

## **BULKSMS PRESS RELEASE – PREDICTIONS FOR 2010**

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### **Cheaper cellphone calls to drive SMS uptake in 2010**

*Pieter Streicher, managing director of BulkSMS.com, says the possible reduction in mobile call charges will change consumer behaviour and stimulate SMS business communications.*

2010 is expected to bring a reduction in interconnect rates that are likely to result in cheaper cellphone call charges. While this is good news for consumers, it may mean a noticeable increase in the number of calls that people receive. In a world where information overload is already a challenge, consumer behaviour patterns may shift and expect businesses to contact them less with a phone call and more with an SMS.

One of the changes could be that people are less likely to answer calls, particularly from numbers that are not in their phone book. People may also leave their phones on silent for longer periods. These two factors would result in increasing numbers of voicemail messages.

Recent research by US networks indicated that people are increasingly neglecting their voicemails. In a study conducted for Sprint, results showed that people under the age of 30 are four times more likely to answer an SMS within minutes than respond to a voicemail. Those over 30 were twice as likely to do the same.

It is probable that people will increasingly resort to SMS to reach each other in order to receive a response with minimal delay. Some may even disconnect voicemail functionality altogether or opt for services which convert voice messages to SMS.

Given that there is a premium to send an SMS message it is unlikely that people will send unnecessary communications via SMS, as has been seen with mediums such as email, Skype or social networking tools where the cost to the sender is negligible. This means that SMS will retain its value as a trusted personal and business communications channel.

For businesses this trend is particularly significant. Consumers have already embraced SMS as an effective personal tool and businesses uptake is following suit although at a slower pace. Many businesses still rely heavily on voice and email communication and it will become increasingly more challenging for them to get their customers' attention with the expected increase in volumes of calls next year.

Businesses will need to gear themselves to embrace the opportunity of SMS to remain relevant and in touch with customers. In the future, a call or a voicemail will not make the customer service grade—if a company cannot reach a customer telephonically, they will need to have the ability to send a follow-up SMS.

Similarly, companies need to provide ways for their customers to reach them via SMS. Advertisers have woken up to the fact that shortcode services—where customers can SMS to a five-digit number—is the most effective call to action for a campaign. Shortcodes are easy to remember and allow a consumer to act immediately and, provided that the company acts responsibly and does not over-charge for the service, offer a direct means of engaging cellphone users. It is expected that during the 2010 Soccer World Cup many of the sponsors and official bodies will communicate with fans in this way.



In the year ahead, it is expected that SMS will move onto centre stage as the communication tool of choice in the everyday lives of South Africans, as well as the millions of soccer fans due to visit our country. This will go far in further stimulating the use of SMS for business communications.