

whispir

SMS MARKETING

The 2023 SMS Marketing Report & Buyer's Guide

Learn how to boost revenue, engagement, and loyalty with modern strategies and smarter text messaging tools



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The state of SMS messaging: key market insights

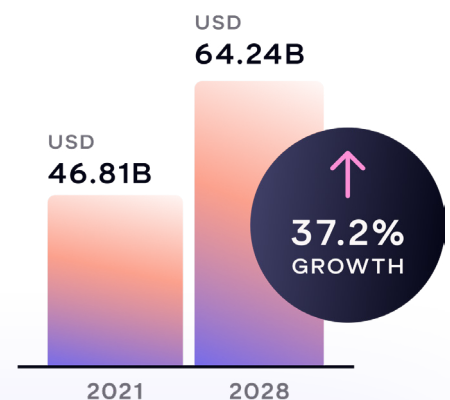
The communication landscape is experiencing a massive shift towards business SMS. As companies large and small look to modernize their communication software and strategies, it's crucial to understand what's driving the growth, audience expectations and needs, and what tools your business will need to stay competitive.

SMS in today's market

In 2021, the global business SMS market size amassed USD 46.81 billion and is projected to grow to USD 64.24 billion by 2028 at a CAGR of 4.6% – a staggering 37.2% growth in just 7 years!¹

As far as usage, 2.8 trillion business SMS messages are forecast to be sent in 2022 – a 67.6% growth within 5 years, with a CAGR of 10.8% since 2017. With a predicted potential revenue for global SMS messaging at USD 27 billion for 2022,² it's clear that SMS is more than just the future of business – it's the here and now.

SMS market growth¹



Predicted potential revenue for global SMS messaging:

27 Billion USD for 2022

What's driving this growth?

In 2020, Covid forced businesses to leverage newer, more modern channels to engage their customers and employees in order to boost revenue, conversions, and loyalty to survive. With 5.31 billion unique mobile phone users,³ a number which rises year over year, SMS has become the logical choice for business communication growth.

However, as the investment in business SMS grows, so does the competition. Research and market experts predict an increased focus on customer engagement and acquisition and expect the global market size to continue expanding.



¹ [Fortune Business Insights](#)
² [Precision Reports](#)
³ [Hootsuite](#)

Why businesses are leveraging SMS over email

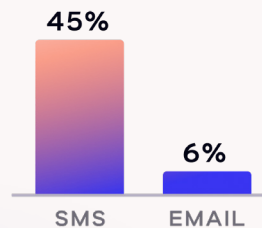
While email communications will always be a cornerstone of any marketing strategy, the results seen from email marketing pale in comparison to SMS.

On average, text messages garner a 45% response rate and a 98% open rate. For email, these rates hover around 6% for response rates and 20% for open rates, depending on the industry.⁴

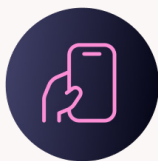
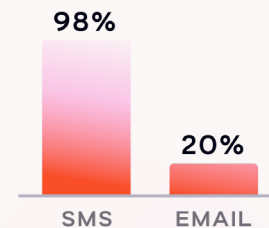
The key to owning both channels is providing a mobile experience. According to a collection of data by HubSpot, 40% of consumers have at least 50 unread emails in their inbox,⁶ which means it makes more sense for businesses to put their focus (and budgets) into mobile engagement.



Response rate



Open rate



In 2022, mobile usage increased by **23 minutes a day**

(compared to 2018)⁷

Additional reasons businesses are jumping headfirst into SMS:*

- Rapid adoption of smartphones
- Cost-effectiveness and higher reaching capabilities to boost demand
- High adoption from small enterprises and startups to aid growth
- The emergence of Over-the-Top communication platforms that provide growth opportunities (WhatsApp, Facebook Messenger, etc.)

*According to Precision Reports



4 [Gartner](#)
5 [Pew Research Center](#)
6 [HubSpot](#)
7 [eMarketer](#)

What to look for when selecting business SMS software

With 98% open rates and high ROI on the line, businesses big and small are increasingly investing in SMS software to remain competitive. To ensure you're effectively meeting the needs of modern audiences, we've identified 6 key capabilities you should look for when investing in an SMS software provider.

01 Easy message creation and deployment

When selecting a business SMS software, look for a platform that allows you to boost engagement with branded, easy-to-build communications – without any additional coding or technical staff required.

This may include drag-and-drop message builders, templates that can be easily rebranded and deployed quickly, artificial intelligence, and rich personalization functionalities, to name a few.

02 Workflow automations

Workflow automations enable you to get more done in less time, which allows you to create clear budgets and staff intelligently, while still achieving your outreach goals. In fact, 73% of IT leaders say that automation saves employees between 10 and 50% of the time they previously spent doing manual tasks. And, 57% say that automation technology saves departments between 10 and 50% on costs previously associated with manual processing.⁸

With this potential for savings, you'll want SMS software that can automate typically manual, repetitive tasks, including responses to pre-defined triggers – helping to reduce human errors and boost efficiencies. Also, make sure to look for automations that are flexible to your unique business needs. This way, you can keep messages simple or build out thoughtful, multi-step conversations that foster intuitive engagement with your audience. This includes conditional logic, custom locations, audience behavior, scheduled times, and several other data sources.



03 Dependable delivery

Look for a platform that provides the automations and expertise you need to navigate strict government and telco provider regulations, including sender ID registration, predefined send rates, content and age restrictions, as well as duplicate SMS elimination. Most importantly, the SMS software you choose should give your audience the option to opt in or out of your communications without hassle.

With SMS platforms capable of ensuring 94% deliverability rates, you'll want to choose an SMS provider that will partner with and guide you through the process, addressing any issues in real-time.



⁸ [Frevvo](#)

⁹ [Nucleus Research](#)

04 Seamless integrations and APIs

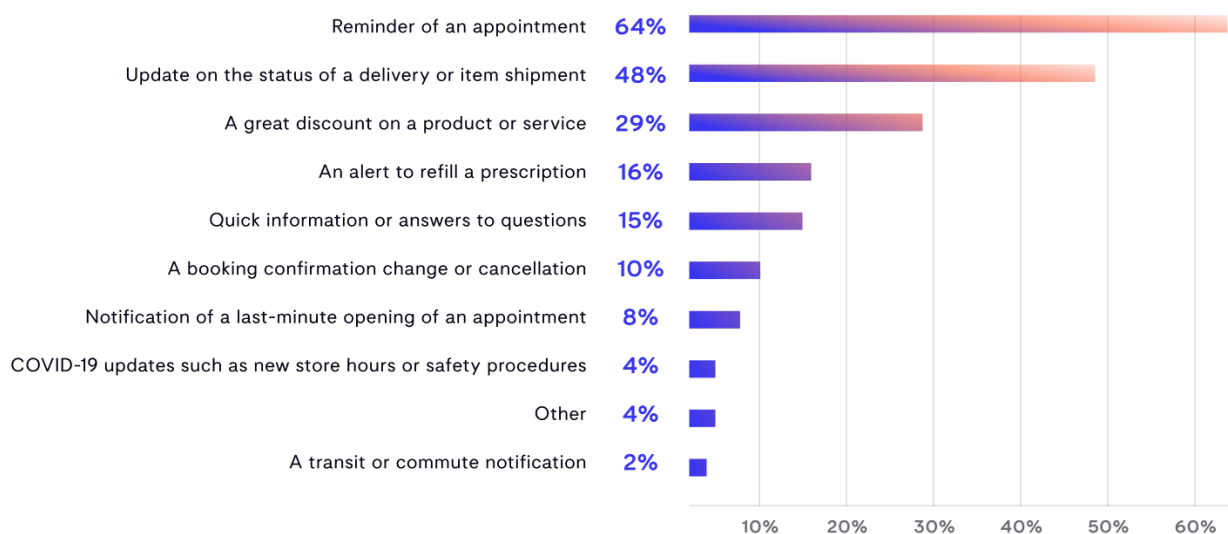
Communicating with your contacts is priority number one, which means it should be as easy and efficient as possible. Look for an SMS provider that seamlessly integrates with any CRM, or enterprise software, and automatically pulls contact updates in the background. This way, you can ensure your messages are being sent to the right people without needing to manually import and segment contacts.

Speed of delivery is also crucial to the success of any SMS campaign, which means the platform you choose should be able to deliver messages instantaneously. So, your choice in SMS software should seamlessly work with robust and proven APIs, as well as provide the necessary security to prevent potential interference.

05 Ready-to-use templates

With appointment reminders, shipping updates, and promotional discounts offering the highest consumer value,¹⁰ you'll want these types of text messages ready to deliver to your customers on a regular basis. Rather than create each of these messages from scratch, your SMS software should come with pre-designed, easy to re-brand SMS templates for you to leverage automatically. Ideally, with easily replaceable logos, colors, fonts, and text, depending on the need.

The most valuable types of text according to consumers¹⁰



06 Analytics and reporting

To get the most out of your investment in SMS, you'll want an intelligent platform that provides real-time data and insights regarding message delivery rates, engagement levels, response types, and more so that you can continually optimize your messaging strategy – and make informed changes at a moment's notice.

You'll also want the ability to email or export these reports in order to keep key stakeholders up to date and remain ready for audits at any time.



Drive ROI in 2023: how to build a winning SMS marketing strategy

With over 20 years of experience, we've seen what makes an SMS campaign successful. No matter the industry or business size, the key to high conversion rates comes down to a well-thought out strategy that leverages the right tools, creates a truly human-to-human experience for audiences, and fosters long-term loyalty.



Let's look at some best practices that will help you maximize your ROI:

Establish business goals and define user journeys

According to 99Firms, most SMS messaging is functional in nature. This means, it exists to confirm a pre-established agreement such as an upcoming appointment, shipping and delivery, a prescription refill, etc. However, these represent just a fraction of the communications made possible by SMS.

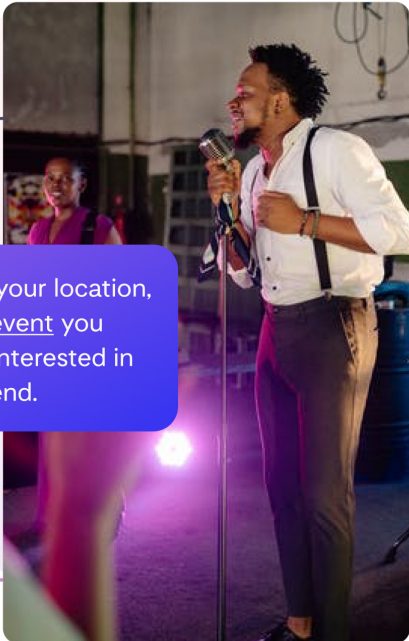
For instance, SMS is an easy method for nurturing sales leads, communicating important information or events, and an elegant way of encouraging and facilitating two-way conversations.

You'll need to define your end goal – what action you want your audience to take – and build a campaign around it.

Define your audience and leverage personalization

With 71% of consumers expecting a personalized experience,¹¹ you'll want to segment contacts based on previous interactions, including form submissions, past purchases, automatically gathered device data, as well as any platform metrics.

Then, you'll want to curate future SMS messages based on those specific personas to ensure the best chance at conversion. Whenever possible, use the contact's name to establish trust and begin building loyalty.



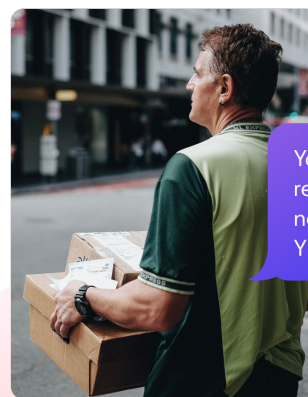
Based on your location, [here's an event](#) you might be interested in this weekend.



How to increase SMS opt-ins

Increasing opt-in rates typically comes down to two primary factors: trust and transparency. So, before sending text messages to a new customer, leverage website forms, email, in-person events, etc. to make it clear that they are opting in to receive further communications via their mobile device. It's here that you'll also want to make it easy for them to find your terms and conditions for said communications.

The FCC provides a full breakdown of the [Telephone Consumer Protection Act](#) that you can read to ensure you remain compliant. However, if your SMS software doesn't already account for the regulations listed throughout or provide a team that can help you navigate unique instances, you'll want to find one that does.



You are enrolled to receive delivery notifications. Reply YES to confirm.

Yes

Thank you! You are now subscribed.

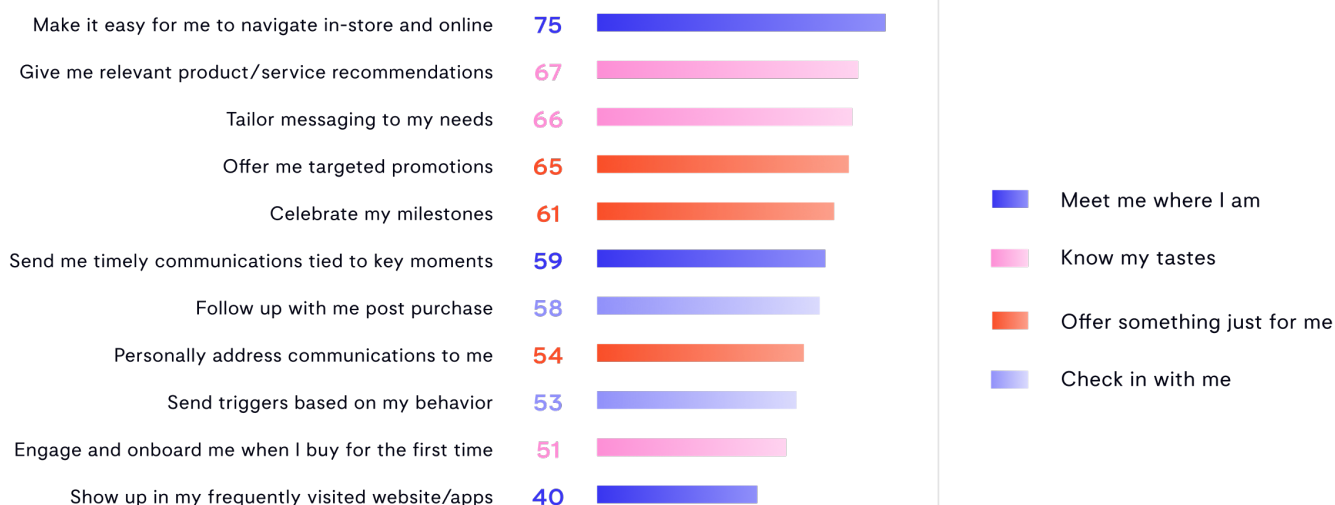
How to boost SMS engagement

No matter how you choose to communicate with your contacts, the easiest way to cut through all the noise is personalization. So, start with offers and touchpoints that are based on contact behavior.

This can include, but is certainly not limited to, welcome messages, newsletter sign-ups, complementary products, in-cart reminders, milestone discounts, and more. At the end of the day, let them know you care about their experience with your brand.

Plus, with the ability to reach 95% of recipients with messages that are read and responded to within 3 minutes,¹² the power to personally engage audiences via SMS cannot be overstated.

Importance of personalization actions for consumers purchasing for the first time, % of respondents¹³

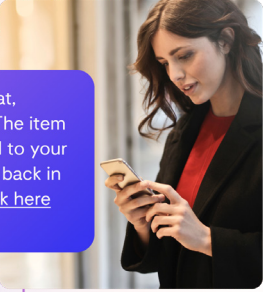


¹² [Whisper](#)

¹³ [McKinsey & Company](#)

3 examples of successful SMS marketing campaigns

From promotional offers to event notifications, SMS is a powerful way to reach customers with timely and personalized communications that help build loyalty and create long-term value.



Guess what, Hannah? The item you added to your wish list is back in stock! [Click here to order.](#)

01 Promotional offers

For first-time buyers, promotions are often the only reason a purchase is made. This means you should be creating custom SMS campaigns that re-engage buyers based on previous purchases. This is easy to do with an organized contact manager and dynamic distribution lists.

02 Customer self-service

Provide immediate assistance to your customers with automated workflows built to respond to common customer needs – before, during, and after business hours.

You can send SMS messages with unique links that answer commonly asked questions or even direct users to a microsite where they can make requests, escalate messages to a live representative, and more.

Roadside Assistance

Select your issue

Enter your location



Help is on the way!

The mechanic will arrive at your location shortly.



Hi Alexis! Friendly reminder of your hair appointment tomorrow with Kate at 10:00am.

03 Upcoming event notifications and appointment reminders

Personalized text messages are an easy way to create brand loyalty while avoiding long email drip campaigns.

Whether it's a new store opening, a dentist appointment reminder, a Black Friday digital doorbuster, an upcoming tradeshow, or any number of site-wide sales, SMS will reach your audience in time to take action.

See SMS marketing communications that convert →



Conclusion: strategic recommendations

You've read about the current state of SMS messaging, seen 6 key capabilities to look for in a business SMS software, and learned how to create a winning SMS strategy heading into 2023. However, there's one more piece to a successful communication strategy to keep in mind – SMS is not the only channel out there.

With global business SMS continuing to grow at a staggering pace, there's still a need for investment in other channels. Did you know that 80% of digital consumers use an average of 6 channels before making a purchase decision? Plus, consumers who engage with a brand through multiple channels spend more by as much as 4 times.¹⁴

Businesses need omnichannel reach at their fingertips, and they need a digital platform that can provide them all – SMS, email, social, voice, video, WhatsApp, and more.

Whispir brings all of this, and more, to businesses all across the globe. To give yourself the best chance at high ROI in 2023, reach out and speak to a Whispir communication expert today.

[Learn more →](#)

[Request a free demo →](#)

¹⁴ [Turbify](#)

