

The Cell Phone: From a Brick Size Clunker 40 years ago to a Major Marketing Tool Today

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It is hard to believe the first cell phone call celebrated its 40th birthday on April 3, 2013. It then took 10 years to develop the first Motorola cell phone prototype into a commercially feasible phone gaining government approval in 1983. It weighed 2 ½ pounds and the cost was slightly under \$4,000.

Today, the cell phone has dramatically shrunk in size and moved beyond its first purpose of telephone calls to a device for information consumption, information creation, and life management, driven by consumers, marketers, and rapid changes in technology.

The numbers are staggering. A recent study shows 87% of adults have a cell phone with about half using a smart phone allowing for full Internet connectivity. In fact, about a third of all cell phone users use their cell phone as their major connection to the Internet with apps accounting for the major portion of their Internet time. Two-thirds of smart phone users say they could not live without their smart phones.

The cell phone has become the consumer's tool for instant information from checking the weather, finding and reviewing a restaurant, comparing prices while shopping, to calling friends for advice on a purchase decision. Searching on PC's has been declining while mobile searching is increasing dramatically.

The iPhone began the age of mobile computing five years ago. Marketers have responded by developing customer friendly apps from the local bank to the largest airline. Apps for games, entertainment, news, weather, utilities, and music now carry ads targeted to specific consumers. As part of their overall marketing communications strategy, marketers must seek ways to understand mobile search behavior and how consumers use the software and apps on mobile devices.

Marketers will also need to innovate new ways to use the cell phone to improve customer experience for both products and services, going well beyond mobile banking or the ability to adjust the thermostat in your home. With its geo-positioning capability to determine your location, perhaps the mobile phone of the future will provide you with a coupon for ketchup as you walk down the aisle in the supermarket or send you an invitation to see a local veterinarian because your location showed you were in a doggy park.

Thirty-five years from now, when the first iPhone is 40 years old, will we be looking at the iPhone the same way we look at the first Motorola clunker cell phone?

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