

RCS for Enhanced Conversational Messaging



Introduction

The Global System for Mobile Communication (GSM) Association (GSMA) rolled out the <u>rich communication services</u> (RCS) to enable the sharing of images, videos, OTPs, suggested actions, and more for over 4 billion users of SMS, through the native messaging app of Android phones. RCS is a form of IP messaging that supports the sharing of high-resolution photos, videos, location, group chats, read receipts, suggested replies, among several other functions. Referred to as SMS 2.0, RCS is the default messaging standard for 5G networks, but functions on 3G and 4G networks as well. RCS is supported by <u>GSMA</u>, <u>MEF</u>, Google, Samsung, and major carriers such as T-Mobile, Vodafone, Orange, Telefonica, British Telecom, etc., among several others.

RCS Market Potential

Business messaging is no longer lopsided towards OTT apps, particularly since the advent of RCS. The availability of OTT app-like features on the phone's native messaging app has not only removed some of the drawbacks inherent in traditional SMS but also generated a huge market for the RCS; last year, it was found that over 1.2 billion users across the globe are already using RCS (source). Naturally, the popularity of RCS for A2P and P2A business messaging has soared.

What is RCS Business Messaging?

RCS Business Messaging (RBM) is the A2P and P2A communication through the RCS channel that allows brands and consumers to interact with each other for a richer engagement. It uses the rich and interactive features of RCS to enable branded and secure messaging. A report by Mobilesquared predicts the number of RCS users to reach 5 billion by 2028 with a CAGR of 26 percent. The same report estimates the annual RCS traffic to be in excess of 1 trillion messages globally (Source). Industry's optimism regarding RCS is not without reason. As incidents involving the theft of sensitive data such as one-time passwords, survey results increase, building robust security around communication channels sending them, is of utmost importance. Consequently, enterprises see an increase in brand awareness among consumers, while consumers' confidence in a brand improves as well.

Features of RCS Business Messaging



Fig 1: RCS Features Source

A typical RCS message differs from an SMS in that it has features that offer an OTT app-like experience through the phone's native messaging app. Some of the features are:

- **Branding:** RBM delivers each message accompanied by the brand logo, providing a branding opportunity for the enterprise, and increasing brand awareness among consumers.
- **Verification and Trust:** Each business is verified before being permitted to send RBM messages and a check mark (trust mark) is added against the brand name providing trust and assurance to the consumers.
- **Delivery and Read Receipts:** RBM allows brands to ascertain whether a message has been delivered, and if the recipients have read a message or not.
- **Pay on Delivery Pricing:** Enterprises pay for the RBM service only after a message is successfully delivered, unlike the SMS, where brands pay for messages sent (irrespective of whether it is delivered or not).
- > Chip Lists: A Chip list is a horizontal set of buttons with each of them suggesting a unique reply or action to the user as shown in Fig 1. Brands can leverage a chip list to deliver a conversational experience.
- > **Suggested Actions:** Customers can quickly take actions in response to messages, thereby reducing the time and effort in completing the tasks. These actions guide users to tasks that leverage the functionality built into the devices. Some of the popular suggested actions in RCS are:
 - **>** Add to Calendar: Opens the phone's default calendar app to let users set reminders for themselves. For example, in the below image, an airline called Alaska Airlines sends a boarding pass to a passenger.

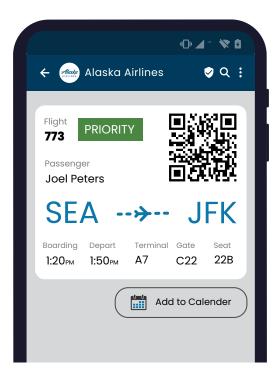


Fig 2: Add to Calendar Source

Once the passenger clicks on the Add to Calendar button, the boarding pass information is added to the phone's calendar app to alert the passenger of his travel program at an appropriate time.

> Open Mapping Application: When brands share their location through an RCS message, customers can locate them at the click of a button on the phone's default mapping app. The below image shows a case wherein a customer clicking on the Find Nearest Store button, sees the GAP store's location on Google Maps.

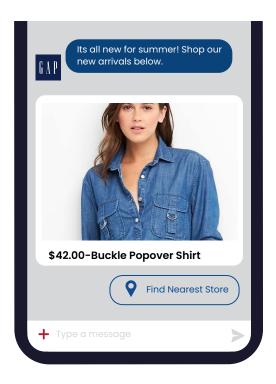


Fig 3: Opening the Mapping Application Source

> Start Video Chat: Allows a customer to start a video chat for a more personalized engagement with the brand, through the phone's camera. For example, in Fig 4, the customer has an option to click on the Video Chat with Stylist to commence a video chat with the brand Nordstrom.

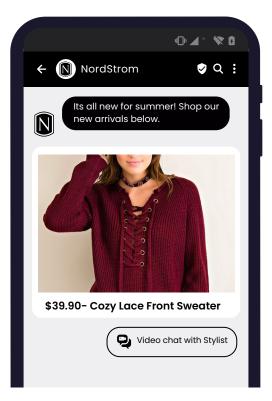


Fig 3: Opening the Mapping Application Source

> Share My Location: This allows users to share their current location with a brand. For example, in the below image, HotelTonight is a brand that sends a business message to know the customer's location.

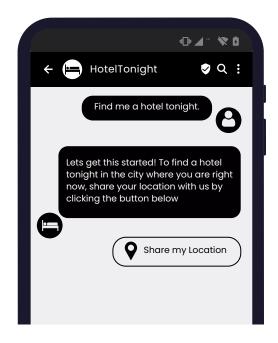


Fig 5: Share My Location Source

Once the customer clicks on the Share My Location button, his location is shared with HotelTonight. The location information helps HotelTonight recommend the nearby hotels to the customer.

> Trigger a Voice Call: When included with an RCS message, this suggested action allows a customer to make a voice call to the brand.

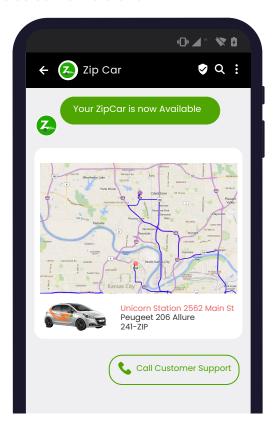


Fig 6: Trigger a Voice Call Source

> Open a URL: Allows users to open a website on the phone for an in-depth understanding of a product/brand/enterprise.

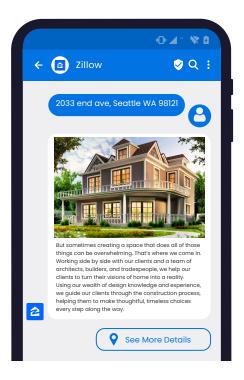


Fig 7: Open a URL Source

In fig 7, clicking on the "See More Details" button, opens the website of Zillow for the user.

> Chat: Helps a customer initiate a P2P RCS chat with a customer care executive to obtain real-time information. For example, after ordering food, customers can directly chat with the delivery executive arriving at their location to know the status in real time.

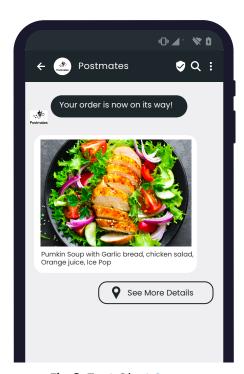


Fig 8: Text Chat Source

Rich Cards: The rich cards allow brands to include text, images/videos, and suggested replies and actions in a single entity. Currently, the number of suggested replies that a rich card can contain is four.

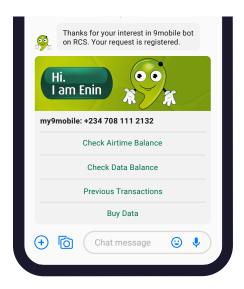


Fig 9: Rich Card

Carousel: An RCS carousel is a collection of rich cards that are horizontally scrollable. Typically, a carousel includes 10 cards, with each containing:

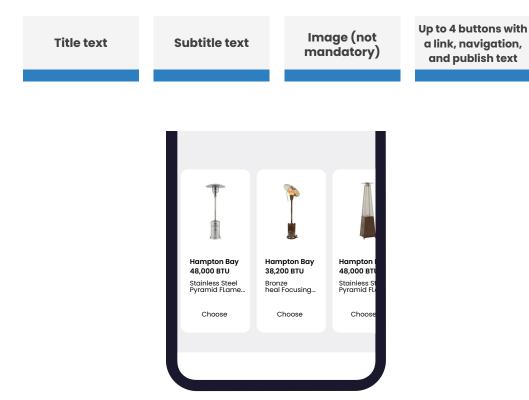


Fig 10: Rich Carousel Source

Carousels enable brands to showcase products that are most suited to customers based on their individual purchase history.

RBM Use Cases

Transactional Messages

Application-to-Person (A2P) Messages used to send notifications, alerts, service messages, etc.

Marketing and Promotional Messages

Application-to-Person
(A2P) Messages used to
send marketing messages,
such as product
announcements, sale
announcements,
promotional offers,
coupons, etc.

Conversational Messaging

Two-way messages
(A2P and P2A) that are
used for customer
engagement, sales,
support, help from live
agents, or to offer
complete service
experiences such as
food delivery, or a Bot Store.

Transactional Messages Using RCS

Transactional messages are typically sent by brand to a consumer (A2P) through the messaging channel by adding the brand logo and the verification uptick. Two of the use cases worth sharing are RichOTP® and RichSMSTM.

> **RichOTP®**: One-time passwords (OTPs) are confidential information generally associated with financial transactions. Gupshup's award-winning product, the RichOTP® allows organizations to share OTPs securely to the intended recipients along with the verified brand logo that gives customers the sufficient confidence regarding the authenticity of the message.

RichOTP can be delivered on a common bot launched on almost 50 mobile network operators across the four continents of North America, South America, Africa, and Asia. RichOTP increases the success rate of OTPs as it is delivered even if the device is on the data network instead of the cellular network. Further, brands can also use their own bots to deliver the RichOTP for nearly the same price as an SMS.

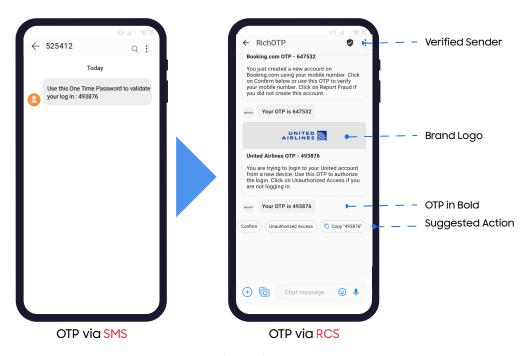


Fig 11: RichOTP®

Prichsms™: RichSMS™ delivers regular SMS messages over RCS without the need for developers to make any software changes. It transforms the plain text SMS from an unfamiliar sender ID into a rich message from a verified sender, delivered along with the brand's name and logo. Users receive the same content on their RCS-enabled phones, but along with the brand logo and the verified trust mark. Fig 12 highlights the difference between a regular SMS and the RichSMS™. The RichSMS bot too is launched on almost 50 mobile network operators across the four continents of North America, South America, Africa, and Asia.

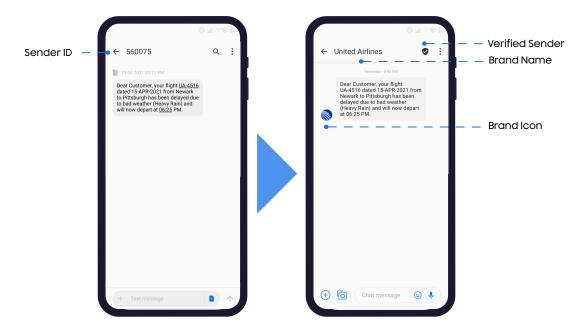


Fig 12: RichSMS™

Marketing and Promotional Messages

A2P messages can also incorporate the most complex rich features such as rich cards, suggested responses, payment gateways and more for a top-notch user experience. Gupshup's primary offering for sharing marketing and promotional messages is the Rich Promotions service. The Rich Promotions service allows brands to send promotional messages over the RCS channel, which includes a verified uptick, rich cards, or carousels, along with suggested actions and more.

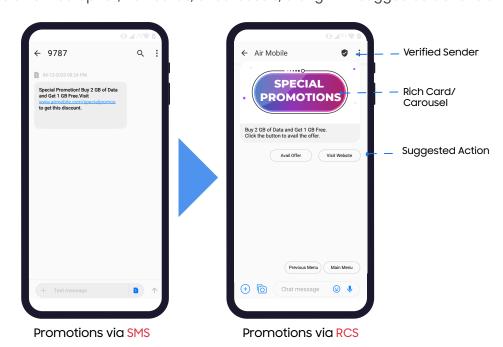


Fig 13: Rich Promotions

Conversational Messaging

Conversational messaging is an emerging customer engagement paradigm that enables two-way conversations between brands and their patrons, using rich media. Brands can initiate a conversation with the customer and vice versa that can be responded to. Conversational messaging seeks to tailor an experience wherein customers can finalize their purchases over chatbots.

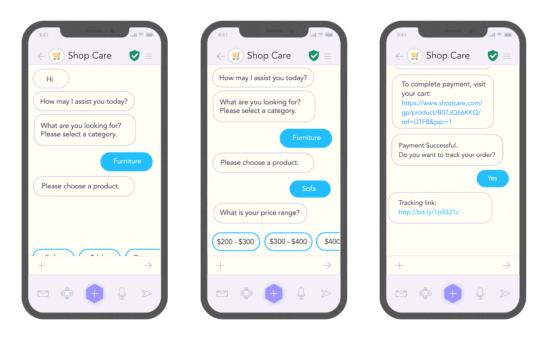


Fig 14: Conversational Messaging through Chatbots

Case Study

While there are numerous case studies that can be illustrated for RCS, we choose to mention the one where the World Health Organization (WHO) leveraged it to dispatch critical updates to educate citizens across the globe on Covid-19.

World Health Organization (WHO)

In December 2020, the World Health Organization (WHO) teamed up with OutThere Media to deliver accurate and timely information related to the Covid-19 pandemic to citizens across the world. The strategy employed to do so involved the RCS mobile messaging that helped WHO deliver appropriate notifications and links to certain important landing pages.

The results produced were phenomenal with reading rates reaching 96 percent, along with a user engagement rate of 46 percent.

40 percent of the users replies 'Yes' to the question on whether they wished to stay in touch with the WHO.

Even for citizens without RCS-enabled phones who received campaigns through messages with links & system notifications, the click-through rate was 6 percent, which was 60 times more than the industry benchmark.

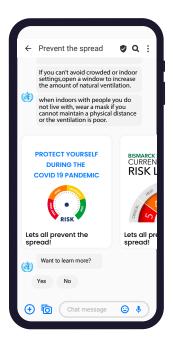


Fig 15: RCS Campaign by WHO Source

While the campaign has already reached 150 million citizens, WHO and OutThere Media's target is to cover 300 million users out of the total addressable audience of 1.5 billion users through over 15 of their operator partners across the globe. <u>Source</u>

More case studies on RBM can be found here.

Conclusion

RCS Business Messaging can enable several other use cases to improve the overall experience of engaging with a brand, for the customer. As a thought leader in RCS at the global level, with award-winning innovations such as RichOTP, RichSMS, and a lot more, <u>Gupshup</u> has been instrumental in deploying several successful solutions for brands across the world. That is not all. Gupshup's key areas of strength extend far beyond RCS in the conversational domain. Contact Us to know more.

CONTACT US