

Marketers see rural areas lending an ear to cell ads

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MARKETERS are anticipating a receptive audience in rural markets for voice-based advertisements on mobile phones, banking on the ability of the medium to overcome the language and literacy barriers that companies face while addressing the bottom of the pyramid. A step-up from SMS-based marketing, voice-based value added services (VAS) are being used to sell soaps and shampoos, banking and insurance products as well as entertainment services as the new medium emerges as an alternative to vernacular print advertising.

Mobile applications provider NetXcell recently introduced its MobiSmart tool that can route voice-based ads to over 50,000 consumers at once. "This form of marketing is priced at 35-40 paise per call as opposed to 10 paise per SMS. But the benefits of being handset-agnostic and the in-built potential for interactivity in the form of market research enable companies to get feedback about a product from source," NetXcell Director Debasis Chatterji said.

A report by market research firm IMRB says that the mobile VAS industry, valued at Rs 5,780 crore in June 2008, will grow steadily at 70% to Rs 9,760 crore in June 2009. Experts estimate the Indian mobile advertising at Rs 40-50 crore and see it growing rapidly in the next few years.

Among those trying to cash in on the potential is mobile entertainment portal Nazara.com, which has tied up with NetXcell to use voice-based mobile VAS to circulate Bollywood trivia, cricket scores and numerology information.

"Unlike the conventional SMS marketing medium, where conversions are at 1%, the voice alternative gives us conversions of 5%," Nazara Technologies business development manager Chirag Shah said.



Star India had promotions in Bengali to lure viewers to its Star Jalsa television channel for its launch in September. "There is huge potential to use it on an incremental basis, but it will not take away from the traditional marketing mediums," observed Viren Popli, Star India's senior vice president for mobile entertainment. Among those who are not certain about the effectiveness this method is Viraj Malik, MD and CEO of digital marketing agency Percept Knorigin.

"This form of advertising may work well for promotions in the short term, but it is not sustainable as it will gradually become intrusive, even for rural customers." Ad ring back tunes, where a caller hears an ad instead of a ring tone, are winners for rural markets as the gains can be passed on to consumers by way of lower tariffs, Mr Malik adds.