



## 360i Point of View on SMS (Text Messaging)

### Overview

SMS (short message service, or text messaging) is one of few marketing channels unique to mobile media, and it is best used when integrated with traditional and digital marketing programs. SMS was a mobile marketing and communications channel long before anyone ever heard of an iPhone, and usage continues to grow even as sophisticated smartphones swarm the market.

This is the third in a series of POVs on mobile marketing, with several more to come. Read the previous editions on [360i's Digital Connections blog](#), where you can also subscribe to receive subsequent updates.

### SMS Usage

Text messaging is by far the most popular mobile activity after talking, and it's one of the most proven mobile marketing channels. It's the most universal, given that SMS is available on just about every mobile phone, from lower-end feature phones to the priciest smartphones. ComScore reports 65% of mobile subscribers send text messages, compared to about 30% using the browser and downloading apps.

Mobile Content Usage 3 Month Avg. Ending Apr. 2010 vs. 3 Month Avg. Ending Jan. 2010 Total U.S. Age 13+ Source: comScore MobiLens			
	Share (%) of U.S. Mobile Subscribers		
	Jan-10	Apr-10	Point Change
Total Mobile Subscribers	100.0%	100.0%	N/A
Sent text message to another phone	63.5%	64.6%	1.1
Used browser	28.6%	31.1%	2.5
Used downloaded apps	26.7%	29.8%	3.1
Played games	21.7%	22.4%	0.7
Accessed social networking site or blog	17.1%	19.9%	2.8
Listened to music on mobile phone	12.8%	13.8%	1.0

Anyone who's encountered a teenager in the past few years won't be surprised that texting is especially popular with younger consumers. Pew Internet & American Life Project reports that American teens 12-17 contact peers daily via texting (54%) more than any other communication channel, including calling on mobile phones (38%), talking face to face (33%), instant messaging (24%) and email (11%). It's hardly just for teens though. An April 2010 study by Merkle found that 63% of U.S. adults 30-39 text, as do 49% of adults 40-49.



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### SMS Marketing

There are several ways to engage in SMS marketing:

**Branded shortcodes:** A marketer registers a five or six digit number, or shortcode, which often relates to its brand as it's spelled out on the keypad, such as 262966 for AMAZON. Consumers can send a text message to that number to opt in to updates or engage with the marketer. Marketers benefit from owning their brand name, but it's relatively costly and a lengthier setup process compared to other forms of SMS marketing.

**Shared shortcodes:** Marketers can also run campaigns on shared codes. For instance, Facebook enables marketers to have consumers become a fan of their page by texting "like" and the page name to 32665 (FBOOK). It's one shortcode that can be used with millions of pages, as each page has its own unique name. Facebook has tried out offering physical decals for marketers to place in their store windows (see image at right), and marketers can use the same messaging in other channels, such as email.



With either form of shortcode use, the biggest advantage is the integration potential. SMS callouts can appear in: out of home marketing, point of sale locations, TV, radio, print, online display, email and social marketing. In that sense, shortcodes are the most adaptable forms of mobile media, and of any form of media.

**Advertising:** Marketers can also advertise on SMS ad networks by appending a brief message to content that consumers subscribe to via SMS (e.g., news alerts, sports scores, horoscopes, etc). The ads can be used for a range of purposes, from building up the marketer's own SMS opt-in list to driving traffic or engagement.



*Ads appended to SMS alerts can allow consumers to opt in to marketing promotions and content (image courtesy of 4INFO).*



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### SMS Promotions & Content

When marketers develop SMS programs, whether through shortcodes or advertising across text messages, there are many options for what they can deliver to consumers:

- Text content, such as product information, informative tips, polls or trivia questions
- Links going to a mobile website
- Links to maps, such as for store locators
- Click-to-call links, leading consumers to retail stores or call centers
- Multimedia, such as images, videos or ringtones
- Coupons, from codes that can be entered by the consumer or cashier, or a link to a barcode that can be scanned

All of this can be varied and adapted to suit the program's goals.

### Best Practices

Here are several things to consider when engaging in SMS marketing:

- **Be relevant.** When running SMS ads or using a shared shortcode, marketers must make sure their messages fit in with those audiences.
- **Present a strong call to action.** SMS messages should clearly state the marketer's desired objective, whether it's to generate a response back, click a link, or engage in an offline action (e.g. tune in). This must be clear in the 160-character limit (barely longer than Twitter's 140-character cap). There is even less space available with SMS ads that append to other text content.
- **Offer something of value.** With SMS, marketers gain access into a very personal space for consumers, and consumers will be extra vigilant about preventing spam on their phones. Offer something they care about, such as a coupon code, an event reminder or a link to exclusive content, in exchange for permission to reach out to them this way.



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- **Integrate.** SMS can work with all forms of media, and it works especially well with traditional media. When a consumer is reading a magazine, passing by a bus shelter or listening to the radio, he or she may not have a laptop open, but the mobile phone is usually within reach, and SMS is a reliable way to connect the experiences.
- **Keep it going.** While short-term ad campaigns will often meet a marketer's goals, SMS has the potential for fostering longer term customer relationships, so think of how it can fit in with a broader communications program.
- **Be respectful.** Unless you're a pop celebrity reaching teenage girls, odds are consumers don't want to hear from a marketer at all hours of the day. Set expectations of communication frequency early on (e.g., daily deals, weekly reminders) for ongoing programs. And always obtain consent in the form of an opt-in before messaging to users. SMS messages can cost money, so it's important that the recipients know what they've signed up for and understand the implications.

### 360i's Concluding Thoughts

What are the goals of your marketing program? If they can be achieved through reach, offline integration, and ongoing communication with consumers, SMS should be strongly considered. On its own, it's not the flashiest form of marketing and it doesn't deliver the richest creative experience, but it can tie together a wide variety of marketing channels and create a richer consumer experience in the process.

### Next Steps

Contact your strategic advisor at 360i to figure out how to further your goals through SMS.

### About 360i

360i is an award-winning digital communications agency that drives results for Fortune 500 marketers through insights, ideas and technologies. 360i helps its clients think differently about their online presence and evolve their strategies to take advantage of the new world of marketing communications – one where brands and consumers engage in interactive and multi-directional conversations. Current clients include Kraft Foods, JCPenney, Coca-Cola, NBC Universal and H&R Block, among others. For more information, please visit [blog.360i.com](http://blog.360i.com) or follow us on Twitter [@360i](https://twitter.com/360i).