

# OTT messaging application: Strongly spend money on advertising but the date of collecting money is still far away

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The proliferation of OTT applications is causing big losses for operators. (Photo: Thai Anh)

## WeChat slipped, Line and Kakao Talk increased

According to the ranking of the hottest applications of the Social Network section of the Apple app store in Vietnam from January 1, 2013 to April 7, 2013, before **the incident 'road The cow's tongue'**, the **WeChat** app is always on the top of free chat and texting software over the Internet. As from January 1, 2013 to January 30, 2013, WeChat application holds the position No. 2 or No. 3, after **Facebook Messenger** (from 1/1 to 7/1) and after **Zalo**, Facebook Messenger (from 7/1 to 30/1). However, after January 30 when netizens simultaneously boycotted the WeChat application, the software was "*downgraded*" without braking, at some point, the application was only ranked at number 16 and Passed by other similar applications like **Kakao Talk**,

## **Line , Viber , Zalo , Facebook Messenger .**

After WeChat slipped, the top 3 positions from February 2013 to April 2013 mainly included: Zalo (continuously ranked No. 1, except for the time when Line passed on March 16); Line (position 3 from 1/2 to 10/2 and continuously stands at position 2 to 1/4); 3rd place is the rotation between Facebook Messenger, Viber and Kakao Talk. However, from April 2 to April 7, Kakao Talk rose to No. 2, pushing Line down to No. 3 on Apple's ranking.

Also on the Communication application rankings of Google Play from January 1 to April 7, the application also has the same changes as for Apple's app store, when witnessing the slump. WeChat's position came from No. 3 (January 1 to January 12) to No. 4 (from January 13 to January 29) and began to "*plunge*" after January 30 due to the incident "*tongue line.*" cow'. Currently, WeChat is only ranked 13th in the Google rankings.

WeChat dropped, Line and Kakao Talk rose strongly: From No. 10 on January 30, Line rose to No. 1 during 5 days from February 17 to February 22, or kept on top. position No. 2 before standing still at the fourth position at the end of March 2013 (standing under Viber, Zalo, Yahoo Messenger). Kakao Talk also grew 8 places, from No. 18 (January 30) to No. 5 (April 8).

Explaining about the '*promotion*' of Kakao Talk from the beginning of April, many opinions are attributed to the TVC effect with the participation of hot girl Midu and the famous Korean group Big Bang as well as a series of sticker sets Big Bang, Midu that Kakao Talk has just launched, especially when the group Big Bang is ranked No. 5 on the Facebook list - the most popular Vietnamese Fan with over 425,000 fans.

## **"Struggling" the No. 1 position of OTT application**

With dense media coverage on media from home to lane, from social networks to television, from the elevator to the bus as well as a series of Facebook contests, gift giving to the community or talent Support offline events, the battle to win the # 1 spot between Zalo (VNG), Kakao Talk (Kakao Corp), Line (Naver) . is getting hotter than ever. In March-March 2013, Viber, Zalo, Kakao Talk, Line all announced the number of users in Vietnam, in which Viber is leading the way with 3.5 million users, more than 3 times more than the number of users of the remaining 3 applications (about 1 million users), of which in February 2013 alone, the number of new users of Line increased "*dizzy*" - adding 500,000 and forecast in March 2012, The number of members will increase to 600,000.

When asked which application is holding the number 1 position among the free messaging and calling applications over the Internet, many people believe that Viber is currently the most popular application and also the only application. Most of this group has the ability to "*spread*" among smartphone users together, as shown by the application's directory is always the most crowded. Representatives of major networks in Vietnam also affirmed that among free messaging and calling applications in Vietnam, Facebook Messenger and Viber are two applications with many users and consume a lot of bandwidth. Best.

After the race to win the throne, how the messaging applications, free phone calls over the Internet make money is also a problem that many people care about. While WhatsApp charges 1 USD if the user wants to use a non-advertising version, Line or Kakao Talk achieves big revenue from selling the accompanying items such as stickers, in-game items . via payment gateway. Google Play, App Store.

According to *App Annie* statistics, in February 2013, Line is the leading application of revenue on the App Store in the utility category. In Vietnam, the fee collection will also be through value-added services on OTT applications. At the recently held conference on new OTT applications, Mr. Phan Sao Nam, Chairman of VTC Online said that it is the content enterprises such as VNG or VTC Online (the unit is joining Kakao Talk '*to join the war*'). 'Vietnam market' also said that even though these enterprises have invested a lot of money to promote their products, they still cannot have revenue right away. Therefore, Mr. Nam suggested that the network should be flexible when doing business, instead of collecting money immediately from users, it can be free in the first time to create a market, and then coordinate with supply enterprises. OTT service level collects user fees from value-added services and conducts sharing.

In addition, the development of free messaging and calling applications over the Internet has caused great damage to the revenue of mobile operators in Vietnam as well as the world. According to the preliminary calculation of MobiFone network, each year the network in Vietnam will lose more than VND 1,000 billion because of OTT services.

Although the Ministry of Information and Communications and network operators have agreed that it will not block OTT applications, and will shake hands with content enterprises to offer appropriate packages, many customers still reflect on the case of the implementation. Calling or texting via 3G Internet often flickers. Therefore, shaking hands with mobile operators in the coming time will decide not less to the throne of OTT applications.

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