

Contents

| | |
|-----------|-----------------------------------------------------------------------|
| 3 | Introduction |
| 6 | Summary of Key Findings |
| 11 | Detailed Findings |
| 36 | Expert Perspective |
| 41 | Best Practices of Successful Mobile Relationship Marketing Strategies |
| 42 | Leadership Committee |
| 65 | Expert & Academic Insights |
| 73 | About the CMO Council |
| 73 | About Our Partners |



INTRODUCTION

There are few, if any, experts in the world that would claim mobile engagement is not the wave of the future. The statistics and data around mobile undeniably point to this channel of connected devices and on-the-go communications as rapidly evolving into one of the most influential and potentially game-changing technologies facing today's marketer. Yet despite the excitement, attention, and investment that mobile is generating, marketers are still in the early stages of truly exploiting mobile to the fullest degree. To be sure, there are some impressive early adopters and trailblazers, but what is clear from this study is that a shift in thinking around the entire scope of mobile engagement is not just a suggestion, but a mandate.

Consider these key points:

- By the end of 2011, there were 6 billion mobile subscribers, which equals 87 percent of the world's population (International Telecommunications Union).
- Mobile broadband subscriptions outnumber fixed broadband by 2:1 (ITU).
- There are almost 1.2 billion mobile web users globally (ITU).
- Ten percent of website hits/views came from a handheld or mobile device (Stat Counter).
- In 2011, 7.8 trillion SMS messages were sent. Experts anticipate that number will rise to 9.8 trillion in 2012 (Portio Research).
- Also in 2011, 669.5 million people used mobile email (Portio Research).
- Mobile IM will exceed 1.4 billion users by 2016 (Juniper Research).
- Sixty-four percent of mobile phone time is spent using apps (Nielsen 2012).
- App-to-person (A2P) messaging will over take person-to-person messaging (SMS) by 2016 (Juniper Research).
- Sixty-one percent of smartphone users and 49 percent of mobile and tablet users make local searches from a device (comScore).
- Mobile payments are expected to quadruple to \$630 billion by 2014 (Juniper Research).
- In the U.S., 64 million smartphone owners accessed social networking or blog destinations via mobile devices as of December 2011, up 77 percent from December 2010 levels (comScore).

The question certainly isn't whether consumers are moving their lives into a more fully mobile, multi-device, multi-subscription model. The question is how marketers are responding to this new engagement paradigm. So far, the answer has been to throw advertising dollars at the channel, transitioning online and digital spend strategies and morphing them into mobile marketing strategies.

Consider the following:

- The IAB estimates that global expenditures for mobile ads in 2011 topped \$5.3 billion.
- Gartner goes on to predict that spend in mobile ads will double each year in the U.S. to reach \$20.5 billion by 2015.
- Even in the CMO Council's own "State of Marketing" research, mobile marketing spend has seen steady 2-4 percent increases year over year.

The mobile channel provides an unprecedented opportunity to reach consumers in developed markets in a new and intrusive way, and to access the previously untapped, unreachable, and unbanked mass of humanity in emerging economies. An estimated 2.5 billion adults (more than half of the world's adult population) do not use any form of formal financial services, yet about 70 percent of all people on the planet use a cell phone.

Demographic research by Nielsen indicates mobile social networking reaches important consumer segments for brand marketers. Women account for 55 percent of mobile social networking activity. Men and women between the ages of 35 to 54 account for 36 percent of activity. Close behind are people between ages 25 and 34, who account for 34 percent of activity. According to research by marketing firm Ruder Finn, 91 percent of mobile phone users go online to socialize versus 79 percent of desktop users. Some 4 percent of mobile users go online to advocate compared to 41 percent of desktop users. Google questioned thousands of mobile consumers in 30 countries in 2012 about how they use their mobile devices and found that 79 percent of people turn to their phones to help them shop; 88 percent take action on that information within a day; and 70 percent of all mobile searches result in action within one hour.

The immediacy, convenience, pervasiveness, and personal attachment to mobile phones make the device an ideal means of expanding marketing messages and enhancing engagement with a global customer base. The fact is that mobile has become a more effective channel to better engage and gratify customers. It has also become a channel where the customer decides when, where, and how to start and conclude an engagement, making mobile an even more complex channel to tame.

What was once only discussed in mobile carrier or provider circles has now seeped into the broader business community. The desire for a single consumer to continue and extend a single relationship across a multitude of screens, devices, and locations has become the standard for the mobile experience. This multi-screen/third-screen experience forces today's marketer to break the mold of individual points of execution. No longer can a campaign be developed only for mobile, digital, or at-home experiences. The total relationship and engagement with a single user must constantly reflect insights, intelligence, and behavior-based understanding.

Customer insight, intimacy, and engagement are essential to sustaining successful brands, yet for many companies—especially those who sell through indirect channels or to cash-only customers—connecting with and influencing the customer is a serious struggle. Marketers around the world are now trying to overcome these traditional obstacles by leveraging the power of the web and mobile social networking to create more direct relationships with customers.

Using traditional advertising to engage and activate an audience is rapidly being eclipsed by the pervasive nature of social media networks, massive mobile device dependency, as well as the awesome analytics capability of cloud-based business intelligence providers, which are pioneering new relationship marketing practices.

More targeted, timely, and helpful messaging and info sourcing through mobile communications channels are helping consumers get trusted advice, find the right products, and source the best deals in any place, at any time. In addition, customers are now empowered to transact and interact on demand without limitations or restrictions on where and how they buy.

Mobile relationship marketing (MRM) is the new call to action for companies looking to ensure continuous customer touch and interaction, sustained support and service, closer and more dependent connectivity, as well as greater insight and intimacy. MRM has vast potential to create business value, improve process efficiency, trigger product consumption and use, further loyalty and repeat purchase, and increase customer feedback, assistance, affinity, and advocacy.

In this new age of the consumer-initiated engagement, marketers cannot afford to allow the mobile channel to simply be another tactical execution point that sits apart from the overall customer experience. An effective MRM strategy integrates social interaction; customer insight gathering and listening; consumer engagement and loyalty; market listening; purchase incentive or inducement; and lifetime revenue optimization, all through optimized use of the mobile channel.

Hence, the Chief Marketing Officer (CMO) Council completed this study to reveal where and how marketers are adopting this more comprehensive model of MRM to advance the customer experience, deepen and enhance relationships, and more seamlessly integrate the mobile channel into their total marketing operations and media mix.

What became clear very early in this investigation is that the interest, demand, and hope for the mobile channel is as high as should be expected. However, the downsides, trepidation, and frustration in successfully developing a strategy and executing beyond the current SMS or app campaign emerged. This report outlines both the aspirations and frustrations of major marketers from brands like Anheuser-Busch, Beam Global, Caesars Entertainment, Coca-Cola, Eastman Kodak, Four Seasons Hotels and Resorts, JP Morgan Chase, NASCAR, PC Mall, Royal Caribbean International, Sony Entertainment Television, Turner Entertainment Networks Asia, Unilever, Virgin America, and Wyndham Hotel Group as they set out to develop more comprehensive mobile relationships with their customers in this new customer-to-business marketplace.

SUMMARY OF KEY FINDINGS

The marketer's appetite for mobile is largely fueled by consumer consumption, the relevance mobile has within the context of customer engagement, and the perceived overall value of the channel. According to 35 percent of marketers, mobile device usage is growing as evidenced by the increased penetration of tablets, smartphones, eReaders, and laptops. Another 20 percent see consumers having a greater reliance on mobile devices for business processes, whereas 19 percent see a high degree of adoption and use of multiple devices across their customer base.

Thanks to this reliance on mobile, marketers see an opportunity to leverage this dependence to better target and reach their consumers. "Mobile gives me the ability to add value to every customer engagement through deep personalization and a real multi-screen experience," explains one marketer. But overall, the responses to the "Engage at Every Stage" study indicate that mobile is being leveraged as a disconnected and standalone tactic and not as a comprehensive strategy based on a customer engagement model where the point of engagement begins and ends with the consumer.

What is revealed is the need for a mindset shift, where the interaction and engagement is not dictated by a pushed message, but by where and how the customer identifies value and need. One online respondent summarized the value of mobile most succinctly. "Mobile lets a customer interact on their terms, when they have the need, and for what they want to consume. It changes the game for me as a marketer and makes me think about marketing from a purely consumer-centric view."

According to 55 percent of respondents, the fact that mobile is an always-on and highly accessible channel to the customer is an essential benefit. Also high on the list is the ability to target and customize engagements (51 percent).

Of greatest interest to marketers are those mobile options that increase frequency, success, and relevance in consumer experiences. According to half of respondents, messaging and communications options are of most interest. Other key applications include social media interactions (35 percent), value-added service delivery (34 percent), rich media content delivery (33 percent), and search and location optimization (31 percent).

Relevance plays a large role in why marketers see such great opportunity in mobile, as many feel they will be able to reach the right audience in a more timely, cost-effective, and direct manner. In fact, 49 percent of marketers believe mobile will help influence customer interactions by providing a more personalized and relevant experience. This personalization and increase in engagement, according to many of our quantitative and qualitative respondents, will lead to new avenues of engagement that will prove, in the end, to be a competitive advantage for the brand.

Primarily, marketers are looking for this edge through value-added services, and 34 percent of respondents also see the ability to increase the frequency of communications as a key way that mobile can influence consumers. "Mobile can create a significant competitive advantage if done correctly due to its ability to provide deeper levels of engagement through instant, two-way communication," comments Lucas Herscovici of Anheuser-Busch. "Our connection strategy is to focus on our fans because we believe that by having our fans engage with us, they will talk

What Makes Mobile Essential to the Marketer?

1. Always on and accessible
2. Targeted and customizable
3. Preference and dependency of users
4. Low-Cost and efficient
5. Global reach and immediacy

positively about us and bring in new consumers. So if mobile is relevant for our fans, we need to use it—it's that simple."

Brands who are adopting strategies based on a continuous, repeatable, and connected mobile relationship are seeing these benefits play out as more consumers are using—and demanding—even more mobile engagement opportunities.

"More than 60 percent of our guests check into our hotels using an iPad compared to zero three years ago," says Susan Helstab of Four Seasons Hotels and Resorts. "Providing consumers with relevant information at the right moment leads to higher levels of engagement, loyalty, and ultimately conversion. In order to do this, we have to maintain a clear, customer-centric view of everything we do, and that involves breaking down all of the silos."

But despite the high levels of interest, excitement, and investment that seem to be sparked by the mobile channel, marketers are struggling to completely embrace a fully connected and integrated mobile relationship. Most telling is that only 16 percent of marketers currently have a comprehensive mobile relationship marketing strategy or plan, and when asked where and how mobile fits into the overall marketing mix, only 18 percent of marketers indicate they will be embracing a comprehensive mobile relationship marketing strategy. With most respondents indicating that their strategies are largely a work in progress, it should not be a surprise that only 14 percent of the marketers surveyed feel they are successfully using mobile to activate their consumers.

Lack of technical understanding is not the issue, but access to qualified talent may be. Most marketers admit to having a growing knowledge of mobile technologies, while only 14 percent of respondents admit they only have a limited or very basic understanding of mobile marketing technologies. But in the face of this interest, 47 percent of those marketers who are not satisfied with their current mobile progress point to a lack of resources and talent to develop and execute mobile engagements. A deficiency in strategy, including the ability to develop creative campaign executions, is also a major roadblock.

In fact, for many marketers, mobile has emerged as just another channel of engagement, leveraged more for its ability to push messaging through a more cost-effective channel. To date, marketers have focused mobile executions and activities around notifying and informing customers (51 percent), delivering content and services (43 percent), and promoting and advertising brands or special offers (37 percent). And marketers, for the most part, are seeing success, albeit in moderate degrees; 27 percent have seen "good" results, and 24 percent have seen "moderate" results. However, many marketers (26 percent) admit that their current investments have yielded inconsistent results at best.

Given that marketers are looking to deepen relationships and improve service, it is surprising to see that mobile is not being widely activated as a service and support agent. Also low on the activity list are those campaigns or tactics that put the customer in control and acknowledge this shift to a customer-centric mobile relationship. Only 15 percent are using mobile to trigger consumption of a product or service, 18 percent are acquiring or reactivating customers, and 18 percent use mobile to enable transactions. Many marketers are also overlooking the ability to gather real-time insights (19 percent) and support customer care and handling (23 percent).

Marketers are getting into a mobile groove, as there is a high level of understanding that web content does not equal mobile content. Forty-one percent are just looking to repurpose online content and make it more accessible across a multi-screen engagement. "A greater level of investment and focus is starting around mobile applications rather than desktop experiences," explains Llyod O'Connor of JP Morgan Chase. "People are conceiving ideas around the mobile experience and then retrospectively considering how they can apply the experience to other channels, so it has been a bit of a mindset reversal."

In fact, many experts believe that the customer engagement model must start at the point of mobile engagement and then extend across other web-enabled touch points. But oftentimes, this process can be costly, confusing, and daunting as it will require a cultural shift to a more CtoB engagement mindset. “The accessibility offered by mobile is an extremely positive thing, partly because it’s such an individual medium. But as a result, we as marketers have to think about creating a model that ensures customers are only contacted when they agree to it,” says Danish Kan of Sony Entertainment Television-India.

Marketing should aspire to a more dedicated multi-screen experience that can connect and integrate unique experiences through each engagement channel, including mobile. While marketers are looking to translate content into mobile formats, only 24 percent of respondents intend to develop content that is unique to the mobile channel. Our best-practice leaders interviewed for this program point to a more broad and fully connected experience that spans across two or three screens to the every-screen experience.

“We take a three- to four-screen approach because at any given time, consumers can be watching television, on their computers, or using smartphones or tablets,” says Kelly Doss of Beam Global. “We have to look at that and understand how the consumer is engaging and socializing.”

For others, the multi-screen approach means that mobile may, in specific scenarios, take a back seat, but it must be part of the equation as that position may switch depending on the behavior of the consumer. “The immediacy of the consumer touch point is very beneficial, and Turner Broadcasting System in APAC looks at mobile with respect to other devices [as in second-screen usage],” says Benjamin Grubbs. “For example, within homes, Turner can create a participatory environment for the consumer that positions the mobile phone or tablet as a complement to the TV screen. Outside the home, however, mobile becomes the primary screen.”

What was most surprising was that less than one-third of the panel planned to look at mobile advertising. Only 29 percent of marketers are looking at mobile advertising opportunities to reach customers through already-established and valued mobile content channels. This is likely tied to the fact that 26 percent of marketers believe that their current mobile investments have yielded inconsistent results. To date, marketers are primarily testing or allocating mobile marketing dollars across social media (69 percent), search (54 percent), and news and information channels (40 percent). Marketers are investing less across opportunities that have the potential to leverage mobile content to connect across a multi-screen environment like interactive entertainment channels (15 percent), video (15 percent), and music (12 percent).

Strategy and direction are also factors specific to investments in mobile advertising, as some marketers indicate that mobile is being leveraged for relationship and engagement rather than brand building.

“If you can provide relevant, engaging content that adds value for consumers, they will be more likely to have greater engagement with your brand,” says Judy Chen of Earthbound Farm. “No longer is advertising about telling consumers why a company is great; it’s about how they can add value to a consumer’s life.”

This disparity in the desire to invest in mobile and the intention to optimize mobile advertising shifts dramatically specific to local marketing strategies where the connection between mobile, social, and local engagements have yielded significant results. While marketers have been actively investing in key applications like messaging (49 percent), social interactions (35 percent), opt-in value-added service delivery (34 percent), and mobile commerce (33 percent), only 15 percent are looking to leverage mobile’s ability to drive traffic to retail locations.

Yet best practice leaders are making this SoLoMo (social-local-mobile) connection, using mobile as the connector between the social and local experiences. According to Jay Altschuler of Unilever, this SoLoMo convergence is the “holy grail” for marketers today, as mobile allows a brand to get closer to a relevant, valuable customer in a new, interactive, real-time experience. “Ultimately, we follow our consumers and their needs, and what we’re seeing is that mobile is a key tool in the way people shop. We are working with retailers, carriers, and manufacturers to determine the best way to approach mobile.”

Major global brands are identifying key SoLoMo campaigns that have provided the engagement consumers desire while yielding the return marketers are mandated to achieve. For entertainment brands like Caesars Entertainment, mobile represents a new opportunity to continue an engagement beyond the confines of a property or casino. “Customers would come to us, enjoy their experience, and that would be the end of it,” says Jeffrey Boorjian. “But now, we know it doesn’t have to stop there. Customers may leave, but they can stay connected through apps, social media, and other digital and mobile platforms.”

Coca-Cola has also successfully leveraged mobile and social to help thirsty customers locate their nearest vending machine location. Brad Taylor of the Coca-Cola Company explained that the company has a “PUSH! + Play” app that enables a consumer to locate the nearest Coca-Cola Freestyle machine to them, view all of the different beverages, and then provide feedback on the drink they dispense. And the innovation and engagement will continue to develop, according to Taylor. “We’re also looking to add geo-fencing functionality to that app so we can do more targeted mobile marketing through alerts and app-to-person engagements.”

Industry expert and analyst Peggy Anne Salz highlights the Starbucks mobile experience as another best-practice example. “Starbucks is a great example because they use mobile to get people into the stores and integrate that back into the loyalty program.” She goes on to explain that via the mobile experience, a consumer is encouraged to engage, consume, return, gain value, and then continue the process as the consumer desires. “It’s far too expensive to not think about an ongoing campaign that focuses not only on acquiring customers but keeping them as well.”

Until now, mobile has largely been led by in-house teams, who are not only being seen as the primary architects of the strategy, but also the most trusted resources and experts in mobile. This may explain why marketers have a narrow view of where mobile can impact the overall business, as mobile content experts and platform innovators are largely being left out of the strategy and execution mix.

Even though interest is high, skepticism still exists, as many marketers feel that today’s mobile channel is filled with false claims, unmet expectations, lack of visibility, and a general lack of best-practice leaders. An overwhelming majority of respondents (77 percent) are calling for more case studies of best practices or success stories. More than half of marketers surveyed would like to see less complexity and carrier control of the mobile ecosystem—a sentiment likely being exacerbated as more brands kick off the development of over-the-top content that most carriers dread as it has the potential to further strain already limited networks and bandwidth. Interestingly, 30 percent of marketers complain of false claims from providers and vendors while 36 percent are demanding more visibility and accountability of providers and vendors in the marketplace—two key points that help bring the decision to keep mobile in-house into focus.

And considering that digital marketing priorities seem to be directing mobile priorities, it is not a surprise that marketing is looking to apply digital measurement standards to the mobile relationship. Marketing is measuring mobile through user feedback and repeated use of content (38 percent), the volume of mobile app downloads (33 percent), mobile transactions (26 percent), and conversion rates (26 percent). And similar to web and digital metrics, marketers are giving less weight to issues

like customer affinity and loyalty (17 percent), audience quality and reach (10 percent), and consumer referrals (8 percent).

But despite all of the skepticism and challenges, marketing is firmly committed to advancing mobile. In fact, 53 percent of respondents have or are developing a dedicated team assigned to mobile programs, and 51 percent are looking at ways to further mobile marketing capabilities through internal training and development. But key to the advancement of mobile strategy will be a mindset shift to view mobile as a relationship catalyst rather than another random act of marketing.

CONCLUSION

MRM will transform the marketing mix and enable brands to “Engage at Every Stage” of the consumer lifecycle. An effective MRM strategy will integrate social interaction; customer insight gathering and analytics; consumer engagement and loyalty; market listening; purchase incentive or inducement; and lifetime revenue optimization, all through optimized use of the mobile channel.

Operationalizing MRM will help companies across multiple industries maintain continuous customer touch and interaction, sustained support and service, closer and more dependent connectivity, as well as greater insight and intimacy. MRM has vast potential to create business value, improve process efficiency, trigger product consumption and use, further loyalty and repeat purchase, and increase customer feedback, assistance, affinity, and advocacy.

Marketers will continue to employ new mobile apps, location-based messaging, proximity marketing, and smart merchandising systems in-store to attract and engage consumers in any place where they are willing to interact, transact, or stay in contact with brands. This includes rich, content-centered, multi-screen experiences that envelop retail, sports, entertainment, destination, education, mass transit, and travel environments. But in order to achieve this fully connected brand experience, marketers will need to adopt new marketing models.

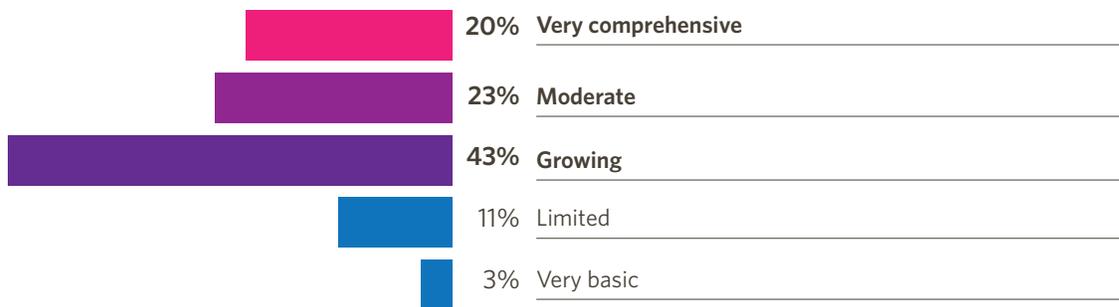
Serving as the guide rails for marketers developing robust experiences, MRM will spark the global brand shift to infinite digital interactions and instant consumer satisfaction. But marketers must embrace a mobile marketing mindset rooted in insights and intentions-based mobile relationship marketing systems and platforms that can truly connect, engage at every stage of the customer experience, and leverage those trusted third-party networks that span a true multi-screen life.

As the CMO Council continues its conversation around MRM—next introducing a new framework that will connect and combine the key drivers and mandates of an MRM strategy—campaigns will evolve and best practices will be shared across the global peer-powered network.

Detailed Findings

Nearly one quarter of respondents feel they personally have a very comprehensive understanding of mobile technologies, but the majority of marketers feel they have a moderate to growing level of knowledge. On the upside, only 14 percent of marketers are struggling with a limited or very basic level of understanding of the dynamic channel. However, as we see in the next question, this relative confidence in mobile understanding begins to slip when thinking about the organization's mobile intelligence.

Q1. How would you rate your level of knowledge and understanding of mobile marketing technologies and innovations?



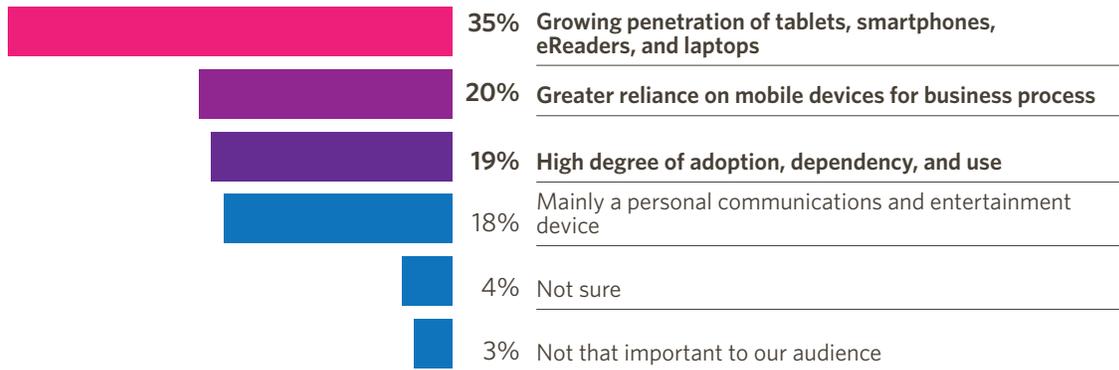
Most marketing executives admit their organizations are still investigating the possibilities that mobile offers (30 percent) while others are already in development with mobile apps (26 percent) for their brands. However, few marketers give their organizations top ratings; specifically, only 8 percent feel their teams have an advanced knowledge or understanding of mobile, and many question whether or not they have the IT and mobile resources in place to execute well.

Q2. How would you rate your organization's knowledge and understanding of mobile marketing technologies and innovations?



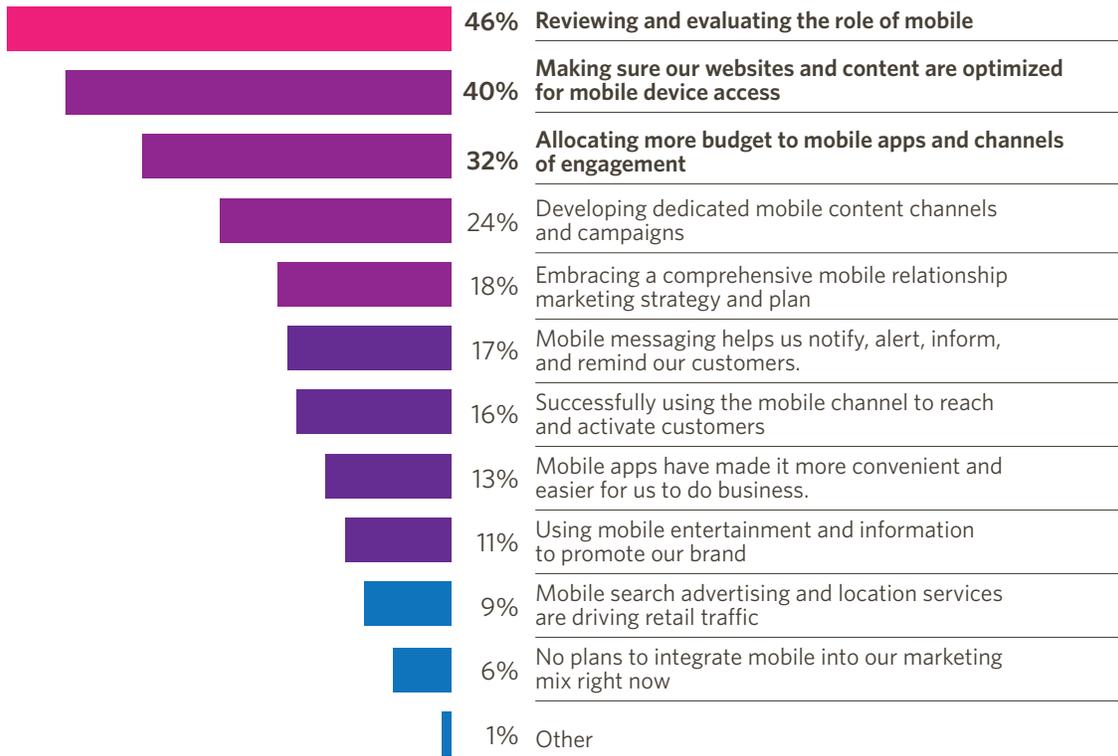
Marketers view mobile as an area of growing penetration thanks to the adoption of tablets, smartphones, laptops, and eReaders. Twenty percent of marketers acknowledge that their customers have a greater reliance on mobile for business purposes while 19 percent indicate that their audience has a high level of adoption and dependency on mobile channels. Only 3 percent of respondents feel that mobile is not an important channel to their audience.

Q3. How relevant or valued is mobile device usage to your target customer markets or B2B trade audiences?



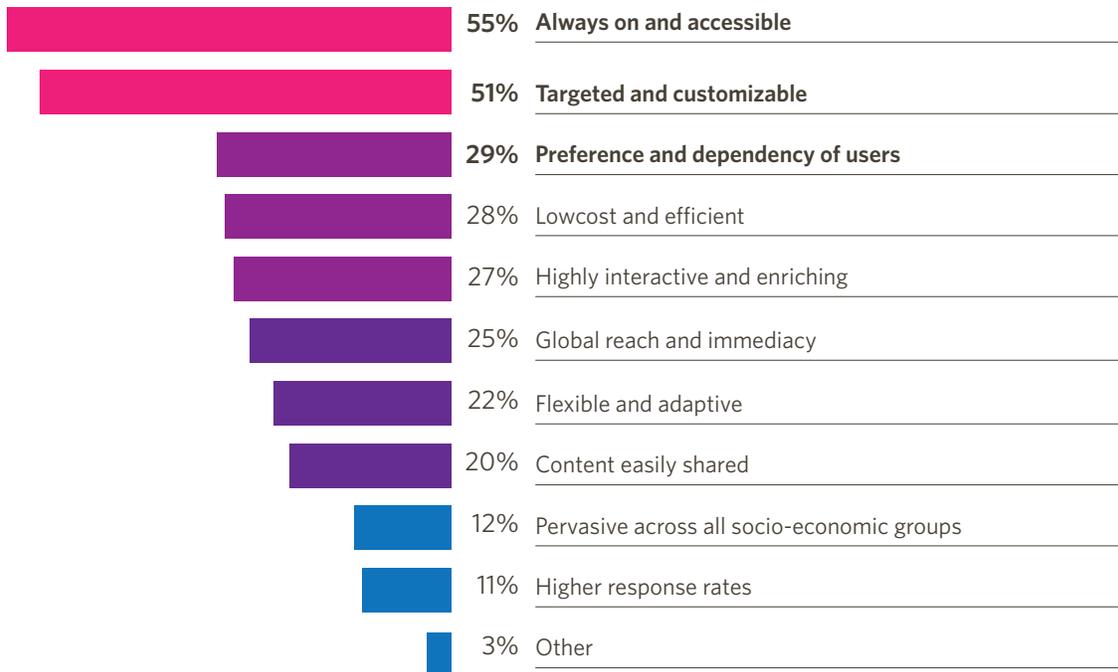
The mobilization of content is the primary investment that 40 percent of respondents plan on making to ensure that their existing websites and content are accessible via mobile devices. However, it seems that many marketers (46 percent) are still reviewing the role of mobile and where it will fit into their strategies. Marketers are also looking to allocate more of the budget into mobile app development (32 percent) and dedicate resources to develop mobile content and campaigns (24 percent). Interestingly, only 18 percent are looking to embrace a comprehensive mobile relationship marketing (MRM) strategy or plan and instead opt for a more campaign-centered approach.

Q4. How does mobile fit into your current marketing mix or media buying plans?



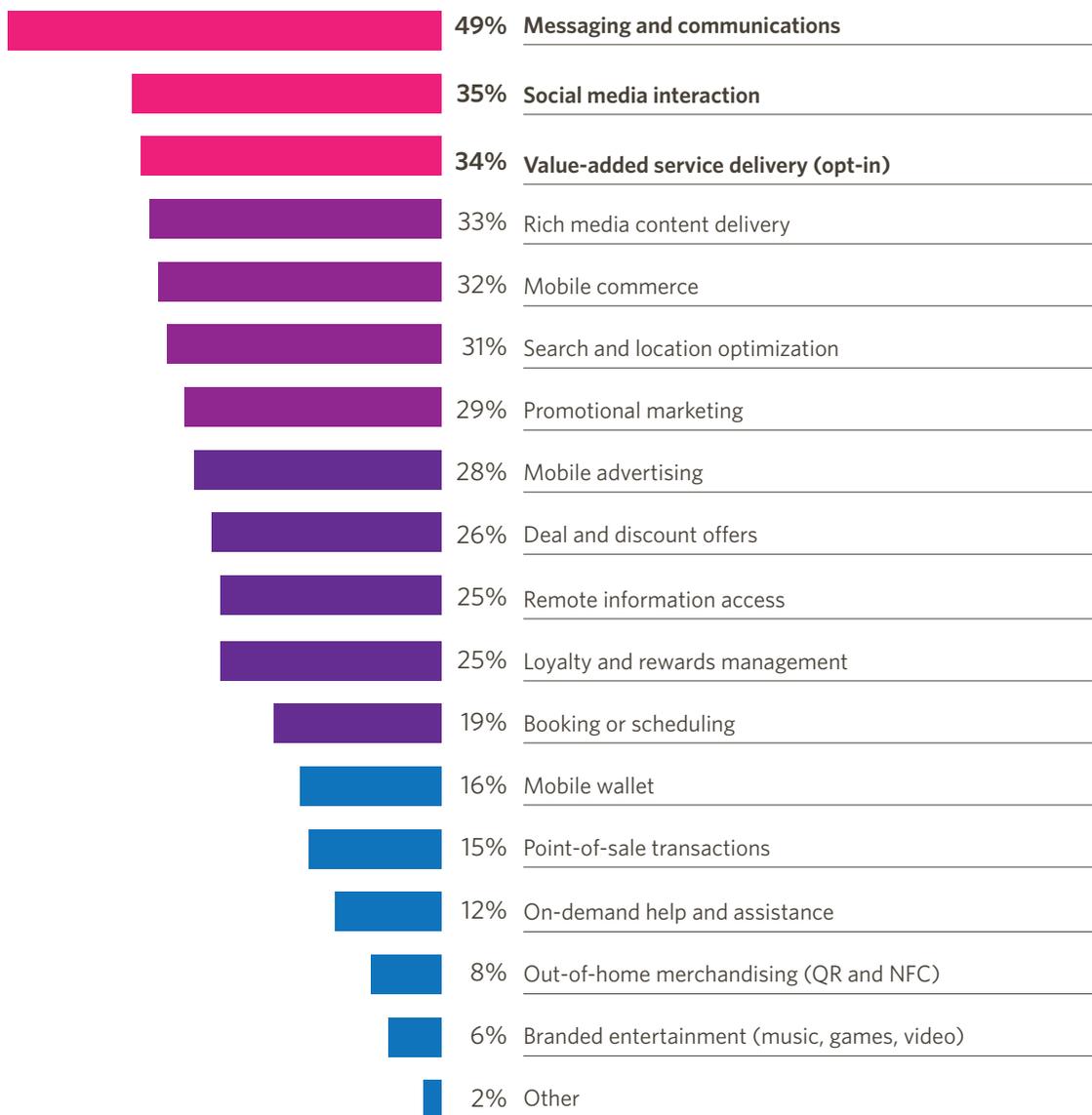
Always-on accessibility tops the list of critical attributes of mobile for the marketer. The ability to better target, personalize, and readily deploy campaigns across a channel that customers already use and trust also makes the mobile value proposition an attractive one to marketers.

Q5. What do you see as the essential marketing attributes or benefits to the mobile channel?



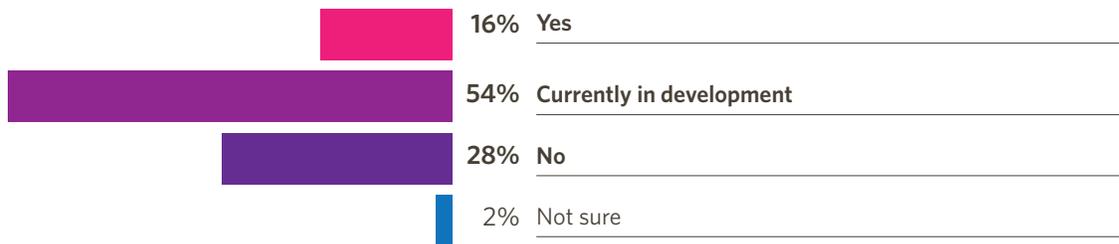
Messaging and communications (49 percent), social media interactions (35 percent), value-added service delivery (34 percent), and rich media content delivery (33 percent) all top the list of functions of mobile that marketers are most interested in tapping to engage their customers. Interestingly, the majority of top-ranking answers are facilitators to faster, more cost-effective, and widespread distribution of push messaging. However, key areas of engagement—like out-of-home merchandising through QR or near-field communication technologies (8 percent), on-demand service or assistance (12 percent), and even point-of-sale transactions (15 percent)—rate relatively low on the interest scale. This could be due to a lack of appropriate application where these technologies could be deployed, or it could be a lack of technological expertise.

Q6. What areas, paths, or publications of mobile marketing most interest you?



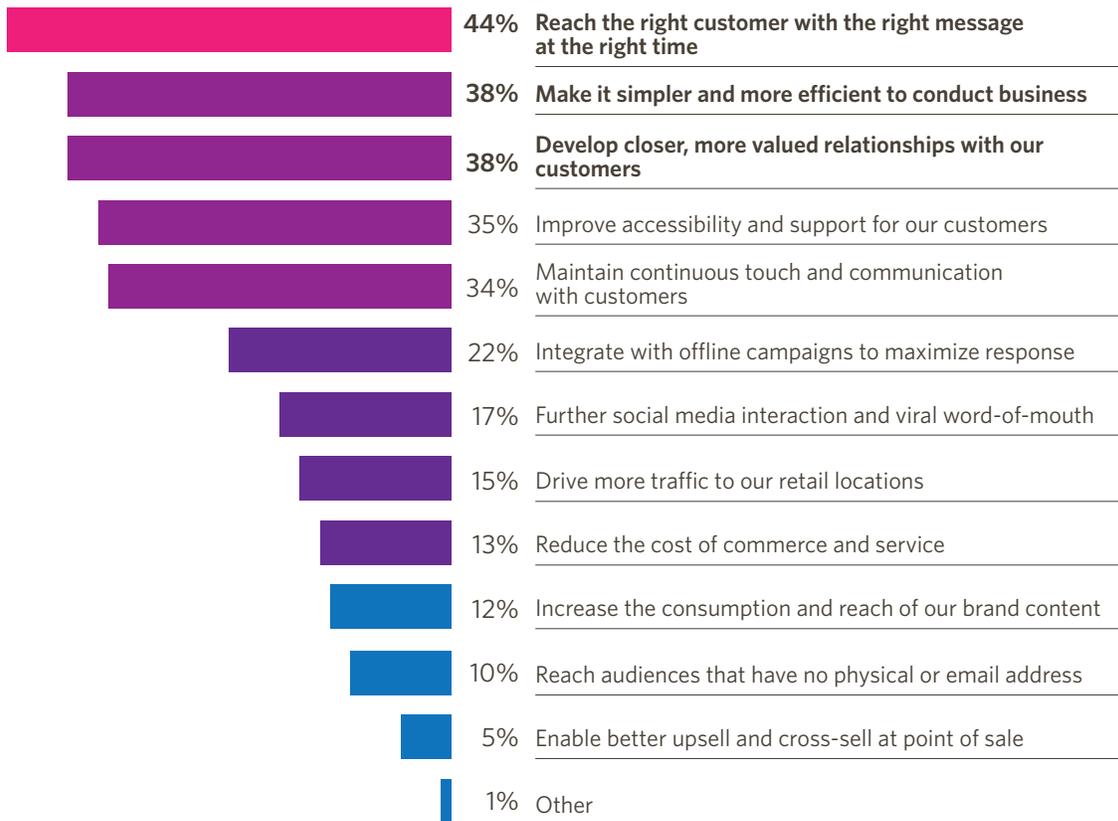
Even while mobile campaigns are being deployed, 54 percent of respondents say they are developing a formal strategy for using mobile. A surprising 28 percent do not have a formal strategy. This lack of MRM strategy is likely a contributor to the lack of confidence and the skepticism that marketers voice later in the study.

Q7. Does your company have a formal strategy for using mobile as a significant channel of customer engagement, convenience, and gratification?



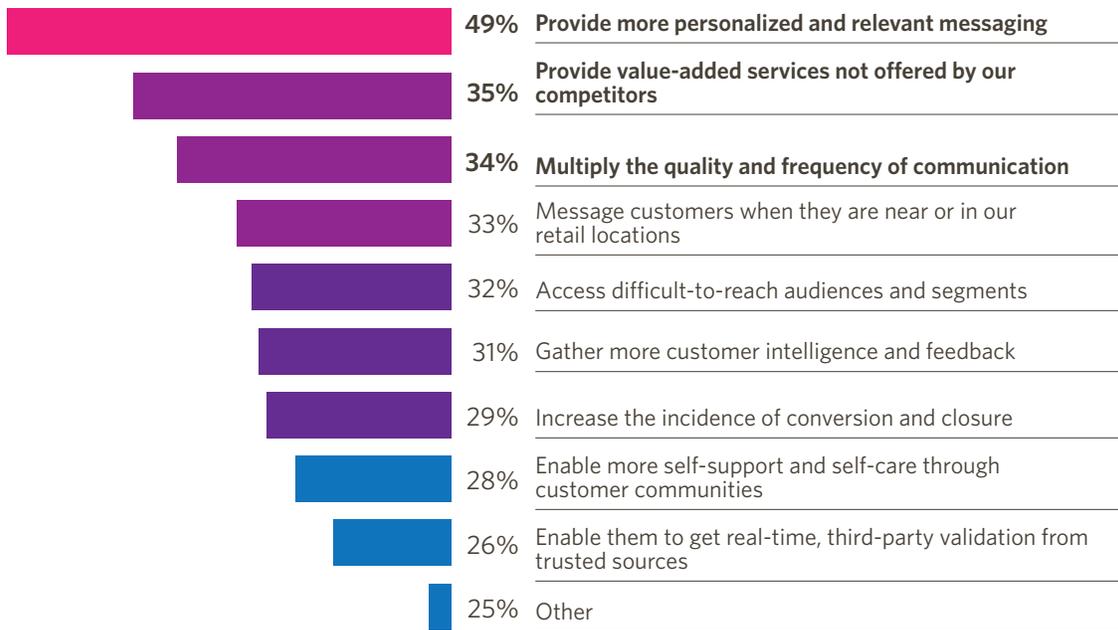
Interestingly, those marketers with a formal mobile strategy are not looking for mobile to drive more traffic to retail locations (15 percent), reduce the cost of service (13 percent), or reach hard-to-contact consumers, especially those who do not have a physical or email address (10 percent). The primary goal for mobile applications will center around more precision marketing goals, including reaching the right consumer with the right message (44 percent), developing closer relationships with customers (38 percent), and making it easier and more efficient to do business (38 percent).

Q8. If so, what are your plans and intentions to leverage mobile for competitive advantage?



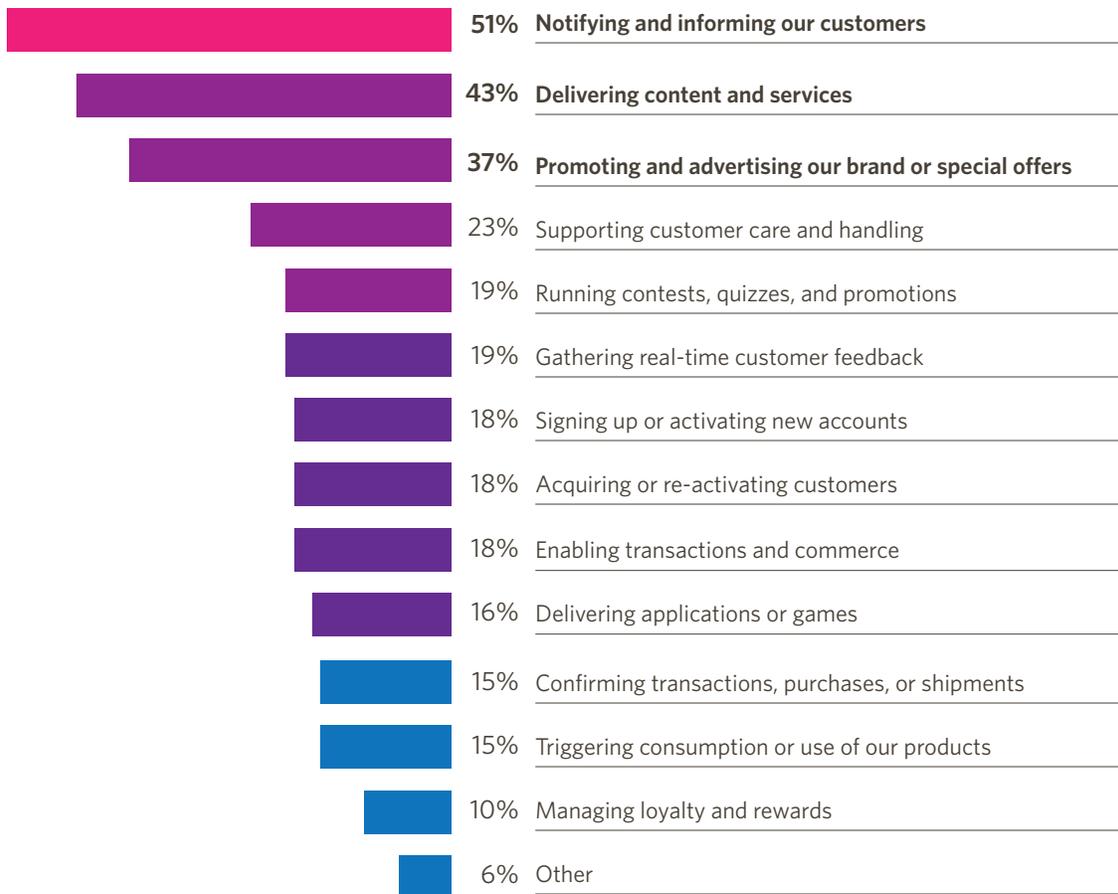
Marketers are looking to mobile as a way to deliver a more personalized experience and relevant messaging to their customers. Other perks of the channel include the opportunity to create more value-added services (43 percent) and multiple the quality and frequency of communication (37 percent). And while these aspects of mobile certainly provide new engagement opportunities, marketers are less inclined to embrace mobile as a channel to gather insights or as a new avenue for self-service and consumer-initiated experiences. Only 26 percent see the ability to gain intelligence as a way mobile will influence interactions with customers, and only 16 percent embrace the opportunity to enable access to real-time, third-party content from a trusted source.

Q9. In what ways could mobile shape and influence how you touch and continuously interact with customers?



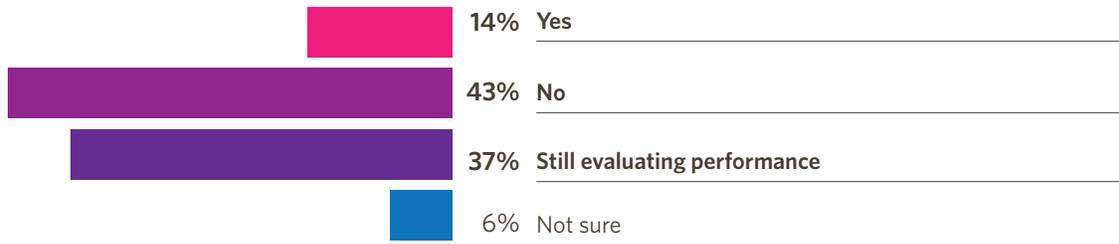
Similar to previous questions about mobile intentions, marketing is intent on maximizing mobile’s ability to push messaging, alerts, and even offers directly into the hands of their customers. Among the top mobile functions that have been leveraged to date are the notification of customers for timely information (51 percent), the delivery of content and services (43 percent), and promoting and advertising special offers or the brand in general (37 percent). Opportunity truly lies where marketers can exploit several of the overlooked activities, including triggering the consumption or sale of new products at the point of sale (15 percent), re-activating customers (18 percent), gathering real-time customer feedback (19 percent), or rewarding and incentivizing customers through contests, quizzes, games, and promotions (19 percent).

Q10. Where have your mobile marketing activities been directed to date?



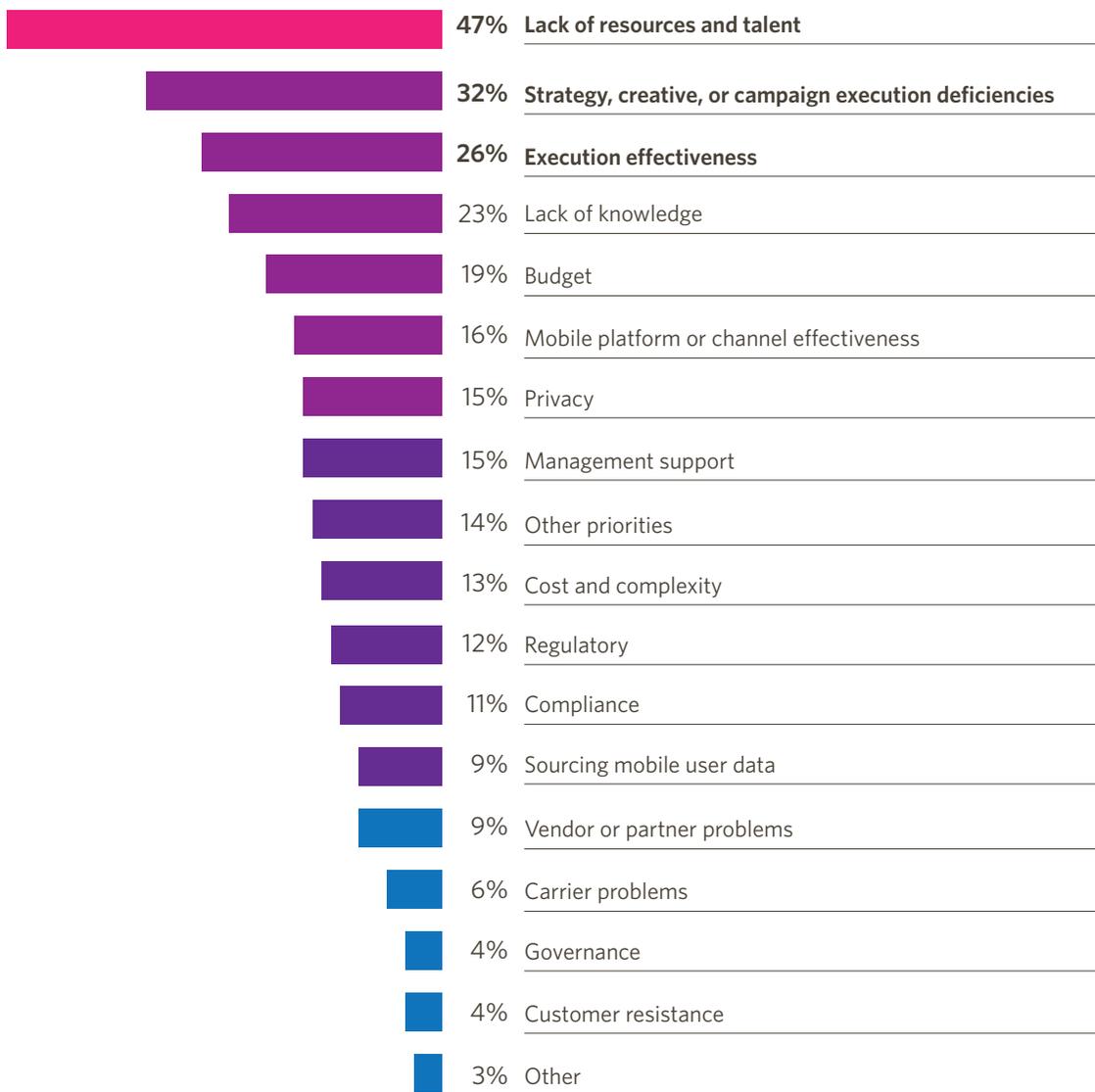
Despite the high levels of interest and investment in mobile, most marketers are not seeing the results they would like, as only 14 percent of respondents feel satisfied with their progress in leveraging the mobile channel. According to 43 percent of respondents, they are not satisfied with the current state of their mobile progress, while 37 percent are still evaluating results.

Q11. Are you satisfied with your progress in accessing and leveraging the mobile channel?



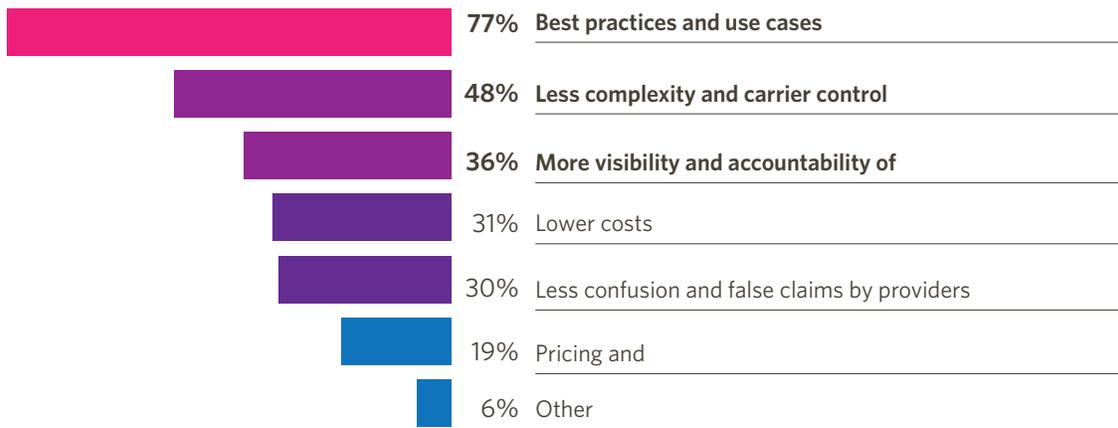
The primary issue plaguing mobile relationship management’s effective adoption appears to be a lack of resources and talent, according to 47 percent of respondents. Interestingly, management support (15 percent), carrier problems (6 percent), and even the ability to source mobile user data (9 percent) are not being blamed for challenges. But bigger, more concerning issues—ranging from a lack of strategy, creative, or campaign execution (32 percent) and execution effectiveness (26 percent) to a general lack of knowledge (23 percent)—were also identified as issues. Until a comprehensive MRM strategy is defined and the resources to connect this critical engagement are in place, mobile may continue to languish.

Q12. If not, what issues or obstacles have you experienced, or what concerns do you have?



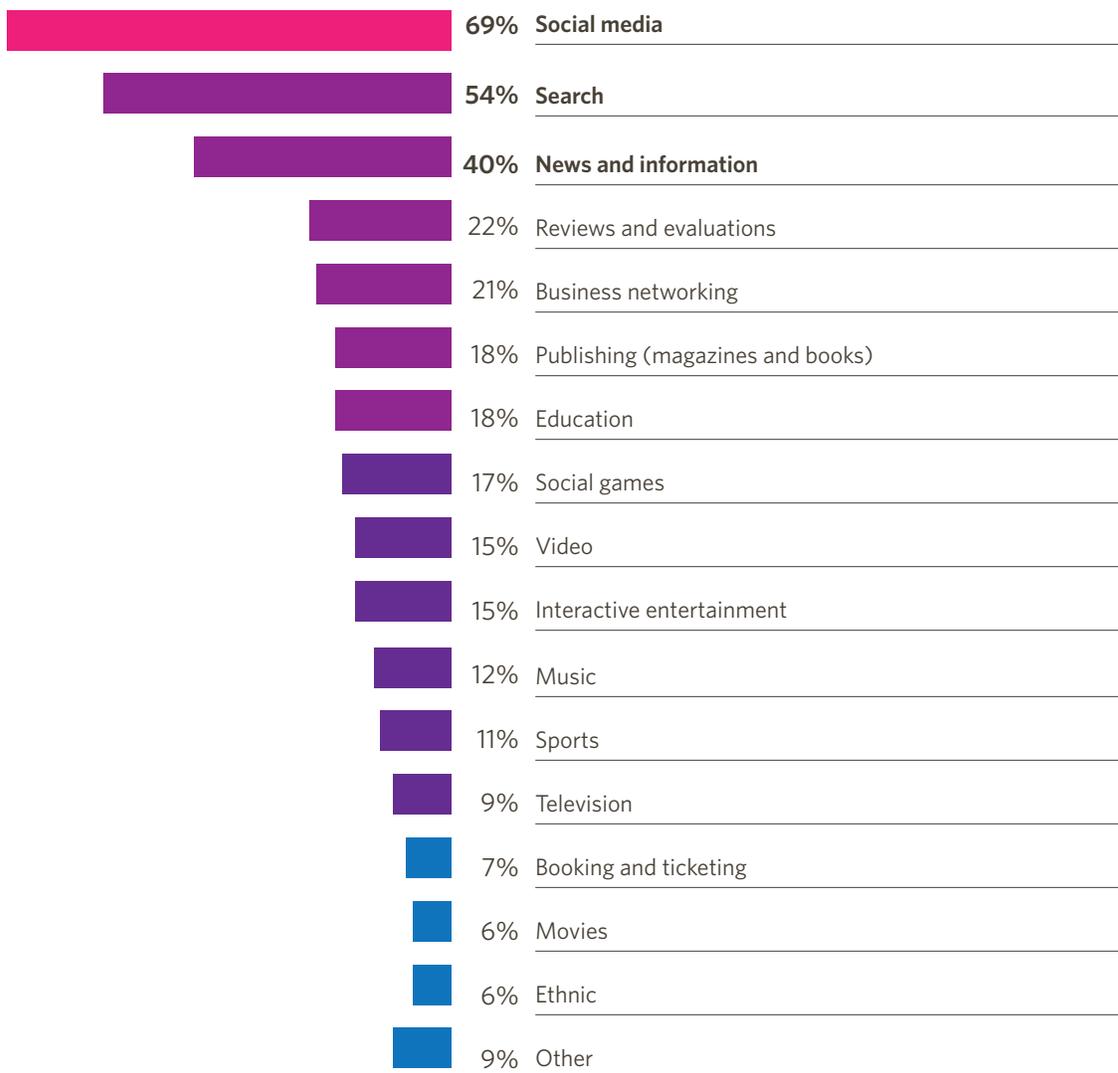
Marketers are hungry for case studies and best practices when it comes to developing and executing mobile strategies. While 77 percent would like to see more use cases and best practices, more serious concerns must be faced, as 48 percent of respondents would like to see less complexity (and less carrier interference or control) in mobile marketing. Many marketers also admit to being skeptical about some of the claims and promises that providers or vendors have made, as 36 percent of respondents would like to see additional visibility and accountability, and 30 percent want to see less confusion and false claims being made.

Q13. Where do you see a need for improvement or growth in mobile marketing?



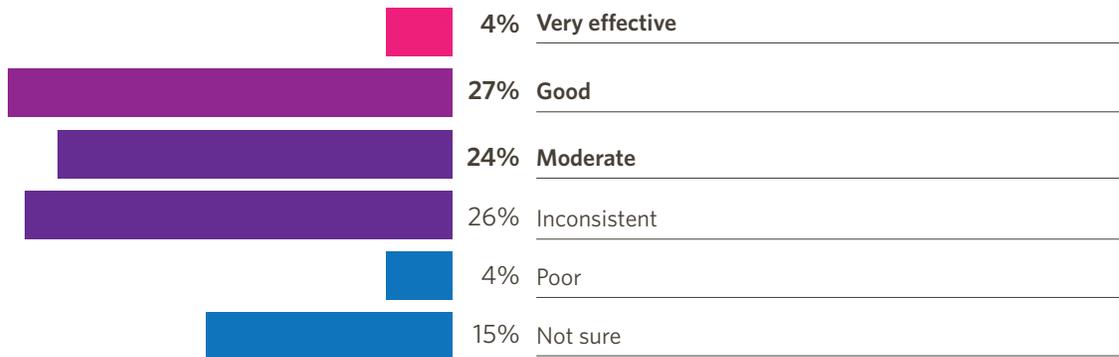
Social media (69 percent) tops the mobile advertising avenues that marketers are leveraging, followed by search (54 percent) and investments into news and information (40 percent) channels. Marketers may find opportunity in utilizing more mobile and multi-screen experiences that are gaining attention and momentum by consumers, such as publishing channels (only 18 percent currently investing), sports (11 percent currently investing), music (12 percent currently investing), and video (15 percent currently investing). Given that many of the respondents were overlooking the opportunity to leverage other trusted third-party mobile content authorities, these findings are not surprising but do reveal an opportunity to better leverage advertising dollars across mobile engagements.

Q14. What mobile advertising avenues have you tested and used?



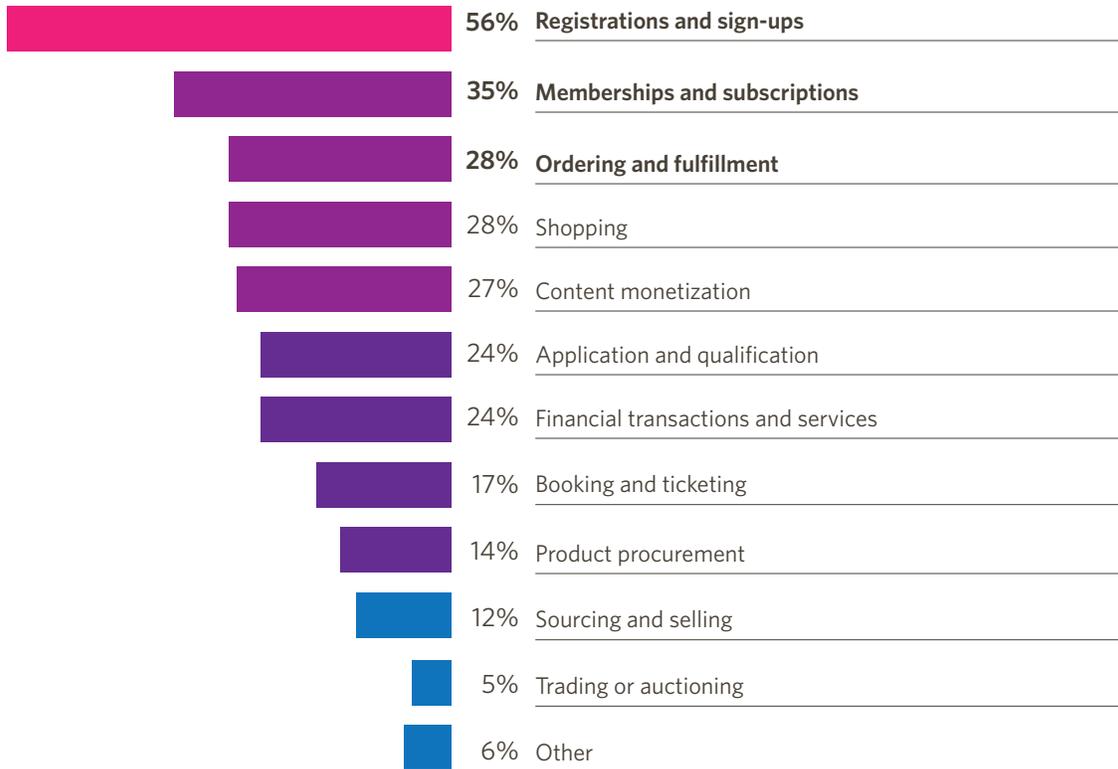
This focus on mobile as a message distribution center has predominantly yielded moderate (24 percent) or inconsistent (26 percent) results. And while 26 percent feel the return has been good, it is hardly an emphatic win for mobile. With only 4 percent of respondents feeling that their current or past investments into mobile were very effective, the question becomes whether the issue is the channel or the admitted lack of strategy that has driven these middle-of-the-road success rates.

Q15. How do you rate the success of these investments?



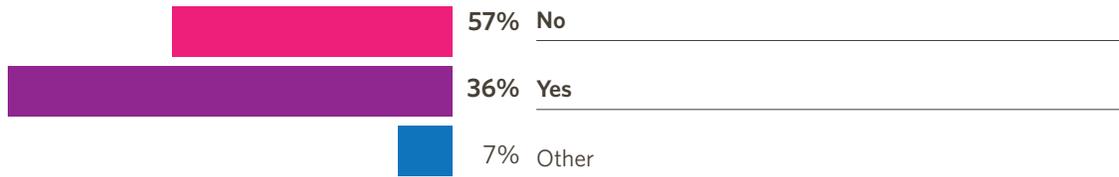
Marketers are also transitioning many web functions onto the mobile device, including the ability to register or sign up for engagements (56 percent), memberships and subscriptions (35 percent), ordering and fulfillment (28 percent), and mobile shopping (28 percent). Content monetization, while higher on the list than areas like product sourcing and procurement, is still relatively low on the list (27 percent) compared to the application of mobile as a vehicle for forms and data collection.

Q16. What forms of mobile commerce do you expect to test or embrace?



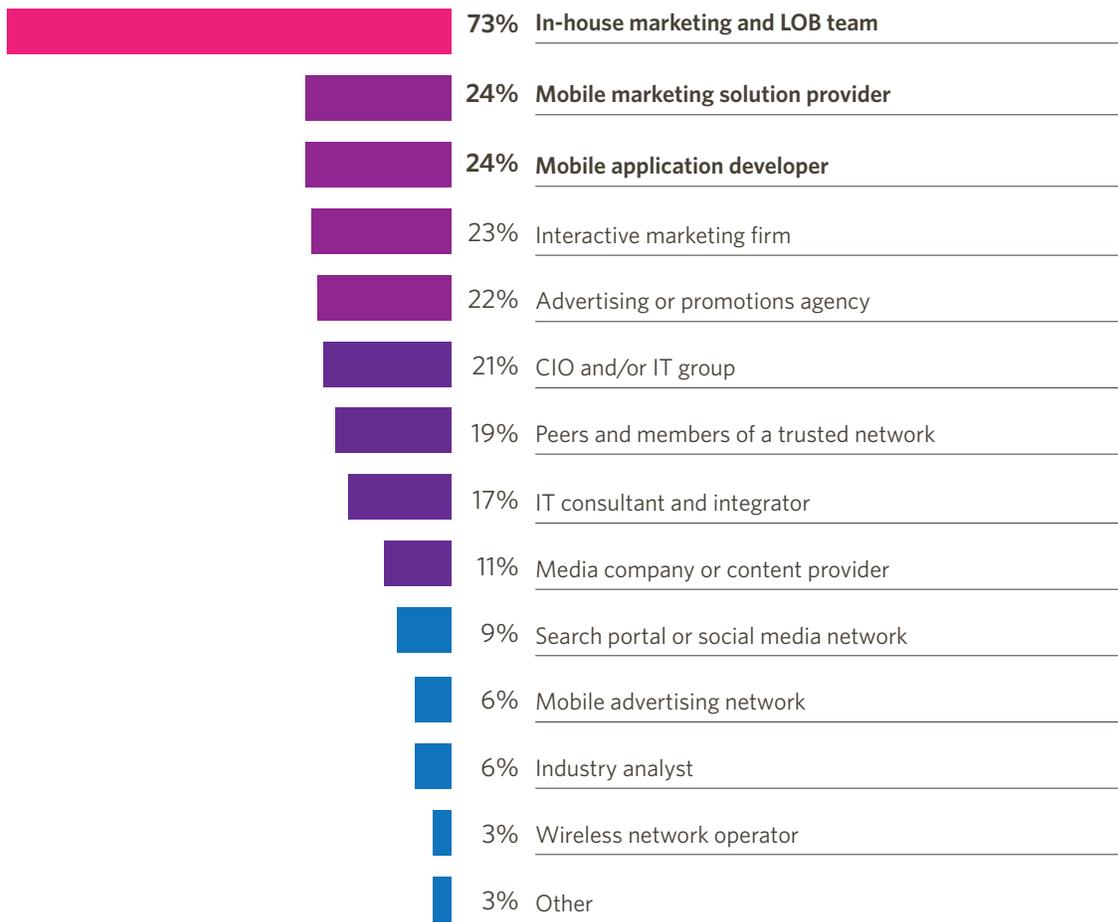
Mobile commerce is a work in progress, as 57 percent of respondents indicate they are not currently executing mCommerce campaigns across mobile at this time.

Q17. Are you executing commerce via smartphone and/or tablet?



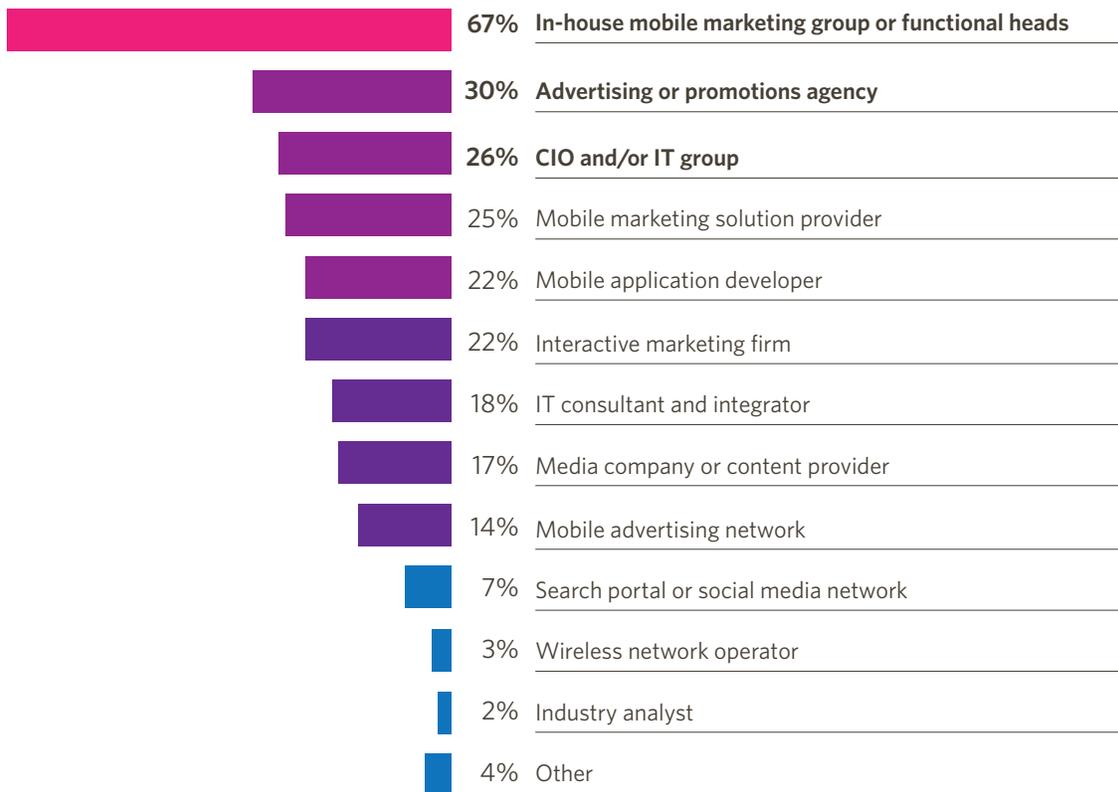
Despite initial ratings that indicated marketers had more faith in their own knowledge of mobile than their organization’s knowledge, marketers are turning to in-house marketing and line-of-business (LOB) teams to develop their mobile strategy. It seems that part of the low knowledge rating delivered in question 2 may be rooted in doubt that the IT function has embraced mobile, as only 21 percent of marketers are turning to the CIO for assistance, and only 17 percent are turning to IT consultants or integrators.

Q18. Who is helping you develop your mobile strategy?



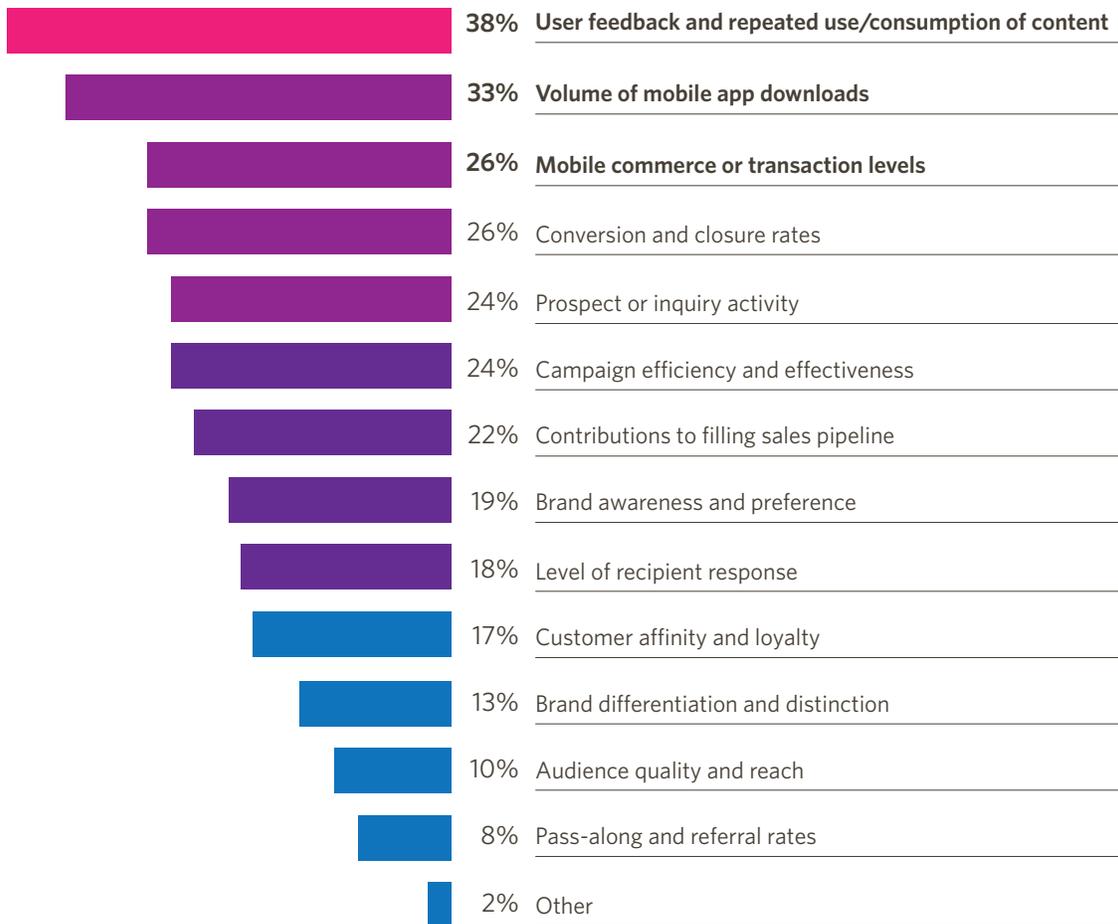
Marketing is once again relying heavily on in-house resources (67 percent) to design and execute mobile campaigns. After reflecting on previous answers indicating that marketers were not entirely confident in their organization’s knowledge of the mobile channel and platform technologies, this reliance on internal resources does come as a bit of a surprise. As has been noted in previous CMO Council studies about digital marketing, the CIO and IT teams are being involved less frequently than advertising agencies. In fact, agencies (30 percent) are being tapped more than mobile marketing solution providers (25 percent) or mobile application developers (22 percent). However, this is not necessarily shocking, as marketing has viewed mobile, until now, as a point of single execution for a campaign. As more comprehensive MRM strategies are deployed, the reliance on in-house teams or advertising agency resources may drop in lieu of third-party mobile content expertise and mobile marketing and app development resources.

Q19. What resources are you using to design and execute mobile campaigns?



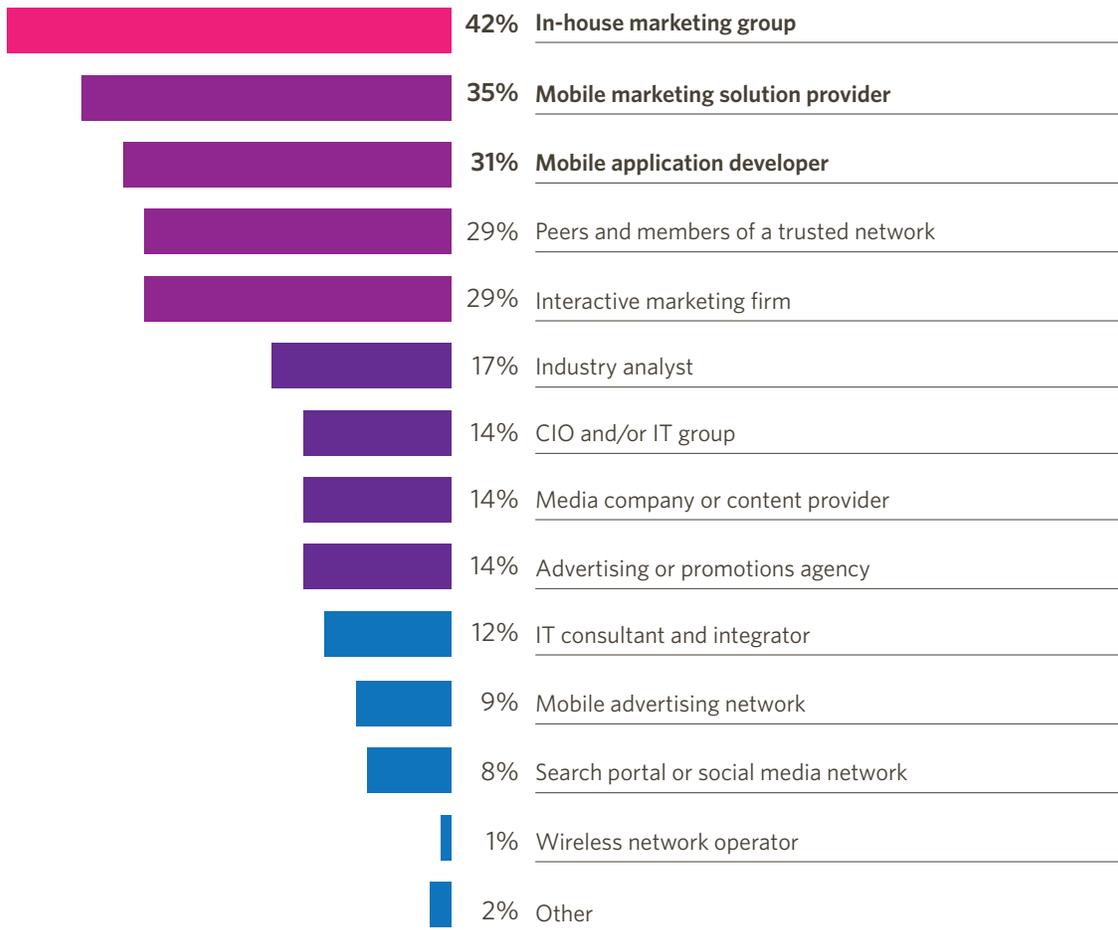
Marketing is applying web metrics—visits, clicks, and volume of consumption—to measure mobile engagements. User feedback and repeated use or consumption (38 percent) tops the metrics list, with measuring the volume of mobile app downloads (33 percent) also high on the list. Metrics around commerce, sales opportunity, pipeline, and prospect activity are within the top 10, whereas more viral and customer affinity measures like referral rates and pass-alongs (8 percent) and audience quality (10 percent) are less utilized. What is noticeable is that this collection of metrics seems to be measuring the impact of a single campaign (the distribution of an app or the pick-up of an offer) versus the measurement of the entire mobile engagement and how that has impacted a customer’s overall engagement and attachment to a brand.

Q20. What measures and metrics would you employ to evaluate mobile marketing investments?



In-house teams emerge as the most trusted voices and experts in mobile—again, despite previous doubts as to the organization’s knowledge and understanding of mobile. Also highly trusted are mobile marketing solution providers (35 percent), mobile application developers (31 percent), and peers or members of a trusted network (29 percent). Interestingly, advertising or promotions agencies—the resources that marketing was turning to for design and execution of mobile campaigns (as noted in question 19)—rate fairly low in the trust rating.

Q21. Who do you consider to be trusted resources and experts on mobile marketing?



Despite multiple questions that indicate in-house teams have a growing mobile component being added to the plate, only 34 percent of respondents have an in-house team dedicated to mobile marketing programs. As 19 percent indicate that these mobile teams are being formed, it seems that the majority of marketers are happy to have mobile continue as a point of tactical execution rather than a dedicated function.

Q22. Do you have an in-house resource dedicated to mobile marketing programs?



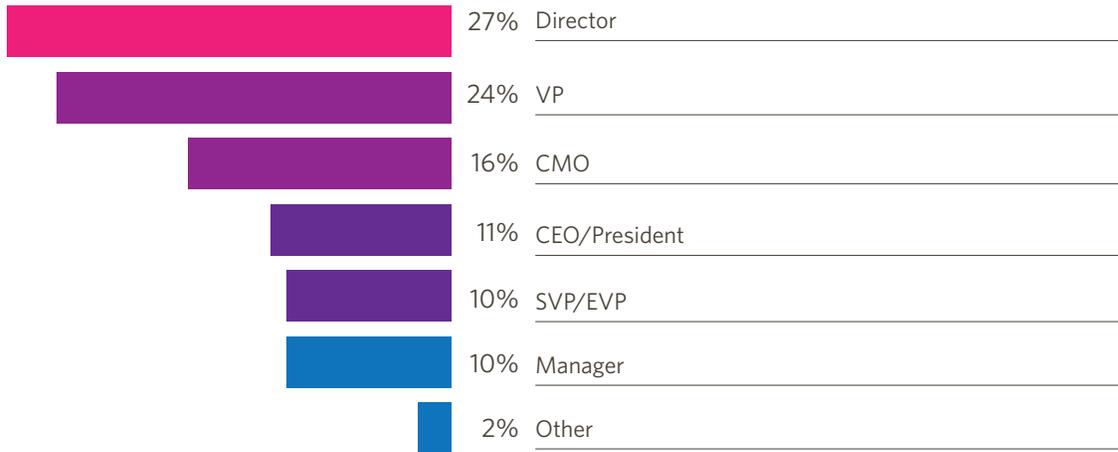
Even in light of a lack of dedicated resources to manage an MRM strategy, marketing does not lack the desire to continue to grow and advance the mobile function. The clear majority, 51 percent, are interested in furthering the capability. But what is interesting is that 26 percent say they don't know. This could be due to the previously stated skepticism over bloated claims and promises or the lackluster result many marketers have noted.

Q23. Are you interested in furthering your mobile marketing capabilities through internal training and development?

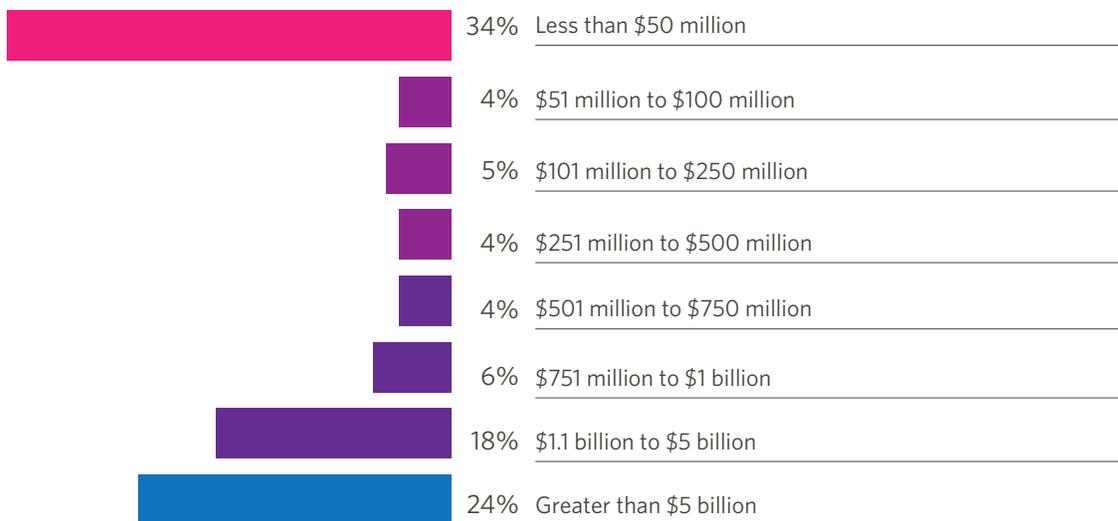


Demographics

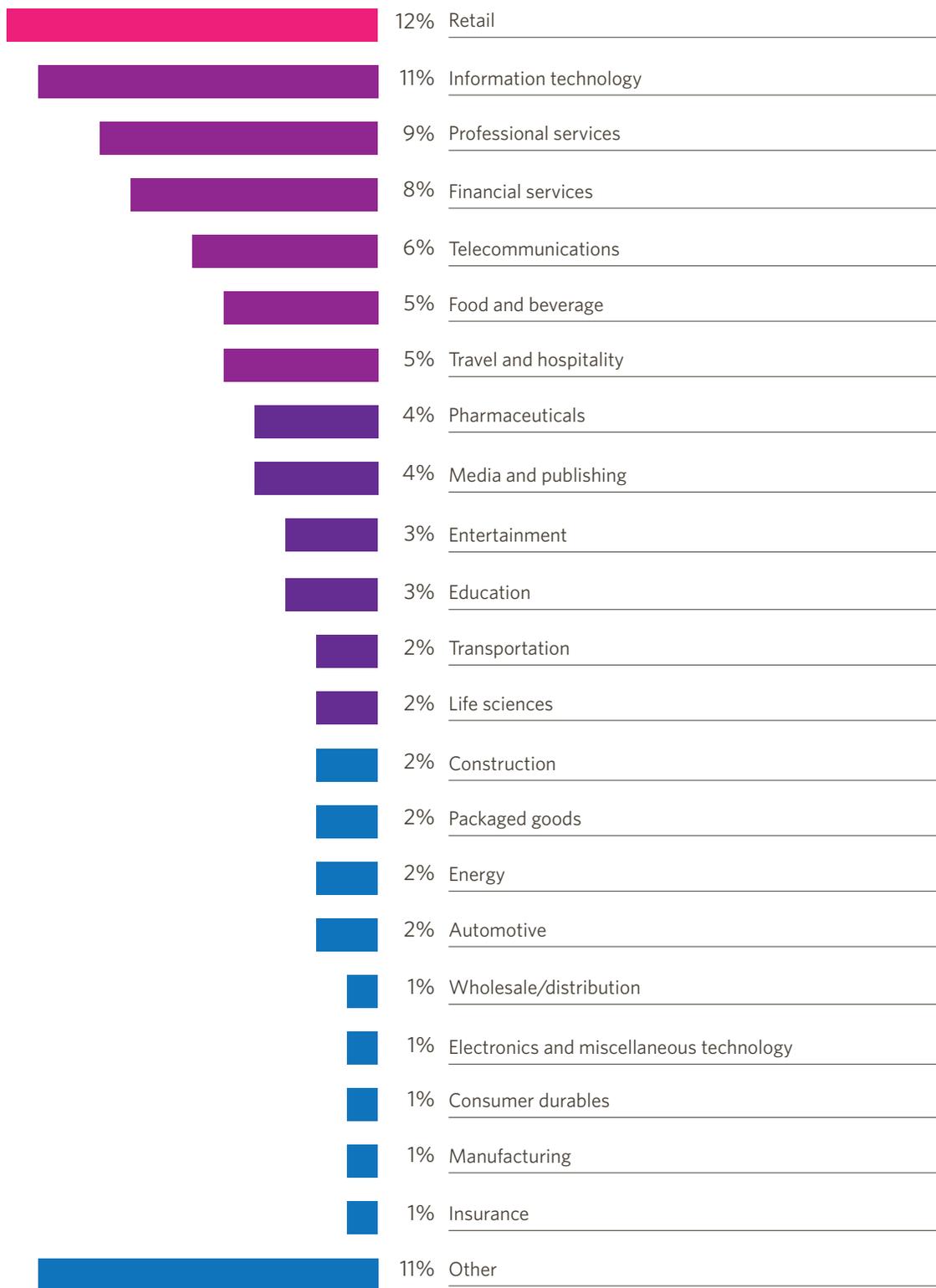
Q1. What is your title?



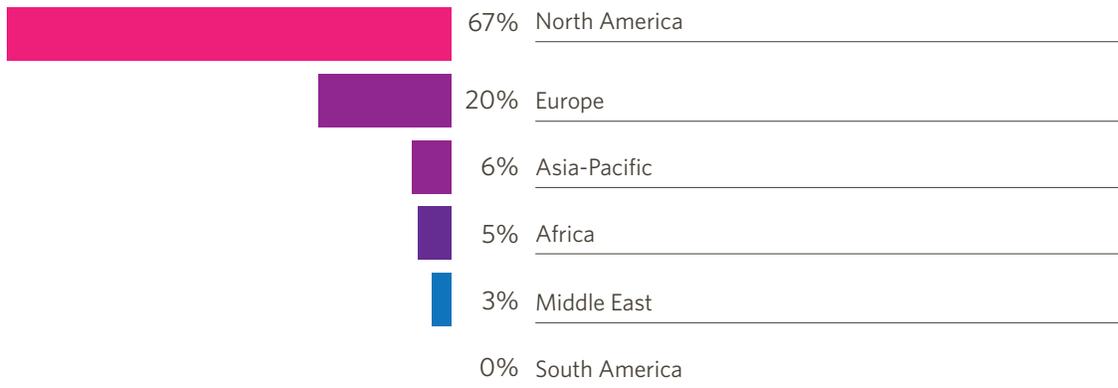
Q2. How large is your company?



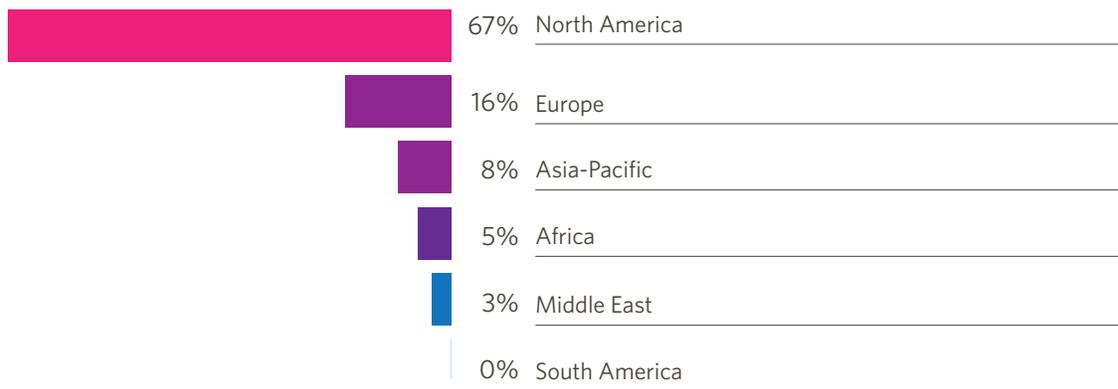
Q3. What best describes your company's industry sector?



Q4. In which region is your company headquartered?



Q5. In which region does your company operate?



Expert Perspective

PANDORA®

Nothing in our lifetime has made such a sizable transformation to the marketing landscape than the smartphone. The rapid adoption of the device among consumers is astounding. In five years, the adoption rate of smartphones among US consumers leapt from single digits in 2007 to more than 50 percent today, and it is projected to be 75 percent by the end of 2013, according to Nielsen.

These devices have had a pronounced impact on consumer behavior, and they are by far the most intimate and immediate conduits to consumers. It is this rapid adoption and the intense personal connection they carry that are emerging as key drivers for marketers to quickly adapt and seek answers in understanding how to tap into the power of these always-on devices to engage consumers.

We at Pandora have been impacted by this shift in consumer behavior, too. We saw the shift on the horizon and readied our business by creating an outlet for our listeners to experience their personalized music via their mobile devices. In just three short years, listening patterns have taken a vastly new direction. In Q1 of 2010, only 12 percent of our total listening hours were streamed to a mobile device. Fast forward to today, and more than 75 percent of our 150 million registered users' total listening hours are being streamed to mobile. We attribute this seismic shift to the mobile platform's personal nature. Mobile is the perfect environment to enjoy a personalized music experience, and music is undoubtedly the most personal and emotion-evoking content; to deliver that powerful content on the most personal platform in a simple and seamless fashion, anytime or anywhere—well, that's a winning combination. We are entering an era of mobile renaissance, and Pandora embraces the opportunity to be at the forefront, delivering engagement to passionate, large-scale audiences.

Understanding how to harness the power of mobile to augment your brand's consumer relationship management is critical. Mobile is an intimate medium that will demand customization. There is no one-size-fits-all mobile relationship marketing (MRM) strategy. The way in which one person engages and utilizes the mobile device can be wildly different than another. And as device technologies become more sophisticated and widely distributed, so will consumers' habits. Staying on top of these trends is a core competency to achieving insight-driven MRM success.

Being on the cutting edge in the mobile space, Pandora has the distinct position to work with 37 of the top 50 advertisers. In fact, in Q2 of 2012, Pandora supported more than 2,700 brand marketing/advertising campaigns—both local and national in scale. Because of the volume of relationship marketing partner efforts we support, we are privy to thousands of approaches that marketers take to create meaningful and engaging relationship-driving experiences with consumers.

With that, we will leave you with three pieces of practical advice to develop a successful MRM effort:

- **Reach:** Seek out partners that can deliver your target consumers at scale.
- **Personalization:** Leverage the personalized nature of the mobile platform and put it to work for your brand.
- **Relevance:** Deliver a personalized messaging/experience at the appropriate moment.

Pandora is honored to have had the opportunity to partner with the CMO Council to bring you this in-depth look into the state of mobile within the marketing ecosystem and foster the conversations necessary among the marketing and advertising community to advance the knowledge and usage of mobile marketing to engage your respective consumers at every stage.

Expert Perspective

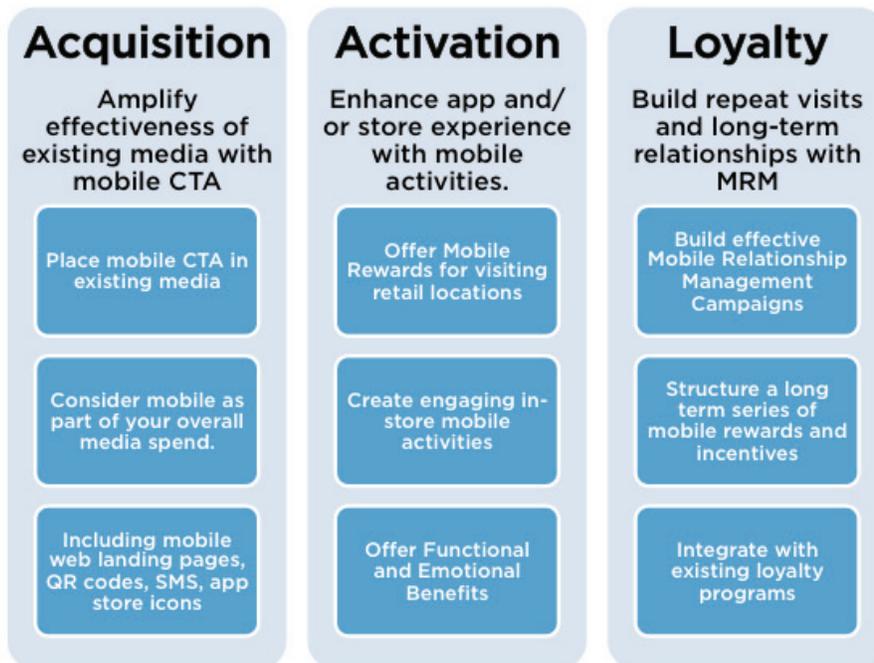


FunMobility Contributed Commentary

While many marketers today are anxious about mobile, the reality is that mobile holds the key to retail and brand success on multiple levels. Properly executed, an effective mobile strategy can amplify existing marketing investments, drive door swings, enhance the shopping experience, and create new customer insights. To top it all off, mobile is a low-cost, effective, and intimate mobile relationship management (MRM) tool. Mobile devices are always on, location-aware, and always with consumers. According to General Mills, 40 percent of shoppers now bring a smartphone into retail stores when they shop in order to perform comparison research, scan barcodes, and then alert their friends about their new purchase via social media; that number is going to grow.

How to Define a Mobile Strategy

Marketers need to keep three core elements in mind when designing a mobile strategy: acquisition, activation, and loyalty. These are the pillars of successful MRM. Let's explore what each term means when defining a mobile strategy.



Acquisition

Acquisition is all about consumers finding your app (and yes—you want an app.) A mobile website is important, but apps are key. Consumers will spend four minutes using an app for every one minute they spend on a mobile website. Apps run faster, are easier to find, are more fun, are location-aware, and enable push alerts (more about these later)—all things that you want as a marketer.

As you may have heard, there are now hundreds of thousands of apps available to smartphone users. So how does a user find your app amidst these thousands? The key is to have some simple, mobile

call-to-action (CTA) that drives acquisition. For example, add a QR code to every store receipt printed in a given week or to your print media advertising. Savvy consumers and digital omnivores (who constantly need to consume digital assets) will recognize the QR code, whip out their smartphones, and scan it. To them, it's like buried treasure! When scanned, the QR code will display a mobile page where users can download your app.

Including any mobile CTA will immediately force-multiply all of your existing online and offline media buys. A mobile CTA is easy to drop into virtually any form of advertising and won't cost you an extra dime!

The Mighty Mobile Landing Page

Having said all that about app acquisition, the importance of a mobile landing page cannot be overstated. First, it creates an opportunity for you to immediately connect with the customer and drive them to download your app and establish a longer-term relationship. Second, a mobile landing page is an important touch point for measuring conversion across a variety of channels. With a properly executed mobile landing page, you can tell what media source best converts to app downloads (outdoor, catalog, QR code, SMS, in-store, email, etc.). Finally, even an "invisible" landing page that simply redirects to the right app store (iOS or Android, based on the consumer's mobile device) will tell you the conversion and drop-off rate between your acquisition source and the app store, letting you tune and tailor the message to optimize downloads.

A properly designed mobile landing page loads quickly, is easy to interact with, and displays the most important links upfront (like "Get the App!"). Using analytics, it tells you what media best converts to app download, what your drop-off rate is, and a wealth of other user data. By comparison, a standard web page displayed on a mobile device is a dead end.

Activation

Next, it's about activation. After consumers download your app, how can you use the app to keep engaging them and ultimately entice them to spend money in your store or on your brand or product?

Offering location-based rewards and incentives is a great way to encourage consumers to visit your store. For example, send a message via your mobile app that offers a free incentive if the consumer comes to the nearest store (which you can easily determine from the smartphone's location). A mobile reward can be a ringtone, wallpaper, a simple game, an e-card, or a coupon. For more advanced deployments, rewards can and should integrate with existing loyalty programs. But even simple, low-cost, or no-cost mobile rewards can be effective consumer motivators. The point is that customers know they will get something free, and that curiosity and fun factor will compel them to visit your store. In a recent promotion, Chiquita Brands drove 20 percent of their registered app users to visit a retail location simply for the chance to enter a sweepstakes. Consumers love free stuff and will visit your store to get it.

Once they are there, use that app in their pocket to further engage them and provide real utility value (time and money savings). Remember that General Mills statistic that says 40 percent of shoppers carry a smartphone into retail locations? With location information, the app can offer discounts to users while they are in the store. Mobile technology like FunMobility's MRM platform enables you to push an offer to the consumer's smartphone while they are in the store. The alert consists of a tone to get their attention and whatever offer you want, or you can push a simple trivia quiz about store items on sale. All this activity helps pre-empt the practice known as "showrooming," where users go online with their mobile devices in-store to search for lower prices.

Loyalty

The consumer has discovered your app, downloaded it, and as a result, visited your store or website. They've been rewarded with a free game or a discount coupon. So how do you keep that customer coming back (for more door swings)? The key lies in building relationships. We've discussed several ways to manage the mobile relationship through acquisition and activation; let's briefly discuss how these tools can apply to loyalty.

- **Push Messaging**

Studies have found that there is an 80 percent higher loyalty rate for mobile consumers who receive push messages, and that more than half of app usage is driven by push messaging. Push technology is a relatively new marketing phenomenon (released as Apple Push Notification Service in 2009; Android has developed similar push technology). It uses a persistent, always-available IP connection to forward notifications (icons, sounds, or text alerts) to mobile devices. The beauty of push is that it provides two-way communication; when a user taps a push notice, you know about it and can capture that data for analytics.

Push helps you to create and maintain an intimate, personalized marketing relationship with the consumer that offers both utility and emotional benefits. It acts as a quick and convenient connection (a cheerful, virtual "Hi there!") while saving users time and money. Users must opt-in to receive push messages, so they tacitly agree to this marketing relationship—that's a huge advantage to retailers! Segmenting users by age, gender, location, and mobile behavior helps you personalize push messaging and avoid "bad push" or annoying messages. Push notifications by their very nature are dynamic, engaging, and interactive—all of which increase the relationship bond.

- **Rewards and Incentives**

Mobile users are mobile consumers. They crave fresh and engaging mobile content. A smartphone is a toy to a large segment of users, and you can provide a fun and easy way for them to play with that toy—and reward them for it! Mobile games, music downloads, and simple text or email notifications will keep your brand in front of the customer. Companies like FunMobility are pioneering a new generation of interactive AppWidgets (games, trivia quizzes, coupons, etc.) that can be added to mobile apps and used like push alerts.

- **Analytics and Campaigns: Know Thy Customer**

Using push and other mobile technologies, you can design entire campaigns that include several mobile strategies that extend over a period of time. Real-time reporting and analytics enable you to tweak the campaign for the best results. User segmentation and targeting factor greatly into this process, and predictive algorithms will go far in identifying which user segments are most ripe/actionable for specific types of mobile content (coupons, freebies, games, etc.).

Mobile technology gives us many ways to gather analytics, some of which we have already discussed in this paper, including:

- Mobile landing page conversion rates—users who download the app from the mobile landing page
- Open rate, tap rate—users who respond to push messaging
- Return rate—users who return to the app or mobile page and how often they return
- Check-in analytics—send users a push alert that asks them to check in when they are in your store. This tells you which store they visit, how long they were there, and what mobile behavior they engage in while in the store. This data yields valuable business intelligence on primary, secondary, and undiscovered user segments that actually visit your retail locations.

Gathering, analyzing, and understanding this data is part of the new mobile marketing landscape. It can be easily done with the right software and guidance.

If you are a marketer who wants to take advantage of next-generation MRM, ask yourself these questions:

- What's my mobile strategy?
- What feature tactics support my strategy?
- What reward can I offer my consumers for visiting my store or engaging with my brand?
- How can I leverage MRM to build an ongoing relationship with my customer?



BEST PRACTICES OF SUCCESSFUL MOBILE RELATIONSHIP MARKETING STRATEGIES

According to the Engage at Every Stage study, 14% of the 269 marketers surveyed are satisfied with the performance of the mobile channel in engaging with their customers. We have broken down this 14% to identify where there is opportunity to align with the best practices.



THEY KNOW MOBILE

39%

believe their organizations have a very advanced level of knowledge with both the mobile and IT resources in place to execute

56%

have a very comprehensive personal level of knowledge and understanding of mobile technologies

THEY KNOW HOW TO REACH THE CONSUMER

56% engage with target customer who have a high degree of mobile adoption and dependency

43% leverage mobile to gather insights

46% use mobile to reactivate and acquire customers

THEY HAVE A MOBILE RELATIONSHIP MARKETING STRATEGY

are successfully using mobile to activate customers

39%

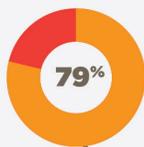
have embraced a comprehensive MRM strategy

56%

have a dedicated in-house mobile marketing team

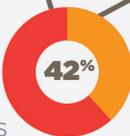
69%

invest in mobile advertising across social media



THEY ENGAGE WHERE THE CONSUMERS ARE

invest in video resources



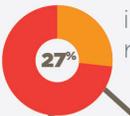
invest in news & information resources



invest in interactive entertainment



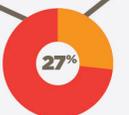
invest in music resources



invest in tv resources



invest in sports



are seeing Very Good to Good returns on these investments

Leadership Committee—Brand Marketers



Lucas Herscovici
Global Director Strategic
Innovation & Marketing
Anheuser-Busch



Jeffrey DeKorte
Vice President of Digital Marketing
Royal Caribbean International



Kelly Doss
Global Vice President
of Marketing
Beam Global Spirits & Wine



Danish Khan
Senior Vice President &
Head of Marketing
Sony Entertainment Television



Jeffrey Boorjian
Vice President of Marketing
Caesars Entertainment



Benjamin Grubbs
Regional Director of
Interactive Media
Turner Entertainment Networks
Asia



Brad Taylor
Vice President of
Customer Marketing
Coca-Cola Company



Jay Altschuler
Global Communications
Planning Director
Unilever



Michael Mayfield
Global Director of Business Services
Eastman Kodak



Lisa Bari
Director of Digital Marketing
Virgin America



Vince Ferraro
Vice President of
Consumer Marketing
Eastman Kodak



Keith Swiderski
Director of Mobile and
Emerging Channels Strategy
and Development
Wyndham Hotel Group



Judy Chen
Chief Marketing Officer
Earthbound Farm

Anonymous
Director of Brand Marketing
Film and Television Production/
Distribution Company



Susan Helstab
Executive Vice President
Four Seasons Hotels and Resorts

Anonymous
Head of Marketing Analytics
Global Bank



Llyod O'Connor
Client Access Executive
JP Morgan Chase

Anonymous
Senior Marketer
Global Video Game Developer



Jennifer George
Marketing Manager
NASCAR

Anonymous
Vice President, Marketing
and Product Management
Healthcare Sales Company



Matthew Clark
Vice President of Marketing
& Business Development
PC Mall



Leadership Committee—Academics & Experts

BOSTON
COLLEGE

Lou Imbriano

Professor of Sports Marketing
Boston College



Adam Lavine

President & CEO
FunMobility



Peggy Anne Salz

Chief Analyst and Founder
Mobile Groove



Tom Collinger

Associate Dean
Northwestern University



Josh Eliashber

*Sebastian S. Kresge Professor
of Marketing and Professor
of Operations and Information
Management*
The Wharton School



Leadership Committee

Lucas Herscovici

Global Director, Strategic Innovation and Marketing
Anheuser-Busch



Anheuser-Busch does not differentiate their digital strategy from their mobile strategy; rather, they refer to both as a connection strategy that enables them to focus on their fans, build relationships, and draw new consumers. Lucas Herscovici, Global Director of Strategic Innovation and Marketing, says that mobile is highly relevant for consumers, and the company has begun investing heavily in these efforts to drive engagement.

Within mobile, Anheuser-Busch uses a number of methods to engage with consumers, including mobile websites, apps, QR codes, SMS, and more. Prior to rolling out any mobile initiatives, Herscovici says they question whether or not the product or service meets a consumer need.

“We have a standard platform for developing apps, so we can leverage and synergize around different countries with different tools,” he says. “We have an experimentation process that utilizes trial and error tests and KPIs to determine whether or not to pursue an initiative further.”

The company has built a mobile app called Track Your Bud that allows users to check into their beer of choice and learn when it was produced and the story behind it from the brew master. The first few people to check into that beer also can have their names placed on that batch. The app can be accessed through a mobile website, as well as through QR codes in posters and other materials.

“The advantage of mobile is that it’s always on, and you can reach more people in an extremely local and relevant way,” he says. “The biggest challenge, on the other hand, is that there are so many different platforms and no standard. All devices have different capabilities, so you can’t engage with all consumers in the same way.”

Despite these challenges, Herscovici says mobile can create a significant competitive advantage if done correctly due to its ability to provide deeper levels of engagement than other channels through instant, two-way communication. Part of the company’s success in this area is credited to their connection strategy.

“Our connection strategy is to focus on our fans first because we have big brands, and we believe that by having our fans engage with us, they will talk positively about us and bring in new consumers,” he says. “So if mobile is relevant for our fans, we need to use it—it’s that simple. We have put big investments in this area and will continue to do so moving forward.”

Marketing works in collaboration with the IT team and their agencies to build and execute mobile initiatives, and they measure the success of their efforts differently depending on the type of tool they’re using. Overall, it’s about driving awareness and engagement and then determining ROI based on the investment.

“As a marketer, the biggest challenge is to find new methods to engage with consumers in a scalable way,” he says. “We’re tempted to do cool, fun, and new things, but given the fragmentation of the industry, it is difficult to do things that are scalable because we’re not reaching everyone due to different platforms. Today, the key moment of decision is the moment of purchase, so we’re looking to leverage mobile to influence purchase decisions.”



Kelly Doss

Vice President, EMEA Marketing
Beam Global Spirits & Wine

Rather than viewing mobile as a separate strategy, Beam Global views it in the context of their overall digital marketing strategy. Vice President of EMEA Marketing Kelly Doss explains that while it can be very beneficial to effectively engage consumers through digital communications, it can also be detrimental depending on how the consumer chooses to use that content.

Doss explains that Beam Global's consumers spend the bulk of their lives online, whether by using computers, tablets, smartphones, or other devices. As a result, she says it is crucial to be cognizant of all consumer touch points and develop a strategy that is effective across the EMEA region.

"We take a three- to four-screen approach because at any given time, consumers can be watching television, on their computers, or using smartphones or tablets," she says. "We have to look at that and understand how the consumer is engaging and socializing. That's why we have a cross-functional team and agency partners in place that are helping us learn more about that area across multiple markets."

Doss finds the mobile channel both challenging and exciting in terms of the requirements for effective execution and the level of engagement it can yield.

"The speed at which you can communicate and the way you can personalize are very advantageous, but it's important to keep content relevant and fresh and to have a real strategy because it's all about what the consumer wants," she says. "Mobile—and digital as a whole—can be very resource-intensive, but when you get it right, you can strike a really positive engagement note."

From a smartphone standpoint, Doss says the company is in the beginning stages of integrating this type of engagement, so the challenges revolve around determining the best way to develop a comprehensive strategy that delivers the right content and messaging. If they can get this part right, she says they'll be connecting with consumers in the place where they spend most of their time. However, it involves some degree of risk.

"Mobile is extremely powerful in that the consumer can take real ownership of the content and pass it along, but it can be scary for the same reason," she says. "I'm less focused on mobile by itself as a medium, and more focused on the consumer and what they are adapting, where they are engaging, and which direction they are moving in. We want to be ahead of the curve in that conversation."

Jeffrey Boorjian

Vice President, Marketing

Caesars Entertainment Corporation



Within the hospitality industry, it is essential for companies to make information readily available for consumers; otherwise, they risk losing business to a competitor. In order to do this, Jeffrey Boorjian, Vice President of Marketing for Caesars Entertainment Corporation, says the company is considering how mobile fits into the customer experience and influences purchase decisions to determine how to best use mobile to make the process seamless for customers.

When people research options within the entertainment industry, they are primarily looking at pricing, opportunities, and the brands available. They are now using mobile for a great deal of this process, and companies are charged with creating a mobile experience that will enable them to make their decisions on the spot.

“We have created an app for our Total Rewards members that allows them to view information about their credits, tier status, and offers to track their progress,” Boorjian says.

Boorjian says the mobile channel’s biggest benefits are the ability to have real-time conversations with customers and provide them with immediate information and build engagement. Additionally, most of the company’s mobile efforts are highly measureable and provide information about the number of mobile bookings made. However, mobile doesn’t come without challenges, as he says companies have to give up some control over what is communicated about the brand.

“When you have multiple properties across the country, it isn’t always easy to have a dedicated digital resource for every aspect of the brand that allows you to connect with customers on every level,” he says. “You have to be able to focus your efforts in ways where they are going to have the greatest impact. We’re always evolving our social and digital efforts to make sure we’re branching out to new forums and channels to raise awareness, and although we have a best-in-class team in house, we work with agencies to learn how we can expand our capabilities further.”

However, it isn’t enough to reach current customers, as Boorjian says the biggest opportunity for them right now is to connect with new consumers who may not feel the brand is right for them and provide information about all of the various activities and amenities they have available.

“Mobile makes it easier to connect with customers outside of our four walls, and in the past that wasn’t possible,” he says. “Customers would come to us, enjoy their experience, and that would be the end of it. But now we know it doesn’t have to stop there. Customers may leave, but they can stay connected through apps, social media, and other digital platforms.”

**Brad Taylor**

Vice President, Customer Marketing

The Coca-Cola Company

The Coca-Cola Company

The Coca-Cola Company's overall digital marketing strategy is to engage with consumers wherever they are and on whatever device they may be using. As a result, mobile is playing an increasingly important role. Vice President of Customer Marketing Brad Taylor says the company leverages multiple apps and is testing e-commerce solutions to provide additional functionality and engagement opportunities for consumers.

The Coca-Cola Company uses the phrase "liquid and linked" in reference to its content-driven marketing strategy. Their content is linked to their brand marketing strategy, and they inspire consumers to help make this content "liquid," meaning it travels the globe quickly. Mobile further enables the effectiveness of this goal as the company utilizes all digital platforms to connect with consumers.

"Our new Coca-Cola Freestyle is a fountain innovation that dispenses more than 125 different branded beverages of the highest, freshest quality, and mobile and social are playing an important role as we unveil that across the country," Taylor says. "We also have a PUSH! + Play app that enables consumers to locate the nearest Coca-Cola Freestyle machine to them, view all of the different beverages, and provide feedback on the drink they dispense. We're also looking to add geo-fencing functionality to that app so we can do more targeted mobile marketing."

The company is also venturing into e-commerce by leveraging mobile technology and vending machine technology to enable consumers to buy Cokes using their mobile devices as payment. The Coca-Cola Company has a partnership with Google Wallet to test the effectiveness of these mobile payments.

While mobile has a broad reach, Taylor says 40 percent of people in the U.S. still do not have smartphones, which means a number of consumers aren't benefiting from the company's mobile investment. Furthermore, many food and beverage retailers don't have the functionality to accept mobile coupons, which are very popular among consumers. However, as the company continues its mobile strategy, Taylor says the focus remains on inspiring customers to engage with the brand.

"We want our customers to generate their own content and share it with their networks because that really does the marketing for us," he says. "This strategy has been very effective in social media and will hopefully extend to mobile as well. We view mobile as the future, and that bodes really well for us because we can engage our consumers with messaging that will inspire them to consume more of our product, no matter where they are."

Michael Mayfield

Worldwide Director, eBusiness Strategy, Social Media, and Mobile Marketing
Eastman Kodak



While Kodak doesn't develop campaigns specifically for mobile, the company makes it a priority to include mobile integration into nearly all go-to-market strategies. Michael Mayfield, Worldwide Director of eBusiness Strategy, Social Media, and Mobile Marketing, says it is important to define their goals across the customer value chain and utilize the right mix of communications to engage customers at every point, with mobile being an integral part of that strategy.

With a primary focus in the U.S., Canada, the U.K., and Germany—as well as some mobile capabilities in the APAC region—Kodak currently supports iOS, Android, and BlackBerry platforms and has two mobile apps supporting their printers. Mayfield says the company is also looking to develop apps for tablets this year to enhance the mobile experience for customers.

“The advantage of mobile is that it's bringing consumers one step closer to our products, wherever they are,” he says. “The remote and portable access of information and content anywhere is the most important thing, but it's also about making it easier to research information or make a purchase and providing a more engaging customer experience.”

In terms of challenges with mobile, Mayfield says it is currently difficult to identify users on a personal basis in the way CRM allows, so it is challenging to create a truly personalized experience for them. Another challenge relates to apps, as it can be difficult to build awareness of an app and create a truly differentiated experience due to the number of apps on the market.

With regard to gaining a competitive advantage through mobile, Mayfield says the company is excelling in the B2B sector and considers the company to be a pioneer in using corporate social media. In addition to utilizing QR codes and even a mobile-enabled magazine, the company is using mobile to make B2B events more engaging as well.

“At the Drupa trade show in Germany, we tried to integrate a world-class mobile experience into the event through our booth by equipping all of our sales representatives with iPads that provided instant access to mobile-enabled content,” he says. “We provided that mobile experience so that as they were in our booth and speaking to prospects or customers, they didn't have to use a desktop to access information—it was available at their fingertips.”

Mayfield says it can be difficult to determine how mobile is performing compared to social media and other channels because they are used differently in the mix. However, he says they are seeing good performance with mobile email campaigns and QR codes.

“We have the ability to track through mobile and have engaged outside agencies to help with our mobile strategy, but we have a great deal of strategic thinking within our organization, so the help we have sought is typically on the execution side,” he says. “In the future, we are exploring the use of mobile-enabled payments, apps that further enhance the home printing experience, and the use of augmented reality to create a much more engaging experience with printed materials.”



Vince Ferraro

Vice President, Global Corporate and Consumer Marketing
Eastman Kodak

While Eastman Kodak has begun implementing mobile strategies into its digital marketing efforts, at times it has been difficult to determine how effective these strategies have been compared with other media channels. Vice President of Global Corporate and Consumer Marketing Vince Ferraro has a high priority to determine how to make social media, the online store, Kodak.com, and CRM assets more relevant to the mobile consumer.

The marketing world has seen a wealth of opportunities come into the picture with regard to mobile channels. As smartphones, tablets, and “phablets” (devices that fall between the size of a phone and a tablet) continue to become more popular among consumers, marketers are feeling the pressure to integrate mobile marketing into their strategies.

“There are way more smartphones and tablets being sold and used than laptops and desktops these days, and they are all connected to a data plan or wireless networks,” Ferraro says. “This can be advantageous for a few reasons. First, mobile is changing e-commerce, so consumers can order nearly anything and make payments from their mobile devices. And when those devices contain GPS capabilities, local offers open interesting doors and opportunities for marketers. For example, I drive by McDonalds and get a mobile ad for a free burger when I am 100 feet away. However, in some cases, these avenues may hurt retailers because it makes bargain shopping easier than ever for consumers. When I am in Target, I check the price online to see if I can find it cheaper elsewhere before I buy.”

Ferraro believes it’s also possible that Walmart could serve mobile ads to Target customers when they are actually shopping at Target and give them a lower price.

Ferraro views mobile as another increasingly important channel to engage with consumers, which has been effective for them within the printing and photo industry. While Kodak has not ventured into mobile e-commerce yet, they have created numerous apps that allow users to take pictures and send them to retail stores for printing, upload them online, and send them to friends through the iPhone, iPad, and Android platforms. In addition, they serve up web pages that are formatted specifically for mobile devices. A good example of how they did this is for the Drupa trade show, where they had an app that would deliver maps, QR codes in the booth, and SMS registration to any mobile device.

From an advertising perspective, Ferraro believes mobile ads are compelling because they can be used to more effectively target and reach intended consumers. They bring together three important elements—social networks, local marketing, and mobility that many call SoLoMo. In addition, they have a greater potential to become socially viral. So far, he says these efforts have been successful. A good example is the Facebook “buy one, get one free” promotion they ran for Mother’s Day. Through tweets, social media posts, and brand advocates, they were able to drive demand of cards and photos to Kodak-branded photo-finishing services in retail.

“Our mobile efforts have increased at Kodak, and they are a growing part of our advertising and marketing spending mix; it is small compared to other media because mobile is still relatively new,” he says.

Kodak uses a digital marketing agency to assist with social and mobile campaigns and help make their efforts relevant to a mobile audience. This is something that Ferraro has made a priority in the coming year.

“As marketers, we are all concerned with the customer experience in every area where we engage/touch the consumer, and mobile is another avenue we can use to improve that experience,” he says. “As mobile continues to grow, it will become a strategic channel through which people will want to communicate, engage, and interact with the companies and brands they love.”

Judy Chen

Chief Marketing Officer

Earthbound Farm



As a consumer products company that primarily sells produce, Earthbound Farm is somewhat behind the curve with regard to the adoption of mobile strategies, but CMO Judy Chen says the company is looking to explore and test mobile in the future.

Chen says the company recently finished building out its social media platform—including Facebook and integrating their online apps—but they are still exploring the best way to integrate the mobile channel.

“Consumers purchase most of our products at grocery stores, so coupons make a lot of sense for us, but truly mobile coupons that can scan right from a mobile device are not quite there yet,” she says. “Recipe delivery also seems to generate mass appeal because it gives people a reason to use our products, so those are two incentives that make the most sense for us to use in terms of mobile.”

Chen notes that in order for mobile to be used effectively, it is important for companies to understand their audience. Those that know the best customers to attract and engage with will be able to provide more targeted messaging, but that alone is a challenge.

“We are still trying to understand the different consumer segments that we want to attract while realizing that not every consumer will be incentivized the same way or have the same needs,” she says. “If we’re able to do this correctly, we can become very customized. Direct-to-consumer, one-on-one marketing allows mobile to be so powerful, but knowing who you’re talking to and how to make them tick is the challenge.”

Because the company doesn’t have a retail storefront or an online store because their products are fresh, mobile e-commerce solutions may not be effective for them, and that has partly led to the company’s late adoption of mobile. However, Chen says that mobile still provides a great opportunity to engage consumers through relevant content that would enable them to determine the best products for their needs.

“If you can provide relevant, engaging content that adds value for consumers, they will be more likely to have greater engagement with your brand,” she says. “No longer is advertising about telling consumers why a company is great; it’s about how they can add value to a consumer’s life.”



Susan Helstab

Executive Vice President, Marketing
Four Seasons Hotels and Resorts



The travel industry has seen a particularly significant uptake in the number of consumers utilizing mobile technologies to research, inquire about, and book their accommodations. As a result, Susan Helstab, Executive Vice President of Marketing for Four Seasons Hotels and Resorts, says the company has taken several steps to enable consumers to interact with them via mobile.

Helstab says the company predicted a few years ago that many of their engagement methods and communications would migrate to the mobile channel, and early this year the company issued a report about the rapid move to mobile and social. However, the forecasts they made in January regarding mobile revenues were far exceeded by April, which is motivating the company to continue mobile investments.

“More than 60 percent of our guests check into our hotels using an iPad compared to zero three years ago,” Helstab says. “To keep up with the demand for mobile interaction, we’ve optimized our site for mobile and are making efforts to make our content available across all mobile devices, including Apple and Android. We are also working to determine the best way to utilize mobile from an advertising perspective.”

Mobile presents unique opportunities for consumers to engage with the company, and Helstab says the conversion rate through mobile is several times higher than that of the website in general. For this reason, they work to engage consumers when they are in both a shopping frame of mind and a buying frame of mind in order to provide more relevant and timely information, wherever customers may be.

“Providing consumers with relevant information at the right moment leads to higher levels of engagement, loyalty, and ultimately conversion,” she says. “In order to do this, we have to maintain a clear, customer-centric view of everything we do, and that involves breaking down all siloes. We have to be agnostic about where content is created and where consumers will access it. However, we have a great deal of legacy content that doesn’t necessarily translate through mobile, so it can be challenging to make that content work in this new world.”

Four Seasons has also been focusing on opportunities to engage customers pre-arrival by providing information after they book about other services they may be interested in pursuing once they arrive. Helstab says they have seen a good lift in sales once this information is delivered to mobile devices.

In order to develop a multi-channel, multi-platform attribution model, Four Seasons has contracted with companies like Omniture and Forrester. These partnerships are enabling the company to gather more detailed information about when and where consumers interact with the brand, what type of device they use, where they make their reservations, etc.

“In the future, we want to be able to track every touch through every possible channel or touch point, but we aren’t quite there yet,” she says. “This information will help us to customize the experience to the highest degree so that we can provide the most relevant and timely content that will hopefully lead to revenue opportunities for us.”

Lloyd O'Connor*Managing Director, Treasury Services*

J.P. Morgan Chase

JPMORGAN CHASE & CO.

As mobile becomes a greater part of consumers' lives, companies are challenged with providing services designed for mobile devices to allow consumers to remain connected at all times. For Lloyd O'Connor, Managing Director of Treasury Services for J.P. Morgan Chase, this involves technologies that give corporate clients the freedom to make transactions wherever is most convenient for them.

J.P. Morgan Chase has a strong foundation of mobile capabilities for clients around the world, and they are working to ensure their efforts become fully integrated over time. The company supports all primary mobile devices, including iPhone, Droid, and tablets, and they center their efforts around the concept of mobility.

"I think the term 'mobile' can be somewhat limiting," O'Connor says. "We are trying to harmonize our efforts with how clients and consumers are adopting new technologies, and the ultimate goal is to help them save time by enabling them to transact whenever and wherever they choose."

O'Connor believes the primary benefit of mobile technology is allowing clients to never be out of touch with crucial information, wherever they may be. He says this also requires a bit of a mind shift, as companies formerly were looking at designing services for the Internet, whereas mobile is now being used by many as a starting point in development.

"A greater level of investment and focus is starting around mobile applications rather than desktop," he says. "People are conceiving ideas around the mobile experience and then retrospectively considering how they can apply to other channels, so it's a bit of a mindset reversal."

O'Connor says the company has been much quicker in creating mobile capabilities than many of their competitors. Because adoption occurs so quickly, he says it is important to remain mindful of security and maintain compliance with regulations.

"You can't be any less secure when moving into the mobile arena than with any other online initiative," he says. "You have to remember that a mobile device can be left on a train, in a restaurant, etc. and take actions to prevent compromising information."

J.P. Morgan Chase has a number of investments designed to engage clients in a complete, connected fashion rather than in silos, and mobile has become an important part of that. In addition to Chase QuickDeposit—which enables customers to deposit checks on the go using their mobile devices—they have also been doing some work in the cash and investment areas. All of these efforts are designed with a forward-thinking mentality to maintain relevance.

"We pay close attention to a number of different metrics, and one of the key elements we consider is usage, including adoption patterns, so that we can build a profile of relevancy," he says. "As technologies continue to evolve, I see mobile continuing to reform and be re-imagined as well."



Jennifer George

Marketing Manager
NASCAR Foundation



While the NASCAR Foundation has done some work with mobile campaigns, they have not yet achieved significant ROI. As they continue to build out their mobile strategy and separate their digital efforts from Turner—which owns the rights to their digital content—Marketing Manager Jennifer George says NASCAR.com and other digital efforts will move in house, providing them with more flexibility in terms of the overall mobile strategy.

With 100,000 people in the stands on a race weekend, NASCAR has a great opportunity to capitalize on mobile investments that allow them to communicate messages to fans through mobile and social media. They are currently focused on the local level due to their limited international presence, and while they don't yet have mobile apps available for consumers, they are working to optimize the website for mobile so that users can have similar experiences across platforms.

"We are currently web computer based, but we want to introduce capabilities for mobile phones and tablets as well," she says. "This will give us a great opportunity to enhance a fan's experience at the track by providing insight into what we're doing there. For example, our NASCAR Dreams program hosts children from Make-A-Wish, allowing them to meet their favorite drivers and go behind the scenes. Conveying that information to people who are at the track could be a powerful way to provide direct interaction. However, before this type of interaction can be logistically executed, we will have to troubleshoot some issues with mobile connectivity at the track."

George says the investments in mobile will primarily be used to provide interaction and information—and perhaps mobile commerce in the future—although she doesn't anticipate using the platform as a source for revenue growth. NASCAR is currently more focused on how many consumers and fans are interacting on social sites and whether they are engaging in dialogue to determine the level of success it has.

"On social, we track the number of 'likes' and followers, as well as how many people are engaging because it's not enough to know how many people are seeing it—we want to know what they are doing with it," she says.

As the internal digital team takes control of digital and mobile efforts in house, George says they may seek agency assistance in laying the groundwork for those efforts, but it will primarily be their own responsibility to ensure their efforts remain in line with the overall strategy of the company.

"Building the database could present some challenges for us, but getting the word out about new applications we develop and focusing on the newness of those efforts will be key for us," she says. "Getting people engaged wherever they are in what we're doing on a race weekend is going to create a huge advantage for us, especially if we can implement location-based targeting into these efforts."

**Matthew Clark***Vice President, Marketing and New Business Development*

PC Mall



PC Mall, a \$1.5 billion PC integrator and computer technology reseller, has numerous divisions that cater to consumers and businesses. The company's largest web property, MacMall, is second only to Apple as the largest seller of Apple products online, and as such, Vice President of Marketing and New Business Development Matthew Clark says it was important for them to address mobile to drive traffic online.

Clark says it is important for the company, as a multi-channel retailer, to serve customers wherever they are—whether it's through the web, 24-hour sales center, retail stores, mobile, etc. When the company began seeing a rise in mobile operating systems due to smartphones and tablets, they began efforts in house to create a mobile website. Since the mobile site was launched, they have seen very positive results, with a large increase in conversions and higher average order value.

"It has definitely been successful for us, but we're still at the first phase of implementing a mobile strategy," Clark says. "We have altered our email communications to be more mobile-friendly, but we have not yet started to advertise through mobile because it comprises such a small percentage of our web traffic."

They also have a mobile app, which allows customers to make purchases, and they are considering the use of QR codes and additional payment vehicles, such as Amazon and PayPal. However, the company's investments have been limited in these areas because mobile only provides 5 to 8 percent of the company's web traffic.

"For those consumers who do engage with us through mobile, we certainly want to be able to provide a positive experience for them, but the question then becomes whether to make investments in that low-traffic area or in the area that comprises the remaining 90 to 95 percent of our web traffic," he says. "We also aren't sure about the competitive advantage mobile is providing us; we know our competitors have mobile sites, but we don't have a good picture of how we are doing versus how they are doing with mobile."

Clark says the company worked hard internally to provide a mobile experience that allows consumers to access information, pictures, reviews, product details, and specifications in a way that was appealing from the consumer's standpoint rather than trying to push too much information on them. He feels that approach has been effective for them, but every retailer's experience will need to be different based on their business.

"I think every retailer has to find their own hook, or a way to appeal to consumers through mobile in the way that makes the most sense," Clark says. "The average order we see through mobile is from \$100-\$300 while the basic web order is \$300-\$500. I don't see consumers changing or making big purchases through a small-screen format; we're just aiming to provide basic functionality and information that will help consumers with their purchasing decisions in a simple, fun way."

Jeffrey DeKorte

Vice President, Digital Marketing
Royal Caribbean International



Royal Caribbean is currently taking steps to improve the mobile experience for customers. However, Vice President of Digital Marketing Jeffrey DeKorte explains that this doesn't end when customers board the ship; connectivity is important to passengers aboard the company's ships as well.

The digital experience is very important for Royal Caribbean, as customers often begin planning their trips several months in advance—making it crucial for the company to make information available about the onboard experience, shore excursions, entertainment, etc. To create a better experience for customers, the company provides a great deal of social engagement through Facebook and employs customized email content based on the customer's ship of choice and their tier in the loyalty program. The main objective now is to migrate that experience into mobile platforms.

"Our website is the predominant driver for our direct traffic through our digital channels, and we are seeing the growth of mobile as an extension of that," DeKorte says. "The mobile strategy is starting to evolve as both a means of accessing our web content and improving the vacation experience for guests while they are onboard our ships."

Royal Caribbean's content is supported by the iOS and Android mobile platforms, and DeKorte says mobile is viewed as a strategic component of the experience for customers. Whether someone is planning the various aspects of their vacation or researching prior to booking their trip, mobile can facilitate the story arc of the customer experience. However, keeping customers connected once they are onboard is also a major area of focus.

"Bandwidth onboard the ship and roaming charges for customers in international ports are among the biggest challenges the industry faces right now," he says. "Customers want to be connected 24/7, and it is difficult for a mobile signal to penetrate our ships, which are constructed from steel. Our industry is built on moving people around the world, so mobile is critical for us."

The company has developed apps that allow users to shop for a specific cruise experience up to the point of purchase. While DeKorte believes e-commerce is in the company's future, they are still working to determine the best way to implement this, as cruises are very considered and planned purchases; especially for those who may be new to cruising, it's important for them to be able to speak with someone about the process and what to expect.

Royal Caribbean is also taking additional initiative to separate itself from the competition by providing exclusive onboard mobile experiences for customers that are not yet available through other cruise lines.

"We are the first cruise line to deploy iPads on our ships as a method of viewing cruise itineraries, features available on the ship, entertainment, shore excursions, and ordering room service," he says. "We are currently in beta testing, but this is definitely an exciting development for us."

DeKorte says budgets and ensuring the effectiveness of marketing investments present the biggest challenges with regard to mobile. However, the company gauges the success of these measures based on the revenue they draw, in addition to looking at key data points like delivery, open rates, click responses, engagement, etc.

"We've used both internal teams and outside vendors to develop our mobile strategy, and we subscribe to many of the major consulting groups to evaluate our programs," he says. "We plan to use the insights we gather to keep up with the pace of customer demand and ensure that the mobile experience meets consumers' needs."



Danish Khan

Senior Vice President, Head of Marketing
Sony Entertainment Television-India



Although mobile technology in India is less advanced than in some areas of the world, the concept of mobile marketing resonates strongly. With initiatives that inspire customers to reach out to the company through mobile, Sony Entertainment Television may be a force to be reckoned with when more advanced technology is introduced. Danish Khan, Senior Vice President and Head of Marketing, says the key is to reach consumers on a personal level in a way that they are excited to interact with companies.

For companies, it can be difficult to reach out to a consumer and talk with them unless you find a way to engage them in a two-way conversation, and that's exactly what Sony Entertainment Television has done.

"The accessibility offered by mobile is an extremely positive thing, partly because it's such an individual medium," Khan says. "But as a result, we as marketers have to think about creating a model that ensures customers are only contacted when they contractually agree to it. Otherwise, we risk alienating them."

Khan says the company has several models for reaching out to consumers, but one of the most effective methods involves providing content in a way that can easily be consumed by customers on the move. Providing short, easily digestible pieces of information while people are not engaged through television or the Internet keeps them connected. However, the company has also engaged in larger initiatives that have proven highly effective.

"Sony produces an Indian version of *"Who Wants to Be a Millionaire?"* and last year, we opened the mobile lines to allow people to contact us if they wanted to be a contestant," he says. "We were contacted by nearly 1.5 million people who were interested in participating. It was great for mobile relationship building because the consumers actually sought that relationship with us. As a result of this initiative, Sony Entertainment Television moved from the number three general entertainment channel to almost number one within four to five months."

This is one example of how the company seeks to embrace mobile through relationship building. They also seek to deliver content (such as Bollywood shows and songs, for example) and advertise through mobile. The latter has not yet taken off, which is mostly due to the low percentage of smartphones in India. Over the next year, however, that will likely change.

"We work with an agency to devise our mobile strategy in India, and we will soon have a complete plan outlined that enables us to use mobile for different things beyond our current efforts," he says. "As marketers, two things we need to address before mobile can really take off are technology and the issue of inclusion because mobile is such a personal medium. Between 2012 and 2013, I think we'll see a major expansion of mobile."



Benjamin Grubbs

Executive Director, Interactive Media

Turner Broadcasting System-APAC



APAC has some interesting variations from the U.S. and Europe with regard to mobile usage and adoption. Turner is currently taking a closer look at consumer behavior throughout this region, and Benjamin Grubbs, Executive Director of Interactive Media, says they will use consumer insights to refine their mobile strategies as these behaviors continue to evolve.

Turner has a number of brands that target different audiences, and Grubbs says they have been looking at a cross-section of these different brands to learn how mobile consumption is occurring.

“We learned that consumers were already beginning to seek out our content across mobile devices, so we have become more aggressive this year in terms of our investment in delivering a rich consumer experience across mobile devices,” he says. “We’re primarily developing for the iOS platform, and in certain areas within Asia we’re investing in Java games given the continued prevalence of feature phones. Android adoption is very strong, and given the fragmentation of the app marketplaces, we’re determining our investment approach to see that we get scale across multiple markets.”

In terms of the advantages that mobile relationship marketing offers, Grubbs says the immediacy of the consumer touch point is very beneficial, and the company looks at mobile with respect to other devices (second-screen usage). For example, within homes, Turner can create a participatory environment for the consumer that positions the mobile phone or tablet as a complement to the TV screen. Outside of the home, however, mobile becomes the primary screen.

“We’ve been monitoring how people access our content on the go. In Japan, for example, we see people spending a great deal of time consuming our content on the train while they commute to school or work,” he says. “We’ve invested in technologies to optimize the content delivery and advertising targeting capability, so at peak times, the consumer gets a personal experience.”

One downside to developing for mobile devices, he says, is the inability to completely leverage large investments that Turner has already made for its PC websites, and keeping the team up to speed on the evolving platforms and standards necessary to execute rich consumer experiences.

“We are currently identifying some of the more successful experiences we’ve created through the PC and investing to develop those across mobile devices,” Grubbs says. “Moving forward, we’re thinking first about the content and consumer experience, and looking at how it is developed across multiple platforms (website, social network, mobile device) from the start.”

In the future, Grubbs believes markets like India, Indonesia, and China will lead this region to have a greater content consumption on mobile devices than on PCs, and generating reach and engagement on mobile alone may determine business success in the market.

“Our content consumption on mobile is up by eight times from a year ago, and we believe it will grow even more over the next year,” he says.

This growth may be due in part to two things: consumers purchasing more smartphones and seeking out mobile web and native apps, and the company developing a mobile experience that works independently of the PC website. Consumers can register, log in, play games, and pay for content entirely through the mobile device and never need to move to a PC to complete an experience.

To obtain measurements for some of these investments, Turner uses Omniture and Bango. For PCs, Grubbs says some of the experiences they've created are heavily weighted around games, so they are looking to gain insights about the types of users and how specific content or activities within the game is consumed. While they've already gained this type of information for games on their website, they must now extend these capabilities to mobile.

"With a mobile foundation in place, we can move to what we believe we do best, and that's creating amazing entertainment experiences for our target consumers," he says. "These experiences are marketing for our brands and IP, received by the consumer as content, and are the engine to fuel our growth moving forward."



Lisa Bari

Director, Digital Marketing
Virgin America



While Virgin America does not yet have a formal strategy in place for the company's mobile marketing efforts, Director of Digital Marketing Lisa Bari says Virgin does various types of mobile advertising and hopes to develop a mobile experience that can be achieved across multiple devices.

Virgin is currently in the final stages of developing a mobile website that can be viewed across all mobile devices, and Bari says plans are also in the works to develop an iPhone app.

"Mobile provides an interesting advantage in that I can have a tie-in to the location and—through that—an intent as well," she says. "We have to be really creative because providing a great mobile experience requires completely different thinking from our desktop experience; you have to think about mobile first."

Bari feels that an effective mobile experience will hinge on loyalty to the company. If the brand is present in consumers' lives on a near-daily basis, then the mobile touch point will be essential to driving greater customer loyalty and interaction. However, she believes the company is a little behind the curve with respect to where they are in creating a mobile strategy due to a few challenges.

"Implementation, design adaptation, and making mobile first all present challenges to getting the experience just right," she says. "Especially since companies like JetBlue have introduced an awesome new mobile website and app, the bar is a lot higher now, and the pressure is mounting to introduce something that is truly unique and engaging."

However, Bari recognizes that every day that passes threatens to put them further behind, as mobile is becoming an increasingly critical component of the marketing strategy for the travel sector.

"People are spending more and more time on mobile devices, and if you're not there yet, you're starting to lose out," she says.

Looking toward the future, Bari anticipates that mobile payments will be enabled through the company's existing payment system when customers are able to purchase flights via mobile. Furthermore, the data that the company gathers from these engagements and transactions will have the potential to open up completely new territory for the company to provide valuable content for consumers.

"If we could figure out when a customer is at an airport and have their flight information, we could push useful notifications to them regarding flight delays, status, and gate changes that would make their lives better," she says. "Companies who use this information in a location-based and intent-based aspect will do really well with mobile."



Keith Swiderski

Director, Mobile and Emerging Channels Strategy and Development
Wyndham Worldwide



Mobile is a key component of the overall e-commerce direct strategy for Wyndham Worldwide and has had a significant impact on how the hotel industry does business. Keith Swiderski, Director of Mobile and Emerging Channels Strategy and Development, says Wyndham is focusing on maximizing the mobile search, shopping, and booking experience through the implementation of several mobile websites that complement the look and feel of each brand.

With efforts primarily focused in the U.S., Wyndham's mobile platform supports all smartphones, and the company's applications have proven to be successful transactional booking tools.

"Our mobile sites require minimal clicks and feature an Express Book option that allows consumers to reserve rooms without using a credit card," Swiderski says. "In the future, we plan to use our apps to enhance the on-property experience by providing guests with tools that help them explore the property and surrounding area near the hotels to get the most out of their stay."

Mobile provides an excellent opportunity to reach the company's target consumers, partly because geo-location capabilities allow them to present relevant hotel options to consumers based on where they are. While the company has learned that many consumers prefer using mobile as a research tool rather than a transactional tool, these consumers are converting to rooms booked through call centers, walk-ins, and websites.

"Our Express Book feature allows consumers to reserve rooms without a credit card by providing four pieces of information, but we've seen other companies that allow them to reserve rooms for up to four hours by providing a telephone number, so we're all using mobile differently," Swiderski says. "The key is to simplify the information to be complete but very concise due to the limited screen space that smartphones provide. We have made major investments that allow us to develop our mobile strategy in house, and we constantly listen to app reviews and our stakeholders—hotel guests, hotel franchisees, and company associates—and use mobile analytics tools to help us make constant enhancements."

The industry as a whole appears to be on the right track, as mobile has grown from encompassing 1 percent to 20 percent of overall traffic within the past five years, and—according to PhoCusWright—it contributed more than \$2.6 billion in travel revenue in 2011. To continue this trend, Swiderski says Wyndham must work around a few challenges.

"With so many phones, carriers, signal issues, and operating systems, the mobile experience can be viewed very differently across our customer base, and laying out the information within a simple user interface is a constant challenge," he says. "Smartphones are now viewed as more important than a consumer's wallet or car keys. This gives marketers an extraordinary opportunity to reach consumers with relevant, targeted information wherever they are in the world. As long as that privilege is not abused with intrusive approaches, consumers will reward us with their attention and, hopefully, their business."

Anonymous

Director, Brand Marketing

Film and Television Production/Distribution Company

Within the film and television entertainment industry, the integration of mobile into strategies and consumer offerings is a bit more involved than with other industries. While mobile opens up a number of additional touch points to engage consumers, it is also less appealing for many consumers to stream video content to devices with small screens.

One anonymous director of brand marketing says his company is working with all types of tablets and phones, which is advantageous in a world where there are so many opportunities to stream content on the go as opposed to having physical discs and rentals. However, there are a number of challenges to consider as well.

“It’s challenging to watch a movie or show on a small phone screen, and asking the consumer to pay a premium for that experience is difficult,” he says. “It can also be tough to provide a consistent message about the different ways consumers can access the content, as well as what the cheapest or most efficient options are for them. There are so many ways to access content that it becomes confusing for us who work in the industry; I can’t imagine how confusing it becomes for the consumer.”

The company is currently working on its messaging to provide consumers with a clear message that they can view content anytime, anywhere. Ideally, this would involve a mobile experience that is quick, easy, and available whenever customers want to access the content. However, the company is still weighing the importance of having content available for consumers in as many media as possible.

“We can track some information about how consumers are viewing content and how many people utilize the offers we advertise in campaigns (e.g., the ability to access content online for free once it is purchased on Blu-Ray, etc.),” he says. “In my opinion, I think the jury is still out on whether consumers are more interested in having multiple forms of content access or having an option that they feel is affordable.”

Regardless of what they determine, he believes that mobile presents a huge opportunity that will be maximized once the company learns the best way to leverage it—especially as it becomes easier and more affordable for consumers.

Anonymous

Senior Marketer

Global Video Game Developer

Mobile marketing in the gaming industry requires a unique approach and special considerations, and it often involves building deeper engagement without the use of advertising. According to one global video game developer, mobile avenues can be a great way to extend the gaming experience for consumers, but advertising could increase the risk of alienating them.

He says the gaming industry has been utilizing mobile capabilities for many years to build deeper engagement with gamers.

“Relationship marketing is something that video games have been incorporating for years—before it was really even defined as such,” he says. “In its broadest sense, it’s an additional platform that provides the benefits of personalization and effective targeting by using psychographic behavioral alignment.”

He explains that Sega has developed companion apps for its customers, which either extend the game experience for the user or offer different aspects of the experience. These apps can also be created for PC or console games, providing users a continued, multi-screen experience even when they don’t have the game itself at their fingertips.

“It’s a great way for people to engage, but one difficulty that may arise is the notion of interruption, where advertising platforms interrupt the experience and become intrusive,” he says. “The thing that makes mobile and social media so compelling is the notion that you’re not being interrupted and things aren’t there without your permission. It’s going to be an interesting dilemma for platform holders to avoid using mobile as just another advertising platform.”

With regard to mobile social media, he says the company has a very avid community of followers, which allows them to target information, assets, and offers directly to those users. Anything the company does on those networks will extend to mobile as well.

He also explains that popular video games tend to have a long lead time prior to the launch of a new edition, but this will differ in the mobile space.

“Advertising doesn’t have much of a role to play at this stage,” he says. “It’s much more about sharing information, building communities, etc. For example, it wouldn’t make sense to advertise a \$60 video game via mobile when mobile users are used to paying \$1 to \$3 for apps. It isn’t the best platform for additional advertising.”

He says that moving forward, it will be important to be able to measure the level of consumer engagement with respect to revenue stream, but he is confident that the revenue will come from the sale of applications. The company has not yet made big investments in the area of gathering data, but instead they have been focusing on app creation, their website, and social media. They haven’t yet moved into tracking feedback or insights from investments aside from regular sales reports because that hasn’t been a primary focus so far. Furthermore, they primarily sell to retail partners, so e-commerce hasn’t come into play, either.

“We’re seeing unique opportunities with the rise of tablets and smartphones because larger screens are going to create greater fidelity and almost console-style visuals on the devices themselves,” he says. “As consumer tastes become more sophisticated and demanding, developmental costs will rise as well—and this will ultimately lead to higher price points.

And as the prices increase, consumer expectations will be higher as well. It will pose an interesting conundrum for those who are creating content.”

Anonymous

Group Head of Marketing Planning

Global Bank

For the global financial industry, the mobile channel is focused on making banking services convenient for the customer. According to the Group Head of Marketing Planning of a global bank, the mobile channel is driving the future of banking services and should be viewed as an opportunity to provide access to banking services to many who are unbanked and the ability to understand and engage with customers to provide appropriate services, and as an enabler of near real time money management. Banks view mobile as a key component of their business strategies.

The mobile channel is changing the way people bank. Customers today want to engage with retail banks in three key areas: the ability to make transactions safely, the ability to gain information about products and services to manage their money, and the ability to feel confident that they have made good financial decisions. He says these are the areas in which customers are forming and expressing opinions about banking providers.

“We have invested in building electronic platforms to make banking easier and safer for customers because more of them are preferring online now,” he says. “Our basic approach revolves around understanding how customers want to engage. And it’s not a one-size-fits-all approach for all customer segments. Mobility delivers convenience, and convenience delivers greater personal control. People become more confident when they feel they’re in control, and we try to give them the ability to achieve their needs through various tools.”

A key challenge associated with providing customers with mobile access lies in the security of customers’ money and data. Banks have to consider several factors in order to protect information. Providing education to customers and enabling them to protect themselves as well is most important. “At the end of the day, a customer doesn’t care if we have the latest platform—they want to know their deposits are safe,” he says. “We provide education programs on television and in print and direct marketing for consumers about how our online platforms can be safer when our security tools are used.”

Another challenge noted is that not all customers are comfortable with the mobile medium. Those unfamiliar with computing are sometimes not very comfortable with doing things online and still prefer to go into a branch for reassurance.

“We have to be careful with how we balance the channels through which we service our customers, so we can’t say we will do away with branches and operate solely online,” he says. “The need for a mix of branches, call centers, and online services will be there. However, there are successful online brands that consist of only call centers and online services. Even though it’s remote, it’s a very ‘how can I help you?’ approach that drives success.

This global banking provider has one of the best Internet-based banking platforms in the world, and he credits their understanding of human factors in online interaction for their high ratings.

“We have a team within marketing that studies human factors in terms of how customers want to engage online, and this guides the way our platforms are made customer centric,” he says. “We also have a diagnostic metrics architecture that measures customer journeys from the time they become aware of a product or service until they actually engage with us online or in a branch. All of this information is analyzed to understand what we are doing well and where we can improve.”

Anonymous

Vice President, Marketing and Product Management
Healthcare Sales Company

As a B2B company, one healthcare sales company has integrated mobile into its strategy as a tool for its sales team. For this reason, the company's vice president of marketing and product management explains that mobile is utilized less to gain a competitive advantage and more to improve efficiency and effectiveness for its sales force and drive business results.

He explains that the company has an overall marketing strategy where mobile and other digital components are integrated as part of a unified approach. As a B2B business, one of the principal advantages with mobile is the ability to create standardized sales presentations to ensure that the company's message is communicated effectively.

"This helps to make our sales representatives more efficient because they no longer have to spend hours studying and learning about a given product," he says. "We represent more than 200 manufacturers, so creating a mobile tool that they can carry around with them means that they don't have to become experts on all of those products. It helps them get the most out of their time so they can spend more time selling, and it's becoming an essential part of the business."

Currently, the company has mobile capabilities across smartphones, laptops, and tablets, as well as various applications. The response from the sales team has been very favorable, and feedback based on click-throughs and people's interests is helping the company to become faster, sharper, and stronger in their mobile efforts.

"We appreciate mobile because we can create animation, demonstrations, and videos that are much more engaging than a static brochure or sales aid," he says. "It also improves search capabilities from a catalogue standpoint so people can more easily find the information they need."

Disadvantages to mobile that he notes include the cost of the technology and how it is standardized because there is no common platform; some people still insist on paper catalogs, so that element has not yet been eliminated because the market hasn't evolved to that point. For those who do engage through mobile, he says the company will be challenged to keep the content fresh, which may be a process due to their relative lack of experience in this area.

"We want to be able to move quickly for our customers because people expect mobile content to change routinely, but that requires the company to have processes in place," he says. "Some of our leadership's lack of familiarity with the technology and IT's slowness to react don't allow for a great deal of experimentation and change."



Executive & Academic Insights

Lou Imbriano

Professor, Sports Marketing
Boston College

**BOSTON
COLLEGE**

As mobile's influence continues to expand and pave the way for new opportunities for marketers, Lou Imbriano, Professor of Sports Marketing at Boston College, believes the success of the medium is contingent on how it is viewed. If mobile is viewed strictly as an advertising vehicle, it is likely to become a stagnate strategy. However, Imbriano feels that companies who strive to engage consumers and gather intelligence through mobile without necessarily selling something immediately will have the greatest success.

While Imbriano feels that some companies are excelling in their mobile strategies, others are lagging behind, possibly due to a lack of mobile functionality that should make consumers' lives easier by broadening the customer service experience.

"A good majority of people rely on their smartphones in everyday business as well as their personal lives," he says. "Mobile is an instantaneous way to prompt consumers to do more, but companies are likely only capitalizing on a small pocket of consumers because it is still seen as a young person's medium."

Mobile does present some challenges, as Imbriano notes that the small-screen format doesn't allow for many bells and whistles, and responding to offers or engaging can require a number of steps for the consumer. For that reason, he feels that tablets are going to provide a great deal of opportunity for marketers to engage consumers on a larger format.

Furthermore, he says that many companies don't quite understand the need to make mobile as simple and direct as possible.

"If you can combine mobile marketing with instant access to either ordering or functionality, you're going to be much more successful," he says. "A great example of this is Five Guys. They have an app where you can find the nearest location, order and pay for your food, and pick it up in 20 minutes. So if they're sending coupons via mobile marketing and you can click in from the coupon to order rather than just advertising a special, it's going to be a lot more effective."

Imbriano also notes the Comcast XFINITY home security system, which—along with home lights, television, and cable—can be controlled from your iPhone. The ability to take mobile applications and make them useful to consumers and relevant to their lives will provide more opportunities for them to engage.

"This example is great because once the company sees your trends, what you like, and what you can or can't do, they can use that intelligence to make the experience better for you and ensure you remain a happy customer," he says.

Adam Lavine

President & CEO

FunMobility



Adam Lavine, President and CEO of FunMobility, says that to date, mobile marketing has primarily been a series of ad hoc campaigns that don't integrate well with the marketer's overall strategy due to the tactical execution challenges surrounding mobile. However, the insights and engagement that can be revealed through mobile make it a channel that marketers can't afford to ignore.

According to Lavine, among the mobile execution challenges that marketers face include development of an effective mobile strategy; the number of devices, screen sizes, and formats that must be supported; and the integration of mobile with the overall marketing strategy. Mobile also presents a new set of metrics that marketers must learn to understand, along with the need for clear objectives and capable partners in order to avoid technical pitfalls and potentially costly mistakes.

"Mobile introduces a new set of data that is really amazing in terms of the insights it can provide about which customers are interacting with the brand and where, when, and how this interaction is occurring," Lavine says. "You can custom-tune your engagement with the customer around time and space—which is highly valuable—but it must be relevant, informative, fun, offer some kind of value, be engaging, or provide a tangible or monetary benefit. Otherwise, especially with regard to push alerts, marketers risk abusing the channel and being perceived negatively by the consumer."

Having this knowledge up front, FunMobility created a mobile relationship management (MRM) platform that allows them to attach AppWidgets to push alerts—mobile engagement components like games, promotions, surveys, etc.—to create a fun or valuable experience for the consumer. Providing this type of engagement on such a personal and intimate device has the potential to build true brand affinity and loyalty.

In October, one of FunMobility's MRM solutions, Chiquita FanFun, was honored with the IBM Leader Award for Excellence in Digital Applications. The IBM Leader Award recognizes excellence in the loyalty, engagement, analytics, and digital applications categories and was accepted by Cassidy Hamilton, Brand Manager at Chiquita. The Chiquita FanFun brought together a location-based sweepstakes with fun, engaging mobile activities such as mini games, a Little League card maker, store finders, and periodic push promotions.

"FunMobility worked with Chiquita to drive brand awareness and affinity with moms through their Little League partnership and demonstrate to retailers that they could drive customers to retail stores," Lavine says. "The location-based capabilities of FunMobility's MRM platform enabled Chiquita to understand when one of their customers was visiting a retailer and offer them sweepstakes activities as well as engaging trivia and games. We found that 20 percent of consumers who registered for the promotion actually went to a retail store and checked in to receive a reward, in this case a sweepstakes entry."

In order to ensure they make the most of their mobile investments, Lavine says marketers must build a strategy that will work over the long term to build lasting relationships with customers. Mobile makes sense to be at the center of existing or new loyalty programs because consumers always have their mobile devices, and location and interaction open up new, profitable dimensions for retailers, brands, and consumer packaged goods companies. In addition, it's important to know what they want to achieve through mobile and to have a good sense of the strategy because mobile will ultimately influence their overall marketing initiatives.

“Right now, customers are spending 10 to 20 percent of their screen time on a mobile device, but only a small fraction of media spend goes into mobile,” he says. “Marketers, especially those in retail and CPG, will have to adapt to this new reality or risk being left behind and failing at building mobile relationships with consumers.”



Peggy Anne Salz

Chief Analyst and Founder
MobileGroove



As one millennial famously said, "I'd rather give up my kidney than my phone." While this statement may be an exaggeration, Peggy Anne Salz, Chief Analyst and Founder of MobileGroove, believes it is very telling of the mindset of today's consumer and how personal the mobile relationship can be for brands who use it correctly.

To keep mobile in the proper perspective, Salz believe marketers must stop viewing it as an additional channel to engage the consumer and start seeing it as part of a holistic strategy. Rather than being used to communicate a message, she says it can actually be an effective way to establish an emotional connection with consumers for brands who have the foresight to create this type of experience.

"With televisions, smartphones, tablets, and computers all being in front of the consumer, marketers have to take a more holistic approach to their strategy," she says. "We have been talking for a while about the blurred boundaries between devices and how that requires a different mindset, and I applaud the companies that are beginning to shift their thinking in this manner because I think it's completely on the mark."

Salz feels that proper execution of a strategy that integrates mobile can have a strong effect on a company's ability to engage and retain consumers, and unless they do both, it likely isn't worth the investment involved.

"It's far too expensive to not think about an ongoing campaign that focuses not only on acquiring customers but keeping them as well," she says. "Starbucks is a great example of this because they use mobile to get people into the stores and integrate it back into their loyalty program. I'm part of it via my mobile, I interact with it via mobile, and I receive value via mobile."

The greatest challenge that Salz believes marketers face with mobile is determining where to begin. Oftentimes, marketers become so distracted by the discussion of formats and tactics that they forget the strategy. However, the key to overcoming this hurdle, according to Salz, is to view mobile as a strategy rather than a technology. Furthermore, once marketers achieve the correct perspective, the benefits can be monumental on both a local and global level.

"Although companies certainly have to deal with privacy concerns and consent issues, it should not be viewed as a hurdle to mobile marketing provided brands understand the rules of engagement," he says. In her view there is a kind of unwritten contract between the user and the brand whereby if the brand delivers value and doesn't abuse the consumer's trust, then they can deliver it at any location."

In mobile marketing it's all about ME. If I consider advertising relevant and helpful to me — my life, my situation — then my privacy concerns won't necessarily be front and center because the value exchange is one I appreciate," she explains. "What's more, the brand has kept its word, so to speak, and delivered me something I genuinely appreciate. I won't have an issue providing more information in return for more of what I value."

Overall, brands should re-think the concept of location and reach, particularly if their message is linked in any way to emotions and experiences that transcend geography.

"Don't limit yourself," she says. "Fans are everywhere and we have evidence in case studies where even local brands can reach out to people on a global level. Certain passions—such as sports—know no bounds."

Moving into the future, Salz believes mobile presents a number of opportunities for brands to keep consumers engaged and build loyalty. However, as more brands get smarter in their strategies, they will have to work harder to separate themselves and maximize relevance for the consumer.

“At the end of the day, how many brands can a consumer really interact with—how many do they have space for in their lives?” she asks. “Once a brand engages a consumer, it’s going to become more about keeping him or her loyal. Being able to construct those types of ongoing engagements will be where the greatest opportunities are.”

Tom Collinger

Executive Director, Spiegel Digital
& Database Research Initiative,
Medill IMC
Northwestern University



Mobile provides great competitive advantage for companies who use it in an engaging and smart manner, as it is dramatically unlike any other platform today. However, Tom Collinger, Executive Director of the Spiegel Digital & Database Research Initiative for Medill IMC at Northwestern University, feels that while it presents potentially the greatest area of opportunity for marketers, it may also become the most abused platform—leading consumers to react in ways that make it even more difficult for marketers to reach them.

Collinger believes that mobile has an arch of adoption whereupon early adopters of mobile are taking maximum advantage of the platform and achieving uncommon success, while a flood of other companies have begun to experiment with it. Eventually, he says that massive level of adoption turns into exploitation, consumers resist, and effectiveness declines because it isn't as strategically or wisely used.

"Ultimately, consumers win because they figure out how to take maximum advantage of the new platform with companies or brands they want to engage with and exclude others," he says. "Companies who succeed manage to cut through the clutter and develop a smart strategy with proper engagement that is relevant to their customers."

With regard to the platforms or devices that are most important to support today, Collinger says this depends on the consumer experience and the category in question. He feels it is important for more frequently used products and services to be supported across all devices—especially when a consumer is traveling—because consumers tend to want to be able to engage from any platform, at any time.

"On the other hand, for example, I have strong, positive feelings about the company from which I purchased my car and receive reminders for oil changes, but my need to engage with them is so infrequent that I don't need them to be accessible all the time," he says. "I want them to be easily accessible when I need them, but I don't need them to be sending frequent messages to me across all platforms."

While Collinger feels the advantages to mobile are that it's always on and accessible, the disadvantages necessitate marketers to plan their strategies even more thoroughly to help ensure they are providing a truly engaging experience; otherwise, they risk alienating their consumer audience.

"Marketers need to recognize that access to purchasing a product or even viewing advertising is not the primary reason a consumer accesses his or her phone on a daily basis—they look to their phones for information and communication primarily," he says. "And while smartphones often enable people to make purchases, that isn't at the top of the list for a consumer."

In terms of the challenges that marketers face with respect to mobile, Collinger points to a number of things. First, because companies now often sell directly to the consumer rather than through retailers, the competition is greater than ever before. Furthermore, the presence of social media and peer reviews can present huge challenges for companies when a consumer is looking to compare prices or reviews. He also says that marketers have to be careful not to be intrusive in their mobile efforts, but leverage it as an invitation. And finally, the way in which the consumer compares and contrasts opinions in a category has led to growing expectations based on the last positive experience they had.

"Companies who are using mobile effectively are those who are reachable, accessible, available in all platforms and media, and are using valuable information and content that a customer within their

category views as an asset,” he says. “Although it’s a media company, I think Mashable does a great job of that. Their content is accessible through their website, Twitter, YouTube, LinkedIn, etc., and they are pushing valuable, relevant content, and their growth speaks to that. They are remaining relevant, not just frequent—and frequency can be the enemy of relevance.”

Josh Eliashberg

Professor of Marketing, Operations, and Information Management
The Wharton School, University of Pennsylvania



While many companies have made quite a bit of progress with respect to mobile marketing efforts, Josh Eliashberg, Professor of Marketing, Operations, and Information Management at the Wharton School at the University of Pennsylvania, feels several challenges need to be overcome before companies will reap the full benefits of mobile.

While Eliashberg commends companies for the advances made in terms of mobile commerce, he still believes there are some limitations around both mobile commerce and mobile engagement in general.

“I don’t think marketers have yet found the appropriate content for mobile that will really capture the attention and interest of consumers,” Eliashberg says. “For example, you can download special-effects-type movies on a smartphone, but I don’t think that such content is best suited for mobile. And with respect to mobile payment, there are several different types, as well as digital coupons that become quite popular. While there are some exceptions, such as Inmar’s digital promotion network, not every retailer has access to the infrastructure required to integrate coupon publication, payments, redemption, and other point-of-sale transactions needed to realize the power of digital promotion.”

Advantages to mobile marketing that he notes include the ability to reach nearly the entire world population, the ability to access consumers anytime and anywhere, as well as location-based applications that allow relevant content to be delivered at opportune moments. However, companies are hindered by the necessary process of having consumers opt-in to receive communications from a brand, as well as by the fact that most companies aren’t experimenting enough in order to take full advantage of the idiosyncratic opportunities available in the mobile space.

“Some of the opportunities companies can explore through mobile should be based on analyzing the data they gather from these efforts,” he says. “Companies with mobile marketing strategies—especially for smartphones and tablets—are currently collecting a lot of data from consumers, but I don’t think they are doing an optimal job of analyzing it in order to provide consumers with opportunities that the data suggests they would likely buy into. I think there is a lot of opportunity to do this more effectively in the future.”

About the CMO Council



The Chief Marketing Officer (CMO) Council is dedicated to high-level knowledge exchange, thought leadership, and personal relationship building among senior corporate marketing leaders and brand decision-makers across a wide range of global industries. The CMO Council's 6,000 members control more than \$300 billion in aggregated annual marketing expenditures and run complex, distributed marketing and sales operations worldwide. In total, the CMO Council and its strategic interest communities include more than 20,000 global executives in more than 100 countries covering multiple industries, segments, and markets. Regional chapters and advisory boards are active in the Americas, Europe, Asia-Pacific, India, Middle East, and Africa. The CMO Council's strategic interest groups include the Coalition to Leverage and Optimize Sales Effectiveness (CLOSE), LoyaltyLeaders.org, Marketing Supply Chain Institute, Customer Experience Board, Market Sense-Ability Center, Digital Marketing Performance Institute, GeoBranding Center, the Forum to Advance the Mobile Experience (FAME), and the cause-directed research initiative, Pause to Support a Cause. More information on the CMO Council is available at www.cmocouncil.org

About Pandora

PANDORA®

Pandora (NYSE: P) gives people music they love anytime, anywhere, through connected devices. (OK, we've added comedy as well so we're also up for playing some jokes you'll love.) Personalized stations launch instantly with the input of a single "seed"—a favorite artist, song, or genre. The Music Genome Project®, a deeply detailed, hand-built musical taxonomy, powers the personalization of Pandora® Internet radio by using musicological "DNA" and constant listener feedback to craft personalized stations from a growing collection of hundreds of thousands of recordings. Tens of millions of people in the U.S. turn on Pandora to hear music they love.

About FunMobility



FunMobility is a mobile industry pioneer defining the art and science of mobile engagement. The company has over 10 years of experience building hundreds of successful mobile social applications for carriers and brands that have touched millions of users and generated billions of interactions. FunMobility customers include some of the world's biggest companies, such as Verizon®, AT&T®, Disney®, Universal Music Group®, MTV®, Little League® Baseball, and Chiquita Brands®. The foundation of the company's offerings is the recently launched AppWidget Platform—a mobile relationship management suite that enables any business to effectively build ongoing relationships with an audience by delivering engaging mobile experiences. AppWidgets™ are cloud-based, HTML5 plug-ins that provide the power to send rich media and promotions via standard push alerts, segment and target users, analyze results, and optimize the user engagement loop, all in real-time. FunMobility is headquartered in Pleasanton, California with offices in San Francisco, California and Baltimore, Maryland. Follow FunMobility on www.twitter.com/FunMobility, www.facebook.com/FunMobility, or visit www.funmobility.com or www.appwidgetplatform.com to learn more about the company and its products.