



5 Simple ways to use Text Messaging to Increase Business

In the Fast Five Marketing Series, I share strategies that have worked for our business and that I have seen effectively implemented for our customers who are brick & mortar small businesses throughout the world. This week I am going to provide you with 5 simple ways to use text messaging to increase business.

According to Pew Research, Smartphones are being used by over 53% of U.S. consumers and of those 68% are in households with earnings of \$75,000 or more annually. By 2016 it is projected that Smartphones will have over 75% of the market share (according to Search Engine Watch). What's even more startling is that over 91% of mobile phone users have their device within arm's reach 24/7 (according to Morgan Stanley) and over 95% of people send or receive text messages.

These statistics support what most of us already know and that's Smartphones are here to stay. Armed with these statistics is great, but how can you incorporate a text messaging strategy into your business and make it profitable? There are five simple ways for you to achieve this.

1. **Strategy** – Start by creating a strategy. Determine what your customers will want to receive from you, how often and then build a campaign and strategy around that information. The key to any successful strategy is the launch. Ensure that you are using a database program that allows you to integrate email, text messaging and social media. There are a few out there specifically geared towards small business and that's extremely important. Large enterprise solutions are expensive and more robust than what small business needs. Once you have the engine in place to run the program, ensure that your strategy includes a creative way to get your





customers to engage and supply their cell phone number to you. Remember, even if you have their cell number in your database as the number to contact them, you have not received permission from them to market using that cell number. That is a critical distinction and why the initial launch is so important.

2. **Coupons – Text messaging** is a great way to deliver coupons to your customers. Coupons that are timely and allow you to fill a slow period or drive a special offer within a short window of time. For example, if it is snowing heavily and you own a pizza shop, your business will likely slow for the evening as people are scrambling to get home and stay inside where it's warm. Watch the weather forecast and send out a text at 3 pm that says, "You're going to fight the snow to get home tonight. Don't stress about dinner. Enjoy our Snowday Special – buy one get one free when you click here and show this coupon." With an automated system in place, the link will take them to a page that monitors the coupon with a fraud prevention tool and allows the user to only redeem the coupon once. You have a lot of flexibility with text coupons. Think this isn't for your business...think again. By 2013 it is estimated that over 70 million mobile coupons worth over \$2.4 billion will be redeemed. This is up from 200,000 in 2009. This trend is here to stay so jump on the band wagon and make it work for your business.
3. **Referrals –** If you are receiving cell phone numbers from customers, you have a ready-made sales force in place. I like to call this a virtual sales force because they are not located in your place of business and yet they can sell for you all day, every day with the right tools. Armed with their cell phone and the right tool, any customer can refer you business. You can make it easy by telling your customer to simply forward the message to five friends. Then reward each of their friends with a special discount or offer and reward your current customer for each new client as well. Don't worry about the details of tracking this, it is all automated and handled through inexpensive software.
4. **Bonus Gifts –** Even if you're a man, you likely know about the Free Gift with Purchase marketing strategy that Estee Lauder launched over 50 years ago. It changed the face of marketing and for good reason...because it works. Want to get your customers to do even more for you? Simply give them a bonus offer that can only be redeemed after they have reached a certain level. This means that your customers have to do some work for you, but they will be willing to because the bonus is worth it. The next time they make a purchase from you, they receive the extremely valuable gift that has a significant value. Remember that it is not necessarily a high monetary





value that is important to your customer. A perceived value is just as relevant and if the bonus is scarce or rare, that adds even more value.

5. Reward Tracking – In my next article, I am going to discuss creating a rewards program that allows you to provide incentives to your customers for referring people. In that program, it allows your customers to use their mobile device to track what I call their rewards vault. The more people that your customer gets involved in your club and coming to your business, the more you can reward them. By reviewing this rewards vault on their phone, your customer can easily see how many more points they need in order to reach the next level of reward. It is an easy way to immediately incentive them. Then you can offer double points within a specific window of time. All geared around having your customers help you grow your business.

Remember that not all of your customers will engage in your mobile marketing program. But just as the statistics have been tossed around for years, most companies get 80% of their business from 20% of their customers. You will likely see that you get 80% of your referrals from 20% of your clientele. But that's not bad when you do the math. If you have 200 customers and 20% refer you 3 clients, that's 120 new customers. Most businesses in this economy can handle that type of growth. It just takes consistent implementation of the key strategies that I noted above.

