



About Lenati

Lenati is a professional services firm offering strategic methods for clients to have meaningful connection with their customers in order to elevate performance, revenue, and market share. Lenati offers a variety of solutions to help companies effectively develop products and experiences that are valuable to their customers. Based in the Pacific Northwest, Lenati is well-known for intellectual rigor, practiced expertise, and an uncanny ability to perceive and meet clients' needs.



About the Author

Kirk Johnson is a Principal with Lenati and the leader of our Mobility Solutions practice. He brings over 14 years of experience in business and wireless related projects. His specialties include business and channel strategy, sales and service optimization, online advertising and implementing the strategies he helps define.

Building Mobile Customer Connection:

Should I Build a Mobile Application or Mobile Optimized Website?

Powerful mobile devices are selling like hotcakes (and outselling PCs), cellular and Wi-Fi networks are finally living up to the data speeds that were promised in 2002 and there is tremendous buzz surrounding the latest mobile applications and Apple's iPhone App Store. As a result, a number of businesses are asking how they should approach mobility and typically the first question they ask is "Should I build a mobile application?".

THE CHALLENGE

If they've done a little research on the topic often unsure how to proceed and asking themselves: "Should I build a mobile application or should I optimize my website for mobile?, both?, neither?, is this just a fad? HELP!" The challenge is that they view mobile as the new silver bullet that will increase sales & customer loyalty if they just get in the "mobility game". Thus, what many businesses end up doing is building a mobile application that is a copy of their traditional website simply so they can say they have a mobile solution. What they are failing to do is understand how their customers behave in a mobile environment and then determine what types of experiences they'd like their customers to have with their company when mobile; then apply the appropriate mobile technology to build that mobile customer connection.

THE OPPORTUNITY

Google and Forrester estimate a large surge in mobile internet access with over 1 billion people accessing the mobile internet by 2013. Multiple reports cite that more people will access the web via a mobile device than via a PC in less than a decade. There is a tremendous opportunity here for companies that can get this right. The winners will be the companies that design mobile customer experiences that enhances the customers activities and leverages the unique capabilities of mobile networks and devices (e.g. camera, location based services, GPS).

Key Takeaways

- Many companies feel pressure to have a mobile presence and ask themselves whether they need a mobile optimized website, a mobile application or both
- It's key for a company to determine what its mobile strategy is before ever deciding which mobile technology to leverage.
- The mobile strategy should focus heavily on determining what experiences a company wants its customers to have in a mobile environment.
- No matter what, a company should always have a mobile optimized site. You'll reach so many more potential customers than with 1 or 2 mobile applications.

GETTING STARTED—DEFINE YOUR MOBILE STRATEGY

The first step in building a strong mobile customer experience is to set your mobility strategy and determine exactly what experiences you want your mobile customers to have and how that would differ from a typical web experience. For a number of reasons, they shouldn't be exactly the same. A user's action is very different when seeking information from a PC versus a mobile device. Here is a recipe for getting started on defining your mobile strategy:

1. **Determine** what would be the **common connection scenarios** that your customer would hope to leverage via a mobile web-site or via a mobile application with your company? For example a retail business may want a store locator experience so the customer knows where to find the closest store. A ski resort on the other hand may just want to publish a snow report or average wait times on lifts.
2. Next establish **what value you can add to your customer's experience** leveraging the mobile ecosystem. a) Can you offer them something unique based on knowing their location? b) Could you send them a coupon that they could redeem at my store c) Can you leverage the camera on the device?
3. Once you have their mobile attention, define **how you would integrate their mobile experience back into your PC and offline** customer experience. You don't want mobile to be done in a vacuum. For example if your goal is to sell them new products they may not want to purchase immediately via phone. How would you "hand-off" that information for further use by sales and marketing? How would you continue to nurture them via mobile or a follow-up email experience?
4. Don't forget to determine **what your budget is** to develop this mobile experience. Building a mobile experience can get costly in order to do it right. If your budget is small, you'll need to alter your strategy to reflect that (i.e. don't plan to build a mobile app for 5 different platforms)

Once you have your strategy set, it should be fairly easy to determine what you want to do, what you can afford and how it all ties in with your other customer experiences and marketing activities.



BUILD THE MOBILE OPTIMIZED SITE

Companies typically find themselves making an “either/or” choice between a mobile application or a mobile site or asking if their regular internet site might simply be good enough. A mobile-optimized web-site is vital based on today’s rich web experiences, with the additions of as video, flash, ads, rich media, etc. Although networks are faster, it’s tough to download all of that and customers don’t typically want or need all of the choices a traditional web-site offers. Here are a few other pros and cons to think about with a mobile optimized site:

Pros

- A mobile optimized site can reach anyone with a mobile browser. This allows you to increase your target audience by over 90%. That’s millions of mobile users.
- A mobile site doesn’t require a customer to download a new version every time you want to make a change.
- It can be significantly cheaper to develop as you don’t need to port it across various OEM operating systems (e.g. Apple, Android, MSFT, PalmPre, Nokia)
- It can also be easier to integrate mobile optimized site with your traditional web and offline activities that will mobile applications
- By keeping the experience “in-house” you can gather a variety of metrics and determine ROI on your efforts.

Cons

- The biggest drawback for an optimized site is that it can be difficult and costly to maintain an experience that is optimized across the plethora of devices and carriers in the market.
- Compared to a mobile application, there is still the challenge of network connectivity. Your website won’t work if the network connection isn’t there where as an application will.
- A site won’t let you leverage some of the native capabilities of certain devices and the mobile network. Cameras, GPS, LBS and touch-screens can all be tools to the enhance customer experience.

To see a good example of a mobile optimized site (and marketing campaign), check out how Toyota and Lexus are using mobile ads to drive potential customers to a mobile optimized experience. Kudos to this one. It’s valuable, it’s unique and it’s tied into their other sales and marketing efforts.

http://www.lexus.com/lexus/jsp/pub/mobile/models/HSh/hello_someday.jsp

They narrowed down your experience to really two things you made do when mobile. 1) gather more information about a product and 2) find a dealer near you. Click deeper into the experience and I think you’ll agree that this is really well executed.

GREAT BUT I STILL WANT A MOBILE APP

So why would you build an application then? Primarily, I think an application should be a supplemental effort to your mobility strategy that allows you do something valuable for your customers that you can't easily do on a mobile optimized site. It should not just be a repeat of your web experience. If the customer scenarios you laid out in your mobile strategy can benefit from a mobile application than it may make sense to build one, just remember that it will limit your audience and may not "take off" like you hope. The average iTunes application receives < 5,000 downloads. Here are a few additional thoughts on the pros and cons of building an application:

Pros

- The application can leverage features of the mobile device including the camera, GPS and voice. Try that with your website!
- If you are just focusing on the iPhone platform, they are relatively inexpensive to build and maintain given only one OS / one device is involved. (This changes dramatically if you choose to port this application to multiple systems)
- The applications run on the device and still work even if network connectivity is an issue (assuming the app is self contained)

Cons

- You have a smaller addressable audience for any application. Even if you target the iPhone platform which has millions of users, you likely get lost in the shuffle of 90,000+ other applications and Apple does not provide an easy way to market your application
- Applications need to be updated which can degrade your customers experience
- Should you decide to expand you audience, it can be very costly to port an application to other platforms.
- You can't get any solid metrics on application usage (at least to my knowledge)

A company that has done an incredibly good job with their iPhone Application is Amazon's Store App. <http://www.amazon.com/gp/feature.html?ie=UTF8&docId=1000291661> Not only does it let you shop from your phone, but it leverages the iPhone to enhance your experience. You can take a picture of any product and send it to Amazon. Within a minute they will send you back similar sample products for sale in their store and let you purchase them on the spot. Very cool and something you can't do with a site alone.

SUMMARY

I'd challenge you that "Mobile App or Mobile Website?" is the wrong question. Really, what companies should determine is "how should we interact and connect with our customers in a mobile world?". Once that mobile strategy is defined, the answer should be clear and it may be "both".

FOR MORE INFORMATION

To discuss this point of view or to learn more about Lenati's mobility solutions, please contact Kirk Johnson at kjohnson@lenati.com