



Mobile Market Development

RCS vs. OTT Messaging - Best Practice for MNOs

Program: Maximising Wireless Profit

Price: 2500.00 EUR

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Description: Google's recent actions in providing network and device support for RCS has generated interest in the service and raised hopes among mobile operators that by taking advantage of the dominant installed base of Android OS handsets it may yet become a success. MNOs' efforts to date to use RCS to compete with OTT services such as WhatsApp, Messenger, iMessage and others have failed. This has been due to the expense, complexity and time required to roll out a network based service combined with the fragmented approach taken to marketing the service. By agreeing on a common version, Universal Profile, and making use of Google's support, mobile operators hope to succeed in re-establishing their position as the default provider of a comprehensive set of messaging and voice services. However, the OTT services are well established, with billions of users worldwide, and converting a user base of that size is not a trivial task. Operators must therefore decide whether to make significant investments in systems and marketing which may prove in vain, or wait and see how the market develops before making any serious commitment. They could decide that OTT messaging systems are now so well established that it is better to focus their resources on other areas which will take them towards Telco 2.0. This report looks at the state of the market for messaging services, considers the issues facing MNOs that wish to move forward with RCS and examines the approaches taken in the past. Using the insights gained, it determines best practice and recommends the optimum approach for MNOs.