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SMS API:
Everything You Need To Know

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Introduction

Businesses of all sizes have leveraged SMS (short message service) and paid as well as free SMS APIs for years. The use and application of SMS as a messaging channel have matured over the years, and it has become an essential tool for sending mobile PIN codes and verification requests for adding an extra layer of security to various financial transactions. SMS doesn't play a significant role in our daily communication with friends and family, but it still plays an important role in various areas of customer communication.

In the past few years, SMS has been pushed to the background by several OTT apps like WhatsApp, Facebook Messenger, Skype etc. In spite of that, SMS still forms an important method of communicating with various brands, banks or any other business. SMS is a great tool that enables one and two-way communication. Apart from being simple, it is one of the most accessible channels for interacting with customers.

CIO Today says 64% of people prefer to engage with a company via text message versus phone calls when it comes to customer service. 44% of people would rather send a text message than be kept on hold over a call. Moreover, **83% of millennials** open SMS messages within 90 seconds of the delivery. This makes SMS an excellent option for transactional text messages and service-related updates such as emergency information.

Another significant advantage of SMS is affordability. One message will cost you around 1 to 7 cents, depending on the region and volume you're sending. If your monthly volume of SMS is bigger, your price per SMS will go down significantly. Thus, it provides a great return on investment.
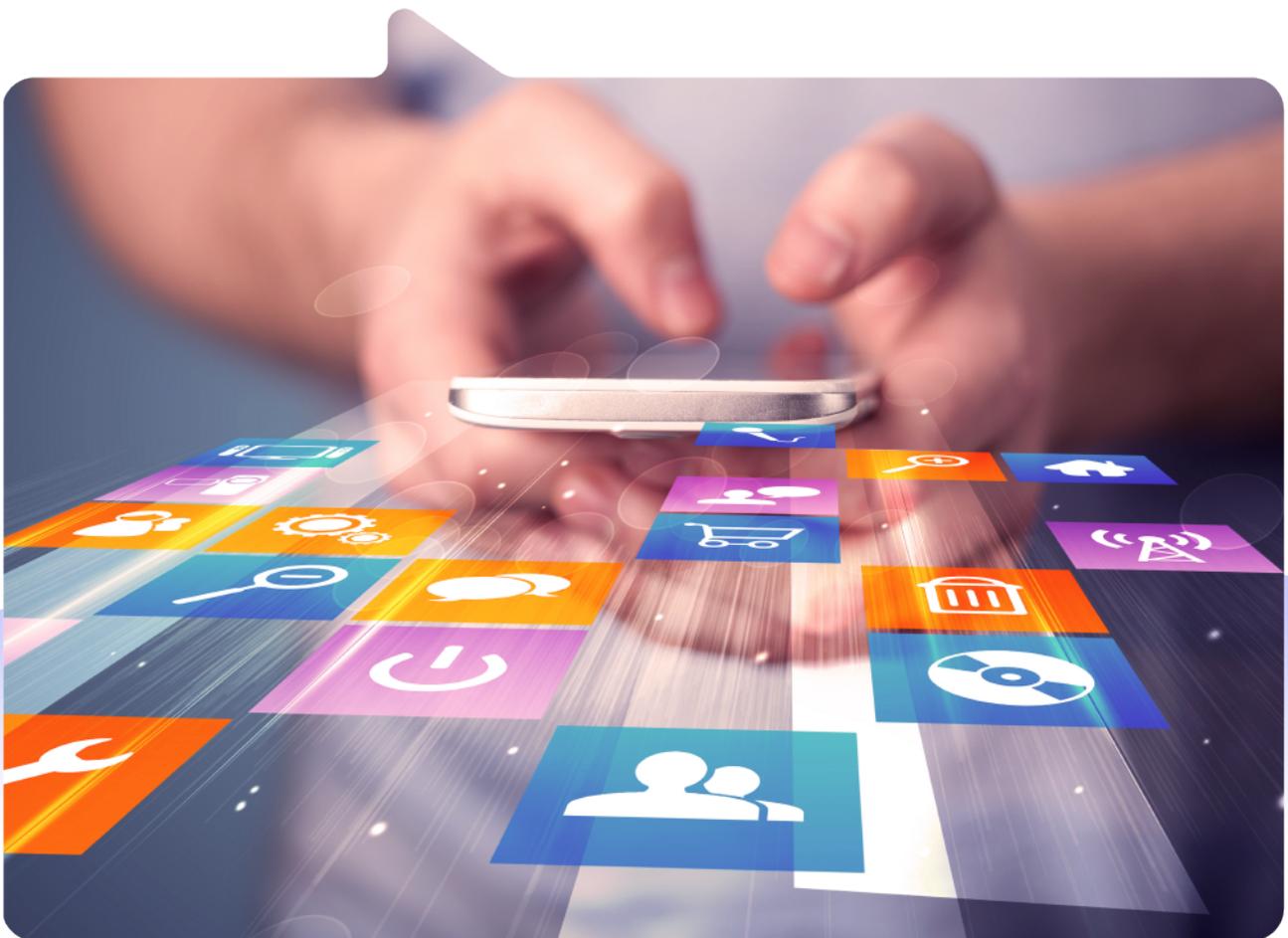
SMS boasts stronger numbers

98%
SMS has a 98% open rate compared to email marketing

75%
of clients want to receive offers via SMS

9.18%
The CTR rate of offer messages is higher by 9.18% compared to any other digital channel

60%
of customers read texts within 1-5 minutes after receiving them

83%
of millennials open SMS messages within 90 seconds of receiving them

75%
of millennials prefer SMS communications for deliveries, promotions, and surveys

31%
of consumers respond to SMS surveys, with an average response time of fewer than six minutes

Sources: SlickText, Openmarket, Inc.com, Socios, Eztexting

Considering all the benefits that SMS brings, you must be wondering how to get started with SMS? And where can I find an **SMS API** that caters to all the business requirements?

This detailed guide contains all the essential information you need to know about SMS API, how it works, and choosing a business partner to make this journey as fruitful as possible. We have also included some use cases for better understanding.
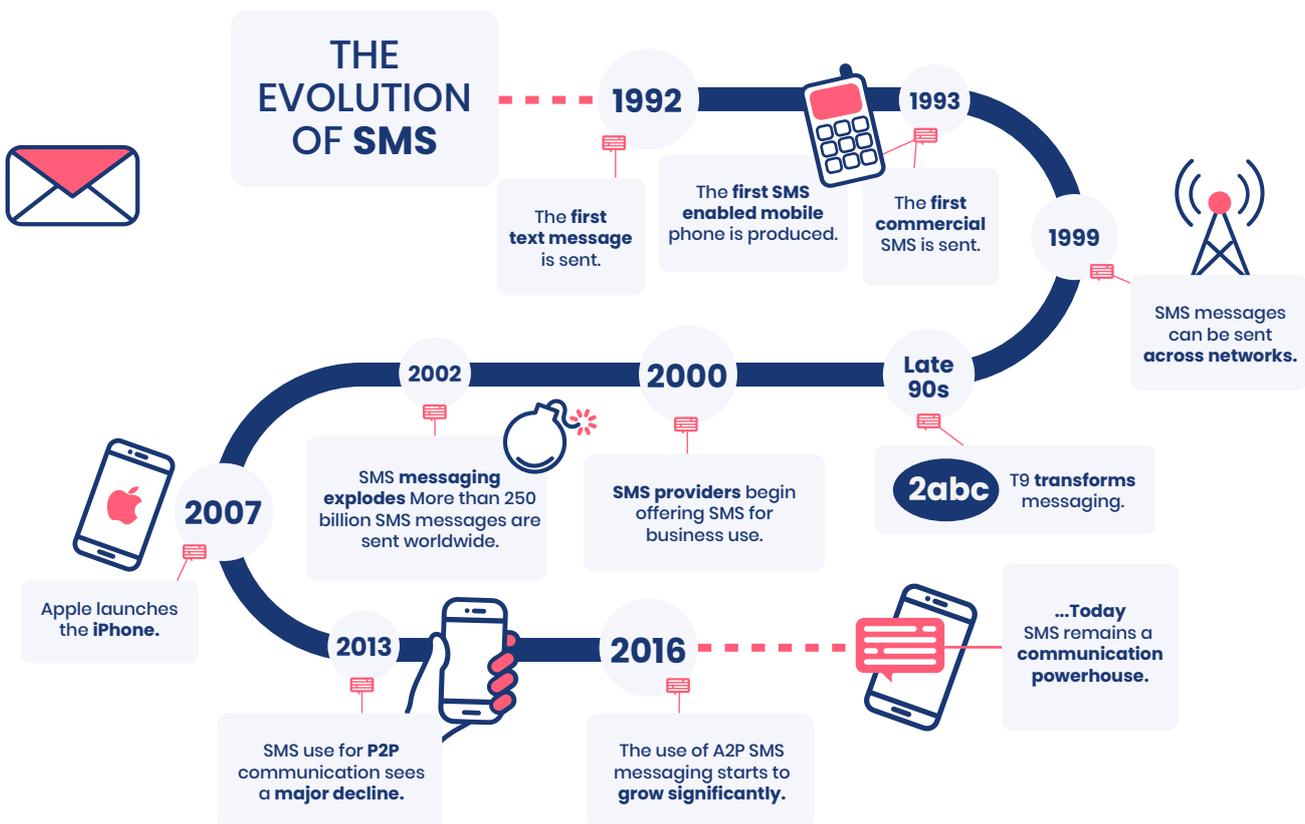
What Is An SMS API?

SMS API allows businesses to integrate SMS messaging into their existing software platforms. APIs are secure, reliable, flexible and enable any application, website or system to send or receive messages around the globe.

An **SMS API** acts as a bridge between telecom carrier networks and the internet. It enables businesses to send or receive SMS messages quickly and easily through any application or website. By using an SMS API, web applications can leverage coding logic and syntax written for standard web frameworks to easily send and receive text messages. An SMS API enables businesses to operate 24X7, providing customer notifications and information even outside business hours. If you wish to scale your business messaging and send bulk SMS messages worldwide, an SMS API integration offers measurable benefits as you get to access API provider's services directly into your business applications, website or system.

Evolution Of SMS

In **1992**, Neil Papworth sent the first-ever text message from a computer to his colleague Richard Jarvi's mobile phone. It read 'Merry Christmas'; however, Jarvis had no way of replying. Within a year, Nokia produced the first handset that enabled SMS messaging as the primary function and within a year, networks began offering person-to-person SMS messaging. It took 7 years for SMS to gain momentum, after which, by the early 2000s, text messaging changed the communication habits of almost everyone. The business started to use SMS to send anything that could fit within 160 characters. This changed the way businesses reached out to customers. It had overwhelming response rates and results.

THE EVOLUTION OF SMS

1992
The **first text message** is sent.

1993
The **first SMS enabled mobile phone is produced.**

The **first commercial SMS is sent.**

1999
SMS messages can be sent **across networks.**

Late 90s
2abc T9 **transforms** messaging.

2000
SMS providers begin offering SMS for business use.

2002
SMS **messaging explodes** More than 250 billion SMS messages are sent worldwide.

2007
Apple launches the **iPhone.**

2013
SMS use for **P2P** communication sees a **major decline.**

2016
The use of A2P SMS messaging starts to **grow significantly.**

...Today
SMS remains a **communication powerhouse.**

With time, as more and more users started using SMS to engage, businesses tried to capitalise on the potential of this communication leading to the evolution of Business SMS Campaigns. This allowed businesses to reach their customers for alerts, product launches, and promotional messages. This led to the emergence of Application-to-Person messaging (A2P), which changed the way text messages were used to communicate and beyond.

After reaching its peak in 2012 with nearly 8 trillion messages, SMS reached its saturation point. This was followed by the introduction of smartphones and mobile internet. With more and more users shifting to smartphones, the entire mobile messaging space transformed, and so did consumer behaviour.

With the launch of over the top (OTT) apps, such as **WhatsApp**, Facebook Messenger, Skype etc, users were drawn to the functionality that these messaging apps had to offer. Consequently, there was a transition from SMS to these more advanced OTT apps which allowed users to share rich media (images, videos, emojis, gifs, etc). This enhanced form of P2P messaging saw the rise of OTT apps.

Despite its age and P2P messaging migrating to WhatsApp and Facebook Messenger, SMS use in the A2P field shows no sign of stopping as new and more innovative ways of using this platform are still being discovered.

Importance Of SMS Marketing For Modern Brands

Research shows some interesting stats about SMS messaging:

❯ A significant 45% of SMS campaigns generate a successful ROI, reaching over 50% when combined with other popular channels like email and social media.

❯ 31% of consumers will respond to a survey via SMS, with the average response time for users being just over 5 minutes.

❯ 70% of all mobile searches result in action within 1 hour.

❯ Sales prospects who are sent text messages convert at a rate 40% higher than those who are not sent any text messages.

Moreover, 75% of people would like to receive offers via SMS, and 65% of marketers say that SMS marketing is "very effective" for their brands. In short, SMS is a powerful way for brands to connect with their audience, market their products or services, boost engagement and conversions, and even increase brand awareness, recognition, and recall.

Did You Know?

Messages are the preferred medium by customers to talk to businesses

9 out of 10 people choose messages as a way to keep themselves informed about business communication

8% of the world's population has visited the stores and made purchases after receiving promotional offers on messages

29% of the target audience respond to the messages and 47% of the audience who responded go further to make a purchase

Among the 18-34-year-old age bracket, text is the preferred channel for notifications from businesses

Consumers are more likely to open text messages before any other form of mobile communication

72% of consumers are more likely to sign up for a loyalty club through a text message

SMS produces engagement rates six to eight times higher than retailers normally achieve via email marketing

Sources: Quiq, Business2Community, Socios, Eztexting, Inc.com

However, it can be expensive and time-consuming to send individual SMS messages to each customer. It can also be time-consuming to create different messages for different purposes and then send them out to each recipient at the right time.

So how can brands leverage the power, reach, immediacy and ubiquity of SMS scalably and cost-effectively?

Answer: SMS API

How Does An SMS API Work?

There's almost always a gap between SMS communications infrastructures and the Internet. An **SMS API** fills this gap to connect telecom carriers to the Internet. It enables businesses to integrate an SMS messaging platform and carrier networks with their website or application like Salesforce or WordPress.

Although some coding may be required for **SMS API integration**, it's not complex. Further, whether you need to integrate SMS API in Android, or are looking for SMS API integration in PHP you can easily do both with an API platform. All you need to do is sign up for an account, create a sender key, install the code library, configure the code with your API key (username and password), and customise it as needed. Even a junior developer can manage these tasks, that too in just a few hours.

After the integration is complete, an automatic request is made to the API whenever you send an SMS. The process is very similar to visiting a web page from a browser. The API then translates the message into a protocol that mobile carrier networks can understand. The message is then sent to the correct operator, and then on to the final recipient.

For example, if you use the SMS API in India, it will connect your Salesforce or other web application to mobile operators like Vodafone, Airtel or Jio to manage the process of sending text messages. Similarly, in the US, the API will connect the application to AT&T, Verizon, T-Mobile, etc. and do the same thing.

The network operator will send updates about message delivery status, for instance, if the message could not be delivered because the user's phone is turned off. This status update is then translated into an application-readable structure and sent back to your application.

Once you start using the service to send text messages, recipients will see your Sender ID in their inbox. This ID can be your phone number (long number), shortcode (e.g. 12312) or an alphanumeric string of characters (e.g. PizzaDay012). For two-way messaging, a long number or shortcode is required. This number should be registered with a **partner like Gupshup**. Once the registration is complete, recipients can reply to your messages, and these replies are forwarded over the API.

Benefits Of SMS API

› **Automated Bulk Messaging**
An SMS API allows web applications to programmatically send and receive text messages over telecom or mobile carrier networks. Thus, after integrating the API into your application, you no longer have to manually send SMS messages because the API will do it for you automatically.

› **Quickly Enable Web Applications with SMS**
Integrate SMS API into multiple applications without any complex coding to automatically send thousands of text messages anywhere in the world in just a few seconds. An SMS API provides better control, functionality and scalability, and also saves you time and money.

› **Easy to Scale SMS Messaging**
An SMS API is easy to configure and scale. By leveraging this API, you can easily build messaging capabilities into web applications to increase customer engagement with two-way communications. You don't even have to have a deep understanding of telecom networks, because the API will take care of all the technical details.

› **No Internet Needed to Receive Messages**
Another huge advantage of using an SMS API is that recipients don't require an Internet connection to receive your messages. As long as they have a cell phone and have opted in to receive your texts, they will receive them and derive value from them.

› **Support for Multiple Use Cases**
With an SMS API, you can send efficient, professional, bulk SMS messages for several use cases, including:
> Coupons and exclusive deals
> Special sales announcements
> Limited-time promotions, discounts or offers
> Event invites
> New product launch updates
> Company updates
> Surveys or feedback requests
> Appointment confirmations and reminders
> Account notifications
> Time-sensitive messages
> Shipment tracking and delivery notifications
> Critical alerts or important information (e.g. about COVID)
> SMS auto-responders
> One-time Passwords (OTPs) or other verification codes to support two-factor authentication (2FA)

Another increasingly popular use case of SMS API is customer support with **conversational AI** chatbots. Through high-quality interactions and automation, chatbots can handle many types of customer support, thus allowing human agents to focus on more high-value tasks for your organisation.

Why Should Brands Use SMS API?

An SMS API provides powerful, cost-effective and scalable SMS functionality for your applications. But before choosing an SMS API platform, make sure it includes these features:

› Global Reach and Omnichannel Capabilities

The SMS API is most useful when it allows enterprises to engage with recipients across multiple channels and in any country. It should offer direct carrier connections to ensure global reach with reliable delivery, and provide omni-channel capability so you can access every communication channel that your customers use, to send them text messages.

› Long Message Concatenation

Ideally, long messages should not be sent as split messages. The API should automatically concatenate long messages across global networks seamlessly.

› Delivery Reports

Delivery reports are essential if you plan to send thousands of messages every month and want to check how many were delivered versus how many weren't. The API should provide real-time delivery notifications for all messages sent globally, allowing you to track delivery rates and account performance. It should also provide real-time feedback and a self-adjusting, quality-based routing engine to ensure the best delivery with minimum latency.

› Support for Multiple Character Sets

This feature is especially important if your brand has a global audience. Send SMS' in their preferred language which will make a better impact. Check that the API comes with built-in GSM and Unicode character set support so you can communicate in multiple languages, and include emojis/emoticons and symbols within the messages. The API should also replace Unicode characters with similar GSM (Global System for Mobile communication) characters to ensure that messages get delivered even to destination networks that don't support Unicode.

› Message Queuing

An SMS API enables you to send multiple messages in a single API request. Confirm that the API provider can handle the message queuing for you, so you don't have to worry about delays or other issues.

› Rich Media Support

Today, SMS marketing does not mean "plain text marketing". With an SMS API, you can easily add photos, videos, audio clips, and other rich media to your messages. Moreover, you don't need different phone numbers to send and receive SMS, picture messages and MMS. Make sure the APIplatform supports rich media that can help drive greater customer engagement and loyalty.

› Built-in Security and Compliance

Your SMS ecosystem should be compliant with regulatory and data privacy laws. By doing this, you show customers (and regulatory agencies) that you have taken steps to protect customer data, and prevent data theft or fraud. That's why your SMS API provider must provide built-in compliance and security features such as:

› Phone number masking

› Message body purging

› Debug logs purging

› Smart rate limiting

› Automated opt-out handling

Key Technical Features Of SMS API

With SMS marketing and communication, fast API setup and time-value are crucial. To support this goal, the best API providers will provide detailed documentation, such as quick start guides and tutorials, to provide product overviews to cover multiple use cases, and code snippets, so your business can quickly set up, customise and deploy the API.

Some SMS APIs provide server-side SDKs (Software Development Kits) in Java, C#, Python, PHP, Ruby, Node.js, Golang, and many other languages. This language choice enables developers to easily program, customise and integrate the API in a language they feel most comfortable with is most commonly used in your organisation. Moreover, their programming effort will be minimal, since they can access a library of ready-to-use templates to add SMS functionality to applications in very little time.

Despite its simplicity and ease of use, complications can arise when integrating the SMS API into web applications. If developers face issues, the API provider should provide technical support – ideally 24/7 – to ensure that problems are sorted out quickly without impacting your SMS workflows or performance.

Which Businesses Can Use SMS API?

An SMS API is ideal for any business or organization looking to streamline and scale text communication for its global audience. The list includes:

Restaurants

Retail and eCommerce

Airlines

Travel Agencies

Hotels and other hospitality businesses

Shipping and delivery companies

Banks and financial institutions

Utility companies

Government agencies

Charities and nonprofit organizations

Medical or healthcare services providers

Real estate companies, agents and brokers

SMS API Pricing

SMS API costs vary by provider and by the type of number you use to deliver text messages. In general, the cost of operating an SMS API service involves:

Direct costs of SMS delivery:
This is usually calculated on a per-message basis and is a very minimal amount. For example, per-message **charges with Gupshup** are as follows:

❯ Brazil: $0.023 per SMS

❯ Colombia: $0.020 per SMS

❯ Mexico: $0.028 per SMS

❯ Peru: $0.027 per SMS

Indirect costs:
This includes multiple costs, such as:

❯ Re-sends

❯ Revenue loss due to undelivered messages (e.g. because it led to lower conversions)

❯ Support costs from undelivered message-related queries

Messages sent over long code, short-code, or toll-free numbers will also have different costs. Recipients' locations, mobile providers, and message volume also impact the cost. Some providers also charge for incoming messages, which can quickly add up with two-way communications. The best way to understand the cost of SMS API India or elsewhere is to directly ask the API provider.

Use cases

Here are five use cases of integrating a bulk SMS API gateway into your web or mobile application:

› OTP (One Time Password) Authentication
SMS API can be used by D2C, e-commerce, food & beverage, and banks & financial services companies to send the code when consumers request it to verify their identity. By using OTP authentication, banks enhance the security of the customer's assets. If banks want to offer digital services to their customers, then OTP authentication is an absolute must.

› Transactional Summary
The latest bills, last five bank account transactions or the most recent bank account balance are all accessible to us today at the tap of a button. How? Using the outbound messaging API, the bank notifies us now and then via SMS, about our account activity.

› Contest Voting/Polls
Collect results faster on mobile by canvassing the outcome of a local voting contest or survey. How does it work? All that you have to do is configure a bunch of shortcodes or a long command, using the inbound messaging API, to accept the voting commands and run contests.

› Service Subscription
By harnessing the power of SMS API, enterprises can announce newly launched services and ask customers to subscribe. Telecom providers may start an entertainment channel and ask people to subscribe via SMS so they can send weekly alerts about newer content. Furthermore, government organizations, retailers, restaurants, schools, and local organizations may send alerts to their subscribed group of audience about social causes, promotions, and other vital issues, respectively. How does it work? On receiving relevant keywords on a number from the end-user, you can trigger a subscription to a specific service. Just remember to leverage the power of SMS to get audiences to read your SMS within 15 minutes of being sent — it is five to seven times easier to get a response from existing subscribers than new clients, according to a **McKinsey report.**

› Greetings
Send a personalized greeting message to your clients. If your client database is up to date and connected with your CRM, you can instantly send personalized messages to your target audience by using the outbound **messaging API**.

Ground Rules

Here are some ground rules that businesses need to follow to make the message effective:

› Ask for the customer's permission first for opt-in and always provide opt-out options

› Avoid using shorthand based text and emoticons in these text messages

› Be precise about the value you are offering and remain cordial in your approach

› Include a call to action to enhance overall engagement

› Send messages from an SMS enabled local to a toll-free number instead of using a short code so that customers can revert

Conclusion

SMS might be quite a century old, but it is still a powerful tool that can effectively be used to reach out the customers and boost customer engagement. If you are looking to deliver timely and relevant messages, notifications, and marketing information to your customers all over the world, you need an SMS API. With an SMS API from a provider like **Gupshup**, you can programmatically send hundreds and thousands of messages to a global audience.

Gupshup's SMS API is reliable, scalable, and enables you to send text messages to 225+ countries and communicate with your target audience at scale. Send service alerts and reminders, offers and discount codes, OTPs and other 2FA notifications, and lots more, with a **Single API**. The solution is optimised for speed, quality, and cost and supports automation, omnichannel messaging and built-in compliance. Save on SMS costs as you engage with customers, boost your brand's presence, and increase conversions, revenues and profits, with an SMS API.

Gupshup's Global SMS solution is apt for enterprise businesses and startups alike, across industries such as **BFSI**, **fintech**, **retail**, **e-commerce**, edtech, to name a few. If you are a developer who works for enterprises or agencies building solutions around marketing, commerce, and support, the Gupshup solution is ideal for you.

Acquire, engage and retain customers using Gupshup's Smart messaging platform for all your business messaging needs. **Get in touch** with us to get started today.
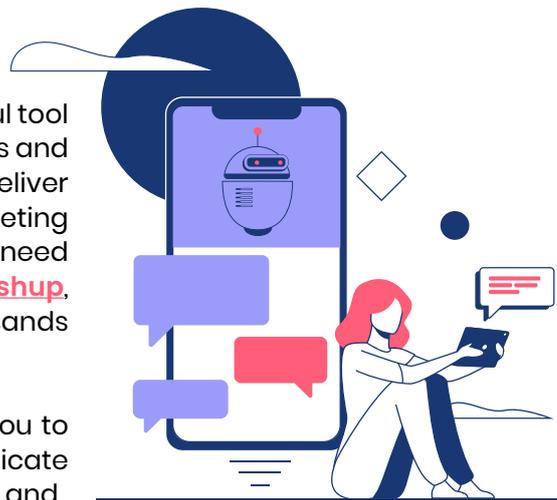
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