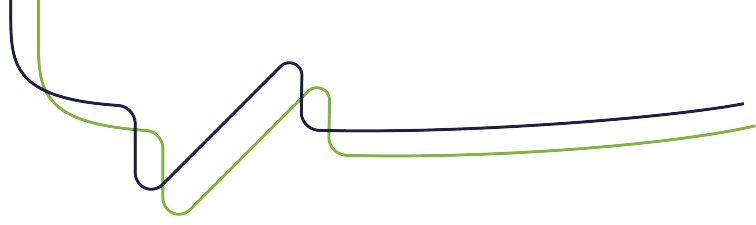Practical **guide** to

# SMS MARKETING

*The secrets to a winning strategy*
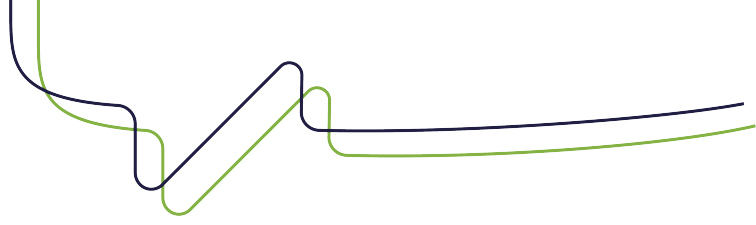
SM💬S

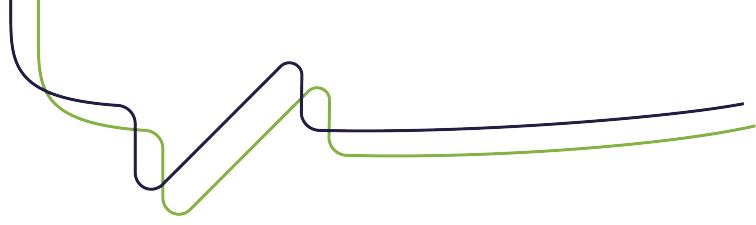Reaching anyone, everywhere.

# Indice

# Introduction

**SMS** (Short Message Service) is a communication tool widely used by companies and often a complementary element to email marketing strategy.

Users receive constant stimuli and information, so it is important to be able to **synthesize** and make them available in quick and simple communications. This is why SMS is still a very valid tool to get in touch with the community, as it transmits value to the user in a matter of seconds.
In fact, being **short** and direct is one of the main characteristics of this strategy, providing the most important news in a short time and in a clear manner.

For these reasons, it is useful to fully understand the strategy behind SMS in order to develop its potential, applying simple shortcuts that can engage our target audience.

This simple guide explains how to apply **SMS marketing** to your strategy by revealing the tricks to compose effective messages that can attract as many people as possible, guiding readers towards conversion.

## SMS

### How did SMS originate?

Before delving into the necessary steps to feed a digital marketing strategy with SMS, it is necessary to take a step back and tell the story that led messages to be what we still know today.

**SMS**, Short Message Service, are text messages that are mainly sent from mobile phones.

The beginning of their history dates back to **December 3, 1992**, the day the first **SMS** message was sent.
During the company Christmas party, Vodafone director Richard Jarvis received a message on his Orbitel TBU 901 pager from colleague Neil Papworth, a computer engineer.
The **first message**, sent from a computer, read "**MERRY CHRISTMAS**."
It was precisely these fifteen characters that changed the course of history and today are worth a fortune: the SMS was auctioned for **$107,000** in Paris last December 2021, through Non-Fungible Tokens (NFT) certification, and whoever won the bid holds the exclusive ownership of a detailed and unique replica of the original communication protocol.
In addition, the Vodafone Foundation announced that the auction proceeds were donated to UNHCR, the United Nations Refugee Agency.
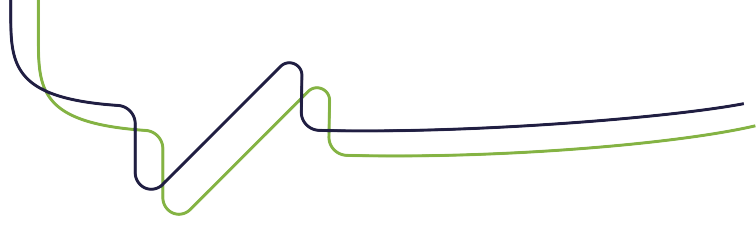
The first SMS exchanged between two mobile phones, on the other hand, was sent the following year, in **1993**, with an experiment by **Nokia** intern, Finnish Riku Pihkonen.

Thus, a new way of communicating was born, and SMS became the main tool for sending quick messages. In **2000**, about 17 billion SMS were sent worldwide and after eleven years, in **2011**, there was a record of sending about **89 billion SMS**.

One of the factors that allowed the success of this mode is undoubtedly the fact that it allows for instant "back and forth" responses, inspiring the future chats of the most popular social media.

### The language of SMS

The birth of messaging has brought innovations over time, especially in terms of style and language, creating real neologisms and structures used every day for simplicity, with expressions that have then entered everyday language.

**Emoticon and Emojis**

**Emoticons**, predecessors of emojis, are a use of unconventional punctuation to visually communicate emotions within our message. The most common example is represented by the colon followed by a closed parenthesis « :) » to indicate a smiling face. The combinations can be diverse, and all represent an emotion, useful for expressing oneself best in sending messages.



**Emojis**, on the other hand, are small images that represent emotions, objects, animals, and any other element of daily life. They were created in the **late 1990s** by the Japanese communication company NTT DoCoMo. The name derives from "e" and "moji", which can be translated as pictogram.

Both are used in the daily exchange of messages, especially emojis which, thanks to the wide choice of elements, can be used at any time and in any context.

**Abbreviations**

A practice still used in writing messages today is the use of **abbreviations**, useful for writing messages even faster or acronyms, such as FYI, for your information, or ASAP (as soon as possible), POV (point of view).

Also, very popular are **shorthand expressions**, such as "pls" (please), "2" (to), and "k" (ok).
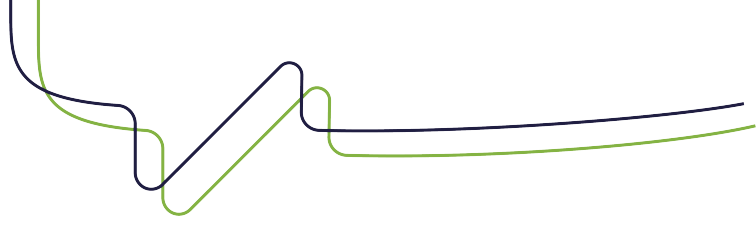
**How to use emojis in your communications**

Emojis are very useful in communications and messages that we want to send. However, it is important to keep in mind that it is necessary **not to abuse their use**, as the message would become less fluid, confused and less serious.

Emojis can help, used in the right contexts and in an appropriate manner, to **express a concept or to concretize it**: an emotion, a place or simply a more precise description of an object or a mood. It is important to **differentiate** yourself from a myriad of messages that invade the inbox every day and emojis can be a good solution, as they are not so obvious, but are a **real support tool** for the message we want to send, allowing us to make communications clear and understand our emotions.

## What is SMS Marketing?

**SMS Marketing** involves sending promotional campaigns via messages, specifically SMS, designed to communicate promotions, offers, and updates to people who have agreed to receive messages directly on their smartphone.

SMS messages have a **high opening rate**, being an immediate communication medium frequently checked by potential customers, given the common use of smartphones. This strategy can be crucial for achieving various goals and fostering the development of the company-customer relationship.
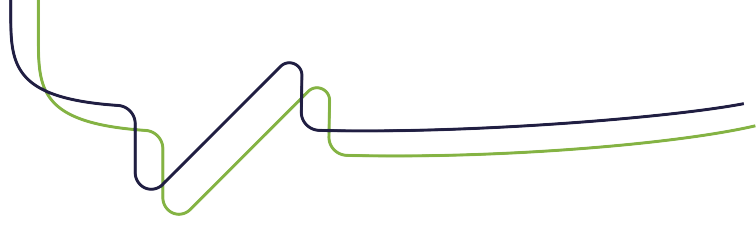
**The first steps of SMS Marketing**

Before starting an SMS Marketing strategy, it is important to make some considerations.

Firstly, it is necessary to obtain the **consent** of the contacts we want to reach out to, in order to avoid involving people who are not interested in our communication and having a low opening rate. Both are potential risks of this strategy.

In this regard, it is essential to be aligned with the **privacy regulations** in force and demonstrate the possess of the real consent of the contacted individuals.

Consent can be explicitly requested by posting a notice inside the physical store and/or website or through a **loyalty card** that customers receive after filling out a document in which they are asked for consent to receive SMS.

When it comes to this topic, there is often discussion of **opt-in**, also known as *permission marketing*. This is an option in which the user expresses their willingness to be added to a mailing list, and it is possible for both SMS and e-mail marketing.

**SMS marketing and GDPR**

**GDPR**, General Data Protection Regulation, regulates the processing of personal data by public entities and companies, which came into effect on May 25th, 2018.

This need arises from the **desire to protect users' personal data** and to fight those entities that misuse data without consent, adding to lists or sending communications without permission. It is important to proceed with the correct collection of data from users who are interested.

If you already have data, it is essential to **verify and update** those already in the database and possibly request an update of the authorization. Unnecessary or obsolete data can be deleted.

Once you have verified the data you have, the next step is to send communications to users, which involves being **transparent and honest** and telling them the reason why their data is being collected, for how long it will be stored in the database, and any other relevant information.

To do all of this, you can offer **opt-in** and **opt-out** options, giving users the **choice of whether to receive messages**.
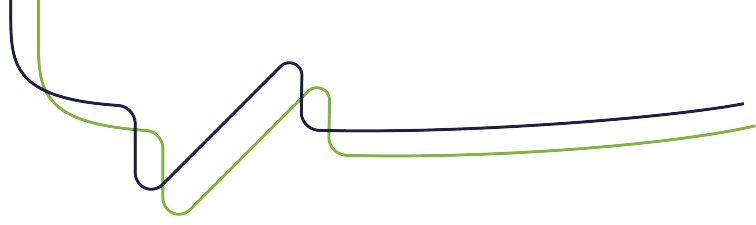
Transparency is a highly valued trait in communities, and including this option in email or SMS communications allows users to approach the relationship with more awareness and clarity.

Therefore, it is necessary to check if customers have specified their **contact options** by identifying their preferred channel: in fact, users can choose whether they want to be contacted via email or through SMS. If they are no longer interested in receiving messages, they can **autonomously unsubscribe from the contact list**, and it is important that this can be done through the most appropriate **unsubscribe method**.

Choosing the correct channel for communication is essential in terms of effectiveness: this allows for increased engagement and openness. If a user requests the removal of their information, it is the company's responsibility to proceed with immediate removal.

Once consent is obtained, it is important to **segment the contact database** into specific **clusters** according to categories such as geographic area, behavioral or demographic data. Thanks to dedicated CRM platforms or platform filters, it is then possible to divide the collected contacts and create ad hoc lists, useful for sending specific messages. This division allows for more effective and targeted communication to a target audience in line with business needs.

Other aspects are the **time frequency** and **time of day** in which communications are sent. This data can be obtained through **studying the behavior** of one's clientele and analyzing previous campaigns. Messages are often opened shortly after they are sent compared to emails, and the timing of when communications are sent must follow some basic rules, such as an appropriate time to convey the message to potential clients. In fact, it is recommended to send SMS messages during time slots when they can be read quickly and to avoid holidays, Sundays, or late evening hours.

**The structure of SMS**

Once you have taken the first steps, you proceed with setting up a structure appropriate to your communication and particularly to insert the necessary basic information for your customers.

When sending a message, it is important to include the **name of the company** in a visible way because it will be one of the first elements that will allow the opening of the SMS, as well as generating curiosity and interest in viewing the content.

In fact, you can send **basic SMS**, which are messages with a numeric sender, but also **direct SMS**, messages with a personalized alphanumeric sender registered with AGCOM.

Often, companies send messages through *short-codes*, which do not allow people to view the sender, an element that often does not allow for high opening rates.

Another element to consider is to **highlight the most important data** to communicate, the ones that need to be remembered.

**Location, hours, websites, offers,** and **prices** should be clearly visible to customers because they will allow for conversions and greater interest.

If there are *links* in the message, it will be necessary to make them accessible and correctly linked to the reference site to make navigation faster and more effective.

Another important aspect is the length of the message: SMS, as suggested by the name *Short Message Service*, are **short and effective communications**. Short and effective communications

In a few lines, you communicate what is necessary without risking long texts that would be ignored or even cut off by the preview proposed on the smartphone. For these reasons, it is necessary to choose the appropriate words for the context and a **tone of voice** consistent with the company and that can attract the customer's attention.

Another interesting suggestion regarding writing the message is to insert a **customized field** by adding the **recipient's name**. This attention brings the customer even closer to the company.
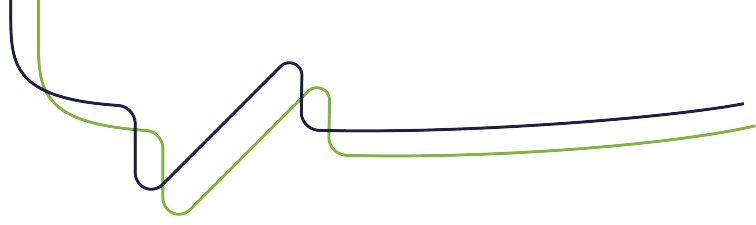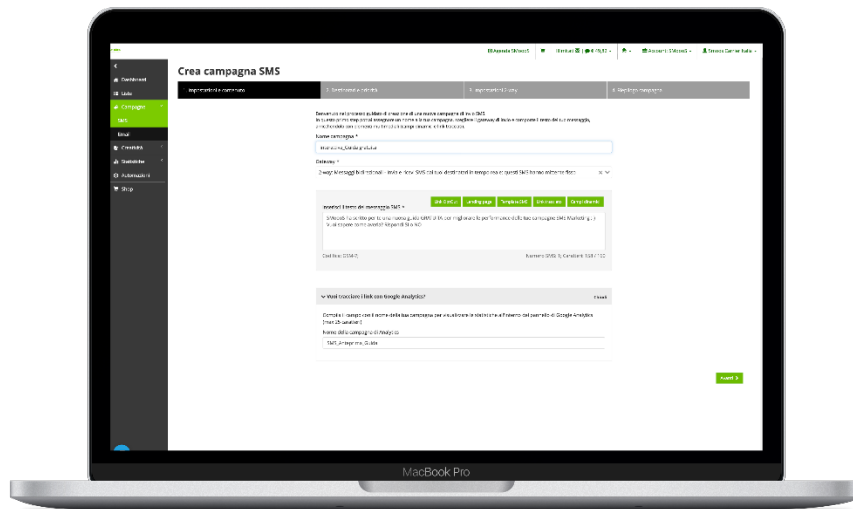
**Types of SMS**

SMS Marketing involves two types of messages, to be sent based on communication objectives:

- **SMS campaigns** with one-to-many text messages used to communicate promotions and coupons or general information such as event details and/or notifications.
- One-to-one **transactional SMS** with texts that are sent on a specific occasion, such as a shipping notification. These messages communicate important information that concerns only one person.

## Why use an SMS marketing strategy?

An SMS marketing strategy can be helpful if integrated into your digital marketing strategy. Having an additional channel for communication can be advantageous, as it promotes greater interaction with customers, since the **engagement rate** of SMS is much higher than that of emails. It is worth considering that **90% of SMS** messages sent are **read within 3 minutes of receipt**.

Therefore, with the widespread use of smartphones, almost all potential customers can be reached by our message much more quickly than by email, even though SMS marketing can be considered **complementary** to email marketing.Emails can include more detailed information, while messages are more suitable for urgent, schematic and quick communication.

**What can this strategy be used for?**

SMS is a perfect tool for communicating **user-related activities**, such as appointments or deadlines. In fact, many companies can send a **reminder** to their customers about scheduled appointments, indicating the date and location, as well as in the case of **transactional messages** sent by e-commerce, to update the customer on the shipping status of their orders.

Sending **offers and promotions** through SMS allows to attract more customers to the store and/or website. In fact, this tool is most suitable when offering limited-time discounts and notifying as many people as possible in a timely and real-time manner.

The messages are very useful for **updates** and communications related to events, as well as **reminders** for appointments and shipments. There are different activities that use this medium for daily operations.

Examples are **travel agencies**, which often inform customers about bookings, cancellations, and flights in real-time.

This happens, as previously mentioned, also for **e-commerce** with the sending of order receipt confirmations or shipping notifications, but not only: SMS messages are very useful for **small businesses**, such as gyms and stores that send promotional messages to communicate discounts and offers.

## The benefits of SMS marketing

Unlike emails, which can be forged and therefore fall into traps like *phishing*, **phone numbers are more complex** for the average user **to falsify**. This can be one of the many advantages of using SMS in one's strategies.

Another advantage of SMS is the ease of sending to any mobile phone, without differences in operating system or device, precisely because the message can reach anyone, even **without the use of an Internet connection** or installed apps.

Therefore, SMS is a simple means to communicate a certain concept to a particular target audience, as well as being a channel that allows messages to be received without any particular superstructures or distractions, as can happen on social media or with spam in the case of emails.

It is important to build a **multichannel strategy** by also using SMS, which are an integral part of digital marketing strategy. Leveraging this channel allows companies to differentiate themselves and be much closer to customers, even with tools like **interactive messages**.
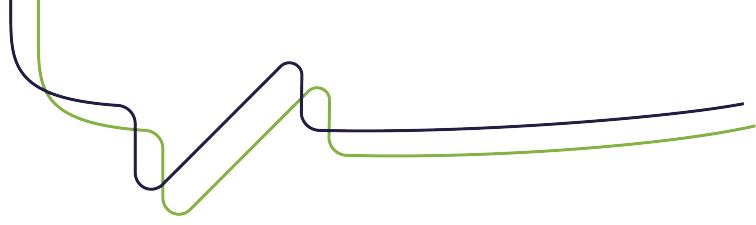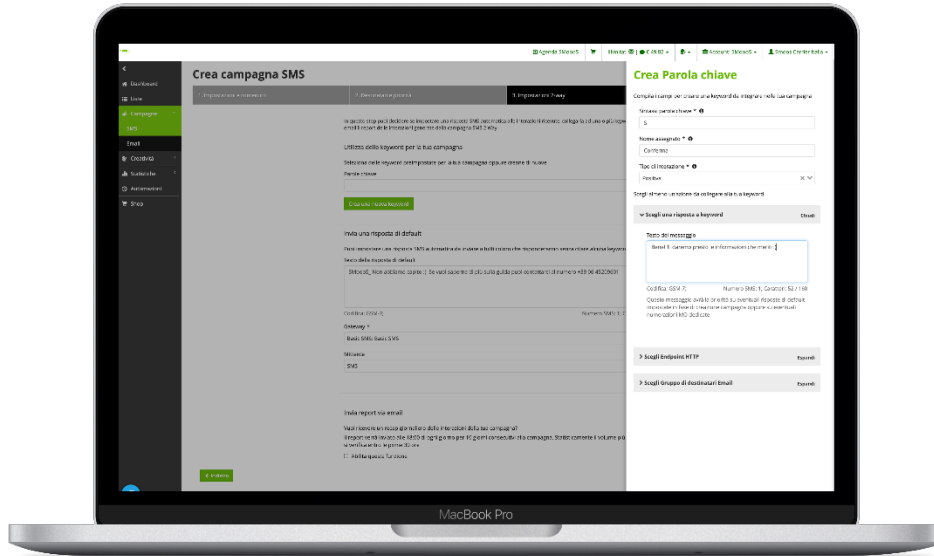
While one-way messages may lead the recipient to click on a tracked link or landing page, **interactive messages** require the recipient to provide an actual response. If the recipient responds using a **keyword** pre-registered by the sender, they can subsequently receive a specific automatic response. If they respond with other words, they can receive another automatic response.

The responses can be analyzed within statistics and used for further actions.
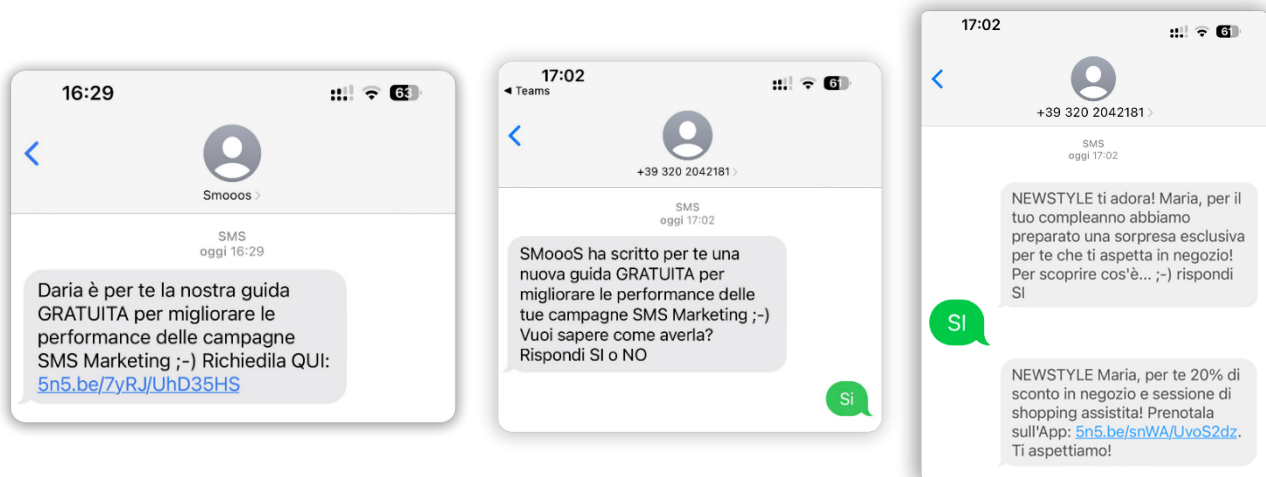


**Two-way** (or interactive/bidirectional) **messages** are often used to confirm or cancel an appointment, conduct a survey, or analyze the Net Promoter Rate.

On SMoooS, the interactive message that is sent has a randomic number or can have a **registered numeric sender**, and the conversation that follows, i.e. the automatic responses, will be displayed as a chat with the same sender

**Why rely on SMoooS**

The **SMoooS** platform is a product offered by **Carrier Italia S.r.l.**, an Italian company providing telecommunications services, active in the national and international landscape since 2008. Carrier Italia's core business is represented by **VoIP telephone traffic**, both in the wholesale and retail sectors, followed by the wholesale sale of SMS, which has been growing steadily since 2019 when it was included in the offering.

Carrier Italia's long-standing customers are TelCo sector operators, enterprises, and institutions that integrate large volumes of voice and SMS traffic into their management information systems through API Gateways.

The company's redefined **mission** is to reach business customers of all sizes.
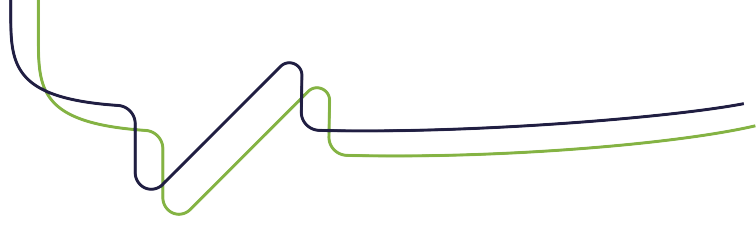
With this intent, the *SMoooS* project was born, a selection of high-quality products dedicated to satisfying the needs of the retail world.

Given the great importance of a communication medium like SMS, the SMoooS project aims to give messages, and in particular its **marketing** aspect, widespread visibility both nationally and internationally, targeting a new sales segment represented by Marketing and Communication Agencies, SMEs, and commercial activities, thanks to the services offered alongside SMS.

To date, SMS have a solid place at the top of the **chain of customer engagement**, and it is precisely in this rapidly developing area that Carrier Italia, thanks to the SMoooS project, has had the opportunity to acquire new contacts and customers, strengthening its position as a leader in the global context.

## SMS as a marketing tool

SMS is used by many companies to **improve consumer engagement**: in fact, the main reasons for receiving messages can be attributed to special times of the year when special offers, discounts, sales or the offer or launch of a particular product are available. By sending SMS to customers, it is possible to increase **engagement** and, as mentioned earlier, the message open rate, therefore having confirmation of receipt, reading and any response.

When using this communication method for marketing campaigns, customer **consent** is required. As in all communications, there is the possibility to stop receiving messages using the method indicated by each company, such as responding with a simple "STOP".

A good practice, instead, is to insert a **call to action** at the end of the message to invite the customer to discover further details or carry out the activity we want them to perform.

## How to communicate with SMS

When preparing the content of an SMS, it's necessary to keep in mind a few aspects:

- The **target audience** and the **language**: once the buyer personas have been identified according to the data the company has, it's essential to choose appropriate language for the audience and message being communicated. The *tone of voice* should reflect the company's reality without sounding misleading, but rather straightforward and easy to understand.

- **Structure** and **content**: it's important for the message to be brief and impactful, in order to effectively and directly communicate without any uncertainty. Personalization is particularly appreciated by customers, making them feel more involved in the company's communication project. As for the content, it should be clear and contain a precise call to action (such as *"Learn more"* or *"Download"*) to lead to conversions.

- **Interactivity**: leveraging this type of messaging can be a winning strategy. Sending tests, games, and questions captures the customer's attention and allows the company to differentiate itself from the competition.

## Measuring SMS

To truly understand the effectiveness of the strategy, it's necessary to measure the **ROI** of **SMS marketing** and evaluate the profits.

Measurement is important for campaigns of any kind, to understand their performance and optimize them if needed, to make them even more effective.

**Delivered Messages**

One of the main KPIs concerns the quantity of **messages successfully delivered**. In fact, there may be bounced or undelivered messages, and this information is useful for understanding the quality of intercepted contacts, the issues that may arise during delivery, and subsequently correcting the campaign to avoid particularly negative performance. Using a platform that displays performance can facilitate this process.
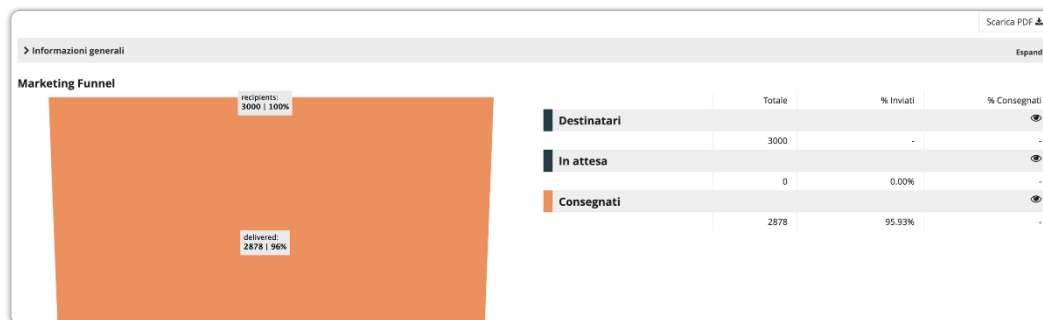


**Percentage of Clicks**

The next step is to analyze the percentage of **opened messages** and the **number of clicks** to effectively determine how many people have viewed the sent message and evaluate its performance. Understanding the number of people interested in the content sent allows for a **strategic evaluation** of messages to send, a more defined profile of the audience involved, and what topics are of greater interest. To evaluate the percentage of this important data, simply divide the number of clicks by the total number of SMS delivered and once the result is obtained, multiply it by 100: the higher the result, the greater the return on investment.

**Unsubscribe Rate**

This data is also fundamental for analyzing the performance of the SMS marketing campaign. When a user is no longer interested in the message content they receive, they may decide to **unsubscribe**. This decision falls within the unsubscribe rate to be calculated and monitored to understand if the campaign is progressing in the right direction. The reasons for unsubscribing can be endless, from lack of interest to non-use of the service or product, or to reduce the number of messages sent.
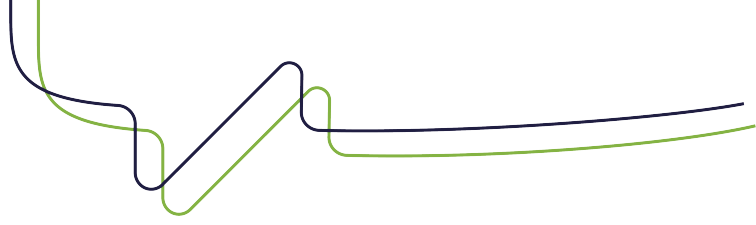
## Conversion Rate

The goal of campaigns is to guide potential customers to **conversion**, and measuring this rate becomes essential to understand if users are interacting correctly and taking the desired action. CTAs, or *call to actions*, can be varied, from signing up for an event to purchasing a service to visiting a website. The conversion rate allows us to understand which product or service attracts customers the most and, consequently, evaluate which products to focus on.
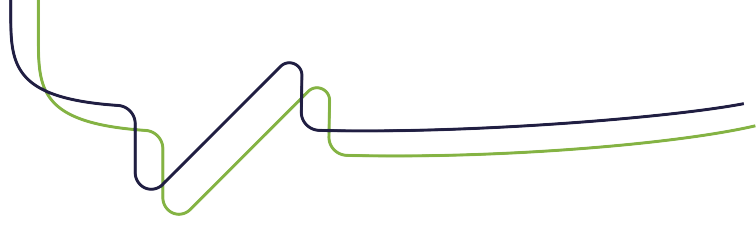
## Growth Rate

The growth rate measures the actual growth of subscribers to the service, and as this data increases, so does the **ROI**. This allows us to understand if we are gaining or losing customers.

## Cost per Subscriber

The cost per potential customer allows us to track how much is spent for each conversion. This helps to understand the ROI of the campaign and can be calculated by dividing the cost of each delivered SMS by the conversion rate.
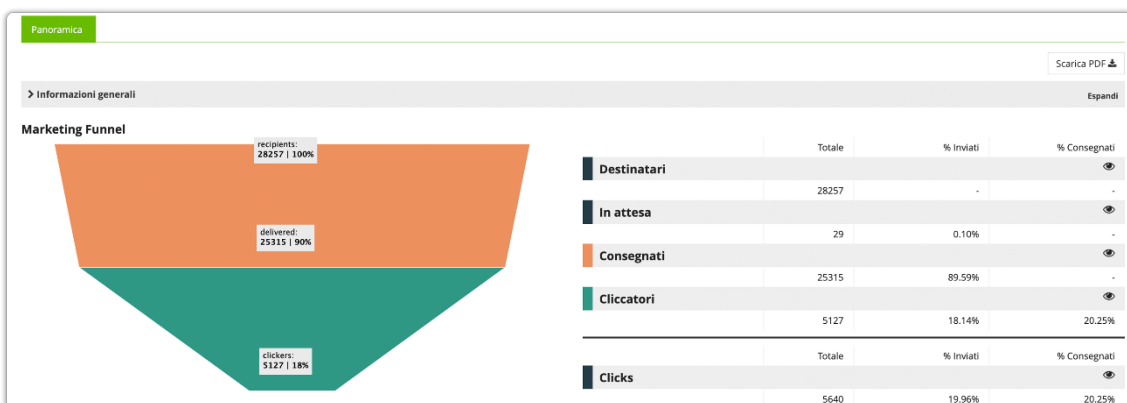


In this case, all the details of an SMS campaign with a clickable path link can be noticed, with a CTR of 18%. It is useful to monitor and collect fundamental data in order to understand the trend and make any necessary modifications.

## 10 Tips for l'SMS Marketing

SMS is a fundamental tool for interactions with potential customers and for this reason it is useful to know some tips that can help make the strategy and sending messages effective.

1. **Check the database**: it is important to check the database before starting an SMS marketing campaign. In fact, cleaning up the lists is essential to avoid inactive or incorrect contacts.

2. **Be short and direct**: an SMS contains up to 160 characters and even though it is possible to concatenate messages, it is better to be brief. Highlight the most important parts using capitalized words to help the customer identify the most important data.

3. **Add a CTA**: Don't forget to add CTAs and links if necessary, specifying the action you want the customer to take. Remember that links can be tracked if the platform, like in the case of SMoooS, allows it.

4. **Personalize your messages**: this element favors greater opening rates compared to other non-personalized messages. Customers appreciate being called by name and feel special to the company. Making yourself recognizable increases the credibility of the SMS sent and therefore makes it more effective.
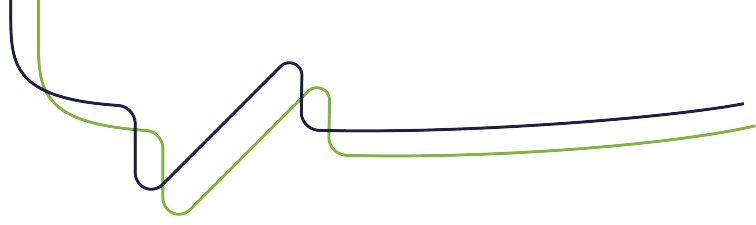
5. **Insert emojis in messages**: inserting an emoji could attract the customer and favor a more pleasant and immediate reading. Remember to add expressions that can capture attention in a few characters. By inserting emojis in SMS, the message will become UTF-16 and therefore the allowed number of characters will decrease from 160 to 70. For this reason, if you want to add emojis, you will need to create shorter and more impactful communication.

6. **Identify the right target**: analyzing the target is essential when implementing campaigns of this kind. Monitoring opening rates and the behavior of the target audience helps to understand performance and to understand if we are intercepting the right audience. Study the behavior and act accordingly, making your messages even more effective.

7. **Respect the timing**: it is important to send messages on a day and at a time that is suitable for reading and that facilitates the opening. Prefer days within the week during working hours to increase the opening rate.

8. **Renew your communications**: do not send the same messages to the same people. This practice could lead users to no longer open the communications and eventually unsubscribe.

9. **Monitor your performance**: monitoring campaign performance allows you to understand the effectiveness of communications. Study user behavior to provide them with the best service according to their needs.

10. **Pay attention to unsubscribes**: it is important to always provide the possibility to unsubscribe from the newsletter service and for this reason it is necessary to communicate to customers the methods for unsubscribing. Provide for the cancellation from the lists in a short time upon user request.
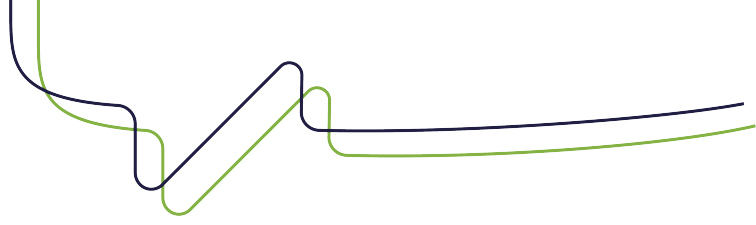
## Conclusion

So, as we have seen, **SMS** is still essential in marketing strategies and can fuel a brand's community with simple, fast, and direct messages to receive the most important information.

It is essential to structure the SMS by analyzing the target audience to avoid mistakes or low opening and conversion rates. For these reasons, it is useful to understand your community, understand their needs, and personalize messages, sending them what they need in the simplest and most intuitive way possible.

Now that some SMS marketing tricks have been revealed, take advantage of them, and don't miss the opportunity to engage your community to the fullest!

Have fun!

**SMoooS**

It is the platform recently launched by *Carrier Italia S.r.l.* designed to make sending SMS and emails simple and fast, but above all to make your marketing campaigns more effective and targeted thanks to an interactive, complete, and infographic-equipped insight system.

> Try SMoooS for **free**!

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