Anti-trust law prohibits
- agreements (written or implicit) between competitors which may negatively impact consumers or competitors, and
- sharing of confidential information

All GSMA participants **must** abide by the following rules:

- **DO** clearly identify the positive purpose of each project and follow it
- **DO** consult with legal in areas where you are unsure
- **DON’T** enter into agreements that restrict other parties’ actions or creates barriers to market entry
- **DON’T** discuss or exchange information on pricing, business plans, or any other confidential or commercially sensitive data
WHAT IS RCS BUSINESS MESSAGING?

RCS is an upgrade to SMS

Single Global standard - Universal Profile

Compelling and engaging messaging experiences

Especially attractive for Business Messaging

Rich Media:
Images, videos, files, location, rich cards, carousels

Verified Sender:
Secure, Trusted

Branding:
Logo, Colors and Brand Identity

Actions:
Reply Buttons, Suggested Responses and Call-to-Actions

Message Status:
Read Receipt, Is Typing and Last Seen Online
WHAT IS RCS BUSINESS MESSAGING?
GSMA UNIVERSAL PROFILE (UP)

A single, industry-agreed set of features and technical enablers developed to simplify the product development and global operator deployment of RCS

Key benefits

- **Simplicity**
  Common feature set and configuration

- **Consistency**
  One common experience across all devices and operators worldwide

- **GSMA Accreditation**
  Ensures interoperability between RCS clients, network and ecosystem

Universal Profile 1.0
October 2016
Rich features comparable with OTT Messaging

Universal Profile 2.0
June 2017
Features for chatbots and RCS Business Messaging

Universal Profile 2.2
June 2018
Improved chatbot features
### RCS Industry Momentum

<table>
<thead>
<tr>
<th>Category</th>
<th>Current</th>
<th>Predicted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Launch Networks</strong></td>
<td>64</td>
<td>40</td>
<td>104</td>
</tr>
<tr>
<td><strong>Subscribers</strong></td>
<td>172m</td>
<td>170m</td>
<td>342m</td>
</tr>
<tr>
<td><strong>Android Devices RCS Potential</strong></td>
<td>1.4bn</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
RCS GLOBAL LAUNCHES

64 RCS Launches

- 100% launched
- Multiple RCS launches
- Forecast to go from one to multiple launches in 2018
- RCS launched
- RCS launch forecast for 2018
4 major EU markets with 100% network coverage in 2019

28 RCS Launches

- Multiple RCS launches
- Forecast to go from one to multiple launches in 2018
- RCS launched
- RCS launch forecast for 2018
HANDSET ADOPTION

- Most Android handset manufacturers are providing RCS as a native application
- The GSMA is working with the remaining manufacturers to migrate towards RCS
APPLE’S DEPLOYMENT OF RCS

- Apple Inc. represents under 15% of handset sales globally but up to 50% in some markets.

- Recently, Apple has engaged in discussions with the GSMA and Operators about including RCS in iOS to:
  - Improve the Apple-to-non-Apple messaging experience for its customers.
  - Meet the needs of Operators in high-Apple-concentration markets deploying RCS.
  - Prepare for the post-2G, post-SMS future.

- Operators are putting pressure on Apple to launch RCS.
SMS CONTINUES TO OUT-PERFORM ALL OTHER COMMUNICATIONS FOR CUSTOMER INTERACTION

I regularly check my phone for new SMS or instant messages throughout the day

- 68% Agree
- 19% Neutral
- 13% Disagree

Base: 2015

Consumer message checking habits

I often open an SMS or instant message as soon as it has been delivered to me

- 62% Agree
- 23% Neutral
- 15% Disagree

98% Open Rate
20% Open Rate
26% used only once

90 second response time
2% Response Rate
25% never used

68% Agree
19% Neutral
13% Disagree

62% Agree
23% Neutral
15% Disagree

Base: 2015
RCS BUSINESS MESSAGING OPPORTUNITY

**Estimated annual value of paid search 2017**

**SMS Business Messaging**

**Today**

**RCS Business Messaging 2021 Potential**

**Apps Replacement Potential**  
**Chatbot Search Potential**  
**Unified Comms Potential**

**Artificial Intelligence Applications in:**
- Business
- Government
- Health
- Transport
- Enabling Internet of things

**Existing Revenue Opportunity**

**Future Revenue Potential as Platform Evolves**

**>$60bn**

**>$90bn**

**>$100bn*”**

**>$50bn**

*Estimated annual value of paid search 2017*
RCS BUSINESS MESSAGING TAKEAWAYS

- Next generation upgrade to SMS
- Live today from leading operators & brands
- Will be mainstream in UK within 12-18 months
- Get involved, trial, learn, then scale
Thank you