

WhatsApp has everything Facebook needs to survive

February 21 2014, by Markos Zachariadis



Mark Zuckerberg certainly thinks so. Credit: Patrick Denker

Facebook has made a play for the mobile market by [buying WhatsApp](#) in what should be seen as a significant sign of the times. Desktop computing is the past and mobile access is the future. Facebook knows this and has seen taken a huge punt to join the race.

It has been predicted that by 2017, four billion people will be [using mobile apps](#). That represents both an opportunity and a challenge for established companies that relied heavily on the comfort of the bigger

screen and focused on rich-content websites. Facebook made its name in this world and has so far not managed to make the switch.

Easily accessible mobile platforms like Apple's iOS and Google's Android have given rise to applications that offer an alternative to those that dominated the desktop market. They capitalised on the limitations of the smaller mobile devices, realising that straightforward design is the key. Up-and-coming development teams have lived by the "clean, fast, simple" rule. The user can quickly engage with and extract value from an app and doesn't feel the need for it to provide more than a handful of services.

Facebook has been trying to crack the mobile game for some time with very little success. It has failed to make a go of its own messaging service and was rebuffed when it attempted to [woo Snapchat](#) a few months ago, even after putting \$3 billion on the table.

Facebook has come late to the mobile messaging frenzy and its failures have been well publicised, all of which meant it was left with no option other than to make a quick and very generous offer to WhatsApp, hence the eye watering price tag of \$19 billion.

Nonetheless, Facebook's willingness to hand over such a sum – even if a large portion of it is in shares – raises questions about how secure it feels in its future and how WhatsApp fits in to its strategy. It could make major gains that might make the purchase more than worthwhile.

Facebook has traditionally struggled to penetrate some territories and faces competition from [Asian companies](#) in particular. With WhatsApp in its arsenal, its hope for world domination becomes somewhat more realistic.

It has also been suggested that WhatsApp users are much more [engaged](#)

[with the application](#) than the average user of Facebook, and since its customer base is expanding exponentially while Facebook is now seeing a decline, it all adds up to a smart investment.

Ad me on Facebook, not on WhatsApp

But Facebook and WhatsApp have very different views on an important issue. Where the former makes its money from advertising and has pushed more and more of it onto users in the past few years, the latter remains staunchly opposed to its use.

WhatsApp makes its disdain evident at every opportunity and famously quotes the film *Fight Club* to explain its stance. "Advertising has us chasing cars and clothes, working jobs we hate so we can buy shit we don't need" was plastered across the top of a [blog posted in 2012](#) about why WhatsApp users don't need to worry about their data being used to target them with information they didn't request.

In the age of big data it is quite bold to say that "your data isn't even in the picture", as WhatsApp has promised. It remains to be seen if Facebook can resist the temptation to delve into the goldmine it has purchased, its past performance after buying up Instagram would suggest it [might not last long](#).

Whether this happens or not, Mark Zuckerberg has recently said that he sees Facebook as a [mobile company](#) and since its internal efforts have been so dismal, we should expect more acquisitions of this kind in the near future. I'm looking at you Foursquare.

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