How to Maximise your Marketing Dollars in a World Gone Mobile
Exponential growth. These two words capture succinctly the rapid speed and vast increase of content being exchanged via digital and mobile technologies.

According to an infographic recently published by Qmee, in just 60 seconds 138.8 million emails are sent, 2.66 million Google searches are performed, 293,000 statuses are updated on Facebook and 433,000 tweets are uploaded on Twitter.¹

The statistics show we are all craving meaningful connections, seeking information or hunting for an irresistible deal.

¹ http://blog.qmee.com/online-in-60-seconds-infographic-a-year-later/
How can companies navigate the digital jungle, connect with new customers and keep current customers coming back for more?

Armed with an understanding of the mobile landscape and the underlying value of the different types of mobile mediums, companies can focus on the marketing activities that will make those connections, provide useful information and promote their offers - all of which translate into sales.

This paper will describe some of the most common mobile messaging forms used today with the goal of understanding how SMS marketing can be used effectively as part of a company’s overall marketing mix. We’ll also take a look at a few companies, both large and small, across various industries, which are successfully using SMS communications to enhance customer relationships and drive sales.
Some common mobile messaging and marketing platforms defined

An SMS sent from a company to a consumer’s mobile device is called **SMS marketing**. It can be used for everything from an appointment reminder to promoting a special offer. Many countries regulate SMS marketing and require that consumers opt-in to receive SMS from that business.
**Apps** are interactive, smartphone applications that enable users to perform a variety of activities including creating lists, applying filters and effects to photos, getting detailed driving or transit directions and booking travel. Today, many companies are creating **branded apps** which prominently display the company logo and marketing messages in the app. Many apps also take advantage of **push notifications** which are short messages which usually promote an update to the app, that a private message has been received or that a promotion is available.

These often are displayed immediately on the smartphone screen and can interrupt the current activities. Although similar to an SMS, they do not have the same reach as they require that before someone receives the **push notification** they must first download the app.

Many smartphone users also have **instant messaging** services installed, such as WhatsApp or Viber, which enable the user to send messages to an individual or group of contacts. These services require the user to be connected to a data network as the messages are not sent over the cellular network.
Why consider SMS marketing

Clearly, many companies understand the unparalleled access they have to consumers globally via their mobile device. Figures released by eMarketer indicate there are approximately 4.77 billion mobile phone users in 2014 - a staggering 65.8% of the global population - and that by 2017 that number is predicted to rise to 5.13 billion users representing close to 70% of the global population.²

Companies have a lot of choice when it comes to selecting a marketing channel to reach those mobile users - from SMS marketing, to a branded app or email marketing. Which ones do consumers actively use and pay attention to?

According to a report by Nielsen, similar to global statistics, 86% of people in Australia own a mobile device of some type. Interestingly, the same report indicates that 94% of smartphone users in Australia have used SMS in the last 30 days while only 33% have used their phone for instant messaging.³

Furthermore, while a large portion of consumers in Australia own a smartphone, 35% still use a regular phone and even users of smartphones may not always be reliably connected to a data network where they can receive push notifications from an app or an email message.

SMS marketing offers an effective way to ensure a company’s message reaches the target audience, no matter the mobile device or if they are connected to a data network.

Additionally, consumers are more likely to read and respond to SMS marketing. As shown earlier, 138.8 million emails are sent every 60 seconds; many of these are likely marketing emails. Yet, on average, less than 20% are ever opened according to statistics compiled by Silverpop, an email marketing service provider. Comparatively, SMS marketing boasts a 90% read rate within three minutes of receipt according to a research from Mobilesquared.

**Messaging Reach**

90% of all incoming SMSes are read within 3 minutes.

Source: mobileSQUARED

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Similarly, the investment to make a branded app could be significant for a small company, and, according to research from Mobilesquared, 80% of apps on the Apple app store are downloaded 10,000 times or less. That means 80% of apps will achieve an iPhone penetration of just 0.1%!  

Typically, consumers are more receptive and engaged to marketing messages received via SMS. This is often due to the fact that many countries regulate and require consumers to give explicit consent for a company to market to them via SMS.

The reach and effectiveness of SMS marketing is undeniable. With the right messaging, an engaged (“opted-in”) audience and a reliable SMS gateway, companies can reap the benefits of SMS marketing with minimal investment.

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The business case

Following are some real world examples of how businesses are using SMS marketing across key industries.

**Insurance**

While the recent roll-out of the United States health exchange website didn’t go as smoothly as planned, one insurance provider, **Blue Cross Blue Shield of Michigan**, is using SMS marketing to reach Michigan residents and help them determine which plans they are eligible for. Users text "4Subsidy" to 222-752 and by providing their postcode, age, income and number of dependents can get personalized plan information.

**Direct Insurance**, a US provider of auto insurance, life insurance, and vehicle and accident protection plans, recently introduced a pay by text message program for customers. According to the company’s chief actuary, Brian Hanrahan, “Our research shows that about 55% of our customers have smartphones, and they can pay through our app, but this gives an avenue for the other 45% to pay through mobile.” Remember, providing a link in an SMS to Smartphone users is a great way to send them to a payment page or promotional landing page.

Retail

National Wholesale Liquidators, a 12-store chain based in the US, incentivised customers to subscribe to their mobile marketing database by offering a coupon worth $5 off any purchase of $25 or more. They advertised for customers to sign up for the mobile marketing campaign in-store, online and in their printed circulars. With this single incentive, the retailer was able to sign up 50,000 customers and on average, customers with the text message promotion spent 80% more than customers without the text message offer.

Utilities

According to a 2013 report on customer satisfaction with energy utility companies by J.D. Power, text messages are one of the highest satisfaction-generating communications methods versus other communication types. Utilities have taken note; SA Power Networks in Australia sends customers text message alerts on power outages, when power is expected to be restored and when meter readings will take place in their neighbourhoods.

Software as a Service (Saas)

**EstimateOne** is an online noticeboard that lists commercial construction tenders and which builders are pricing them, to facilitate jobs between contractors and sub-contractors.

To improve user retention and reduce churn, EstimateOne integrated an SMS gateway into their existing customer relationship management system. Users are asked to sign up for SMS alerts when new offers become available that match their skills and SMS reminders are sent to users that haven’t been active on the site in over three months. This helps keep EstimateOne top of mind among their registered users (plumbers, electricians, builders), many of whom may not be regular e-mail or internet users and resulted in the company halving their cancellation rate in a period of six months.
Both consumers and companies have an abundance of mobile communication choices. For business managers, there is a strong case for using SMS marketing in their overall marketing mix. The ubiquity of mobile phones, the reliability of SMS messages reaching the target audience, regardless of mobile device or data connection, and the incredible open and read rates of SMS messages make this a powerful marketing tool to connect and engage with customers and enhance sales.

The effectiveness of an SMS marketing platform can be further enhanced with a high-quality SMS gateway partner. These platforms help businesses manage their mobile distribution lists, automate message sending and allow for total program management easily and effectively right from their computer.

Here are the most common SMS products and a quick summary of their benefits.
Email to SMS

For a really simple solution that can be used by any member of your business, Email to SMS is the way to go.

Email is the worldwide standard for business communications, and along with Online SMS your business can have the ease of email with the speed of delivery, mobility and open rate you can expect from SMS.

Setup is very simple, you just register your email address with SMS Central’s online portal, and you are ready to start sending SMS from any email clients.

With 2 way SMS handling, responses can be received and managed in your email inbox. For sophisticated users, you can create a rules and triggers to forward replies to your own private URL.
Web SMS

Similar to an email marketing software, like Mailchimp or Campaign Monitor, but instead of scheduling and sending emails, you schedule and send SMS campaigns. Super popular for SMS marketing campaigns, with web SMS you use an SMS company’s web portal to build, schedule, measure and manage SMS campaigns.

Upload your database, send, receive and even interact with your list, save your templates and use dynamic fields such as #customer name to personalise your SMS content.

Some advanced SMS providers have rules and triggers that allow you to automate your communications and internal flows, from automatic management of opt-out lists, to assigning contacts to specific groups.

SMS API

With an SMS API, you develop the apps, and SMS Central provides the SMS Gateway, fully integrated with your system.

If you have custom or enterprise level software that runs your business, whether it’s a CRM, POS or other custom applications, integrating an SMS Gateway into your software adds a whole new dimension and level of communication at a very low cost. Improve customer service and security, decrease cancellations and for urgent messages, communicate immediately!
SMS Central provides all of the above SMS services. Contact SMS Central to learn how SMS communications can make a positive impact on your company’s bottom line.

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