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# Mobile engagement: a better way to reach and influence your customers

By Llew Claasen

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If you've been hiding under a rock during 2011, then you might have missed predictions from industry pundits that "the year of mobile" had finally arrived. The truth is, we ain't seen nothin' yet. While there has been significant traction and momentum in mobile recently, the potential opportunities for mobile marketing and engagement are immense.

#### Mobile: a massive change is underway in Africa

There are now <u>6.1 billion cellular subscriptions globally</u>, or roughly 87% of the world's population. In contrast, only two billion people are connected to the internet.

In Africa itself, mobile penetration growth has been extraordinary. In 1998 there were fewer than two million phones; by the end of 2011, there were more than <u>977 million cellphone subscriptions in Africa</u>, growing at almost 15% year on year with mobile penetration in Africa now at 70.5%.

This makes Africa the fastest growing mobile region in the world. Today, <u>more Africans have access to mobile phones</u> than to clean drinking water.

#### Mobile: anytime, anywhere

- 100% of mobile phones today can send and receive an SMS text message.
- <u>75% of all mobile phone users</u> have sent a text message.
- Consumers open 98% of text messages received, while e-mail has an open rate of only 22%.
- <u>90% of all text messages sent</u> are read within three minutes.

Consumers are comfortable with sending and receiving text messages even when they don't all have the latest smartphones (actually, even in South Africa, a relatively developed African mobile market, the <u>smartphone penetration rate is only 15%</u>), which creates a huge opportunity for brands to engage with their customers in a very simple, intimate and mobile manner.

#### SMS: how dull?!

If there is one thing about mobile that continues to astound me, it's the perceived "dull" nature of SMS, which means that agency and up-and-coming brand marketers tend not to steer campaigns in this direction, opting instead for the latest IOS

app or HTML5 web app.

On the contrary, we expect that more than <u>seven trillion SMS messages</u> were sent worldwide during 2011. This is more than 1000 SMS messages per year, 80 per month and three per day sent by every single human being on the planet! This didn't happen because SMS is the sexiest communication medium, but because it is has the highest utility.

And it's not going anywhere - the growth of instant messenger (IM) clients such as Whatsapp and Mxit does not herald the end of SMS, but signals an evolution in mobile messaging to a different protocol.

As marketers, we should continually ask ourselves whether we're trying to win awards alone or follow Ogilvy's maxim, "We sell, or else."

Mobile message marketing costs a fraction of more traditional marketing media such as print, radio and TV advertisements and it offers unparalleled reach, especially in Africa. It can be sent and received within five seconds, no matter where in the world the customer is based, and feedback is usually immediate. Messages can also be informed by the customer record and 'tailored' to be relevant to the customer's location, situation and need.

Mobile text messages are easy to read, with fewer than 160 characters, and easy to consume and respond to. There is also virtually no limit to the type of messages that can be sent or received, enabling organisations to communicate with their customers about almost anything.

Mobile text messaging is extremely versatile and can be used to promote, remind, attract, up-sell, cross-sell, engage, reactivate, gather, understand or grow - in order to drive campaign objectives.

#### Mobile: making marketing sense

- Grow the topline: Mobile message marketing is more cost-effective than any other marketing medium, and will increase your sales and your bottom line.
- Improve your customer relationships: Timely, relevant mobile marketing campaigns will increase your customer loyalty and grow your customer base.
- **Grow your database:** Effective mobile marketing campaigns give potential customers the option to 'opt-in', dramatically increasing the size of your database for future campaigns.
- Raise your response rates: Mobile marketing attracts a response rate of over 20% unlike traditional marketing media which have response rates as low as 3%.
- **Reach your customers anywhere, anytime:** Pew Research statistics show that four out of five young adults sleep with their phone on or near their bed and "many expressed reluctance to ever turn their phones off".

#### SMS: do you really have a choice?

At a recent MMA (Mobile Marketing Association) Forum conference in Singapore, Gavin Mehrotra, director of international media for the Coca-Cola Company, started his presentation stating that: "SMS is the number 1 priority at Coca-Cola in mobile." That's a telling statement from a senior professional at the biggest brand in the world.

I dare you to do otherwise. Mobile message marketing is here to stay and represents the wave of the future in customer engagement.

### ABOUT LLEW CLAASEN

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