

MOBILE

## SMS marketing for luxury brands is a no-brainer

January 10, 2011



By RACHEL LAMB

Luxury brands can communicate with loyal upscale consumers using SMS marketing to push alerts and deals to drive sales.

[Sign up now](#)

**Luxury Daily**

SMS marketing can serve as a gateway to deliver rich-media content, Web site links and other information that encourage consumers to further engage with a brand. This tactic gets in touch with affluents in a way that works quicker and easier than mobile applications.

“The opportunity is enormous for luxury brands, especially for companies that look at SMS as a springboard to an opt-in relationship with affluent consumers,” said Jeff Hasen, chief marketing officer of Hipcricket, Kirkland, WA. “Ninety percent of those who had participated in a mobile loyalty club gained value from being a part of the club, representing a significant untapped opportunity for brands.”

Data from a [comScore](#) survey found that 67.1 percent of mobile subscribers used text messaging on their mobile device in November. This offers an incredible opportunity for luxury marketers.

Smartphone marketing

For the most part, luxury brands have depended on mobile applications for iPhone and iPad.

Most smartphone usage comes in applications, and while this is an effective way to engage consumers, SMS can prove to be quicker.

“Apps are often an important part of the mix for many luxury brands,” Mr. Hasen said. “They are not exclusive of SMS, though.

“Many times, a text message leads a consumer to an engaging Web site or app,” he said.

Unless an application includes push notifications, consumers will not receive important information in a timely manner unless they are actually in the application.

With luxury consumers especially, time is valuable. If a brand is having a promotion or a offering a special deal, it is important that consumers know about it as quickly as possible.

Ninety-five percent of existing mobile contracts have SMS built into the agreement and more than 90 percent of text messages are opened and read compared to less than 40 percent of all email solicitations.

SinglePoint found that 90 percent of text messages are read within three minutes of delivery and that the recipient eventually reads more than 99 percent of all text messages.

“A call to action via SMS is an ideal way to turn passive marketing like a print ad into an interactive experience,” Mr. Hasen said.

“Once the consumer responds, the strategic brands are turning that into an opportunity to have an ongoing relationship.”

### Ahead of the game

Some luxury brands have already begun to include text messaging as a form of integrating with other types of mediums.

Jaguar has been pushing its new models by using short codes in its television advertising ([see story](#)).

There are also a number of brands using 2D bar codes in out-of-home ads to draw consumers, including Neiman Marcus and Norma Kimali ([see story](#)).

“Affluent consumers demand a high-touch experience,” Mr. Hasen said. “We advise luxury brands to think engagement as well as sales. Beyond moving products or services, the goal often is to have a consumer join a loyalty club.

“Then it’s imperative to reach out with the right offer at the right cadence,” he said. “Plus, given the higher-end phones this demographic carries, adding rich mobile tactics like apps and mobile Web sites often makes a lot of sense.”

### Final take

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.