



Introducing:

## SMS Marketing Jumpstart

The ABC of Designing and Managing SMS Marketing Campaigns



### Thank you for requesting "SMS Marketing Jumpstart" - the crash course on using texting as a business advantage.

Around 8 trillion text messages are sent each year. The SMS is a communication channel of choice for billions of people around the world. This gem deserves a lot more credit that it currently gets, especially from savvy marketers.

This guide will provide a precise and informative overview of the SMS marketing industry and the best practices for running and managing SMS marketing campaigns.

Let's see what sort of marketing powers a text message can can unleash!



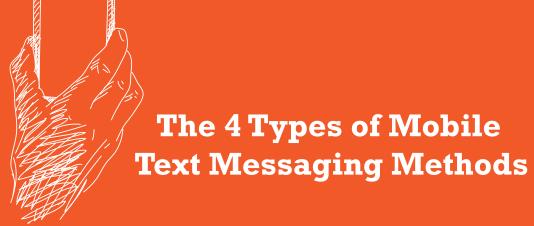


## Meet the 'SMS' - the building block of the Text Messaging World!

'SMS' is the abbreviated form of 'Short Message Service.' As the name suggests, SMS marketing is done and triggered by SMS messages. These are almost impossible to remove from the mobile phone experience. The increasing number of mobile phone users around the world has opened up new horizons in our marketing game plans. SMS marketing is this new potential. It is targeting mobile users. It is a cheap and efficient marketing technique to reach a vast number of individuals almost instantly. It holds the power to be a game changer.







Businesses and marketers use mainly four types of text messaging methods.

#### 1 FTEU Messaging

FTEU or 'Free To End User' text messaging is a specialized type of mobile messages. In rare cases, marketers employ this particular type of messaging to make sure that their customers will not be charged with the standard SMS rates.

#### 2 Standard Rate Messaging

This is a convenient messaging option for businesses looking to engage their clients and it is the most widely used mobile text messaging method. Most companies and marketers use this method as their default text messaging choice. In this way, SMS messages can be sent at the same price and size that users usually get from their family, friends, and acquaintances.



#### 3 Premium Messaging

When organizations, marketers or businesses decide on collecting donations or costs for a particular service/cause with SMS marketing, they employ this messaging service. The amount of money that is paid/donated is added to the customers' phone bill. Text-to-Donate campaigns mainly use this messaging service.

#### 4 MMS Messaging

MMS messaging is needed when the content passes the character limit of the standard SMS message (160 characters, including spaces) or when the content includes images or videos.



One SMS can contain only 160 characters. When the SMS exceeds the limit of 160 characters, or it contains images or videos, this messaging service is called MMS.



## The Benefits and The Mostly Untapped Potential of SMS Marketing

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The first thing SMS marketing does better than any other way of reaching and converting customers is its extremely high open rate.

Emails have a 17% probability of being opened, in some industries the average falling even below 10%, but for SMS marketing – the open rate is 98%.  $\rightarrow \sim \sim \sim$ 

For anyone who discovers this, SMS marketing becomes instantly more appealing than email marketing. Thus, it is no wonder that today's brand marketers frequently employ SMS marketing campaigns to engage with their customers.

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Another thing to mention is that SMS marketing has an instantaneous impact on the customers. It allows brands and businesses to reach their clients rapidly. Statistics shows that almost 90 percent of SMS messages are opened and viewed in 3 minutes from the time when they arrived in the customers' inboxes. So, marketers often decide on this particular marketing method when they need to reach out the customers instantly.

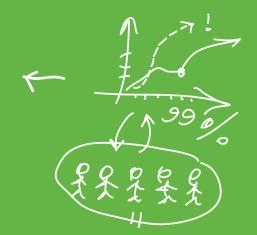


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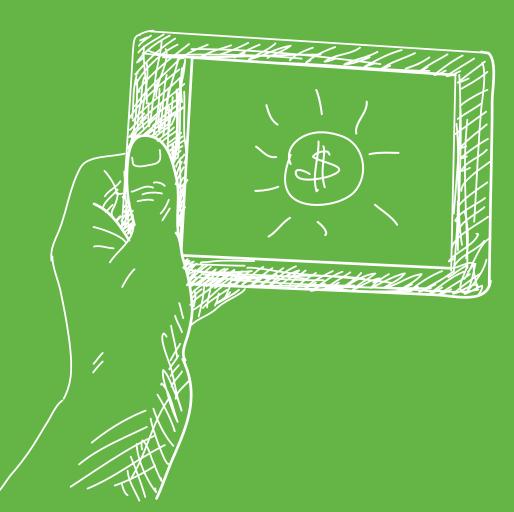
A third reason text messaging can be a gold mine for businesses is that SMS marketing is mobile. This mobility makes it an easily executable marketing method comparing to the others. No matter where the customers are, not matter if they are traveling, or they are relaxing at home, this method can immediately engage the customers with the campaign.





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A fourth characteristic making SMS marketing awesome is that this is a permission-based marketing method. Customers willingly give businesses their phone number. They already are interested in getting updates on new offers, discounts, brand engagement campaigns, etc.



#### What Could YOU Offer Customers via SMS?

Once you have collected the mobile numbers of your targeted customers, you are ready to start implementing your SMS marketing campaigns. Some frequent types of SMS marketing objectives are:

- · Selling Products or Services
- · Generating Leads
- · Raising Brand Awareness
- · Providing Service or Support
- · Driving Site Traffic
- · Conducting Market Research
- · Upselling Products or Services







#### **Types of SMS Marketing Campaigns**

SMS marketing campaigns are designed in different ways. Most popular campaigns fall into the following categories:

#### 1 Broadcasting

When mobile users willingly subscribe to a broadcast campaign, marketers can send them text messages to notify them of new offers and promotions. With this type of ongoing campaign, marketers can collect and store the mobile numbers of customers to use them anytime they have something new to announce about the product/service the customers were interested in when they subscribed.









2 Text-for-Info Campaigns

Usually, a text-for-info campaign is designed to serve customers' need. Customers are welcome to enquire about any particular information covered by the campaign. Upon their requests, businesses can get back to those customers with the enquired information. As a principle, these campaigns are non-recurring - customers expect a single SMS to get the enquired information.

3 Text-to-Collect Information Campaigns

These campaigns are designed and run to collect customers' information. Businesses can run these campaigns to collect customers' emails, preferences, etc. Customers can engage in the campaign by submitting their information through text messages. Like the text-for-info campaigns, these are also non-recurring campaigns.



#### 4 Text-to-Vote & Text-to-Screen Campaigns

Businesses can engage their customers to cast their votes with these campaigns. With these campaigns, customers' choices, selections or votes can be collected. These campaigns can be real time and can get an immediate response from the customers. This is also a non-recurring type of campaign.



This is another kind of non-recurring campaign.

These campaigns are launched to collect donations for organizations or causes. Donations can be received either by requesting customers to donate through their phone balance or by online payment methods like PayPal.





#### 6 Text-to-Win Campaigns

With these campaigns, businesses can offer customers a chance to win a prize for participating in a competition or lottery. Since it has a very clear purpose – the one to enter the customer into a lucky draw, the mobile users expect to stop receiving text messages from the company as soon as the campaign is over and the winners announced.





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SMS short codes are 5-6 digits long phone numbers specifically used for running SMS marketing campaigns. Businesses and brands have 2 options for SMS short codes: a. dedicated codes or b. shared codes.

When a business uses dedicated short codes, they exclusively own the codes. On the other hand, shared short codes are owned by an SMS marketing platform so the same codes may be used by several brands in their SMS marketing efforts.

#### Collecting Customers' Mobile Numbers

Building up a database is crucial in executing an SMS marketing campaign. Businesses cannot glean customers' mobile arbitrarily. When marketers build up their mobile numbers base, the mobile number acquiring process must respect certain laws such as the TCPA and CTIA compliance acts. Any improper attempt of acquiring customers' numbers can lead a business to be fined and sued.

The one basic rule of collecting customers' mobile phone numbers is that **businesses cannot collect or store or use customers' numbers without their consent**. Every SMS campaign gets customers' direct consent before enrolling them.

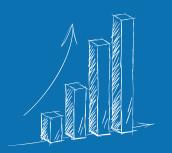




## Consent is obtained in two ways: Mobile Opt-In or Web Opt-In.

In the **mobile opt-in process**, customers directly respond to a campaign by sending the specific keyword for the campaign to a specific short code. In this case, customers willingly engage to the campaign.

The second process of getting customers' consent is completed with the help of web platforms, that's why it's called **web opt-in**. Customers can willingly submit their mobile numbers when they fill out a web form or sign up on a website, knowing that they might be used by the company for SMS marketing campaigns.





#### Tracking the Success of an SMS Marketing Campaign

Knowing how a campaign is performing is important for ensuring the effectiveness of the campaign. This involves identifying what is working what needs to be fixed. The most common ways of assessing the performance of a campaign are:

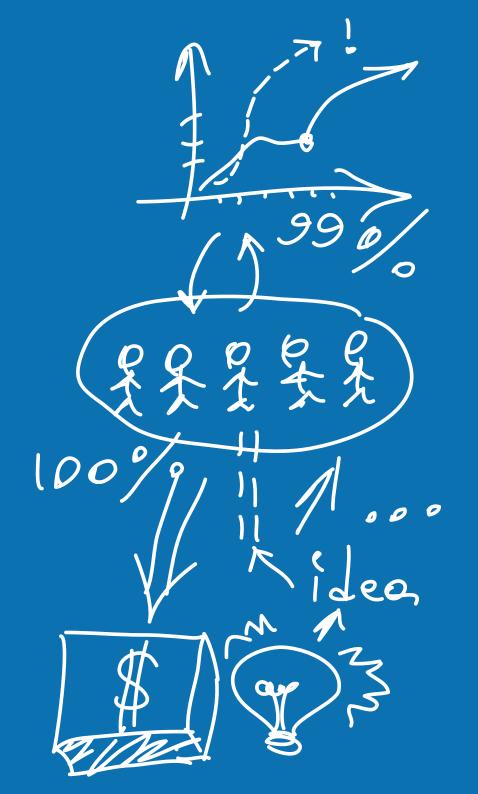
1 List Growth Formula — Current amount of subscribers – past amount of subscribers)
/ past amount of subscribers

This is a formula to measure the effectiveness of SMS marketing campaigns. With this formula, marketers **determine how fast the campaigns are spreading**. This also allows them to look back and compare the past spreading speed of a campaign to the present speed which definitely provides a better insight to the marketers.

- 2 Churn Rate Formula Number of unsubscribes / total number of subscribers
  Churn rate shows the ratio of subscribers that leave the campaign. This is commonly known as churn. Churn rate helps the marketers determine the appeal of a text message.
- Redemption Rate Formula Number of redeems / total number of subscribers

  Redemption rate indicates the ratio of subscribers that have taken the call to action.
- 4 Cost per Redeeming Subscriber Cost per delivered text / the redemption rate

  This rate shows the cost of gaining a redeeming subscriber under a particular SMS campaign.









There are 7 services, companies, and organizations that are central to the SMS marketing industry. These key industry players facilitate marketing campaigns at their different levels e.g. designing campaigns, delivering the SMS messages, enacting SMS related laws, and so on.

#### 1 SMS Software Platforms

These are web-based software platforms to run and manage SMS marketing campaigns. These platforms are equipped with different functionalities. With the help of these platforms and tools, businesses and marketers can collect customers' mobile phone numbers to build up a list so that they can send text messages to the selected customers any time they launch an SMS campaign.





#### 2 SMS Aggregators

When marketers or businesses send SMS messages to customers using an SMS software platform, that platform immediately sends each and every SMS message to SMS Aggregators. SMS aggregators pass the SMS messages to the proper wireless carriers.

#### **3** Wireless Carriers

Wireless carriers work in the third level of sending text messages to the targeted customers. Every customer of an SMS campaign is a subscriber of a wireless carrier. SMS aggregators find the appropriate wireless network carries and deliver the text messages to them, after that the wireless carriers forward those messages to the targeted subscribers.





#### 4 Short Code Providing Services

There are many companies around the world that lend short codes. For example, In America, Neustar is the only short code provider.

#### 5 CTIA (Cellular Telephone Industries Association)

This Wireless Association is an international trade group of wireless carriers and providers of other services in the mobile industry. For introducing the much-used "Common Short Code System", CTIA is regarded as one of the pioneers of the industry. CTIA also sets the rules for conducting a short code based campaign and it audits it regularly. Any violation to these rules may turn into the suspension of your program until you resolve the rules violation issues.





#### 6 FCC

The FCC rules are actually laws. Under the TCPA federal laws, businesses are obliged to follow TCPA rules. TCPA rules are not specifically text messaging laws, but marketers are bound to follow these rules, as TCPA considers any text messages (mobile messages as well as faxes) 'calls'. It defines how businesses should obtain permission from the customers to include them in their marketing campaigns.

#### 7 MMA (Mobile Marketing Association)

MMA releases its own SMS marketing best practices guide which has many similarities to the CTIA handbook of using mobile marketing campaigns. MMA guidelines are just guidelines for running a text messaging campaign properly; they are not laws to be enforced by an authority.





#### **SMS Marketing Glossary**

**Carrier** — a mobile network operator that provides mobile connections to individuals. A carrier provides unique phone numbers to all of its users.

**Characters** — letters, numbers, symbols, and spaces are considered characters.

**Keyword** — for shared short codes, keywords determine which code is meant for which campaign of which brand or business.

**Messaging** — the process of delivering SMS or MMS messages to the subscribed customers.

**MMS (Multimedia Message Service)** — a mobile message that includes multimedia content e.g. photos, videos along with text.

**Mobile Message** — a text message sent to a mobile device of a subscribed customer. Network Operator — same as "Carrier".

**Opt-In** — the process of subscribing to a marketing campaign.

**Opt-Out** — the process of un-subscribing from a marketing campaign.

**Premium SMS** — a type of SMS messaging service where the charge is added to the mobile phone bill of the subscribed customer.

**Redemption Rate** — the ratio of customers who successfully subscribe to an offer by following the Call to Action (CTA) of the campaign.

**SMS (Short Message Service)** — a text-only message sent via a mobile device to another mobile phone.

**SMS Short Codes** — specially designed mobile numbers of five or six digits used in SMS marketing campaigns.

**Text Message** — same as "SMS".

**Text-to-Win** — a particular type of SMS campaign where customers can text their answers to enter into a competition.

**Unsubscribe** — opting out from a SMS campaign.

## Discover the SMS marketing platform built by Internet Marketers FOR Internet Marketers and join a select group of game changers!

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