



Brands Experience 98% Open Rates with SMS Marketing

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What Is SMS Marketing?

SMS marketing refers to the sending of promotional text messages (SMS) by a business to communicate information about products and services or share alerts and time-sensitive updates. This digital marketing strategy is also commonly referred to as mass texting. SMS marketing works similarly to email marketing but is significantly more effective.

SMS marketing is gaining more attention as a powerful tool for reaching and connecting with your target audience. Communicating with clients via text could be the key to unlocking a range of valuable benefits for your company.

- 97% of Americans own a cell phone
- The average open rate for SMS marketing is 98%
- 75% of customers don't mind receiving texts from companies if they opt-in
- 74% of customers say they have no unread SMS on their phones
- 9 in 10 people open their text messages
- 50% of US customers make a direct purchase after they're sent an SMS text, coupon, or discount code
- 77% of consumers say they're likely to have a positive perception of a company offering SMS

What Can SMS Marketing Be Used For?

SMS marketing has evolved into a critical component of any digital marketing strategy and can be used by businesses to accomplish several marketing goals. SMS marketing can be used to:

- **Boost sales:** Use SMS marketing to share promotions, discounts, and limited-time offers to grow revenue.
- **Build relationships:** Provide SMS customer service and support with 2-way conversations
- **Engage your audience:** Quickly share important updates and new content via mass texting
- **Generate excitement:** Host SMS text-to-win sweepstakes or text-to-vote polls
- **Collect leads:** Allow potential customers to sign-up for texts or send in one-off questions
- **Nurture leads:** Use SMS to follow up with leads and keep them engaged with the occasional text message

Does SMS Marketing Really Work?

Yes. On average, 98% of all text messages are read. And 90% of those messages are read within just three minutes.

With digital marketing channels like social media, you could have the greatest marketing messaging in the world—but the algorithms only show your content to a fraction of your followers. And with email, you can spend a lot of time on design and copy that ends up in a spam folder or is just plain ignored.

That's why texts are the ultimate marketing medium. They're easy to send and are almost always read by your audience.

What Industries Can Benefit From SMS Marketing?

SMS marketing is ideal for anyone who wants to reach a large group of people at the same time. But different industries approach it in different ways.

Restaurants

Restaurants use text message marketing to take reservations, send coupons, and inform customers about weekly specials.

Real Estate Agents

Real estate agents use SMS for lead generation. For example, they create a keyword and place it on their riders. Interested buyers then text in this keyword to request more information.

Retailers and E-Commerce Stores

Retailers who need to drive more sales rely on texts to engage customers and increase sales. They often do this through customer loyalty programs and offering exclusive discounts by SMS.

Gyms

Gyms use SMS marketing to improve their member retention rate through better communication. We see them send class information or other announcements or easily answer questions from leads, parents, and members.

Home Service Businesses

Everyone from HVAC repair companies to lawn care service providers, use SMS to get back to leads faster than their competitors with automated text messages.

These are just a few of the industries that use text messaging.

Measuring the Results of Text Message Marketing

A common misconception is that marketing via SMS can't be measured. The truth is, just like email, you can easily see if it's driving ROI.

Common SMS marketing benchmarks include:

Click-through rate (CTR)

The average email open rate is just over 21%. The CTR is under 3%. With texts, 98% of messages are opened and links receive an average CTR of 17%.

Conversion rate

This is how many people took an action—such as making a purchase—after clicking your link. You can use Google Analytics and UTM parameters to determine the conversion rate of your texts, for free. The average SMS conversion rate is about 45%. Much higher than other marketing tactics.

Why is it so high? Well, consider the fact that people who sign up for your texts are your most engaged fans. They want to hear from you. This is the last group of people who you'd want to miss out on by relying on email alone.

On top of this, people spend close to three hours a day on their phones—making it less likely they'll miss your message.

List growth

Without a list of phone numbers, you have no one to message. Steady, consistent list growth is a good indicator of success.

Unsubscribe rate

Unsubscribes happens. People will inevitably reply STOP to your message. Once they do, they will no longer receive messages. Unsubscribe rates vary by industry, but as a rule of thumb, it should be less than 3% per campaign.

Return on Investment (ROI)

ROI lets you answer whether SMS is making you money or not. Just take a look at the purchases made or influenced by SMS, subtract how much you spent sending the messages, then divide by the total amount spent on SMS marketing.

So, Is Email Dead?

With all of this said, should you stop sending emails? No. That's because text messages can easily fit into or complement your other marketing channels. This is especially true for email marketing.

The Wrap on SMS Marketing

Thousands of businesses are realizing the powerful advantages of SMS marketing. It's being used by top-selling real estate agents, growing churches, successful e-commerce brands, and everyone in between.

Despite its popularity, SMS continues to be one of the most underutilized marketing channels. This presents huge upsides for companies who are willing to try it.

SMS Marketing is a product that requires some additional setup. If you looking into adding this product, please email support@riverbender.com or call 618-468-9850.