

# LMK if This Works

Deciphering the Rewards of SMS/Text Marketing



Once upon a time, a retailer could put an ad in the local newspaper or start a Facebook page and post some product images to garner business. Now, you might as well try smoke signals and sandwich boards. Today's consumer expects personal communication, when and where they want it. It's up to savvy retailers to figure out how to reach their customers to make an impact without being intrusive. >

## Buy the Numbers

For a growing number of retailers, text marketing is the way to communicate. Short message service, commonly known as SMS, is a way to connect with consumers on a mobile device – where they're probably already shopping. According to eMarketer/Insider Intelligence data, mobile commerce sales topped \$350 billion in 2021. There are statistics galore to support the trend:

- More than 40 percent of consumers prefer favorite brands to send updates via text than email. (Thrive)
- People are four times more likely to reply to an SMS message than an email. (Learning Hub)
- 80 percent of consumers want to receive offers via text from businesses they patronize. (SMS Comparison)
- More than 90 percent of people read a text message within three minutes of receipt. (MobileSquared)
- 50 percent of U.S. consumers make direct purchases after opening an SMS branded text or a discount coupon. (Mobivity)

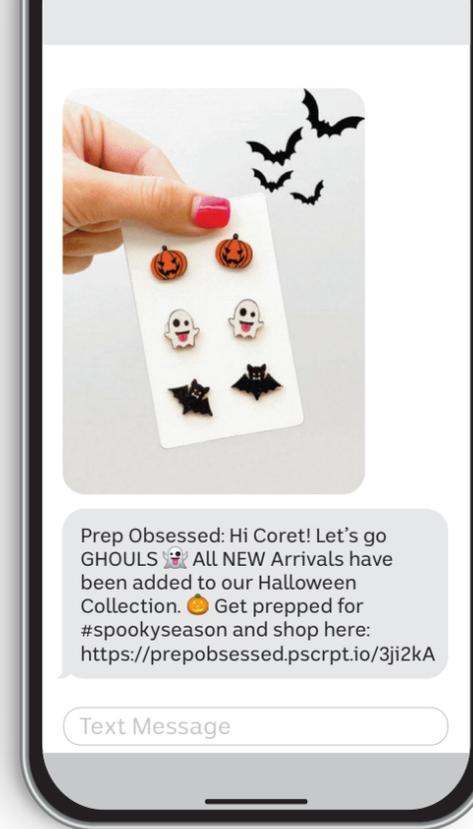


### SUCCESS STORY

While all that sounds promising, it can also seem intimidating for those who aren't particularly tech savvy marketers. But it doesn't have to be. Corey O'Loughlin, co-owner with Nina Vitalino of Prep Obsessed, a Florida-based gift and apparel retailer, is an advocate of incorporating SMS into a marketing mix. She and her business partner started their business selling on social media before progressing to more traditional channels including a website and a brick-and-mortar store. What started as a side hustle with a couple of thousand dollars is now a thriving business with an avid customer base, and she believes text marketing plays a big role in their success.

"In the past we could post something on Facebook and easily reach our audience, but that's not the case anymore even with boosted ads," says O'Loughlin. "SMS plays a huge role for us because it allows us a direct connection to those customers who want to hear from us."

They started with email campaigns as a middle step, but their messages were still getting lost in the clutter of full mailboxes. According to TechJury, 99 percent of consumers check their emails at least once a day, but the average number of emails in an inbox is 200. That's a tough space to make a strong impression. It makes sense to try an alternative that gets your message directly in the hands of your prime audience. O'Loughlin says although she was nervous about hitting "send" the first time, SMS is a key tool that's become so streamlined and simple to implement that she can send a message within a few minutes now.



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*Corey O'Loughlin*

### PERSONAL CONNECTION

While it's simple to implement an SMS program, it shouldn't be overused. A key element to success is targeting the right message to each audience. Segmentation helps ensure you're speaking to a consumer with a relevant message. As an example, O'Loughlin says they can send a message to those on their list who are a size small if they have excess inventory in that size or to those who've bought beauty products in the past if they have a new skincare product.

Prep Obsessed chose to work with a provider that allows customers to reply back to messages so they can build relationships. "We can be more sensitive to our customers as well as relevant," says O'Loughlin. "If we see someone only shops Hanukkah items, we can easily remove them from a Christmas campaign to be more sensitive to what really matters to them. Or if someone says she doesn't want to get Father's Day promotions because her dad died this year, then we can put her on a 'do not send' list for those. It helps us develop a real connection."

Those connections also impact what the retailer chooses to carry. "There are some products that text well, and we know our customers will respond, so we plan our inventory accordingly," she says.

SMS is also an effective means to promote their storefront along with their web sales. They can use geolocation tools to reach those who would be interested in specific in-store promotions for their destination retail store.

### SOUND ADVICE

O'Loughlin has some basic advice for retailers interested in making SMS part of their mix.

- 1 Start by selecting a provider that offers services that fit your needs and budget and that integrates with your sales platform. Prep Obsessed wanted a provider that could also do multi-media messaging, or MMS, because it's more dynamic, one that integrates with Shopify, and a platform that provides analytics.
- 2 Next, ensure your list is detailed and comprehensive. Prep Obsessed had collected data through social channels but also includes pop-ups on their website to opt-in to texts.
- 3 Customers have to opt-in for SMS marketing, and federal regulations require every sent text to include an opt-out option. All this is part of something called the Telephone Consumer Protection Act.
- 4 While a big event a couple of times a year can warrant sending to an entire list, it's normally more efficient and effective to create targeted messages to specific audiences.
- 5 Start slow and pay attention to the analytics. The trends will soon be apparent. As one example, they have better open rates on texts during daytime hours and emails during the evening. ■

*Founded in April 2013, Prep Obsessed features curated items for the home as well as clothing, accessories, and on-trend jewelry. Based in Palm Beach Gardens, Fla., the retailer was voted Florida's Best Boutique in 2017 and 2018 and was featured on the Inc 5000 list of fastest growing companies in 2018. For more information, visit PrepObsessed.com.*