

Comparative survey on Latest Mobile application for Customer Preference

Muftahu Baba Abubakar^{#1}, Hasheem Barau Danbatta^{*2}, Abdullahi Uwaisu Muhammad^{#3}

[#]Student & CSE & Sharda University
Greater Noida

Abstract— with the recent \$19 billion cash acquisition of WhatsApp by Facebook, the \$900 million market acquisition of Viber, and the \$1 billion acquisition of WeChat, it is clear that companies successful on mobile are valued extremely highly. Despite their high valuations, none of these companies are profitable; their value is based on number of users and user growth. There is a market for mobile that has even larger user bases, with even faster user growth, managing to actually generate significant revenues; mobile messaging applications. In this competitive environment it is of utmost important for the managers to be rational concerning about the each and every aspect of marketing of the products in order to take any decision which would further foster the growth and development of the company. And for doing so, they must have the holistic view of all the marketing strategies, so by considering the future responsibility of us; we have made fine efforts to make qualitative research. Our proposed we found it relay tough and interesting task to analyze “Comparative study on the latest applications for customer preference.”

Keywords— Social messaging, market valuation, mobile messaging, platform.

I. INTRODUCTION

Mobile applications (apps) have been gaining rising popularity due to the advances in mobile technologies and the large increase in the number of mobile users. Consequently, several app distribution platforms, which provide a new way for developing, downloading, and updating software applications in modern mobile devices, have recently emerged.

A mobile application is a software application designed to run on smart phones, tablet computers and other mobile devices. They are usually available through application distribution platforms, which are typically operated by the owner of the mobile operating system, such as the Apple App Store, Google Play, Windows Phone Store, and BlackBerry App World. Some apps are free, while others must be bought by usually, they are downloaded from the platform to a target device, such as an iPhone, BlackBerry, Android phone or Windows Phone, but sometimes they can be downloaded to laptops or desktops. For apps with a price, generally a percentage, 20-30%, goes to the distribution provider (such as iTunes), and the rest goes to the producer of the app.

Instant messaging has become the killer app on mobile as smart phone adoption has grown across the globe and the Indian scene is no exception. Three out of every four smart phone user in India is now high on mobile chatting making the market a lucrative one for chat app companies.

WhatsApp reigns supreme among mobile chat app with about 76% of smart phone users in India using it to text each other, revealed a recent study on Smartphone usage in India by Informant Mobile Intelligence.

II. DIFFERENT SOCIAL MESSENGER APPLICATIONS

A. WhatsApp

WhatsApp Messenger is a proprietary, cross-platform instant messaging service for smart phones. In addition to text messaging, users can send each other images, video, and audio media messages. The client software is available for Android, BlackBerry OS, BlackBerry 10, iOS, Nokia-Series 40, Symbian (S60), and Windows Phone.

B. Face Book

Facebook is an online social networking service. Facebook was founded in February 2004 by Mark Zuckerberg with his college roommates and fellow Harvard University students Eduardo Saverin, Andrew McCollum, Dustin Moskovitz and Chris Hughes. The founders had initially limited the website's membership to students of the University of Harvard, but later expanded it to colleges in the Boston area, the Ivy League, and Stanford University. It gradually added support for students at various other universities before it opened to high school students, and eventually to anyone ages 13 and over. Facebook now allows anyone who claims to be at least 13 years old to become a registered user of the website.

C. Wechart

WeChat (Chinese: 微信; pinyin: Wēixìn; literally "micro message") is a mobile text and voice messaging communication service developed by Tencent in China, first released in January 2011. The app is available on Android, iPhone, BlackBerry, Windows Phone, and Symbian platforms. WeChat provides multimedia communication with text messaging, hold-to-talk voice messaging, broadcast (one-to-many) messaging, photo/video sharing, location sharing, and contact information exchange. WeChat supports social networking via shared streaming content feeds and location-based social plug-ins ("Shake", "Look Around", and "Drift Bottle") to chat with and connect with local and international WeChat users.

D. Skype

Skype is a freemium voice-over-IP (VoIP) service and instant messaging client that is currently developed by the Microsoft Skype Division. The name originally derived from

"sky" and "peer". Skype was first released in August 2003; it was written by Estonian developers Ahti Heinla, Priit Kasesalu, and Jaan Tallinn, Danish Janus Friis, and Swedish Niklas Zennström, who had also originally developed Kazaa. Skype had 663 million registered users as of the end of 2010. It was bought by Microsoft in 2011 for \$8.5 billion.

E. Twitter

Twitter is an online social networking and micro-blogging service that enables users to send and read "tweets", which are text messages limited to 140 characters. Registered users can read and post tweets but unregistered users can only read them. Users access Twitter through the website interface, SMS, or mobile device app. Twitter Inc. is based in San Francisco and has offices in New York City, Boston, and San Antonio.

F. Line

Line is a Japanese proprietary application for instant messaging on smartphones and PCs. Line users exchange text messages, graphics, video and audio media, make free VoIP calls, and hold free audio or video conferences. Line, launched in Japan in 2011, reached 100 million users within eighteen months and 200 million users only six months later.

Line was originally developed as a mobile application for Android and iOS smartphones. The service has since expanded to BlackBerry (August 2012), Nokia Asha (Asia and Oceania, March 2013), and Windows Phone (July 2013). The application also exists in versions for laptop and desktop computers using the Microsoft Windows and Mac OS platforms.

G. Viber

Viber is a proprietary cross-platform instant messaging voice-over-Internet Protocol application for smartphones developed by Viber Media. In addition to text messaging, users can exchange images, video and audio media messages. The client software is available for Mac OS, Android, BlackBerry OS, iOS, Series 40, Symbian, Bada, Windows Phone, and Microsoft Windows. Viber works on both 3G/4G and Wi-Fi networks. It first requires installation on a phone in order to work on a desktop operating system environment. Viber reached 200 million users as of May 7, 2013. It was founded and co-owned by four Israeli partners: Talmon Marco, Igor Megzinik, Sani Maroli and Ofer Smocha. Talmon Marco serves as its CEO. On 14 February 2014, the startup was acquired by Rakuten for \$900 million.

III. FUTURE OF MOBILE MESSAGING

A. Premium content, brand development, gaming, and in-app payments offer revenue generation possibilities

Most apps are focusing on growing its user base and improving the core product with new features, hoping the money will follow. The market valuation of Twitter, the acquisition of WhatsApp & Instagram by Facebook, and the offers for SnapChat from Facebook and Google, suggest that this may be the right strategy, with user growth more highly

valued than revenues or profitability. Like search and social applications before it, mobile messaging applications have not been instantly lucrative. Advertising became the dominant business model in both of these areas, but it is unlikely that advertising will be able to generate the mobile revenues that it was able to do on the PC. The small form factor means display advertising can be more irritating than relevant. Almost all mobile messaging applications are avoiding advertising, and are exploring different ways of generating revenues. Four different business models are being explored by market participants.

Charging for premium content such as wallpapers, stickers, and themes has emerged as the de facto way to generate revenues. Not only does premium content improve the customer experience, it is not intrusive and can be a way for brands to interact with customers. Almost all apps are offering premium content in one way or another. Allowing brands to use the platform has emerged as a potential new revenue stream. With official accounts, brands and merchants can connect and interact with fans and customers in a personal and real-time fashion. The possibility of the integration of location-based services such as iBeacons from Apple or Bluetooth Low Energy will enable business to reach their customers at increasingly relevant times driving online and offline purchases.

Gaming and platform SDKs is another revenue stream that has proven to be lucrative for both LINE and KakaoTalk. In-game purchases and the social nature of the platforms offer a very sticky experience and is possibly the only revenue stream that builds an ecosystem of users, developers, and business around the platform. The success of gaming on mobile messaging suggests a real opportunity for these companies to develop into fully fledged content distribution platforms, and further monetizing users. It is not a leap to imagine mobile messaging companies offering music or television clips, and charging content makers for referrals, or even offering full albums, books, or films.

B. The companies that expand beyond messaging and develop a content distribution platform will win in this market

The mobile messaging application market is possibly the hottest in technology right now. As internet giants Google, Facebook, and Yahoo attempt to monetize users on mobile, messaging applications are exploring a variety of different ways to generate revenues. It is clear that the advertising model that worked so well in the PC era will not be as successful on mobile. Instead, new innovative business models are emerging.

Three different ways to monetize users have emerged in the mobile messaging market; distribution of premium content, the platform as a brand building tool, and gaming and in-app purchasing. These monetization techniques take applications beyond the discrete world of mobile messaging into the infinite possibilities associated with mobile distribution platforms. Many apps use a variety of these monetization techniques, and each technique has different regional

dynamics. Stickers, for example, are far more popular in Asia than they are in North America and Europe.

In today’s mobile world, generating revenue is almost of secondary importance to user engagement and user growth, so a balance must be struck between monetization and customer experience. The key to success for these companies will be to provide rich and diverse content, and to build an ecosystem around the application. The platform must provide much more than just messaging with friends.

This ecosystem will serve to build a sense of loyalty and stickiness, creating a barrier for the user to leave for another application. The market opportunity is huge, according to Ericsson, as there were 1.9 billion smart phones at the end of 2013 and by the end of 2019 there will be 5.6 billion. For those companies that can attract and retain users, the revenue potential is virtually limitless.

IV. FUTURE OF MOBILE MESSAGING

A survey of 3,759 Android and iOS Smartphone owners in the US, Brazil, South Africa, India and China, carried out by mobile market research company On Device Research, reveals that Facebook Messenger no longer leads in social messaging.

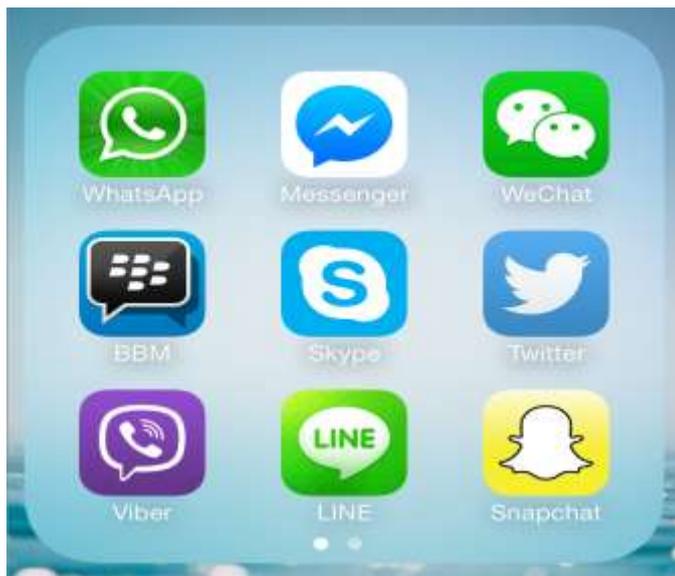


Fig. 1 Mobile Applications

- WhatsApp has overtaken Facebook as the leading social messaging service on mobile, according to a research by On Device.
- A survey found that 44 per cent use WhatsApp at least once a week, whereas just 35 per cent use Facebook messenger.
- The report also confirmed that social messaging apps – including WeChat, Twitter,

BBM and Skype – are the dominant way in which people communicate on their phone.

- It found that 86 per cent use social messaging daily, while 73 per cent use their phones for voice calls, 75 per cent use SMS messages, and 60 per cent use email.
- Social messaging app use in at least once a week; in US, Brazil, China, South Africa, Indian Smartphone

Owners popularity of WeChat is mostly driven by China



Fig. 2 comprise of whatsApp, Facebook and WeChat

The application is free today but may not be tomorrow or so the talks go around.

As far as the facilities provided are concerned, WhatsApp today does not provide the option of ‘Calling’ (although its logo has a phone receiver inscribed in the centre!). It may have this in future. With the technology growing in leaps and bounds, we may also expect a Skype-like free video call via WhatsApp. What has been a user-friendly, connectivity application till date may take a turn towards shared-information holding platform like Drop box, meaning people may not only be able to chat on WhatsApp but also share and store common data.

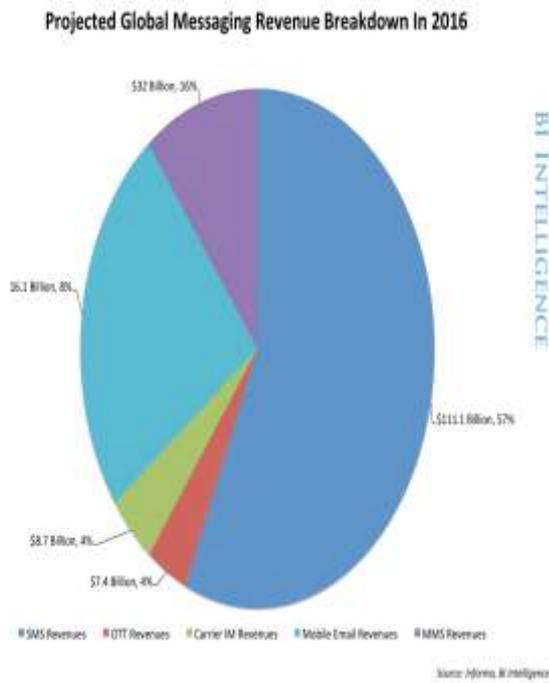


Fig. 3 Revenue Breakdown

V. FUTURE WORK AND CONCLUSIONS

WhatsApp has been in market for quite some time and is being used by most and offers functionality like text based messaging and files transfers. WhatsApp is clearly emerging as an alternate for SMS and MMS messaging. Demographic ratio does not affect the usage of WhatsApp.

The word of mouth has given great advantage to aware the customers about the products. With increasing smartphone market WhatsApp has captured the market but company has to keep innovating to maintain the satisfactory level of existing customers. Because with given enough time WeChat, Line are a capable product and in the future they hold the potential to overtake WhatsApp, unless some new innovations is adopted by the world leader in messengers.

REFERENCES

- [1] NareshK. Malhotra, "Marketing Research: An Applied Orientation"4th Edition. Prentice Hall, 2004.
- [2] Philip Kotler, Kevin Lane Keller, Abraham Koshy, MithileshwarJha., "Marketing Management – A south Indian perspective"- 13thedition.Pearson Education, 2009.
- [3] <http://en.wikipedia.org/wiki/WhatsApp>
- [4] http://www.wikiswot.com/SWOT/4_/Whatsapp.html
- [5] <http://in.news.yahoo.com/whatsapp-19-billion-bet-facebook-050220867.html>