

# Text Messaging Considerations by SMSnet

www.smsnet.ca

This White Paper is provided by SMSnet.ca.

SMSnet is a subscription-based text messaging company working with community and provincial sports organizations and businesses of all types and sizes providing a proprietary text messaging platform that allows clients to instantly send text message mobile alerts directly to the cell phone of members, fans and customers.

This paper was designed to provide you with a better understanding of Mobile Marketing and some of the intricacies you might consider before launching a text messaging program. We hope it helps and good luck with your program!

## What is Mobile Marketing?

According to the Mobile Marketing Association, "Mobile Marketing is a set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network."

Although close to 70% of businesses do not yet have a mobile marketing plan in place, sources are suggesting a steady increase of spending on mobile advertising.

In February 2010, Google's CEO Eric Schmidt announced at the Mobile World Congress in Barcelona that Google will consider "mobile first" in all future endeavours. Google actually accounts for 59% of the estimated \$2 Billion in 2011 advertising revenue in North America with a majority of that revenue coming from mobile Web search and display.

Video, display, search, and development of mobile applications will receive a majority share of mobile ad spending in the future. Today, however, SMS text messaging is one of the most embraced mobile activities by consumers and an easy entryway for marketers wishing to incorporate mobile into their marketing plan.

Mobile text messaging has a read rate of over 90% in 4 minutes and with a 97% final open rate! Compare that to email where the open rate is 4% to 24% within 48 hours.

- Mobile has 7x better coupon redemption rates than online and offline
- Mobile has much less media competition (online and email is very crowded)
- Over 325 million mobile subscribers in North America and 90% of us keep our phone with us 24 hours a day, 365 days per year.

*"Your customers are mobile; shouldn't your marketing be?"*

## Why Mobile?

Some of the world's most respected Brands have integrated mobile into their marketing channels delivering impressive ROI. Brands can invest in mobile ads, mobile applications, mobile sites and SMS (Short Message Service) or text messaging campaigns.

There are more mobile devices now than there are TVs and computers combined. The question is not if a Brand will conduct a mobile campaign, but when and how.

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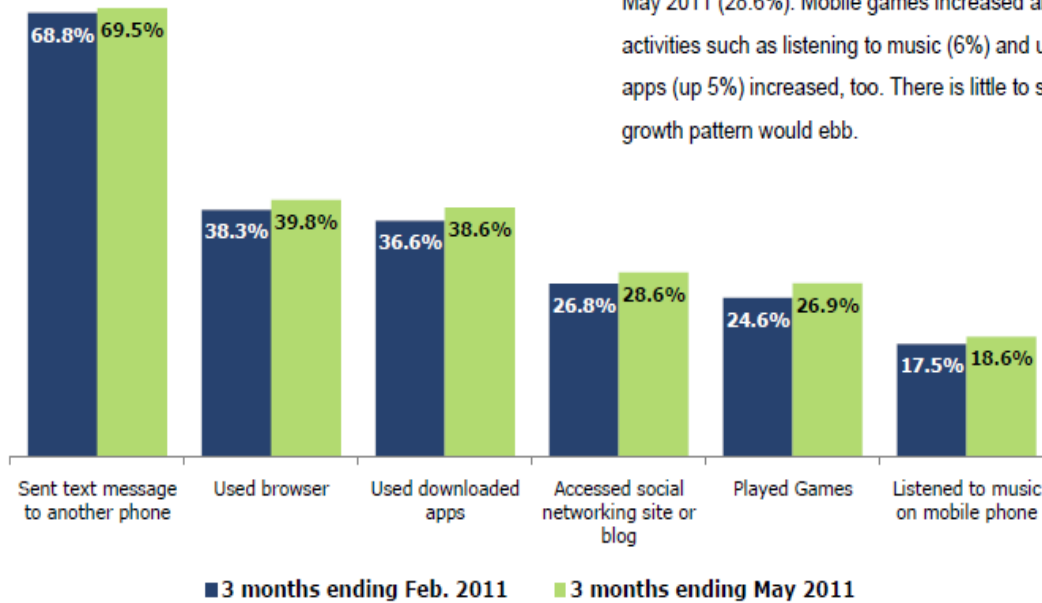
## Smart Phones & Feature Phones

Mobile Apps require the use of a Smart Phone or in some cases, a newer model Feature Phone. And while an App has appeal, only 35% of cell phones in Canada are Smart Phones and 40% are Feature Phone. A mobile app on its own limits your mobile marketing to less than 50% of the Canadian Mobile using public. Once you make a substantial investment in building your App, you must continually manage and update it and that begs the question, is it worth it? The answer is “possibly yes” if you are a large corporation with your own dedicated Digital Media Department and can allocate the resources or expense of a full time employee, otherwise the answer is “probably no”.

### Mobile Content Usage

Feb. 2011 v. May 2011, 3-month average share

Source: comScore



In its next [report](#) of 3-month averages, comScore finds that mobile social networking is up another 7% for the period ending May 2011 (28.6%). Mobile games increased another 10%, and activities such as listening to music (6%) and using downloaded apps (up 5%) increased, too. There is little to suggest that the growth pattern would ebb.

*Isn't there an App for that?*

## Why Text Messaging?

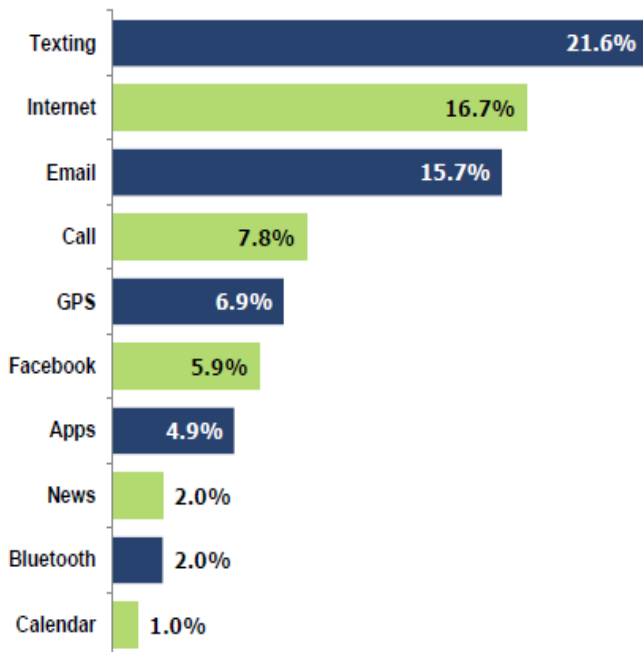
Text messaging continues to be the most widely used global application with 2.8 billion active users, or 74% of all mobile phone subscribers, sending & receiving text messages on their phones. Virtually every one of the 25 million mobile phones in Canada can send and receive text messages, no smart phone is required.

But really, why text messaging? Primarily because text messaging is the universal function that all cell phones have in common and it is also the number one function that smart phone owners cannot do without. Look at the graph on the next page, texting is the number one used function of a smart phone, even more than calling!

### Top 10 Essential Smartphone Functions

May 2011, % of respondents

Source: Prosper Mobile Insights



Prosper Mobile Insights asked smartphone users what smartphone function they cannot live without, and one in five (22%) said texting, followed by internet (17%) and texting (16%).

Interestingly, showing just how diverse a device the smartphone has become, only 8% of users cited making phone calls as an indispensable feature of a smartphone – but it still was ranked fourth overall.

Regardless of the type of phone your clients, supporters, members and fans have, text messaging is the best possible way to contact them to deliver time sensitive information.

### How does it work?

In Canada, the Canadian Wireless Telecommunications Association ( CWTA ) oversees mobile marketing. To help prevent mobile spam from occurring, there are strict policies in place that all Mobile Marketing companies and their clients must adhere to in order to maintain their “good standing” status allowing them to continue to operate in Canada.

At the non-peer-to-peer or business level of texting, you need a mobile user’s permission to send them a text message. You must explain the type, frequency and cost of the service that the user is to expect before they opt-in. There are two ways to get started with text messaging, using a mobile opt-in keyword function subscribing process or an online subscription method, or both.

An online subscription service is something that SMSnet pioneered for our clients. Through a link included in an email, online newsletter or via a link on your website, visitors are provided some information about your texting service. When the link is clicked, visitors are seamlessly transported to your personalized subscription page hosted by SMSnet where they read additional information and have any questions answered. At that time, and providing they would like to subscribe, visitors enter their cell phone number and if applicable, click on a tick-box to indicate which information feed they would like to receive.

Online subscription allows users to join, but also allows you to promote your texting service to members, fans, supporters and friends for a month or two in advance of the actual Event dates.

For example, working with ParaSport Ontario, we listed every sport that their fans and supporters might be interested in receiving texted information for; visitors could sign up for anyone of these feeds online: Wheelchair Curling, Wheelchair Rugby, Wheelchair Basketball, Para Alpine, Para Nordic, Swimming and Sledge Hockey. When using our online subscription service, once someone subscribes, we automatically send a text confirmation message in compliance with CWTA policy. The user is asked to reply with a YES to confirm their opt-in status.

We also created a mobile opt-in for fans and supporters allowing them to subscribe on or off location by texting in a keyword to a short code from their mobile device. A keyword is a special short word or abbreviation that is easy to text to a special CWTA approved shortened phone number.  
( i.e. text the word "demo" without the "" to 767638.)

For ParaSport Ontario, we created these mobile opt-in keywords:

Wheelchair Curling: keyword: curl

Wheelchair Rugby: keyword: rugby

Wheelchair Basketball: keyword: bball

Para Alpine: keyword: alpine

Para Nordic: keyword: nordic

Swimming: keyword: swim

Sledge Hockey: keyword: sledge

Plus we added some special codes for dignitaries and their staff allowing ParaSport Ontario to send special text message updates, invitations and reminders.

Government of Canada: keyword: GOC

VIPs: keyword: ParaVIP

Volunteers: keyword: ParaVol

Upon opting in, subscribers would receive this message: Welcome to the 2012 Ontario ParaSport Games. Mobile alert reminders and information texted directly to your cell phone.

And if someone opted-in twice, we would send them a second confirmation message but flagged the second opt-in as a duplicate preventing the doubling-up of text messages being sent. Not every client will need both an online and a mobile opt-in subscription service, but for those who need it, SMSnet delivers.

## How do we send a text message?

In conjunction with launching your texting service, we create a secure log-in where only you can access your subscribers. Our personalized dashboard provides you with subscriber counts, method and date of opt-in and text message send counts and history. Using our Text Centre, you can choose to send a text message to All or just one or more of your keyword associated subscribers.

Using the ParaSport Ontario example, the Communications Manager is able to log-in and access their dashboard and text the GOC to send an important text message of interest only to the GOC designates. If they need a quick response for unscheduled help, they can text all Volunteers asking for assistance and for available volunteers to go to a specific location. To update all fans and supporters of the recent Sledge Hockey scores, they can click on the "sledge" subscriber group and send a text message to them.

Our Text Centre is very simple to use, just a few clicks and you can text whichever group you need to. And in case you're wondering, our service is easier to use than email!

## But we're not in retail.

Text message alerts do not have to be used just for retail to sell-off or discount products or services. You can use it to keep customers updated on important dates, special events, new product introductions, new product availability, sold out status, or any other type of information that would be relevant to your customers.

### **Text Messaging could be used by:**

A **Golf Course** to notify golfers when prime tee times are available. Notify golfers that the course is dry and ready for play, that there is a tournament and is closed until 2pm, to provide Tournament Leader Board updates, or that their restaurant is having a foursome's special.

**Charities and Special Events** can use text messaging to communicate with visitors during special events like a run/walkathon. Text messaging may provide a way to get timely information onto the cell phone of attendees and supporters before, during and after an event. Before: to remind participants of timing, location, things to bring; during: to get participants moving at the right time, in the right direction, where to go, what to do when they're done; and after the event with thank you's or to drive supporters to a website for ongoing dialogue and donor development.

Many Charities feel they cannot justify a mobile presence as they believe that the cost of a text2give program may outweigh any benefit. Instead of using a crisis to launch a text2give program, why not use texting to support your current initiatives, reach a younger market and migrate casual supporters into becoming donors. It's time to re-think mobile the way you had to rethink online.

**Retailers and restaurants** can use text messaging to have customers and patrons subscribe to receive promotional offers by cell phone. The benefits to this are that it's inexpensive, there are little hard costs for graphics or print and you can create an offer at the last minute, any day of the week, and any time of day. Because your offer is digital, it can be easily shared by friends who are not "regulars" and that also means your promotions are greener as nothing new needs to be printed.

**Conference and Trade Show Exhibitors** can use text messaging to communicate with visitors at trade shows, home shows and conferences. When you give a show visitor or someone a business card or flyer, the decision to call you is theirs. But when you include your keyword and short code on all your advertising and marketing materials, it becomes a part of your brand. When you entice prospects to text you for a free report, free information, a future discount and for you to follow up, you have their cell phone number to call or text. (providing that is noted on your information.)

**Community Sports, Sporting Events and Tournaments** can use text messaging to communicate with coaches, players, Officials, fans, visitors, volunteers and VIPs. Using our TourneySMS service, or a specially created hybrid service, we enable our clients to contact all participants and attendees to any tournament, and sports or special event.

Clients can use our online registration service to make the process of registering easier or we can accept a down of phone numbers to create your texting lists. There is no faster, easier or better way to inform participants of important, time sensitive information. Using our text messaging platform, you can send a text message to one or more teams or divisions at 1:00 pm and know that most recipients would have received and read their text message from you by 1:04 pm.

### *some quick examples*

Remembering that texting is best for delivering time sensitive information, here is a quick list of some businesses that might use text messaging:

- Charity: remind supporters to bring items to run/walkathon, offer direction and instruction while there, thank them afterwards, migrate supporters to donor status via text to online.
  - Retailer: opt in on sight for a 10% discount off your purchase and ask customer to subscribe for “weekly specials” just for subscribers.
  - Golf Course: sell available tee times, prime time for tomorrow, or for twilight tonight, or a tie in to the club house for dinner specials.
  - Restaurant: promotional offers for lunch or dinner on slow days, or to reward regulars for their business.
  - Bus service: inform users when bus is cancelled or is running more than 5 minutes late.
  - College: inform students before they leave home, by class, if their class has been cancelled.
  - Snowmobile Club: inform members if certain trails are open/closed, if lake is solid/melting. Post danger warnings.
  - Logistics company: inform trucking companies/independent drivers when new loads available so they can enquire/bid on loads.
  - Chamber of Commerce: reminder subscribers of special event/lunch/breakfast meetings.
  - Travel: really last minute travel deals, i.e. leave in 6 to 24 hours
  - TIFF ( Toronto International Film Festival ): inform/remind volunteers of venues/events – invite/remind members to attend special previews.
  - Semi-pro Hockey Club: engage fans at game, ask for play/player of game, vote, offer specials at store/restaurant. Text special offers game discounts, ads from sponsors
  - Realtor: use text keyword to help brand, when someone texts, recipient get reply and phone call from agent in minutes.
  - Community sports: notify visiting team from hours away not to show up for cancelled game.
  - Almost any “attraction” to get subscribers to come back through event information, special offers
  - Spa/Salon: to inform customers that “time” is available or is available at a special rate.
- Texting works for any organization or business that can build a subscriber base that would want to hear about that time sensitive offer or news alerts.

## About SMSnet

SMSnet is a subscription-based text messaging company working with community and provincial sports organizations and businesses of all types and sizes providing a proprietary text messaging platform that allows clients to instantly send text message mobile alerts directly to the cell phone of members, fans and customers.

SMSnet provides a powerful database management service and our own proprietary search engine called TeamFinder™. We enable sports clients and business clients to use our text messaging platform and Text Centre service to text their subscriber base easily, quickly and cost effectively.

SMSnet also offers a variety of texting services including:

Text2Win

Text2Join

Text2Enter

Text2Vote

Text2Subscribe

along with any number of other special order and hybrid services.

By mid-year 2011, the number of US mobile subscribers had grown to over 300 million, reaching 90% of U.S. households. Last year, U.S. consumers sent over 110.4 billion SMS messages per month. In Canada, there are over 25 million mobile phone subscribers reaching 84% of Canadian households. On average, 87 million text messages are sent by Canadians every day... that's 2.7 billion messages per month!

Texting is the pre-eminent method used by teens and young adults to communicate with one another. It is more widely used than voice calling, email or all social media offerings combined. And because of the teenage use of SMS, most parents have been influenced into text messaging usage. If you want to get your message to a 16 to 55 year old, be prepared to embrace SMS.

SMSnet provides Brands the opportunity to initiate and strengthen relationships with consumers while providing additional value that can influence buying behaviour. SMSnet delivers tangible and measurable ROI at a cost several times less than traditional media advertising or other mobile marketing alternatives.