

MOBILE

## BMW MMS campaign achieves 30pc conversion rate

March 16, 2011



By RACHEL LAMB

Luxury brands such as BMW are implementing personalized MMS messages to initiate their customer relationship marketing efforts, seeing significant conversion rates and revenue with just one campaign.



MMS allows customers to get video, text and images into one message so that consumers do not have to click through or leave the message to get all of the information. Indeed, BMW and luxury hotel Casa Del Mar in Santa Monica, CA saw significant revenue and conversion rates by using MMS to increase CRM.

“Luxury brands differentiate themselves based on service and quality,” said James Citron, CEO of Mogreet, Santa Monica, CA. “Affluent consumers value information that is highly personalized and targeted to them.

“They don’t have the time or patience to sift through generic messages, products or services that they don’t care about,” he said. “Using CRM provides value to the luxury consumer because they can tell the brand about their preferences and, in return, get a more personalized experience.

“Having this level of personalization delivered into the palm of their hands is even more

special.”

#### Ultimate clicking machine

BMW sent a customized message to 1,200 customers reminding them to buy winter tires. The message directed them to a BMW dealership and recommended a specific tire that was shown on the customer’s vehicle in a video.

All of the information was in the MMS, including the price of the tire, lists of dealerships in the area and a picture and description of the tire.

BMW saw a 30 percent conversion rate and an estimated \$500,000 in revenue with this one campaign.

On the other hand, the Casa Del Mar hotel created a locally-targeted mobile video marketing campaign that enticed Santa Monicans to join the hotel’s mobile loyalty club in return for a special offer.

The campaign generated a 27 percent redemption rate and a 400 percent return in revenue for the hotel in just 10 days.

To continue the campaign, the hotel could survey the subscribing customers to learn what other types of offers might be of interest to them in the future, such as locals-only pool access, local spa treatment deals, and the chance to enter and win a free night’s stay to use for themselves or give to a guest, Mr. Citron said.

“The fact that such prestigious brands as BMW or a high-end hotel use MMS to reach out in such a personal manner, they elicit a more favorable response than generic, unsolicited and less-rich communications vehicles,” he said.

#### Sounding off

To get the most out of a CRM strategy, there are best practice that brands should follow.

For example, brands should use video and images. Providing a highly personalized message in full-motion, color and sound drives a richness that text-only cannot bring.

Customers who are paying premium prices for a luxury brand deserve more than a black-and-white text experience, per Mr. Citron.

Luxury marketers would also be well-advised to create exclusive opportunities for the affluent consumer. They can use videos to send invitations to exclusive events or send special offers.

And, most importantly, CRM integration must be done to make a mobile campaign effective and establish longevity.

Integrating a mobile campaign into the brand’s broader CRM system can enable the marketer to create a multichannel strategy which delivers relevant, contextual and personalized information based on a customer’s demographic, preference, behavior and location, per Mr. Citron.

This enables the brand to develop a closer relationship with its customers and create long-term brand loyalty.

“To some degree, a luxury brand must interact with their customers the same way any other brand would,” Mr. Citron said. “But consumer expectations are higher for luxury brands [and] personalization and great customer experiences are even more critical.

“A CRM strategy allows a brand to host and segment personal data about their customers which they can use to provide relevant, meaningful offers and services, a must for a luxury brand,” he said.

“Combine that with the ability to communicate these things through their mobile devices, another highly personal and valued item, and you’ve got a captivating combination of targeted, relevant, location-based opportunity.”

*Rachel Lamb is an editorial assistant at Luxury Daily. Reach her at [rachel@napean.com](mailto:rachel@napean.com).*

---

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.