

COLUMNS

Branded mobile apps or group apps?

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By the end of 2014, Gartner forecasts there will be more than 185 billion applications downloaded since the launch of the first app store in July 2008.

With the proliferation of mobile apps, mobile has quickly become a critical channel for retailers and brands to reach their mobile customers.

In the rush to deploy mobile apps, however, it is important to remember that there are two primary types: custom-branded apps as well as group apps that take a shopping-mall approach (think Groupon, LivingSocial or BuyWithMe.)

And while most companies have focused on developing their own branded app, there is room for both kinds of applications in a well-rounded mobile strategy.

Branded apps: advantages and drawbacks

A branded app offers well-established brands a connection to their customers: the brand in the consumer's purse or pocket, with continual access for mobile shopping, marketing, loyalty programs, rewards and other forms of customer engagement.

These custom apps allow marketers to deliver a brand experience that is consistent with other channels and to control exactly how they communicate with their customers.

However, in developing standalone mobile apps, companies should keep several things in mind.

In the competitive smartphone market, there are constant changes and new introductions.

Many consumer phones still run versions of the operating system that are months or years out of date and as a result, mobile developers must ensure compatibility with each new upgrade.

Re-development for emerging technologies takes time and financial resources, so be sure to devote the appropriate IT resources.

And finally, since consumers select which apps they download and actually use, your branded app must be engaging, entertaining or highly useful. Otherwise, your mobile application will be a used-once-and-done app that is

quickly forgotten.

Group apps: convenience of a mobile shopping mall

The runaway success of companies such as Groupon has underscored the importance of the second type of mobile app: the group app.

And whether companies participate via one-time marketing offers or a continuing presence on a group app, there are several advantages that can make these a powerful complement to your branded apps.

For businesses, group apps can save a company time and money, since it is significantly more cost-effective to have someone else implement and maintain the app across all major device platforms.

For consumers, a group app offers convenience.

With the rise of social media and group buying, consumers have become familiar with the idea of grouping brands together.

Think of the time-honored concept of a shopping mall, which offers shoppers the convenience and choice to easily shop at multiple brands under one roof. Your brand experience is still the same, but the one-stop shopping approach also benefits consumers since they do not have to learn how to navigate multiple applications and can use a single password to access many brands and offers.

Keys to an effective mobile strategy

Whether you are deploying branded mobile apps, group apps or both, here are several principles to keep in mind when developing and deploying an effective mobile strategy.

First, active users are more important than the number of downloads.

Make sure your app supports a strategy to drive continued usage.

What will engage the customer and provide unique value? Mobile coupons, loyalty offers and other forms of mobile marketing can keep your users engaged.

Next, keep it simple. Users will adopt whatever is easier or more convenient for them on their mobile devices.

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