

State of
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Introduction

What if you had been told years ago that businesses would soon be communicating with consumers on their cell phones? But they wouldn't be calling or emailing them, they would be texting them.

You might have thought the idea was absurd. Texting was designed for quick conversations with family and friends, not connecting with businesses, right? Texting was too casual, the space for messaging was too limited, and typing a business message out on a keypad—well, forget about it.

Fast forward to today. Companies of all sizes, from the smallest businesses to the largest organizations, are reaching out to customers by text and more and more customers are reaching back. In fact, often consumers are the ones sending text messages to businesses in the first place.

The reasons for communicating by text are varied: customer service inquiries, sales and marketing opportunities, security alerts, package delivery notifications, transportation updates and more.

Texting is becoming the preferred way for consumers to get information quickly and easily; literally, it's right at their fingertips. Convenience is king. The challenge is getting there before the competition.

Consumers are using their buying power to let companies know that the faster they can solve a

problem, provide a service or meet a need, the greater the chance they will secure their brand loyalty.

With the accelerating pace of advancements in technology, including improved texting software, chatbots and artificial intelligence (AI), companies are realizing that they need to adopt better ways of communicating with consumers to cut through the noise and stay competitive in the 21st Century.

As the creators of Texting for Business™, we designed this report to be a comprehensive look at how consumers and businesses use texting and other communication methods to connect.

We identified key insights to help businesses understand consumer communication preferences so they can adopt a texting communication strategy that gets results.

We encourage the re-publishing of text, data and graphics in this report, as long as all uses appropriately cite and link back to the original report. If you'd like access to the raw data, please text our press team at **(206) 816-3605** or email press@zipwhip.com.

2020 Key Insights

1

Texting is an increasingly popular way for businesses to reach customers and employees.

Our research shows that **68%** of businesses use some form of texting today. On the consumer side, **91%** of respondents said they have received a text from a business, which is a **20%** growth over last year. Of the consumers who said they text with a business, **35%** do so anywhere from once a day to once a week.

[Read more here.](#)

2

The majority of businesses are texting from cell phones despite the risks involved.

While more businesses are texting with customers, **88%** admitted to using personal or company-provided cell phones to do so. Using a cell phone instead of business texting software jeopardizes customer privacy, puts company assets at risk if the phone is lost or stolen or the employee leaves the company and increases the likelihood that TCPA compliance is not being met.

[Read more here.](#)

3

Consumers favor texting over other messaging apps.

Of the consumers we surveyed, **77%** said they use texting more than other messaging tools. Using the native texting app on their phone helps keep messages organized and ensures that new messages aren't missed or buried in other messaging apps downloaded on their phone.

[Read more here.](#)

4

Texting is now an expected form of communication between businesses and consumers.

Texting is used for more than communicating with family and friends. Consumers see the value in texting. Interestingly, **43%** of consumers said they have proactively texted a business. And 1 in 3 consumers has tried to text a business and never gotten a response back, which indicates they're texting a business that has not yet text-enabled their phone number.

[Read more here.](#)

5

Despite advancements in chatbot technology, consumers still prefer to get help from a human.

Advancements and enhancements in technology continue to be welcomed by consumers, including the use of chatbots to assist in answering questions. Yet, **74%** of consumers said they still prefer to get help from a human rather than interacting solely with a chatbot. This data is unchanged from a year ago, indicating that human involvement remains a key component when it comes to consumer satisfaction.

[Read more here.](#)

6

RCS features will improve texting experiences for businesses and consumers in 2020.

Despite a gradual rollout of RCS (Rich Communication Services), the momentum is gaining ground with carrier networks, phone manufacturers and software companies. Consumer awareness surrounding its capabilities is also growing, with a **30%** increase in the percentage of people who say they are somewhat or very familiar with RCS compared to last year.

[Read more here.](#)

Consumer **Mobile Habits**

Consumers are tied to their cell phones

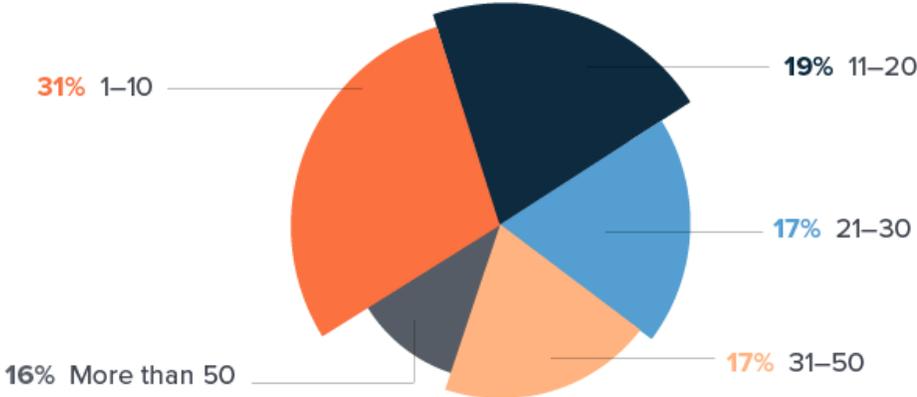
We use our cell phones for a variety of reasons throughout the day. How often do you check your phone? Do you do it consciously or unconsciously? The truth is you probably do both.

We pick up our phones when we need information, want to connect with others or simply to entertain ourselves. Our phones are our lifeline to the outside world, and rarely do we travel far or go any extended length of time without interacting with them.

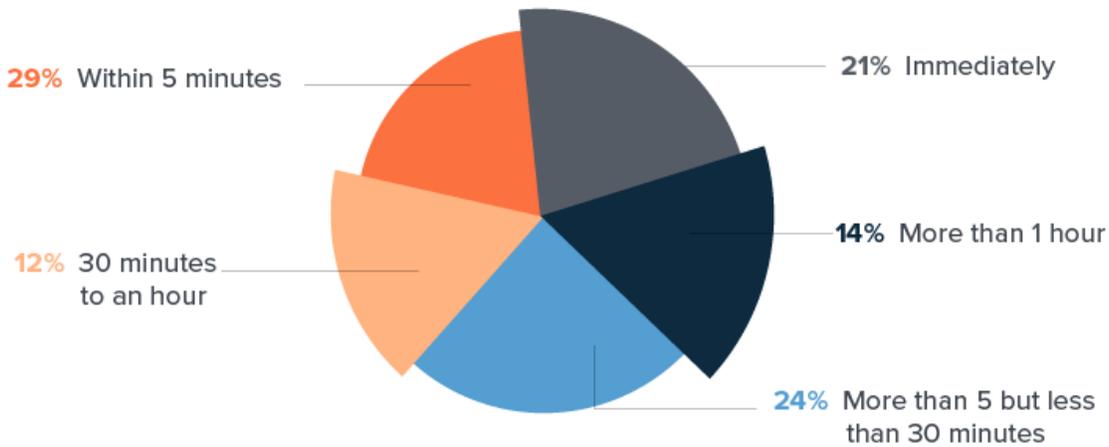
Cell phones have become a constant companion for many of us. If we think that ours has been lost or misplaced, a feeling of unease or even anxiety can set in quickly.

As a society, we have been conditioned to reach for our phones almost instinctively. Our survey data found that the majority of consumers check their phone more than 20 times a day, with **16%** saying they check it more than 50 times.

Q: On average, how many times per day do you check your cell phone?



Q: How soon after waking up in the morning do you check your cell phone?



And **75%** of consumers reported that they check their cell phone within 30 minutes of waking up.

Seventy-five percent is a huge number. When one of the first things someone does each morning is check their phone, it has gone from being an occasional practice to an engrained habit. It also indicates just how important it is for us to feel informed, how often we use our phones to interact with others and the amount of time and mental energy we devote to our mobile devices.

One of the most used features on a cell phone is the text messaging app. And when it comes to text messages, we're sending a lot of them. On average, consumers send 13 texts and 3 emails from their personal cell phone each day. That means we're sending 4 times more text messages than emails now.

Consumers send **4x** more texts than emails on their personal cell phone every day



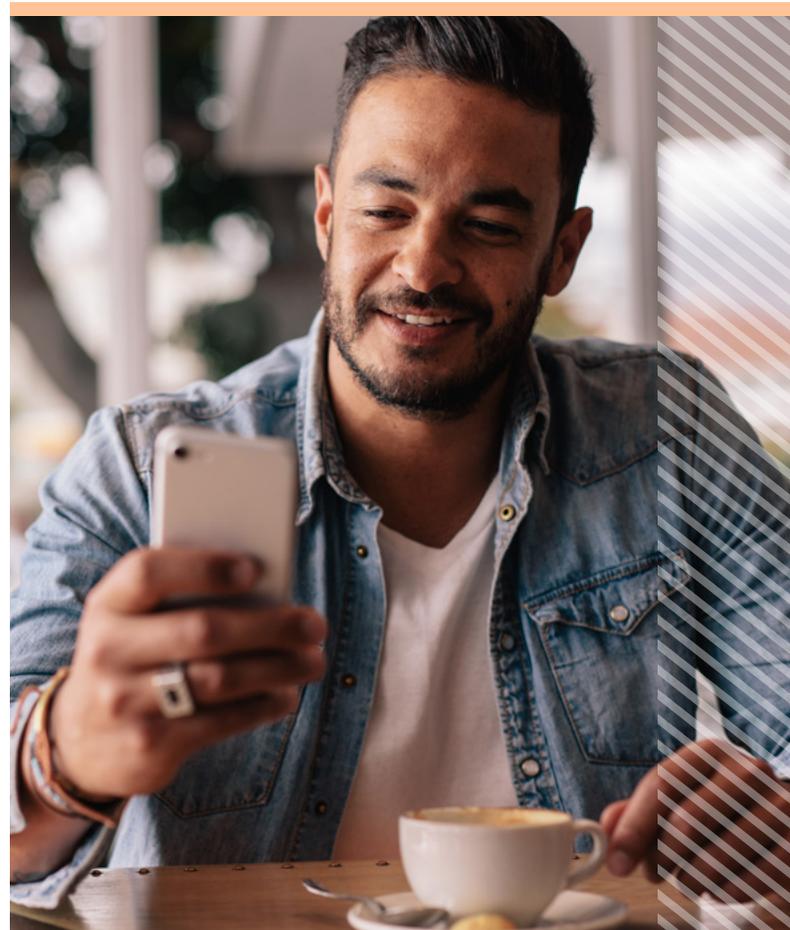
Avg. texts sent
13.0



Avg. emails sent
3.3

Consumers send four times more texts than emails on their personal cell phone every day. This data doesn't surprise us. Texting is the highest-priority form of communication and a highly preferred one.

Whether a person is texting a friend, family member or a business, having zero unread text messages is still the norm. There is just something about an unread text message that beckons us. And unlike email inboxes where messages are generally perceived to be less urgent, when a person receives a text message, they're likely to read it and reply within minutes.

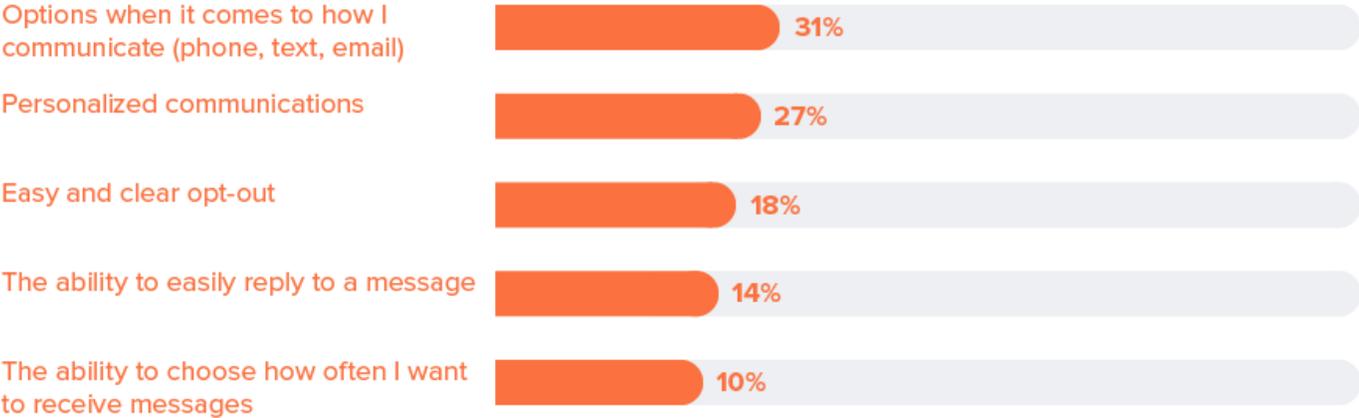


Changes in Consumer Preferences

Just because consumers spend a lot of time on their phones doesn't mean they're easy to reach by any medium. Consumers want choices.

When asked what's most important when connecting with a business, **31%** of consumers said they would like options when it comes to how they communicate. While there isn't a one-size-fits-all solution, a combination of communication tools is often the best approach.

Q: Which of the following is most important to you when communicating with a business?



Using emails and text messages to communicate with customers may work best for some businesses while text messages and phone calls may work better for others. Consider your customers' preferences and the type of business you run before moving forward with any changes to your company's outreach strategy.

Currently, if you're only using email and phone calls to communicate with customers, it might be a good time to consider expanding your options. Younger generations—Gen Y (millennials) and Gen Z, specifically—use texting more than email, so adopting text messaging makes sense to attract them.

Continued: Changes in Consumer Preferences

Service-based companies have tremendous success when using texting to connect with customers, particularly when scheduling appointments and sending confirmations and reminders. Sending short text messages at the right time greatly reduces late cancellations, missed appointments and no-shows which can be quite costly, especially for small businesses.

On the other hand, some businesses may find that using email works best, primarily if they send long-form messages or need to attach documents. The key is to be aware of what customers want and to use the appropriate method for the best outcome. Listen to the preferences of your customers and you'll be rewarded in the long run.

Only **24%** of businesses today find it very easy to get a response from customers.

Consumer communication preferences have evolved with technology, and businesses that don't oblige those preferences will continue to struggle. Using a shotgun approach to send generalized marketing or sales content to a single database of customers hoping to appeal to all of them rarely hits the mark.

Likewise, sending a whole bunch of different messages to the same people is counterproductive. Businesses would be smart to strategize their messaging. Don't make getting a response more difficult by spamming customers with too much content or content that isn't relevant.



Sending timely information that offers value is a critical component to good customer communication, regardless of the method used to send it.

Does your product or service make their lives better, save them money or relieve a pain point? Ignore these questions and your messages will be ignored, too. And you may soon find that they've unsubscribed from your emails or opted out from receiving your texts.

People want to feel understood, know that a business values their time and have confidence that what a company offers will benefit them in some way. If you want to engage with customers, make it easy for them to see the value in what you're offering and make it just as easy for them to reach you.



Only **24%** of businesses
find it very easy to get a
response from customers

Changes in Consumer Preferences

Phone Calls, Emails and Texts

Phone calls are becoming less and less preferred by consumers

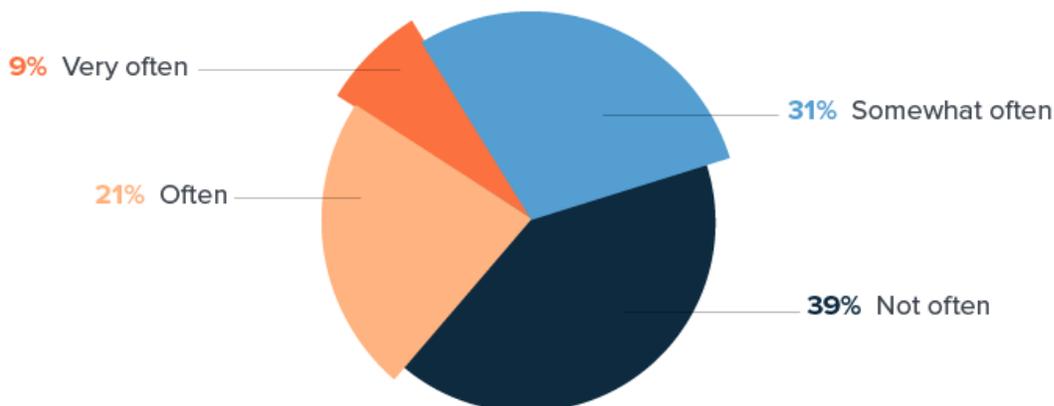
We all grew up with phones in our homes, so we know the convenience they offer. Back then, most phones were attached to a cord and even if they were cordless, they still had a base that plugged into the wall. Reaching consumers that way had its limitations as individuals had to be home to answer.

While we now carry our cell phones nearly wherever we go, ironically, the call button is one of the least used features on it. Texting and messaging apps are used much more often to communicate.

So, why are calls declining in terms of consumer preferences? One reason is because it's getting harder to get ahold of someone. When we get a call from an unknown number, we tend to ignore it and let it go to voicemail where the recording may or may not be heard. If we do listen to the message and return the call, we often end up getting their voicemail in return and the game of phone tag begins.

According to our survey, **60%** of businesses say they play phone tag somewhat to very often. How much time is phone tag costing your employees each day? Is it even a consideration? It should be.

Q: How often do you find yourself playing “phone tag” with customers?



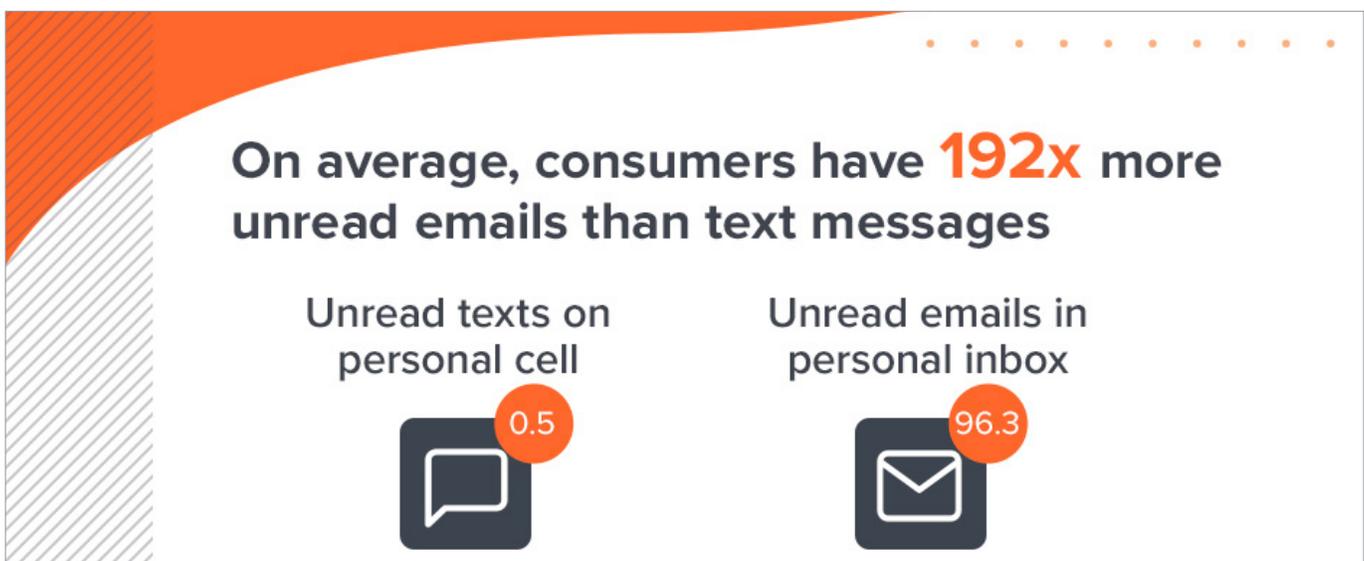
Consumers view calls from unknown numbers with skepticism, assuming they're either spam (unwanted marketing), a scam (fraudulent in their intent) or a robocall (recorded message from an auto dialer). Robocalls in particular are making it more challenging for businesses to reach consumers. The increasing number of them has people ignoring the sight and sound of a ringing phone unless they recognize the custom ringtone or see a name from their contacts when the screen lights up. In our 2019 phone call survey² we found that nearly **88%** of respondents said they ignore phone calls from businesses and unknown numbers “often” or “very often.”

Some industries still rely on phone calls as a primary contact method, however. When asked if they would prefer to communicate via text, email or phone call for various use cases, our survey respondents only selected phone calls for one use case – recruiting.

For recruiters, speaking with job candidates over the phone can give them a better understanding of an individual's skills and work history as well as a chance to speak with them about their career goals. So, it's understandable that phone calls are used as a primary point of contact, with the expectation that texts and/or emails are used to convey other information later during the hiring process.

Email is no longer a high-priority medium

People are busy and they want information delivered to them quickly and succinctly. While email works well for some types of communication as mentioned earlier, consumers don't prioritize it like they do texting. Case in point, the average consumer has **96 unread emails** in their inbox and only **0.5 unread text messages** at a given time. That makes it clear which method is getting prioritized.



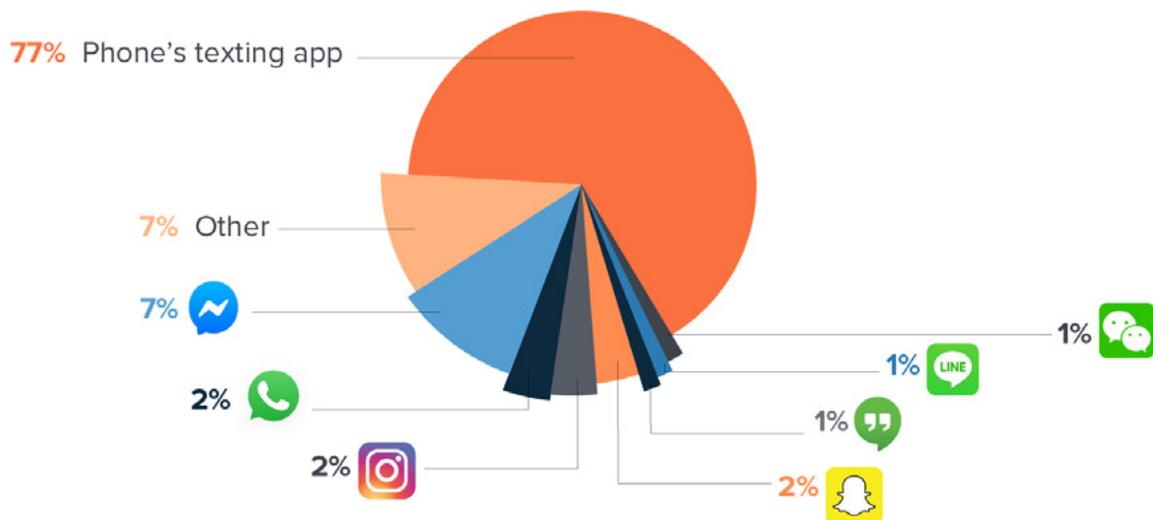
Texting is still consumers' preferred messaging tool

As noted earlier, texting beats email for the number of messages sent per day, with four times as many texts being sent. And it beats email in terms of the priority level of the message. Texting also surpasses popular messaging apps like Facebook Messenger, WhatsApp, Snapchat and Instagram which are used more for social media conversations and sharing filtered images and videos for entertainment purposes.

If businesses want to reach consumers, the texting app that came with their phone is the top choice.

When asked which messaging tool consumers use most frequently, an overwhelming **77%** said they use their phone's texting app. Because all cell phones come with a native texting feature installed, messages can be sent to any phone's number without the barrier of needing to download an additional app. This unhindered access means texts are seen and read quickly, and sooner than if the same message had been sent by email.

77% of consumers use their texting app the most



High-priority messages deserve to get immediate attention

Consumers value getting high-priority messages via text, which makes sense given that their texting app is where they know they'll see a message first.

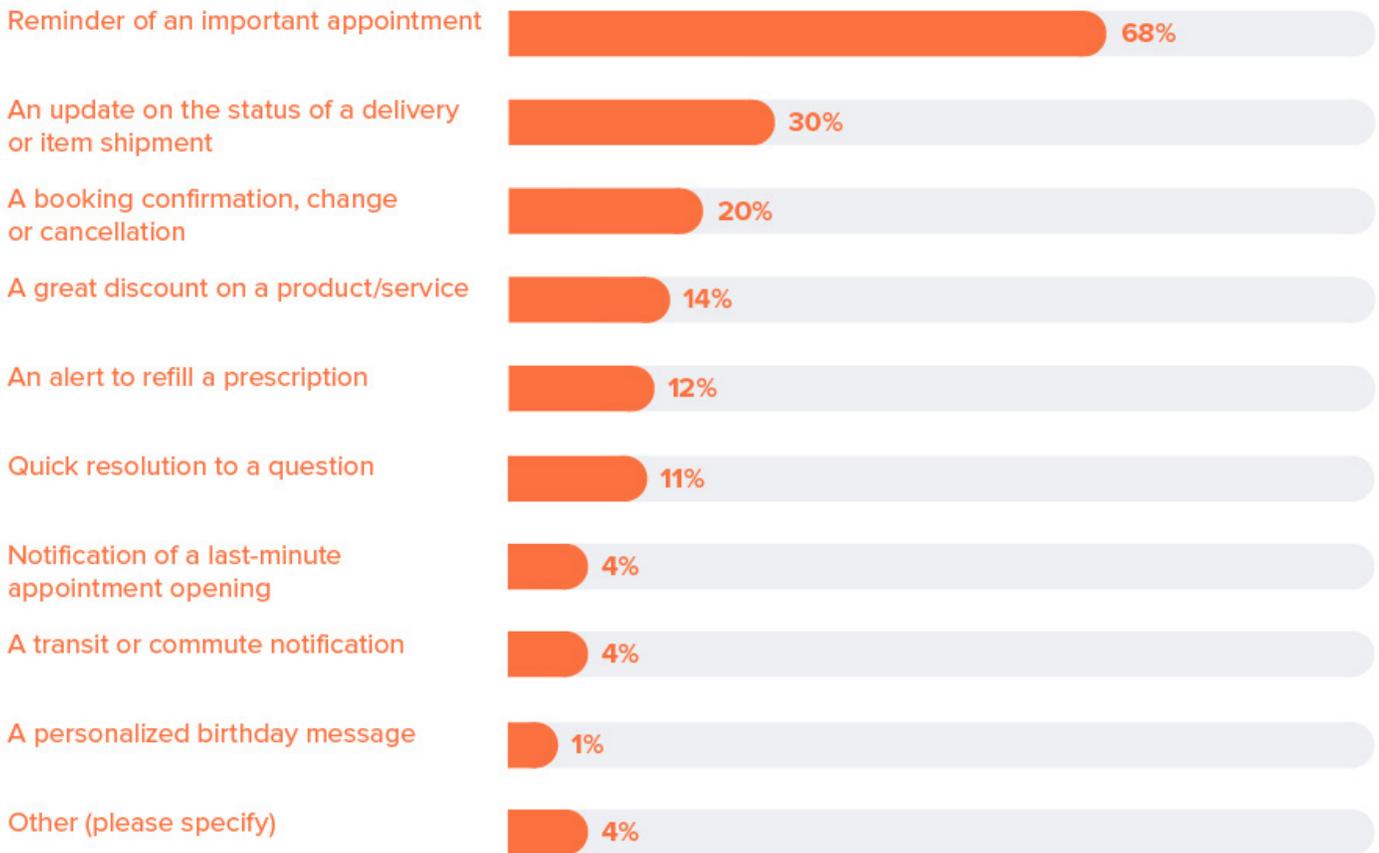
Adding an appointment to your calendar doesn't necessarily mean you'll remember the day, time and location of the event when the date approaches. But a text message from your

doctor, dentist, hair salon or auto mechanic reminding you about your appointment the next day – those get noticed.

When we asked consumers to describe two of the most valuable types of texts they've ever received from a business, a reminder about an important appointment was selected **68%** of the time, followed by receiving an update on the status of a delivery item or shipment (**30%**) and receiving a message about a booking confirmation, change or cancellation (**20%**).



Q: What is the most valuable text you've ever received from a business? (Select two)



This data highlights the value consumers place on getting reminders from businesses. An email could also be sent with the same information, but how many people check their email as often as their texts? And consumers tend to skim the messages in their inbox to see if a subject line grabs them before deciding to open it. Texts skip the preamble and get to the core of the message right away.

Changes in Consumer Preferences

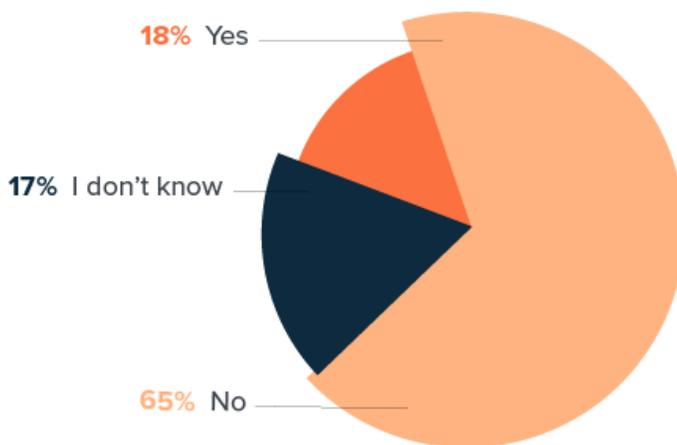
Chatbots and Apps

Chatbots are only preferred when combined with a human

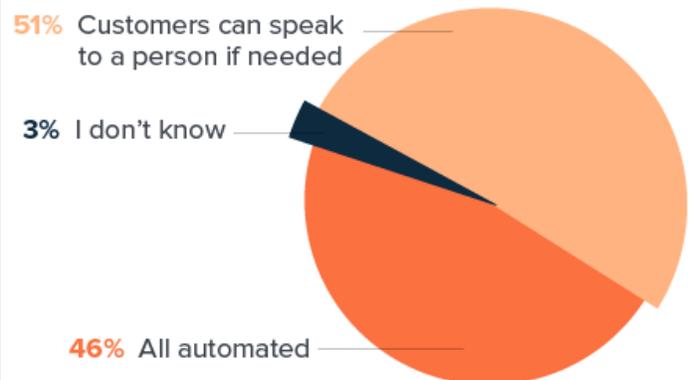
A chatbot is a computer program that simulates and processes human conversation. While not yet widely used by businesses, they're growing in popularity. Most likely you've encountered a chatbot when you've visited a company website or used their mobile app. Midsize and larger companies are more likely to have already incorporated this technology.

Today, **19%** of businesses say they use a chatbot, but only **51%** of those can transition to a real person, which goes against what consumers want.

Q: Does your business currently use a chatbot?



Q: Is your chatbot entirely automated, or is there an option to be handed off to a person if needed?



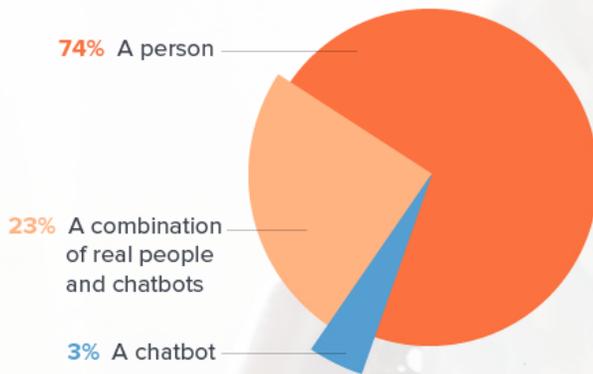
As chatbots and other AI tools improve, we will continue to see a shift in consumer sentiment toward them as they become more familiar to users. However, our research shows that consumers aren't ready to forego interactions with real people just yet.

An overwhelming number of consumers, **74%**, reported that they would prefer to speak with a person when conducting business. Two-way texting enables consumers to communicate quickly, conveniently and discreetly with a company's representative.

Continued: Phone Chatbots and Apps

The above findings show the importance of companies continuing to invest in sophisticated artificial intelligence while still utilizing human skills for the best customer experience. Fewer than a quarter of consumers, **23%**, said they would prefer to start a conversation with a chatbot but transfer to a human at some point if necessary. Ideally, handing a conversation over from a chatbot to a human would be so seamless that the individual isn't aware of the exchange and assumes they've been chatting with a person all along.

Q: When you need something from a business, do you prefer to communicate with a chatbot or person?

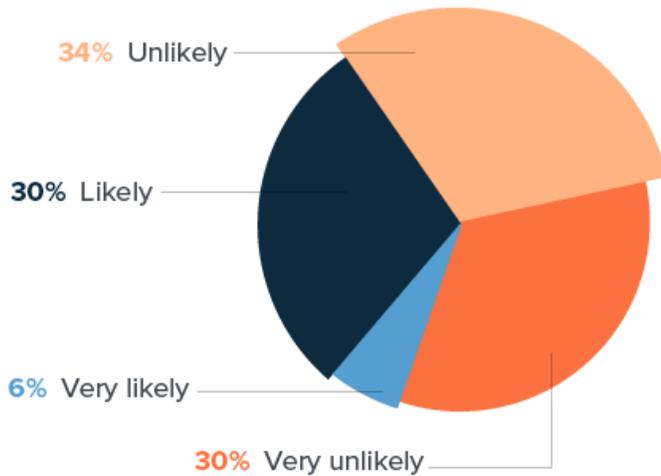


Consumers have enough apps

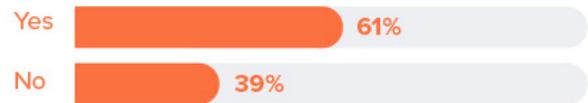
Our cell phones are cluttered with more apps than we typically use, or at least use on a regular basis. We give our high-usage apps prime real estate on our devices, so we won't have to swipe through multiple screens to find them. Don't expect consumers to download your company's new app, especially if the reason is just so they can communicate with you or you can communicate with them.

An interesting point is that **64%** of consumers said they are unlikely or very unlikely to download a business's branded app. And for those who do download one, a resounding **61%** said they are very likely to delete it shortly thereafter, presumably once the reason for contacting the company has been resolved.

Q: How willing are you to install a company's branded app to communicate with them?



Q: Have you ever downloaded a company's branded app and then deleted it shortly after?



Adding another app to their phone means they have one more thing to check in addition to voicemail, email, text and probably one or more instant messaging apps. While the branded app is useful for your company, your customers cannot use it for any other purpose. This is what makes SMS, MMS and Rich Communication Services (RCS) so valuable; the features are built right into consumers' phones and are accessible through their native texting app.

More Businesses are **Texting**

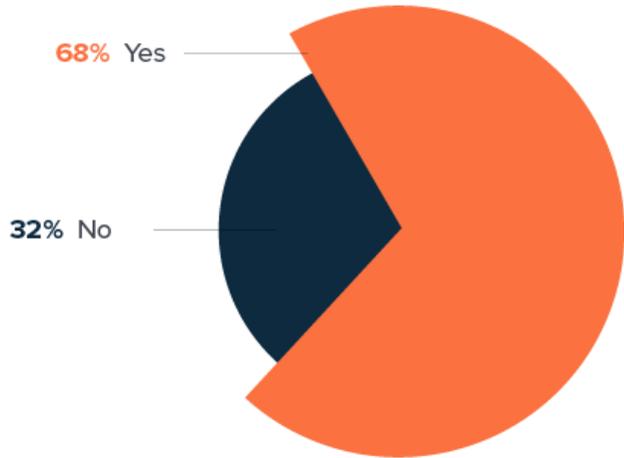
Texting has gained popularity as businesses recognize what consumers want

Today, **68%** of businesses use some form of texting to reach their customers. It was only a short time ago that a business sending a text to a customer would have been perceived negatively, as unprofessional and invasive. These sentiments are no longer widely held as businesses have caught up to consumer preferences.

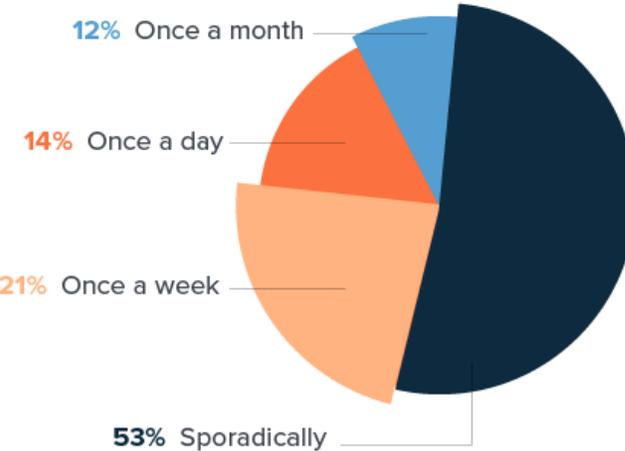
And there's a solid understanding of the vital role that texting plays in communication outreach, even among businesses that don't currently text. Seventy-eight percent of businesses say they see the value in text messaging.

Consumers also view getting a text from a business just as normal as getting a text from a friend or family member. In last year's State of Texting report¹, **76%** of consumers said they had received a text from a business. This year **91%** of consumers said the same, with **35%** saying they text with businesses once a day to once a week.

Q: Does the business you work for use text messaging to communicate with customers or employees?



Q: On average, how often do you send texts to or receive texts from businesses?

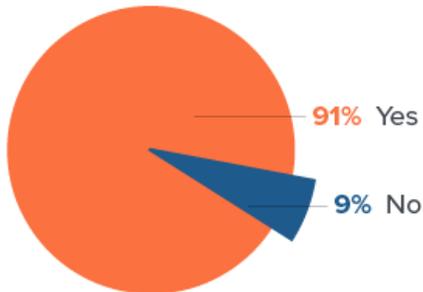


Businesses don't always send the first text

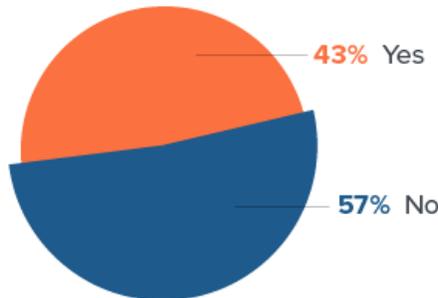
Forty-three percent of consumers said they've texted a business unprompted, which signals an expectation that businesses are already text-enabled. If your business phone number isn't text-enabled, you could unintentionally be ignoring your customers. Nearly one third (32%) of consumers have tried to text a business and never gotten a response back. Those texts went unseen and thereby went unanswered. While we didn't ask consumers how they felt when they didn't get a response from a business, it likely wouldn't be favorable.

Q: Have you ever...

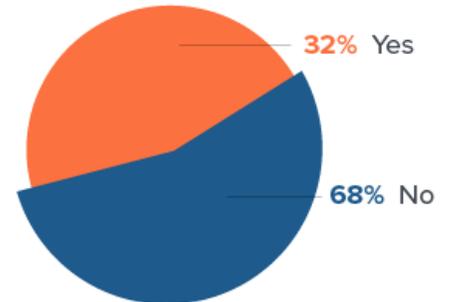
Received a text message from a business?



Proactively texted a business?



Texted a business and not gotten a response back?



More Businesses are Texting

Common Use Cases

Businesses use texting primarily for scheduling, customer service/support, alerts/reminders and internal communication

Our 2020 survey results are similar to what we saw last year¹. Texting can be applied to a variety of use cases but our data shows that it's most commonly used in instances that would benefit from a timely response, such as with customer support inquiries, or when a text should be seen immediately, such as a reminder for an upcoming appointment.

Businesses also find that texting benefits communication internally among teams (37%). Texting is a great way to connect with employees out in the field or to get the word out quickly for things like company announcements and emergency alerts. Employees are much more likely to see a text right away compared to an email that may sit unread in their inbox.



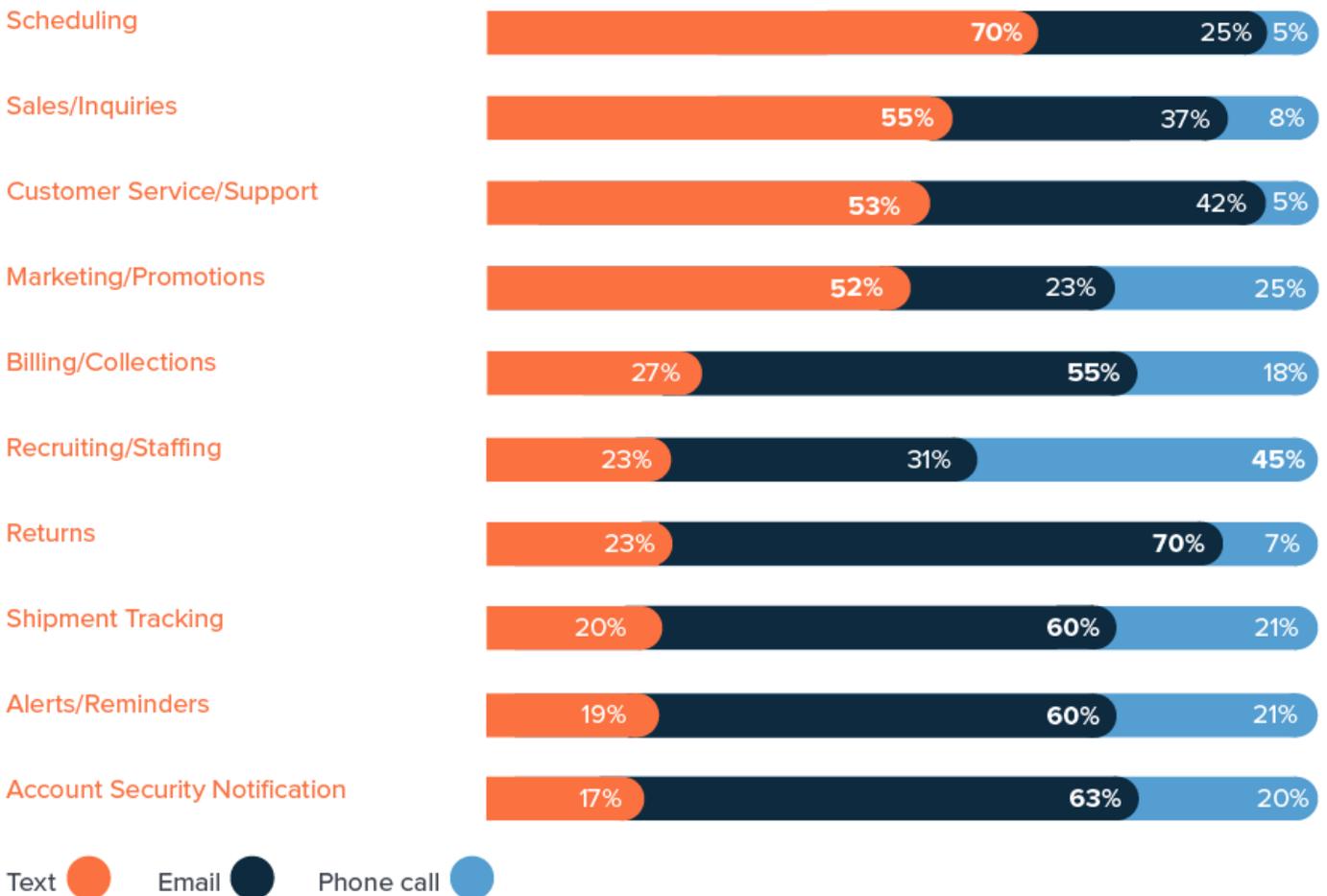
Q: What does your business use texting for? (Select all that apply)



Business use cases closely align with consumer preferences for texting

Consumers say they would prefer to receive a text over a phone call or email for scheduling, sales/inquiries, customer service/support and marketing/promotions. Convenience plays a major role in why these use cases are more popular with texting than others. It's much easier to give a yes or no over text than to play phone tag or mine through emails to provide the same answer. Or in the case of customer service/support, when a customer wants help, they want it fast. They're able to get a response almost immediately over text versus possibly waiting days for a response in an email. Texting also opens the door to a conversation as opposed to email where responses don't happen in real time.

Q: Would you prefer to communicate via text, email or phone call for the following?



We would like to point out two use cases where it might not seem obvious why texting is preferred over an email or phone call. Over half of consumers (**52%**) would rather have marketing and promotional messages texted to them. Marketing and promotional messages have long been communicated over email, but due to the medium's abuse by spam and the overabundance of such emails, consumers can easily overlook a message that could be of importance to them.

If a business or brand is one that the consumer frequently shops or favors, they'll want to know about a promotion or deal right away, and a text message does a much better job at accomplishing that than an email. A text can be especially helpful when the customer is already set on making a purchase and they may just need a good discount or promotion to pull the trigger. Or if they're eyeing an in-demand item that's out of stock, a text notification letting them know when the item is re-stocked would allow them to move fast on the purchase before stock runs out again.



Continued: Common Use Cases

For sales/inquiries, **55%** of consumers prefer to communicate over text. Because texting is a personal medium, it's a best practice to not use it as a first point of contact. It would be invasive for a salesperson to text a prospect without first having introduced themselves over email or on the phone. After introductions have been made, however, continuing the conversation over text makes sense in certain situations. For example, follow-ups and inquiries are a lot harder to make over phone and email. It's faster to get a minor question answered or schedule a phone call or meeting by sending a text message.

On a final note, we were surprised to see that a phone call was the preferred way to be reached for recruiting/staffing (**45%**), but we believe this is due to interviews being more suited to a phone conversation. Based on feedback from Zipwhip's staffing and recruiting customers, however, texting speeds the process for inquiries, collecting documents and scheduling throughout the recruiting timeline, leading us to believe that respondents may have chosen "Scheduling" since it more closely describes that use case.

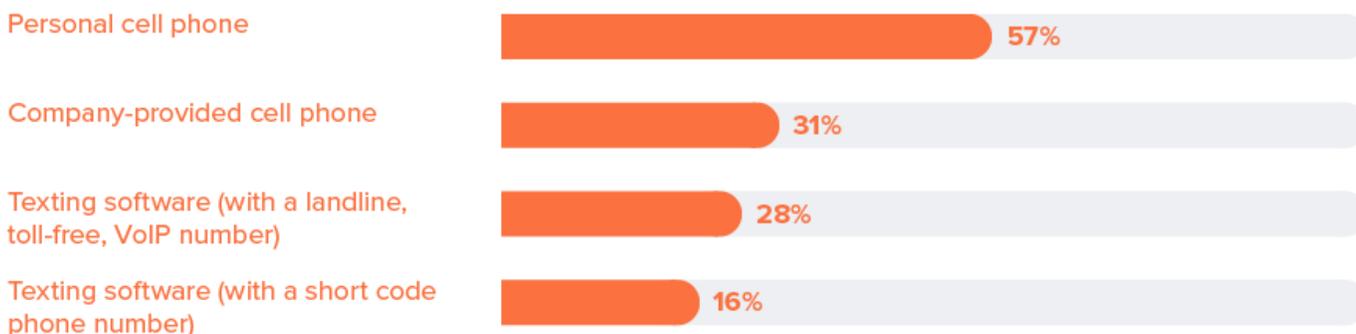


More Businesses are Texting

Texting Tools

The majority of businesses that text do so from cell phones

Q: What do you use to text with your customers? (Select all that apply)



An overwhelming number of businesses text their customers by precarious means. Eighty-eight percent of businesses text from personal or company-provided cell phones instead of using texting software, which puts both businesses and consumers at risk.

On the surface, there doesn't seem to be any harm in using a phone's native messaging app to text a customer or client. We use it, after all, to text our friends and family every day. And one may be forgiven for thinking that purchasing separate software would be superfluous when the native app on our phone is already available. But there's a different approach when messaging happens between a business and a customer, and those conversations should be taking place over texting software for several reasons.



Why business texting software is the safest option

1

There's less risk of a data breach.

Businesses and consumers often exchange personal information over text, such as financial information (**16%**), health information (**11%**) and social security numbers (**6%**). Our native messaging apps have limited encryption technology available, which leaves messages vulnerable to outside parties. Even information as simple as a full name, email or home address is all that's needed to take the first step in stealing someone's identity. Using texting software with encryption technology in transit (to ensure that data is being transmitted through secure connections) and at rest (to protect your local data storage) will keep messages from being accessed by outsiders.

2

Managers get better team oversight.

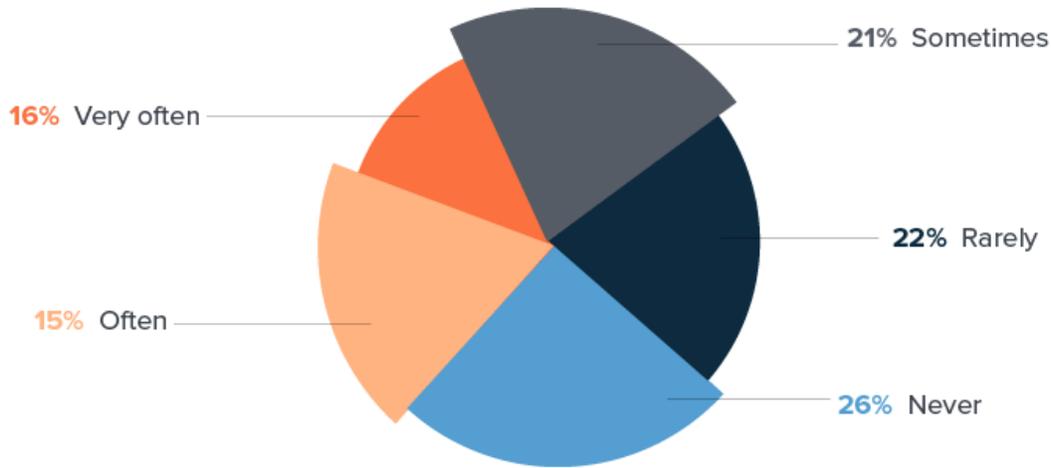
When employees text through a medium that's not controlled by the company, management gives up control over conversations between their teams and customers. Without oversight, management can't keep track of how customer service is handled, what information employees share with customers, what teams are doing well and what teams need to improve. Management monitors every other aspect of business operations; customer-employee conversations over text should also be included.

3

Work and personal contacts can be kept separate.

Nearly a third (**31%**) of businesses said they give out their personal cell phone numbers often or very often. If employees need to text with customers remotely or outside of business hours, texting software typically comes with a mobile app that lets teams use their business phone number on their personal phone.

Q: How often do you give your personal cell phone number to customers?



4

There's less risk of losing client contact information.

Without a centralized platform to store messages and contact information, management can lose access to contacts when an employee leaves the company.

5

You'll apply TCPA best practices.

If your business exchanges texts with customers, it should be familiar with the Telephone Consumer Protection Act (TCPA). Obtaining opt-in consent is a must, no matter what platform is used to text customers, and customers must have the option to revoke consent, too. Manually keeping track of customer consent isn't advised as there's more room for error. Texting software can provide proper opt-out tools that automatically block employees from texting anyone who no longer wants to receive texts.

Small businesses are 25% more likely to use personal cell phones to text customers

Limited resources may be keeping small businesses from purchasing texting software or they may not see it as a necessary expense, but texting should be considered a professional tool like email and phone calls. When email gained popularity among businesses, they switched from using personal email providers to professional email hosts. When calling customers, it's usually done through the business's own phone number, not through the personal number of an employee. Keeping communications on brand is a best practice to prevent confusing customers and ensure you appear as a legitimate business. Texting should be no different.

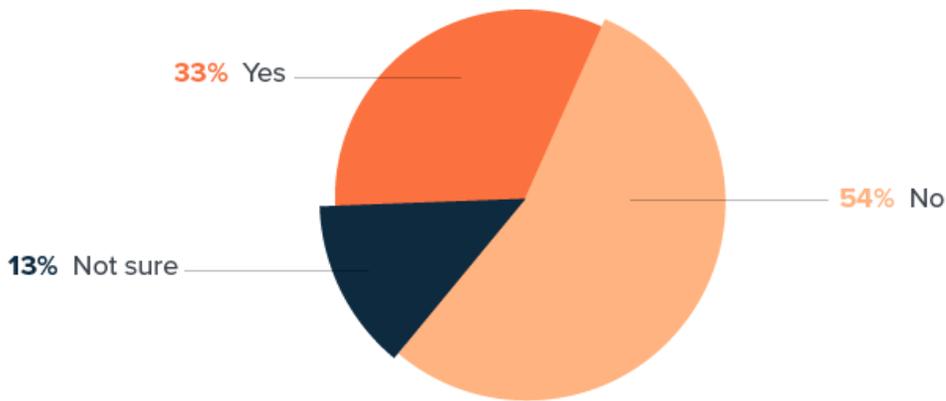
Texting software can be an inexpensive addition to communication outreach and helps keep businesses on brand by text enabling their existing business phone number.



Short code texting is limited and can cause consumer frustration

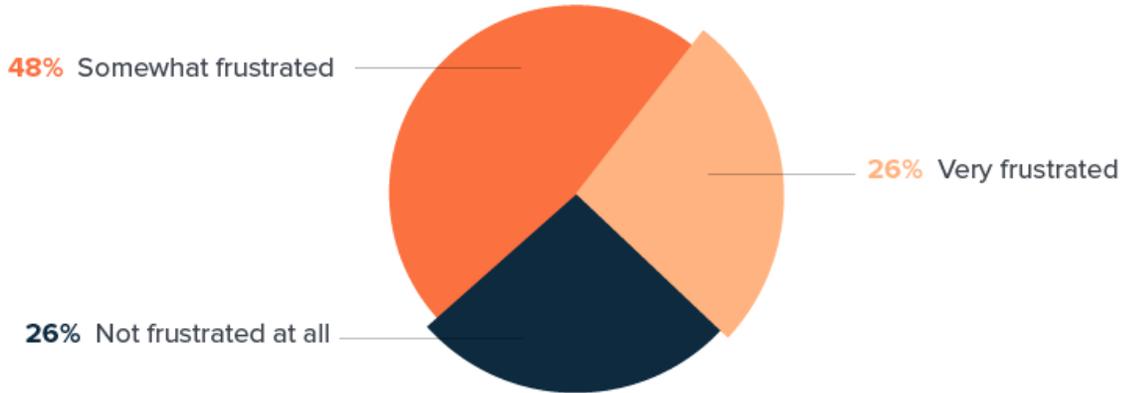
Only **16%** of businesses said they're using short code texting with their customers. The low usage is likely due to consumer demand for two-way texting with businesses, something that short code texting doesn't provide. A third of consumers (**33%**) have tried to reply to a short code message with something other than a keyword, which implies that consumers expect a two-way conversation with a business when texting.

Q: Have you ever tried to reply to a short code message with something other than a keyword (e.g. CONFIRM for an appt)?



Short codes are great for alerts and mass marketing, but texting software offers a better customer experience. With two-way texting, customers have the option to initiate a conversation if they need further assistance. When attempting to do so within a short code text, customers are usually met with an auto-response such as “Sorry, we didn’t recognize your command” or no response at all. Nearly **75%** of consumers said they had a frustrating experience when receiving this kind of message.

Q: How did you feel when you couldn't reply to a company's short code text because it didn't recognize what you were texting back?



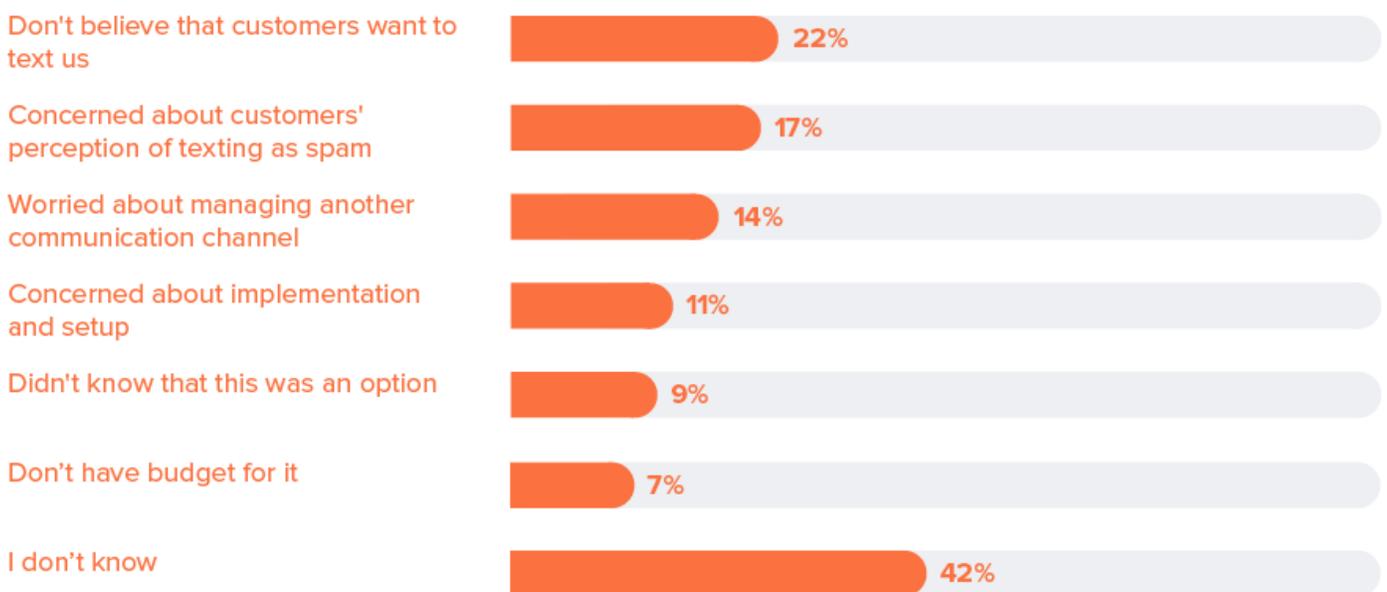
Another advantage to texting software is that businesses can also text-enable their existing landline business phone number. When customers can text the same phone number they use to call you, you're giving them one less hurdle to reach you.

Aside from the customer experience, businesses may not be choosing short codes because they can be expensive for the limited capabilities they offer. Keywords and alert texting (both popular uses for short codes) are available with most texting software without the steep price tag.

Addressing Business Texting Concerns

Businesses still have concerns around texting but many of their hang-ups have simple solutions

Q : Why hasn't your business incorporated texting into their customer communication? (Select all that apply)



Customers want the option to text your business

Twenty-two percent of businesses don't think that their customers want to text them, but this goes against what our data tells us. Many consumers (**43%**) have proactively texted a business and 1 in 3 has texted a business without receiving a reply, suggesting that customers were under the assumption that a business was text enabled even though the business may not have been.

Businesses can follow simple steps to keep from sending spam

The second reason businesses say they haven't adopted texting is concern over customer perception of texting as spam. With spam affecting phone calls so aggressively over the last few years, these worries aren't unfounded. However, there are a few common-sense steps that businesses can take to prevent legitimate texts from appearing otherwise.

-  **Ask customers for permission before texting them.**
-  **Ensure customers know how they can opt-out of your texts.**
-  **Use natural, conversational language.**
-  **Keep texting frequency to a minimum.**
-  **Only send relevant texts to customers.**

For more guidance on what your business can do to prevent sending spammy messages to your customers, we highly recommend brushing up on TCPA regulations. We wrote a short e-book that gives a high-level view of TCPA guidelines, written in jargon-free language to get you started. Find it [here](#).

Texting software is easy to set up and manage

Businesses also have reservations over the process of acquiring and managing an additional piece of software. Depending on the software, however, setting up texting capabilities shouldn't take long, and most can integrate with your existing CRM so that texting features are seamlessly added to the tools you already use.

Sticking with your current CRM will also give you one less thing to worry about. Your customer communications will be centralized, and good software should have notifications to keep you in the loop so you don't have to worry about manually checking in throughout the day.

Addressing Business Texting Concerns

Reducing Opt-Outs

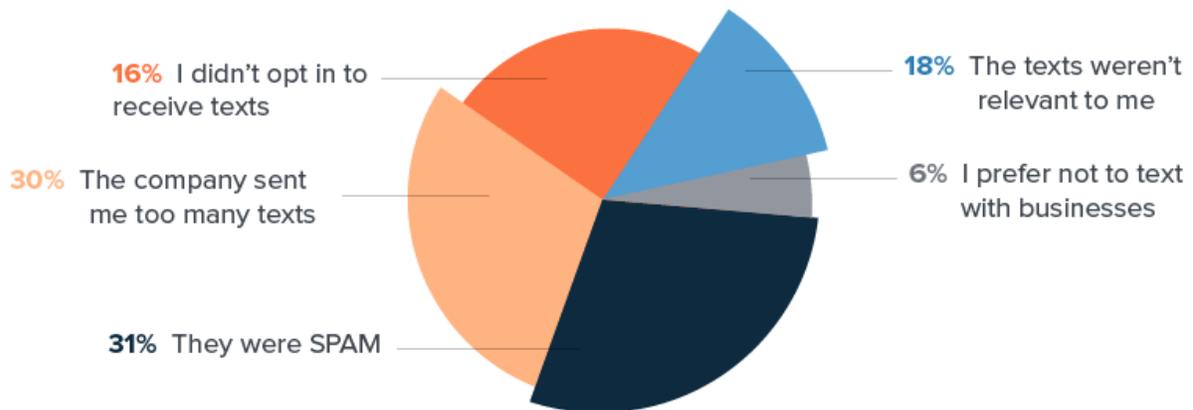
Sixty-five percent of consumers say they've unsubscribed from a business's texts, which is down **12%** from 2019. The top two reasons for unsubscribing include spam (**31%**) and receiving too many texts (**30%**).

Our data shows that more businesses are texting their customers than not. Zipwhip has seen this reflected through our own network as we've experienced an increase in texting volume over the last year. Yet, despite more texts, opt-outs have decreased. This may indicate that businesses are becoming savvier about texting best practices, understanding what is and isn't appropriate to send to customers.

The third reason for opting out of texts was that customers didn't find the texts relevant to them (**18%**). If a customer signed up for appointment reminders, they should expect to only receive appointment reminders, but if they're receiving marketing and promotional texts, too, that's not what they signed up for and they'll likely opt out.

To keep opt-out rates low, businesses should follow TCPA best practices and listen to what their customers want from their text outreach.

Q: Why have you unsubscribed from receiving a business's texts?



How RCS Will Improve **Texting**

RCS (Rich Communication Services) is the soon-to-be replacement of SMS texting, and it's creating a lot of buzz among the industry. Think of it as SMS 2.0.

SMS is an effective tool for businesses, but customer engagement is limited to the technology's basic features of plain text and small multimedia file support. While messaging apps

like iMessage have adopted advanced features, such as large file sharing, group messaging, location sharing and read receipts, SMS has been largely left untouched.

RCS is an exciting prospect for businesses because it will enable these types of features. Soon, everyone with a smartphone will be able to communicate using robust, interactive features that will greatly benefit the customer experience.



How RCS Will Improve Texting

A Look at the Features



RCS enables typing indicators, read receipts and delivery confirmation. There are also chatbot features that will give businesses the ability to automate responses and offer suggested replies to customers (e.g., if the business asks a question to the customer, a few response options can be presented so the customer has a quick way to reply with just a tap).

In our survey, both businesses and consumers say they're most excited about RCS's read receipts feature. Although one of the simpler features of RCS, read receipts can be an important signal in a text conversation for the sender and recipient. It's helpful to know when a message has been

acknowledged, especially when important information is being exchanged. The same goes for typing indicators and delivery confirmation. Both parties have a better sense of when they're in an active conversation or when the conversation will be picked up later.

The next feature both consumers and businesses are most looking forward to is the ability to send and receive improved images and large media files. This can greatly benefit insurance businesses, for example, where a high-quality video of an accident scene would help an adjuster expedite a filed claim.

Chatbot automation and commerce/ability to make payments may not have been as widely selected because there is still so little known about RCS capabilities among both businesses and consumers. Only **13%** of consumers say they are very or somewhat familiar with RCS. Although that's a **30%** increase from when we asked the question last year, the full impact and benefits of being able to have access to such robust features may not yet be understood.



For example, making payments within a text message is going to change the way commerce is conducted. A customer will have the ability to seek assistance from a business, shop and make a payment without ever leaving their native texting app; there would be no need to download a branded, third-party app to engage with the business, creating a highly accessible experience.

Q: RCS (an upgrade to SMS) will enable richer experiences with businesses. Which of the following features of RCS is most exciting to you?





Who is **Zipwhip**?

Zipwhip invented Texting for Business™. Since 2014 when it first enabled texting to and from existing landline, VoIP and toll-free phone numbers, Zipwhip has empowered more than 35,000 businesses to communicate with their customers in the most effective way possible.

Zipwhip's intuitive cloud-based software, enterprise-grade API and direct network connectivity allow businesses to use any computer or mobile device to securely and reliably reach their customers by text.

Texting is a universal technology that continues to evolve over time, and Zipwhip is at the forefront of the next big iteration: RCS. We are committed to innovation and will continue to enhance our texting platform to serve businesses well into the future.

In addition, Zipwhip is dedicated to protecting the texting medium. We offer tools to help businesses maintain compliance, as well as industry-leading anti-spam safeguards to protect both businesses and consumers.

Who is Zipwhip?

Five Texting Predictions from our CEO for 2020

The data in this report gives us insight into how consumers and businesses are texting right now, but what should you expect for the year ahead? As the inventor of Texting for Business, Zipwhip CEO John Lauer has decades of experience working in the mobile communication industry. We sat down to hear his thoughts on how we might see the industry change in 2020.

1

25% more businesses will adopt texting software.

Most businesses are still relying on personal cell phones to text their customers, but that's going to change this year. Factors such as TCPA compliance, data privacy, ease of use and managerial oversight will drive **25%** more businesses to adopt texting software this year. The number of businesses texting from mobile devices will dwindle over time as the risks become more well known.

2

Consumers will be able to text millions more non-mobile phone numbers.

We believe that nearly every phone number (landline, VoIP and toll-free) will be able to receive text messages in the future. Although we're not there yet, we expect to see millions more phone numbers enabled for texting this year. Eventually, customers won't have to wonder if a business is receiving their messages because text-enabled business lines will be the norm.

3

For the first time ever, consumers will receive texts from businesses that display brand names and logos.

Unlike social media, which verifies brands and allows them to build an identity with photos and business information, phone numbers have remained largely anonymous. RCS intends to solve this problem with a powerful branding feature called Verified Sender. Using this feature, a business will soon be able to display its brand name, logo and brand colors at the top of every text. These vetted, branded business numbers will help ease consumers' fears around scams and spam because they'll know who's contacting them right away.



4

RCS (Rich Communication Services) will become more widely implemented, but consumers will never use the term “RCS”.

The rollout of RCS has already begun on Android devices, and we expect even more momentum in the carrier community this year. Although we recorded a 30% year-over-year¹ increase in consumer awareness of RCS, the numbers were still very low, and we anticipate most consumers will start using RCS in their native texting app without knowing what it’s called. Just like consumers don’t use the term “SMS,” we don’t foresee them saying, “I’m going to share this video with you over RCS.”

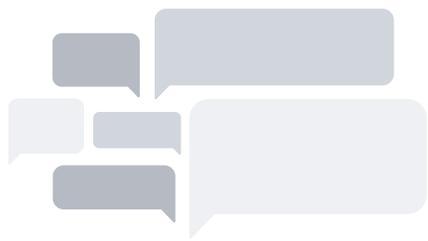
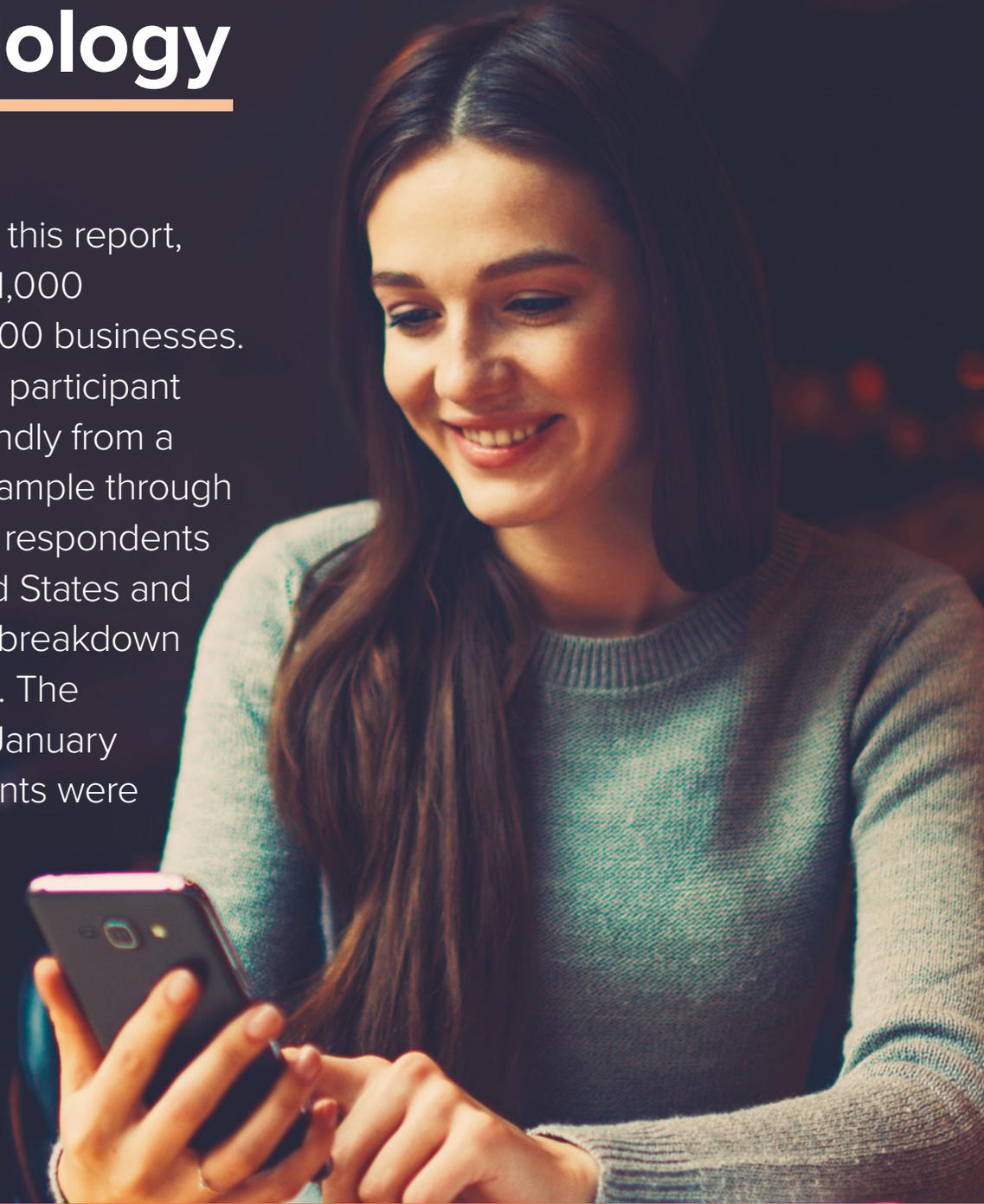
5

Consumers will hit a breaking point with chatbots.

Consumers are savvier than ever and certainly able to pick up on when they’re talking to a robot versus a real person. Until chatbot AI is good enough to mimic realistic interactions with humans (and will it ever?), consumers will prefer real conversations. While we expect to see a decline in basic chatbot usage this year, we believe many more businesses will embrace a hybrid approach where a person can easily take over an automated conversation. SMS APIs will make it easy to weave conversational messaging into chatbot experiences and engage customers in time to continue the interaction.

Methodology

For the purpose of this report, Zipwhip surveyed 1,000 consumers and 1,600 businesses. We surveyed each participant individually and blindly from a purchased panel sample through SurveyMonkey. All respondents are from the United States and followed a census breakdown of gender and age. The survey was run in January 2020. No participants were compensated for their participation.



Want to try
Zipwhip
for free?

Sign up for a trial and see what you can do with Texting for Business.™

[LEARN MORE](#)

Appendix

1. 2019 State of Texting Report

Methodology: In Dec. 2018, Zipwhip partnered with SurveyMonkey to poll 2,000 businesses and consumers about their communication preferences and current uses of texting. Key takeaways were highlighted in the first-ever State of Texting report.

2. Why Your Customers Don't Answer the Phone Anymore

Methodology: In May 2019, Zipwhip partnered with SurveyMonkey to poll 500 consumers to learn more about how they use phone calls to communicate today and how consumer sentiment toward phone calls has shifted.

I think
You
Thank
You
Thank
You
Thank
You
Thank

