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Next Gen Messaging

Giving enterprises, OTTs and application providers new reach in mobile

Enterprises, OTTs and application providers can use Application-to-Person (A2P) messaging to instantly engage end users and reach the broadest audience with SMS. The challenge is tapping the global mobile community and increasingly this means turning to a trusted provider that can connect them to operators around the world.

In an industry that is obsessed with the next big thing, SMS has long been a reliable source of value for both operators and end users. It isn't the newest innovation but it has shown itself to be incredibly versatile over time. An eCommerce website focused on travel can send SMS confirmations for flight bookings. Financial institutions can send password resets or activations. Application providers can enable instant communications to feature phone users and reach beyond email or the web-based world.

In 2013, just under 50% of mobile phones shipped were feature phones, according to IDC, and accounted for an estimated 80% of mobile phones being used in developing markets. This means when an enterprise or application provider needs to scale globally, SMS can offer reach where a mobile app or web service cannot.

It is a fast and efficient way to connect with more people in more places. The ubiquity and interoperability of mobile messaging from developed to developing markets means it can be used to reach users on a global scale. It doesn't require new technologies or platforms and is equally accessible on both smart and feature phones.

In addition to reach, SMS is increasingly a tool for extending customer relationships. Each communication can be a secure, private and personal interaction. A refreshed approach to mobile messaging unlocks new

potential for Enterprises, OTTs and application providers and changes how they connect with customers.

The utility of mobile messaging may be obvious, but how to get started isn't.

ECOSYSTEM REFRESH

The challenge for these new ecosystem players is that while mobile messaging technology is ubiquitous, creating and scaling relationships with mobile operators internationally is resource and time intensive.

The overnight scalability of internet-based businesses is difficult to replicate in today's mobile ecosystem. An eCommerce business, for example, may need to go to each operator individually to negotiate a relationship or work with multiple aggregators to roll out a service. This is inefficient and frustrating when trying to integrate A2P messaging into a fast-moving business that can benefit from direct connectivity with mobile subscribers.

The ecosystem has to evolve to solve this challenge. Enterprises, OTTs and application providers seek a new model that delivers global reach, scalability and quality of service. They need a solution that will effectively enable their businesses, create service differentiation and improve the end-user experience. These new business models can also offer incremental growth to mobile operators, as A2P is a source of increased mobile messaging revenues, while ensuring they stay relevant to their subscriber base.

Even though traditional person-to-person (P2P) SMS revenues are in decline, A2P messaging is growing overall messaging volumes and revenues. According to Juniper Research, A2P messaging is projected to overtake P2P by 2016 and triple in volume between 2011 and 2016.

SIMPLIFYING THE APPROACH

Enterprises, OTTs and application providers need a simpler, more efficient messaging

transport solution to reach mobile operators. Operators are experienced in using exchange models to drive efficiency. To enable the global reach they are looking for, they should leverage messaging exchange providers who have existing, high-quality (SS7) direct interconnections, relationships and experience in handling SMS traffic for mobile subscribers.

For mobile operators, the messaging exchange provider should be a trusted partner who is able to help them safely monetise A2P traffic and enhance their subscribers' experience. A2P messaging often seems beyond an operator's control but with a messaging exchange provider sitting in the middle, traffic can be monitored and filtered to meet an operator's specific requirements. This limits spam-marketing messages and allows the operator to focus on serving legitimate enterprises, OTTs and application providers.

The A2P market is growing the overall messaging pie for everyone in the ecosystem and instead of viewing A2P messaging as a necessary evil, mobile operators with the help of the messaging exchange provider can drive new revenue growth from mobile messaging.

COMMUNITY BUILDING

Mobile operators must look at this new A2P exchange model as a way to add value for the subscribers while monetising the traffic on their network. Growth in A2P messaging has the ripple effect of increasing subscriber demands for data packages while the relevance and dependability of the messages received increases customer stickiness. A2P messaging is a force that operators cannot stop, because it is driven by end-user demand for a more immediate communication channel than email. Its proliferation will continue and operators will benefit from ensuring only valued A2P SMS messages reach their subscribers.

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On the other side, enterprises and application providers must understand that integrating A2P messaging into their business does not have to be complex and time consuming. It requires a new model, new partners and a new approach to mobile messaging. The messaging exchange provider provides a single source for global mobile messaging with guaranteed quality of service and one-stop billing and support.

This takes the pain away from enterprises, OTTs and application providers and allows them to focus on their core business. They get the connectivity they need and they have a platform that they can use to grow their mobile strategy. It's efficient in terms of time and resource and unlocks the potential of SMS for their current and future end users.