# Mobile Marketing

## Trends and Perspective by AT&T
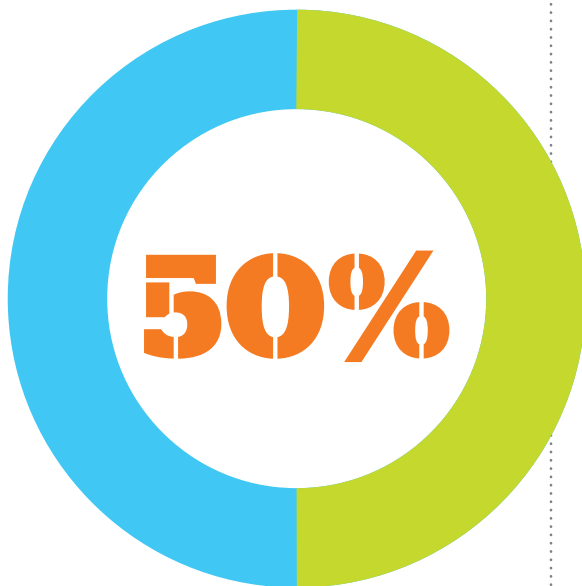
## Mobile Marketing's Seat at the Table

### The number of mobile users continues to rise at an incredible rate.

In fact, smartphone sales are outpacing sales of other phones and we estimate that by 2014, half of all mobile phones in the United States will be smartphones.[1]

Astute marketers will capitalize on this trend and seize the opportunity to deepen customer engagement via mobile marketing.

While it used to be enough to simply provide a mobile optimized website, consumers now expect interactive and engaging mobile marketing efforts that enhance the purchasing process. QR codes, SMS, and NFC technology are user-friendly ways to broaden the customer experience and leverage cross-marketing opportunities.

AT&T provides a suite of Mobile Marketing Services to support this effort, including QR codes, SMS, digital signage, mobile POS and more. In the next few pages you'll see how AT&T can help you each step of the way.

We hope you find this quarterly trend report to be a valuable resource in achieving your goals.

**Igor Glubochansky**
*Executive Director, product marketing management*

*Consumers now expect interactive and engaging mobile marketing efforts that enhance the purchasing process.*

**50%**

By 2014, half of all mobile phones in the United States will be smartphones.[1]

> It is clear that tablets are more than just a passing fad, and that's good news for marketers.

# *Marketing Trends*

Companies have been experimenting with mobile marketing for years, but spending in this sector took off in 2011, increasing nearly 45 percent.[1] According to a recent AT&T survey of U.S. marketers, the trend will continue in 2012. In fact, 88% of survey respondents expect their mobile marketing programs to increase in 2012.[2]

**88%**
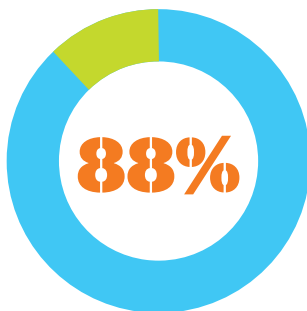
**Greater Adoption of Mobile Barcodes.** Barcodes give marketers an opportunity to bring print media to life by utilizing the latest smartphone capabilities. Marketers can engage with customers whether they are at home, on the go, or in-store.

**Enhanced In-Store Experience.** To meet consumer demand and enhance the shopping experience, bricks-and-mortar stores are developing wireless shopping experiences, enabling mobile point-of-sale (POS), digital signage, and geotargeted advertising. Further, the emergence of NFC is enhancing the wireless experience and allowing consumers to engage more quickly and easily.

**More Multimedia Marketing.** Smartphones allow consumers to access rich content in real-time. Businesses that direct their marketing to smartphone users via SMS messaging, video / picture messaging, email messaging, etc. can have a more interactive experience and increase their exposure, credibility and sales.

**The Rise of the Tablet.** It is clear that tablets are more than just a passing fad, and that's good news for marketers – tablet users tend to spend more money on mobile websites than smartphone owners.[3]

**Increased Use of Customer Analytics.** Understanding consumers' buying behavior can turn mobile customer engagement into sales. The right mobile marketing platform can provide rich metrics that help measure conversions and consumer details like demographics, geography and even handset information.

Once a customer has the app on his or her smartphone, and accepts the use of location information, *maurice's* can send the shopper timely messages.

# Trendsetter Spotlight: **maurice's**

As a leading hometown specialty store and authority for the savvy, fashion-conscious girl with a twenty-something attitude, *maurice's* wanted to develop a branded mobile app to help enhance their customers' in-store shopping experience.

The app, introduced by AT&T and developed using Digby's Localpoint™ Mobile Platform, allows the retailer to set virtual perimeters around their stores. Once a customer has the app on his or her smartphone, and accepts the use of location information, *maurice's* can send the shopper timely messages and offers via a push

notification, alerting the user to noteworthy news about the specific store location as soon as he or she enters the store. Shoppers can also use the app to scan product barcodes, allowing them to read product descriptions, ratings and reviews while in the store.

The *maurice's* app is just one way the retail chain is communicating through their customers' smartphones. The company has also introduced a new optimized mobile website, making it easier for customers to search, browse and buy via the retailer's website on their mobile phones.
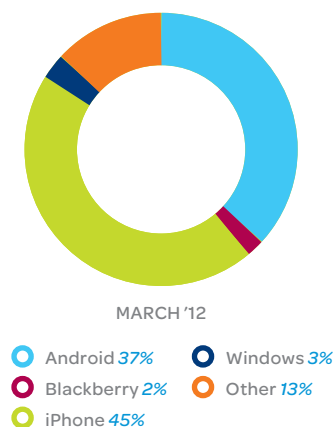
*Digby Localpoint from AT&T helps brands & retailers:*

- *Effectively engage with consumers through their own branded app, based on their preferences and buying habits*

- *Understand when their most loyal customers visit their locations*

- *Uncover conversion rates for products purchased in retail stores*

- *Drive traffic to their places of business with location-sensitive marketing programs*

- *Enable consumers to search, browse and buy products from their smartphones whether they are at home, on the go or in the store*
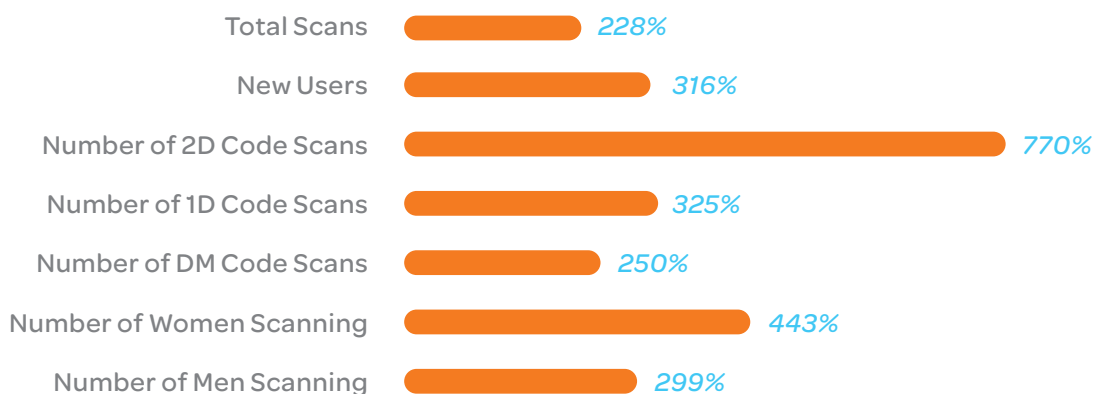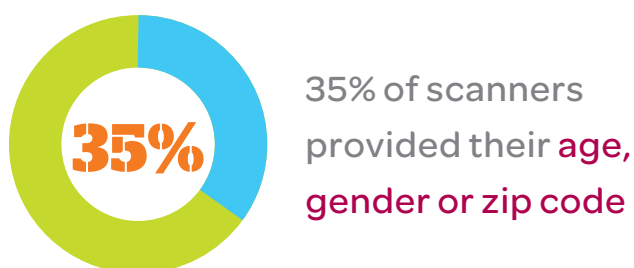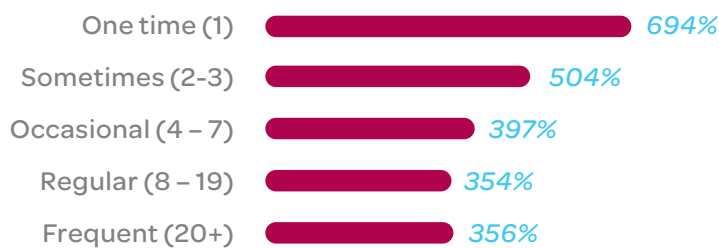
# Mobile Marketing by the Numbers

## Scans by OS

MARCH '12

- ○ Android *37%*
- ○ Blackberry *2%*
- ○ iPhone *45%*
- ○ Windows *3%*
- ○ Other *13%*

## Between March 2011 and March 2012, AT&T saw an increase in...

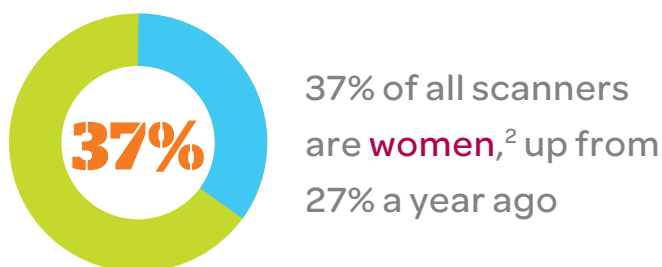| | |
|---|---|
| Total Scans | *228%* |
| New Users | *316%* |
| Number of 2D Code Scans | *770%* |
| Number of 1D Code Scans | *325%* |
| Number of DM Code Scans | *250%* |
| Number of Women Scanning | *443%* |
| Number of Men Scanning | *299%* |

## We (AT&T) estimate that more than 20 million users will scan a mobile barcode this year.

## Increased activity by scan category Mar 2011 to Mar 2012
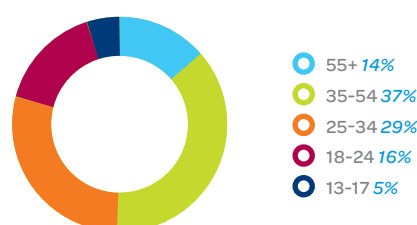
| | |
|---|---|
| One time (1) | *694%* |
| Sometimes (2-3) | *504%* |
| Occasional (4 – 7) | *397%* |
| Regular (8 – 19) | *354%* |
| Frequent (20+) | *356%* |

**35%**

35% of scanners provided their age, gender or zip code

**37%**

37% of all scanners are women,[2] up from 27% a year ago

## Scans by Category

- ○ FOOD AND GROCERY *36%*
- ○ BEVERAGE *24%*
- ○ PERSONAL CARE *12%*
- ○ LITERATURE *6%*
- ○ ELECTRONICS *5%*
- ○ CLEANING PRODUCTS *5%*
- ○ ALL OTHERS *12%*

## Scans by Age Group[1]

- ○ 55+ *14%*
- ○ 35-54 *37%*
- ○ 25-34 *29%*
- ○ 18-24 *16%*
- ○ 13-17 *5%*

Lay out exactly what you want the recipient of your message to do and then provide an easy mobile pathway for them to follow.

# *Tips and Best Practices*

**The following tips provide a strategic framework for developing a successful mobile marketing campaign.**

- **Know your audience.** Customers expect personalization and many mobile strategies fail because they are not tailored to their specific audience. Mobile applications should address the customer's need for value and real-time information.

- **Create a mobile site.** Create a site that is optimized for mobile to provide consumers an easy way to navigate content. No one appreciates having to constantly zoom in and out on a web page. Menus and lists on mobile sites help divide content into categories so users can easily locate information.

  *Mobile applications should address the customer's need for value and real-time information.*

- **Have a clear call to action.** Many consumers do not readily know how to interact with the technology behind mobile marketing. Lay out exactly what you want the recipient of your message to do and then provide an easy mobile pathway for them to follow.

- **Provide incentives.** Give customers a reward for taking the time to interact, such as exclusive coupons and discounts, an invitation to a VIP sale or contest, instructional videos or access to unreleased information.

- **Analyze results.** Tracking results is critical to a successful mobile marketing campaign. Consider a company that is dedicated to developing an entire mobile marketing strategy and is committed to bringing to market applications that engage consumers at all phases of the purchasing decision process.

1. Know your audience.
2. Create a mobile site.
3. Have a clear call to action.
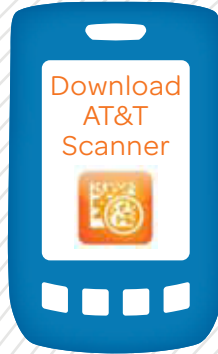4. Provide incentives.
5. Analyze results.

# QR Codes: The Magic Explained

*A Quick Response (QR) code is a link to unique information. Here's how it works:*

**1 Download the scanner**

From most smart phones, go to your app store and search for "AT&T Code Scanner." Select and install the free app.

Download AT&T Scanner

**2 Find and scan a QR code**

When you see a Quick Response (QR) code that compels you, simply open your scanner and scan the code.

NEWS

**3 What happens on my phone?**

QR codes link to a wide variety of responses. The possibilities for what happens next are endless.

Info

## Business Benefits

QR codes provide a unique and near real-time source of data for marketers. This information can be used to help shape existing and future marketing programs. When consumers choose to opt-in, companies can understand the customer's:

- Location
- Time of scan*
- Duration on mobile site*
- Device properties (iPhone, Droid, etc)
- Basic demographics

Because the same code can be reprogrammed at any time to link to new content, marketing campaigns can be updated instantly. Access to this data is available through providers such as AT&T's Code Management Platform.

*don't require opt-in

For more information scan this code or go to att.com/mcode