## Communications at the Speed of Now

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here is no doubt that the world we live in today is moving faster than ever before, and communications is at the forefront of enabling this speed. Which is why SMS/MMS (texting) has become so popular globally, irrespective of border, culture, religion, wealth, age, and gender. We all want to be in touch now, and want to be touched back at that same speed. This growing appetite for "communications at the speed of now" is exactly why Network Operators around the world need to jump back into messaging with both feet. This would enable them not only to increase their messaging revenue (or at least preserve their existing revenues), but to also seriously compete with over-the-top (OTT) messaging applications like WhatsApp, Viber, Skype, and Facebook Messenger.

Currently, the best option Network Operators have to accomplish this is to embrace Rich Communications Services, or RCS. At a very high level, RCS is essentially SMS/MMS that can work over IP networks and can enable presence and location, and sharing of media. It uses the IP Multimedia Subsystem (IMS) infrastructure to deliver enhanced communications beyond basic voice and SMS. These include group messaging, content sharing, Voice over Internet Protocol (VoIP), Internet Protocol (IP) video calling, file

transfer, social networking, and more. RCS brings to operator messaging the next-generation messaging features it's been lacking due to the fact that current operator messaging is based on the old SMS protocol dating back to before networks could carry internet data.

Now, RCS is not a new technology, as the industry initiative was originally formed in 2007, and in February of 2008 the GSMA officially became the project's "home". Unfortunately, RCS lost out to OTT apps immediately for a number of reasons, including trying to over-standardize everything and trying to capture requirements from two different groups -RCS and RCSe (later combined under the Blackbird standard version). Additionally, the fact that RCS is still only backed by one organization (GSMA) is a concern, or that moving to an IMS infrastructure is an expensive proposition, especially for smaller network operators, which can seriously delay



its global acceptance. Not to mention, the iPhone has no RCS support, nor does Apple intend to provide it as the company has its own proprietary solutions— Facetime and iMessage.

That said, the promise of RCS was, and even today still is a valid one, as it has been proven to be valid through the success of the OTT players noted above. Here are few reasons as to why Network Operators should embrace RCS ...

- 1. Enables delivery of services across devices and on any network (a.k.a. cross operator interoperability) with the caveat that the phone must support RCS
- 2. Ties subscriber's identity to a telephone number and not an app, so no need to download, install, or register another app
- Increases levels of security and Quality of Services (QoS) that only Operators can provide
- 4. Eliminates "closed community" limitations

as RCS will be available to all mobile subscribers, independent of handset

5. Shares the same IMS investment and leverages the same IMS capabilities as VoLTE and video calls over LTE.

Additionally, a couple of analyst reports specifically on RCS note the following when it comes to market size...

- Markets and Markets (August 2104) – expected to grow from \$775.4 million in 2014 to \$5,749.6 million in 2019, at an estimated CAGR of 49.3%
- <u>ABI Research</u> (March 2016) – projected to grow from \$23.6 billion in 2015 to \$40.1 billion in 2021

What is interesting about these numbers is not the potential, but the vast difference between the two analyst's projected market size. Again, RCS is not a new technology, but there doesn't seem to be enough "real" data for a completely accurate market size projection because not too many have been installed. Either way, both analysts numbers point to a healthy future for RCS, even if it does end up as a niche technology. As ABI Reseacrh noted, "Mobile network operators are still not too convinced with the benefits of RCS, but for those who deployed VoLTE and IMS, it is a natural progression for service upgrade."

One more noteworthy piece of information is the recent announcement at Mobile World Congress that Google and some of the world's largest and leading network operators are aligning behind RCS. The likes of América Móvil, Bharti Airtel Ltd, Deutsche Telekom, Etisalat, KPN, Millicom, MTN, Orange, TeliaSonera, Telstra, Turkcell, VimpelCom, and Vodafone along with Google announcing their support of RCS may not make it a success, but it sure will get RCS noticed as a contender for Network Operators around the world interested in offering advanced messaging services... which should be every single one.