

PERSONALIZED TEXT MESSAGING

Your Next Top Revenue Channel

Discover how innovative retail & e-commerce marketers are driving incremental mobile revenue with personalized text messaging

FOR RETAIL & E-COMMERCE BRANDS

attentive®



Why personalized text messaging is your next top revenue channel

How can marketers break through the digital clutter of information to reach new customers, influence their shopping decisions, and drive sales?

Follow this guide to learn how to make personalized text messaging one of your top 3 revenue channels.

Marketing in the Era of Information Overload

With the mass adoption of smartphones, consumers can now interact with brands and shop online more easily than ever before.

Of course, this also raises some unique challenges. Because consumers can use their phones just about anywhere, at any time, to do anything—it's become more difficult for marketers to capture and maintain their attention.

With overflowing email inboxes, screens full of often-forgotten apps, and ever-changing social media algorithms that control which content people see, retail and e-commerce marketers are constantly looking for new ways to break through the digital clutter to reach consumers and drive revenue.

Next time you're in a crowded train car, walking down the street, or at the mall—take a quick glance around and observe what people are doing. They're on their phones and the vast majority of the time...they're texting.

Think about your own experiences. How many brand emails do you receive a day, and how many do you read and click-through on? How many apps do you regularly use—the same 2 or 3? But, how many text messages do you leave unread? Probably none.

This is why marketers are turning to text messaging as the next big way to reach consumers and drive revenue.

With 30%+ click-through rates on messages and over 25x return-on-investment, this channel can't be overlooked.¹

Shifts in Consumer Mobile Behavior

98%

of US adults ages 30-49 use text. This rises to 100% for ages 18-29.²

54%

of US e-commerce sales will be from mobile devices by 2021.³

68%

of Millennials and Gen Z say they prefer text messaging over email.⁴

Powerful Results¹

30%+ CTR

on text messages

25x+ ROI

for overall program performance

Mobile Messaging—Why Now?

Although text messaging has existed for years, it's only recently emerged as a new channel for retail and e-commerce brands to add to their marketing mix. Why is now the right time for retailers to adopt a text messaging strategy?

1. Unsaturated Marketing Opportunity

SMS is the most widely used mobile application. 98% of US adults ages 30-49 use text messaging. This increases to 100% for the 18-29 population.⁵

Consumers spend more time text messaging on their phones than they do checking email, using apps (including messaging apps), or

browsing the web, providing an effective marketing opportunity to engage consumers where they spend the majority of their time.

Although email will not be going away anytime soon, its effectiveness has steadily declined. Over the last 5 years, email marketing click-through performance for retail and e-commerce businesses has fallen 47%.⁶ The average email click-through rate is now just 2.4% and the average email open rate is only 19.4%. Compare that to the 99% open rate of text messages.⁷

2. High Consumer Adoption

Previously, most wireless plans required consumers to pay to send and receive text messages. Today, plans that include unlimited text messaging are the norm. A survey of US adults across various

age groups and demographics showed 98% of participants have an unlimited text messaging plan.⁸

And, what about apps? The majority (51%) of US consumers do not download new apps each month,⁹ and 95% of apps on iOS and Android devices are uninstalled within the first month of being downloaded (a 5% retention rate).¹⁰

Plus, only 37% of app users allow push notifications.⁹ For retailers who have not yet built an app, development costs and user acquisition and retention challenges can cause marketers to seek out other mobile marketing opportunities with higher levels of existing consumer adoption.

3. Net-New Revenue Driving Channel

When it comes to driving incremental mobile revenue from a new channel, companies that use mobile messaging regularly see a 15-25x+ ROI and 5-10x+ revenue per subscriber vs. email marketing.

Why are these figures so high? One reason is that mobile messaging subscribers tend to be a brand's most valuable audience—a mix of high-intent potential buyers and loyal existing customers.

Consumers have grown increasingly more comfortable using their smartphones to buy. Text messaging helps retail and e-commerce marketers bridge the gap between mobile site traffic and commerce by converting browsers into buyers.

4. Personalized Messages Increase Engagement

The marketing and revenue impact of text messaging is amplified even further with the use of behavioral data. Site visits, product views, add-to-cart, and purchase information can be used to automatically build dynamic segments and send highly customized messages to each subscriber.

The more relevant the marketing message is to an individual recipient, the more likely that person is to take action and purchase.

19%

the average email marketing open rate for retail businesses⁶

37%

the average opt-in rate for push notifications on shopping apps (iOS)⁹

99%

the average open rate for text messages⁷

Mobile messaging subscribers tend to be a brand's most valuable audience.

Businesses that prioritize personalization maximize the effectiveness of their marketing spend.

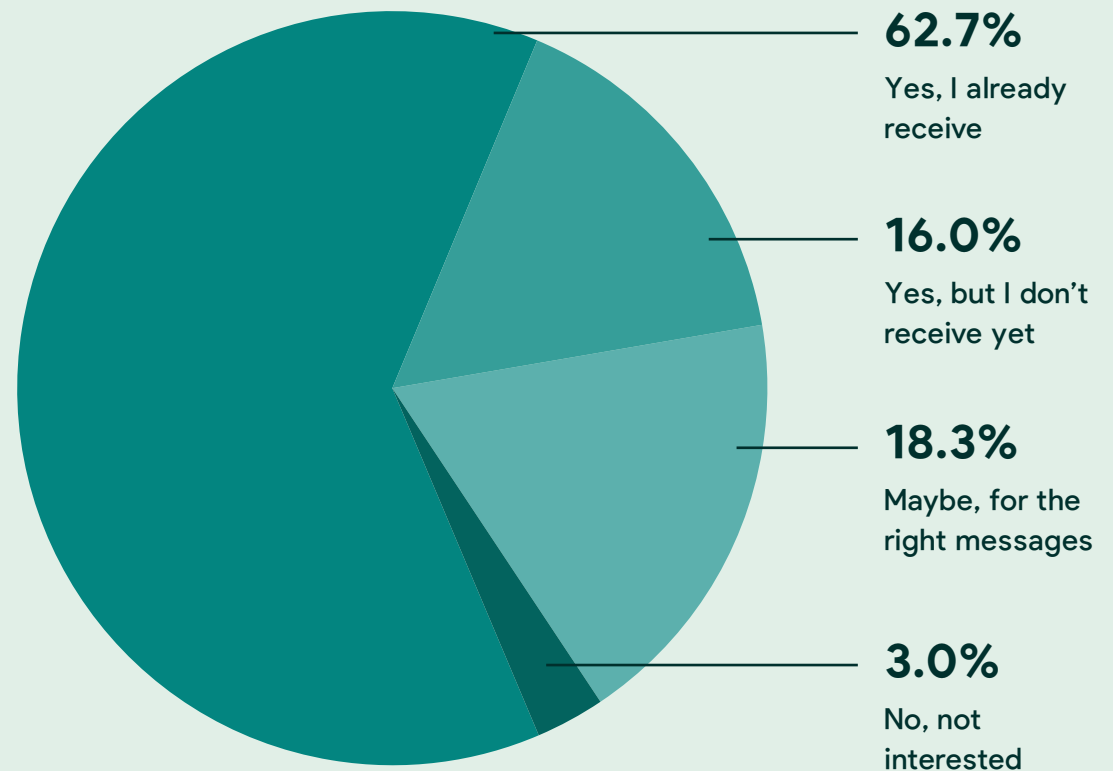
What Messages Do Consumers Want?

As a marketer, the benefits of mobile messaging are clear, but what do consumers expect from this channel?

Consumers are eager to interact with their favorite brands via text messaging. 79% of US shoppers surveyed said they either currently receive text messages from brands or would like to, but don't yet.⁸

QUESTION

Would you ever sign up to receive text messages from a business?⁸



79% of consumers would sign up to hear from brands via text messaging

Consumers also indicated they're interested in receiving a wide range of updates from brands through text messaging, across the entire lifecycle of their interactions with a brand. Although sale alerts and shipping notifications were of the most interest, shoppers also want to use text messaging to hear about new product launches, giveaways, exclusive content, and to share feedback about their experience.

The brevity and instantaneous nature of text messaging makes it a perfect fit for sharing time sensitive updates with your shoppers. Consumers expect a brand's mobile content to capture their attention, be personally relevant, and "get to the point."

Most text messages from brands tend to include one link and a strong call-to-action, clearly directing recipients how to take the next step.



What Consumers are Saying

Direct quotes from a consumer focus group with varied demographics⁸

"I'm getting hundreds of emails a day. I don't read them all. I tend to look at **everything that arrives in my text message inbox** - it takes me literally 10 milliseconds to open and read a text."

JESSI, FEMALE 20-29,
\$100K+ INCOME

"I'd sign up to hear from my favorite 5-10 brands. I'd want to hear about **new merchandise, maybe even giveaways for loyal customers, or shipping updates** would all be great."

CHRIS, MALE 30-39,
\$60K INCOME

"I don't like when brands send the same thing out to everyone...I really wish I could know through a quick text if shoes in my cart in **my size were about to sell out**, or if things I always buy go on sale."

BLEDAR, MALE 20-29,
\$100K+ INCOME

"**Personalized messages are absolutely important to me.** As a mom, I'd really like to know when the diapers I buy are on sale or if there are deals on kids' clothing."

ASHANTI, FEMALE 30-39,
\$35K INCOME

The most impactful marketing happens when you reach your target audience with engaging content that personally resonates and drives immediate action where they spend the majority of their time.

In today's world where shoppers are increasingly overwhelmed by choices, marketers can rely on text messaging to break through the clutter and ensure their messages are heard.



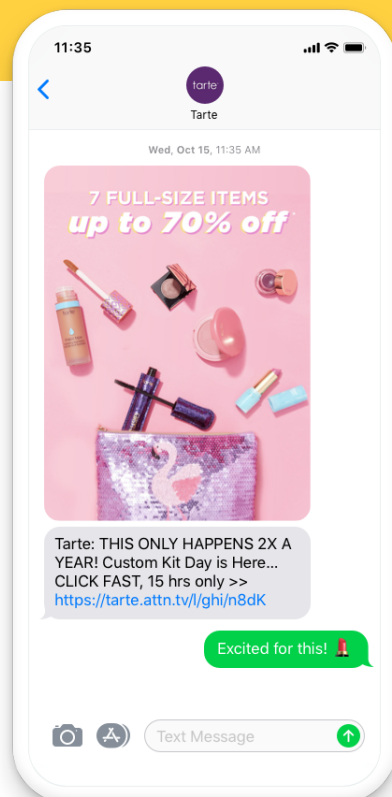
QUESTION

If you were to sign up to receive text messages from a business, which kind of messages would you be interested in?⁸

MESSAGE	INTERESTED	NOT INTERESTED
Product I purchased has been shipped or delivered	96.6%	3.4%
Product I like is on sale	95.5%	4.5%
Store-wide discounts	93.3%	6.7%
Product I like is back in stock	89.3%	10.7%
Giveaways or sweepstakes	83.2%	16.8%
New product releases	80.4%	19.6%
Exclusive content (sneak peeks, how to's, etc.)	73.8%	26.2%
Feedback or surveys about my experience with that business	71.7%	28.3%

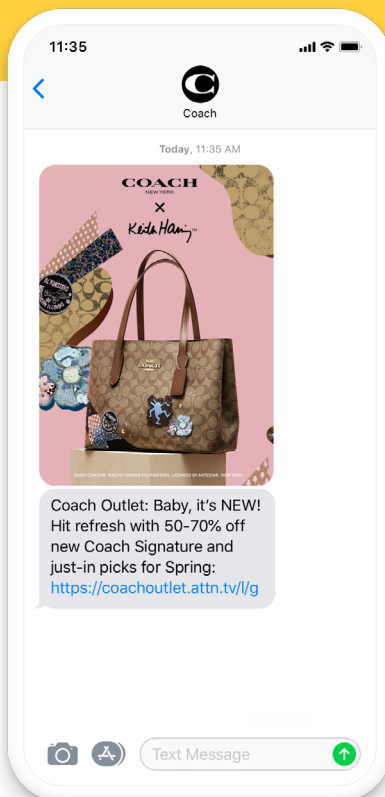
Examples of Offers & Cart Reminders

Reach shoppers directly with timely offers, or remind them to complete their purchase.



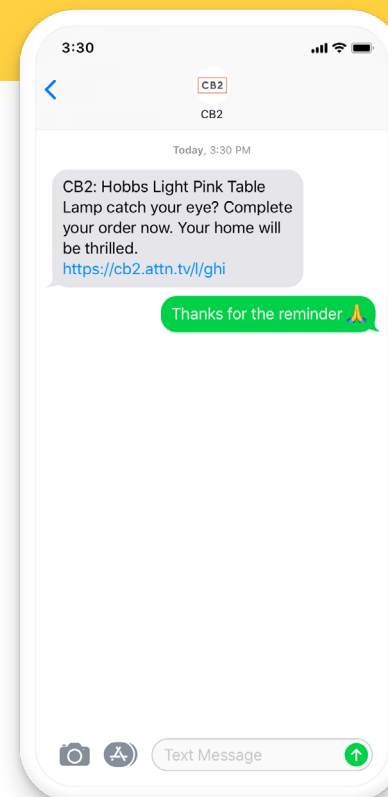
1. Limited-Time & VIP Offers

Let shoppers know about limited-time deals. Many companies treat their mobile subscribers as “VIPs”—giving them mobile-only offers or exclusive early access to sales.



2. Seasonal Sales

Excite text messaging subscribers about new seasonal collections or season-specific sales and encourage them to shop.

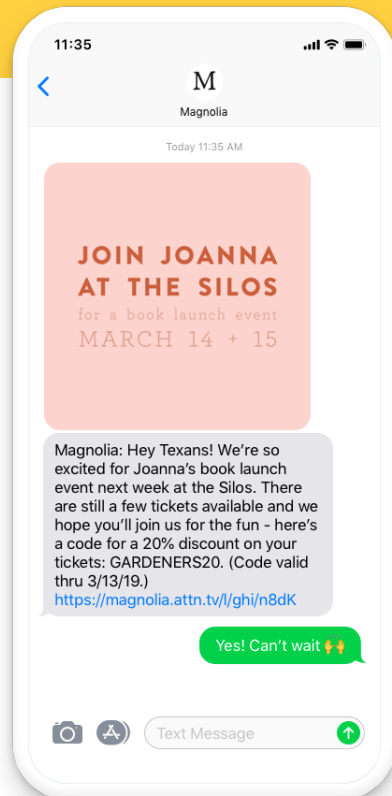


3. Cart Reminders

The average cart abandonment rate for online retail is 74%. Don't miss out on high-intent shoppers. Remind subscribers about their abandoned carts, and make it easy for them to finish checking out.

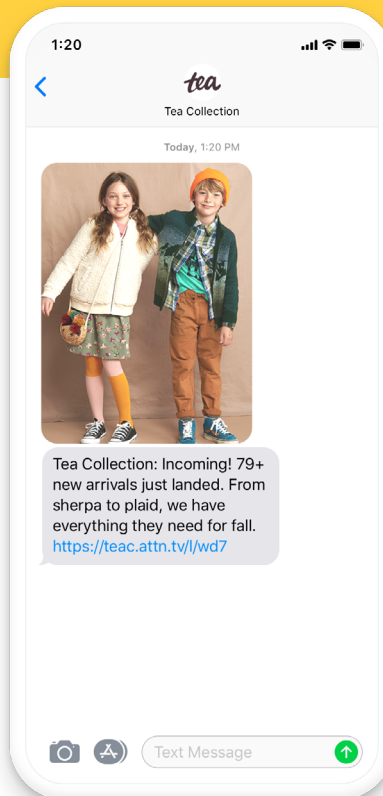
Examples of Brand Marketing

Connect with customers by sending product updates or branded content.



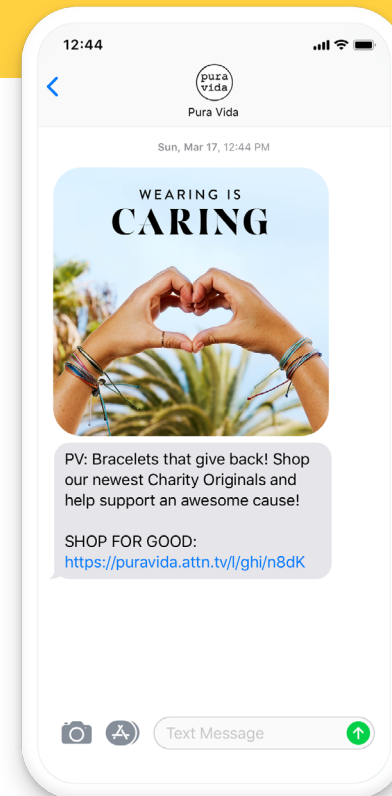
1. In-Store Invites

Use geographic data to share in-store event invitations with nearby mobile subscribers, uniting online shopping with offline experiences.



2. Product Updates

Alert shoppers via text when a sold-out item has been restocked or a new product has launched. Use browsing or buying behavior to reach the most relevant audience of subscribers for each update.



3. Brand or Cause Marketing

Shoppers appreciate hearing about your brand's mission or marketing initiatives. Use text messaging to inspire subscribers to get involved.

How to Start Mobile Messaging

Here are the first steps in launching your next top revenue channel:

1. Define your goals

As with any new marketing endeavor, it's critical to first define your goals. For many marketers, mobile messaging is a new channel. Key performance indicators will often center around metrics like subscriber growth and revenue driven.

When done well, mobile messaging can quickly become one of your top 3 revenue channels. Before launching, it is important to have clear expectations for the channel and an agreed-upon method for how you'll measure success.

2. Start growing subscribers

The next step in starting your messaging channel is to grow an audience of opted-in subscribers. There are many ways to quickly scale your list using acquisition tools for mobile & desktop web, email, social

channels, paid media, in-store signage, mailed promos, and more.

3. Send targeted content

By leveraging real-time browsing and buying data, marketers can send personalized messages at scale. For example, you could create a drip campaign for new subscribers with a welcome offer, set up an abandoned cart reminder, send automated shipping updates, or notify about a new product or exclusive offer.

How Attentive Can Help

Attentive is a personalized mobile messaging platform. With Attentive, you can quickly gain text messaging subscribers through

With Attentive, you can quickly gain text messaging subscribers through a variety of acquisition tools.

a variety of acquisition tools, including the patent-pending “two-tap” sign-up, which seamlessly converts mobile shoppers into subscribers.

At Attentive, we process massive amounts of data each second, enabling brands to connect with their mobile subscribers at every step of the customer lifecycle. Attentive's full-service Client Strategy team will help you develop a strategy for setting up automated messages, as well as sending scheduled messages to all subscribers or different targeted segments.

Mobile Messaging Acquisition

Attentive's patent-pending "two-tap" sign-up solution

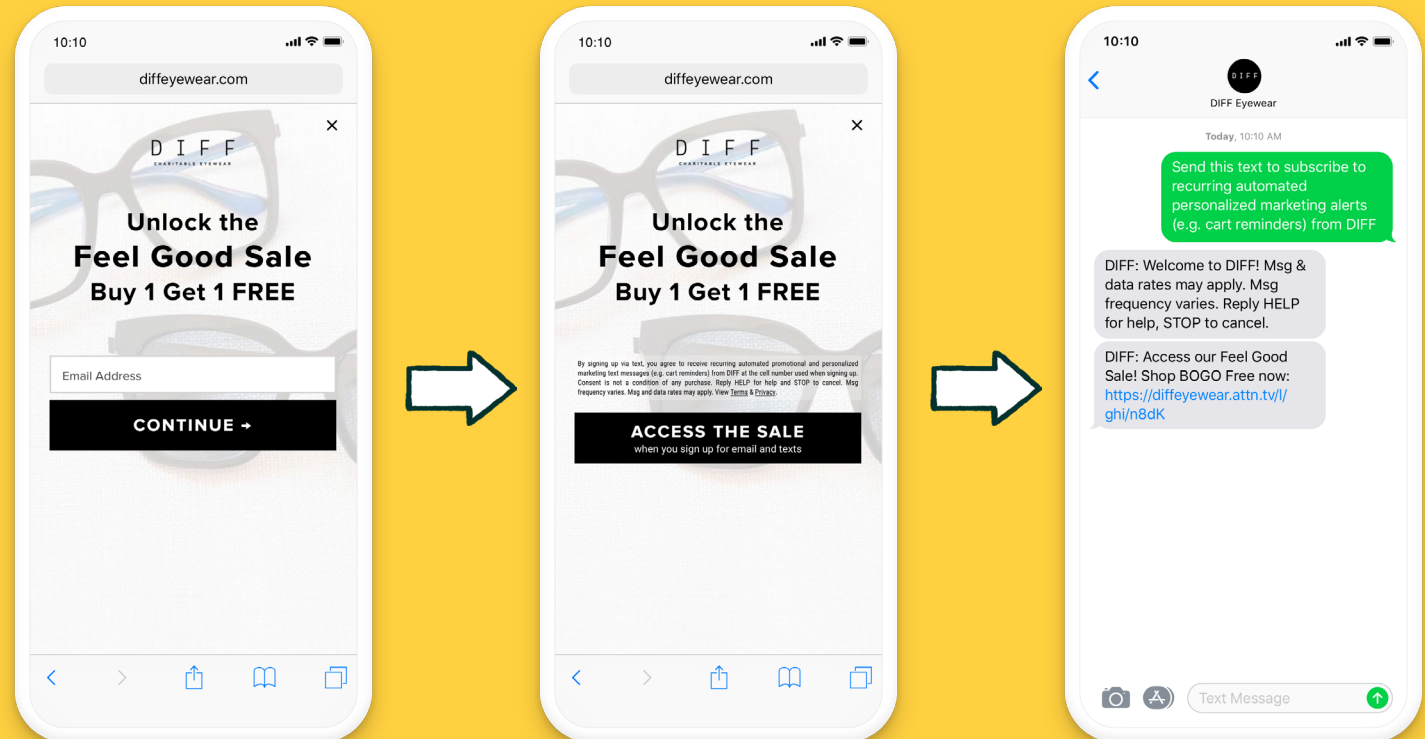
Seamless Sign-up

Quickly grow your text message subscriber list with our patent-pending two-tap sign-up on mobile web.

Optional: Use Attentive's dual collection sign-up units to grow your email and text messaging subscriber lists simultaneously.

Automated Onboarding

New subscribers simply press "Send" on the pre-populated text to opt in and receive welcome messages.



When done well, text messaging can quickly become a top 3 revenue channel.

Attentive® is a personalized mobile messaging platform for innovative retail and e-commerce brands that can quickly become a top 3 revenue channel.

Using real-time behavioral data, Attentive automatically sends engaging text messages to each subscriber at every step of the customer lifecycle. Over 1,000 leading businesses rely on Attentive and see strong performance, like 30%+ click-through rates and 25x+ ROI. Attentive has raised over \$163 million in venture funding—with the most recent raised in April 2020—and is backed by some of the world's leading venture firms, including Sequoia, Sequoia Capital Global Equities, Coatue, IVP, Bain Capital Ventures, Eniac Ventures, NextView Ventures, and High Alpha.

To learn more about Attentive or to request a demo, visit <http://www.attentivemobile.com>.

1 Attentive Internal Data, 2018

2 Pew Research Center American Trends Panel Experience Sampling Survey, 2014

3 Statista, US Mobile Retail E-Commerce sales 2013 - 2021

4 MarketingStrategies.com, May 15, 2017

5 Pew Research Center American Trends Panel Experience Sampling Survey, 2014

6 MailChimp, Average Email Campaign Stats of MailChimp Customers by Industry, 2018

7 MobileSquared, Conversational Advertising, 2010

8 Attentive Study - Q3 2017, n=2,011, US adults ages 18-60

9 comScore, The 2017 US Mobile App Report, 2017

10 Appboy, Push Notification Opt-In Open Rate Benchmarks, 2016

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