

OPINION PIECE for ITWeb

BULKSMS.COM

November 26, 2008

Reflections on 2008 and beyond

It's that time of the year again when we start reflecting on the past twelve months or so. And 2008 certainly saw some big changes globally and locally, although their implications for the local mobile industry are still to be seen.

We are in the midst of a global economic recession and human interventions are accelerating climate change. Yet, with the election of Barak Obama as president-elect of the USA I am hearing people expressing uncertainty about the economy and the climate mixed with optimism about a new role for America on the global stage, and especially for Africa, leading into 2009.

These sentiments are also echoed about the local landscape. We have seen shifts in political power with President Kgalema Motlanthe taking office ahead of our next general election, concerns about how South Africa will weather global market trends, signs that consumers are tightening their belts financially, and heated calls for South Africa to reduce its dependence on fossil fuels and its greenhouse gas emissions.

In the midst of this, the local mobile industry has taken some strides forward. The industry is well regulated, there is more consumer awareness about how to deal with mobile spam and mobile scams, mobile marketing has received a boost, and SMS volumes continue to grow within the business and social sectors.

A better regulated industry

There are many new wireless application service providers and affiliate market makers who have entered the mobile market in the past year. The current Wireless Application Service Provider Association (WASPA) membership list includes 148 companies that are active in the local mobile market.

These businesses are governed by WASPA's mobile industry advertising rules and code of conduct. These regulations protect consumers from mobile spam, ensures strict adherence to transparent promotional and pricing information for subscription services, and monitors mobile advertising for objectionable material unsuitable for children. These regulations enable consumers to lodge complaints with WASPA about mobile services, which have gone far in addressing increasing consumer intolerance for mobile scams and mobile spam.

Mobile marketing

The local mobile marketing industry has received a boost in the setting up of the South Africa Council of the Mobile Marketing Association (MMA) in November of this year. With global linkages in place, this local council of the MMA is championing the use of mobile for advertising and marketing campaigns – whether the channel is SMS, MMS, WAP or a combination of these and other digital and offline media. To date, 17 companies within the mobile, broadcasting, digital, marketing and media sectors have become members of the MMA.

Continued growth in messaging

There is a general optimism about the continued growth of SMS messaging in South Africa. In our firm, we have seen a continued increase in the use of SMS for business communications. Our annual SMS growth is up from December 2007. This accounts for small, medium and large enterprises using application-to-

person messaging software to send single and bulk messages. In the social sector, we recorded the highest-ever monthly SMS volumes during the xenophobic violence in May and June of this year when NGOs and other community-based organisations mobilised members and volunteers to support relief efforts.

And thinking about mobile in 2009 and beyond ...

So, whether we say “ho, ho, ho” or “oh, oh, oh” as 2008 turns to 2009, I do feel that there are some interesting local trends which we should look out for in the year ahead:

- 📱 With mobile devices becoming more powerful computing tools that are always connected, searching for information via mobile Internet will increase.
- 📱 M-payments will become more and more commonplace, especially in providing lower LSM consumers and the unbanked with a less-costly and more-efficient ways of making micro-payments or transferring money.
- 📱 If the global recession hits harder than expected, consumers may spend less than anticipated on mobile content services.
- 📱 Local politicians will take Obama’s lead in adopting new mobile technologies in their campaigning in the next general elections to build up support and appeal for funding.
- 📱 Increased consumer demand for greener solutions, including using solar power to reduce the need to plug a charger for a cellphone into the electrical grid as well as increased re-use and recycling of cellphones to minimise e-waste.

ENDS

[699 words]

About BulkSMS.com

BulkSMS.com, a division of Celerity Systems (Pty) Ltd, has been in operation since 2000 and is headquartered in Cape Town, South Africa. BulkSMS is a leading wireless application service provider offering bulk SMS messaging solutions to large and small businesses, public benefit organisations, and individuals. BulkSMS.com has a global market presence, including Europe, South Africa, the United Kingdom, and the United States of America. To further an organisation’s SMS communication needs, BulkSMS offers two-way bulk SMS messaging, premium rate solutions and supports mobile marketing campaigns. BulkSMS flagship messaging solution is the BulkSMS Text Messenger, a desktop application. BulkSMS is a member of the Wireless Application Service Provider Association (WASPA).

For more information on BulkSMS’s commercial messaging services visit www.bulksms.co.za and for details on BulkSMS’s messaging service offering discounted bulk SMS message prices for public benefit organisations (such as schools, NGOs and faith-based organisations) visit <http://community.bulksms.com>. For direct enquiries email info@bulksms.com or contact BulkSMS telephonically on +27-21-552 6321.