

MOBILE

Brand apps should be transformative or scrapped: Google exec

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The Nest app

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NEW YORK A Google executive at the Mcommerce Summit: State of Mobile Commerce 2016 May 5 pointed to several truly transformative brand applications but said the majority of marketers, even some really big ones, are struggling to attract and engage users.

During the session, Google: How to Attract and Engage Retail Users on Your Mobile App, the executive pointed to paying for coffee with the Starbucks app or starting a car with the MyFord apps as examples of transformative app experiences. If an app is not used on a regular basis, then it is not providing enough value.

"Don't just have an app for the sake of it," said Jonathan Pelosi, head of industry and mobile apps at Google. "If it is not doing something uniquely cool, go back to the drawing board.

"Aim for transformation," he said. "It is easier said than done."

The Mcommerce Summit: State of Mobile Commerce 2016 was organized by Mobile Commerce Daily and Mobile Marketer.

24-hour mall

For today's consumers, the smartphone acts like a mall that is open 24 hours a day and provides many more services than a traditional mall, such as booking a vacation, listening to music, watching a workout class, booking a car service.

This is why apps can be so important because they give brands a way to own real estate on a device that some consumers visit 150 times a day.

However, the mistake that some brands take is simply repositioning their Web site as opposed to creating a transformational experience.

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Jonathan Pelosi is head of industry and mobile apps at Google

An example of a transformational app includes OpenTable, which not only enables users to book a meal at a restaurant but also seamlessly pay without having to interrupt the meal. Another is Nest, which enables homeowners

to view what is happening inside their home. Still another is MyFord, with which car owners can remotely start their car.

One of the steps necessary for developing a successful app is to think about the end goals. In other words, if the app were a smash hit, what would that end result look like? From here, marketers can work backwards.

Performance indicators

It is also important to consider what will be the key performance indicators, or the actions that users will be expected to take, such as checking in at a store, paying for a purchase or redeeming coupons.

Determining what to measure can be difficult for a mobile app because this space is still new. Mr. Pelosi reports that Google has worked with partners who are investing tens of millions of dollars in an app and do not have the ability to measure how it is performing.

One key indication of how successful an app is how frequently it is being used. Is it being used on a regular basis or just once a year? If the answer is the latter, then it may be time to scrap the app.

Another simple way to determine how well an app is doing is to look at reviews. Mr. Pelosi recommends marketers read every review this can provide important insight into why people are not using the app more.

Some ways to drive the success of an app are to make sure it is fast and leverage organic marketing such as free banners on a brand's site linking to the app, posters in a store, call center and email. Marketers should also remove friction wherever possible, such as by enabling users to sign in via one-click options from Google, Facebook, Twitter and others and using fingerprint authentication.

Driving conversions

Apps should also have an in-store function to bring added value, enable payments and streamline the process of filling out forms

Adopting payments, in particular, will go a long way toward driving app conversions, per Mr. Pelosi. Keep in mind that 85 percent of app revenue comes from 17 percent of users.

Apps should also have an easy way to contact customer service, such as click to call or click to message.

In terms of finding new app users, 50 percent of consumers find apps via search ads and 47 percent via banner/graphical ads in apps.

Keeping users coming back can be a challenge. Only 3 percent of all Android and iOS apps have active users at the end of 30 days.

"When we look at apps, don't look at them in isolation," Mr. Pelosi said. "Don't look at the stuff in silos.

"How does this improve your customers' experiences across the board?" he said.