



# 4 Steps to Your Mobile Relationship Lifecycle

80% of mobile apps are used only once ... then abandoned.  
Why is that? And how can you break the cycle?

At Appcelerator, we help the world's  
biggest and best brands transform their  
customer relationships using mobile.

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# Introduction

## Mobile: Even More Transformative than the Web

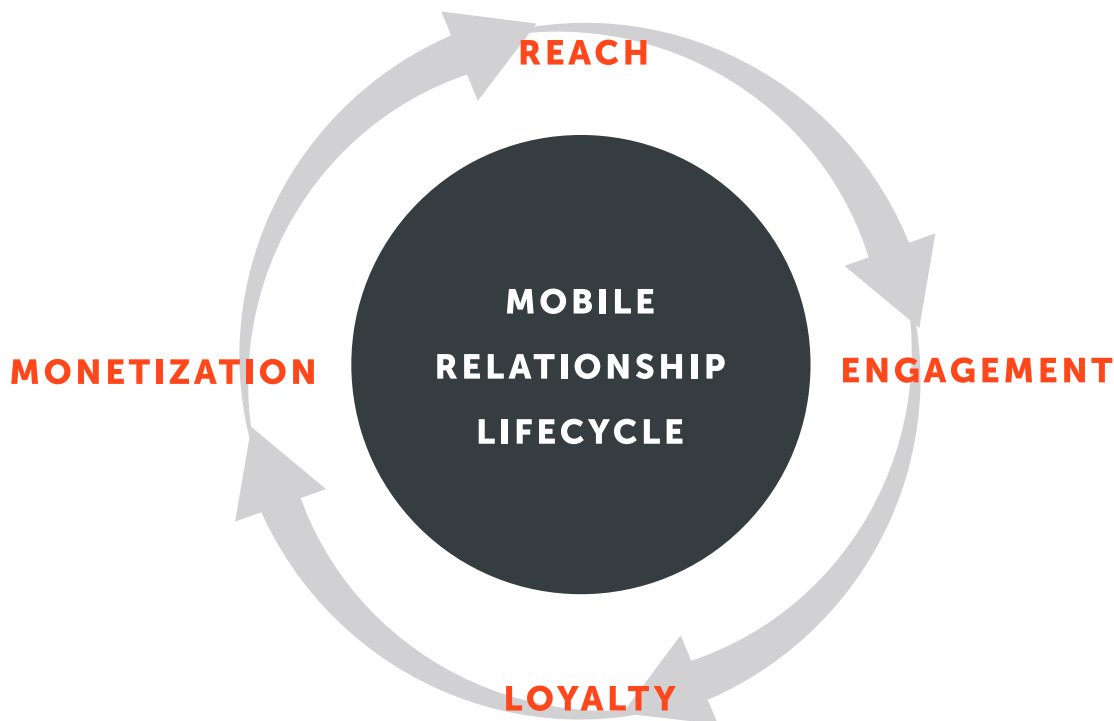
With over 700,000 apps in the collective app stores and mobile devices now out-shipping PCs, it has never been more important to understand how to deliver a world-class mobile experience. At the center of this conversation lies the key question:

***How can mobile transform the relationship between my business and my customers?***

Mobile offers a different engagement model than the Web. It is therefore helpful to consider a framework that provides a step-by-step process for understanding the unique value that mobile can offer your customers.

### **Introducing the Mobile Relationship Lifecycle: 4 Keys to Transforming Your Customer Relationships**

From working with over 200,000 developers and businesses to build 25,000 applications on the Appcelerator Titanium platform, we have distilled down the ingredients for successful mobile applications and websites into a 'cookbook' for understanding how mobile can add value to your business. We call this the "Mobile Relationship Lifecycle" and it contains 4 steps for any consumer-facing business that is making the move to mobile: increasing reach, deepening engagement, driving loyalty, and expanding monetization.



**Reach:** iOS or Android. iPad or iPhone. Full-screen Android or eReader. Native App or Mobile Website. Aligning your company's value proposition to the appropriate mobile devices and experiences is an important first step.

**Engagement:** This defines the core of the app or mobile web experience. User experience, location, social hooks, and cloud-connectivity all play an important role in determining how your customers will engage with your application.

**Loyalty:** A study published by Pinch Media (now Flurry) showed that 80% of mobile applications are never used beyond the first day. How can you keep customers coming back?

**Monetization:** There are at least eight different business models in use today within mobile. Some of the more interesting models like in-application purchasing leverage ongoing engagement, while the App Store monetizes the initial business/customer transaction.

The four phases above can be summarized in the acronym "RELM": Reach, Engagement, Loyalty, and Monetization. Think of RELM as a simple checklist to consider when thinking about how mobile can add value to your customer relationships and fundamentally transform the context, frequency, and duration of engagement with consumers.

In this white paper, we will discuss each of these four areas with specific practical tips for your organization. We will also discuss how one of the biggest brands, NBC, is using RELM to transform their customer relationships.



# 1

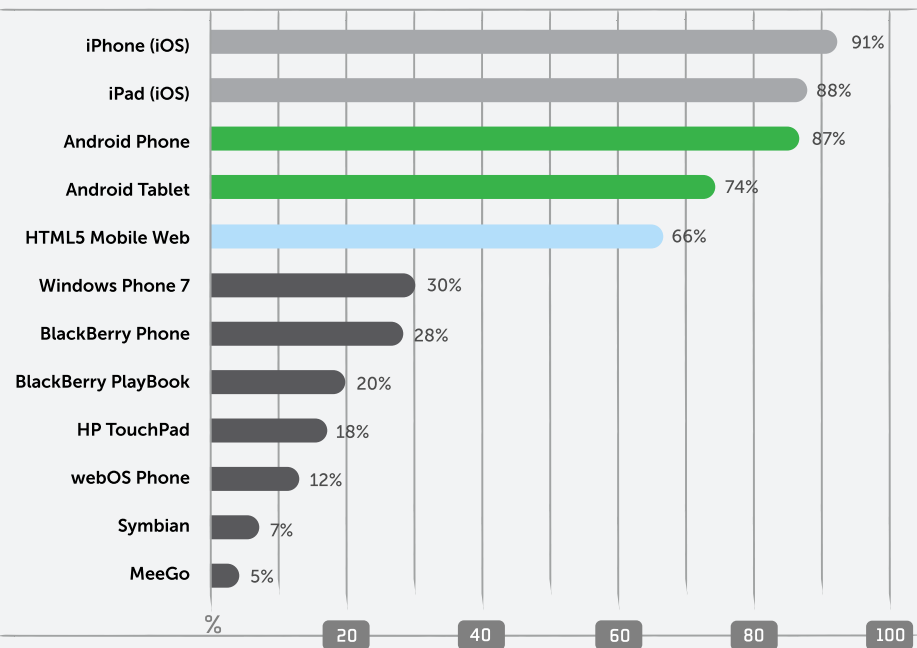
## REACH: Reach your customers anywhere, anytime

Most companies want as much reach with mobile as possible, but it is important to align objectives surrounding user experience and target demographic with platform selection. iPhone and Android phone applications tend to be more utilitarian in nature while iPad and Android tablet applications afford more real estate for deeper engagement.



### 'Very Interested' in Developing for Each Platform

Developers see need for mobile app and mobile website



Most businesses look at iOS, and specifically iPhone, as the first device to focus on. In the Q3 2011 Appcelerator/IDC quarterly survey, 91% of developers said they were 'very interested' in building applications for the iPhone. The third most popular platform? HTML5 mobile web.

N=1,956 responses

Source: Appcelerator / IDC - 07/2011



Another important reach consideration is whether to build a native application or mobile website. Ultimately, most businesses are going to want both. Mobile websites are searchable, easily constructed, good for content delivery and cross-platform. Native applications provide a deeper engagement experience, unique device-level capabilities, and more options for increasing loyalty and monetization. The best practice is to start with customer needs and work backwards into a prioritized implementation plan that leverages a company's internal and external resources (eg: not the other way around).

Finally, a new trend toward targeted mobile devices with specific usage scenarios is also starting to emerge. Lower-priced eReader devices like the Barnes & Noble NOOK and Kindle Fire target a more female-focused

audience that is used to paying for content. In addition, these devices forgo some features like geo-location or 3G access to favor a custom user experience that is tailored toward reading eBooks and magazines as well as watching video. Unlike the iPad, which focuses around applications as the preferred content experience, these devices pull through demand for applications by having a content-first approach. Also important to note: while volumes may be lower than iPad right now, some developers of NOOK apps have made in excess of \$100,000 in their first 30 days in the NOOK Marketplace.

The bottom-line? Reach is more than building for multiple platforms. It's about reaching your customers wherever they are with an experience tailored toward their needs that may change throughout the day.

**What is your strategy to reach your customers?**

**What platform(s) do you want to start on, and what platforms do you want to grow to?**

**How will you use a mobile app? How will you use a mobile website?**

# 2

## ENGAGEMENT: Use the unique features of mobile to create a world-class user experience

Mobile engagement encompasses four major areas: user experience, location, social hooks, and cloud-connectivity.

**User Experience:** At the center of any mobile application or website is the user experience. Easy-to-use, touch-based, utilitarian or entertainment applications are the most successful. While there are books dedicated to this topic, the best practice here is to understand that there are major differences between web design and mobile design. First-timers typically cram too much content into a mobile application. Simplicity often wins the day in mobile. Check out the resources section in the appendix for some best practices in user experience design.



NBC became the #1 application in the App Store based on an outstanding user experience. As the application is used, it becomes more personal. Favorite shows are saved, social connections are made easier, notifications are set, and the entire experience is 'layered' so it's easy to dive deep into secondary features or swipe a panel to go back to just the top-level shows view.

**Location:** Mobile by definition means that context is important to consider as time and location can vary considerably. In retail, for example, shoppers research from home, interact with a product while in the store, and share their experience after purchase. Designing an experience that is specific to a user's location results in content or features that are most relevant at a particular point in time.



GoExplore, powered by Gowalla, provides travelers with an up-to-the-minute itinerary on popular locations to see or events to experienced based on their current location.

How does a change in location change the content you provide to your customers?

**Social Hooks:** Making sharing easy and pervasive is essential in most applications. Successful applications tie in Facebook or Twitter throughout their applications to promote distribution of content or pull in new users.



GetGlue has grown to over 1 million new users since going mobile last year, mostly due to its deep social integration. The app lets you check into your favorite movies or TV shows, rewards viewing through stickers, and leverages social communities that form around popular entertainment. GetGlue keeps its experience fresh by constantly offering new sponsored content achievements or other social check in rewards.

**Cloud-connected:** over 84% of Appcelerator's applications are cloud-connected. The increase in popularity can be attributed to three factors: the explosion of third party services that leverage content and SaaS-based software originally built for the web, just-in-time information delivery to keep applications smaller, and portability across devices as people use different devices at different times throughout the day.



Wunderlist became the #1 productivity app in both the Apple and Google app stores for its streamlined interface and tight integration with the cloud. Allowing users to record and share to-dos on any device, PC, or Mac, Wunderlist eliminated the need for complex data synchronization by moving this process to the cloud. The app is a great example of how to architect an experience for anytime, anywhere, and any device access to information.

**Is your user experience amazing? Useful? Entertaining? Fun?**

**How can you use location to add value to your customer relationship?**

**How can your user experience involve your customer's friends, family, and social network?**

# 3

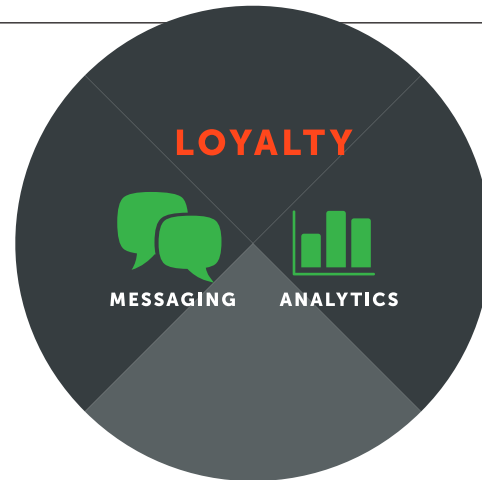
## LOYALTY: Make your app a "must visit" again and again

Most consumer applications are downloaded, used once, and deleted. While user engagement is important, not everyone can build the next Angry Birds. Instead, increasing loyalty for most developers is an iterative process that includes analytics, incentives, and notifications.

### GameStop®

GameStop PowerUp Rewards has built a loyal following of 13 million users across their web and mobile properties. PowerUp Rewards tracks purchases from Gamestop and loyalty to the GameStop brand. In the mobile application, gamers can check-in to stores that they visit, watch trailers on-the-go, earn points for actions, and track their favorite games. Notifications are sent to customers when their game ships and the cycle repeats.

**Analytics:** In the traditional web sense, analytics measures visitors, sessions, session length, and pageviews. In mobile applications, rich client-side interactions can be analyzed to improve navigation flow, measure media consumption, or track usage of the camera and other device capabilities. Most of the top application developers we've worked with see analytics as the cornerstone to building a loyal user base. The more insight into customer behavior, the



closer the developer or business can align product features to consumer demand.

Consumers have come to embrace frequent updates to their applications in exchange for ongoing content refreshes, continuous improvement and rapid innovation.

**Notifications:** push notifications is one of the most frequently used features in Appcelerator-built applications. In fact, the Q3 Appcelerator/IDC survey found that of all the new capabilities in iOS 5, the improvement in notifications was the most eagerly awaited feature.

Implemented well, analytics and notifications work together to create a self-reinforcing stimulus/response system. Analytics can measure activity or inactivity while notifications can drive consumers back into an app with messages delivered at just the right time and/or location.

**How can you make your app a "must use" every day?**

**How can you use analytics about previous behavior to engage customers in future interactions with your company?**

**Are you utilizing messaging and push technologies to stay in regular touch with your customers?**

# 4

## MONETIZATION: Choose the right business model for your mobile application

App store sales and advertising typically dominate the discussion when it comes to monetization, but there are actually eight business models in use today. Monetization needs to be considered at the end of the planning cycle as the business model is determined directly from the type of engagement and loyalty actions taking place within an application.

While app store sales continue to be the most popular business model for consumer applications, there is an increasing trend toward freemium business models that monetize content consumption or usage versus the initial application purchase. As well, there is an increase in popularity in models that monetize 3rd-party sponsors or simply reward loyalty. GameStop PowerUp drives customers back into their retail stores while GetGlue earns its money on sponsorships with entertainment brands that it ties into.



### What is the strategic value of mobile to your company ...

- To generate download or ad revenue?
- To drive incremental purchase revenue?
- To drive footsteps into your store?
- To build brand recognition through social channels?



RELM IN ACTION: NBC



COMPANY

# NBCUniversal

One of the world's largest broadcasting networks, NBC has hundreds of original broadcast shows across TV, cable, and online properties.

OBJECTIVE

Create the best possible user experiences across every device.

BENEFITS

Rapid innovation: Update cycles reduced from weeks to days.

Cross-platform efficiency: 97% code reuse across iOS and Android for Late Night with Jimmy Fallon.

80% reduction in cost and time-to-market compared to outsourcing to an Objective-C or Java developer.

Leverage internal web development team.

Mobile media framework on Titanium can scale to support hundreds of new apps.

Appcelerator and NBC have worked closely over the past year to build the leading network's mobile strategy on the Titanium platform. A detailed case study is available to download at [appcelerator.com/nbcuniversal](http://appcelerator.com/nbcuniversal). Here is a summary of how the network evolved to become the most popular destination on the app store.

## PHASE 1: JAY LENO'S GARAGE OBJECTIVE: REACH

NBC's initial foray into mobile with Titanium was Jay Leno's Garage. This application streams video content from the TV show with the same name. It was the first mobile application built from the ground up by the network. It's a straight-forward application experience with a single content source – video. Essentially, this gave NBC a first-hand look at what their web-to-mobile transformation could look like.

## PHASE 2: LATE NIGHT WITH JIMMY FALLON OBJECTIVE: REACH, ENGAGEMENT

In September, 2010, NBC launched the Late Night with Jimmy Fallon app for iOS and Android. This was a pivotal application for several reasons. First, Jimmy Fallon took a direct interest in the user experience. The app includes several “mini-apps” with funny voice-over effects recorded by Fallon himself. These apps are rolled out as episodic content on air. He also engages his audience by having them take photos of themselves to be featured on the show.

Under the hood, the evolution of NBC’s mobile strategy was well underway. In partnership with Appcelerator, NBC built a ‘media stack’ of reusable components. Photos, videos, blog feeds, myNBC social, schedules, analytics, and more were integrated into a scalable set of web services that could be easily integrated into NBC’s Titanium-based applications. Further, 97% of the code was reused across iOS and Android, enabling the network to dramatically reduce not only their cost, but time-to-market of a cross-platform application.

## PHASE 3: NBC IPAD OBJECTIVE: REACH, ENGAGEMENT, LOYALTY, MONETIZATION

The fruits of NBC’s labor really showed in their latest app, NBC iPad. Now the flagship mobile application for the network, NBC iPad offers full episode viewing, games, photos, social checkins, notifications, and more for their full lineup.

Through their partnership with Appcelerator, NBC was able to focus more on the user experience and less on the plumbing required for the application. The result? NBC iPad hit #1 in the app store 24 hours after launching its full episodes in September 2011.

**“Choosing Appcelerator is as much about planning for the future as it is innovating in the present. As we scale to include more programs across more devices, we need a platform that enables us to have organizational agility and efficiency. Appcelerator Titanium is that platform.”**

**-Vivi Zigler, President, NBCUniversal, Digital Entertainment**

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## In conclusion: Innovation. Scalability. Control

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NBC, a leader in media entertainment, has a need to reduce the fragmentation complexity inherent in mobile. By removing the sources of fragmentation, they are able to spend more time meeting their business needs around reach, engagement, loyalty, and monetization. In the end, this approach delivers three major sources

of value to the organization: rapid innovation to maintain a competitive advantage, scalability to all mobile platforms, and ultimately, control over their own mobile destiny.

## Appcelerator is the #1 Mobile Cloud Platform

Over the past two years, we have worked with 200,000 mobile developers and companies to deliver 25,000 applications for iOS and Android. Many of these apps have had hundreds of thousands or even millions of downloads. NBC, Kelloggs, GetGlue, ZipCar, Michael's Stores, GameStop, Wunderlist, Harrah's, Progressive, Medtronic, and many other companies of all sizes have built very successful mobile businesses on the Appcelerator Titanium platform.

Within this portfolio, Appcelerator has seen best practices and patterns emerge around what successful developers and businesses think about when moving from digital web applications to embrace the mobile opportunity. We have shared these views with top-tier analysts and in so doing have become a thought-leader in this space: Gartner recently recognized Appcelerator as a 'visionary' in their 2011 Mobile Consumer Application Platform magic quadrant and Appcelerator and IDC jointly publish quarterly surveys on mobile trends that define our ever-evolving industry.

**[www.appcelerator.com](http://www.appcelerator.com)**