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SMS KPIs: 7 ways to measure and optimize your program

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SMS is key to multichannel marketing. Image credits: Salesforce

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Somehow this research finding has survived for seven years: "90 percent of SMS messages are read within 3 minutes." It was published in a report called "[Conversational Advertising](#)" by Nick Lane of mobilesquared and is repeated to this day by mobile pundits.

I was curious how this statistic was developed, since there is no data that comes back to the sender from the wireless carrier when an SMS (text message) is opened. Mr. Lane was kind enough to inform me that the stat is a result of third-party traffic and response data, combined with mobilesquared behavioral research.

Since there is no data-driven way to determine the average SMS open rate, what data should concern SMS marketers? Glad you asked.

1. Click rate: Think of SMS like direct mail. You do not know whether the customer opened or read your print piece, but you do know the most important fact: whether they responded. This important metric is facilitated by employing unique offer codes and bit.ly links in your message.

2. Opt-out rate: This metric goes hand-in-hand with click rate to determine what resonates and does not with your customers. Unlike email, SMS subscribers are not shy about unsubscribing. Attribute all "stop" commands to the previous SMS message until a new one is sent.

Plot click and opt-out rates for all your campaigns and show the messages that were above and below average.

Look for the trends and spikes on a regular basis. What was it about the offer, copy or timing that seems to succeed or fail? Capture lessons learned and develop theories to test.

3. Conversion: If your systems allow, track unique offer codes and links to the desired end. This is the most important metric of all, but may require some heaving lifting to get the results from your point-of-sale or lead-generation systems.

4. Delivered percentage: Note your sent and delivered counts for each campaign.

If you have undeliverables greater than about 3 percent, there is either something wrong with your data or the carrier may have had a hiccup, which is common.

If you routinely have a high percentage of undeliverable messages, your permission and confirmation processes may not be following legal or carrier rules. And while this is not legal advice, you should have your legal team look into it.

5. List growth: On a monthly basis, calculate your total new opt-ins and opt-outs. Is the bucket leaking faster than you can fill it? If so, your value proposition and message strategy may need some attention.

6. Opt-in source: Capture each opt-in source individually.

If the consumer texts a keyword to subscribe, make that keyword unique.

If you ask customers to opt-in on your Webpage by texting JOIN, for example, make the opt-in on your direct mailer JOIN2 so you can gauge the success of each.

Be sure the test your keywords on Android and iOS devices to make sure that they are not auto-corrected, which will result in lost subscribers who do not realize their error and are frustrated by your error message.

7. Opt-in visual: Capture a screen shot or photo of the call-to-action and keyword and post in a central location.

Down the road, when the SMS manager changes positions, you will not be wondering where you used JOIN2, which is working so well or not. If you are in the email business, you know how many mystery opt-in sources develop over time.

YES, YOU WANT industry averages and benchmarks for SMS.

If they were readily available, we would not have major corporations still quoting a seven-year-old statistic.

As we say in the email business, those benchmarks and your programs are often apples and oranges. Establish your own benchmarks and endeavor to improve upon them.

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