

Module 4 - SMS Marketing and Types

SMS Marketing means sending promotional or informational messages to customers through SMS (text messages) on their mobile phones. It is a part of digital marketing because businesses use digital technology (mobile networks) to communicate with customers.

In simple words:






SMS marketing = Using text messages to promote products, services, offers, or updates to customers.

Example:

A clothing store sends a message:  
“50% OFF on all jackets this weekend. Visit our store today!”  
That message is SMS marketing.

Why Businesses Use SMS Marketing?

Businesses use SMS marketing because:

-  Almost everyone reads SMS quickly
-  Messages are delivered instantly
-  High open rate (around 90-98%)
-  Low cost compared to many ads
-  Direct communication with customers

Example industries using SMS marketing:

- E-commerce - for delivery updates
- Banks - for various transaction alerts
- Restaurants - for coupons
- Hospitals - for various discounts
- Schools - for new admissions and holiday
- Travel companies - for travel plans and bookings

Types of SMS Marketing

There are different types of SMS marketing based on the purpose of the message.

**1. Promotional SMS**

These messages are sent to promote products, services, discounts, or offers.

Purpose:

- Increase sales
- Promote new products
- Attract customers

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**Example:**

“Big Sale! Get 40% OFF on shoes today. Visit www.shop.com”

**Features:**

- Sent in bulk
- Usually sent during business hours
- Used for marketing campaigns

**Example uses:**

- Festival sales
- New product launch
- Special discounts

**2. Transactional SMS**

These messages provide important information related to a customer's transaction or activity.

**Purpose:**

- Provide updates
- Send alerts
- Confirm actions

**Example:**

- Bank OTP
- Order confirmation
- Delivery updates

**Example SMS:**

“Your order #4567 has been shipped and will arrive tomorrow.”

**Features:**

- Sent automatically
- Important information
- Usually delivered instantly
- Cannot be blocked easily because they are service messages

**Industries using it:**

- Banking
- E-commerce
- Online services

**3. OTP (One Time Password) SMS**

OTP SMS is used for security verification.

**Purpose:**

- Confirm user identity
- Protect accounts

**Example:**

“Your OTP for login is 345921. Do not share with anyone.”

**Used by:**

- Banks

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**SMS Marketing and Types**

- Apps
  - Online websites
  - Payment systems
- Features:
- Very fast delivery
  - High priority
  - Valid for limited time

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**4. Alert SMS**

Alert SMS is used to send important notifications or reminders.

Purpose:

- Inform customers quickly

Examples:

- Appointment reminders
- Payment reminders
- Emergency alerts

**Example:**

“Reminder: Your doctor appointment is tomorrow at 10 AM.”

Industries:

- Hospitals
- Schools
- Utility companies
- Airlines

**5. Customer Engagement SMS**

These messages are used to interact with customers and build relationships.

Purpose:

- Get feedback
- Conduct surveys
- Improve customer experience

**Example:**

“How was your experience with us? Reply 1 for Good, 2 for Average, 3 for Poor.”

Benefits:

- Understand customer satisfaction
- Improve service quality

**6. Loyalty and Reward SMS**

Businesses send SMS to reward loyal customers.

Purpose:

- Keep customers coming back
- Build brand loyalty

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**Example:**

“You earned 200 reward points. Redeem them on your next purchase!”

Uses:

- Membership programs
- Reward points
- Exclusive offers

**3. Advantages of SMS Marketing**

- Very high open rate
- Fast communication
- Works without internet
- Cost-effective
- Direct reach to customer

**4. Disadvantages of SMS Marketing**

- Limited characters (usually 160)
- Can feel like spam if overused
- Requires customer permission
- Limited design (only text)

**Examples of Well-Known Brands Using SMS Marketing**

**1. Amazon**

Type: Transactional SMS / Order Update

Example SMS:

“Your order from Amazon has been shipped and will be delivered tomorrow. Track your order here: amzn.in/track”

Purpose:

- Inform customer about order status
- Improve customer experience

Why they use SMS:

- Customers get instant updates about deliveries.

**2. Domino's Pizza**

Type: Promotional SMS

Example SMS:

“Hungry? Get 50% OFF on medium pizzas today. Order now from Domino's App!”

Purpose:

- Increase sales
- Attract customers during promotions

Why they use SMS:

- Food businesses use SMS to increase quick orders.

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### 3. Flipkart

**Type:** Promotional + Transactional SMS

**Example SMS (Sale Promotion):**

“Big Billion Days Sale starts tonight! Up to 70% OFF on electronics. Shop now on Flipkart.”

**Example SMS (Order Update):**

“Your Flipkart order #2345 has been delivered. Thank you for shopping with us.”

**Purpose:**

- Promote big sales
- Send order updates

### 4. Swiggy

**Type:** Promotional / Engagement SMS

**Example SMS:**

“Feeling hungry? Get ₹125 OFF on your next order. Use code HUNGRY.”

**Purpose:**

- Encourage users to order food
- Increase app usage

### 5. Uber

**Type:** Transactional SMS

**Example SMS:**

“Your driver XYZ will arrive in 3 minutes in a white Swift. Track ride here: uber.com”

**Purpose:**

- Provide ride updates
- Improve customer convenience

### 6. HDFC Bank

**Type:** OTP / Alert SMS

**Example SMS:**

“Your OTP for online transaction is 842190. Do not share it with anyone.”

**Example SMS (Alert):**

“₹2,000 debited from your account using debit card.”

**Purpose:**

- Security verification
- Transaction alerts

### 7. Nike

**Type:** Promotional / Loyalty SMS

**Example SMS:**

“Exclusive offer for Nike members: 30% OFF on new running shoes. Shop now!”

**Purpose:**

- Reward loyal customers
- Promote new products

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SMS Marketing and Types

Assignment

Ques 1: What does SMS Marketing mean?

- A. Sending printed advertisements to customers
- B. Sending promotional or informational messages through SMS
- C. Calling customers for marketing
- D. Posting ads in newspapers

Ques 2: Why do businesses use SMS marketing?

- A. SMS messages are expensive
- B. SMS messages are slow to deliver
- C. SMS messages have a high open rate
- D. SMS messages cannot reach customers

Ques 3: Which type of SMS is used to promote products, discounts, or offers?

- A. Alert SMS
- B. Promotional SMS
- C. OTP SMS
- D. Transactional SMS

Ques 4: Which SMS type is mainly used to send order updates and confirmations?

- A. Promotional SMS
- B. Transactional SMS
- C. Loyalty SMS
- D. Survey SMS

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