

# MOBILE MARKETING TO CONSUMERS ON THE MOVE: A CONVERSATION WITH ILOOP MOBILE'S MICHAEL BECKER

*What handset are you talking on? There are the business power cells with their Blackberries, and the enviable but elite iPhone set. And then there are the rest of us. And while the average cell phone user has no doubt dipped their thumbs into the world of text, it won't be long before we're interacting with our cell phones at an entirely new, convenient and exciting level. Benchmark caught up with one of mobile marketing's leading thinkers, Michael Becker of iLoop Mobile, to find out how marketers are using mobile to reach out and touch consumers.*

**Benchmark:** Few people are as dialed in to the world of mobile marketing as you are, between your work with iLoop Mobile and with the Mobile Marketing Association. What's been the big news in mobile for 2008?

**Michael Becker:** First and foremost, we're finally seeing the concept of mobile marketing move from the awareness stage to the 'I've gotta do it' stage. In the early days – '03, '04, through '07 – in the United States we heard, 'Yeah, yeah, I've heard about that thing called mobile marketing, but there is nothing in it for me.' Now, in 2008, we're finally seeing a very large push by most all of the major brands to embrace mobile and actively integrate it into their communications programs. It's fascinating to see marketers not just embracing text but actually taking it far beyond that.

**Benchmark:** What do you think is responsible for that? Is there a technological reason? A critical mass? Consumer acceptance?

**Michael Becker:** All of the above. We're seeing the continuing maturity of all aspects of the mobile marketing ecosystem: the products and services sphere, the media and retail sphere, the connections sphere, and the application sphere. Moreover, we're seeing maturity in the most important sphere of all: the mobile subscriber sphere. Consumers are adopting the use of mobile phones at a staggering rate and are increasingly using the more advanced features – SMS, mobile Internet, Bluetooth, etc. – of their phones. These features make mobile marketing possible. But most important of all, what we're seeing are real live success stories from the brands. In many instances, the case studies show some very impressive metrics where mobile is actually outperforming the rest of their marketing efforts. This is encouraging and it will continue to drive adoption in our space.

Back in 2000, 2001 on a global basis, this ecosystem didn't exist. There was this giant cloud from carrier to brand. There were no standards. There was no structure. There was nothing there. So companies in the mobile marketing space had to be everything to everybody. Mobile marketing companies at this time had to be aggregator, application provider, and content developer as well as marketing agency.



**All spheres of the Mobile Marketing ecosystem have matured to become viable for marketers; consumer and marketer adoption are the keys to making it thrive.**  
**Graphic: Michael Becker.**

As the industry matured, key pieces were introduced to solidify the mobile marketing ecosystem – like short codes and interoperable text messaging between carriers. The six elements for mass market adoption of mobile initiative management are: interoperability of messaging traffic amongst carriers; technical and business standards; handset adoption – the delivery of actual handsets into the market; feature adoption – just because a handset is in the markets doesn't mean a consumer actually uses all of its capabilities; and geography.

**Benchmark:** You mean some people just want a phone?

**Michael Becker:** Yes, some people just want a phone. They buy a phone because it has a nice screen and a nice keyboard. They like it. But, just because they have the phone does not mean they know how to use all its capability. In fact, many people may not realize all of the other functionality their phone has. The device may be capable of a particular function, but they don't know how to use it or have chosen not to use it. This is important for marketers to understand. While we love the idea of sending video

to mobile phones, for instance, very few people actually consume mobile video.

**Benchmark:** But now there are enough people with phones who know how and are willing to use them, for mobile marketing to make sense?

**Michael Becker:** Right. In 2008 the ecosystems matured on a number of key elements so that we actually have viable mass-market mobile marketing. Key solutions like IVR – Interactive Voice Response – and SMS have matured to the point that they are totally viable for interactive mass-market mobile marketing. Other pieces, like the mobile Internet and content delivery have matured to the point that they're perfect for niche markets, but they still have a bit to go for mass-market market acceptance and usability.

**Benchmark:** So, the mobile Internet is a viable mass-market channel, but still a work in progress?

**Michael Becker:** That's correct. For example, with the mobile Internet interoperability is pretty much there, but not totally. Handset adoption is pretty much there but not totally. Feature adoption is getting there; but only about 20 percent of us use the mobile Internet on our phones right now. Only about 13 percent of us have a data plan.

One of the big things that happened in 2008 – unlike in '99, when we first started talking about WAP and the mobile Internet on your phone – is that the mobile Internet actually meets all the criteria for mass-market applicability today; whereas in '99 it failed on all counts. Today, the only piece we're missing is consumer adoption, and the way to solve that is to offer consumers compelling services that have value. We need to give them something they're interested in.

**Benchmark:** What are the services that consumers are adopting now?

**Michael Becker:** On the mobile Internet users are consuming weather, sports, news-type information. For example, The Weather Channel just does an unbelievably amazing job. They are one of the best brands on the planet that's effectively used the mobile channel. In addition, we're starting to see more and more consumption of couponing and sweepstakes programs. But this is just the beginning.

What consumers are consuming today is not what they'll be consuming tomorrow. It is important for markets to recognize that the mobile channel can enhance every phase of the customer lifecycle, from awareness to acquisition to relationship, through support to retirement. Moreover, marketers can enlist consumers

to evangelize the experience with their brands; that is, take advantage of consumer word-of-mouth marketing.

What I'm starting to see is the larger brands and the brands that 'get it' recognize that, not only is mobile appropriate for mobile-enhancing all traditional media channels, but mobile is also viable and critically important for mobile-enhancing every stage of the customer life cycle. Everything from the couponing, sweepstakes, awareness building – which has been very popular – all the way to customer care, is fair game for mobile enhancement.

**Benchmark:** Some of this is new and exciting ground. But what is so significant about using a cell phone to make a call to customer service? Don't a lot of users do that already?

**Michael Becker:** I heard a stat the other day that 70% of all customer care calls by 2011 will be initiated from a mobile phone. Think about the importance of that. Customer care calls are being initiated by someone with a mobile phone, a multimodal device, a device that has many channels to it: SMS, mobile internet; voice, MMS, etc. This is important since it will help marketers automate their customer service, as well as provide added-value services via automated systems and live customer agents.

For example, when a caller is in an automated customer service queue, rather than waiting to talk to a live agent they can simply request to have their transactions text messaged to them. For example, the automated IVR prompt may say something like , 'Thank you very much. Would you like a receipt for that now? Say or press 1 and we'll text you your last five transactions.' Or a live customer service agent at the end of a call may ask the caller, 'Would you like me to send you details of the product we discussed to your mobile phone?' If the customer says yes, the agent can press a button and a rich, interactive, actionable mobile Internet site link will be pushed immediately the caller's phone.

With mobile marketing, you now have this very intimate two-way interactive channel that can mobile-enhance care and/or any other state of the customer life cycle. The clear understanding of this possibility has yet to propagate through the industry. I'm just now starting to see forward-thinking brands consider the option. I think in 2009 the rest of the market will start waking up to this and the other possibilities that can be enabled with the mobile channel.

**Benchmark:** What are some of the brands you think are leading the way in mobile marketing?

**Michael Becker:** Java The Weather Channel is absolutely getting it right. The World Wide Wrestling Association has been doing a great job of it, so has Adidas, and Obama for America.

**Benchmark:** On the iLoop Mobile home page you have featured the Barack Obama presidential campaign prominently as a case study. This was a historic election. Tell us about how Obama leveraged mobile.

**Michael Becker:** The Obama team has done an unbelievable job in leveraging the mobile channel unlike any other brand I've seen. They did the job right because they looked at all of the pieces and integrated mobile in all their media as well as used it as a direct channel. Whether or not you agree with their message or not is immaterial. The fact of the matter is that they have used all of the media at their disposal to engage their audience. Obama has done this better than I've seen.

**Benchmark:** In what ways?

**Michael Becker:** Early on they understood that SMS alerts were one small piece of the equation and for mobile to work they needed a completely integrated strategy. They came to us and asked that we look at how to embrace their current mobile assets (SMS) and integrate them together with WAP, video, viral and their email systems. The experience that you see when you visit Obamamobile.mobi integrates all these assets in seamless fashion that engages the consumer. One program feature feeds another and it's all integrated seamlessly together. They created all of these widgets that consumers could include and put on their social networking sites and rally their evangelists and their contributors to help. They embraced the brand cloud rather than fearing it.

**Benchmark:** And how specifically did they leveraged mobile?

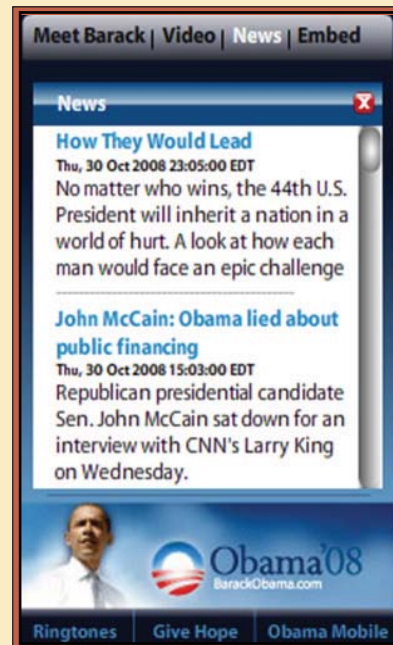
**Michael Becker:** They used mobile text messaging to get their message out, for their VP announcement, and engaging their audience.

They used IVR, delivered content and they created a mobile Web site. If you looked at their mobile Web site, there's just amazing capabilities on that site. Any of the news feeds that they put up on their broadband Web site automatically can show up on the mobile Web site. So they leveraged broadband and mobile content management capability.

They included the ability to text ("Hope" to 22262) to opt-in for their text delivery service on their mobile Web site. Also on the mobile Web site you can click on a banner and then fill out a form, which posts right into their text messaging opt-in list.

You can consume content off of their mobile Web site: videos, ring tones, wallpapers, etc. They've embraced the viral elements of their mobile Web site, enabling visitors to "Share the Hope" and invite friends to see the site.

They gave their constituents a voice, where they could fill out a survey or poll on the mobile Web site and engage in the conversation.



**Few marketers have leveraged the mobile platform as effectively and completely as the Obama for America campaign, demonstrating the full potential available for mobile right now. Shown here: an example of a mobile-enhanced web widget.**

And then on the bottom of the page they actually have an ad banner. You click on that ad banner, fill in your email address, zip code, hit submit and the site immediately emails you Obama position papers.

**Benchmark:** There really doesn't seem to be a single thing they didn't think of, a single thing they left out, in terms of utilizing all the capabilities and all the opportunities, of both online and mobile media.

**Michael Becker:** That mobile Web site alone is a perfect example of the ability to interact – to integrate all media, email, broadband and mobile, mobile content and mobile content consumed specifically through the mobile channel.

**Benchmark:** It seems like the rest of us have some catching up to do. And I'm wondering how many businesses really know how to get started. Targeting, for example. In traditional mail-based direct marketing, you can buy lists defined by demographics, geography, and a host of predictive variables. Is there any such thing for mobile?

**Michael Becker:** That list does not exist for mobile. There are certainly advertising models where you can go to a carrier and say, 'please throw my ad banner on this page.' But keep in mind, mobile is an explicit opt-in channel. You can't spam people. Mobile marketing consumer best practices are not just best practices designed by a trade association (i.e. the Mobile Marketing Association) but practices that have actually been integrated into carrier contracts and connection aggregation contracts. You're contractually mandated to follow them.

**Benchmark:** So again, how does a marketer find their target customers and convince them to opt into mobile marketing?

**Michael Becker:** Marketers need to build their own lists through the mobile enhancement of their traditional marketing and media programs. Consumers will see the call-to-action in traditional media and if they're interested enough, they'll opt-in to receive one-time or future messaging from the marketer. We spend an enormous amount of time working with our customers to build phased strategies that evolve them into the mobile space. We look carefully at tactics that drive opt ins and we encourage them to embrace all the facets of mobile (SMS, voice, WAP, viral, video, etc) to form a holistic solution that scales over time.

**Benchmark:** If I'm a marketing executive sitting here right now today – I understand that there are lots channels. I'm not just a channel adopter; I don't want to do mobile just because mobile is cool, but I want to use it to support my broader business objectives. What are your words of advice to me? What are the things you'd tell me I should be looking at and the things that I should avoid?

**Michael Becker:** First and foremost, think marketing 101 – not mobile marketing – first. Think about who your customers are. Where are they? What messages will interest them in your services and offerings? What value are they looking for? What problems do they need solved? Can you provide this value? Solve these problems? You need to understand your target audiences' needs and how to address them. Once you've done this, you can then consider if the mobile channel is appropriate for your marketing mix. You want to consider the six areas of mobile marketing mass-market applicability – interoperability, business standards, handset profusion, feature adoption, health of the ecosystem elements and the geography. You want to align your target audience – what they are doing in mobile – against these six elements. And then say to yourself, 'Okay. Which mobile path can I use or should I use to effectively mobile-enhance my traditional media channels in order to engage and interact with this person?'

And those paths, in order – just based on looking at just raw numbers – are voice, then SMS, then mobile Internet, and then

there is a steep drop-off to all the other services.

**Benchmark:** OK, so you know who they are, what kind of phone and service they have, how they're likely to use their phone. But you still have to get them to opt in.

**Michael Becker:** Right. So, do you have something that they value? Give them an incentive. Tell them why they should care. Come up with something – look for some third-party content that you give away, promote, something that has an affinity with your brand. And then once you've enticed them, garnered their trust to get them to opt in, don't abuse that trust. Don't send them coupons for something that is not relevant to them just because you can. Only communicate something that they've already expressed an interest in.

The Mobile Channel is an amazing personal interactive medium of consumer engagement. But with that power of being able to engage somebody to this level also comes great responsibility.

**Benchmark:** OK, so now we just have to come up with something great and push it out to our customers who have opted in.

**Michael Becker:** Right. It's the infrastructure viability that really took place in 2008. Now, the ability to rapidly deploy and develop new interactive experiences based on that infrastructure is what's key.

We've now really moved beyond needing to rely on the boutique firms and can now provide the tools in the hands of all of the agencies – the strategic and creative agencies – to be able to do this themselves.

**Benchmark:** And iLoop Mobile is positioned to lead the way with this. What does iLoop Mobile offer marketers who want to pursue the mobile channel?

**Michael Becker:** We have built a platform, the mFinity Platform, that seamlessly integrates all of the mass-market mobile marketing channels into one self-administrable platform, including SMS, the mobile Internet, content delivery, voice, mobile advertising, etc. We've also put an open services API wrapper around that platform to integrate with third-party services so that marketers can extend the capabilities of the platform and integrate with other offerings. For example, we've integrated over eight mobile ad networks into our platform. In addition to offering the platform, we also have a suite of professional and managed services that marketers can draw upon to help them get up to speed quickly. We'll help them launch their first programs as well as train them to do it themselves if they want.

We've essentially developed this mobile initiative management hub that enables the ability to self-administer not just mass-

market mobile marketing, but mobile initiative management across the entire customer life cycle. But as impressive as our technology is, it's truly our knowledge base that sets us apart. We have some of the top strategic and tactical thinkers in the mobile industry that are a part of our team. We're able to sit down with our customers and help them sort out a strategy that is geared towards their objectives. It's this expertise that truly sets us apart and it's the reason we've become partner of choice with some of the most successful brands in mobile marketing today.

**Benchmark:** Are marketers ready for this? For a platform? Self-administration?

**Michael Becker:** Absolutely. We're seeing a trend where marketers, especially marketing agencies, are looking to gain access to tools so that they can be in control of the entire mobile marketing and mobile initiative management workflow, rather than having to outsource the work to third-parties.

Gaining access to tools like the mFinity Platform is essential for today's marketers. The mFinity Platform gives them the opportunity to experience the mobile medium first-hand.

**Benchmark:** What's next? What's out on the horizon?

**Michael Becker:** There is so much possibility on the horizon. I'm very excited. In 2009 we'll push toward enhanced measurement. We'll see great strides in our ability to measure, track and calculate the ROI of mobile marketing. We'll see the refinement of the definition of mobile marketing and its broader applicability and use across the entire customer lifecycle and across numerous industry verticals. We'll also see traditional mobile CRM and customer profiling tools mature to the point where customers can expect to see only those messages that are contextually relevant to them. Moreover, we'll see the evolution of CRM to customer-managed interactions, a model where customers, not the brand, own their own profiling data. As this last model matures, marketing will change forever.

**Benchmark:** Well it sure seems like an exciting time to be in your business.

**Michael Becker:** Absolutely, I am having a great time. This is so much fun, it's silly.

**Benchmark:** Thanks for taking the time to talk with us. We'll text you next year to check in and see how things have changed, and see where you and the industry are.



**Michael Becker**

EVP of Business Development  
iLoop Mobile

Michael Becker is a leader in the mobile marketing industry, taking on the roles of industry practitioner, industry volunteer, and entrepreneurial academic. Michael is co-founder and EVP of Business Development at iLoop Mobile, Inc. a leading mobile marketing platform solutions provider and winner of the Mobile Marketing Association (MMA) Innovation of the Year Award (2007).

Michael sits on the MMA's North American board of directors and global board of directors, founded co-chairs the award winning MMA's Academic Outreach Committee and founded and co-edits the award winning MMA International Journal of Mobile Marketing, the world's only academic journal focused on the use of the mobile channel for marketing. Michael is also a member of the DotMobi Mobile Advisory Group Steering Committee and is a member of the U.S. Direct Marketing Association mobile council.

In addition to his practitioner and industry roles, Michael is a contributing author to *Mobile Internet for Dummies*, is co-author of *Web Marketing All-in-One Desk Reference For Dummies*, has authored over forty articles on mobile marketing, oversees an industry blog and is pursuing his doctorate on the topic of mobile enhanced customer managed interactions. In recognition of his contributions to the industry Michael was awarded the MMA Individual Achievement Award (2007).