

Tech's 5 Weirdest Flexes for 2021

Article



1. Facebook morphs into Meta: A study in changing the narrative

2021 was a rough year for **Facebook**, not only did the social network face a regulatory reckoning in various countries, it had to fend off more <u>whistleblowers</u>, PR firestorms, and **Congressional inquiries** than in recent years.

Facebook's woes came to a head in October, when a consortium of **17 US news organizations** published a series of stories—collectively called <u>"The Facebook Papers"</u>—that resulted in an

incendiary takedown on Facebook's involvement in skewing elections, its role in human rights abuses, and the potential <u>harm</u> to children.

Beleaguered at every turn, Facebook decided to change the narrative in November by suddenly announcing a rebrand. **Meta became the parent company overseeing metaverse products and services**, and Facebook remains the legacy social network product. **Mark Zuckerberg** stayed at the helm as Meta's CEO. Meta quickly excised the tainted Facebook branding from all its properties and replaced it with Meta as it pushed the conversation toward its "metaverse."

Weirdly enough, the plot worked. Not only did Facebook and its many problems suddenly vanish from the news cycle, the technology industry as a whole pivoted heavily toward defining their own <u>strategy for the metaverse</u>, or whatever AR/VR platform they had in the works.

Facebook, which started the year as a villain in various tech imbroglios, ended the year as Meta, the visionary company bravely leading the charge to the mixed-reality future. This is the biggest tech flex of all.

2. Clubhouse's stratospheric rise and precipitous fall

Much like **Zoom**, **Clubhouse** was considered to be a breakout app of the pandemic. As millions faced forced lockdowns due to the early COVID-19 surges months away from any vaccine availability, the invite-only <u>social audio</u> app exploded in popularity despite being initially an **iPhone**-only experience.

The Clubhouse phenomenon may have caught the world unaware, but it soon fueled a bevy of copycats. It seems like everyone from <u>Slack</u> to <u>Spotify</u> was pining for some of Clubhouse's hype.

- Twitter launched Spaces for its iOS, Android, and web applications.
- LinkedIn leveraged its Creator Mode to include potential Clubhouse-like audio features.
- Facebook rushed live audio rooms coming to Messenger and Instagram.

But then something unexpected happened.

Much like a comet, Clubhouse's unprecedented popularity suddenly completely fizzled. Clubhouse had <u>10.6 million</u> installs in February 2021, but by March there were only **2.9 million** installs, and then in April only **873,000** global downloads, indicating a sharp drop in adoption.



It's initial lack of Android access, the conversation-only format, and the snobby invitation-only model that gave Clubhouse an air of exclusivity were also the same reasons it quickly fell out of favor. Now, Clubhouse seems to have lost steam, even as various apps and services have co-opted its social audio model.



3. Amazon uses Echo smart speakers, Ring doorbells to share customers' Wi-Fi networks without user permission

Amazon, which dominates the smart speaker market, flipped the switch in June 2021 and turned **60 million user devices into an open Wi-Fi mesh network** for its <u>Sidewalk project</u>.

Amazon **Sidewalk** turned existing <u>Echo smart speakers</u>, **Ring** doorbells, and security cameras into Sidewalk bridges to amplify and share Wi-Fi signals. Devices were set to join these networks by default, putting the onus on end users to opt out by June 8 when the service launched.

Amazon's rationale for enabling Sidewalk: it can maintain Wi-Fi connections to smart home devices and Tile trackers even if individual ISPs fail. Consider that Amazon sold these devices with dormant features and didn't require consent from users before it turned their devices into hotspots, and you can understand why the move triggered privacy concerns.

The kicker? Amazon users who tried to opt out of the rollout were dismayed to find out they were opted in again without consent. **Millions of users unaware of this development, or**





lacking the knowledge to opt out, were unwittingly participating in Sidewalk, whether they wanted to or not.

Amazon Echo Users



4, Salesforce buys Slack, but what happens next?

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Salesforce completed its **\$27.7 billion** <u>acquisition</u> of business collaboration tool **Slack** in July. Under new ownership, Slack continued to be run independently, but the hope was that the service would be deeply integrated into Salesforce, resulting in a "Digital HQ" initiative where it could serve as a conduit for 150,000 Salesforce customers.

Salesforce and Slack seemed like strange bedfellows, and many questioned how the CRM giant and the trendy instant messaging app would fit together.

- Slack currently has 156,000 paying customers, up 42% YoY, and had up to 12 million daily active users and 156,000 organizations in 2020.
- Its rivals—Microsoft Teams (145 million) and Google Workspace (2.6 billion)—have vastly more users and are also tied into monumental productivity ecosystems that give them access to a captive market of B2B users.

Slack users loved the service because of its simplicity and ease of use, but as popular as it was, Slack really needed to be acquired to hyperscale and be more competitive. Integrating Salesforce's Customer 360 and its mix of marketing, commerce service, and IT features might have sounded good on paper, but **it will be a massive multi-year undertaking**.

Merging parts of disparate solutions like Salesforce and Slack is a delicate and risky task. Not only do <u>integrations</u> need to work seamlessly without affecting core features, the risk of alienating customers who are loyal to each product or service is high.

5. Microsoft continued to try making dual-screen phones

Microsoft's history with smartphones is complicated, to say the least. The company was once an innovator with **Windows Phone**, bringing PC-connectivity and apps on mobile devices while **BlackBerry** was still making pagers.

Microsoft later bought **Nokia** for **\$7 billion** in 2013, but its efforts to eke out a third platform to combat **Apple** and **Android** imploded, resulting in the **firing of 7,000 employees**.

The whole Windows Phone fiasco should have been enough to distance Microsoft from its mobile aspirations, but the temptation was too strong.

Microsoft's <u>Surface Duo 2</u>, the successor to its poorly received dual-screen Android-powered device, remains an oddity in the smartphone market. The \$1,500 device was positioned as a productivity tool for bringing together the best of Android and Microsoft, but even with the latest software updates, it's still considered "multiple generations" away from <u>being ready</u> for the mainstream.



The biggest problem with the Surface Duo? It was a subset of an even smaller niche in <u>dual-</u> <u>screen smartphones</u>, a market that has been dominated by **Samsung**, which has <u>multiple</u> <u>products</u> in its second- and third-generation models.

Developers haven't embraced dual-screen devices, which has led to few apps that can take advantage of the expensive hardware. So why is Microsoft persistently making the Surface Duo? Mostly because it can, which is a strange tech flex.



Wrap-up

Big Tech will continue to grow and evolve in 2022, and in the process there will be mergers, acquisitions, and strange product strategies that could seem weird or oddly revolutionary.

The pandemic will continue to be a factor in disrupting how people connect, create, and work, but great adversity usually fuels great innovation, even when the world doesn't seem ready for it.



