infobip

Mobile Messaging for Retail Marketing

How SMS, MMS and rich messaging can create better shopper experiences

The retail opportunity

SMS marketing has been delivering huge ROI for retailers for at least a decade, helping them stay in touch with customers, develop relationships, and boost sales.

Now retail pioneers are taking mobile messaging even further – exploiting the benefits of traditional text-based messages, and experimenting with video-rich, app-like messaging formats. Whether they're online, brick-and-mortar, or both,these retailers are finding new ways to engage shoppers beyond familiar use cases such as promotions, coupons and surveys.

This guide is for marketers who want to take full advantage of the mobile messaging opportunity in retail. It sets out what you can do to build closer, more empathetic relationships with customers – and how you can go about doing it.

A landscape transformed

The digitalization of retail has been underway for years, but the pandemic of 2020 accelerated that transformation. Many retailers have responded by expanding their use of mobile messaging, or by experimenting with it for the first time. There are a huge number of messaging use cases that add value to the retail customer experience, from customer outreach campaigns, transaction confirmations and delivery notifications to click and collect alerts, queue management and loyalty programs. Without doubt, one of the areas seeing the most innovative uses of mobile messaging is marketing.

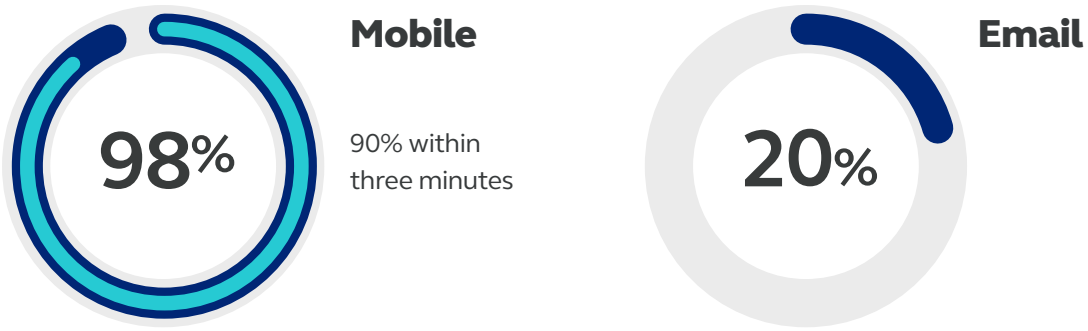
The pandemic has been a turning point in mobile messaging for retailers – but we're still only in the first few chapters of this story of transformation.

Retail: the experience business

The advantages of SMS over email and other channels are common knowledge in retail. These opening and engagement rates lead to impressive ROI stats like these:

- SMS gives retailers eight times the conversion rate of email.[1]
- Mobile-delivered coupons are redeemed ten times more than other types of coupon.[2]

Consumers read messages they receive



1. www.retaildive.com 2. www.apptentive.com

Mobile apps are a great way to engage with customers. But few businesses earn that coveted place on the phones of customers, who – according to various studies – tend to only use between 6 and 10 phone apps a week.

Then there's the problem of notifications: not everyone keeps alerts switched on for every app, especially if it feels like a brand is using their app as another glorified marketing channel.

Compare the challenges of app penetration in retail to the anytime, any place immediacy of mobile messaging. This direct line opens up countless opportunities to attract and engage with customers and make their lives easier – whether online or in-store.If you do have a viable app to offer customers, using it in conjunction with mobile messaging could be the way forward. More on that later in this guide.

Interactions made effortless

At Infobip, we help brands create interactions with their customers. That means seizing the countless invisible opportunities to surprise and delight your customers by giving them information, engagements, experiences and alerts that they will value at precise moments in exact places.

It's about using what you know about the individual and the situation they're in – then anticipating what will make them happy. When their needs and yours can be met in a single moment, interactions become truly valuable work help you deliver the right conversations, on the right channels, at the right time.

Infobip's omnichannel CPaaS, makes it easy for your people to create interactions without relying on IT's help. Templated campaigns, best-practice insights, AI, and a direct connection to the world's best global messaging network help you deliver the right conversations, on the right channels, at the right time.

Find out more

Introducing code-free flow builder

Perhaps the most exciting part of the code-free flow builder is – the interaction designer.

Code-free flow builder empowers you – and any non-technical user – to simply and quickly build conversation workflows to suit all kinds of marketing use cases. Along the way, you're empowered with tools, templates and best-practice guidance.

To find out more about code-free flow builder, why not sign up for the free trial below?

Use case inspiration

Here are eight examples of mobile messaging use cases that can help you get the word out about your retail business and products.

1 Announcements and opening times

Keep shoppers up to date with important updatesabout upcoming events, closures and opening hours. This kind of use case is especially relevant in a post-pandemic world in which lockdown rules are subject to change, and customers are looking for information at a local level.

2 Inventory updates

SMS can give customers status alerts about your inventory – when you've got new items in stock, or when popular items return to your shelves. Or upgrade to MMS or rich messaging to show the merchandise at its best. Some retailers also give shoppers the chance to sign up for back-in-stock alerts for specific items that are temporarily sold out.

3 Location-based offers

Empathetic Interactions are about engaging customers with the right message, at the right time, and in the right place. Retailers can take advantage of smartphone location data to send promotions to opted-in customers in a local area.

Find a store

One of our mobile messaging partners uses a location-aware chatbot that helps retailers inform customers of store locations – perfect for when they don't have a good data signal.
The customer texts a retail chain, sharing their current location in the process.

The chatbot then texts back the closest outlets to the location, including information such as phone number, address, and operating hours.

4 Abandoned cart reminders

No three words strike fear into online retailers like 'cart abandonment rate'. Many retailers now use SMS as a powerful weapon in their ongoing fight to make sure no order is left incomplete for too long.

Did you forget something, Sandra?
There are items in your shopping cart.
Take another look

5 Repeat purchases

Use SMS to prompt customers to repurchase items they've bought in the past. This is particularly effective for FMCGs like toiletries and other non-durables. Imagine you were selling the item as a subscription – how often would you send it? That's the frequency you should use in your timed messaging campaign.

6 Product registration

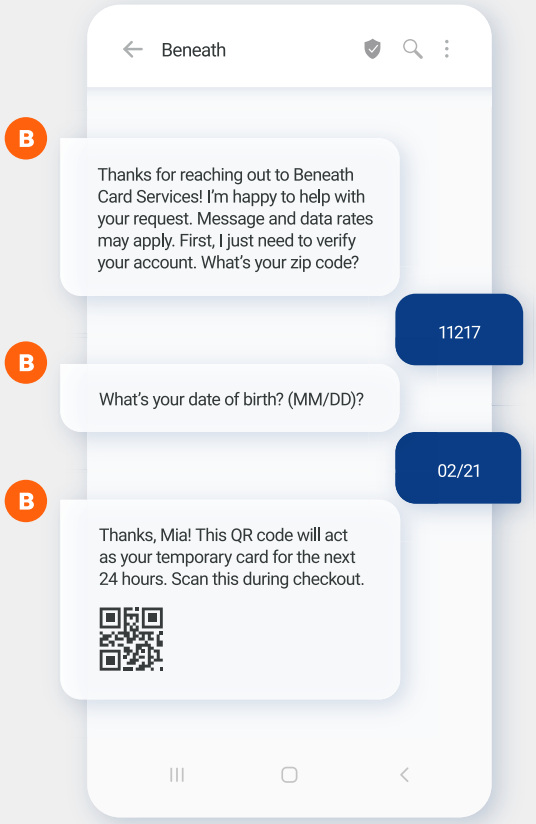
Engaging customers after a purchase has long been a challenge for retailers. Many shoppers neglect to register their product online or over the phone, so they miss out on warranties and extra offers. With SMS, they can register with a quick text. MMS picture messaging makes it even easier – they can simply send a picture of a bar code to get set up.

7 Encourage app downloads

Mobile messages are often the gateway to digital destinations like your website and app. Use SMS to promote your branded app, authorize users and get started with a discount code for their first purchase.

8 Loyalty cards

With mobile wallets like Apple Wallet and Google Pay on the rise, mobile messaging is the perfect way to deliver your digital loyalty card. We've also seen an innovative solution for when shoppers forget their physical loyalty or store credit card: a temporary credit card shared via MMS. After the customer confirms their identity with a quick text message exchange, they are sent a QR code they can show at the checkout.



The examples we've shared are just a taste of what's possible with mobile messaging – we're seeing more use cases emerge all the time. For more retail marketing inspiration, check out our visual guide. It's a two minute read!

Download visual guide

Build a contact list

No mobile marketing strategy is complete without a plan for growing your contact list.

STEP 1: Give them a compelling offer (and stick to it)

Your first step is to communicate a clear, compelling purpose or offer. What's the value exchange that will take place when a customer gives you their phone number and their permission to use it?

Will they receive discounts and promotions? Will they get status updates on their deliveries and the ability to reschedule? Make sure your offer addresses a real need (otherwise why would they bother signing up?) and don't be tempted to stray from that offer. If a customer opts in to delivery reports and you bombard them with marketing messages, they'll feel duped.

STEP 2: Make opt-in easy

A good rule of thumb is to remember that the opt-in experience should reflect the bigger customer experience you're trying to deliver. There are plenty of tactics to choose from, depending on your physical and digital real estate.

You can invite buyers to opt in when they're completing an online purchase, or create a separate form somewhere prominent on your website. If you're using check boxes for permissions, best practice says they shouldn't be pre-selected.

Of course, opting in by text is a natural choice – you can invite customers to text a keyword to a short number. In brick-and-mortar stores, encourage your staff to promote the campaign, and advertise in spaces like the changing rooms, the check-out and on receipts.

STEP 3: Incentivize sign-ups

In the case of SMS delivery notifications or queue management systems, the benefit is clear to customers. In other cases like marketing, the value exchange isn't always immediately compelling, so customers might need a little extra encouragement.

Sign-up rewards like extra discounts or free giveaways are a great tactic here. Competitions and polls work too.

STEP 4: Play to mobile's strengths

Here's a best practice that lots of brands forget. You've got several channels you can use to communicate with customers: email, phone, mail, advertising, in-store.

So why should they subscribe to another one?

The key is to give them something they can't get anywhere else, so don't text them the same things you could just as easily email them. Offer them exclusive deals and discounts.

Wherever possible, play to the strengths of mobile messaging. Use tactics like time-sensitive deals and location-based offers, the kind of in- the-moment interactions that mobile delivers better than any other digital channel.

STEP 5: Maintain your list

Finally, don't neglect (or totally forget about) your list. Keep your messaging momentum high so customers get familiar with the type of content you share and the cadence.

Make it easy for them to opt out of the campaign if they want, and make sure you follow rules that govern how you must retain and use personal data. These rules differ from region to region, so make sure you know your CCPA from your GDPR. Your messaging partner should be able to give you that all-important compliance confidence.

The new age of rich messaging

You probably noticed that a few use cases in section three involved the exchange of an image – a QR code. This is done via MMS (which stands for Multimedia Messaging Services). MMS is a sister format of SMS. It allows businesses to send and receive images and short videos. It unlocks plenty of other features too:

- GIFs
- Audio clips
- Contact cards
- Subject lines
- Bigger character counts
- Web links and previews
- Expiry dates for time-sensitive messages

MMS is a relatively old technology. But in recent years, business-to- consumer MMS traffic has soared in the US – with retailers accounting for much of this increase. Check out our MMS guide to find out about how MMS can be used in retail.

Get the guide

Get interactive

Even more exciting than MMS is the marketing opportunity provided by rich messaging. Formats such as Rich Communication Services (RCS) for Android, and Apple Business Chat for iOS, deliver video-rich, interactive, app-like experiences via the mobile inbox.

Branded Messaging

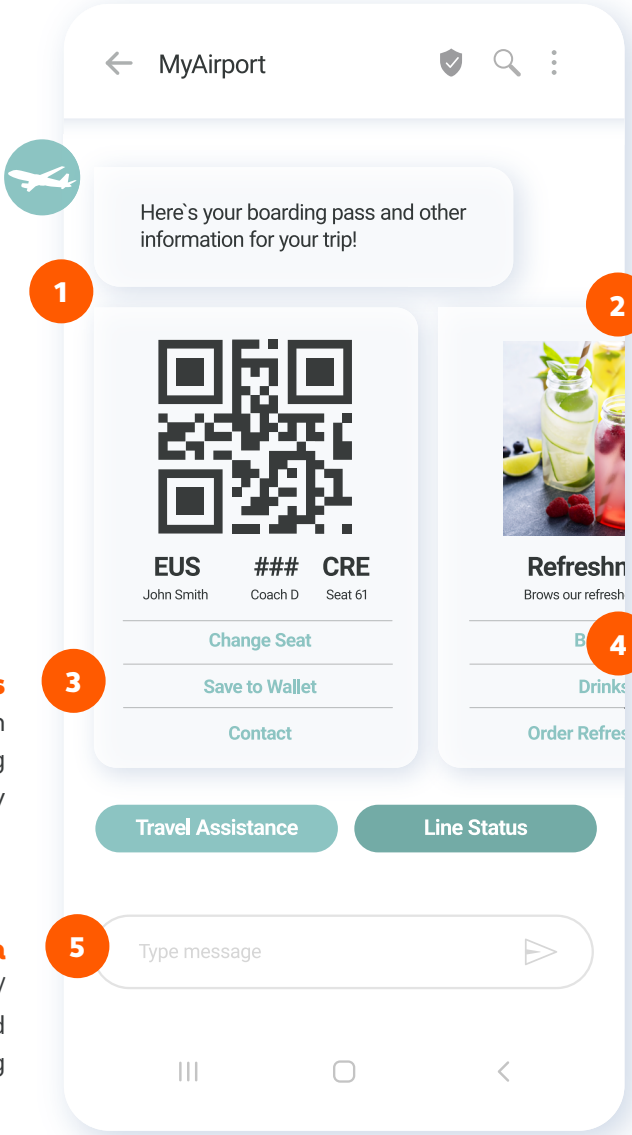
One of the big draws of rich messaging is the ability to prove your identity to customers. Marketing messages sent from these channels are verified as genuine by Apple, Google and mobile operators – all but eliminating the risk of spam and smishing (the SMS version of phishing) attacks.

Even if you aren't ready for rich messaging yet, Infobip offers a new Branded Messaging product that takes existing SMS traffic and 'upgrades' the delivery when an RCS device is detected. Your SMS messages appear in a branded, verified form, so customers can trust the message is from you.

Check out our Branded Messaging guide.

Get the guide

What is a Branded Message?



Verified sender ID 1
and branding for security and peace of mind

2 **Rich card carousels**
for dynamic content and swiping functionality

Suggested actions 3
like initiating call, open browser/ map or adding calendar entry

4 **Suggested replies**
to help move the user through the interaction

Engagement data 5
such as delivery / read receipt and engagement tracking

Rich messaging can help with all marketing messages described in this guide – and far more. Let's take a look at some use case examples:

LIVE DELIVERY TRACKING

Share a graphical live tracker and buttons so customers can reschedule deliveries or share a picture of a safe place to leave a parcel.

TECHNICAL ASSISTANCE

Rich messaging is the perfect environment for chatbots. A customer can message you and receive immediate assistance from a friendly, branded bot.

COUPONS AND VOUCHERS

Send colorful, engaging coupons, vouchers and QR codes. Redemption becomes much simpler and conversion rates will soar.

PRODUCT NOTIFICATIONS

Video capability and image carousels open exciting opportunities for product notifications. A showreel of a new fashion range or a picture of a juicy burger are far more likely to prompt a response than text.

MOBILE PAYMENTS

With rich messaging, you can own the transaction without the help of third-party payment platforms. One- click repeat purchasing becomes possible for everyday items such as razors. And you can offer upsells (think moisturizer or shaving foam) in the same interaction. Other rich messaging benefits include digital receipts and customer service chat interactions. Visit our RCS hub to find out more.

Find out more

Choosing the right numbers

Selecting the right phone number for campaigns is an important decision. There are three options here.

10DLC (10-digit long code)

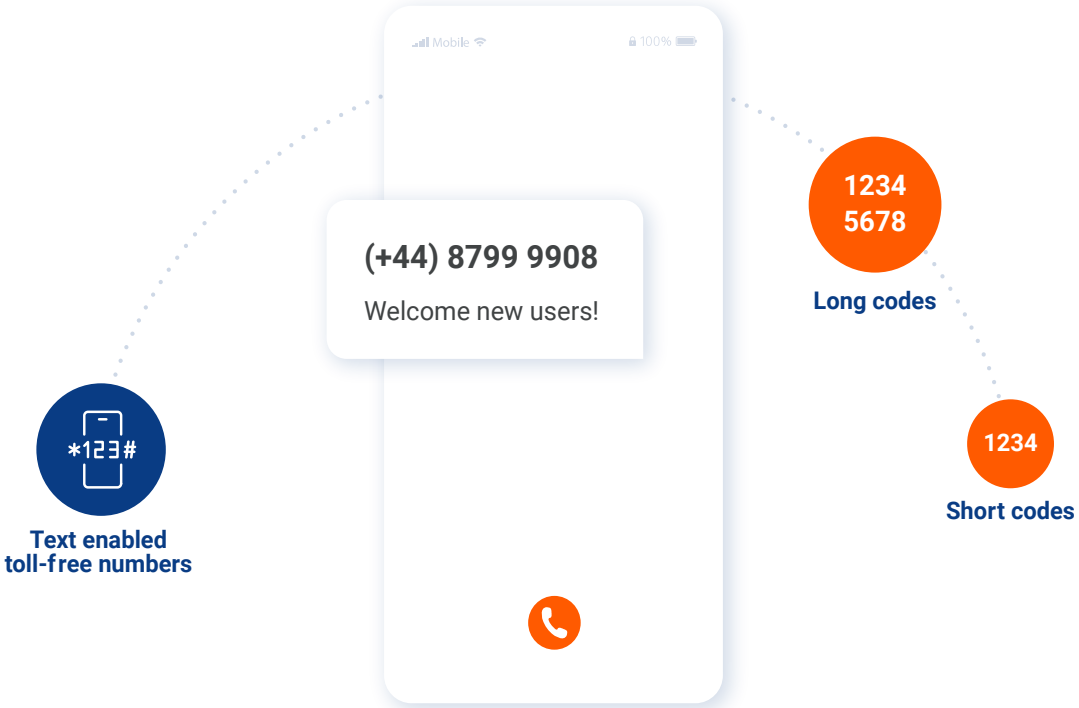
A number recently approved by the major US carriers for business messaging.

Short code

A customer-friendly, memorable 5 or 6-digit number that's great for large-scale campaigns.

Text-enabled landlines and toll-free numbers

Use a universal number for both voice and text messaging. Each type of number has its own advantages and disadvantages, depending on your circumstances and campaign goals.



Short codes

Short codes are easy for customers to remember. They enjoy high carrier support and throughput – up to 1,000 messages a second – which means they're great for time-sensitive communications to large audiences. With the right mobile messaging solutions provider, you also get delivery receipts, which help you measure campaign performance.

The short-code application process is more detailed than for other originators, but the Infobip team can help with that. The world's biggest brands trust us to ensure their messaging with short codes runs smoothly.
Find out more in our short codes guide

Get the guide

A2P 10DLC

A2P (Application-to-Person) 10DLC lets you send SMS and MMS messages to your customers.
For business use cases deemed to be a low spam risk by carriers, 10DLC numbers are likely to offer throughput speeds of around 30 messages a second.

However, if you're a big brand with a large audience, short codes are still the recommended choice for reliable, fast, high-volume messaging. 10DLCs are quicker and easier to set up than a short code – but they don't give you delivery receipts.
Find out more in our 10DLC guide.

Get the guide

Text-enabled landlines and toll-free numbers

Many businesses like to 'text enable' existing toll-free and landline numbers, so they have one number customers can either text or call on. Expect a high throughput (though not quite as high as short codes) and a secure route. Text-enabled numbers can now also receive and deliver MMS as well as SMS. You can then send and receive images, audio and short videos – all from your business number.

Deliverability + reliability = a strong foundation

Using the right numbers is key to building a strong messaging foundation, but don't worry if it sounds complicated. We work closely with retail brands and network carriers, so we know the full process. We can help you understand your originator options and we can get your campaign approved by carriers quickly and painlessly.

What you need to know

According to our Empathy in the age of AI CX study, 90% of CX leaders in retail believe great customer experience is more important than 18 months ago.

But great CX doesn't come easy. More than half (54%) of retail CX leaders say they don't have the tech resources they need to communicate with customers as effectively as they'd like. Big concerns include customer privacy and security, and not knowing when and how to use the channels available to them.

Check out our research to learn about empathetic CX in retail and other industries.

Download now

Services

Without the right partner, mobile messaging can be complex. With the right partner, it shouldn't be. For example, you might need help with:

- Design and deployment of bespoke messaging solutions
- Building and running campaigns
- Data and analytics consultancy
- Integrating your messaging infrastructure applications
- Migrating SMS short codes with no downtime, hassle or missed messages
- Building contact lists

A holistic approach to multi-channel messaging

If you're a large retailer, you need a messaging solutions partner that helps you roll out and manage messaging interactions across multiple channels and audience segments. Flexible APIs should make it easy for you to connect up your messaging to different systems like your CRM or inventory software.

Analytics

Dashboards and reporting visualization tools should help you track core metrics, solve problems and spot opportunities to optimize your programs on the fly.

Security

If your customers are going to trust you with their data, you need to be confident you can keep it secure and private. Look for standards and practices like:

- PSD2, FINRA
- ISO 27001 (2013) standard
- Certified by BSI (British Standards Institution)
- GDPR addressed and multiple data center locations
- Third-party penetration testing carried out regularly

Right message, right place, right time

Few mobile solutions providers are set up to deliver Empathetic Interactions your shoppers want – with the right message, in the right place, at the right time. Your provider is only as strong as their network and carrier relationships. For retail brands, the capacity has to be there to deliver huge volumes of messages – sometimes on a global scale, in multiple languages.

Your provider's network architecture should offer a scalable and highly available platform with no single points of failure or bottlenecks. Look for uptime SLAs of at least 99.99%. Relationships and direct connections with big mobile operators (the gatekeepers of the messaging ecosystem) are important too. Only three or four mobile messaging providers in the world can claim this.

Products and platform

Rich messaging is about to change retail communications forever. Your partner needs to be a multi-channel mobile messaging operator. Are they an RCS pioneer? Are they approved for Apple Messages for Business? You need to know that when you press 'send' on a campaign, the right messages are being delivered in the right format, to the right devices.

Whether you want to access mobile messaging through an API, or use a messaging platform, connecting with your customers through mobile messaging should be easy.

Infobip omnichannel CPaaS

Infobip customers now have access to a new type of mobile engagement platform that makes it easy for brands to build empathetic relationship with customers across multiple mobile messaging channels. Infobip's omnichannel platform empowers non-technical people with little or no mobile messaging expertise to set up automated, personal and optimized customer interactions.

Templated campaigns, best-practice insights, AI, and a direct connection to the world's best global messaging network help you deliver the right conversations, on the right channels, at the right time.

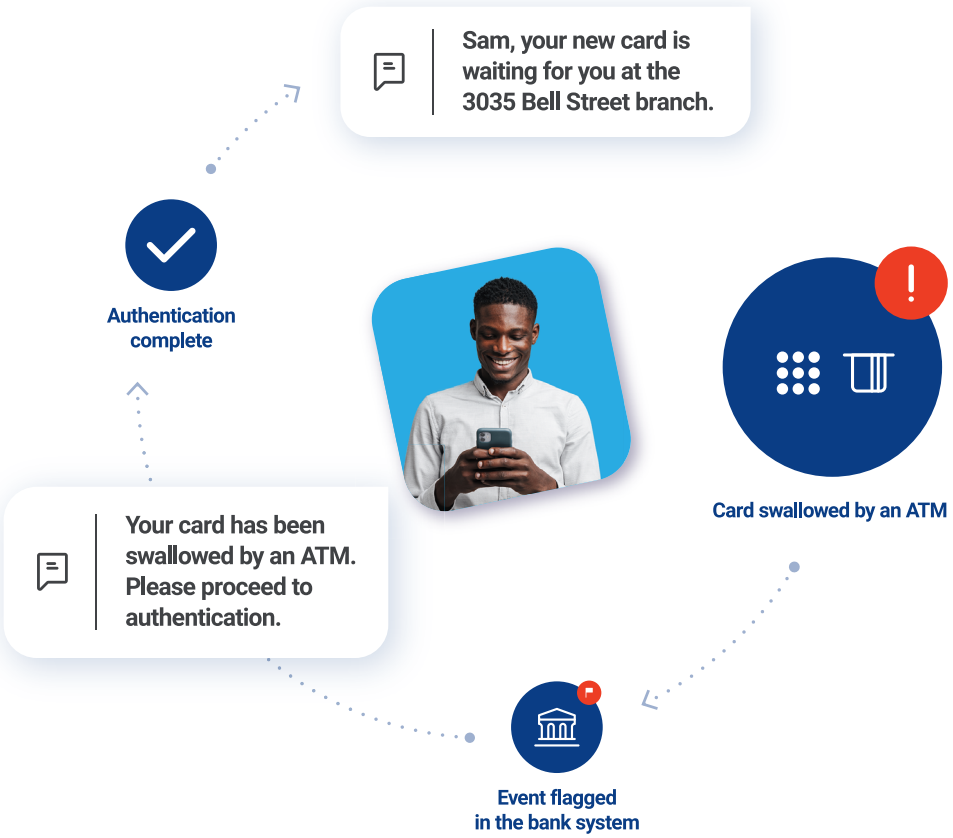
Be among the first marketers to trial Moments – perhaps the most exciting part of the Infobip's omnichannel platform. This is an intuitive interaction builder that will help you build automated messaging conversations with ease.

Ready to get serious about retail messaging?

Retail is a hotbed of mobile messaging innovation. Messaging maturity is high compared with other industries – and ambition is even higher. But if this guide convinces you of anything, we hope it's that there's a huge amount of potential still to be unlocked.

If you'd like to talk to one of our experts about what that potential looks like for your business and your customers, drop us a line.

Find out more



We're Infobip

We help the biggest brands in the world use mobile messaging to connect with people in the moments that count. When they need to be helpful and responsive in real time. When customer experience isn't just a buzzword, it's an obsession.

We'd love to do the same for you.

Find out more

The Infobip Advantage

GLOBAL REACH AND LOCAL PRESENCE

- 700+ direct-to-carrier connections
- Connect with over 7 billion people and things
- Strong enterprise client base
- 70+ offices on 6 continents

Our local presence enables us to react faster and have everyday interactions with our customers, providing solutions in line with their needs, local requirements and based on proven global best practices.

SCALABLE, FAST AND FLEXIBLE SOLUTIONS

- Best-in-class delivery rates
- High speed and reliability
- Low latency
- In-house developed platform

Our solutions are created to adapt to the constantly changing market and communication trends at speeds and levels of precision and personalization that only an in-house solution can offer.

REMARKABLE CUSTOMER EXPERIENCE

- Technical expertise
- Solutions and CX consultancy
- Customer success management
- 24/7 support and network monitoring

We will help you to get up and running in no time, whether it's assisting with integrations, messaging best practices or solutions consultancy

OWN INFRASTRUCTURE

- Locally available services
- Compliance to local regulations
- 40 data centers worldwide

Our worldwide infrastructure easily scales horizontally, leveraging the hybrid cloud model to never run out of resources. Our built-in global compliance engine is constantly updated with the latest in-country regulations and operator requirements.

IDC
CPAAS LEADER IN IDC MARKETSCAPE 2021

THE PROMODY AWARDS
MESSAGING WINNER 2021
BEST CUSTOMER ENGAGEMENT PLATFORM 2020

Future Digital Awards
Recognising Challengers and Disruptors
JUNIPER RESEARCH
PLATINUM WINNER AS THE BEST CPAAS PROVIDER IN 2021
PLATINUM WINNER AS THE BEST RCS PROVIDER IN 2021
PLATINUM AWARD AS THE GLOBAL CPAAS PROVIDER IN 2020
PLATINUM AWARD AS THE EMEA CPAAS PROVIDER IN THE 2020
PLATINUM AWARD AS THE BEST RCS PROVIDER IN 2020
GOLD AWARD AS THE BEST DIGITAL IDENTITY SOLUTION IN 2020

ROCCO
BEST A2P SMS VENDOR AS RATED BY MNO'S 2017, 2018, 2019, & 2020
BEST A2P SMS VENDOR AS RATED BY ENTERPRISES 2019, 2020
TIER 1 SMS FIREWALL VENDOR 2017, 2018, 2020 & 2021
TOP 10 INNOVATOR OF 2020

MEFFYS 2021 WINNER
WINNER - COVID-19 FAQ CHATBOT OVER WHATSAPP

CC-GLOBAL AWARDS BERLIN 2020
BEST GLOBAL SMS SERVICE PROVIDER - WHOLESALE SOLUTION 2020

MESSAGING & SMS GLOBAL AWARDS 2019
BEST OTT PARTNERSHIP 2019
BEST MESSAGING INNOVATION - BEST RCS IMPLEMENTATION 2019

4X AWARD WINNER
BEST MESSAGING API
BEST MESSAGING INNOVATION-CARRIER SOLUTION
BEST ANTI - FRAUD INNOVATION
BEST SMS / A2P PROVIDER FOR THE EMEA REGION

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ISO 9001 ISO 27001 BUREAU VERITAS Certificatio
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