Mobile computing will revolutionize digital marketing by exploiting rich information about where customers are and what they're doing. Gartner's 2013 research will help you create a locus of convenience for customers.

Analysis

Figure 1. Mobile Marketing Agenda Overview

More and more of the world’s consumers communicate with each other and consume content on mobile devices such as smartphones and media tablets. There are over 6 billion mobile phone subscriptions in the world, and each one of them offers the potential to take your brand anywhere. Does that mean you should go there? No. A mobile strategy should focus on techniques or campaign tactics where it adds value for customers. A winning strategy will exploit the factors of time, location, context and community to create a "locus of convenience" — an app or service that customers can count on as the place to go to solve problems (see Figure 1). Every company can develop their own app (not just software makers), but the nature of your locus of convenience
depends on your business and industry. Gartner’s 2013 research will help mobile marketers like you
develop a strategy that gives you an edge over your competitors.

Mobile marketing involves using information about someone’s context (location, identity,
relationships and intentions) to tailor information and products that will increase customer
engagement and sales. Context information will revolutionize the four P’s of marketing — price,
product, promotion and place. Companies can design products and promotions to take advantage
of customers' mobility and give them a great experience. In particular, marketers will place offers so
they make sense with what the mobile customer is doing at that moment in both the online and
temporal worlds. But successful digital marketing strategy will not always translate directly to a
world of the mobile Internet, smartphones and media tablets, where mature technologies or
consumer acceptance aren’t always givens. Seize the opportunities by:

■ Developing a marketing strategy that links mobile, social and interactive.
■ Understanding the possibilities and limitations of mobile technologies.
■ Using marketing analytics and other data-centric tools to learn how to gather and understand
  information about mobile customers' context.
■ Using applications, app stores and gamification to increase awareness and acquire customers.

Our 2013 research will tell you what you need to know about mobile information, devices and
networks, mobile customers' behavior and attitudes, and how to devise an effective mobile
marketing strategy.

Key Issues

Defining the Mobile Marketing Audience:

■ What are consumer (demographics, geographic, industry) attitudes and behaviors around
  marketing and buying through connected devices?

Forces Affecting Mobile Marketing Strategies:

■ How should I change my marketing strategy as a result of adoption of connected devices?
■ How will consumer concerns around privacy and security affect my strategies and tactics?
■ Which marketing technology and service providers will best support my requirements?

Integrating Mobile Marketing into Digital Marketing Mix:

■ Which companies are the leaders in employing mobile marketing effectively and why?
■ What are the best practices for developing a mobile marketing strategy?
■ Which approaches work best to model and analyze mobile audiences, actions and dialogues?
Defining the Mobile Marketing Audience

What are consumer (demographics, geographic, industry) attitudes and behaviors around marketing and buying through connected devices?

The key to mobile marketing success lies in reaching out to people with services that are convenient for them. If you send too many messages or send them blindly, people will stop using your app or even your company and, what’s worse, is that you won’t know why. For example, Facebook redesigned its site to insert advertisements in news feeds. The change improved consumer access to Facebook content while creating ways to turn mobile usage into money. The key is to use your mobile marketing to solve problems that people encounter in the normal stages of their buying activities. People struggle with all the coupons and loyalty cards that merchants thrust at them. People could use an easier way to find, redeem and share coupons with friends (for example, you get a coupon for a home improvement store that you can’t use but your next-door neighbor can). Smart companies look for practical solutions they can offer:

- Apple’s Passbook app keeps coupons, passes and loyalty cards so that consumers can find them all in one place and use them easily.
- The Fandango app allows moviegoers to wave their phone at the screen to print ticket and sends reminders — the show starts in 10 minutes, remember to turn off your ringer.

These apps create a locus of convenience because they are simple for the customer to use even though the data and resources used are based on sophisticated technologies.

Planned Research

Our 2013 research will provide examples of what some of the leading mobile marketers and technology providers are doing. We’ll analyze mobile devices (smartphones vs. tablets), apps, technologies, ads and other new developments. For example, we’ll offer you some market share and forecast data (such as for mobile advertising). We’ll also make some predictions about, and explain the impact of, other mobile trends.

Forces Affecting Mobile Marketing Strategies

How should I change my marketing strategy as a result of adoption of connected devices?

How will consumer concerns around privacy and security affect my strategies and tactics?

Which marketing technology and service providers will best support my requirements?

Suppose you used to help clients create websites, and now your CMO has asked you to create a mobile marketing program. You know how to convert your company’s website into a mobile site, but you’re not sure how to use mobile to reach and retain customers. You’ve got three challenges:

- What should your mobile strategy consist of? Does it include applications, games, commerce? How does it relate to other digital marketing initiatives and to your company’s overall marketing goals?
Do you work with your company’s IT organization to build your mobile strategy or with an external provider? Coordinating with internal partners can give your strategy more consistency, but an external provider can move faster and do exactly what you want.

Mobile devices can give you lots of data about where your customers go and what they do. How do you use this data to engage customers and create new services? How do you protect customers' private data so they don’t feel you’re taking advantage of them?

You can put your organization on the right path to finding good answers by treating mobile marketing as an extension of your company’s overall digital marketing strategy rather than a one-off or stand-alone project.

**Planned Research**

Our 2013 research will issue a strategic road map to help you plot your own mobile marketing strategy, particularly how to budget for it. Context-aware technologies and services will power killer apps, so we'll show you best practices in context-aware mobility and help you avoid privacy pitfalls. We’ll track key providers that can support your strategy with our Magic Quadrants and give you toolkits to help with the evaluation process.

**Integrating Mobile Marketing into Digital Marketing Mix**

*Which companies are the leaders in employing mobile marketing effectively and why?*

*What are the best practices for developing a mobile marketing strategy?*

*Which approaches work best to model and analyze mobile audiences, actions and dialogues?*

You mobile strategy depends entirely on the product or service you sell. Mobile marketing techniques that work for the seller of coffee or fast food will not work for, say, Subaru dealers. People aren’t buying Subarus from their Android-based smartphones the way they might pay for a latte, but they are checking [www.subaru.com](http://www.subaru.com) from their smartphones or media tablets — maybe while browsing in the showroom. If you’re a B2B marketer selling computer chips, the time- and location sensitivity of mobile probably won’t help you because your sales teams are focused on deep relationship selling — not something a deal-of-the-day coupon or a "buy now and get 10% off" Short Message Service message will help. A good way to find the right approach to mobile marketing is to look at examples of what the best companies are doing and to try to follow the same practices and processes that they followed (without copying their specific solution).

**Planned Research**

Our 2013 research will focus on identifying the best practices of mobile marketing leaders and boiling them down into approaches that you can apply in your own context. Thus, our research will feature case examples, impact appraisals and survey analyses to bring out the important lessons.
Related Priorities

Key Initiatives address significant business opportunities and threats, and typically have defined objectives, substantial financial implications, and high organizational visibility. They are normally implemented by a designated team with clear roles and responsibilities, as well as defined performance objectives.

Table 1. Related Priorities

<table>
<thead>
<tr>
<th>Key Initiative</th>
<th>Focus</th>
</tr>
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<tbody>
<tr>
<td>Multichannel Marketing</td>
<td>Multichannel marketing represents a coordinated program across digital and traditional media to acquire and retain customers, extend the brand, condition the market and engage communities.</td>
</tr>
<tr>
<td>Emerging Marketing Trends</td>
<td>Emerging marketing trends, such as big data, social media, augmented reality and context-aware computing, create new opportunities to acquire and retain customers, fueling growth and taking market share.</td>
</tr>
<tr>
<td>Data-Driven Marketing</td>
<td>Data-driven marketing refers to acquiring, analyzing and applying all information about customer and consumer wants, needs and motivations.</td>
</tr>
<tr>
<td>Digital Marketing Programs</td>
<td>Digital marketing programs pursue traditional marketing goals — plus new objectives, such as customer collaboration — via online media such as the Web, email, social media, mobile, commerce and Internet TV.</td>
</tr>
<tr>
<td>Monetizing Digital Marketing Through Commerce</td>
<td>E-commerce uses the Internet, mobile networks and commerce infrastructure to execute transactions with consumers or businesses and to support marketing and other activities around these transactions.</td>
</tr>
<tr>
<td>Social Marketing</td>
<td>Social marketing is a strategy that uses social media to listen to and engage customers, and cultivate brand advocates. It can shorten product development cycles, boost innovation and increase conversion rates.</td>
</tr>
</tbody>
</table>

Source: Gartner (January 2013)

Suggested Next Steps

- Focus on mobile marketing that will help customers in the buying process. Don’t be ashamed to start with a modest initiative if it’s effective. Avoid implementing new technologies just because of the wow factor or buzz. And always make sure any effort has the appropriate metrics and measurements to provide the data you’ll need to make strategic decisions.

- Set up controlled experiments. Don’t just try out new technologies because they’re hot. Identify the business metrics that you want to move (for example, cheaper messages and better response rates). Benchmark your performance before deployment so that you can show the technology’s effect to senior management.
Recommended Reading

Some documents may not be available as part of your current Gartner subscription.

"Three Best Practices for Defining Your Mobile Marketing Strategy"

"Consumer Applications and Services to Keep on Your Radar"

"Mobile Marketers: Don’t Be Caught Without Clear Data Ownership and Consumer Privacy Policies"

"Drive Customer Intimacy Using Context-Aware Computing"

Agenda Manager Profile

Michael McGuire is a Research Vice President with Gartner’s Marketing Leaders and Media Industry Advisory Services programs. Mr. McGuire covers mobile marketing, as well as topics related to content distribution business models and content protection. Topics he covers include the evolution of mobile marketing strategies and the impact of mobile devices, applications and technologies such as context-aware computing on mobile marketing strategies.
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