

THE POWER OF GLOBAL MOBILE CUSTOMER ENGAGEMENT IN THE MEDIA & DIGITAL ENTERTAINMENT INDUSTRY

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EXECUTIVE SUMMARY

The media and entertainment industry is moving beyond the traditional television broadcast model to address a new multi-screen reality of Smartphones, Tablet devices, PCs and Laptops. Consumers want to enjoy movies, videos, sporting events, and live programming on a variety of devices, on the go, anytime, anywhere.

The world of media and entertainment is changing rapidly and this creates new challenges for marketers. Choosing the best way to communicate with your audiences, within budget, and with the ability to measure ROI, are critical requirements to ensuring effective consumer engagement.

You need to use innovative ways to engage with and influence your customers' viewing and consumption of media while also reaching your audiences anywhere and at anytime. It is important to be able to identify communications channels that are cost effective and guarantee high response rates.

As media events and broadcasts are now global, you also need to take channel scalability and global reach into consideration.

Today there is no technology that has greater global reach and plays a more personal role in our lives than

the mobile phone. This makes mobile handsets a unique channel for media and entertainment businesses to engage with customers.

The fast developing mobile advertising industry has moved on from the trial and experiment phase and many brands are now spending significant sums on mobile campaigns. According to estimates from eMarketer, mobile advertising spend will surpass \$100 billion in 2016 and account for more than 50% of all digital ad expenditure for the first time.

Source: KPCB, Internet Trends 2015
Source: eMarketer, 2015

Mobile messaging drives this new wave of mobile customer engagement, bringing new and innovative opportunities for you to reach and engage with your customers. While there are a number of mobile marketing solutions available, there are very few companies operating in this environment that are able to meet the stringent service level agreements required by global media companies, while even fewer mobile marketing companies manage their own carrier-grade signaling network optimized for mobile messaging delivery, and able to reach customers across national or international borders.

WHY USE MOBILE MESSAGING AS A CUSTOMER ENGAGEMENT MEDIUM?

Overview

As early as 2009 Mark Cohen, the New York Times journalist said, “Mobile text messaging, the same 160-character dispatches first popularized by nimble-fingered teenagers, may be the closest thing in the information-overloaded digital marketing world to a guaranteed read.”

Mobile messaging is one of the few channels of communication that is always on and directly engages an individual. [In fact, 90% of 18-29 year olds in the US sleep beside their mobile phones and are ready to read messages or answer calls 24 hours a day.](#)

It is unlike any other channel for customer engagement and offers marketers direct access to their audiences. Mobile messaging adds another layer to this unique relationship as it is direct and personal but not intrusive.

Customers can choose when to read and respond to messages. Unlike a voice call, they don't interrupt the customer's day and gives them the freedom to decide the appropriate time to read the message. Mobile customers appreciate this and are more likely to have positive experiences with a brand that can directly engage with them without demanding their instant attention.

Media and entertainment businesses understand this and are having success in applying it in their businesses. They are using mobile messaging solutions to send information quickly and efficiently to the mobile phones of their customers, employees and business partners. It is a fast, reliable and efficient communication channel that uses a medium that matches the behavior of today's mobile customers.

The Advantages of Mobile Messaging

Reachability You can engage with your customers wherever they are. This makes mobile messaging the ideal solution for distributing information, whether that information is content advertising, time-sensitive campaigns, authentication codes, service updates or anything else that can benefit from immediate delivery.

For developing markets, the challenge of reaching and engaging with customers is significant. Where customers own a mobile phone without a data subscription this makes it all the more valuable to use mobile messaging as the means to reach customers. Thanks to rapidly growing mobile penetration mobile messaging provides immediate access that can be more targeted than online campaigns or traditional marketing channels. If you wish to advertise content with a particular demographic it is possible to achieve highly targeted segmentation (e.g. Females; Age 18-30; Living in the area of Delhi)

Interactivity Mobile messaging is an interactive medium, where time sensitive messages can be sent and responses can be tracked to assess customer potential. Due to its contextual character, mobile messaging enjoys higher response rates as a communications channel in comparison with other media:

- 91% of mobile phone owners use their device for SMS¹ = a familiar medium for customers
- 98% of SMS messages are opened² = customers consume the content
- 94% of SMS are read within 5 minutes of being received³ = timely customer interaction

Reliability Mobile messaging is a secure technology making it possible to build delivery guarantees into a service level agreement. Messaging delivered by telecom network operators can be traced through to the termination point.

Exclusivity You can build exclusivity into mobile marketing, pushing messages to mobile subscribers for offers and information that only they will have access to, thus increasing loyalty, purchase responses and speed of response. The nature of the mobile messaging medium can be extended by offering time specific offers, to generate immediate responses.

Multimedia Mobile messaging can be used as a cross-media tool combined with live content streaming, broadcast TV, web-based campaigns, radio or print. Mobile messaging can be used as a means to measure the effectiveness of campaigns across all marketing channels, making it a very useful element within the marketing mix. It is a measurable communication channel able to deliver a high return on investment with low capital expenditure.

Efficiency Mobile messaging is cost-effective. Instead of spending significant sums of money on multimedia advertising campaigns which may not be easily measurable, you can use a mobile messaging campaign to reach your customers thus reducing marketing costs with a highly measurable medium.

Integrating Mobile Messaging into the Media & Entertainment Marketing Mix

Market research:

With messaging services like voting and polling, you can use the mobile channel as an excellent facilitator to collect market information. Researchers can use mobile messaging within areas such as public relations, assessing interest in TV pilot series, sponsorships, launches, direct and viral marketing. The research benefits from audience reachability and interactive communication exchanges. It is also simple to segment audiences and capture customer responses to targeted and precise questions.

Targeted, personalized, customizable and accessible advertising:

You can use mobile messaging for advertising and promotions to encourage customer participation, provide direct access to target groups, customize a message to any language or regional requirement, and to guarantee that the message can reach customers anywhere and anytime. Mobile messaging helps increase sales as well as consumer satisfaction thanks to its immediate delivery advantage, making it a perfect tool to create time sensitive promotions.

Reminders, notifications and invitations:

Mobile messaging provides direct customer reach and ensures that messages are delivered and read at the right time. Moreover, mobile messaging provides a 2-way communications channel, which can be used for pay-per view (PPV) based content management, helping to manage the numbers of invitation deliveries, special requests, PPV confirmations and activations.

Time sensitive customer service alerts:

The fact that people keep their mobile phones with them almost at all times, makes it an immediate channel of contact in case of service outages and related quality of service issues. Notifications can be sent to customers to reduce calls to the contact center.

Context-based target marketing:

Mobile messaging can be rapidly customized to suit any situation. The message that is sent to customers can be adjusted right up to the last moment before sending.

Loyalty building:

Use mobile messaging to develop an on-going and consistent relationship with customers. Mobile messaging is the right channel to communicate to large numbers of customers, with the advantage of high readability of the messages received.

Integrating Mobile Messaging with the Live Television Experience

Mobile messaging provides a perfect marketing-mix component allowing measurement of the effectiveness of all used marketing channels. It can also be used as a component of the media experience itself.

There is a continuing trend for increased customer engagement and interactivity with many television and broadcasting events. This can range from viewers being able to interact with a TV show for voting, polling, flash opinion polls and competitions.

Media companies can create new revenue streams through revenue share agreements with mobile communications service providers, using the mobile messaging medium as a means to encourage user

engagement. Mobile messaging is far more inclusive than most other media for this purpose. If a customer has a mobile phone of any type, conventional messaging provides a guaranteed channel for customer engagement and interaction.

Mobile messaging can be used to confirm and authenticate PPV and video on demand (VOD) services. It can also be used to enable the completion of payment in real-time for such services. Mobile messaging is a cost-effective tool for service notifications, updates about service outages and associated customer service activities, helping to deflect calls from the contact center.

Integrating Mobile Messaging with Content Sponsorship

New models are emerging to redefine the way that content is paid for. This concept can be broadly referred to as sponsorship based. Sponsored data content provides access to content for free for the consumer, while the usage is paid by the sponsoring party. The sponsor can be a broadcaster, a distribution company, a content publisher, a production company or other interest parties.

It might seem counterintuitive for the consumer of a service to receive that service for free, but it is important to think about this in the broadest context of media distribution. In the case of Tablet devices or Smartphones, consumers may want to access and view a trailer or advertisement for a program but they would have to access it using their own mobile data allowance.

Sponsored data enables access to the content without the customer incurring any data cost. Sponsored data

represents an opportunity to advertise content with the likelihood of a broader distribution of advertising, leading to a larger audience for the actual programming.

For mobile users it means that advertising is not using up their data bundle. For those owners of Smartphones with no mobile data subscription, it ensures access to content, which would otherwise be unavailable to the potential customer.

In both cases sponsoring this sort of data for mobile devices is an effective way to promote digital content, sporting events, new programs and service updates. An integrated campaign that pushes a mobile message to a user with an embedded URL to access and view the sponsored content, provides both an effective promotion and a means of engaging with a customer, who might not otherwise have access to view the promotion.

STRATEGIC RECOMMENDATIONS FOR MARKETERS

Building Your Mobile Messaging Solution Proposition

Mobile messaging-based marketing is a highly cost-efficient mobile medium, providing a reliable communications and advertising channel linking your brand with your customers. It provides an extra dimension to your marketing mix, enabling customer engagement and customized message delivery. Mobile messaging brings together cross-media campaigns with enhanced interaction and engagement.

But how can you use it to your advantage? How can you include mobile into your marketing mix to support your overall objectives? How can campaign effectiveness be measured?

To answer these questions requires a back to basics approach to mobile marketing strategy. Obviously mobile messaging will not work if you do not have your customers' mobile phone numbers, so this information needs to be included with customer details in the CRM system. Also customers in most countries need to have 'opted in' to receive information and marketing promotions. It is a necessary step but once resolved you will benefit from a highly targeted group of opt-in customers having an active interest in your business and your services.

As you want to be able to reach prospective customers as well as existing customers in some cases, it is possible to obtain demographically profiled mobile databases from mobile operators or large media organizations.

Mobile messaging production costs are low compared with traditional media, so developing and testing your marketing strategy is cost-efficient. Mobile messaging can help you build your profile and reinforce your online branding and presence through inserting your URL address in the messages you send. This drives customers to your website for further interaction in addition to their engagement with the mobile message itself.

Mobile messaging is particularly good for personalizing messages to individual customers. You might think that the 160 character limit is a restricting factor, but considering the popularity of Twitter that might be just the point. Your customers are often on the move, and have limited time or attention spans. Providing valuable information in a short and succinct way is therefore preferred.

Live television programming and media events mean mobile interactions with your customers will often be time sensitive. Timing of mobile messaging campaigns is critical and the messages you send will have the greatest impact when the consumer is preparing to make a purchase decision. That is why the flexibility of this communication channel is very important. Mobile messages can be sent and received within seconds of starting your promotion, allowing you to generate higher response traffic - particularly in the case of special events or last minute deals.

You have to decide the main objective of using a particular channel. Mobile messaging provides highly targeted, measurable tracking possibilities. Measurement of indicators like recall, message

association, awareness and intent to buy are critical criteria. Mobile messaging also provides you with a way to study the cost associated with customer contact, interaction and acquisition.

For pure promotional activity you can use mobile messaging in conjunction with assessment of revenue uplift, market share movements and the cost of consumer participation vs use of traditional channels. It enables you to communicate the right message, at the right time and to the right audience. With this specific capability associated with the use of mobile messaging in the marketing mix you can use mobile messaging to plan your integrated mobile marketing and advertising strategy with confidence.

Summary Benefits of Mobile Messaging for Customer Engagement:

Cost efficiency

mobile messaging presents cost benefits compared with other media

Personalization

mobile messaging is effective for 1-to-1 communication with individual customers

Analysis

mobile messaging allows in-depth analysis of usage, response, and cost

Interactivity

mobile messaging enables you to have a dialogue with customers

Great Viral Marketing tool

enables the fun-factor and enhances response

Familiar technology

any consumer age group is familiar with mobile messaging technology

Anywhere / Anytime customer reach

the mobile handset is always with the customer

Easily targetable

specific messages can be designed based on customer profiles

WHY TATA COMMUNICATIONS FOR MOBILE CUSTOMER ENGAGEMENT?

Tata Communications **Mobile Messaging Exchange** is a dedicated A2P mobile messaging hub, with access to global, quality messaging routes. It makes the most of Tata Communications' own commercial relationships with hundreds of Mobile Network Operators (MNOs) and delivers A-Z network reach. As well as message transport and termination, the service extends to campaign management, helping you to plan, launch and track the effectiveness of your SMS campaigns.

Mobile Messaging Exchange is simple:

1. You buy capacity to terminate SMS into mobile networks from Tata Communications.
2. Tata Communications provides comprehensive rates for each network and rate change notifications with advance notice.
3. You connect via Mobile Messaging Exchange and send A2P SMS to Tata Communications for agreed destination network termination.
4. Online reports detail all terminated and delivered SMS.
5. Tata Communications raises an invoice for the settlement based on the number of SMS messages sent and rates agreed at the end of an agreed cycle.

Adopting Mobile Messaging Exchange for A2P messaging means working with a single party and trusted super aggregator. This makes it easier to secure access to global routes, along with more commercial

flexibility through payment options that include per SMS charging, as well as pre-paid and post-paid charging models. You can choose per destination pricing and send to as few, or as many destinations as required.

Tata Communications manages its own signaling network, providing direct, global destination reach and quality routing and termination, maximizing its own MNO relationships as a trusted service provider. Mobile Messaging Exchange offers a transparent A2P mobile messaging only business model with no blending of P2P and A2P traffic.

Tata Communications has established direct signaling connectivity with around 300 MNOs for conversion into direct termination agreements. It extends its global connectivity via peering agreements, ensuring all licensed MNOs are reachable. Well established relationships with hundreds of global MNOs mean reduced time to market, to get your mobile customer engagement activity up and running quickly.

Complementing Mobile Messaging Exchange is Tata Communications **Sponsored Data Exchange**, which is a similar two-sided market model, whereby Tata Communications purchases data usage capacity from MNOs and then 'sells' this capacity to content sponsors, allowing sponsors to send content direct to mobile customers, and subsidize the cost of the usage. This is an ideal platform to advertise programming, promote special events and sponsor trailers, all while reinforcing your relationship with your customers.

TATA COMMUNICATIONS

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