

SMS as a Business Tool

SMS (Short Message Service) is rapidly becoming a part of our day-to-day life. Though many view it of spanning its utilities are multiple. Mobile messaging has become an integral and vital part of the mobile industry contributing significantly to worldwide total mobile services revenue. These include SMS, MMS, mobile e-mail and mobile instant messaging. In future mobile search and advertising will be attractive potential drivers for SMS traffic. SMS will become a necessity in certain sectors as spamming will take a back seat. To get an insight into this fast booming sector and its applications Chandragupta Amritkar spoke with Rajdip Gupta, CEO, RouteSms Solutions, who have successfully used SMS for the benefit of the corporate world. Excerpts:

When SMS is mentioned it's spamming that comes to one's mind.

Yes, it's unfortunate. Messaging today is no longer a spam. It's more of a utility tool. Customers demand it. For instance, everyone wants an alert for credit card payment so that they don't have to pay the astronomical interest or an update on your flight. Banks worldwide use it for alerts and are the biggest users of SMS alerts. Many of us want to get updated on new products, offers in the malls, movie info, etc. Spamming definitely is harmful when you get a SMS of having won a lottery and you get tempted or an IVR number to chat with a girl where you are unaware that this is a premium number and will cost you Rs 20/second. We have strict guidelines for spamming and have placed spam filters in our messaging platform.

What is the global scene of SMS?

SMS has healthy future and displays amazing traffic volumes and revenues that continue to confound predictions. Although the growth of SMS revenues will not be as aggressive as the growth of SMS volumes due to declining prices, by 2012 global SMS revenues are expected to reach US\$ 67 bn, driven by 3.7 trillion messages.

SMS continues to be a phenomenal success as the cheapest, quickest and easiest to use form of peer-to-peer mobile communication. Besides being an attractive revenue generator, high profitability is also a big benefit of SMS for mobile operators. Operators SMS margins estimates vary, but typically maximum of up to



Rajdip Gupta, CEO, RouteSms Solutions



80-90% of SMS messaging revenues being profit are often quoted
What was the idea behind RouteSms Solutions creation?

It was basically to explore the untouched endless opportunities of the telecom industry, which I believe is the next booming sector after IT. Worldwide thousands of mobile users are getting connected to the mobile space, everyday creating new opportunities for value added services. To take advantage of the opportunities available in telecom industry we started RSL as Enterprise Messaging Solution Company where under one roof customer will get all messaging solutions and services or any solution related to mobile application.

So you think the Mobile Messaging market is ripe enough.

Yes, the Mobile Messaging market is ripe enough in many ways. When we compare TV advertisement—an individual watches TV normally 2-3 hrs a day, hoarding and print media ads are just goes as flick of eyes, but mobile devices are with the user for more than 18 hrs a day. So messaging is one of the biggest and most economical advertisement options for companies to opt for. We have seen how market growing in year 2008-2009 - RSL processed 700 million SMSs as compared to 200 million in year 2004-2005.

Which are the major corporate SMS applications?

Most of the SMS messaging volumes are generated by consumer applications but corporate applications using SMS has started to grow rapidly in the last couple of years. Today, there

SMS is Not All About Spamming

- Your credit card has been misused. An SMS within a few minutes of the transaction informs you. Thanks to the SMS you are able to take instant action.
- The mobile phone beeps. It's an SMS from BMC warning of high tide.
- A timely SMS from LIC regarding your premium date saves you from paying unwanted dues.
- Being a member of a leading club you are update about their events on a regular basis by their SMS.
- You are in a meeting, which may take an hour or more but you have to leave as your flight is scheduled to take off in a couple of hours. You receive an SMS intimating the flight is delayed due to traffic congestion by 2 hours. You give a sigh of relief.
- Due to heavy rains the school has declared a holiday. But to inform 3000 students by phone may take the whole day. Instead a SMS can be sent within 5 minutes to all the students.

are various killer SMS applications for corporate such as mobile email2sms, sales force automation, mobile instant messaging (MIM), banking alert management system, credit card fraud management system. SMS is now integral part of enterprises and corporate verticals like banking, airlines, entertainment, insurance and health industries. All major ERP systems are coming up with SMS module inbuilt for various alert related activities. Stock alerts are the key application for all stock broking firms. Most multiplexes have started SMS ticket booking via mobile phone.

Some of the major corporate applications are for corporate SMS for employees typically away from their desks to keep updated with the office at all times, office events, etc., mobile banking, electronic commerce applications where it is convenient to pay for purchases using SMS. Though security can be a major issue where money transfer is involved. In the customer service environment, SMS can help to deliver account status information, new service configuration and so on. Job Dispatch is another important application where its ideal for communicating most delivery addresses like our pizza, courier or a sales and service job.

What are the types of services that you provide?

All our services cater in mobile messaging and application development domain. We have developed various platforms to suite enterprises and operators. RSL has developed state of the ART Messaging Platform, Short Code reverse billing platform, and HLR lookup system. SMS messaging solutions is our core business where we cater to International and Domestic market. We have reached client base of 2500 this year with 60 million SMS processing per month and with advanced infrastructure setup in form of dedicated servers, the capacity can increase to reach more than 100 million SMSs per month. Through our reseller system we use the whole capacity.

Reseller system. Can you elaborate?

The concept behind reseller system is to Support SMEs, which want to start messaging company or want to venture in messaging business. Since infrastructure setup is very expensive and needs



lots of man power, we support all these SMEs by providing Reseller System where they just need to sign as reseller with us and pay one time minimum charges. In return, they will get the maximum benefit of tried and tested messaging platform of RouteSms. RouteSms Reseller System is a complete end-to-end hassle free solution for resellers with dedicated server and control panel to manage the users account. With Reseller System we will offer them a secure connectivity to our SMSC infrastructure and a web interface to send SMS.

Is the infrastructure to start this expensive and manpower intensive?

Messaging domain is one of the most skilled and untouched domains. To set up an enterprise messaging company you need to have lots of skilled people and money. Yes indeed infrastructure setup is an expensive affair as you need to have best hardware, software and very good IDC services. We at RouteSms have a full server rack space with VSNL Mumbai with 18 IBM servers managing entire messaging platform of RSL. Skilled manpower is very intensive for any messaging company.

What are your marketing strategies?

Our marketing strategy involves signing up national and international resellers. If we have more and more resellers they will get you more business. We prefer to serve resellers in a better way instead of going into unknown market. Resellers having the local presence in their country have better understanding of the local market more then us.

What are your expansion plans?

We want to reap the benefits of the fast growing telecom sector. To achieve this we are in process of hiring the qualified professionals and acquiring additional facilities. Currently, we are having an employee base of 160 in our all three offices in India, UK, Nigeria and Canada. Our vision is to have a presence across all the continents to serve the client in better way.

(The writer is with Global Features and can be contacted at chandraguptad@hotmail.com) ■