

The Function of SMS in **Business Communications**



Cloud
Communication
Platform

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Introduction to SMS

In contemporary world mobile channeling has become a significant part of Business communication everywhere.

SMS- in today's' world is an affective and fastest tool through which business communication can be carried out in no time. It is simple to use and easy to reach. It is virtually available on all kinds of mobile and similarly all service providers across the world prefer their users with this service. More than 5 billion people across the world use SMS for communication which makes mobile channeling the most pervasive form of communication.

The use of mobile phones has become inevitable. Research conducted by Single Point in 2010 postulates that people read more than 90 percent of their text messages as compared to emails which are read only by 40 percent people.

With this growing trend consumer also tend to switch to SMS to communicate business.

The multichannel communications spectrum

Traditionally, business communication is carried out with the help of different mediums like radio, television, printing, or web-marketing. In today's world these channels, are integrated with mobile to reach clients with ease.

Through mobile channeling organizations diversify their marketing strategies in order to reach an array of audiences. This not only allows them to connect with their right target, but also helps them to lessen the risk which is associated with relying upon one platform on communication. In business communication a successful strategy is the one which is based on the use of SMS, mobile-web and Smartphone application integrated with traditional means of communication, since all of them have their own purposes and strengths.

Unlike other communication strategies mobile channeling doesn't require any kind of advertisement because different firms can easily communicate with SMS to any of their consumer by just having a mobile phone. When integrated with other mediums of communications, mobile phone can dramatically enhance the performance of campaigning.

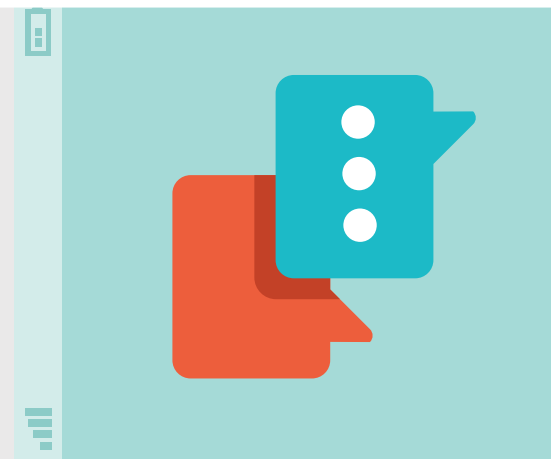
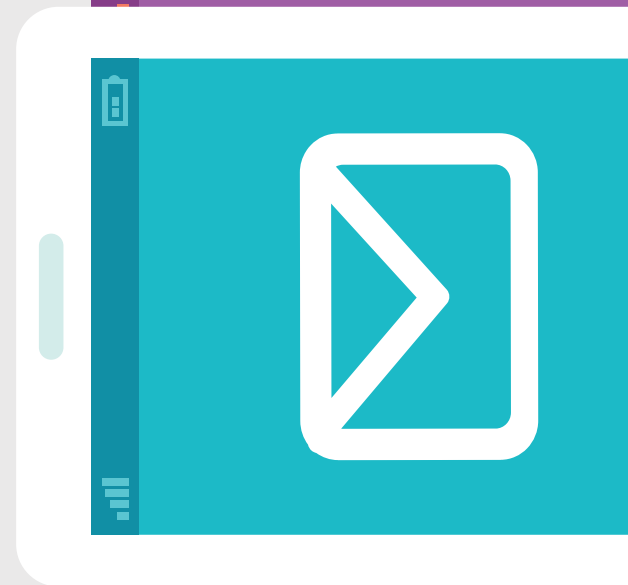
Through mobile channeling companies can easily initiate the action through an interaction rather than, leaving the chance up to the consumer to stimulate it. SMS provides companies with an effective push mechanism and offers the consumer with a return path for effective communication.



SMS can be integrated into mobile phone apps and websites which can keep consumers engaged with brands. This helps the consumer to experience rich media and brand interaction. For instance: Through different Smartphone application companies can proffer options of SMS or Email alert which, can be used for inter-communication with consumer to inform him about or for the promotion of a revenue generating upgrade.

Although the Smartphone applications are in trend, but research conducted by Neilson in asserts that only 22 percent of use such application. Rich graphics and media do help companies to gain the attention of the consumers, but SMS integrated with other communication strategies help companies to reach up to 78 percent of mobile users. This research also postulates that Smartphone users are more into texting than those with phones with simple features.

Another new thing in the world of mobile channeling is location-based services (LBS). These services allow mobile marketers and hosts of different other mobile services with the ability to do things within business, which in the past were never possible. For this purpose different Location-based campaigns are carried out which help marketers create purchase offers to consumers to generate foot traffic and revenue on immediate basis.



McDonald is one example which is currently using LBS marketing successfully. This food chain targeted its customers in Finland. They used LBS in 82 McDonald restaurants and the location-based campaign allowed them to extend their stance to their mobile users. After this, business strategy a dramatic increase in the sale of the restaurant was witnessed.

Integrating SMS with LBS help marketers form a wholly new form of mobile marketing and they can achieve dramatic and immediate results. Through this strategy they can easily target their customers and can make effective communication with them in order to search for products and services and their desired location.



SMS combined LBS can spread information in real-time in no time due to which it creates many unique opportunities for marketers. SMS can be used in business to:

- Increase brand loyalty by initiating action through interaction.
- SMS has the ability to create frequency with 1:1 communications.
- SMS help marketers reach consumers who don't have the facility of data plan in their phones.
- Help marketers acquire new customers.
- SMS helps marketers to monetize their interaction with consumers with the help of timely incentivized offers.
- Consumers can have an extra contact option to connect with marketers.
- When integrated with LBS, SMS creates highly targeted campaigns.
- Combination of SMS and LBS is a winning combination for marketers. Those companies who integrate this strategy in their business reap the benefits for the long term.



Use of SMS in today's world

The use of SMS is being actively employed in business across the globe. The aim is to increase loyalty and engagement of consumers and audience in a non-intrusive way. Companies can employ SMS to:

- Spread brand awareness
- Construct an intent to purchase
- Promote timely and incentivized offers
- Improve customer service
- Lessen the cost of the call centre volume

The following case studies depict how different companies are making use of SMS in their business to improve their communication.



Mobile Banking and Financial Services

Financial servers like bank are integrating SMS into their business to save advertisement cost and for communicating with their current, potential customers.

Research commissioned by Juniper asserts that mobile banking usage will be doubled in the next three years and more than 400 million consumers will reap benefits of the mobile banking worldwide. Banks are making use of SMS in their business not only to serve existing customers, but on the other hand to attract the new ones. It is an easy and cost-effective way to enhance their business. Research postulates that mobile banking has dramatically increased the customer acquisition by 60 percent.

There is an array of SMS transaction which different financial institutions, banks and credit unions can employ to make their communication services better for their services and future prospects.



Banks and credit unions

Total account balance

- Fund transfer confirmation.
- Overdraft alerts.

Statement request

- Debit/Credit alerts.
- Info requests.

Fund Transfer

- Locate ATMS/Branch.
- Consumer Feedback.

Info request

- List of last 5 transactons.
- "Call me" customer services.

Click to Call services

- Fund transfer between accounts.

Credit card services

Alert for frauds

- Balance limit alerts.
- Card not working/present.

Reminders for payments

- Notification collection.
- Card authentication problem.



Financial services

Reminders for Appointment

- Access to loans.
- Fund Transfer.

Alerts for stocks

- Stock quotes.
- Management plan for pension.

Finance market updates

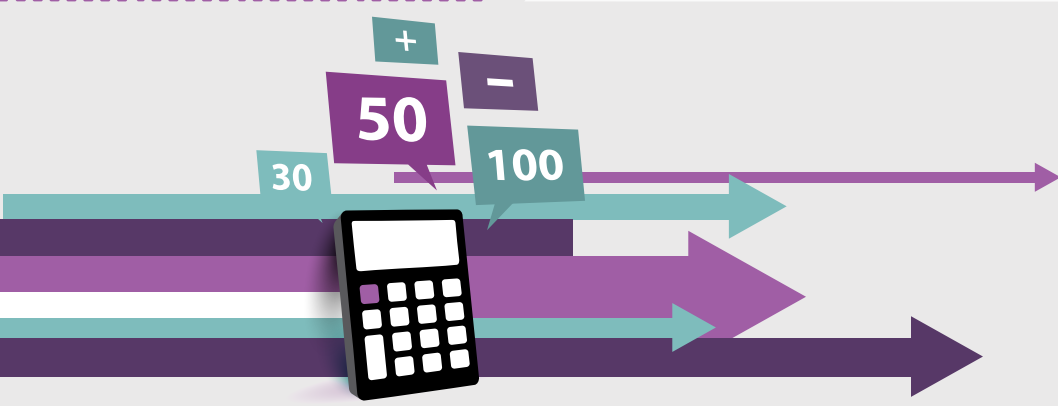
- Confirmations of sale and purchase.
- Billing alerts.

Interest rates

- Fund transfer between Accounts.
- 2-factor authentication.

One-time password

- Insurance, mortgage and loan application tracking.
- Stock trading.





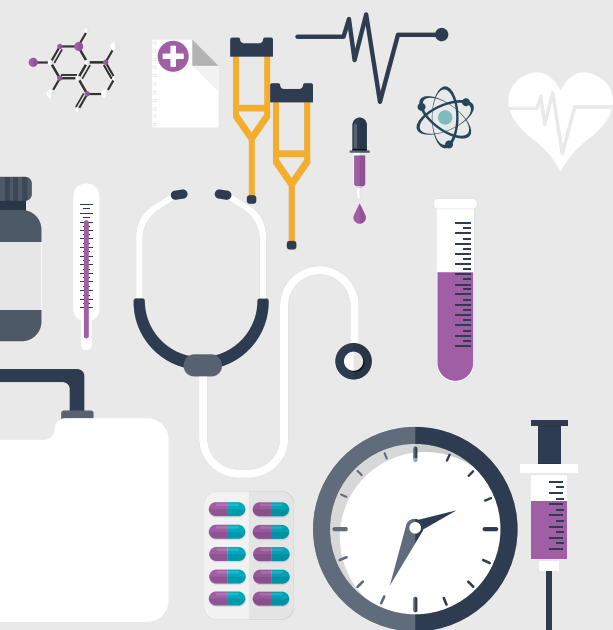
Call Centers

Across the globe call centers are using an SMS service to defer the support cost by proffering their clients with an opportunity to self-serve their needs. Text messaging can be proactively employed in call centers to contact consumers and to allow them to send in their requests in texts.

Different companies can use SMS services to connect themselves to their potential clients and to interact with the existing ones. SMS helps consumers to build deeper brand awareness in their clients. This not only helps them increase their traffic but also ultimately enhance customer conversion.



Healthcare



SMS service helps healthcare centers lessen their cost and increase their work and customer efficiency. It also assists people in making their health better. Healthcare companies are currently employing SMS service in their business to communicate better with people. They text the results and treatment advices to their patients along with billing information.

SMS are also helpful for appointment reminders and medication or alerts about the availability of prescriptions.

Retail



Retailers employ the use of SMS to spread brand awareness and to increase their sales. Mobile channeling is a highly effective way to promote personalized offers immediately. It is the easiest way to increase loyalty of consumer through communication via their personal mobile devices.

Through SMS retailers promote themselves to increase their basket size and to achieve their market objectives. They build opt-in databases to communicate with their consumers in no time. Retailers use coupons for the sake of promotion they can also combine SMS coupons with location-based SMS due to which they can target their consumers anywhere they want.

SMS is a very effective and powerful mechanism, which allows the retailer to drive consumer traffic in an inexpensive way. Research commissioned by Forrester Research Inc. in 2010 surveyed 109 major retailers postulated that 74 percent of these 109 retailers had a plan to implement on mobile strategy to promote their business. Report also posited that one in every five retailer was already using SMS service to drive consumer traffic.

Conclusion

The compatibility of SMS with virtually all of the five billion mobile phones in use across the world today makes it an inseparable component for any kind of business marketing and customer interaction strategies. Its immediacy and interactional capacity is unprecedented in any other channel. Financial pressures have always been at the heart of business related problems. In such circumstances, SMS no doubt is the best strategy which enables the companies to increase ROI, efficiency, and to control cost dents.

The uniqueness of SMS is because of its immediacy, accessibility and the resultant effectiveness. It helps companies to impart meaningful information to their customers; the information tailored to provide the latter with personalized offers. It also helps in creating brand awareness and reinforcing its effectiveness. It enables the companies/ marketers differentiate their services and serve their customers in better ways. Its seemingly unprecedented reach coupled with its ability to provide one to one experience makes it the best marketing tool.

The complementary nature of SMS to other mobile channels, including traditional as well as the novel ones, is also very important. Its ability to integrate with other marketing channels like television, radio, print etc. gives it a unique status in the world of interactions.

It is because of its simplicity and accessibility that its popularity is multiplying, providing brands a series of novel ways to reach and target an extremely diversified and scattered audience. SMS can be your engagement strategy as well!