John Anderson
calling mobile...
End Call

5 Dangerous Trends in Mobile

5 Dangerous Trends in Mobile Marketing:

After a combined 14 plus years in the online lead generation business and now mobile, we have observed and even partaken in many costly mistakes. Sometimes the loss is in actual dollars when we would promote services or products and fail to see the Return-on-Investment we thought was on the horizon. Other times it was in the loss of our most valuable asset, time. Our team would spend countless brainstorming hours, roll out new procedures and collateral, only to find that the time and effort were completely wasted.

Our internal organization consulted with other top brands across the nation. And what we observed was time and time again these brands were making the same mistakes we were. The path of painstakingly tracking your ROI on every initiative and measuring results is what leads someone to better returns. You see, advertising/marketing is the single best investment anyone can make if it is done correctly. One will never see a mutual fund, a stock, or the housing industry routinely turn in a 40:1 return on investment…. But investing correctly and measuring the results of your marketing efforts in a company you own or operate can!!!

Our team has compiled the 5 biggest and worst mistakes we see brands making across the nation. Here they are:

1. **Failure to Aggressively Pursue a Database:**

For almost any enterprise there are two different types of databases that need to be developed;

    a. Current client database
    b. Lead database – Future clients

Current client database

Growing a database of current clients for future marketing is one of the most tried and true ways to grow revenues. No matter the type of business you have, it is easier and more cost-effective to market to your current customer and get them to buy more frequently (more transactions), buy bigger ticket items (increased average ticket = more revenue), or get them to buy additional offerings (cross-sell).

Since the stone-age people have been building a network of current clients and sending them invitations, offers, VIP discounts and more. Initially these offers were sent via snail mail, then email, and now directly to their clients phones.

So it all comes down to this. If you could have one piece of information from your clients today, what information would I want?

Home address? *Let's see, you could send them direct mail pieces that would have an open rate of less than 1.5% and would have a cost starting at $.44 per piece. Or almost $44 per open piece of mail.*

Plus American's today move every 4.5 years which means a lot of the mail you send will not even be delivered.

Email address? *Email has been proven to be one of the most cost-effective loyalty marketing campaigns any business can be a part of today. These types of campaigns produce results by helping your business stay top-of-mind, can easily deliver extra web-traffic, and produces transactions.*

These are effective despite the following statistics:

- *The email address of your clients will change every three years.*
- *The best email campaigns typically do not see higher than a 15% open and read-rate. 85% of the emails you send out are not even opened.*
- *Only 37% of Americans are active* email users.*

** active – Check email 3x or more per week*

Mobile Phone Number? The Hands-Down WINNER!

The 3 reasons you can't ignore!

1. *Your customer's mobile phone number will likely be the same for the rest of their life due to mobile phone number portability now. Americans routinely switch from one service provider to another and take their phone number with them.*
2. *When blasting a promotion out to a database of mobile phone numbers, 97% of them are read! Americans read their text messages.*
3. *The final reason is the most important of all. 92% of the Adult population have a cell phone and half of those 279 million people will have a smart-phone by Christmas next year.*

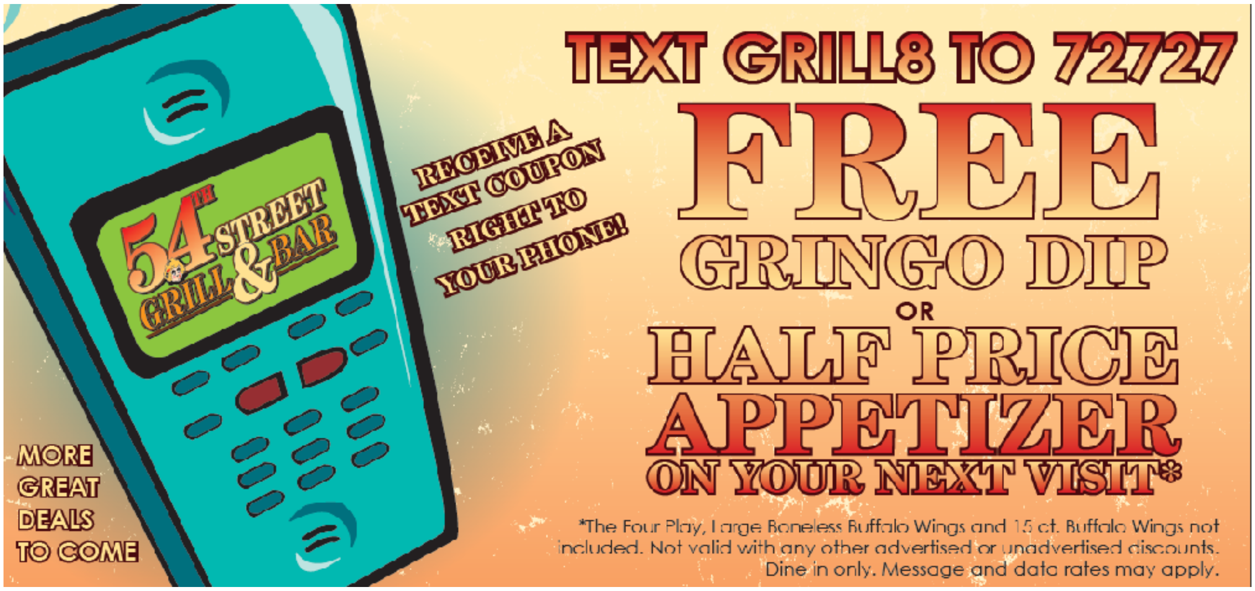
You can connect with more of your customers than email, for less money than direct mail, and with a better read-rate and higher call-to-action than any of the others.

So with this new found knowledge, it is imperative for any organization to begin to build their database of mobile phone numbers today! This must be done correctly, because it has to be permission based (you have to have gain permission from your customers in order to text them!)

This can be done as simply as embedding a mobile disclaimer into the current order form, disclaimer, or sales authorization you use today. Many brands from Jackson Hewitt to Bank of America have been doing this for years. Shouldn't you?

You can request an example disclaimer from AvidMobile by sending an email to info@avidmobile.com

The other common way we as a business get customers to give us permission to text them is by getting them to text us first. Our company teaches our brand partners a very simple method of getting them to text. Tell them to! If you have an audience with your client, if you are looking them in the eye, Tell them to TEXT.


TEXT GRILL8 TO 72727
FREE
GRINGO DIP
OR
HALF PRICE
APPETIZER
ON YOUR NEXT VISIT*
RECEIVE A TEXT COUPON RIGHT TO YOUR PHONE!
54TH STREET GRILL & BAR
MORE GREAT DEALS TO COME
*The Four Play, Large Boneless Buffalo Wings and 15 ct. Buffalo Wings not included. Not valid with any other advertised or unadvertised discounts. Dine in only. Message and data rates may apply.

Regardless of your type of enterprise there is something you can offer your current clients that will encourage them to engage with their cell phone. When they text YOURBUSINESSNAME to 72727, they are in the database. Now you can market to them timely over the coming years driving revenue, pushing them into your social networks, asking them to refer friends, and more!

Lead Database – Future Clients

Today your company is reaching out to new customers in a variety of ways: Radio, outdoor, newspaper, flyers, side of the trucks, direct mail, door hangers, etc.

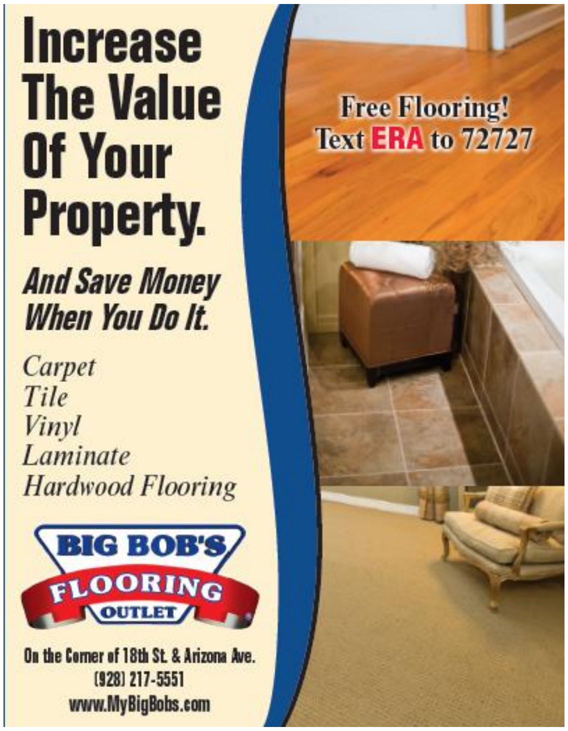
When these potential clients see or hear your message, they have to be ready to buy right then which is unlikely. Maybe they have to hear your message 6 or 7 times before they think of you, which is even more unlikely as more and more people TeVo through your commercials, listen to their iPods, or talk on their phone instead of reading your ads.

However, when brands today put the immediate "call-to-action" of

Text BUSINESS NAME to 72727

in the center of “traditional” advertising, it gives their customers an immediate way to engage with the ad, without committing to buying today. The customers engage if they have a potential interest in that product or service, thus entering the database. Now we have permission to deliver our timely reminders to these leads with a 97% read-rate, and a 6-22% redemptions on the offers we deliver.

Example



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www.MyBigBobs.com

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Text ERA to 72727

Even if it takes 5, 7, 12 different promotions to this lead over the coming months before we generate a transaction, what was the cost of that new buyer? Hypothetically if it took you 7 text promotions to get this buyer to come into your store.

7 text messages x $.09 = $.63.

This is the least expensive cost of a new customer, the cheapest customer acquisition cost of anything else available today.

Through mobile we get a “lead” to engage with us once. After that point we can continue to market directly to our exact demographic, (potential client), for less money and with more effect than anything else available.

2. Ignoring Cross-Marketing Opportunities

Once your company has discovered the value of building databases of Loyal and Future customers, don’t ignore the opportunity to cross-promote with other partners. No matter your particular enterprise there are other (non-competing) businesses in your market that cater to the exact target demographic your company desires. Working together with them to cross-market your database can be game changing for your company.

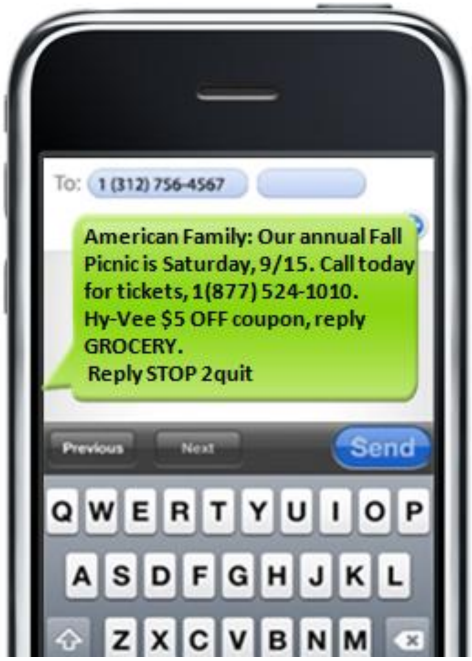
This is how it works

After successful development of an internal database of your customers, you begin to reach out to your target companies that have clients you want access to. The first step is making the offer to allow the choice business the opportunity to ad-support your messages.

For this example, I will use an insurance agency and a Grocer.

The Insurance agency builds a database of its customers by including in all new paperwork the mobile opt-in disclaimer. Soon they have a database of more than 4,000 people in their town.

They then approach the grocery store and tell them about how the 4,000 customers get a couple messages a month from the insurance agency, tips, new information, and promotions. They explain that on each of these messages a small coupon or ad could be placed on the last 15 characters of each message.



American Family: Our annual Fall Picnic is Saturday, 9/15. Call today for tickets, 1(877) 524-1010.
Hy-Vee $5 OFF coupon, reply GROCERY.
Reply STOP 2quit

The kicker: In exchange for the ad-support, the Grocer in this instance will do the same for the Insurance agency. The grocer implements a POS promotion that states, Text HYVEE to 72727 for your chance at a $400 grocery shopping spree.

The return message comes back to every Hy-Vee client that texts saying, "Thank you for entering for your chance to WIN from Hy-VEE, watch for future savings direct from us. American Family has better auto-rates, reply QUOTE"

3. Starting with apps and mobile sites before you invest in your database

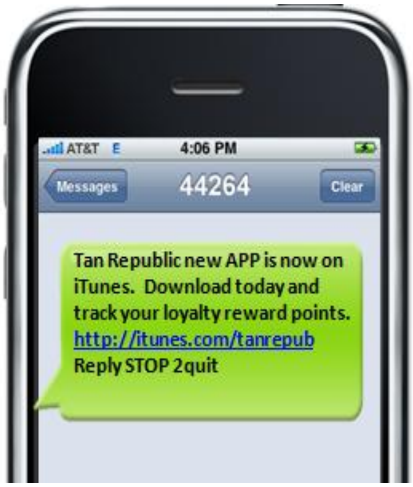
The third common mistake we continue to see all too often is the old adage, putting the cart before the horse. In this instance it is building a mobile website or app, prior to having a database to drive awareness that they exist.

Today it is so easy to encourage our client's participation with us through their mobile device and build a database. Couple that with the fact that there are 5 times as many people texting vs using mobile websites and apps, and the common sense answer is simple:

- Build a mobile database today
- Drive revenue with simple SMS (text) message call-to-action.

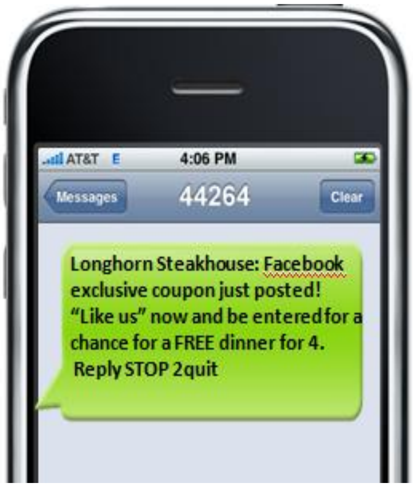
With this growing database of customers in-hand, you can blast messages to them to drive the other behaviors you are after. Then when you launch an app, build a new mobile site, or have a desire to increase social network followers, the database can instantly be notified!

Drive App Awareness



Tan Republic new APP is now on iTunes. Download today and track your loyalty reward points. http://itunes.com/tanrepub
Reply STOP 2quit

Drive Social Network Behavior



Longhorn Steakhouse: Facebook exclusive coupon just posted! "Like us" now and be entered for a chance for a FREE dinner for 4.
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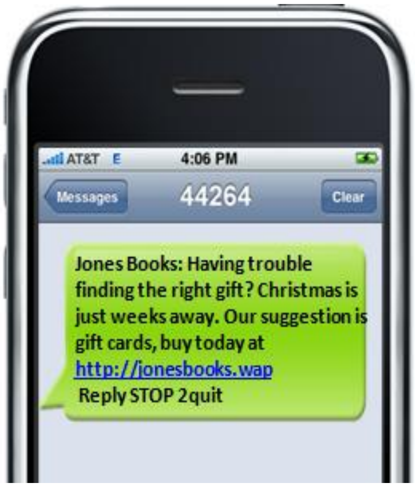
Drive Mobile Website Traffic



Jones Books: Having trouble finding the right gift? Christmas is just weeks away. Our suggestion is gift cards, buy today at http://jonesbooks.wap
Reply STOP 2quit

4. Communicating with your database without thinking about revenue ramifications

The key to successful mobile marketing campaign is simply utilizing the database and instant delivery channel to maximize your current company objectives. Often times, businesses believe that with mobile requires an entirely new marketing and communication scheme. That they need to create new and different messages to go to this database, that the business has to coupon even more aggressively, or even offer greater discounts.

This is simply not accurate. The communication portal of SMS is simply another touch point for you and your brand. You have information about upcoming sales, bands, special offers, summer event, social networking, your loyalty program, and more. Use this communication channel to support the other initiatives you are running today and you will reap the rewards.

What are you trying to accomplish?

Increased transactions, more visits, higher tickets, new customers, new product awareness, social networks?

Now utilize the platform to accomplish your goals;

Increased transactions and visits? We schedule out 3-4 timely messages per month and deliver better than 6% redemption rates. Do the math on revenue with thousands in your database!

New customers? By combining the mobile call-to-action with any and all of your customer outreach (advertising) programs, it helps you capture new leads and opportunities more easily. Then promote to that lead database for conversions = new customers.

Need higher tickets per transaction? Simply utilize the tool to promote group purchases, new product awareness, or alerts on the value of the larger transactions and watch the revenues increase.

5. Leaving Your Mobile Marketing Campaigns in the Shadows

Too many times I see companies making the fatal mistake of adding mobile to their marketing initiatives and then letting it sit off in a corner on its own. How many times have we observed even the smartest and more innovative companies place a mobile call-to-action on some collateral and then not promote to the database that is growing there? Or worse yet, we see them leave the small call-to-action hidden on the tertiary pages of their website, but can't find it in store.

This doesn't even begin to touch on how the major brands today routinely leave any mention of mobile off of their traditional media spend. Here we have them engaging where the customers are going, they search out the satellite radio ads, the video games, sports teams, and more. They spend Millions in an effort to get in front of their consumers and then forget the final step.

When you work so hard and pay so much to get the one exposure, get them to text-in!

Mobile marketing is not just another program that needs to sit in the backseat while we promote website traffic, or new product awareness, or any initiative. Mobile should be the tool that is your first line of offense! When a new product breaks, the database is seconds away and waiting for you to tell them to view it on your Facebook or website!

The most common mistake companies are making today is not concentrating on integrating mobile with all of their communications. Some lessons should have been learned a long time ago, yet we know history repeats itself.

Go ask a business owner or CEO today about when they wished they had started building an email database. They will tell you, "From day 1".

Then ask them when they started building their mobile database…. Then tell them that it's day 846. Better get started!

Call us today to find out how Mobile can be integrated into your business model.

AvidMobile

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info@avidmobile.com