



LOCAL **text** MARKETERS  
*Easy. Affordable. Text Marketing Solutions for Everyone.*

# The Benefits of Text Marketing

How Text Message Marketing can  
help you boost sales, lower costs,  
and build stronger relationships  
with your customers

# Introduction

As a business owner, you're open to new opportunities. And text message marketing, you have to admit, is quite intriguing. But you have questions...

**“What specifically will text message marketing do for my business?”**

**“What benefits will I see if I implement a text messaging solution into my day to day business?”**

So that's what we're going to talk about in this report; specific benefits that text message marketing offers to your business, and how it can help you boost sales, lower costs, and build stronger relationships with your customers.

By the time you're finished reading through this document, I can guarantee that you'll be as excited by the text messaging opportunity as I am.

**Text messages are also referred to as SMS (or short message service). We prefer to use “texts” since it's a friendlier term with which most people are familiar.**

Paul

A handwritten signature in blue ink, consisting of a large, stylized 'P' followed by a long horizontal line that tapers to the right.

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**Summing Things Up...**

## **Benefit #1: Connect Effectively Across All Demographics**

You might be under the impression that because your business does not cater directly to teenagers and college students, text message marketing is not for you.

You'd be incorrect.

A recent Pew Research study showed that over 92% of people in the U.S. between the ages of 18–49 own a cell phone. From the ages of 50–64, it's slightly less; around 85%. Over 65, the numbers drop again, but not as dramatically as you might think (it's around 68%).

And these numbers are increasing on a daily basis.

By the time you read this, they will be even higher.

In short, unless you are marketing to octogenarians (those people 80 and over) text messages will connect you with the vast majority of your demographic.

**Depending on whose statistics you review, the numbers vary slightly, but all are in accordance; cell phone saturation numbers in North America and the world are staggering. For example, Swedish telecommunications giant Ericsson reports 6.4 billion worldwide mobile subscriptions at the end of 2012.**

**In the United States, there are approximately 322 million mobile subscriptions, a number which represents 103.3% of the population.**

**Of course, this doesn't mean that everyone has a cellphone (many people have multiple subscriptions).**

The actual percentage of the U.S. population that owns a cell phone as of early 2013 is pretty darn close to 90%.

In Canada, there are just over 26 million – which equates to 75% of the population.

## **Benefit #2: Text Messaging is Comfortable, Familiar and Often the Preferred Medium**

The vast majority of cell phone owners use text messaging daily, and for many, it's their preferred means of correspondence. It's non-intrusive, it's convenient and “comfortable”, and possibly most importantly, it's fast and efficient.

Corresponding with your audience in this manner allows you a “portal” into the lives of those whose busy schedules makes it unlikely you will be able to connect with them via more traditional advertising means.

Today, almost every single text message that is received is read, usually within a couple of minutes.

## **Benefit #3: Text Messaging Uses Rudimentary Technology**

While the newest smartphones boast some pretty awesome technology and capabilities, text messaging is a very basic, rudimentary technology. Even cell phones long considered obsolete can send and receive text messages.

As a business owner, you might think that for the greatest marketing impact, you will want to use all the latest and greatest “bells and whistles” and send your contacts images, videos, cool related apps and so on.

The problems with this are three-fold...

1. Although this number is rising daily, only slightly more than 50% of North Americans have a data plan and can access this material. That means roughly half of your audience won't be able to view messages that require an Internet connection.
2. When you send more "complicated" messages to a cell phone, you start to erect technological barriers between you and your audience. Depending on the phone manufacturer, software platform and version, different phones may interpret data in different and often unpredictable ways. This can lead to display issues. Older phones may not be able to support newer technologies at all.
3. Incomplete and "broken" messages diminish your customer's confidence in you and your text messaging service and will usually lead to an increased number of unsubscribe requests.

In short, communicating via simple text message is the smartest way to deliver your message to the vast majority of cell phone users and ensure there are no technological barriers to interfere with your message.

## **Benefit #4: Text Message Marketing Differentiates You From Your Competitors**

Since text message marketing is just now making its way into the mainstream, early adopters will gain significant "positioning" benefit — a way to differentiate themselves — from their competitors.

In a world where people are bombarded with advertising on a daily basis, those businesses who connect with their audiences in novel and effective ways gain the advantage of being able to strengthen and enhance their brand without interference from competitors.

## **Benefit #5: Text Marketing Builds Brand Loyalty and Stronger Relationships!**

Strong relationships with your customers and brand loyalty are the key to sales.

And text marketing helps with that.

While I'd be hesitant to use the word "intimate" to describe the sort of relationships you will build with your customers when you use this marketing medium, it is certainly much more so than traditional advertising.

Various mobile marketing think tanks and industry analysts suggest that when a customer or a prospect receives a text message from you, not only does she feel special, but because that communication "feels" like a "one to one" message from you, it establishes a relationship – a bond.

Ads in newspapers, print publications, radio and T.V. simply do not resonate in the same way.

And that's a huge benefit for you.

Since people prefer to do business with people they know and like, the relationship-building element of text marketing means your contacts are more likely to choose you over a competitor. As your relationship develops, this becomes even more and more so.

## **Benefit #6: Text Message Marketing Delivers a Near Immediate ROI!**

One of the most exciting benefits of this marketing medium is that it really can deliver a near immediate ROI (Return on Investment).

In North America, people are attached to their phones almost 24/7. When

they receive a text message, statistics shows the vast majority of recipients read them within 4 minutes.

That means if your offer is compelling enough, you can expect to see people acting on it within a few hours, and sometimes, even a few minutes!

It sounds a bit far-fetched perhaps, but it can be a reality with text marketing!

## **Benefit #7: Text Message Marketing Puts You in Complete Control**

If you're sitting in your empty storefront on rainy day wondering what you can do to turn things around, sending out a text message promoting a compelling offer to your audience is often all it takes.

With a self-serve service like ours, you are completely in control of when messages go out. Fire up your computer, login to your account, type in a few sentences, and BINGO!

Out goes your message.

Compared to traditional advertising campaigns, which have to be orchestrated well in advance, text message marketing offers complete and total flexibility.

No scrambling to get your ad rep on the phone. No scrounging to find a suitable position for your ad in a fully sold ad inventory.

Suppose, for example, a major competitor springs a surprise mega-sale on you.

You don't have to wait days to respond with your own counter offers. With text message marketing, you can address the issue immediately!

## **Benefit #8: Text Message Marketing OPTIMIZES Your Established Relationships**

Many business owners are so focused on obtaining new customers that they fail to fully capitalize on their base of existing customers.

Many of these people will do more business with you, if you ask them. After all, they already know and trust you, and your products and / or service.

Remember the old adage...

**“20% of your customers provide 80% of your business.”**

What kind of numbers could your business do if you could...

- › Get your best customers to give you more of their business?
- › Encourage a significant portion of the remaining customers (i.e., the 80% who contribute the remaining 20% of your business) to frequent your business more often, and spend more money on each visit?

By far, marketing to your current customer base with text messages is the quickest and easiest way to get your sales numbers up while keeping your advertising costs down.

## **Benefit #9: Text Message Marketing Boosts and Leverages the Performance of Traditional Advertising Campaigns**

You've probably heard the phrase...

**“I know half the money I spend on advertising is wasted; I just don't know which half.”**

It is attributed to John Wanamaker (1838–1922), and it's a true today as it was

100 years ago.

As you know, it's almost impossible to get an accurate assessment of your return on investment for traditional advertising, because it's nearly impossible to accurately track the results.

However, implementing a text-based call to action into a traditional advertising campaign can dramatically affect its performance.

Suppose you own a Pizza parlor.

You decide to implement a text-based call to action into your next print ad...

**“For an instant discount on your next purchase of a large 3 topping pizza, text Pizza to 41932.”**

Now, not only do prospective customers have a way to interact with your ad immediately, they also have an incentive to do so!

Providing this option for instant action increases the likelihood that viewers will respond to your ad before it fades from their memories, and accordingly, improves its performance.

It also provides you with one other variable which you can use to assess the value such advertising brings. And the same call to action could be integrated into both radio and television ads.

When used in conjunction with traditional advertising, text marketing boosts its effectiveness and provides an alternative means to measure its effectiveness!

## **Benefit #10: Text Messages are Delivered Direct to Your Customers, Stealthily Bypassing Competitors' Traditional Advertising**

Every day, each one of your prospective customers is bombarded with advertising from the minute she rises in the morning, to the minute she goes to bed at night. It is estimated that the average North American is exposed to 100's of advertising messages daily.

And that's a big problem for most business owners, because in order for traditional advertising to be effective, you need to cut through all the noise and clutter, and get your prospective customer to notice *your* offers.

That's tough to do, especially when everyone else is trying to accomplish the same thing.

And it's even harder to accomplish if your competitors have massive advertising budgets that you cannot compete with!

Easier said than done, right?

But with text marketing, that is never the case.

Your message is delivered directly to your prospective customer, and is usually read within a few minutes. And yes, people DO read almost every single text message they receive. That means you never have to worry about competing for your prospect's attention with other merchants (especially those with larger budgets).

This represents an incredible opportunity for business owners. No other marketing medium on the planet can make this claim!

## **Benefit #11: Text Message Marketing is Extremely Affordable!**

Not only is text marketing extremely affordable compared to traditional advertising, it's downright cheap.

Its low cost, of course, means there are no financial barriers preventing even the smallest single owner/operator business to capitalize on the opportunities it offers.

Besides that, its affordability can be attributed to the fact that every penny of your advertising budget is allocated to delivering your marketing message either to existing customers, or to qualified leads who have confirmed their interest by texting your text word to your short code.

**All subscribers have to opt “into” your service, which means they have to text the word associated with your business (i.e., “Pizza”) to the relevant 5 digit short code.**

There is absolutely ZERO waste, since you never pay to deliver messages to those who are not interested in your offers.

A few pages ago, I referenced this quote, and it is relevant here as well...

**“I know half the money I spend on advertising is wasted; I just don't know which half.”**

With text marketing, that is never the case.

Other advertising options grow more expensive day-by-day. With the current economic malaise and lack of consumer confidence, business owners can simply no longer afford to risk dwindling amounts of capital on advertising strate-

gies that may or may not deliver a return on investment (ROI).

The biggest problem is that traditional advertising is often based on branding, or establishing YOURS as the premier brand, product or service in the prospect's mind.

Branding can be done on a local level, of course – it is not simply restricted to large companies who undertake national advertising campaigns just keep their brand in the forefront of their customer's mind (like Coca-Cola, Pepsi, P&G's Tide, etc.).

But branding is expensive no matter what "level" you try to do it at, because your prospect is exposed to so many advertising messages daily.

How many times does s/he need to be exposed to your advertising message before it starts to resonate?

No one knows for sure, but experts estimate between 7–13 times.

Not an impossible task for Coca-Cola, or Pepsi Co. or Procter and Gamble, but well beyond the reach of small to medium sized businesses, that's for sure.

Let's sum things up...

1. Compared to traditional advertising, text marketing is incredibly cheap (around \$35/month for a basic membership at [LocalTextMarketers.com](http://LocalTextMarketers.com)).
2. You only ever pay to deliver your message to qualified prospects and existing customers; people who want to hear from you. Accordingly, the ROI on any such advertising is huge.
3. There is ZERO money wasted; you don't ever spend a penny sending your message into an oversaturated advertising market that may or may not want to receive it.
4. For business owners who are being crippled by advertising costs, text marketing offers a cost effective alternative to business building.

## **Benefit #12: Text Message Marketing is Not Widely Used... Yet!**

While a handful of big businesses, chain stores and large corporations have jumped on the opportunity offered by text marketing, for the most part, this medium is largely under-utilized.

The vast majority of small and medium sized businesses are simply not aware of the potential offered by marketing with text, and if they are, they haven't got the first idea of how to go about doing it.

Regardless of the whys and wherefores, the point of the matter is that right now, this medium is relatively uncluttered.

Think back to the days when you were excited to get emails.

Remember them?

That's pretty much where we are now with text marketing.

But just like with email, as a greater number of businesses begin to use this marketing strategy, people will become more selective in which services they subscribe to.

Early adopters, therefore, will gain a huge advantage over their competitors.

Not only will you have an easier time convincing people to sign up for your "new and novel" service, you'll have plenty of time to earn the trust and confidence of your leads and prospects long before your competitors have figured out what "hit" them.

## **Benefit #13: Text Message Marketing Reduces Customer Acquisition Costs.**

One truth is universal, regardless of the nature of your business...

Obtaining new customers is expensive.

However, text marketing dramatically reduces the cost to obtain a new customer, for three reasons...

1. It's an inexpensive medium that doesn't require huge up-front costs with no guarantee of results.
2. When used in conjunction with traditional advertising (we discussed this benefit a little earlier) it boosts the performance of such, which means your advertising dollars go further.
3. It is action driven, meaning you don't pay anything unless a customer or prospect subscribes to receive your text message updates.

## **Benefit #14: Text Message Marketing Lowers Operational Costs**

Traditional advertising is commonly referred to as “spray and pray” advertising...

“Spray” your message out to a large number of people and “PRAY” that of all the folks exposed to it, enough of them will redeem the offer to justify the cost of the ad.

(We've always thought it should be referred to as “Pay, Spray and Pray”, because traditional advertising is also very expensive and offers no guarantee of results).

Text marketing can significantly reduce the amount of money you spend in two ways...

First, because you only send text messages to qualified leads and customers, it outperforms any other advertising method in terms of ROI (Return on Investment) and is extremely efficient. This reduces the need for additional, high cost advertising options, allowing you to over time, scale back the amount of money spent on these ventures.

Second, because text marketing can both gauge and leverage the performance of your existing advertising campaigns, it helps ensure your advertising dollars are funnelled into the options that perform the best, as well as making your dollars go further.

## **Benefit #15: Text Message Marketing Improves the Efficiency of Your Marketing Efforts**

When you send out a message to your contacts using the Local Text Marketing system, there is one thing you can always be sure of...

... The people you are contacting are qualified as being highly receptive to your offers.

That's because every one of them has voluntarily opted in to receive them, or have given you permission to be added manually to the service.

Accordingly, these folks are very interested in what you have to offer.

And that means any marketing done with text is by very definition, highly efficient.

With traditional advertising, a large portion of your advertising budget is always dedicated to delivering your message to people who have absolutely no interest in what it is your business provides.

With text message marketing, this is never the case.

## **Benefit #16: Text Message Marketing Outperforms Email Marketing and Social Media**

One question we hear a lot from business owners is...

“I have an email newsletter, a Twitter account and a Facebook page, do I really need to use text marketing? Will my business really benefit from this additional advertising option?”

Most undoubtedly, the answer is yes.

Of course, this does not mean you should stop publishing your newsletter, sending out your Tweets, or updating your FaceBook page, as the low cost of these mediums make them a “no-brainer.”

However, both social media and email newsletters share a similar problem; both have to “compete” for your customer or prospect’s attention.

When you update your FaceBook page, for instance, that update appears in the newsfeed of all the people who have “liked” your business.

But so do the updates and postings of all that person’s friends, the other companies and service he or she may have “liked” and so on.

So your business’ update may appear between a post featuring a tender picture of cousin Ginny’s new baby girl, a picture of Aunt Martha’s newest batch of chocolate frosted muffins, some funny pet pictures and who knows what else.

In other words, when wedged together with all this other stuff, how much notice does your customer take of your offering?

And if she doesn’t happen to login on the day you make the post, she probably won’t see it all, since your update will have scrolled to the bottom of the feed.

To make matters worse, only slightly more than 50% of your audience will be able to see Facebook posts on their phones, since a data plan (which provides access to the internet) is required.

Facebook has admitted that only around 16% or so of a page's followers even see their posts in the news feed.

Twitter faces similar issues; not only are Twitter users notoriously difficult to advertise to and a data plan is required to read tweets and follow people, a recent Pew Research Center study showed that only 5–10% of cell phone users use Twitter on a regular basis.

If you're thinking that using Twitter replaces the need for a text marketing service, you are sadly mistaken. Well over 80% of your customers do not use Twitter, which means your Tweets will never reach them. Additional research suggests up to 71% of tweets are ignored.

Email marketers have to deal with a near-identical problem.

“Open” rates (i.e., the number of people who open and read your email newsletter) will vary according to industry, but on average they range from 27–34%, with a 4–5% click through rate.

To put it another way...

If you send out an email to 1,000 people, anywhere from 270 to 340 people will actually open the email, and only 12 to 15 of those will actually click on anything in it.

**If you are sending out a newsletter, you should be able to get the “open rate” data to see what sort of a response you are getting with your efforts. You definitely want access to this data!**

Again, this is not particularly encouraging.

The problem is obvious; most people get a ton of email, and they only have a limited time to sift through it all. So they prioritize. Sometimes your email gets opened.

And sometimes it does not.

Again text messaging doesn't just shine in comparison, it positively *glows*.

Nothing can hold a candle to it.

## Summing Things Up...

By now, I am hoping you are pretty excited about the opportunities offered by text message marketing, and all the potential it offers for your business.

You definitely have a lot to “mull” over.

A word of caution...

Don't think about it for TOO long.

This is not a race that goes to the tortoise.

If at all possible, it's better to be an “early adopter” of this strategy, and be first in your market.

As already noted, text message marketing is still very under-utilized. As it becomes more common, people will be more discriminating with the services to which they subscribe.

So be first. And don't give your subscribers any reason to leave.

Of course, I'm sure it hasn't escaped your attention that as the providers of a text message marketing service, we have a vested interest in “making our case” and selling the potential of the medium.

That's true.

And I won't lie; we *would* be pretty happy if you choose *our* service for your text message marketing solution.

But that's certainly not necessary.

What's important is that you *act* on this information.

Because whether you are interested in our service or not, text message marketing is coming.

In a BIG way.

Acting is what separates the successful from the unsuccessful, the "have's", from the "have nots".

You have the "keys to the kingdom" in your hands.

What you choose to do with them is up to you.

I hope you'll decide to act, before your competitors do. I'd be even happier to receive an email from you soon, telling me all about your success story!

All the best and good luck with your business ventures,

Paul

A handwritten signature in blue ink, consisting of a large, stylized 'P' followed by a long horizontal line that ends in a small hook.

Paul Crane

CEO, Local Text Marketers

[www.LocalTextMarketers.com](http://www.LocalTextMarketers.com)

When we talk to business owners, most of them immediately “get” the text message marketing opportunity. Others seem to be frightened or skeptical of new strategies and technologies.

If you’re one of the latter, and are not convinced that this is a viable opportunity, I suggest you start watching the fliers that show up in your mail a little more carefully from now on. Over the next weeks and months you will see more and more big brands making some sort of text-based offer in their advertising.

If the big guys and gals with their wads of advertising dough and focus groups think this is something worth pursuing, why shouldn’t you? Or perhaps you’re just not sure how you could use text message marketing in your business?

This page will help: <http://localtextmarketers.com/sms-text-marketing-for-businesses/>

**References:** Pew Research Center, NielsenWire, Wireless Quick Facts (CTIA), ComScore, Network World

Ericsson Mobility Report Global Mobile Statistics: (MobiThinking) Mobile Syrup