



Great Textpectations

The Modern Contact Center Playbook
for SMS Communication



LIVEVOX

Table of Contents

1

Page 1

Why Does Messaging Work for Your Customers?

2

Page 5

What Do You Need to Get Started with Texting?

3

Page 8

How Do You Run an SMS Campaign?

4

Page 10

How Do You Measure Success with Messaging?

Eight trillion text messages are sent every year. And every month, people send more than one billion messages to businesses. Your customers have spoken, and they want service that's grounded in digital messaging.

Perhaps you've obliged and are establishing best practices for your teams, or maybe you're still considering adoption and how to best implement texting into your workflows.

This ebook highlights the key decisions throughout the entire implementation process for SMS, from consideration and adoption, to implementation, all the way to monitoring and measuring success, and provides helpful tips for each step along the way.

Why Does Messaging Work for Your Customers?



> SMS is one of the fastest-growing channels for business communication.

And it's no surprise as SMS engagement and costs outperform the more traditional voice and email channels.

It used to be that outbound SMS-alert functionality alone was enough to hit the messaging mark. Many companies still simply use texting as a means to send message blasts. What they don't realize is that many of those messages are getting responses. This means you could be leaving some serious relationship-building opportunities (not to mention cash) on the table.

4.5x

the open rate for SMS when compared to email: 90% vs 20%¹

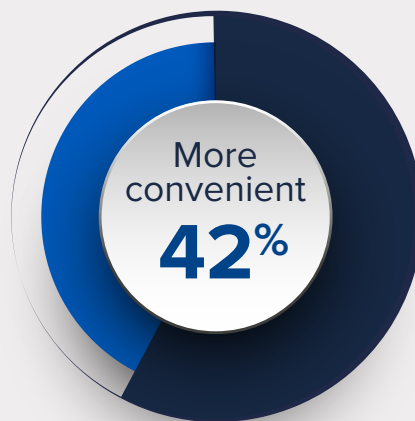
90 SECONDS

is the length of time it takes the average person to respond to a text message²

75%

of people wouldn't mind receiving an SMS text message from a business³

> Why Do Customers Prefer SMS Over Other Channels?²



Synchronous vs. asynchronous messaging

To understand when to implement the different types of messaging communication, it's important to understand the difference between synchronous and asynchronous messaging.

Synchronous

Communication conducted at designed times and confined to sessions. This can be in-person or virtual.

Asynchronous

Conversations that aren't confined to interaction sessions, such as emails, text messages, chats, and social media, that give customers the freedom to engage on their terms when it's most convenient.



> SMS and two-way messaging solutions

While certain situations call for synchronous communications such as an escalated customer issue, many business interactions are best left to asynchronous messages. Why are these channels a better fit? By interacting with your customers via SMS you allow your customers to respond in their own time. You are fitting your business into their lives.

64%

of customers say they would prefer to message rather than call a business

60%

of customers say they are open to receiving personal messages from companies²

Global reach

Digital messaging provides extended reach and the ability to scale. In 2019, it was estimated that 5 billion people owned a mobile phone.³

Better Open Rates

Message open rates can reach 98% and are opened within 90 seconds on average. These open rates are significantly higher than email, which tend to hover around 20%.⁴

Operational Efficiency

SMS can be integrated into your CRM system to increase agent efficiency. The CRM can provide the right information upon first contact and prepare the agent for more personalized service. You can set up your CRM to send automated responses, continue conversations and let agents hold simultaneous conversations.

Continue Conversations

SMS and two-way messaging allow conversations to continue over time. Rather than a phone call where agents and customers must ask and answer right away, text messages allow gaps between responses. This can benefit both customer and agent. For the customer, they can take the time they need to find information or ask the right questions. They can also respond when it's most convenient. For an agent, two-way messaging gives them the opportunity to work with other agents to solve a problem. This method of communication also shows previous history to provide context for customer concerns.

Personal

Customers prefer text. They're already sending messages throughout the day. Receiving a message from a business is the natural next step. More than 50% of people surveyed feel more connected to a business when they can message with it. Customers can personalize the experience by choosing to respond on their own time. Businesses can personalize the experience by connecting to a CRM and helping agents access the right information to make customer interactions more relevant.⁵

The value of texting is two way

Customer satisfaction alone can be enough to prove the value, but there's even more a contact center can achieve when meeting customers where they are.

Incorporating messaging into your contact center strategy can lead to operational improvements that enhance CX and business metrics, including lower cost per resolution, greater agent productivity, and higher NPS & CSAT scores. Agents are able to work together to solve issues and are able to chat with multiple customers at a time. By having conversation history at their fingertips, agents can reduce handle time and deliver a more personalized experience.

Add to all of these perks the ability to integrate messaging into a unified digital experience? You've got a winning formula to improve the customer and agent experience, and boost the overall performance of your business.



What Do You Need to Get Started with Texting?



The main components of an SMS application include choosing your delivery method, defining a process for gathering opt-ins, message partitioning (segmenting messages by campaigns to keep better track of opt-outs), crafting message content, and defining your SMS nomenclature.

Short and long codes, explained

Short codes, long codes, and toll-free numbers (TFN) are delivery vehicles for text messages.

A **short code** is a five-digit number assigned by carriers that allows for high SMS throughput...

- > Short codes can be customized, are a little pricey, and can take some time to set up. They're really great for customer service, non-collection account information, or reminders. Short codes can be great conduits for mass notifications. They also support two-way messaging.

But there are some use-case specific caveats to consider with shortcodes. For example, for collections or account recovery, shortcodes may not be the ideal delivery method depending on whether you're a first or third-party entity. This is because carriers, who distribute shortcodes, very closely monitor the types of communications occurring over their networks and reserve the right to intercept at their discretion. To ensure your messages are being delivered you might want to consider a different vehicle if accounts recovery is your intended SMS application.

Toll-free number (TFN) texting...

- > is good for both one-way or two-way messaging. The throughput isn't as high as a shortcode, however. Essentially, a TFN is a 1-800 number that allows the text message to ride the same network as a phone call would.

Right now shortcode regulations don't apply to TFNs, making them an excellent choice for a third-party collections use case.

Turning to **Long codes**...

- > these numbers are typically local numbers and are not super leveraged for business texting. They're designed for person-to-person messaging and are the mobile numbers that you text your friends and family from. Their throughput is minimal at around one message per second.

Short and long codes, continued

	Short code	Toll-free number
Type of Messaging	One-way and Two-way communications	One-way and Two-way communications
Throughput	High	Low-High
Digits	5-6 Digits	10 Digits
Customization	Vanity short codes available	Brandable options
Cost	\$\$	\$
Carrier Filtering	No	Yes
Provisioning Time	8-12 weeks	Instant
Use Cases	High-volume, alerts, notifications, marketing, and reminders	Customer service, and chat applications
Voice Capable	No	Yes

The delivery run down

Delivery Method	Short code
Cost	Random: ~\$8k; Vanity: ~\$16k
Time	8-12 weeks
Throughput	1500 messages per second with significant use case limitations

Delivery Method	Toll-free number (TFN)
Cost	\$0-\$10/month depending on provider
Time	1 day
Throughput	3 messages per second with minimal use case limitations

Compliance check

Gathering consent is essential for automated SMS programs and is a best practice for any kind of consumer communication, especially if campaign content will be financially related.

Consent is typically gathered via existing communication channels such as frontline agents, IVR, web forms, and keywords. Some contact centers require a double opt-in which requires the customer to take action to confirm opt-in. When prompting for a double opt-in, the failure rate for opt-in confirmation will considerably outweigh successes. Customers typically ignore the call to action because they expect some sort of SMS confirming the campaign registration, but the vast majority do not take the action to confirm opt-in. On average, an 80% failure rate for opt-in confirmation can be expected. And, from a regulatory standpoint, the double opt in is no longer necessary from a CTIA perspective.



How Do You Run an SMS Campaign?

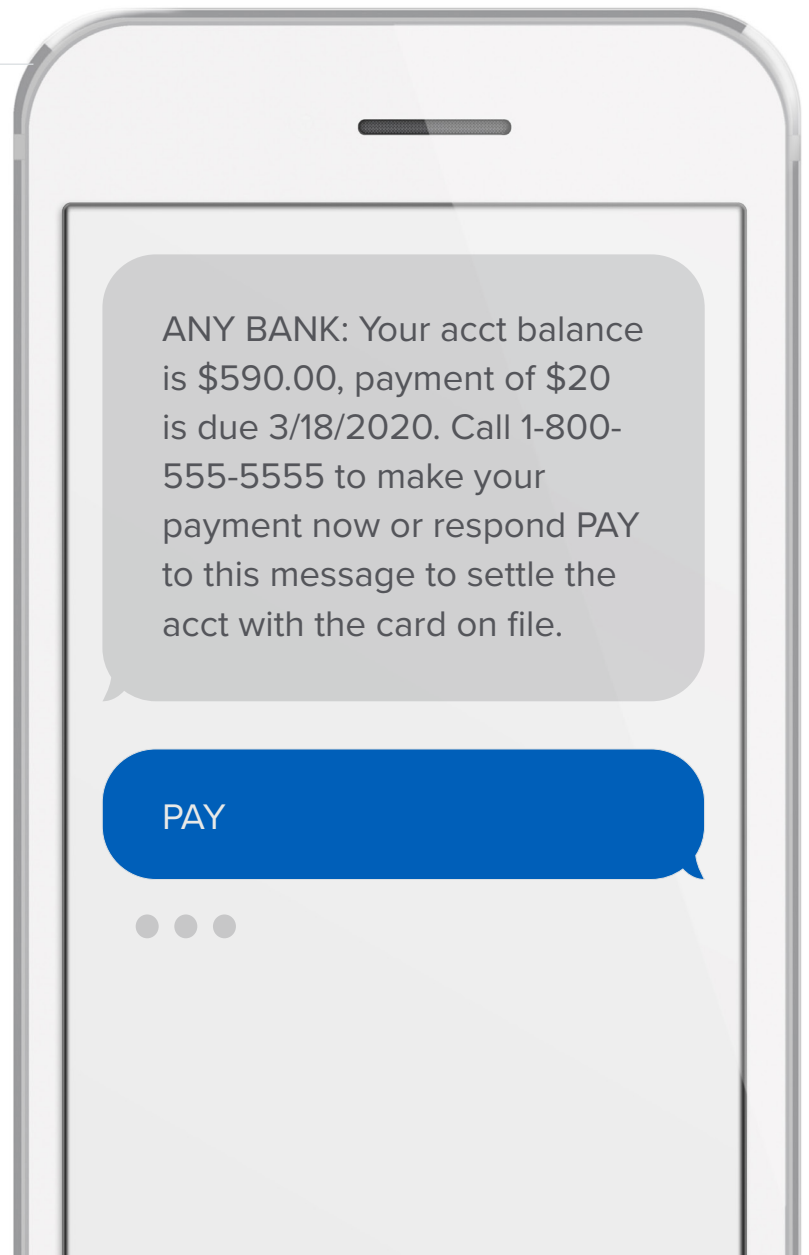


Message partitioning

Defining the various types of content you will send and how it should be organized is a vital campaign setup. Because opt-out is managed at the short code level per carrier regulations it is a best practice to partition programs that are vastly different from one another. An example is keeping a marketing program on a separate short code or TFN than account alerts, as a customer may want to stop receiving messages that are marketing focused but still continue receiving account alerts.

Message content

- > Standard SMS character counts should be limited to 160, however carriers will support longer messages which will be split into multiple messages. Keep in mind that carriers never guarantee delivery so keeping it concise to one message is best.
- > Keep messages straightforward and simple. Forgo typical soft and conversational formalities due to the character limitation as well as typical punctuation and grammar.
- > Two-way keyword-driven SMS programs should always be tuned after 60-90 days from go-live to determine if the application is consuming the correct anticipated responses or if the scope of what is received needs to be widened or additional functionality scoped into the application to satisfy customer needs.
- > No PHI, PCI or sensitive info should be exchanged via SMS, and there is no such thing as secure SMS.





Dos & Don'ts ●

- ✓ **DO Seek out any/all feedback** before adopting any new channel from your most important stakeholders: Your customers.
- ✗ **DON'T Expect immediate customer adoption**, but DO remember that if you build it, they will come.
- ✓ **DO Cross-train webchat agents** on other digital channels. They require the same skills which will make the transition smoother.
- ✗ **DON'T Train agents to fire off multiple messages in succession** for a play-by-play of issue resolution. SMS is a conversational channel.
- ✓ **DO Think of text and digital messaging channels as more informal modes of communicating**; they're conversational by nature.
- ✗ **DON'T Include long links in your messages.** Instead, shorten URLs using a tool like Bitly leaving more character space for important information.
- ✓ **DO Provide customers the ability to clearly opt-in to and opt-out** from receiving text messages as they see fit. Clearly stated opt-outs in each message are a critical compliance element.
- ✗ **DON'T Use SMS as your only mode of communication.** Each channel serves a purpose, and while SMS is convenient and easy you'll still want to ensure customers can reach you via voice or email if desired.
- ✓ **DO Consider the relationship** between the agent's ease of use and the customer experience.
- ✗ **DON'T Deploy a new channel without first piloting with a test group** of agents, if possible.
- ✓ **DO Evaluate all messaging platforms** based on a thorough assessment of your specific customer experience goals and needs. Consider if an end-to-end solution with best practices training and white-glove support best meets your needs.
- ✗ **DON'T Focus on subjective recommendations** when choosing a platform and make sure you research which delivery method is right for you. Shortcodes are great for customer service, while TFNs are great for collections and two way messaging.

How Do You Measure Success?



Post-launch monitoring & campaign health

Before implementing text programs, and especially during campaigns, establishing a baseline of the top-level metrics that matter most and monitoring performance is critical.

Start to keep an eye post-launch on things like **opt-out rates** – **if you hit above 3%** you should take a look at message verbiage and phone data. Monitor blocked numbers. This information can be **pulled after day 1, 5, and 10**. After that you can **do regular 30-day checkups**.

Next, keep an eye on SMS MT (mobile terminated) fails. Message sends may fail on either your message platform or at the carrier level. **If you reach a 5% failure rate, you'll**

want to look at the error codes. Obviously message success rate is an important one, too. Yay, they went through!

If you've launched SMS and are asking customers to call in or not call in, you'll want to look at inbound call increase or decrease percentages to ensure you're driving the right outcomes. For instance, if you're trying to drive down inbound volume, look to see how incoming calls are trending downward. Alternatively, if you're launching a payment reminder campaign you'll want to see inbound volumes trending upward.



What to watch

Texts per Conversation

This measures **how many messages it takes to resolve the customer's issue.**

Text Cases per Agent per Day

Because texting is asynchronous, each agent will be able to handle far more cases per day than one dedicated to voice or webchat. This is a great **measure of the efficiency of the channel.**

Deflections from Other Channels

This measures how much volume is being moved into this more efficient and cost-effective channel.

Dedicated Agent Time (DAT)

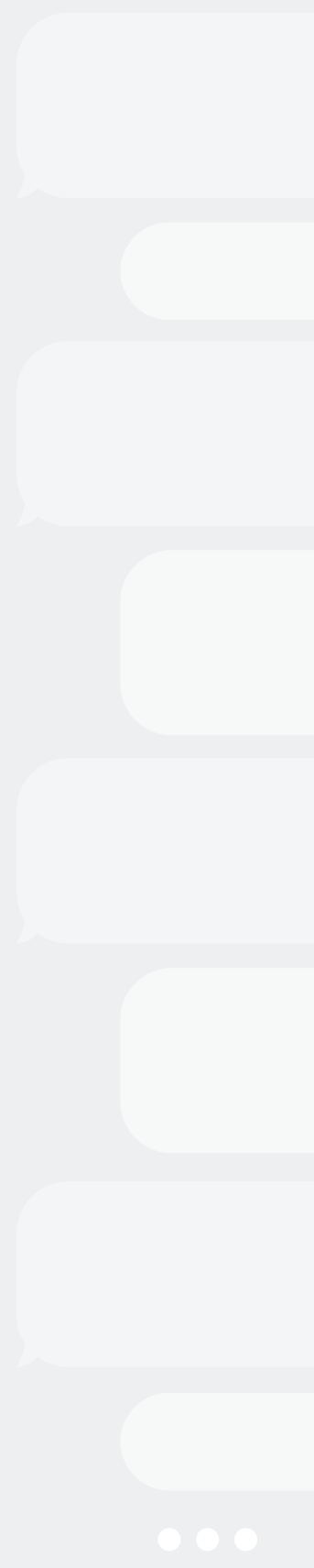
DAT **measures the amount of time (in minutes) an agent spends on an individual conversation.** It's important to keep in mind that an agent can handle multiple messaging conversations at once, but they aren't necessarily active on every single one at all times. This number takes into account the time a window is active, the average read time, and how long it takes to type and send a response.

Dedicated Customer Time (DCT)

DCT assesses the amount of time (in minutes) a customer is strictly looking at their screen and not engaging in another activity. Traditional customer service channels like voice and webchat require a dedicated connection, while mobile messaging allows for multitasking on other activities. For that reason, DCT looks at how much time a customer spent on the conversation itself, and can also factor in time spent typing.

Dedicated Time (Dedicated Customer Time + Dedicated Agent Time)

Depending on your business processes and measurement methodologies, **DT can involve a range of factors, including time on tickets, time to resolution for DAT, and word count/length and pause time for DCT.** We have found a direct correlation between reduced DT and increases in NPS. While the instant attributes of texting can speed up the customer service process, a conversation may still go on for 15 minutes or more before an agent can resolve the issue. However, the actual time spent by both the agent and the customer still clocks in far below that of other channels. Plus, in this time, the customer has not been locked down to a screen or tied to a phone connection – they are free to carry on with their day.



Time to First Response from Agent

This metric lets management know **how long agents are taking to send an initial response to the customer's message.**

Time to First Response from Customer

While your agents can't control how long a customer takes to respond to a text message, it is worthwhile to **measure the efficiency of the channel overall for an average response rate window.** Typically text messages have much higher and faster response rates than voice or email at 98%.

Customer Effort Score (CES)

The Customer Effort Score (CES) **measures customer satisfaction by asking the customer to rank their interaction with your company on a scale from 1 (difficult) to 7 (very easy).** Through this metric, you can see the correlation between a positive interaction and increased brand loyalty, and vice versa.

First Contact Resolution (FCR)

FCR **measures your contact center's ability to resolve customer problems,** answer questions and meet their needs the first time they call, with no follow-up required.

Satisfaction (CSAT/NPS)

Compare the CSAT/NPS scores of customers who are helped via the text and **mobile messaging channel vs. other channels.**

Click Through Rate

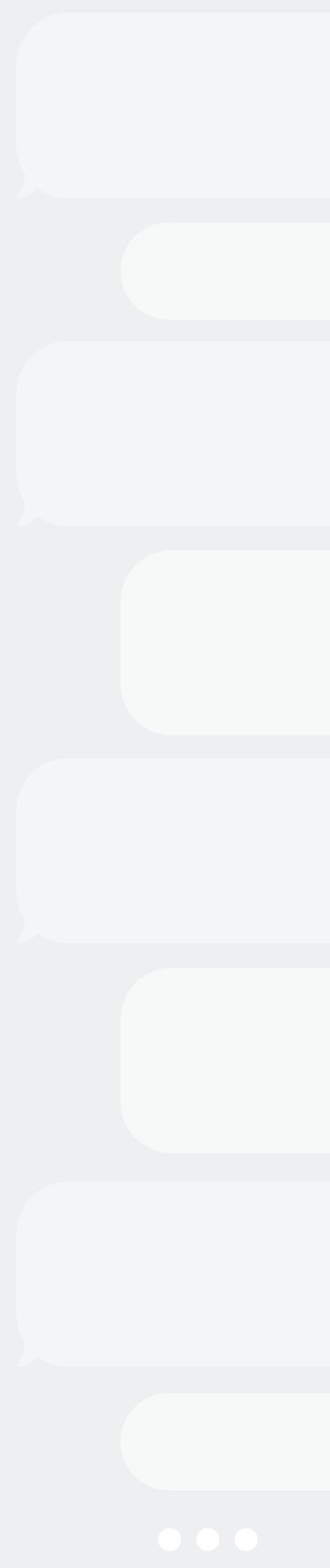
CTR **measures the percentage of recipients who have taken an action on any materials you've linked in the text** such as payment portals. This metric provides direct insight into SMS engagement.

Opt-Out Rate

No digital messaging campaign is without opt-outs. Keeping track of the number of opt-outs helps you **make inferences about what types of campaigns SMS is appropriate for** and spot trends. For instance, you might see a correlation between opt-outs based on the volume of messages sent.

Conversion Rate

This **measures the percentage of recipients who follow through on the call to action included in your message.** This could be how many people confirmed their appointment, how many people opted into your campaign, or how many people followed the link you shared.

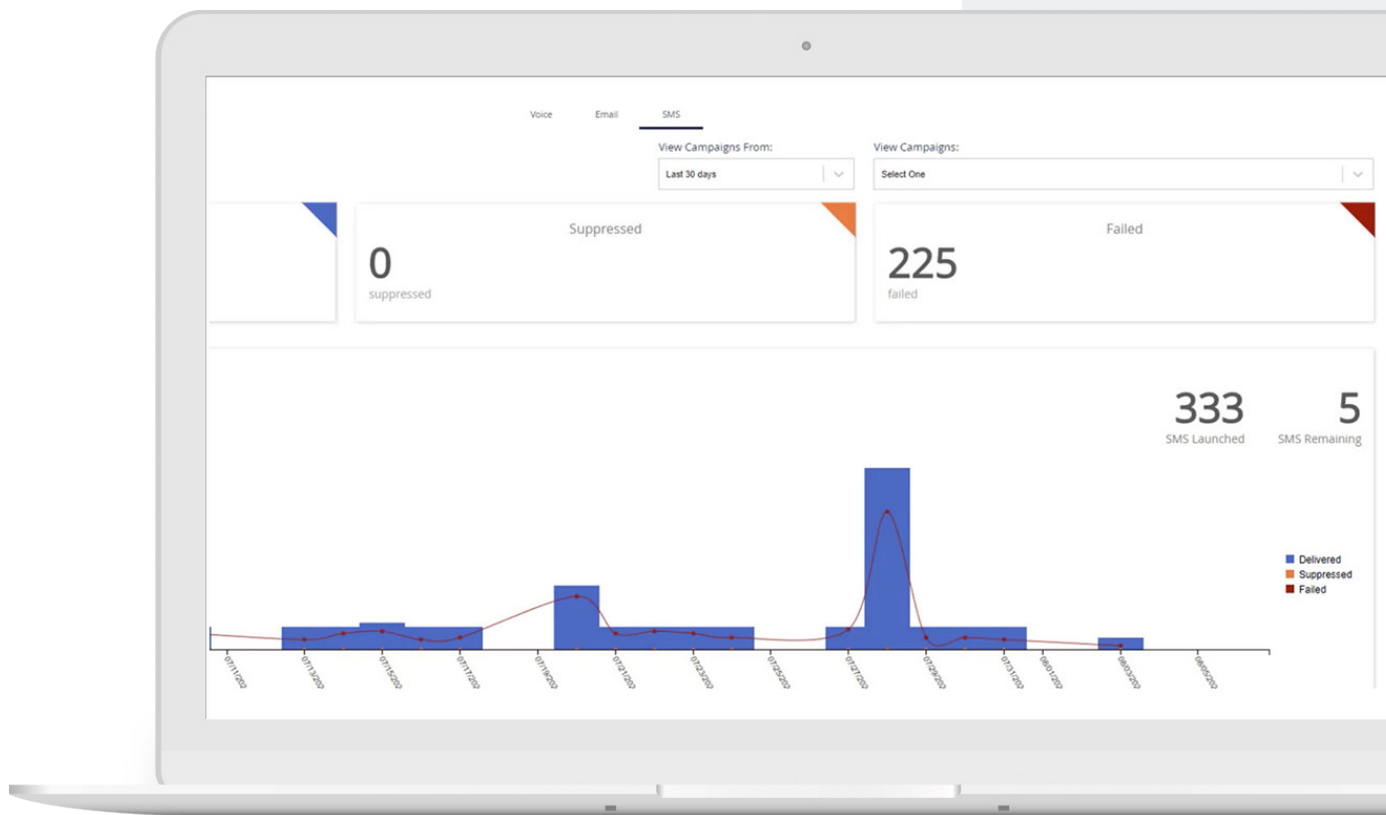


Growth Rate

This metric will take time, but keeping track of the number of customers who opt to engage on the SMS channel is a **great indicator of ROI** and can help you calculate and compare your cost per message compared to other channels.

Cost Per Message

Before you deem your SMS campaign a success, you need to **know the exact cost of each message** and determine whether it's profitable. Tracking how much you spend for each converted message will help you know your ROI per campaign. To work it out, divide the cost of each delivered SMS message by the conversion rate. Simple.



Sources

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LIVEVOX

info@livevox.com | [844.207.6663](tel:844.207.6663) | livevox.com

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