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MOBILE

What are luxury automakers doing on mobile?

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By RACHEL LAMB

Mobile provides a platform for luxury automakers to interact with consumers in an environment where they can immerse them in the brand universe using applications, digital ads and modern technology as the most common tactics.



High-end brands from Rolls-Royce to Lexus are dipping into mobile, realizing that this a medium where their current and future customers will be living. Almost all automakers realize that if they do not at least have a presence on mobile, they may be left behind.

"Mobile is essential for luxury automakers," said Jeff Hasen, chief marketing officer of Hipcricket, Kirkland, WA. "Would-be buyers are often out-and-about, looking for real-time inventory, hours of operation and directions.

"Especially in targeting the affluent demographic, it is an awful miss if the business does not think local as well as mobile," he said.

Driving sales

Maybe the most obvious and most-used form of mobile marketing for automakers is through rich mobile apps.

There are two opportunities provided to luxury automakers in mobile apps: sales and marketing and furthering relationships with customers, according to Eric Newman, vice president of marketing at Digby, Austin, TX.

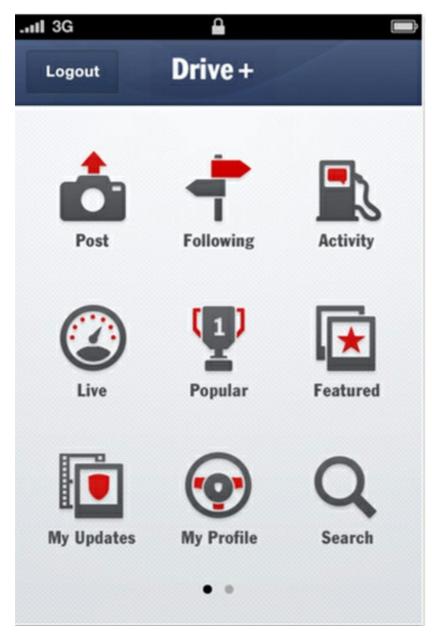
"Brands can feature their products through interactive components, video and personalization tools, what is essentially a magnified, interactive catalog," Mr. Newman said.

"Furthering this idea of a luxury lifestyle, automakers could develop a kind of pocket concierge, recommending restaurants, hotels or scenic roads around the world," he said.

"Location-enabled technology could push these communications, notifying drivers when they near one of the best barbecue joints in Texas, for example, promoting the feeling of consistently reaping the benefits from your luxury investment."

Automakers use these through app-per-line strategies, for financial services, for roadside assistance and for lifestyle purposes.

For example, Porsche's most extensive mobile effort right now is its Drive+ app.



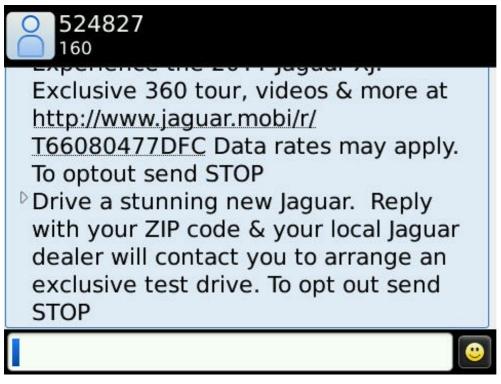
Porsche Drive+ app

The app allows Porsche enthusiasts to connect not only Drive+ with the brand, but with one another, according to Dave Engelman, media relations manager for Porsche North America, Atlanta.

"Consumers can upload photos of their Porsche models and events while on-the-go and scan other people's entries," Mr. Engelman said. "This adds value as this adds another way we can directly connect with our most loyal audience – our present customers.

"They are the voice of the brand in this space and we are able to discuss our heritage, motorsports and values," he said.

Meanwhile, other marketers are using additional forms of mobile technology such as SMS and QR codes.



Jaguar SMS

"There are many ways luxury automobile brands can utilize SMS, or better yet, MMS, to drive brand awareness, consideration of purchase, advocacy and loyalty," said James Citron, CEO of Mogreet, Venice, CA.

"To maximize the awareness opportunity and, more importantly, consideration of purchase, automakers should consider utilizing the power of imagery via MMS, which can enable any consumer to receive high-quality video showcasing the car and its features within seconds without requiring the consumer to go to a mobile site, or download an app in a crowded convention center with limited cell connectivity," he said.

For example, Jaguar aimed to compel affluent consumers to schedule test drives at nearby dealerships via SMS messaging integrated in its TV ads (see story).

Also, BMW sent a customized message to 1,200 customers reminding them to buy winter

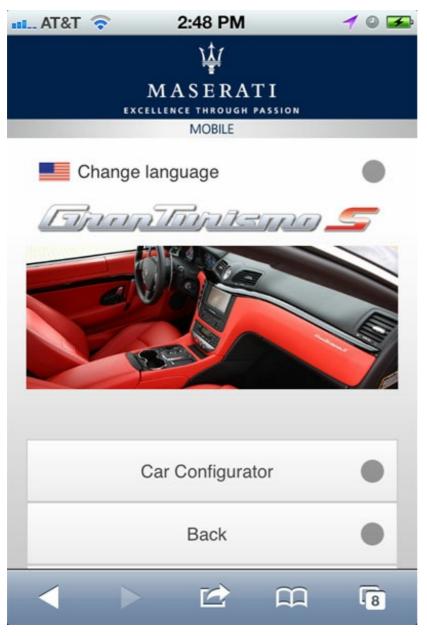
tires which resulted a 30 percent conversion rate and an estimated \$500,000 in revenue with this one campaign (see story).

Safe landing

It is not enough for luxury automakers to just have optimized sites anymore, although it is a requirement.

If automakers do not have an optimized site, other marketing efforts may suffer.

For example, automakers require mobile sites after scanning QR codes, a practice that is increasingly adopted in the industry.



Maserati site post-scan

Italian automaker Maserati took the next step in mobile marketing by inserting customized QR codes into a print advertisement that leads to an optimized site where consumers can build their own GranTurismo S (see story).

The code linked to an optimized unit in the ad that allowed customers to get more intouch with the brand. Meanwhile, rich banner ad units that connect to a non-optimized site may turn customers off from the brand.

Banner ads are crucial to automaker marketing because they allow car brands to show a demonstration video, share dealership information or flaunt the brand image.

For example, Lexus pushed its 2013 GS model through banner ads on The Wall Street Journal mobile site (see story).



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The Beverage Wars Move to Coconuts

Soda sales are flat and the beverage industry is looking for its next big thing. Increasingly, it is turning to the coconut.



Lexus mobile banner ad

"Some of the more forward-thinking auto advertisers show curiosity about more immersive mobile rich media units that let them put functionality in the ad," said Martin Betoni, vice president of creative services for Centro, Chicago. "Additionally, some of the more youth-focused brands have succeeded in reaching that demographic via social integration and, in some cases, custom apps.

"Certain automotive advertisers, like their entertainment counterparts, are consistently willing to adopt new technologies and avenues to reach their intended audience," he said.

Final Take

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