Mapping the Mobile Journey

How to boost Return On Ad Spend by reaching customers at moments that matter.

This valuable report will help you:

- Understand the importance of connecting the dots between mobile advertising, online ads and purchase behavior

- Learn how to identify and capitalize on key mobile moments in the purchase process

- Develop strategies to engage mobile consumers on their terms

- Maximize Return on Ad Spend by providing relevant messaging when and where it's most useful

By Michael Becker, mCordis

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Mapping the Mobile Journey: Identifying the Moments that Matter Most to Consumers

Consumer behavior has changed and, along with it, marketing practices. More than a century has passed since John Wanamaker, the recognized founder of the department store, famously remarked, "Half my advertising is wasted – I just don't know which half."

Even today, one hundred years later, reaching the right audiences, developing ads, and implementing marketing programs that are directly attributed to consumer engagement, satisfaction and sales remain vexing challenges for many marketers.

Fortunately, with advances in marketing technology, including ad-tech, mobile, social, and analytics, the days of "wasted" marketing may soon be behind us.

Marketing leaders today are reaching and responding to individual consumers with timely, relevant messages and offers, using multiple online and offline channels, at every stage of the customer journey — and at the moments that matter most. As a result, they're demonstrating higher levels of acquisition, engagement, and loyalty with significant return on their advertising spend (ROAS).

In this whitepaper we show:

- The importance of understanding the customer journey and recognizing "mobile moments"

- How online and offline paths along the customer journey are inextricably intertwined as a result of mobile

- How mobile is transforming expectations and interactions across businesses large and small

- Strategies that marketers can employ to engage mobile consumers on the consumers' terms

- How connecting online and offline behavior unlocks mobile measurement and helps you service your consumers

Mapping the Mobile Journey

Today, brands and agencies are increasingly able to determine which marketing activities and campaign elements are working along every stage of the customer journey. And most importantly, they are attempting to engage individuals personally and at scale, rather than continuing to reach them through mass-marketing and undifferentiated messaging.

Marketing is transforming to singular relationships with consumers that don't close out with a purchase and can last indefinitely. The new terms of engagement address people as individuals, not segments. They are now co-creators and producers, not simply targets or users. Today's marketing is about permission, not intrusive messaging, and there are increasing expectations for real-time, personalized experiences, rather than lagged generalized ones.

Mobile only compounds changing consumer behavior and expectations, accelerating the movement from mass marketing tactics to engaging individuals at the moments that matter.

New Terms of Engagement in the Mobile Era

Dimension	OLD	⟷	NEW
Markets	Segments	⟷	Individuals
Consumers	Targets/Users	⟷	Producers/Co-creators
Addressible	Demographics/Psychographics	⟷	Mobile, Location, Social Networks
Relationship	Intrusive	⟷	Permission-based
Purchase Path	Funnel	⟷	Journey
Feedback	Lagging	⟷	Real-time
Word-of-mouth	Confined/Limited	⟷	Viral/Unlimited
Focus	Audiences	⟷	Individuals
Strategy	Own	⟷	Engage
Communications	Broadcast, Scheduled	⟷	Personalized, Continuous
Manage	Transactions	⟷	Customer Journey
Actions	Asynchronous	⟷	Real-time
Differentiation	Features	⟷	Experiences

Figure 1: New Terms of Engagement

From the Path-to-Purchase Funnel to the Customer Journey

Since Wannamaker's time, the majority of marketers were trained to follow the model of AIDA, a model defined by Elias St. Elmo Louis in 1898 to help businesses generate A: awareness, I: interest, D: desire, A: action (AIDA) in the minds of consumers.

Purchase-funnel and shopper marketing concepts were later incorporated within AIDA, recognizing the difference between someone consuming a product vs. buying or shopping for one.

And over the last quarter century, three new stages were added: adoption, loyalty and advocacy.

The challenge is that the AIDA model is linear — focusing on the brand's needs rather than the consumer's.

In the age of the mobile-empowered consumer, marketers are quickly adapting to a more relevant understanding and approaches.
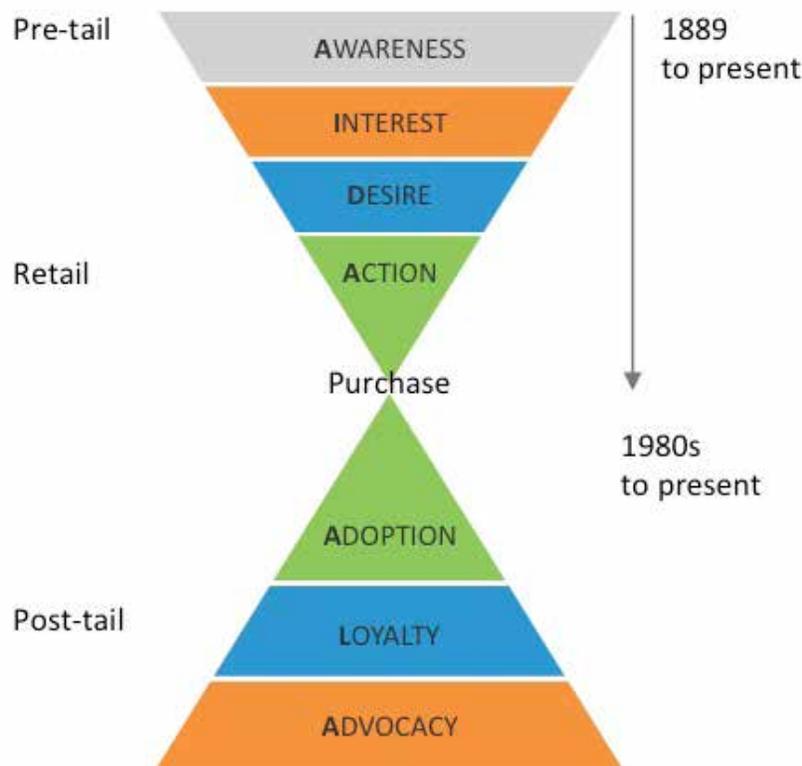

Figure 2: AIDA - The Path-to-Purchase Funnel

Start by Focusing on the Customer Journey

In an ever-connected world, people are continuously moving in and out of various online and offline channels and experiences — interacting with products and brands along the customer journey prior to purchase ("pre-tail"), during the shopping experience ("retail"), or following a purchase ("post-tail"). Customer journey mapping takes this complexity into account, proving a more useful approach for understanding target audience behaviors, their preferred channels and timing for relevant online and offline engagement.

Nearly every brand or product is unique in some way, often impacting the customer journey. But there are a few absolutes to keep in mind:

1. **Think non-linear with the customer journey.** Consumers are engaging with brands at each and every stage of the journey at various times, without any pre-established sequence, flow, or rules.

2. **Map the journey in the customer's "language."** People don't talk about becoming "aware" of a good or service. Rather, they discuss personal or business needs in very pragmatic ways. They also don't refer to consideration or interest. Instead, they want to learn or understand more about the choices available to them.

3. **Assume every brand and product has a unique journey duration.** For example, the customer journey for a CPG manufacturer or grocery store will be much different from that of an auto manufacturer or dealer.
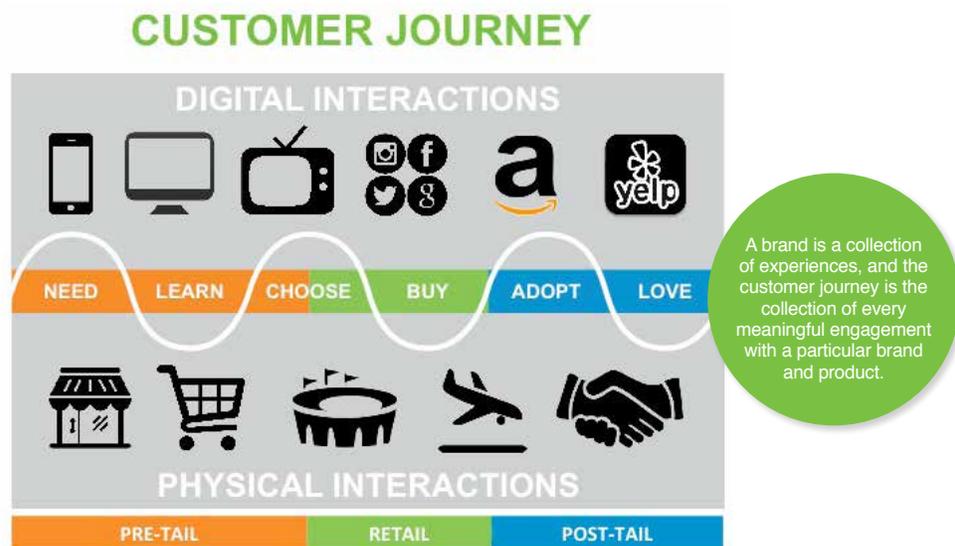

Figure 3: Simplified Customer Journey

Mobile Channels & Why They're Growing

Mobile has become the ubiquitous bridge for establishing engagement between marketers and consumers. As a media channel in its own right, mobile has greater reach than any other channel, spans the boundaries of online and offline marketing, and is measurably impacting commerce worldwide. People use their phones to surf the web, watch a variety of video content, read the news, listen to music, and access social media. And that's all in addition to communicating messages, media, and actually making phone calls.

Why Mobile Channels Are Growing		
	Mobile Apps	• American consumers spend 158 mins./day on mobile devices • Of time on mobile, more than 80% is spent with apps
	Mobile Search	• Over half of all searches are done via mobile devices • In majority of instances consumers take action after search
	Mobile Web	• Growing number of websites employ responsive design • Includes third-party deal sites and coupon aggregators
	Mobile Location	• Location-aware apps (local stores, directions, etc.) widespread • Location, context and geo-fencing enhance targeting
	Mobile Proximity	• Beacons, Wi-fi enable hyper-local targeting (in-store, dept.) • Proximity-based offers yield high response rates
	Mobile Video	• Time on mobile video growing, revealing interest segments • With rich media, platform offers high engagement levels
	Push Notifications	• Users opt-in to receive notifications via installed apps • Timely, contextually relevant offers valued by users
	Mobile Social	• Majority of social media consumed on mobile devices • Many targeting options, enables offer discovery and sharing
	Mobile Advertising	• Mobile advertising growing at rate of 50% CAGR • With RTB and first- and third-party data, targeting maturing
	Mobile e-mail	• Majority of e-mail now opened and read on mobile devices • Subscribers more likely to respond to e-mails on mobile
	Mobile Messaging	• Customers who opt-in to mobile messages are highly involved • Timely, contextually relevant offers yield high response rates

Source: Partnering Smarter - Digital Offers and Attribution at Point-of-Sale, Dr. Phil Hendrix

Figure 4: Mobile Channels & Why They're Growing

Align Your Customer Journey With "Moments That Matter"

Consumers and marketers meet each other at numerous points throughout an individual's journey — increasingly through their mobile devices. These moments are instigated by either the consumer or the marketer, and, when leveraged properly, help build a relationship that can continue long after an initial purchase.

These brand and consumer encounters go by many names, including behaviors, triggers, zero moments of truth, moments that matter, and even micro-moments, but they all refer to the similar points in time.

Moments that matter are initiated with advertising, messaging, point-of-sale displays, or the moment a consumer reaches out and gains a brand's attention, for example: by performing a relevant search, downloading an app, responding to a message, calling customer service, posting a referral, or opting in to a loyalty program.

Mobile, as a truly ubiquitous channel, is the key to unlocking these moments that matter for people, allowing engagement on the individual's terms.

Examples of Customer Moments Marketer Engagement Strategies/Reponses by Mobile Moments

Customer Moment	Consumer Action	Marketer Strategy/Responses		
Browse	Look for content, information or offer, respond to ad	Content	✓	As customers browse in related categories, present relevant content
Need	Express a need through search, .e.g is a product in stock, where is the store, or respond to a call-to-action or ad.	Monitor	✓	Monitor search and social sites for expressed consumer needs, respond with relevant content and services.
		Trigger	✓	Present information, incentives, and offers that trigger consumer engagement
Learn	Search, ask friends or store associate, scan a product for more information, or respond to a call-to-action or ad.	Compare	✓	Provide comparative information (features, benefits and pricing)
		POS	✓	Help customer compare, evaluate at time of need, point-of-sale
		Network	✓	Connect customers to one another for information, advice
Buy	Look for offers, trial product, buy product online or in-store,.	Timing	✓	Help customer decide "best time" to buy
		Offers	✓	"Special offers" for repeat customers
		Payment	✓	Offer multiple mobile payment options
Use	Begin to use the product, as for support if/as needed.	Onboard	✓	Confirm first-time experience is problem-free
		FAQ	✓	Answer customer's FAQ
		Award	✓	Recognize, reward customer for using
Service		Support	✓	"One-click" access to service and support
		Follow-up	✓	Confirm customer's problem resolved
Assess	Continue to use, purchase more or more frequently/stop purchasing, provide positive, or negative reviews.	Recognize	✓	Make it easy for customers to rate experience
		Publish	✓	Share feedback with other customers
		Reward	✓	Reward customers for providing feedback
		Loyalty	✓	Reward customers for repeat and frequent purchases

Source: immr/mCordis

Figure 5: Example Customer Moments

Marketers Must First Focus on Who

For marketers to really take advantage of these opportunities and effectively map the customer journey, they must also stay focused on knowing who the device belongs to. As basic as this seems, the marketplace tends to overlook the importance of "who" when it comes to the three critical areas of mobile ad targeting, delivery, and measurement.

Many ad platforms and marketers take a location-first approach, believing the power of mobile is strictly in where advertisers should target based on geographic profiles or proximity to a particular store location. But if the campaign measurement uses location as a proxy for who actually sees an ad, there's really no way to know who sees the message. All that's really known is that a person was in a specific location at a given point in time.

Knowing "who" means having an ability to first identify the right target — based on dependable information from proven third-party household purchase information, loyalty program data, or a brand's own customer (CRM) data. This data can then be matched to mobile device data for precise audience targeting and ad delivery.

Location, then, is really about providing engagement context – helping provide insights into additional moments that matter.

Mobile Measurement Takes Center Stage

According to a 2014 Forrester Research study[1], most marketers agree that sales lift and new accounts opened are their top two ways of determining whether their ad budget was well spent.

Use the Right Match Key for Effective Targeting and Measurement

A match key is a common link or identifier used to connect target audiences to campaigns. Marketers often use match keys such as email address, Wi-Fi MAC address, IP address, or home address, with the most common among these being email and home address. Here are some considerations for each:

- **Email:** The average person uses six different email addresses. These are used for varying purposes (personal, work, subscriptions, etc.), with differing frequency, and they tend to change often — every 1 to 3 years. The fact that people have so many different e-mail addresses results in extremely poor match rates — typically less than 10 percent.

- **Household:** Most people only have one home address, and it changes less frequently — on average only once every 7 years. While households can have multiple inhabitants, home addresses are generally viewed as a more stable match key.

The stability and reliability of a home address match key plays out further when you consider using critical third-party data (i.e., past purchase data, demographics, etc.) necessary for targeting and measurement. These data are always tied to households via home address, so any e-mail addresses must be reverse appended to home addresses.

But what they're using instead are more traditional digital metrics like taps, click-through rate, and website hits, as well as downloads and mobile purchases. As a result, there's a huge disconnect between the data they need in order to justify their ad spend, and what they're actually using.

This leaves marketers unable to defend their mobile ad spend. There's a difference between metrics that are useful and the ones that are truly meaningful. **Useful** metrics, such as taps and clicks, are interesting early indicators that can help you adjust and optimize campaign tactics, such as creative, while **meaningful** metrics, such as sales lift, are used by CMOs and CEOs to justify budgets.

Unfortunately, the most meaningful metrics are the most challenging to obtain. And that can be true with measuring ROAS. The Forrester study indicates that the inability to connect mobile impressions with online and offline data is a huge stumbling block for marketers. But there is, in fact a way to make that connection and see the corresponding sales lift.

Mobile Connects Online and Offline Moments

The level of mobile's reach and its capabilities create nearly limitless opportunities for companies to engage consumers on and with their mobile devices by presenting valuable information or other content in an appropriate context and at each online or offline moment.

For instance, most retailers today only know when someone is leaving their store, and only if they made a purchase. This gives the retailer little, if any, real-time ability to influence the moments that matter.

Research predicts that, by 2020, due to mobile and related connected devices, 59 percent of retailers will know when an individual enters their store, rather than when they leave[2]. Retailers and brand marketers alike will be able to influence consumer experience by presenting calls-to-action or triggers for each and every customer, and in-real time.

The Formula for Using Sales Lift to Measure Return on Ad Spend

In order to calculate ROAS based on sales lift, marketers need to be able to tie mobile ad viewers to offline transaction data and attribute specific purchases to the people exposed to the ad campaign. Then you divide the sales lift amount by your mobile ad campaign costs, multiply by 100, and that gives you your Return on Ad Spend. For example, a 257% ROAS means that for every dollar you spent on media, you generated $2.57 in incremental sales lift.

The trick is how you determine your sales lift. Both the people who saw the mobile ad and the people who did not will make purchases. So you need to be able to compare the sales resulting from those who weren't exposed to the mobile advertising with the sales of those who were exposed. That will give you the true incremental sales lift resulting from the advertising.

Align Your Customer Journey With "Moments That Matter"

The key to successful mobile marketing today is getting to know your customer on the other end of the device and aligning that understanding to each step of their journey.

Consider one scenario for a leading brand of premium dog food. The brand, its agency, and other partners start by answering questions about the customer, which leads to stronger insights, understanding, and relevance, including:

- Is the person "in the market" for dog food, e.g., does the household own a dog?
- Is the person or his/her spouse responsible for shopping for dog food?
- Where does the person shop for dog food, e.g., grocery, mass merchandise, vet, etc.?
- Does the person purchase premium dog food?
- Is the person open to different brands or loyal to a particular brand?
- How often does the person purchase dog food, and when are they apt to purchase next?
- How would the person respond to (a) an ad vs. (b) an ad plus coupon for our brand?
- Does the person view and value content or advice on keeping their dog healthy?

Fast-casual restaurant Buffalo Wild Wings placed tablets on every table so customers can interact and share their interest in sports, teams, and of course the games that are on while dining. This "fan experience" complements the food, drives visits, and boosts customer loyalty.

Through insight into a person's lifestyle and behaviors, marketers have context to then begin overlaying smarter mobile strategies to both engage and service their consumers and shoppers, while also continuing to learn more about them.

Retailers, such as Wal-Mart and Lord & Taylor are considering deploying beacons— a small device that uses a low-energy version of Bluetooth to anonymously identify specific devices, then welcome and re-welcome customers to the store. The beacons also deliver product information and other marketing content based on visitor proximity to products as they move throughout the store. Facebook recently announced it is giving away free beacons to retailers that participate in its Place Tips program.

Other innovative, real-world examples of engaging consumers in moments that matter, include:

- Swiss Air co-opted Instagram hashtags to sell tickets to people who showed interest in the International Motor Show in Geneva via the social network. Users who searched for #genevacarshow were presented with images of the airline's planes which had been inserted into the photo stream associated with the hashtag. Simultaneously, individual seats in the aircraft illustrated various flights to Geneva, enabling users to book a flight immediately without leaving the app.

- Audi demonstrated the power of post-tail mobile marketing with an augmented reality app that helps owners identify various parts of their cars. The app identifies more than 300 auto components and offers instructions when users upload images of in-dash alerts.

- Johnnie Walker Blue smart bottles, enabled with near-field communication devices, provide marketing messages to the lucky owner.

Moments that matter are extending to new connected devices, such as wearable devices. The Apple Watch and other smartwatches not only receive marketing content, they serve as a vehicle for improved customer experience, such as flight status notification or in the example of Marriott, enabling one-click check-in or check-out of a hotel.

Some smartwatches also allow payment for goods at the point of sale. These functionalities open new marketing opportunities and provide a way for marketers to "close the loop" by measuring their efforts from initial contact with the consumer through the transaction and into adoption and advocacy stages.

Smartwatches introduce "Glanceable Moments"

Forrester Research observed in a December 2014 report that the smartwatch is a different marketing platform than the smartphone.

"Merely shrinking a website or mobile app to a teensy screen won't do it," according to Forrester. "Developing apps for smartwatches and wearables will require product managers to rethink the interaction experience, and application development and delivery (AD&D) professionals to rethink the delivery. For optimum results, developers should use customer journey maps to translate immediate, contextual, "glanceable" needs into intelligent notifications that people can quickly absorb and act on.

Brands must also automate their back-end systems and implement prescriptive analytics to anticipate and deliver a customer's next most likely action. Failure to execute those goals, Forrester concluded, could prompt the consumer to turn off notifications on the smartwatch closing the door on a huge opportunity for marketers.

Mobile Measurement Unlocks Cross-channel Success

Mobile, through cross-device measurement, is the key to unlocking every moment that matters at each online and offline experience along the customer journey.

For instance, by leveraging mobile device attribution and measurement capabilities, like those offered by 4INFO and similar providers, marketers can accurately determine the latitude and longitude of where mobile devices tend to spend their time (e.g. sleep). This information can be leveraged by marketers and linked with public records or first- and third-party data to develop a household profile for the mobile device.

This profile may include details about the household's neighborhood, value, purchase history, and automotive purchases, as well as about the owners' race, gender, age, and shopping behaviors.

All of this information helps marketers build robust profiles of individual customers, as well as personas that they can use to find similar and equally valuable individuals to engage with.

Figure 7: Cross-device Measurement & Attribution

These powerful insights are changing the face of marketing, and enabling the moments that matter through the following:

- Allowing marketers to turn outdated media-centric advertising models into customer-centric advertising

- Buying audiences (person-based targeting), not just media

- Using mobile as the bridge between paid media and owned media, further amplifying the value of ad spend

- Gaining trust that marketing dollars are not being wasted

- Ensuring that their message is getting in front of the right person, or that they understand who is reaching out to them so that they can respond appropriately

Smartphones and other mobile devices are unique because they provide unprecedented insight to both consumers' online and offline worlds. Mobile delivers not only probabilistic information, which can be leveraged to maximize the odds of tying a specific device to a specific user, but it can also help determine exactly which devices – tablets, PCs, smartphones, wearables – are being used by a person. That data can include the individual customer's use of loyalty programs or frequent shopping cards, stadium or airport visits, online search histories, and credit card purchases.

Additionally, this data enables marketers to engage the most appropriate users in the optimal time and place, while also measuring the ROI of their marketing initiatives with unprecedented accuracy. Mobile campaigns provide visibility into which kinds of marketing techniques are engaging users on the one-to-one level, and which are being ignored. Furthermore, marketers can determine whether their efforts are extending the lifecycle of their relationship with the consumer, and when that relationship results in a sale.

Conclusion

Because mobile marketing bridges the online and offline worlds and gives marketers a chance to create a one-to-one relationship with consumers at scale, it is unlike any other marketing channel. Smartphones and other mobile devices create opportunities for marketers to deliver highly-relevant and valuable content to consumers in innovative ways, and at nearly every step along the customer journey.

To begin unlocking the moments that matter along the customer journey, we recommend taking these five key steps:

1. Get to know your customers.

2. Map the customer journey for each brand and customer persona.

3. Identify the moments the matter, including the micro-moments.

4. Integrate mobile at every digital and physical touch point, and never underestimate the impact of mobile.

5. Tie in data and measurement; keep your data fresh, and use mobile as the key to unlock the value across the customer journey.

Smart, innovative marketers are already using mobile as a tool to unlock the customer journey — discovering the most relevant moments to drive engagement, brand loyalty, and real, measureable outcomes.

Michael J. Becker is a recognized mobile marketing pioneer, with 20+ years industry expertise. He is the co-founder, Managing Partner & CEO North American of mCordis, a leading provider of professional mobile marketing education and advisory services. Michael is an author, educator and industry volunteer. He is the author of a number of books and articles, including Mobile Marketing for Dummies.

[1]"Master Mobile Measurement to Unleash True Cross-Channel Advertising", A Forrester Consulting Thought Leadership Paper Commissioned by 4INFO and Acxiom, August 2014
[2]Boston Retail Partners, "Real-time Retail - The New Retail Imperative", 2015