

MOBILE

How to monetize an SMS campaign

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By RACHEL LAMB

SMS campaigns are one of the best ways to build customer loyalty and, by doing so, driving sales to different channels including mobile, online and in-store.



Consumers who opt-in to an SMS campaign are likely brand loyalists who are making a conscious decision to be intimately in touch with a label. Therefore, building on this emotion makes it easier for brands to monetize the campaign.

“Luxury brands are monetizing through opt-in databases often spawned by an SMS call to action,” said Jeff Hasen, chief marketing officer of Hipcricket, Kirkland, WA.

“[Consumers] can interact with companies they trust on their terms, receiving inside information and offers that grow brand loyalty,” he said. “Brands should use SMS as a customer relationship management tool, not just a means to provide one-time offers.”

Text talks

The key to an SMS campaign is drawing on emotive marketing. This works especially well around the holidays, where emotions are running high, consumers are looking to spend money and they always have their phones on them.

Even though luxury consumers are more likely than non-affluents to have smartphones, some still do not.

Therefore, SMS has to do some of the heavy lifting to take the place of applications and mobile site.



Kiehl's SMS messaging

Luxury marketers can use SMS to send messages and exclusive information to their most loyal customers.

These messages can send consumers in-store or to a mobile site for a quick purchase.

Brands can also use location-based ads to convince consumers to pop into a nearby location.

However, like any marketing strategy, an SMS campaign has to align with the brand image and the rest of its advertising efforts.

“Brands should use SMS for time-sensitive offers and information,” Mr. Hasen said. “They should also consider location to boost relevance.”

The main purpose of SMS is for customer retention. Therefore, a good strategy would be to use SMS as a means to connect to richer brand experiences.

One way to do this is to use past experiences to customize the current, such as offering an accessory to a garment that a customer just bought or to alert her when a kind of product is back in stock.

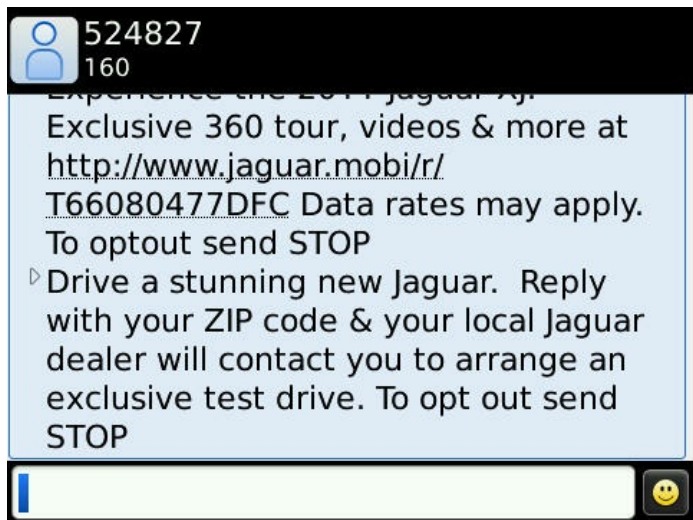
Palm of your hand

Some brands have already started to use SMS as a means to build brand loyalty.

For example, high-end skincare brand Kiehl's made its first foray into mobile earlier last

summer, using location-based SMS messages to alert opt-in consumers to upcoming sales and events at its local stores ([see story](#)).

Also, British automaker Jaguar pushed new models by using short codes in its television advertising ([see story](#)).



Jaguar's SMS messaging

Furthermore, consumers who text-in to join the Cartier SMS club get information about its new products and promotional events.

By texting the keywords "follow Cartier" to short code 40404, customers can get Cartier's tweets texted to them ([see story](#)).



Cartier's SMS

The bottom line is that, if used correctly, SMS can be a driver to locations where

consumers can buy products, which is the end goal.

“For this audience, over-deliver on customer service - it is more of an expectation,” Mr. Hasen said. “Exclusivity is important as it makes customers feel like VIPs, so reward your best customers with something special.”

Final Take

Rachel Lamb, associate reporter on Luxury Daily

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