

CHAPTER- I

INTRODUCTION

1.1 Background

The increasingly booming telecommunication sector has, in recent years, created an unprecedented revolution worldwide changing the landscape of interconnection, flow of information and setting innovative ideas while offering varieties of options for business. The world has been interconnected in such a way that a person can get the information emerged thousands of miles away, within a few seconds and can instantly interact with people even at the opposite pole. Undoubtedly, mobile has been a very powerful tool to bring in this change. Its penetration into the in-roads of every Nepali's life has also been clearly visible in recent years.

There are 5 billion active mobile subscriptions across the globe, which can be compared with about 2 billion Internet users. But in the context of Nepal 14.215 million peoples have been using different system of mobile in Nepal. Out of the total users 6.751 million using the mobile of Nepal Telecom, while 7.436 million users belong to NCEL and 0.6138 million are using UTL mobile. Likewise total number of data for internet subscriber is 4.437 million out of which majority 4.106 million using GPRS mobile internet connections, 81,661 using ADSL, 17,036 for cable connection, 180,958 CDMA and 32,729 are connected with fibre optic internet facilities (NTA).

This underpins the vast potential of the mobile channel for advertising and marketing, being highly important for brands seeking to engage in communication with present and potential customers. A world renowned research company Berg Insight estimates that the total value of the global mobile marketing and advertising market was €1.72 billion in 2009. The market for mobile advertising have been developed positively due to growing mobile media usage, and increasing mobile ad spends have been prevailing during the recent economic recovery. Growing at a compound annual growth rate of 41 percent, the mobile ad market is forecasted to be worth € 13.5 billion in 2015 – corresponding to 15.7 percent of the total digital advertising market.

Mobile is at the same time predicted to account for 3.4 percent of the total global ad spend for all media. The mobile media has several especially interesting attributes from a marketing perspective. First of all most people have a mobile handset making reach unmatched. Mobile handsets and networks are also getting increasingly advanced, making it possible to deliver highly compelling advertising experiences, incorporating rich media, video and interactive content. Even more importantly, handsets are extremely personal devices which people tend to always have within reach and most often switched on. This enables marketing possibilities which other channels lack. Consumers can be reached at all times and in all places, which makes the channel stand out of the crowd. The personal nature of the devices makes it possible to deliver messages which are highly relevant for the recipient, taking into consideration demographics, interests, habits and other preferences. Communication having undergone such screening is bound to be much more effective in portraying a brand positively. The Return on Investment (ROI) of such initiatives can be substantially better than for intrusive campaigns where all consumers are flooded with the same non-personalized message. The mobile channel can in this way avoid the pitfall of unsolicited communication and capture an important role in the future of marketing.

Though having aforementioned advantages, Nepal could have hardly been able to exploit the potentialities of mobile marketing. Mobile marketing here has been merely limited within the narrow area which only incorporates ring tones, a few mobile banking facilities, subscription for news and horoscopes. This study will hence focus on to identify the scope of mobile marketing in Nepal hence helping to share ideas to flourish the business via mobile in the rapidly changing context of the competitive world.

1.2 Scope of the Study

Mobile marketing refers to the use of wireless devices and networks to deliver a marketing message. The marketing message could be any promotion or advertisement with little boundaries. And more importantly, mobile marketing

trends cannot be ignored as they will become a powerful marketing force to be reckoned with in the very future. The most common type of mobile marketing today is mobile phone marketing. Several of them come across it as powerful means to stay updated by receiving the promotions and latest features. Not only the buyers sign up earnestly to receive SMS adverts but also quite a few corporations and organizations now have a distinct variety for their buyers. Their shoppers can text them to get any expected facts concerning opening times, store locations, sales, new arrivals and so on. Businesses can use mobile marketing to run promotional contests, coupon offers and many other promotions. One great attribute of mobile marketing is immediacy. If your store or restaurant is quiet, a mobile message offering a time-critical promotion can drive timely business.

We can even say mobile device rather than simply mobile phone because with the increasing popularity of tablet PCs which began with Apple's iPad, mobile marketing doesn't just reach phones anymore. With 14.215 million Nepali households have been using mobile at the mid of March 2012, which accounts for 60.34% of owning a mobile phone (Nepal Telecommunication Authority).

1.3 Objectives of the Study

The main objective of the study is to set light on the current status of mobile marketing in Nepal via the comparison of leading telecom companies—Nepal Telecom and NCell whereas the specific objectives are;

-) To identify the scope of marketing via mobile in Nepal.
-) To study how much consumer's and marketer know about mobile marketing.
-) To explore the possible areas of mobile marketing in Nepal.

1.4 Statement of the Problems

Mobile marketing, or which is also known as mobile media marketing, deemed by many marketers as the "new kid on the block" as a marketing strategy, it is largely believed to be the largest new media marketing tool that is capable of

literally reaching out to billions of potential buyers in a world with little boundaries. And more importantly, mobile marketing trends cannot be ignored as they are becoming a powerful marketing force to be reckoned with in the very future. In contrast to Nepal, limited people know about mobile marketing, though we can use mobile marketing in many kinds of business or market. Mobile marketing need not to be expensive, but it is a more efficient and effective. There has not been made yet the specific study of mobile marketing, it is very difficult to know the consumer's perspective toward mobile marketing and which businesses are interested to mobile marketing.

1.5 Organization of the Study

The study comprises of five chapters.

Chapter- I: Introduction

Introduction chapter contains general background, scope of the study, statement of the problem; objectives of the study and organization of the study are included.

Chapter- II: Review of Literature

This chapter deals with the reviews of the existing literature in related area and includes theoretical review, summary of previous studies.

Chapter- III: Research Methodology

This chapter is related to research methodologies and tools used for data collection and analysis which also describe the research design, source and procedures of data collection.

Chapter- IV: Presentation and Analysis of Data

This chapter deals with systematic presentation and analysis and interpretation of data. Collected data from different sources are presented in appropriate manner. This includes data collection, data tabulation and presentation of data.

Chapter -V: Summary, Conclusion and Recommendation

This chapter includes the summary of findings of whole study, conclusions and required recommendations made for the study. At the end of the study selected references and bibliography and related appendices have also been incorporated.

CHAPTER- II

REVIEW OF LITERATURE

Review of literature is an essential part of any study. It means reviewing research studies and other relevant propositions in the related area of the study, so that all the past studies their conclusions and deficiencies may be known and further research can be concluded. It is an integral and mandatory process in research work. (Joshi P.R. 2003) It supports the supports researcher to explore the relevant and true facts for the reporting purpose in the field of study. It also helps in find out his lacuna in the earlier research work and to stop duplication of the previous work. It may be various forms like books, booklet, thesis reports, website, magazines, journals research works etc. This chapter highlights the literature available related to present study.

2.1 Review of Conceptual Framework

These are the general concepts of market Analysis which are listed below:

2.1.1 Marketing

In Marketing the term market refers to the group of consumers or organizations that is interested in product, has the recourse to purchase the product, and is permitted by law and other regulation to acquire the product.

Defining the market is the first step in analyzing it. Since the market is likely to be composed of consumers whose needs differ, market segmentation is useful in order to better understand those needs and to select the group within the market that the firm will serve. The term marketing has changed and evolved over a period of time, today marketing is based around providing continual benefits to the customer, these benefits will be provided and a transactional exchange will take place.

The chartered Institute of Marketing defines marketing as 'The management process responsible for identifying, anticipating and satisfying customer requirements profitably' If we look at this definition in more details marketing is a management responsibility and should not be solely left to junior members of staff. Marketing requires co-ordination, planning, implementation of campaigns and a competent manager with the appropriate skills to ensure success.

Marketing objectives, goals and targets have to be monitored and met, competitors strategies analyses, anticipated and exceed. Through effective used of market and marketing research an organization should be able to identify the needs and wants of the customer and try to delivers benefits that will enhance or add the customers lifestyle, while at the sometime ensuring that the satisfaction of these needs results in a healthy turnover for the organization.

"Satisfying needs and wants through an exchange process" within this exchange transaction customers will only exchange what they value(money) if they feel that their needs are being fully satisfied, clearly the greater the benefit provided the higher transaction value an organization can charge (Kotler, 1997).

Taylor of WWW.learnmarketing.net suggest that "Marketing is not about providing products or services it is essentially about providing changing benefits to the changing needs and demanding of the customer" (Taylor, 1995).

According to American Marketing Association, "Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives."

A market is any one of a variety of different systems, institution, procedures, social relations and infrastructures where by person's trade, goods and services are exchanged, forming part of the economy. It is an arrangement that allows

buyers and sellers to exchange things. Markets vary in size, range, geographic scale, location, types and variety of human communities as well as the types of goods and services traded. Some examples include local farmers markets held in town squares or parking lots, shopping centers and shopping malls, international currency and commodity markets, legally created markets such as for pollution permits, and illegal markets such as the market for illicit drugs.

2.1.2 Market Segmentation

Market segmentation is the identification of the portion of the market that is different from one another. Segmentation allows the firm to better satisfy the needs of its potential customers.

2.1.2.1 Need for market segmentation

The marketing concept calls for the understanding customers and satisfying their needs better to satisfy all customers by treating alike. Mass marketing refers to the treatment of the market as a homogeneous group and offering the same marketing mix to all customers. Mass marketing allows economies of scale to be realized through mass production, mass distribution and mass communication. The drawback of mass marketing is that customer needs and preference differs and the same offering is unlikely to be viewed as optimal by all customers. If firms ignored the differing customer needs, another firm likely would enter the market with a product that serves a specific group, and the incumbent firms would lose those customers. Target marketing on the other hand recognizes the diversity of customers and does not try to please all of them with the same offering. The first step in target marketing is to identify different market segments and their needs.

Generally segmentation is done according to characteristics of market.

2.1.2.2 Bases for Segmentation in Consumer Market

Consumer market can be segmented on the following customer characteristic

-) Geographic
-) Demographic
-) Psychographic
-) Behavioralistic

2.1.2.3 Bases for Segmentation in Industrial Markets

In contrast to industrial customers tend to be fewer in number and purchase larger quantities. They evaluate offering in more detail, and the decision process usually involves more than one person. These characteristics apply to organizations such as manufacturers and service providers as well as resellers, governments and institutions.

Many of the consumer market segmentation variables can be applied to industrial market. Industrial markets might be segmented on characteristics such as:

-) Location
-) Company Type
-) Behavioral Characteristics

2.1.3 Market Analysis

The goal of market analysis is to determine the attractiveness of a market and to understand its evolving opportunities and threats as they relate to the strengths and weakness of the firm.

David A. Aaker outlined the following Dimensions of market analysis:

-) Market Size
-) Market Growth Rate
-) Market Profitability

-) Market Trend
-) Key Success Factors

2.1.3.1 Market Size

The size of the market can be evaluated based on present sales and on potential sales if the use of the product were expanded. The following are some information sources for determining market size.

-) Government Data
-) Trade Associations
-) Customer Survey

2.1.3.2 Market Growth Rate

A simple means of forecasting the market growth rate is to extrapolate historical data into future. While this method may provide a first order estimate, it does not predict important turning points. A better method is to study growth drives such as demographic information and sales growth in complementary products. Such drives serve as leading indicators that are the most accurate than extrapolating historical data/

2.1.3.3 Market Profitability

While different firms in a market will have different levels of profitability, the average profit potential for a market can be used as a guideline for knowing how difficult it is to make money in the market. Michael Porter devised a useful framework for evaluating the attractiveness of an industry or market. This framework known as Porter's five forces identifies five factors that influence the market profitability.

-) Buyers Power
-) Supplier Power
-) Barriers to entry
-) Threat of Substitute Products
-) Rivalry among Firms in the Industry

2.1.3.4 Market Trends

Changes in the market are important because they often are the source of new opportunities and threats. The relevant trends are industry dependent, but some examples include changes in price senility trend also may be relevant.

2.1.3.5 Key Success Factors

The key success factors are those elements that are necessary in order for the firm to achieve its marketing objectives. A few examples of such factor include:

-) Access to unique resources
-) Ability to achieve economies of scale
-) Access to distribution
-) Technological Progress

It is important to consider that key success factors may change over time, especially as the product progress through its life cycle.

2.2 Review of Previous Related Studies

2.2.1 Mobile

Mobile phone (also known as a cellular phone, cell phone and hand phone) is device which can make and receive telephone calls over a radio link whilst moving around a wide geographic area. It does so by connecting to a cellular network provided by a mobile network operator. The calls are to and from the public telephone network which includes other mobiles and fixed-line phones across the world. By contrast, a cordless telephone is used only within the short range of a single Private base station.

In addition to telephony, modern mobile phones also support a wide variety of other services such as text messaging, MMS, email, internet access, short-range wireless communications (infrared, Bluetooth), business applications, gaming and photography. Mobile phones that offer these and more general computing capabilities are referred to as Smartphone.

The first hand-held mobile phone was demonstrated by Dr Martin Cooper of Motorola in 1973, using a handset weight 2 ½ lbs (about 1 kg). In 1983, the Dynal TAC 8000x was the first to be commercially available. In the twenty years from 1990 to 2010, worldwide mobile phones subscription grew from 12.4 million to over 4.6 billion, penetration the developing economies and reaching the bottom of the economic pyramid.

Cellular telephone systems are a way of providing portable telephone services. Each phone is connected by a radio link to a base station. In turn, this is linked to the telephone network, which is the largest machine on the planet.

Mobile connectivity not only enables people to connect to the Internet via a cellular telephone, PDA or other gadget, but also consolidates the different communication channels in a simple, yet effective, medium. Cheaper than traditional means for both the consumer and the marketer - and easy enough for almost any age group to understand and engage with - Mobile Marketing really is a streamlined version of traditional e-Marketing.

2.2.1.1 Brief overview Telecommunications of Nepal

Brief Introduction of Nepal Telecom

In Nepal, operating any form of telecommunication service dates back to 94 years in B.S. 1970. But formally telecom service was provided mainly after the establishment of MOHAN AKASHWANI in B.S. 2005. Later as per the plan formulated in First National Five year plan (2012-2017); Telecommunication Department was established in B.S.2016. To modernize the telecommunications services and to expand the services, during third five-year plan (2023-2028), Telecommunication Department was converted into Telecommunications Development Board in B.S.2026. After the enactment of Communications Corporation Act 2028, it was formally established as fully owned Government Corporation called Nepal Telecommunications Corporation in B.S. 2032 for the purpose of providing telecommunications services to Nepalese People. After

serving the nation for 29 years with great pride and a sense of accomplishment, Nepal Telecommunication Corporation was transformed into Nepal Doorsanchar Company Limited from Baisakh 1, 2061. Nepal Doorsanchar Company Limited is a company registered under the companies Act 2053. However the company is known to the general public by the brand name Nepal Telecom as registered trademark.

Nepal Telecom has always put its endeavors in providing its valued customers a quality service since its inception. To achieve this goal, technologies best meeting the interest of its customers has always been selected. The nationwide reach of the organization, from urban areas to the economically non- viable most remote locations, is the result of all these efforts that makes this organization different from others.

Definitely Nepal Telecom's widespread reach will assist in the socio-economic development of the urban as well as rural areas, as telecommunications is one of the most important infrastructures required for development. Accordingly in the era of globalization, it is felt that milestones and achievements of the past are not adequate enough to catch up with the global trend in the development of telecommunication sector and the growth of telecommunication services in the country will be guided by Technology, Declining equipment prices, market growth due to increase in standard of life and finally by healthy competition.

Converting NT from government owned Monopoly Company to private owned, business oriented, customer focused company in a competitive environment, Nepal Telecom invites its all-probable shareholders in the sacred work of nation building.

These are the current services provided by NTC via text or SMS advertising which are mentioned below:

Caller Ring Back Tones (CRBT)

Three ways of accessing the CRBT service:

-) Web access
-) via SMS
-) Dialling certain code number

Some of other Services Provided by NTC are as below:

Cell Broadcast

Cell Broadcast (CB) is a mobile technology that allows messages to be broadcast to all mobile handsets and similar devices within a designated geographical area. The broadcast range can be varied, from a single cell to the entire network. This technology is used in deploying location-based subscriber services, such as regional auctions, local weather, traffic conditions. Cell Broadcast is designed for simultaneous delivery of messages to multiple users in a specified area. Whereas the Short Message Service (SMS) is a one-to-one and one-to-a-few service, Cell Broadcast is one-to-many geographically focused service. It enables messages to be communicated to multiple mobile phone customers who are located within a given part of its network coverage area at the time the message is broadcast. Cell Broadcast is more akin to other mass distribution media such as teletext or Radio Data System (RDS). Cell Broadcast can be used for a number of different services and has been deployed by several network operators.

Advertising

Retail outlets in certain areas would be interested in sending information to customers and potential customers about special offers and attractions such as sales, special offers, extended opening times and so on. Shopping centres, exhibition halls, airports and sports stadiums are the kinds of location that could be targeted for Cell Broadcast based services.

Information Services

Cell Broadcast is ideal for delivering local or regional information which is suited to all the people in that area, rather than just one or a few people. Examples include hazard warnings, cinema programs, local weather, flight or bus delays, tourist information, parking and traffic information. To activate cell broadcast service, certain numbers are to be set in cell broadcast number in mobile handset. The different numbers imply for different broadcast subscriber services.

Brief Introduction of NCELL

NCELL Private Ltd. stands as a privately owned GSM mobile operator in Nepal and is first company to operate private GSM services in telecommunications sector of Nepal with the brand name "MERO MOBILE" which was rebranded as NCELL in 12 March 2010. It broke the monopoly held by the state-owned telecommunications company, Nepal Telecom by building a new arena in cellular telephony services. The company is now owned in 80% by Swedish/Finnish TeliaSonera Holdings.

Spice Nepal Private Ltd. popularly known under its brand name "Mero Mobile" is the first private GSM mobile operator in Nepal. Company was established in 2004 and commercially launched on 7th September 2005.

It is a youth focused brand and the most innovative operator. Its customer base, however, largely remains among those with less spending capacity (Example: students), probably also because of its aggressive customer pull campaigns and easy availability. It has GSM pre-paid and post-paid services and operates in 75 out of 75 districts of Nepal, with almost 70 lakh subscriber within the country.

NCELL GSM is constantly expanding its coverage, adding new cities and regions to its country wide network. Powered by our commitment to setting new service standards the GSM network coverage will extend throughout the country

gradually. NCELL is providing different kinds services to the public like voice messages, text message, call forwarding, call waiting, fax call conference ,net services etc.

Brief Introduction of UTL (United Telecom Ltd.) Mobile

United Telecom Ltd is a joint venture between Videsh Sanchar Nigam Ltd. (VSNL), Mahanagar telecom Nigam Ltd. (MTNL) and Telecommunications Consultants India Ltd. (TCIL), and Nepal Ventures Private Ltd. (NVPL). It plans to offer telephony services in Nepal, based on the wireless local loop (WLL) technology. After exhaustive deliberations and extensive scrutiny, UTL was declared successful bidder by NTA in the bid for basic telephone service based on WLL technology and letter of intent was awarded on 21st Jun 2001 and finally the license was issued on 4th October 2002. UTL provides WLL wireless phone services and is operating in the different part of the country with a customer base of 597324 as of January 2012.

2.2.2 Mobile Marketing

Mobile marketing can refer to one of two categories of interest. First, and relatively new, is meant to describe marketing on or with a mobile device, such as a cell phone using SMS Marketing. (This is an example of horizontal telecommunication convergence) Second, and a more traditional definition, is meant to describe marketing in a moving fashion - for example - technology road shows or moving billboards.

Although there are various definitions for the concept of mobile marketing, no commonly accepted definition exists. Mobile marketing is broadly defined as “the use of the mobile medium as a means of marketing communication” or “distribution of any kind of promotional or advertising messages to customer through wireless networks”. More specific definition is the following: “using interactive wireless media to provide customers with time and location sensitive, personalized information that promotes goods, services and ideas, thereby generating value for all stakeholders”.

Mobile marketing is commonly known as wireless marketing. However wireless is not necessarily mobile. For instance, a consumer's communications with a Web site from a desktop computer at home, with signals carried over a wireless local area network (WLAN) or over a satellite network, would qualify as wireless but not mobile communications.

Mobile marketing refers to the use of wireless devices and networks to deliver a marketing message. The marketing message could be any promotion or advertisement. The most common type of mobile marketing today is mobile phone marketing. Mobile advertising is the idea of pushing out advertisements onto mobile devices, either in app or on a website. Banner ads meet mobile if you will. Mobile marketing is about engaging an audience not on a third party's website/app/property, but on your own property.

In the past couple of years, mobile have gained very much popularity as an advertising and marketing tools by making use of SMS characteristic. It is now, regarded as an officially acknowledged medium of advertisement. Mobile phone marketing and advertising is for sure a fast even though overpriced way of marketing. Numerous smart business enterprise entities utilize SMS facility to inform their customers of most up-to-date gives and promotions on a day-to-day basis or at least as soon as weekly. This publicity approach is a lot comparable to promoting, a coffee shop business by sending the prospects an advertisements coupon once a morning, offering a specific discount on "Flavor of the day".

Mobile phone advertising is not only advantageous to the enterprise entities but is also incredibly handy for an average cell phone making use of buyer. Several of them come across it as powerful means to stay updated by receiving the promotions and latest features. Not only the buyers sign up earnestly to receive SMS adverts but also quite a few corporations and organizations now have a distinct variety for their buyers. Their shoppers can text them to get any expected facts concerning opening times, store locations, sales, new arrivals and so on.

Cellular marketing has also evolved with time and now along with SMS provider, it utilizes Multimedia Message Services or MMS for short. An MMS, is sent and received just as an SMS, on the other hand, it consists of more elaborated details in the form of video or photos of the connected merchandise, combined with music or audio messages, enhancing the impression.

The media practitioners have not only utilized SMS and MMS providers for organization merchandising but there is an additional really famous mode of "in-game cell phone marketing". This strategy requires advantage of the big interest of teenagers and young males and women in playing video games on mobiles, regardless of whether these are very simple word games or 3-D game titles or other networking games. In-game cell advertising involves the placement of several advertisements or streamers promoting a variety of logos and manufactures, on the video games. This job is, performed by the game developers and these advertisings then look right after brief intervals, displaying the certain name or business enterprise. This mode of advertisement is getting, utilized profusely and is frequently identified as "advergaming".

Portable advertising and marketing plays a somewhat partial part in net advertising as well. When the cell phone clients log on to distinct sites or use various search engines applying their mobiles, diverse advertisings and pop ups loaded on these web sites also look on the cell phone of the consumers, in the identical way as they appear on their laptops or desktops.

As if not all this, was enough, cellular marketing and advertising has expanded additional with the advent of Bluetooth technologies. The primary benefit of employing Bluetooth is that when the device is, turned on, consumers can exchange texts, photographs and videos freely with other Bluetooth clients. It is a fantastic gadget for receiving significant information or text messages as it has large memory capacity. Even so, sending content via Bluetooth calls for the permission of the recipient.

This is just a glimpse of the multitude of benefits that mobile marketing offers the business personnel of current world. But the integration of location-sensitivity in advertising efforts will be the key to realize the full potential of mobile marketing. If you like analogies, mobile advertising is the equivalent of buying ads to put onto a baseball field (some sort of mobile property). Mobile Marketing is like owning the baseball field (a mobile property) and creating a create product.

Mobile marketing is opt-in, i.e. the prospect/consumer voluntarily participates. This increases the value of each contact in your mobile contact list.

2.2.2.1 Mobile Marketing via SMS Marketing

Marketing on a mobile phone known as SMS Marketing has become increasingly popular ever since the rise of SMS Marketing in the early 2000s in Europe and some parts of Asia when businesses started to collect mobile phone numbers and send off wanted (or unwanted) content. On average, SMS messages are read within four minutes, making them highly convertible.

Over the past few years SMS Marketing has become a legitimate advertising channel in some parts of the world. This is because unlike email over the public internet, the carriers who police their own networks have set guidelines and best practices for the mobile media industry (including mobile advertising). The IAB (Interactive Advertising Bureau) and the Mobile Marketing Association, as well, have established guidelines and are evangelizing the use of the mobile channel for marketers. While this has been fruitful in developed regions such as North America, Western Europe and some other countries, mobile SPAM messages (SMS sent to mobile subscribers without a legitimate and explicit opt-in by the subscriber) remain an issue in many other parts or the world, partly due to the carriers selling their member databases to third parties. In India, however, government's efforts of creating National Do Not Call Registry have helped cell phone users to stop SMS advertisements by sending a simple SMS or calling 1909.

Mobile marketing via SMS has expanded rapidly in Europe and Asia as a new channel to reach the consumer. SMS initially received negative media coverage in many parts of Europe for being a new form of spam as some advertisers purchased lists and sent unsolicited content to consumer's phones; however, as guidelines are put in place by the mobile operators, SMS has become the most popular branch of the Mobile Marketing industry with several 100 million advertising SMS sent out every month in Europe alone.

In Europe the first cross-carrier SMS short code campaign was run by Txtbomb in 2001 for an Island Records release, In North America it was the Labatt Brewing Company in 2002. Over the past few years mobile short codes have been increasingly popular as a new channel to communicate to the mobile consumer. Brands have begun to treat the mobile short code as a mobile domain name allowing the consumer to text message the brand at an event, in store and off any traditional media.

SMS Marketing services typically run off a short code, but sending text messages to an email address is another methodology. Short codes are 5 or 6 digit numbers that have been assigned by all the mobile operators in a given country for the use of brand campaign and other consumer services. Due to the high price of short codes of \$500-\$1000 a month, many small businesses opt to share a short code in order to reduce monthly costs. The mobile operators vet every short code application before provisioning and monitor the service to make sure it does not diverge from its original service description. Another alternative to sending messages by short code or email is to do so through one's own dedicated phone number. Besides short codes, inbound SMS is very often based on long number (international number format, e.g. +44 7624 805000), which can be used in place of short codes or premium-rated short messages for SMS reception in several applications, such as product promotions and campaigns. Long numbers are internationally available, as well as enabling businesses to have their own number, rather than short codes which are usually

shared across a number of brands. Additionally, long numbers are non-premium inbound numbers.

One key criterion for provisioning is that the consumer opts in to the service. The mobile operators demand a double opt in from the consumer and the ability for the consumer to opt out of the service at any time by sending the word STOP via SMS. These guidelines are established in the MMA Consumer Best Practices Guidelines which are followed by all mobile marketers in the United States.

2.2.2.2 Mobile Marketing via MMS

MMS mobile marketing can contain a timed slideshow of images, text, audio and video. This mobile content is delivered via MMS (Multimedia Message Service). Nearly all new phones produced with a color screen are capable of sending and receiving standard MMS message. Brands are able to both send (mobile terminated) and receive (mobile originated) rich content through MMS A2P (application-to-person) mobile networks to mobile subscribers. In some networks, brands are also able to sponsor messages that are sent P2P (person-to-person). Good examples of mobile-originated MMS marketing campaigns are Motorola's ongoing campaigns at House of Blues venues, where the brand allows the consumer to send their mobile photos to the LED board in real-time as well as blog their images online.

2.2.2.3 In-game Mobile Marketing

There are essentially four major trends in mobile gaming right now: interactive real-time 3D games, massive multi-player games and social networking games. This means a trend towards more complex and more sophisticated, richer game play. On the other side, there are the so-called casual games, i.e. games that are very simple and very easy to play. Most mobile games today are such casual games and this will probably stay so for quite a while to come.

Brands are now delivering promotional messages within mobile games or sponsoring entire games to drive consumer engagement. This is known as mobile advergaming or Ad-funded mobile game.

2.2.2.4 Mobile web Marketing

Advertising on web pages specifically meant for access by mobile devices is also an option. The Mobile Marketing Association provides a set of guidelines and standards that give the recommended format of ads, presentation, and metrics used in reporting. Google, Yahoo, and other major mobile content providers have been selling advertising placement on their properties for years already as of the time of this writing. Advertising networks focused on mobile properties and advertisers are also available. Additionally, web forms on web pages can be used to integrate with mobile texting sources for reminders about meetings, seminars and other important events that assume users are not always at their computers.

2.2.2.5 Mobile Marketing via QR Codes

QR (or Quick Response) codes have been growing in popularity in Asia and Europe, but have until 2011 been slow to be adopted in North America. Originally approved as an ISS standard in 1997, Denso-Wave first developed the standard for tracking automobile parts in Japan. Paralleling the meteoric rise in smart phone adoption, QR codes have become much more prevalent in marketing pieces both on and offline.

Acting as a visual hyper-link to a page, QR codes make it easy to jump someone to a mobile optimized offer page and as such, represent a very powerful tool for initiating consumer engagement at the time when the marketing piece is likely triggering its most emotional response—the impulse moment.

Its potential for tracking offline sources and delivering the types of analytics previously reserved for online tracking makes another powerful reason that marketers are flocking to QR codes in droves.

Some recent high-profile campaigns include Billboards by Calvin Klein in Times Square, Starbucks and Lady Gaga teaming up on a QR code driven scavenger hunt and the recent addition of QR codes for every SKU in Home Depot and Best Buy Stores. QR codes are an open source technology and many free generators can be found with a simple Google search.

Companies specifically offering integrated marketing solutions are typically merging code generation with tracking features and a variety of mobile landing page solutions to capture leads make sales and provide more product information.

2.2.2.6 Mobile Marketing via Bluetooth

The rise of Bluetooth started around 2003 and a few companies in Europe have started establishing successful businesses. Most of these businesses offer "hotspot" systems which consist of some kind of content-management system with a Bluetooth distribution function. This technology has the advantages that it is permission-based, has higher transfer speeds and is also a radio-based technology and can therefore not be billed (i.e. is free of charge). The likely earliest device built for mobile marketing via Bluetooth was the context tag of the AmbieSense project (2001-2004). More recently Tata Motors conducted one of the biggest Bluetooth marketing campaigns in India for its brand the Sumo Grande and more of such activities have happened for brands like Walt Disney promoting their movie 'High School Musical'

2.2.2.7 Mobile Marketing via Infrared

Infrared is the oldest and most limited form of mobile Marketing. Some European companies have experimented with "shopping window marketing" via free Infrared waves in the late 90s. However, infrared has a very limited range (~ approx. 10 cm - 1meter) and could never really establish itself as a leading Mobile Marketing technology.

2.2.2.8 Mobile Marketing via Proximity Systems

Mobile marketing via Proximity Systems, also referred to as proximity marketing, relies on GSM 03.41 which defines the Short Message Service - Cell Broadcast. SMS-CB allows messages (advertising, public information, etc.) to be broadcast to all mobile users in a specified geographical area. In the Philippines, GSM-based proximity broadcast systems are used by select Government Agencies for information dissemination on Government-run community-based programs to take advantage of its reach and popularity (Philippines has the world's highest traffic of SMS). It is also used for commercial service known as Proxima SMS, Bluewater, a super-regional shopping centre in the UK, has a GSM based system supplied by NTL to help its GSM coverage for calls, it also allows each customer with a mobile phone to be tracked though the centre which shops they go into and for how long. The system enables special offer texts to be sent to the phone.

2.2.2.9 Location-Based Services

Location-based services (LBS) are offered by some cell phone networks as a way to send custom advertising and other information to cell-phone subscribers based on their current location. The cell-phone service provider gets the location from a GPS chip built into the phone, or using radiolocation and trilateration based on the signal-strength of the closest cell-phone towers (for phones without GPS features). In the UK, networks do not use trilateration; LBS services use a single base station, with a 'radius' of inaccuracy, to determine a phone's location.

Meantime, LBS can be enabled without GPS tracking technique. Mobile WiMAX technology is utilized to give a new dimension to mobile marketing. The new type of mobile marketing is envisioned between a BS (Base Station) and a multitude of CPE (Consumer Premise Equipment) mounted on vehicle dash tops. Whenever vehicles come within the effective range of the BS, the dash top CPE with LCD touchscreen loads up a set of icons or banners of individually different shapes that can only be activated by finger touches or

voice tags. On the screen, a user has a frame of 5 to 7 icons or banners to choose from, and the frame rotates one after another. This mobile WiMAX-compliant LBS is privacy-friendly and user-centric, when compared with GPS-enabled LBS. In July 2003 the first location-based services to go Live with all UK mobile network operators were launched.

2.2.2.10 User-Controlled Media

Mobile marketing differs from most other forms of marketing communication in that it is often user (consumer) initiated (mobile originated, or MO) message, and requires the express consent of the consumer to receive future communications. A call delivered from a server (business) to a user (consumer) is called a mobile terminated (MT) message. This infrastructure points to a trend set by mobile marketing of consumer controlled marketing communications. Due to the demands for more user controlled media, mobile messaging infrastructure providers have responded by developing architectures that offer applications to operators with more freedom for the users, as opposed to the network-controlled media. Along with these advances to user-controlled Mobile Messaging, blog events throughout the world have been implemented in order to launch popularity in the latest advances in mobile technology. In June 2007, Airwide Solution became the official sponsor for the Mobile Messaging 2.0 blog that provides the opinions of many through the discussion of mobility with freedom.

GPS is playing an important role in location-based marketing. There are many options for this including. Mobile advertising has become more and more popular. However, some mobile advertising is sent without a required permission from the consumer causing privacy violations. It should be understood that irrespective of how well advertising messages are designed and how many additional possibilities they provide, if consumers do not have confidence that their privacy will be protected, this will hinder their widespread deployment.

The privacy issue became even more salient as it was before with the arrival of mobile data networks. A number of important new concerns emerged mainly stemming from the fact that mobile devices are intimately personal and are always with the user, and four major concerns can be identified: mobile spam, personal identification, location information and wireless security. The short description of mobile is for marketing is for marketers to engaging marketing promotions by advertising their messages to potential buyers via cell phones. Short message services otherwise known as text messaging or SMS, is the basic platform very popular with many marketers. They are also affordable when measured against the reach in terms of per customer acquisition cost.

2.2.3 Some of the Reasons the Mobile Marketing is Gaining Value

- J 95% of all text messages are opened and read!
- J On average emails are read within 48 hours.
- J Text messages are read within 4 minutes!
- J Mobile reach is larger than internet.
- J 89% of major brands are planning to market via mobile phones.

2.2.4 How does Mobile Marketing Work?

The mechanics of using SMS for marketing are simple. Providers own short codes and keywords. Short codes are typically 5 or 6 digit numbers that are used as phone numbers. Keywords are used to distinguish a particular marketing campaign. For instance an advertiser may ask a consumer to text a keyword to the short code number to receive a special offer from the consumer's point of view it is very simple.

2.2.4.1 Short Codes

The advertiser must obtain access to short codes from agencies, such as WSI, that have purchased short codes. Owning short codes is expensive. Typically short codes cost in the order of several thousand dollars. Access to short codes through agencies is much more economical.

2.2.4.2 Keywords

Each short code can accommodate a myriad of keywords. Part of the agency's role is to manage the keywords. An advertiser picks a keyword that is relevant to the campaign and if the keyword is available against the short code, then the combination is unique. With mobile reach growing at such an incredible rate, it is projected that in 2012 there will be more mobile phones than personal computers in the world; businesses cannot afford to ignore mobile marketing.

2.2.5 Seven Unique Benefits of Mobile

With direct response and relatively lower cost of communication, mobile is changing the face of the marketing and advertising horizon. Tomi Ahonen (Ahonen, 2008) has identified seven features unique to mobile phones, highlighting the unique benefits and challenges of the mobile phone.

2.2.5.1 The Mobile Phone is Personal

A 2006 survey (“Wireless Works” by BBO and Proximity) found that 63% of respondents would not share their phone with anyone (and 90% of those surveyed in Japan would not share their phone). While laptops do present a personal connection to the Internet, they are not as personal a device as the mobile phone.

The implication for marketers: Respect for privacy and permission is exceptionally important in all aspects of marketing, and particularly so when it comes to mobile phones.

2.2.5.2 The Mobile Phone is Always Carried

What do you take with you when you leave your house? Wallet, keys and mobile phone. What do you keep always near you when you are in your house? , Mobile phone. According to 2007 research by Morgan Stanley, 91% of mobile phone owners keep their phone within one meter, 24 hours a day. People have their phones with them at all times of the day, even in the bathroom.

The implication for marketers: Messages sent to recipients can be read and acted on immediately. Unlike, for example, email which requires that the recipient be in front of their computer and connected to the Internet, messages sent to mobile phones will most likely be accessed within minutes of being received.

2.2.5.3 The Mobile Phone is Always on

In order to fulfill its primary function – as a telephone – the mobile phone is always on. Messages and services can be sent and acted on at all times of the day.

The implication for marketers: Similar to the previous feature of the phone, the fact that the phone is always on changes the services and messages that can be developed for the phone. It also means that marketers need to be even more sensitive with their marketing communications. Not many people would appreciate an SMS at 4am informing them of a special offer.

2.2.5.4 The Mobile Phone has a built-in Payment System

This is perhaps the key feature of the mobile phone, and one reason why content for mobile phones in many areas generates as much or more revenue than content for the Internet. Every mobile phone has a built in payment mechanism – the SIM card. Billing is easily handled through the user's mobile network. Not only do mobile phones have this built-in payment mechanism, paying for content and downloads has been built into the way that consumers use their phones. There is less of an expectation that goods and services will be free. There are also a number of services that turn the mobile into a virtual wallet or bankcard, bringing banking and payment services to people all around the world. IChannel, a mobile news ticker feed in Japan, generates US\$ 192 million per year in subscriptions for its US\$ 2 a month service. It has more paying subscribers on this single service than all online newspapers in the world combined (Moore, 2008). Similar cases can be made for games, music and other mobile content.

The implication for marketers: Consumers are willing to pay for services and content on their mobile. Advertising is not the only way to generate revenue for content.

2.2.5.5 The Mobile Phone is Available at the Point of Creative Inspiration

As the mobile phone is always carried and always kept on, it is always available as a creative tool. Phones today feature a number of tools that let users act on creative impulse, from taking photos and videos, to becoming a scribbling pad on which to jot down ideas.

The implication for marketers: The feature can be used to encourage interactivity within campaigns created for mobile. It presents the mobile as a useful tool in viral campaigns based on consumer generated content.

2.2.5.6 The Mobile Phone Presents Accurate Audience Measurement

While the Internet is vastly superior to other media in its ability to track and measure advertising and marketing campaigns, it is eclipsed by the mobile phone. Every transaction made on a mobile phone can be uniquely tracked to that mobile phone number, whether the transaction is a voice call, an SMS message or accessing the Internet.

The implication for marketers: Aggregated data provides extensive profiling and segmenting opportunities for targeting the right audience. Campaigns can also be accurately measured and tracked for ROI. Bear in mind as well that this accurate measurement means that mobile phone users have far less anonymity than Internet users. Even though at least 50% of mobile phones worldwide are on a prepaid or pay-as-you-go type of contract (which means that the network operators do not have the phone user's name and demographic details to go with the mobile number), each transaction made by the phone user can still be measured. Be aware, that the networks determine the data that they are willing to share with the marketing company. This limits the information available.

2.2.5.7 The Mobile Phone Captures the Social Context of Media Consumption

Because of the nature of the mobile phone to accurately track transactions to any particular phone number (user), it can track transactions between mobile numbers (users). This means that sophisticated data mining can identify patterns that indicate information and preferences of mobile phone users. Not only can alpha users be identified, but they may be identified within their social context.

The implication for marketers: This information will represent rich data that can be used to both create and market products, content and services online.

2.2.6 Advantages of Mobile Marketing

As the audience is likely to be carrying their mobile devices with them in a standby state, they are more likely to receive and absorb the message on the spot. It is always around, always on. According to com Score, Inc., a leader in analysis and commentary of the digital world, advertisements for restaurants and food boast the highest response rates of all SMS advertising. On average, 16% of those receiving an advert for a restaurant are likely to respond, while 13% of those receiving an offer for food – such as a grocery coupon – will show interest. According to Nic Covey, Nielsen Mobile's Director of Insights, Nielsen finds that 13% of mobile users both recall and respond to mobile ads, while 16% view the ads but do not respond.

2.2.7 Disadvantages of Mobile Marketing

Few Standards: Mobile phones are even less standard than PCs. Not only do phone models present a myriad of screen sizes, there are also several operating systems and browsers that are used by mobile phones. Privacy and Permission: Privacy is always in question on any network or device. Savvy marketers must be aware of the connection that users feel with their mobile phone, and offer clear instructions for opting out of marketing communications. Questionable Navigation: The mobile phone is small, and has a small screen and keypad.

While some phones have a full QWERTY keypad, many have the standard numeric keypad. When it comes to the mobile web, consider that phones do not have a mouse and few models have touch screens. For the most part, navigation of the mobile web is through the keypad or scroll buttons on the phone - making mobile more of an objective based exercise for the user, rather than casual browsing.

2.2.8 The most Developed Mobile Marketing Platform in the World

bizM3 software allows mobile marketing campaigns to be planned and launched by marketers in minutes, allowing timely alerts containing mobile coupons, special offers, rewards, text-2-win announcements or links to mobile websites to be deployed and tracked with all the analytics needed to make the decisions necessary for the best ROI. There are many different Mobile Marketing and Media mediums to advertise your opt-in text campaigns. We recommend that your marketing and text message ad campaigns have a clear call to action using any of the following suggestions Business Cards, Flyers, Signs, Door Hangers, Billboards, Television, Radio, Kiosk, Digital Signage and Website. Mobile is at the center of all cross-media advertising.

2.2.8.1 Mobile Marketing Features Available by bizM3

Text 2S MS Voice2S MS Voting - Polling - Surveys – Trivia Text 2 Win
Mobile Coupons.

The mobile coupon can be a simple text message that says, show this text to get 15% off at our store location this weekend or something similar. bizM3, Mobile coupons are often delivered as a graphically rich (MMS), or as a 1D or 2D, barcode otherwise known as QR code. WAP - Mobile Friendly Web Sites and Landing pages Short Code - Keyword Opt-in Kiosk- Digital Signage. Its works as following:



Source MMA, Mobile Marketing Association.

Mobile campaigns are intended as a complement to your existing marketing campaigns. The contact device is the “keyword” (your unique tracking method) and “short code” (Is the technology platform for interaction). The keyword and short code can be added to any existing marketing channel: Sign, Online, Print, Radio, Television, etc. Interactive Voice Response (IVR) has been proprietarily integrated into our software as a solution to allow any mobile device to receive a text just by making a phone call. Any mobile user can now receive a text without knowing how to use text messaging, giving marketers another channel to capture and build a list of voluntarily opted-in mobile phone numbers.

Using our IVR System is Optional

SMS can be used in several different ways. Marketers can take advantage of the immediate and personal nature of SMS text messaging to:

-)] Provide information on the go about Upcoming events, contests, coupon or other special offers, or even directions to your location.
-)] Just in time offers/Not available elsewhere. Send your opt-in mobile subscribers a special offer in real time that is only available to SMS subscribers. Allow them to redeem the offer immediately, using their

wireless device.

- J Encourage Interaction. Ask recipients to participate in a poll, survey or contest.
- J The process is so simple. For example, a keyword and short code is added to a sign that is attached either inside or outside your building. The prospect responds to the message or special offer via their mobile phone. The prospect is invited to “opt in” to receive more information on the offer. Once opted in, the customer is yours to communicate with on an ongoing basis! The perfect way to keep your customers coming back again and again. Did you know that 90% of text messages get read within 3 minutes of receiving them? Now for those of you that have a larger marketing budget, imagine using this kind of powerful mobile text marketing interaction within a radio or TV commercial.

2.2.8.2 Use an Interactive call to Action with all your Marketing Campaigns by Simply Integrating Mobile Short code Marketing. Picture Below Illustrates an Example of An automobile Mobile Campaign



Source MMA, Mobile Marketing Association.

Custom Mobile Marketing Solutions Available for Every Industry

Enterprise Solutions

Enterprise Level content management and distribution platform that allows creating a multi-tiered user account structure on which your staff can collaborate remotely via the platform on a campaign. This patent pending technology will optimize your work flow efficiency and this is a state-of-the-art solution.



Source MMA, Mobile Marketing Association.

Mobile Marketing is the Simple way to set up a Customer Loyalty Program

) Mobile is poised to become the most widely utilized media channel in the world!

Cell phones represent the most personal way to communicate with individuals.

In a recently released report, Nielsen highlights how brands can reach practically every mobile consumer in the U.S. – by adding a mobile address – a

Common Short Code – to their marketing mix.

) It doesn't matter how small or big your company is. We have appropriate mobile marketing and advertising solutions for businesses both large and small.

2.2.9 Mobile Marketing In The Near Future

Mobile marketing has both a digital definition as well as a traditional definition. In the digital definition it is as one would expect about marketing your business message through mobile devices. In the traditional definition there are moving billboards that are associated with mobile marketing. For our reference we are going to be talking about mobile devices and I think it is safe to say that when one thinks of mobile marketing now-a-days mobile devices are what come to mind.

The mobile industry certainly has grown quickly in the past three years. The iPhone coming to market was only the beginning. It did not take long for mobile applications to make the mobile device more useful to the consumers and with the flood of mobile applications consumers were able to find many different uses for their mobile device. Games and Entertainment were only the beginning. More useful applications like tools, utilities and resources also found their way to the mobile device.

As of June 2012 there were 327,577,529 mobile devices in the United States against a population of 310,866,000(From Wikipedia). There are more mobile phones than population in. Feel free to look at the Wikipedia Article for more statistics worldwide. With more than 91% of the U.S. population having a mobile device, and these devices having considerable capabilities, it is undoubtedly the next most significant source of information for the consumers and businesses alike. Using it as a phone is only the beginning. Email, Games, Entertainment, Texting, Instant Messaging, Browsing, Photos, Camera, Calculator, Calendar, Maps, Voice Recognition, News, Banking, Weather, Finance, Social Communities, and Radio are only the small fraction of what mobile devices are used at this time. Their capabilities will continue to grow and this mini-computer will have more use in our daily lives.

As an Internet and digital marketing agency we want to focus the rest of this article on how a business can use mobile marketing. We will focus on four specific areas and describe a starting point and planned progression over the next few years. Each of these areas has many details and this information is designed to be a summary. We will follow this article up with other articles that specifically discuss each section separately

2.2.9.1 Messaging Services

This is most often known as “texting” and includes SMS Texting (Short Message Service) as well as MMS (Multimedia Message Service). In order for a business to tap into this marketing tool you have to first begin to get permission from prospects and customers in order to send them SMS or MMS messages. Begin by seeking out a service that provides SMS and/or MMS services.

You will be assigned a text number that customer can send a subscription notice. You can add this feature into your website, email marketing or display in your business to promote how prospects and clients can get alerts from you by SMS or MMS. Because it will take time to build up subscribers you will want to start this sooner rather than later.

2.2.9.2 Mobile Websites

We have had discussions with client in which they felt that as long as their website was showing on a mobile browser then they had a mobile website. This is far from the truth. A website that was developed specifically for a standard computer or laptop monitor does not mean you have a mobile version of your website. On a mobile version of a business website a user will not need to zoom in or out or pan left or right when viewing your website.

The website will be “lite” version of your primary website with specific call to actions that are useful to the users visiting your mobile website. A good example I have of his would be Delta Airlines. Go to their website on a standard

computer. Then go to their website using a mobile device's browser. You will see two very different websites. As a business you will want to budget and get a mobile version of your website as one of your very next steps.

2.2.9.3 Mobile Applications

At some point every business will have a mobile application and it is even possible that mobile applications will diminish the need for domain names; however, let's leave that conversation for another time. Mobile applications can be used to be useful as a tool for your customers or you may decide to have a application for branding purposes that is a simple game.

There are certainly many possibilities for mobile applications and you will need to consult with a marketing firm to decide how to best utilize mobile applications. Mobile application development budgets can range from low to high all dependent upon the creative, interface functionality, database use and Internet streaming.

2.2.9.4 Mobile Advertising

Text advertising like Google adwords and banner advertising is available direct to mobile devices. The difference is how they are delivered. For example banner ads will appear in free mobile applications and appear when the application is used at the bottom. You can push your mobile banner ads through mobile advertising networks like AdMob (acquired by Google) and Quattro (acquired by Apple). Development of your mobile ads requires a different approach since there is limited physical dimensions of your message.

By utilizing all four mobile marketing components for your marketing plan over the next couple of years you will be able to tap into a new marketing tool that happens to be well suited for local business marketing. Waiting for two years to pass and then deciding to plan and adopt this technology is probably the wrong answer. You need to incorporate this process now and build it into your business marketing process now otherwise you will be left behind.

2.2.10 Small Business Marketing Strategies - Mobile Marketing Trends That Thrive On New Age Lifestyles

With the advent of smart phone at the end of 2009, nearly every aspect of our lifestyles is affected by the little handy device called the cell phone, fortunately very often in more positive ways than not. Indeed, tapping on mobile marketing trends and incorporating them into your small business marketing strategies can give rise to enhancing your business bottom line. Our modern lifestyles have enabled us much greater mobility with the help of mobile technology which have impacted many facets of our lives. In fact, this aspect alone has impacted our daily lives to so a great extent and so much more is happening on a daily basis that it is difficult to keep up with, even for most marketers.

Mobile Social Media - A Political Tool That Has Proven Very Fruitful

The then Senator Barack Obama tapped on the younger Americans who seemed to be perpetually on their cell phones via Face book and Twitter as well as using text messaging to spread and communicate his ideas, political aspirations and create a never-before bonding between the masses and the then presidential candidate. While that was the first most concerted effort by a high profile politician to use social media in tandem with mobile marketing technology so extensively, we can be sure to see much more of such activities in future within the political arena. Providing political communications a new and exciting avenue of expression will take greater shape over coming decade.

Enhancing Business and Work Efficiency

As it has been for a long time since the debut of the laptop, business meetings have taken a strong virtual presence, what with video conferencing saving you time, money and giving rise to greater efficiency at the work place. Nowadays, multi-way mobile conferencing has become the norm for many businesses. Group sms-ing are made easy with robust mobile technology and we no longer need to be strapped down at our work station with the desktop or laptop. In fact, a simple cell phone in hand is all you need.

Eh... What is Mobile A&P Again Please?

Mobile advertising or what I would term as Mobile A&P has begun to infiltrate our lives without us even realizing it. We could literally take a walk along a busy street and when we are less than 50 meters from any Starbucks; our mobile will automatically beep and prompt us of a 50 percent discount on its new cranberry caramel flavored coffee. Thanks to the GPS in your smart phone, location based marketing has taken off in a small but successful way.

Goldmine Uncovered - Tapping on The Right Target Audience for Mobile Marketing

Cell phone penetration is about 1 billion out of the entire Chinese population which is the greatest emerging market for mobile marketing is Asia. This is only one emerging country amongst the many, according to Wikipedia statistics, with more than 100 percent cell phone penetration per population in key countries like Saudi Arabia, Hong Kong, Russia, Argentina, Hungary, Chile, Malaysia, Brazil and the list goes on. Based on the above figures, it is not difficult to predict that mobile advertising will become a very lucrative business to embark upon. Indeed, most of these mobile marketing trends have started and some are fast developing into effective mobile marketing campaigns and more others being perfected over time. Whether you, as the innovative marketer or business owner, can capture the easy profits as first movers, is entirely up to you.

2.2.11 Small Business Marketing Strategies - Tapping the Immense Potential of Mobile Media Marketing

To broadly define Mobile media marketing, it is the marketing approach of utilizing the mobile form to deliver your advertising and promotions mix. Examples range from all forms of advertising and promotions is no longer limited to simply ringtones and games. The scene has flourished to include any products that can be marketed leveraging on the vast potential of this channel. While many are still tapping on the proven and effective approach of first generation text marketing, or SMS advertising as they were known to be,

innovative marketers have begun to dream up more extensive usage of this channel. Take the recent onslaught of cell phone voting of reality TV shows like the American Idol and you will understand that we are indeed at the brink of a mobile marketing explosion right here and now Article (EzineArticles.com/5809567).

Indeed, the "Idol" shows in each country that are globally utilizing the voting approach, has inspired the lead on exploring this mobile channel beyond ring tones and games. Nowadays, mobile marketing is in the realm of 2D Barcodes, location-based social media and much more. And there is no stopping these innovations in sight too.

Direct response marketing utilizing the mobile platform has garnered extensive interest from many marketers especially of late, mainly due to the influx of smart phones since the end of 2009. This platform allows your customers to enjoy a two-way communication with your customers enabling them to respond to your ad messages. This is no unlike advertisements that you watch and hear from the TV, radio or print media. This platform is deemed as a more effective approach which yields faster results by virtue of its inherent attributes. It also helps product owners and businesses to foster bonding relationships and execute branding exercises.

The most often used mobile strategy is none other than text marketing which utilizes a keyword and mobile short code to run a mobile marketing campaign. The keyword is unlike that of internet marketing and is simply a name given by the advertiser to identify the campaign. The mobile short code is or what is known as SC is very often a shorter set of numbers used in place of the full string of your campaign phone number to expedite response and interaction upon receipt of your message. For instance, when running a free pizza promotion, you can inform your customers to send the keyword to the short code included in your message to order their free pizza. And yes, this is as easy as it can get for your free pizza.

So start your mobile media marketing now and be an early adopter for that sweet first mover's advantage. Be a true market leader that taps into uncharted frontiers where profits abound.

2.2.12 Why Mobile Marketing Is More Effective Than Traditional Forms of Marketing

Mobile marketing is simply the process of conducting marketing and advertising activities tapping on the cell phone as a delivery channel. According to the overview statistics provided by Buzz City, mobile advertising grew by 61 percent in Q2 of 2010 in a total of 44 markets, with each market delivering traffic of more than 10 million impressions. Such is the sheer force and magnitude of mobile marketing. In Q3 2010, there is more than 15 billion banners delivered globally, constituting a 17 percent increase from the previous quarter. The top 20 countries constitute 80 percent of banners served Article (EzineArticles.com/6095423).

Key types are text marketing, mms marketing and have become very popular advertising approaches in the past year or two. In order to better understand mobile marketing, there is a need to explore the key differences between these and traditional approaches of advertising. If you own a business, it is critical that you have a good grasp of how they differ, so that you could make educated decisions when mapping out your small business marketing strategies. As mobile marketing presents new and innovative advertising and delivery options, there is need to master them well in order to execute the process well and achieve the desired results. There are key reasons why mobile marketing is a more suitable and effective channel than the traditional advertising and promotion approaches and three of which stands out below.

Focused and Laser Targeted Reach

The very process of how you obtain the list of cell phone numbers for your marketing endeavors literally guarantees you a focused and laser targeted reach.

When your customers or prospects provide you with their cell phone numbers, they opt-in to receiving product information. Simply by virtue of the opt-in, you have a warm list of customers and prospects on hand enabling you to conduct targeted marketing, thereby enjoying much higher click through rates, and conversion rates.

Measurable Results

Many advertisers who utilize the traditional types of advertising mediums admit that they are not able to accurately measure the response rates or conversion rates of their TV or radio advertising campaigns. However, this is not the case for mobile marketing as you are working with a fixed number of names. Their responses are closely monitored and measured almost real-time as accurately as possible. Mobile marketing enables measurable results which is one of the most critical requirements of any marketing project.

Timeliness of Response

For many traditional advertisements, recall rates can be dismal to say the least, and people tend to forget the messages almost immediately without making any memorable impressions. One of the main reasons is due to the fact that the message is not scripted to target the individual but rather the masses. More importantly, they are not sent or received at the most opportune timing. Mobile marketing, on the other hand, resolves these issues by enabling you to send your messages at the most opportune times of the day, catching the prospects just at the right moment, thereby enhancing the response rate of your offers.

2.3 Review of Previous Related Studies

This part is a descriptive presentation of the literature work done by various authors and previous researchers. The main objective of this part is to analyze the previous research study. The purpose of literature review is thus, for find out what research studies have been conducted in ones chosen field of study. And what remains to be done. It provides the foundation of developing a

comprehensive theoretical framework from which hypothesis can be developed for testing. The literature survey also minimizes the risk of pursuing the dead ends in research.

So far as known to the researcher, studies on Market analysis of telecommunications in Nepal based on customer opinion are very few. Numerous studies have been made in the area of effectiveness of sales planning in Nepal Telecom, Human resource planning in Nepal based on Nepal telecom, profit planning and control in public utilities sector based on Nepal Water Supply Corporation and Nepal telecom but the detail study on market analysis of telecommunications has not been conducted till this date. So, some of the notable literatures relevant to the study are reviewed in this study to identify the relevance of the present study. Some reviews are as follows:

Tripathi (2007), has conducted a research on the topic “*Effectiveness of sales Planning in Nepal Telecom (With Special Reference to Nepal Telecom)*” was submitted to central department of Management T.U.

The Main Objective of this Study:

-) To analyze the existing sales planning system of Nepal telecom with seasonal demand.
-) To study the relationship between sales plan with production Plan.
-) To analyze the relationship between sales and profit.
-) To analyze BEP of Nepal telecom
-) To provide suitable suggestion and recommendation on the basis of study

The Major Findings of the Study are:

-) The total actual sales units of NT are in increasing trend. It exceeds budget In F.Y. 2060/061 and 2062/063. Actual sales revenue is always higher than target except F.Y. 2061/062

- J The actual sales units of PSTN telephone service of NT is fluctuated every Year.
- J There is high degree of Positive correlation of total sales units, but low degree of Positive correlation of PSTN sales units.
- J The cost volume Profit analysis of NT Shows that BEP is Satisfactory.
- J Internal and external variables Providing opportunity, threats, strengths and weakness are not identified clearly.

Adhikari (2009), has conducted a research on the topic “*The Effectiveness of Promotional Strategy of Mobile Services in Society with SP (With Special Reference of Mero Mobile Services)* .

The Main objectives of This Study are:

- J To identify response of Target Audience of Mero Mobile
- J To Identify the Brand awareness of Mero mobile
- J To identify the promotional tools adopted by Mero Mobile

The Major Findings the Study are:

- J Numbers of Respondent used mero Mobile service it has least network Problem, and it provides lots of Facility like free talk time. MMS ad Ramaro Tariff. No body has enough time to involve in same problem for long time. So, Hassle free is also most effective service of Mero Mobile.
- J The Sales Promotion and advertising is the most attractive strategy used by Mero Mobile service while performing promotional strategy. One hr talk time, ramro Tariff is the most successful campaign.
- J The total no of subscribers which the mero Mobile has achieved till date stands at 1710000. As per the Table 1575000 No of Subscribers are achieved from the consumer Promotion and the rest are from other activities.

2.3.1 International Telecommunication Union (ITU)

It has conducted a small tactical survey “Background Information on the ICT* Static of Nepal: the state of ICT Collection and Disseminations “Which conclude like this *NTA is collecting and Disseminating the telecommunication Indicators those defined By *ITU which are comparable across countries Although this is being done at a regular interval, difficulty in obtaining data on time has been a major concern in our effort to make those indicators available to the stake holders without delay. NTA reports the data available from the operators but doesn't validate the authenticity of such data. However after several years effort NTA has been able to bring out the report that solely reflects the ICT static, which carries much significance for the development of ICT in the country. NTA also feels that there is a need for a regular study/ Research on the impact of the ICT in socio economic as well as overall national development of the Country. NTA Needs Technical Assistance to Build this Capacity. It is Believed that Periodic Reporting of *ICT Related Data is a Significance contribution for Bringing out a reliable Static for the General Public. (International Telecommunication Union).

2.3.2 Telecom Network of the Country

According to quarterly performance of Nepal telecom conducted on April 2008 With the introduction of new Telecom Operators, the same tempo of growth Continues with the number of distributed lines increasing from approximately 65,000 in 1992 to over 8, 05,061 (PSTN + WLL), Post-paid Mobile Subscribers 1, 13,742 and Pre-paid Mobile Subscribers 28, 82,555 till 12 April, 2008 (30 Chaitra, 2064). The fully digital network offers full national. Nepal Doorsanchar Company Limited, the only wire line operator in Nepal has 233 Telephone exchanges in operation at 224 different locations in 72 districts of Nepal. There are a total of 4575 International telephone circuits in operation including Microwave circuits (Based on NDCL MIS).

2.4 Research Gap

I have found so many previous research reports on marketing field with related subject Matter. But the choice of this subject is due to the fact, there is no previous research found on Market Analysis of Telecommunications of Nepal Based on customer survey. The study tried to find out the probability of market for the emerging telecommunication industry in Nepalese Market by doing Customer Survey. The study tries to find out the status of landline and mobile users, habit of Monthly expenditure on mobile services, satisfaction level of customers regarding network, tariffs, and services. By analyzing these elements of existing telecommunications of Nepal the study tries to find out the potential market for rising telecommunication. In This study the existing market trend, Growing status, factors influencing customers for using telecommunication services are studied and analyzed. Research has attempted to prepare and present this report with full enthusiasm and all possible primary as well as secondary data. Sources are collected analyzed and presented here in respective Manner. (Quarterly Performance of Nepal Telecom, 2008).

CHAPTER-III

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology offers the ways to solve problems systematically. While facilitating the research work, it attaches reliability and validity to the findings which are key to a successful research.

Marketing Research specifies the information required to address the aforementioned issues, designs the method of collecting information, manages and implements the data collection process, analyzes the results and eventually communicates the findings and implications among others.

3.2 Research Design

Any research work can hardly be performed without collection of necessary information. The researcher has to collect all the required information from various sources. A research design is the condition for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedures. Thus it is not possible for the researcher to conduct a research project without a research design.

Research design is the specification of methods and procedures for acquiring the information needed. It is the overall operation pattern of the project that stipulates what information is to be collected, from which sources and using what procedures.

Research design is the plan, structure of investigation conceived so as to obtain answer to research questions and to control variances. The plan is to prepare the overall scheme or program of research. The essentials of good research design include:

A plan that specifies the sources and type of information relevant to the research question.

A strategy specifying which approach will be used for gathering and analyzing the data.

A simple descriptive research design will be incorporated. As for the collection of data, the researcher need to be there at the field, field study research design will be also employed besides the simple descriptive one.

The main objective of this study is to analyze and evaluate the scope of mobile marketing in Nepal. Since the study is about possibilities of expanding the horizon in the field of mobile marketing in Nepal it mainly incorporates two biggest telecommunication companies like Nepal Telecom and Ncell. Needless to say, mobile marketing has not only been one of the emerging concepts of advertising in world but also has been the major tool of rendering information and educating people.

In order to meet the primary as well as secondary objectives it adopts the descriptive case study research design. The study area for the research will be Kathmandu. The potential areas for mobile marketing will be explored while taking in cognizance of marketing options currently offered by Nepal's top telecommunication companies--Nepal Telecom and Ncell.

3.3 Sources of Data

Data and Information have been classified into two basic categories. They are:

-) Primary Data
-) Secondary Information

3.3.1 Primary Data

Various methods that are used in primary data collection are as follows:

3.3.1.1 Observation Method

Literally, observation is watching, listening and reading. In the word of P.V. Yong "observation may be define as systematic viewing, coupled with consideration of seen phenomena." Observation involves three processes, sensation, attention and perception.

It is one of the best ways for researchers to get the actual information. The researcher made frequent visits to the websites of telecommunication authorities, visited companies in person and went rigorously through the materials available in the central library of Tribhuvan University and Padma Kanya Campus in a bid to get the information.

3.3.1.2 Questionnaire Methods

During the course of research study, questionnaires were formulated and distributed to the customers and business personnel who were deemed to be particularly interested in mobile marketing. They were selected randomly to fill the questionnaire forms. The questionnaire filled by them is the base for generalizing the conclusion pertaining scope of mobile marketing. The lists of questionnaires are attached in the Appendix.

3.3.1.3 Interview Method

Interview is also one of the effective tools that can be used to collect first hand information for subject matter of research study. The main purpose of interview is a method allowing the researcher to ask questions which will enable to answer research questions. Interview was conducted only in the case when some information not included on the questionnaire was required. The interview was informal. The officials of telecommunication companies, business and IT experts were interviewed. In the process of getting information about the mobile marketing and the benefits through this, entrepreneurs associated with some of the small business firms as well as customers were also interviewed.

3.3.2 Secondary Information

The information that are collected from the data collected by previous researcher are known as secondary data. The secondary data provide the researcher with a considerable amount of useful information. For the research study, different secondary data were collected from different sources like a few instances mentioned below.

-) Related books on Mobile marketing.
-) Different articles.
-) Books/ Websites Related research studies done by other.

3.4 Data Collection Procedure

The structure of questionnaire was developed in such a way that it could reflect the interest of mobile users regarding the contents in their devices. The questionnaires set for the entrepreneurs in different business sectors, either big or small, had incorporated their interest to invest in mobile marketing in a bid to promote their business in the increasingly competitive and digital world.

The questionnaires were distributed through personal contacts and the respondents were requested to fill them. The researcher also filled the questionnaires by personal interview at some occasions.

Questionnaires were distributed to 100 people inside Kathmandu Valley. Among them were randomly selected 20 people from banking sector, 20 from insurance company, 20 from restaurant owners, 20 from beauty parlours related people and 20 customers for the survey.

3.5 Data Processing

When the researcher collects the responses for the entire questionnaire are tabulated under different headings for the analysis purpose.

3.6 Data Analysis Techniques

The collected data are logically and systematically considered and tabulated in different format. Tables of data must be compiled, percentage and average must be computed and comparison must be set of information that coincided with the list of needed information established in the second step of the research process. Keeping those essentials in view, the information was carefully considered and analysed during the interpretation of facts and figures.

Finally a general picture of the scope of mobile marketing in Nepal is drawn.

CHAPTER- IV

DATA ANALYSIS AND INTERPRETATION

The chapter present and interprets the various data gathered from the application of different methods and presented and decorated as required by the research objective. In this chapter, data are interpreted and analysed with the means of collected questionnaires and interviews.

The research design chosen for the study is Simple Descriptive Design. A survey instrument was developed based on previous studies done on consumer perceptions of mobile advertising. Quota sampling (multi stage) has been employed with the questionnaires being sent to approximately 150 respondents. However 100 questionnaires were found complete in all respects. So the total number of respondents considered during this study is 100. The response rate was nearly 67%. An attempt has been made to keep the sample fairly representative across the demographic variables by constructing quotas according to these factors e.g. age, gender, occupation and purpose of mobile usage.

Almost 55 % of the total 100 respondents belonged to the age group of 18 to 25 years and approximately 45% of the respondents belonged to the age group of more than 25 years.

50% of the respondents were students, 25% were in banking service, 8% were housewives and 17 % were in other services. 43% were males and 57% were females. Almost 75% of the respondents rated their usage of mobile in the range of medium to high. 39% of the respondents used their mobiles primarily for personal communication. Interestingly, 45% were found to be using the mobile phones both for the purposes of communication and information.

The area of our sampling is the city of Kathmandu. The time frame of the study was Jun 2012 to August 2012. Primary- stage sampling units were the mobile users, while the secondary stage sampling units were markets, shopping malls, institutions and localities of Kathmandu. In order to make the sample representative, sampling was performed in various market places, shopping malls, office complexes and some residential localities considering the desired quotas. A group of respondents were also chosen from Yellow pages Telephone Directory using systematic sampling scheme.

4.1 Skyrocketed Number of Mobile Users

The number of GSM mobile subscribers almost doubled during the last fiscal year to reach 10.7 million. There were 6.8 million cell phone users in Nepal in 2009-10. Nepal Telecom and Ncell added 3.9 million new mobile subscribers during fiscal 2010-11. Privately owned Ncell attracted 2.7 million new mobile users while state-owned Nepal Telecom added 1.2 million subscribers.

Officials at the Nepal Telecommunications Authority said that a decline in tariff, competition between the two operators and increased dependency on cell phones led to the surge in the number of mobile owners. “Subscriptions have increased rapidly over the last two years as a result of competition among operators,” said a high-level official at the authority. “However, the quality of service is still below the standard in the GSM segment compared with fixed lines.”

In an effort to find out the real situation of the telephone services being provided by the operators, the authority is doing a survey in four major cities, Kathmandu, Pokhara, Biratnagar and Nepalgunj, with a focus on mobile services. In the current fiscal year, the authority is planning to conduct a study of the service quality of basic telecom and mobile services in remote and urban areas. GSM mobile being the major communication service occupies more than 80 percent market share in domestic telecom service. With the increased subscriptions of

the GSM mobile service, mobile penetration in the country too has increased to over 40 percent of total population.

A monthly breakdown of the expansion in the subscriber base in the last fiscal year reveals that Ncell added the highest number of users, more than 300,000, during the period mid-February to mid-March 2011. This was also the period when Ncell toppled the state-owned telecom giant from the number one position in the GSM segment. Corporate communication manager of Ncell said that they had been able to achieve this massive surge in subscriptions because of the quality of the network and innovative offers. “We will expand to all the districts by the end of 2011 and cover over 90 percent of the country’s population,” she added.

Nepal Telecom has recently called a global tender for the largest GSM project till date, prompted by increased demand for mobile services and neck-to-neck race with Ncell. The state-owned company plans to add 10 million mobile lines in the next four years. The project will also have lines for 3G and 4G services.

It is overt that mobile usage has increased to an unprecedented level over few years in Nepal. The data provided by Nepal Telecommunication Authority regarding the number of mobile users in the country clearly show the growing popularity of mobile phones. Mobile phones have reshaped the landscape of communication, information, entertainment and advertising nowadays. Lives could hardly been imagined in the increasingly digital world. So has been the increasing penetration into the lives of Nepali people also. The popularity of mobile phones are enough to show its unprecedented reach to the customers and hence, offering the vast potentiality of mobile marketing. The entry of private companies into the mobile services have made this field more competitive and eventually, plummeting the costs of those services, which has undoubtedly benefited the customers at large. The study has compared the data of last four years 2008, 2009, 2010 and 2011 to study the increasing penetration of mobile

phones into the daily lives of Nepali people. The comparison clearly shows that there has been more than 31% growth in number of usage of mobile phones.

Table 4.1

A comparison of Mobile users Over last 4 years

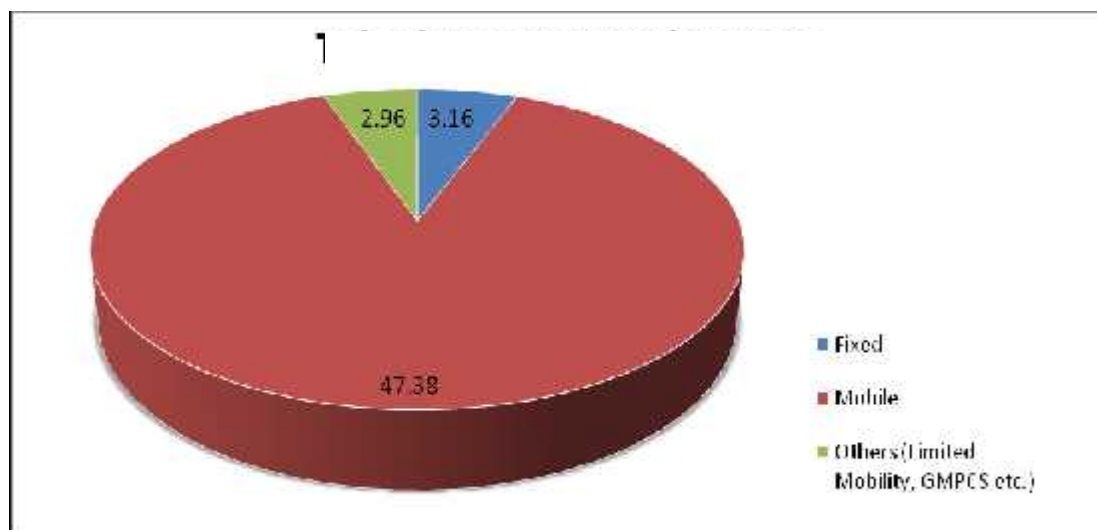
	Year			
	2008	2009	2010	2011
Telecom Companies				
NDCL(State owned)				
GSM	17,51,715	3,483,283	4,241,443	5,422,869
CDMA	----	602,120	869,675	8,58,653
Ncell(Private)	12,44,582	2,201,539	4,084,444	6,334,011

Source: Nepal Telecommunication Authority

Moreover, the researcher also observed people's high preference to mobile phones over the other forms of telephone connection. This has further boosted the immense advantage of marketing via mobile phones. The recent data shows that only 53.50% of total population has access to the telephone services, of which, mobile phones account for more than 47%. A quick comparison of mobile penetration in 2010 and 2011 clearly indicates the surge of more than 15% in just one year. These indications are the clear signs of huge potentiality of marketing via mobile phones in Nepal.

Figure 4.1

Telephone Penetration Rate 2012



4.2 Most of the People used Mobile Phones for the Communication Purpose

The questionnaires filled up by the respondents show that most of the people are currently using their mobile phones for the personal communication. However, an interesting revelation has been the fact that a greater number of people are using mobile phones as the tool of both communication and information. Out of 100 respondents, 45% were found to be using the mobile phones for both communication and information. 39% respondents said that they are using mobile phones only to communicate, not for receiving or sending information and advertisements among others. The number of respondents currently using mobile phones for communication and advertisements stands at just 9%. Such number using mobile phones for all three purposes—communication, information and advertisements, is found to be minimal at 7%. The lack of knowledge of mobile applications and absence of aggressive mobile marketing tactics among others are seemingly responsible for the smaller number of people using mobile phones to advertise or receive advertisements, according to the experts.

The study has also come up with an interesting revelation of mobile usage related to the age group. The researcher divided the respondents into two age groups of 18-30 years and above 30 years. Respondents above 30 years were found to be using mobile phone more for the personal communication vis-à-vis the age group of 18-30 years old whereas the situation was totally on the contrary when it comes to the options of using mobile for both communication and information as well as communication and advertisements.

Variations have been observed according to the gender and profession. Males were found to be using mobile phones more for the purpose of information and advertisements. The housewives respondents were more found to be using mobile only for the personal communication whereas professionals like media persons, entrepreneurs and teachers among others and students as well, were pretty much engaged in receiving information and advertisements.

Moreover, the number of business entrepreneurs using the way of mobile advertising to promote their business was found to be very less. Among the respondents selected randomly, few were business entrepreneurs who were engaged or deemed to be interested in mobile marketing. The lack of proper understanding of scope of mobile marketing is seen to be hindering the lower participation of business people in this field.

Table 4.2

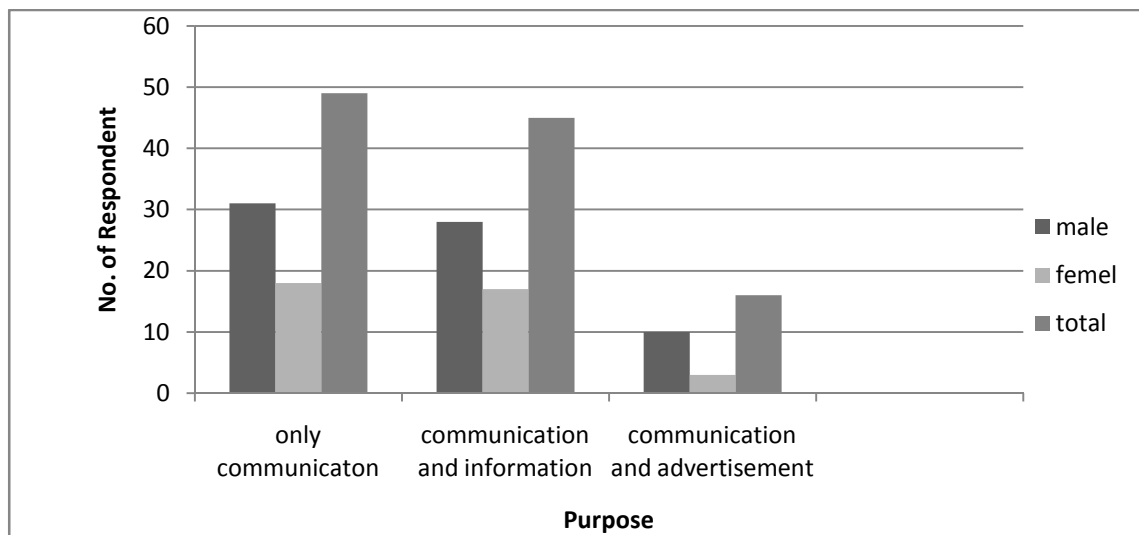
The Purposes of Mobile Usage

Purpose	18-30 years		Above 30 years		Total
	Male%	Female%	Male%	Female%	
A.Only Communication	9	8	12	10	39
B.Communication and Information	15	11	13	6	45
C.Communication and Advertisements	10	2	3	1	16

Source: Field Survey, 2012

Figure 4.2

The Purposes of Mobile Usage



4.3 Most of the Respondents' Positive to Mobile Marketing

Though the study revealed a smaller number of people (both consumers and entrepreneurs) currently are associated with the mobile marketing, however, most of them endorsed the idea of mobile marketing very positively. This particular study was conducted to investigate how people perceive the concept of mobile marketing. 100 respondents were asked to choose three options ranging from highly positive, medium and thumbs down to the mobile marketing. Among the total respondents, 65% were highly positive towards the concept of mobile marketing. 25% were medium and only 10% said no to the mobile-marketing. As many respondents positively reacted towards the concept of mobile marketing and expressed their immense interest to indulge in mobile marketing or receive advertisements, information via mobile phones, the huge potentiality of this particular marketing is needless to mention.

Interestingly, the number of people showing green signal to the mobile marketing hardly vary with the variation in gender and profession, which means, most of the people across every cross-section of the society are positive towards mobile marketing.

However, respondents of age group 18-30 years were seen to be more positive towards mobile advertising in comparison to that of age group above 30 years old.

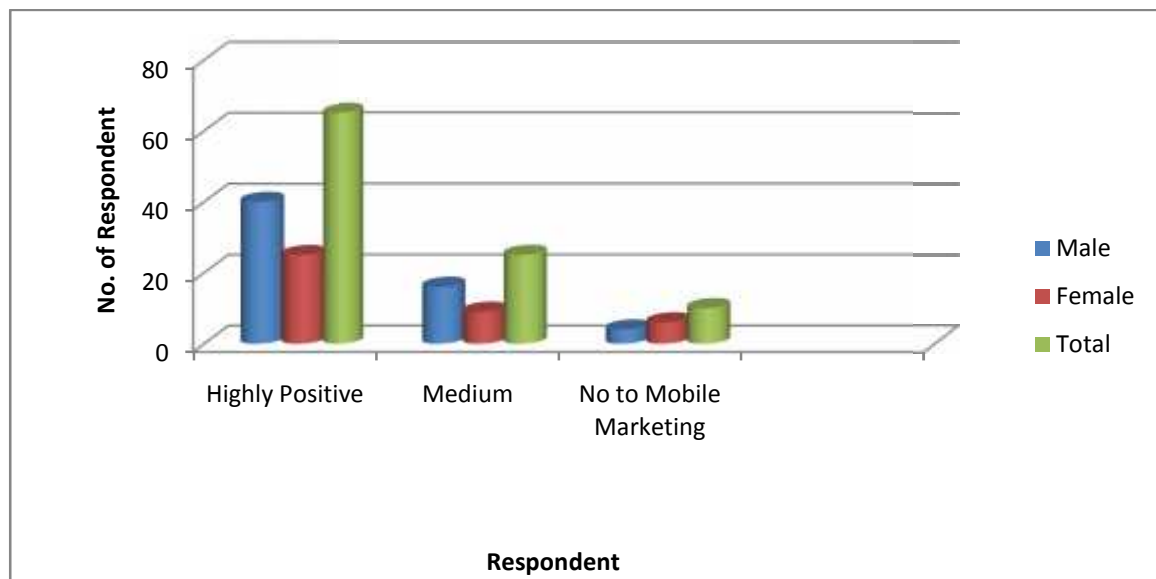
The respondents were also asked whether they have heard about the mobile marketing. Though more than 50% said that they were unaware about the fact, however, almost 90% respondents expressed their positive reaction towards mobile marketing when the researcher elaborated the basic concept of marketing via mobile phones.

Table 4.3
The Purposes of Mobile Usage

Response to mobile marketing	18-30 years		Above 30 years		Total
	Male	Female	Male	Female	
A.Highly Positive	21	15	19	10	65
B.Medium	9	5	7	4	25
C.No to mobile marketing	2	2	2	4	10
Total					100

Source: Field Survey, 2012

Figure 4.3
Response to Mobile Marketing



4.4 Type of Contents Consumers Preferred

All 100 respondents were asked the type of content they preferred to receive in their mobile phones. It is the most crucial investigation to learn the scope of types of business via mobile phones. The prospective popular seven contents were put forth. All respondents were requested to express their views for each option.

The options were:

- J News/Current affairs,
- J Information related to education
- J Information to tourism
- J Information related to housing, plots, apartments, etc.
- J Information related to traffic and weather
- J Information related to restaurants, cinemas, beauty parlours, shopping
- J malls, new arrivals in market and books
- J Information on banks, hospitals.

When the respondents were asked about their preference to information on traffic and weather, all of them voted for YES. Out of total respondents, 74% said YES for contents related to News and Current affairs. 93% gave nod for the information related to restaurants, cinemas, beauty parlours, shopping malls, new arrivals in market and books. 89% for information on banks, hospitals, 70% for Information related to housing, plots, apartments, 60% for information related to education and 53% for information related to tourism showed green signal to the mobile marketing.

The difference in change of preference with the variation of age group was also noticed during the study. People in the age group above 30 years more preferred the contents related to news and current affairs, bank and hospitals, tourism, housing, plots and apartments in comparison to that of 18-30 years old. The respondents of age group 18-30 years were found to more prefer the contents related to education, restaurants, cinemas, new arrivals in market and books. The information pertaining weather and traffic was found to be the favourite of both age groups.

This particular study thus uncovers the interest of people regarding the content of mobile advertising.

Table 4.4

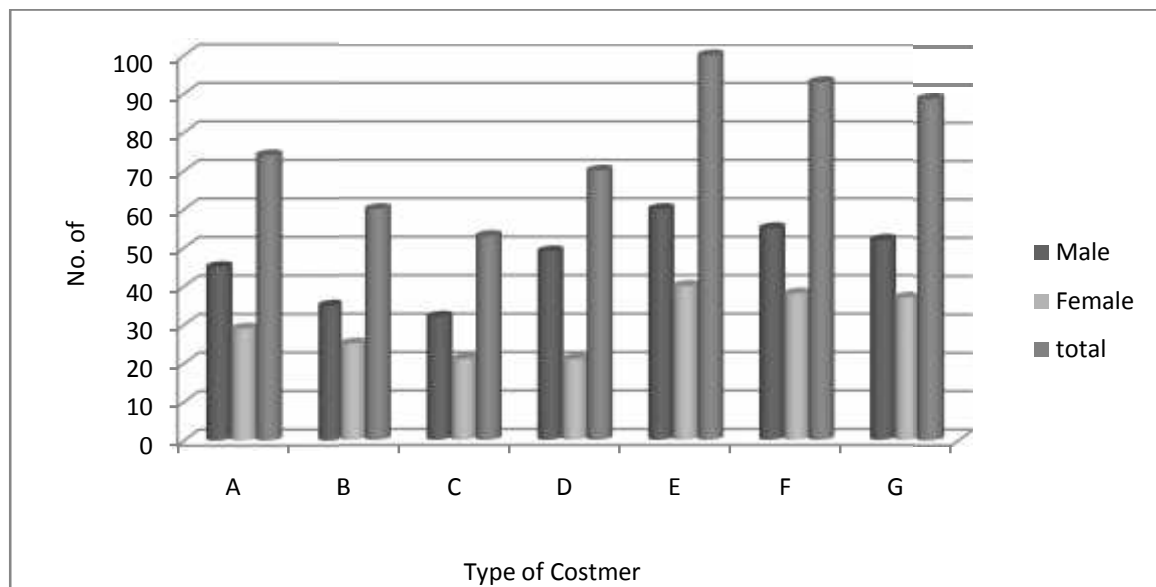
Respondent Preferred Marketing Areas

Type of contents consumers prefer	18-30 years		Above 30 years		Total
	Male	Female	Male	Female	
A. News/Current affairs	20	14	25	15	74
B. Information related to education	24	18	11	7	60
C. Information related to tourism	15	11	17	10	53
D. related to housing Information, plots, apartments, etc.	20	9	29	12	70
E. Information related to Traffic and weather	30	20	30	20	100
F. Information related to restaurants, cinemas, beauty parlours, shopping malls, new arrivals in market and books	31	23	24	15	93
G. Information on banks, hospitals	20	17	32	20	89

Source: Field Survey, 2012

Figure 4.4

Respondent Preferred Marketing Areas



4.5 Frequency of Mobile Usage

The observation of duration which respondents spent with mobile phones plays a vital role in reaching the conclusion of scope of mobile marketing. Hence the researcher tried to find out the regular mobile phone habit of the respondents. The researcher categorised the frequency of mobile usage as 'High' for more than 4 hours a day, 'Medium' for 2 to 4 hours and 'Low' for less than 2 hours. 49% respondents were found to be spending more than 4 hours in mobile which includes personal communication, reception of information and net surfing among others. 40% fell in the category of Medium while 11% were in Low category. The respondents of age group 18-30 years were found to be more using mobile phones vis-à-vis the age group of above 30 years old.

Table 4.5

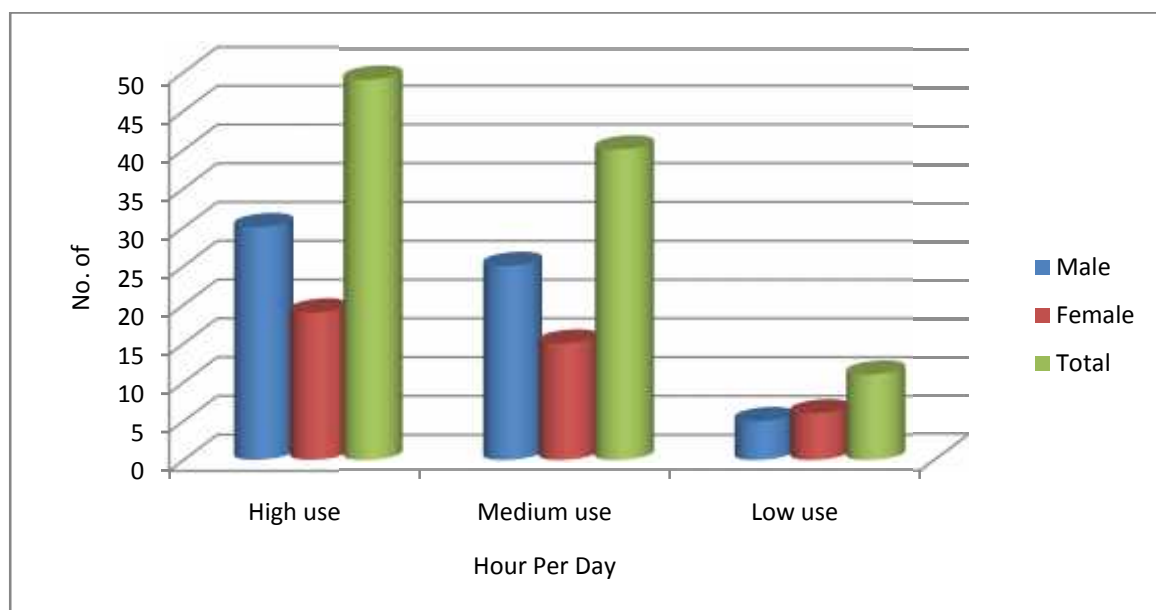
Level of Mobile usage Per day Per Person

Hours per day	18-30 years		Above 30 years		Total
	Male	Female	Male	Female	
More than 4 hours (High)	19	12	11	7	49
2 to 4 hours(Medium)	13	9	12	6	40
Less than 2 hours(Low)	2	2	3	4	11

Source: Field Survey, 2012

Figure 4.5

Level of mobile usage per day per person



4.6 Current Status of Mobile Marketing in Nepal

There were no concrete data regarding the current status of mobile marketing in Nepal. No researchers, research organizations, telecom companies and concerned authorities of government could provide the data when requested.

However, this researcher tried to find out the current trend and type of mobile marketing in Nepal. Use of short code numbers which the companies buy from leading telecom companies like Nepal Telecom and Ncell, is pervasive. Short codes (also known as short numbers) are special telephone numbers, significantly shorter than full telephone numbers that can be used to address SMS and MMS messages from certain service provider's mobile phones or fixed phones. There are two types of short codes: dialling and messaging.

Short codes are designed to be easier to read and remember than normal telephone numbers. Like telephone numbers, short codes are unique to each operator at the technological level. Even so, providers generally have agreements to avoid overlaps. In some countries, such as the United States, some classes of numbers are inter-operator (U.S. inter-operator numbers are called common short codes. Short codes are widely used for value-added services such as television program voting, ordering ring tones, charity donations and mobile services. Messages sent to short code can be billed at a higher rate than a standard SMS and may even subscribe a customer to a recurring monthly service that will be added to their mobile phone bill until they text, for example, the word "STOP" to terminate the service.

Normal telephone numbers (following the E.164 standard) may be of any length, and so when dialled from landline telephones, the network must apply heuristics to determine when dialling is complete — in the US, for example, dialled numbers are generally seven or ten digits long, with an optional prefix of "1" (the country code or the US and Canada). On mobile phones, numbers are terminated with the "Send" or "Call" key and sent all at once over the network, so

the network knows the end of the dialed number, and thus one can use short numbers without clashing with longer numbers.

Short codes are often associated with automated services. An automated program can handle the response and typically requires the sender to start the message with a command word or prefix. The service then responds to the command appropriately.

In ads or in other printed material where a provider has to inform about both the prefix and the short code number, the advertisement will typically follow this format:

Example 1 - Long version: Text Football to 72404 for latest football news.

Example 2 - Short version: football@72404.

Such short codes are found to be popular in Nepal especially to receive news, information on current affairs, traffic congestion and horoscopes among others.

Caller Ring Back Tones (CRBT), cell broadcasting, advertising and information services are the services offered by telecom companies. CRBT has been a major business of telecom companies as many people send SMS or call to a certain number to download the music clip for which those companies charge the customers.

Though telecom companies are said to be offering the services of cell broadcast, advertising and information, no such organizations have any data.

Cell Broadcast (CB) is a mobile technology that allows messages to be broadcast to all mobile handsets and similar devices within a designated geographical area. The broadcast range can be varied, from a single cell to the entire network. This technology is used in deploying location-based subscriber services, such as regional auctions, local weather, traffic conditions.

Cell Broadcast is designed for simultaneous delivery of messages to multiple users in a specified area. Whereas the Short Message Service (SMS) is a one-to-one and one-to-a-few service, Cell Broadcast is one-to-many geographically focused service.

It enables messages to be communicated to multiple mobile phone customers who are located within a given part of its network coverage area at the time the message is broadcast. Cell Broadcast is more akin to other mass distribution media such as tele text or Radio Data System (RDS)).Cell Broadcast can be used for a number of different services and has been deployed by several network operators. To the next point, advertising, retail outlets in certain areas would be interested in sending customers and potential customer's information about special offers and attractions such as sales, special offers, extended opening times and so on. Shopping centres, exhibition halls, airports and sports stadiums are the kinds of location that could be targeted for Cell Broadcast based services.

To the next point, information services, cell broadcast is ideal for delivering local or regional information which is suited to all the people in that area, rather than just one or a few people. Examples include hazard warnings, cinema programs, local weather, flight or bus delays, tourist information, parking and traffic information. To activate cell broadcast service, certain numbers are to be set in cell broadcast number in mobile handset. The different numbers imply for different broadcast subscriber services.

As telecom operators do have the facilities to text to international destinations, the scope of mobile marketing can also be internationalized. International Short Message Service (SMS) offers mobile customer to send message from their mobile phone to the mobile phones of others countries. Instead of making IDD call we can communicate with our friends and relatives at any time sending SMS which saves our cost.

4.7 Major Findings

The main objective of this study is to find out future expectation of customer or improvement in mobile marketing. The research is mainly focused on customer's point of view as well as business owner's side. Questionnaires were distributed to customers and business owners and also interviews were taken from them. So, the following findings are drawn from above research.

-) Still the awareness and mobile marketing information knowledge is not so popular among general public.
-) Maximum no. of respondents have positive attitude toward advertising through mobile and think advertising is crucial tool of the marketing.
-) Popularity of mobile marketing is increasing day by day and marketing potentiality of mobile marketing in Nepal could be highly performed.
-) Mobile marketing has emerged as known service in the country's cell phone telephony market.
-) Most of the respondents were so much interested and attracted by entrainment factor to use mobile marketing.
-) People generally use mobile phones to be in touch with the family members before, now along with this fundamental reason people are also enjoying on mobile marketing.
-) Respondents have positive response towards the advertising through mobile.

CHAPTER- V

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the state of the whole research process, its prospects as consequence. This study is carried out to assess the scope of mobile marketing in Nepal. The whole research process is concentrated on the services provided by mobile via advertisement. So for the collection of information, the researcher used question survey and the opinion of people of different sectors about the services and facilities provided by mobile marketing in Nepal. The objectives of the research study were to analyze the scope of mobile marketing in Nepal, potentiality of mobile marketing in Nepal. The study is limited in terms of budget, time factor, data collection and analysis process and so on. Similarly the dissertation is organized into five chapters namely "Introduction", "Review of Literature", "Research Methodology", "Data analysis and Interpretation", and "Summary, Conclusion and Recommendations". These chapters summarize the study and presents summary, conclusion and the main recommendation based on the whole study process and analysis of the data.

Various literatures like books, thesis, dissertations, magazines, etc. are also reviewed to analyze the problems and to suggest recommendations regarding the study topic.

5.1 Summary

There are 5 billion active mobile subscriptions across the globe, which can be compared with about 2 billion Internet users {International Telecommunication Union, October 2012}. This underpins the vast potential of the mobile channel for advertising and marketing, being highly important for brands seeking to engage in communication with present and potential customers. Berg Insight estimates that the total value of the global mobile marketing and advertising market was €4 billion in 2013. The market for mobile advertising have been developed positively due to growing mobile media usage, and increasing mobile

ad spends have been prevailing during the recent economic recovery. Growing at a compound annual growth rate of 41 percent, the mobile ad market is forecasted to be worth €13.5 billion in 2015 – corresponding to 15.7 percent of the total digital advertising market. Mobile is at the same time predicted to account for 3.4 percent of the total global ad spend for all media. The mobile media has several especially interesting attributes from a marketing perspective. First of all most people have a mobile handset making reach unmatched. Mobile handsets and networks are also getting increasingly advanced, making it possible to deliver highly compelling advertising experiences, incorporating rich media, video and interactive content. Even more importantly, handsets are extremely personal devices which people tend to always have within reach and most often switched on. This enables marketing possibilities which other channels lack. Consumers can be reached at all times and in all places, which makes the channel stand out of the crowd. The personal nature of the devices makes it possible to deliver messages which are highly relevant for the recipient, taking into consideration demographics, interests, habits and other preferences. Communication having undergone such screening is bound to be much more effective in portraying a brand positively. The ROI of such initiatives can be substantially better than for intrusive campaigns where all consumers are flooded with the same non-personalized message. The mobile channel can in this way avoid the pitfall of unsolicited communication and capture an important role in the future of marketing.

For several years, mobile has been claimed to be on the verge of entering the array of main media channels for marketing. During the past twelve months, companies have started to leave the experimental stage and deliver full-scale campaigns gradually including mobile in the marketing media mix. Advertisers include blue chip companies as well as SMEs. Exposure through multiple channels, digital as well as traditional, has proven to generate better outcomes than when channels are used in isolation. This goes especially for mobile, being relatively new and therefore bound to benefit from the viral effects created by

campaigns spanning several media and generating attention across the population of potential customers.

Numerous actors are engaging in activities related to mobile marketing. Many firms specialized in enabling mobile advertising are still relatively small, venture capital funded companies. Examples of larger players include Apple that launched its iAd platform for advertising in iPhone apps in mid-2010 and Google, having acquired ad network Ad Mob in 2009. Ericsson has recently increased its presence within mobile advertising through its Ad Market. Microsoft has furthermore just launched its latest mobile OS – Windows Phone – which will offer greater opportunities for rich advertising experiences. There are a number of key takeaways from the latest developments in mobile marketing. The channel is becoming an integral part of the media mix, a progress which is eased by the increasing habitual mobile consumption exercised by consumers. Brands do however have to establish mobile strategies in order to spend wisely and capitalize on the potential the channel brings. Operators need to pay attention to the possible changes in the mobile ecosystem, where advertising can be an important future source of revenue. When it comes to mobile advertising formats, applications are currently extremely popular, but in line with the development in the PC world a shift over to the mobile web is expected. While advanced.

Formats offer unmatched user experiences, the potential in more simple formats such as SMS are however still substantial, not the least due to the far greater reach. Finally, the integration of location-sensitivity in advertising efforts is increasing, an area which releases the full potential of the mobile channel.

A marketing research on “Scope of Mobile Marketing in Nepal “was conducted. Questionnaire were distributed in Kathmandu for identify of customers based on offered mobile marketing benefits and the potentiality and scope in Nepal. After analysis data interpretation and conclusion has been made. The main target of

this study is to find out the scope of mobile marketing here in Nepal. So to fulfill this target of this study is to find out the awareness of people toward mobile marketing and the factors which support to retain marketing users of the company. So, to fulfill this target this kind of marketing user and content provider's survey has performed with very specific questionnaire method and tabulation were used.

The research found that still the awareness and marketing information knowledge is not so popular among in the general public in Nepal. Most of the people don't the terms of mobile marketing. Major Telecom's companies are still trying to attracted consumer towards this kind of marketing. From initial phase to now the mobile marketing popularity is increasing day by day finally study shows that market potentiality of mobile marketing in Nepal is high and increasing day by day.

The evolution of mobile marketing in Nepal is not so much longer. The concept of mobile marketing with in people is constrained. Simple text message was started along with core services. Mobile Value Added Services started gradually by time being. Mobile Value Added Services (MVAS) is a well established and rapidly growing set of mobile applications beyond basic voice and messaging services. Many of these interactive services are targeted towards consumers, and include entertainment, gaming, and multimedia content delivery and enhanced messaging capabilities. Business-focused MVAS can include advanced messaging, conferencing capabilities, and customer's self-service applications. Mobile VAS applications have been a source of incremental revenue and customer satisfaction for network operators and hosted service providers in Nepal.

Nepal Doorsanchar Company Limited is a company registered under the companies Act 2053. However the company is known to the general public by the brand name Nepal Telecom as registered trademark. It offers different MVAS like voice mail service, CRBT, GPRS, SMS based services etc.

United Telecom Ltd, a joint venture between Videsh Sanchar Nigam Ltd. (formerly VSNL), TCLMahanagar Telephone Nigam Ltd. (MTNL), and Telecommunications Consultants India Ltd. (TCIL), and Nepal Ventures Private Ltd. (NVPL) plans to offer telephony services in Nepal based on the wireless local loop (WLL) technology & extensive scrutiny. It offers different MVAS like Text message service, CRBT, SMS based services, Fax service, Call Forwarding, Call Waiting, do not disturb etc.

Spice Nepal is the first private mobile operator in Nepal and launched its services under the Mero Mobile brand in 2005. The company has changed branded itself and currently provides its services under the new and vibrant Ncell brand. Telia Sonera, a leading European provider of telecommunication services in over 20 markets, owns a controlling stake in Spice Nepal. Ncell is providing different kinds of MVAS to the public like Voice messages, Text messages, Call Forwarding, Call Waiting, Fax Call Conference, PRBT, GPRS, SMS based services etc.

In context of MVAS, Nepalese people have been using MVAS like voice mail service, CRBT, GPRS, MMS, 3G service, m-commerce, Wallpaper, Animation, Ring tones, poll and contest based services, Text messages, Call Forwarding, Call Waiting, Fax Call Conference are increasing in Nepal. The behavior of Nepalese population is changing day by day, the density of young population has been increasing and the different types of advertisements have been published by the companies regarding MVAS day by day which can easily attract the consumer. There are so many companies coming into Nepalese market in the field of telecommunication.

Operators are facing keen competition and the margins from their voice businesses are very declining. Therefore they are looking at MVAS as the next wave for growth. It has become the flywheel of telecom growth and a large chunk of revenue for operators is likely to come from MVAS services in the years to come.

The main objective of this study is to find out the market potentiality of Mobile

Marketing in Nepal. Analyze the potential market for the mobile marketing in Nepal through different survey is done. Find out the market potentiality is one of the most crucial study without taking any financial data. The lack of financial data is the main reason to use qualitative process for the study. The task on market analysis is segmentation of customer based on age, education, business sector etc. This is a study based on this topic “Scope Of Mobile Marketing in Nepal” where primary data are collected from public and different business sector's people through questionnaire.

In the First Chapter, general background of Mobile Marketing, Brief overview of Mobile Marketing in Nepal, Objectives of the study, , Limitations of the study and Organizations of the study. In the second chapter, the review of literature is made. This chapter briefly deals with conceptual frameworks of the study, details of market and review of thesis as well as different research, journals etc. In the third chapter, research design, data collection method, data collection procedures, technique of data analysis are presented. In the fourth chapter, various data are gathered from different sources and Presented as required by the research objective; data are analyzed and interpreted with the help of various tables and diagrams.

This study mainly focus the study of Mobile Marketing users and content providers about the existing services and facilities provided by the company, from their demand and desire, reasons ,services, accessibility, factor, future expectation etc are discussed and analyzed. However, the research done very short period taking samples within Kathmandu. Its findings could be useful for existing as well as upcoming telecoms, content (MVAS) providers, government, MVAS users, and who wants to know about mobile marketing in Nepal.

5.2 Conclusions

It was already stated this study is based on both primary and secondary data. Reliability of analysis and conclusion depends upon accuracy of data and we assured that in the accuracy of the data is realistic as per study.

The study shows that from initial phase to now the mobile Marketing popularity

is increasing day by day and market potentiality of Mobile Value Added (MVAS) in Nepal is high and increasing day by day. Future expectation is high to increase the level of mobile marketing as well as improvements. Customers gave their feedback to spread awareness as well as their preferences. Users preferred different kinds of mobile via advertising which helps to content (MVAS) providers to improve on the certain services as well as areas.

The study also revealed that the factors which support to retain MVAS users of the company. Study shows MVAS user's consideration as well as factors to attract towards the service. Impact of the advertisement is also revealed in this study. Study also gives the MVAS related information.

Customers have lots of expectations from the mobile marketing. Mostly people have their expectation so the content (MVAS) providers / industries need to add some value for its customers. People generally use mobile phones to be in touch with the family members before, now along with this fundamental reason people are also enjoying on mobile marketing as well so this study shows that always ready to use mobile marketing users with lots of benefits, easy plans, easy accessibility and many more. Findings could be useful for existing as well as upcoming telecoms, content (MVAS) providers, government, MVAS users, policy makers and who wants to know about mobile marketing in Nepal. Study helps to make a new business plan for company, government and also provide the detail information to MVAS users.

5.3 Recommendations

As per different telecoms and Nepal Telecommunications Authority (NTA) mobile phones users are increasing day by day. Sales of the mobile handset reflect the increasing trends over the short period. There is a wide area in Nepal especially outside the Valley which is yet to experience the convenience of mobile phones and the people there have both curiousness and capacity to use the mobile phones. Mobile density is 31.56% as per December 2010's record from Nepal Telecommunications Authority (NTA). Prepaid mobile phones are

most preferred type of mobile service in Nepal; MVAS users have lots of expectations from the value added services in mobile phones. Today mobile phones have moved beyond their primary role of voice communications and have graduated to become an essential entertaining device for mobile users. We are in an era where users buy mobile phones not just to be in touch, today's youth use it to express their thoughts, for social networking, to show their interests, play games, read news, surf on the internet, listen to music, chat instantly with friends & families and even check their bank balances. Due to advance technology and benefits, MVAS has emerged as and known service in the country's cell phone telephony market. On the basis of findings of the present study the following recommendations are advised for the concern areas.

-) Most of the people are unaware of mobile marketing. So, need to be spread the awareness about mobile marketing.
-) Only small sector of business area is covered, where internationally business house is using mobile marketing as a main advertising sector.
-) Advertisement is the best way to click the prospects users as well as increase the no. of MVAS users in future.
-) MVAS in Nepal growing day by day so new service providers can get benefits from launching the business on this sector.
-) Advertising is crucial tool of the marketing. So, the new advertisement should be more entertaining, attractive and effective which will be able to provide the information and service benefits

From the acquired data of this study we can advise that seriously take the above recommendations. It could be useful for existing as well as upcoming small or big business house or telecoms, content (MVAS) providers, MVAS users, and who wants to know about mobile marketing in Nepal.

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APPENDICES

Appendix-1

Questionnaires for Business People:

1. Have you heard about mobile marketing?
 - a. Yes
 - b. No

2. As a business personnel, have you and your company used mobile marketing to expand your business?
 - a. Yes
 - b. No

3. Would mobile marketing be an option to you and your company?
 - a. Yes
 - b. No

4. If yes or no, mention the reason?

5. Would you like to get mobile to get information on current affairs?
 - a. Yes
 - b. No

Appendix-2
Questionnaires for Students/Consumers

1. What importance has a mobile in your daily life?
2. What are the purpose for using mobile?
3. Have you heard of mobile marketing?
 - a. Yes
 - b. No
4. If yes when did you started knowing about mobile market?
5. Would you like to use your mobile to get information on current affairs?
 - a. Yes
 - b. No
6. Would you like to use your mobile to get information on tour packages?
 - a. Yes
 - b. No
7. Would you like to use your mobile to get information on plots, apartments, buildings or rented flats?
 - a. Yes
 - b. No
8. Would you like to use your mobile for banking transaction?
 - a. Yes
 - b. No

9. Would you like to use your mobile to get information on fashion items, clothes, hotels, restaurants and bars?

- a. Yes
- b. No

10. Would you like to use your mobile to get information on vehicles?

- a. Yes
- b. No

11. Would you like to use your mobile to get information on traffic, Bandas and electricity load shedding?

- a. Yes
- b. No

12. Would you like to use your mobile to get information on educational institution?

- a. Yes
- b. No