

COLUMNS

## Why SMS and not social is the business channel to beat in 2017

January 6, 2017



*Text in numbers. Source: OpenMarket*

By [Andy Shirey](#)

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

Few would have predicted in 1992, aka the age of the infamous "Saved by the Bell's Zack Morris phone" (also fondly referred to as the "Brick"), that heading into the year 2017 we would be consumed by our mobile devices. But it is indeed true, and growing ever more so by the minute.

As we look to our smartphones for news, social media, weather updates and games to pass the time, making a voice call is falling further down the list of the mobile phone's top uses.

In fact, according to a recent survey, when it comes to receiving notices from businesses on such matters as services updates and appointment reminders, the majority of digitally-savvy millennials would rather get in touch via SMS text messaging versus a voice call.

Yes, mobile phones have been evolving at lightning speed. With the New Year on, we can expect even more progress and innovation.

Here are five predictions for 2017:

Forget "mobile-first"

Now before you say anything about being contradictory, hear me out.

For the past few years, the main focus has been on having a presence on mobile.

Whether this meant calling customers on their mobile devices versus home phones, or creating a Web site optimized for the small screen, having a mobile-first business was all it took to be top of the game.

But as this is said and hopefully done, there is a new step to take in 2017 and it is not just being mobile-first, but instituting an SMS-first strategy.

An astounding 83 percent of millennials open text messages within the first 90 seconds of receiving them.

If you are not in the regular circulation of consumers' top text messages, then your company is at high risk of

becoming irrelevant in today's always-on, connected world.

#### Rise of A2P SMS

Application-to-person text messaging, aka A2P SMS, has already begun, and by 2017, it will begin to generate an increasing amount of SMS revenue for years to come.

Appointment reminders, security authentication codes and delivery notifications are just some of the ways companies are using A2P SMS to increase efficiency and improve communication with consumers.

In fact, 62 percent of millennials prefer to get appointment reminders via text message from businesses.

#### Chat bots takeover

Chat bots and SMS are the two key ingredients to help your organization become king of customer service in 2017.

According to a recent poll of more than 500 United States-based millennials, texting is their No. 1 preferred channel to receive notifications from businesses.

And, with Gartner predicting that by 2019, 20 percent of major brands will abandon their mobile applications, companies are scrambling to implement new and highly effective communication channel opportunities that appeal to younger generations.

#### Facebook Messenger will fall flat

As it turns out, consumers prefer text messaging over any other form of messaging channels, including Facebook Messenger.

While the social messaging channel created quite a buzz prior to its unveiling, it received a lackluster response from young users once it launched.

According to a 2016 poll, millennials prefer SMS, email, voice calls and even postal mail over social media and more business messages thanks to the convenience, speed and simplicity that they bring to the table.

Looks like Facebook should be sticking to consumer-to-consumer social capabilities over trying to break into the business world. This year will only drive this point further home.

By 2025, 50 percent of text messages consumers receive will be from preferred businesses

Into 2017, companies have a huge, untapped opportunity to use text messaging to communicate with consumers.

According to a recent survey, millennials are only receiving 0-5 text messages from businesses a week, with 20 percent noting that they never receive texts from them at all.

In addition, millennials want to be able to text businesses on their existing toll-free customer support numbers instead of having to call them for assistance.

As consumers increasingly vocalize their preferences, over the next few years, companies will be forced to address this consumer demand by implementing SMS strategies and tactics.

ALL PREDICTIONS point to mobile staying in the palm of consumers' hands, if not eventually robotically attached.

While the world becomes increasingly centered on the smart device, it leaves one to wonder: perhaps Zack Morris was more of a trendsetter than anyone gave him credit for.



*Andy Shirey is senior product manager at OpenMarket*

*Andy Shirey is senior product manager at **OpenMarket**, Seattle. Reach him at [andy.shirey@openmarket.com](mailto:andy.shirey@openmarket.com).*

---

© 2020 Napean LLC. All rights reserved.

American Marketer is published each business day. Thank you for reading us. Your **feedback** is welcome.