

COLUMNS

Taking marketing campaign integration a step further with mobile commerce

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Mobile commerce is expected to reach \$31 billion by the end of 2016 and grow at a rate of 40 percent each year for the next five years, according to a report published by Forrester Research.

Although still in the very early stages of development, mobile commerce is quickly becoming a reality.

Following are some examples of how brands are integrating mobile commerce into the consumer experience:

SMS-enabled payment systems

SMS-enabled payment systems are being tested by major consumer brands.

Coca-Cola, for example, is currently testing the use of vending machines that accept payments via mobile device, eliminating the need to carry coins to make a purchase.

With these machines, consumers can simply walk up and text in to buy a beverage. Consumers do not have to register or download an application to use this form of payment, and the cost of the beverage is charged to the consumer's mobile phone bill.

The brand also benefits by using the SMS data to send special post-purchase offers to consumers, and therefore drive additional purchases.

Doug Busk, head of mobile brand strategy for global connections at Coca-Cola Co., said: "What we're seeing in a couple of use cases is that this increases purchasing frequency. Any time you take friction out of the system, you increase frequency."

In time, we will see how far this application of text-to-purchase makes it into the mainstream.

Payment by SMS text is also now accepted and widely used by major nonprofit organizations.

Many charitable organizations, including the American Red Cross, Feed the Children, St. Jude Children's Research Hospital and United Way have started to integrate text-to-give tactics as part of their fundraising campaigns.

By texting a specific number or phrase to a short code, consumers are able to donate funds. The micro-donation is simply added to the donor's phone bill.

By launching a text-to-give campaign, the American Red Cross was able to raise around \$22 million for Haiti relief within just two weeks of the massive 2010 earthquake.

Shopping via mobile apps

Mobile apps that allow consumers to initiate a purchase without leaving their current application are gaining popularity.

mobile apps that allow consumers to initiate a purchase without leaving their current experience are popping up everywhere.

Big brands from Starbucks and MasterCard to Pandora are trying to get a piece of the mobile commerce pie early.

Starbucks, keeping up with its growing tech-savvy customer base, recently rolled out an application that lets customers pay for their beverages and other goods via their mobile device.

Thanks to a partnership with MasterCard, iPad users flipping the virtual pages of Wired Magazine's June 2011 issuedigital version, of course had the ability to simply tap the pages to browse and buy products directly from their tablet.

Consumers can expect to see more interactive elements integrated into subsequent issues if the data proves the strategy to be profitable.

According to Apple, the Internet music service Pandora is the most frequently downloaded free iPad app. Other sources claim that it is among the most-used apps across all smart phone platforms.

As a subscriber listens to a song, Pandora provides an opportunity to purchase that song from Amazon or through iTunes. The music does not stop playing to complete the purchase. The transaction is almost instant and the listening experience is fluid.

Pandora also runs sponsored ads for other products and services between songsall of which just require a tap on the screen to begin the shopping process.

QR codes, direct mail and print

Following the trend, traditional channels are evolving to promote instant action or purchase via mobile devices.

The integration of digital technologies with direct mail and print channels is becoming more commonplace, resulting in heightened consumer expectations.

Gift retailer Brookstone recently announced its plans to test QR codes in printed catalogs and in 30 retail stores to drive sales.

QR codes positioned next to the products featured in its catalogs and retail displays would provide consumers with instant access to product information.

Brookstone's hope is that the use of QR codes will lead to increased purchase activity.

Many retailers such as Target, Sears, Bergdorf Goodman, Bloomingdale's and Neiman Marcus are also trying this new approach to engage consumers and give sales a boost.

What this is demonstrating is that the new point of sale is anywhere and everywhere, thanks to mobile devices.

Using QR codes in concert with direct mail and print can provide more accurate campaign tracking and help to keep consumer data current.

Additionally, integration of new technologies with traditional, tried-and-true media will give marketers the opportunity to collect more prospect data, intelligence about media preference and more accurately plan future marketing initiatives.

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