## What Marketers Need to Know About Chat Apps

Author: Mark Schaefer

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The rise of **social** media changed **marketing.** Now, before some marketers have even fully adapted to that world, the **social** web is transforming again. The rise of private social networks and messaging apps will challenge the strategies that marketers developed for public **social** networks.

If your company is still trying to figure out how to make the most of **Facebook** and **Twitter**, consider:

- WhatsApp has rapidly become the biggest messaging service in the world with more than a billion users.
- **Snapchat** is a juggernaut with the 18-24 age group, now earning more daily check-ins than **Facebook**. The company founder insists it is "not a social network."
- Facebook is the social network for most of the world, yet their major investment is in
  the development of private Facebook Messenger, including bots that would help
  companies scale "human" interaction through the service. More than 900 million people
  use Messenger now. Other private messaging services like Viber and Kik have attracted
  millions of users.
- Of the Fortune 100 companies, <u>77 use Slack</u>. The average Slack user keeps the app running 10 hours a day, and is actively using it for over 2 hours a day.
- **Instagram** started private DM in 2014 that focuses on the sharing of content with up to 15 people in a threaded approach.
- **Twitter** has experimented with **Snapchat-style** doodles and photo editing and in 2015 expanded the character limit via private direct messaging.

The movement of consumers from public social media to private messaging has been so rapid that <u>Business Insider reported</u> that the combined usage of the top four messaging apps now exceeds the combined usage of the top four **social** media apps. Falling data prices, cheaper devices, and improved features are helping propel this growth.

Why the hunger for private messaging apps? Perhaps people are becoming more interested in actually communicating, rather than broadcasting. Maybe we don't want personal and private lives merging any more and we want control over our different social circles within these messaging apps. As my 16-year-old nephew put it, "My friend posted on **Facebook** and we

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made fun of him. We only use **Snapchat** now because who wants to put everything in public all the time? This just connects me with my real friends."

Social media won't go away, but traditional social networks may become less important to certain groups. The rise of more intimate channels presents new opportunities, and perhaps perils, for marketers. Two of the tensions marketers will have to wrestle with:

**Discoverability vs. interactivity** — The challenge of a more private app is getting people to find you and interact with you. In an app people are primarily using to communicate with friends and family, what role does a **brand** have to play?

Although discoverability may present a challenge, private messaging could offer even more engagement for the brands that can figure it out. Consider that without the boost of ad support on **Facebook**, your <u>organic reach</u> for your content probably averages less than 1 percent (although this varies widely by business). The typical open rate for email is much better, but still not very high, <u>at about 20 percent</u>. The open rate for a private message? <u>98 percent</u>. Smartphone users are also more likely to have push notifications turned on for a messaging app than for email, a branded app, or even for **Facebook**. But that means the expectations are high. How do we insert ads and brand messages in conversations in a way that isn't disappointing... or creepy?

**Content orientation vs. person orientation** — Today a brand goal on **social** media is *mass* relevance. In this current "mass relevance" model, content is at the center of the experience. We want that cat photo (or white paper) to get as many likes, clicks, and shares as we can muster.

But in this new world, the goal is engagement through private, meaningful, conversational moments. In the future, content will still be important, but the individual will be the focus of the experience. Brand communications will have to be more immediate, expressive, and intimate.

How do you scale those interactions? Somewhat ironically, the answer may be algorithms and bots. Big Data will help us craft personalized, timely, location-based content and offers, and **Facebook** is working on smart bots that can hold human-like conversations and a system to <u>analyze the conversations</u>. Brand communications will be more immediate, expressive, and intimate.

Though my nephew may mock it, **Facebook** is an especially important player in this transition; this is the platform most brands have been married to, and this is where most of the marketing investment is still occurring. There is a comfort there. How will that relationship change moving forward?

**Facebook** Messenger will now support scannable codes, user names and links. This update allows the creation of a unique Messenger URL that will allow for greater discovery of users and businesses within the private sphere. **Facebook** is already positioning pages and ad units with a "message the brand" option and analysts believe **Facebook** is positioning Messenger as its primary commerce hub of the future.

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But there is some good news in all of this. For most brands, <u>80 percent to 90 percent of all online fans</u> communicate through "dark **social** media," meaning text messaging, email, and other channels we can't see or measure. These private communications are migrating to the private networks owned by **Facebook**, **Snapchat** and others. Will these companies eventually provide us insights from the greatest untapped source of consumer data on the planet? Businesses will no doubt try to navigate, and one day may possibly benefit from, these massive private networks.

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