

Will The Recession Force Marketers To Stick With SMS?



Almost every company and brand has significantly reduced their advertising budgets amidst the major recession we're facing. What this means is that there's little funding to try new marketing projects and new-age methods until the economy can bounce back.

When it comes to mobile marketing, companies are shying away from the relatively unknown marketing tactics that have yet to prove their potential in the long run, and instead opting to stick with SMS marketing- a channel that remains one of the most effective and efficient mobile channels available.

Under normal circumstances, companies can spread out advertising budgets to encompass all things mobile, as well as online and display advertising for brand awareness, but in a down economy, companies are forced to stick with methods that are proved to work and return the highest ROI overall.

The recession has caused more damage to the marketing industry than previously predicted just six months ago, according to figures released last week by the Association of National Advertisers. The group's survey found that a staggering 93% of companies are identifying cost savings and reductions, up from 87% late last summer, and more than one-third of respondents plan to reduce budgets by more than 20%, nearly doubling the previous figure. Most notably, 61% of respondents said they were eliminating or delaying new projects thanks to economic conditions.

Meanwhile, companies that specifically offer SMS-based services, like 4INFO and HipCricket, have seen steady growth during the recession- something no one thought would happen. It just shows, once again, how SMS is the dominant form of mobile marketing, still.