

SUPER APPS:

How to Rapidly Expand Features & Functionality
to Stay Competitive in 2023

August 2023
GUIDE

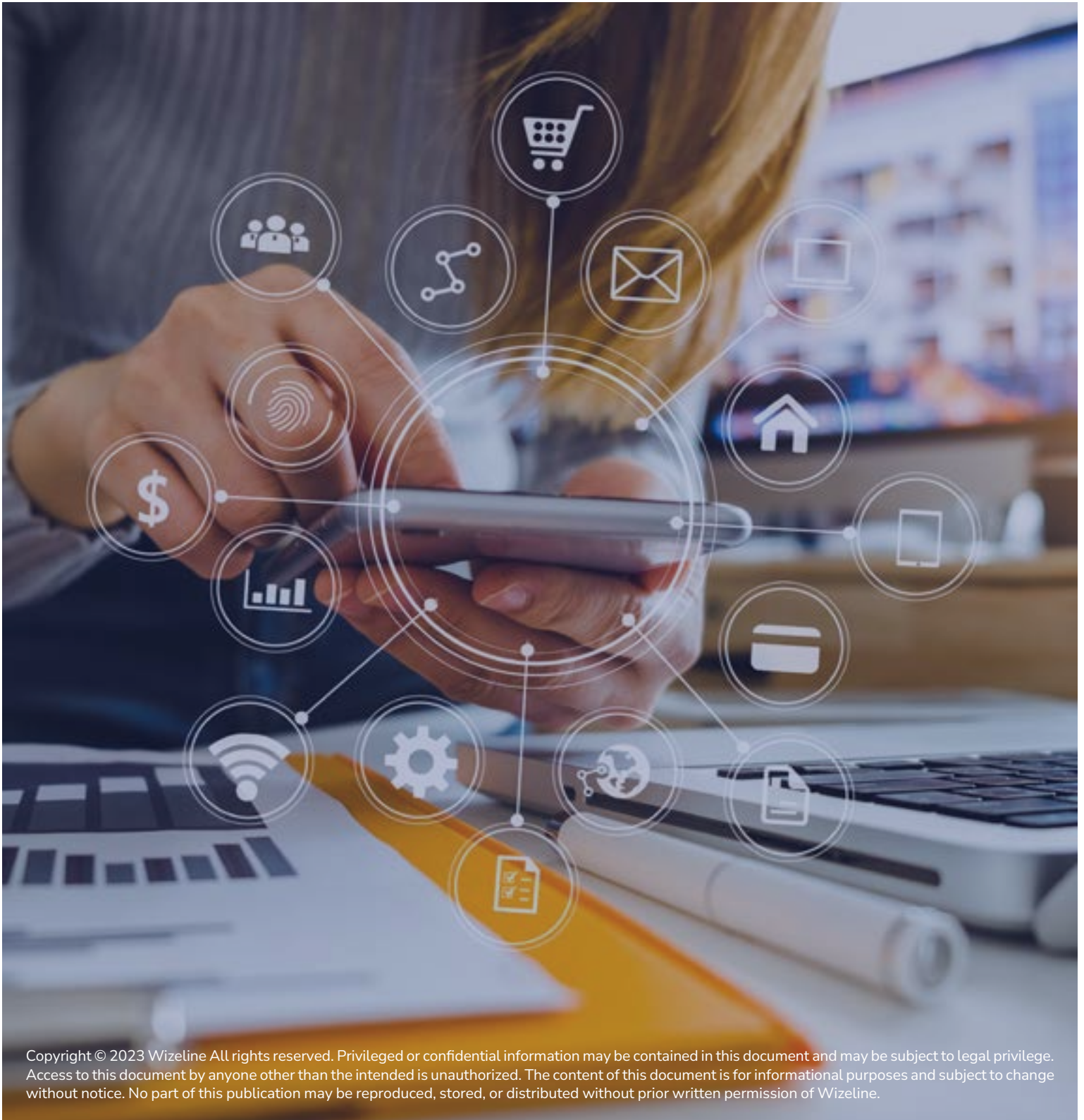


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Introduction

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 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 to increase retention and engagement.

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 how these service providers are driving 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



1.671B
Monthly active users

Started as a social networking messaging app that 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.



450M
Active users

Started as a simple payment platform has now evolved into a complete financial services platform, allowing users to send, receive, and spend money, manage finances, choose an appropriate insurance scheme, get a cab, and even order food from a favorite restaurant.

paytm
90M
Monthly active users

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

Asia Pacific

Yandex
395.3M
Monthly users

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

Russia

JUMIA
3.2M
Quarterly active users

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.

Started out in 2019 as an instant messaging app, now, the platform provides users with free access to an ecosystem of digital and media services through chat and call features, channels, micro-apps, and payment solutions.

yoba
25M
Monthly active users

Africa

Rappi
30M
Monthly active users

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.

inter
12M
Users

Latin America

Uber
131M
Users

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.

PayPal
435M
Users

US/Canada

Revolut
20M
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, mobile device and travel insurance, travel booking, and peer-to-peer payment services.

Europe

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

Careem
50M
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, [one in three people](#) in the world are super app users, with players like Google, Amazon, and Facebook continuing to expand and experiment with both in-app offerings and super app capabilities. For retail and consumer industries, more and more organizations are following a model moving from store to digital marketplace to super app, which can show promising returns. [Walmart is a well-positioned](#) example of how this model, paired with notoriety and network, can help expand into the super app game; however, Instacart still 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 fintech banking or payment element to connect the experiences. Super apps like Alipay and WeChat continue to pave the way for other banking and financial service features as consumers are looking to avoid cash, credit cards, and banking apps to harness the ease and flexibility of digital wallets, especially in China.

Interestingly, today's super app market is dominated not by US-based tech giants but by newer companies from diverse, developing countries. With [85%](#) of low-end smartphones being sent to developing countries, super apps are becoming vital in simplifying online activities because of the low storage and broadband requirements. Given smartphone connections are ___ in places like Africa, it's clear the app economy will also continue to grow, capitalizing on increased levels of connectivity, and users are looking to apps that combine commerce, digital payments, mobility, and communication into one platform compared to bouncing around multiple places.



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 one-stop-shop access to as many brands as possible – restaurants, rides, grocery and convenience stores, social media platforms, etc.

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 win-win 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 and integration capabilities is also driving super apps forward. 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.

The Future of Super Apps and Generative AI

While super apps are generally defined and created within a smartphone-based ecosystem, it's important to understand how new generative AI technologies in the marketplace, such as ChatGPT, DALL-E, Google Bard, and WeChat, are not only influencing the way consumers access information but transforming business operations with digital consolidation for organizations.

As companies and startups across retail, media, entertainment, and financial services industries continue to modernize and adapt these next-gen capabilities, market leaders will be able to empower their customers to get ahead by safely fusing advanced business practices with intelligent and responsive super app capabilities. Prime application examples include personalized digital assistants and AI chatbots.

While there is still work to be done to balance business interests and regulatory protection around data privacy and security, there is a valid foundation emerging in the market for opportunities to develop complementary tools and super app capabilities that significantly boost business productivity and efficiency.



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Key Engineering & Design Considerations 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 into your design and business model. 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 architectural 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 to the success of a microservices approach.

Predict customer choices with recommendation systems

A great way to improve user engagement 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 AI. 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 a 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 in personalizing the user interface and marketing what's most relevant to the right user at the right time – meeting your customers where they are in their journey.

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 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 profit 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 user 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, valuable partnerships, 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, and 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 switching 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 setup 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 its menu and add photos by automating data ingestion from its 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 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 a customer base, 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, as evident with emerging products like Apple vision pro that tie in-app experiences with virtual reality capabilities.



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-in-one experience. You need to ensure your apps stay relatively small-sized as they grow and add new features. For an in-depth example, explore these insights on how our team helped optimize app size for Rappi, one of Latin America's biggest super apps.

Improve development & business decision-making with data dashboards

Trying to decide where to invest your current resources or what features to develop next? Need insights to help you get on your top or recently acquired merchants? Data dashboards help establish a single source of truth for an organization or startup 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. From this, comes more informed decisions on how to expand new services and grow your market share.



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:

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

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

wizeline.com/contact

consulting@wizeline.com

Resources

Superapps by region - what are the biggest superapps in:

APAC

- [WeChat](#): Over 1 billion active monthly users.
Services include gaming, bill payments, ride-hailing, e-commerce, medical appointment booking and more.
2.5 million companies are using WeChat Work, the business communication service.
- [PayTM](#): Paytm offers users a plethora of integrated services like food delivery, public transport ticketing and travel booking.
350 million users.
60 million bank accounts on the Paytm bank platform.
220 million cards saved.
- [AliPay](#): started as a digital wallet in 2004 by Ali Group's founder Jack Ma, and is now one of the most well-known and used apps in Asia.
730 million monthly users.
Services include travel, e-commerce, food delivery, digital discount coupons, bill payments, mobile phone top-ups and more.
Over 1.3 billion total active users.

Europe

- [Revolut](#): Revolut has [launched a new feature](#) that expands its services beyond the realm of finance. In addition to managing your money, trading shares and cryptocurrencies, the app now enables users to book accommodation in a direct challenge to travel giants Booking.com, Expedia and TripAdvisor. The London-based company has been tipped to grow into a ["super app"](#) – a place for consumers to shop, travel, pay and chat all in one place. Revolut [was valued at \\$33bn](#), making it Europe's second biggest fintech company after Swedish payments firm Klarna.

Latam (see research on Rappi - includes info on this region)

- [Rappi](#): Rappi is a Latin American on-demand delivery app with two main businesses: a marketplace and a logistics platform. It provides online traffic and last-mile delivery services to merchants. The company is also expanding into adjacent verticals such as e-commerce and travel.
Worth \$7B, 75% of Rappi's revenue comes from the commissions collected from merchants and delivery fees paid by customers. Additional sources of revenue include advertising (about 13%) and subscriptions (10%), while ecommerce represents about 2%.
Rappi has footprints in 9 Latin American countries and 100+ cities, and we believe Rappi is the top 1 or 2 players in the majority of those countries.
- [Inter](#): Currently, Inter has five main operations: banking services, credit, insurance, investments, and e-commerce. On Inter's app users can buy products, book hotels and plane tickets, order food and enter credits for Uber, getting cashback.
- [Uber](#): Uber's new interface gathers all functions: UberEats delivery, car trips, grocery's delivery and a pick-up and parcel delivery service. Recently, Uber launched, in partnership with Surf, a telecom that offers white-label connection service solutions, Uber Chip, a prepaid cell phone plan in which the driver or delivery partner does not need to use their own data package to use the Uber Driver app.

US/Canada

- [Paypal](#) wants to be a super app

Middle East & Africa

- [Careem](#): The biggest service of its kind in the Middle East, Careem was acquired by Uber for \$3.1 billion in 2020. Pandemic lockdowns left its cars empty, with ride-hailing down more than 80%, but the company already had plans to diversify its range of services across the region. Careem now offers restaurant and grocery delivery, online shopping, e-bike booking and digital payments through a single app
- [Jumia](#): Jumia announced the Jumia One app on March 21, 2018 – nearly 6 months before OPay first arrived in Nigeria, and many more months on top of that before OPay kicked off its own super app plans. Upon launching, Jumia One allowed users to make cable TV subscription payment, make hotel reservations, book flight tickets, buy and transfer airtime, renew data and internet, subscription, pay electricity bills, book a bus ticket, place sports bets, book a ride from Uber or Taxify, and order food online. More recently, the rebranded app is also offering digital loans.

Jumia continues to grow, and at the end of Q2 2021, its market cap was \$3.2bn.

Superapp retail market growth

- [Deliveroo](#): In March 2020, Deliveroo had 22% of the British market, compared with 25% for Uber Eats and 52% for Just Eat. As of February 2021, Deliveroo's share had jumped to 26%, Uber Eats to 27%, while Just Eat had fallen to 45%, according to Edison Trends.
- [Walmart's Bid To Go From Supercenter To Super App](#)

Consumer trends/adoption of superapps

- Report on the [rise of Superapps in emerging markets](#)
- [PWC report](#) on Superapps
- [Will Superapps dominate other markets](#) like they have in Asia?
- The super app revenue opportunity could reach [\\$23 billion by 2025](#).

Convenience, lockdowns

- The height of the pandemic [induced a 20% increase](#) in app installs and a sustained upward trend through to Q1 2021. With smartphone connections in Africa [expected to double by 2025](#), the app economy will see even further growth.
- [Superapp adoption during the pandemic](#)



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Start the Conversation Today

To learn more about how Wizeline can help you implement or optimize your cloud strategy, contact our team or visit our website today!

consulting@wizeline.com

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