How to Bring Shoppers

From Consideration to Purchase

THIS HOLIDAY SEASON

How you can use mobile marketing to bring shoppers on the brink of a purchase **over the finish line.**
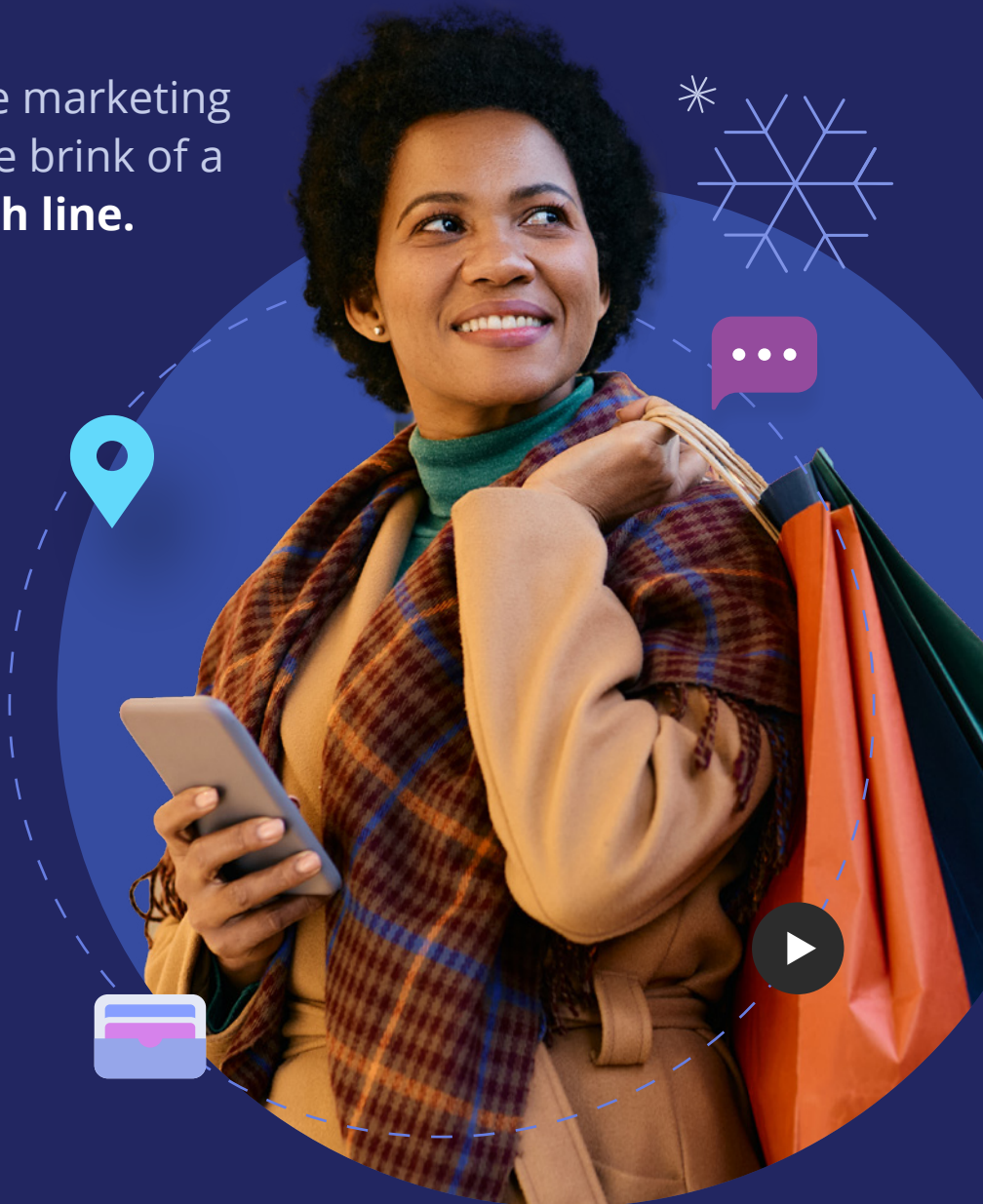
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For many retailers, revenue from holiday sales is a key factor in whether they ultimately have a profitable year. Holiday sales comprise about **one fifth of all retail spending** in the United States, although for some retailers they represent an even larger portion of annual revenue.

Last year, consumers spent **$212 billion** throughout the holiday season, **2.5% more** than they spent the previous year. But converting shoppers is even more important this season, as multiple years of inflationary pressures, labor shortages, and other challenges may be taking a toll.

Total 2022 holiday season revenue:

$211.7*

billion dollars
this season

2.5% more than 2021

In such a challenging marketplace, retailers who can cut through the noise and truly engage with shoppers in a timely manner are poised to find the most success. The key to that, of course, is **providing shoppers with a highly personalized experience** and in the digital channels they prefer.

Why mobile should be the priority channel for retail this holiday.

More than 70% of consumers now expect **personalization**, and more than three-quarters feel frustrated when they don't encounter it. Depending on the business, personalization might take the form of tailored product recommendations or next-best-action suggestions. Tracking the shopper journey – and using that data to inform not only the message but also the channel with which it is delivered in – can have a significant impact on sales.

The good news is mobile as a channel can curate the shopper data retailers need without facing any privacy repercussions. The mobile channel can do this in two ways:

1. Collect information on how shoppers engage with a brand. From the text messages they open to the post-click browsing they do on a website – **also known as first-party data** – the mobile channel's ability to collect behavior-based interactions and use it to engage 1:1 with shoppers is practically baked into its DNA.

2. Capture information shoppers voluntarily offer up to the brand. Be it quiz responses, webforms or 2-way text message interactions – **also known as zero-party data** – shoppers are most likely to share information with a retailer if they believe they'll get something in return that is personalized to them. With more than two out of five consumers **willing to share personal information with a brand in exchange for more personalized experiences**, brands should expect a rich pool of customer data that makes mobile an intimate channel vs. a spammy one.

Seven in ten consumers already receive text messages and mobile app push notifications from brands on their phones, and when combined with **real-time data analyses and insights** retailers will be able to consistently adapt their marketing efforts to help get shoppers on the edge of purchasing across the finish line.

Whether holiday plans are already in the works or not, here are **nine different ideas** for how retailers can effectively activate SMS, MMS and Mobile Wallet this holiday season.

1. Optimize text messages by send time.

About **78%** of U.S. consumers say that **texting** is the primary activity they do on their phones in a given day, a higher percentage than other daily activities such as checking social media, consuming content, using email, and making phone calls. However, a poorly timed text message from a brand they love may not only disrupt their day, it may also result in them no longer wanting to hear from that brand again.

To effectively use the **immediacy of mobile** messaging, retailers can set a text message to automatically deploy within a certain time period before a sale that's local to their SMS subscriber's time zone to capture interest at everyone's **appropriate times**. Then, retailers can **send personalized rewards** to deepen interest, drive more visits, and increase revenue.

While we've done plenty of research around the best time to send text messages, peak times to consider will vary based on the retailer's target audience. For example, one of Vibes' customer's target audiences are parents, and they've found sending messages in the early evening to be highly engaging as it likely lines up with when children are asleep in bed.

Wed, Nov 23 at 7:31 PM

STYLE: EXTRA 30% off your pre-Black Friday order, just for you and tonight only! Shop now: https://vbs.cm/uGfUK4

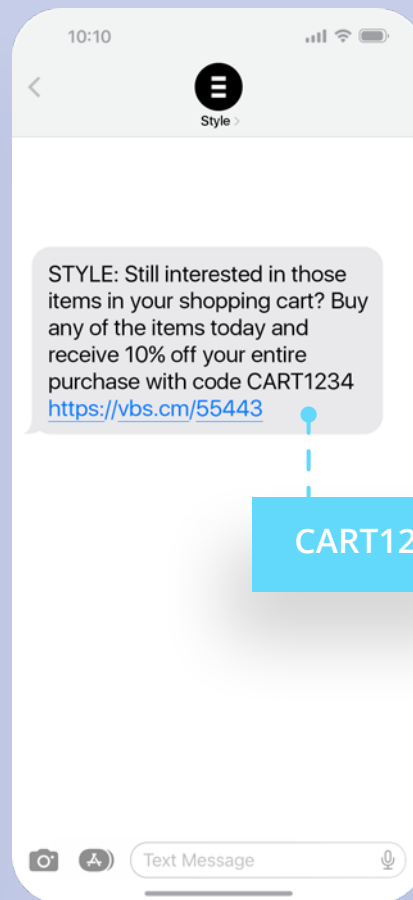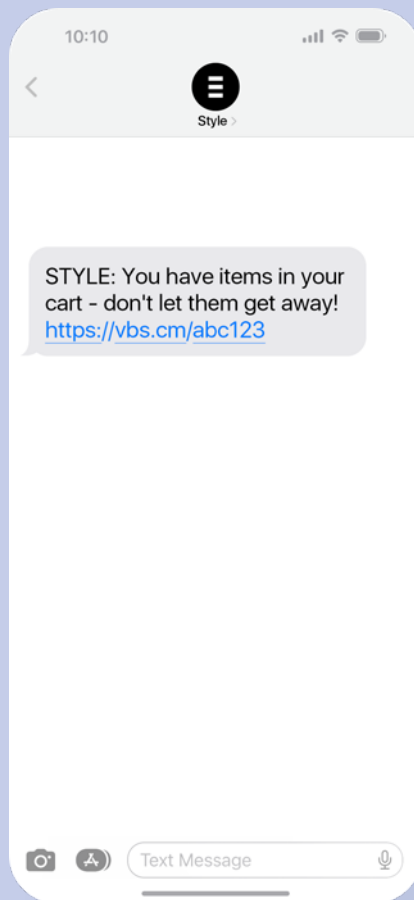## 2. Recover revenue by helping shoppers recover what's in their carts.

The average documented cart abandonment rate is **more than 70%**, creating a huge amount of potentially lost revenue—and a huge opportunity to recover it via timely **SMS** messaging.

Retailers should take advantage of **automating** this type of message to be set and ready to deploy immediately to SMS subscribers **based on an action they've taken** (the action in this case being abandoning their online shopping cart).

STYLE: Text CART to 12345 to receive Style's recurring abandoned cart reminders. Msg&data rates may apply. TextHELP for help. Text STOP to quit. Privacy Policy: https://vbs.cm/abc123

Marketing Activation Tip: one of the primary reasons that shoppers abandon their carts is due to dissatisfaction with the total cost (after taxes and delivery fees), so **including a coupon code** as part of the automated reminder could further encourage shoppers to return to their carts to complete a transaction.
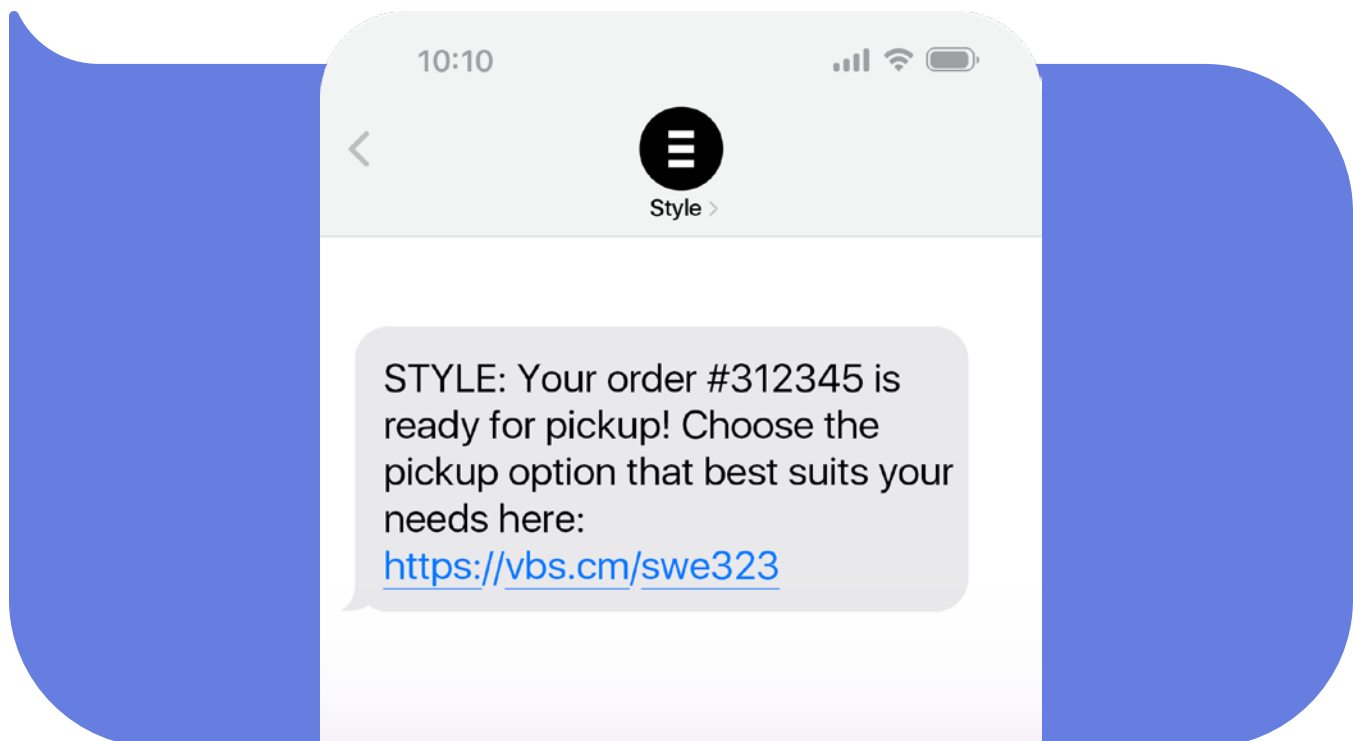
10:10

Style >

STYLE: You have items in your cart - don't let them get away! https://vbs.cm/abc123

Text Message

10:10

Style >

STYLE: Still interested in those items in your shopping cart? Buy any of the items today and receive 10% off your entire purchase with code CART1234 https://vbs.cm/55443

CART1234

Text Message

At Vibes, we've seen our retail customers generate 6-digit figures of incremental revenue from cart recovery SMS messages. One retailer's cart recovery SMS messages contributed to **7% of the total revenue** driven by their SMS program overall.

3. Use SMS to keep shoppers properly updated.

Between ongoing supply chain challenges, the threat of delivery driver strikes, and an unfortunate rise in **packages being stolen** right off of a person's property, people take comfort in knowing where their packages are – and when they're delivered.

While crowded email inboxes or silenced push notifications can make it more difficult for shoppers to be in the know about time-sensitive messages, retailers can provide **real-time order tracking** and delivery information via **SMS**, improving both the purchase experience and long-term relationship between the shopper and the brand.

10:10

Style >

STYLE: Your order #312345 is ready for pickup! Choose the pickup option that best suits your needs here:
https://vbs.cm/swe323

For shoppers who need to make a return, the same theory applies. Providing them real-time information about when the return was received and credited back to their account can take friction out of the return experience, building **immediate trust** that translates to **repeat purchases** later.
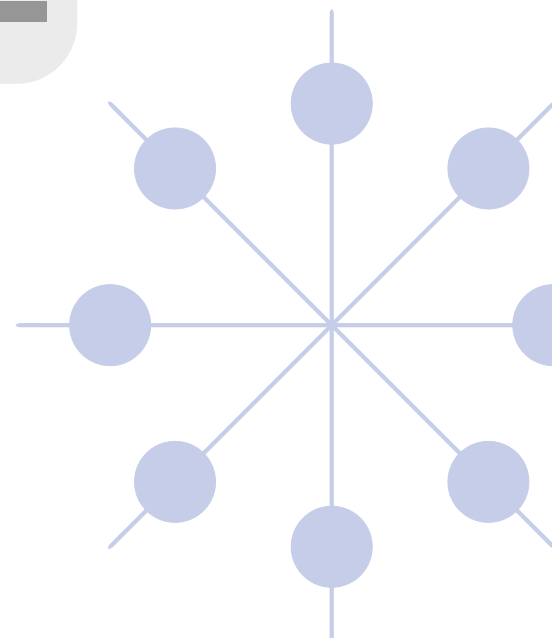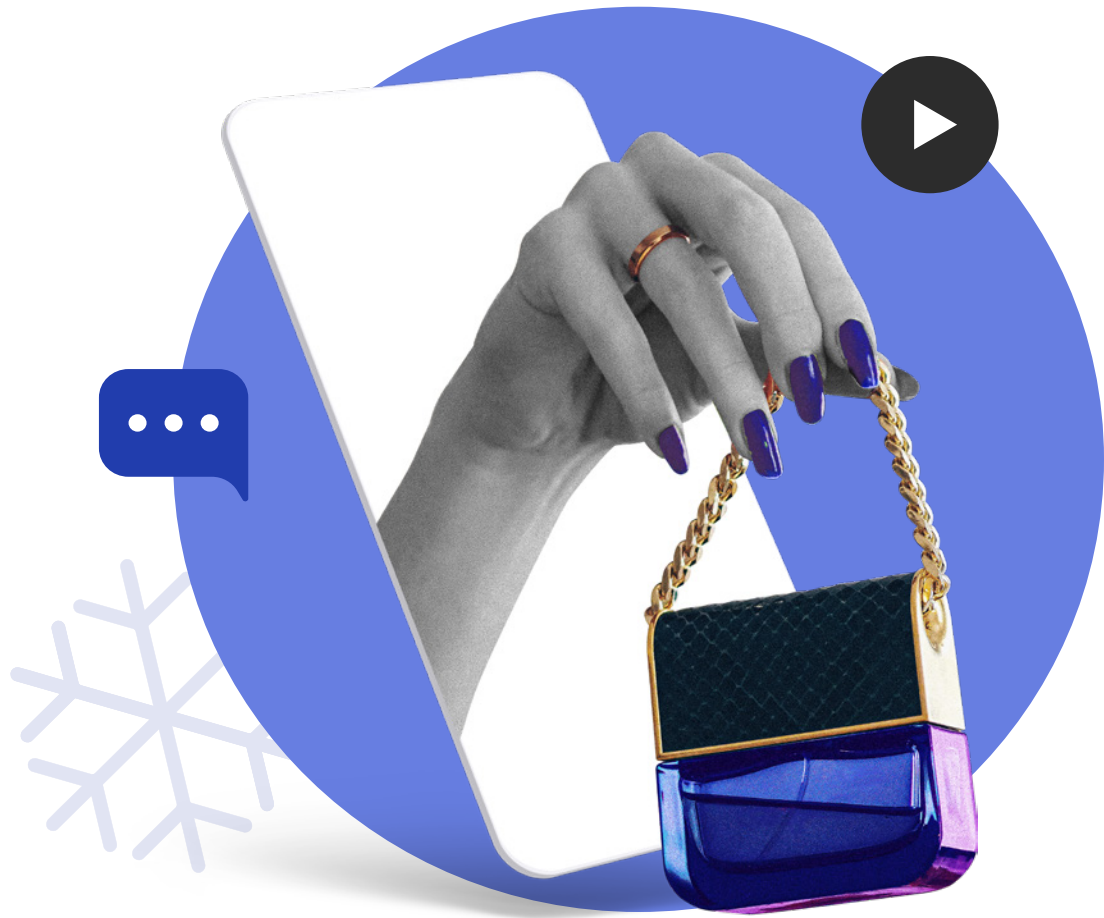
4. Appeal to visually-driven shoppers with MMS.

85% of shoppers say product information and pictures are important when deciding which brand to buy from. With multimedia messaging services (**MMS** for short), retailers can include **images**, **GIFs** or **videos** in the body of a message to grab a shopper's attention.

MMS allows for many more characters than SMS does, offering the opportunity to include more details if necessary.

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Marketing Activation Tip: A creative way we recommend using **MMS** this holiday season is visually displaying top-selling items. It lures a mobile audience in while also giving them a leg up on buying the more popular items before they're sold out.
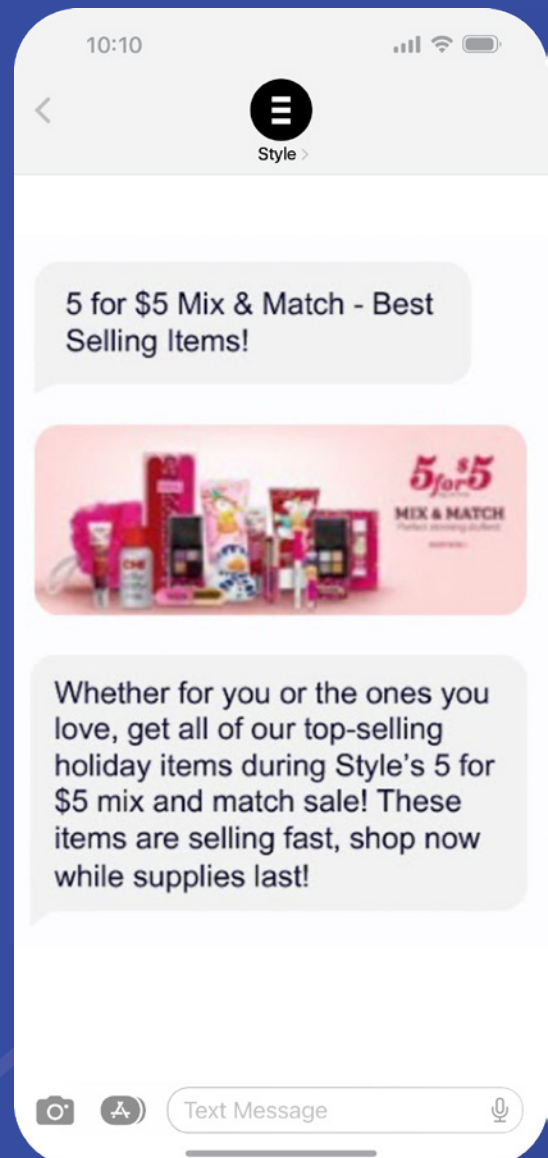
# 5. Shop with ease via a mobile holiday deals & gifts guide.

This holiday season, retail ecommerce spending is expected to increase **11.9% to $2.6B.** Give online shoppers a taste of in-store product discovery by creating a **holiday gift guide**, making it **easier for shoppers to find and purchase** great gifts directly on their phones. Like any landing page on a website, these gift guides can be delivered anywhere a URL can be placed.

With the resurgence of **QR codes**, we recommend using them along with SMS to link directly to a gift guide.
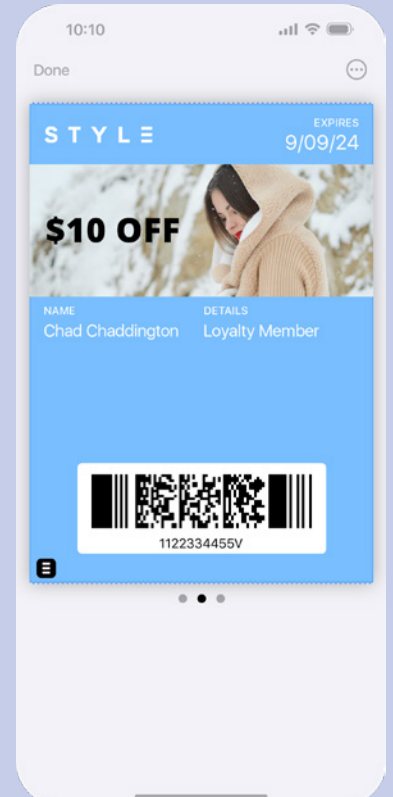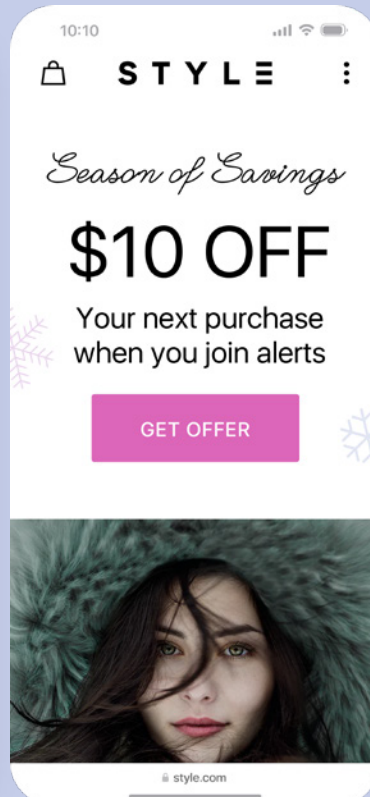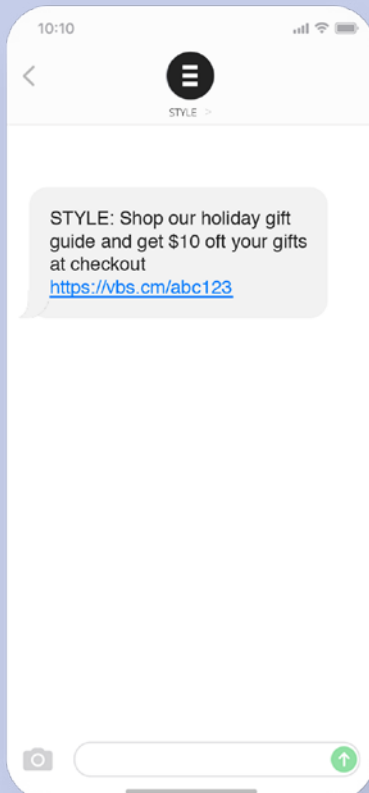
Since shoppers this year are searching for the best deals possible, retailers should incorporate any holiday deals or offers available to shoppers interacting with the gift guide.

For retailers who want to encourage online browsing only to drive in-store transactions, **mobile wallet** offers can be easily incorporated into a gift guide that can be viewed by shoppers and saved directly to their phones.
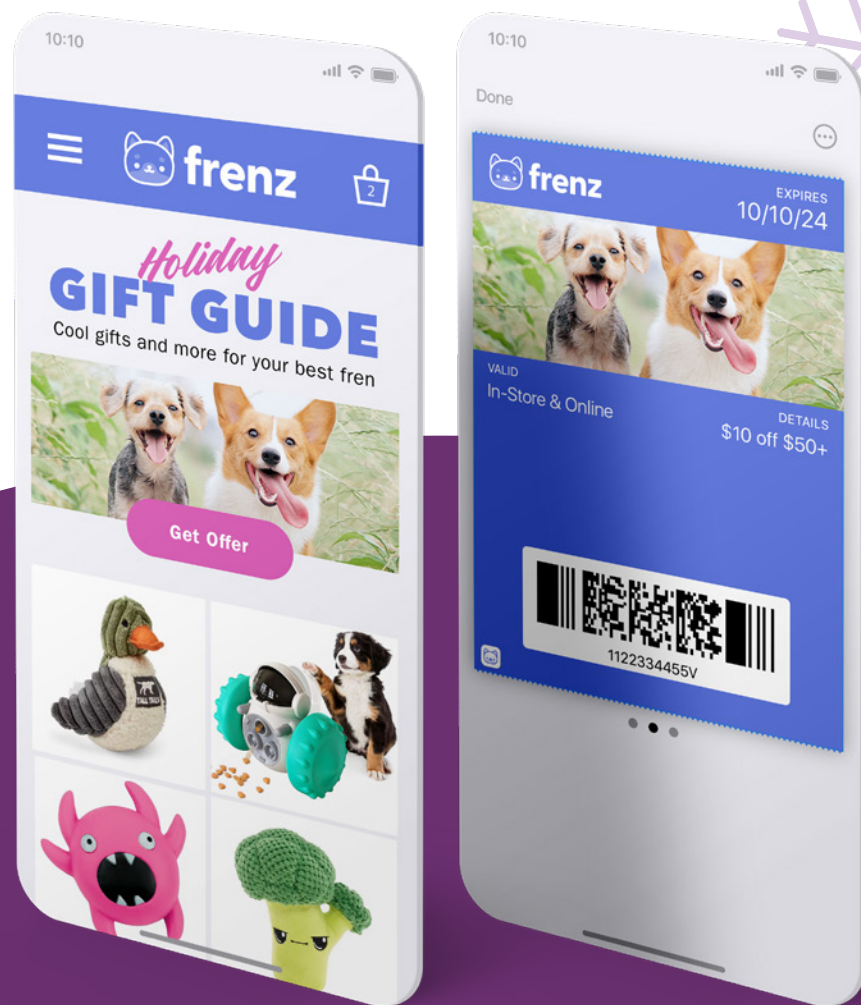
6. Make holiday shopping fun with ready-to-reveal experiences.

Reveal experiences, such as tap-to-reveal or spin-to-win, allow shoppers to participate in an interactive experience before receiving a mobile wallet offer, which can easily be added to their phones and redeemed in-store or online.
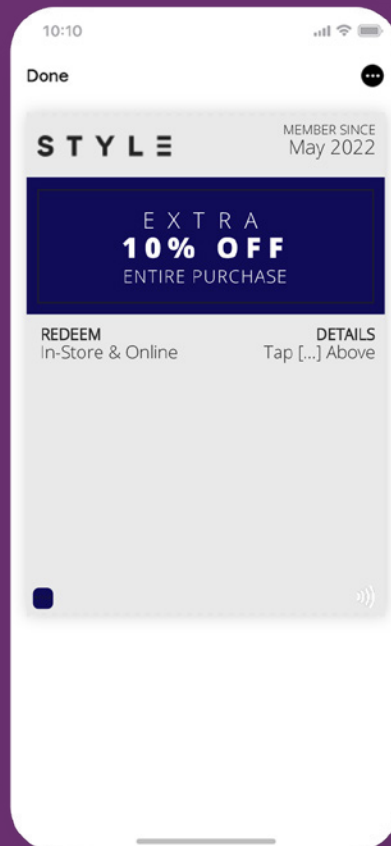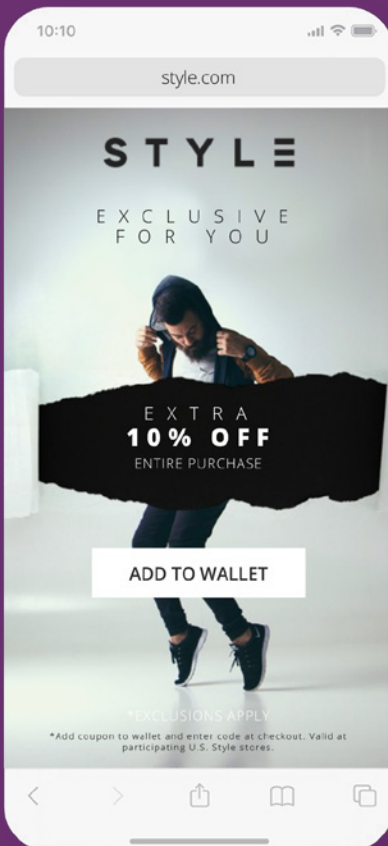
86%

Vibes' retail customers who activated a reveal experience in past holiday seasons saw mobile wallet redemption rates as high as **86%.**

# 7. Spark interest quickly with a text-to-win contest.

It's no secret that shoppers will be on the hunt for discounts and major sales to get the biggest bang for their buck this holiday season. Why not get into the holiday spirit by putting on a text-to-win contest?

By having interested participants enter by simply texting a keyword, a giveaway can be easily executed.
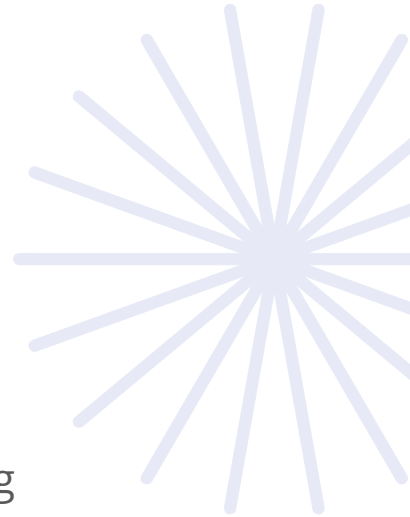
The Vibes contest engine makes it possible for winners to be selected and notified automatically. There are also different options for the winner logic, be it a preset number of winners, one winner overall, one winner per time period, every n^{th} winner, and more.

Aside from some **SMS compliance rules** that text-to-win contests often require, this contest is otherwise seamless for both the shopper and the retailer.
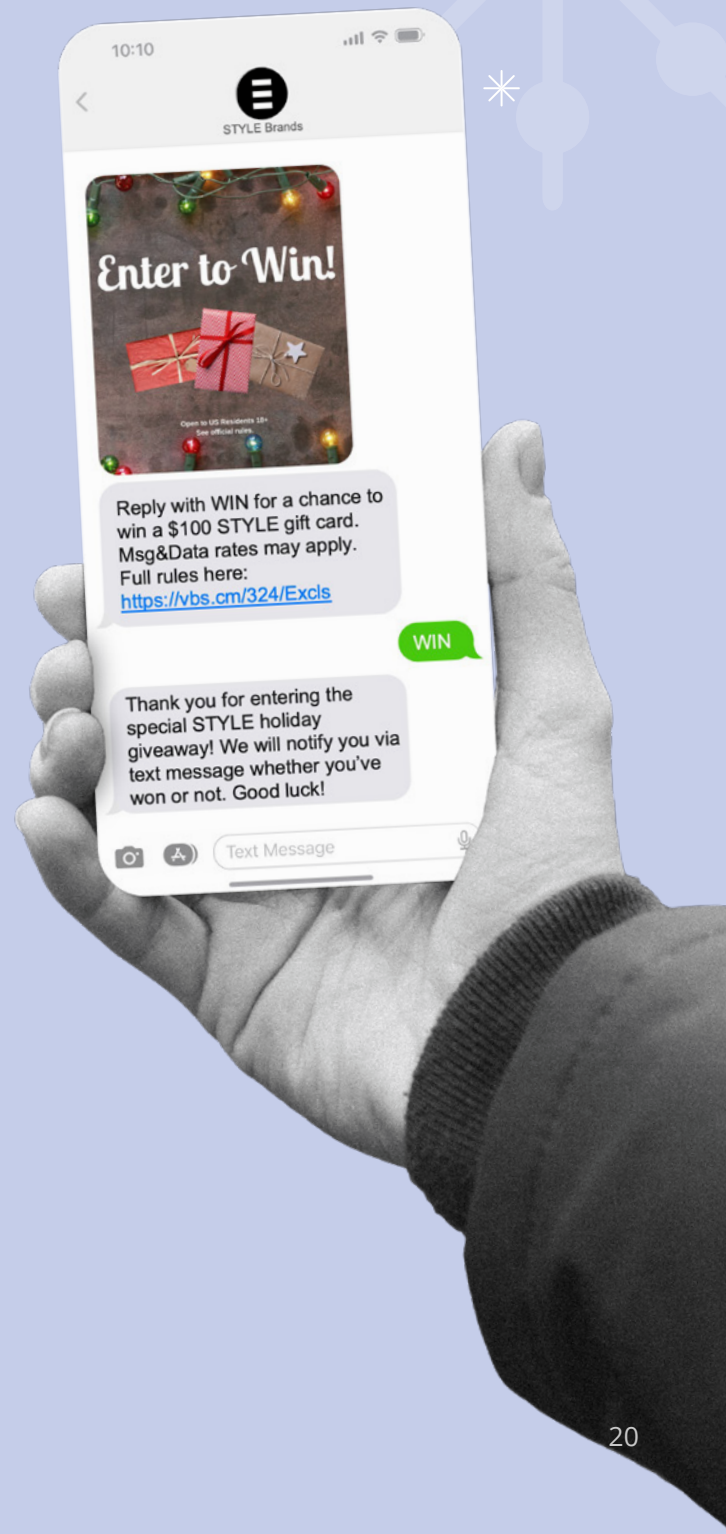
Bonus Recommendation: Text-to-win contests are a great opportunity for inviting entrants to sign up for an SMS program if they are not already subscribed. The easier and more fun it is for shoppers to engage with a retail brand the more likely it is they'll want to get more text messages from that brand, which is likely why Vibes customers have seen an average **11%** opt-in rate of users prompted from a text-to-win contest.
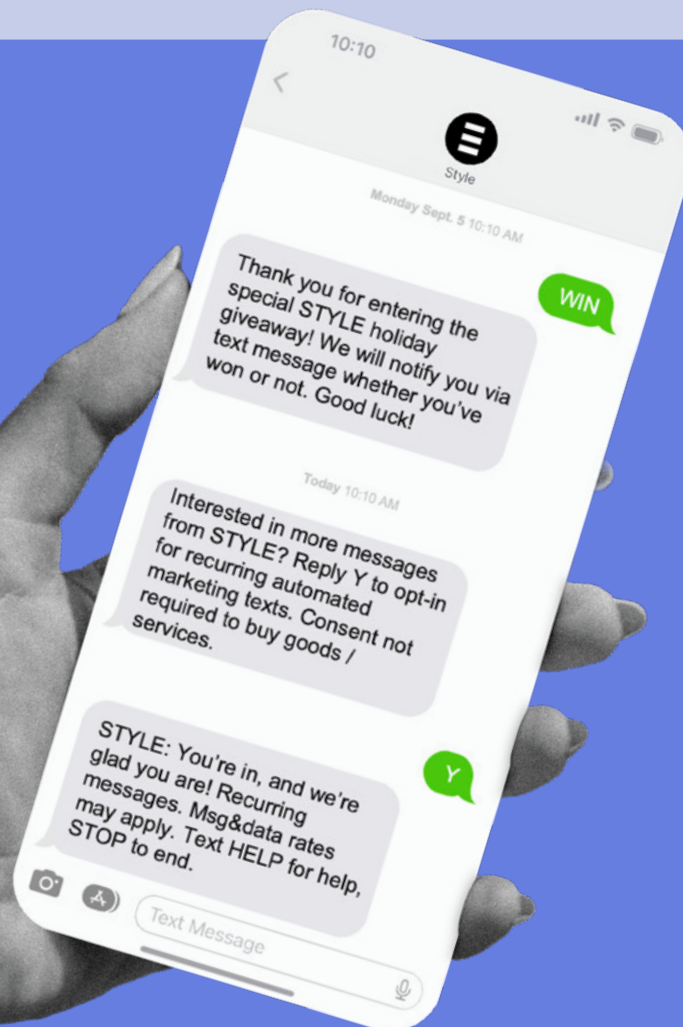
8. Consider mobile wallet gift cards for boosting post-holiday sales.

To avoid headaches like out-of-stock items and shipping delays, many shoppers may turn to gift cards.

Retailers saw increased spending this past January by gift card shoppers, seeing them spend **40% more than the value of their gift cards** during their post-holiday shopping.

And yet, **51%** of U.S. adults forget to redeem their gift cards so what's a brand supposed to do? Enter the perfect solution: Mobile Wallet.
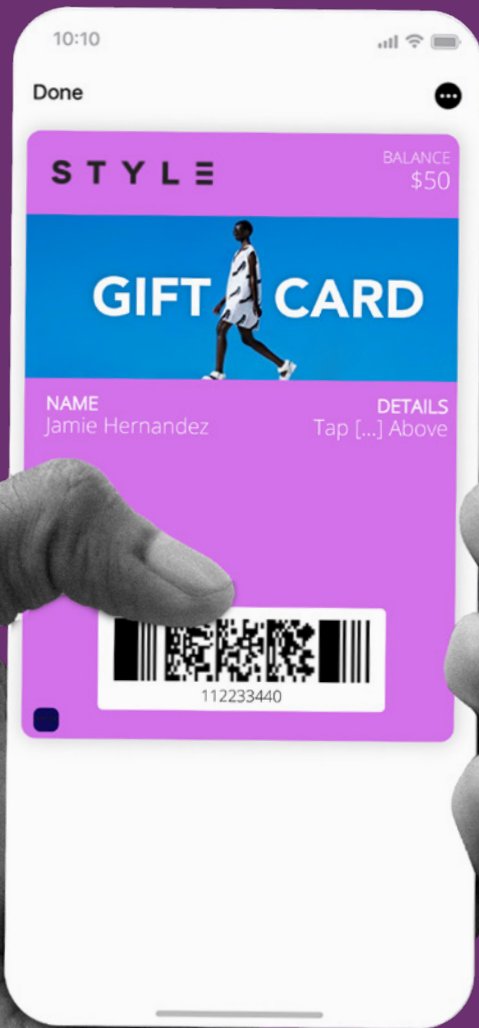
A **mobile wallet gift card** is a digital version of a physical gift card, reflecting the same details of a physical card – including **branding**, **dollar amount**, **terms & conditions** and a **scannable barcode** – but without the risk of the recipient misplacing it.

Another major benefit is that mobile wallet passes are completely dynamic, meaning all the real estate on the pass can be **updated at any time**, as often as desired, and in real time. So unlike a physical gift card that is discarded once all of the funds are depleted, a mobile wallet gift card can be used as an **ongoing channel to continuously engage** with shoppers.

9. Don't forget to activate mobile wallet notifications.

Nearly **30%** of consumers <u>say they would visit a physical store</u> for limited-time discounts, **24%** say they would visit for free gifts and giveaways, and **23%** say they'd visit for exclusive in-store-only products.

Just like a mobile app **push notification**, Mobile Wallet can also deliver a variety of messages to a user's lock screen.
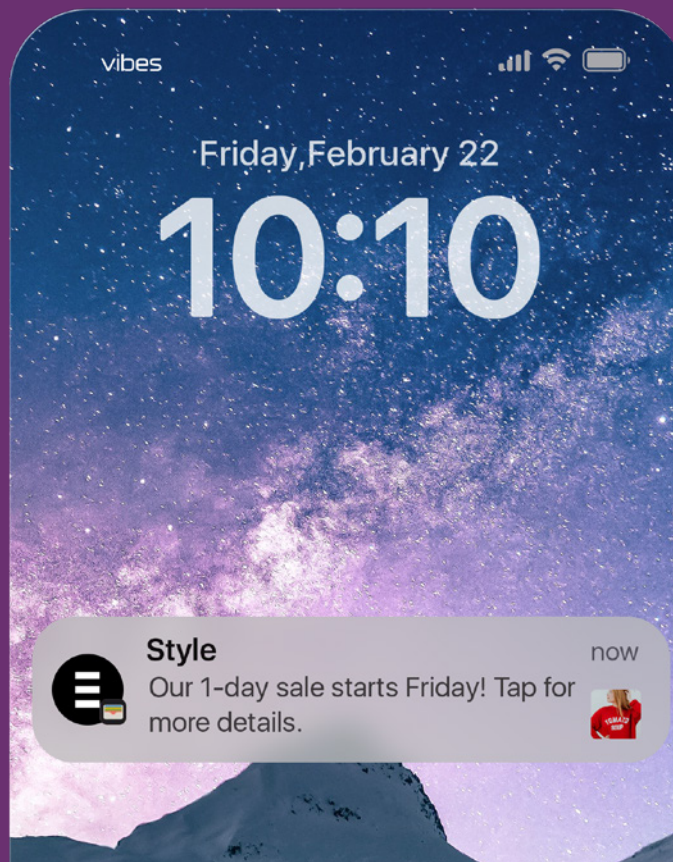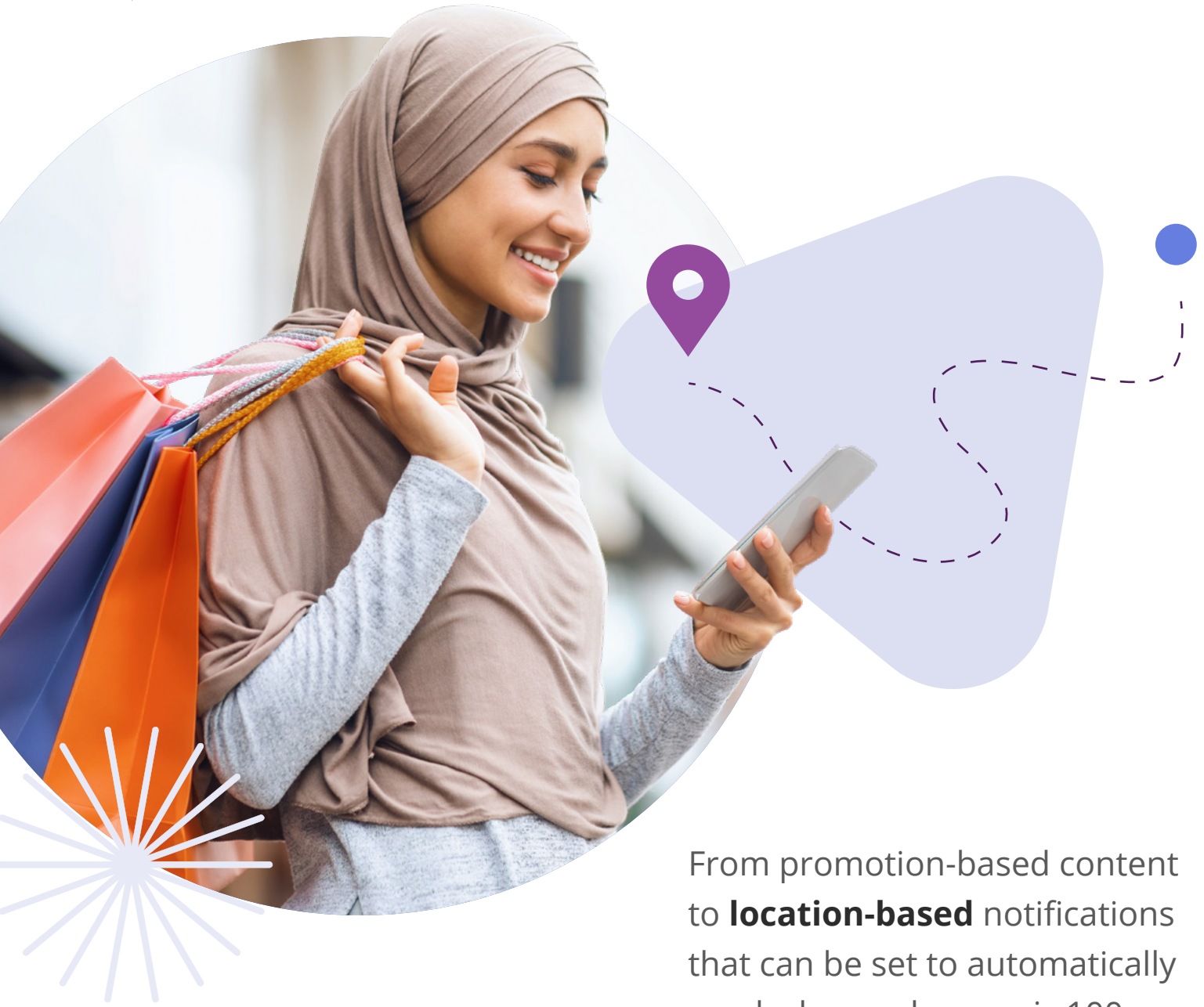
From promotion-based content to **location-based** notifications that can be set to automatically send when a shopper is 100 meters or less away from a physical location, these prompts will effectively encourage shoppers to make a follow-up visit to a nearby store.

Time to get into the holiday spirit.

Since this year's holiday season promises to be even more competitive, taking an approach to messaging that's both intelligent and creative will **help retailers stand out** during this critical time and convert as many sales as possible.

Cheers for what we hope to be the most successful holiday season yet!

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