AmbieSense project (2001-2004). More recently Tata Motors conducted one of the biggest Bluetooth marketing campaigns in India for its brand the Sumo Grande and more of such activities have happened for brands like Walt Disney promoting their movie ' High School Musical' [edit]Mobile marketing via Infrared Infrared is the oldest and most limited form of mobile Marketing. Some European companies have experimented with " shopping window marketing" via free Infrared waves in the late 90s. However, Infrared has a very limited range (~ approx.

10 cm – 1meter) and could never really establish itself as a leading Mobile Marketing technology. edit]Mobile marketing via Proximity Systems Mobile marketing via Proximity Systems, also referred to as Proximity Marketing, relies on GSM 03. 41 which defines the Short Message Service – Cell Broadcast. SMS-CB allows messages (advertising, public information, etc.) to be broadcast to all mobile users in a specified geographical area. In the Philippines, GSM-based proximity broadcast systems are used by select Government Agencies for information dissemination on Government-run community-based programs to take advantage of its reach and popularity (Philippines has the world's highest traffic of SMS). It is also used for commercial service known as Proxima SMS. Bluewater, a super-regional shopping centre in the UK, has a GSM based system supplied by NTL to help its GSM coverage for calls, it also allows each customer with a mobile phone to be tracked though the centre which shops they go into and for how long.

The system enables special offer texts to be sent to the phone. [edit]Location-based services Location-based services (LBS) are offered by some cell phone networks as a way to send custom advertising and other information to cell-phone subscribers based on their current location. The cell-phone service provider gets the location from a GPS chip built into the phone, or using radiolocation and trilateration based on the signal-strength of the closest cell-phone towers (for phones without GPS features).

In the UK, networks do not use trilateration; LBS services use a single base station, with a ' radius' of inaccuracy, to determine a phone's location. Meantime, LBS can be enabled without GPS tracking technique. Mobile

WiMAX technology is utilized to give a new dimension to mobile marketing. The new type of mobile marketing is envisioned between a BS(Base Station) and a multitude of CPE (Consumer Premise Equipment) mounted on vehicle dashtops. Whenever vehicles come within the effective range of the BS, the dashtop CPE with LCD touchscreen loads up a set of icons or banners of individually different shapes that can only be activated by finger touches or voice tags. On the screen, a user has a frame of 5 to 7 icons or banners to choose from, and the frame rotates one after another. This mobile WiMAX-compliant LBS is privacy-friendly and user-centric, when compared with GPS-enabled LBS.

In July 2003 the first location-based services to go Live with all UK mobile network operators were launched. [edit]User-controlled media Mobile marketing differs from most other forms of marketing communication in that it is often user (consumer) initiated (mobile originated, or MO) message, and requires the express consent of the consumer to receive future communications. A call delivered from a server (business) to a user (consumer) is called a mobile terminated (MT) message. This infrastructure points to a trend set by mobile marketing of consumer controlled marketing communications.

5] Due to the demands for more user controlled media, mobile messaging infrastructure providers have responded by developing architectures that offer applications to operators with more freedom for the users, as opposed to the network-controlled media. Along with these advances to user-controlled Mobile Messaging 2. 0, blog events throughout the world have

been implemented in order to launch popularity in the latest advances in mobile technology. In June 2007, Airwide Solutions became the official sponsor for the Mobile Messaging 2.

0 blog that provides the opinions of many through the discussion of mobility with freedom. 6] GPS is playing an important role in location-based marketing. There are many options for this including [1] [edit]Privacy concerns in mobile marketing Mobile advertising has become more and more popular.

However, some mobile advertising is sent without a required permission from the consumer causing privacy violations. It should be understood that irrespective of how well advertising messages are designed and how many additional possibilities they provide, if consumers do not have confidence that their privacy will be protected, this will hinder their widespread deployment. 7] The privacy issue became even more salient as it was before with the arrival of mobile data networks. A number of important new concerns emerged mainly stemming from the fact that mobile devices are intimately personal and are always with the user, and four major concerns can be identified: mobile spam, personal identification, location information and wireless security. [8] [edit]Proposed changes to the existing legislation Because the current telecom regulations are outdated in the EU and in the United States particularly concerning unsolicited commercial communications and the spam issue new legislation should be imposed.

New laws should be more clear (simple), flexible and comprehensive but still address only those issues, which are strictly necessary. This is important

because laws should promote competition, encourage investment, cut unnecessary costs, and remove obstacles to doing business. They should be drafted in a technologically neutral way to avoid the need to adapt the legal framework constantly to new developments and independent from the parties involved. Consumers' privacy must be protected and marketers have to be able easily to understand and comply with the rules. Kaspersen Henrik W.

K. has proposed that directives with regard to unsolicited commercial communications should regulate not only electronic communications but also paper distribution. [9]Moreover legislator should cooperate with technological and business experts to create a reasonable legal framework Application of these rules must be done in a sensible manner thus courts should avoid applying new rules with too much severity because there is a risk of retarding or limiting the development of a very promising industry. 10]But with too loose interpretation of the rules, consumers' may not feel protected which may also limit the development. [11] In other words if consumers concerns about privacy are not addressed, the growth of mobile advertising may be endangered by the same lack of consumer trust that has discouraged the growth of email marketing. [12] The protection of privacy shall be achieved in combination with a number of efforts including legislation, social norms, business practices and technical means.