



MOBILOZOPHY
WHAT'S YOURS?

A Beginner's Guide to Proximity Marketing



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Introduction

The Internet no longer solely exists in your computer or on your mobile phone.

Communication technologies, such as Beacons, Bluetooth and NFC, make up the growing trend of the Internet of Things (IoT).

More and more devices are connected every day, and it's important for companies to keep pace with technology. This audience is primarily why mobile marketing should not be left out of your marketing plans.

More and more searches are being conducted by users on the go. People want information immediately, and they're not going to wait until they get home to find it.

If you've ever typed a phrase into your mobile web browser and generated a pop-up ad from a local company along with the search results, then you've been exposed to the concept of proximity marketing.



In 2015, it is estimated that beacon messages will trigger retail sales worth 4.1 billion U.S. dollars.

- Statista

What is Proximity Marketing?

Proximity marketing allows companies to target buyers, based on their location, and directly communicate with customers via their mobile devices. Any consumer with a mobile device is susceptible to this type of marketing campaign.

This level of marketing enhances the buyer's shopping experience by serving them with information about products or services at exactly the moment they need it, or serving them coupons for products or services in their immediate reach. In other words, it's local advertising at its finest.

How it works

Proximity marketing isn't one single technology. It can be executed in several ways:

- A radio frequency identification (RFID) chip can be placed on a product and when near-field communications (NFC) is enabled on a smartphone, the product chip will communicate directly with nearby devices. Any NFC-enabled phone can activate this tag by placing the device in close proximity. The information can be anything from product details, special accommodation deals, and information on local restaurants.

- Geo-fencing is also a popular option. With this technology brands serve mobile devices with ads or offers when they enter into a specific “zone” or virtual barrier. Geo-fencing uses the global positioning system (GPS) or radiofrequency identification (RFID) to define geographical boundaries.
- QR Codes are probably something you didn't expect to see on the list, but they can be an integral part of proximity marketing campaigns today. Advances in QR code technology have improved and QR codes (shelf tags) can be displayed next to products, allowing customers to scan and receive purchase-influencing product information and more exclusive content. One advantage of the QR code is there is no equipment, it integrates seamlessly into existing terminals.
- Content also can be pushed through Bluetooth, Wi-Fi connectivity and mobile browsers through beacons. Beacons are broadcasting devices that connect via bluetooth. Beacons are designed to activate with mobile applications that are tuned in to receive that beacon's message. Combined with a mobile engagement platform, such as mzConnect, retailers can trigger location-based content on customers' smartphone apps, including targeted coupons, store maps, and hands-free payments.

The Advantages

As you may imagine, this technology empowers marketers with more data than ever before.

The information collected in a proximity marketing campaign allows for a deeper understanding of the buyer's wants, needs and patterns of behavior away from the computer.

In addition to the advantages to the consumer, Proximity Marketing also provides many benefits to the company using it.

One of the largest advantages is the immediate delivery of marketing metrics. This intelligence allows marketers to fine tune their marketing strategy in real time.

Business owners are also able to gauge the effectiveness of their campaigns by seeing which mobile devices accepted or rejected the messaging. This data can

Proximity Marketing is considerably less expensive when compared to conventional marketing campaigns where businesses pay premium dollars for space on television networks, radio or billboards.

then be used to enhance advertising campaigns and more effectively target customers.

When it comes to cost, Proximity marketing wins again because it's considerably less expensive than other types of conventional marketing campaigns where businesses pay premium dollars for space on television networks, radio or billboards.

Who Uses Proximity Marketing

While most brands are using proximity marketing to send targeted ads to customers, you can actually do so much more with it.

Proximity marketing brings about the convergence of online marketing and the physical shopping experience.

Retailers can utilize proximity marketing to help shoppers locate products on their shopping lists or serve up special messages, such as: new product release or information on a complimentary product to a previous purchase, for in-store shoppers.

Proximity marketing isn't just for marketing in a retail environment, it can be used in a variety of industries.

Uses of proximity marketing can include: on-the-spot digital coupons, retail check-ins, payment gateways, digital signage, and barcode/QR code marketing.

At a trade show, proximity marketing can be used to give an exhibitor the upper hand. As attendees wander near the booth, messages can be sent to their mobile phone containing persuasive content (maybe an offer to play a game or enter a sweepstake) that entices them to visit your booth.

Speaking at conferences helps to establish you as an industry leader, but studies show that 48 hours later, people retain less than 25 percent of what they heard. Use proximity marketing to tell your attendees that they can access your content back at the office or on the go. You can also ask them to complete a quick survey while the content is fresh in their minds.

The Future of Proximity Marketing

Mobile technology is expanding. Rapidly. Currently, there are more than 5 billion mobile devices in the hands of consumers. The amount of “smart devices” a person owns are only expected to increase as the Internet of Things (IoT), advances.

Proximity platforms could also transform digital out-of-home, or even traditional billboard marketing. It also allows for potential customers to build a two-way communication with the retailer, fostering loyalty.

According to a recent article on Marketing Tech Blog, 53% of buyers are willing to share their geo-information to receive relevant ads and 72% of buyers will answer a call-to-action if they receive it while in range of the business. This is great news for companies who want to reach more buyers in real-time.

While Proximity Marketing is exciting, it's important not to abuse its powers.

Marketers should remember the words of Steve Jobs:

“You’ve got to start with the customer experience and work backwards to the technology.”

Resources

What will your business do to leverage this mobile marketing trends?
If you're thinking about Proximity Marketing for your business, we can help.

Mobilozophy provides all required tools and technology to make mobile marketing quick, easy and powerful!

Our executive team has over 50 years of combined expertise in entrepreneurship, executive management, marketing, and commercial software and application development.

Give Us a Call Today for
Your Demo!

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