



SMS in Retail

Successful communication in the retail sector





Changes over the past decade have skyrocketed the retail sector to a new level. Customers now have easy access to more options when it comes to their purchase choices, which is largely due to the mobile shopping space. As a result, consumer demands of the shopping experience have also increased. For retailers to thrive in a competitive market, they need to improve customer service, reduce the cost of operations, increase brand awareness and boost sales results. In order to achieve this in a digital era, communication efforts need to be maximised.

The best way to maintain constant connection with your customer-base, staff and other stakeholders is via mobile devices. Achieving this has more than shown its value for retailers.

79% of smartphone users use their phones to help with shopping and 74% make a purchase as the result.¹

Smartphone devices offer many ways to contact audiences, so retailers face the difficult choice of picking how to contact their customers, staff members and stakeholders. Between email, social media, apps, SMS and everything else that's on offer, an important step when creating an effective communication strategy is choosing your mediums.

Why SMS?

Timely

SMS is the most time effective means of reaching lots of your customers and staff. Communication about promotions or rostering can be extremely time-critical. If the information isn't received quickly, its impact could be reduced. People need to be made aware of promotions and offers as soon as possible, to increase uptake. It's also useful for retailers to be able to target shoppers at the optimum time, when they are most likely to be spending. This can easily be achieved with SMS. With SMS messages being read on average within five seconds², it is clearly the medium for time-critical messaging.

Personal

Improving customer service is all about paying attention to detail when dealing with customers. In order to build relationships with customers, retailers need to make them aware that they are important to the business. There's no better way to do that than with SMS, a personalised text message to communicate offers and promotions directly into their hands feels personally tailored just for them. You can and should communicate with your customers the same way they communicate with their friends and family.

¹ Google/Ipsos, 'The Mobile Movement Study,' 2011



Easy

Implementing SMS is simple, easy and can be automated. This saves retailers on operations costs because it doesn't take up valuable staff time to communicate with customers directly to their mobile, unlike phone calling.

Reach

SMS is accessible on all mobile devices, not just smartphones. This broadens its accessibility as a medium to communicate with all of your customers. This increases your ability to utilise the medium to expand on your customer database. In fact, two-thirds of the world's population have access to SMS, that's over 4 billion people.³ SMS also has the greatest reach of any medium because it is not limited by geographic location, which is good for online retailers, because they can communicate with anyone, anywhere, at any time!

Direct

Communicating with SMS provides retailers with the peace-of-mind of being almost guaranteed that their messages will be seen. The average open rate for SMS is 98%, compared to 22% for emails.⁴ With SMS communication, the message is straight to the recipient, not filtered through a spam-filled inbox. It's right in the palm of their hand.

Non-intrusive

Have you ever walked into a store and felt harassed by salespeople who are just trying to be attentive, but come across as annoying? Well to avoid creating this feeling in your customers, communicating with them via mobile needs to be approached with care as well. Text messaging your customers is non-disruptive, but attentive. Unlike phone-calling, customers can receive the information they need in a message without being disturbed. They can be doing other things and subtly read the message in just a couple of seconds.

2 Oregon University Blogs, 2014, "Mobile Marketing"

3 The Guardian, 2012, "Now 4 billion people know the joy of Txt"

4 Frost & Sullivan, 2010



Improving customer service

Text messaging your customers is a quick and easy way to boost your customer service to the next level. It adds a little extra customer care on top of your staff resources.

Offer post sale support

Follow up your successful sales with an SMS thanking your customers for their continued business, and providing contact details for any issues that may arise after the sale. If you can keep a record of the latest item they purchased, then SMS messages can be scheduled to inform them about similar items, or other ones that have been popular with purchasers of that item. In the case of a product that may need servicing after 6 months or so, an SMS can be triggered to remind the customer to come back to you for the service.

Delivery notifications

Online retailers can offer customers delivery notifications via SMS, which will keep them informed about the delivery progress of their purchase. This will relieve any feelings of anxiety that their purchase may have gotten lost, and keeps them excited to receive their goods. It also helps to ensure that the customer is likely to be in when the delivery arrives, improving their chance of receiving the purchase sooner.

Order confirmations and updates

Confirming your customers' orders via SMS lets them know the process is complete and now all they need to do is wait. Updating them on any developments after the sale, such as delays, will keep them in the know and prevent any feelings of confusion that could tarnish the customer's relationship with the brand. Also, a simple SMS can let your customers know when new and exciting products have arrived in store.

Item collection notifications

An SMS can notify customers as soon as their pre-ordered items are available for collection. With all the collection details in the palm of their hand, the information is there for them whenever they get the time to collect their goods. This process can be automated and as such can also save your employees time!

Account status checks

For retailers who offer customers the benefits of loyalty programs, customers can check their reward points via SMS. Sending a simple text message back with all their account details, including the number of points acquired, could help your customers decide whether they can get a good enough deal to encourage a purchase.



Promotions

Don't you hate missing out on special deals from your favourite brands? For example, finding out your recent purchase could have been cheaper if you had bought it during a special 10 percent off day. With SMS, you can notify your entire customer database instantly and easily of any special promotions or discount offers. They will be happy to know when they can get the best deal.

Stock availability

Best sellers are always running out of stock and being replenished. Most retailers take down the details of customers who have missed out on an item, but are interested in purchasing as soon as it comes back into stock. If your staff are calling customers during business hours when stock arrives, not all of them will be able to answer the phone. This isn't fair to your customers. Sending out an SMS is the quickest way to notify everyone who is interested in the product at the same time, so that they have an equal chance of purchasing before it sells out again!

Reducing operations costs

An effective method for any business to increase their profitability is to reduce the cost of their operations. For retailers, improving the effectiveness of communication is a great shortcut to reducing costs.

Employee rostering

Rostering can be problematic for retailers. With employee sick days, annual leave and casual employees on rotating rosters, it can get complicated. Sending out an SMS to all staff with the details of available shifts provides a quick solution that will save retailers a lot of money. Both in staff hours wasted calling around, and in phone bills! It will also ensure that there are always enough staff members in store to help your customers have the best shopping experience possible.

Delivery notifications

Sending SMS notifications with the details of delivery times to customers won't only be convenient for them, it will also save retailers on the unnecessary expenses caused by a missed delivery.

Time logs

Most retailers employ casual and full-time staff. It can be confusing for management to keep track of rotating and inconsistent shifts. SMS provides an easy platform for staff to log their working hours, that is both convenient for the business and the employee.



Brand promotion

The best way to win the business of your customers over your competitors is to become a trusted and well-known name. Using SMS to contact your customer database is a fast and effective way to spread the word. SMS provides the flexibility to target specific demographics, for example, recent shoppers or those who haven't shopped with you for a while; men or women; younger customers or older customers.

Personal and direct advertising

An SMS service that allows your messages to have a Sender ID means that any text message your database receives will instantly show them who it's from. You can contact your audience with information about your brand in a simple and easily identified message. SMS also allows you to personalise your message. The simplest way to do this is to begin your message with the customer's name. This creates a bond between your brand and the customer—if only a small one. Depending on how your database is set up, you could also send out deals that are relevant to each customer's shopping habits or tastes.

Keeping in touch regularly

SMS is a great way to keep in touch with your customers without being too pushy. By sending regular messages to your customers—be it anything from product line updates, promotions, loyalty scheme updates or otherwise—sending an SMS will keep your brand at the front of their mind. This ensures that the next time they require the product your company sells, they are likely to think of you.



Boost sales

When it comes down to it, retail success is defined by sales results. Improving customer service, reducing operations costs and promoting brand awareness are all a means to increasing the profitability of the business, which is driven primarily by sales results.

Cart reminders

Unlike in-store shopping, online shopping is rarely restricted by time. Customer are most likely to purchase while in a store, rather than go away and come back. However, sometimes customers take days browsing potential purchases online. Leaving items in an online cart, or 'saved items', section to review later. They can also easily forget about the items they intended to purchase, leaving them in their online shopping cart permanently. You can automate a text message to send when an item has been in a customer's cart for a defined period of time. The message could simply remind them that it's there or ask if they would still like to purchase, and provide a short link back to the online cart. The chances of them making the purchase will increase.

Offer deals, promotions, loyalty rewards

SMS is a great way to let your database know about the latest deals and promotions, as well as keep them informed about any loyalty rewards they earn from spending with your business consistently. SMS messages can include short links to your website, where customers with smartphones can immediately redeem their offers. You can also increase foot traffic to your stores by promoting sales through text messaging your customers. SMS is the perfect tool for this due to the fact that most people will read the message a few seconds after they receive it, meaning the messages can be very specifically time targeted, for example on a Saturday morning, a peak time for retail shopping.

Finding a provider that's right for retail

Retailers have enough to worry about, without barrelling through SMS providers trying to figure out which one's suitable. To make things a little easier, here are a few things to look for:

Easy to use

The process of automating SMS, or just sending to your database at once, doesn't need to be a complex. So if it seems tricky, it's not the right service for you. Why spend more of your valuable time trying

to figure out a difficult platform, when there are simpler options available? In addition to the sending of messages being an easy process, there should be plenty of resources online to help ensure that if you did hit a speed bump, you can solve the issue quickly without needing to make any calls. Many of the top providers have online Guides and White Papers to offer insight into the best way to use their service, as well as to inspire ideas of how you could tailor it to your brand.



Direct connections

With SMS filtering now adopted by all the major networks, cheap providers can't get away with using grey routes without it affecting the delivery success of your messages. Your messages need to get to their recipient in order for them to have any effect in building your brand, increasing your sales results or improving your customer service. To ensure that your messages do reach their audience, use a provider who has direct connections to the major networks.

High security standard

It's important that you find a provider who keeps your information secure. Internet security threats are very real, and there is nothing as important as protecting your customers data as well as yourself from liability claims. Suitable providers can illustrate their security with specific data security accreditations and qualifications.

Customer service

Retailers know the importance of good customer service better than any other business. So when seeking a provider, find one that offers a high level of customer service. That way, if any problems are encountered they can quickly be resolved. The best providers offer 24/7 customer service across a number of convenient channels. Good customer service is also about helping you plan your marketing strategy, from understanding spam laws, right down to the SMS copy.

Database cleansing

Sending out text messages will only be effective if they actually reach your customers. The first step to ensuring this is by maintaining an accurate database. The best providers can help you clear your database of any false or outdated numbers and make sure you aren't wasting money on sending messages to numbers that won't work!

Message reporting

It's important to be able to track how successful your messaging campaigns are going. While most providers offer message reporting at a fee, it should be a readily available and affordable feature. With some providers, this feature is a hidden charge, one that you will be made aware of after sending messages. This is frustrating and it can add to the initially low costs. Make sure you find out this information before committing to a service provider.

Experience

The best providers will be able to showcase their experience with businesses like yours. If they have years of successfully helping other retailers behind them, then they will be able to help your business too.



Esendex

Esendex is Australia's leading business SMS provider, with a focus on delivering high quality, secure and reliable services. Esendex holds one of the highest industry reputations for SMS provision. The company has over ten years of experience within numerous industries, delivering a high-standard SMS solution to over 20,000 customers. Customers include many retail organisations, from independent small businesses to retail giants.

Esendex boasts direct connections to the major networks in Australia, guaranteeing an exceptional delivery rate. The service level agreements commits to 90% of messages being processed within 5 seconds and 95% within 20 seconds, although this standard is always exceeded.

Retail success story – Bicycle Superstore



One retailer that is successfully using SMS is Bicycle Superstore. Selling a diverse range of bicycles to suit all kinds of cyclists, Bicycle Superstore's service extends well beyond the initial bike sale.

Bicycles need regular maintenance, and even with the highest quality product, it can be detrimental to the bike if it isn't properly serviced. Servicing is required four times annually. With SMS Bicycle Superstore is able to communicate regularly with their customers, in a non-invasive manner, to remind them when their bikes are due for a service.

"It's a really simple and effective method to communicate to our customers, and it's cost-effective," a communications specialist on behalf of Bicycle Superstore said.

These reminders have increased traffic in-store dramatically, with customers returning regularly for servicing, when previously they may not have. Utilising SMS has therefore helped them improve customer satisfaction and loyalty.



Conclusion

Utilising the ubiquitous and affordable communication medium of SMS, retailers can effectively thrive in an increasingly competitive market. Businesses should strive to improve customer service, reduce operating costs, promote brand awareness and boost sales results; implementing SMS provides a comprehensive solution to these tasks.

Esendex, as an industry-leading SMS expert in the retail sector, can guide the implementation of SMS for retailers to maximise its efficiency and effectiveness as retail continues to evolve in the future.

Questions? Get in touch



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