

Catch the Code

Short Codes are new in Canada, but those who design short code programs have many ideas about what makes a successful campaign.



By Trevor Marshall

They're new, they're quick, they're interactive and – if the wireless industry gets its wish – they'll be everywhere: on billboards and the sides of trucks, on radio and TV, in newspapers and magazines, and on boxes, bags, wrappers and products. They're called short codes – five- or six-digit codes that allow mobile phone users to interact with the companies that produce the products and services they use in a permission-based, personalized environment.

Short codes are a new way to use two-way text messaging, which is a standard feature on all digital mobile phones offered in Canada today. (See "A Short Short Code Lesson" for more on how short codes work.)

Canadian wireless service providers and the Canadian Wireless Telecommunications Association (CWTA) officially launched "common" short codes in this country in July, making it possible for Canada's more than 12 million wireless phone users – regardless of their wireless service provider – to participate in some form of automated application. This was due in part to Canadian service providers interconnecting their text messaging platforms in April 2002. Companies and programs that have already employed common short codes include Global TV's *Train 48*, Labatt Breweries, the *MuchMusic Video Awards*, *The Spaceys* (an awards show on Space: The Imagination Station), Staples/Business Depot, Temptation Island Australia, Toronto radio stations EDGE 102.1 and KISS-FM, and Zellers.

A NEW BREED

Short codes have already grown quite popular in Europe, where they've been used for a number of years. With their availability on this continent, a new breed of wireless enterprise has evolved in Canada: the mobile marketing company, which develops and implements short code-based and text messaging-based programs on behalf of brand owners. Canadian companies include, but are not limited to, 1:1 Mobile Marketing, Impact Mobile, MyThum Interactive and N5R.

These companies have closely watched the European experience (some have even partnered with European companies for technology and expertise), and are adapting those programs, or developing new ones, for the Canadian wireless telecom environment. All have developed strategies to maximize the impact of short codes in marketing campaigns, even as the CWTA and wireless service providers have developed a Code of Conduct and other ground rules to ensure short codes do not become a mobile form of spam. (See "Stopping Spam Before it Starts".)

The advantage for marketers, brand owners and media companies is short codes allow them to turn traditional one-way campaigns into a two-way conversation with an interested audience.

A SHORT SHORT CODE LESSON

Short codes are relatively new to Canada, so some explanation is in order.

Short codes are the personalized licence plates of text messaging, and the two services are closely related. With text messaging, a user composes a short alphanumeric message using the mobile phone's keypad and sends it to another mobile user's phone. The message is addressed using the recipient phone's area code and seven-digit number.

While text messaging allows mobile phone users to interact with each other, short codes are a new way to use text messaging that enables mobile phone users to interact with media outlets, companies, governments and other sources of information, products or services. Like text messaging, short codes are easy, fast and discrete.

With short codes, the address is just five- or six-digits long, and the letters on the corresponding buttons on a phone's keypad often spell a key word or brand name. For example, the code "72346" spells "RADIO" on a phone's keypad. This makes short codes a lot easier to remember, because the mobile user can think of "RADIO" and find the correct code on the keypad.

From a marketing perspective, short codes can be used for any product or service, from consumer goods to TV and radio programs. Here are some specific examples:

EVENT: Hometown Bash Concert (Canada)

The Campaign: No pre-event campaign was run for this event, which was held August 16 and was sponsored by Labatt Blue. The crowd was told at the start of the concert to text the word "WIN" to "24Blue" for a chance to win VIP passes, MP3 players and digital cameras. Winners showed their phones to staff at the Labatt Booth to claim their prize.

The Result: Labatt was flooded with entries from the crowd and generated significant excitement and buzz at the event. On a macro level, Labatt is leveraging the 24Blue short code to create a communication channel with their target market in social contexts.

Source: *Impact Mobile and D3 Canada (www.impactmobile.com; www.d3canada.com)*

TELEVISION: MuchMusic Video Awards (Canada)

The Campaign: Fans voted on their favourite artist in one of four People's Choice award categories. Voting started five weeks before the awards were given out, but continued throughout the broadcast of the show until the awards were actually presented.

The Result: Voting via mobile phone created additional interest in the awards show, while the real-time component to the show created a more engaged viewing audience. More than 20 per cent of all votes were cast using mobile phones.

Source: *MyThum Interactive (www.mythum.com)*

PACKAGING: Kit-Kat (UK)

The Campaign: Purchasers of Kit-Kat candy bars found a code on the wrapper. They could text message this code to a short code to enter a draw to win prizes. The more codes entered, the greater the chances of winning.

The Result: The short code component generated a 15-fold increase in participation compared to similar on-packaging contests.

Source: *1:1 Mobile Marketing (www.1to1mobile.com)*



STOPPING SPAM BEFORE IT STARTS

Short codes have sometimes been mistakenly compared to unwanted advertising messages that appear in e-mail inboxes. But members of the Canadian wireless industry are working together to ensure that short codes do not become the mobile equivalent of spam. Acting through the Canadian Wireless Telecommunications Association (CWTA), Canada's wireless service providers have created a Short Code Council (SCC) to oversee all users of short codes. This committee already has taken a number of significant steps.

For starters, the SCC has created a short codes Code of Conduct, which all short code users must follow. Among other things, this code requires that all short code programs be permission-based. Companies that develop short code programs note this is something they're already doing voluntarily. "As a company) we've put a lot of thought into opt-in," says Edward Sattaur, Managing Partner at 1:1 Mobile Marketing. "We're very specific to the end user who is signing up what exactly it is that they're opting into."

"The true value of our service is to make sure it adheres to the anticipated interaction, as well as being personal and relevant," Sattaur adds.

The Code of Conduct requires that programs also include clear-opt out procedures for mobile users. The SCC has the authority to terminate programs that violate the Code of Conduct. As well, through the SCC, Canadian wireless service providers approve all programs before they are launched.

The wireless industry obviously has a vested interest in ensuring that its customers do not receive unwanted messages on their mobile phones. To look at it another way, the wireless companies are confident this actually makes short codes a powerful medium for marketers, as all participants in a program have asked to interact with the product or service on offer.

DIALOGUES

"There are way too many channels out there to just simply broadcast a brand, and it's all interruption-based marketing that people just wipe out: we're getting hit by something like 3,000 messages a day and we've become desensitized," says Derek Colfer, a Managing Partner at 1:1 Mobile Marketing. "Instead of interrupting target customers, brands need to develop one-to-one dialogues. The mobile channel is one way to get around that big, big issue."

This, says MyThum Interactive President Michael Carter, is the advantage of incorporating a short code-based program into a traditional media campaign. "It allows me, as a brand manager or a media property, to interact with my target audience no matter where they are, what they're doing, or what phone they have," he says.

One of the most compelling uses for short codes is to enable brands to transport people from where they are to where the brands want them to be. "I can transport somebody from a billboard to a store with a (mobile) coupon; I can transport them from a billboard to a Web site," Impact Mobile President Gary Schwartz explains. "It's not about owning the billboard; it's about owning the street. If you don't own the street, you've missed it."

Roman Bodnarchuk, President & CEO of N5R, agrees. "Most purchases are impulse purchases," he points out – adding that mobile marketing makes it possible for a company to deliver a coupon to a person standing in a store, right in front of the relevant product. "It's pretty neat that we can inspire a purchase at store level. You can't do that with radio, TV, the Web or e-mail."

SUCCESS STRATEGIES

The advice from Canada's mobile marketing gurus may vary from category to category, or even brand to brand. But much of their expertise constitutes universal wisdom – equally applicable regardless of where in the world the program is launched, or by whom. While there are no guaranteed results from any marketing campaign – mobile or otherwise – steps can be taken to improve the chances of success for any short code campaign. Here are some of the lessons they've learned.

KEEP IT SIMPLE

While the CWTA reports almost

900,000 text messages are sent in Canada every day, many mobile users are still trying to figure out how to use this service. Therefore, program aggregators say, keeping things simple is important – especially in the early days of short codes.

"In the next few months, you're going to see a ton of these new initiatives go to market. So if you're a brand or a media company, you're going to want consumers to remember your short code versus everybody else's," Carter points out. "The short code itself has to be easy to remember."

Schwartz concurs. "The short code is a call-to-action," he points out. "If you don't have an appropriate call-to-action which is easy to spell and easy to remember, you don't get people in: You've missed the boat."

"Simple" applies to everything from the short code that's used to the messages people are asked to send. Use common words, not acronyms or words that are hard to spell. And multiple choice responses – where mobile users can pick from a list by typing "a", "b", "c" or "d", for example – are better than asking a user to submit a more complex message.

KEEP IT INTERESTING

Successful short code campaigns take advantage of the personalized, immediate, interactive nature of text messaging. "You've got a captive audience that's interested in the brand. You've got a very interested, excited person on the other end of the phone thinking 'hey, start interacting with me!'" says Carter. "What you do with that captive audience – that's where you have to get creative."

"It has to be fun and it has to have an incentive," Colfer points out, adding the incentive can be as simple as a coupon delivered to the phone. "(But) that incentive needs to be delivered quickly. People can't wait five to 10 weeks for delivery. Immediacy is a key component."

Schwartz notes it's important to keep interest high between short code campaigns too. "You're investing in [a specific short code] and you want an annuity and an on-going dialogue with your customers," he stresses. "You have to have a strategy beyond the campaign – a content bridge. Otherwise, your short code dies. If somebody sends a message to a short code and they get the response 'sorry, come back next campaign', you've lost the momentum."

INTEGRATE IT AND EXPOSE IT

Short code campaigns work best when they build on a traditional marketing campaign by adding an interactive component. Therefore, integrating short codes into a multimedia campaign is essential. As Carter points out, this is relatively easy to do. "It can be a scroll-over on a TV ad, or a small piece of real estate on a billboard."

Similarly, short code campaigns require the exposure of traditional media to work. "The biggest success factor will be the impressions – the exposure," explains Bodnarchuk. "It's almost like a Web address, where the companies that are aggressively marketing put their address on everything."

These may seem obvious, but Schwartz argues many companies do not think that way. "A brand will have an interactive agency, an outdoor agency and so on. And they sort of talk to each other, but they don't really," he says. "They have to break down those walls, because mobile has to be in everything they do." ■

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COMBINING CONTENT AND CODES

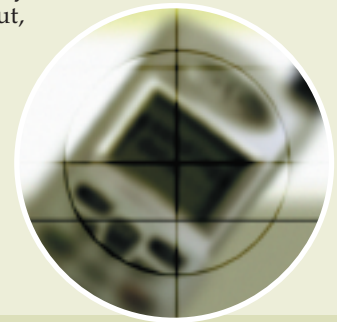
It may seem odd that The Canadian Press (CP) is exploring ways to use short codes. This media institution is a co-operative owned by Canadian newspapers, and provides news and other information to media outlets, primarily its newspaper members and, through Broadcast News, its radio station clients. But CP is a wholesaler – it doesn't sell to end-users, not even those with mobile phones. So what gives?

"It's another channel; an extension for us," explains Dwayne Desaulniers, CP's Director of Business Development. Desaulniers points out CP grew from strictly newspapers to embrace broadcast and, more recently, the Internet. "We look at the next big thing, and it's phones. What's the phone going to become? Is it a radio down the road? A picture album? A television? A text device? Probably all those things."

CP has already established relationships with wireless service providers. For example, the news service supplies a current events picture service to TELUS Mobility customers. With short codes, CP is exploring ways to leverage its vast content resources to offer turnkey solutions to media outlets. "We'll package it up as a great opportunity to try this platform, take that to the newspapers and broadcast clients, and just try it," Desaulniers says. "They don't have the technology and they don't necessarily have some of the content. We don't have the marketing power they do. Put the three together and suddenly you have everything you need."

Desaulniers says short codes may enable the media, especially newspapers, to attract a younger audience. "All newspapers, everywhere, are trying initiatives to hit younger readers," he points out, adding the interactive nature of short codes may give young people a way to be heard. "If you feel like you have an input, if you feel like you're being listened to... it makes a closer connection between you and whatever product you're talking about."

"So I think newspapers are interested in this gateway," Desaulniers continues. "It probably won't be the only way to connect to younger audiences, but if it's one way to do it, it sure as heck is worth trying."



WARINESS HIGHLIGHTS NEED FOR EDUCATION, DATA

The most recent data from the CWTA shows that more than 900,000 text messages are sent from mobile phones every day in Canada. Yet the fact that some companies – even those who market to youth – are not convinced the market is ready for short codes, highlights the need for the industry to develop and share more market intelligence with brand owners.

EMI Music Canada is one example. While interested in short codes, the company's cautious approach illustrates the need for more information on who's using text messaging, and for what.

"We'll kick the tires and see if we can figure out some applications for it that make sense for us, financially and creatively," says Rob Brooks, EMI's Vice President of Marketing.

"[But] being familiar with text messaging in Europe, it's not the same ballpark here. We've been doing some of our own random research with people in the 18- to 23-year-old age group and they don't use it a lot," Brooks

adds. He points to the low cost of telecom services in Canada in general – and of mobile voice calls in particular – as the reason. "Young people say it's too much work to type a message when they can press one button on their speed dial and just talk to their friends."

Jen Walsh, National Marketing Manager for New Media and Online at EMI, agrees more data is needed. "The numbers would certainly affect us," she says. "We'd look at those and try to determine whether we want to spend the money leasing short codes and marketing them."

The mobile marketing companies acknowledge education – of brand owners and marketers as well as of consumers – is a challenge. Certainly, more hard data on the demographics of text messaging users would help.

"People are taking a leap of faith that it's going to work – it's not something that they're exposed to on a daily basis [like e-mail]" says Roman Bodnarchuk at N5R. "In an economy where marketing budgets are shrinking and companies are downsizing,

there's not a lot of risk-taking going on. A lot of companies were hurt by the dot-com bubble and spent a lot of money on things they shouldn't have, and they're far more conservative today than they were a few years ago."

Consumer education can be done through live demonstrations at venue-specific short code programs, text messaging instructions delivered via TV, radio or print media, and even over the mobile device itself. "This is still an early market and a lot of people are still learning how to send a message properly," says MyThum's Michael Carter. "What we've found in any campaign, particularly for those who don't get it right the first time, how you communicate that error message is very important. A 'here's how you do it' example helps. Helping to educate and build awareness right in the response message is important."

Edward Sattaur at 1:1 Mobile Marketing agrees, but adds steep learning curves are not new. "Anytime you're introducing a new service like this you have to educate the market," he points out.