



January 11-15, 2010

Professional Development January 11-12

Exhibits Open January 13-15

Mobile Marketing And Promotional Products

Joseph Scott, MAS
Scott & Associates, Inc.

CAS - 1.5 pts
Thursday, January 14
7:30 - 8:45 am



The views and opinions expressed by presenters or others who have provided materials to and for this meeting are not necessarily those of PPAI. PPAI assumes no responsibility for, nor endorses, any of the comments, recommendations or materials that are provided.

PPAI EXPO

Mobile Marketing: Turning Every Promotional Product Sale Into Repeat Business

Presented by:
Joseph G. Scott, MAS
Scott & Associates, Inc.

PPAI REPEAT BUSINESS

What You Will Learn:

- ◆ What is Mobile Marketing?
- ◆ How is it Different from Twitter, Facebook, etc?
- ◆ Is it Important?
- ◆ Why is it Important?
- ◆ How does it Tie-in with Promotional Products?
- ◆ How does it Work?
- ◆ How is Mobile Marketing used?
- ◆ How can you sell it?
- ◆ Who can you sell it to TODAY?
- ◆ Demonstrating Mobile Marketing

Anonymous Quotes:

Distributor:

“There’s no loyalty in the Promotional Products business any more. End Buyers will go with another Distributor to save a couple of pennies.”

Supplier:

“There’s no loyalty in the Promotional Products business any more. Distributors will go with another Supplier to save a couple of pennies.”

Mobile Marketing may be the solution.

What is Mobile Marketing?

Mobile Marketing is marketing on or with a mobile device, such as a cell phone.

Source: Wikipedia: http://en.wikipedia.org/wiki/Mobile_marketing

Similar to an email list, people subscribe (opt-in) and give you permission to send them messages, coupons, offers, etc.

Big difference: With Mobile Marketing subscribers are immediately removed from the list when they opt-out.

What is Mobile Marketing?

1. Automatically collecting folk's cell phone numbers in a database by offering really good deals (2 for 1) and then sending them more really good deals via text messaging.
2. If the deals aren't that good, folks will opt-out and immediately leave your cell phone number database.
3. Successful Mobile Marketers always offer really good deals (2 for 1 or "Free").
4. The cell phone numbers stay with the Supplier's Mobile Marketing provider = Loyalty

How Mobile Marketing Differs from Twitter, Facebook, LinkedIn...

- ◆ Mobile Marketing messages are delivered to a cell phone, "saved" and can be viewed at any time.
- ◆ Twitter, Facebook & LinkedIn are websites where you go to get information. You can also receive notification of messages by e-mail
- ◆ Mobile Marketing comes to you.
- ◆ You have to "go to" the others.

Is Mobile Marketing Important?

Mobile Marketing could become the most prominent form of advertising for many businesses within the next five years.”

Is Mobile Marketing Important?

“...some of the country’s largest retailers have slashed their TV ad budgets by as much as 34%. ...mobile advertising spend in the US is projected to break \$1 billion for the first time in 2008, and surpass \$7.5 billion by 2013..”

[Http://www.mmaglobal.com](http://www.mmaglobal.com)

Why is Mobile Marketing Important?

- SPAM-Free: Subscribers Opt-in/Opt-out
- ◆ Inexpensive: 2/3 the cost of Direct Mail
Including an inexpensive promotional product
- ◆ Effective: Response 10 times Direct Mail^{1,2}
- ◆ Fast: Message is Delivered in Seconds
- ◆ Location, Location, Location
In their hand/pocket/purse/backpack
NOT in their mailbox, voice mail, spam folder
or recycling container

1,2 Nielsen Short Code Marketing Opportunity 10/08

Why is it Important? Generational Marketing!

Average Number of Monthly Calls vs. Text Messages Among U.S. Wireless Subscribers
(By Age Group)

Data provided by Nielsen Mobile

Quarter	Phone Calls	Text Messages
All Subscribers	204	357
12 & Under	137	428
Ages 13 - 17	231	1742
Ages 18 - 24	265	790
Ages 25 - 34	239	331
Ages 35 - 44	223	236
Ages 45 - 54	193	128
Ages 55 - 64	145	38
Ages 65+	99	14

Mobile Marketing is an excellent way to reach an audience younger than 44.

Note: Those under the age of 44 use their cell phones to send more text messages than phone calls

How Does it Work With Promotional Products?

Mobile Marketing turns a one-time Promotional Product sale into an annuity.

- ◆ Promotional Products increase the effectiveness of Mobile Marketing by providing multiple exposures!

How Does it Work?

Uses the Short Message Service (SMS)
Think, "Text Message" (in use since 2000)

- ◆ Subscriber: Someone who opts-in to receive text message offers/discounts
- ◆ Keyword: A word or number used to sort incoming subscribers into groups (RATES).
- ◆ Short Code: Short phone number used

How Does it Work?

Text [Keyword = RATES] to [Short Code = 91011] to opt-in.

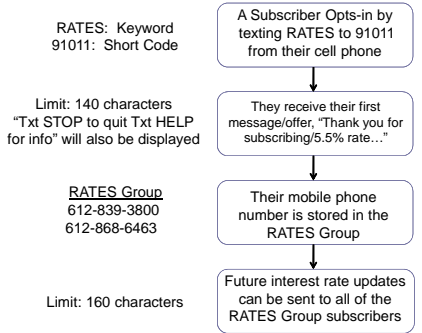


How Does it Work?

- ◆The “backwards” part: When one says, “Text RATES to 91011” the texting process on a cell phone is to first enter the Short Code 91011 and then the Keyword RATES instead of the other way around...
- ◆ Similar to texting a message to your friend, i.e., 888.447.6840 “See you at the restaurant 11:30A”



How Does it Work?



How Does it Work?

Opting-In and Receiving Messages



Subscriber texts the Keyword to the Short Code to opt-in.

The subscriber receives an automatic confirmation.

Subsequent messages are sent to subscribers.

How Does it Work?

BONUS: You can add phone numbers, e-mail addresses and web site addresses to the text message.

◆ Those with web capability on their cell phones can “touch” the phone number/e-mail address/web address in the text message and connect immediately.

◆ “30yr. fixed-rate mortgage 5.5% with 0 points. Call Joe 612-839-3800 or e-mail joes@scottassoc.com lock-in your rate www.scottassoc.com.”

How is it Used?

- Interest rate notifications
- Emergency notifications
- Trivia contests
- Sweepstakes
- Scavenger hunts
- Polling
- Special Offers & Coupons
 - The Yankee Group estimates that mobile coupons can deliver redemption rates of 10 percent versus 1.2 percent for paper-based coupons. Some as high as 40%.
- Appointment Reminders

Top Ten Industries + Products

Rank	Market	Prod#	Description	Text Message Type
1	Education		Magnet	School Closings/Late Starts
2	Financial		Pizza Cutter	Mortgage Rate Changes
3	Healthcare		Hand Sanitizer	Weekly Health Tips
4	Not-for-Profit		Pen	New Service Announcements
5	Construction		Window Cling	Arrange for a Remodeling Quote
6	Government		Lip Balm	Emergency Notifications
7	Associations		Lanyard	Member Benefit Announcements
8	Real Estate		Calendar	Get More Info on this Property
9	Automotive		Keyring	Oil Change/Service Reminders
10	Professionals		Mug	Filling Appointment Cancellations

It really doesn't matter which product you choose as long as it provides multiple exposures of your client's "Text To" message ¹⁹

How Can You Sell Mobile Marketing?

- Early client adopters will most likely be retailers, restaurants & bars
- Suggest that the End-Buyer purchase 2 to 4 times as many text messages as the quantity of promotional products ordered

²⁰

How Message Balances Work

- An End-Buyer buys 1,000 products

Event – Run Out of Text Messages in Eight Weeks	Activity	Balance
Initial Purchase of 2,000 messages	+2,000	2,000
Distribute 1000 and 25% Opt-in = 250 subscribers	-250	1,750
First Weekly "Specials" Text Message	-250	1,500
Second Weekly "Specials" Text Message	-250	1,250
Third Weekly "Specials" Text Message	-250	1,000

End-Buyers should purchase 2 to 4 times more messages than product, especially if they encourage opting in with additional forms of advertising.

Mobile Marketing

- Integrates very well with all media types
- Can illustrate media response rates (use same offer in all media)
- Identifies likely buyers, attendees, contributors, volunteers or participants
- Permission to send them your client's message(s)
- Can reach them instantly – with a 95% read rate¹
- Can create groups of subscribers and schedule highly targeted campaigns and reminders
- Can send offers and promotions to some or all groups.
- Subscribers can 'Opt-Out' at any time, and will, if your client's offers/messages are not worthwhile
- A 2-for-1 offer (or better) is a good place to start

Mobile Marketing Facts

- ◆ 265 million mobile phone users in US¹
- ◆ 95% have text (SMS) message capability¹
- ◆ 25% have web & text capability¹
- ◆ 1 in 4 saw a text message ad last month¹
- ◆ of those, 48% have responded¹ (!)
 - ◆ 2.51% direct mail response is "average"²

• Source: 1: Nielsen Mobile White Paper 10/08
 • 2: Direct Marketing Association

Mobile Marketing Facts (cont.)

Medium	Description	Qty	Total	Resp Rate/#	\$/Respon
Direct Mail	4"x6" 4/4 card + postage	1,000	\$ 750.00	2.51% / 25	\$ 30.00
Mobile Marketing	Hand out all 1,000 Prods + 1 st msg	1,000/ 250	\$ 500.00	25% / 250	\$ 2.00
Mobile Marketing	7 Additional campaigns to 250 people in database	250/ea		25% / 250	Infinite

Example uses 1,000 promotional products + 2,000 messages = \$ 500.00 purchase
 • Promotional Consultants can sell Mobile Marketing to their clients TODAY!
 • Advertisers are taking a hard look at the performance of their media and are making changes – good opportunity to present Mobile Marketing
 • Mobile Marketing ROI is very easy to track
 • For example, if all of the above promotions yielded \$ 750.00 in profit
 • The ROI of Direct Mail = 0%
 • The ROI of Mobile Marketing in this example = 50%

Pres. Obama, American Idol & Dancing With The Stars

- Barak Obama’s “VP Pick” was estimated by Nielsen Mobile to have been sent to 2.9 million people
- “American Idol” [is] the most prominent example of viewers engaging with a TV program over text messaging. (voting)
- “Dancing With The Stars” also uses text voting.



Top Ten Industry Demos: Text Keyword to Short Code

Market	Short Code	Key-word	Sample Message
Education			2 hr. late start. Staff to report on-time. 1 hr. early dismissal
Financial			30yr. fixed 4.5% call Joe at 612-839-3800 to lock-in
Healthcare			Wash your hands and cover your cough with your elbow
Non-Profit			We need volunteers for Youth Camp 10/10, text OK to help us
Construction			Need a remodeling quote? Call 612-839-3800 for appt
Government			City Council Meeting: Tue. Sept. 8 @ 7:00P @ City Hall – Zoning of Sweeny Property & new park to be discussed
Associations			UMAPP membership drive begins! www.umapp.org/members
Real Estate			4br/3ba newly remodeled, 1 acre wooded lot, Minutes from skiing Dist. - \$ 395K http://bitly7Yid8 joes@scottassoc.com.
Automotive			\$5 off 5qt oil change & filter – 612-839-3800 for appt.
Professionals			April 15 will be here before your know it! jscott@scottassoc.com

Other Industry Demos: Text Keyword to Short Code

Market	Short Code	Key-word	Sample Message
Safety Award			Please be on the lookout for spills & “Mop ‘em Up!”
Service Award			Congratulations on 5 years! www.scottassoc.com to redeem!
Sales Award			It's the last week of Q1 – Three new calls per day!
Suggestion			Anyone know how to reduce our paper usage? cha@save.com
Quality			Q2 ZERO DEFECTS! www.scottassoc.com to get your gift
Worship			Your Daily Devotion: Do unto others as you would have them do unto you.
Fundraising			Text HAWKS to this # to contribute \$5 to the Booster Club
Trade Show			See S&A in Booth# 986: 2 for 1 on your next order
Surveys			Our Govt. should run healthcare. Text AA for Yes, BB for No
Restaurant			Your table #43 is now ready. Show this text to the Host

Discuss Your Client's Application(s)

- Tell me your client's industry or promotion and I'll tell you how they can use Mobile Marketing:
- Tanning Salon
- Bank
- Safety Program
- Youth Ministry

Applications Requiring Custom Programming:

- There are a number of applications that require custom programming, such as:
 - Acquiring data from another source into the text messaging system (a Dentist's appointment system)
 - Polls and Surveys
 - Conditional Automatic Response (Phone numbers for congressional representatives in your area)
- These applications will be billed based upon the development cost.



Applications Requiring Custom Programming:

- There are a number of applications that require custom programming, such as:
 - Acquiring data from another source into the text messaging system (a Dentist's appointment system)
 - Polls and Surveys
 - Conditional Automatic Response (Phone numbers for congressional representatives in your area)
- These applications will be billed based upon the development cost.