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Atlassian, Slack And The Promise Of ChatOps

DECEMBER 10, 2015 MARTIN GILES SOFTWARE

This is an updated version of a post that originally appeared on GigaOm (https://gigaom.com/2015/12/04/chatops-the-new-corporate-platform-play/)

The consumerization of enterprise IT is entering an exciting new phase. The process of bringing consumer-inspired technologies into the workplace has been accelerated by the spread of smartphones and tablets imported by employees fed up with antediluvian office tech. We've also seen the introduction of applications such as Salesforce's Chatter and Microsoft's Yammer which mimic the likes of Facebook and other social media platforms. The latest phase of this megatrend is the rise of enterprise messaging apps, which have been inspired by hugely successful consumer offerings such as WhatsApp and Facebook Messenger.

Within the corporate world, services such as Slack and HipChat are spreading fast, which helps explain why the companies behind them have attracted lofty valuations from investors. HipChat's creator, Atlassian, launched its IPO (http://techcrunch.com/2015/12/10/hipchat-maker-atlassian-begins-trading-at-27-67-valued-at-5-8-billion/) this week and soared to a $5.8 billion market cap on its first day of trading. One of the reasons Atlassian has entered uber-Unicorn territory is that enterprise messaging apps are morphing into platforms that have a range of other business applications embedded in them so that people no longer need to leave the chat environment to use other software. This phenomenon has given rise to a new buzzword: "ChatOps".

Signs of the shift towards embedded applications in messaging services are multiplying. Atlassian recently revamped the app store associated with its messaging service so that users can embed applications from the store directly into the chat environment. Before the change, HipChat users who got an alert from, say, a customer service application such as Zendesk would have to exit HipChat. Now they can open the application within it.

Slack, which reportedly has a million users, is also becoming a platform that attracts other

developers. As an example, Blockspring (https://www.blockspring.com/) has come up with an application that makes it very easy for a Slack user to build simple bots that can pull data from across the web into a spreadsheet format within the messaging service. Howdy (http://www.howdy.ai/), a startup that recently raised $1.5m of funding, has come up with an application that runs automated tasks for teams using Slack. It plans to develop apps for other messaging services too.

More of these services are likely to appear. Facebook recently revealed that Facebook at Work, which lets employees chat with one another on a private social network, now has its own chat client (https://research.gigaom.com/2015/11/facebook-beta-launches-work-chat-application/) too. (Facebook at Work, which was announced in January, is still in private testing.)

I'm not sure which enterprise messaging service (or services) will end up ruling the roost, though Slack is certainly off to a flying start. But I'm confident that ChatOps will become a mainstream way of doing business if enough innovative companies emerge with embedded applications for the various platforms. After all, it makes sense to bring all kinds of applications to a collaboration service rather than trying to inject collaborative capabilities into standalone applications one by one.

The companies that prosper most from the ChatOps trend will be those whose embedded applications are:

- **Easy To Use**

That means providing simple, intuitive interfaces and ensuring that applications integrate smoothly with companies' internal systems.

- **Authentically Mobile**

This may seem obvious, but all too often mobile applications for companies simply translate desktop functionality to mobile devices rather than tapping their unique capabilities more creatively. (Slack has hinted at the potential here by making it possible for users to book a ride via Lyft straight from a chat window.) Click here (http://wing.vc/perspectives/essays/mobile-first.-but-whats-next) for more on Wing's thoughts about authentically mobile apps.

- **Secure**

Applications will need to meet appropriate internal security and privacy standards

- **Data Smart**

As well as helping people find internal data they need for their work, embedded chat applications will also need to find, import and integrate relevant information from external sources. The best ones will also gather and display collective organizational knowledge about data sources and business issues.

We’re still in the early stages of the enterprise messaging movement and there will be bumps in the road ahead. Startups will need to find sustainable business models and be alert to the risk that messaging services could offer their own, competing applications. This kind of competition has surfaced occasionally in consumer markets, but it is widely accepted that businesses such as Facebook grew so fast in part because they nurtured vibrant ecosystems of developers. That lesson should not be lost on Slack, HipChat and others. ChatOps represents an exciting opportunity to create new businesses in the enterprise realm that can use fast-growing messaging platforms as a springboard to success.

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