

How To Know If Mobile Marketing Is Right For Your Business: A Realistic Guide To The Costs And The Benefits





Dear Student,

I'm Michael Senoff, founder and CEO of HardToFindSeminars.com.

For the last five years, I've interviewed the world's best business and marketing minds.

And along the way, I've created a successful home-based publishing business all from my two-car garage.

When my first child was born, he was very sick, and it was then that I knew I had to have a business that I could operate from home.

Now, my challenge is to build the world's largest free resource for online, downloadable audio business interviews.

I knew that I needed a site that contained strategies, solutions, and inside information to help you operate more efficiently

I've learned a lot in the last five years, and today I'm going to show you the skills that you need to survive.

It is my mission, to assist those that are very busy with their careers

And to really make my site different from every other audio content site on the web, I have decided to give you access to this information in a downloadable format.

Now, let's get going.

Michael Senoff

Michael Senoff

Founder & CEO: www.hardtofindseminars.com



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How To Know If Mobile Marketing Is Right For Your Business: A Realistic Guide To The Costs And The Benefits

Mobile marketing is still in its infancy, and because it's predicted to be huge, everyone wants to get in on the ground floor. But the big question is: who's making money off of it and how? Each text message costs money and if you're looking at a long list of customers, those messages will add up quickly.

So in this audio, you'll hear all about the realistic side of mobile marketing from an expert who admits that nobody is really making any money off of it yet, but that will probably change in the future. So he says you may want to get yourself educated and ready right now, and this audio will help you do that.

You'll Also Hear...

- Where mobile marketing is today, where it's headed, and what that means to you
- Technical terms explained what is a 3g/4g network, short message service (SMS), multimedia service (MMS), keywords, shared services – and how they all work together
- What SMS aggregators are, how much they charge, and why you need to go through them in mobile marketing
- Examples of specific mobile marketing campaigns that are working and some possibilities for the future
- All about the barriers that may prevent you from diving in full force including the limited battery life of phones, power consumption needed for integration, downloading restrictions, and more
- How to get value from your text messaging: The kind of information you can collect when someone text-messages you, and how to use texting to track your marketing campaign with almost 100% accuracy
- How to combine your email with your phone to cut the costs of mobile-marketing promotions and some ways companies are already getting around costly "carrier billing"

There's a lot of hype around mobile marketing right now. Everybody wants it to be the next best thing. And although there are indicators that it's headed in that direction, there are also a lot of barriers that prevent any real moneymaking today. And this audio will give you a realistic inside look at this new media platform, along with some tips and tricks on how businesses are making the most of it right now.

- Michael: I'm as excited about the mobile space probably as you are and it's something I just really want to learn as much as I can about.
- Jeffrey: I love talking about it really and I've been in it for a long time. I'm still a young guy so I saw a lot of the first stuff that was coming out so I was like one of the first people that went to one of those Chub Schools.
- Michael: What's a Chub School?
- Jeffrey: It's kind of like a tech school it had just come out and was easy to move ahead in the internet real quick.
- Michael: Oh, oh kind of like a DeVry University.
- Jeffrey: Yeah, yeah, it was a local one on the east coast run by the Chub Insurance Company.
- Michael: Did you start learning about that stuff there or all the technical stuff?
- Jeffrey: No, it just taught me a basic of technology I didn't know where I wanted to go but then once you had a small degree from there like no one knew the business back then at all. Not like where mobile is now so getting a job and I mean moving up the ladder was so easy if you could just reboot a server it was crazy. New York, you know, they pay you consulting fees to go out to companies and reboot a 486. It's kind of crazy when you think about it today.
- Michael: Alright, well let me ask you this question. So I don't know if you heard that other mobile interview I did with that other mobile marketing expert.
- Jeffrey: I did, yes, I listened to it.
- Michael: It's the only other mobile expert I know of so let me just ask you, how big is this mobile marketing going to be? Is it going to be huge as she says it is?
- Jeffrey: I think it's going to be that big, if not even bigger. It's all going to go that way because everyone has the phones with them at all times. It's a more in touch media and right now a lot of big companies are

kind of stalled on where they want to go. We did a lot of meetings with the company. I mean I can say like we had a meeting with Universal Music group and even Sony BMG those two companies they want to get in the space and I almost see a repeat of what's happening before. They're hesitating what they did with the internet and then they all partnered with iTunes and now iTunes has all this power. Well the kind of the same thing is going on as well as they're a little hesitant to get into the technology because it's new, which is usually adopted by that smaller people, you know, earlier adopters anyway but because they're hesitating they're in a position where they've been working with this company Mozes.

- Michael: What is Moses?
- Jeffrey: Mozes is kind of like a mobile iTunes so to say.
- Michael: Moses like Moses parted the Red Sea Moses.
- Jeffrey: Yeah I think its Mozes.com. Moses, I'm not even sure actually.
- Michael: Okay, I'll check it out.
- Jeffrey: They are doing the same thing now they're partnering with a company like that and they're really giving them all the power instead of having their still own network, which later on everyone realized that they needed their own Web site, they needed their own email, they needed everything all on their own. I mean they're trying to get out of these iTunes deals and here they are in the mobile side kind of going right into it.
- Michael: So a lot of these big music groups are locked in with iTunes with contracts and stuff.
- Jeffrey: From what I understand iTunes controls a lot of that now, I mean they're taking a big amount of the profit they have the big distribution online. Even a company like Rhapsody too, though, I mean they're all sharing. Those companies tried to start their own called Edge. I don't know if you've heard of it but it was supposed to be free mobile MP3 device or whatever and it never really took off. So kind of like a repeat of what happened on the internet but on a different way.
- Michael: Well according to the numbers I was hearing with the other expert, do you know the stats on how many people are carrying mobile phones that access the internet now. And what do you see five years from now with these Smartphones?

- Jeffrey: I think they're going to be like little vending machines they'll practically give the phones away from free.
- Jeffrey: Oh I think so. I think there's been programs where they've tried to do that already, give phones away for free in exchange for listening to ads before you make a call and stuff like that. I've heard of that in other countries. Five years from now, yes, everyone's going to have mobile internet and I agree with a lot of where it's going to go in the far off future. The problem is there's going to be a staggered - it might even be like ten years before everyone's really using the mobile internet. I still feel text messaging and the multimedia messaging, which isn't even available yet on a commercial basis that's where I feel it's going to really stay popular and pertinent just as email is today. And simple things like RSS the simple instant delivery message that's where I feel it's going to keep going. The Mobile Web it's still going to be limited, even though you'll be able to do flash on your phone too as most phones can't do, like they can play YouTube but they can't do flash video yet, that's all going to come out. But then a lot of that is going to come down to power consumption and that's one of the biggest problems with these mobile devices when you're doing all this interactive stuff on the phone and you're on a Web site and doing all these different things on your phone that's eating your battery life. You know they work down like hydrogen fuel cells technology and stuff but it's not stable vet. So until that's really come around the Mobile Web I think is going to have a little bit of stagger with the high interactivity you see on the internet today.
- Michael: So what do you do now? What's your involvement with Mobile? Where are you really sitting on the inside of this whole thing?
- Jeffrey: I run a company call Sumi Communications and that's a company where we specialize in mobile but mostly text messaging. Like I said interactive text messaging more to be specific...
- Michael: For a [inaudible 0:07:47] what is text messaging?
- Jeffrey: Text messaging or it's called SMS, which stands for Short Message Service, is just the way to send messages from phone-to-phone. Even back maybe seven years ago you can only do internet text messaging. So I remember Omni Point, which turned into T-Mobile later, but you could only text message people on Omni Point and the same thing with Verizon it was only network-to-network. It only became a standard a few years ago which is when it started exploding.

- Michael: What was the change that made it standard where it was the ability to text outer network?
- Jeffrey: Well the problem is, like in the US the carriers don't play as nice as they do in Europe yet. In Europe they understand that they need to have some sort of standardization across networks. Not necessarily the type of network but for messaging and communication methods you do and the US is really behind in that. So you can't even do MMS messaging from a [inaudible 0:08:34] that's not even possible here when that's been going on for years out in Europe.
- Michael: What's MNS?
- Jeffrey: MMS is Multimedia Messaging. Like when you take a video on your phone or take a picture and send it to someone not via email. So they buy a phone right now, the big stink was it didn't do MMS. But the thing is the carriers don't really even support it as much on a commercial basis yet and that's all going to start rolling out very soon.
- Michael: Who leads in this, I mean Japan, Europe? How far ahead are these other countries compared to us?
- Jeffrey: I would really lean with Japan, companies like NTD Delcomo, and I forget the other carrier out there, but they've been doing some crazy stuff. They've had video on the phone for years now. You have to understand that in Europe it's a GSM. It all started out as like a GSM Network which is where those Sim Cards come in. And then there's a whole other different type of network called the CDMA Networks which is like Verizon and you have T-Mobile and AT&T which started off as GSM Networks.
- Michael: What is GSM?
- Jeffrey: It's basically two different technologies of transmitting data over wireless. CDMA is more expensive and was a later developed technology as far as I know, but it's more powerful. That's why Verizon has the best network because they're running a very advanced CDMA Network which in the long run really is stronger than the 3G that AT&T and all these other companies are running just because it's just a better technology I feel.
- Michael: Alright, so when you see all the commercials and you see 3G Network and 4G Network, what are they referring to?

- Jeffrey: A lot of its buzz, really with the 3G Network where the GFM started was actually called UMTS which is, again I forget what that stands for, but UMTS is the stage after Edge. If you had AT&T you had GSM then you noticed your phone might have said GPRS Edge and then a few years later it says 3G now. It's really called a UMTS Network. The Verizon phone it's a much simpler upgrade although the network was more expensive. So and when you said Japan like they were such a small area for them to keep upgrading the network was very simple and they're running CDMA, so they're probably one of the most advanced CDMA Networks in the world. The speeds on their phones I don't even know for sure but I'm sure they're way higher than we're getting here on 3G.
- Michael: Alright so paint me a picture, what are people doing everyday with their phones in Japan? I could say hey Jeffrey, check out this video and I could text it to you and you can see screaming video right on the phone no problem.
- Jeffrey: Oh yeah, I'm sure they're doing a lot of TV stuff. I have the Google phone G1 I can get screaming video on there. Some guy developed in Athen, I think they're screaming it all the way from China in the market. And the funny thing is that iPhone isn't even that popular out in Japan because it's too simple, they like complex gadgets. It's the Americans that are behind that want the big bucks and it was in all the Web 2.0 razzle-dazzle. When you have these people in Japan they don't even care who made the device but the more complex and the more crazy stuff you can do that's the kind of culture they're in. You know the difference between that and America, I don't know if we'll get there. They're really into being very unique and the technology there, like I said, they don't really care what device it is. And that's why the iPhone doesn't really sell out there because it's kind of simple.
- Michael: Oh, I think we need a simple here for people who are...
- Jeffrey: Well, exactly. Yes.
- Michael: What's some cool stuff they can do with their phones that we can't do? Anything you know of?
- Jeffrey: Offhand I don't know too much. I mean I'm not sure that they can do flash yet, but the speeds are much more. I know they do constant MMS, they do a lot of eBooks over MMS because MMS, which is the Multimedia Messaging is not only capable of sending videos and photos, but it could send up to 999 characters. So a

standard text message sends 160 characters where MMS now is a whole lot more text put in there so people are doing the eBooks that they send out on a weekly basis.

- Michael: SMS is short you're limited to a short amount of text by sending that and you can't send picture in media with the SMS right.
- Jeffrey: That's right.
- Michael: Okay and the MMS is the same thing that allows you more characters and allows you to send files media.
- Jeffrey: Even sometimes allows you somewhat of a markup language. So I think you can bold and stuff like that, do a certain MMS templates, you know, animated [inaudible 0:12:21]. That's why when I'm thinking the next step is Mobile Web when MMS has so much functionality. And like the stuff that we do at Sumi Communications is more like an interactive concept so when you text in something to short code it's like you're talking to that short code. The code texts you something back you can request something from it and it'll send you back. It's kind of like what the company Cha-Cha Mobile is doing where you text them a question, they send you an ad and then text you the answer back. Well KGB charges you a dollar where you text them a question and they text you back. Usually they have humans that are working there they have a Call Center that they're doing. We developed a system really where you can kind of setup your own campaign ahead of time, almost like a Voice Response System.
- Michael: So KGB.com, is it KGB?
- Jeffrey: KGB have commercials where they're always talking about people getting brain freeze because they can't remember how to make a special drink or something...
- Michael: I haven't even seen that. Okay, so anyone with a mobile device if they want an answer because it's kind of difficult going on the web when you have your mobile phone, you can just text the service with a question and they'll send it back.
- Jeffrey: And they'll send it back and charge you a \$1 dollar.
- Michael: And what is that KGB.com?
- Jeffrey: Actually, the code is KGBKGB so you would text your question to KGBKGB.

- Michael: Oh I see. Okay, okay, got it. It's billed on your cell phone.
- Jeffrey: That's correct. And then there's a free one called Cha-Cha, what they do is you text a question and they text an ad to you and then they text the response, but that's a free service that does the same thing.
- Michael: So it's a free service but also if I have a text package and I'm paying, you know, \$5 bucks for 200 texts that uses up my text one going in...
- Jeffrey: That's correct.
- Michael: ...one going out. This is what I wanted to know because I don't have a text package because I don't understand why anyone I just got my BlackBerry Storm and I've been playing around with it for the last three months and I love it. But I'm like why do I need a text because I can just send her an attachment with my email for free. So, you know, when someone says why do I need text when I have email because that's basically what I'm doing I'm using the phone for email and then using it as a phone and stuff.
- Jeffrey: But even the thing with the BlackBerry it's still is only querying that email maybe every 10, 15 minutes when a text message is instant.

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- Michael: I see it's the instantness of it.
- Jeffrey: I mean all these BlackBerry's are run by RIM. You ever notice when BlackBerry goes down everyone on every network goes down because the whole email system is outsourced to RIM or...
- Michael: Who is RIM? No, tell us about it.
- Jeffrey: RIM is Research in Motion they're the creator of the first BlackBerry devices and the BlackBerry network. And what it is, is all the carriers basically outsourced the BlackBerry service to RIM, you know, in the past they've tried to handle but RIM does it for everyone basically a separate service that they're running for the carrier.
- Michael: So when the email goes down for the BlackBerry it's going down for who else?

- Jeffrey: It probably goes down for everyone on every character that has a BlackBerry in those outage areas.
- Michael: Okay. Is RIM only handling BlackBerry?
- Jeffrey: As far as I know RIM only handles the BlackBerry email, yes.
- Michael: Okay, so who's another big player? Who's handling AT&T's emails?
- Jeffrey: As far as I know BlackBerry is the only one. When you talk about the emails locally AT&T might be handling that in-house.
- Michael: Okay.
- Jeffrey: I just know that RIM is per say outsourced.
- Michael: Alright, so this is totally different than SMS right. Why is the email network different than SMS?
- Jeffrey: Well, it's not that it's so much different it's just that SMS is instant for delivery message on your phone. It's not going to popup and like grab your attention. When you get a text message on any phone it's designed to popup in a certain fashion so you notice it. If you have email on that phone you just maybe going to get that little email icon on the top right, you know, it's going to be more powerful when it comes in. And the last thing you talked about checking text messages and its true people always check text messages. However, if they have to keep going back to them over a Web site that's a lot different. And not only would text messaging go away but the mix between the two is you probably want to have both anyway because you want to keep sending people text with links to your mobile Web site to keep them coming back to the mobile Web site, so hopefully they bookmarked it.
- Michael: Okay, got it. So now I understand that texting is the instantness of it and it grabs the attention and everybody reads their text currently.
- Jeffrey: Works on every phone on every network. You can buy a very base phone that might not have a web browser and there are a huge percentage of people that still don't use mobile web. But compare that to the amount of people that use text messaging it's enormous. I just see it replacing email once MMS is a standard and everyone has mobile devices would you really be typing more than a 1000 characters in one email it's kind of rare. When they even

developed these standard for text messaging, my partners have shared this with me the other day and they could have done a few more characters, but they actually went around to all these specialist and they did a study on what could be said with the smallest amount characters and they came up with that number 160 it wasn't just pulled out of nowhere it's actually done with research.

- Michael: And it forces people to be succinct too.
- Jeffrey: Yeah and they just went around and figured what were some of the most common sayings and small discussions that people had and everyone pretty much came around to the count of 160. And at that time I was able to be handled by the network.
- Michael: Alright now kind of interrupted you, so take me back and draw me a picture of what you guys do there.
- Jeffrey: We've developed really a semi-text platform is what it is.
- Michael: What does that mean?
- Jeffrey: This platform is almost like a wizard so think about it, if you had a text campaign where you text in a word in for pizza to some code...
- Michael: Give me an example. You got to understand you got a lot of people who don't know what a text campaign is, tell me a real example of one.
- Jeffrey: Okay, let's talk about like say you're going to a concert and when you got to the concert it says for concert info text in band name to this code. Now when you text that in you got an Instant Reply Message with a pre-determined menu saying do you want information about show times you can respond with 1, if you want information about, you know, restrooms 2, free stuff you would respond 3, and if it's on 4 maybe it could be like send a photo in that we can put up on the board at the show somewhere. So it's kind of like a voice response system instead of pressing 1, 2, 3 or 4 on your phone you could actually respond to the system. And on the backend there's a whole matrix where you would actually predetermine all these responses.
- Michael: Wow, and that's all through text.
- Jeffrey: All through text messaging. So it's basically online it's kind of like a matrix of boxes that you go through. We have eight different

message types, we got like a menu message, a message with a reply, a collecting data message, all these different textual messages we came up where you can then put them together like a puzzle and build out pretty much whatever you wanted. This is what we do yes.

- Michael: Is anyone doing anything like this?
- Jeffrey: There are companies that are doing text messaging like For Info where you can setup a campaign with maybe one or two replies. There really aren't any companies that have very in depth system.
- Michael: Alright, so let me ask you this. I go to the concert and I want more information so I text the code that counts as one text and your menu comes back to me. Does it come as a text menu?
- Jeffrey: It comes as a text message.
- Michael: So when it says 1, 2, 3 or 4 what am I doing, am I texting back the number?
- Jeffrey: Exactly, so you reply with 1, 2, 3, 4, you know, our system's designed to grab anything the name or whatever, either/or. So you reply with, 1 space the show time, just show time. We have a system designed to really handle it's got a lot of error correction is what I'm saying.
- Michael: Alright, but every time I respond that counts as another text.
- Jeffrey: That's right. So basically every time you text in the system you probably receive one back so it's pretty much two text every time you interact.
- Michael: Okay. And how is that going for you guys?
- Jeffrey: It's going good, I mean we setup a few small companies and I showed you the example at [inaudible 0:19:30] Magazine where it's a simple text message list and you can text in and it texts you back a little link referring to our site. It's also mobile so it's a text to your phone.
- Michael: Well I've got a Web site that delivers audio content and I'm racking my brain because I know when I'm emailing my list I know how many people are responding through their mobile phone because they haven't changed their signature you see it's coming from their iPhones and their BlackBerry's. And I know even from the other

interview and I know from my experience of using my phone people are checking their email and they would love to go to the internet on their mobile phone but there's nothing capability. So I want to know what's the best way for me and I think I've figured out a solution using Word Press, to be able to...

- Jeffrey: Okay.
- Michael: ...send someone to a Web site that works on a mobile phone. And I do have another question I want to pick your brain. I would love to know is there a play button, like if I email you a link to a web page I want to see a play button that would show up that they could press and that it would stream audio through the web. I was looking to see if there's a mobile play button that would be somewhat universal or any kind of application for that.
- Jeffrey: The first question about the Word Press, are you using Word Press Mobile Andy Moore plug-in?
- Michael: I don't even have the mobile plug-in but I have a Word Press blog. I don't know much about it yet.
- Jeffrey: Yeah I think there's a great plug-in out by some guy called Andy Moore I've been following him for awhile it's called Word Press Mobile. I think its WordPressMobile.org or WordPressMobile.moby he has his own site for it. It takes any Word Press blog that instantly converts it. I mean it's pretty self-explanatory. It looks beautiful on a small device. You can make it look normal on the iPhone and the other because they have full browsers, even an option. They recognize that the phone that's accessing it so that it's the best possible way. It's great for commenting everything. About the second question with the audio, the problem is you can't - unless you're using some sort of a priortary application on the phone it's going to be hard to do. That right now will probably be going YouTube because most of the Smartphones are designed to play YouTube and that would be the best way, you know, putting like a picture over it or something. That's probably the best way to get it out the quickest.
- Michael: Yeah I did think of that but, you know, my audios are sometimes an hour long.
- Jeffrey: Yeah.
- Michael: YouTube is moving over to TV and stuff so maybe they have options where you can load up, you know, whether it's AVI content

that's just audio and screenshots. Maybe they're going to allow longer streaming content other than 10 minute clips.

- Jeffrey: It's possible. Now we're getting back to the phone battery consumption and all of that stuff. We've done a lot of test on sending text message link so kind of like, you know, when you get a link from Twitter or something as you click it on your phone. Well you can do that with any link and we've done it with a lot of MP3s and the majority of the networks will not let you download more than say 20 or 30 seconds worth on most phones.
- Michael: Oh really.
- Jeffrey: Yeah.
- Michael: Because I sent you a link to an MP3 file up on my HardToFindSeminars.com. Now I've played around with it on my phone and it's not too bad. They're little media player comes up and the audio starts playing very quickly the whole thing.
- Jeffrey: The problem is the download, you know, think about you get in trouble for downloading too much information on Comcast or Cablevision or whatever. These networks are very concerned about bandwidth because it's over the air. So we've noticed on almost every network in America they're limiting you to maybe 300, 400 hundred kilobytes.
- Michael: So you're saying if I start playing my MP3s over the internet through my mobile device they're going to just cut it off.
- Jeffrey: Firstly, I don't know if you can really stream it. With a Smartphone out things are different is what I'm saying, definitely. With any Smartphone ad, there are podcast directories that you can decide for that have acts already on the market.
- Michael: Alright, so let me pose this question to you, I got 250 hours of audio...
- Jeffrey: Okay.
- Michel: ...each one is about an hour long. I want to make it as easily and inexpensively and painlessly acceptable for anyone who has a mobile device. How would you set it up? Just the site for a mobile, they get a short description what the audio's about and a link to where it is. How would you set all that up?

- Jeffrey: Well, I mean are you on iTunes obviously, right?
- Michael: Yeah I'm on iTunes.
- Jeffrey: Right there you're mobile with all the iPhones and everything. They'll be able to download in and see it on the store. When you talk about you want to look into other Smartphones and what they're doing, but unless it's a Smartphone it's just not designed to do it. And even though you could load it locally on the phone and play it streaming is a whole other issue.
- Michael: Okay, but that's right. So I got to look to already the big players in using them like iTunes and like YouTube.
- Jeffrey: You are going to be restricted on the network. Say everyone was trying to upload all these podcasts and then send them out on Twitter and people are downloading 20 mg podcasts the wildest networks have crashed, you know what I'm saying, it's not designed for that. Like I said, we tried to push so many files through.
- Michael: Oh so you're saying this whole mobile isn't setup for big files and data like that.
- Jeffrey: No, that's why they have their own special Sprint TV and EVDO. They are highly regulated it is not the Wild West like the internet, there's a huge barricaded entry into this space.
- Michael: Let's say my recording are all streaming from my Web site, my server and they're all on iTunes, for instance, and let's say I've got a 100,000 people on my list and 20,000 have mobile devices and I send out a promotion that says "Here's an hour long MP3 file interview" and let's say a few thousands of them hit that link and start listening and streaming it from my server. Are they going to regulate that?
- Jeffrey: I'm not too familiar with that but I don't even think you can download something like that on AT&T's network.
- Michael: Really.
- Jeffrey: I think you'd have to do it on Wi Fi or, you know, load it onto your iPods docket.
- Michael: I see. You were serious when you said it's a barricaded entry.

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- Jeffrey: You have to really know your way around the space. You can be a marketer and you can work with text and MMS isn't even out yet, but even then I mean there are heavy cost involved you're paying for every text message. Well not even you but I'm saying if I want to send out a text message to 500 people I'm paying for every one of those 500 messages.
- Michael: I know it's very expensive I looked into that. I was going to setup text message like Auto Responder but, you know, for the amount of people it's like \$500, \$600 bucks a month. And I think it includes a certain amount of text, you're right. So is that a big barrier right now for marketers coming into the space?
- Jeffrey: I think it's a big barrier for the marketers, that's not even things like having your own code because people say like you can do these campaigns and you probably looked at a service where you get a keyword for it, correct.
- Michael: Yeah. Yeah.
- Jeffrey: So you get this keyword and then you can do this one off and back texting but you wouldn't be able to do anything really interactive because they have to text that keyword before everything to reply back to you. So it's all setup so that if you wanted even your own code now you're looking at pretty much anywhere from 1500 to 3000 a month without sending a message. To have your own code and really be interactive. The keyword you want to share a solution but you're still paying for a message cost and you're just going to get a low monthly cost.
- Michael: Right. Is it maybe a little early right now to take advantage of a cost effective marketing campaign with people with mobile?
- Jeffrey: My strategy is I just tell people that you should setup the list and just start collecting.
- Michael: What do you mean by that?
- Jeffrey: Because they say an email is worth, you know, "how much money per Web site?"
- Michael: Yeah.
- Jeffrey: What do you think a phone numbers going to be worth?
- Michael: Oh I see, set your list up and start collecting numbers.

- Jeffrey: Just start collecting do a one reply in, you know, like we setup lists for other companies where, you know, they'll text in a keyword right and then we'll just send them one text, thank you for the list and, you know, even if we don't send them out a text people rarely change their phone numbers. If you start now and you're building this huge phone number list that's probably going to be worth more than email list in the future.
- Michael: And that's an opt-in list because they asked to be on the list.
- Jeffrey: Exactly, and not only is it an opt-in list but you might be able to get some of them to agree that you being able to call them through that. So now one day you send a message out to everyone saying we'd like to call you about something, reply yes or whatever, half of them reply yes now you have a whole opt-in calling list instantly.
- Michael: Right. I've got to set it up though with what? How would I do that?
- Jeffrey: There's a few different ways to go. I mean there are services that will do it for you. I don't know how much information they'll give. The thing is you get a lot of information when someone text messages you. So when you text in that code they know what carrier you're on, they know your phone number, there's a lot of data that you get. Like I said, when you have 5000 followers on Twitter you don't know anything. If Twitter shuts down you're done but by getting all this data, as long as the company let you see the phone number and keep the phone numbers then I would say its okay. Basically, we do the same thing we setup small systems like that for companies privately. Our systems are a little more open so in the future they can immediately start doing the interactive stuff.
- Michael: Okay. So if I came to you and I said "Jeffrey, can you set me up a system where I can start collecting mobile numbers from my existing email list" you could do that?
- Jeffrey: Yeah, basically we would choose some sort of keyword, set you up with some sort of system depending, you know, if you wanted to go with your own vanity keyword and have your own unique code that's going to cost a lot of money. Some people might want just a basic cost of a vanity keyword is \$1000 a month. Having your own is \$500 a month I think you mentioned it in your last interview. If you just want to do it and start collecting numbers go with some sort of shared short code service or hire a company, you know, just too kind of do it for you or someone that's in the business to do it. They shouldn't be charging you an arm and a leg for it.

- Michael: If I went with a shared short code service explain what that means, how much ballpark would that cost me to get setup. And could I email out my list and say "Hey, I'm building a mobile phone database network and if you have a mobile phone and you want, you know, any kind of specials from HardToFindSeminars.com get your cell phone or mobile phone and text this word." And then they do that and then the shared short code company collects all that data kind of like an Auto Responder.
- Jeffrey: That's correct. The time and the carrier, the phone number.
- Michael: Okay, and will they let me have all their data that comes with that other than the phone number?
- Jeffrey: I haven't done too much research into just the plain mailing list companies but I don't see why they wouldn't. If you're paying for that, like usually they charging you anywhere from \$50 to \$100 dollars a month just to have the ability to do it then its \$20 to \$50 dollars per keyword, and then you have to pay per message. We've gone with, you know, a development company where we buy the keyword and we develop software around it for the small companies that want the shared ones that we do for them. You could hire your own developer and do it probably. You could also find a company that specializes in that, which there are a few I'm not sure which they are but I know there's like maybe one or two companies that would do it. Or when you're going with a company that's all-in-one solution you're probably going to pay more money, a higher per message cost. If you hire someone to build it for you you're going to know the bare minimum because it's more of a development thing you'll see exactly what they charge the volume discounts and everything like that.
- Michael: Alright. So let's say I did that and I was able to collect 5000 mobile phone numbers that people opted-in, and I've got 5000 mobile numbers, and then I use that service just like an auto responder and I do a broadcast, the text broadcast right.
- Jeffrey: Okay.
- Michael: That's what you do right.
- Jeffrey: Yeah, that's exactly what you can do sure. You can start off with a broadcast since they're already opted-in and giving them the option to text back. Say, you know, we're doing a crazy text contest, you send out to your 5000 people then 5000 take pictures with a

camera phone and send them right back to you. Better yet you just have them send it to an email then it doesn't cost you anything on the backend.

- Michael: I see.
- Jeffrey: Which every company does because you can't send MMS to a code. You could do a lot of receiving of interactive content through email from the phone. So what you could do is you can send a huge text message blast out to your list telling it you want mobile videos and mobile pictures, give them the email address just like everyone uses for Flickr, YouTube or whatever, and then you just have an email setup to receive all that content.
- Michael: Or the other way around, send an email and it's no big deal if they don't receive it instantly. Send an email and say we're running a contest and then text back to me this. You know what I'm saying?
- Jeffrey: Well, the instant thing about the phone is it goes right to their phone asking them for something mobile. You could send them an email ask them to subscribe to the mobile list and then once they did that then you'd revert it to a text blast I would think.
- Michael: Tell me some examples of people in the mobile marketing space, whether it's big corporations, small companies, tell me some examples of how people are making money with this SMS and MS. What is it SMS and...?
- Jeffrey: MMS.
- Michael: Yeah.
- Jeffrey: Well the problem is that no one is making money with this. I don't mean to be curt about it.
- Michael: No, no that's what I want to know.
- Jeffrey: That's why it's not taking off. The last interview where she said American Idol's raking in the dough from text messaging that's quite the opposite. If anyone's raking in the dough it's AT&T because it's their network, but either they have a deal where they said they'll do the messages free for American Idol or American Idol is paying for them. I'm guessing they're saying we'll run it for the advertising but there's no way that American Idol is making money off those messages.

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- Michael: You're right, did you watch American Idol.
- Jeffrey: No, actually I didn't.
- Michael: So if you watched it AT&T was all over the place camera shots where they did a lot of interviews right in front of AT&T stores. Absolutely, they've got deals going with AT&T. Now I just got another email and it was about an article that on American Idol Alicia Keys the singer performed on the finale the other day. It said *"Alicia Keys leveraged a powerful platform of American Idol to generate \$450,000 in donations to her charitable organization Keep a Child Alive. The amazing part is that she raised this money from \$5 dollars at a time from 90,000 people who texted in to donate."*
- Jeffrey: Okay, so for charity yeah, definitely. But you know what, AT&T took half that money and pocketed it that's what I'm pretty sure happened.
- Michael: Of the \$450,000.
- Jeffrey: Or as part of their donation because like in the last interview they take 50% to 60% of it right off the top.
- Michael: I don't know how many people watch American Idol it's got to be 20 million and you got to do the numbers on that. First of all, Alicia Keys was performing a song, she was probably on the air four of five minutes, and then 90,000 into whatever 20 million. You got to do the numbers and see what kind of percentage that it is and what that would cost for an advertiser.
- Jeffrey: No, it doesn't mean it was possible you're right, you're completely correct. A lot of people are struggling, all the companies want case studies for free, they want all the demos for free they want to try everything for free because the big question is where are we going to make money with it? Each one does a lot of text message stuff where you can buy ring tones and stuff I guess they don't really work. But they're doing something new with the reality show I Love New York where you text in her job, but they're charging you a \$1 dollar to vote for it. I mean they're struggling to find ways to make

money with text messaging. They have to embrace it as a marketing technology not a money maker.

- Michael: So its a little hypie right now it's too early.
- Jeffrey: Yeah I mean it's weird. I mean even though a lot of air traffic isn't from text messaging I mean that is their main cause besides servers and keeping everything going.
- Michael: What Twitter's main cost?
- Jeffrey: Yeah I'm saying and they're paying for all those text messages.
- Michael: Tell me how Twitter's integrated with mobile.
- Jeffrey: You know Twitter's really is just kind of like a period of pure messaging service. It kind of exploded into something that it probably wasn't really meant to be. I know they started out on a bunch of phone numbers and they counted 20 people. But it's not making any money and I know they have investors and they have for the long run and this whole free internet thing going on now. But it's hard to be a free internet player when you still have to pay for text messages.
- Michael: Unlike email.
- Jeffrey: Unlike email where, you know, if you're paying for bandwidth, you're paying for servers, they have all those regular costs and they have this bill that will never go away.
- Michael: Yeah. Being in the industry what do you see down the road?
- Jeffrey: All the Number 1 the carriers will loosen the reigns because they've outdone themselves on the mini plan so now they're all trying to make money on text messaging which is really hurting the growth of text messaging in America. So I'm hoping that the carrier will kind of loosen up on their pricing for the text messaging which will allow more players to come into the market and companies will realize that it's not going to be the next big money maker just like email isn't a big money maker, you know, it's a communication tool, you know, it's part of your system. A lot of companies don't see it as part of their system yet. They see it as a separate thing that they can exploit and try to make money off where that is really how you're going to turn off people from it.

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- Michael: Right, but if they make the barrier too easy then it's going to lose its full effectiveness. You're telling me what's so cool about it is that when you get a text you see it on your phone and everyone checks their text. But if it became like email and then there was any kind of room for abuse and everyone was coming into it, it would just be another email because you'd have text after text after text.
- Jeffrey: Well I'm not saying get easier on the guidelines I'm saying get easier on the pricing because the guidelines are very [inaudible 0:35:19]. You can't get a code by going through a strict approval process with every carrier. As far as Spam goes they have a very strict policy. Any code if you text the word stop to it and you receive another message and you call Verizon most people will probably be shut down. It's that strict they are very adamant about Spam on the phones. Even though these little scams come out and stuff most of those short codes they come from are probably shut down within a day or two. You know it's not like the World Wide Web we're on the carrier wide web when you think about it, we're under them. You know Sprint, Verizon, T-Mobile, AT&T all these carriers, Cricket, whatever's around they're kind of barricading their mobile internet and there's really nothing that we can do about it unless we started our own free carrier.
- Michael: Now just selfishly let me get back to my idea. I wanted a way to be able to have people access my audio through their phones. And when I saw how easy, like if I clicked on an MP3 and it started to streaming through my phone you don't think it's a realistic way for people with mobile phones to access my audios through their phone because it eats up battery life and because I may be limited with the bandwidth.
- Jeffrey: I don't even think you're going to be able to get one stream on your phone. If you have a non Smartphone I don't even know on a Smartphone you're talking about.
- Michael: I got a BlackBerry Storm it works.
- Jeffrey: Oh so you played it from your phone, from your browser.
- Michael: Yeah, yeah. I just put the link in and it starts playing through my phone.
- Jeffrey: Plays the whole thing.
- Michael: Well I don't know that's a good question. Does it play the whole thing? I haven't sat through the whole thing.

- Jeffrey: I would want to see how far you can get into it. Again we're talking about you're still only accessible by SmartPhone is that 10% of the market which probably, like you said you already are accessible because you can already do it yourself. On these Smartphone they run full web browsers there's really no need to mobile your site it's for the Razors it's for the MV's, those are the phones that need to be mobilized and those are the phones you're not going to be able to stream the audio...
- Michael: I see, yeah, yeah, yeah, yeah, those you won't. Alright, let's move over to who's making money with mobile. There's a lot of hype about developing mobile applications and the app developers are making a killing.
- Jeffrey: It depends on, especially in the iPhone stores there are some apps where those guys are making a lot of money. It's definitely going to get saturated though just like with everything else, the same thing with the G1 market the Google phone a lot of apps coming out. The paid market only came out maybe less than a year ago, maybe six months ago and it's already blooming. A lot of iPhone app developers are coming over to G Phone as well. There is money to be made on the app market. It's cool, there's a lot of games, you can always make something new a gimmick, you know, you can make a viral lap.
- Michael: Let's say someone develops an app, whether its shitty app or not a shitty app, is it easy to get their app included in a store, an application store?
- Jeffrey: I don't have too much experience with the iPhone store. I know with the G Phone store it would probably be easier than pie. On the G Phone store it's more like the internet you have to be careful. You don't want to download something, it asks you to put your username and password you kind of want to think twice, and that's the difference between the two markets, which I kind of like it's more like a computer. I mean its a little more Wild West on the Google market.

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- Michael: So you like your phone?
- Jeffrey: I do very much so, yes.

- Michael: So tell me and the listeners, it may be listeners who don't have a mobile device or a Smartphone like that, what are some of the coolest apps you've got on that phone that you use the most.
- Jeffrey: On my phone being that it's opened there are a lot of integration features. On the iPhone the biggest problem is that you can only run apps when an app is running. So the minute you close that app it can respond to the phone at all.
- Michael: Okay.
- Jeffrey: With the Google phone you can actually have an app setup to where it integrates with all the phones features. So instead of me having to go the Twitter app and launch to do something I can just take a picture, with my Twitter app there's a little menu that came up that says share on Twitter, so it's completely integrated into the phone. I mean when I miss a call I can have a list of predetermined text messages come up that I can just click one.
- Michael: So the Google phones they've kind of integrated their phone with the internet [inaudible 0:39:12].
- Jeffrey: It's not even that it's open source. You can make a new home screen. My Google phone looks like an iPhone because someone redid the whole home map and the SDK and you can buy it and use that instead of the default. It allows you not only to use apps for the same but then you can mark them as the default ones so they respond to all the buttons. So when someone creates a new dialer ad that's much cooler than the standard caller and you download it and then it says would you like to use this as your permanent dialer, and you can say yes or turn it off later. It's like a new phone every day.
- Michael: Okay. What other apps do you use for your phone? What are just some kick ass cool apps you've seen that are just awesome where, you know, you could just get excited about seeing this stuff. What's blowing you away about the mobile phone and apps and market like that?
- Jeffrey: Well I thought one of the coolest apps that I had only because an iPhone could never do it with a metal detector.
- Michael: You got a metal detector on the Google phone.

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- Jeffrey: Yeah because it's got a built-in compass and a compass can detect various metals, it's not a great one but it definitely works. It's like Victorian apps on there, theirs is apps IRC.
- Michael: Explain what a Victorian app is.
- Jeffrey: I don't even use Victorian but its kind of way where everyone shares files. I think a lot of people use it to still content actually. Like the thing with the Google Phone is the Apple store would never allow an ad like that so they're very careful on what apps they allow. But with the G Phone they don't even care as long as it's on the internet I'm sure they'd allow it on the store.
- Michael: Really.
- Jeffrey: There's pictures x-rated apps that I've seen where you can buy and there's naked pictures and stuff like that.
- Michael: Oh wow. Why don't you think Google wants to monitor it or police it?
- Jeffrey: I don't know if it's they don't want to monitor it. I think it's actually a smart decision on their part because I think that they want to keep it real. You know Apple is one of the most proprietary companies out there with their hardware, software, everything. Google's all of your standard they're in with everybody and I see it as a very smart move. I mean you can report abuse and get apps off of the market but it really more resembles what the true internet would be. You can make an app to do anything. If you could program it and you have some robots you know some of those robots they have apps to control the robots on Wi Fi Networks. It's pretty much whatever you could imagine as long as it's in the SDK because it's open source to let you do it. And the apps run in the background so now I'm getting tweets they just show up, I don't need to have a text message service because it just shows up in my little window.
- Michael: Wow, that's cool. I appreciate you taking the time rapping about this. You know you've given me a more realistic look and I've kind of had a hunch that maybe the mobile market is a little bit too good to be true to drop everything and go mobile right now. Because I looked into setting up a text list and when I saw that price I'm like "I'm not sure about this." And I thought I don't really care but I'm not doing any texting, you know, I'm mid-40s I didn't grow up with texting and it's no big deal for me to check my email and I wasn't too sure, I think there's a little hype going on with the mobile market

probably very similar. I don't want to say it was similar to the internet days.

- Jeffrey: It is. No well the S curve is coming around it's not there yet and the phones aren't capable of doing what we really want them to do so it's going to b e some time and there is a lot of hype, really. I love mobile, you should be getting into it, you should be doing the bare thing like we talked about. You know I feel it's worth it to at least start collecting the numbers get your list going, even if it's 10 cents a message, which is really high. If you look in 20 cents a name I think that's a pretty good deal because in the long run when it does take off you want to be ready to go. You know and when you have that list you're going to be able to push anything to them.
- Michael: If I wanted to get that setup for the least amount of money have someone handling and building a list for me, and if I'm not using it, but let's say I'm using email to build the list, where would you tell me to go? What service is reasonable?
- Jeffrey: Well if it's for you I'm sure we would just set it up and work out some sort of deal just because it's you. And we did the interview I had no problem with that.
- Michael: Okay.
- Jeffrey: But like I said, there are other services. I'm going to have to look. I think in the last interview she mentioned the service I looked at it and they did something like that. I don't know what the cost was. I'd rather just set it up.
- Michael: Okay, we can talk about that then.
- Jeffrey: Yeah, you know, I just really like to talk of Sumi Communications it's the company we've been dealing with for two years, obviously we know a lot about text messaging and what's going on with the market and the multimedia messaging. And we do a lot of private consulting for company's big and small build texting list so like that interactive the Sumi text platform which we talked about.
- Michael: How do you spell your URL, your Web site?
- Jeffrey: It's Sumi Communications S-U-M-I C-O-M-M-U-N-I-C-A-T-I-O-N-S.com.
- Michael: Okay, .com. You gave that concert example, was that a real client you're working with doing something like that?

- Jeffrey: Yeah that's a big demo that we're working on, yes.
- Michael: Alright, well give me another example. Is there anything you can talk about how you're helping companies use text messaging to offer more value?
- Jeffrey: A lot of what we're doing is setting up tracking for traditional advertising via text messaging. So what we would do is say a company has maybe a 100 billboards we would setup a special system and we would supply them with a 100 different keywords, you know, so then they could track which areas are actually performing better. Our whole Sumi text background has an analytical that you'll just [inaudible 0:44:12], you know, certain area codes, times, IP addresses.
- Michael: Let's say a company has 100 billboards; you're talking about advertising billboards.
- Jeffrey: Yeah, 100 billboards. Then they have 100 different keywords, a different keyword on every billboard.
- Michael: What's the billboard going to say, you know, to get this text this.
- Jeffrey: Some sort of incentive. Yeah, it's a billboard that has some sort of incentive to get them to text. You know not only is it for the incentive but it's also for the marketing team to understand which billboards and which areas are doing better? Where is the billboard being seen more?
- Michael: Yeah they can measure.
- Jeffrey: I mean even in print advertising there's nothing on the market that you could do that currently with. I mean emails can be spoofed. I mean a text message from a short code it can't. It's guaranteed the accuracy.
- Michael: I see, and it's measurable, it's like direct response with your phone.
- Jeffrey: You know what's happening. Oh this keyword got 5000 responses, this one got 200 let's drop that billboard let's try a different one.
- Michael: Alright, do you have a client using this currently or are you working on it?
- Jeffrey: I cannot really talk...

- Michael: Okay. Okay.
- Jeffrey:we are in discussion, but those are basically the content, yeah.
- Michael: Okay, so as a measuring device for advertisers what else. Is there anything else you can share what you can do for a company? I mean that's a great one for measuring advertising.
- Jeffrey: Yeah that's a big thing to do right now is the analytical part of it where you can track data. Not only like when we talked about the platform how you can do an in depth campaign like I respond with bands and that I respond show times, and then I get another response and it gives me all the different times. With our system you'll actually be able to track oh, you have 500 people that went and looked at this menu, you had 700 people that looked at this and you can actually track within your campaign their past and how responsive they are to your messages. And what you're saving like maybe no one's visiting the upload of a photograph section, or maybe let's try something different, you can test that along your campaign. It's a lot of the tracking that we emphasize. There's another example that's being used that we didn't do that I can talk about it's a Subway. Subway has a simple system where you just go online, credit card...
- Michael: Subway sandwiches.
- Jeffrey: Subway sandwiches, yeah, they did something with it a competitor of ours. You go online and you link your credit card to your phone and you setup all your sandwiches online real quick. You have your codes and you know what to text in for your sandwich. So then you go and you text it in and they text you back when your sandwich is going to be ready at what location.
- Michael: Wow! How's it going?
- Jeffrey: From what I hear it's fantastic. You don't even have to pay you just walk in and pick it up everything's billed to your card and not billed through the carrier. That's the big thing is getting around the carrier billing.
- Michael: So they got around it by doing it all setup on the internet.
- Jeffrey: No one wants to pay those fees. That thing on American Idol, I mean they had no other way of doing it to get it instant, but when

you're talking about a company they're all looking to get around that carrier.

- Michael: Well they're going to get around it just like voice over IT's getting around all the phone companies.
- Jeffrey: Exactly. So this is one of the methods they're using is they're having you link up your card with a phone number. Like you link up your card, they send you a text, you verify it, and then it's all done, they know that that's you.
- Michael: Sure.
- Jeffrey: That's the way to stick it. So it's not like an email where you could fake to the person you just can't do that.
- Michael: Alright, that's pretty cool. What other stuff do you see out there being done with text? Any other examples you can think of?
- Jeffrey: There's a lot of concert guides that are doing it like we talked about the band, there's a lot of that going on just the Cha-Cha, the KGB, VH1 stuff, yeah.
- Michael: Okay. Alright, well look let me let you go. If someone wants to talk to you more about consulting or using you to help them build a mobile phone list, what do you want them do? Do you want them to call you? Do you want them to email you? Do you want them to go to your site first or what?
- Jeffrey: You can put my number up there, that's fine. Sure.
- Michael: What's the best number to get you?
- Jeffrey: The best number to reach me is at 201 873-1171. That's going to be my direct line I have no problem with that. They can also go to the Web site Sumi Communications and from there they can fill out a contact form or they can even email me. My email is jeff@sumicommunications.com or sumitext. To make the email easy it's jeff@sumitext.com.
- Michael: Okay, perfect. Alright, Jeffrey thank you very much. I really appreciate it.
- Jeffrey: Was it good? Like did you get good information?

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- Michael: Absolutely I did, yeah. And once I get it transcribed I got Web sites, but it was a got I had and you gave me a realistic look at really we got a ways to go.
- Jeffrey: It's not as sugarcoated as everyone makes it but, you know, that's the game but I like being real about it.
- Michael: No I like that, I do like that but you're giving an example of an application like with what Subway did and there's a lot of potential for just that one thing, not only for having your sandwich ready but for a lot of things.
- Jeffrey: That's right. Every store can have something like that.
- Michael: Yes, you got to be creative and come up with more useful apps just on that model.
- Jeffrey: And that's a lot of what our platform is because we'll be a plug-in for something. So it's kind of like we made that interactive...
- Michael: Yeah.
- Jeffrey: ...which is kind of how you want. Something like Subway is a little more custom but it makes it easy.
- Michael: If someone had a text package and they texted you, do you have anything setup that they can kind of see an example of that platform like that concert deal?
- Jeffrey: You can text my last name to something it'll send you my card.
- Michael: Okay. What's your last name?
- Jeffrey: Posner, P-O-S-N-E-R and you would text that to 32075.
- Michael: Okay, so 32075 you text Posner, P-O-S-N-E-R.
- Jeffrey: It was just my last name. It's a very simple demo and it just text you back information about me and my business.
- Michael: See that's very cool right there.
- Jeffrey: It's a great conversation piece when you're pitching people. It's a little impressive. Something also that's really good for people because you figure on a business card costs cheap you're saving the planet.

- Michael: Alright, so texting Posner, P-O-S-N-E-R is that something you pay to have that?
- Jeffrey: That's correct.
- Michael: That's kind of like owning your domain. If wanted Senoff.com what's that's going to cost a guy like myself or anyone?
- Jeffrey: I'm running that on a shared code so I pay the initial whatever fee about like a \$100 and something dollars a month and then you've got a keyword or two keywords with that. Additional keywords like \$20 dollars they vary if you buy a package.
- Michael: So you're sharing the number 32075 with other people.
- Jeffrey: That's correct, yes.
- Michael: Just like a Web site like there's people who have Web sites who have their own server and there's people who are on shared servers.
- Jeffrey: That's exactly how I tell people too. Just think of it as web hosting but the cost are way higher.
- Michael: Who's controlling all of these cost?
- Jeffrey: Well, okay there's a whole section we can talk about called the Aggregators.
- Michael: Yeah and what's an Aggregator?
- Jeffrey: The Aggregators are the companies that sit between all the carriers and people like me and you. Some of them have been already pushing messages for a long time but most of them are just the company that kind of control all the billing and everything for the carriers with you. It's not like you can go up to AT&T and say I want unlimited text messages, they tell you to go talk to this Aggregator first. Like if you were pushing like 5 million messages a month then you could go to AT&T and say "Yo we want an better deal" but until you're on that level you have to deal with the Aggregators which is like Air2Web who also do some stuff like this, it's called Air2Web, there's Open Market and Mblox. There's like maybe six and there's all tiers of them too, you have all the Tier 1 Aggregators that guarantee your messages will always go through

and yet the Tier 2 and Tier 3 that maybe they might be a little shaky.

- Michael: Really, how unreliable or reliable are the Tier 2 or Tier 3?
- Jeffrey: They're pretty reliable.
- Michael: Is it less money?
- Jeffrey: No, actually. The Tier 1 is actually I think more money. The big difference in the tiers is like guarantee of the message and that's more talking on volume. So if you're doing like 5 million messages a Tier 3 Aggregator might have a little hiccup. You know like if American Idol is using a Tier 3 Aggregator they might hurt themselves. I mean AT&T even though they're branded on there it's probably a company like Air2Web or OpenMarket or some other company that's doing aggregation for that.
- Michael: Okay so American Idol they're going to go to AT&T and say hey, we expect 5 million texts we want a special deal and the Aggregators are going to negotiate that with them.
- Jeffrey: Well on their level being that they're American Idol they probably could have went right to AT&T and AT&T probably in the backend. All this aggregation, all that is usually handled through the Aggregators not through AT&T directly, if you're working with AT&T directly you're pretty much considered an Aggregator.
- Michael: I see. And so they're like sitting in the toll booth position, anyone who sends a text or receives a text they make a little money.
- Jeffrey: Exactly. So like the codes they're like \$500 dollars for the non vanity, \$1000 for a vanity and that's monthly, but then you got to take that code to the Aggregator, get them to host it, which is anywhere from \$1000 to \$3000 or more depending on the quality and all these other variables, then you got to pay for a message and then that's not even saying you'll be able to send messages because you have to work out this plan with the Aggregator and they have to go and get you approved to all the carriers.
- Michael: I'm telling you just listening to all of this someone's going to come up with a better way.
- Jeffrey: Yeah that's what I'm saying I feel that the market is going to have to evolve a little bit. It's a good way to keep the Spam out though and I understood what they're doing with the codes. And with the

shared code you don't have to do that because the company's already done that. So it's almost like the company with the shared code is taking the brunt. So if you Spam people they're going to get in trouble not you. Not necessarily but I'm saying they're in the middle now that's why there's a lot of controversy of shared short codes because they're not really as regulatable.

- Michael: I could see something like, alright like I think online let's say you're signing up for a Web site I think maybe with eBay or Yahoo it's a security and verification process where you sign up or if you're signing something up with your mobile phone and you sign up online and then you enter your mobile phone number and then once you enter it a phone system will call your mobile phone to verify it.
- Jeffrey: Yep, I've seen that with security certificates for like the SSL's from Geo Trust.
- Michael: That's outside of the SMS and the text network, that's all internet.
- Jeffrey: Yeah even for T-Mobile when you go to first sign up for your My T-Mobile what it does is you put your phone number in it sends you your password to your phone, then you put the password into the computer, therefore verifying that you...
- Michael: But they'll also have a recorded message automatically call your cell phone number and play a recorded message.
- Jeffrey: Yeah. Well they do both there's both. They have voice verification now, there's a lot of integration. Google actually, if you sign up for Google Business...
- Michael: You know what, that's it. I signed up for Google Local that's what did it.
- Jeffrey: Yep.
- Michael: And you enter your mobile Google verifies it.
- Jeffrey: I did it today. Yep, that's exactly what they do.
- Michael: Look how effective that is. I mean that system, however they do that, that's Web2Phone.
- Jeffrey: Yeah, my son works in some stuff like that. It's a whole separate software you buy and it manages, and then you buy like say 40 or

whatever 100 lines – Google has their own stuff – but for you to set something like that up you kind of like your buy a software in a switchboard and someone programs it to do all that stuff for very interesting stuff, the text-to-phone that some companies are using that. That company Mozes they'll call you and play the song to you over the phone, but the problem is that the quality is garbage because the songs aren't meant to do that to the earpiece.

- Michael: Very interesting. Another idea I had for distributing all my audio content using the mobile phone is let's say I email someone or I text someone and I say call this number and it's a voicemail service or it's called FreeVoicemailbox.com or something.
- Jeffrey: Okay.
- Michael: Voice mailbox. It's like a tree where it plays outgoing messages and I can upload an hour recording to this internet based voice box service and I get a phone number. So let's say I text you "You want to hear this recording on Mobile Marketing" and if it was my phone I'll get the text or I'll get an email and I just touch the phone number and it'll call it automatically with my phone, especially the Smartphones where you don't even have to dial anything and then it asks me for a code and I press the code and then the audio recording streams and plays right off the internet into the phone.
- Jeffrey: Are you saying that's an idea you about?
- Michael: Yeah I may do it.
- Jeffrey: You could even do it where you text them something and just say if you like to get a callback reply yes and then they reply yes and then the phone just rings.
- Michael: Yeah and then people sit their phone on speakers and the phone becomes a transmitter, it just transmits the audio through the web.
- Jeffrey: Is that pretty easy to setup, especially if you're working with a phone service that you can have call or it has an API like that.
- Michael: Alright, well I'm definitely going to test and see if this MP3 will stream all the way through on my phone. That is interesting. I didn't realize that they were really monitoring the bandwidth and how much is being used.
- Jeffrey: Yeah and you could probably get blackballed to. It might go for awhile and then three months from now you're like "Wow, I can't do

it anymore because they've blackballed you on their network as being a heavy downloader."

- Michael: Wow!
- Jeffrey: Just like with the cable company they've been known to do that.
- Michael: What about when someone's using YouTube and they're watching a lot of videos, is that different?
- Jeffrey: I don't know, there's a whole kind of mysterious thing about it. No one really knows how much you can really pull out of the phone before you go on that list. It's like kind of underground thing, but you can read about it. People always talk about like did I get blackball, you know, did they cat me on my bandwidth for the month?
- Michael: Yeah, okay. Alright man, let me let you go. You've been real generous. I really appreciate it and I will get back with you about billing the list. I'll email you.
- Jeffrey: Yeah let me know if you want to do some stuff I'll be more than happy to help you get a great deal.
- Michael: Yeah I'll be interested I just need to get some prices, what it's going to cost and all that.
- Jeffrey: Sure. Sure.
- Michael: I think that's a smart idea starting to build a mobile phone database.
- Jeffrey: If you were going to do it on your site and you give us saying that we set it up for you we'll just past through the cost. No problem.
- Michael: That may be a great service for you to do because the list is everything. Start building your list...
- Jeffrey: I'd rather build the whole thing for you. I'll give you the whole Sumi text platform you can even do other stuff in the future, but just setup very simple.
- Michael: We'll talk more about it.
- Jeffrey: Okay, great.
- Michael: Alright, have a good weekend. Thank you.

Jeffrey: Alright, take it easy.

Michael: Alright, bye.

Jeffrey: Bye-bye.

That's the end of my interview on Mobile Marketing. If you have a desire to get your Web site setup for mobile so mobile phone users can go to your Web site and actually read your content, please contact me at <u>Michael@MichaelSenoff.com</u> and I'll lead you in the right direction or you can call 858 274-7851.