

Since WhatsApp announced the availability of its API to businesses in 2019, more than 5 million organisations have used the messaging platform to reach their customers. However, while there may be many benefits to using WhatsApp for business, there are a number of potential drawbacks, says Richard Firth, CEO of MIP Holdings.

FOLLOWING FIRTH -JUNE 2022

"Email and SMS have long been the most common channels businesses use to digitally connect with their customers. They were effective channels, but spam and the lack of 'proof of delivery' using these channels has made them the least favourite today. However, in an omni-channel world, that's changing. Messaging apps like WhatsApp have capabilities that allow you to have a more significant impact on customer satisfaction while expanding your reach, improving deliverability, imitating the functionality of a mobile app, replacing the call centre, auditing, managing support costs, increasing conversions, sharpening security, and achieving other important business KPIs. Nevertheless, the advantages of using Whatsapp Business need to be balanced against some of the disadvantages," he explains.

"WhatsApp may be by far the world's most popular messaging platform with over 2 billion active users, but from a business perspective, there are a number of very important drawbacks, not least of which are costs and POPI (Protection of Personal Information) considerations. These are

just some of the reasons why MIP has developed a front-end messaging solution that can be integrated into a company's digital stack, offering improved compliance, privacy, and a more responsive way to communicate internally or externally via Whatsapp Business with customers."

DATA PROTECTION CHALLENGE

He says that while WhatsApp Business has marketed itself as the go-to platform to allow companies to safely and securely message their customers directly, it is a US-based product that cannot ensure the comprehensive data protection required by businesses and their employees and customers outside of America. Like the private WhatsApp app, the WhatsApp Business app accesses and processes data in the phone book. In addition, chats run via US servers, metadata is exchanged, conversations and client's data are stored on these external servers and there are a number of other things that are not easily compatible with South Africa's POPI Act or the European GDPR regulation.



"As Meta rachets up their revenue model, Whatsapp Business will become expensive, just like SMS. Also, the company's client data on the platform will also need to be stored somewhere within the company's infrastructure. Businesses will need to be able to communicate internally to employees and service providers without incurring costs and only use the WhatsApp Business channel while actually reaching out to the customer or consumer," Firth explains.

As part of MIP's Digital Stack, MIP built a façade to front-end WhatsApp Business with a product that houses the exact same functionality as WhatsApp Business. This tooling allows MIP to manage all conversations via the façade and only utilises the "pay for use" Whatsapp Business when the process needs to reach out to the customer. This ensures that all communication and client data are stored locally in the MIP Digital Stack and are therefore internal to the business rather than only on the WhatsApp Business platform.

"Chatbots that function through the WhatsApp channel can be set up very easily without software engineering knowledge to answer up to 80% of repetitive customer or consumer questions automatically. Thus, the architecture needs to make leeway for publishing and storing both machine and human responses," Firth says.

IS IT REALLY A BUSINESS TOOL?

Another issue is the fact that WhatsApp currently does not support enterprise file sharing solutions. "A dedicated enterprise messaging app in an omnichannel architecture allows faster access and gives a better overview of everything that is relevant for internal communication, and therefore increases productivity when sharing data across channels.

Confidential business content is protected in enterprise messaging apps because it can only be shared with colleagues and content distribution is under the control of enterprise IT. In addition, WhatsApp doesn't allow you to organise the actionable to-dos needed to get the job done because it isn't easily integrated into any other downstream business systems," he adds.

"For those who want to go beyond the basics, a custom-built solution enables organisations to access more complex tools. For example, you can permit customers to make a purchase or inquire about an existing order, enabling employees to interact more directly with individuals, all while ensuring that your data is securely stored in a compliant manner."



MICOMMS POWERED BY THE MIP DIGITAL STACK



THE PREFERRED COMMUNICATION CHANNEL

He says that in today's omnichannel world of voice, texts, chats, posts, and tweets, consumers increasingly want to interact with businesses the same way they connect with their family and friends. "Messaging apps are taking the lead as the preferred communication channels in use today, and those companies that don't have this channel in place will find themselves losing out," Firth adds.

"With a professional messaging tool, employees can share documents, manage clear, concise tasks and deadlines in order to see projects through effectively, and talk directly to customers with easy access to all of their information. For customers, it's immediate and enables sales and support teams to answer questions with rich, contextual messages that will, ultimately, facilitate more personal transaction to help keep people engaged and happy with your brand."

In addition, the auditability of any transaction is now stored and maintained around the conversations taking place both inside and outside normal business channels. The fact that the data is not left in the channel also allows the business to delete conversations and customer data once a consumer or regulation requires data to be removed and no longer stored.



RICHARD FIRTH
CHAIRMAN AND CEO OF MIP HOLDINGS