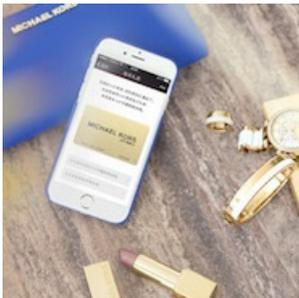


MOBILE

## Why messaging apps saw the biggest mobile wins in 2015

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*Michael Kors WeChat platform*

By [Alex Samuely](#)

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While innovations such as digital payments and new social media networks gained plenty of traction this year, messaging applications were the real winners in mobile, thanks to adaptability that yielded features such as money transfers and ordering Uber rides.

Mobile messaging has experienced a meteoric rise in 2015, boosted by the worldwide popularity of apps such as WhatsApp, Viber, WeChat and Facebook Messenger. The real key to mobile prowess, however, has been the messaging sector's willingness to integrate new features that add value and utility to users' lives, including options to transfer funds across the globe and leverage apps to rectify of-the-moment customer service concerns.

"The biggest mobile marketing win in 2015 is the category itself," said Scott Nelson, head of North America for [Viber](#). "The mobile messaging space is becoming THE space.

"The technology, functionality and quality are continuing to evolve," he said. "There are constantly new products coming from various players in various markets.

"We are all learning from each other, everyone in the category is making each other better. 2016 will be a big year for the space."

### Increasing capabilities

Whereas messaging apps were solely used for speaking to friends and family in previous years, the rapid mobile evolution has caused them to become more adaptable and integrated with a slew of other digital-friendly tools.

Ridesharing service Uber's new partnership with Facebook Messenger means that users will now be able to order a vehicle to take them to their designated location without having to download the Uber app or disrupt their current activities within Messenger.

"The key messaging apps have each evolved their product over 2015," said Shuli Lowy, marketing director of mobile at [Ping Mobile](#). "Both Facebook Messenger and WhatsApp have incorporated mobile payments which is a natural progression of an app that helps people communicate with each other day-to-day.

"Facebook Messenger's push to incorporate Uber into its messaging feature as well as build a UI assistant demonstrates the company's push to making the app a dynamic center of messaging and planning," she said. "Ultimately, the key to growth in the messaging space is about providing the best service to end users.

"The services that provide the best UX with the best-suited add-ons will have the best chance at getting market share."

#### *Facebook and Uber have now teamed up*

Another Messenger feature, still in pilot mode, is a virtual assistant called M that performs tasks for the user such as scheduling appointments or dialing phone numbers. Consumers' usage of search engines may dwindle if M goes mainstream in the next year or so, as it will be able to cater to almost any question or request an individual types into Messenger's chat box.

Meanwhile, a growing number of brands are teaming up with Facebook Messenger after realizing its potential as a communication channel for offering customer service and building personal relationships with mobile users ([see story](#)). Hyatt and Sprint in particular have joined forces with the app to solve customer service issues in real-time and be more accessible to consumers in need.

"The mobile messaging space is growing rapidly," Viber's Mr. Nelson said. "But, more importantly, the focus in 2016 will continue to be on consumers, providing the right experiences and giving them what they want.

"You've got to be light and nimble, yet, at the same time, ensure you are delivering a product your user wants," he said. "The landscape is evolving every day.

"Each and every player is trying to figure out ways to better their product. Some are going about that in a strategic manner, but a lot are not and are just throwing things on a board and hoping something sticks."

#### **Tiptoeing into commerce**

U.S. consumers are finally getting their first taste of messaging apps that offer the ability to send payments around the world, order food with just a few keystrokes and even play beacon-powered in-store games.

Western Union is bringing global money transfers to the forefront by enabling WeChat app users in the United States to distribute funds to 200 countries and territories via the messaging service ([see story](#)).

Additionally, Chinese-American supermarket chain 99 Ranch Market recently leveraged a beacon-powered mobile game that shoppers could play via WeChat for a chance to win in-store prizes ([see story](#)).

#### *WeChat has expanded into food delivery options*

WeChat, a behemoth in the messaging space for many Asian consumers, has also forayed into mobile ordering and delivery, enabling users to peruse nearby restaurants, receive exclusive deals and pay for takeout without having to leave the app.

This suggests that messaging apps that have not yet branched outside of their initial offerings will find themselves at a severe disadvantage when 2016 rolls around.

"While some brands have created a broader CRM strategy through WhatsApp, most of them haven't," Ping Mobile's Ms. Lowy said. "That shouldn't come as a surprise because the platforms have not provided a welcoming landscape for brands to do that.

"While it's understandable that the messaging apps have been focusing more so on customer acquisition than providing opportunities for brand marketing, they will eventually hit a point where they need to create a stronger monetization strategy," she said. "Monetization in apps generally comes from subscription payments, in-app transactions, or advertising.

"Perhaps in the coming year we'll get a better sense of the long-term monetization strategy of the messaging apps."

#### **Final Take**

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