



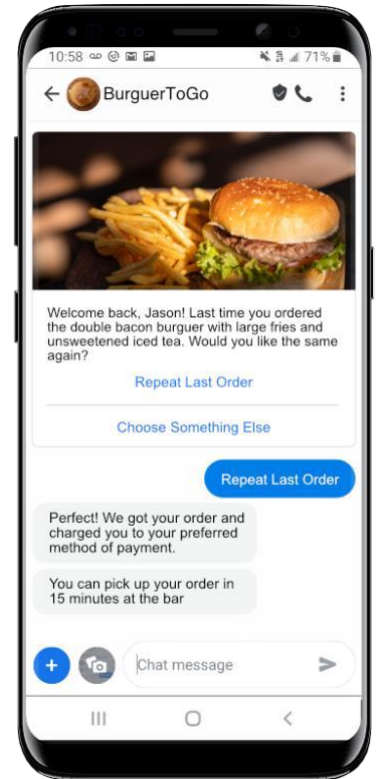
SOLUTION BRIEF MAVENIR ENGAGE

Protect Messaging Revenue and Open New Chatbot Revenue Opportunities with a Multi-Channel Mobile Messaging Solution

The COVID-19 pandemic, with its dramatic restrictions on how to engage with customers, accelerated the adoption of digital technologies by several years, and many of those business changes seem to be here to stay permanently.

In a McKinsey study published in October 2020, some companies reported up to seven years of acceleration when it comes to the share of digitally enabled products in their portfolios, and executives reported an industry-wide increase in customer demand for online purchasing and services¹.

One of the technologies that has experienced increased adoption is business messaging. This is following a trend that started years ago. In 2019, a MarketScale Podcast² revealed that 89% of consumers wanted to interact with a business via text, and 58% also use it to respond to missed business calls.



Messaging and Its Role in Conversational Commerce

Messaging is a key component of business transformation and is a coveted tool to enable conversational commerce. In the first few months of the COVID social distancing measures, Meta presented WhatsApp, Facebook Messenger, and Instagram Direct as key tools to connect Facebook Shops with their customers³. Google presented messaging as a valuable way to connect with customers confirming that twice as many businesses were messaging via Google Business Messages compared to the previous year⁴. WhatsApp for Business launched mobile payments in Brazil back in June 2020 (and in India six months later), announcing that people would be able to send money securely or make a purchase from a local business without leaving their chat⁵.

In fact, companies that base their business model in conversational commerce or that embrace messaging within their commerce platform have seen massive growth in 2020. For example, Shopify reported Gross Merchandise Volume, or GMV⁶ as the total dollar value of orders facilitated through the Shopify platform during 2020 to be \$119.6 billion, an increase of 96% over 2019. Meta also reached the record-breaking total of 50 million WhatsApp Business app users by mid-2020⁷.



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The high value of Messaging as a customer engagement tool is due to the following reasons:

- > **Users don't have to download an app** — overcomes users' app fatigue⁸. Users are reluctant to download new applications and create new accounts for casual interactions. Messaging is native to the mobile device or leverages one of the applications users already have.
- > **Businesses do not have to develop branded apps to keep customers engaged** — apps are costly to develop and maintain. Messaging allows businesses to stay close to their customers without having to invest in an app.
- > **It is an always-on, bidirectional channel** — after a first conversation with the brand, there is no need for the user to do a web search anymore because conversations remain in the messaging app. Users can quickly re-engage with the business and vice-versa. And there is a history of the conversation that provides the context of the interaction and avoids any misunderstandings.
- > **Provides simpler business differentiation** — businesses are building a fragmented ecosystem of tools for bookings, check-in, notifications, reminders, and customer feedback. Each new tool comes with its own web-based interface and look and feel, which introduces friction. Messaging allows data collection within the conversation and lets back-office systems handle the formatting or storage.
- > **Provides a richer customer experience** — Messaging offers a native and secure handling of content such as images, videos, audio clips, web views, files, and questionnaires or surveys. The latest messaging channels, such as RCS (Rich Communication Service) and Apple Messages for Business, introduce the concept of suggested replies, allowing users to tap instead of type.
- > **Enables fast business digitization** — it adapts to pandemics, weather events, and other emergencies by allowing businesses to quickly convert customer engagement processes—such as appointments, reservations, payments, alerts, and reminders—into digital interactions. And it does so at lower cost versus developing a custom mobile application.
- > **It is a high efficiency channel** — Messaging allows a business representative to manage multiple conversations simultaneously over an undetermined amount of time. Voice calls cannot compete due to their 1-to-1 nature and limited duration.

The Role of CSPs in Conversational Commerce

Over the last few decades, Communication Service Providers (CSPs) have played a pivotal role in the growth of mobile messaging. Today, most business messaging interactions remain



over SMS, but social networks and messaging applications have driven consumer interest towards a multimedia messaging experience that SMS cannot deliver.

RCS is the mobile industry's response to this demand—a mobile native messaging channel that offers rich multimedia capabilities and introduces key customer engagement elements such as rich cards, carousels, suggested responses, and delivery and read notifications. It is considered the natural evolution of SMS for 5G networks⁹.

The SMS business model is heavily focused in wholesale, with multiple aggregators that buy message bundles in bulk at low prices and resell them to brands and businesses. The problem is that for many CSPs this model is so deeply ingrained that they are trying to replicate the same wholesale model in RCS. As a result, early RCS campaigns look more like a better MMS and are not fully realizing the potential and capabilities that RCS can enable.

Additionally, the mobile messaging market is fragmented. Apple is not yet supporting RCS on iPhone and delivering their own Apple Messages for Business experience. WhatsApp, Line, WeChat, and others almost monopolize the consumer messaging volume in many countries.

There is a need for simplicity and CSPs can play a valuable role in business messaging but, to protect their existing SMS A2P (application-to-person) revenue from cannibalization and open new revenue opportunities, they need to rethink their role in messaging. Today, CSPs only provide the delivery channel for messages sent to their subscribers. The rapid evolution of the digital ecosystem and the rise of messaging as a preferred channel requires CSPs to consider providing more capabilities at the business layer—such as chatbots—and integrate multiple channels. This allows businesses to implement bots and applications in one place and reach their customers across the different ecosystems (RCS, iOS, Android, OTT messaging apps). To do this, CSPs need to:

- > **Develop a holistic, company-wide conversational commerce strategy**— to deliver value in communications, commerce, customer care and chat.
- > **Execute the strategy within the entire organization**— including their consumer, enterprise, product, and media & advertising teams.
- > **Define the right go-to-market approach**— with differentiated customer journeys and value propositions for large enterprises, small and medium businesses, and advertisers.
- > **Focus on swift execution with a complete business messaging platform**—instead of a basic RCS solution, CSPs need to select a vendor that can provide multiple application programming interfaces (APIs) and connectors to different messaging ecosystems and business tools. A vendor that can integrate into the rest of their business communications offerings (such as Unified Communications or Contact Center), provide built-in monetization tools, and offer a cloud-based software as a service (SaaS) solution that minimizes risks and costs.



Mavenir Engage – Business Messaging and Monetization as a Service

For CSPs looking for a swift execution, and a broader scope and reach, Mavenir has deployed all the messaging components and bundled them with value-added services into Mavenir Engage, a cloud-based Business Messaging and Monetization as a Service offering that allows CSPs to go to market faster with less risk and minimal upfront investments.

The service bundles multiple components into a flexible solution:

- > RCS MaaP Layer (Messaging-as-a-Platform)¹⁰
- > Business Monetization Layer
- > SpamShield
- > Self-service onboarding
- > Integration with third-party platforms such as Google RCS cloud, payment gateways
- > Business operations services to assist with brand vetting, onboarding, campaign management* and chatbot customization* (availability planned for Mavenir Engage 2.0)
- > Ecosystem of pre-integrated partners
- > Easy integration with Contact Center Live Agents as an option to transfer chat sessions to a live agent

A Software-as-a-Service (SaaS) offering, Mavenir Engage is a dynamic service, continuously enhanced with new features and capabilities. It provides the following benefits:

- > **Faster time to market** — deploying a complete business messaging solution is a massive undertaking. Mavenir cloud customers have seen implementation times reduced almost by half. Based on the CSPs' demands, implementation times can take from just a few weeks to a few months.
- > **Lower upfront costs** — hosted, and operated by Mavenir in its own or public cloud infrastructure, with a light integration into the CSPs network, the solution eliminates the need to acquire network equipment, as well as expert personnel to operate it.
- > **Broader reach** — interconnection to Google RCS via ROMA (RCS Open Messaging API), Apple Messages for Business, integration with other messaging ecosystems and web-based chat. CSPs can allow brands and businesses to interact with customers wherever they are.
- > **Integration with business platforms** — customer relationship management (CRM), eCommerce, Point of Sale, etc., allows businesses to integrate their business processes into the conversational commerce experience.
- > **Built-in customer care capabilities** — combines Mavenir's Mobile Business Contact Center-as-a-Service (CCaaS) via Human-in-the-Loop (HITL) APIs. CSPs can bundle a live agent console that allows businesses to transfer chatbot sessions to a human agent, including the conversation history. Additionally, the HITL APIs are openly accessible and can be accessed by third-party contact center solutions.



- **Powerful monetization capabilities** — including templated bots, campaign management, conversational flow builder, payment integrations, digital enablement, self-service onboarding portal, analytics, and customer dashboard.
- **Flexible business models** — subscription model, to provide versatility for CSPs.

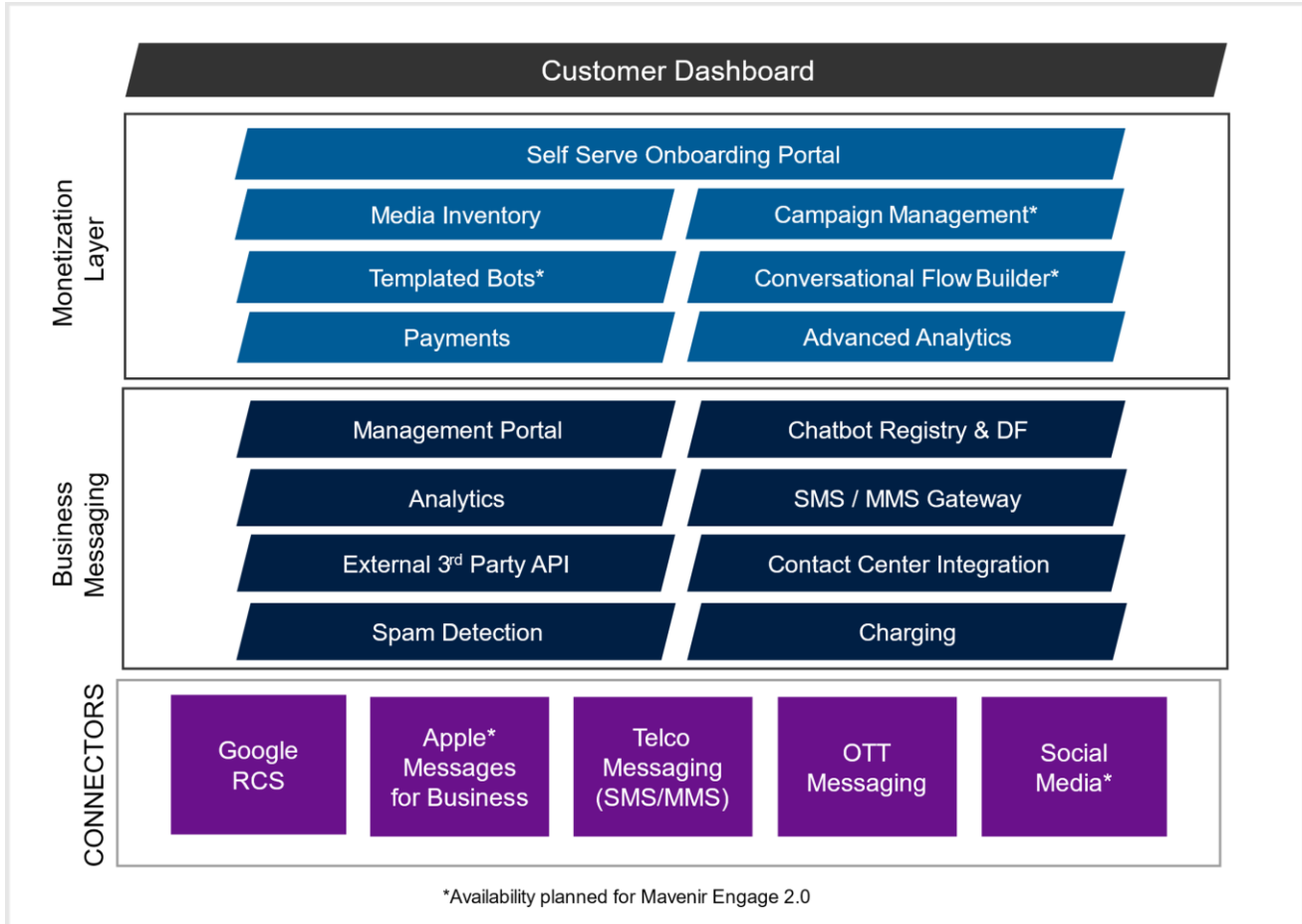


Figure 1 - Mavenir Engage – Business Messaging and Monetization as a Service



Added Value with the Mavenir Partner Ecosystem Program

Mavenir's Engage Business Messaging as a Service solution allow CSPs to support indirect go-to-market models that rely on third-party partners to add value to their offerings and bring brands, businesses, and innovative use cases.

This is achieved by leveraging the [Mavenir Business Messaging Ecosystem](#), consisting of more than 70 partners including messaging aggregators, application developers, channel partners, chatbot platforms and CPaaS (Communication Platform as a Service) vendors. These partners have pre-integrated their solutions with Mavenir Engage and are ready to start bringing new brands and new revenue for CSPs from day one.

About Mavenir

Mavenir is building the future of networks and pioneering advanced technology, focusing on the vision of a single, software-based automated network that runs on any cloud. As the industry's only end-to-end, cloud-native network software provider, Mavenir is transforming the way the world connects, accelerating software network transformation for 250+ Communications Service Providers in over 120 countries, which serve more than 50% of the world's subscribers.

For more on Mavenir Solutions please visit our website at www.mavenir.com



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