

Mobile Marketing Case Studies

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16 Case Studies From Real Businesses on Mobile marketing, Text and SMS, Mobile Web Sites, QR Codes, and more!



Reach your customers any time, anywhere, with their preferred method of communication.

With mobile marketing, you can! Over five billion people across the world own a mobile device. That's 77% of the world's total population. If you're not using mobile marketing, you're missing out on a huge communication opportunity.



But we know you want to do more than communicate with customers for communication's sake. You want to meet your goals, exceed your benchmarks, and increase revenue. This Mobile Marketing Case Study Guide shows you how sixteen different businesses did exactly that utilizing mobile marketing.

Whether your goal is more sales, better customer retention, or a better return-on-investment for advertising dollars, mobile can help.

Why is mobile such a powerful tool for small businesses, even more so than the internet as a whole?

The answer is personalization and localization. Services like SMS text messaging allow you to communicate with your



customers directly and on a personal level thereby increasing brand affinity and relevance.

Meanwhile, smartphones have added a layer of localization to the internet. A smartphone can detect where a user is in physical space and serve the end user relevant information based on that location.

Read on to find out how 16 businesses were able to use these two concepts to increase their profits and customer loyalty.



Text Message Marketing

Did you know that the average adult sends over 500 text messages per month?

Or that smartphone users are more likely to use the text messaging feature of their phone than the voice calling feature?



Did you know that 90% of all text messages are read within three minutes of their delivery?

Given these statistics, text messaging is quickly becoming one of the preeminent methods for keeping in touch with existing customers and attracting new ones.

How does text message marketing work though? The technology is actually simpler than a lot of business owners realize. A business signs up with a text message provider who assigns them a phone number, often called a short or long code. Customers can then text a designated word, usually called a keyword, into that number to subscribe to that business' text message list. The business can then automatically send the customer text messages.

What types of text messages can you send to customers? The options are nearly limitless! You can send coupons,



information, invitations, special alerts, and much more. With the emerging technology of multimedia messages (MMS), you can even send photos and videos. The only caveat to remember is that each text message can only contain 160 characters, so you must be creative with your text.

On the following pages, you'll read how four different businesses across a variety of industries were able to meet their goals and achieve additional income by utilizing text message marketing.



Industry: Retail- Clothing

Objective: Form a mobile loyalty program to increase brand engagement and profits.

Summary: Maurices is based in Duluth, Minnesota and has over 700 stores throughout the United States. The store's main demographic is females between the ages of 16 and 35.

With the goal of driving more engagement amongst customers, Maurices launched Mobile Style Club, a mobile based loyalty program with exclusive discounts and content for anyone who signed up. Users also were given the opportunity to text a Maurices employee who would give them a personalized response.

To sign up for the Club, users were instructed to text a keyword into a shortcode number. Once they signed up for the club, they were texted back a coupon for 20% off any instore item. Maurices promoted the Mobile Style Club through in-store advertising, on their website, on Facebook, and through direct mail.

Results: During the first four months of the program, Maurices received over 20,000 opt-ins to the Club. The 20% off any one item coupon had a redemption rate of 60%. On average, users spent over \$70 when redeeming the coupon. Over the



course of four months, the Mobile Style Club was directly responsible for more than one million dollars in sales.

Maurices also noted that the Style Club led to increased engagement with their customers through text polling.



Industry: Home Appliances/ Education

Objective: Increase enrollment in cooking classes

Summary: Viking Range Corporation's main business is manufacturing professional grade home kitchen appliances, but to bolster their reputation within the foodie and cooking community, Viking also hosts cooking classes near their corporate headquarters in Mississippi.

Viking put a widget up on their website encouraging prospective and current cooking class students to join their text message mailing list. When a class is running low on enrollments, they text the mobile list to let them know there are last minute spots still available in the class.

Results: One recent SMS text message blast resulted in 8 additional enrollments in a cooking class. With a class price of \$79.00, those additional cooking class sign ups accounted for \$632 in additional revenue just for that week's class.

That one week increase in revenue does not include the additional benefit of the lifelong customer value gained by each of those new sign ups. Customers who attend Viking cooking classes are ultimately more likely to be continuous buyers of Viking appliances and are more likely to tell their friends and associates about the Viking brand.



Industry: Nightclub

Objective: Increase attendance at special DJ nights

Summary: Pacha is a nightclub in Manhattan.

To encourage guests to sign up for their text message list, Pacha utilized in club signage at their bar and in their bathrooms. Customers were instructed to type in a keyword to a short code number to be invited to exclusive DJ parties.

Within the first three weeks of their campaign, Pacha collected over 2,000 opt-ins to their text message list. During the third week of the campaign, Pacha sent out their first text message inviting customers to attend a DJ night with a special promotion for anyone who showed the doorman the text message. Women received free entrance to the club, men were given a reduced entrance rate of \$15.

Results: 440 people used the text message promotion to enter the club. 240 men entered the club creating a door income of \$3600. With the average customer spending \$20 on drinks, bar sales from the 440 patrons resulted in an income of \$8800 for a total of \$12,400 in income directly attributable to the text message invites.

Pacha continues to encourage people to sign up for their text



messaging list in the club itself but now also collects email and text message sign ups through their website and on Facebook.



Industry: Restaurant

Objective: Increase general sales and build brand affinity.

Summary: Jamba Juice is a quick service restaurant with locations in twenty-six states. While a variety of foods are available at the restaurant, sales lean heavily towards smoothies and fruit based beverages. This promotion was tested in four independently owned Jamba Juice franchises in the San Joaquin Valley California region.

Jamba Juice customers were offered a coupon to buy one 16 ounce smoothie and get a second smoothie for free. In order to receive the coupon customers needed to text in the keyword "Jamba" to a shortcode. The restaurant used in store signage at points-of-sale and advertised the coupon on their Facebook and Twitter accounts. Followers and fans of these social media accounts were encouraged to share the coupon promotion with their friends.

Results: The coupon was directly responsible for a ten percent increase in store traffic.

The four Jamba Juice locations continued to send promotions to their text list twice a week, resulting in a steady increase in profits.



Location-Based Services

Imagine for a moment that your customer is walking down the street nearby your business, looking for someplace to shop or eat.

Suddenly, their phone beeps letting them know that a



business on that street is offering a special deal on exactly what they're looking for. It may sound like a science fiction movie, but that technology is now available with locationbased services.

Location-based services use technology to determine a person's physical location based on the signal being emitted from their cell phone or mobile device. The services can then deliver relevant information to the consumer based on their location.

The most popular location-based service as of 2012 is called Foursquare. With over twenty million users, it is also one of the most popular phone apps and social networks around.

Foursquare has four main functions:

- It allows users to discover new businesses near them.
- It allows users to "check-in" or share their location with their friends in order to earn certain rewards, such as a



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coupon or a badge (a sort of graphic trophy).

- It allows users to see where their friends are in real time.
- It allows businesses to advertise their business by offering coupons or prizes for users who check-in.

Below you'll find case studies from two real restaurants that used Foursquare's location-based service technology to attract customers and increase business.



Industry: Restaurant

Objective: Attract new customers.

Summary: Angelo & Maxie's is a traditional steakhouse in Manhattan.

Using Foursquare as a coupon distribution point, the steakhouse offered a free dessert with the purchase of any entree. All customers needed to do was check-in at Angelo & Maxie's on Foursquare and show the check-in to their server.

People were alerted to the coupon by the Foursquare application when they were physically close to Angelo & Maxie's Gramarcy location. The steakhouse also prominently displayed a Foursquare cling-on in their window, alerting people passing by on the street that there was a special deal available for Foursquare users.

Results: The special ran for 45 days and Angelo & Maxie's attributed \$18,000 worth of sales directly to the coupon.

60% of all check-ins during the promotional period were from people who had never checked into Angelo & Maxie's on Foursquare before.



Industry: Restaurant

Objective: Increase community awareness of AJ Bombers and help AJ Bombers customers achieve a hard-to-earn badge on Foursquare.

Summary: AJ Bombers is a quick service restaurant based in Milwaukee, Wisconsin.

The owner, Joe Sorge, knew that the "Swarm Badge" on Foursquare would be particularly difficult for most Milwaukeeans to earn since it requires that 50 Foursquare users be checked into the same location at the same time. Joe decided to throw a party at AJ Bombers with the objective of gathering enough people at the restaurant so that everyone who checked in would earn the Swarm Badge. He promoted the swarm party primarily through Facebook and Twitter.

Results: The company increased their business that day by 110%, garnered over 100 mentions on Twitter, and subsequently earned national and local press, including a write up in the *Wall Street Journal*. They also were the first place in the Midwest region to have a swarm on Foursquare.

AJ Bombers continued using Foursquare to promote various menu items and events at their restaurant. Over time they noted a 30% increase in sales for the menu items specifically





Mobile Advertising

Mobile advertising is one of the best ways to get your marketing message out to a targeted audience.

With mobile advertising, you can advertise on a multitude of



channels, including in apps, on mobile websites, mobile video, or even on Google Adwords.

Best of all, mobile users pay attention to mobile ads. 89% of mobile phone users in the United States reported that they noticed ads while on their phone. Consumers between the ages of 18 and 29 were the most likely to notice mobile phone ads across all mediums with 93% noticing mobile ads. Users were most likely to notice mobile ads while on a mobile app or website.

There are a few important points to remember when advertising on a mobile device. One, click-thru is strongest when your ad is highly relevant to the user so be sure to target your ads geographically, by age, or by interest. For example, an app about local food would be an excellent place to advertise your restaurant, whereas advertising in a general game application may earn you a few clicks, but is far less likely to generate revenue.



Second, you must have a great call-to-action in your mobile ad. Ads that tell a consumer what to do next (for example--"Click-to-call", Click here for 20% off your next oil change, Call Us at 123-456-7890 to setup your appointment) convert better than ads without a call-to-action. You may even want to offer more than one call to action (for example-- "Click here or call") in order to ensure the best results.

Here are two examples of companies that used these principles effectively to create winning mobile advertising campaigns.

Company: Wyndham Hotel Group

Industry: Hospitality

Objective: Increase hotel bookings through mobile advertising

Summary: A division of the Wyndham Hotel Group, the Days Inn Business Alliance, sought to increase bookings at their 60 US-based hotels through mobile advertising.

Days Inn decided to place ads within a location-based app known as Poynt. Poynt is a free app that detects a users location and makes recommendations for restaurants, gas stations, hotels, and other businesses nearby the user. Poynt also offers location-based coupons.

Poynt users who searched for a nearby hotel were shown a



display ad offering 15% off a 2-night stay at the Days Inn. Once the ad was clicked on, users were given the option to book a hotel online or could "click-to-call" so that when the phone number was pressed, a call would be automatically placed to the Days Inn reservation desk.

Results: Over the course of two weeks, the Poynt advertisement was directly responsible for 36 booked room reservations resulting in \$2000 worth of revenue.

Days Inn discovered that mobile advertising exceeded the conversion rate of standard website banner advertising with a click-thru rate of 5% and a redemption rate of 42%, 10 times the industry average for coupon redemption.

Company: Dunkin Donuts

Industry: Restaurant

Objective: To promote sales of a latte coffee beverage.

Summary: Dunkin Donuts is an internationally known coffee and pastry fast food restaurant chain. This particular promotion debuted in the Boston area, near the corporate headquarters of Dunkin Donuts.

Over the course of one month Dunkin Donuts ran over 40,000 geographically targeted mobile banner ads on websites local to the Boston area. The mobile ads advertised a coupon for a



99-cent latte (normally priced above \$2.00).

In addition to advertising on mobile sites, Dunkin Donuts also partnered with local radio stations to promote the coupons once a week by having DJs advise listeners to type in a keyword to a shortcode to be sent a coupon via SMS text.

Results: There was a 21% increase in store traffic directly attributable to the coupon.

35% of all people surveyed indicated that they'd be more likely to purchase a coffee or latte from Dunkin Donuts after receiving the coupon.

The mobile opt-in list added 7500 new contacts.



Text Message Appointment Reminders

Studies by Bain & Company Consulting Group show that a 5% increase in customer retention can increase a company's total profits by 75%. There are several steps a business can take to increase



customer retention, but one of the best ways is by simply reminding your customers to come in for their appointments or to return for future service.

Depending on the industry, no show appointments can account for 8 to 20% or more of all appointments. This is a major loss of revenue and can even represent a liability risk in the medical and dental fields.

Phone appointments or mailed appointment cards can curb no show appointments, but people simply aren't as responsive to these communications methods as text messages. In fact, 97% of text messages are read compared to 1% of all direct mail messages and 23% of all emails. Because of that fact, many companies have found that they're able to improve their no show appointment rate even further when they switch to text message appointment reminders.

Keep in mind, you don't need to have scheduled appointments for mobile appointment reminders to be incorporated into your business. If your clients should have a service done at a



certain time, mobile reminders are a great way to gently remind them that they're due for service as well.



Industry: Automotive

Objective: To increase customer retention.

Summary: Mobile1 Lube Express is a national company, but this promotion was run by one shop in Willow Grove Pennsylvania.

Customers were encouraged to sign-up for customized oil change reminders and were given the opportunity to receive reminders by direct mail, email, or text message. To sign up for a text reminder, customers were asked to text their license plate number into a shortcode. In addition to text opt-in, users could also go to the Willow Grove Mobile1 website to sign up for the reminders.

Customers were given cards during their oil change with directions explaining how to sign up for the reminders.

Results: 32% of the customers who signed up for the reminder system chose to be notified by text message.

35% of all customers who received a text message reminder came in for a second oil change service within 45 days. This compared to a 21% response rate for mailed cards.

On average, customers who received text message reminders



spent 14.3% more than customers who had not received a reminder. They also returned 8 days sooner than an average customer.

Based on these results, Express Lube decided to retire their direct mail appointment reminders to focus on text and email reminders.



Industry: Healthcare

Objective: To reduce missed patient appointments.

Summary: Kaiser Permanente is a managed healthcare consortium with medical clinic facilities in nine states across the United States. This particular study took place at one clinic in California.

An average doctor's office has a missed appointment rate of 8%. No-show appointments can account for a substantial decrease in office revenues, as well as creating a host of liability issues. With this in mind, Kaiser Permanente knew they needed to find new and innovative way to remind patients about their upcoming doctor's appointments. With a 97% open rate, the managed care organization knew that text messages were one of the most effective ways to connect with patients.

In the first month of utilizing the service, Kaiser Permanente sent out nearly 33,000 text message appointment reminders. The messages were sent out the same time each day on the day before the patient's appointment.

Results: There were over 1,800 fewer missed appointments during the first month of the study. The clinic produced an additional \$275,000 worth of revenue due to these



Kaiser Permanente subsequently rolled out the appointment reminder system in other clinics and continues to realize cost savings due to a dramatic decrease in missed appointments.



Mobile Websites

With mobile internet usage set to surpass computer internet usage, it's important to ensure that your website is fully compatible with a range of mobile devices. A full 25% of all Americans browse solely on mobile devices, a number that is expected to grow in the future, especially amongst younger consumers.



Even if your website is currently viewable on a mobile phone, it may look disorganized and be difficult to navigate, which can lower conversions and cause people to leave your site in frustration. When you optimize for mobile, it will be easier for people to navigate your site and see the information their seeking, thus making it much more likely that they will actually take action.

Consider the statistics recently gathered by Google: 69% of all smartphone users have looked up directions on their phones. 50% search for restaurant and bar locations nearby. 59% search for products to buy. 54% use their phones to research before they arrive at a store. Given that so many people are actively looking to make decisions on where to do business while on their smartphone, can your business afford to loose their patronage just because your website doesn't show up properly on their phone?



Below you'll find two great examples of companies that were able to increase their profits and retain customers by making a few simple changes to their mobile websites.



Industry: Event Tickets

Objective: To increase conversions on mobile ticket sales.

Summary: TicketsNow.com is a ticket resale site where consumers can buy and sell tickets to concerts, sporting events, and other ticketed events.

Although the desktop version of TicketsNow.com was viewable on smartphones like the iPhone and Android devices, the site was disorganized, hard to navigate, and difficult to view on a small screen. With 25% of all online ticket sales taking place on a mobile device, TicketsNow decided to implement a mobile website to increase conversions on mobile sales.

TicketsNow decided that for their mobile site, they'd eliminate unnecessary website elements and make it easier for users to search for the tickets they want. A more streamlined checkout process was also devised for mobile users.

Finally, the ticket website used Google Adwords to specifically target mobile users.

Results: Sales grew by 100% with mobile conversion rates increasing by 50%.



As an additional benefit, TicketsNow was able to earn 30% more return-on-investment on their Google Adwords spend by specifically targeting mobile users and directing them to the mobile site.



Industry: Restaurant

Objective: To make it easier for customers to view information about Taco Bell while outside of the home.

Summary: Taco Bell is a Tex-Mex themed fast food restaurant with venues throughout the world.

With over half of all US-based cell phone users reporting that they search for information about restaurants while on their phone, Taco Bell knew it was important to provide a website that was easily accessible and understandable on mobile devices. The desktop version of the Taco Bell website was designed in Flash, which isn't supported by many mobile devices. It was also poorly organized when viewed on a smaller screen. Due to these problems, analytics revealed that many users on mobile phones were leaving the Taco Bell website after only a few seconds.

Taco Bell decided to par down the website to the elements that would be essential to consumers on the go. The mobile website focused in on providing menu and nutritional information and also included a store finder. The site was entirely coded in HTML, a computer language easily understood by all web-enabled mobile devices.

Results: One month after implementing the mobile site, the



mobile traffic to Taco Bell's website doubled.



QR Code Marketing

QR Codes, also known as quick response codes, are barcodes that can be read by your phone.

Invented in Japan during the 1990s, QR codes are just coming to the United States, but already have a high recognition rate



amongst mobile phone users. In fact, QR code usage grew by 617% over the course of 2011.

Here's how a QR code works: Web-enabled mobile phone users use a QR code reading application to take a picture of the code.

On some mobile phone systems, like Blackberry, this technology is built directly into the phone. For users of Android or the iPhone, the user must download an app.

Once the photo is taken of the QR code, it can then perform numerous actions, such as redirecting the user to a particular website, sending out a text, or downloading information to the user's phone.

To see an example of how a QR code works, you can scan the QR code below with a smartphone, using an application like Google Goggles, to be brought to the Google homepage.





Next, how two companies made creative use of QR codes to boost their profits and create a viral buzz about their products.



Industry: Bar

Objective: Keep customers coming to the bar for more beer and save money and time on menu creation.

Summary: Scotty's Brewhouse is a bar and restaurant with six locations across Indiana. They are primarily a sports bar selling microbrew beers.

With an ever changing selection of microbrews available on their bar menu, Scotty's was finding it difficult to keep customers up-to-date on their latest beer offerings. It would often take four to six weeks for them to completely update, proof, copy, and produce their paper based menus.

Scotty's decided to offer an instantly downloadable version of their beer menu which could be updated at any time. To get people to download the menus, they printed beer coasters with a QR code on them and below the QR code wrote, "Your smart phone wants to see our beer list." They also displayed the QR code on their Facebook page, on fliers, and in emails.

Results: Scotty's Brewhouse can now instantly update their menu and send the new menus directly to people's phones, which entices customers to come in and check out new beers.

They've also been able to save time and money by printing



Company: Evo2

Industry: Retail- Telecommunications

Objective: Increase sales within a constrained time period and build brand awareness.

Summary: Evo2 is a Verizon Wireless Premium Resller store with multiple retail outlets in the San Francisco Bay area of California. They specialize in selling mobile devices to be used on the Verizon Wireless network.

Evo2 came up with a unique viral QR code giveaway to entice people into sharing the Evo2 brand on their Facebook wall while simultaneously promoting sales. Customers at Evo2 were encouraged to scan a flyer with a QR code on it which led to a Facebook application. The Facebook application shared a message on the scanner's Facebook wall that promoted Evo2 to their friends. Everyone who scanned the QR code and posted a message on their Facebook wall received a free phone if they also bought a 2-year service plan. Additionally, if one of their friends bought a phone due to the Facebook promotion, both the person who scanned the code and the friend received a \$25 credit.

Results: Over a seven day period Evo2 experienced a 200% increase in revenue allowing them to exceed their sales quota



In addition, the sales message was shared on over 25,000 Facebook walls giving Evo2 a massive amount of brand exposure within the San Francisco area and around the world.

Facebook Integration

With nearly 1 billion users worldwide, Facebook has become the premiere social media site for small businesses worldwide. Some businesses have even gone as far as giving up their websites in order to focus exclusively on Facebook. But can you combine Facebook and mobile to reach consumers at the two places they're gathering most?

These two case studies demonstrate how companies can use mobile technology to reach out to Facebook users, increasing cross-channel communications to better serve their customers and increase brand affinity.

The goal to keep in mind here shouldn't just be to simply "increase Facebook fans". Instead, you should focus on specific goals and benchmarks you'd like to achieve once you begin gaining fans from your mobile efforts. Remember, it doesn't matter how many Facebook fans you have. What's important is that you are able to motivate your fans to take action with your business whether that means calling in for more information, buying a product, or spreading your message online.



If you already have a Facebook page and are just beginning to setup a mobile marketing program, you may also want to consider how you can use Facebook to convince people to participate in your mobile marketing program, thus allowing you to reach them on two communication channels.



Industry: Food and Beverage

Objective: Obtain more likes on Facebook and increase awareness of Skinny Water in the Philadelphia area.

Summary: Skinny Nutritional Corporation is a publicly traded company that sells a flavored vitamin infused water known as Skinny Water. They are based in Pennsylvania, but Skinny Water is sold internationally.

Skinny Water placed shelf displays in the beverage aisle at multiple Walgreens in the Philadelphia area. The shelf display encouraged customers to text the keyword BEATS into a short code in order to be entered into a prize drawing. Customers could also scan a QR, or quick response code, printed directly onto the display. Upon scanning the code, the user would automatically send a pre-programmed text message to the contest. Prizes ranged from a free MP3 downloads to a \$100 gift certificate to Walgreens.

Once the customer entered into the contest, they'd be sent back a SMS text message encouraging them to "like" Skinny Water on Facebook.

Results: Over the course of one month, Skinny Water increased their Facebook fan count by 1300 and received over 2100 new subscribers on their SMS list.



Company: Aerie by American Eagle Outfitters

Industry: Retail- Clothing

Objective: To increase Facebook likes and strengthen brand engagement across multiple channels.

Summary: Aerie is a sub-brand of American Eagle Outfitters that specializes in intimate apparel for women. Aerie products are sold online and in American Eagle Outfitters stores, as well as at over 100 stand alone stores throughout the United States.

For the past several years Aerie has spent time developing an opt-in SMS text message list. However, Aerie desired to increase brand engagement on Facebook as well in order to reach consumers on multiple channels. To this end, Aerie sent a text message to their mobile opt-in list offering a coupon for free shipping on online orders to anyone who liked Aerie on Facebook. The coupon was time constrained so that consumers would be inspired to "like" Aerie immediately upon receiving the message.

Results: In the month following the campaign, Aerie received over 40,000 additional Facebook likes allowing them to better connect with customers through a variety of advertising mediums.



So What's Next?

Come check out what Brick Road Media can do for you by clicking here and viewing samples of our work.

Then <u>contact us</u> and we'll be happy to go over everything with you over the phone with a free needs assessment.

We have a solution to fit every size business and budget!



