MEF
MOBILE ECOSYSTEM FORUM

FULL REPORT

BUSINESS MESSAGING 2021

FOREWORD

A few years ago, it wasn't uncommon for me to meet people who told me that the days of SMS being used for Business Messaging were numbered - in fact that SMS' days in general were. How times have changed and how wrong those people were. There are not too many industries out there right now that can say they are set to double in size over the coming five years but Business Messaging just happens to be one of them.

This hypergrowth is being fuelled by SMS and Rich Business Messaging channels such as chat apps (think WhatsApp and others) and RCS. The resulting appearance on the scene of an increasing number of 'unicorn' $1 billion plus valuation companies in the sector underlines the power of Business Messaging.

We're proud to count many of these new giants as long-standing MEF members. Some have undergone astounding transformational growth, driven both by organic expansion and a surge of M&A activity in the sector. Over two-thirds of our members are now part of our Future of Messaging programme and we're seeing a marked increasing in interest in this initiative. All very telling.

Business Messaging encompasses so many different channels but, as our survey of 6,500 smartphone users across 10 different countries shows, the traditional ones still punch hard in the engagement stakes. 46% of users surveyed prefer email but as you'll see from our report, what people appreciate it if brands use a rich mix of communication solutions.

Consumer trust has been at the heart of MEF since we started out 20 years ago on February 4th 2001 and being at the sharp end, very close to consumers globally, we can see just how much they have embraced Business Messaging. Whilst trusted, it isn't perfect though. Concerns about privacy are real, with advertising based companies such as Facebook backed WhatsApp raising the most concern.

Our findings show that consumers globally are generally very receptive to Business Messaging though and want to receive marketing and transactional content they value from brands they trust, in a timely, secure manner.

Providing forums which bring together stakeholders from across the ecosystem to interact and further strengthen the great foundation Business Messaging needs to sustain such exciting market growth is something MEF does and I would warmly welcome new members to our community. Stronger together.

I am sure your will get some great insights from this report and look forward very much personally to seeing where Business Messaging will be in 2022!

JAMES WILLIAMS
DIRECTOR OF PROGRAMS

ABOUT MEF

Mobile Ecosystem Forum is **a not-for-profit global trade body** that acts as an impartial and authoritative champion for addressing issues affecting the broadening mobile ecosystem. We provide our members with a global and cross-sector platform for networking, collaboration and advancing industry solutions. The goal is to accelerate the growth of a sustainable mobile ecosystem that delivers trusted services worldwide. Established in 2000 and headquartered in the UK, MEF's members are active across Africa, Asia, Europe, Middle East, North and Latin America.

MEF provides a community that offers **Insight** (reports, surveys, market guidance); **Interaction** (events, networking, visibility) and **Impact** (advocacy, code of conducts, industry initiatives).

To join the MEF communities please email info info@mobileecosystemforum.com.

Contact Sam if you'd like to contribute an article.

If you would like to explore the range of MEF Member sponsorship opportunities available at any MEF Connects then please contact Susan.

Follow us on LinkedIn, register for the member area and subscribe to MEF's newsletters to keep up to date with MEF activities throughout the month.

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ANDREW PARKIN-WHITE
ADVISOR IoT

DANIEL MENSI
ADVISOR BLOCKCHAIN

DHONI IBRAHIM
DESIGNER

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CONSUMER SURVEYS 2021

MEF DATA

THE MOBILE ECOSYSTEM FORUM OFFERS MARKET DATA TO ITS MEMBERS AND TO THE INDUSTRY TO PROMOTE CONSUMER UNDERSTANDING AND ADVANCING OF LONG TERM SUSTAINABLE PRACTICES AND BUSINESS MODELS

AN EXECUTIVE SUMMARY IS AVAILABLE FOR FREE TO ALL

MEF MEMBERS HAVE GOT ACCESS TO THE FULL REPORT AND THE DATA SET

MEF
MOBILE ECOSYSTEM FORUM

EXECUTIVE SUMMARY

BUSINESS MESSAGING - SNAPSHOT

BUSINESS MESSAGING IS FOR THE MASS MARKET 89% of smartphone users usually receive messages from businesses. There is still room for growth.

SPAM REMAINS A MAJOR ISSUE. 56% of users in China report receiving unsolicited messages. Worldwide, 44% of female users report receiving unsolicited messages.

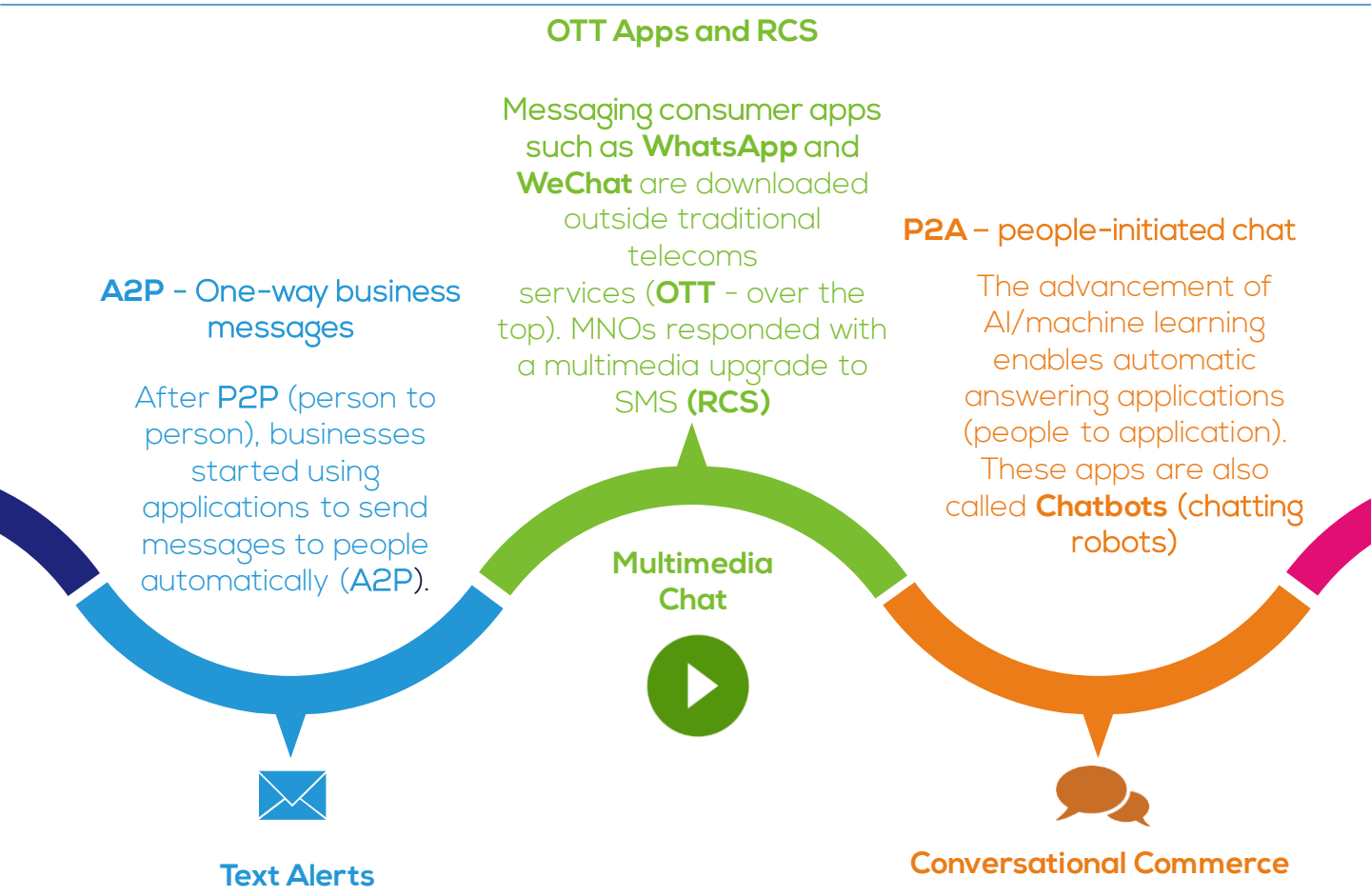
MOBILE FIRST ECONOMIES LEAD USAGE. 94% of users in China and 92% in Brazil receive commercial messages. USA lags at 83%. After email, 27% of users prefer WhatsApp and voice for P2A.

THE CLIMAX OF EMAIL REACHED? In P2P, email usage has been overtaken by SMS and OTT this year. Even in A2P user preferences, OTT and SMS combined show higher results. Yet in terms of communication volume the industry seems to be over-reliant to email.

YOUNG USERS ARE THE LEAST TARGETED BY A2P commercial messages and use P2A the least as well. Older age groups receive more A2P and send more P2A. Young users have an even more fragmented channel usage profile.

USERS ARE CONCERNED ABOUT FRAUDULENT MESSAGES 71% of users are very or moderately concerned about fraud in messaging. – worsening over 2020.

BUSINESS MESSAGING: TERMS & CONCEPTS

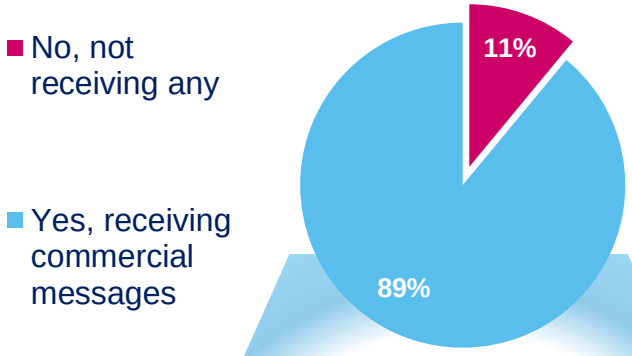


Enterprise communication refers to the activities business and governments take to communicate with users for promotion, servicing, self provision and support. Telephony and email have long dominated the filed, but **business messaging** has grown of importance in the last decade. Common acronyms are used, and the above diagram gives a quick introduction to the main terms and themes. This reports gives a snapshot on the current status and major developments in the area of business messaging.

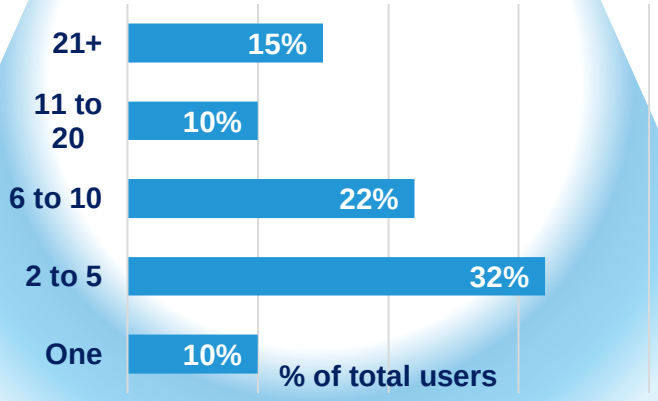
The ubiquitous SMS has opened the door to efficient communications from business **applications to users** (A2P). The report looks at the reach and acceptance of A2P business messaging and analyses the difference of usage among **SMS (operator text messages services)** and **OTT services** (**Other the Top services** are apps rather than Telecom licensed services such as WhatsApp, WeChat), We will also track the attitudes and specifically how users react to the threats posed by **fraud (the attempt to steal data or money from end users)** and **spam (unrequested messages)** and **privacy (the user perception that their personal data is kept confidential).** Recently a new type of business messaging has emerged , the potential for messaging to complement the existing call-centre, where users initiate a messaging session with an enterprise. This is called **conversational commerce** or **P2A** messaging (Person to Application).

A2P BUSINESS MESSAGING: STILL ROOM FOR GROWTH

Do you receive any commercial messages on mobile (ex. Email)



How many commercial messages do you receive per week on mobile (ex. Email)



Mobile business messaging is a well-established channel reaching the mass market. The proportion of smartphone users that received A2P commercial messages was 89% of the total.

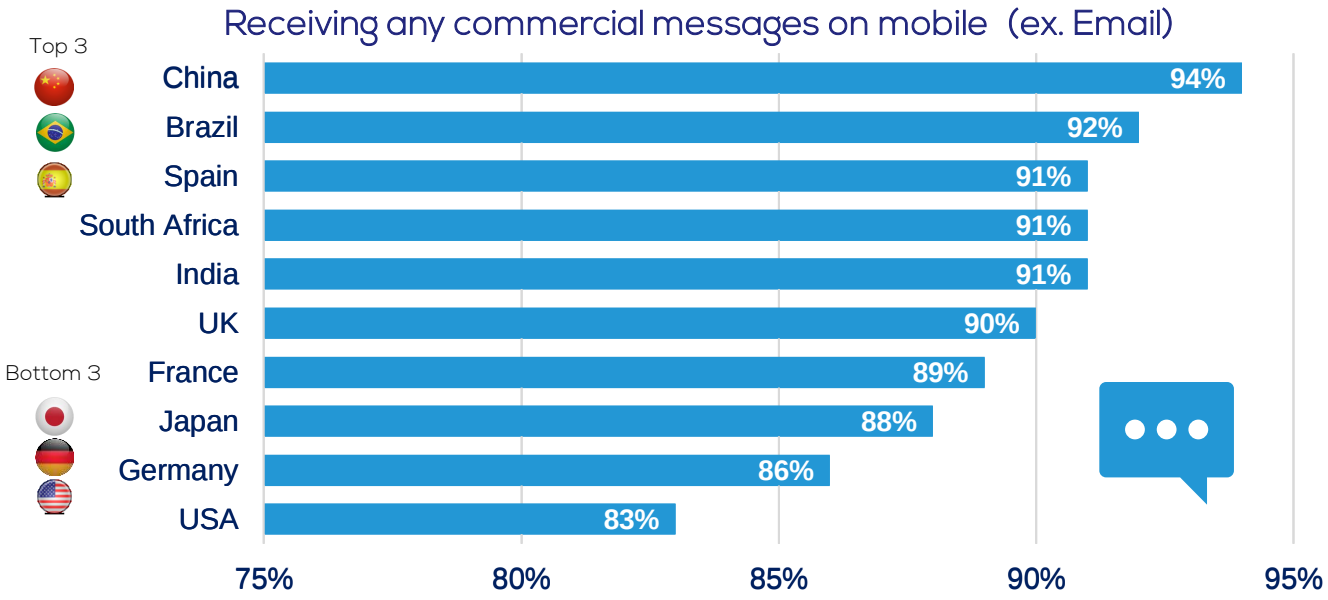
There is still some potential room for further growth: 11% of users do not receive any commercial messages yet on their smartphone.

42% of users receive 1 to 5 commercial messages (of all types excluding email) from companies per week. 15% of all users receive over 20 commercial messages per week.

The Business messaging channels are not saturated, with 42% of users targeted by A2P responding that they receive less than 5 message per day from business. That compares favorably with email. Globally, 310 billion email are sent every day (MEF DATA), that accounts to 147.6 messages per monthly active user in average, of which business email to consumers is expected to be 89 in average.

The reach of SPAM and potentially fraudulent messaging is still large: 39% of all users reported receiving unsolicited messages (incl email), and 25% of users report receiving a potentially fraudulent text message. Despite better regulation and improvement in business processes, SPAM remains a concern. However, mobile messaging has managed to keep a better profile than other platforms.

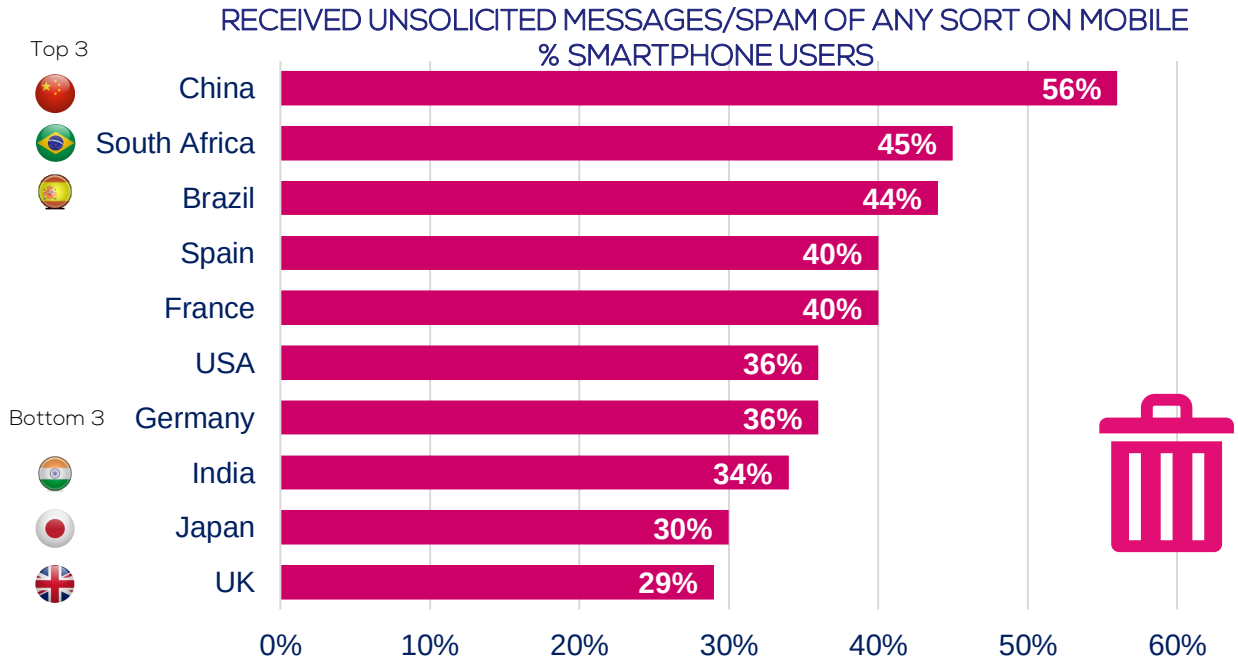
MOBILE FIRST ECONOMIES : CHINA AND BRAZIL LEAD IN BUSINESS MESSAGING REACH



Mobile first countries such as China and Brazil, where fixed infrastructure was leapfrogged by mobile, are the ones with the highest penetration of commercial messaging.

China shows 94% of smartphone users are dispatched with commercial. Only 83% of Smartphone users in the USA receive any commercial messages.

China also tops the list for receiving unsolicited messages (of any kind). The UK, Japan and India show the lowest penetration of unsolicited messages.



FROM 2021 SMS OVERTAKEN BY OTT PERSONAL MESSAGING, YET SMS IS DOMINANT IN A2P

• MEF DATA

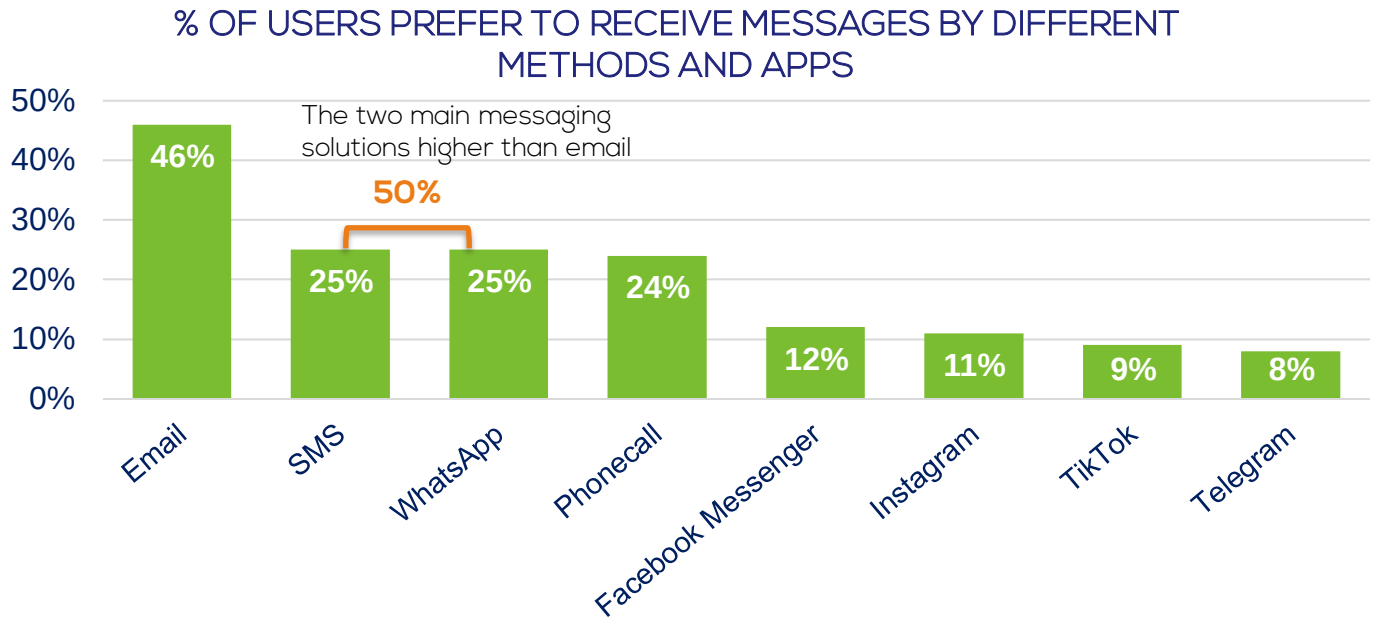
	Monthly Active Users Jan 2021	MAU growth (year on year)	A2P targeted users (monthly average)	A2P reach as % total MAU
SMS	2,721 Mil.	-11% y.o.y.	2,422 Mil.	89%
OTT	3,106 Mil.	+7% y.o.y.	1,799 Mil.	58%
Email	2,107 Mil.	-7% y.o.y	2,093 Mil.	99%

MEF Data suggests that **SMS has the widest reach of all channels**, However, it is important to stress that this is true for monthly active users, the **yearly active user number for email is greater than SMS yearly users**. Email as a channel is fully utilized for business communications (99%), only 89% of SMS monthly active users are reached by business messaging. The SMS channel has some scope for growth.

Both email and SMS are showing signs of maturity with monthly active users in decline year on year by -11% for SMS and -7% for email.

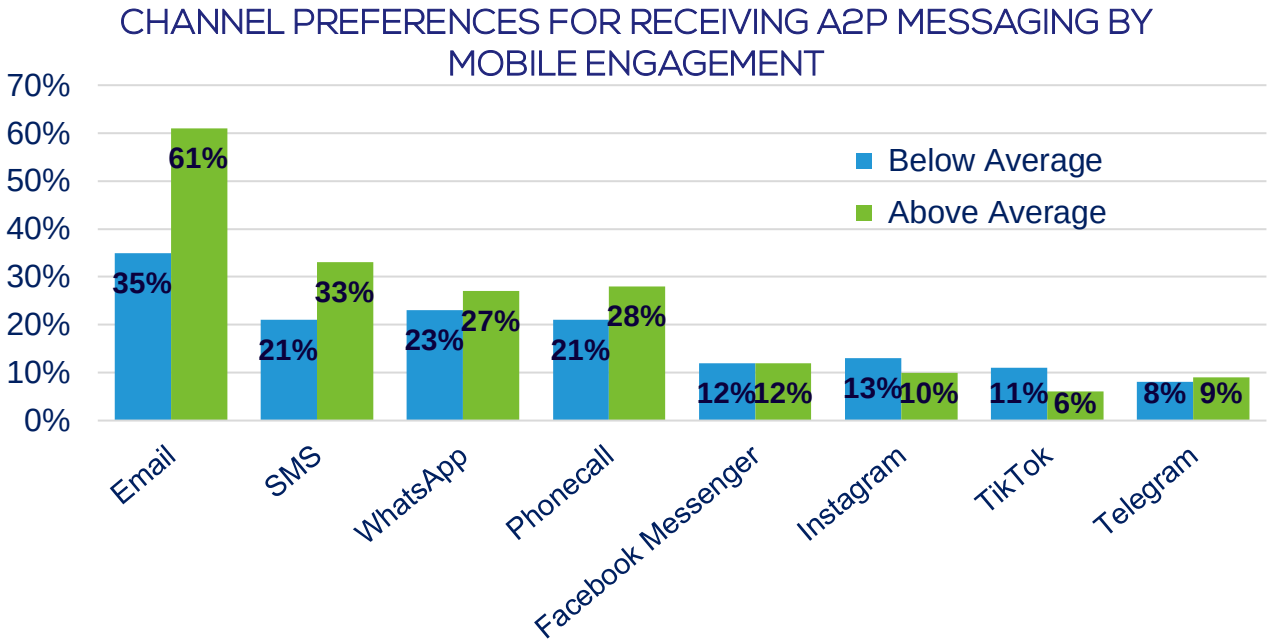
OTT messaging platforms reached 2.47 billion users in January 2020, marking it is the second largest communication channel, bigger than email. OTT shows a healthy 5% increase year on year on active users. **OTT has got the largest potential of untapped users reaching only 56% of the base with business communications.**

USERS APPRECIATE A RICH MIX OF COMMERCIAL MESSAGING CHANNELS

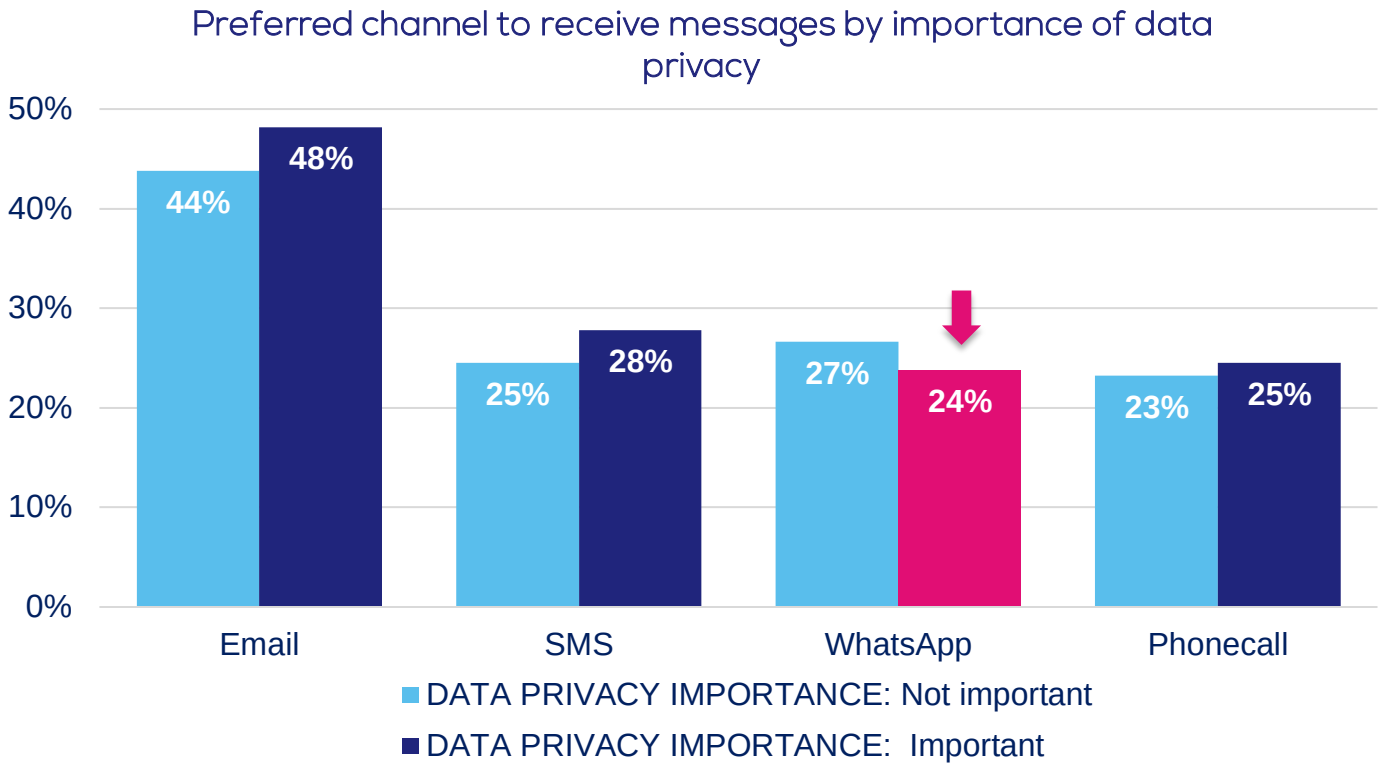


Users appreciate a rich mix of communication solutions. The most preferred way to receive commercial messages is email, but SMS and voice are also popular. Overall mobile messaging is coming up strong: **WhatsApp and SMS counted together (50%) overtake email**. WhatsApp is the most preferred of OTT messaging apps, though many others also show (with some regional preferences emerging).

Those with higher mobile engagement show a significantly higher acceptance of a rich messaging environment. Notably, email **is particularly popular with this segment as a preferred messaging channel.**



CONCERNS ON PRIVACY ARE ONLY FELT BY WHATSAPP (AND OTHER OTT)

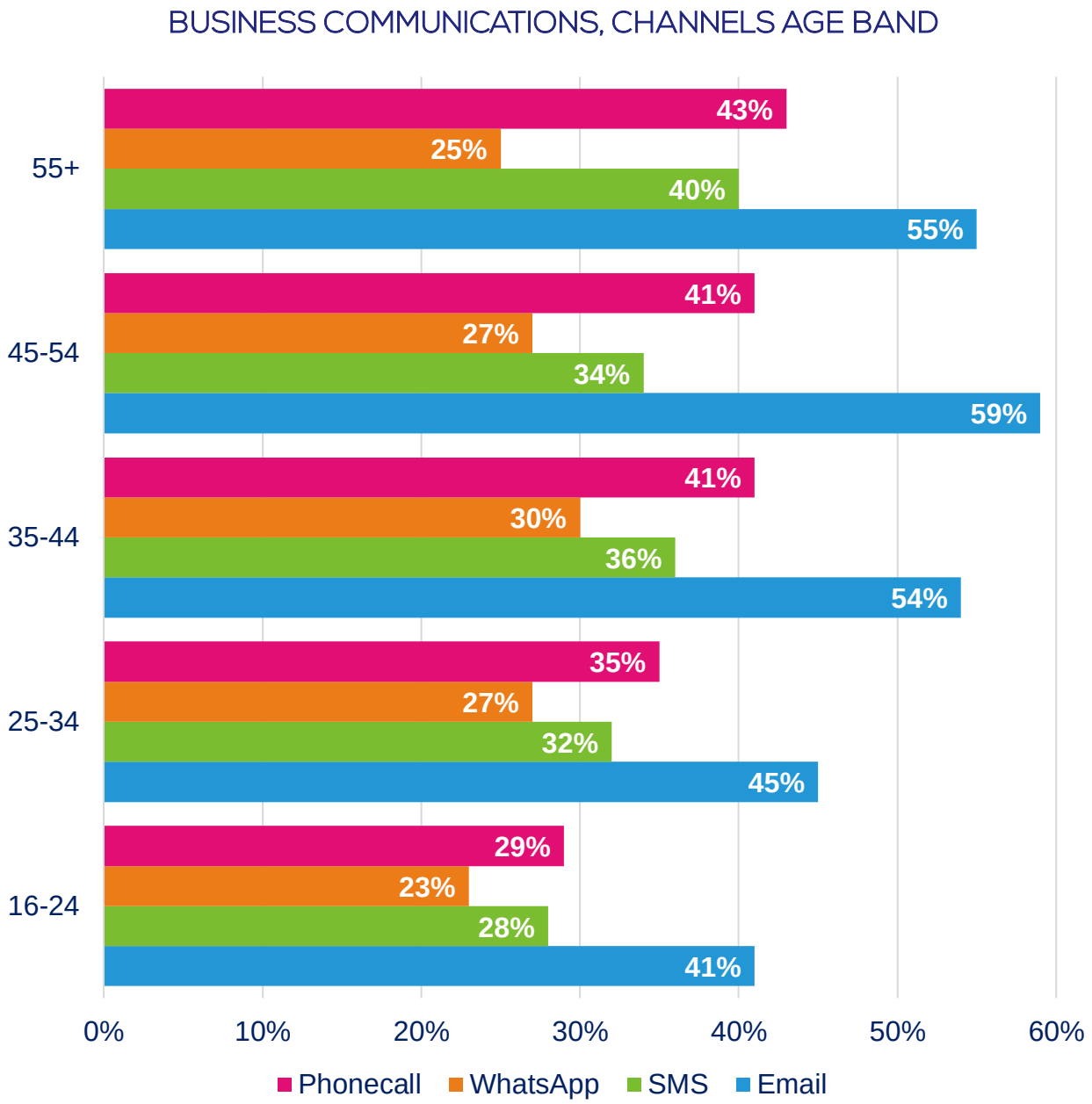


The impact of privacy concern is felt mostly for WhatsApp: it is the only channel to show a dip in preference among people that would consider privacy important. When Smartphone users are concern about privacy, they are more likely to use digital services, but not all. Advertising based company such as Facebook backed WhatsApp seem to raise more concerned.

Users who value their data privacy demonstrate a greater preference to be reached via email (48%). followed by SMS (28%) and Phone call (25%) – all with an higher propensity than from people that do not think privacy is important. Mobile services are usually well received by people

Users who are less concerned about their data privacy show a small preference for OTT messaging compared to those concerned about data privacy. This extends from WhatsApp through Facebook messenger, Instagram, Telegram, and Snapchat.

YOUNGER USERS LESS TARGETED BY A2P MESSAGING



After email, SMS and voice are the dominant commercial mobile messaging channels in all age groups.

WhatsApp is the dominant OTT channel for commercial messaging, and we can see that it peaks with the 35 – 44-year age band.

Other OTT platforms (such as Instagram, TikTok, and Telegram) are heavily biased to younger age bands. (SEE SLIDE 16)

MULTIMEDIA POTENTIAL OF RCS AND MMS

• MEF DATA

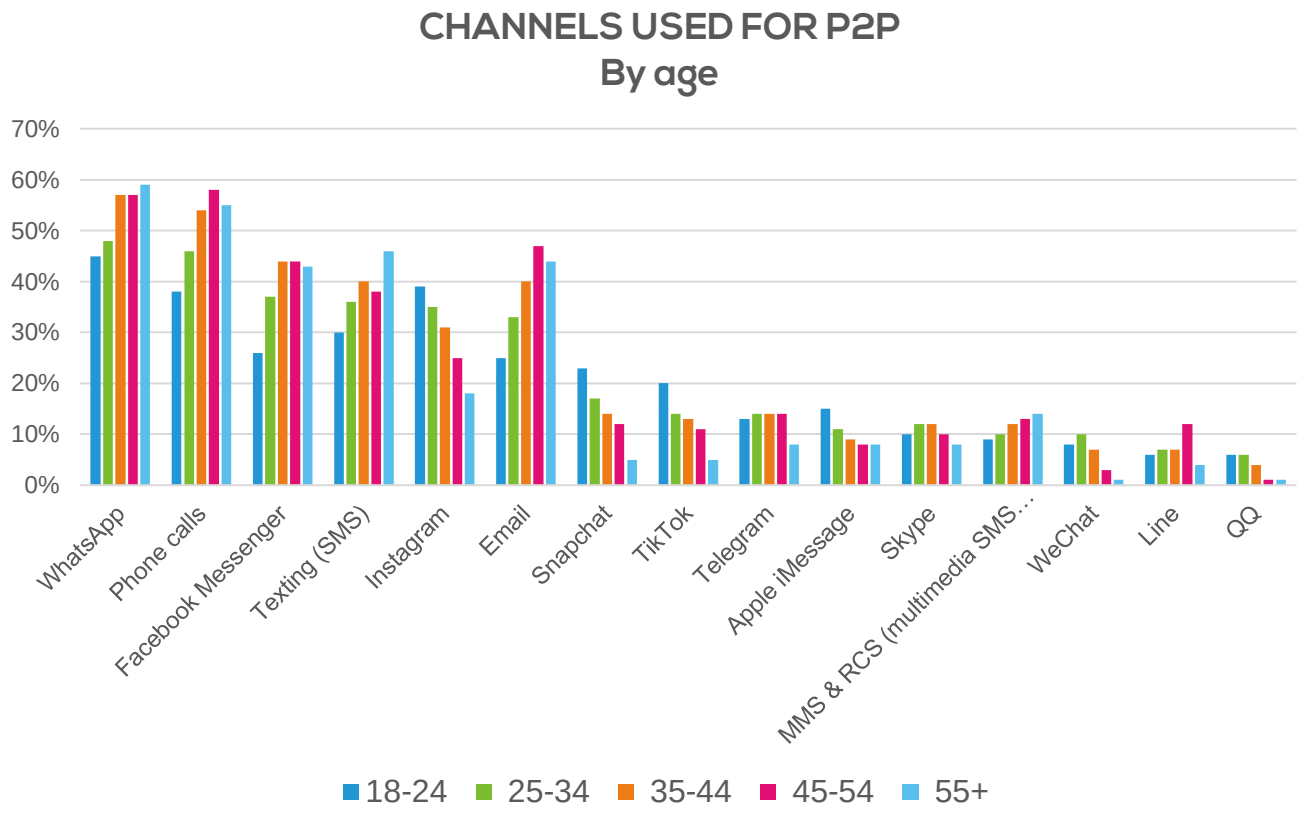
	Monthly Active Users Jan 2021	MAU growth (year on year)	A2P targeted users (monthly average)	A2P reach as % total MAU
SMS	2,721 Mil.	-11% y.o.y.	2,422 Mil.	89%
RCS	210 Mil.	+32% y.o.y.	140 Mil.	67%
MMS	202 Mil.	-1% y.o.y	159 Mil.	85%

The mobile operators' SMS service is evolving in its new multimedia format, RCS. The previous multimedia format launched by operators, MMS, has being largely replaced by OTT and RCS services. However, MMS still has a loyal base of users. The global 1% year on year loss of MMS active users is slowing. **Recently a growing interest for A2P MMS messages has helped to slow the overall MMS usage decline.**

To understand RCS you should consider a concatenation of multiple factors: RCS supported devices, software activated devices, mobile operator activations and finally monthly active usage. Overall MEF calculates that at January 2021 there were 210 million users sending or receive RCS messages (not SMS message via an RCS client). The roll-out complexity shows that RCS might grow at a smaller rate than OTT in its first years. However, **RCS is the fourth largest Multimedia Communication service ,overtaking the QQ Chinese app (according to MEF own activity definition)**. The RCS platform also sees a low utilization by business messaging, a large improvement year on year (and mostly by mobile operator own messaging campaigns). **Despite a smaller reach than SMS, there is more than RCS could offer to business messaging today.**

PERSONAL COMMUNICATION CHANNELS BY AGE

CHANNELS USED TO RECEIVE MESSAGES BY AGE BAND



WhatsApp is better accepted by older age groups for personal communication. Its higher penetration is now with 55+ year old (59%), and its lowest with 18-24 (45%) and 25-34 (48%). Even phone calls or email do not equal WhatsApp for the over 55+. The combination of free perception (data charges and not message charging) the ease of use of texting and images make this the communication choice for the older market.

The 18-24 markets is the more varied with used of multiple channels, Email usage is much less common than wit older groups (33%), but so are phone calls (38%) , SMS (30%), Facebook Messaging (26%). In this age group Snapchat reached 23% of users, and Tik Tok 20%.

Chinese Apps such as WeChat are underrepresented globally, but strong in China where the other messaging app are not allowed.

PERSONAL COMMUNICATION CHANNELS BY AGE

CHANNELS USED TO RECEIVE MESSAGES BY AGE BAND
(Global, active usage)

Q: How do you communicate with friends and family?

	18-24	25-34	35-44	45-54	55+
WhatsApp	45%	48%	57%	57%	59%
Phone calls	38%	46%	54%	58%	55%
Facebook Messenger	26%	37%	44%	44%	43%
Texting (SMS)	30%	36%	40%	38%	46%
Instagram	39%	35%	31%	25%	18%
Email	25%	33%	40%	47%	44%
Snapchat	23%	17%	14%	12%	5%
TikTok	20%	14%	13%	11%	5%
Telegram	13%	14%	14%	14%	8%
Apple iMessage	15%	11%	9%	8%	8%
Skype	10%	12%	12%	10%	8%
MMS & RCS/Chat (multimedia SMS messaging)	9%	10%	12%	13%	14%
WeChat	8%	10%	7%	3%	1%
Line	6%	7%	7%	12%	4%
QQ	6%	6%	4%	1%	1%

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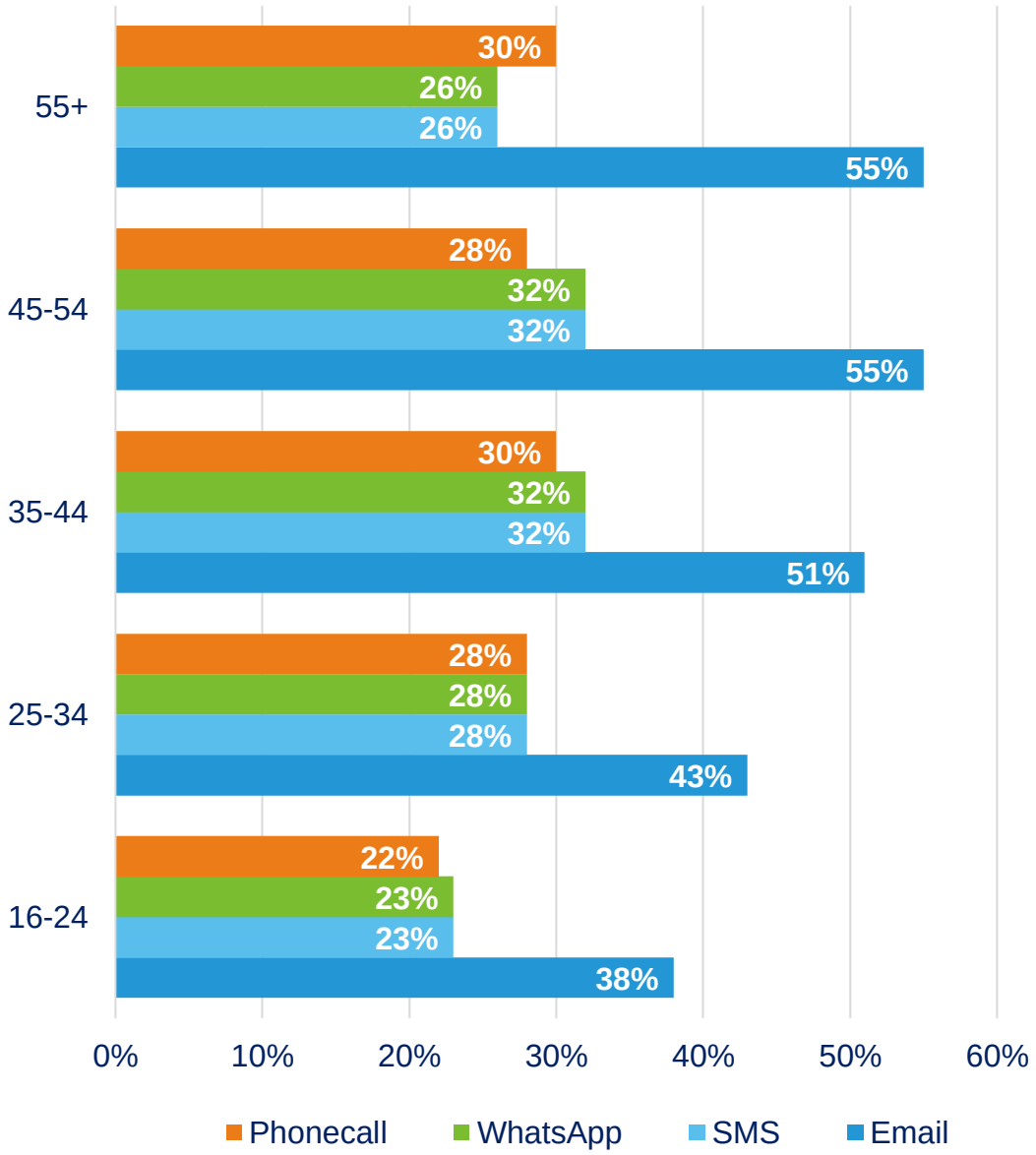
YOUNGER USERS HAVE LOW P2A CHANNEL PREFERENCE

Channels used to send P2A messages by age band



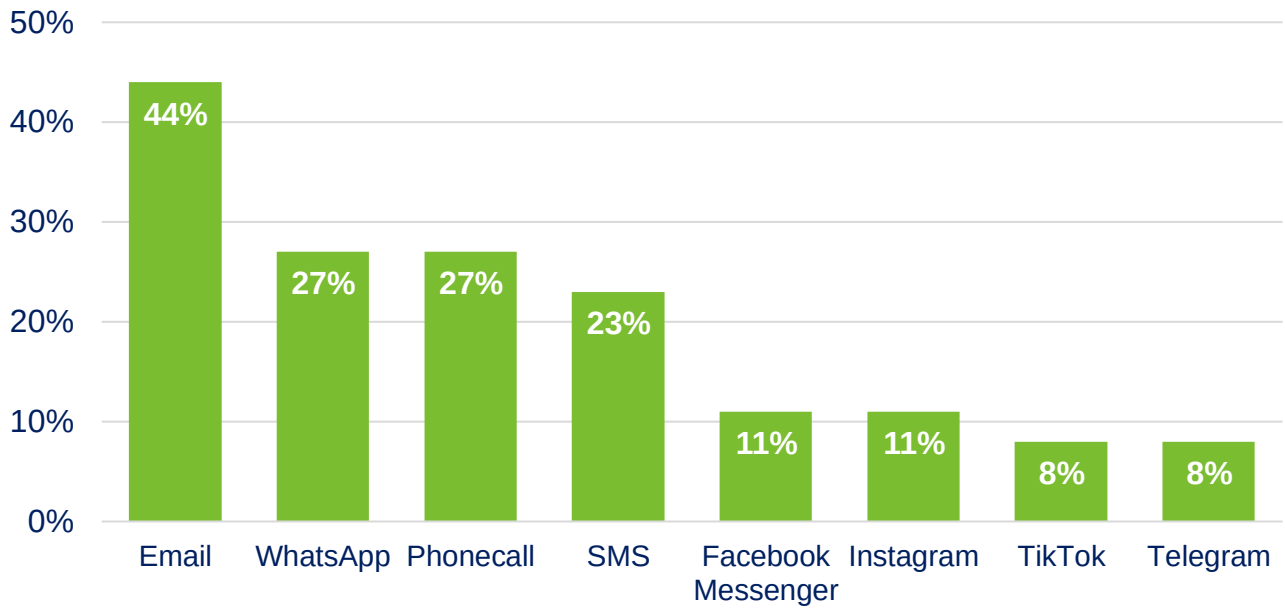
After email, there is relatively consistent use of other messaging channels to initiate P2A

Though younger age bands seem least likely to initiate P2A by any channel

Other OTT platforms (such as Instagram, TikTok, and Telegram) are used more by younger age bands than older ones.

WHATSAPP AND VOICE EQUALLY PREFERRED FOR P2A

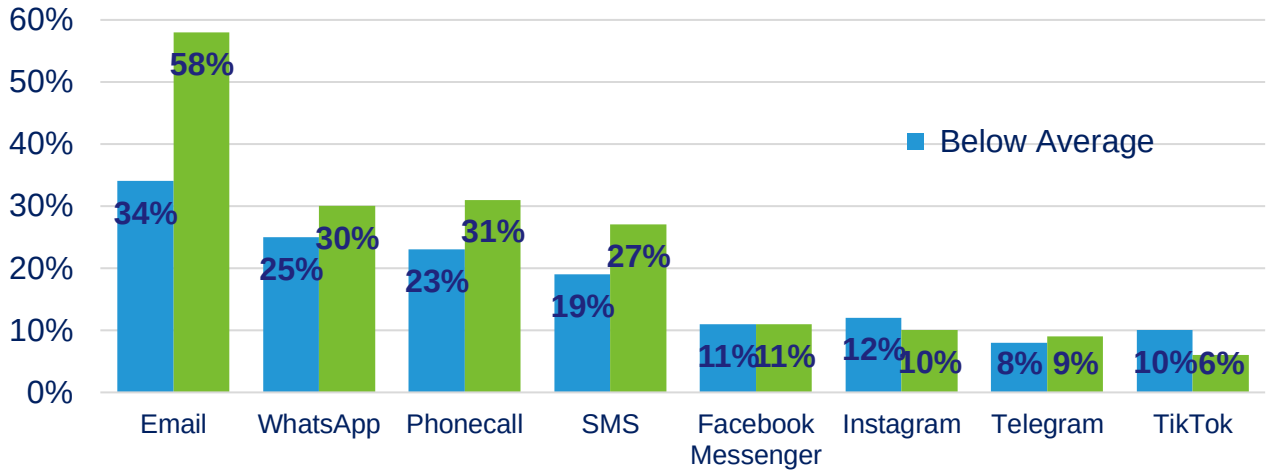
CHANNEL PREFERENCES FOR INITIATING P2A MESSAGING



Email is the most preferred channel to initiate P2A, perhaps reflecting that messages may be complex or long, or the familiarity with existing customer experience. After email, WhatsApp and voice are equally popular for P2A. It should be noted that the feature has been recently launched by WhatsApp.

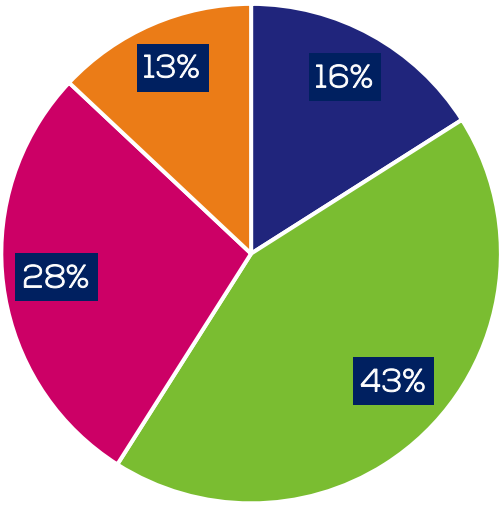
Those with higher mobile engagement use all major channels to initiate P2A messaging. High users of mobile services are much more likely to have an email preference (reflecting early users of mobile services)

CHANNEL PREFERENCES FOR INITIATING P2A MESSAGING BY MOBILE ENGAGEMENT



MANY USERS CONCERNED ABOUT FRAUDULENT MESSAGES (SMISHING)

% OF SMARTPHONE USERS CONCERNED THAT MESSAGES RECEIVED FROM COMPANIES ARE ACTUALLY FAKE AND ARE ATTEMPTS TO STEAL MONEY OR LOGIN AND PASSWORD



- I do not think it is something I need to worry about
- I am moderately concerned
- I am very concerned

28% of users overall are very concerned about fake messages, and another 43% are moderately concerned.

Only 16% do not consider this something to worry about.

MEF
MOBILE ECOSYSTEM FORUM

REACH OF COMMERCIAL MESSAGING

BUSINESS MESSAGING FOR THE MASS MARKET

• 5 key points on A2P Reach

1

Business Messaging is for the mass market

89% of smartphone users receive messages from business.

2

Users appreciate a rich messaging environment

Users prefer to receive business email but also SMS, WhatsApp and voice.

3

China dominates in receiving A2P messages

94% of China users have received A2P messages, followed by Brazil at 92%. 17% of US users report not receiving A2P commercial messages

4

Spam is still widely present

56% of users in China, and 44% of female users report receiving unsolicited A2P commercial messages.

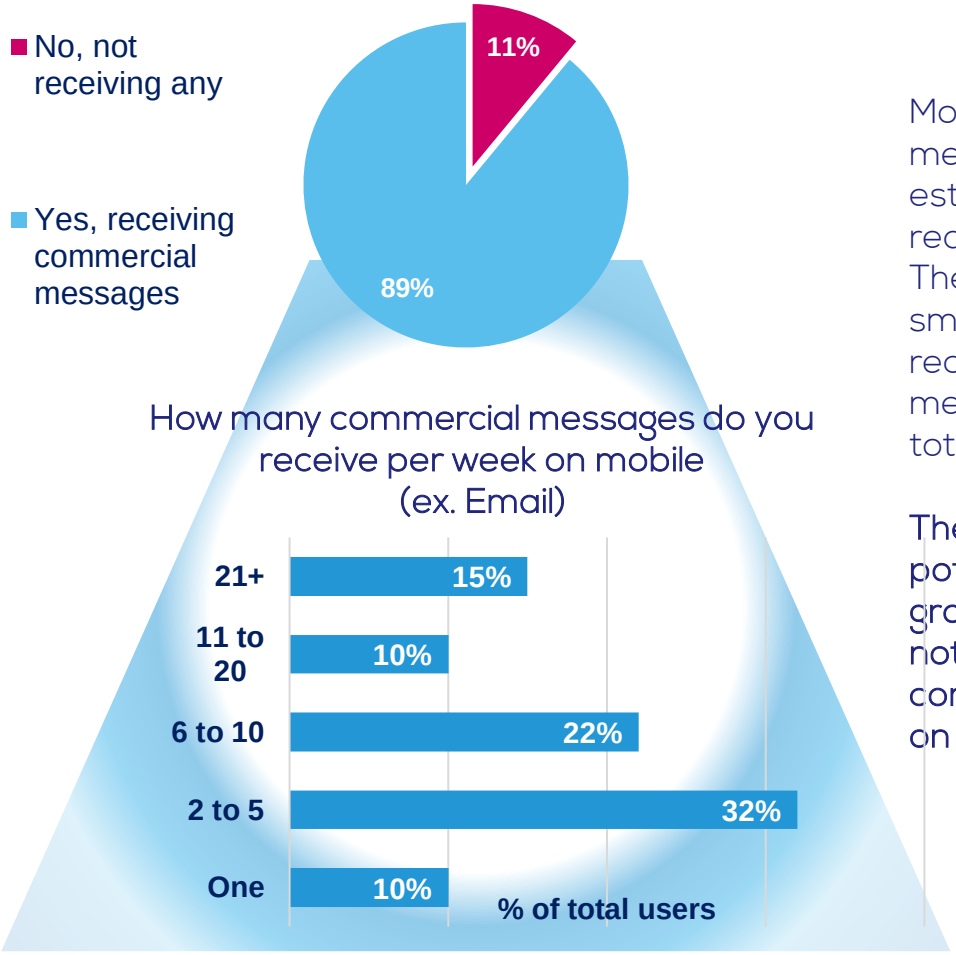
5

Commercial messaging not reaching younger users

Only 86% of 18 – 24-year-olds report receiving A2p commercial messages compared to 93% of 55+ year-olds.

A2P BUSINESS MESSAGING: STILL ROOM FOR GROWTH

Do you receive any commercial messages on mobile (ex. Email)



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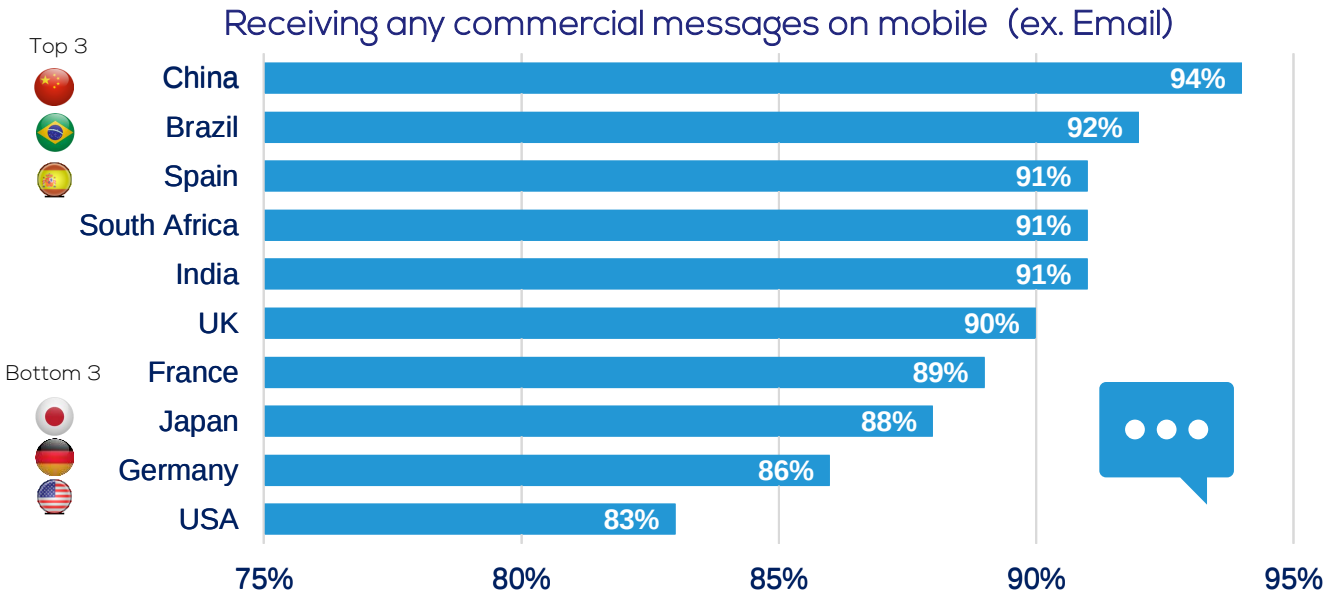
MOBILE FIRST ECONOMIES : CHINA AND BRAZIL LEAD IN BUSINESS MESSAGING REACH



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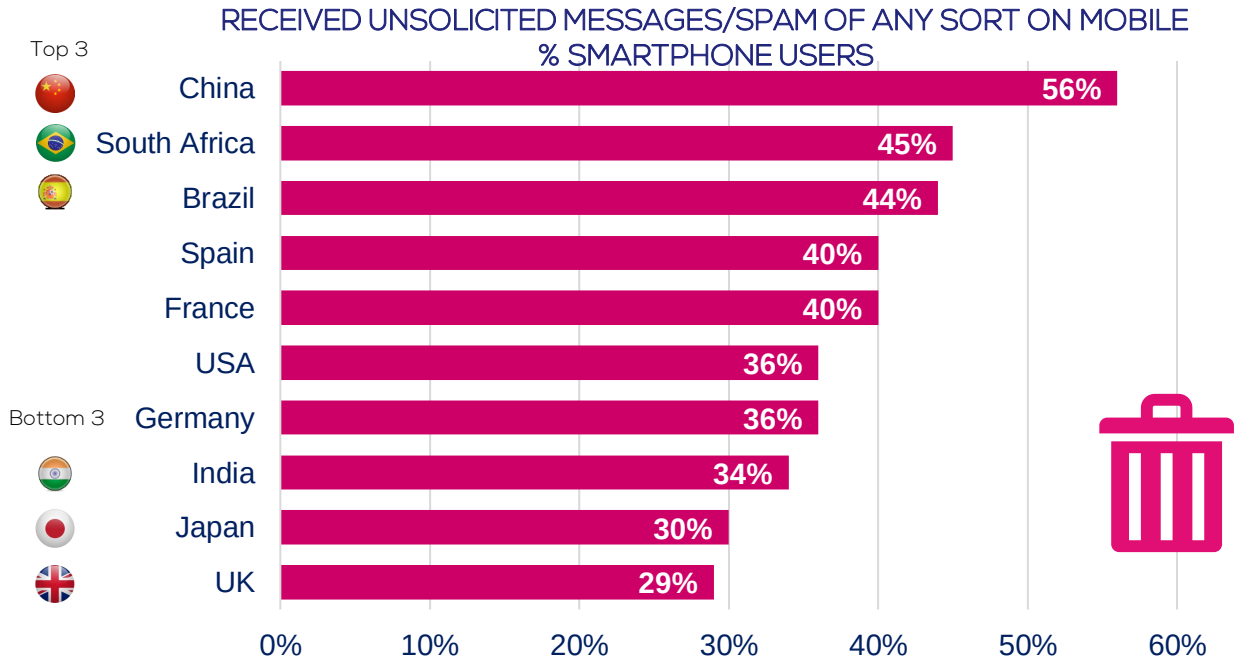

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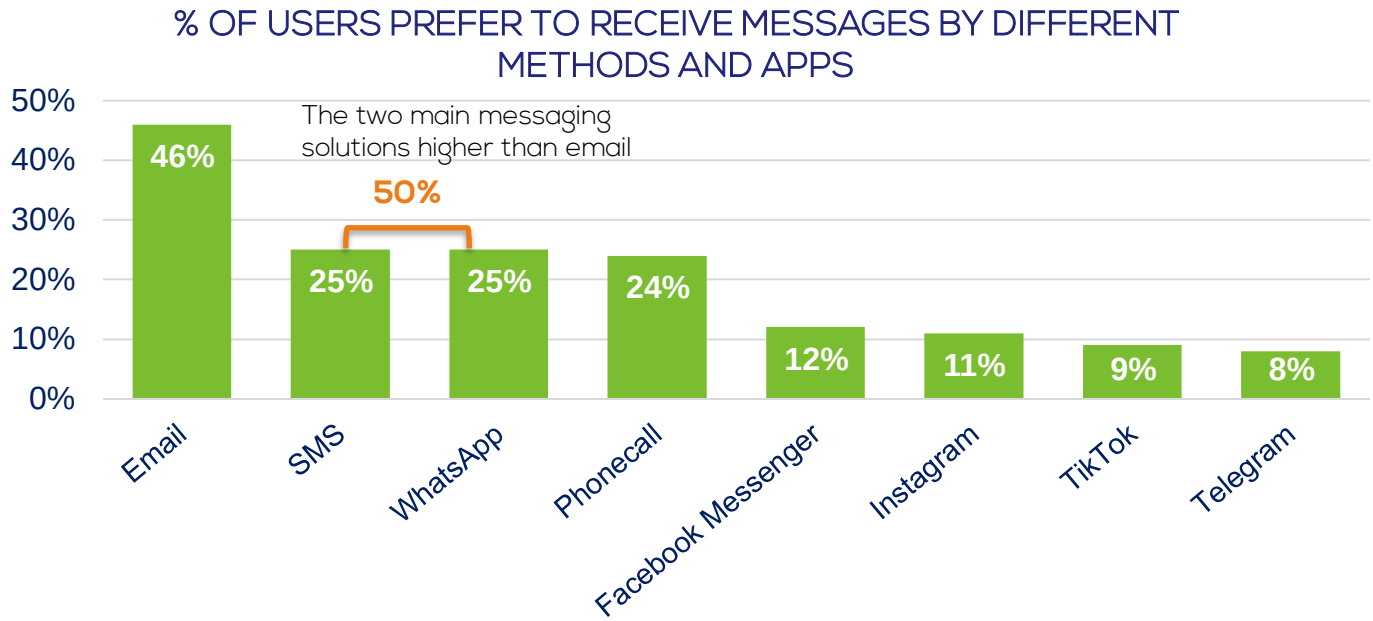

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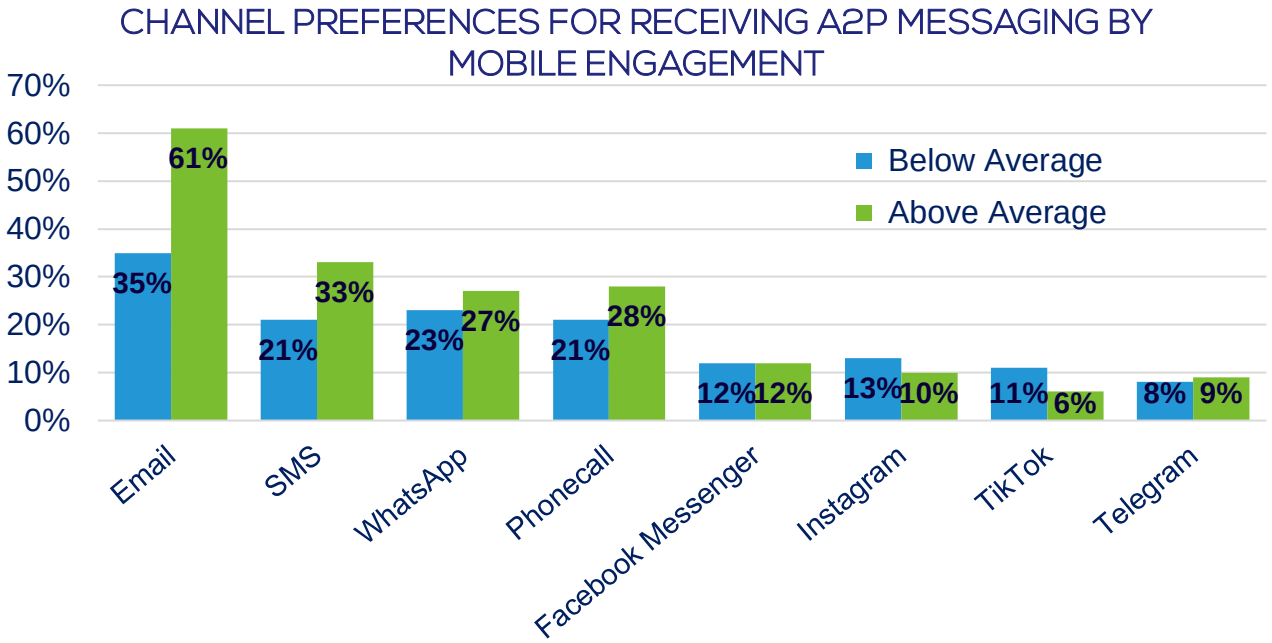
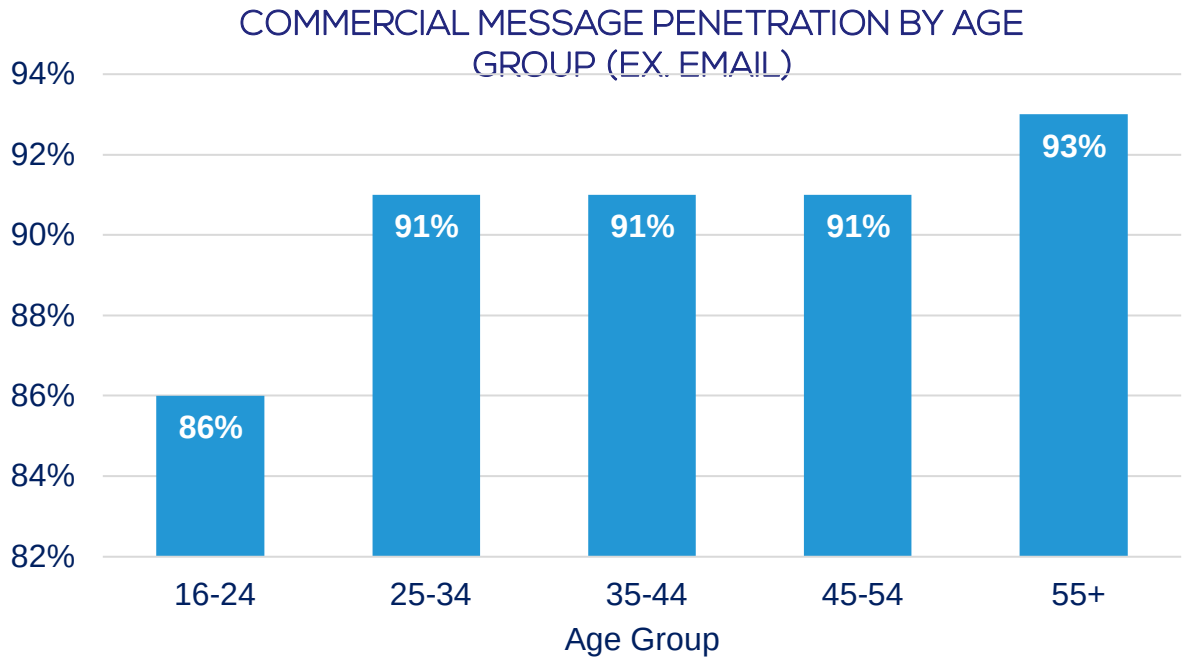


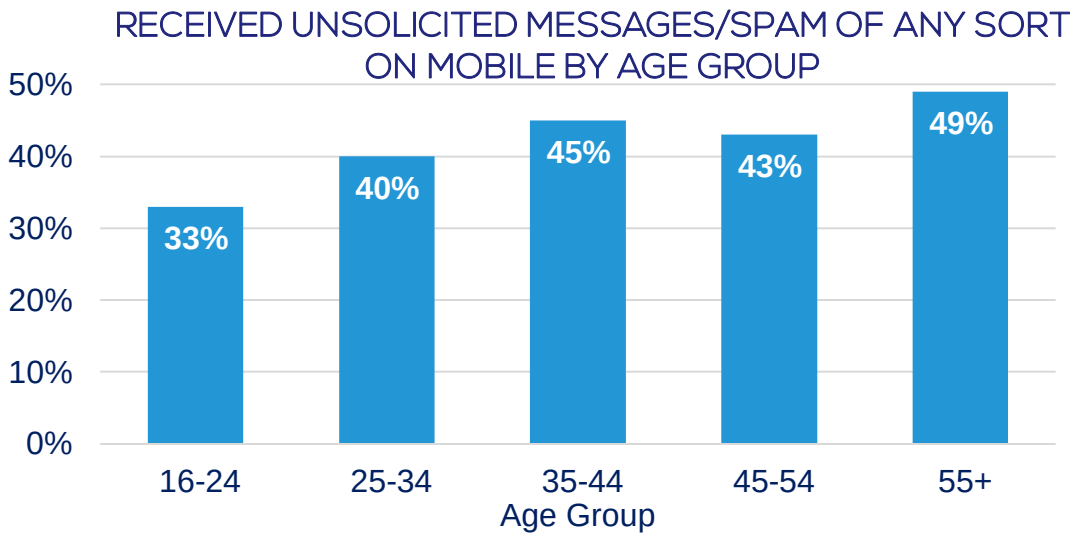
BUSINESS MESSAGES REACHING OLDER CUSTOMERS



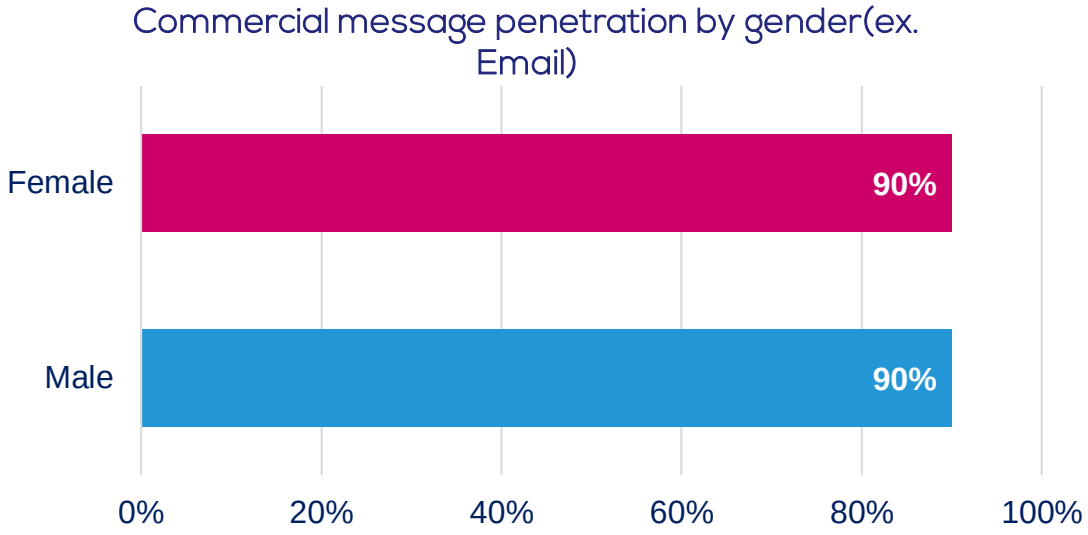
The younger group (16-24-year-old) generally received fewer messages – partly a reflection of their lower economic activity and fewer services or utilities under their own name. They are also less likely to report receiving unsolicited / spam messages.

The older age group (45 years old and over) are more likely to receive commercial messages. While this group generally has a lower uptake of most mobile digital services, they will have used mobile services for longer and be more visible to commercial organizations.

Commercial message penetration is similarly reflected in reported receipt of unsolicited messages – more prevalent in older age groups.



COMMERCIAL MESSAGING EQUAL BY GENDER

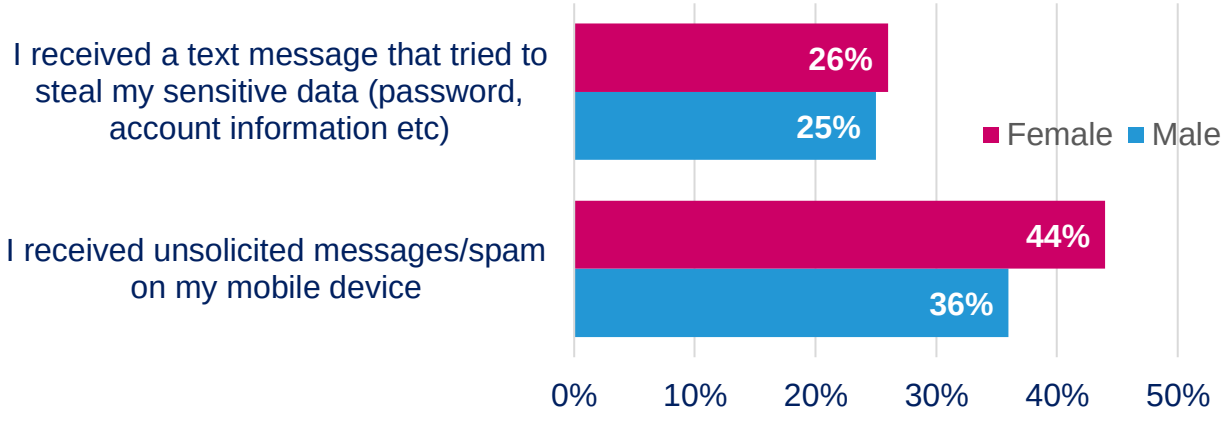


Little gender variation in those receiving business messages.

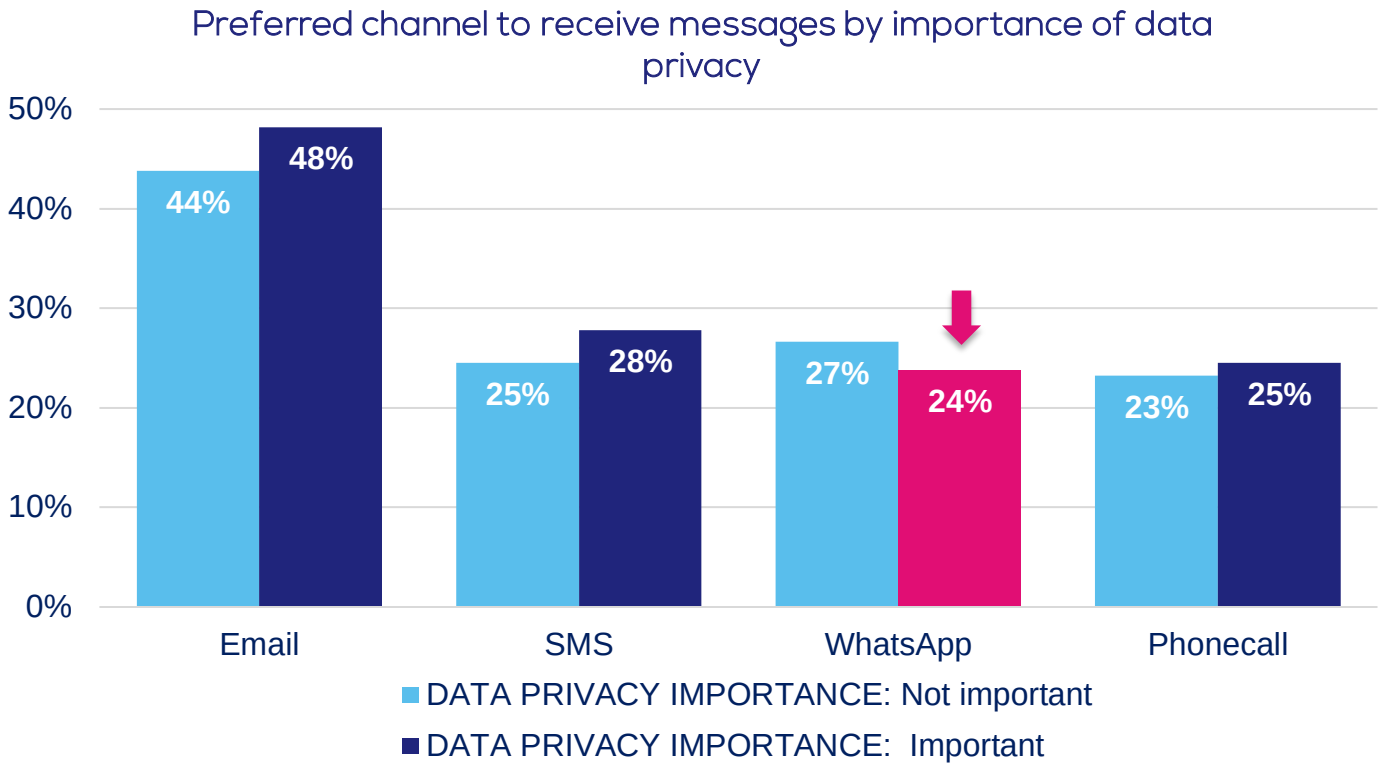
However, despite a similar penetration of receipt of commercial messages, women report much greater incidence of receipt of unsolicited / SPAM messages.

But receipt of fraudulent messages is comparable between male and female.

Received unsolicited messages/spam of any sort on mobile by gender



CONCERNS ON PRIVACY ARE ONLY FELT BY WHATSAPP (AND OTHER OTT)

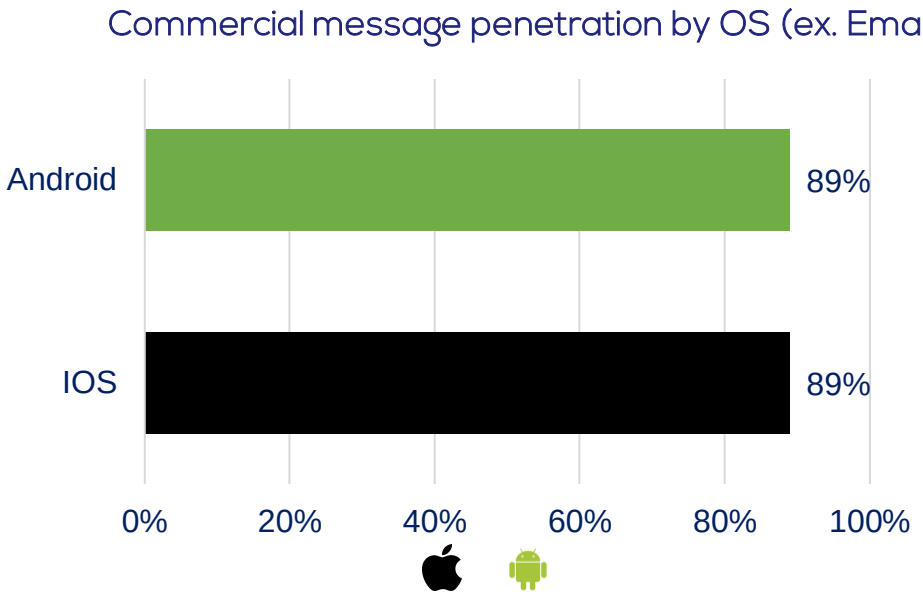


The impact of privacy concern is felt mostly for WhatsApp: it is the only channel to show a dip in preference among people that would consider privacy important. When Smartphone users are concern about privacy, they are more likely to use digital services, but not all. Advertising based company such as Facebook backed WhatsApp seem to raise more concerned.

Users who value their data privacy demonstrate a greater preference to be reached via email (48%). followed by SMS (28%) and Phone call (25%) – all with an higher propensity than from people that do not think privacy is important. Mobile services are usually well received by people

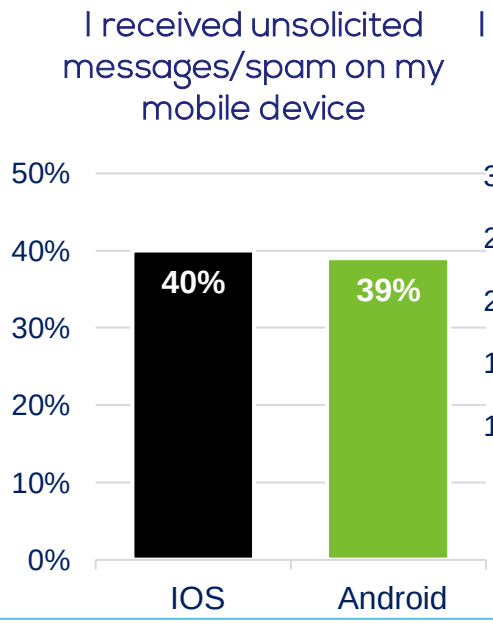
Users who are less concerned about their data privacy show a small preference for OTT messaging compared to those concerned about data privacy. This extends from WhatsApp through Facebook messenger, Instagram, Telegram, and Snapchat.

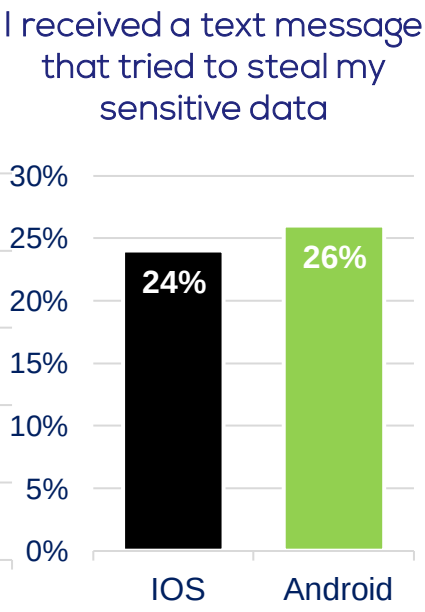
IOS AND ANDROID USERS: SIMILAR COMMERCIAL MESSAGING

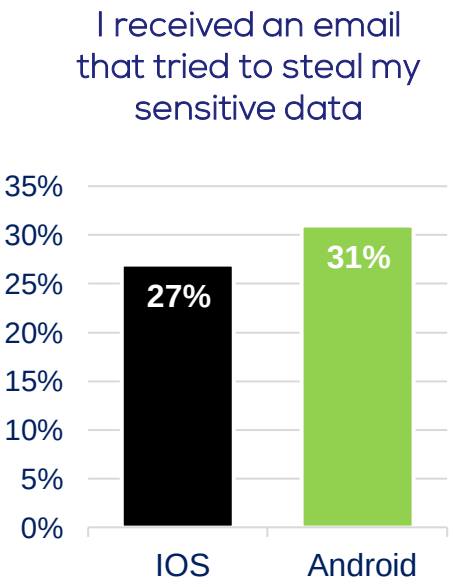


The type of smartphone operating software seems to have a little or no impact on the penetration of commercial messaging.

However we can also see that Apple devices received fractionally more unsolicited messages. But Android devices appear to receive slightly more specifically fraudulent messages. 26% of Android devices surveyed have been sent a text aiming to steal sensitive data (compared to 24% of Apple devices), and 31% of Android devices and received an email aiming to steal the same (compared to 27% of Apple devices).







A2P: MESSAGING CHANNELS USED

SMS DOMINATES A2P

• 5 key points on A2P messaging

1

After email, SMS and Voice channels dominate for Business Messaging

35% of users report receiving messages by voice, and 32% via SMS.

2

Brazil and India receive A2P messages via WhatsApp

59% of users in Brazil and 54% in India receive commercial A2P via WhatsApp.

3

Younger users less targeted by A2P messages

Younger users 18 – 24 years old receive fewer messages by all channels than older age groups.

4

Female users receive more voice messages than male users

38% of female users report receiving commercial voice messages compared to 33% of male users.

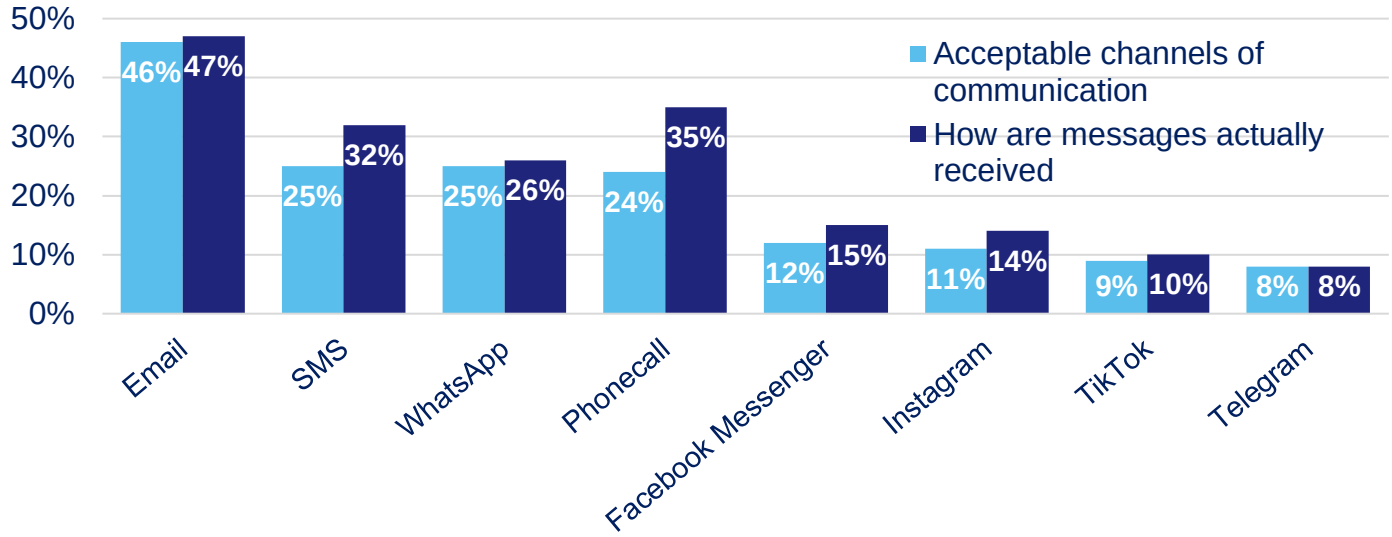
5

High mobile engagement drives voice and SMS messaging

45% of higher mobile engagement users received voice A2P messaging and 42% received SMS messaging .

MESSAGING CHANNEL USED EXCEED USER PREFERENCES

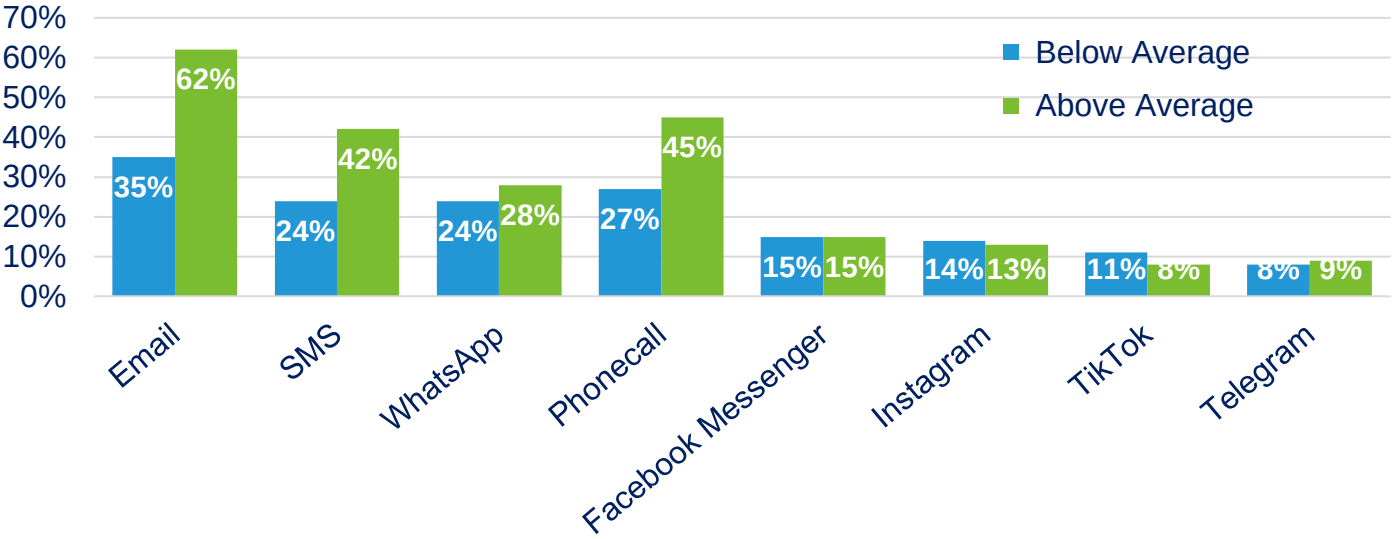
Channels used for commercial messages: Preferred and used



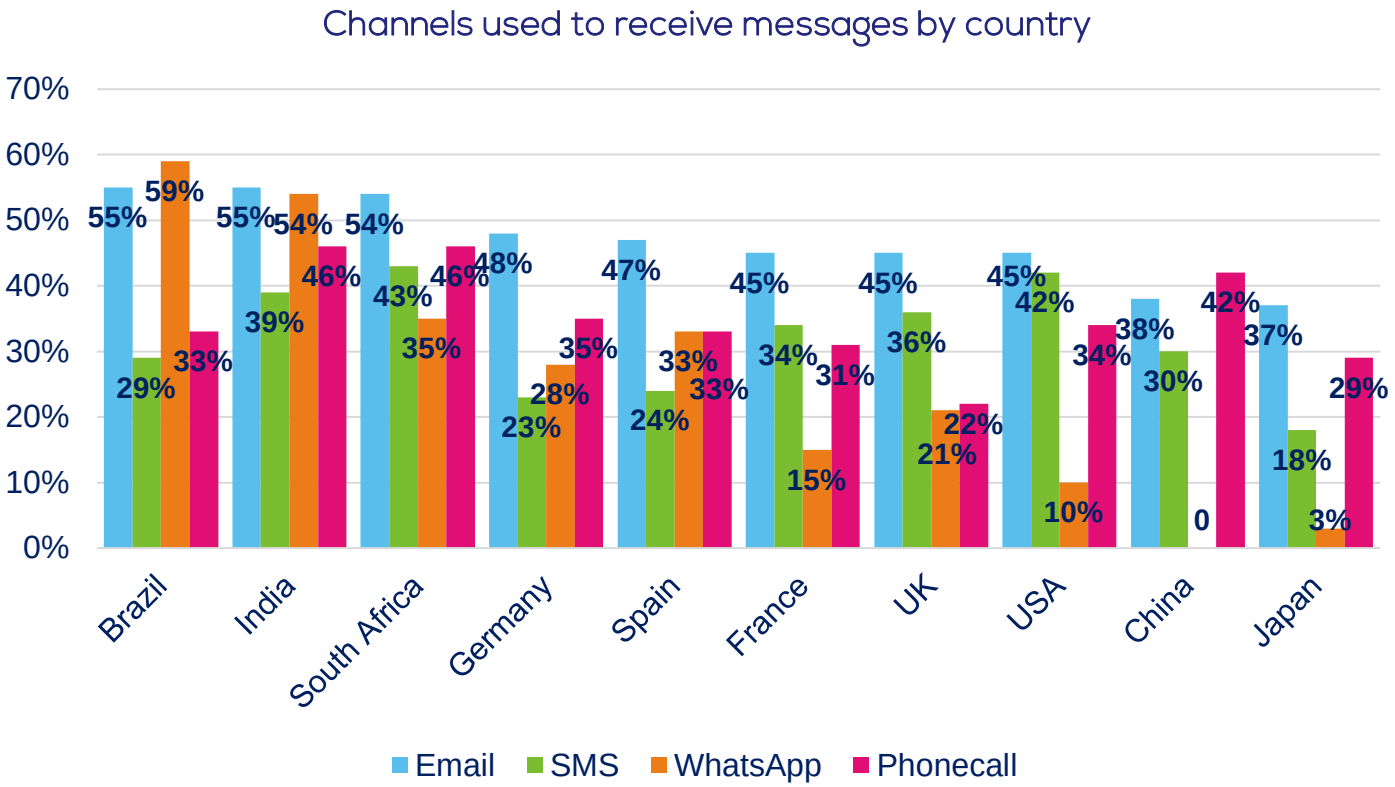
Use of email as a messaging channel is about right, but SMS and voice exceeds the percentage of users happy to receive commercial messages via those channels

The excessive of use of email, SMS and voice for commercial messages is largely confined to those users with an above average mobile engagement. Those with a lower engagement receive a more 'normal' mix of commercial messaging.

Channels used to send messages by mobile engagement



VOICE COMMERCIAL MESSAGING WELL USED



Although email is widely the channel of preference by companies to send commercial messages, we can also see email is not dominant in every country.

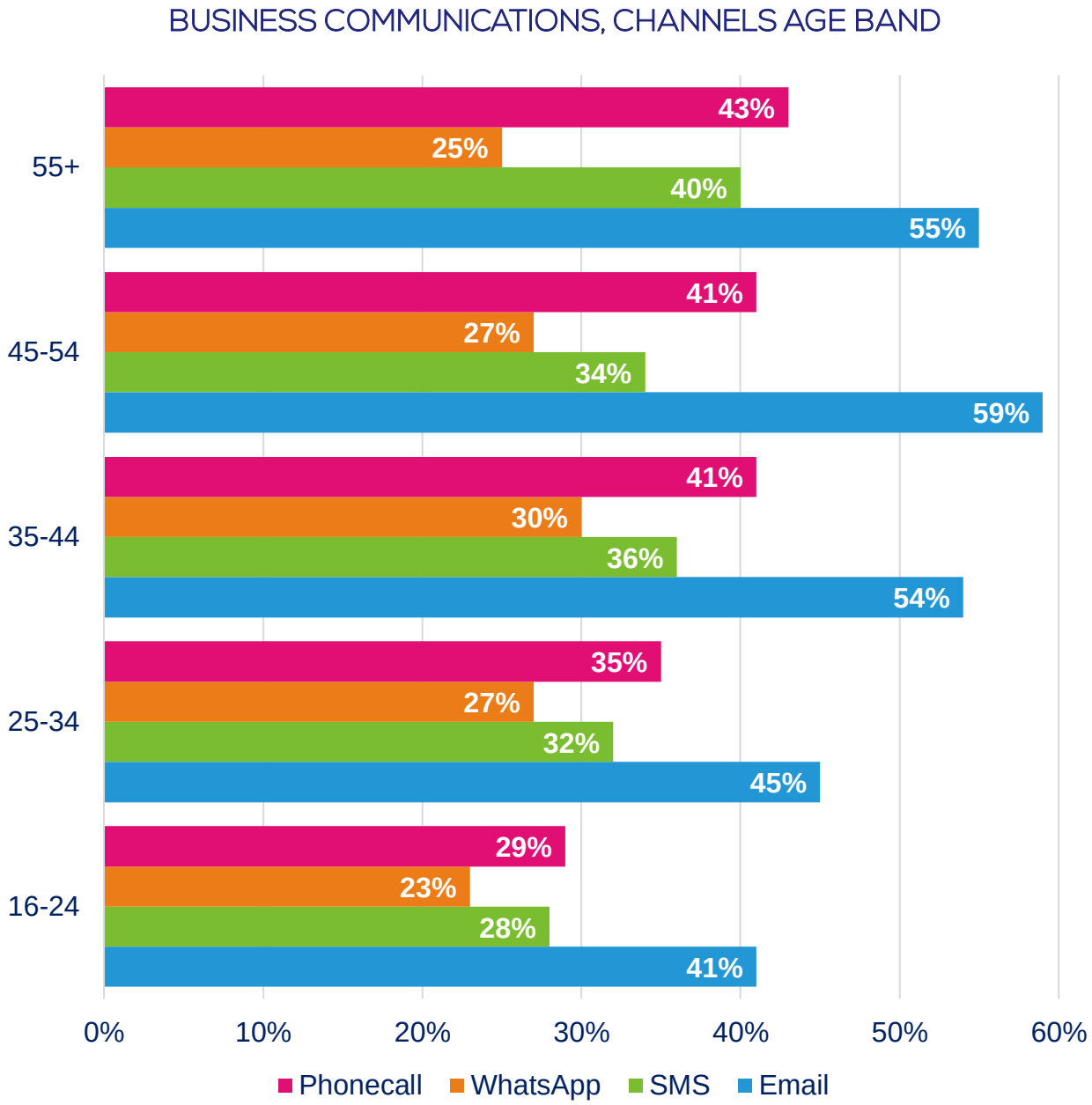
Inside Europe, only 17% of users prefer receiving voice commercial messages yet 30% overall report receiving them.

Outside Europe, 29% of users are happy to receive commercial voice messages, but 38% overall report receiving them.

SMS is used to send commercial messages more heavily in S Africa and USA, and WhatsApp is particularly used by companies in Brazil and India

We should note that in China, WeChat and QQ are heavily used by companies to send commercial messages to mobile. Similarly, Line is heavily used in Japan.

YOUNGER USERS LESS TARGETED BY A2P MESSAGING

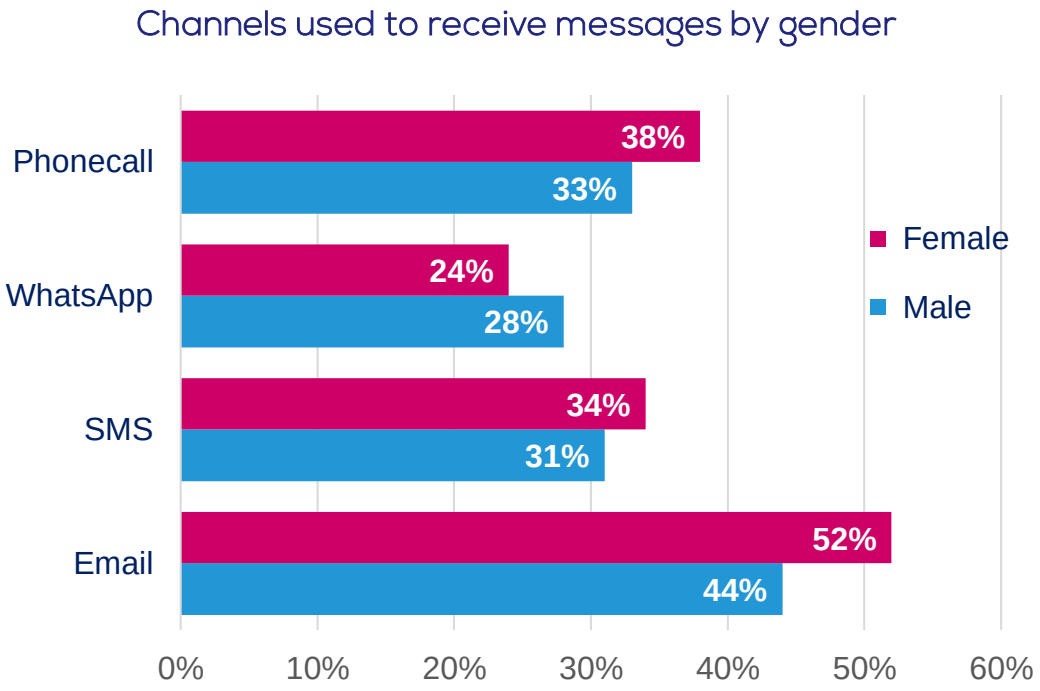


After email, SMS and voice are the dominant commercial mobile messaging channels in all age groups.

WhatsApp is the dominant OTT channel for commercial messaging, and we can see that it peaks with the 35 – 44-year age band.

Other OTT platforms (such as Instagram, TikTok, and Telegram) are heavily biased to younger age bands. (SEE SLIDE 16)

WHATSAPP USED TO SEND MEN COMMERCIAL MESSAGES

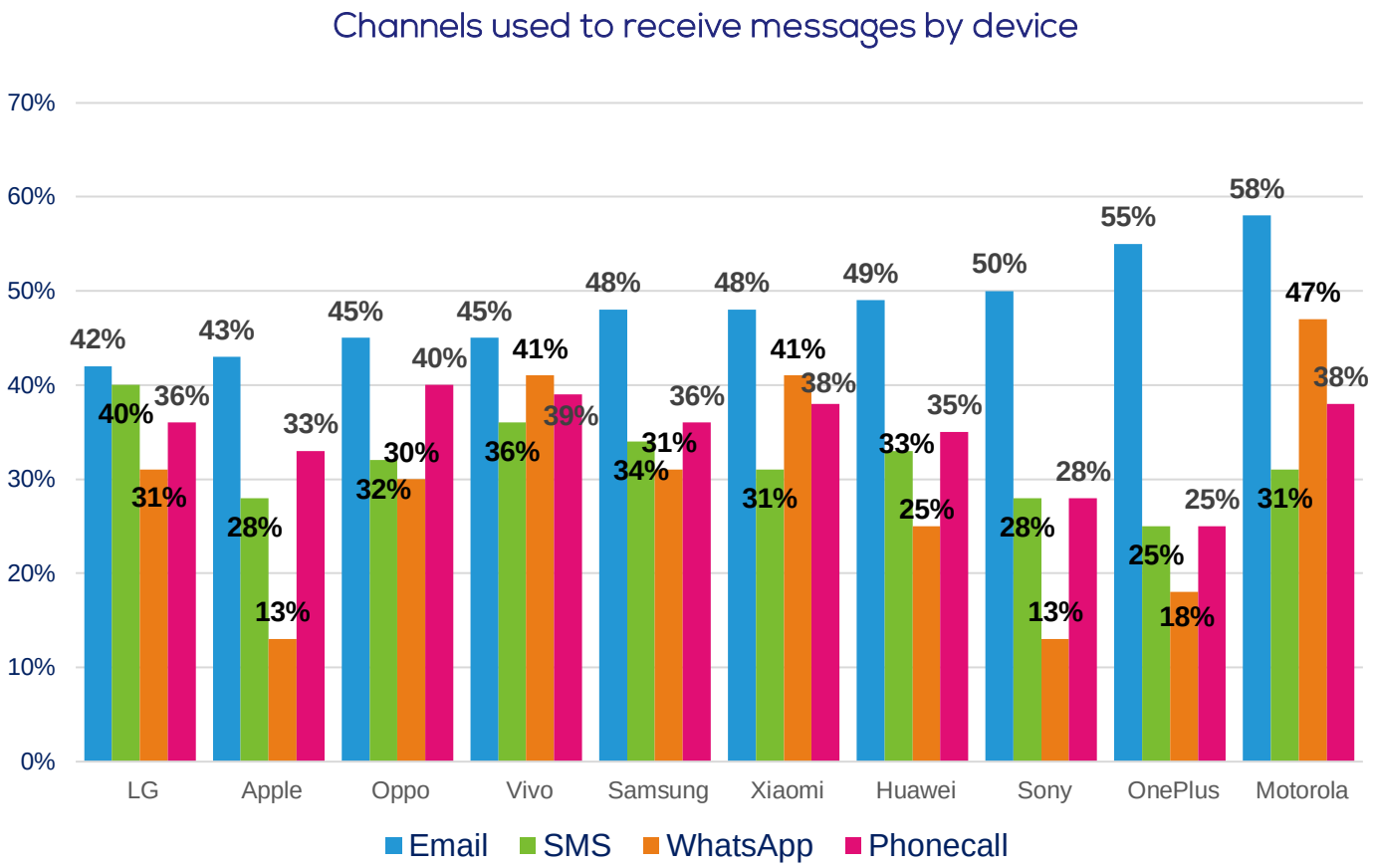


Men receive OTT messaging: 28% of men report receiving WhatsApp commercial messages compared to 24% of women. This bias is also present in other OTT messaging apps such as Instagram, Telegram, and TikTok.

While email remains the most used channel to receive commercial messages for men and women, more women receive email commercial messages than men.

More women than men receive SMS and voice commercial messages than men.

DIFFERENCES ACROSS DEVICES



Variations by device mainly reflect the typical user profile and geographic strength behind each vendor.

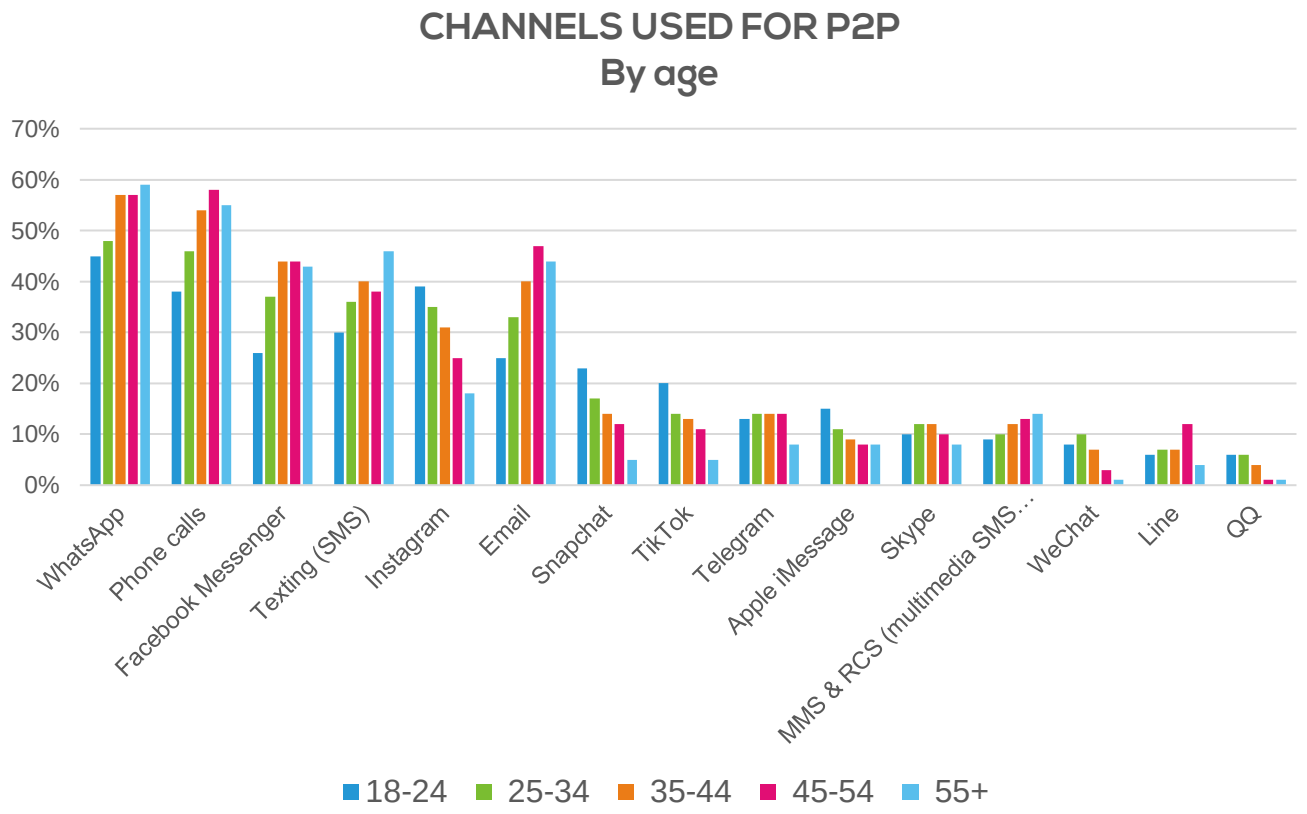
Email is a strong channel used to send commercial messages on all devices. But on LG we see that SMS is a close second.

Voice, generally strong as a messaging channel, is used less to send to users with Sony and OnePlus devices.

Users with LG and Vivo devices appear to receive the richest mix of messages.

PERSONAL COMMUNICATION CHANNELS BY AGE

CHANNELS USED TO RECEIVE MESSAGES BY AGE BAND



WhatsApp is better accepted by older age groups for personal communication. Its higher penetration is now with 55+ year old (59%), and its lowest with 18-24 (45%) and 25-34 (48%). Even phone calls or email do not equal WhatsApp for the over 55+. The combination of free perception (data charges and not message charging) the ease of use of texting and images make this the communication choice for the older market.

The 18-24 markets is the more varied with used of multiple channels, Email usage is much less common than wit older groups (33%), but so are phone calls (38%) , SMS (30%), Facebook Messaging (26%). In this age group Snapchat reached 23% of users, and Tik Tok 20%.

Chinese Apps such as WeChat are underrepresented globally, but strong in China where the other messaging app are not allowed.

PERSONAL COMMUNICATION CHANNELS BY AGE

CHANNELS USED TO RECEIVE MESSAGES BY AGE BAND
(Global, active usage)

Q: How do you communicate with friends and family?

	18-24	25-34	35-44	45-54	55+
WhatsApp	45%	48%	57%	57%	59%
Phone calls	38%	46%	54%	58%	55%
Facebook Messenger	26%	37%	44%	44%	43%
Texting (SMS)	30%	36%	40%	38%	46%
Instagram	39%	35%	31%	25%	18%
Email	25%	33%	40%	47%	44%
Snapchat	23%	17%	14%	12%	5%
TikTok	20%	14%	13%	11%	5%
Telegram	13%	14%	14%	14%	8%
Apple iMessage	15%	11%	9%	8%	8%
Skype	10%	12%	12%	10%	8%
MMS & RCS/Chat (multimedia SMS messaging)	9%	10%	12%	13%	14%
WeChat	8%	10%	7%	3%	1%
Line	6%	7%	7%	12%	4%
QQ	6%	6%	4%	1%	1%

WhatsApp is better accepted by older age groups for personal communication. Its higher penetration is now with 55+ year old (59%), and its lowest with 18-24 (45%) and 25-34 (48%). Even phone calls or email do not equal WhatsApp for the over 55+. The combination of free perception (data charges and not message charging) the ease of use of texting and images make this the communication choice for the older market.

SMS STILL THE LARGEST COMMUNICATION CHANNEL FOR BUSINESS MESSAGING

• MEF DATA

	Monthly Active Users Jan 2021	MAU growth (year on year)	A2P targeted users (monthly average)	A2P reach as % total MAU
SMS	2,721 Mil.	-11% y.o.y.	2,422 Mil.	89%
OTT	3,106 Mil.	+7% y.o.y.	1,799 Mil.	58%
Email	2,107 Mil.	-7% y.o.y	2,093 Mil.	99%

MEF Data suggests that **SMS has the widest reach of all channels**, However, it is important to stress that this is true for monthly active users, the **yearly active user number for email is greater than SMS yearly users**. Email as a channel is fully utilized for business communications (99%), only 89% of SMS monthly active users are reached by business messaging. The SMS channel has some scope for growth.

Both email and SMS are showing signs of maturity with monthly active users in decline year on year by -11% for SMS and -7% for email.

OTT messaging platforms reached 2.47 billion users in January 2020, marking it is the second largest communication channel, bigger than email. OTT shows a healthy 5% increase year on year on active users. **OTT has got the largest potential of untapped users reaching only 56% of the base with business communications.**

MULTIMEDIA POTENTIAL OF RCS AND MMS

• MEF DATA

	Monthly Active Users Jan 2021	MAU growth (year on year)	A2P targeted users (monthly average)	A2P reach as % total MAU
SMS	2,721 Mil.	-11% y.o.y.	2,422 Mil.	89%
RCS	210 Mil.	+32% y.o.y.	140 Mil.	67%
MMS	202 Mil.	-1% y.o.y	159 Mil.	85%

The mobile operators' SMS service is evolving in its new multimedia format, RCS. The previous multimedia format launched by operators, MMS, has being largely replaced by OTT and RCS services. However, MMS still has a loyal base of users. The global 1% year on year loss of MMS active users is slowing. **Recently a growing interest for A2P MMS messages has helped to slow the overall MMS usage decline.**

To understand RCS you should consider a concatenation of multiple factors: RCS supported devices, software activated devices, mobile operator activations and finally monthly active usage. Overall MEF calculates that at January 2021 there were 210 million users sending or receive RCS messages (not SMS message via an RCS client). The roll-out complexity shows that RCS might grow at a smaller rate than OTT in its first years. However, **RCS is the fourth largest Multimedia Communication service ,overtaking the QQ Chinese app (according to MEF own activity definition)**. The RCS platform also sees a low utilization by business messaging, a large improvement year on year (and mostly by mobile operator own messaging campaigns). **Despite a smaller reach than SMS, there is more than RCS could offer to business messaging today.**

P2A: SENDING MESSAGES

P2A MESSAGING IS A RICH ENVIRONMENT

- 5 key points on P2A messaging

1

After email, WhatsApp and voice are the most used P2A channels

27% of users prefer to use WhatsApp or Voice to initiate P2A messaging

2

Advanced mobile engagement leads to rich messaging

Advanced users prefer to use a wide range of messaging channels.

3

WhatsApp more popular in Brazil and India

65% of users in Brazil prefer to use WhatsApp for P2A messaging

4

Female users prefer SMS for initiating P2A messages

After email, 24% of female users prefer SMS to initiate P2A messaging

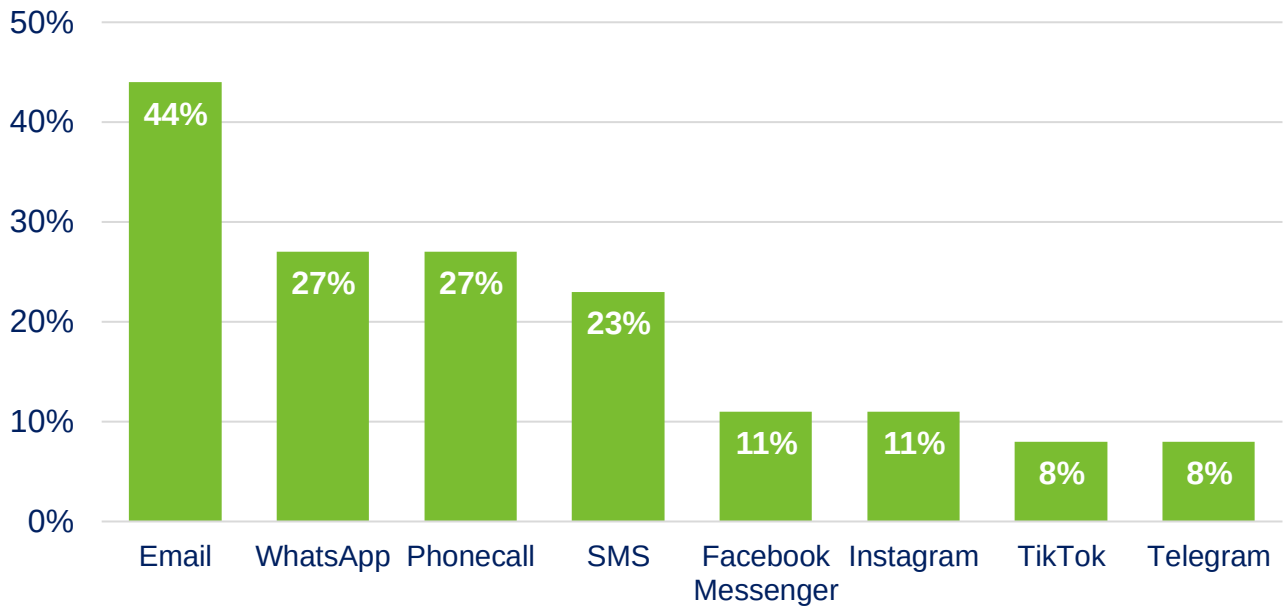
5

Younger users have lowest channel preference

Although email remains the most preferred channel, younger users 16 – 24 years old have low preferences for any P2A channel.

WHATSAPP AND VOICE EQUALLY PREFERRED FOR P2A

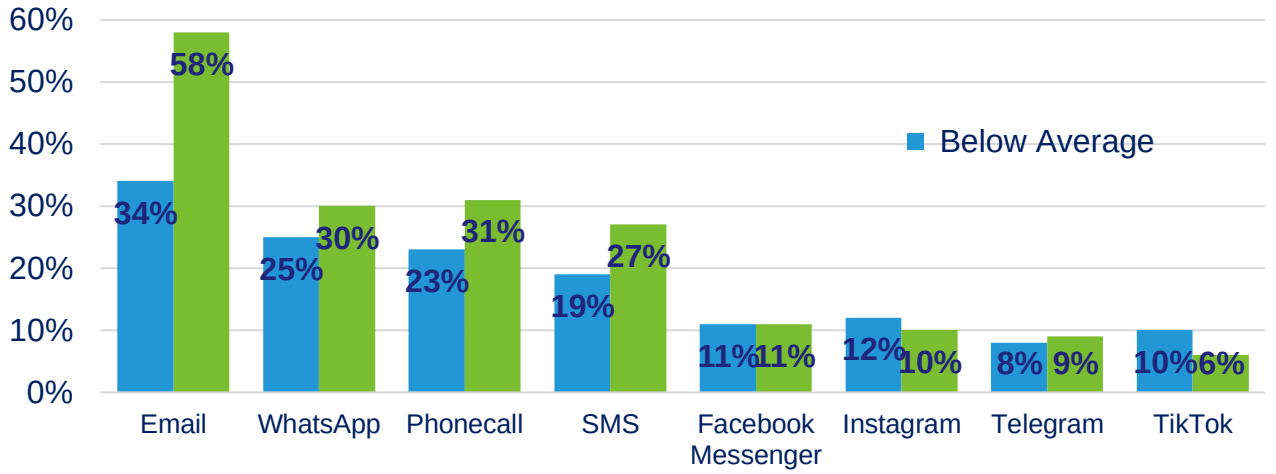
CHANNEL PREFERENCES FOR INITIATING P2A MESSAGING



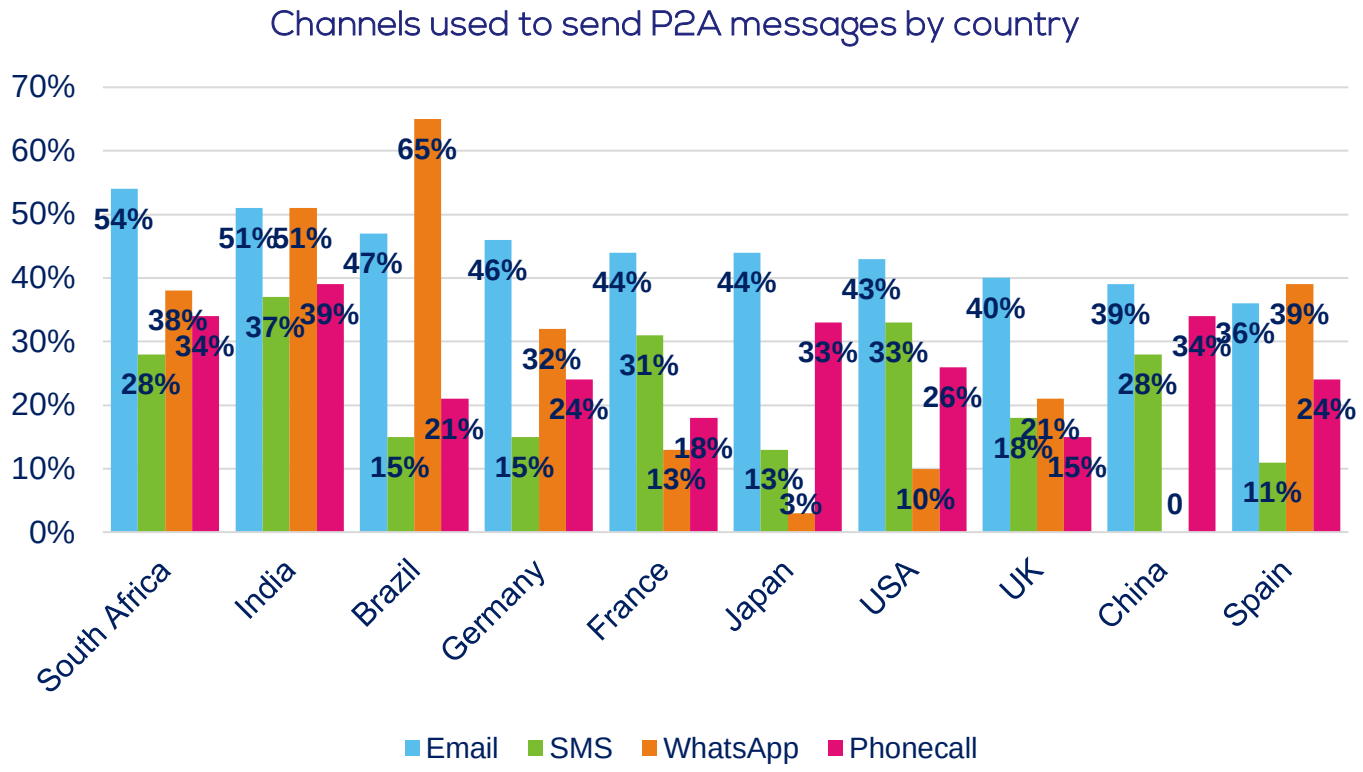
Email is the most preferred channel to initiate P2A, perhaps reflecting that messages may be complex or long, or the familiarity with existing customer experience. After email, WhatsApp and voice are equally popular for P2A. It should be noted that the feature has been recently launched by WhatsApp.

Those with higher mobile engagement use all major channels to initiate P2A messaging. High users of mobile services are much more likely to have an email preference (reflecting early users of mobile services)

CHANNEL PREFERENCES FOR INITIATING P2A MESSAGING BY MOBILE ENGAGEMENT



WHATSAPP POPULAR IN BRAZIL TO INITIATE P2A



Although email is widely the channel of preference used to initiate P2A messages, WhatsApp is a significant channel to send P2A messages especially in Brazil, India, S Africa and Spain.

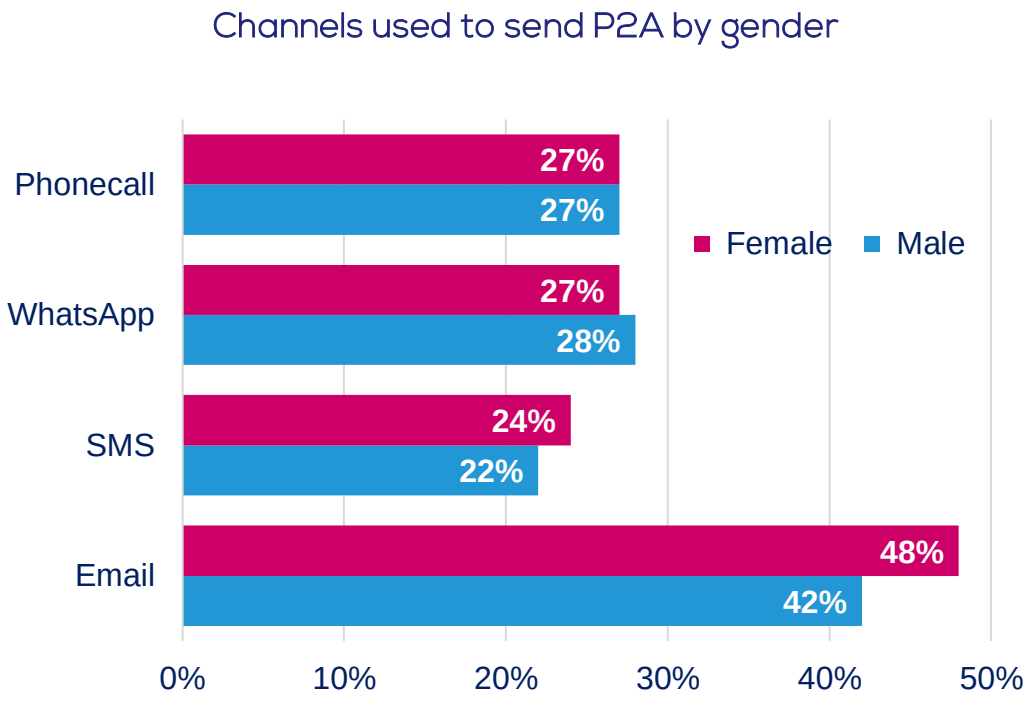
Voice tends to be used to send P2A more outside Europe than in Europe, although we can also see that voice is not used so much in Brazil.

SMS use is variable, but we can see heavier use for P2A in India, France and USA. SMS is not so well used in Japan and Spain.

India has a notably rich P2A messaging environment.

We should note that in China, WeChat and QQ are heavily used to send commercial messages to companies. Similarly, Line is heavily used in Japan.

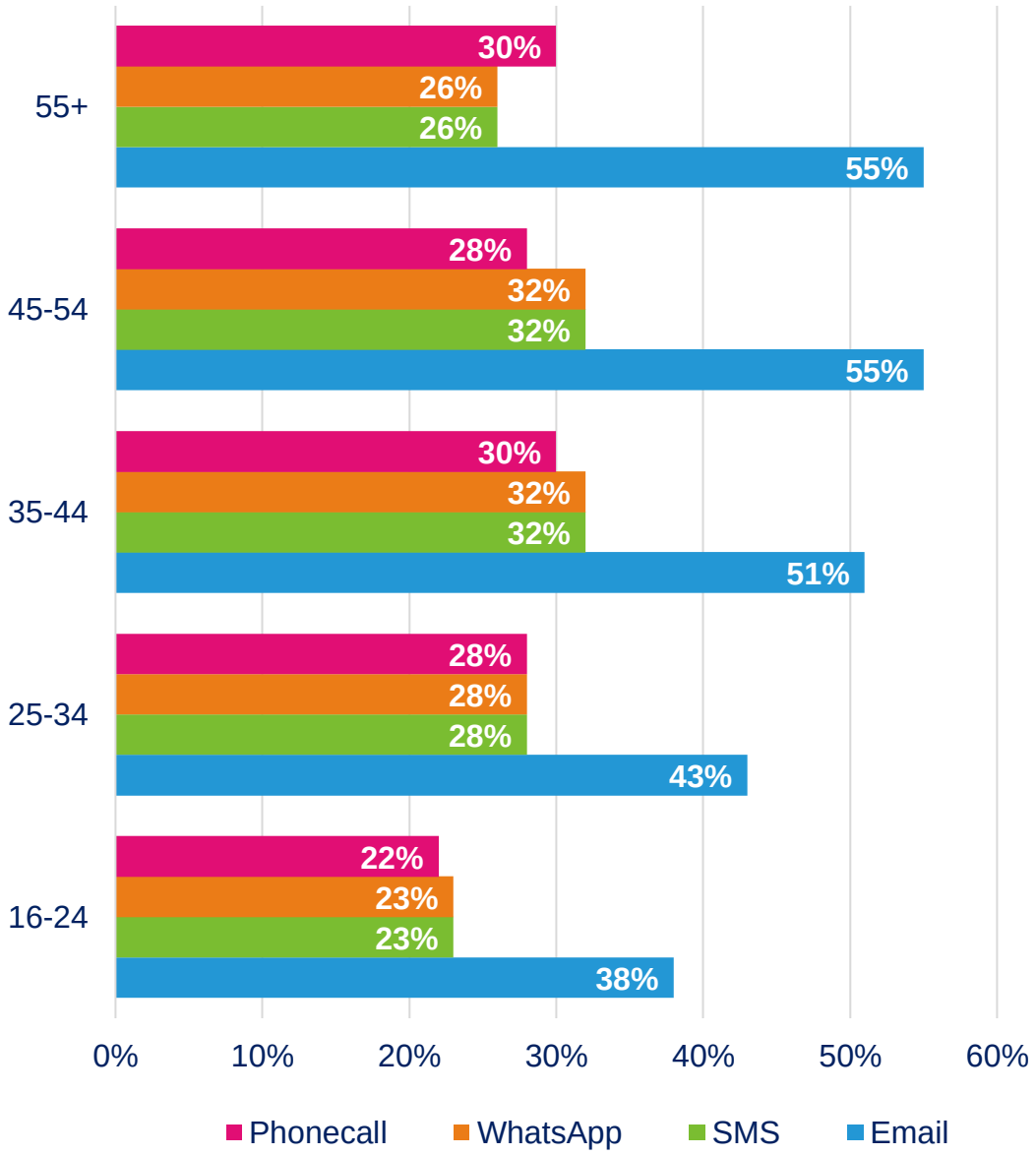
FEMALE USERS PREFER SMS TO INITIATE COMMERCIAL MESSAGES



P2A messaging is surprisingly consistent by gender although female users tend to favour email and SMS more than male users.

YOUNGER USERS HAVE LOW P2A CHANNEL PREFERENCE

Channels used to send P2A messages by age band



After email, there is relatively consistent use of other messaging channels to initiate P2A

Though younger age bands seem least likely to initiate P2A by any channel

Other OTT platforms (such as Instagram, TikTok, and Telegram) are used more by younger age bands than older ones.

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MESSAGING FRAUD & SPAM

FRAUD AND SPAM ARE BIG CONCERNS

• 5 key points on Messaging Fraud and Spam

1

Users are concerned

71% of users are moderately or very concerned about fraudulent messages.

2

Spam is rising

Despite data protection regulation such as GDPR, messaging spam is reported by 39% of smartphone users.

3

Phishing continues to be a large threat

25% of users reported to have received a text message that tries to steal their personal data

4

Concern remains very high in South Africa, and India

71% of users in South Africa are worried about receiving fraudulent messages

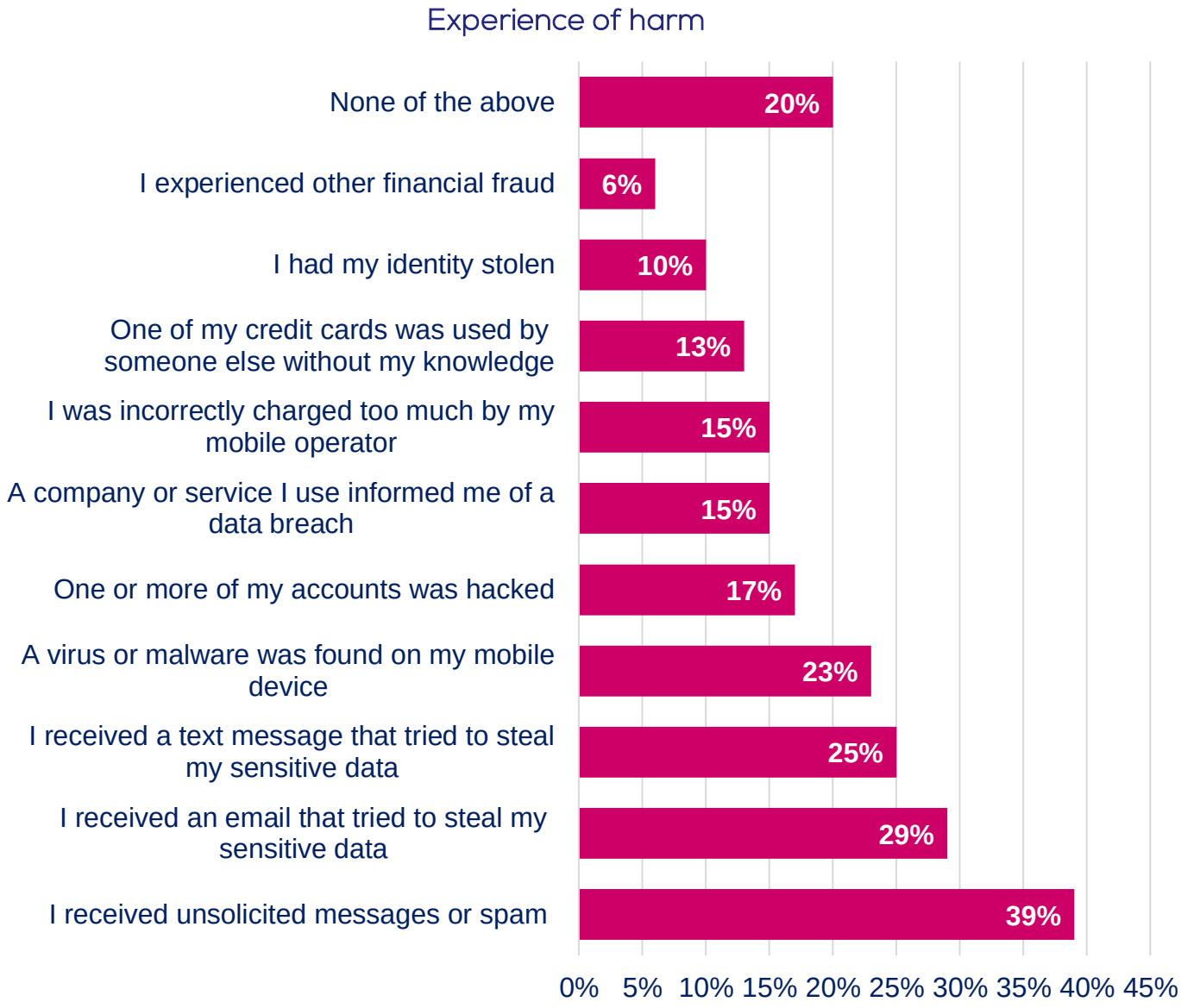
5

Older users are more worried

76% of 45 – 54-year-old users are moderately or very worried about fraudulent messages

80% OF USERS HAVE EXPERIENCED DATA RELATED HARM

39% of users report receiving unsolicited messages. 29% have received an email trying to steal personal data, and 25% report receiving an SMS trying to steal personal data

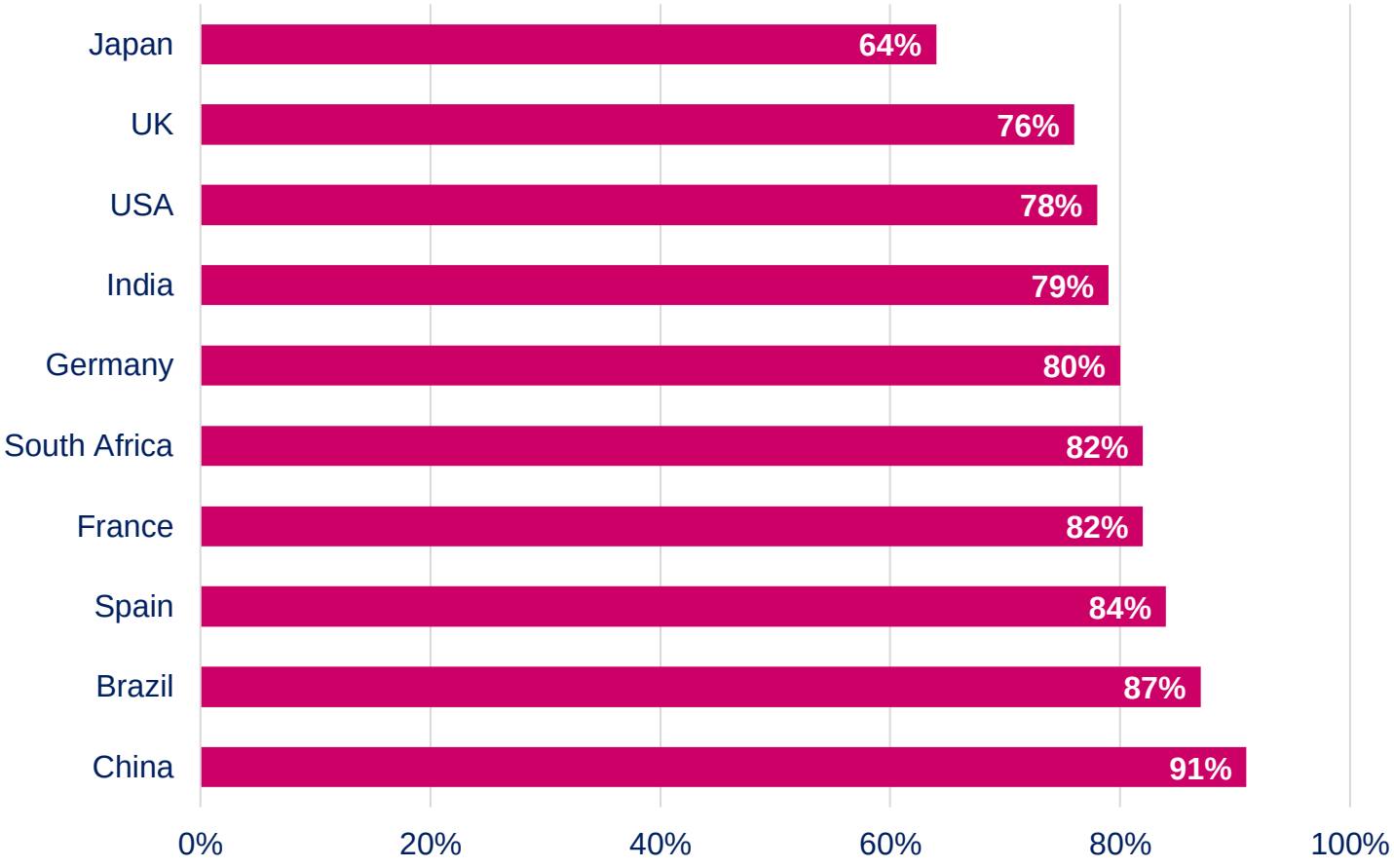


23% of users report finding malware or a virus on their mobile device. Overall just 20% of users have reported no incidence of harm at all.

JAPAN USERS EXPERIENCE THE LEAST MOBILE DATA HARM

Users in Japan report the least incidence of experience harm of any sort related to mobile usage

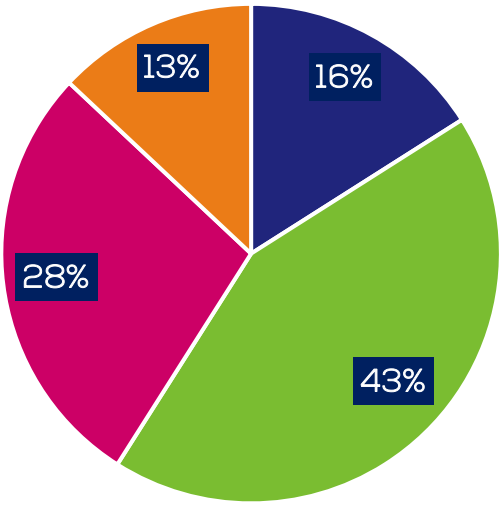
Experience of harm by country



At the other end of the scale, users in China and Brazil report the highest level of experiencing mobile data related harm (including receiving unsolicited messages).

MANY USERS CONCERNED ABOUT FRAUDULENT MESSAGES (SMISHING)

% OF SMARTPHONE USERS CONCERNED THAT MESSAGES RECEIVED FROM COMPANIES ARE ACTUALLY FAKE AND ARE ATTEMPTS TO STEAL MONEY OR LOGIN AND PASSWORD

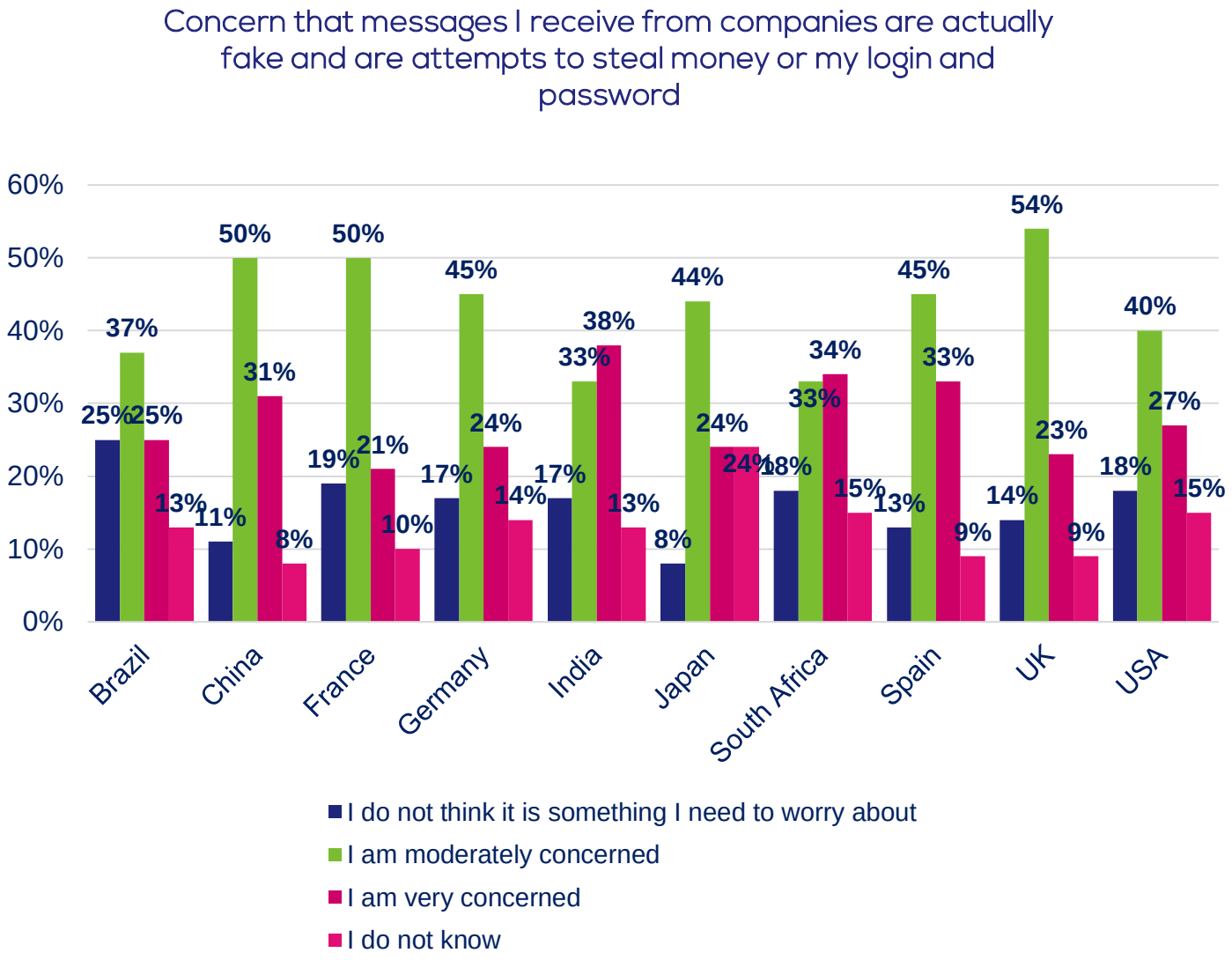


- I do not think it is something I need to worry about
- I am moderately concerned
- I am very concerned

28% of users overall are very concerned about fake messages, and another 43% are moderately concerned.

Only 16% do not consider this something to worry about.

CONCERN HIGHEST IN SOUTH AFRICA AND INDIA

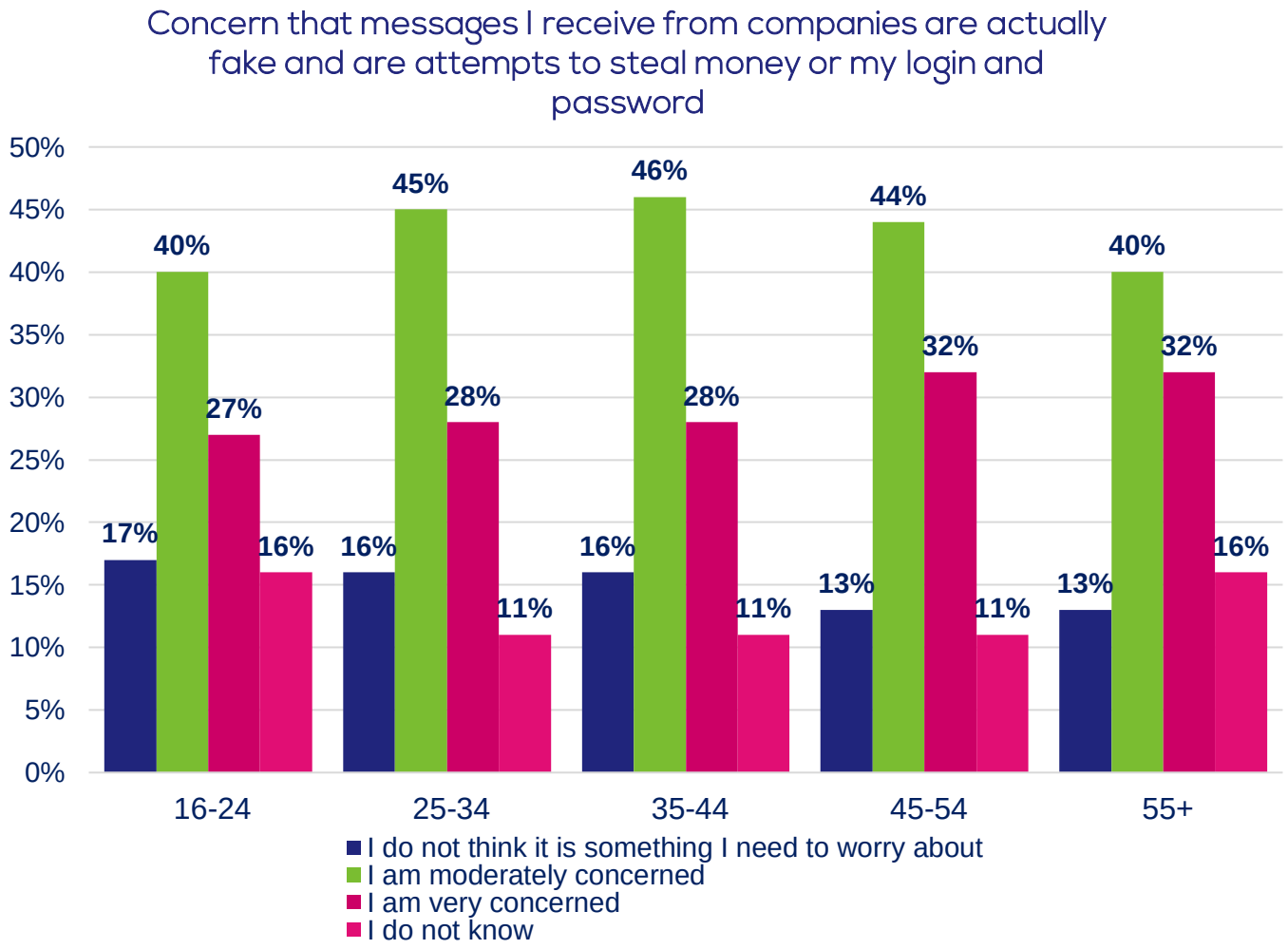


The market most concerned about receiving fraudulent messages is India, followed by South Africa, though these are not the countries with the highest experience of mobile related harm.

Most other countries are at least moderately concerned about fraudulent messages.

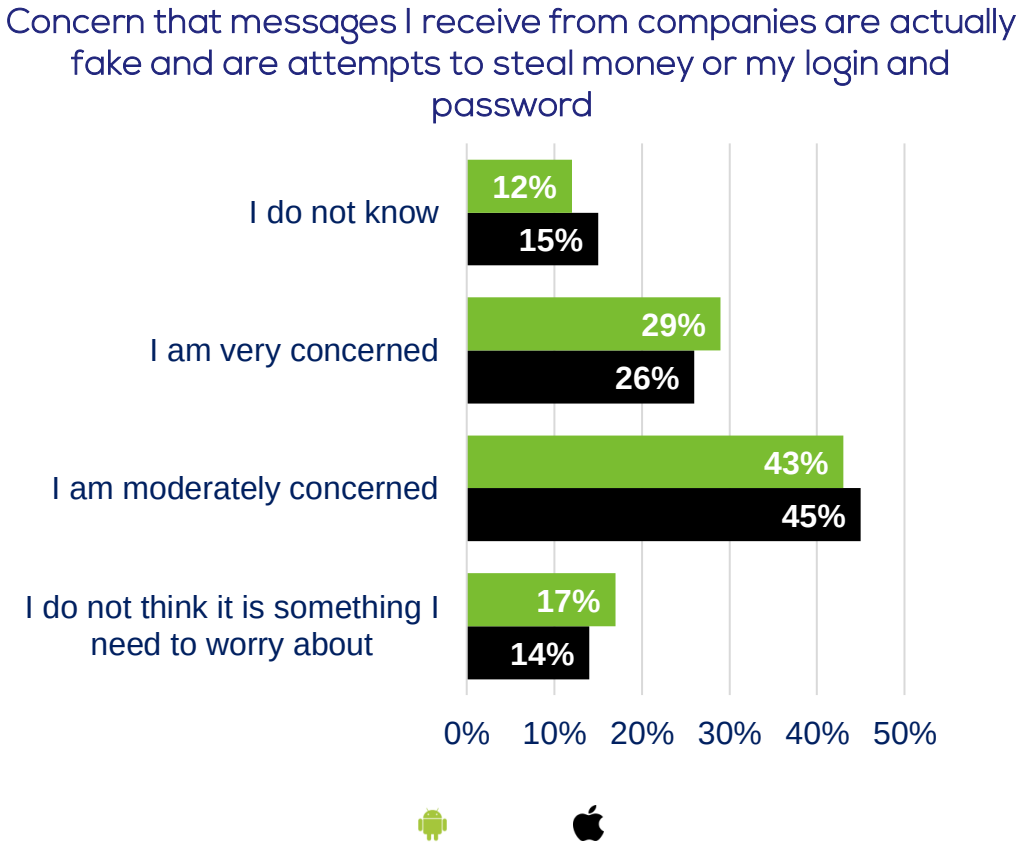
Brazil appears to be least concerned overall.

OLDER USERS: WORRIED ABOUT MESSAGING FRAUD



Concern rises with age: 76% of 45 – 54 year olds are moderately or very concerned, compared to 67% of 16 – 24 year old age group. 13% of over 55 year old age band have no concerns, compared to 17% of 16 – 24 year old ager group.

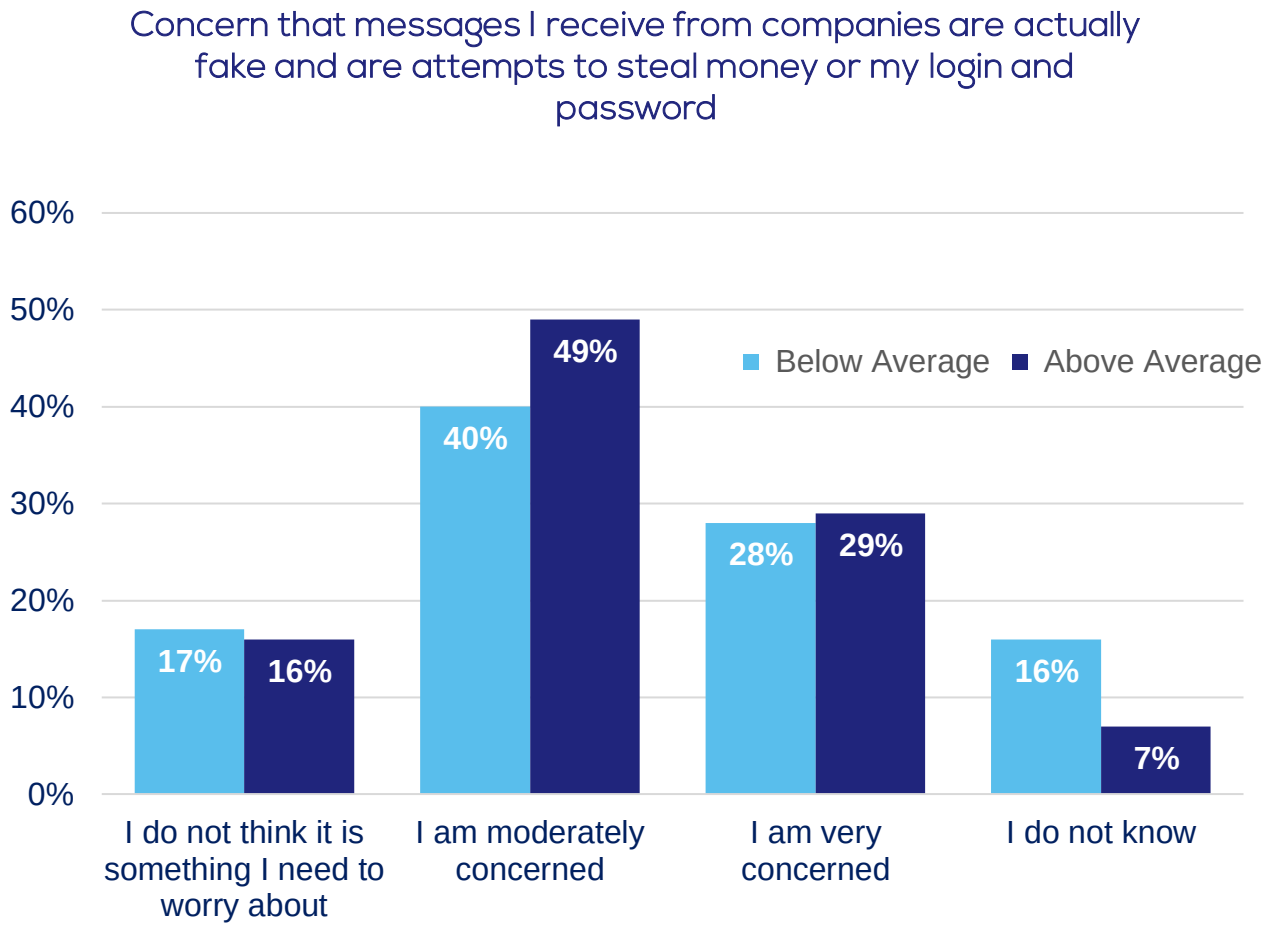
ANDROID USERS ARE MORE CONCERNED



Android users are more likely to report to be very worried about fraudulent messages than Apple users (29% vs. 26%).

Apple has a more general perception of higher security, that may drive more apple users to be just moderately concerned than android users (45% vs 43%). But on all these measure the differences by platform are quite small.

ADVANCED SMARTPHONE USERS MORE WORRIED



Smartphone users that have an above average level of services usage clearly are more likely to have an opinion about fraudulent messages - only 7% report don't know if they are concerned or not.

But 78% are moderately or very concerned vs 68% of those with a lower mobile engagement.

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METHODOLOGY

ABOUT THE STUDY

The Study is based on a consumer survey of smartphone users. The survey was carried out in December 2020 to January 2021 . On behalf of MEF, "OnDevice Research" surveyed 6,500 smartphone users, 650 in each of 10 countries. Comparison are made with the previous year MEF's consumer survey.

Acknowledgements

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MEF - Dario Betti, Susan Finlayson-Sitch, James Williams and Dhoni Ibrahim.

Consultant: Phil Todd, Stereoscope.

MESSAGING: SURVEY METHODOLOGY

The Messaging 2021 report is based on a comprehensive online survey of 6500 smartphone users

10 countries, 650 respondents per country

Sample segmented by age band, gender, mobile platform, and hardware manufacturer

Calculated segmentations including low and high mobile engagement

Full survey data sets are available for downloading

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