An Introduction to Mobile Marketing
The Past, Present, and Future
INTRODUCTION

Since the introduction of the iPhone in 2007, smart phones, tablets, and mobile devices have permeated all aspects of our lives. These devices bring communication, commerce, and interaction to a whole new level. This creates tremendous opportunities for marketers.

At the same time, the art of marketing is undergoing a profound change as mass media is becoming increasingly fragmented into highly personalized content delivered directly to individuals.

For marketers, the process of communicating with customers is evolving at rapid speeds. New devices, tracking methods, dynamic content, and multiple points of content consumption provide more opportunities than ever before. However, these new capabilities can be confusing, and thus if poorly executed, can lead to low customer engagement.

In this ebook you will learn:

- What is mobile marketing?
- Why is mobile marketing important?
- Who uses mobile marketing?
- How has mobile marketing evolved?
- What does the future of mobile marketing look like?
WHAT IS MOBILE MARKETING AND WHY IS IT IMPORTANT?

Defining Mobile Marketing

Mobile marketing is marketing that occurs over a mobile device, targeted at mobile users. It leverages mobile devices to communicate and engage with consumers at any point in the customer lifecycle, to drive brand value and demand for your products or services.

The possibilities for marketers have evolved tremendously since mobile debuted on the marketing scene. Today you can reach your customers on mobile devices through SMS, email, websites, mobile apps, and mobile notifications.

Because of the rapid introduction of mobile marketing capabilities, we will continue to see it evolve, creating even more pathways into a mobile device. Mobile marketing is the process, science, and art of reaching people through these pathways in order to drive your business forward.

Marketers may feel like we’ve come a long way with mobile marketing, but we’re still in the early stages. With mobile continuing to gain momentum, it is more important than ever to make it an integral part of the marketing mix.

Because you are able to communicate and listen to consumers via a mobile device in a variety of ways, mobile marketing does not mean just one thing—you can send SMS/MMS messages to your customers, create mobile responsive websites and emails, develop apps to engage your customer base, and more. Plus, with new advancements in mobile and marketing automation, you can now collect mobile-specific insights, which helps you engage your users in a cross-channel way. Mobile is a diverse landscape.
WHAT IS MOBILE MARKETING AND WHY IS IT IMPORTANT?

Why Mobile Marketing Is Important

Mobile marketing unlocks powerful opportunities for marketers on a scale never before seen. Unlike any other engagement and communication channel, mobile allows marketers to reach larger audiences in a way that is more personalized and real-time.

Today’s typical consumer owns at least one mobile device, and according to Marketo’s Mobile Benchmark Survey, 49% of those surveyed own two mobile devices. With the rise of smart phones and tablets, the number of mobile devices has outpaced the global population. In 2014 the number of devices hit 7.7 billion, while the population was 7.1 billion.

According to data from Gartner, tablets alone outnumber personal computers, with all PC sales representing only 12% of worldwide device shipments in 2015. Because of the proliferation of mobile and tablet devices among consumers, marketers must adapt. Mobile marketing has become much more than a trend—it has become an increasingly important part of the market.

As you consider the journey that your customer takes, mobile interaction is now an integral part of it—meaning that it’s now vital to include mobile in your marketing mix. Consumers are attached to their mobile devices. According to research from IDC, the typical consumer uses her device consistently throughout her daily activities. In fact, 79% of smartphone users have their phone on or near them for all but two hours of their waking day. And four out of five smartphone users check their phones within the first 15 minutes after waking up.

Plus, mobile marketing is universal. It takes many forms and applies to all kinds of businesses and marketers.
WHAT IS MOBILE MARKETING AND WHY IS IT IMPORTANT?

The ubiquity and proximity of the mobile device in today’s modern culture demonstrate why mobile has become and will continue to be indispensable to marketers. Marketing via mobile devices is about unlocking the potential of a huge, expanding, captive, and engaged audience. Mobile marketing is modern marketing.

**World Wide Device Shipments by Segment (Thousands of Units)**

- **PC Market Total**
  - 2013: 317,648
  - 2014: 308,472
  - 2015: 316,689
- **Tablets**
  - 2013: 206,807
  - 2014: 256,308
  - 2015: 320,964
- **Mobile Phones**
  - 2013: 1,806,964
  - 2014: 1,862,766
  - 2015: 1,946,456
- **Other Ultramobiles (Hybrid and Clamshell)**
  - 2013: 2,981
  - 2014: 5,381
  - 2015: 7,645

_Gartner Data showing that tablets have overtaken PC sales. You can also see the steady, rapid growth of mobile device shipments year over year._

**Mobile Usage as % of Web Usage, by Region, 5/14/2014**

<table>
<thead>
<tr>
<th>Region</th>
<th>2013</th>
<th>2014</th>
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<tbody>
<tr>
<td>North America</td>
<td>11%</td>
<td>19%</td>
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<tr>
<td>Africa</td>
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<tr>
<td>Oceania</td>
<td>12%</td>
<td>17%</td>
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<tr>
<td>Global</td>
<td>14%</td>
<td>25%</td>
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</tbody>
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_Mobile Usage Continues to Rise Rapidly at 25% of Total Web Usage vs. 14% year over year_

_Data from venture capital firm, Kleiner, Perkins, Caufield & Byers shows the rapid acceleration of mobile usage, out of all web usage from 2013 to 2014_
WHO USES MOBILE MARKETING?

It is clear that mobile marketing is a critical part of a holistic marketing mix for many organizations. But what type of businesses can benefit from mobile and how are they using it today and in the future?

Mobile is now one of the most powerful ways to reach people regardless of the type of business you operate. If you want to reach your target audience in a personal and relevant way, you should think about how you can engage with them on their mobile devices.

**Business Types**

Because of the diversity of audiences and the variety of use cases (both consumer and business) that mobile devices serve, mobile marketing can work for most types of businesses. Just look at the overwhelming amount of mobile communication and apps that exist today, and you will see that there is truly something for everyone.

The application of mobile marketing can certainly differ based on the type of audience you are trying to engage with and the activity goals that you have for them. For example, according to a 2015 study conducted by the Content Marketing Institute and Marketing Profs, 74% of B2C marketers are looking to create a better mobile strategy, while 58% of B2B marketers have that in their plans. There is no question that B2C marketers have led the way in leveraging mobile, but with nearly 60% of B2B marketers diving into mobile marketing, and those numbers quickly growing, it clearly offers an opportunity for marketers of all types. Let’s dig into this further.

**Business-to-Consumers (B2C)**

B2C marketers can communicate with consumers through mobile devices in such a wide range of modalities. The advancements and explosion of mobile technology have allowed B2C marketers more insight and flexibility to personalize their customers’ experience.
WHO USES MOBILE MARKETING?

As further proof that mobile is expanding for B2C marketing, YouTube CEO Susan Wojcicki confirmed at a recent conference in California that half of all YouTube traffic comes from smartphones and tablets. Wojcicki even told the audience: “Mobile is super important. I think it’s important for every business right now”.

In small and medium sized businesses (SMBs), we’ve seen some really creative ways that consumer brands have used mobile technology—from higher education, to consumer-packaged goods, and beyond.

Even enterprise B2C companies, which have traditionally been more wary to adopt ‘trend’ marketing across their organizations, have started to integrate mobile and expand their overall presence.

According to CompTIA’s 2014 annual Trends in Enterprise Mobility study, over 70% of organizations have made some level of investment to build out mobility solutions.

Business-to-Business (B2B)
Whether your organization is defined as SMB or enterprise, if you are a B2B marketer it’s important to consider that while you are selling to businesses, it is actual individuals who are making the purchase decisions, and they have come to rely on their mobile devices just as much as any other consumer. As a result, it’s important that you look at how you are currently engaging with your customers and assess how you can optimize their experience by incorporating mobile marketing activities.

Enterprise organizations in particular are not only incorporating apps into the organization’s work environment, but have also begun to develop apps specifically to support their customers. According to data from the VisionMobile State of the Developer Nation 2015 Report, enterprise apps break down into five main categories:

1. Product extensions
2. Business and productivity
3. Utilities
4. Communication and social networking
5. Education and reference.

Based on data from CompTIA’s 2014 Annual Study: Trend in Enterprise Mobility

over 70% of organizations have made some level of investment to build out mobility solutions.
HOW HAS MOBILE MARKETING EVOLVED?

The mobile revolution has continued to gain momentum ever since the launch of the iPhone in 2007. From smartphones to tablets, people have an almost insatiable capacity to adopt mobile technology and welcome mobile marketing into their lives.

Just think about how quickly mobile has progressed over time. Remember your first cell phone? It doesn’t seem that long ago that you were playing Snake and sending rudimentary text messages to friends. In just a short amount of time, mobile has evolved to be a central mode of communication for consumers. Being tied to a mobile device is now the norm and not the exception.

The Rapid Evolution of Mobile
Mobile has experienced a rapid adoption and transformation. In the previous section we saw how quickly mobile devices have flourished in the short time they have existed. Not only have the devices themselves and our adoption of them evolved, but the capabilities have also advanced rapidly.

We may joke about the early days of playing Snake on your phone, but this was introduced less than 20 years ago on all Nokia mobile phones in 1998. In that time, the standard mobile phone’s capabilities have expanded to replace almost every other peripheral device—from maps, to calendars, to desktop computers.

In 2001 with the launch of the Blackberry by Research In Motion, the ability to text and use email on a mobile phone became ubiquitous. It changed the way consumers perceived their mobile devices and made them increasingly reliant upon them. The launch of the iPhone in 2007 changed the way we did all kinds of activities, but even that launch did not introduce apps, which debuted with the introduction of the App Store in 2008. The launch of the app store allowed marketers a new channel to communicate with consumers, which expanded again in 2009 with the launch of the Push Notification Service. That service allowed marketers to take advantage of new ways to communicate with users. Then in 2010, Apple launched its first iPad, further expanding the variety of ways that consumers can access information and engage with brands.
HOW HAS MOBILE MARKETING EVOLVED?

You can see that as mobile devices evolved, the ways that a marketer can communicate with their customers has multiplied. Mobile is a frontier that marketers and organizations quickly adopted—pushing the boundaries by creating marketing that leveraged the capabilities of mobile in entirely new ways.

One example of this is the wave of businesses like Uber and OpenTable that offer services uniquely based upon location. Mobile marketing has made great strides in a short time, shaping the way marketers engage with consumers and anticipating the next step of evolution. We know that this is only the beginning.

Global TV vs. PC (Desktop + Notebook) vs. Mobile (Smartphone + Tablet) Shipments, 1999-2013

Mobile (Smartphone + Tablet) Shipments = 4-5x Unit Volume of TV and PC... Just 10 Years Since Inception

Sources:
TV unit shipments per NPD Display Search (2004-2013 data) and Phillips (1999-2003 data) PC(laptop + Desktop) and smartphone + tablet unit shipments per Morgan Stanley Research
GSMArena.com
Looking forward, we see that mobile marketing will not even be mobile marketing; instead, it will simply be marketing. Marketers have adapted over time—from mass marketing, to digital marketing, to personalized messaging. This new era of engagement marketing is about creating relationships with your customers by delivering relevant, personal content. The future of mobile marketing will help marketers accomplish this. While marketers today think that the rise of mobile has been meteoric, in truth, we haven’t even seen the tip of the iceberg. Mobile will become increasingly pervasive over time, especially as we consider the rise of the Internet of Things (IoT)—physical objects embedded with sensors and connectivity. Mobile connected devices that integrate seamlessly with each other offer valuable information to you, the marketer.

Predicting how swiftly mobile will change is a bit like fortune-telling—we know that mobile leads the way today, and it will only become more and more central to a customer’s life and our marketing as time marches forward. Marketers will need to pay careful attention to incorporate the advancements into their marketing or they will be left behind.

Mobile will drive the seamless continuation of your customers’ journey, so it’s important to lay the foundation for success now.
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