



The New Frontier Of Wireless Text Messaging

How it works, who's using it, how to exploit it

By Craig Zimmerman

Europeans, Asians and younger Americans already know all about it, but broadcasters are only now beginning to understand the power (and possible profits) that can be made with wireless text messaging, also known as short message service.

Here are the basics of SMS: Typically, the messages users send to cell phones are limited to 160 characters, which is more than it sounds like. The messages appear as plain text, such as "Call Joe at 212-555-1212" or "Listen to KIIS-FM at 2pm for the new J.Lo song" or "Half price on Michelins this weekend at Mac's Tires."

A text message is sent directly to a recipient's phone number. For example, if your friend Emma's cell phone number is 212-555-5512, you can send a message from your cell phone to hers by selecting the text-messaging function and entering her number.

With most phones, you can also send an e-mail from your computer to Emma's phone if you know her carrier. For example, if Emma is a Verizon customer, you'd send an e-mail to her by entering her phone number @vtext.com.

A small caveat: Some carriers require users to activate text messaging on their phones. There are also fees for sending and receiving text messages that vary by carrier and who the recipient is. Verizon, for example, might charge 10 cents for consumers to send an SMS to a friend (except from a computer) and 2 cents to receive it.

Charges for "Premium SMS" (for example, interactive messages to a radio station) can run from 25 cents to \$2 per message, but some carriers

have plans offering a certain number of messages for a flat fee. Depending on the service you use, a station might earn 2 to 8 cents on a 30-cent call, with revenue paid monthly.



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Who's Using SMS?

Text messaging already makes sense for many formats, including CHR/Pop, CHR/Rhythmic, Sports and Urban. You can communicate with your listeners on an ongoing basis about upcoming concerts, events or promotions that you want them to know about.

Adults 25-54 and older are slowly adopting text messaging. This audience, which is looking for information beyond music or contest info, will use SMS for sports scores, a top news story, weather or weather warnings, school closings and traffic reports.

Remember, It's Opt-In Only

Of course, you must let listeners choose whether they would like to receive text messages from your station, just like you should let them opt in for your e-mail. It's not only the right thing to do, cellular carriers require it. And surely you wouldn't want the same quantity of spam you get in your e-mail box to come to your cell phone. As with e-mail, provide your listeners with a way to opt out whenever they wish.

When they do opt out, remove them within 48 hours.

Carriers have become very careful about who they let send bulk text messages. When a carrier sees blocks of messages coming through the system, it may block them unless they're coming from someone who has a relationship with that carrier. And once a carrier blocks you, it is not easy to get it undone.

Because text messaging is a new frontier, carriers are working their way through the procedures for deciding which e-mail and text-messaging companies are allowed to send bulk messages and which cannot. Some carriers allow every message to go through, others block messages once a sender has sent a certain number, and still others block messages based on complaints. Since all the carriers are independent, they operate with different internal rules.

Two-Way Text Messaging

Two-way messaging allows the listener to send you a message or participate in a poll or other activity. Recent examples include *American Idol* or *Survivor*'s audience voting. Through clearinghouse NeuStar, your station can rent one or more five-digit short code numbers, starting at \$500 (more memorable numbers cost \$1,000). The number allows interoperability among cell phone carriers.

There are a few ways to set up two-way messaging. You can ask listeners to text in to receive a ballot on their phone so they can vote, or you can have listeners simply text in what they want to tell you ("I love Z100!").

The only downside to these approaches is the cost for the listener. Because the message isn't going

SMS Content Examples

This area's potential is limitless, but some common text-messaging service concepts include:

- Low-cost inbound: listener requests, playlist information, sports scores
- Low-cost standard outbound: album release dates, concert information, movie information, sports scores, retailer or restaurant specials, merchant locations, horoscopes, flash mobs, exclusive listener privileges at events, top 10 lists, birthday greetings
- Premium two-way: Traffic reports (because of the cost of licensing traffic services), personal and dating services, access to last-minute tickets to pro or college sporting events, ringtones, listener dedications for charity, stock info, polls, voting, games, photos, celebrity items, New Year's resolutions

from a phone to a phone, the carrier is going to charge the listener 25 cents or more per message sent. This could be a potential problem for a listener who isn't expecting the charge. As we all know, no matter how many times you announce that there are fees, listeners won't remember that when the bill arrives in the mail.

Where's The Money?

The upside of all this is that there's the potential for stations to make money through selling sponsorships to advertisers interested in reaching consumers with meaningful SMS information. Another revenue stream can be based on each time a listener sends a text message to the station, but that amount will depend on the deal made with each individual carrier.

There are also serious questions as to what, if anything, it is reasonable to expect listeners to pay to communicate with their favorite radio station. But certain offerings, such as dating referrals or info on tickets to exclusive events, might be attractive enough to your audience to ask them to pay.

When Is It Too Much?

How much messaging is too much depends on your target demo. One CHR client of ours recently sent a text message every day for six weeks during its spring promotion to tell listeners when to listen for a specific piece of information. While

they had a handful of opt-outs, the feedback overall was great. But I don't think the typical 25-54 listener would appreciate a daily text message unless it's about something they're waiting for and would find useful.

Build It Or Buy It?

Is SMS something you can do in-house, or is an outside vendor required? If you are sending text messages to a very small number of people — under 50 — you could probably do it yourself, provided your listeners tell you who their carriers are when they sign up.

If you have more than 50 people in your SMS database, talk to an established company with experience in text messaging. The company will already know which phone number belongs to which carrier and should have relationships with all the major carriers (if they don't, your messages won't get through). Cultivating and maintaining carrier relationships is a full-time job, so leave it to the experts or be willing to dedicate someone to handling it.

Many companies charge per sent message, which can add up quickly. Other companies charge a flat rate for messages, or even nothing at all, depending on the relationship and deals with sponsor partners. Your best bet is to shop the companies that handle text messaging for radio and find the one that matches your needs at a price you are comfortable with.