

Meta's new Messenger feature takes aim at SMS marketing

Article



The news: Meta made waves at Cannes Lions by announcing that advertisers will soon be able to **create and send paid marketing messages on Messenger** using its Ads Manager.

 These messages enable direct communication between a business and customers, similar to email and SMS.



 Meta says the feature will allow businesses to share offers and updates with existing customers, unlike large-scale ads seeking to target new customers.

This new functionality—which is currently being tested with select advertisers—follows a previous update allowing businesses to send marketing messages on **WhatsApp**, where AI systems recommend optimal recipients based on desired outcomes.

Why it matters: This puts Meta in closer competition than ever before with messaging providers like **Attentive**, **Klaviyo**, **Braze**, **Wunderkind**, and others. The category has grown as marketers increasingly <u>see the channel's value</u>.

- Paid marketing messages on Messenger will allow businesses to reach their customers directly in a more personalized and engaging way. This feature should help maintain a continuous conversation with customers, offering timely updates such as back-in-stock alerts and holiday discounts.
- The integration with Ads Manager allows businesses to use AI-driven recommendations to pinpoint the right subset of recipients. This increases the odds that marketing messages are relevant and tailored to customers' specific interests and needs, thereby increasing the likelihood of conversion.
- Using Messenger for marketing allows businesses to tap into its vast user base, maximizing reach while maintaining efficient customer communication.

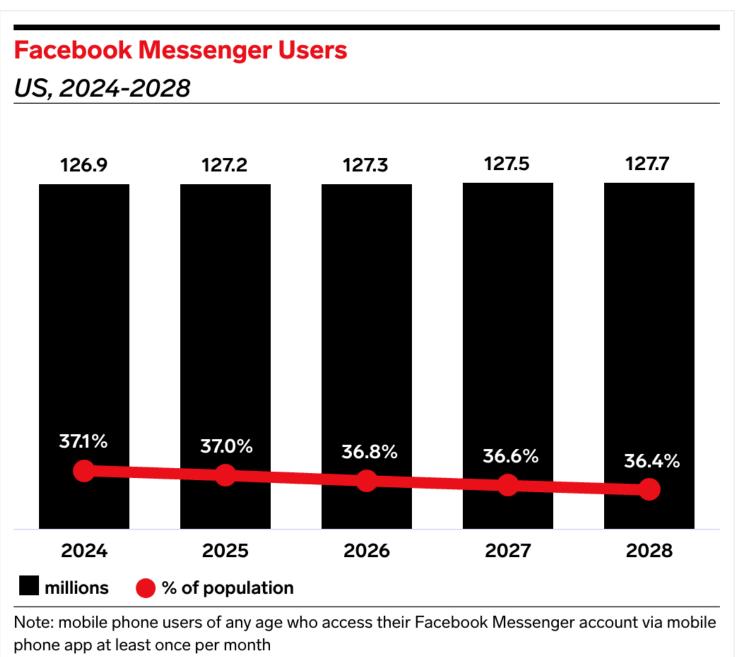
Yes, but: There could be drawbacks to paid marketing messages on Messenger. Frequent communications might overwhelm users, similar to the overuse seen in SMS marketing, leading to opt-outs.

- Users might be wary of their data being used for targeted marketing, leading to distrust toward the platform and the businesses doing so.
- If the AI-driven targeting is inaccurate, users might receive irrelevant messages, which can hurt their perception of the brand and the platform.

Our take: While the new feature could be a significant plus for businesses looking to shake up their digital marketing strategies, its success hinges on the quality of Meta's AI-driven recommendations. Effective personalization of messages and offers, which <u>consumers clearly</u> <u>value</u>, will be crucial for advertisers.



 With usage rates of 29% to 49%, Messenger <u>significantly trails SMS</u> as a messaging channel for consumers to connect with businesses. For this initiative to work, that gap needs to close.



Source: EMARKETER Forecast, May 2024

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