



# MOBILE MARKETING PRIMER FOR 2017

Analysts: Mike McGuire, Charles S. Golvin, Adam Sarner

# SUMMARY

Mobile marketing techniques enable marketing leaders to engage audiences at any time and virtually any place. Identify your mobile marketing type, erect a mobile marketing analytics foundation, and build the skills and technology stack to develop a connected mobile marketing strategy.

## Scope

Effective mobile marketing balances targeting audiences with gathering data on how mobile device use informs marketing strategy, which is critical to successful multichannel marketing teams.

Gartner's mobile marketing research helps you:

- Make the case for turning mobile into the great connector of a marketing team.
- Determine whether a “mobile extender” or “mobile-centric” approach best suits your organization.
- Navigate the complex and varied landscape of mobile-focused technology providers.
- Develop and manage the drive to real-time engagements.



**By 2018, more than 50% of customers will use mobile first for all their online activities.**

Published: 6 January 2017  
ID: G00318262

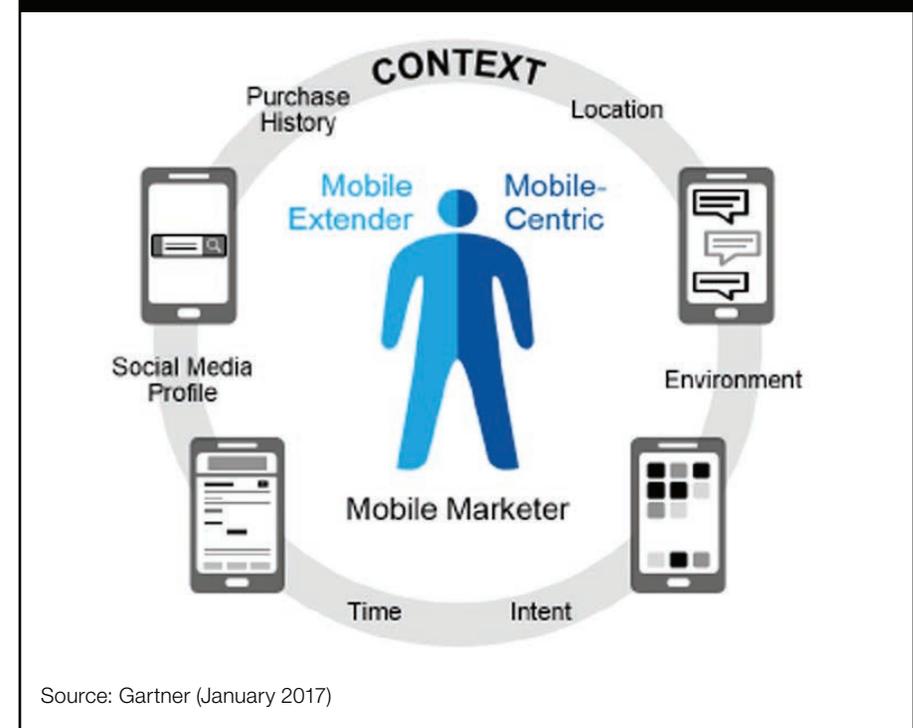
# ANALYSIS

View your mobile marketing strategy as a process of blending technologies and techniques that enable you to reach customers and prospects at any moment throughout the purchase and ownership cycle. Mobile devices, smartphones in particular, are sensors and conduits of contextual information such as location. They also provide insight about preferences and interests gleaned from a customer's or prospect's social media engagement, and online and offline purchases. Also, these devices indicate how customers and prospects use search and discovery tools, which helps you identify and respond to signals of purchase intent.

Successful mobile engagements, whether continuous or episodic, begin with affirming how customers or prospects want to engage via their mobile device. Take advantage of key data elements offered through mobile interactions — location, time, and a user's social and physical world connections (places) — then layer them with insights that emerge from and extend beyond the mobile channel. Elements such as purchase intent — signaled by searching and browsing on sites or within apps — or purchase history allow you to personalize experiences beyond knowing where someone is, or the conditions or stimuli around them. These elements may be the most important contributors to a successful interaction.

Without a clear and definitive mobile strategy based on a solid understanding of your customers' mobile preferences — gleaned via investments in mobile marketing analytics — the mobile device's unique capabilities can also create the risk of delivering a negative experience. This is because of the real-time and potentially intrusive nature of this medium.

Figure 1. Mobile Marketing Overview



## Top Challenges and How Gartner Can Help

Designing and implementing an effective connected mobile marketing strategy requires identifying the necessary internal and external resources — people, processes and technologies. A foundation of analytics is the prime characteristic of such a strategy, which ensures that mobile marketing efforts can activate, or be activated by, other elements in the marketing organization. Our research helps marketers answer the following key questions.

### How do I make a case for mobile marketing?

Marketing leaders — some carrying a mobile-specific title, some as marketing engagement or marketing growth specialists — are frequently challenged to justify investments in mobile marketing. Put simply: If you shortchange outlay in mobile marketing analytics, then you will not realize your objectives. Without a firm basis in analytics, you will be unable to refute others' skepticism about mobile's contribution to your overall marketing goals.

Companies in the hospitality, ticketing, retail and transportation industries are generating significant revenue by focusing on enabling specific functionality — straightforward, frictionless transactions or discovery. Analytics often reveal the best opportunities to create meaningful engagement.

Leading mobile marketers, such as Live Nation Entertainment and Starbucks, emphasize the use of analytics to obtain customer insights that enable them to optimize mobile engagements and drive real business value. Live Nation, the live-events producer and ticketing company, has repeatedly noted in financial results and at industry conferences that its investments in mobile apps and digital marketing have increased fan engagement and improved the purchase flow in the mobile channel. The company noted in recent financial disclosures that 27% of total

ticket sales now take place on mobile devices.<sup>1</sup> Starbucks executives noted in March 2016 that the company's mobile app accounted for 21% of all transactions at its Starbucks-owned stores.<sup>2</sup> What's the common link? Focusing the app's functionality of convenient, reliable, timely transactions or content delivery. Marketers must traverse the mobile analytics and emerging mobile platform landscape, continually refine their engagement approach, and prove that mobile interactions have a direct link to the bottom line.

### Planned Research

- How to “get” mobile — Harnessing mobile marketing's power requires more than a mobile-friendly website or app. Use this research to gain the strategic and tactical insights designed to build a strong mobile marketing foundation in your marketing team. Included will be information on analytics, techniques and mobile marketing platforms.
- Develop a mobile marketing approach for big and small changes — Marketing leaders focused on mobile need to avoid a set-and-forget mindset with their mobile marketing strategies. We will highlight best practices and insight to evolve your approach for consumer behavior and technology evolution.

## Which approach will best fit my marketing requirements: mobile extender or mobile-centric?

These two strategic archetypes describe high-level approaches that use mobile marketing techniques and technologies to connect and create dialogues with prospects and clients. Too often mobile marketing strategies are nothing but a collection of tactics or techniques. Gartner defines the two types as follows:

- Mobile extenders' primary mobile engagements are in the form of adaptations of desktop interactions — via web presence, advertising and search. Mobile does not enable a unique form of connection to customers and prospects, but rather extends their existing connections to a different form factor.
- Mobile-centric marketers take advantage of the distinct capabilities of mobile devices and engage their customers and prospects in a unique and compelling way that is not possible using techniques derived from the desktop. For example, an app that combines real-time location information and a customer's preferences to give a personalized view of a store's specials as the customer approaches the storefront.

Mobile extenders are not automatically “behind the innovation curve” nor are mobile-centric marketers automatically on the cutting edge when it comes to mobile marketing techniques. However, extenders need to caution against complacency and avoid taking a “set-and-forget” approach. The mobile-centric camp needs to guard against “bright shiny object” syndrome. A lack of vigilance in avoiding these pitfalls will likely yield negative outcomes.

Beyond identifying which mobile marketing archetype aligns with your organization's strategy, be clear about the maturity of mobile technologies and the advanced state of consumer adoption of mobile devices. Few techniques or engagement modes are beyond the reach of a skilled digital

marketing team that's been attentive to and capitalizing on mobile. Multichannel experience and flexibility will prove far more valuable to teams than any mobile technology or marketing specialization.

Gartner helps you define a successful mobile marketing strategy that offers a ladder of interactions for your customers and prospects to climb: They choose the rung that best suits their needs based on context. A B2B marketer typically deals with longer sales cycles, a smaller customer base and products with complex manufacturing or distribution requirements, compared with a B2C marketer of consumer packaged goods or a media company. Gartner helps you jump-start this process by identifying the proven techniques, technologies and vendors that map to your chosen mobile marketing strategy.

### Planned Research

- Best practices for defining your mobile marketing strategy — Mobile marketing solutions range from narrowly focused point solutions to multifaceted marketing clouds. We help you find the right tools and techniques for making mobile the connector of a multichannel marketing team.
- Expanding the role of mobile messaging and mobile wallet in your marketing strategies — Use our research best practices to understand how focusing on mobile can bridge mobile extender and mobile-centric approaches.

## How do I mobilize my brand to deliver real business value via mobile marketing?

A company's mobile value proposition should extend beyond treating mobile as just a channel. Understanding how a mobile engagement or experience embodies a brand's value proposition is crucial to success, particularly in the development of a complete customer experience.

Mobile can serve two roles within a marketing team:

- A complement to other channels, such as email, search marketing, social marketing and digital commerce
- An amplifier of these channels

Marketing activities that are adjacent to a transaction, such as coupons, promotion, loyalty and resell/upsell, previously stood independently. Now, with these elements potentially integrated into the transaction via the mobile device, and the emerging engagement models enabled by new technologies such as Bluetooth beacons and the Internet of Things, you must be able to tie these together seamlessly. Exploit mobile's ability to link to and activate the engagement points controlled by peers in multichannel, social, email and web marketing teams.

## Planned Research

- Engaging customers in mobile throughout the buy-own-advocate cycle — Customers and prospects use their mobile devices at all stages of their purchase and postpurchase journeys. Look to our research for best practices for exploiting the power of mobile payments and mobile wallets.
- Mobile marketing maturity — Marketing leaders know that the maturity and effectiveness of their mobile marketing efforts comes with time and effort, not simply purchasing a new tool. Use our assessment tools and guidance to understand how to advance from level to level on a multistage maturity model and help your marketing teams evolve their mobile efforts.



**Understanding how a mobile engagement or experience embodies a brand's value proposition is crucial to success.**

## How do I leverage real-time engagement?

The best marketing strategies use analytics to ensure their campaigns are hitting the key performance indicators defined by management. Mobile marketing is no different. Predictive analytics and location data management tools are two of the most alluring and important capabilities for mobile marketers. Effectively anticipating customer or prospect needs/wants and being able to leverage location information to deliver the most relevant and compelling offers can make the difference between also-ran mobile marketing efforts and the kinds of campaigns and engagements that can move the needle on marketing's effectiveness and business results.

The widespread availability of mobile marketing analytics solutions and digital marketing hubs puts the insights necessary to measure the effectiveness of your mobile marketing strategies and tactics within easy reach (see [“Market Guide for Mobile Marketing Analytics, 2015”](#)). Whether looking for mobile web analytics or app analytics, these solutions are critical to understanding how to meet the customer or prospect on their terms. Why send a discount when relevant, value-added content will do? Mobile analytics help inform the timing and targeting of mobile offers and experiences.



**Predictive analytics and location data management tools are two of the most alluring and important capabilities for mobile marketers.**

## Planned Research

- Using new forms of real-time engagement — Our research will identify messaging technologies and how they enable real-time and contextually aware dialogues with customers and prospects. Use this research to best develop your company's mobile messaging profile.
- Measure for success — Marketing leaders, particularly those focused on mobile marketing, face the challenge of proving the business value of their efforts. Use our research on identifying mobile marketing analytics providers, location data management and contextual data providers to ensure your mobile marketing efforts are always quantified.

## Related Priorities

Table 1. Related Priorities

Priority	Focus
Marketing Technology and Emerging Trends	How brands engage with people and their devices is transforming the customer journey.
Customer Experience	Customer experience (CX) management is the practice of designing and reacting to customer interactions so as to meet or exceed expectations and increase customer satisfaction, loyalty and advocacy.
Multichannel Marketing	Multichannel marketing constitutes continual, orchestrated engagement across digital and traditional customer touchpoints.
Digital Commerce	Digital commerce involves the use of digital marketing technology, techniques and channels — together with data-driven insights and digital content — to drive commerce revenue.
Advertising	Advertising now encompasses the creation, delivery and orchestration of precision-targeted marketing messages across channels and in real time.

Source: Gartner

# GARTNER RECOMMENDED READING

## Suggested First Steps

[“Maturity Model for Mobile Marketing”](#)

[“Two Types of Mobile Marketers: Which One Are You?”](#)

[“Mapping the Mobile Customer Decision Journey”](#)

## Essential Reading

[“Market Guide for Mobile Marketing Analytics”](#)

[“Mobile Marketing Strategic Insight — Stop the Debate About Native App or Mobile Web”](#)

## Representative Analysts

[Mike McGuire](#)

[Charles Golvin](#)

## Evidence

<sup>1</sup> [Live Nation Entertainment’s Form 10-Q](#) for first three quarters for 2016.

<sup>2</sup> [“Starbucks Takes Its Pioneering Mobile-Phone App to Grande Level”](#)  
Bloomberg Technology, 30 March 2016.

© 2017 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. or its affiliates. This publication may not be reproduced or distributed in any form without Gartner’s prior written permission. If you are authorized to access this publication, your use of it is subject to the Usage Guidelines for Gartner Services posted on gartner.com. The information contained in this publication has been obtained from sources believed to be reliable. Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information and shall have no liability for errors, omissions or inadequacies in such information. This publication consists of the opinions of Gartner’s research organization and should not be construed as statements of fact. The opinions expressed herein are subject to change without notice. Although Gartner research may include a discussion of related legal issues, Gartner does not provide legal advice or services and its research should not be construed or used as such. Gartner is a public company, and its shareholders may include firms and funds that have financial interests in entities covered in Gartner research. Gartner’s Board of Directors may include senior managers of these firms or funds. Gartner research is produced independently by its research organization without input or influence from these firms, funds or their managers. For further information on the independence and integrity of Gartner research, see “Guiding Principles on Independence and Objectivity.”

# ABOUT GARTNER FOR MARKETERS

## Digital has redefined the role of marketing, adding new players and creating bigger complexities

Gartner for Marketers helps you get up to speed on and stay smarter in the eight marketing areas that matter most: social, mobile, multichannel and data-driven marketing, digital commerce, customer experience, marketing management, and emerging marketing technology and trends. Our clients say that they use our real-time, expert advice and objective research, data and tools to:

- Target the right audiences
- Choose the right channels
- Quickly shortlist marketing and technology providers
- Stay informed on market and competitors
- Save time and avoid costly mistakes

Gartner helps companies improve their business results through the use of technology. Our independent research and advice is trusted by business and technology leaders in more than 10,000 distinct enterprises around the world.

Visit [gartner.com/marketing](https://gartner.com/marketing) to learn more.