

COLUMNS

4 ways retailers can engage holiday shoppers via SMS

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Michael Pellegrino oversees global business development for the common short code business at iconectiv

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The holiday shopping season offers a prime opportunity for retailers to engage with gift-buyers and drive sales.

Print, online and email promotions are rampant and high levels of mobile engagement via mobile applications and coupons is expected. According to GPSopper, roughly half of all holiday shoppers planned to take advantage of mobile coupons last year.

One form of marketing that is likely being overlooked by digital marketers during the holidays even though statistics indicate it may be the most effective form of brand communication today is SMS/MMS text messaging.

Break the code

While marketers will often claim they get the power of text messages in reaching potential customers, less than one-third actually incorporate the medium into their campaigns. That is a significant oversight considering that, according to multiple studies, text messages from brands have nearly a 100 percent read rate clearly outpacing the 21 percent average open rate for email, for example, according to MailChimp.

The optimum SMS/MMS text marketing format, and the one endorsed by Verizon, AT&T, T-Mobile and Sprint, is known as common short codes.

These five- to six-digit codes, which have been available for more than a decade, are perhaps best-known for their use on shows such as "American Idol" or "America's Got Talent" for live audience text voting, or by charitable organizations, such as the American Red Cross, who collect donations for disaster relief.

Common short codes can be highly effective when used in marketing campaigns, making it possible for consumers to opt-in and receive coupons and other relevant, useful information regularly from retailers and brands.

Short codes are more secure and protect consumers against irritating spam.

Additionally, short codes provide higher delivery accuracy due to fewer network restrictions and interventions than other messaging options.

The good news is consumers do not need an app or other kind of technology or knowledge to participate in SMS text marketing. Common short codes provide a simple, seamless and secure way to engage with customers. They are much easier to implement than building an app or some other customer interaction solution.

Let us explore four ways retailers and brands could benefit from using common short codes during the holiday season.

Checkout-ready mobile coupons

During the holiday shopping season there is a resurgence of print ads with flyers, circulars and coupons bombarding your home's mailbox and newspapers, if you are old school.

Meanwhile, the more tech-savvy troll online for discounts, promotions or coupons. But instead of having consumers tear out an ad for safekeeping before they head to the mall, why not include a common short code in the ad? Or, instead of having them search for a discount online, have it conveniently waiting for them to use in the SMS text on their phone.

In these ways, you have sent information back to them digitally that they can keep on their ever-present smartphone and, even more significantly, have captured their mobile number for more communications down the road.

With the MMS form of text marketing, you can send rich media coupons that can be easily redeemed at the store as well.

For instance, a Florida-based marketing firm known as 1-2-1 mobile has been working with a variety of local businesses in the Tampa area to create unique MMS-based coupon programs that have been seeing redemption rates of 67 percent to 70 percent.

The MMS coupons engage the consumer with vibrant images as well as unique QR codes that can be scanned for redemption at the checkout stand, eliminating the need to print the coupon.

"Shoppers are looking for immediate savings and an MMS text sent in response to a common short code can deliver that directly to a consumer's phone at the point-of-sale," said Ido Shatzky, vice president of sales at I-2-1 Mobile. "Common short codes make print advertising more effective, maximizing a marketer's ROI."

Special pre-Black Friday sales events or offers

Black Friday is the day consumers expect enormous savings, but retailers have seen a decline in sales in past years due to online competitors. This has resulted in retailers holding pre-Black Friday sales events to boost consumer interest.

Retailers could add another layer to this engagement by offering exclusive mobile promotions and sales events to consumers who have subscribed via a short code to shop in-store during specific times on Black Friday, avoiding long lines and luring them into your store and away from competitors.

Publicizing the short code could drive awareness among additional customers on the lookout for exclusive savings opportunities, leading to a growing database of consumers to engage long after the holidays are over.

Gift ideas as a service

One of the challenging aspects of holiday shopping for many is finding the right gift.

Not everyone likes to shop or has the time to find that perfect something. Brands and retailers could entice consumers to subscribe to a service via a common short code that provides gift ideas based on the generic descriptions age, sex or interests of people on their gift list.

This would not only provide assistance to those in need of gift ideas but would enable brands and retailers to keep the consumer engaged throughout the holiday season and feature new products and promotions.

One example of how this could work is through a "12 Days of Deals" promotion. The Microsoft Store has offered this in the past, for example. But by tying in a common short code, a new coupon or promotion could be sent to customers each day of the event.

Text messaging can also be used in retail for inventory alerts, especially for in-demand items such as Tickle-Me-Elmo or Cabbage Patch Kids from holidays past.

A customer waiting for a popular product could reserve the purchase by texting a store's advertised short code that would send a message as soon as the product was in stock. This can be a very critical opportunity for parents

looking to reserve popular toys such as Tickle Me Elmo at a time when these items seem to fly off the shelf quickly.

Incentivizing holiday shopping loyalty

Common short codes could also be used to increase loyalty program subscriptions.

By simply placing signs throughout the store or in weekly advertisements, retailers can encourage consumers to sign up for regular holiday savings by sending a text to a short code, increasing ongoing engagement with loyalty program customers.

It is important to provide the best value possible to reward their loyalty by providing timely savings opportunities and invitations to special store events around the holidays.

Offering an invitation to a new line rollout by a famous designer might be one opportunity, or a holiday music gathering with refreshments.

REGARDLESS OF how you use SMS text marketing, it offers one of the best ways to engage consumers in a way that encourages immediate action to increase purchase activity this holiday season.

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