



**Response to Ofcom's Consultation:
Business messaging - Review of the
A2P SMS termination market**

April 2025

Non -Confidential



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Section 1 - Executive Summary

1. Ofcom's proposal to regulate just one Business Messaging channel (A2P SMS) - operated by the UK mobile industry in direct competition with a range of well used, substitutable alternative messaging channels that are growing in reach, popularity and sophistication - is completely at odds with Ofcom's Growth Duty and the UK Government's growing desire to see regulatory barriers removed to help secure economic growth in the industries that sector regulators are responsible for.
2. Ofcom's determination to commercially constrain an indigenous sector of the UK economy, whilst abandoning all work on a wider market review of Online Communication Services (OCS) compounds our concerns and has prevented Ofcom from taking a holistic look at the messaging market.
3. Ofcom's attempt to define the market is deeply flawed, undermined by clear publicly available evidence points and a failure to accurately capture consumer and business behaviour. An over reliance on two modest pieces of business and consumer research, which introduce significant integrity risks due their approach to question structure and the understandable confusion in terminology amongst consumers (who take a more homogenous view of the market and the channels within it) has regrettably led Ofcom to reach an erroneous conclusion.
4. The evidence Ofcom has presented to justify its proposals has material gaps, with crucial volumetric information missing, preventing it from effectively sizing the market, understanding market shares or chart the adoption and increasing popularity of a wide range of messaging services / channels. Ofcom remains completely blind to the size of the very material in-app messaging market and has sought to create a misleading numerical equivalence between multiple message conversations/sessions on key OCS platforms with single SMS messages. There has also been no attempt to projected volumes over the review period.
5. Ofcom has failed to acknowledge or capture the rapid and accelerating move away from A2P SMS by key sectors of the economy, from health services to the consumer financial sector (with both Government and Regulators either deprioritising SMS with alternative options favoured, or advising against its use in some circumstances). This active migration underlines the price elasticity of the A2P SMS channel.
6. Ofcom has overstated the barriers to small and medium size businesses in using their own app for client contact, ignoring a vibrant white label /third party app sector that has seen nearly half of the UK's independent takeaway food businesses making use of their own App or mobile website, with similar trends occurring in other sectors of the economy like hair and beauty.
7. Ofcom has also ignored the omni-channel sophistication offered by Messaging Service Providers (MSPs), who are routinely selling UK businesses complete messaging packages that utilise a range of messaging channels on a single interface to reach consumers. This ability to use multiple channels to meet a wide range of client needs has intensified the level of competition between channels, with A2P SMS among a mix of messaging options used, resulting in a rapidly diminishing market share. Ofcom's proposed market definition ignores OCS entirely and the key role that MSPs play in selecting messaging channels on behalf of businesses.
8. SMS pricing in the UK compares well internationally, with the price of SMS in the UK falling



substantially over the last fifteen years. Ofcom has failed to appreciate that recent modest price increases come at a time of record investment in mobile networks, with Telecoms Security compliance, spam/fraud reduction, spikes in energy costs, enhanced coverage and platform investment all requiring funding at a time when sector returns are unsustainably low. With no credible view of the cost base of the service, Ofcom's argument that anything above costs would be deemed excessive is misguided. Ofcom have not attempted to calibrate a reliable data set on cost or acknowledge that prices have fallen substantially in real terms since 2006.

9. MNOs have been left to fund a range of costly obligations such as Emergency Service access that are not faced by OCS messaging platforms. This impacts fair competition, but far from seeking to assist and level the playing field between SMS channels and OCS, Ofcom has sought to harm UK mobile's position yet further.
10. None of the thresholds required to meet any of the three criteria within section 79(2B) of the Competition Act in order for Ofcom to reach a finding of SMP come close to being met, with Ofcom failing to demonstrate:
 - That there are any high and non-transitory structural, legal or regulatory barriers to entry to what is a very crowded and competitive UK messaging market, one which places MNOs at a considerable disadvantage as they seek to compete with online gatekeepers and other OCS players who do not face the same common costs or regulatory burdens.
 - That the market structure does not tend towards effective competition within the relevant time horizon, having regard to the state of infrastructure-based and other competition behind the barriers to entry, given the vibrant use of various forms of business messaging in use in the UK today;
 - That Competition law alone is insufficient to adequately address the identified market failure. Should market failure arise (something we believe is beyond probability), Ofcom offers no explanation as to what insufficiency would exist that would prevent Competition Law from addressing it. The consultation merely states a simple preference for an ex-ante approach, without offering any justification for why such an interventionist ex-ante approach is justified.
11. Ofcom's regulatory priorities¹ make clear that the organisation operates *with a bias against intervention and where intervention is justified it will always seek the least intrusive regulatory methods of achieving its objectives. Ofcom will strive to ensure that interventions are evidence-based, proportionate, consistent, accountable and transparent in both deliberation and outcome.* In every respect, this consultation and the proposals within it, do not meet any of these stated priorities.
12. While the universality of SMS delivery allows SMS to act as a fallback channel to reach a minority of users (those without smartphones), this does not translate into market power. The vast majority of UK consumers have smartphones, with SMS competing against a range of messaging channels, some far more popular than SMS. MNOs set a single termination charge that doesn't distinguish between different types of end users. Competition from other forms of messaging and the ability of sophisticated MSP platforms to navigate those channels on behalf of businesses, means MNOs are severely commercially constrained in a very competitive business messaging market. There is significant evidence of migration away from SMS by high volumes businesses that appears entirely

¹ [Policies and guidelines - Ofcom](#)



absent from Ofcom's thinking and demonstrates that A2P SMS demand exhibits clear price elasticity within the wider context of a growing UK business messaging market.

13. There is little evidence of any consumer benefit from Ofcom's proposals, with many key business messaging relationships operating on multi-year fixed term contracts that will not be impacted by a cap in wholesale rates for much of the review period. In contrast, there is a risk of considerable harm in any outcome that would leave MNOs commercially constrained, risking investment capital to the detriment of UK consumers.

14. We urge Ofcom to reconsider its proposals and examine the evidence presented within this response. We believe there are more appropriate and proportionate ways to provide the aggregator community with better certainty and predictability in respect of price changes that would largely address their concerns, without the need for additional regulatory burdens to be imposed on the UK mobile sector.



Section 2 - Introduction

1. It has been 32 years since the world's first SMS was transmitted on the Vodafone UK network. Over its lifespan, SMS has served UK consumers well, revolutionising the way we communicate, giving a genuine alternative to voice calls while on the move. In the late 1990s and early 2000s SMS was credited with giving rise to its own language of abbreviations. While seldom popular with English teachers, it was a natural consumer response to learn to communicate efficiently within 160 characters. Initially championed by the young, SMS went mainstream, reaching the height of its popularity in the pre-smartphone era.
2. Like many technologies that once seemed indispensable, SMS has fallen out of favour, with volumes collapsing in person-to-person messaging as consumer behaviour shifted. Mobile network investment in 3G/4G/5G has created near ubiquitous data connectivity and supported the evolution of the smartphone. This has resulted in consumers having access to a significant number of alternative instantaneous messaging solutions. WhatsApp, iMessage, RCS, Facebook Messenger, Instagram, Snapchat, mobile email clients and In-app messaging all compete in the UK consumer and business messaging market, with each able to provide an instantaneous communication direct to consumer smartphones. Younger demographics have almost abandoned SMS completely and Apple has threaded iMessage, RCS and SMS into a single user interface, with Google integrating RCS and SMS into their default Android messaging application.
3. While businesses continue to extol the virtues of SMS as a very cost-effective means of reaching consumers, many have either already abandoned it or have developed plans to move off it as their primary form of messaging communication or verification / authentication, opting instead to either use their own App or another online messaging platform. In many cases Messaging Service Providers have made the choice for Businesses, providing a one-stop omni-channel messaging solution that takes full advantage of the wide range of messaging channels available.
4. From trusted financial services to leading accommodation booking services, in-app comms is now the norm for many organisations. Small businesses aren't excluded, with a rapid rise in white label app solutions that allow hairdressers, takeaways and beauty businesses to enjoy instant communication with their client base. WhatsApp for Business, Apple iOS Business chat and Google RCS are all aggressively capturing market share. The next few years will be critical in determining what role SMS will play in an increasingly crowded business messaging market.
5. Today it would not be an exaggeration to say that SMS is fighting for its very survival. At this year's Mobile World Congress in Barcelona an invitation was issued to *'Join us on Sunday, March 2, as we try to save SMS'*. It was highlighting a panel session by MobileSquared *'on how to save SMS as a business messaging channel'*. Only time will tell what the future looks like. Optimistically, SMS may retain a niche role in universal communications, at worst it will be consigned as a nostalgic footnote for a part of tech born in the 20th Century, alongside the likes of Teletext, Ceefax and the Fax Machine.
6. Ofcom's proposed intervention is likely to hasten its demise in the UK, harming the UK mobile sector at a time when this important part of the UK economy is seeking to compete against overseas based Online Communication Services that Ofcom have shied away from regulating due to the administrative effort required.
7. In September 2022 at a joint Ofcom and Digital Market Unit CMA event in Manchester, Ofcom



announced the creation of its new Digital Strategy, unveiling a number of new digital market study areas. One of market studies was entitled 'Online Personal Communication'. Ofcom wrote '*we are interested in how these services (such as WhatsApp or Zoom) are impacting traditional calling and messaging markets, and how developments in these markets may impact on our duties relating to competition, consumer protection, access to essential services and securing end to end connectivity*'.²

8. In 2025 this important work has been abandoned by Ofcom. Modest consumer research was published in October 2023³ as a 'Discussion Document'. Ofcom's lack of progress on an issue it highlighted as a priority in 2022 is concerning (although we note that no official announcement about the demise of the project has been made). The 2022 project was designed to take a holistic look at the online communication market and messaging platforms, seeking to ensure that any future regulation in this area was robust, taking an informed approach that considered the full scope of the market and its future.
9. In any review of the UK business messaging market, it is necessary to ensure that the full impact of business messaging services provided by overseas Online Communication Services and in-app messaging is fully understood. Any action that seeks to constrain one element of supply (the UK mobile sector), while not conducting a full market study on other areas of the market is likely to lead to market distortions that will harm UK consumers and the wider UK economy. In the context of Ofcom's growth duty, one that mandates Ofcom to consider the impact of its decisions on economic growth, the proposed intervention seems incompatible.
10. Ofcom describe themselves as a 'technology neutral regulator',⁴ having a duty to ensure that any approach they adopt is technology neutral. In singling out one legacy messaging channel to the detriment of all others, it goes against this important principle, creating technology discrimination in Ofcom's approach.
11. Ofcom's July 2023 Impact assessment guidelines emphasise the need to consider alternative approaches in the work it undertakes, yet there is little exploration of alternative approaches within the consultation. In particular Ofcom's ignorance of the strength of competition from in-app and OCS messaging is a material weakness in the analysis and together with the lack of a wider SMS pricing context (over a longer time horizon SMS pricing has fallen substantially) or meaningful international comparisons, the consultation fails to present an accurate or fair assessment of the market or the speed at which it is changing.
12. While Ofcom have stopped short of attempting to build a cost model around SMS provision, proposing instead to anchor pricing to a historic point in time, the inference of using any potential cost approach has been one solely focused on incremental cost around SMS provision, and it has actively chosen to disregard the very substantial common costs faced by mobile networks. Far from fostering an environment that attracts investment and creates jobs, ensuring that regulatory decisions do not hinder economic progress, Ofcom's proposals are harmful to the wider investment environment and appear ignorant of the innovation challenges faced by the UK's mobile sector, in an industry that has very substantial common costs.

² <https://www.ofcom.org.uk/siteassets/resources/documents/phones-telecoms-and-internet/information-for-industry/digital-markets/digital-markets-approach-to-consumer-and-competition-issues.pdf?v=328449>

³ <https://www.ofcom.org.uk/siteassets/resources/documents/phones-telecoms-and-internet/information-for-industry/telecoms-regulation/discussion-paper-personal-online-communication-services/a-discussion-document-personal-online-communication-services/?v=330300>

⁴ Ofcom Submission of Evidence to the House of Commons Science, Innovation & Technology Committee – Oct '23



13. Business SMS margins remain important to the sector in its battle to compete with online services. Margins are used to boost innovation and investment, improving coverage and are crucial in helping to fund and develop new communications solutions, including helping to fund free retail SMS to consumers. Mobile providers face burdens not faced by OCS platforms (such as spending millions per annum on emergency service text and call access).
14. It is important to recognise that the revenues earned by the A2P SMS channel over the years in both the retail and wholesale markets have proved to be critical sources of funding to support the very substantial investments undertaken by UK mobile operators over the years as they progressed ever deeper and extensive 4G /5G and geographic coverage. Ironically it is that investment and the near ubiquitous data coverage that has provided the platform for online communications service channels to flourish and led to the inevitable decline of SMS.
15. Today, the margins earned by Business SMS continue to fund innovation in our UK mobile networks. Yet Ofcom's action to constrain commercial behaviour and margins of UK MNOs puts this important innovation funding at risk, reducing the investment pool available to expand the service to benefit UK consumers. Important investments like these offer an immediate benefit to consumer welfare and have the potential to prolonging the appeal of SMS in a world saturated by ever more sophisticated online business and consumer messaging.
16. With such a broad and complex range of competitive constraints on A2P SMS pricing and in a world where business messaging margins are funding ever greater levels of SMS coverage, Ofcom's proposals are ill-judged, and should they progress, history will likely prove them to be harmful to both the UK economy and consumers.
17. We would urge Ofcom to reconsider its approach and start backing UK MNOs and the economic benefits they bring. Voluntary commitments aim at improving certainty and predictability for business SMS are a more appropriate means to address some of the concerns Ofcom has raised. As things currently stand, Ofcom's proposals would be an own goal for both the UK Economy and UK consumers.

How this response is structured

18. In the next section we take a more detailed look at the market context, looking at the evolution that has occurred (and continues) in the business messaging market and examine consumer reactions to it. We will then turn to look at the options open to UK businesses, large and small in selecting messaging channels, including the key role of important intermediaries in delivering a highly competitive business messaging market. In Section 4 we look specifically at Ofcom's approach to market definition and explain why we think Ofcom's analysis has missed important evidence that points towards a broader messaging market, with clear evidence to support the view that A2P SMS demand is price elastic. In Section Five we will look at the potential for harm arising from Ofcom's proposals. We will then briefly answer the direct questions posed by Ofcom in the consultation. There are two additional Annexes provided alongside this submission:
 - **Annex 1** provides a detailed Economic Analysis from Oxera documenting the UK Business Messaging Market and critiquing Ofcom's approach to considering the role of A2P SMS within it.
 - **Annex 2** provides a comprehensive legal assessment of Ofcom's approach.



Section 3: Market Context - A2P SMS, long term survival

Section Summary:

- Large SMS users like the NHS are moving to in-app messaging, with SMS relegated to a fallback channel;
- In-app messaging now dominates in the consumer financial services sector;
- A2P SMS's market share of UK business messaging is in rapid decline – with in-app and OCS messaging taking off;
- OCS Business Messaging volumes are expected to surpass SMS in 2027;
- Switching between business messaging channels is relatively straightforward, with Omni-channel MSPs providing platform-based solutions;
- There is clear market evidence that A2P SMS is proving to be price elastic, with changing business behaviour observed;
- Longer price trend analysis shows a sharp decline in SMS wholesale pricing since 2006, putting recent modest price increases in context.

1. The UK has a vibrant business messaging market. With Ofcom estimating that 97% of UK adults personally use a mobile phone, and 97% of these use a smartphone⁵. The ability of businesses to connect and inform consumers has therefore never been greater. A number of diverse platforms compete to serve the business-to-consumer messaging market. Often communications are distributed over multi-channel, or Omni-channel platforms that are capable of triggering and managing business messages on more than one channel (e.g. in-app/email/SMS/RCS/WhatsApp).
2. The range of channel choice and the competition between them is driving investment in several different parts of the market. Message services are getting more sophisticated, offering conversational functionality and many services are becoming more feature rich, with interactive indicators to show user activity from the sender and recipient, and multi-media features to make interactions more immersive. APIs are providing details on what notifications are triggered on user devices and when messages have been received and read.
3. This elevation in both the range of messaging channels and the features offered is providing a particular challenge for traditional SMS, which lacks many of the enhancements offered in more sophisticated forms of messaging. The universal reach that SMS also traditionally offered is less of a unique selling point, with a range of messaging channels being collated into the default messaging inboxes of both Apple and Android users. This triple threat of additional features, near matchable reach and sophisticated multi-channel offerings from MSPs represents a major threat to the use of SMS as a primary channel for business messaging.
4. SMS A2P margins have historically played a significant role in helping to fund mobile investment in network capacity, coverage and quality, leading to improvements in the overall customer experience, including helping to fund inclusive or free P2P SMS. As the competitive constraints on SMS pricing intensifies, it is highly likely this valuable and much needed revenue stream will largely dry up (as it has for P2P SMS). Mobile providers will face a funding shortfall that will need to be address through other charges on consumers.

⁵ <https://www.ofcom.org.uk/siteassets/resources/documents/research-and-data/media-literacy-research/adults/media-use-and-attitudes-2019/adults-media-use-and-attitudes-report.pdf?v=323935>



5. Ofcom state *'We are not currently aware of any concrete plans by any major senders of business messages to fully discontinue their use of A2P SMS'⁶*, While it is true that many users may not seek remove SMS from their communication mix entirely, there is considerable evidence that other forms of business messaging are becoming or have become the default choice for many sectors of the economy. Ofcom's focus on the entire removal of SMS is therefore misplaced.
6. While SMS is likely to remain a back stop solution for many businesses, it is increasingly no longer the default messaging channel. The more pertinent test would be around what businesses and organisations plan to select as their default first choice messaging technology, rather than seeking evidence around a commitment to cease to use A2P SMS entirely. In reality, there is very significant publicly available evidence that many large A2P purchasers are turning their backs on A2P SMS as their primary form of messaging.
7. Perhaps the largest area of business messaging by both message volume and combined reach is from in-App messaging. Ofcom has collected no data to size this considerable channel segment. From early adopters like Airbnb⁷ (where off app messaging is actively discouraged) to organisations like the NHS, ~~8~~, in-app messaging is now the preferred solution, with the organisation turning sharply away from SMS.
8. We have significant concerns around the credibility of Ofcom's consumer research that found that only 32% of consumers had received an app notification or that App notifications were also considered to be an inappropriate channel for businesses to communicate with consumers for confirmation, information and promotional messages. E-commerce digital marketing agency Reckless in a recent study, with data taken from 22 different brands⁸ across a variety of industries found that in-App messaging performed very well from a consumer perspective: *In-app messaging had a startling 75% open rate. That's over 45 times higher than email and nearly three times higher than push notifications. With all industries scoring highly, the outright winners in this section were Fashion and Travel scoring over 85%*
9. During 2023/24, 22.5 million messages were sent through the NHS App⁹, which would have previously been sent as a text message or letter. There were 31.5 million NHS App log ins in England and Wales in March 2024 alone (with 36 million registered users). This momentum continues to build, and the Government has plans to accelerate it further:

Karin Smyth, who was appointed minister of state for secondary care in July said that the UK government was hoping to emulate this system. Reforms will ensure that the NHS app can be used in hospital settings and patients can "book appointments in the same way you would book a restaurant table". Smyth believes a "huge cultural change" is required so that patients spend as little time in hospital as possible, freeing up NHS resources¹⁰

⁶ Consultation 4.52

⁷ Communicate more efficiently with messaging upgrades – Resource Centre - Airbnb: *While Airbnb still offers SMS notifications for certain account activities like login attempts, it's not the primary communication method for guest and host messages. Instead, Airbnb prioritizes in-app messaging, email, and push notifications for communication between guests and hosts.*

⁸ <https://reckless.agency/blog/email-vs-push-notifications-vs-in-app-messaging-which-has-the-highest-engagement-2/>

⁹ <https://www.england.nhs.uk/2024/05/nhs-app-messaging-saved-nhs-more-than-1-million-in-last-year/#:~:text=Monthly%20logins%20rose%20by%2069%20in%20the,2023%20to%2031.5%20million%20in%20March%202024.&text=New%20features%20are%20being%20added%20to%20the,use%20the%20app%20in%20their%20everyday%20lives.>

¹⁰ <https://www.thetimes.com/uk/healthcare/article/demark-ozempic-weight-loss-drug-qtfllh02qr#:~:text=Wes%20Streeting%2C%20the%20health%20secretary,digital%2C%20and%20sickness%20to%20prevention.>



10. The programme is already being trialled in a number of NHS areas, from GP practices and other primary care facilities to acute hospitals. In addition NHS Notify (the in-house MSP used) has already explored *Rich Communication Services (RCS) messages as a new message channel, with the aim to reduce costs of longer text messages*¹¹ This announcement from Ordnance Unity Centre For Health NHS GP Surgery in Enfield is typical of the type of migration approach being used:

NHS App messaging pilot : *You may be aware that GP practices now often communicate with patients in several ways. In recent years, practices have increasingly used SMS text messaging to deliver important information as well request information from patients as it is quicker and cheaper than sending a letter. For example, we often send 'batch messages' to promote some of the screening programmes or send ad-hoc messages with health-related questionnaires to keep patient records up to date. As we increasingly utilise SMS text messaging as an efficiency tool, it has also led to an increase in text messaging costs for the NHS.*

To reduce the cost burden on the NHS, starting from 6th January 2025, SMS text messages sent to patients from one of our providers (Accurx) will be delivered as a notification message into the NHS App for those patients that have the app installed on their smartphone. If the message is not read by the recipient within 60 minutes, it will default back to a normal SMS text message. This is part of a 12-week pilot programme as a collaboration between NHS commissioners, practices and text message providers to the NHS.

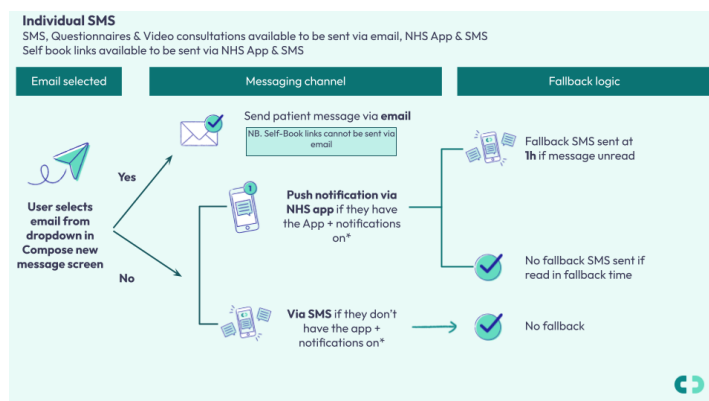
Patients that do not use the NHS App will be unaffected by this pilot programme. However, we would like to take this opportunity to ask all our patients to download and utilise the NHS App as it gives you more control over your care including ordering repeat medication, requesting a GP appointment as well as getting general self-care advice for common self-limiting symptoms. More information is available from the NHS App website: www.nhs.uk/nhs-app

11. Platform provider Accurx describes the NHS trial as the first step in removing reliance on A2P SMS, with the channel being relegated to a last resort route:

*NHS England is putting lots of effort into increasing (1) patient downloads and (2) the number of messages going to the NHS app. As a result, Accurx has teamed up with the NHS app to allow patients more choices on how to receive communication from their healthcare practitioners, resulting in a lower-cost option to notify patients about information on their health*¹².

¹¹ <https://notify.nhs.uk/features/roadmap>

¹² <https://support accurx.com/en/articles/9956167-accurx-desktop-sending-individual-messages-via-the-nhs-app-pilot>



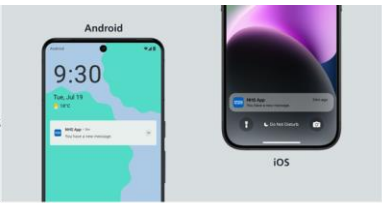
11. NHS Notify¹³ allows NHS organisations to send NHS App messages, emails, text messages and letters to patients and members of the public. It uses different communications suppliers so organisations and services can:

- stop procuring their own communication suppliers
- send messages at market competitive rates
- use multiple channels to message patients and the public at an individual or national scale
- support accessible formats


NHS Notify uses multiple communication suppliers to send messages such as the NHS App and GOV.UK Notify to send emails, text messages (SMS) and letters.

NHS Notify API

Send messages to patients via email, SMS, the NHS App or letter Communications Manager.
This specification is written from an [OAS](#) file.

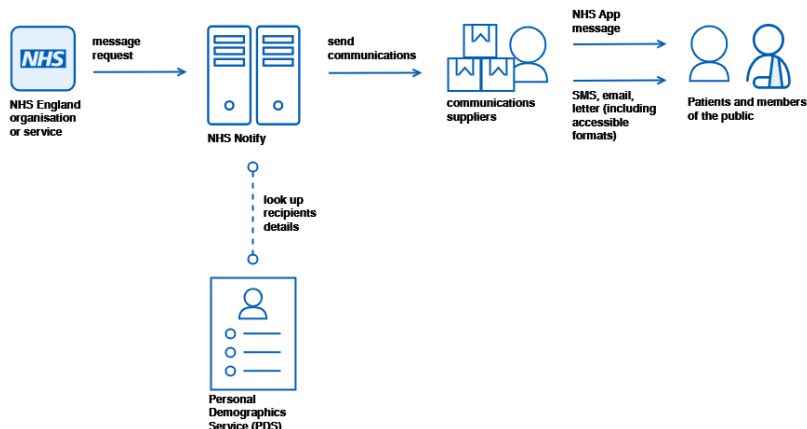


An example of a banner notification pushed to an iPhone and an Android device by the NHS App.

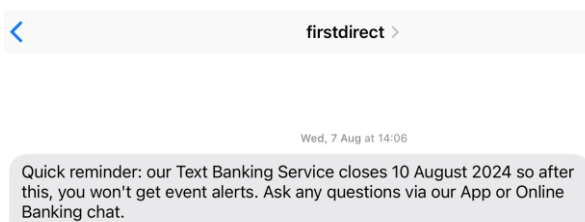


An example of a badge notification pushed by the NHS App when a message is sent to a recipient's NHS App inbox.

¹³ <https://digital.nhs.uk/services/nhs-notify>



12. In the financial services sector the move away from SMS is even more pronounced, with many institutions having either abandoning SMS altogether for multifactor authentication/verification or only using it as a fall back¹⁴. In-App verification is now the norm for most banking and credit card apps. Indeed, using SMS would flout the UK's Financial Conduct Authority current guidance on strong customer authentication. The FCA directs against relying on SMS as the sole means of authentication¹⁵, recognising that better performing substitutes are available to the organisations that it regulates.
13. A number of Banks and Financial Services institutions have already made the switch away from SMS and many of the remainder are in the process of doing so. First Direct ceased SMS last August. Credit Union¹⁶. announced that *"from July 2024, we are phasing out sending text message (SMS) notifications to you each time you spend money on your debit card or have a transaction on your account. From this point, these notifications will be sent via our mobile app"*. Detailed migration plans are underway at Santander UK, which has announced that it *'will discontinue several text message alert services for both personal and business banking customers starting from 12 May 2025. The decision is part of the bank's ongoing efforts to streamline its services and encourage customers to use digital banking platforms such as Online Banking and Mobile Banking for real-time account updates.'*¹⁷.



14. Mobile banking apps are now used by the vast majority of UK adults and their popularity continues to

¹⁴ [Co-operative Bank launches new digital ID verification - FStech Financial Sector Technology](#)
[Moving away from SMS-based authentication](#)

¹⁵ <https://www.fca.org.uk/firms/strong-customer-authentication>

¹⁶ <https://support.creditunion.co.uk/hc/en-gb/articles/26762759970833-l-m-no-longer-receiving-SMS-transaction-updates>

¹⁷ <https://colitco.com/santander-uk-ends-text-alert-services-may-2025/>



grow¹⁸: The UK saw significant growth between 2019 and 2024, with 73 percent of bank account holders managing their banking affairs via mobile devices in 2024. According to Statista's Consumer Insights, the share of respondents using smartphones or tablets for banking increased from 63 percent in 2019 to 73 percent in 2024. Conversely, branch banking experienced a notable decline during the same period, reflecting the shift towards digital banking solutions. These apps are now the primary means for banks to message their customers and approve and authenticate, with millions of UK customers using apps as their pricing channel for messaging and authentication: In 2023, among the largest banks headquartered in the United Kingdom that reported official numbers of digital or mobile app users, HSBC had the largest digitally active customer base, with 34.86 million. Lloyds Banking Group followed, with a digitally active customer base of 21.5 million, of which 18.7 million [Nb. now over 20 Million in 2025] were active app users.¹⁹

HSBC UK
Safe and secure mobile banking in your hand.

WAYS TO BANK
The Barclays app
Join 10 million Barclays customers using our app
Use your phone or tablet to manage your accounts, send money and earn rewards

Revolut
Revolut reaches 10 million customers in the UK
Corporate - 20 September 2024

- Revolut has added nearly two million customers in 2024 so far
- Revolut UK was recently granted a UK banking licence with restrictions
- The milestone follows Revolut's recent secondary share sale, valuing the company at \$45 billion

Revolut, the global financial technology company has today announced it has reached ten million customers in the UK, Revolut's largest market, and where the company was founded in 2015 has added nearly two million UK customers so far in 2024 and continues to grow. Revolut has over 45 million customers globally.

Get the NatWest app

Our app is available to personal and business banking customers aged 11+ using compatible iOS and Android devices. You'll need a UK or international mobile number in specific countries.

LLOYDS BANKING GROUP

With 22 million digital users, and over 20 million active mobile users, we continue to see more and more of our customers choosing digital and mobile banking as the main way to manage their money – and, increasingly, for their more complex financial needs too. So, when it came to developing new propositions which would make a real difference to our customers' lives, it became clear that we needed to harness the power and reach of our app.

Mobile Banking app

In this section

Set up our app

Join our 7 million app users

- Log in securely with your fingerprint or Face ID.
- Stay up to date with app notifications.
- View your card and PIN.
- Freeze your debit or credit card.
- View your upcoming regular payments.

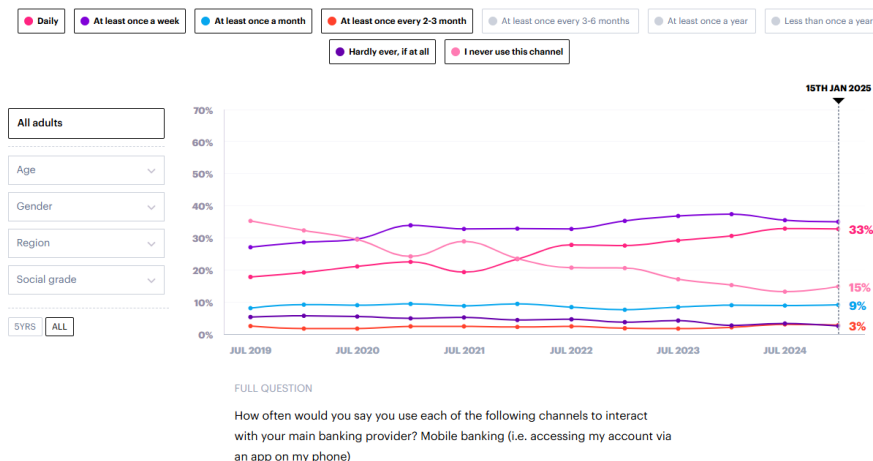
The Nationwide banking app
Join over 6 million of our members who are using the Nationwide banking app. Safe, secure everyday banking made easier. Download the app to get started.

¹⁸ <https://www.statista.com/statistics/1395159/mobile-banking-penetration-in-the-uk/#:~:text=According%20to%20Statista's%20Consumer%20Insights,shift%20towards%20digital%20banking%20solutions.>

¹⁹ [UK: banks by number of digital customers 2023 | Statista](#)



How often Brits use mobile banking (i.e. accessing account through an app)



- Ofcom state incorrectly that 'it is unlikely that email is a substitute for A2P SMS for many types of business messages that are currently sent via A2P SMS, e.g. time-sensitive appointment reminders or passcodes'²⁰. There is material evidence that this is not the case, with some sectors of the economy happy to abandon SMS and revert to using email as their default messaging platform, with Microsoft and Google abandoning SMS²¹ entirely. In the case of Microsoft they have moved to an email and WhatsApp (sold directly by Meta) based approach. Even the EU has ditched A2P SMS²² as it seeks to boost digital security. This move is occurring in nearly every sector as SMS is either dropped entirely or is used as a method of last resort for messaging consumers.
- Ofcom's statement that 'demand from other channels is growing steadily from a low base and might be expected to continue to grow further in the future, we consider there is not enough momentum for these channels to develop into substitutes to A2P SMS and therefore act as a competitive constraint over the three year market review period'²³ is unfounded, contradicted by the publicly available evidence. Without sizing the in-app messaging market, Ofcom has no reliable evidence on either the size of or the growth of in-app messaging. The alarming rate of migration in the business messaging market is the very reason seminars are now being held to try and save SMS as a form of communication.

The rapid rise of OCS Messaging

- It is not just in-App messaging that is growing rapidly, Online Communication OCS Messaging has largely replaced P2P SMS and it is now capturing a growing A2P share. Juniper Research forecasts that total OTT business messaging traffic will increase from 250 billion in 2024 to 1.1 trillion in 2029,

²⁰ Consultation 4.57

²¹ [Gmail Security Alert: Google To Ditch SMS Codes For Billions Of Users](#)

²² [Phase out of EU Login authentication using SMS - European Union](#)

²³ Consultation 4.70



representing an increase of 359%²⁴.

18. While the UK business messaging market is growing in size as UK businesses are using messaging in more ways, recognising the value messaging offers as a marketing tool, form of communications and information source as well as an aid to enhancing security on transactions and account management. However, it is important to recognise that A2P SMS's share of the UK business messaging market is declining. Omdia predict that Messaging App messaging channels will broadly match SMS volumes in the business market in the UK in 2026, then surpass them in 2027. This level of competition constraint is likely to act as a significant deterrent on future SMS price rises.

[Table Redacted due to information rights requirements]

Omdia Business Messaging Market Sizing Forecast: UK traffic (millions)					
	2024	2025	2026	2027	2028
RCS A2P					
SMS A2P					
Messaging Apps					
Messaging apps: Refers to a mobile or desktop application that enables users to communicate with other users via internet-based messaging. This includes text, photo, or video messaging. Many messaging applications (e.g., WhatsApp, Weixin/WeChat, KakaoTalk, Facebook Messenger) also enable other types of communication (e.g., VoIP calls, video calls).					

19. The ability of OCS messaging channels to capture increasing amounts of market share is progressively being recognised: *it is the threat from OTT that should really trouble operators. WhatsApp, for example, is expected to carry around 1 trillion business messages by 2029 and already offers all the rich media and brand verification capabilities that RCS can offer. And WhatsApp can get services to market more rapidly, being an established product with huge customer buy-in*²⁵.
20. Such is the substitutability between services, consumers are often confused by the differences in the various messaging platforms available to them (or chosen for them by their handset as default settings). The vast majority of consumers are ignorant of the blue/green iMessage/SMS distinction in the iOS messaging app and many consumers routinely refer to WhatsApp as 'texting'. This lack of consumer awareness means that Ofcom needs to be cautious about the results it has derived from its limited consumer research, when those selected are quite understandably confused by the various offerings in the market, leading to the wrong answer to platform-specific questioning. We are particularly sceptical around the validity of Ofcom's research on RCS/RBM awareness, with nearly 1 in 4 consumers claiming an awareness of RCS/RBM. Anecdotally we find this hard to believe, with awareness low even among colleagues who work in the UK's wider communications sector.
21. The EU has formally recognised the demise of SMS in the eyes of consumers (in both the P2P and B2C context): *Although the take-up of mobile plans remains universal, specific number-based communication services such as number-based phone calls and SMS are used less and less. This study demonstrates that this decrease is accelerated by digital platforms, which provide a wide range of alternatives, increasingly preferred by consumers*²⁶

²⁴ Juniper Research Whitepaper: How OTT Business Messaging will Evolve in 2025

²⁵ https://www.telemediaonline.co.uk/why-rcs-message-growth-remains-slow-and-what-operators-need-to-do-about-it/?utm_source=Telemedia&utm_campaign=ac07947f11-Newsletter+NOV+2023_COPY_01&utm_medium=email&utm_term=0_066825e3a0-ac07947f11-154907433

²⁶ [Analysing EU consumer perceptions and behaviour on digital platforms for communication. Analysis report.](#)



22. Ofcom should be in no doubt that substitution is happening at pace. In October 2023 Ofcom found that:

WhatsApp, and Meta's OCS as a whole, held a strong competitive position²⁷: *We recognise that OCS providers (including Meta) could also face a degree of competitive constraint from traditional telecommunication services such as SMS, MMS and voice calls, which may be seen as substitutes for OCS in some scenarios. We have not assessed the extent of substitutability but we note that, as discussed in Section 2, consumer use of online messaging services has largely replaced SMS.*

It is possible that, for some business users and use cases, online messaging could be a substitute for other forms of communication, such as SMS-based messaging. Therefore, the evolution of these online services could have competitive implications for other services, such as traditional telecoms services. We have not assessed the potential degree of substitutability across different business communication solutions.

This 2023 Ofcom research contradicts the consultation claim (based entirely on a very limited survey) that WhatsApp is not an appropriate substitute to SMS for A2P messages.

Flash Calling

23. Flash calling has taken off in other markets, as an alternative means of messaging, particularly in the authentication space. Sinch²⁸ has launched Flash Call as a direct alternative to SMS. It makes a call to the user that is intended to disconnect before being answered. It is marketed as 50% cheaper than SMS. It offers a direct replacement to SMS for a wide range of use cases, with many customer testimonials around how it has replaced A2P SMS entirely for their business.

GSMA Conference Dubai April 2025 session:



24. While Flash Calling may not be a suitable alternative to text-based business messaging, it is well placed to replace a chunk of A2P SMS demand, particularly in the authentication space. Flash calling has proven popular in some markets: *flash calls have gained prominence, offering cost-effective verification for businesses while posing significant challenges to telecom operators, particularly in terms of international Application-to-Person (A2P) revenues*²⁹. Ofcom's consultation makes no mention of Flash Calling in the consultation, despite it being recognised as a substitute exerting pricing constraint for a material proportion of A2P SMS use cases.

²⁷ [Personal online communication services](#)

²⁸ [Flash Call Verification API with Simple Integration](#)

²⁹ [The Rise of Flash Calls: A Growing Threat to International A2P Revenues](#)



Ease of Switching

25. The reason for the rapid (months not years) changes in the profile of which business messaging channels are used or preferred can be explained in part by the relative ease of switching. Multi-channel (or omni-channel) platforms are making switching between channels significantly easier, offering a seamless experience for UK businesses to take a multichannel approach. Where MSPs are used, the business has nothing to do, as the MSP does the work to enable multiple channels, based on preference and reach. As it is their core business model to serve customers and seek a range of channel options to remain price competitive, they are experts at multi-sourcing across a great number of messaging channels. This isn't a market where UK businesses (either large or small) face a barrier to switch, they have expert intermediaries doing it for them and making the market work effectively.
26. Even obtaining channel consent is far from insurmountable and can be swiftly remedied with expert advice from MSPs around securing the right kind of consent from consumers. Often multichannel opt-in consent from each end user is already available (covering email/text messaging - inc SMS and OCS), with best practice guidance around communicating during an end user's daytime hours unless it is urgent and providing HELP/STOP messages for consumers to decline further communication. Many businesses already have prior consent for a multi-channel approach that would require no action. For those that don't, obtaining consent is a relatively straightforward task.
27. Ofcom acknowledges³⁰ that they *do not have quantitative evidence on the scale of associated costs/effort required for business senders to obtain consent or undertake other changes required in order to switch to other business messaging channels*. Absent this evidence there is no way for Ofcom to substantiate any claim that consent is creating a barrier to switch. The market evidence points firmly in the opposite direction. With platforms like Vonage noting that businesses can *Easily upgrade your SMS to RCS utilizing the same opt-in consent*.

Setting Price Rises in Context

28. A focus on just the incremental cost of providing one service (termination of A2P SMS) and ignoring the broader context in which mobile services are delivered using multi-service networks, with very significant common costs and having to fund ongoing obligations around security, resilience and access to emergency services and other vital communication services for consumers would be an error. Margins earned by A2P SMS need to be taken in context with overall MNO margins. MNOs do not make excess returns and for every service that is profitable there are services that are less so. In particular, we would point to the list of services which generate no revenue yet still result in costs, for example access to 999 services (including for competitors' customers where they have no coverage) and zero rating of social value content. If Ofcom takes a view that every individual service must be charged commensurate with its costs, then this would leave nothing to cover such social value requirements.
29. A2P SMS services are delivered in the context of UK retail and wholesale mobile markets that are effectively competitive, with operators vigorously competing to acquire and retain customers. These customers generate a range of revenue streams: retail service revenues, now largely bundles of data with voice and SMS. When making pricing decisions in the retail market of future margins, mobile

³⁰ Consultation 4.58 -4.61



providers take account of all sources of future margins. This will naturally lead to a waterbed effect, i.e. expected higher revenues from non-retail services will mean that retailers will compete harder to capture customers and hence these revenues by reducing retail prices.

30. The market is also dynamic, with significant shifts in the distribution of revenues over time, e.g. with less revenue earned from retail Voice and SMS than a decade ago. While in the last five years A2P SMS has made an increased contribution to help recover network costs, due to volume growth and price increases, overall MNO ARPUs and revenues have been falling in real terms, with industry profitability relatively low, reflecting effective competition.
31. We would highlight that Ofcom's proposal of regulating unit pricing is heavily dependent on SMS volumes remaining largely static. As noted above, provision of the service is broadly a fixed-cost, with marginal costs being relatively low (setting aside the very large common costs). By proposing to regulate using a unit pricing approach, i.e. on a Price -Quantity basis, if the quantity falls, that means that overall revenues will fall dramatically and jeopardise the ability to provide the service. Ofcom have not made any attempt to project volumes for any messaging channel over the proposed review period. This is a significant evidential gap and it is difficult to see how any firm conclusions can be reached with confidence without this crucial information.
32. There is no concept of removing half of an SMS service centre or removing half a spam firewall to reduce costs should there be a drop-off in volumes (operators need to maintain SMS capacity and capability regardless of volumes). Ofcom have made no allowance for this in their consideration of the costs of providing the service. It is entirely the wrong approach to regulate unit prices in a mature market.
33. Given Ofcom have not attempted to quantify the very significant common costs and therefore accurately calibrate the fair underlying cost of SMS provision and capacity, it is a significant leap to conclude that the wholesale prices offered in the market are in anyway excessive. This is particularly true when Ofcom's threshold for concluding that pricing is excessive is set as anything above cost. Recent case law undermines this conclusion (see explore this topic further detail in Annex 2). What is clear is that the wholesale SMS pricing trend since 2006 has demonstrated a substantial fall in real terms, contradicting Ofcom's view that MNOs are acting as monopolists.
34. Vodafone's real terms SMS pricing since 2006:

[Table Redacted]



Section 4 - Market Definition

Section Summary:

- A2P SMS is a business messaging channel, not a separate economic market;
- 97% of UK adults are Smartphone users and are capable of receiving messaging across a range of applications, with SMS falling in popularity;
- MSPs offer Omni-Channel access to UK businesses, providing the ability to message consumers across a variety of messaging channels;
- Consumers conflation of messaging channels into one functioning economic market is evidenced by Ofcom's work in other areas, including SPAM reporting;
- Ofcom's proposed market definition is contradicted by clear market evidence on usage, behaviour and capability;
- A2P SMS in the UK remains competitively priced by international standards and is well received by UK businesses;

1. Ofcom have proposed to conclude that each MNO with a mobile numbering allocation who terminates A2P SMS from third parties (including Aggregators and other CPs) is a separate market. This aligns with Ofcom's previous approach to traditional Fixed and Mobile Voice Termination, where Ofcom considers the carrier network has historically acted as an effective bottleneck for the termination of the service, with no route for other parties to offer an equivalent service to reach consumers. Vodafone believe Ofcom has failed to adequately consider how the service is consumed by end users (with near ubiquitous [~97%] smartphone ownership) or how the service is procured by businesses. In these circumstances, Ofcom's legacy voice termination approach would not be appropriate.
2. Given the market definition that Ofcom is proposing is focused on the termination of the service, it is important to understand what happens when the service is terminated on a device owned by the consumer. In simple terms, the carrier network provides two layers of connectivity to consumer mobile devices. A telco layer for voice/SMS and a data layer for everything else. The data layer to the device provides wider internet connectivity to the device and is open to receive all information from all parties (being subject to net neutrality rules prohibiting the mobile carrier in influencing user choice). Wi-Fi (when available) can also be used to deliver a data path to the device. The availability of the data layer facilitates a wide range of different messaging services (In-App, iMessage, Facebook Messenger, Snapchat, WhatsApp etc).
3. It is important to recognise that the mobile carrier has no influence over how these messages are presented to consumers. In the case of Online Communication Services, where a dedicated App is used (like WhatsApp), then the presentation experience on the device is largely controlled by the app developer and to some degree the operating system of the device and its approach to default notification settings. Consumers do need to have the appropriate app downloaded to their device, however Ofcom's own research indicates that WhatsApp penetration is very high, with its use materially exceeding SMS, when all forms of SMS are considered, making it a far more popular choice for consumers than the default messaging app on the device.
4. When it comes to the default messaging inbox for the device, it is the operating system that acts as gatekeeper on what messages are displayed in this default app. The mobile provider does not have



any influence over how messages from various channels are curated for the consumer. This means the MNO is no longer the gatekeeper for the default messaging inbox, with a number of technology routes open in which to deliver individual messages for display in a consumer's default messaging app.

5. For iOS users (50%+ of the UK market), the operating system has curated iMessage and SMS for a number of years within the default messaging app. SMS has no additional prominence to iMessage (which has different colour coding and increased functionality). RCS/RBM will now join this default presentation for most UK consumers in iOS. For android users, RCS/RBM and SMS are all combined. This combined presentation in UK consumer smartphones is largely agnostic to the conveyance method of the message. Ofcom itself has recognised that RCS is entirely native to end user default messaging apps³¹, stating in 2024 that: *RCS is similar to SMS in that it uses number-based routing, is interoperable and integrated with mobile networks. Default messaging apps can be configured to send RCS, rather than SMS, automatically where sender and recipient have enabled it.*
6. In April 2025 RCS became accessible to most Apple UK consumers within their default messaging app alongside SMS.
 - For Apple users: With the release of iOS 18 in September 2024, Apple introduced RCS support on most UK iPhones, allowing iOS users to send and receive rich media messages with Android users, providing interoperability between iMessage and RCS within a shared default messaging app, which also incorporates SMS. The expectation is that this functionality will be extended to all iOS users on all networks in due course.
 - For Android users: *'Google Messages (formerly known as Messenger, Android Messages, and Messages by Google) is a text messaging software application developed by Google for its Android and Wear OS mobile operating systems. It is the official universal messaging platform for the Android ecosystem., Messages employs SMS, MMS and Rich Communication Services (RCS). Starting in 2023, Google has RCS activated by default on Android devices similar to the implementation of iMessage on Apple devices'³².*
7. In November 2024 Samsung UK³³ highlighted that seamless connectivity in the default messaging apps of Android and iPhone users had arrived, welcoming *"a new era of more seamless, cross-platform messaging... Samsung partnered with Google to help drive the adoption of RCS, a modern, interoperable standard for enhanced messaging. Now with the latest version of iOS supporting RCS, the benefits are available beyond the Android ecosystem when messaging across platforms.* In their 2025 report on Business Messaging Openmind highlight that: *By the end of 2025, iOS' support of RCS means that its penetration of smartphone users will be approaching 60% and that will increase to almost 70% by 2029 [Globally]. This will be instrumental in encouraging brands to expedite their adoption of RCS in key business messaging markets where Apple penetration dominates, such as the US and UK.*
8. Cumulatively, the variety of messaging options accessible to smartphone users through their data and Wi-Fi connectivity has created multiple routes for businesses to reach consumers in the messaging market. A number of alternative technology channels now co-exist, each able to reach consumer devices (to be presented in another messaging app or for display within the default

³¹ [Call for inputs: Reducing mobile messaging scams](#) [3.12]

³² [Google Messages turning on RCS by default](#)

³³ [Samsung and Google Welcome a New Era of More Seamless, Cross-Platform Messaging – Samsung Newsroom U.K.](#)



messaging app).

9. Likewise, from the perspective of businesses who wish to disseminate messages to consumers, they have a range of options available to them around what technology channel to use. From using very high penetration OCS apps like WhatsApp or to providing their own accessible smartphone applications (there is vibrant market for smaller organisation to purchase white label app solutions that offer bespoke messaging and notifications apps used by takeaways to local taxi firms). The number of smaller organisations using their own apps, created from white label / third party solutions is rising fast. In the food delivery sector, it may be motivated by a desire to avoid paying commission and handing over valuable customer insights to large home delivery food brands. In other sectors like beauty and hairdressing it maybe about giving clients better insights into new services and direct access to diary slots, with the added benefit of push reminders for bookings and promotional alerts.
10. A 2024 survey of consumers preferences in this sector contradict Ofcom's consumer research around consumer enthusiasm for in-app interactions. Global technology transformation specialist, CI&T³⁴ conducted research, surveying 2,000 UK consumers on their expectations of brands' digital experiences, found that 82% think a food or beverage brand's digital experience reflects its overall quality, with 93% agreeing that the best brands usually have either a good app or website in place. This is evidence of a strong consumer preference for a quality app. The growing popularity of platform-style food order apps like Just Eat, Deliveroo, and Uber Eats (market leader Just Eat has 18 million active customers in the UK) who do not utilise SMS in any scale way, clearly demonstrates the willingness of a large section of the UK's consumers to embrace apps and the in-app messaging functionality that they provide.
11. Even the smallest business can create an app at very low cost and while it may be true that consumers are keen to limit the number of apps they hold on their devices (although there is evidence of the growing use of Aggregator apps, which compile content or services from various sources into a single platform³⁵). Regularly used or local services are often selected as a matter of consumer preference. Ofcom have offered no evidence to justify the position that app creation is material barrier to the use of in-app messaging for smaller organisations. Indeed, there is plenty of accessible evidence that proves the opposite, with a significant number of both sector specific and more generic white label /third party app developers offering very inexpensive app creation services, many with a great number of client testimonials from small and medium sized businesses:
 - **Adalo:** Scale Your Business With a Custom App - Adalo is all you need to design, build, publish, and maintain an app for your business <https://www.adalo.com/businesses-organizations> Create enterprise-worthy apps, without the enterprise price-tag — all with customization that works specifically with your business, your customers, and your workflows.
 - **Styler** [aimed at the hair and beauty sector]: <https://styler.digital/business-app> - Your branded booking app. Style your business for success with our sleek and powerful app solutions. Better than a booking link. Zero setup fees. Zero commission. Get a branded booking app for your business without compromise. Connect Instagram - Keep your app fresh! Seamlessly stream your latest content to the app. Push Notifications - Keep your clients informed of your latest news and offers and send automated booking reminders.

³⁴ <https://www.prnewswire.co.uk/news-releases/the-digital-dining-era-nearly-three-quarters-74-of-brits-use-apps-or-websites-as-go-to-for-meals-or-beverages-302285934.html#:~:text=The%20Digital%20Dining%20Era:%20Nearly,to%20for%20meals%20or%20beverages>

³⁵ <https://devtechnosys.com/insights/aggregator-app-development-cost/>



- **Orderyoyo** [aimed at the takeaway food market]: Get takeaway orders through your own personalised website & app and marketing solutions to grow your business online.
12. Research in 2023 from KPMG³⁶ highlighted that in the Food Delivery Sector: *Ordering through an outlet's own website or app has also become widely adopted (35-40%). Many restaurants/takeaways that were slow to partner or enlist with one of the major apps during Covid have built their own, with the support of a new wave of businesses such as BookedIT, OrderYoYo or Qikserve. Some have 'doubled down', with both their own app and a listing on a delivery platforms.*
 13. We see the growth of own-app usage accelerating, reducing the need for A2P SMS, with white label developers optimistic about their future. KPMG note: *We see the growth of own-app as a trend for the future, presenting continuing and increasing opportunities for app solution businesses.*
 14. For larger organisations who want to supplement their communications reach beyond their own app or want the added assurance of ensuring their message lands within the default messaging Apps within end user smartphones, they can use the services of Message service providers ('MSPs'), which provide curated retail business messaging services to meet their individual needs. In-application messaging services are now sophisticated enough to inform businesses if consumers have their notifications turned on or off and if a message has been read by the recipient. This allows them to use their own app for the bulk of their communications, and turn to the services of MSPs for only those customers without the app or ones not engaging on the app. This approach immediately results in a material proportion of substitution activity occurring to replace A2P SMS as a delivery channel.
 15. MSPs can offer a range of messaging solutions options through their omni-channel platform, delivering messages to the default messaging boxes of UK consumers. iMessage/Business Chat,³⁷ RCS/RMB and SMS. In the case of messages delivered to iOS users if they own multiple iOS devices (e.g. MacBook/iPad and phone) it has the added advantage of triggering messaging notifications across all their family of iOS devices. This means that if businesses wish to avoid SMS entirely and are reluctant to use OCS alternatives or in-app solutions, they still have a means of ensuring that their message lands in the smartphone default messaging app for most UK consumers.
 16. There is a wide range of Omni-channel solutions for UK businesses to choose from, such as:
 - *HORISEN Business Messenger:*³⁸ *Your All-in-One Messaging Solution - The key to success in messaging isn't just being present on multiple channels – it's having the right tool to manage them efficiently. HORISEN Business Messenger is an omnichannel solution that lets you: Engage customers on their preferred channels (SMS, RCS, WhatsApp, Viber, and more) from a single interface.*

³⁶ <https://kpmg.com/uk/en/home/insights/2023/02/food-for-thought-2023.html>

³⁷ [iOS - Business Chat - Apple \(UK\)](#)

³⁸ [Meta's Big Bet on Messaging is Paying Off](#)



Omnichannel capability

Guarantee a consistent brand experience for customers as they move across channels. Deploy SMS, SMS Landing Pages, RCS or WhatsApp from a single platform.

HORISEN Business Messenger enables brands to provide their customers with user-friendly and seamless experience across their preferable touchpoints. It is an all-in-one messaging technology solution for orchestrating seamless communication across multiple channels like SMS, WhatsApp, Telegram, Viber, Instagram, FB Messenger, RCS, Web Push, Email, etc.

- SMS
- WhatsApp
- Telegram
- Viber
- Instagram
- Facebook Messenger
- RCS
- Webpush
- Email

- *Sinch Engage.³⁹ Messaging notifications, reminders, and offers. Make sure customers never miss an appointment or a delivery by sending them timely messaging notifications as text messages, WhatsApp messages, or even RCS (Rich Communication Services) messages. Even better: Turn one-way notifications into two-way conversations to give customers the opportunity to reply in-message, and, for instance, reschedule a delivery or ask questions about a recommended product.*

17. Vonage is offering a unified solution which they market with the following collateral messaging:

*Reach the masses with **a default application.**⁴⁰ Customers constantly turn to their mobile device. But with so many apps on their screen, how do you stand out? It starts with being universally accepted.*

- *Easily upgrade your SMS to RCS utilizing the same opt-in consent.*
- *Carriers have adopted RCS as an industry standard.*
- *Nearly 2.5B Android and Apple devices are now RCS enabled.*
- *Defaulting to native applications simplifies use and accelerates customer engagement.*

³⁹ [Sinch - What is CPaaS? Benefits and Use Cases / https://sinch.com/engage/](https://sinch.com/engage/)

⁴⁰ [Rich Communication Services \(RCS\) | Vonage](#)



Power your customer experiences across the journey

Vonage Communications APIs help growing startups and agile enterprises enhance customer experience and realise new business outcomes at scale. Discover our comprehensive suite of communication channels.

- **Messaging:** Reach your customers with branded and omnichannel messaging across RCS, SMS, WhatsApp and more.
- **Voice API:** Deliver high-quality programmable voice experiences through the low latency, feature-rich, carrier-grade Vonage network.
- **Video API:** Bring people together globally through fully programmable and customisable live video sessions.
- **Verify API:** Safeguard your business against fraud and validate customers globally with two-factor authentication.

Twilio offer a similar unified messaging platform that seeks to deliver messages into a user's default messaging inbox, avoiding A2P SMS as the transmission channel wherever possible. There are many, many more omni-channel MSPs that UK businesses can select from.

18. Business customers (even those from larger organisations) aren't smartphone messaging experts. They often suffer the same level of confusion / conflation over the different forms of messaging as retail consumers. When customers use "SMS" in a general context, they often mean "text messaging" or "text," referring to the broader practice of exchanging short text messages, rather than the specific Short Message Service (SMS) protocol.
19. Businesses seek an effective messaging solution for their organisation and even when they talk in terms of 'text messaging' or 'SMS', this is often at a generic level. In the same way as a retail consumer may walk into a department store and ask to look at 'Hoovers', but really mean a vacuum clearer, and walk out of the store with a Dyson, Shark or other brand.
20. MSPs are aware of this and market their services accordingly, offering sophisticated communication solutions that take advantage of multiple channels. This omni-channel purchase behaviour executed through MSPs and aggregators is allowing UK businesses to make use of a wide variety of channel choice. In its 2025 Future of Messaging report, Openmind note: *service providers are the primary conduit between brands and consumers with an array of channels at their disposal, compared to MNOs.*⁴¹ It is evident that A2P SMS is being relegated to last choice, a fall-back solution when all other means fail. This is due in part to the availability of a more conversational, feature rich media offerings in other messaging channels as well as pricing considerations.
21. SMS may offer a near unique universality of reach, however this does not translate into market power. For the vast majority of destination users, there is a plurality of messaging supply channels which act as a competitive constraint on SMS pricing, meaning there is price elasticity. Because it is impossible for MNOs to distinguish the limited subset of users without plurality of supply from the wider set of users where there is multichannel access, this acts as a competitive constraint even on those users where MNOs are the only supply route (such as for non-smartphone users). Putting it simply, MNOs can't price SMS for non-smartphone users at a different price. The unified pricing approach means all users benefit from messaging channel competition.

⁴¹ Openmind - Future of Messaging Report 2025



22. In the WFTMR / TAR, Ofcom recognise that Alnets provide a competitive constraint on Openreach throughout the entirety of Area 2 (as Openreach pricing is uniform), even although competition is confined to a subset of the market. In the same way, OCS messaging channels and the agility offered by MSPs to navigate those channels, allows for competition to reach a very high proportion of consumers, with MNOs offering one SMS product at one price that cannot be differentiate for users where SMS is the only channel. It is priced in recognition of the fact that for the vast majority of customers, SMS is competing with other messaging channels. This acts as a material competitive constraint and we are witnessing a real behaviour shift, with growing SMS avoidance in response to pricing decisions as well as a desire for a more feature rich messaging experience.
23. Ofcom's failure to capture this multi-channel shift in behaviour, with no recognition within the consultation of the very significant migration away from A2P SMS (either having occurred or in plan), represents a major oversight in the analytical framework used by Ofcom.
24. Ofcom's attempt to define the market as just A2P SMS termination is therefore deeply flawed. A2P SMS is not a market, it is a message transmission technology channel that is competing with other transmission channels for delivery into the default messaging apps of UK consumers. Ofcom's own research rightly recognises the complete substitutability of RCS/SMS/iMessage into one holistic messaging market, accurately reflecting both consumer behaviour and perception, with Ofcom stating elsewhere that: *'For the purposes of this research, respondents were given examples of texts on mobile as including SMS, RCS chat and iMessage.'*⁴²
25. Consumers' conflation of the services into one functioning economic market is evident in much of Ofcom's previous research material on the messaging market. This conflation is clearly demonstrated in both the usage and usability of the Ofcom '7726' 'SPAM' reporting service, where Ofcom note that: *This service primarily captures SMS messages, but MNOs also receive reports of voice calls, RCS, and iMessages reported using the manual (rather than one click) reporting route. ... In reviewing 7726 data, there are also challenges in isolating RCS and iMessage from the SMS messages*⁴³.
26. As Ofcom's consultation recognises, there are a great number of other routes to deliver messages on UK consumer smartphones, but even if Ofcom attaches particular importance to ensuring a message is delivered to a consumer default messaging app, then SMS is no longer an exclusive route, regardless of what operating system is involved. If Ofcom wish to identify a gatekeeper, it is not UK MNOs, it is mobile device operating system owners.
27. In February 2024 European Commission⁴⁴ concluded that Apple should not be designated a gatekeeper in respect of iMessage, given its comparatively low usage compared to other messaging apps like WhatsApp. This outcome would support the logic that iMessage is just one technology transmission channel to an end user device. Even if the market is more narrowly defined as around access to a consumer's default messaging app on their chosen device, it would be the operating system that would be considered the gatekeeper to that inbox, rather than iMessage service itself, as it is the operating system that decides what channels are used to curate the default inbox. iMessage does not have its own application, instead it inhabits a common default messaging inbox with other transmission technologies, including RCS/RBM and SMS. The EU has moved on to consider the wider question of mobile ecosystems in the context of overarching gatekeepers.

⁴² [Call for inputs: Reducing mobile messaging scams](#) [Footnote 60]

⁴³ [Call for inputs: Reducing mobile messaging scams](#) [Footnote 63]

⁴⁴ https://ec.europa.eu/competition/digital_markets_act/cases/202416/DMA_100022_2757.pdf



28. We are of the strong view that the market definition should be set around the delivery of instantaneous messages to UK consumers. Even if Ofcom disagrees and is seeking a narrower definition, the lowest possible market segmentation would be access to the default messaging app of the relevant end-user operating system (iOS or Android). When access is granted to the default messaging app on consumer phones, it cannot be considered as being provided 'alongside' default messaging (for example like WhatsApp or In-App messaging). It requires no additional end user technical expertise and does not require them to undertake any additional steps (like download another app). It offers the same notification settings, and each message will exact the same consumer behavioural response regardless of what technology path/channel was used for it reach that default smartphone messaging box/app.
29. Ofcom's own research has highlighted that WhatsApp is used more frequently by consumers than their default messaging inbox. This high frequency usage means that for most consumers, WhatsApp has become their default messaging inbox by habit. This shift in consumer behaviour is putting A2P SMS at a disadvantage, particularly in younger demographics who are increasingly less likely to care or check their OS default messaging inbox.
30. Under Ofcom's current proposal to define the market as just A2P SMS, Ofcom believe MNOs would need to 'Grant Entry' to third parties to allow them to terminate SMS to MNO allocated number ranges. However, this mischaracterises what occurs from technical perspective. The product consumed by UK citizens is their default messaging inbox. For many consumers this has become WhatsApp, for other it may be the default OS determined inbox. The composition of which channels are allowed to send and receive messages to that OS default messaging inbox is decided by the phone operating system. This has resulted in access already being granted directly into consumer smartphones, with entry available across a range of technology channels. This can only lead us to conclude that A2P SMS can only be regarded as a delivery channel and in no way constitutes a separate economic market.
31. Ofcom has conducted an informal application of the SSNIP test, which, in Ofcom's view, demonstrates that business senders would be unlikely to switch away a sufficient volume of their demand to alternative services, in response to small price increases, over the review period for these alternatives to be included in the market. We believe there is considerable evidence to prove otherwise.
32. As detailed above, there is wealth of publicly available information from a range of sources and sectors of the economy that demonstrate that switching messaging channels is now happening at pace, with MSPs taking a leading role in utilising alternative messaging routes. Ofcom's failure to size the in-app messaging market is a critical flaw. The NHS (which Ofcom mention in the consultation 28 times) now has a detailed plans to migrate most of its messaging volume away from SMS. Likewise, for regulated, consumer-facing financial services businesses the UK's Financial Conduct Authority strongly directs against relying on A2P SMS as the sole means of authentication relegating it to a fall-back option. Similarly, the UK's National Cyber Security Centre recommends that alternatives be used:⁴⁵ *SMS is not the most secure type of MFA, but still offers a huge advantage over not using any MFA. Any multi-factor authentication is better than not having it at all. However, if there are alternatives available that will work for your use case, we recommend you use these instead of SMS.*
33. While the business messaging market is growing, A2P SMS share of that market is in decline, as

⁴⁵ [Multi-factor authentication for your corporate online... - NCSC.GOV.UK](https://www.ncsc.gov.uk/online-identity)



organisations move to other messaging channels. Juniper Research⁴⁶ forecast global SMS revenue will shrink 28 per cent from \$66 billion in 2024 to \$47 billion in 2029. They cite the drop being *due to the rise of commercially available alternatives in the face of rising SMS termination fees and high levels of fraud*. Juniper Research stated *RCS and communications APIs are emerging as alternatives for enterprises currently using SMS for authentication and identity*. In their 2025 report on Business Messaging, Openmind note that *the future of business messaging is at a crossroads, with RCS Business Messaging (RBM) poised to revolutionize communication. Apple's RCS support as a pivotal moment, expected to accelerate RBM adoption significantly*.

34. Even when A2P SMS is retained by an organisation, it is receiving a much lower proportion of that organisations messaging traffic, either through a decision taken by that organisation or by the MSP they use. There is a highly competitive market structure, powered by MSPs that offer a wide range of channel access. Business SMS is just one channel and must compete with other channels for messaging business. As only one price is offered across the entire channel, then SMS pricing is being actively constrained by other messaging channels.

Three Criteria Test

35. Ofcom may only identify a market for the purpose of assessing market power where it considers that all three criteria set out in section 79(2B) of the Competition Act are met:
 - the presence of high and non-transitory structural, legal or regulatory barriers to entry;
 - a market structure which does not tend towards effective competition within the relevant time horizon, having regard to the state of infrastructure-based and other competition behind the barriers to entry;
 - competition law alone is insufficient to adequately address the identified market failure(s)
36. We consider that none of the three test conditions even come close to being satisfied – nor has any market failure that needs to be addressed been identified.
37. Ofcom's market definition is flawed and there are several technology channels open to delivery instantaneous messages to UK consumers either within their default messaging inbox or alongside it. A2P SMS is not a distinct economic market and MNOs are not gatekeepers. Net Neutrality rules provide open access safeguards to a range of different technology channels, giving access to endless forms of messaging options for UK businesses.
38. If access to default mailbox is singled out, then MNOs are not the gatekeepers of this. How it is curated is controlled by the mobile operating system owner. Today, iMessage, RCS, RMB and SMS all provide a route into this default inbox and in the future other routes may become available. Ofcom also fail to recognise that the WhatsApp is the default messaging inbox for most consumers when determined by consumers themselves.

⁴⁶ [Juniper Research tips SMS traffic to ... - Mobile World Live](#)



39. We would reiterate that Ofcom has offered no clear description of the market failure they are seeking to redress, with no reference to market failure within the consultation beyond the contextual description when describing the Three Criteria test. With no evidence of market failure, the risk of regulatory failure through market distortion becomes more likely than not (see, Section 5). In such a case, we would expect Ofcom to exercise its bias against intervention.
40. The long-term future for A2P SMS looks bleak and Ofcom have underestimated the extent of decline within the sector. There is an active push underway in several sectors of the economy to use other means to message end users, with SMS increasingly relegated to a last choice option. Ofcom's reluctance to set a five-year control and instead propose a three-year price cap underlines Ofcom's own doubts about the pace of market development and ever strengthening competitive constraints on A2P SMS.

International Comparisons

41. There is a complete absence in any consideration of how the UK's A2P SMS compares with other similar markets international. There is compelling evidence that the UK remains a price competitive market for A2P
42. The level of A2P SMS termination prices in other countries provides useful context, helping to establish if UK pricing is fair. The UK compares favourably to most developed nations, with pricing either in the same range or lower (sometimes significantly) than most European nations. Ofcom is often keen to use international comparators as part of its work as an evidenced based regulator, however on this occasion there appears to be a real reluctance to do so, as it would not suit Ofcom's proposed conclusion. We find this selective approach to validity of evidence deeply troubling. Please see the Oxera report (Annex 1) for more discussion on the validity of considering international evidence within Ofcom's frame of reference on this matter.



Section 5 - Harm arising from Ofcom's Proposals

Section Summary:

- Ofcom's proposals risk harming the UK Mobile sector, endangering investment and restricting the ability of MNOs to compete fairly against OCS messaging channels, ultimately harming consumers;
- Ofcom's approach fails to meet its own 2023 impact assessment guidelines, lacking any consideration of alternative options to address the concern of aggregators around longer price notifications and improved certainty over wholesale rate changes;
- Ofcom's proposals represent over-regulation. At a time when the UK government and Ofcom's own growth duty emphasises the need to boost economic growth, these proposals would damage the UK mobile sector as it seeks to compete with global messaging platforms.

1. Ofcom have failed to consider the impact of their proposals on UK consumers, with their intervention solely focused on limiting the commercial freedom of MNOs. Any revenues lost through regulatory intervention may have to be made up elsewhere, leading to rising consumer prices in the retail market. There are also significant doubts that Ofcom's intervention will flow through to Ofcom's intended recipients. Many multi-channel business messaging contracts between MSPs / Aggregators and Businesses have their pricing set on multi-year deals on fixed price terms. Ofcom's cap may not have its desired impact, with only one part of the supply chain benefiting, with pricing locked for much of the proposed control period.
2. There are wider concerns around Market Distortion, as by imposing a price cap on A2P SMS termination rates, Ofcom might inadvertently distort the market. This may well lead to unintended consequences, such as reducing the incentives for mobile network operators (MNOs) to invest in their infrastructure, which could ultimately affect the quality of service.
3. Over-regulating is likely to stifle innovation in the business messaging market. If MNOs and other service providers are unable to charge competitive rates, they might be less inclined to develop new and improved messaging services (including Satellite based SMS capability), which could hinder the overall growth and evolution of the market. This would strengthen the competitive position of OCS and in-app players, further weakening A2P SMS as a competitive channel for business messaging.
4. Implementing and enforcing the price cap creates yet another administrative burden for both Ofcom and UK MNOs, further distorting the market. MNOs face several obligations that OCS players don't (such as General Conditions around network availability and access to critical services). Over-regulation creates another operational burden that is completely unnecessary given the level of competitive constraint within the market.
5. Publishing a price cap will also create a material problem for MSPs and aggregators in delivering their business models, with their margins on A2P SMS challenged, helping direct OCS competitors like Meta who can bypass MSPs and Aggregators and sell direct to businesses. This risks undermining the effective functioning of the market and compromising the omni channel approach of MSPs. It creates a danger that Meta's can use its dominance in P2P consumer messaging, allowing them to capture a



material proportion of A2P, by removing it from the contestable market, effectively taking it off the table for aggregator and MSPs, who perform an important role in linking up businesses with messaging solutions and channels. Ofcom's actions create a realistic risk of market distortion, impairing market functioning in the longer terms and allowing OCS P2P players to transfer their dominance to A2P messaging.

6. Ofcom is regulating in the wrong place. Ofcom's 2022 Digital Work plan promised a comprehensive review of the wider messaging market, yet Ofcom have failed to deliver that. Instead, this consultation has a narrow, siloed focus that has failed to take proper account of the wider market and commercial context. With such significant use of alternative messaging platforms like WhatsApp, RCS, iMessage, and others, the regulation completely fails to address the broader competitive dynamics in the UK business messaging market.

Failure to meet the standards set out in Ofcom's 2023 Impact Assessment Guidelines

7. Ofcom's 2023 Impact Assessment guidance provides an important framework for ensuring Ofcom's work is adheres to key standards to ensure it is reasoned, justified and evidence. We believe the consultation falls short in two significant additional respects:

- **Insufficient Consideration of Alternatives:** The updated guidance emphasises the importance of considering alternative regulatory approaches to achieve objectives with minimal intervention. Ofcom's impact assessment has not sufficiently considered alternative regulatory approaches that could achieve the same objectives without the potential negative consequences. For example, seeking a voluntary commitment to improve pricing certainty and predictability.
- **Underestimation of Market Dynamics:** The assessment has underestimated the dynamic nature of the business messaging market. With rapid technological advancements and changing consumer preferences, the market could self-regulate more effectively than through imposed price caps. Key publicly accessible evidence has not been collated to better understand how consumers both receive messages and how businesses procure messaging services.

8. Ofcom's impact assessment guidance highlights the need to assess the dynamic nature of markets and consider both qualitative and quantitative impacts. The consultation appears to underestimate the evolving nature of the business messaging market, particularly the increasing use of alternative messaging platforms like WhatsApp and iMessage. This oversight is very likely to lead to regulatory measures that are not aligned with current market trends and consumer preferences.

Ofcom's Growth Duty

9. The UK Government's new approach to ensure regulators and regulation support growth *the Government has recognised that regulation can influence investment incentives by affecting the expected future returns of potential investments, and the uncertainties associated with making those investments. We are therefore taking steps to clarify aspects of our future regulatory approach to encourage investment and help MNOs and others to better navigate the uncertainty generated by changing market conditions*⁴⁷.

⁴⁷ [New approach to ensure regulators and regulation support growth \(HTML\) - GOV.UK](#)



10. While the growth duty is name checked in the consultation, there is little discussion around its application. The most concerning aspect of Ofcom's proposed approach relates to Ofcom's failure to conduct its planned market study on OCS, while seeking to regulate UK based MNOs who provide just one messaging channel in a very crowded business messaging market, in direct competition with overseas based OCS providers. Ofcom's conclusion is to regulate UK MNOs, with no effort expended to regulate OCS players. This proposed intervention is evidently harmful to a significant sector of the UK economy and there is no evidence presented on how such a one-sided approach would benefit UK consumers. Constraining one set of UK based suppliers, while leaving other overseas players unconstrained isn't in the interests of the UK or its consumers.

11. In a speech in February 2025 to techUK entitled 'Regulating for network growth'⁴⁸, Natalie Black CBE, Ofcom's Group Director for Networks and Communications, placed significant emphasis on Ofcom's growth focus being firmly on the sectors it regulates, including helping networks grow and prosper: *From the ground beneath your feet, to the phone in your pocket, to the satellites that circle the Earth, we want to be a regulator that backs growth and supports the new networks that keep Britain connected.* Ofcom's proposed Business Messaging approach contradicts this aspiration and proposes a disproportionate intervention that is harmful to UK MNO sector growth and investment.

⁴⁸ [Speech: Regulating for network growth - Ofcom](#)



Q&A

Question 1: Do you agree with our provisional conclusion regarding market definition? Please provide reasons and evidence in support of your views.

No. Ofcom's market definition is deeply flawed and fails to take account of the large and accessible range of messaging channels available in the UK or properly reflect consumer and business behaviour, including the extensive use of MSPs which help businesses navigate a range of messaging channels. The appropriate economic market is one that should reflect the delivery of near instantaneous messaging to consumer smartphones. Please refer to the main body of our submission for more detail.

Question 2: Do you agree with our provisional conclusion regarding SMP? Please provide reasons and evidence in support of your views.

No. Given the wide range of messaging channels available to UK businesses to reach consumers and the accelerated plans by many organisations to relegate SMS further down their default messaging channel stack, there is no evidence of Significant Market Power or market failure. UK businesses can reach consumers without reference to SMS should they wish, with MNOs not acting as a bottleneck as data connectivity to UK smartphones provides a limitless number of options for message delivery from in-app, OCS to RCS/iMessage. Please refer to the main body of our submission for more information.

Question 3: Do you agree with our provisional conclusion regarding the three-criteria test set out in section 79(2B) of the Act? Please provide reasons and evidence in support of your views.

No. Ofcom have completely failed to justify why the threshold has been met in each of the three elements of the test. Please refer to the main body of our submission for more information.

Question 4: Do you agree with our provisional view that setting a price cap on A2P SMS termination rates (based on historical pricing with indexation) would be the most appropriate and proportionate response for addressing our competition concerns arising from SMP (identified in section 5)? If not, please explain why.

No. Such an unjustified and interventionist approach is completely at odds with the Government's desire to see economic growth through de-regulation. Ofcom's decision to constrain UK MNOs commercially while they compete head-to-head with overseas-based OCS messaging platforms is act of self-harm for the UK economy. Ofcom's proposals lack detailed evidence that would justify such an intervention, with significant over-reliance on two modest consumer and business research surveys which highlight the value of SMS in the eyes of UK business. There is a significant body of evidence already in the public domain that demonstrates the range of alternative communication channels and their growth, with significant switching plans underway. Ofcom's failure to conduct its planned comprehensive OCS market study is regrettable and has not been adequately explained. Annex 2 highlights the legal weaknesses in Ofcom's approach and we do not believe it would be sensible for Ofcom to progress with these proposals. Please refer to the main body of our submission for more information.

Question 5: Do you agree with our provisional view that Option 2 would be effective in addressing the risk (identified in Section 5) that terminating MCPs have the ability and incentive to set and maintain prices for the termination of A2P SMS at an excessively high level, while Options 1 and 3 would not fully



address that risk? If not, please explain why.

No. There is no justification to commercially constrain UK MNOs while failing to conduct a holistic review of the wider business messaging market. There are material competitive constraints on A2P SMS pricing, and we are already seeing a significant change in business behaviour, with SMS deprioritised as a messaging channel. Please refer to the main body of our submission for more information.

Question 6: Do you agree with our proposal to set the price cap at a level based on an average of the four large MNOs' December 2020 prices, adjusted using CPI? If not, please explain why.

No. Ofcom should not be seeking to intervene in a market where significant commercial constraints exist to restrict pricing. This is a clear case of over-regulation and Ofcom's over reliance on two small consumer and business studies fails to provide a robust evidence base for action. Please refer to the main body of our submission for more information.

Question 7: Do you agree with our impact assessment? If not, please explain why.

No. Ofcom has failed to adhere to its own 2023 Impact Assessment Guidelines and as failed to consider alternative approaches to address any perceived problems. The evidence offered to justify the intervention is poor, with significant and highly relevant publicly available evidence ignored. Ofcom's failure to size the in-app messaging market and project future volumes is a material error. Please refer to the main body of our submission for more information.

Question 8: Do you agree with our assessment of the potential impacts on specific groups of persons, as set out in paragraphs 2.36-2.37? If not, please explain why.

No. Ofcom's proposals are likely to harm the competitive position of UK MNOs and UK consumers. Ofcom have failed to adopt a technology neutral approach. Ofcom's failure to conduct a market study into OCS providers is a material shortcoming. Please refer to the main body of our submission for more information.

Question 9: Do you agree with our proposal for a three-month implementation period following the publication of our final Statement? If not, please explain why.

We urge Ofcom to reconsider its proposals in full. There is insufficient evidence to justify an intervention on this scale and material evidence around changes in the market and consumer behaviour have not been considered as part of Ofcom's pre-consultation thinking. Should Ofcom wish to improve pricing certainty and predictability for aggregators they should seek voluntary commitments from MNOs. This would be a more proportionate means of addressing the concerns brought to Ofcom by the aggregator community.