



**Phone:** +27 (0)21 528 3420

**Fax:** +27 (0)21 552 2848

**Website:** [www.bulksms.com](http://www.bulksms.com)

4th Floor South Lobby  
Boulevard Place Heron Crescent  
Century City 7441 South Africa

## **PRESS RELEASE – SOUTH AFRICA**

**BULKSMS.COM**

September 2011

### **The importance of SMS in an instant messaging world**

By Dr Pieter Streicher, managing director of BulkSMS.com

While a cat has nine lives, it seems that SMS has an infinite number of lives. So while the rise in mobile instant messaging (MIM) has been heralded as its end, a closer look shows that this rather increases SMS's value in the corporate space.

It was Blackberry and its ostensibly free messaging service between Blackberry users that changed the game when it comes to MIM. Despite being bumped down the ranks in terms of the number of handsets shipped in the second quarter according to the latest analyst reports, Blackberry is still the number one smartphone in South Africa and Indonesia. Mobile market commentator, Tomi Ahonen, reminds us that initially Blackberry's popularity baffled the company itself, until they realised that it was the Blackberry instant messenger (BBM) that was the driver of this uptake. It also resulted in continued uptake of the handset as friends and family migrated to Blackberry for fear of being left out of closed conversations.

Subsequently, application developers have allowed other handset owners to join this low data cost instant messaging conversation via apps such as WhatsApp. With all these people sending fewer text messages, one might think that this has left SMS messaging out in the cold.

In the world of business SMS communications this is not at all the case. There is no denying that personal SMS usage has dropped, thanks to cellphone users migrating to mobile instant messaging (MIM) at a fraction of the cost of SMS. This is hurting the network operators, for whom person-to-person (P2P) messaging is a very profitable channel. But SMS's inherent features still give it an edge in application-to-person (A2P) messaging, especially when it comes to urgent or emergency communications, business communications, or managing the information overload.

### **SMS benefits from MIM**

So while the popularity of MIM might be bad news for operators in terms of lost SMS revenue – which they are trying to mitigate with SMS bundles for users – it is good news for companies and organisations that rely on SMS for alerts, emergency communications, CRM and a host of other uses. The SMS channel is strengthened for mission-critical notifications, whether it is a banking alert, appointment reminder or progress update. Already IM users are switching off the beeping associated with incoming instant messages as it is unnecessary during a conversation. The rather ironic result is that SMS is used as an alert to set up an IM conversation.

### **SMS is ubiquitous**

Companies have dabbled with other online channels but they are going to be hard-pressed to insist that customers download an individual app in order to communicate with each company. SMS, which is already built in to every single feature phone and smartphone handset, is going to remain the communications channel of choice for companies and customers for some time to come.



### **Ease of integration**

Likewise from a software development point of view, it takes time and effort to integrate a new channel into software, so it is wise to choose a stable technology. With the MIM market still relatively new and very fragmented, there is only one choice for a developer wanting to include mobile messaging into an application, and that is SMS.

### **Managing information overload using asynchronous communication**

As SMS is a sender pays technology, and relatively expensive, it limits information overload. SMS is less intrusive compared to a phone call, as it allows the recipient to respond in their own time.

So rather like Mark Twain insisting that “the report of my death was an exaggeration” when it was mistakenly believed he had died, it turns out SMS continues to demonstrate the value of its inherent characteristics in the face of the latest communication favourites.