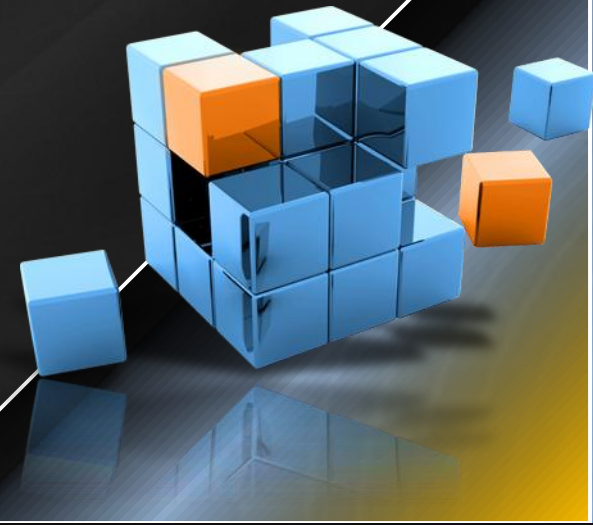


Business on the road

The Mobility Revolution





Your Presenter

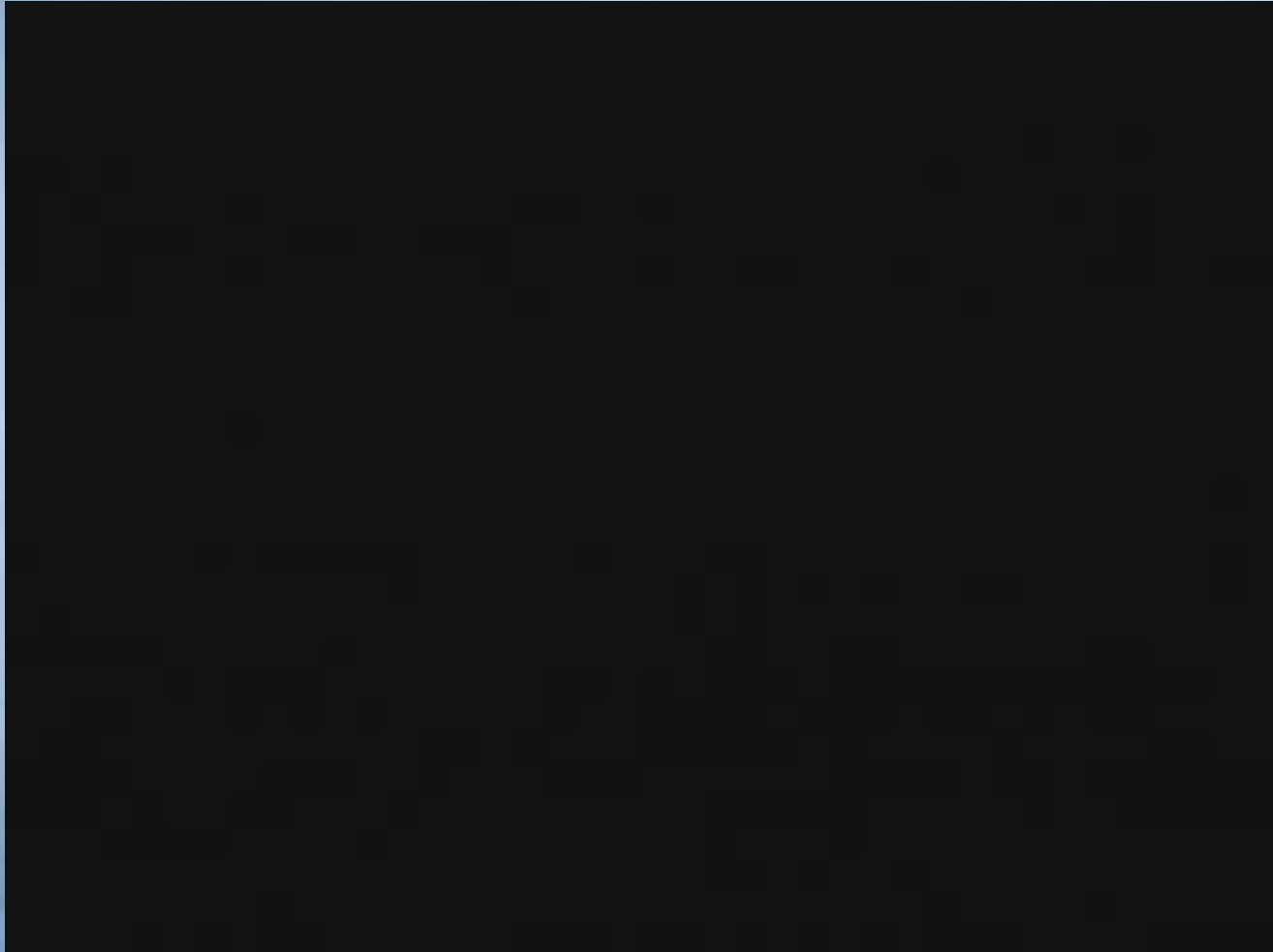
COMFRAME
precision software innovation

- Robert C. Cain
- Senior BI Architect COMFRAME
 - Offices in Birmingham, Nashville & Beijing
 - Microsoft Partner, 1 of 37 Nationally Managed
 - Systems Integrator
 - App Dev, SharePoint, BI, EPM
- Coauthor of SQL Server MVP Deep Dives
- 5 years BI at Nuclear Power Co.
- 10 years as a consultant in the B'ham Market
- Wide range of .Net applications, ASP & Win
- SQL Server Data Warehouse
- <http://www.comframe.com/bi>
- <http://arcanecode.com>
- <http://twitter.com/arcanecode>



- Is there actual opportunity in mobile marketing?
 - What are mobile best practices?
 - What are some good mobile case studies?
- Is mobile a good advertising vehicle?
 - SMS, mobile specific sites, applications, video
- What does the mobile landscape look like in 2010?
 - What phones do people have?
 - What is the potential reach?
 - What are forecasts for mobile advertising in 2010?
- Case studies
 - Nationwide, MySpace, Bank of America, BMW, VW

Starting out with a crash



Some background on mobile

- Mobile has 89% penetration in the US, 100% by 2013
 - 275M subscribers!
- Are these mobile subscribers really reachable?
 - Usage breakdown: SMS: 25%, Mobile web: 20%, Social networking: 10%, Video: 10%
- Some impressive mobile growth stats...
 - 1 Trillion SMS messages sent in the US in 2008 (CTIA)
 - Admob served over 8 Billion mobile banner ads in March 09.
 - Apple has sold over 20 Million iPhones plus 15 Million iPod Touches
 - 100 million mobile videos streamed by MTV in 2008
 - 139 Million Smartphones sold in 2008, 295 Million forecast for 2010 (Gartner)

Mobile extends beyond phones

- GPS
 - Live traffic channel also delivers advertising
 - Best Western Coupons
- MP3 players
 - Zune, iPod, others
 - Integration into audio and video podcasts
 - Streaming audio services
- E-book Readers
 - Amazon Kindle
 - Barnes and Noble Nook
 - iPad

Trends for mobile applications

- Open Platform Model
 - New development frameworks focus stronger on web technology
 - Easier deployment of applications that do not be customized for each mobile device
- Application Marketplaces
 - Older operating systems made it difficult to find applications
 - Changing environment with Application Stores of Platform Manufacturers (e.g. Apple App Store for iPhone)
- Mobile E-Commerce
 - Online banking, sales, payments
 - Easier setup of transaction-based business models with higher revenue shares for developers

- Opportunity

- Personal interaction between mobile user and your brand
- Opportunity to get into a growing market first
- Easily target customer segments
- Social networking drives brand recognition
- Devices are rapidly improving

- Barriers

- Different rules, regulations and processes
- Lack of standardization
- Price sensitivity
- Data plan adoption
- Fragmentation
- Stalled mobile payment market
- Privacy, trust, security

Mobile is significant (but messy)



- Major companies jumping into Mobile Marketing
 - There is nothing like major brands jumping into something to prove it is settling into everyday life
- Rules and Regulations
 - The Mobile Marketing Association has long had a set of Best Practices
- Mobile integrated events
 - Mobile marketing and events are a perfect match

How significant is mobile in 2010?

- Katrina – 2005
- SMS Message Fundraising raised \$500,000 in six months
- Hati – 2010
- In the one month since the event, SMS Message Fundraising has brought in over 20 Million Dollars

Mobile's unique attributes

- What Marketing Initiatives Work Best on Mobile?
 - Business Promotions
 - Creating Buzz
 - Brand Awareness & Reinforcement
 - Introducing New Brands
 - Expand Your Customer Base
- What Marketing Messages Work Best on Mobile?
 - Website Links
 - Coupons
 - Sale Notifications
 - Forward to a Friend
 - Alerts

Think beyond traditional or classic advertising

Huge potential for direct response marketing

- Texting (SMS)
 - Great for voting and interaction
 - Careful of spam, carrier fees, privacy, overcharging, opt-in experience
- Mobile websites
 - Great for a catch-all approach
 - Awkward discovery and usability
 - Lacks elegant model to acquire customers
- Apps
 - Great for improved user experiences that can leverage strengths of a mobile platform
 - Address book, GPS, Accelerometer, Camera
 - Reach is limited to that cellphone platform
- The next step
 - **Mobile provides new and exciting ways to interact with brands**
 - **Let users connect on their terms**
 - **Create new interactive experiences that leverage the power of mobile**

The reality of mobile advertising

- The facts: Reduced prospects
 - More than 100 companies specialize in mobile advertising.
- Don't try to recreate web advertising models
- Consider the mobile user experience
 - Conversion is awkward
 - Banner ads: Ad quality. 1-2% CTR
 - Limited screen space, navigation
- A better strategy is to create great branded mobile experiences that drive interactive usage and brand awareness
 - Mobile is the engagement tool

Reduced Prospects: US Mobile Advertising Spending Projections



Your customers are already mobile

- Your users have already gone mobile
 - MTV generation already prefer mobile
 - Young professionals segment overlaps with iPhone
 - Social networking has seen 300% mobile growth
 - Extends communication
- Is my brand a good “fit” for mobile?
 - Mobile can strengthen brand attributes
- Reach your users where they are, but...
 - **Create additional value**
 - Mobile should offer a level of interaction that is better than existing platforms
 - **Launch integrated campaigns**
 - Measure mobile as a component of a larger campaign
 - Mobile is not a stand alone screen
 - **Consider free or inexpensive models**
 - Mobile is not a good place to charge a premium

Mobile is part of a larger media convergence

- Best practices
 - Run multi-platform campaigns
 - Innovate with the goal of making content access simple from any screen
- Revenue models
 - Mobile users are open to advertising in exchange for high quality content
 - Use mobile to drive customers to other channels; retail, online

The secret is the user experience

- Improve! Innovate! But....
 - Don't over design the user experience
 - Support small screens and slow connections
 - Fail elegantly
 - Focus on reliability and speed to market
- Don't think of mobile like the next Internet
 - New experiences. New levels of engagement
 - New success metrics
- ROI should be an important metric, but mobile is an opportunity to raise the bar. The winners will be innovative, creative, improve their brand via mobile, and focus on execution.

Evaluating mobile success

- Integrating Your Mobile Marketing Message is Crucial
- Mobile Marketing Efforts Can Affect Other Aspects Of Your Marketing Campaign
 - Pay Attention Indirect Benefits to Your Sales Volume Both Online & in Stores.
 - Use a Variety of Methods of Tracking & Compare Results
 - Test Different Analytics Programs to See What Works for You
 - Use a Combination of Tracking & Analytics to Evaluate Success
- Let Campaigns Run Long Enough to Get a Good Read
 - Need to be Statistically Relevant
 - Mobile is New
 - Buzz Takes Time

Summary...and case studies!

- Mobile is important
 - Think beyond traditional advertising
 - Your customers are already mobile
 - Mobile is part of a larger media convergence
 - The secret is the user experience
- Next Steps
 - Start by designing a fantastic mobile brand experience
 - Focus on engagement, reliability and reach
 - Measure overall lift, not just mobile response

Case study: Bank of America

- The goal is to give users access any where, any time. Must be on all platforms
 - Added value is at point-of-sale: check account balance
 - Good fit for security requirements
- Lesson learned: The pace of mobile is FAST. You need to be there first and react quickly.
- Bottom line: Very successful in achieving the goal of increased engagement and activity. Universal access is important to the BoA.



Case study: MySpace

- Goal: Drive higher engagement, give users mobile access, and add revenue
- Mobile is strategic: Forecast 50% in 2-3 years
 - Grew from 5M to 20M users in 1 year (130mm online)
 - 75% WAP / 25% on apps
 - Requirement: Apps must be very intuitive, no learning curve
 - How monetize? Ads, but careful of the user experience
- Bottom line: Focus on mobile is allowing MySpace to grow, increase engagement with key demographics and add revenue streams



Case study: MTV

- The goal is to drive revenue and create ubiquity.
 - Must be able to track metrics. Show value to advertisers.
 - Top mobile growth areas are mobile video, mobile web, and iPhone
- MTV's users are already on mobile
 - Give them access from anywhere
 - SMS increases engagement. Text messaging is the best way to get votes (10 times better than online)
- Bottom line: Mobile allows MTV to offer multi-platform access and drive additional revenue streams
 - 100 million mobile videos streamed in 2008



Case study: BMW Germany

- Goal: Drive sales of BMW tires through an MMS campaign
- The message was sent to 1,200 customers – 30% conversion rate
- Focus on simplicity
- Mobile allows targeting and customized messaging
- The MMS contained all important information. – No need to click for next steps
- Bottom line: “the results were amazing”



Case study: Kraft

- The goal is to innovate and be a leader in their space
 - Start with iPhone, then apply to other smartphones
 - Target specific customers: Millennials and men. Overlap with iPhone users
 - Marketing goal is to increase LTV
 - Mobile increases brand attributes like “fun” and “cool”
- Bottom line: Mobile has helped Kraft grow engagement, improve their brand equity, and target new users.



Case study: Volkswagen Polo

- Goal is to innovative the brand, drive interest in test drives
 - 820,000 downloads in the first week
- Focus on iPhone
 - Leverages accelerometer and GPS
 - Fun, free racing game
 - Low budget
- Bottom line: Lots of press on success of popularity of app.



- Microsoft National Systems Integrator and Partner
- Application Development Solutions
- Strategy & Program Management Services
- Business Intelligence & Enterprise Data Management
- Collaboration & Knowledge Management
- User Experience Engineering
- Visit www.comframe.com for more

Thank you

- Any questions?
- rcain@comframe.com
- Have a great day!

