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## Lecture - 18

## **Mobile Marketing and Location-based Services**

Hello everyone. As we were looking at the digitalization of services along with social media marketing, mobile marketing is an essential part of firm's digitalization efforts. So in this session, let's evaluate the significance of mobile marketing and location-based services for promotion of services. What is mobile marketing? Mobile marketing refers to the strategic use of mobile devices such as smartphones and tablets to promote and advertise product or even services. This involves reaching a target audience through various channels including mobile apps or applications, short messaging services that is SMS, social media and mobile websites. Mobile marketing aims to engage users on their personal devices, leveraging the unique features and capabilities of mobile technology for effective communication and promotion.

Let's have a look at evolution of mobile marketing in the digital landscape. The evolution of mobile marketing is closely tied to advancements in digital technology. Over the years, mobile marketing has transformed from basic SMS campaigns to sophisticated strategies encompassing diverse channels. Let's look at some key milestones in this evolution.

First here is SMS marketing era. Initially mobile marketing primarily relied on SMS that is short message service. For promotional messages, businesses send text-based promotions to mobile users. Then comes mobile applications. With the advent of smartphones, the focus shifted to mobile applications.

Brands developed applications or apps to provide enhanced user experiences, personalized content and direct communication. Then comes mobile web optimization. In this period, the optimization of websites for mobile devices became crucial as users increasingly access information and services through mobile browsers. Responsive design and mobile friendly interfaces gained prominence or importance in this era. Next comes location-based services.

Mobile marketing evolved to leverage location data. Service providers started delivering targeted promotions based on users' geographical locations, enhancing relevance as well as engagement. Then comes application-based advertisements or app-based advertisements. In app advertising gained prominence as brands partner with popular applications or apps to reach a broader audience. Display ads, native ads and even sponsored content within applications became common.

Then we had an era of social media integration. Mobile marketing seamlessly integrated with social media platforms, wherein brands leveraged the mobile nature of social apps to connect with users through engaging content, ads and influencer collaborations. Then comes emergence of QR codes and augmented reality or AR. QR codes and AR technologies added interactive elements to mobile marketing. Users could scan QR codes or experience augmented reality campaigns for more immersive interactions.

Then comes mobile video dominance. The popularity of short-form videos on platforms like TikTok and Instagram led to a surge in mobile video marketing. Brands and service providers embraced video content for storytelling and product promotion. Then comes personalization and AI integration. Advances in AI enabled personalized marketing experiences.

AI algorithms analyze user data to deliver customized content, recommendations and offers. And finally, we are standing here today with an advent or era of mobile commerce or M-commerce as some people call it. The evolution of mobile marketing coincided with the rise of mobile commerce. Users can now shop, make payments and access services directly through mobile applications, emphasizing convenience. Now let's have a look at some interesting trends that are happening in this mobile marketing area.

Let's have a look at this particular video that captures all the recent mobile marketing trends in a recent period. Now let's look at what are the advantages of mobile marketing. To be precise, at a broader level, there are four advantages of using mobile marketing strategies. Number one, accessibility and ubiquity, personalization and targeting, immediate and timely interactions and integration with other marketing channels. Let's look at each one of these advantages in some detail.

First here is accessibility and ubiquity. Mobile marketing capitalizes on the widespread use of mobile devices, ensuring that service providers can reach their target audience anytime, anywhere. Mobile phones have become an integral part of daily life, offering constant connectivity. This accessibility allows marketers or service providers to engage with the users in real time, whether they are at home, work or on the go. The ubiquity of mobile devices ensures a broad reach and the potential to connect with diverse audience.

Second advantage deals with personalization and targeting. Mobile marketing enables a higher level of personalization and targeting, enhancing the relevance of marketing

messages. Marketers and service providers can leverage data on user preferences, behavior and location to deliver more personalized content, promotions and even recommendations. Personalized experiences create a stronger connection with users, leading to increased engagement and improved conversion rates. Targeted campaigns based on demographics, interest and behavior contribute to more effective communication.

Third benefit or advantage of adopting mobile technology or devices is through immediate and timely interaction. Mobile devices facilitate immediate and timely interaction between service providers and consumers. Push notifications, SMS alerts and in-app messages allow marketers to deliver time-sensitive information directly to users' devices. Whether it's a flash sale, limited time offer or important update, mobile marketing ensures that messages are promptly delivered and received. This immediacy enhances the effectiveness of marketing campaigns and encourages swift response from users.

And finally, another benefit is with respect to integration with other marketing channels. Mobile marketing seamlessly integrates with other marketing channels, creating a cohesive and omni-channel approach. Integrating mobile strategies with social media, email marketing and traditional advertisement ensures a consistent brand experience. And this is again across various touchpoints. For example, users might discover a product or service through a mobile ad, researches it on a mobile website and make a purchase through a mobile app.

This integration enhances the overall customer journey, providing a unified brand experience. Now let's have a look at some of the types of promotions that can be possible using mobile. First type of promotions or way to promote services through mobile technology is through text messages or SMS messages. Short text messages, service or SMS or text messages are direct ways to send customers certain content, such as either informing customers of offers, sales, order status or even delivery status. It has been observed that with a 99% open rate, nearly every text is read and most of them within a first three minutes.

So that's the potential of using SMS messages or text messages for promoting services. SMS marketing involves sending promotional messages, alerts and updates directly to users' mobile phones via text messages. Businesses use SMS to convey time sensitive information, exclusive offers and promotions. SMS marketing is a cost effective and direct way to reach a wide audience, making it suitable for quick announcements and engaging customers with concise content. Another way to promote services is through mobile apps.

Some people also call it as in-app advertising. In-app messaging appears while the app is in use, providing a better experience and increasing engagement for customers using the app. Mobile apps provide a dedicated platform for businesses to engage users with their products or service. In-app advertising involves displaying promotional content within mobile applications. This can include banner ads, interstitial ads or even native ads, seamlessly integrated into the application's interface.

Brands often leverage popular apps to reach specific target audiences and enhance user engagement through interactive and visually appealing ad formats. Next comes locationbased marketing. Location-based marketing utilizes users' geographical information to deliver targeted promotions based on their current location. This approach enhances relevance by tailoring offers to local preferences and needs. Businesses can send locationspecific notifications, discounts or even promotions when users are in proximity to their physical stores.

Location-based marketing is particularly effective for promoting deals, events and personalized experiences tied to a specific location. Then comes mobile search advertisement. This involves displaying paid advertisements within mobile search engine results. As users search for information or product using search engines on their mobile devices, service providers or businesses can bid for ad placement to appear prominently in the search results. Mobile search advertisement ensures visibility to users actively seeking relevant products or services.

Advertisers can optimize campaigns for mobile search, considering the unique search behavior and intent of mobile users. Now let's look at some application of mobile marketing for promoting services. The first here is personalized service recommendations like Netflix. Netflix personalized content recommendations are delivered through their mobile applications.

Then comes mobile app engagement. Banking apps provide seamless transactions and financial management tools through mobile applications. Another application can be with respect to SMS alerts and sharing offers with the customers. For example, restaurants sending exclusive offers and promotions via SMS. Then another application can be as discussed with related to location-based services. Food delivery services sending promotions when the user is in proximity to partner restaurants.

Now let's understand the real-world application of using mobile technology or mobile marketing for promoting services through some cases. The first example here is Starbucks mobile ordering. Starbucks allows customers to order and pay through their mobile app, reducing wait lines. Starbucks allows customers to order and pay through their mobile application, reducing wait times. Have a look at this video from Starbucks Care that shows how to order on Starbucks application and save time.

Have you ever wanted to open up your phone and just say, Hey Siri, place my morning Starbucks order. Would that be your customized coffee and cheese, onion and garlic bagel at North Gateway and I5? Yes. Okay, do you want to use any stars for a reward today? Use 50 stars.

Great, your order will be \$3.80. Ready to order? Yes. Well, here's how. Open up the Starbucks app, press the order button below and start building your regular order. I love to start my morning off with a tall iced coffee with two pumps of classic syrup. And now that I have my coffee, I'm going to need some food.

One of my favorite bakery items in the morning is a cheese, onion and garlic bagel. Once you're happy with your order, press the bag icon on the bottom right corner and press Pick Up Store to confirm the location. After confirming the details of your order, press Place Order and you'll see the confirmation screen pop up. From here, you'll want to press the Add to Siri button towards the bottom. This is where you can choose your customized phrase to activate your shortcut.

I'm going to call this one Place My Morning Starbucks Order. Checking the button that says Order from Starbucks will let you check the details of this shortcut including the items in your order, the location you're ordering to and the reward redemption choices. Once you're happy with this shortcut, all you have to do is press Add to Siri and you're ready to go. Another case or example is from a transportation industry, that is Uber's locationbased promotions. Uber sends targeted promotions when users are in high demand areas.

Have a look at this particular video that showcases or promotes one of the services called as Join UberPass, which promotes to join this particular offer or kind of product that is offered by Uber with respect to traveling for throughout the day. UberPass, join for cheaper UberAIDS every time. I'm going to warrants.

I'm going to warrants. Warrants. Warrants.

Warrants. Warrants. Warrants moved out. I'm got a Bryant's. With these cases or examples, we can say it's very easy to use mobile marketing for promoting services, but there are certain challenges. Let's discuss a few of these. First challenge here is with respect to data privacy and security concerns. As mobile devices handle a vast amount of personal information, service providers or businesses must prioritize and adhere to stringent data protection regulations.

Unauthorized access, data breaches or even misuse of customer data can lead to severe consequences, including legal implications and damage to the brand's reputation. Marketers need to implement robust security measures, obtain proper consent for data usage and stay compliant with privacy regulations to build and maintain trust with users or customers. Second challenge deals with device and platform fragmentation. The diversity of mobile devices, operating system and screen sizes contributes to fragmentation in the mobile ecosystem. Marketers face the challenge of ensuring a consistent and optimized user experience across various devices and platforms.

Designing mobile campaigns that are responsive and compatible with different devices requires careful consideration. Service providers need to test their mobile strategies across a range of devices to address fragmentation challenges and deliver a seamless experience to users regardless of the device they use. Third challenge is with respect to adapting to evolving mobile technologies. Mobile technologies are continuously evolving, introducing new features, capabilities and trends. Marketers must stay agile and adapt their strategies to leverage emerging technologies effectively.

This includes keeping pace with changes in mobile applications, augmented reality, virtual reality and other innovative tools that can enhance the mobile user experience. Failure to adapt to evolving technologies may result in missed opportunities and a less competitive position in the market. Marketers need to stay informed about industry trends and be prepared to incorporate new technologies into their mobile marketing strategies. Navigating these challenges that we have discussed requires a strategic and proactive approach. Service providers that prioritize data privacy, address device fragmentation and stay abreast of emerging technologies position themselves to overcome the hurdles and capitalize on the vast opportunity offered by mobile marketing.

Successful mobile marketing strategies are built on a foundation of trust, adaptability and deep understanding of the ever-changing mobile landscape. Now let's look at some future trends in mobile marketing. There are on priority three trends that are shaping the world of mobile marketing. Number one, augmented reality and its integration into mobile technology. Second, increasing use of voice search from customers and third and finally evolution in technologies like 5G, 6G and so on that is going to enhance the connectivity.

Let's discuss this one by one. First is augmented reality integration. Augmented reality or AR is poised to play a significant role in the future of mobile marketing. AR integrates digital transformation and experiences into the real world environment, providing users with immersive and interactive content. Marketers can leverage AR to create engaging campaigns, allowing users to visualize products in the physical space before making a purchase. From virtual try-on experiences to interactive advertisements triggered by physical objects, AR enhances user engagement and creates memorable brand interactions.

Second upcoming trend is with respect to voice search optimization. The rise of voice activated devices and virtual assistants have led to the growing importance of voice search optimization in mobile marketing. With the increasing use of voice commands on smartphones, smart speakers and other devices like Alexa and so on, service providers need to optimize their content for voice search. This includes tailoring keywords, creating conversational content and ensuring that information is presented in a format that aligns with voice search queries. Voice search optimization enhances accessibility and improves the visibility of brands or service provider in the evolving landscape of search behavior.

And the next trend deals with 5G technology and enhanced connectivity. The widespread adoption of 5G technology is set to revolutionize mobile marketing by providing faster and more reliable connectivity. With increased download speeds and reduced latency, 5G opens up a new possibilities for delivering high quality real-time content. Marketers can explore richer multimedia experiences such as high definition videos and augmented reality applications without compromising on performance. Enhanced connectivity through 5G will enable more seamless and engaging mobile experiences, allowing marketers or service providers to push the boundaries of creativity in their campaigns.

These future trends in mobile marketing highlight the dynamic nature of the industry and the need for service providers to stay ahead of technological advancements. Embracing innovations like augmented reality, optimizing for voice search, and even leveraging the capabilities of 5G technology will empower service providers to create cutting edge and impactful mobile campaigns, providing users with immersive and personalized experiences. As technology continues to evolve, staying attuned to emerging trends will be crucial for staying competitive in the mobile marketing landscape. So in this session, we tried to evaluate and understand the significance of mobile marketing and even locationbased services to be used for promoting services in general. Thank you.