

Retailer SMS marketing gets a boost from generative AI

Article

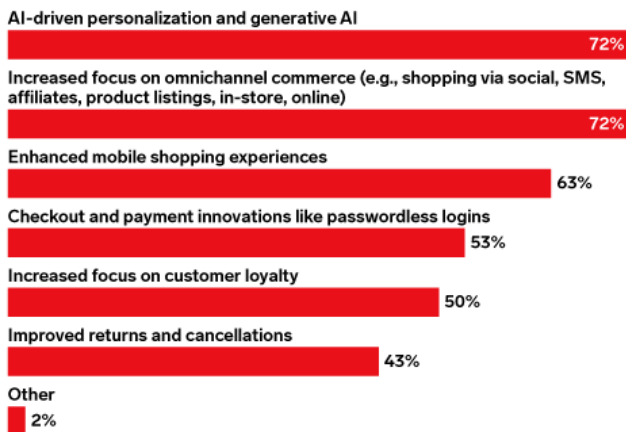
AI-driven personalization is one of the top trends [US digital retailers believe will impact their business](#) this year. It's tied with an increased focus on omnichannel tools like SMS, according to December 2023 data from Bolt.

“Consumers are getting too many messages. They're not reading. These are all batch and blast,” said Amit Jhavar, CEO of Attentive, [which just launched a new generative AI SMS tool](#).

“If you can text in a personalized way, you're more likely to be one of the brands that the consumer signs up for versus just dumb ads.”

Ecommerce Trends US Digital Retailers Believe Will Affect Their Business the Most in 2024, Dec 2023

% of respondents



Source: Bolt, "2024 Ecommerce Priorities and Predictions," Jan 9, 2024

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Insider Intelligence | eMarketer

Personalized messaging is the future of SMS marketing. Retailers offering tailored language, product listings, and deals will stand out.

- These messages can offer new or updated suggestions based on a consumer's past browsing habits on a retailer's website. For example, a shopper who looked at pants on a brand's website in January might be targeted with an ad for a similar pair of shorts in June.
- This targeting works. Retailers like Rainbow and SwimOutlet that use Attentive's AI tools saw 117% more purchases, according to the company.

SMS is a strong channel for this targeting because it has a lower low spam rate than email.

“Because consumers have to opt in [by sharing their phone number], you're going to see consumers sign up for the five to eight brands they care about the most,” said Jhawar.

SMS marketing also allows for direct, closed-loop attribution from consumers clicking links in messages. SMS click rates were at 11.03% in H1 2023, according to Omnisend. But conversion rates were just 0.16%, demonstrating the need for improved targeting.

Notifications from brands still may not be welcome. Some [Gen Zers on TikTok recently shared that they silence notifications](#) to avoid overload. But US adults check their phones 144

times on average every day, per a Reviews.org study, meaning reach is still here for SMS.

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