## ORACLE

## How to use SMS marketing:

Breaking through in 160 characters or less

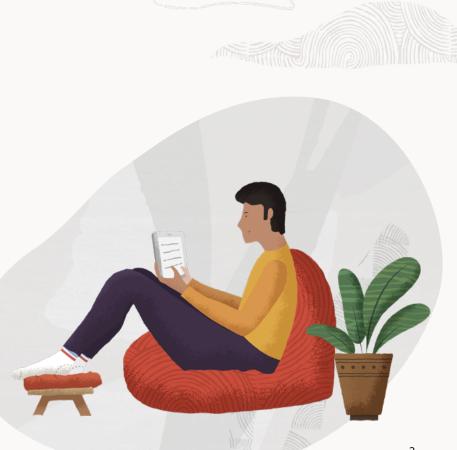


## Reach your customers where they are

Strengthen your relationship with customers and increase conversions with smarter mobile marketing

Today's era of personalized marketing means reaching customers where they are—their phones. The average user spends 2.5 hours on their phone and interacts with their device hundreds of times each day.<sup>1</sup> That's why you optimize your website for mobile, make your email campaigns mobile-friendly, and regularly update your mobile app.

SMS should be a part of this mobile marketing strategy, too. SMS, or Short Message Service, is an integral marketing tactic to help brands reach customers. But SMS marketing is not without challenges. How do you marry texts with email campaigns, native mobile apps, and other marketing efforts? And how do you do that without adding more vendors, more siloes, and more headaches for your team?



## Where mobile marketing is today



Many industries and companies have already embraced mobile marketing. According to Juniper Research, the number of text messages sent by brands and enterprises worldwide grew from 3.2 trillion in 2019 to 3.5 trillion in 2020.<sup>2</sup> That increase was notable considering the travel and hospitality industries, which are huge drivers of SMS, were affected by decreased travel in 2020.

Not all brands are ready or able to fully commit to mobile. Our recent survey, "<u>Marketing trends 2022: Marketers tell all about successes,</u> <u>struggles, and solutions</u>," found that 21% of B2C marketers fear missing out on leveraging mobile and SMS. Teams that aren't already using SMS are closely watching it or planning to implement it in the future.

The pressure to get SMS marketing right the first time is high. Unlike email, SMS is an interruptive medium. So, users have a low tolerance for message frequency and are more likely to opt out if a message isn't valuable. Despite the risks, there's still plenty of upside for marketers.

#### **Engaging customers effectively**

Marketers are increasingly finding that maintaining an engaged customer list is challenging. Almost half said it was the biggest obstacle when optimizing an email marketing strategy.<sup>3</sup> SMS is not a silver bullet to solve your engagement woes, but you can use it to complement email campaigns and inform your communications strategy.

#### **Providing better customer service**

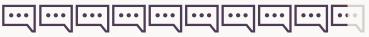
Email is ideal for educational content and other in-depth information, and some people will prefer to keep their communications in their inbox. But others are comfortable communicating with brands via text. They may want to receive certain information that way. Giving customers multiple opportunities to opt-in to SMS messaging and customizing the journey can improve their overall experience with your brand.

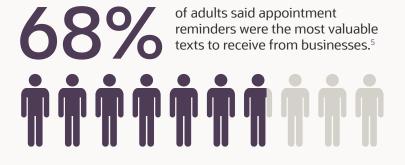
For example, top uses for SMS include confirming appointments or providing updates about shipping and delivery.

#### **Collecting more data**

There are benefits to marketers beyond conversion rate (although that's important). Mobile marketing offers another opportunity for collecting first-party data. However, launching SMS without a plan for data management sets your team up for headaches. A campaign platform with SMS capabilities can help. Texts are easy to personalize, deploy, and track with the right infrastructure. 95%

of text messages are read and responded to within three minutes of delivery.<sup>4</sup> Click-through rates are higher than emails as well.







Data from email and mobile campaigns can stay in one system to paint a better picture of your customers.

# When it comes to email and text, think addition, not subtraction



Email marketing isn't going anywhere. It continues to be a mainstay for marketing teams. 39% of B2C marketers said their email marketing platform was the solution they could not live without. It is a critical channel for serving in-depth content, soliciting feedback, and delivering visually interesting messages.

Rather than replacing emails with texts, the two should complement each other. Emails foster a long-term relationship with customers. They are ideal for educating and entertaining. SMS further engages your contacts, pushing them toward conversions and providing pertinent information.

Balancing email and SMS means following the best practices and benchmarks for each. Here's a great comparison of key differences between the two, provided by our Oracle Marketing Consulting Team:

## 🖂 Email



### The difference between email and SMS

Different channels. Different approaches. Different outcomes.

Unsubscribe Rates	Low: .03%-0.1% (less disruptive, less interaction)	Higher: 1.8%-3.7% (more interruptive and personal)
Frequency Tolerance	High (1-2x/day)	Much lower (1-2x/week max)
Open/View Rate Avg.	~20%	95%
CTR	~1-3%	5-10%
Message Lifespan	1-2 days	1-2 minutes
Content Options	<ul><li>Multiple CTAs</li><li>May be saved for later</li></ul>	<ul><li>Best for single CTA</li><li>Disposable</li></ul>
Acquisition Ease	Easier to get	Harder to get
Generational audience	Universally preferred channel across generations	Acceptance weakens in older generations
Best for (but not limited to):	<ul> <li>More in-depth and educational content</li> <li>Feedback requests</li> <li>Visually important content</li> <li>Relationship-building</li> </ul>	<ul> <li>Timely or more urgent requests</li> <li>Highly relevant content that's easily understood</li> <li>Important updates</li> </ul>

# Mobile messaging best practices

Email and texts must work in harmony to be successful. But the strategies that make email campaigns successful don't translate to SMS. Below are some best practices for mobile marketing.

#### **Set expectations**

Unsubscribe rates will be higher with texts. To keep rates as low as possible, set clear expectations about the type of messages you'll be sending when users opt-in. Bonus points if you can have these customers specify what they're interested in hearing about.

#### **Keep it brief**

SMS has a limit of 160 characters. Longer messages are possible but may incur higher costs. Keep messages concise to increase the odds that the full message gets delivered and read. Use a single call to action to avoid confusion.



#### **Deliver personalized experiences**

Personalization is critical when using such an interruptive channel. Generic messages run the risk of being irrelevant and provoking someone to unsubscribe. The only way to personalize effectively is to know your audience. Make sure your marketing automation and campaign management systems help you customize messages and optimize them in real-time. Cross-channel capabilities are essential here. The right platform makes it easier to create personalized experiences and collect the data needed.

#### **Use it sparingly**

The biggest challenge in building your SMS strategy is determining the messaging cadence. Texts cannot be sent with the same frequency as your emails, and they should be used sparingly to avoid unsubscribes. Aim to send one or two messages per week at most.

#### Pay attention to the "last mile"

Consider mobile as the last mile of your buyer's journey. You're pushing customers toward a conversion, whether that's a purchase, appointment confirmation, or other action. Messages should focus on that conversion. They are not for educational content.

Click-through rates are much higher with SMS compared to email. You don't need to send as many communications to make an impact, but you need to ensure you have a clear CTA that directs users to convert.

#### **Time matters**

Both seasonality and timeliness of your messages play an important factor. For example, the holiday shopping season is the perfect time to use SMS. Alert your best customers to flash sales and offer special discounts at their local store. Or you can notify buyers when items are back in stock and follow up on abandoned carts.

Time of day is even more critical than seasonality. SMS is immediate and has a short shelf life. Let your marketing automation software optimize send times for individual subscribers.

#### **Integrate SMS with email**

You can set yourself up for SMS success by integrating the messaging with your email campaigns. While mobile marketing can be deployed on a siloed, separate platform, the onus then falls on you to connect the dots of the buyer's journey. Resource-strapped teams don't have the time to manually compare data across systems and then make changes as the need arises. Working out of a central platform—to lower costs, limit possible points of failure, and maintain a unified view of the customer—is a game-changer.

Messages built into nurture campaigns from the start lead to a more consistent user experience. And while there are costs associated with sending SMS messages, the creation and deployment of texts can be integrated into existing campaign management platforms to limit overhead.

#### **Oracle Responsys and SMS**

If you want to follow through on these best practices and tap into the potential of mobile marketing, you need the right data and the right tools. You need a system that can support both email and SMS while segmenting the two. And you need separate message creation and reporting that maps to those channels.

#### Oracle Responsys Campaign Management can:

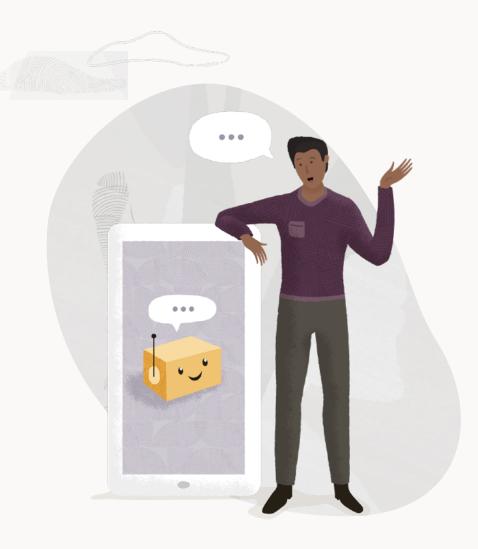
 Manage cross-channel experiences, including email and mobile

All III TREATHING

- Customize interactions to match customer preferences
- Segment audiences for more relevant messaging
- Attribute conversions to the proper channels for easier reporting
- Provide real-time analytics, so you can respond to customer behaviors before the moment passes
- Automate campaigns to optimize the entire customer experience
- Learn more

# See where texts fit in the customer journey

Where SMS fits best in your campaigns will vary based on industry, target demographic, level of customer engagement, and more.



#### **Retail industry**

A member of your loyalty program has an abandoned cart. You send emails reminding them about the item and encouraging them to earn rewards with a purchase. However, the item goes out of stock before they can buy.

A text message alerts them when the item comes back in stock at their local store, with a CTA encouraging them to act fast. They buy and select store pickup as their option. Confirmations are sent via email and SMS.

Another text is sent once the order is ready for pick up. It includes details on where to go and what to do upon arrival. It may even have <u>instructions for curbside pickup</u>. When the transaction is complete, the customer immediately receives an SMS confirming their pickup and an email with an electronic receipt.

Throughout this process, your email campaigns send regular information about sales. They're also asking about customer satisfaction with the purchase and encouraging further participation in the loyalty program.

#### **Travel industry**

An existing customer expresses interest in a destination by tracking flight prices. The travel company texts them when there's a price drop, encouraging booking before it's too late. Messages include a link going right to a booking portal. Once they buy, the confirmation number and flight details are sent by text and email.

In the weeks leading up to the trip, emails might encourage the traveler to take advantage of hotel and car rental deals, educate them about the culture and history of their destination, tell them about the weather so they can pack appropriately, and promote local attractions, restaurants, and activities.

In the days leading up to the trip, an email reminds the traveler to check in for flights and download boarding passes. On the day of travel, they receive SMS alerts about their flight status and any gate changes.





#### **Service industry**

From medical offices to autobody shops to salons, businesses in the service industry use SMS and email marketing. They also use it transactionally to improve the customer experience and grow brand loyalty. For example, when customers make an appointment through any channel, they receive an email confirming their appointment, the service provided, and other details.

One week prior, they get an email reminding them that they have an appointment coming up. This message may also include key details such as health and safety information.

A couple of days before the appointment, they receive an email asking them to confirm their attendance. If they don't confirm, within 24 hours, they receive an SMS asking them to confirm.

Should the customer cancel, they get an immediate follow-up text with contact information to reschedule. And if no action is taken for a week, an email response is triggered, encouraging them to make another appointment.

If they confirm, then on the day of the appointment, they'd receive an SMS message saying that the business looks forward to seeing the customer today. The message would remind them of their appointment time and tell them about check-in procedures.

Then the day after their appointment or whenever their services are complete, they receive an email asking for feedback about their experience and reminding them to arrange their next visit.

# Act today while preparing for tomorrow

If you aren't integrating mobile messages into your email and communications strategy, you are missing out. But there are actions you can take today to set your SMS marketing program up for success—without extra overhead costs or red tape.

The future will feature the rise of mobile messaging and the more widespread use of multimedia messaging. Marketers will have the opportunity to provide rich media and enhanced, branded experiences through standard texting apps. When that happens, having a campaign platform that allows for digital asset management and email and mobile messaging integration will be critical.

#### **Explore Mobile Marketing**

#### About Oracle and Advertising and CX

Make every customer interaction matter by connecting all your business data across advertising, marketing, sales, commerce, and service. **Oracle Advertising and Customer Experience** (CX) is a connected suite of applications that goes beyond traditional CRM to help you create and nurture lasting customer relationships. Build a complete view of every interaction and every customer, no matter how and when they engage. Empower your entire business to deliver exceptional customer experiences—from acquisition to retention—and everything in between.

#### Sources

- <sup>1</sup> <u>"U.S. Smartphone Industry Statistics"</u>, Zippia, written January 30, 2022
- <sup>2</sup> "SMS Business Messaging to Hit 3.5 Trillion Messages in 2020", Juniper Research, written May 13, 2020
- <sup>3</sup> <u>"Mobile advertising and marketing worldwide statistics & facts"</u>, statista, published January 27, 2022
- <sup>4</sup> "SMS Marketing Statistics 2022 for USA Businesses", SMS Comparison, Updated January 20, 2022

<sup>5</sup> <u>"SMS Marketing 2021", eMarketer, written February 11, 2021</u>