



8 in 10 mobile users open to SMS marketing and promotions

Advertisers missing out on key marketing opportunity through misperception of consumer views

84% of European mobile users are willing to receive SMS marketing and promotional offers on their handsets, yet the marketing community is failing to capitalise: just 18% of marketing and advertising agencies currently offer mobile messaging to clients, and a worrying 57% have no immediate plans to do so in the future.

These are the results of a study unveiled today by Firedog Design and its partner, Empower Interactive. Three parallel research projects were undertaken to canvass the opinions of mobile users, marketing and advertising agencies, and mobile network operators across Europe.

When asked to identify the biggest barriers to growth in the sector, 58% of marketers cited lack of consumer acceptance. Yet Empower Interactive's parallel mobile user survey found that the vast majority are willing to embrace carefully targeted text promotions, with special offers, e.g. from local bars and restaurants, loyalty programmes (e.g. Air Miles, Nectar etc), and service promotions from mobile operators being cited as the most welcome services.

13% of marketing agencies admitted that their own reluctance to promote mobile marketing played a crucial role in limited client uptake. Conversely, less than 8% cited client reluctance to invest as a significant barrier to growth. Yet encouragingly, the report points to a rosy future for mobile marketing. Increasing use of multi-media messaging (MMS) containing music video, TV or movie clips is seen as a key growth driver within the industry: an opportunity borne out by the massive 70% of mobile users who claimed they would prefer to receive multi-media marketing content than a straight text message.

To support future growth of this sector, the majority of mobile operators are already thinking about the additional requirements for MMS: 25% already have infrastructure in place and a further 55% plan to do so; 5% of these are already running a pilot.

"We were quite surprised that agencies have largely ignored the potential revenue stream offered by MMS/SMS. When SMS marketing first came to light we were promised all sorts of interesting applications that were sure to make our lives easier. Our research discovered that the vast majority of consumers are willing to accept promotions from local entertainment venues or retail operations, yet advertisers and their agencies seem unprepared to take advantage of the benefits offered by SMS/MMS marketing," comments Fraser Black, Managing Partner at Firedog Design.

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Richard Shearer, CEO at Empower Interactive, commented: “Our experience of the mobile industry suggests that operators are well aware of the potential of marketing their own services via SMS. There is a significant opportunity for large consumer brands to boost their own presence using this cost-effective and popular means of communication. Equally advertisers can cash in on the additional revenue that this will generate; however, it is vital that the marketing community begins to make this a viable option for clients.”

Ends

For further details or to request a copy of the research, please contact:
Fraser Black at Fire Dog Design

About Empower Interactive

Empower Interactive enables mobile operators and service providers to advance their mobile data services by providing infrastructure products to manage and deliver messaging services, applications and content on mobile networks.

Its portfolio of products and services is based on an innovative Mobile Data Services Architecture for advanced and intelligent handling of application and person-to-person messaging. The products and solutions simplify access to the mobile network infrastructure, increase messaging network control and intelligence and help operators rapidly to launch new service offerings.

Empower Interactive’s intelligent messaging routing and control capabilities offer an effective and reliable way to manage high volume and time critical traffic independently from the existing infrastructure. This lowers the average cost per message and optimises ROI on prior infrastructure capital expenditures.

Many of the world’s leading operators have already selected Empower Interactive’s innovative and flexible framework, including Orange, WIND, Smart, Starhub and TIM S.p.A. Its technology is behind many high-profile mobile services around the world.

Empower Interactive was founded in 2000. It is headquartered in London and has regional offices in EMEA (UK), Asia Pacific (Singapore) and the US. It was ranked 6th in the 2003 Sunday Times ARM Tech Track 100 of the UK’s fastest growing technology companies. www.eigroup.com

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