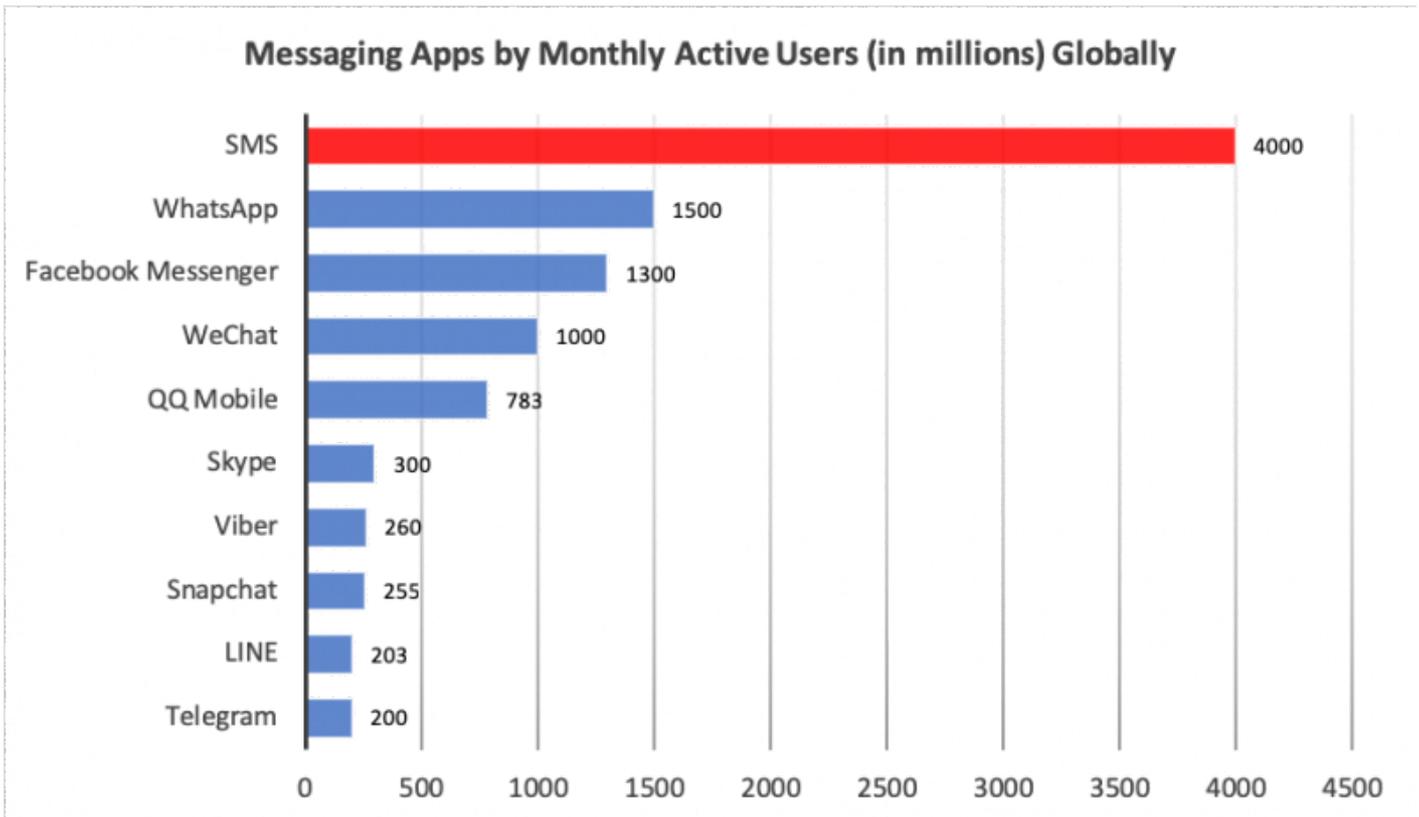


The Road to a Business Messaging Ecosystem

With [Rich Communication Services \(RCS\)](#), brands and enterprises are able to include enhanced interactive content right in the native messaging suite itself – eliminating customers' worry about juggling multiple apps, and providing Mobile Network Operators (MNOs) with high demand from many sectors, including marketing and retail.



SMS: The Largest Global Messaging Platform – Source: GSMA, 1Q2018

A2P Messaging	Improving existing A2P SMS business with rich cards, read/delivery receipts, etc.	> \$90 billion
Conversational Commerce (P2A)	New chatbot models (online search, digital personal assistants, customer support centers, e-commerce)	> \$32 billion
Plug-ins	Stickers, chat-based tools and games, payments, etc.	\$2–3 billion
Artificial Intelligence	Applications in business, local government, health, transport and many other fields	Unknown

RCS and MaaP revenue potential. Source: GSMA

Why Outsource Mobile Messaging?

GSMA Universal Profile (UP). But upgrading a network to include all the elements required to provide an RCS service requires planning and investment presenting MNOs with a tough decision.

- **Faster initial rollout** — compared to in-network solutions.
- **Free P2P messaging** — most RCS OTT Communications Service Providers (CSPs) include P2P messaging at no additional cost per user and the RCS messaging content will still be carried by the MNO data network.
- **Free P2P interconnect for RCS users in the OTT provider’s hub** — messages sent to an MNO that is not part of the RCS OTT service provider’s hub will need to be terminated by the MNO themselves—by direct peering to other MNOs per IR.90 specifications—or by means of a messaging hub or interconnection service provider.
- **Harvesting of metadata** — The RCS OTT provider harvests the messaging conversation for keywords, trends, and metadata to sell to brands for advertising purposes.
- **Share of the B2C traffic** — The RCS OTT provider retains a significant percentage of the revenue generated by businesses’ A2P/P2A traffic
- **Lose control of the user-brand relationship** — the OTT RCS provider is now the entry point for brands and aggregators.
- **Lose control of the end-to-end security** — once the RCS traffic reaches the OTT provider, the MNO has no control about what is done to the user conversations and metadata resulting in security questions and data privacy.
- **Lose the “clean channel” guarantee to brands** —The MNO is perceived as a clean channel subject to more regulations and guarantees, vs OTT RCS provider.
- **Lose the ability to control spam and A2P gray routes** — the MNO will be depending on the OTT RCS provider to control the delivery of [unwanted or fraudulent messages](#) to the end-users.
- **Lose B2C revenue** — an MNO yielding a part of the B2C revenue in exchange for RCS deployment savings will lower costs on the short term, but in the long term, it may be forfeiting a large amount of income.
- **Lose differentiation** — the third party controls a big part of the ecosystem and delivers the same cookie-cutter solution to all the MNOs.

- **Regulatory risks** — depending on the third party's network architecture and geographical dispersity, as well as data storage and retention policies, it may be complicated to guarantee compliance with data privacy and protection regulations or lawful interception requirements.

Messaging-as-a-Platform (MaaP) deployment, MNOs can serve as an efficient means of deploying secure, advanced RCS communications. This would allow MNOs to capitalize on monetization options, without the complexity or cost associated with large-scale network infrastructure projects.

RCS Business Messaging solutions allow MNOs to protect their growing A2P revenue by providing a fast and simple approach to implement RCS messaging into the wireless network, from the cloud, with full compatibility with GSMA Universal Profile, and with an option to migrate to an in-network capex model in the future once the RCS Business Messaging business model matures.