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## **MMA 2009 Advertiser & Agency**

# **Comparative Performance In Mobile Marketing Report**

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## Study Co-Sponsors



## MMA Research Partners



# Acknowledgments

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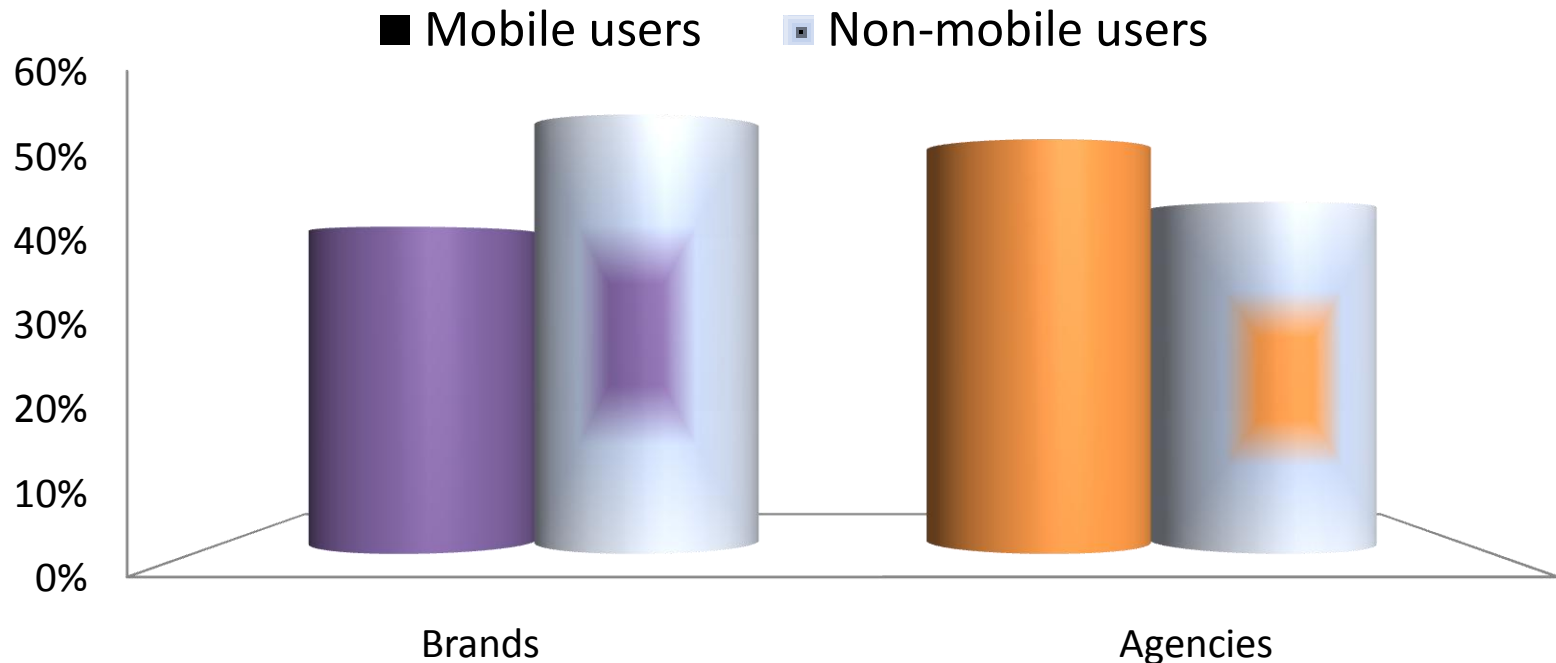
**Becky Wu**, VP Research, Luth Research

# **MMA Comparative Performance In Mobile Marketing Report**

- **This report compares the mobile marketing practices of “successful”, “average” and “unsuccessful” users of mobile marketing. Its objective is to identify practices found to a significantly greater extent among successful mobile marketers than among less successful mobile marketing practitioners.**
- **The report is based on MMA’s 2009 US Mobile Marketing Advertiser and Agency Survey. The survey was conducted of marketing decision-makers from a cross-section of national advertisers and agencies contacted with the help of MMA’s Study Co-Sponsors. The research was conducted during May and June 2009, and yielded over 200 completed surveys.**
- **Responses for this report were filtered to include only advertiser or agency respondents who included at least one component of mobile marketing in their marketing during the previous 12 months. Respondents were assigned to performance categories according to the success they reported with their mobile marketing efforts relative to their success with other marketing media.**

## Almost 50% of Marketing Decision-Makers Surveyed Used Mobile Marketing Within Past Year

- MMA's survey sampled a representative cross section of advertisers and agencies.
- A higher proportion of Agencies reporting using mobile than did Brands.



*Q. In the last 12 months, approximately how many marketing campaigns did your company/your clients run that incorporated any of the following components of mobile marketing?*

Base: All qualified brands and agencies; N = 204

## Incidence of specific mobile marketing components

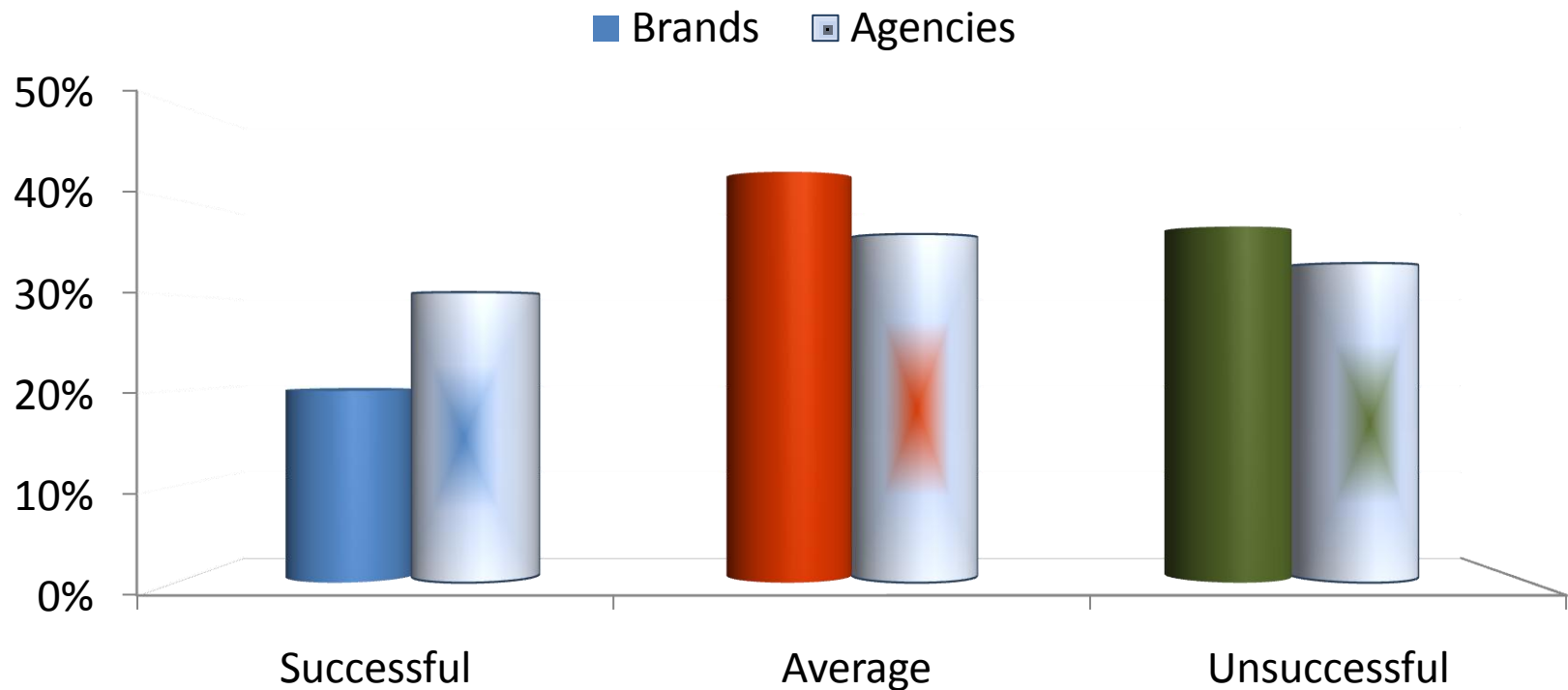
*Q. In the last 12 months, approximately how many marketing campaigns did your company/your clients run that incorporated any of the following components of mobile marketing?*

	Total	Agency	Brand
SMS (messaging/texting)	66%	79%	56%
Mobile web site	53%	52%	50%
Mobile email	33%	33%	36%
Bought advertising on mobile web	29%	36%	25%
Mobile applications	28%	33%	22%
Voice (IVR) campaign	25%	9%	42%
Multi-media messaging (MMS)	24%	27%	22%
Paid listing on mobile search	22%	24%	25%
Mobile TV/video	18%	15%	22%
Bought advertising in SMS program	18%	21%	11%
Mobile games	12%	12%	8%
Mobile camera (e.g., capturing bar codes)	11%	9%	11%
Bought advertising in mobile video	7%	3%	6%
Bluetooth	4%	3%	8%
Bought advertising in mobile voice (IVR)	2%	3%	3%

**Base: respondents with at least one campaign involving mobile marketing in the past year N=98**

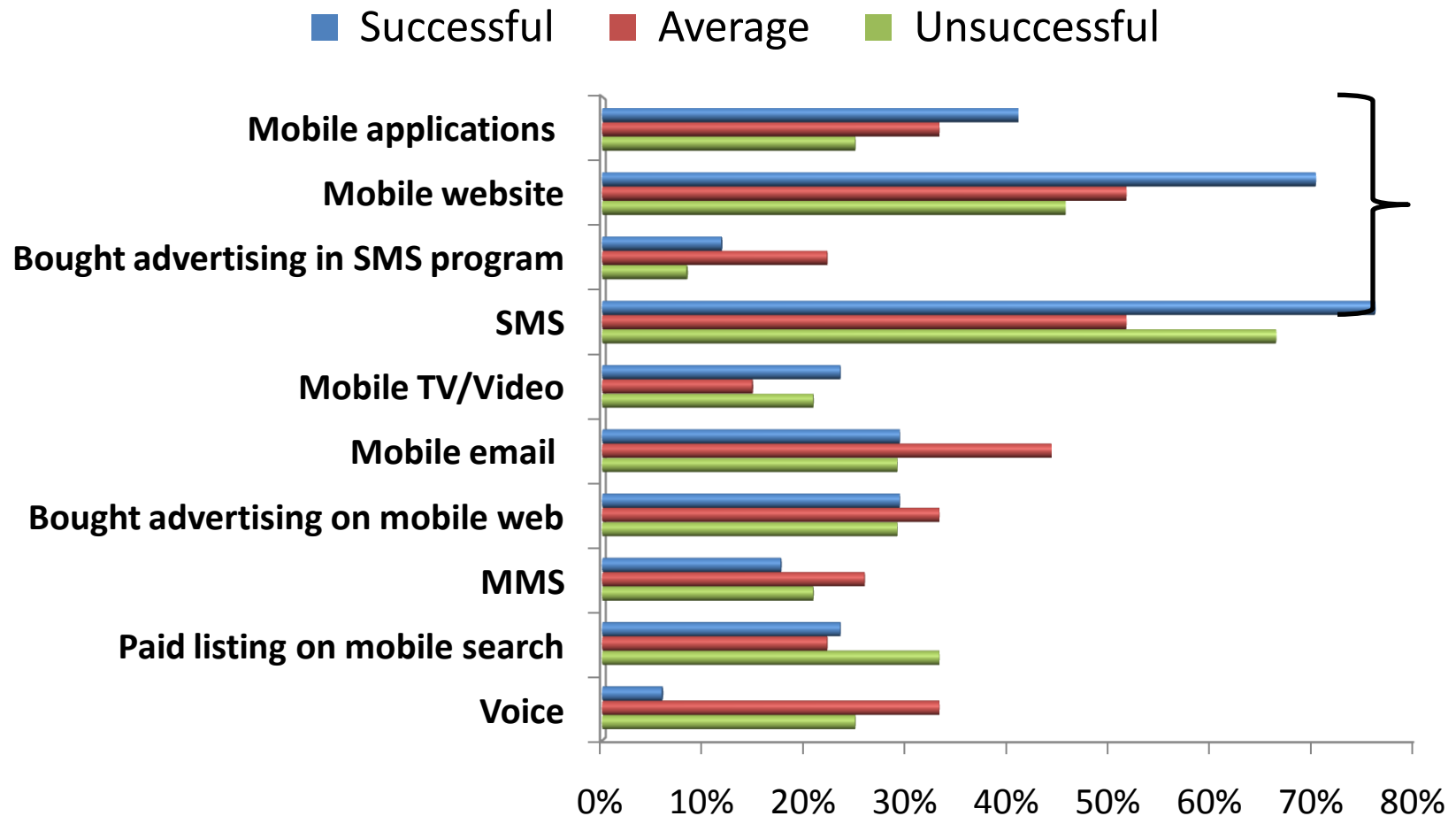
## Comparisons Across “Performance Segments” Can Benchmark Successful Mobile Marketing Practices

- Respondents were asked to self-evaluate overall success with mobile marketing relative to other media they normally use.
- Results were validated against each other survey measures of performance to confirm internal consistency of respondent performance classifications shown here.



Base: All brands and agencies using mobile marketing

# Mobile Apps, Websites, Paid ads in SMS, and SMS programs Are Favored Among Successful Respondents

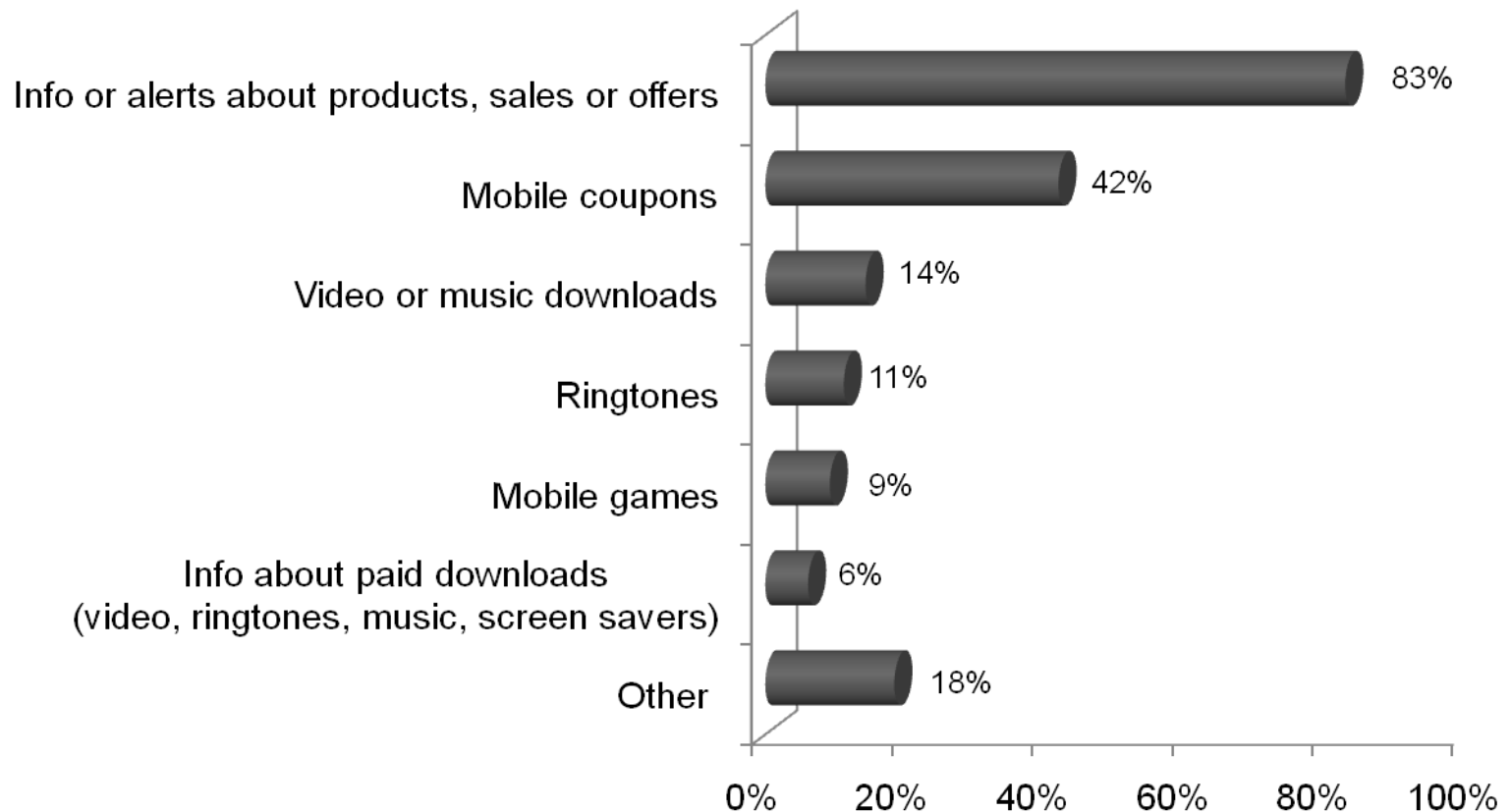


Percentage of respondents at each success level  
Base: All brands and agencies using mobile marketing

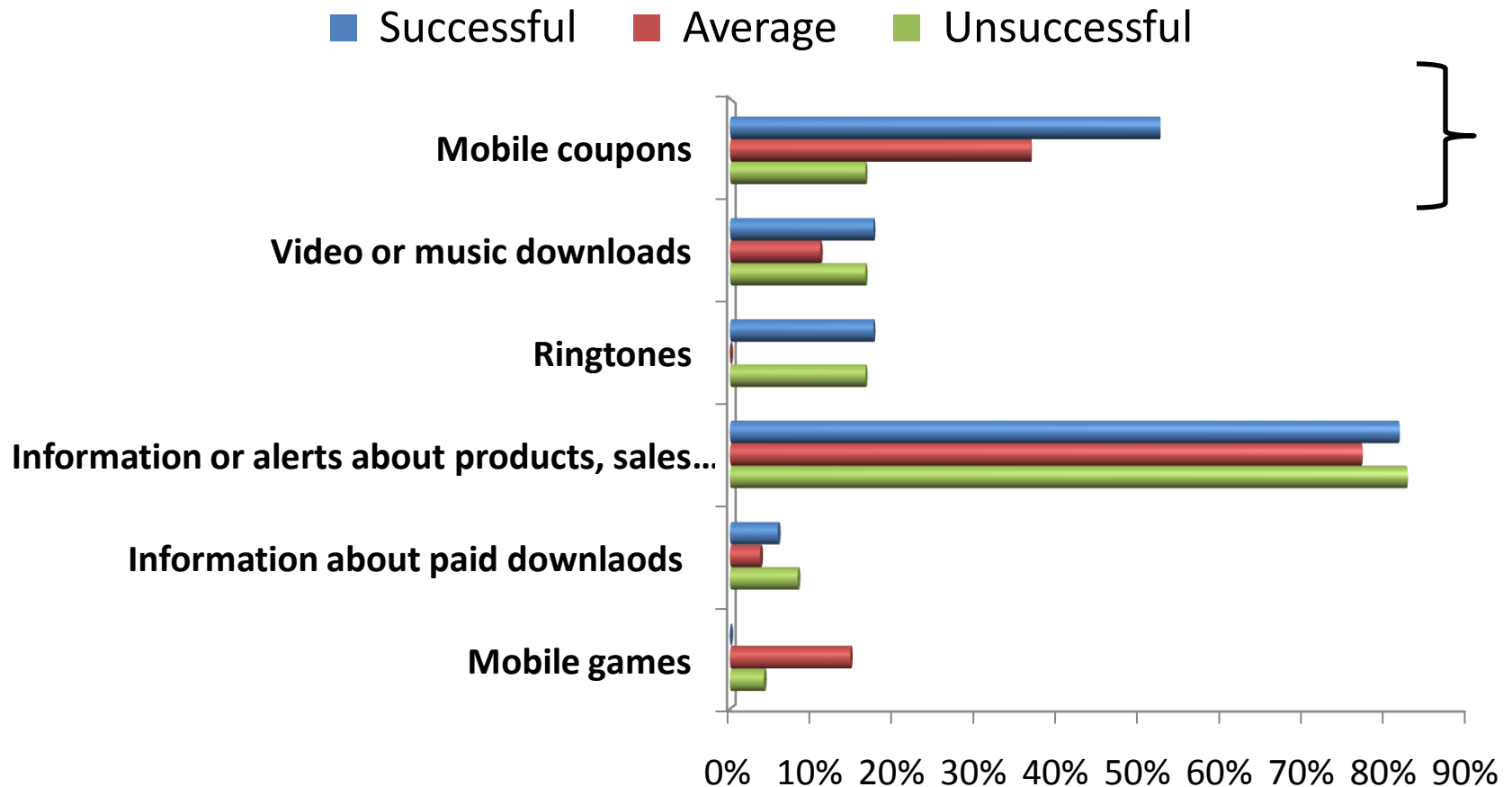


## Respondents are most likely to include information about products, sales or offers in their campaigns.

*“What content are you currently including in your campaigns?”*



# Coupons Are Strongly Favored As Content In Successful Respondents' Campaigns

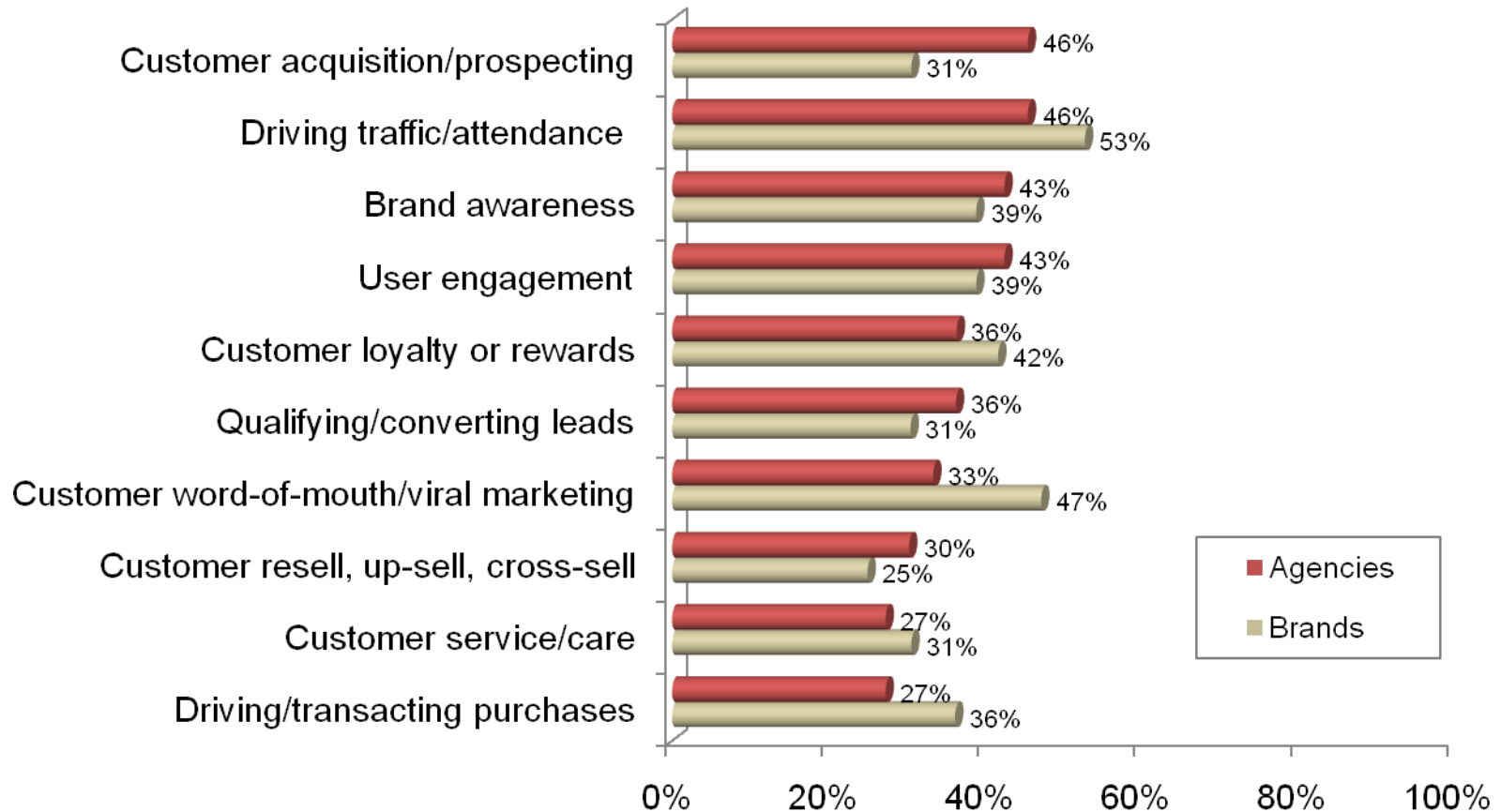


Percentage of respondents at each success level (multiple responses allowed)  
Base: All brands and agencies using mobile marketing

# Respondents find mobile marketing effective in meeting a variety of campaign objectives.

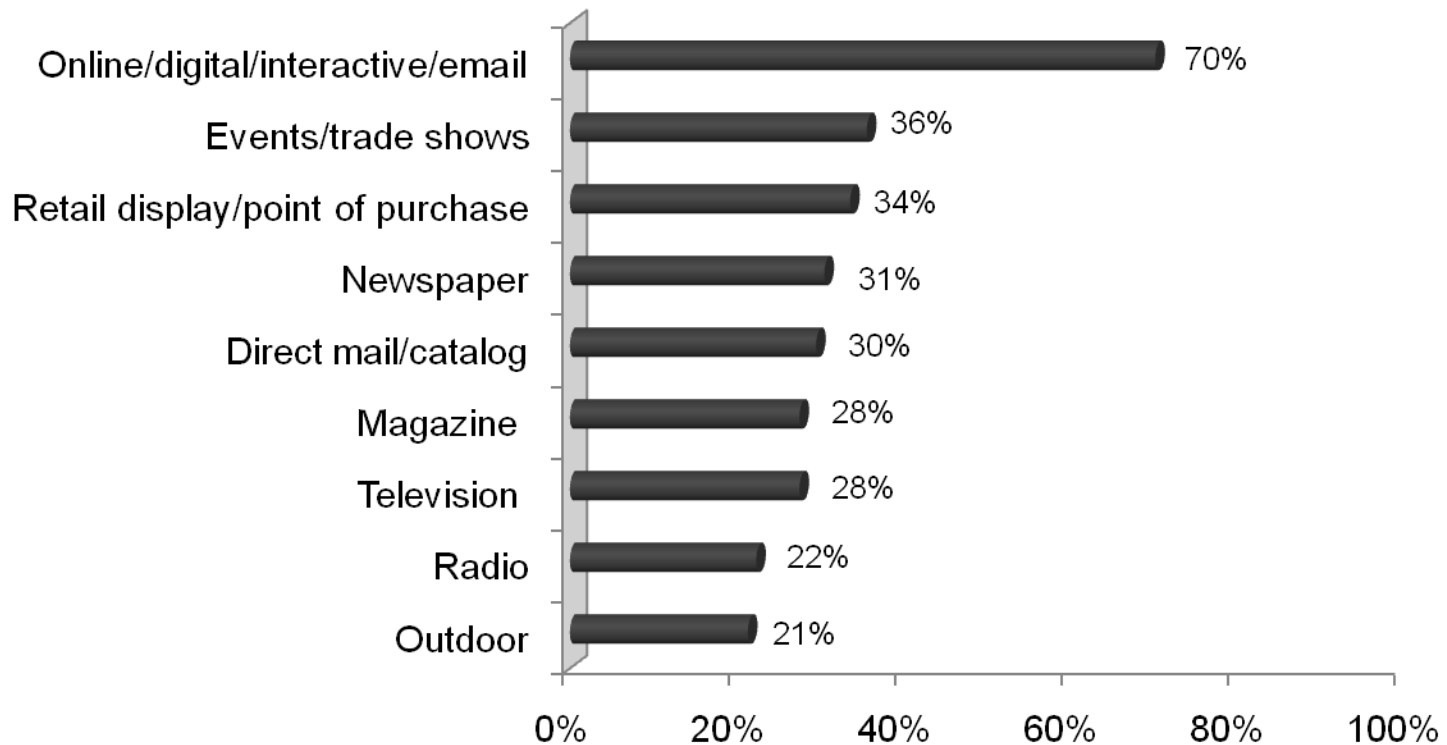
## Effectiveness of mobile marketing – Top 3 Box

(Respondents rating 5-7 on a 7-point scale, where 1=“Not effective at all” and 7=“Extremely effective”)



## While respondents integrate mobile marketing into a variety of media, they are most likely to do so in the online/digital arena.

*“Which media are you currently integrating with mobile marketing (by using short codes in broadcast or outdoor ads, using Bluetooth at events, etc.)?”*

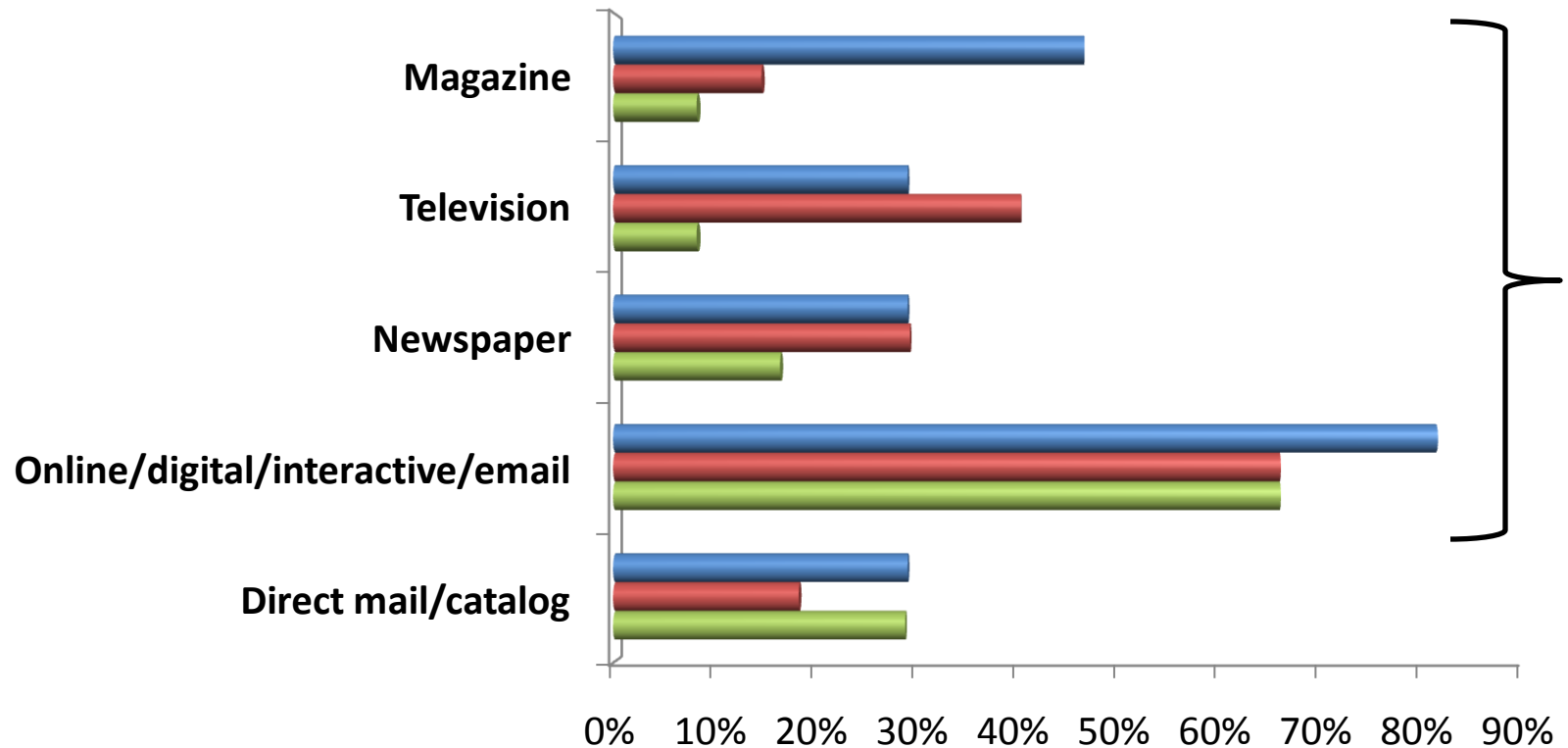


Base: All Brand and Agency Users of Mobile Marketing

# When Integrating Mobile With Other Media, Successful Respondents Are More Likely To Rely On Print And Television...

## Media used to integrate with mobile

■ Successful ■ Average ■ Unsuccessful



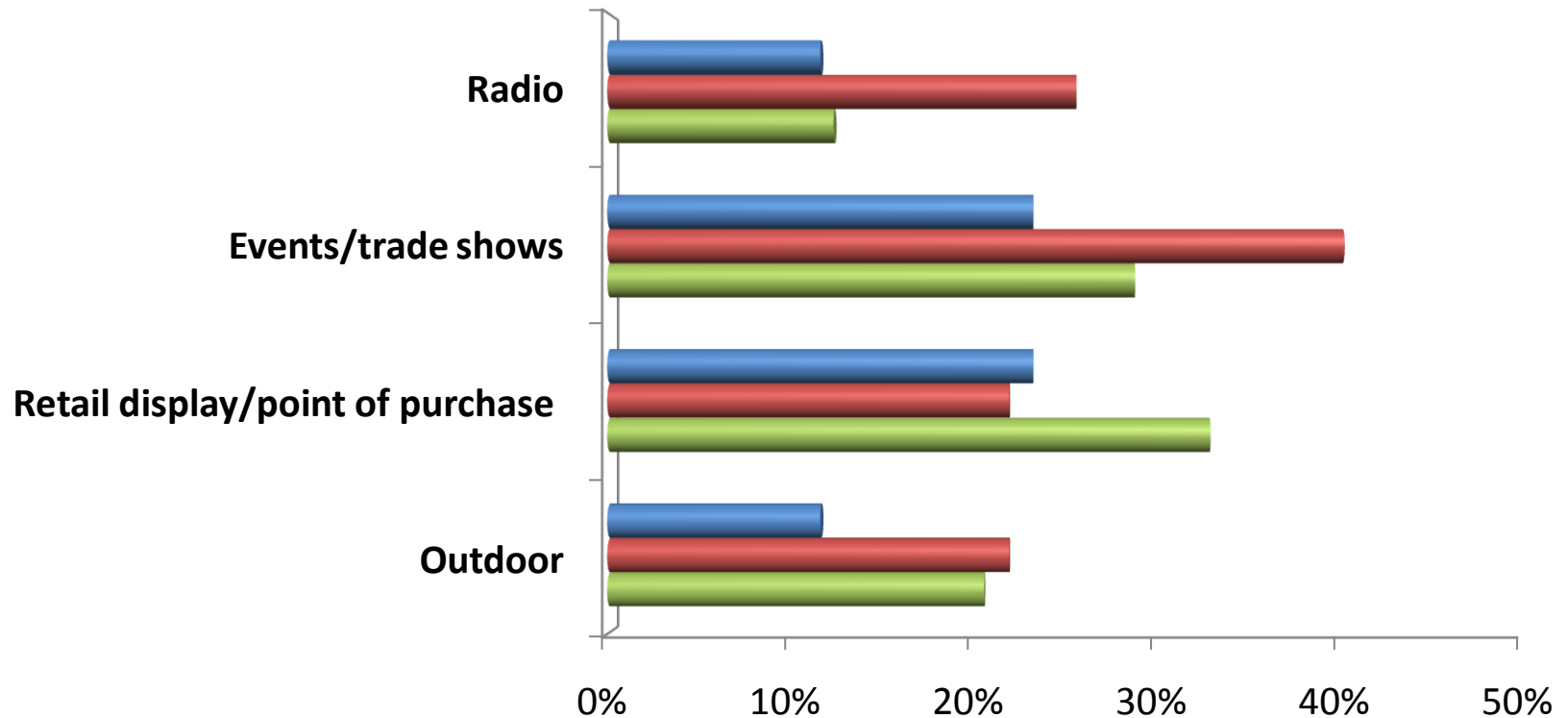
Percentage of respondents at each success level

Base: All brands and agencies using mobile marketing

## ...Than Events, Retail Display/POS, or Outdoor

### Media used to integrate with mobile

■ Successful ■ Average ■ Unsuccessful



Percentage of respondents at each success level

Base: All brands and agencies using mobile marketing

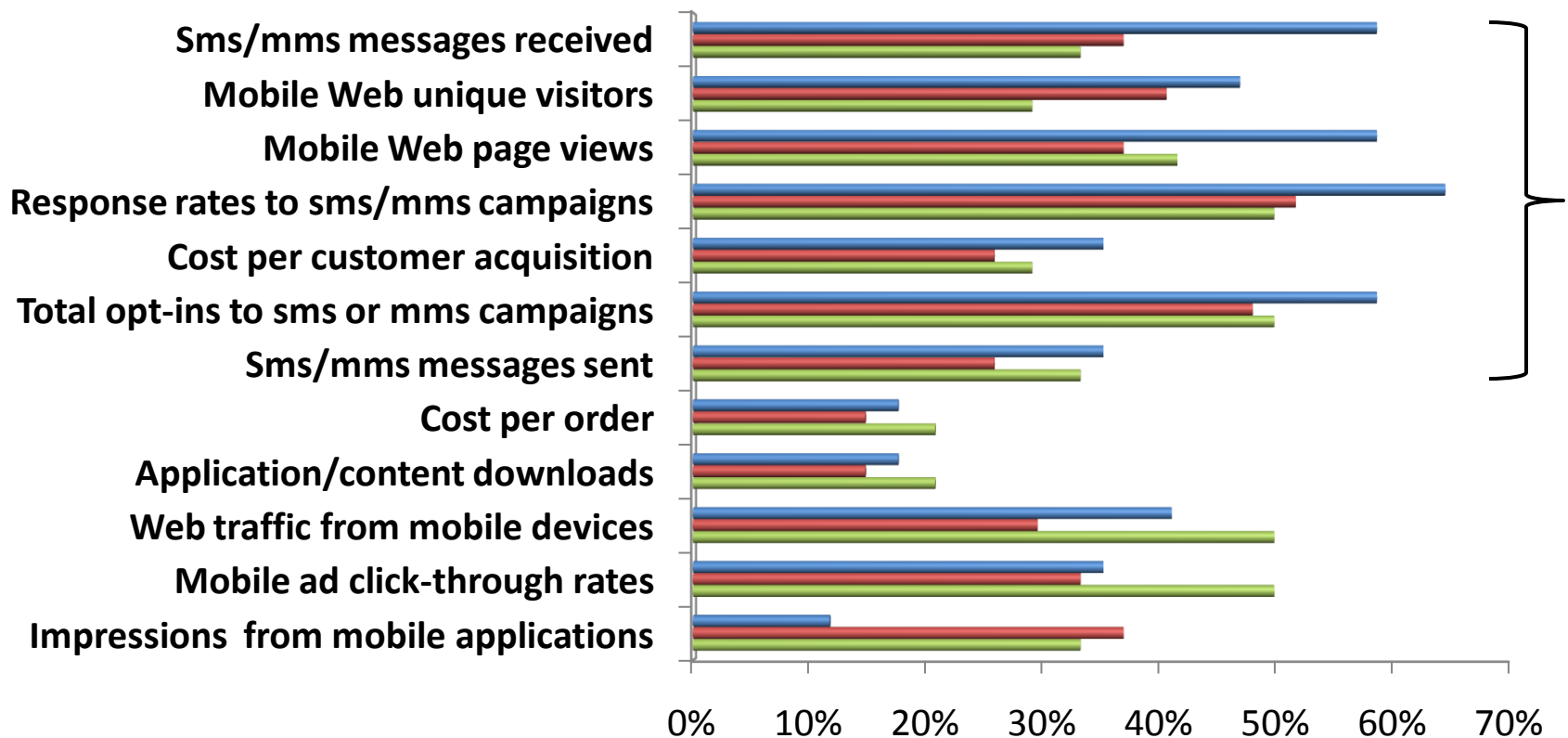
## A variety of metrics are used to track/evaluate mobile marketing activities.

	Total	Agency	Brand
Response rates to SMS/MMS campaigns	55%	58%	50%
Total opt-ins to SMS or MMS campaigns	47%	52%	44%
Web traffic from mobile devices	43%	33%	47%
Mobile Web page views	41%	49%	42%
SMS/MMS messages received	39%	36%	42%
Mobile ad click-through rates	39%	46%	33%
Mobile Web unique visitors	36%	33%	36%
Cost per customer acquisition	34%	30%	28%
SMS/MMS messages sent	33%	30%	33%
Impressions from mobile applications	28%	21%	36%
Incremental sales/revenue	26%	15%	22%
Cost per order	21%	21%	14%
Application/content downloads	20%	15%	19%
Pass-along rates	16%	18%	14%

# When It Comes To Metrics, Successful Firms More Likely To Rely on SMS Receipt and Response Numbers

## Type of metrics used in mobile marketing

■ Successful ■ Average ■ Unsuccessful



Percentage of respondents at each success level

Base: All brands and agencies using mobile marketing



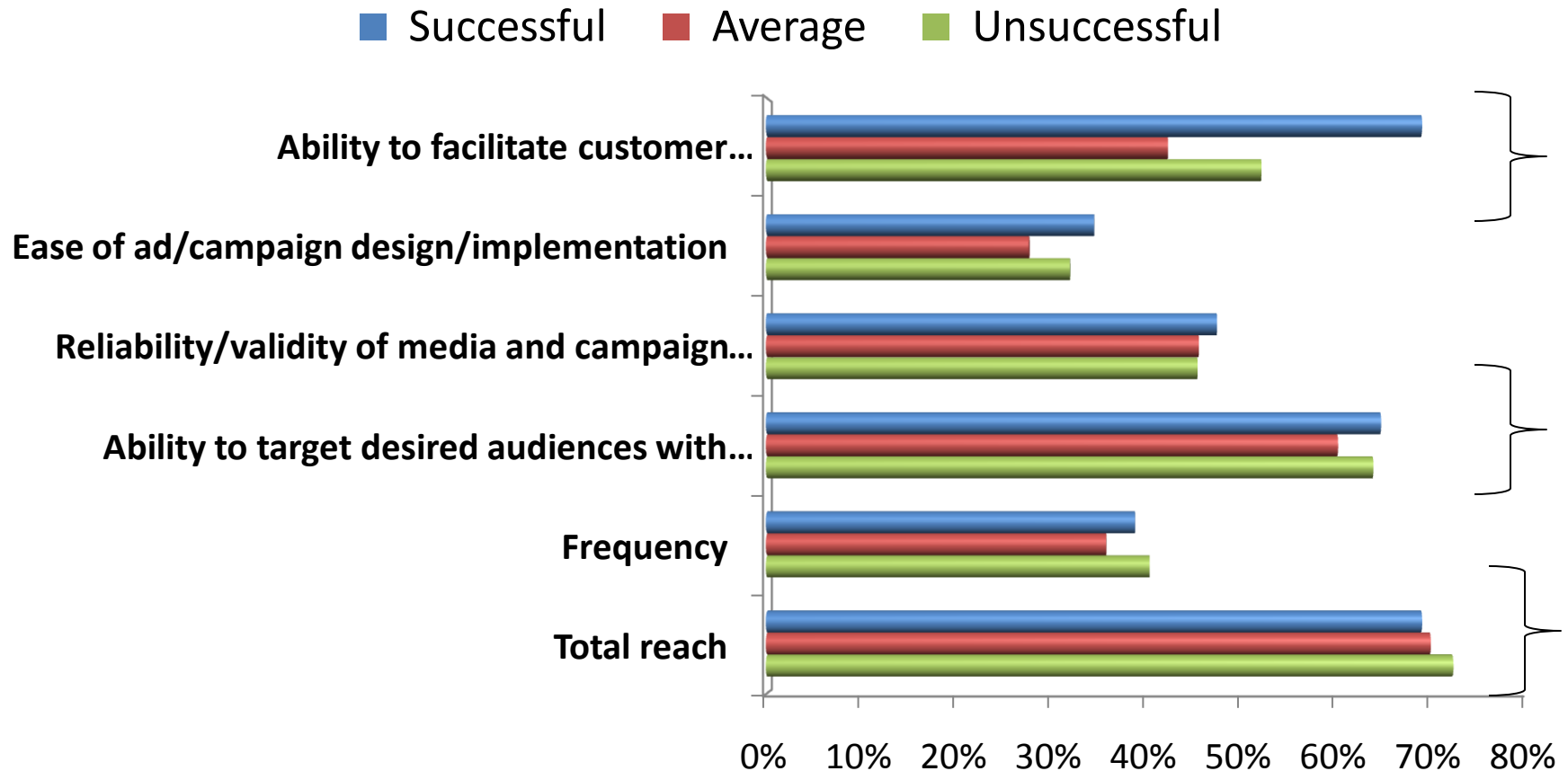
**Total reach, demographic suitability and the ability to precisely target desired audiences are key factors in the decision to undertake a campaign.**

*“Which of the following factors do you consider when deciding whether to undertake a campaign in any medium?”*

	Total	Agency	Brand
Total reach	72%	74%	73%
Demographic suitability	68%	67%	70%
Ability to target desired audiences with sufficient precision	65%	61%	66%
Expected incremental revenue/sales impact	61%	44%	72%
Low cost	53%	54%	54%
Expected brand/awareness impact	53%	49%	58%
Ability to facilitate customer interactivity/response	52%	53%	48%
Reliability/validity of media and campaign metrics	46%	58%	45%
Frequency	40%	42%	40%
Ease of ad/campaign design/implementation	31%	28%	32%
Flexibility in ad formats and content	17%	18%	21%
Ease of media buy	14%	11%	12%

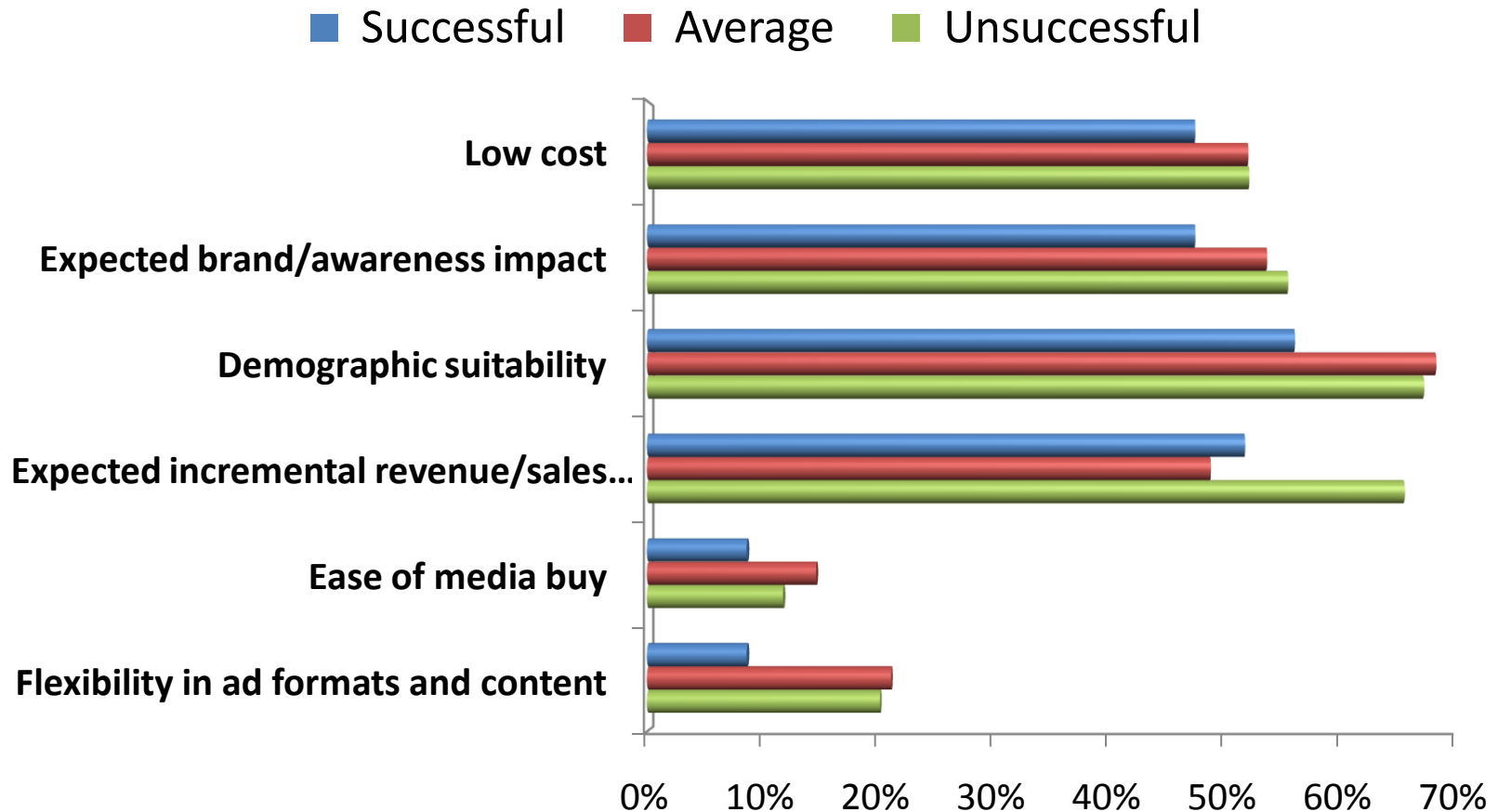
Base = all qualified respondents

# When Selecting Media For Their Campaigns, Successful Respondents Look For Interactivity, Targeting, and Total Reach...



Percentage of respondents at each success level  
Base: All brands and agencies using mobile marketing

## ...While Being Less Concerned About The Media's Brand Impact, Demographic Fit, Etc.



Percentage of respondents at each success level  
Base: All brands and agencies using mobile marketing

## **What's Being Spent on Mobile Marketing?**

## Respondents dedicate an average 1.8% of their marketing budgets to mobile marketing.

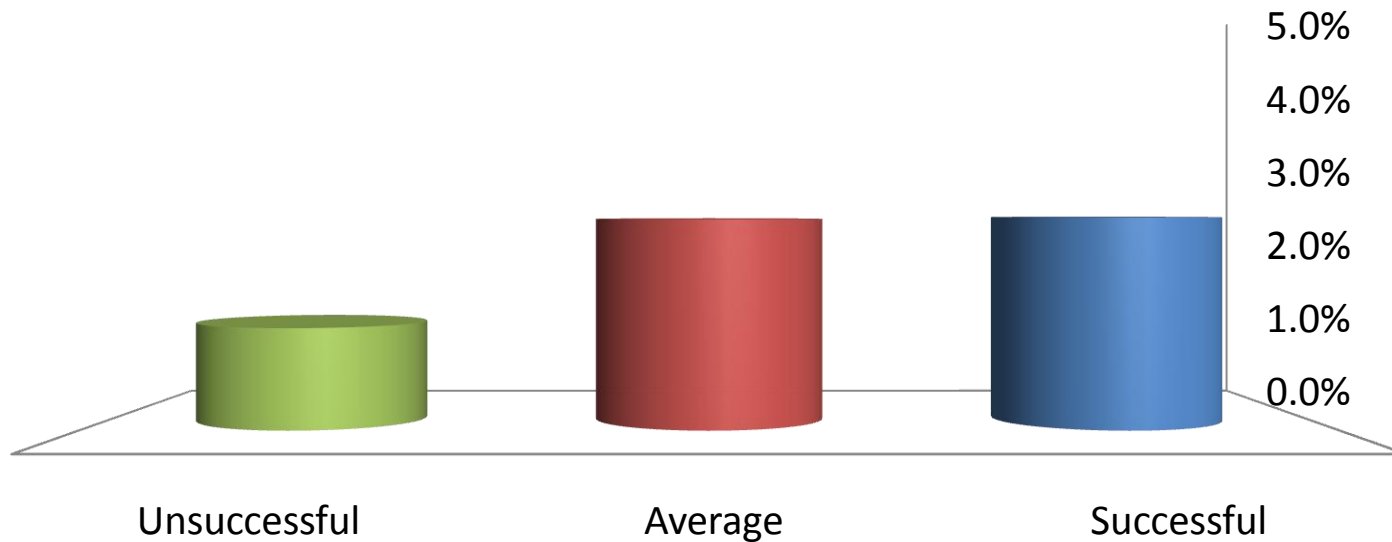
*“Approximately what percent of your total marketing budget is allocated to the following marketing channels?”*

### Mean budget allocation

	Total	Agency	Brand
Television	18%	31%	10%
Online/digital/interactive/email	18%	16%	20%
Magazine	13%	17%	11%
Direct mail/catalog	11%	6%	15%
Events/trade shows	9%	5%	11%
Newspaper	8%	7%	10%
Radio	7%	9%	6%
Retail display/point of purchase	6%	2%	8%
Outdoor	4%	4%	4%
Other	4%	2%	5%
<b>Mobile</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

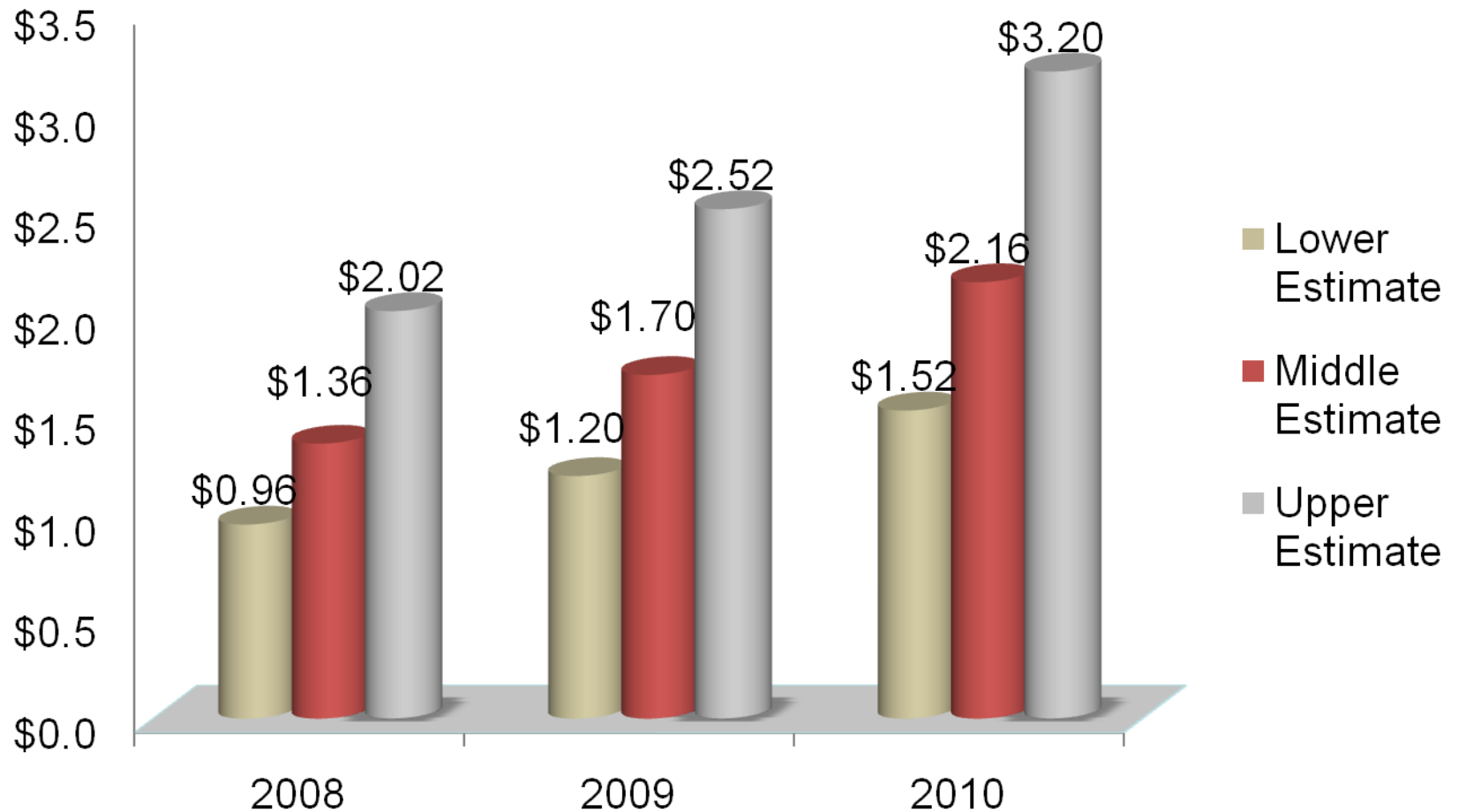
# Successful Users of Mobile Marketing Spend More

## Percentage of Total Marketing Budget Allocated To Mobile Marketing



Unweighted average percentage among respondents at each success level  
Base: All brands and agencies using mobile marketing

**In 2009, advertisers will spend about \$1.7 bn. on Mobile Marketing, growing to \$2.16 bn. in 2010**



## For Further Information

To learn more about this report, or to inquire about participating in future research as a survey panelist or research sponsor, please contact:

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