

From App to Super App: How to Rapidly Expand Features & Functionality to Stay Competitive

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# Introduction

Every super app has to start somewhere. Super apps have originated from courier services, payment platforms, rideshare platforms, big box stores, airlines, food delivery services, social media platforms and bookstores, to name a few. And more recently, companies have set out to go super from the start, merging two or more of the above into a single app.

What is a super app, you ask? It's a 'super' mobile application that provides a set of experiences that complement one another, putting various offerings — access to goods, services and banking — all in one place. In other words, it's a self-contained collection of commerce and communications solutions tied together by payment or financial transaction processing.

The one common denominator for all super apps is that they are exceptional technology products that seamlessly integrate dozens of services into a simple user experience. But building this kind of technology is full of engineering and design challenges, like managing app size, implementing predictive analytics, efficiently onboarding third-party vendors, broadening existing features and designing the right customer experience.

We'll explore these engineering and design challenges in the second half of the whitepaper, but first, we'll take a look at some of the most successful super apps and focus on what's driving their amazing growth. By the end of this paper, you'll be more familiar with what you're up against in the super app market and how to be successful by building the best technology with a world-class user experience.

# Taking Stock of Super Apps & Where They Started



**Monthly active** 

cloud services.

Started as a messaging app and has now evolved to feature e-commerce, gaming, travel planning, e-wallet, bill payments & loans, and WeChat business with marketing, CRM, paywalls and much more.

Started as a prepaid mobile and DTH recharge platform and has now evolved to offer financial services, e-commerce and

Paytm 350M Active users

Asia Pacific



Started as a search engine but evolved during the 2020 pandemic to offer ride-hailing, food delivery, e-commerce, and video streaming.

<u>R</u>ussia



Started with Jumia Travel & Jumia Food but later consolidated to Jumia One, offering bill payments, cellular data plans, food delivery, travel booking and e-commerce.

Africa



Started as a food and grocery delivery platform and has evolved to offer e-commerce, pharmacy, finance, gaming and travel services.

Started as a banking app and has now evolved to include credit, investments, insurance, delivery and e-commerce.



Latin America

Uber 93M Started as a car hailing service and has now expanded to offer micro mobility (bikes & scooters), boats, food delivery and wallet services.

Started as a platform for transferring money and has evolved to offer online invoicing, inventory tracking, express checkout, a mobile card reader and more.



US/Canada

### Revolut 15M Users

Started as a travel card providing cheap exchange rates and has now evolved to offer banking services, debit cards, stock trading, cryptocurrency exchange, fee-free currency exchange, phone and travel insurance, travel booking and peer-to-peer payments.

Europe

Started as a ride hailing app and evolved in 2020 to offer food & parcel delivery, payments and ride hailing services. Careem
48M
Users

Middle East



# Everybody Wants to be Super

With the super app revenue opportunity expected to reach \$23 billion by 2025, everyone wants a piece of the pie. While the opportunity is massive, experts have long argued that the super app trend won't catch on in all geographies due to consumers' privacy concerns and a high level of comfort with using multiple apps.

Despite these arguments, Google, Amazon and Facebook have expanded their in-app offerings to get into the super app game. Many grocery and retail giants have also entered the conversation. For example, Facebook has perhaps the most public ambitions to become a super app, with an existing product already in India. As another example, Walmart is well-positioned to expand into the super app realm due to its notoriety and supply chain network, but Instacart poses a challenge given its market share for grocery delivery in the US.

It's a numbers game, with companies needing to decide if expanding their offerings will attract enough users and generate enough revenue to be worth it in the long run. Today's biggest companies have the most money to invest in this expansion, but not every augmentation of services should be considered 'super' unless it includes a banking or payments element to connect the experiences.

Interestingly, today's super app market is dominated not by US-based tech giants but by newer companies from diverse, developing countries. According to one writer, "Super apps are like governments collecting sales tax" because they unite many third-party businesses within a single app and offer consumers the freedom to choose. The biggest, most successful super apps don't care so much about their brand equity as they do about giving consumers access to as many brands as possible — restaurants, rides, grocery and convenience stores, social media platforms and collecting their share of the profits.

So, what's driving the demand for super apps? A recent statistical report shows that "the average person uses nine mobile apps per day and 30 apps per month." Integrating those nine apps into one super app is a winwin proposition for the user and the business, increasing convenience, providing time/cost savings and offering a better user experience. From food delivery to travel booking to e-commerce to doctor's visits, super apps make it possible to access everything we want and need all in one place.

The growth of global connectivity is also driving super apps forward. In Africa, the height of the pandemic <u>induced a 20% increase</u> in app installs. With smartphone connections in Africa <u>expected to double by 2025</u>, the app economy will grow further.

These trends will only continue, making transitioning to a super app critical to capture more market share and increase overall app usage in these times of extensive reliance on technology.

# Solving Key Engineering & Design Challenges to Capitalize on the Promise of Super Apps

Regardless of where you're positioned in the super app market, if you want to start being competitive — or stay so — you need to prioritize solving engineering and design challenges and incorporating major trends. What follows is a dive into some of these challenges and trends, plus some pointers on how to implement them successfully.

### Take a microservices approach to development

Microservices is the cornerstone of a super app because it allows you to create an ecosystem of services, each exposing a set of features (APIs) that apps can consume and third-party players can hook into and integrate their offering.

This approach allows any super app to grow in any direction it chooses with autonomy and scalability — two inherent characteristics of microservices. It's fair to say that this architecture pattern increases the complexity of any solution, but the benefits far outweigh the negatives. Of course, having the right partner for building such complex solutions is critical in the success of a microservices approach.

# Predict customer choices with recommendation systems

A great way to improve the experience for users is by implementing a system to recommend relevant products and services based on their habits. Don't stop at showing users their recent activity and orders — actually predict what they want next based on these trends and increase cart size in the process! To do so, you'll need to implement the right data strategy to feed personalization engines such as AWS Personalize or Google's Recommendations Al. Also, consider the pros and cons of the two main filtering approaches — content-based filtering and collaborative filtering — to decide which recommendation system is best for you.

# Leverage targeted marketing & personalization to increase customer loyalty

Another significant opportunity is appropriately leveraging the data obtainable from super apps and the recommendation strategy described above to offer personalized customer experiences. Merchants who lack their own digital platform or overall footprint can rely on a super app for improved targeting, loyalty programs and customized offers that are inspired by the most up-to-date customer data. Plus, as your app expands its offerings, you have a treasure trove of data to rely on to personalize new experiences and market what's most relevant to the right user at the right time.

### Harness the power of the cloud

Moving your workloads to the cloud can increase your super app's flexibility, agility and resilience. The integration of several offerings in one app requires integrating a variety of technologies, with multiple programming languages and

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various cloud providers all powering your solution. Nowadays, everyone and everything is on the cloud, and managing multi-cloud solutions is a day-to-day challenge. To learn more about taking a multi-cloud approach and how a cloud-agnostic vendor can help you optimize your cloud implementations, check out our blog for insights.

### Broaden & innovate features

Innovation is essential for super apps in the race to evolve and provide unique experiences for customers while increasing revenue. This means you need to be quick on your feet, adding new features to deliver improved service and increase profits for merchants on the platforms. Here are some examples of what innovation may look like:

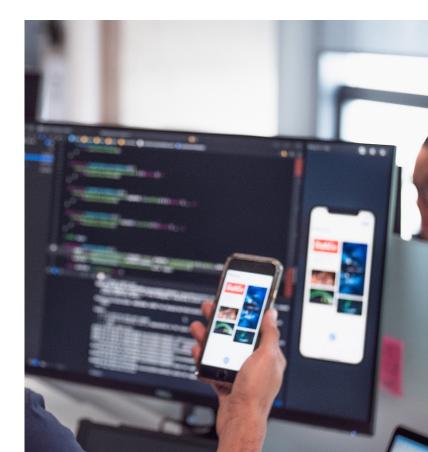
- Pulling photos into the app to improve the attractiveness of merchants and goods/ services offered
- Leveraging order data to help businesses prepare for demand (i.e., restaurants & e-commerce stores)
- Optimizing app experience to offer faster order creation, response time and delivery
- Redesigning the tips mechanism to encourage users to tip couriers and lower overhead costs for your business
- Improving order delivery and customer satisfaction by integrating with delivery partners to enable users to choose an exact time slot

Unlocking these innovations relies on having access to engineering expertise and flexible architecture to support the rapid release of new and expanded features.

### Develop across platforms

There's no one-size-fits-all approach to super app development, but developing across platforms with a single codebase for Android and iOS is definitely a best practice. This dramatically improves the development experience (just one repository, one environment setup, one installation) and saves development time by avoiding implementing features twice, solving bugs twice, refactoring the code twice — you get the picture.

Suppose you are building a web application too. In that case, technologies like React JS and React Native help maintain the same technology stack, leading to a single engineering team for both applications (web and native), decreasing the complexity of the context switch and making it easier to keep both applications consistent. Furthermore, considering the size of the codebase of a super app, having a single repository for the native application and a development team with strong communication skills are essential for reaching success faster.



# Enable merchant set-up self-service & offer useful tools

To maximize the number of merchants using your app, set up a way for them to build and personalize their pages. For example, make it easy for a restaurant to add itself to your food delivery app, upload their menu and add photos by automating data ingestion from their website or another app. Furthermore, offer useful tools like an in-app customer relationship management (CRM) feature to attract merchants and increase the stickiness of your super app. This component helps your merchants nurture their customer relationships without ever leaving your platform, optimize inventory based on customer preferences, send marketing messages and much more.



### Optimize the user experience for consumers

A clean, easy-to-use interface is essential for all apps, especially super apps combining multiple services in one place. You should prioritize creating simple experiences to better onboard and retain customers, such as making sign-up easy by integrating your super app with popular social media platforms. To improve the user experience, follow top trends like using visuals that reduce eye strain, implementing more engaging swipe experiences and increasing immersion through AR and VR.

### Reduce app size

One of the many reasons customers love the idea of super apps is the opportunity to save phone memory and access a variety of services under one umbrella, ultimately getting an all-inone experience. You need to ensure your apps stay relatively small-sized as they grow and add new features. For some food for thought, we recently shared <u>some insights</u> on how our team helped optimize app size for Rappi, one of Latin America's biggest super apps.

### Improve development & business decisionmaking with data dashboards

Trying to decide where to invest your current resources or what features to develop next? Need insights to help you get insights on your top or recently acquired merchants? Data dashboards help establish a single source of truth for the organization on user demographics, behavior, profit margins, merchant performance and much more. Data pipelines, data warehouses and data lakes are great examples of technology solutions that can help you collect and structure the available data to build these data dashboards.

# How to Build a Better Super App Faster & Win More Market Share

Businesses that are best positioned to build super apps have three things in common: a substantial user base, technical expertise in building apps with an excellent user experience and high levels of customer trust. If this sounds like you, you could be missing out on the significant revenue opportunities that come with entering new markets with expanded service offerings.

However, it can be challenging to do so without the right engineering and design team. At Wizeline, we partner with leading technology companies, helping to innovate and optimize proprietary technologies to reduce costs, increase revenue and provide an unforgettable user experience. Working with a technology partner like Wizeline ensures that you build and maintain a high-quality super app quickly and efficiently with the following attributes:

- Flexible microservices architecture to support rapid app expansion
- The right mix of multi-cloud/hybrid cloud environments
- Innovative merchant tools to increase stickiness and revenue
- World-class user experience following the latest trends
- Data-driven personalization for customers and improved decision-making for the business

Ready to build or improve your super app? Contact us today to get started!

## About Wizeline

Wizeline is a global technology services provider, building high-quality digital products and platforms for global enterprises and scaling startups. Our diverse and inclusive culture, continued investments in the latest skills and technology training, and focus on creating valuable outcomes for our customers sets us apart from more traditional services providers. If you'd like to learn more, please visit <a href="https://www.wizeline.com">www.wizeline.com</a>.

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