

# A SUPER APP WITH A HINT OF PFM

THE CASE OF  WeChat



## Can a PFM become a Super App?

A common question our clients ask us when we discuss our solutions.

To answer this we have decided to share our assessment of how a PFM can become a Super App, with the help of Open Banking. Sounds like a recipe, right?

The idea of a Super App was first established by the creator of BlackBerry, Mike Lazaridis in 2010 (Rodenbaugh, 2020). Although his idea was not too far from the modern-day Super App, it had created the vision that one app supporting another creates a unified seamless experience for the user.

## WeChat – A Case Study

WeChat is a prime example of a Super App that was officially launched in 2010. WeChat was launched the same year as when the idea was first expressed by Mike Laziridiz. Therefore, the first movers to the era of a Super App was WeChat itself, starting with its chat services, gradually adding more as it grew.

There are currently

# 12+

Super App Players globally.

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WeChat now has

# 1.24

Billion

active users in China.

(Statista, 2021).

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	 WeChat	 Alipay	 Meituan
Messaging	✓		✓
E-wallet	✓	✓	✓
E-commerce	✓	✓	✓
Delivery (catering, food, etc.)	✓	✓	✓
Inner-city courier services	✓	✓	✓
Public transportation e-tickets	✓	✓	
Car sharing	✓	✓	✓
Bicycle sharing	✓	✓	✓
Travel/accomodation reservations	✓	✓	✓
Invoice payments	✓	✓	
E-government services	✓	✓	
Health and Insurance services	✓	✓	

Figure 1.

(techinasia.com and Strategy&, 2020)

Although there were many factors that led them to becoming a big success, one main factor is that they had a host of mini programs to offer in the platform such as payments, booking, chat services, online shopping, calling services, and many more (Zheng, 2020). To see a breakdown of comparison between the leaders in the Super App space, see Figure 1.



It is evidently clear that WeChat and Ali Pay spared no industry in China, and while they penetrated as many segments as they could, they equally justified their existence through hyper engagement.

A Super App gains its success by truly understanding its customer's needs and wants. In the case of WeChat, they understood that China's regulations banned major social media forums such as Facebook, Instagram, Twitter, and Snapchat. This deprived the Chinese citizens from socializing virtually, something considered to be a norm across the globe.

A Hyper Engagement platform's purpose is to **create more activity to increase app usage**. In the case of WeChat, it is evident as their active **users grew by 48%** from 2011 to 2020

(PWC,2020)

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To cater the population with a much-needed social media like platform, WeChat initiated their services with instant messaging. As they grew in terms of customer base, their data in-flow grew with it. This ultimately meant they could get access to what users really desire and formulate their roadmap according to that. Through access of user data, WeChat then moved into the payments industry and soon later into the retail industry which expanded their user base to where it is now.

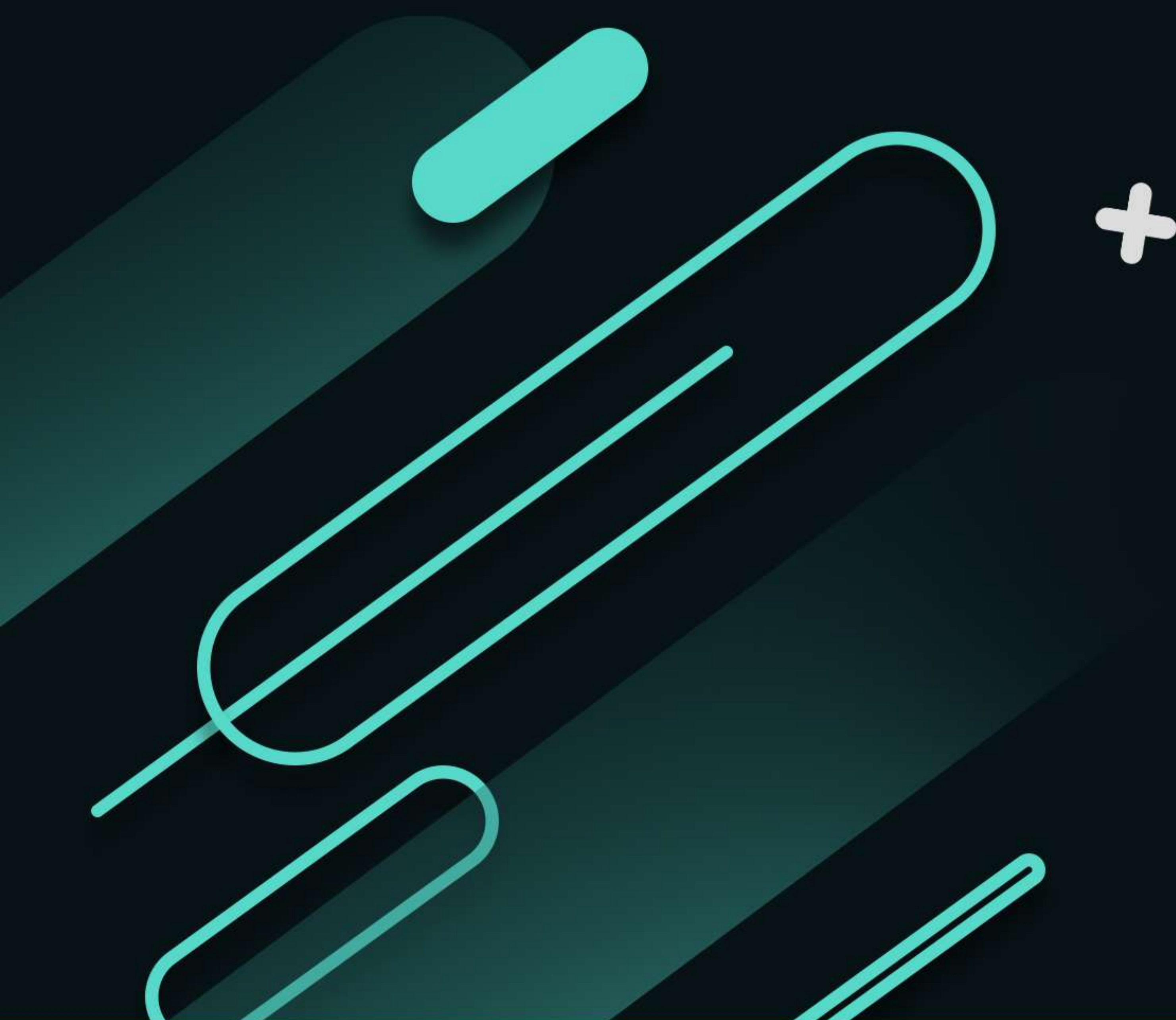
Total of

**\$246**

**Billion**

worth of transactions  
conducted in the  
WeChat platform in 2020

(Businessofapps, 2021)



# The commonalities between a Super App and PFM

In essence, a Super App can study, analyse, and evaluate what each users demands are through data crunching. Similarly, PFM's functionality follows a very similar approach, but its core purpose is to simply alert and provide actionable recommendations for better financial well-being.

A PFM is more than just an analytical tool, by using the power of AI, it becomes equipped with cognitive intelligence that practically assists users with better decisioning around their finances. The platform, just like a Super App, can integrate, and ingest multiple streams of data be it a transaction, screen time, or even location. It will use this information to provide meaningful insights that can suggest a personalized activity or transaction.

**If executed right, all PFMs can become, or will eventually result in becoming a Super App.**

There are roughly

**2.5**  
Quintillion Bytes

of data exchanged everyday.

To put it in perspective – the global number of Internet users is

**3.5 billion**

(Seed Scientific)

# Becoming a Super App 2.0

There is an understanding that the core functionalities of a Super app And a PFM are similar in certain elements. To be considered a Super App "2.0", both a PFM and a Super App should be combined with a 3rd product or feature.

Record time has been spent on applications which has increased by

# 25%

due to Covid-19 restrictions.

## SIMILARITIES

Intuitive UIs and dashboards

Both often use Open APIs for integration

Both start off with one core feature

## DIFFERENCES

PFMs are focused primarily on money management

Super Apps can involve payment options (with license)

Super Apps may change their core offering and become completely different



That missing piece is Open Banking. By interconnecting Open Banking and PFM, the combination can provide meaningful insights across all bank accounts. Open Banking will help create a seamless experience for users to maintain multiple account funds, make transactions with a one click purchase, and much more, all within one platform.

Timing is also a factor of a Super App's success. Due to the increase of app activity during Covid-19, usage will not be a problem for platforms moving forward (PWC, 2020).

# 20%

increase in Android App usage YoY was recorded in 2020.

Bugsnag.com

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# How to capitalize on the opportunity?

Spire's state of the art PFM solution, known as Spire Ingage, is already on the path to build itself as a Super App 2.0. While it is still a unique PFM solution with its core functionality being Intuitive Budgeting, Smart Savings with Round Ups, Bills Management, and Financial Well-Being, it has already adapted Market Place Integrations and is Open Banking ready.

The best part about Spire Ingage is its unique and up to date technology stack and modularization of its widgets. This gives it the ability to simply host widgets into a client's existing application resulting in cost saving, and most importantly, time.

Stay tuned for a full report to be released very soon!

