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USSD In Effective Marketing Strategies

Innovation is simply the identification of a need, and then the fulfilment of that need.

USE CASE

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INTRODUCTION

According to Statista, **90 million South Africans are connected** to mobile phones, and **22 million own a smartphone.** Since the population is estimated to be at just over 58 million, that would mean that many households own more than one mobile phone.

As far as marketing goes, statistics show that while email campaigns have a **22% open rate**, SMS campaigns have a significantly higher 98% open rate. [Source]

These statistics make a clear case as to why USSD is a powerful mobile marketing messaging channel.

We'll discuss the benefits and features of USSD marketing, why it is so effective as a marketing medium, it's key features, and then we'll dive into one specific use case to give you a good feel for why USSD should be included as a marketing channel in campaigns.

What is Adapt IT | Telecoms USSD solution?

USSD, short for "**Unstructured Supplementary Service Data**" is a real-time interaction service that allows your business to display text on a user's handset. It can be likened to SMS, but it's interactive, while SMS is not, and it can't be stored on a phone as an SMS can. Typically, USSD is used to provide users with options, like a menu.

Choose Service

Continue or Exit
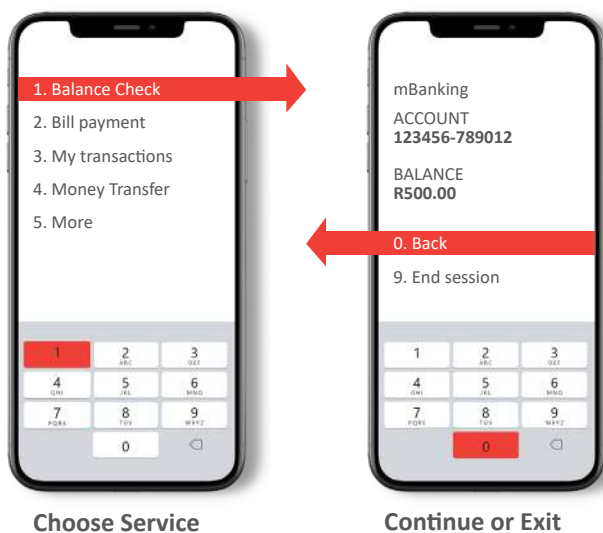
At a glance, the Adapt IT | Telecoms USSD solution provides some of the following benefits:

- Faster messaging to users

- Although primarily used for mobile banking and recharging services, it is built for most emerging markets for maximum reach

- Menu-driven

- Compatible with most handsets for maximum reach

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KEY FEATURES OF USSD MARKETING

The primary use of USSD in marketing is to obtain feedback from mass surveys, competitions and lead generation campaigns. USSD is predominantly used in mobile banking marketing, for many reasons. Let's take a look at other key features of USSD in marketing strategies:

1

Mobile advertising
Mobile advertising has shown to be very effective when used in medium combinations, for example, USSD and SMS or WAP and SMS. USSD offers superior reach specifically to lower markets, as it does not require an internet connection to work, and is interactive.

2

Competitions
Running competitions that work with USSD and social media, has proven popular because USSD codes offer simplicity for potential clients to enter the competition, so USSD provides reach to people you wouldn't otherwise have engaged with.

3

Chat and social networking
USSD technology can facilitate two-way communication without the need for data, for the purpose of chat and social networking. USSD chat and social networking combine instant messaging and social networking as one service for subscribers, filling the need of basic instant messaging and social media applications so that they are able to stay in touch and connected with their communities.

On a side note, the chat function can be monetised.

Facebook services are limited to the basics such as posting status updates, checking newsfeeds, receiving notifications, searches and messaging. Twitter services allow users to receive, view and post tweets from any mobile device in real-time and search for specific Twitter accounts or trends. All of this can be done from the most basic mobile devices in order to target a lower market.
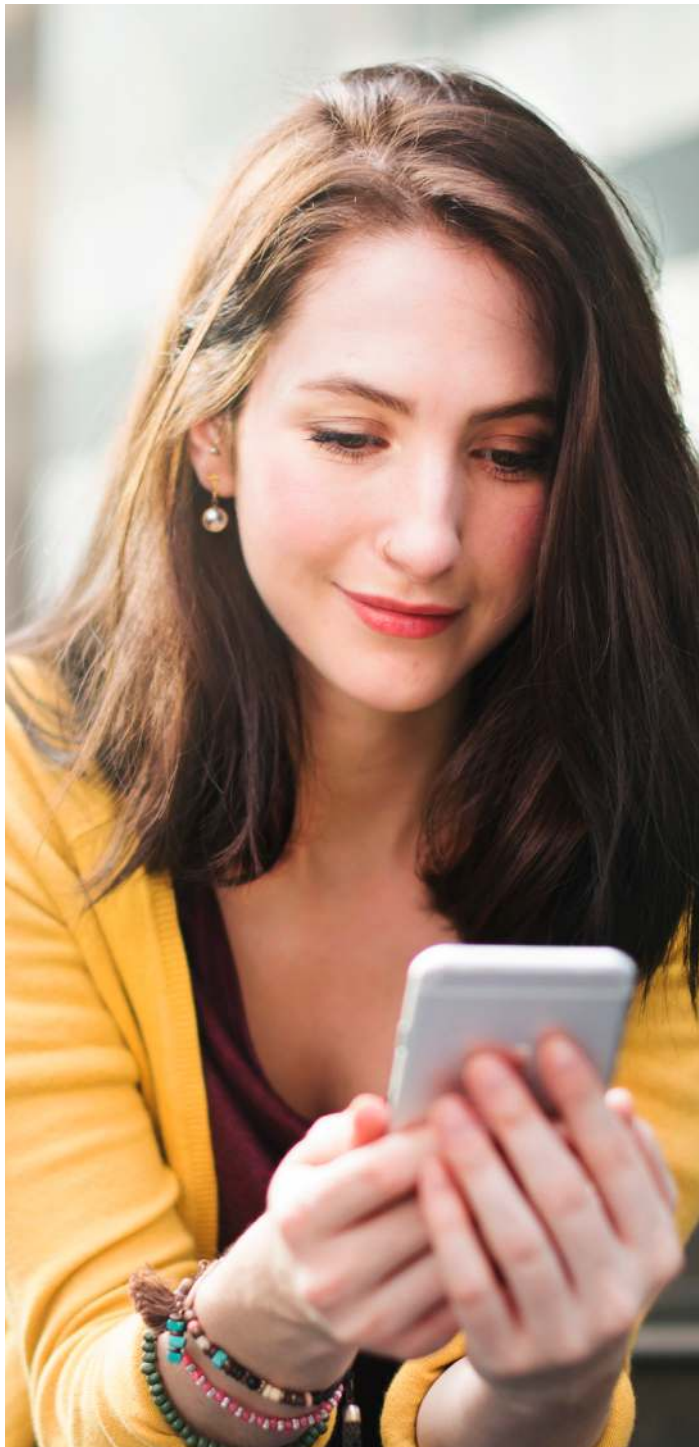
KEY FEATURES OF USSD MARKETING

Request for info

4

Used with other advertising mediums, USSD can be used as the call to action; the user making use of the code and following the appropriate prompts if they are genuinely interested. The result is no time wasted with unnecessary communication with people who are just curious but will not end up buying.

Please Call Me messages

5

Using a USSD code, users can send a "Please Call Me" message to another person, or in a marketing campaign. In addition, the service can be monetised by using adverts after the message is sent.

Please Call Me messages can be used as follows:

• When delivering brand messaging
• In promotional messaging
• As a call to action: click to call; click to call back; click to visit a mobisite; click to SMS a shortcode, or click to open a USSD menu
• To get consumers to take action, such as visiting a store or attending an event

Fundraising

6

USSD codes provide a safe instant platform for donations from willing participants. In other words, what the donator would have to do is dial the USSD code to make their donation instantly.

For charities wanting to collect donations, USSD allows the public to select how much they want to donate. The donation usually comes off their phone bill or is taken from their airtime, making USSD a simple and an unobtrusive way of collecting donations without the need for an app or signup and does not require the internet to work.

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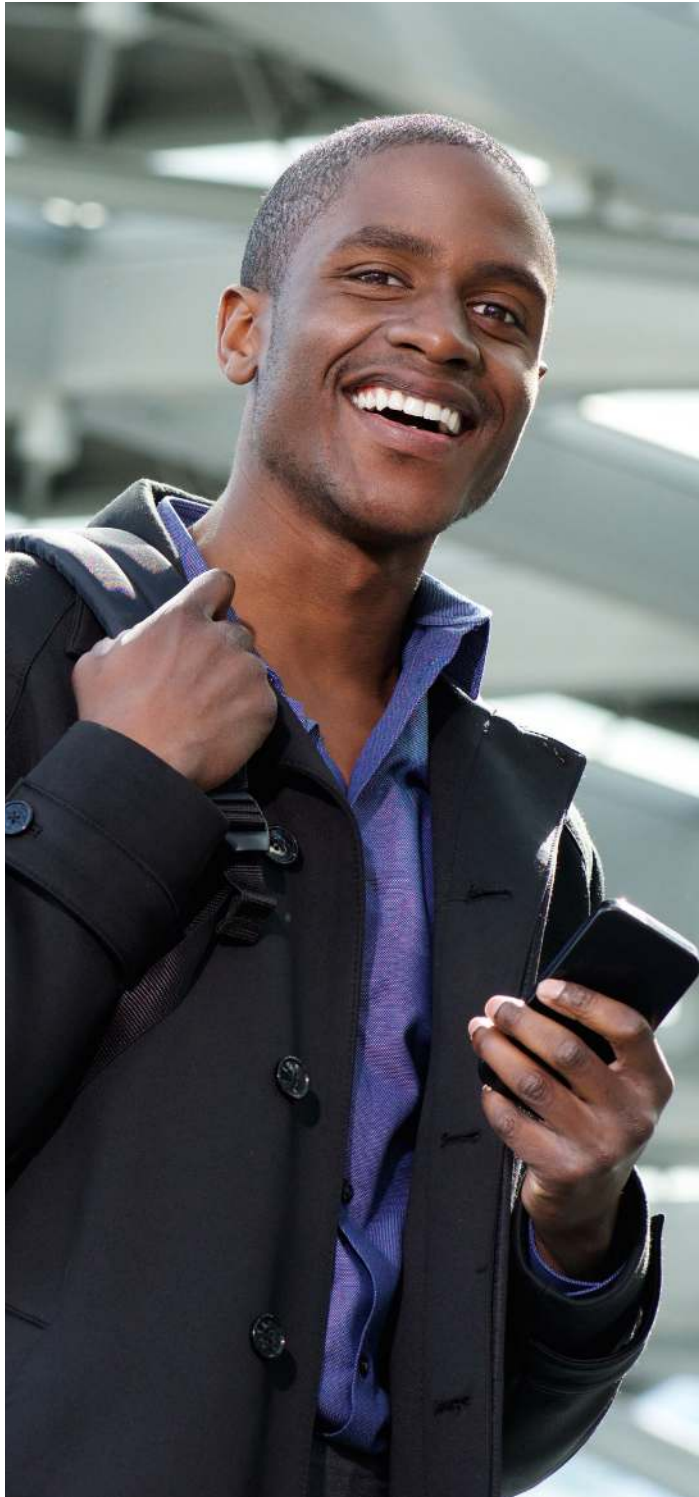
KEY FEATURES OF USSD MARKETING

Coupons and vouchers

7 An excellent method of acquiring new customers is with coupons or vouchers that offer free services or discounts.

For example, if a restaurant wanted to attract business people for lunch, they could advertise on social media with free Wi-Fi vouchers when people come for lunch during the week. The vouchers could be redeemed using a USSD code that gives customers a pin that is valid for a certain period of time.

Surveys

8 Using USSD, businesses can SMS an invitation to participate in a survey, either to their entire user base or by using email marketing segmentation. Surveys can offer feedback from customers, or they can be used to obtain pertinent information for new products or services. When combined with some kind of incentive, USSD surveys are an effective way to collect responses that enable the business to make better decisions and more effective marketing campaigns.

Personalised messaging

9 USSD content can be personalised according to the information the user has entered. If requested, dropped sessions can be picked up wherever they left off.

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USE CASE: USSD MARKETING CAMPAIGN

A prominent South African mobile communications company has run an annual competition since 2017, but in 2019, it included a USSD solution by Adapt IT | Telecoms as one of the channels on which customers could participate. The operator's customers shared more than **R100 million worth of prizes** throughout the promotional campaign.

Prizes included cash, data, vouchers for a year, cars, holidays and more.

Customers could use Whatsapp, USSD and the company's app to participate.

There were a few business goals:

- To upsell customers to other offerings

- To promote their new e-store

- To get more customers to use the app

- To create awareness of products and services that customers may not be familiar with, and thereby sell more data as customers use the service. For example, a music ticket bundle could incentivise a subscriber to try out a music streaming service (and thereby start consuming additional data).

The competition is popular, and was awarded *"Best loyalty marketing campaign".*

An analysis of the competition reveals that on average, revenue per user **increased by 6% across the year**, and churn on contracts was **reduced by 1.8%**.

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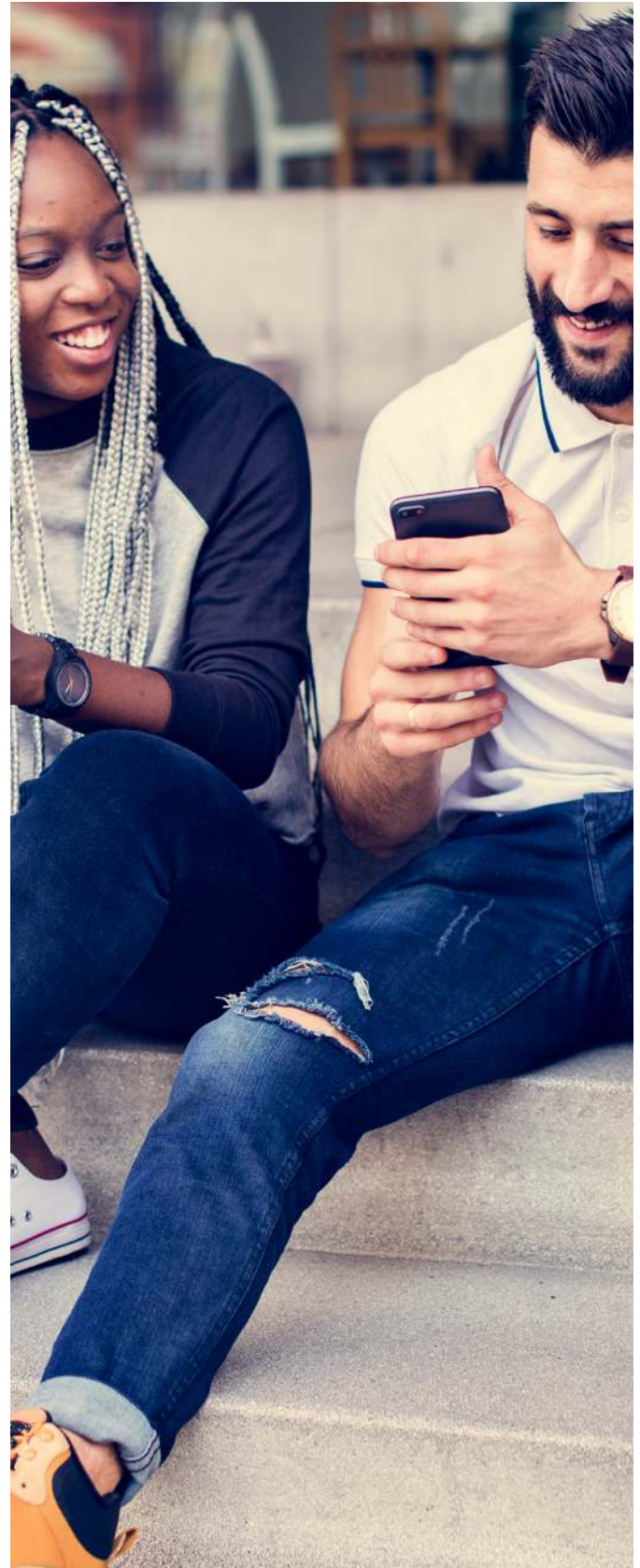
BENEFITS OF USSD MARKETING

USSD is often used as an alternative to SMS in marketing, because it's cheaper, and does not require data to work. When targeting underdeveloped countries, using USSD is essential for maximum reach, because most people struggle to afford data and other means of communication.

Benefits of USSD marketing include:

✔ Cost-effective

✔ USSD can be used on most mobile phones

✔ Easy for the company to set up

✔ Does not require expensive technology to use

✔ User does not need data to operate

✔ Easy for consumers to use

✔ Can be used in conjunction with other marketing channels

✔ Authenticate users based on their cellphone number

✔ Ability to gather a lot of user data in a short space of time

Why is USSD marketing so effective?

1	SMS messages have the highest open rate of any other communication method. USSD would have the same open rate, plus high interaction.
2	People who opt in to mobile programs tend to be those who are genuinely interested in the brand.
3	USSD is interactive instead of being a one-way communication medium like email.
4	People check SMSes (and therefore USSD messages) more often than they check email.
5	People carry their mobile phones with them wherever they go, but they don't all carry around their email on their phones.
6	USSD is more effective at getting people to come into the store.

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SUMMARY

SMS messages have higher open rates than email. USSD marketing is affordable, effective and simple. Because it works without an internet connection, people living anywhere can use it.

USSD marketing can be used for:

- Mobile advertising
- Competitions
- Chat and social networking
- Request for info
- Please Call Me messages
- Fundraising
- Coupons and vouchers
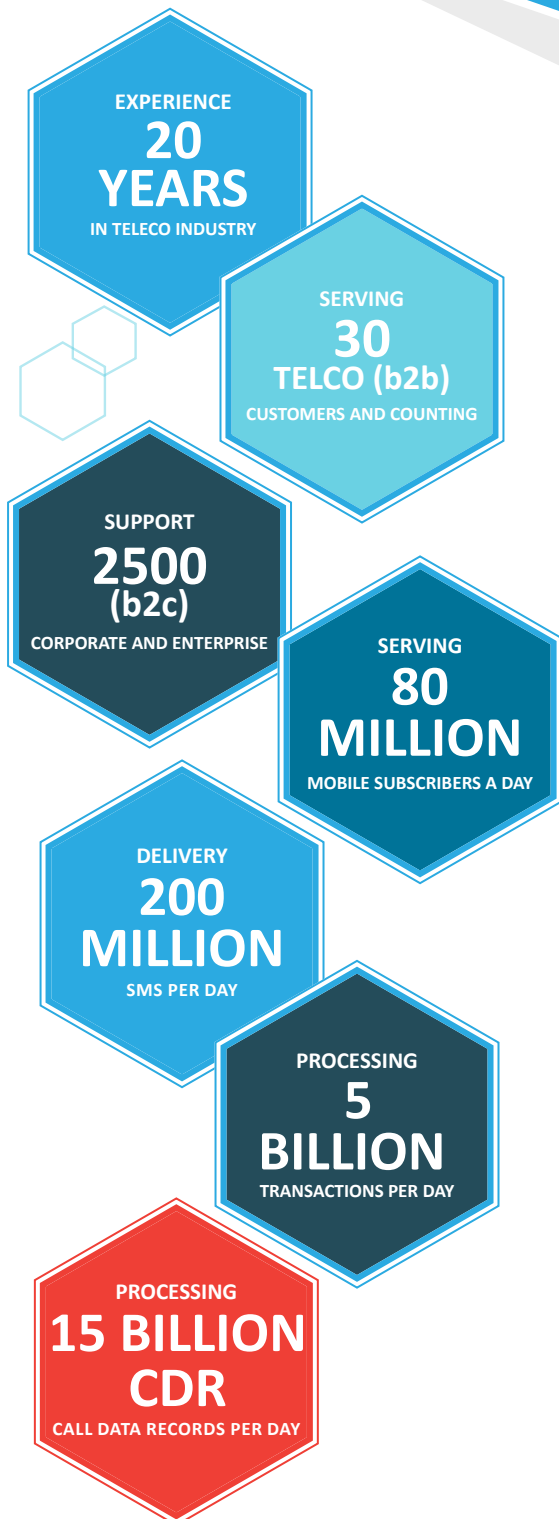- Surveys
- Personalised messaging

Adapt IT Telecoms offers a USSD solution that can be used for effective USSD mass marketing.

Key features include:

- Proven and robust application framework
- SIGTRAN, HSL, SS7, and SIP support
- Dynamic web-based USSD menu builder
- Multi-language support
- External content partner interfaces
- Integration and charging interfaces
- Advertising
- Location lookup
- O&M
- Charging engine that supports these rating mechanisms:

  ✔ **Event-based** – Subscribers are billed once reaching a particular point in the USSD menu tree.

  ✔ **Time-based** – Subscribers are billed based on the duration of their session.

  ✔ **Premium rating** – Premium rating allows authorized WASPs to return a flag to the Gateway indicating that a particular premium rate has to be applied once the subscriber reaches a certain point in the USSD menu.

EXPERIENCE
20 YEARS
IN TELECO INDUSTRY

SERVING
30 TELCO (b2b)
CUSTOMERS AND COUNTING

SUPPORT
2500 (b2c)
CORPORATE AND ENTERPRISE

SERVING
80 MILLION
MOBILE SUBSCRIBERS A DAY

DELIVERY
200 MILLION
SMS PER DAY

PROCESSING
5 BILLION
TRANSACTIONS PER DAY

PROCESSING
15 BILLION CDR
CALL DATA RECORDS PER DAY

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