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2021 SMS Marketing Consumer Trends Report: What Brands Need to Know

How to adapt your mobile marketing strategy to shifting consumer behaviors

Personalized text messaging sits at the nexus of several major (and lasting) trends—the acceleration of e-commerce, the continued shift toward a mobile-first mindset, and the desire for 1:1 conversations between consumers and brands.

Attentive surveyed 2,000 US consumers to reveal insights into how they've shifted their behaviors, what they want to see and hear from brands, and how they perceive SMS. The findings include:

- Which devices consumers are using to shop
- What kinds of messages they want to receive across the customer lifecycle
- How often they want to communicate with brands via text messaging

We also uncovered a few surprises that present brands with significant opportunities to capture the attention of consumers and create brand-loyalists through text messaging.

Explore the **2021 SMS Marketing Consumer Trends Report** to discover the full findings and inform your mobile marketing strategy.

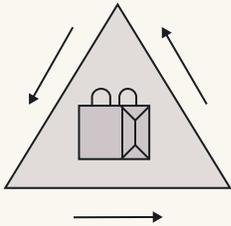
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1 Key Findings

FINDING NO. I

The importance of having seamless mobile experiences grew alongside consumers' reliance on online shopping



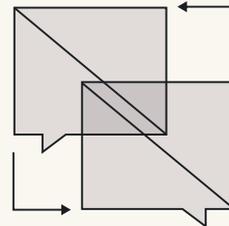
The majority of consumers have **completely shifted their shopping habits** in response to the lasting effects of COVID-19 and the associated “stay at home” orders. When they’re interested in making a purchase, many consumers’ first

instinct is to reach for their phones rather than head to a store—as a result, nearly 75% of consumers are shopping online more than they were a year ago.

This instinct isn’t going anywhere. Because this shift in consumer behavior was accelerated by the need to socially distance, online shopping is now aligned with a sense of safety and security in many consumers’ minds. That’s a powerful association. Plus, for many consumers who were initially hesitant to shop online, the widespread shift to e-commerce has shown them how convenient and simple it is.

FINDING NO. II

There’s a lot of pent-up consumer demand for texting that brands aren’t tapping into yet.



Personalized text messaging has emerged as a way for consumers to connect 1:1 with brands. Not only is it a useful addition to the one-to-many channels they draw value from, but it also allows them to engage in two-way conversations that help **deepen their**

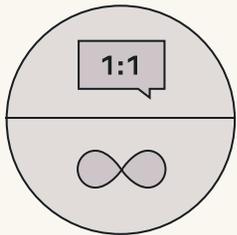
loyalty. It’s beneficial for brands, too. SMS marketing helps engage mobile consumers and convert them into loyal customers.

Plus, when it comes to the brands they love, consumers want to hear from businesses **more frequently** via text. As a result, engaging with consumers via SMS has emerged as a valuable differentiator for brands that offer it—and a significant missed opportunity for those that don’t.

1 Key Findings

FINDING NO. III

SMS subscribers have strong engagement and lifetime value



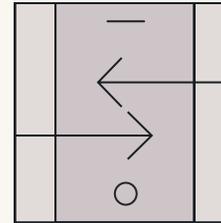
Consumers see personalized text messaging as a high-value channel that serves several purposes. First, they enjoy having offers and rewards sent directly to their text messaging inboxes, saving them the valuable time they'd otherwise spend searching for

deals online. Second, the personal, 1:1 nature of SMS helps them feel valued by the brand—deepening their loyalty over time.

Consumers are interested in using text messaging **throughout the customer lifecycle**—to source deals before making a purchase, and to stay in touch after they've clicked “buy.”

FINDING NO. IV

The future of personalized text message marketing is two-way conversations at scale



Now that consumers are shopping on their phones more than ever, they're interested in handling all aspects of their order via mobile—including communicating with brands' customer support teams. This is a natural extension of the mobile shopping

experience, to the benefit of both consumers and brands.

By handling customer service questions via text, consumers get to stay on one device, and they get to have **conversations in real-time**. In turn, by creating the seamless and helpful mobile ecosystem shoppers want, brands are building trust, making it easier for their audience to take action, and driving repeat purchases.

2 E-commerce growth isn't taking its foot off the gas pedal

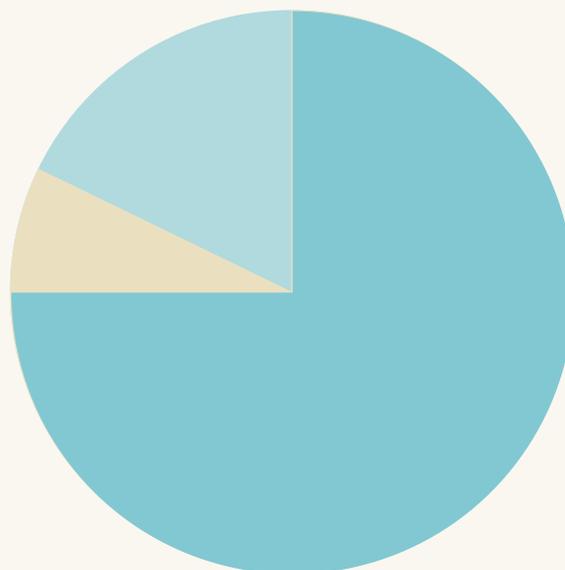
Nearly 75% of consumers are shopping online more than they were a year ago.

COVID-19 has fundamentally changed how we shop. For many people, online shopping—especially via smartphones—is tied to a sense of safety and ease. This kind of association makes it a hard habit to kick.

These new consumer habits open the door for brands to rethink traditional shopping experiences—especially product discovery and clienteling—to attract and retain customers.

E-commerce growth in 2020 didn't come as a big surprise. But the shifts in consumer behavior that were underway well before the beginning of COVID-19 accelerated faster than anyone anticipated. Now, for many of us, our first instinct is to look for a product online before (or instead of) heading to a store.

HAS YOUR ONLINE SHOPPING BEHAVIOR CHANGED OVER THE PAST YEAR?



74.5%

Yes, I have shopped more online than I did before

17.8%

No, it has not changed

7.8%

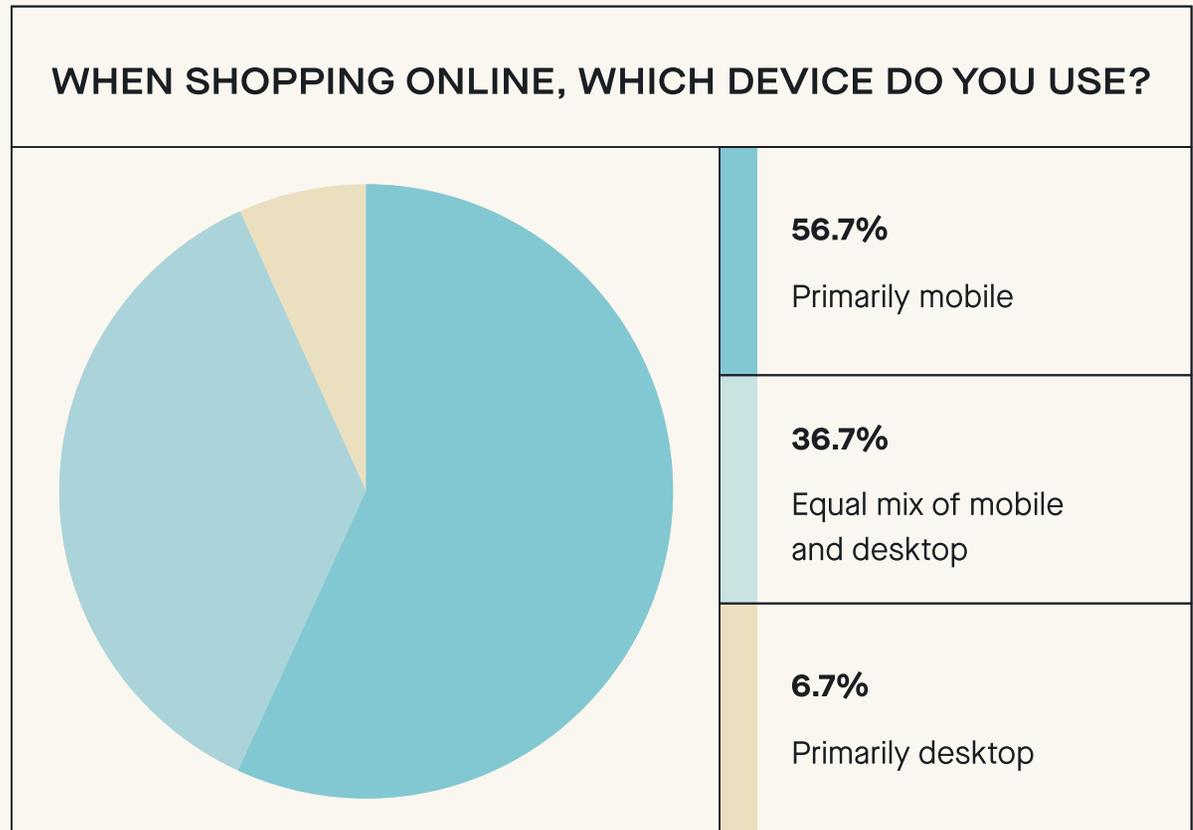
Yes, I have shopped less online than I did before

2 E-commerce growth isn't taking its foot off the gas pedal

Shoppers are embracing a “mobile-first” (and for some, a “mobile-only”) mindset. 56.7% of consumers primarily use mobile when shopping online, with 36.7% using an equal mix of mobile and desktop. Only 6.7% primarily use desktop.

As consumers embrace online shopping, they're relying on their phones at every step of the buying journey. More often than not, shoppers are primarily reaching for their mobile devices to discover, research, purchase, and track items.

This gives brands the opportunity to curate mobile shopping experiences—from intuitive product recommendations to handling customer support questions via text messaging.



3 “Text me.” –Your audience

Brands need to keep up with demand: 91% of consumers are interested in signing up for texts, but not all businesses offer it yet.

Consumers don't exist solely on one channel, and neither should your brand. They want to be able to choose how they communicate with businesses. Many consumers have made it clear that they're hungry for the opportunity to text their favorite brands, so not offering text messaging means you're leaving money (and consumer goodwill) on the table.

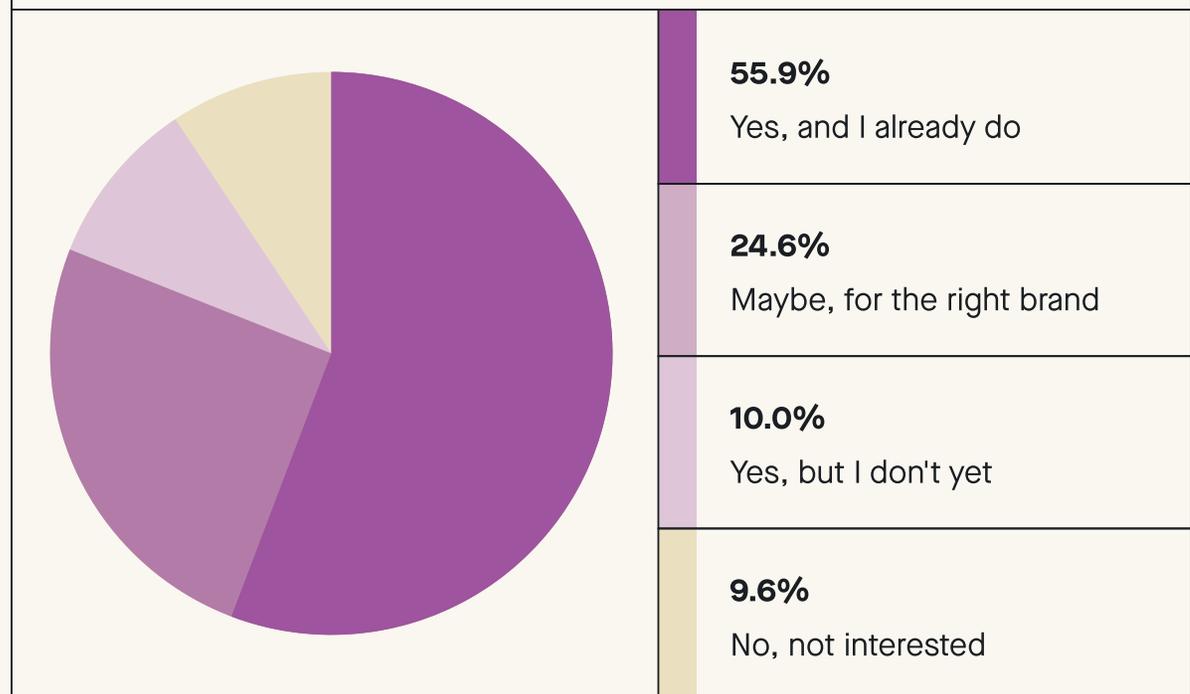
Nearly all of the consumers we surveyed said they would consider signing up for texts from the brands they're interested in. They're putting their money where their mouth is, too—over 55% have already signed up for texts.

Yet supply isn't keeping up with demand. While more brands are investing in text message marketing, many businesses have yet to offer SMS as a communication

channel for consumers—representing a valuable differentiator for those that are and a significant missed opportunity for those that aren't.

With over 90% of consumers interested in texting with them, brands have a massive chance to capture consumers' attention (and e-commerce revenue).

WOULD YOU SIGN UP TO RECEIVE TEXT MESSAGES FROM BUSINESSES?

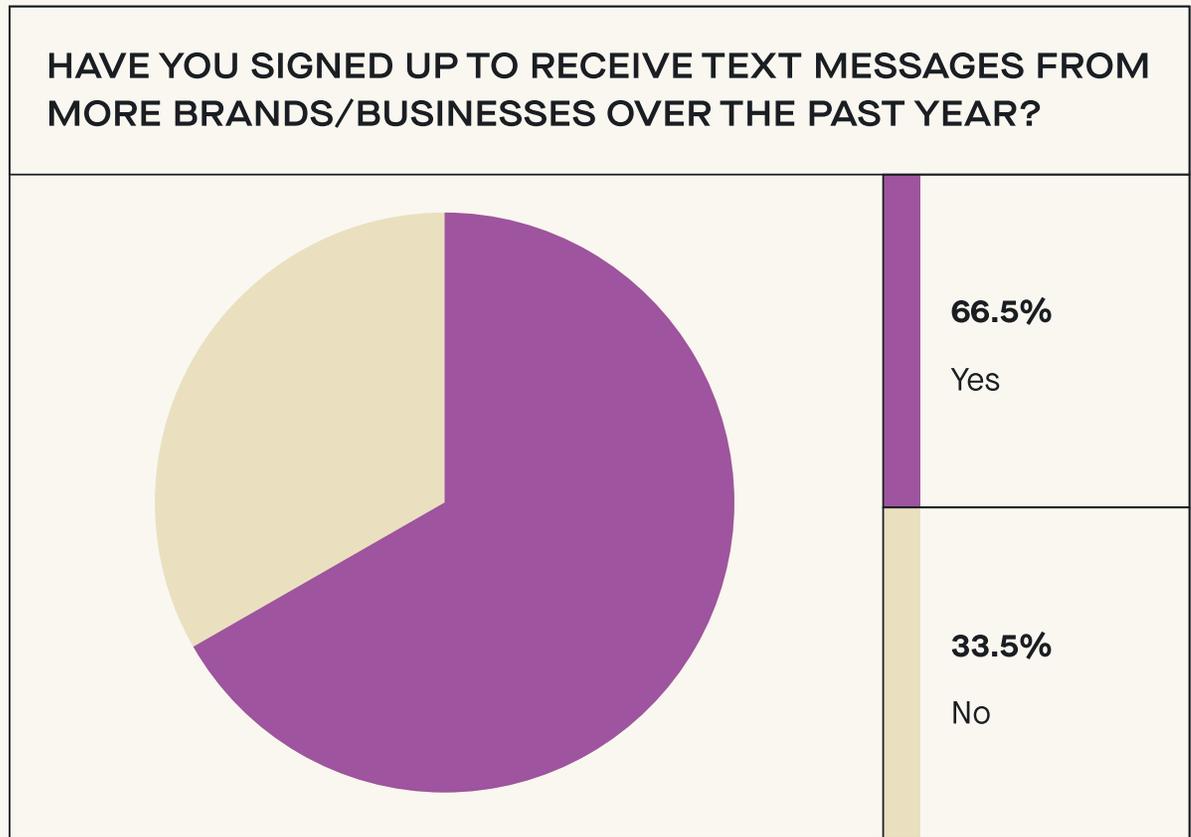


3 “Text me.” –Your audience

Consumers are increasingly excited to connect with multiple brands through text—66.5% of shoppers signed up to receive texts from more brands in 2020.

SMS adoption has grown alongside the acceleration of e-commerce. Over the past year, 66.5% of consumers signed up to receive texts from more brands than they did the year before. There's pent-up demand from consumers who are excited to sign up for text messages from their favorite brands. As more brands offer SMS programs, consumer adoption has significantly increased.

As a result of rapid subscriber growth, brands are embracing the opportunity to thoughtfully engage each of their audiences. Many brands are leveraging segmentation to deliver personalized messages that delight their subscribers.



4 Consumers know how they want brands to engage with them via SMS

A dollar-off discount is the preferred incentive for signing up for a brand's SMS program, followed by percentage-off and free gift offers.

Consumers see text messaging as a high-value channel that helps them achieve several goals, including: finding the best deals, staying in the know with exclusive updates, and building 1:1 relationships with the brands they love. Interestingly, during this protracted period of economic uncertainty, consumers are equally motivated by savings and brand loyalty.

This positions personalized text messaging as both a powerful acquisition and retention tool for brands. The mobile audience a brand builds through their SMS marketing program is a mix of high-intent potential purchasers and existing loyal customers, presenting the opportunity for brands to keep subscribers engaged throughout the buying journey, drive repeat purchases, and strengthen overall lifetime value.

True to the current economic environment, consumers remain very value-driven. Consumers indicated that dollar and percentage-off discounts—as well as free gift offers—were most likely to entice them to sign up for a brand's SMS program. Studies have shown that dollar-off incentives perform best when tied to products and orders of \$100 or

more. Meanwhile, consumers prefer percentage-off discounts for products and orders below \$100.

We uncovered a bit of a surprise, as well—consumers ranked loyalty almost as high as they did immediate value (think: money saved).

WHICH OF THE FOLLOWING INCENTIVES WOULD MAKE YOU MOST WILLING TO SIGN UP FOR TEXT MESSAGES FROM A BRAND?

Dollar-off discount	#1
Percentage-off discount	#2 - TIED
Free gift with your next purchase	#2 - TIED
Loyalty or rewards points	#4
Access to exclusive content	#5 - TIED
Entry into a giveaway	#5 - TIED

4 Consumers know how they want brands to engage with them via SMS

In short: Discounts aren't the only offers that will incentivize consumers to sign up for text messaging. This finding debunks a common misconception that SMS is a channel only used for sharing discounts. Instead, consumers are very interested in joining SMS programs to learn more about the brand and become a part of an active community. Brands have an opportunity to build highly engaged communities through SMS by creating a sense of "exclusivity."

Consumers are incentivized by perceived value, ranking incentives and loyalty benefits as the top marketing messages they'd like to receive.

After a year of economic uncertainty in 2020, consumers are interested in finding the best possible deal. More often than not, they're looking for those deals on their phones, so getting offers sent directly to their text messaging inboxes helps them save time and get peace of mind.

Text messaging subscribers are often among a brand's most loyal customers and are very interested in using text messaging to receive valuable updates from their favorite brands. For some subscribers, value simply means discounts and flash sale updates.

Others prioritize being a part of an "exclusive" community where they can get a sneak peek into the brand. And many want to be the first to know when their favorite products are back in stock or a new product has launched.

WHAT TYPES OF MARKETING TEXT MESSAGES ARE YOU INTERESTED IN RECEIVING FROM THE BRANDS YOU ARE SUBSCRIBED TO?

Incentives/coupons	#1
Loyalty benefits	#2
Product updates/launches	#3
Exclusive content	#4
Back-in-stock alerts	#5
Product recommendations	#6
Store news and events	#7

4 Consumers know how they want brands to engage with them via SMS

51.1% of consumers say they're more likely to make a purchase if they receive text messages with images and media.

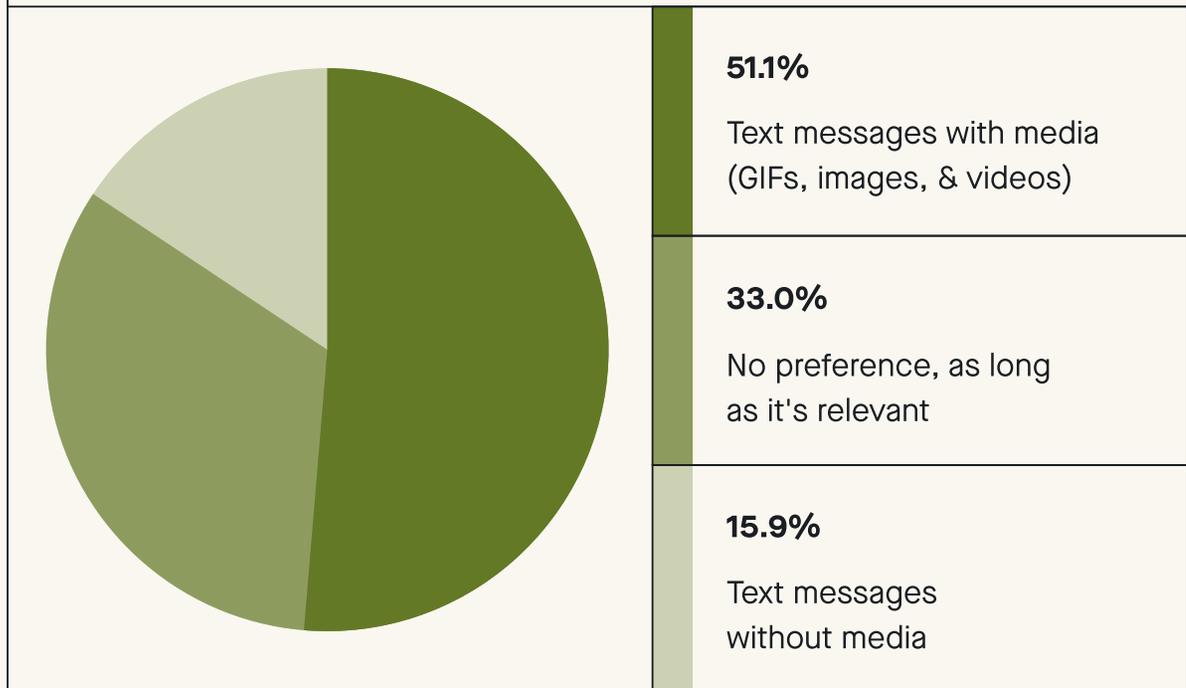
Text messaging is a bit of a misnomer now, as multimedia options for the channel have come a long way. According to our research, 51.1% of consumers say they'd be more likely to make a purchase if they received a text with a GIF, image, or video.

However, it's almost as important that the content within the text message is relevant, with 33% of shoppers saying they don't have a preference between SMS or MMS as long as the message contains relevant information. Today's consumers expect a polished experience—complete with engaging graphics and personalized information.

SMS PRO TIP

Find the sign-up incentive that resonates with your audience by leveraging Attentive's A/B testing functionalities.

WHICH TYPE OF TEXT MESSAGE WOULD MAKE YOU MORE LIKELY TO COMPLETE A PURCHASE?



4 Consumers know how they want brands to engage with them via SMS

Consumers want to receive texts from brands more often than you think: 58% want to hear from brands multiple times per week.

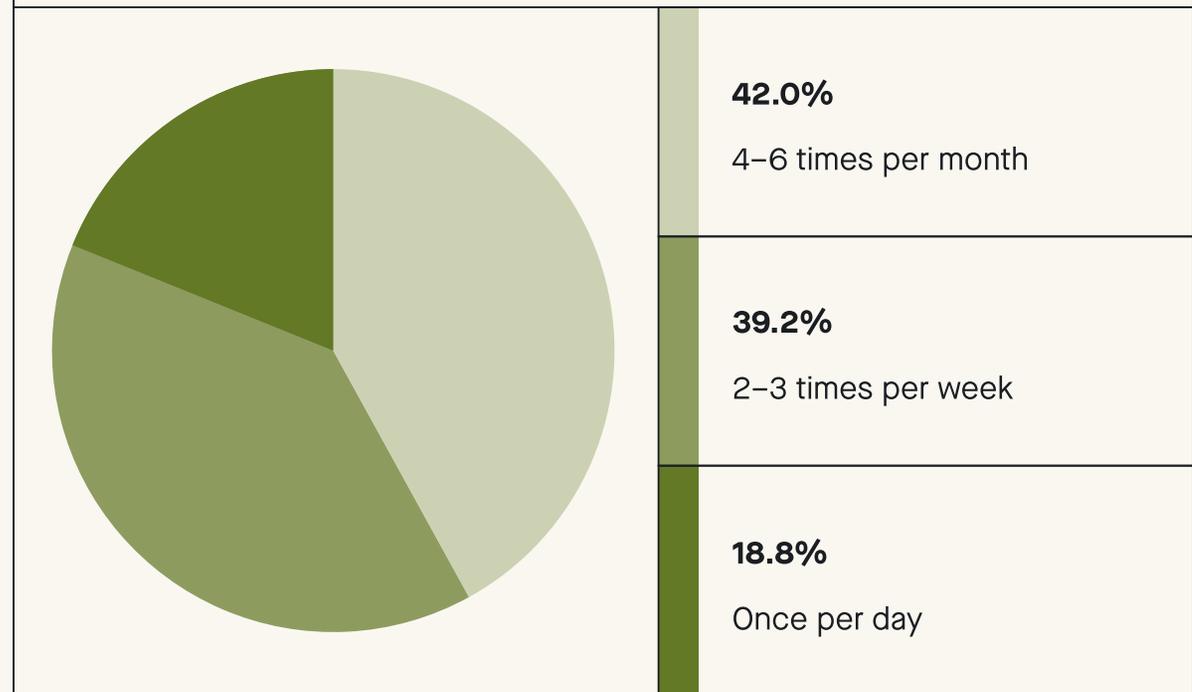
Consumers want to hear more from their favorite brands. In addition to hearing from brands at least once a week, 58% want to hear from brands multiple times per week and 18% say they are okay with once per day.

But it's important to determine what works best for your specific audience. Consumers know what value means for them when it comes to texting with brands—timely, relevant, and personalized messages. Subscribers want to know there's a purpose behind each message—that it's relevant to their interests or it's time-sensitive.

Brands should continually analyze their text messaging audience to find the cadence that will drive engagement. For some brands, this may mean adopting

different cadences for segmented audiences based on actions they've taken or product categories they've expressed interest in.

HOW OFTEN WOULD YOU LIKE TO RECEIVE MARKETING TEXT MESSAGES FROM BRANDS THAT YOU SIGNED UP TO HEAR FROM (E.G. SALES, NEW PRODUCTS, ETC.)?



5 Consumers want to talk, not just be talked at

Over 70% of consumers want to ask brands questions—and they want to get answers in real time.

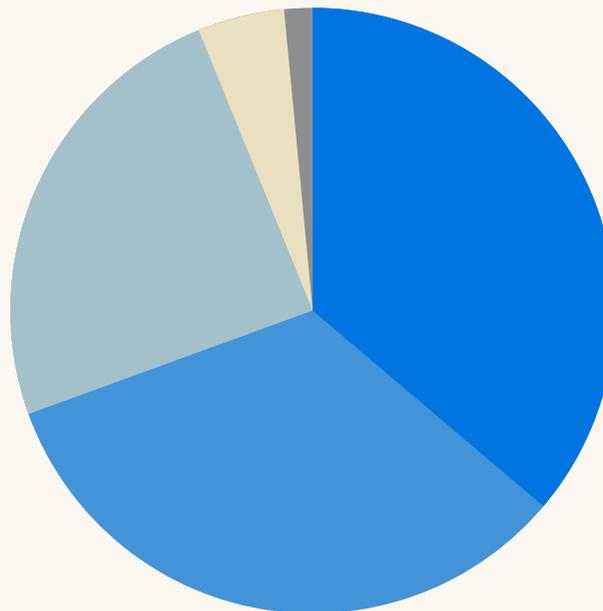
Perhaps the biggest surprise we uncovered was the discrepancy between the number of brands that offer customer service via text messaging and the number of consumers who are hungry for it. Text messaging is a natural two-way communication channel—consumers are used to having conversations via text. They’ve indicated that they want to text with brands, not just receive one-way messages without the option to connect back.

Almost 70% of consumers indicated they would be extremely likely or likely to connect with a brand via text message to receive customer support. Another 24% would consider it. Consumers are excited about the possibility of handling all aspects of their order on one device,

rather than having to pull out their laptop to get answers to their questions. The instantaneous nature of text messaging is

also appealing to consumers. They’d rather communicate on their own time rather than calling and being put on hold.

HOW LIKELY WOULD YOU BE TO INTERACT WITH A BRAND FOR CUSTOMER SERVICE VIA TEXT MESSAGING (IF THEY OFFERED IT)?



36.1%
Extremely likely

33.3%
Likely

24.4%
Maybe

4.7%
Unlikely

1.5%
Extremely unlikely

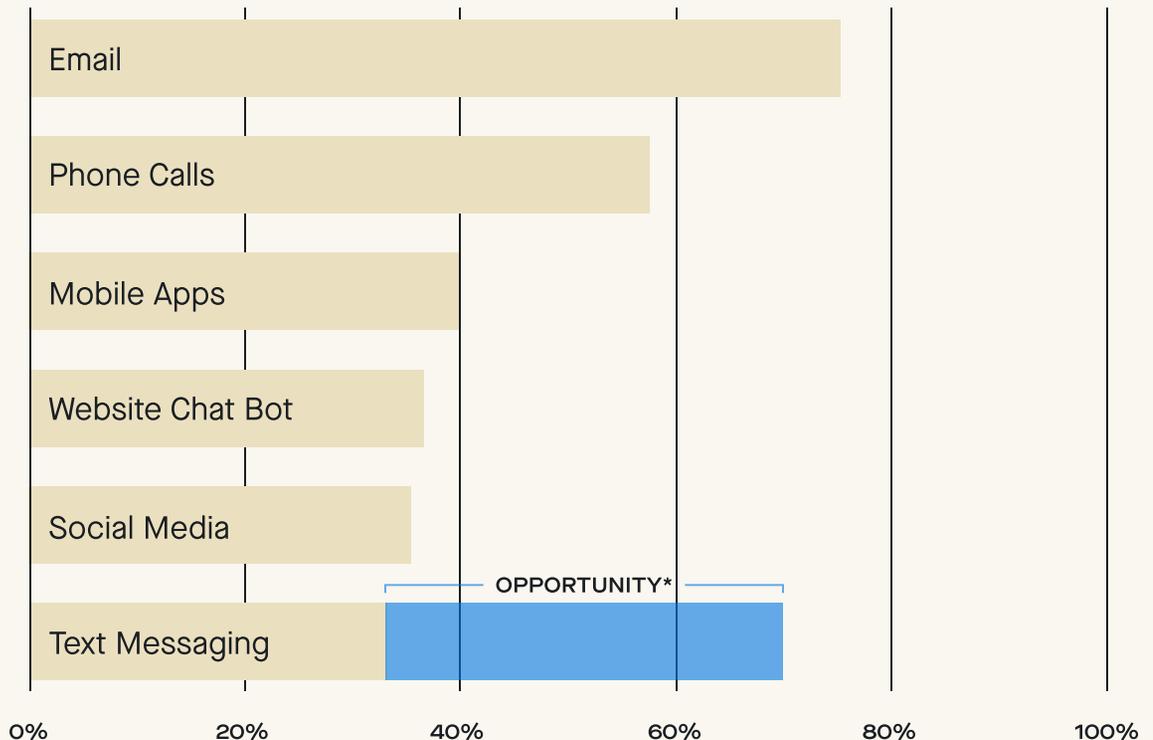
5 Consumers want to talk, not just be talked at

There's a major opportunity for brands to get ahead by offering customer service via SMS.

Despite nearly 70% of consumers saying they'd like to get answers to their customer service questions via SMS, nearly half that number currently does. This discrepancy between consumer interest and actual use today may be a result of many brands not offering customer service within their text programs.

Brands have the opportunity to tap into pent-up demand—and stand out from their competition—by creating two-way support experiences through personalized text messaging. Due to demand, brands can expect rapid consumer adoption.

HOW DO YOU CURRENTLY INTERACT WITH BRANDS FOR CUSTOMER SERVICE? (SELECT ALL THAT APPLY)



*Opportunity based on **Extremely likely** and **Likely** responses in previous graph: "How likely would you be to interact with a brand for customer service via text messaging (if they offered it)?"

6 Methodology

PARAMETERS	
Timing	Data was collected between October and December 2020
Population	Consumers between the ages of 16-75, living in the US, who own a smartphone
Sample	Online consumer panel, 2,000 respondents; results are rounded to the nearest tenth

SEGMENTATION	
Gender	52% female, 48% male
Device	50% Android, 50% iOS
Generation	19% Gen Z (ages 16-25) 31% Millennial (ages 26-38) 31% Gen X (ages 39-54) 19% Baby Boomer (ages 55-75)

7 Ready to implement these findings in your 2021 mobile marketing strategy?

Attentive helps over 2,500 brands effectively engage their mobile audiences with personalized text messaging. Using real-time behavioral data, Attentive automatically sends engaging text messages to each subscriber at every step of the customer lifecycle.

Have questions about our survey findings or how to implement these learnings in your own text messaging program? We're here to help! Reach out to us at info@attentivemobile.com or [request a demo](#).

Want to keep the conversation going?

Explore how text messaging can become one of your brand's top three revenue channels with [Attentive Outlook 2021](#). [Sign up for texts](#) to get exclusive bonus material and be the first to know about new content.

SIGN UP