**Department of OM&IS**

**Course name: Digital Transformation Strategies (OMIS 697)**

**Case Study 3 (CS3)**

**WeChat: A Global Platform?**

**WeChat: A Global Platform? - A Case Analysis**

WeChat, developed by Tencent, is a messaging and online payment mobile app that has found the most success in China. The app serves as a communication and virtual wallet platform, and its features range from texting friends to buying a house. It’s consumers also include famous brands, celebrities, hospitals, and others of the like in China. It was conceived of in 2010, and Allen Zhang officially introduced it to the world on January 21, 2011, in China. WeChat, or Weixin as it was originally known in China, began as a simple messaging and photo sharing app before becoming omnipresent throughout the country. Its humble beginnings can be traced back to China, where it was initially used primarily as a messaging and media-sharing platform for Chinese users. Current estimates place the number of daily active users at around 1 billion, with each user spending an average of 82 minutes within the app, or about 20% longer than the average Facebook user's 65-minute session duration. In its ten years on the market, this app has introduced many groundbreaking innovations. It provided a first-of-its-kind chatting experience, both in China and around the world. Continual updates to the app have kept it fresh and extremely useful to its audience.

**Questions**

1. **What are the most important sociocultural and environmental factors that influence WeChat users in China?**

* The need for amusement, the desire to put oneself forward, and the desire to engage in social activities with other people - To begin, Chinese people who use WeChat have a good time when they share information about the environment, and they get even more pleasure out of the process of sharing information when they have a positive attitude toward the behavior that ultimately leads to high ethical standards.
* The motivation behind self-presentation, which demonstrates positive correlations with the perceived subjective norms and personal norms of Chinese WeChat users, respectively.
* Sharing information is encouraged because of the gratification gained from crafting an image online that promotes environmental stewardship. Self-disclosure influences how users perceive the social pressures placed on them as well as the moral obligation associated with shared behavior.
* It's possible for WeChat users to receive feedback in the form of likes, comments, and links after they share certain environmental content on the platform. People are led to believe, because of the response, that the environmental information that they are disseminating is being received favorably, and that some individuals are encouraging them to continue to act. WeChat users can place a higher value on the visual processes that are created for them because the feedback comes from people they know and care about. In particular, because of the "strong bonds" that exist among their contacts on WeChat[1].

1. **How do these factors influence businesses that use WeChat as a marketing tool or platform?**

* WeChat has key features for privacy and personal communication. Because the information that users share on WeChat is kept private and can only be seen by the users' authorized friends, WeChat has become extremely popular as a means of conducting social networking activities [2]. On Weibo, users are less likely to re-post product details, even though this is something that retailers expect them to do.
* There are limitations placed on messaging for product accounts. There are two different kinds of public accounts, service accounts and subscription accounts, which merchants can use to send one or more messages to the people who follow them on WeChat. However, each kind of public account has its own set of restrictions.
* The service account has a custom menu function that operates almost exactly like a small website that has been installed on the WeChat platform. However, the service account only permits one message to be sent per month. The performance of the subscription account has been significantly improved, and it now supports sending at least two messages per day. Additionally, because all subscription accounts are connected to one another, it is difficult for users to check for new messages.

1. **To what extent did WeChat's marketing strategy for reaching a global audience affect its growth rates?**

To The app was initially made available for download in China under the moniker Weixin. They eventually rebranded themselves as WeChat in preparation for an expansion into international markets. WeChat is currently available as an SMS app in more than one hundred countries. In addition to that, they have been buying up businesses of varying sizes all over the world. They joined forces with Naspers to expand their presence across Africa and further their goals. We Chat still has a way to go before it captures the attention of people in other major nations to the same extent that it has in China. If WeChat wishes to become the dominant social media platform on a global scale, it must dispel the widespread belief that it has been restricted in certain nations, such as India, due to concerns regarding the safety of its users' personal data.

1. **Did WeChat Pay's marketing strategy go down, and how did the public feel about it?**

WeChat Pay was marketed to users as a convenient, all-in-one solution for all their digital payment requirements [3]. It was advertised that WeChat Pay would be usable in both brick-and-mortar stores and online shopping platforms. Phone payments have come to dominate the market in China because credit cards have never enjoyed widespread adoption there. We Chat offered a one-of-a-kind value proposition in the form of seamless payment to all your friends and family members, regardless of the vendor. WeChat Pay has become so popular in recent years that most Chinese people no longer carry traditional wallets.

When it comes to digital transformation, WeChat is a proof that ideas and concepts can transform a messaging app into a worldwide payment platform that can take on the industry giants [4]. From the app's initial success with the addition of an audio call option, the WeChat development team has remembered that constant innovation is the key to maintaining the app's momentum and the app's flawless user interface. Since then, the firm has gone to great lengths to demonstrate the power of its digital transformation ideas and concepts. Design thinking's end game is to create products that serve their intended audience. To do this, we must consider not just what people want, but also what is technically feasible and economically viable. In contrast, the grand design is founded on a single concept, the mental image of the creator and remains faithful to that concept for as long as practical.

WeChat has done an excellent job of planning for the future and playing a strategic role in the company's development.

Future economic growth was dependent on the accessibility of resources. Key financial KPIs were the responsibility of WeChat's department heads. Curiously, no one in engineering was aware of their existence. Engineers rarely gave thought to financial considerations including revenue, expenses, and profits. Management was more concerned with expanding WeChat into new industries than with satisfying the needs of WeChat's existing user base, which consists of well-off individuals transacting with large institutions like banks, airlines, and utilities. Their latest smart scheme entails giving traditional stores a digital makeover and online presence. Due to our well-thought-out strategy, we were able to attract 8 million individuals who lacked any prior online experience.

Design thinking and grand design both call for a specific kind of leadership. During design thinking, leadership acts more like a helpful coach, stepping in when necessary but stepping aside when things are running smoothly. Those who adhere to the grand design reasoning, on the other hand, worship their leaders as deities because they believe that they personify the design they are seeking and exhibit an unwavering zeal for and faith in the design's inherent rightness. These heads of organizations could be extroverted and bold, or they might be more introverted and reserved. WeChat is a digital savant because it has tremendous growth potential, is widely used, and has become intrinsic to the daily lives of its users. We chat's users get the best of both worlds, with a unified interface that incorporates elements from other popular apps like Facebook, PayPal, Instagram, and Twitter.

**Summary:**

Consumers in China have access to a super-app known as WeChat, which eliminates the need for users to download and sign in with a unique username and password for each individual app, build a profile, and link their credit or debit cards to each range of technology. In other words, WeChat makes it unnecessary for users to download and sign in with a unique username and password for each individual app. You can do everything from grocery shopping to calling a cab to chatting with your doctor and reordering your prescriptions to keeping track of your daily activities to reading the news to playing games to editing videos to chatting with your friends using WeChat. Among the many things you can do with WeChat are grocery shopping, calling a cab, communicating with your doctor, and keeping track of your daily activities. WeChat is the primary social network, payment system, communication tool, web browser, and online retailer for more than one billion people worldwide each month. WeChat launched a new feature in 2017 called "Mini -programs," which paves the way for a wide variety of businesses, such as McDonald's and Tesla, as well as local businesses like restaurants and hair salons, to create their own apps, in WeChat, giving them easy access to the billion customers who already have and are using WeChat. This feature was introduced in 2017. WeChat also includes a mobile payment solution that is referred to as "WeChat Pay," which helps to make billing easier. Customers can take part in a company's Mini program without having to download a new app, create a new profile, or re-enter their payment information when the company launches the Mini program (all of which they already provided when they joined up for WeChat). Internet marketing and research on customers can be carried out by companies using miniature programs. This is helpful for all organizations, but especially for smaller ones, which may lack the resources necessary to acquire this data elsewhere. However, this information is helpful for all organizations. However, compared to a business of a comparable size in the United States, a company that uses WeChat Mini programs has immediate access to WeChat users, can use the payment system to make purchasing easy, and can use data to level up. This contrasts with a business that operates in the United States. They generated a QR code for the customers to use to place their orders without having to wait in line by using a simplified version of the program. The Mini program is installed on top of the operating system, which in turn is hosted by WeChat. A significant advantage is the fact that developers of Mini programs won't have to build separate apps for different operating systems, such as iOS and Android. WeChat is the only tool that is required of them in their line of work. The WeChat Software Development Kit (SDK) is a collection of development tools that can be downloaded and installed on a computer. WeChat has gone multiple transformations over the years which have all uplifted its success not only in China but also on a global scale. Because of the way it has molded itself to work according to global trends, its marketing strategy has been one of its stronger fronts.

**References:**

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