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Today's super apps: Their impact on the East and West

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The super apps phenomenon may have originated in Asia, but the West is also developing its versions of multi-purpose apps, albeit with slight differences and at a slower pace.

While western app development has historically been based on consumer preferences for separate, specialist services, there's a growing trend for regrouping services – a need that super apps can fill with their convenient, comprehensive design.

In this article, we will look at how super apps differ between the East and the West, and the top use cases from all around the globe.

What does the current market landscape look like?

With the development of super apps and their expanding offerings and services, competition is a driver for many companies who are looking to develop their own. Building your own super app means you do not have to rely on third-party providers for the addition of different services, and it can strengthen your own proposition against competing players.

The boundaries between sectors and use cases are increasingly blurred, particularly regarding financial services. This is because consumers expect seamless journeys, and app providers know that if customers have to leave the app to complete a purchase, there is a risk of losing them.

Embedding financial services within a brand's own app gives a more coherent customer experience, and the growth of fintech has allowed more companies to do this. In fact, some advanced super apps are already developing fintech propositions with greater levels of complexity, including services such as lending solutions.

Some super apps are developing fintech propositions with greater levels of complexity

The difference between super apps in the East and West

The market landscape in China was largely shaped by the government, which artificially reduced competition. As a result, apps were developed to broaden their reach by offering more services and use cases. Apps in the West, however, were generally created to specialise in just one use case, then were scaled by increasing their customer bases.

Centralised convenience is key in eastern countries, with consumers preferring one single app for multiple uses, even if the technical side (loading times, user interface/experience) is somewhat lacking. European and North American consumers are more concerned with speed and CX, preferring to use multiple fast and intuitive apps to carry out online activities. This means that super apps for western audiences need a tailored strategy and should not necessarily follow what apps in the East have found successful.

Here are some of the most popular super app use cases from around the world:

Asia-Pacific

- **Grab:** Originally launched in 2012 as an online taxi service in Malaysia, Grab now serves six countries with delivery, mobility, financial services and more. It debuted on the NASDAQ at a valuation of \$40 billion in 2021.
- **Union nxt:** Union Bank of India's mobile banking app Union nxt offers multiple different services to the bank's customers. As well as standard services, the app has enhanced digital offerings for functions around liabilities, loans and wealth management.

Latin America

- **Rappi:** Launched in 2015 in Colombia as a food and grocery delivery platform, Rappi expanded its use cases to offer a wider range of complementary services.

Global

- **Uber:** The world's biggest ride sharing company, Uber added UberEats to its offerings in 2014. Uber's super app strategy is narrower than that of its eastern counterparts, with a smaller but well-defined set of use cases.

This is only the beginning for super apps. The big tech ride hailing and food apps lead the pack, but more specialised super apps are on the way, and the banking industry should not be left behind.

The impact of super apps on different markets

Even though the growth of super apps in Asia was explosive, the same growth strategies will not necessarily drive their trajectory in Europe and the USA for the simple reason that each market and its audiences are different.

It has been suggested that the West is following in the digital footsteps of the eastern success stories. However, with western audiences less sold on trading off user experience for convenience, and preferring to use multiple apps designed around one service or function, western app developers have used a different strategy – that of confining their super apps to a specific sector. A strategy such as that used in Asia, where audiences appreciate the ability to consolidate their daily tasks and where super apps have become a part of the populations' day-to-day lifestyle, may be difficult to replicate in the West.

Super apps and the regulatory framework

Regulators want super app developers to rely on the data their customers share, without buying from or selling to third parties. Any company looking to develop a super app needs to understand the regulatory framework in their region.

The regulatory environment for super apps in China began favourably, as the government has encouraged their growth since its inception. More recently, however, regulations have become tighter as authorities want more control over the astonishing number of super apps that are now available. Western regions are traditionally more stringent around tech industry regulation, meaning there is a more critical approach towards super app development.

With super apps entering the financial services space, for instance Alipay in China, it is important for traditional financial services to understand where technology plays an essential role. Here are the most important super app trends that could impact the banking industry:

- **The relationship factor:** Super apps rely on traditional financial institutions to support certain services, giving rise to the importance of the relationship between banks and technology providers. Thus there is a need for regulation and licensing.
- **Data richness:** Super apps also have in-depth customer knowledge and rich datasets, meaning they can refine their offerings to provide customers with the services they desire. An enhanced understanding of data can also play a crucial role in building trust and reputation.

We know that consumers look for convenience, and in-app payments within super apps offer exactly that. Compared to most financial services that still rely on traditional payments infrastructures, embedded payments go a long way to boosting the reputation of super apps.

To better understand how super apps are all set to impact our day-to-day lives from now until a long time to come, download our latest report on super apps [here](#). ■

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Guide

The Definitive Guide to Super Apps



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