

Apple's decision to bring RCS to the iPhone is big boost to business revenue

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A [report by Juniper Research](#) forecasts a significant growth in the A2P (Application-to-Person) messaging market, where businesses communicate with customers via various channels. The report analyses the opportunities and trends for SMS, RCS, and OTT messaging platforms, and provides predictions for operator revenue and user adoption.



A2P messaging set to receive 500% boost when Apple brings RCS to the iPhone.

SMS is expected to remain a reliable means to communicate with mobile consumers. From credit card fraud alerts and flight status updates to package delivery notifications, business-to-consumer SMS has become a common practice. However, the report warns of challenges faced by SMS, including rising costs, fraud, and competition from alternative channels.

RCS (Rich Communication Services), a messaging protocol that allows for branding, verification, and media content, is anticipated to gain momentum as more operators and devices support it. This means businesses can now deliver branded, interactive mobile experiences directly to the default messaging app, revolutionising the way they connect with consumers.



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[Apple's announcement to support RCS on iOS devices in 2024](#) will significantly impact the market by increasing the number of RCS-capable subscribers and enhancing the value proposition for enterprises. Importantly, RCS is set to reduce the cost of messaging, making it a more attractive option for businesses.



Most popular OTT apps in each country in 2023. Source: Juniper Research

OTT messaging platforms, such as WhatsApp, WeChat, and LINE, are also predicted to increase their share of the A2P messaging market, particularly for promotional messages. These platforms offer high engagement, personalisation, and analytics, but face challenges from regional fragmentation and regulatory uncertainty.

P2P messaging was a bad fit

While P2P (Person-to-Person) messaging remains the standard for personal conversations among friends or family, it is not designed for automated or bulk messaging.

A2P messaging, which involves sending texts from a business-operated software application to a consumer's device, is emerging as a game-changer in the digital communication landscape.



This method, typically involving one-way communication, is gaining popularity among businesses for its efficiency and speed. It is commonly used for notifications such as promotional messages, service updates, and appointment reminders.

By integrating A2P messaging with other technologies, like chatbots, businesses can streamline their customer service operations, offering a more personalised and cost-effective solution.

As businesses continue to seek innovative ways to connect with their customers, A2P messaging is set to play an increasingly significant role in the future of business communication.

Projected mobile network operator revenue from A2P RCS traffic in 2025. Source: Juniper Research

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