

Don't forget about SMS

By  Charles Stretch

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With the proliferation of BBM and Whatsapp, it's easy to imagine that instant messaging is overtaking SMS. But this perception can be halted due to one simple statistic.

The average open-rate for an SMS message is a massive 98%. In a world where social and digital media are creating noise and frenzy, an SMS has the simplicity to cut through, and shout the loudest. SMS still is a vital communication and marketing tool for businesses - both internally and externally.



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SMS marketing is still a relatively new concept compared to email marketing, and it has proven to be more effective. Only 22% of emails are actually opened with a response rate of less than 2% versus 98% of SMS messages with a response rate of approximately 23%. Up to 94% of these SMSs are being read by subscribers within the first three minutes. One must also consider the clickthrough rates (CTR), driving traffic to a particular website. Mailchimp has indicated email only has an average CTR of 4.2% while that of SMS is much higher at 19%.

In South Africa where internet access is limited, 81% of households have a cellphone and there are 4.6 times more households with a cellphone than a computer. As a result businesses have an immediate and effective communication channel to consumers through SMS marketing (*Q3 2013 Mobile Marketing Association*). Marketing professionals can be specific in their targeting to consumers via SMS as they can be reached during weekends, holidays and during or after work hours.

External and internal communication

But it's not just in external marketing that SMS can play a role - outstanding internal communications can set a business apart. Ironically SMS was first developed to solve an internal communications problem whereby Vodafone (UK) needed an internal paging system for its employees. Employees are swamped by emails and strapped for 'desk' time as they attend back-to-back meetings. Customised SMSs ensure that employees receive important notifications immediately, at any location. Building a culture of open and honest internal communication can help achieve staff loyalty and effectiveness in the work place.

Many businesses can improve their external and internal business strategy by using a smart and customised SMS communication plan. However businesses should also be aware of their legal obligations to adhere to the Consumer Protection Act (CPA) (No.68 of 2008) which states that consumers should be allowed to opt out (STOP) of unwanted SMSs free of charge. SMSPortal's new product offering of 'Reversed Billed SMS' allows for businesses to operate their marketing campaigns responsibly and ethically within these parameters by the client picking up the cost of reply SMS charges.

ABOUT CHARLES STRETCH

Charles Stretch, is the managing director of SMSPortal. Established in 2002, it has grown to be a large bulk SMS provider sending 100 million SMS a month. Contact him on charles@smsportal.co.za.

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