

Nisheeth Mohan, product manager for mobile solutions and technology at Keynote Systems, gives his opinion on SMS and its role in customer communication and retention

For consumers, it seems texting has crossed the line from 'nice-to-have' to 'must-have' functionality. For example, a recent study from NPD Group showed that beyond voice telephony, text messaging is the second-most-requested option that mobile phone users look for after a camera phone.

Mobile consumers now use texting in much the same way as they use email on their laptop or desktop computer – for mass communication, forwarding content and sharing pictures. For example, instead of simply taking a photo and physically showing it to friends at a later date, mobile device users now want to take pictures while travelling, immediately upload them to a social networking site such as Facebook, and then share the link with friends across a broader geography. In the same way, insurance companies must also become accustomed to the use of SMS for content sharing and customer communications. This service has become an essential way of providing service updates and important policy information and it must be executed with ease of use for the customer in mind.

From the user's standpoint, the entire process of receiving materials from their insurer must feel like receiving a normal SMS. Failure of this at any point will reflect back on the insurer and could drive consumers away, not only from this service, but from the entire company. Insurers would therefore lose a vital channel of direct communication with their customers. This should be a strong incentive for insurers to provide their own linking capabilities and to give themselves more control over the process, in order to guarantee a positive end-user experience rather than rely on external factors outside of their control.

Challenges for this method of mobile communication stem from the fact that the increasing rate of content sharing is putting significant strain on the SMS backbone, which lacks the robustness of the Internet. For insurers that employ content-sharing, this means learning how to deal with SMS delays and delivery failures, networks and handoffs. Yet while dependence on SMS has risks, not participating in the growing use of viral communications over mobile is not an option as insurance providers vie for position. With regards to the sites that insurers link to in their SMS communication, providers must ensure that they adapt all of their content for all devices they wish it to be used upon. This means that tests should be carried out on the performance and usability of the linked-to content across all phone types and networks, in different geographies and at different times of day. Smart phone users are becoming more demanding and expect the same level of efficiency on their mobiles as they do over the Internet.

The answer is to rigorously test applications that are part of SMS-based strategies before they are released, and to then constantly monitor performance from the end-user perspective – this will enable insurance companies to identify and rectify any problems as they occur. As part of this process, it is important to be able to track a transaction from the time the insurer requests a link be sent, all the way through to validation that the text message was received and that the proper content was downloaded and correctly displayed on the receiver's mobile device.

As transactions continue to grow in complexity, the need for test and monitoring tools that are capable of providing feedback for the entire process will also increase. Ultimately, success in mobile viral communications is all about taking advantage of SMS capabilities, all the while recognising its limits and taking safeguards to ensure optimal performance.