Branding through mobile applications
- A case study of Swedish campaign applications

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Abstract

We are a few years into a paradigm shift where mobile Internet usage around the world is increasing fast. Smartphones have in Sweden become the device a substantial proportion of the population have, and companies have seen them as a new way to communicate with consumers. This thesis is a case study of four smartphone applications issued by companies in brand building purposes. The applications are King of the slope by Vattenfall, Körklar? by SalusAnsvar, McWrap Go&Get by McDonalds and Många Sträckor Små by Lantmännen. Empirical materials are gathered through semi-structured interviews with people involved in the creation of each application. Results are then analysed based on what initial goals each issuer had set for the application with the aim of obtain learnings valuable to future application issuers. Findings have shown that the mindset when creating these applications has generally been short-term. This contradicts the nature of a mobile application and its purpose of strengthening a company’s brand, which usually is a long-term process. We advocate a more long-term mindset and a consumer-oriented standpoint instead of product-oriented when creating mobile applications for branding purposes.

Key-words

Mobile applications, Innovative marketing and branding, Brand awareness, Brand identity, Brand relationship, Mobile strategy
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Executive summary

Background
The mobile evolution has been fast and come a long way. Smartphones have become a
communication’s device that is both affordable and user friendly. By the end of 2012 over 2.5
billion people had access to the Internet and the number is constantly increasing rapidly due to
low cost smartphones. Experts have even suggested that by 2015 around 90 % of the world’s
population will be connected through some form of mobile device. That is almost 4 billion more
people connected to the internet through smartphones than today. Another example of the
growth of the smartphone industry is that we will reach one million apps on both iOS and Android
app stores in 2013. There is a huge opportunity in the mobile marketing medium. In the US alone
there is a $15 billion opportunity in mobile marketing, as we spend over 10% of our time engaged
in the mobile media but only about 1% of the marketing spend is put there. We spend more time
with the mobile media then the print media today, but still the advertising spending of print was
25 times that of the mobile spend, and that will shift in the future.

Delimitations
This study is only covering Sweden-based Business-to-Consumer companies of whom mobile
applications are not the main industry, and the mobile application is made for a marketing and
branding purpose, referred to as campaign mobile applications. The apps investigated are not
direct income generating, that means the applications are free and does not offer in-app
purchases.

Approach
Findings are based on qualitative analysis of the semi-structured interviews with people involved
in the creation of each case. Interviews with industry professionals not related with the cases
have also contributed to the general findings. This thesis aims to find out how applications made
in branding purpose are conceived and what kind of properties that have impact on their
performance and results.

Cases described and analyzed in this study
- Vattenfall “King of the slope” - A fun ski tracker app with the aim to create a positive
touchpoint between brand and consumer
- SalusAnsvar ”Körklar?” - An app that aim to prohibits drunk driving and generates
donations to MHL
- McDonalds “McWrap Go&Get” - Find free virtual McWraps placed on different locations
and obtain downloads to the company’s main application, as well as promoting a new
item on their menu
- Lantmännchen “Många sträckor små” - Encourages bicycling instead of driving to reduce
CO2 emissions
Findings

Contradictory to what some experts thought, we have showed that mobile applications actually can have impact on a company’s brand. This can be done either by developing many short term apps with a coordinated brand image and in a sequential manner like Vattenfall has done, or by creating a long term application platform like McDonalds. Most mobile applications today in this category are explicitly short term advertising initiatives, without this coordination and with no impact on the company brand, but we predict that we will see a shift in the future as companies learn how to utilize the mobile medium better. The McDonalds application that included the McWrap Go&Get app inside their main app, is we have seen to date the best example of long term thinking in utilizing the mobile app as a platform for communication with its customers.

The success factors we have identified are intuitive and has to do with proper prioritization of the mobile channel with time and money, that allows a more strategic and well thought out mobile application. Today the overall process is often managed by an advertising agency, and this has both good sides like creative and innovative app ideas, and the bad sides of short-term and campaign thinking. The success factors we have identified include understanding the user value and target group, simplistic design, entertaining the user, showing the content first and asking for contact details later, giving away free stuff like food, making an application with proper performance and launching it when the user demand it, having a long lifetime on the application, make the app part of the CSR work, gamification by allowing the users to compete with friends and gain achievements, sharing results on social platforms like Facebook, respecting the user privacy as the mobile phones is a private medium, and lastly having a secure app that makes the competition fair.

The results have led us to conclude that mobile applications offer great potential in B2C communications, but it is not a regular advertising channel. It is important to be consumer-oriented instead of product-oriented when creating applications for branding purposes. Building long-term relationships between consumers and your brand will convert them to customers. As mobile applications experience a boom both in Sweden and globally companies need to carefully consider whether an smartphone application really is the best way to build that relationship. Many companies are making applications without any strategic purpose or coordination with the brand image. Also desktop applications or mobile websites could be a better alternative than a mobile application. Examples of information that should be presented in a mobile website instead of a mobile application is the company information, company news and contact details.

We have found that the value and usefulness of the mobile application has an inverse relationship with the promotion needed for the application, to reach the same numbers of downloads and active users. One example illustrating this is McDonalds McWrap Go&Get campaign where almost no advertising was needed to reach hundreds of thousands of
downloads, just by giving away free food. An indication of the amount of users that is probable for
the application to have, this formula can provide an estimate of the relationship between
promotion you will buy and the user value you offer. If either is 0, the users of the application will
be 0. If both are high, like the Vattenfall and McDonalds case, the users of the application will
explode.

\[ \text{Users of the application} = \text{Promotion} \times \text{User value} \]

We have also seen that digital and social marketing is the most cost effective way to market a
mobile application today.

Contradictory to marketing and branding fundamentals the mobile application does not need to
be closely associated with the company’s business. It can be something completely different
and still build the company brand and create top-of-mind awareness. One example is Vattenfall,
where most people could not see the association between the company Vattenfall, their core
communication value of being a “smart energy enabler”, the ski sponsorship and the King of the
Slope application. The relevance can be low and still affect brand and business KPIs positively.

We have seen that measuring the results of mobile applications are primarily evaluated in
number of downloads. But number of downloads is not a good overarching KPI to explain if an
application has been successful. There are better ones like how long an application has been
used and how many times, combined with the number of users. This gives a KPI of total amount
of minutes engagement with the brand inside the application. Also the amount of active push
users are a good measurement, as they can receive communication from the company.

And all of this has been observed in the first few years of a new communication medium for
marketing and branding that grows faster than any other medium.
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Abbreviations

POD - Point of Difference
POP - Point of Parity
CSR - Corporate Social Responsibility
ROI - Return on Investment
B2B - Business-to-Business
B2C - Business-to-Consumer
KPI - Key Performance Indicator
BYOD - Bring Your Own Device
UI - User Interface
CPC - Cost Per Click
CPA - Cost Per Action
CPL - Cost Per Lead
CPM - Cost Per Mille
Mobile apps & apps - Mobile applications
1. Introduction

1.1 Background

Figure 1. St. Peter’s Square from when pope Benedict was announced in 2005 compared to
when pope Francis was announced in 2013\(^1\).

The amount of Internet users across the globe is constantly increasing. By the end of 2012 over
2.5 billion people had access to the Internet\(^2\) and the number is constantly increasing. Cheaper
and more mobile Internet connectivity options has spurred the penetration within developing
countries and places where physical connectivity have difficulty to reach. An example is India
where Internet usage from mobile devices surpassed desktop Internet usage in May 2012, as
seen by the graph in figure 2.

\(^1\) Business Insider, There Was Something Different About The Vatican Crowd In 2005 and 2013,
\(^2\) Business Insider, 2013 - The Year Ahead in Mobile,
05-02-2013
Figure 2. Mobile internet traffic surpassed desktop internet traffic in India during early 2012\(^3\).

Another example is that mobile devices are already responsible for 1/7 of global Internet traffic\(^4\). These are significant indicators of future Internet trends heading towards a more mobile state. The picture from St Peter’s Square clearly shows how much change there has been during the last few years. We are a few years into a paradigm shift of internet usage where everything mobile is in the center of attention. The driving forces behind this shift originates from many directions. One is the expansion of 3G (and lately 4G) connectivity all around the world combined with affordable Android smartphones and tablets. Developing countries focus more on expanding mobile than terrestrial Internet, as the cost per Internet connection is much lower\(^5\). Another driving force is the social media phenomenon, where the users can connect regardless of distance.

The success of social media builds upon people’s need for confirmation, attention and to belong. Human beings are social creatures and we like to share our experiences. Some even take it to the extent where telling others about the experience is more exciting than experiencing it in the moment. Social media creates huge amount of information and it is more than anyone can take.

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in, and we end up having information inflation. The value of the information is different to each individual and there is no way to distinguish whether user generated information is better than automatically generated. However, the more information available in the digital world the more does the demand for individually valuable information increase. This contradicts the traditional microeconomics principle of supply and demand. Instead it can be explained by Metcalfe’s law, which states that the value of two way communication systems are proportional to the square of the number of connected nodes. This means that the value of being a part of communication system increases when more people join the system\textsuperscript{6}. The effects of Metcalfe’s law can also be seen in the increased amount of mobile applications, by the competitions, collaborations, sharing and interactions in mobile applications. This creates the viral phenomena where users of a mobile application convert non-users, for example friends on Facebook, to users of the mobile application. Ericsson has forecasted that there will very soon, probably during 2013, be more people having access to mobile than fixed Internet\textsuperscript{7}. Experts have even suggested that by 2015 around 90 \% of the world’s population will be connected through some form of mobile device. Forecasts like these make presence in the mobile medium seem mandatory.

\textbf{Figure 3.} We will soon reach 1 million apps on Google Play and Apple App Store\textsuperscript{8}.

The number of applications for Android and iOS are constantly growing. Game makers were the first to realise the potentials of mobile applications. Not long after came applications that could


\textsuperscript{7} Vestberg, Hans, Ericsson Mobile World Conference 2013 presentation, http://www.media-server.com/m/p/saswensc, President of Ericsson, Accessed 26-02-2013

solve the same user needs as computers, but in different ways. The mobile capabilities allow reinventions of ways to meet people’s needs using new and exciting tools. Some saw it as a new way to strengthening their brand while others saw it as just another marketing channel in need of managing. Every time a new industry emerges, history repeats itself. At first are the current rulers sceptical and do not see the potential while others, those early adopters, embrace it and learn to use it to their advantage. After some time, if the new industry is sustainable enough, its level of popularity explodes. We have seen it many times before and we will see it again. For example, when the television came were the movie industry Hollywood the least happy ones. The television was viewed as a threat to the movie business instead of an opportunity to become the entertainment industry. The movie industry did not think of how they could be of more service to the consumers, instead they fought, lost and went through reorganizations9 (Levitt, 1960). Apply this to the growing mobile application industry, can advertising industry see it as a way to be more consumer-oriented instead of only being product-oriented? There is need of true rational behaviour to allow this, where the industry becomes aware of the problem and attempts to solve it in a constructive manner10.

The mobile opportunity for businesses advertising spending is huge. We are still in an early stage of the mobile media, and the advertising spending has not caught up with the time we spend on the media.

Figure 4. Time spent on the mobile media is greater than time spent on print media in 201111. Still, the advertising spending of print was 25 times that of the mobile spend.

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Many companies make the common mistake of trying to penetrate the mobile channel with traditional digital marketing methods like banners. As the screen size is small and users pay less and less attention to banner ads, the cost per thousand views (CPM) is only 20% of desktop banners\textsuperscript{12}. A few innovative companies have understood that they can market themselves by creating mobile applications that users use in their daily life. This is a new phenomena, and that is what this reports aims to investigate.

**Keywords:** Mobile applications, Innovative marketing and branding, Brand awareness, Brand identity, Brand relationship, Mobile strategy

\textsuperscript{12} Business Insider, 2013 - The Year Ahead in Mobile, 
1.2 Delimitations

This thesis will only study applications issued by Sweden-based Business-to-Consumer companies of whom mobile applications are not the main industry. These are referred to as “campaign applications”. A small number of marketing campaign mobile applications for consumer brands will be selected and studied as exemplary cases. The chosen applications should be available for both the iOS and Android operating systems. Windows phone, Symbian and Blackberry applications will not be taken into consideration due to their limited selection. The term “mobile device” will be used to express handheld communication device that can function without constant corded power supply from an outlet. Laptops, hybrid laptops, netbooks, eBook-readers, mp3-players and handheld gaming consoles are not considered to be mobile devices to the extent of this thesis. The unit of analysis are handheld devices running iOS or Android with built-in access to an application store. Different sub-categories to mobile devices will be explained later on.

The characteristics of the applications being studied are non-games and free to download and use. Those can also be described as campaign applications.

*Figure 5.* The scope of the thesis
We only selected four mobile applications to investigate further in the case studies of this report, to get a deep understanding of the context, process, outcomes and learnings in these apps. The reason for selecting these four apps was that they were considered to have the most amount of interesting learnings to be made from them. These four mobile applications were interviewed either directly or indirectly. The four apps that are going to be analyzed in the case studies are:

- Vattenfalls “King of the slope”
- SalusAnsvar ”Körklar?”
- McDonalds “McWrap Go&Get”
- Lantmännens “Många sträckor små”

Other applications that we made interviews around but that did not get analyzed more explicitly in this report, due to limited time and scope, are:

- Volvo “Volvo On Call”
- Volvo “XC Travels”
- Abba Seafood “Kalles Äggklocka”
- Ariel “Fläckipedia”
- Oriflame “Sun Coach”
- 7-Eleven “7-Eleven store locator”

Even these are not all the mobile applications we have looked at in this study. We have tested, analyzed and considered many more before selecting which to interview during this study. To understand how many mobile apps we have looked at, consciously or unconsciously, after the study Henrik had a total of 120 mobile applications installed on his iOS device, and Caroline had 207 mobile applications installed on her iOS device.
1.3 Research problem

P1: What does the process of creating a campaign mobile application look like?
   P1.1: What is the purpose?
   P1.2: Who makes the decision?
   P1.3: What are the expected results?
   P1.4: How is the application coordinated with corporate brand image and values?
   P1.5: How is the work divided in internal/external involvement?
   P1.6: Is future maintenance of the application considered?

P2: What are the factors that have positive, negative or no impact on success when using campaign mobile applications in marketing and brand building purpose?
   P2.1: Reason of development
   P2.2: Integration with corporate strategy & brand image and values
   P2.3: Value for the user
   P2.4: Mobile first versus traditional marketing thinking
   P2.5: Mainly internal/external process
   P2.6: User friendliness, performance & maintenance and mobile specific features
   P2.7: Distribution and marketing of the app
   P2.8: Time of launch (season, trends etc.)
   P2.9: Measuring the results & goal setting (ambition level)

P3: What results can be expected when using campaign mobile applications in marketing and brand building purpose?
   P3.1: Can the mobile application, positively or negatively, affect the major **Brand** Key Performance Indicators (KPI)? (Brand image, brand attitude, brand awareness, brand recall, brand equity & value, brand focus and brand stretching)
   P3.2: Can the mobile application, positively or negatively, affect the major **Business** Key Performance Indicators (KPI)? (Sales, Customer perception, Customer satisfaction, Customer retention)
   P3.3: Can the mobile application, positively or negatively, affect the major **Organizational/Internal** Key Performance Indicators (KPI)? (Perception of employer, corporate cohesion)
   P3.4: Can the mobile application create, positive or negative, publicity in media?
1.4 Hypotheses

The point of departure for this thesis is based on theories originating from findings of the literature review. These theories have been formulated into several hypotheses providing propositions that can be tested for association and confirmation against empirical evidence. Each research problem has its corresponding hypothesis, e.g. hypothesis H1.1 is connected to research problem P1.1, H1.2 to P1.2 and so on.

The market for mobile applications has increased rapidly since Apple introduced the first iPhone in 2007 and there is no doubt about how popular mobile applications have become. Companies have utilized applications in many ways, for example as a tool for marketing and brand building. Research question P1 aims to find out how the decision process of making an application and the underlying reasons. The theory about the answers to this question has been formulated into the following hypothesis:

**H1:** The overarching process is mainly managed and performed by the marketing department, acting project manager for the campaign.

**H1.1:** The popularity of mobile applications has lead to many campaign applications and many of them are made without any lucid strategic purpose. The low cost of the mobile medium has led companies to create mobile applications just because they see it as the next big thing.

**H1.2:** The decision is taken by the marketing department and not coordinated with overall business strategy.

**H1.3:** Increased sales are the wanted result, but most companies does not measure enough to provide clear results.

**H1.4:** The brand image and values are rarely coordinated with the application development. Some companies try to stretch their brand to far with their mobile application.

**H1.5:** The work is mainly conducted by the marketing department.

**H1.6:** The future maintenance is almost never considered.

The mobile application market has grown considerably over the last few years and this poses a difficulty to be visible over others. The medium is also ever changing with new mobile devices and changing software platforms that can pose as obstacles but opportunities as well. To become successful requires a player that understands the prevailing rules of the game. Mobile applications have an unique advantage of being able to get up close and personal with the users. This also means that the application has to offer the user value in order to be downloaded. Another challenge is to keep users using the application more than once or twice. The following hypotheses are set in order to find answers for research question P2.
**H2:** There are many factors that are critical to have, otherwise the campaign mobile application will be a failure.

**H2.1:** If the reason of development is aligned with the long term strategic plan and the application is not just made “just to have an app”, the application should be more successful.

**H2.2:** Connecting the internal brand values with the application is essential to gain internal stakeholder satisfaction and affect the long term image of the brand in the intended direction. For the mobile application to be perceived as successfully enhancing the brand image of the company, the creators of the mobile application will need to have a deep understanding of the brand’s core values.

**H2.3:** Truly understanding the customer value is essential for the success and to keep the users long term the users need more than a one time value. Many application concepts are copies of other existing applications. Also the most successful mobile applications have had an element of competition with other users allowing it to spread virally and by word of mouth.

**H2.4:** Branding through mobile applications require strategies that differ from other marketing medium.

**H2.5:** Successful applications have large internal efforts and a majority internal process.

**H2.6:** It is a common perspective that you only have “one chance” to succeed with user friendliness and performance. Broken mobile applications still available on mobile application stores and/or removed functionalities in applications can hurt the company’s brand. The mobile application is mostly considered to be a one time thing, like a TV advertisement, and future maintenance is often disregarded. Mobile specific features and application specific features differentiates the mobile platform from the desktop web and the mobile web.

**H2.7:** Digital marketing is the most effective channel for mobile applications. However, advertising agencies push traditional marketing instead, since that is their main speciality.

**H2.8:** The timing should allow the user base to grow slowly, meaning no end-of-season launches.

**H2.9:** High ambition level leads to better results but measuring effects of marketing initiatives through mobile applications require KPIs that are relevant to the purpose of the application.

The results of marketing efforts are often hard to measure. But the research in the last decades has allowed companies to understand the customer perception of a brand. It also connects the relationship between the brand and how it affects the business objectives. The following hypotheses are set in order to find answers for research question P3.
H3: Several major brand and business KPIs can be positively affected and in some rare cases negatively affected when using mobile applications in marketing and brand building. But a majority of companies does not measure it good enough to give a credible answer.

H3.1: The major Brand KPIs can be affected positively and in very rare cases negatively.

H3.2: The major Business KPIs can be a bit affected positively and in some cases negatively.

H3.3: The major Organizational KPIs can be affected both positively and negatively.

H3.4: The mobile application can create both positive and negative publicity, of which the negative publicity is more harmful to the company.
1.5 Goals

The goal with this thesis is to investigate mobile applications released by Sweden-based enterprises in marketing and brand building purpose. The results from the investigation will generate a report of identified key concepts of an application that affects its ability of becoming successful. The term successful in this case is determined by the application’s ability to:

- Achieve the purpose it was created for
- Add value to its parent brand
- Active users compared to number of downloads measured at different time periods after launch, to give an indication of the application’s ability to keep its users
- The application’s functionality
- User ratings
- Positive results for the business and brand KPIs
2. Literature review

2.1 Mobile devices

With the introduction of the first iPhone a new era began for smartphones. Smartphones existed well before the iPhone, but they were neither user friendly nor meant for the average consumer. Who would have thought 6 years ago that 69% of all Internet users would browse the web from some sort of mobile device by the time of late 2012? A phone is no longer just a phone, it has become a mobile device containing the majority of the functionality a desktop computer have. The boundary between a smartphone and a laptop is becoming very thin nowadays. They are both mobile devices and they both run applications on top of an operating system. There are also the tablets which makes the distinction between mobile devices and laptops further erased. A clarified classification of mobile devices is demanded in order to avoid confusion.

2.1.1 Basic phones

These kind of devices have no touch screen or internet connectivity. The usage is mainly phone calls and text messaging. Examples are Nokia 3310 and the Ericsson T28.

2.1.2 Feature phones

These devices have varying support for touch screens, Wi-Fi, web browser and limited third party applications. Examples are Motorola Razr v3 and Sony Ericsson W995.

2.1.3 Smartphones

These devices have multi-touch touch screens with full browser/HTML support, Wi-Fi, 3G/4G, GPS, accelerometer and an extensive range of third party applications available from an in-phone store. Examples are Apple iPhone, Samsung Galaxy SIII and HTC One.

2.1.4 Non-phone devices

This category houses devices such as tablets, advanced mp3-players, eBook-readers, netbooks, hybrid laptop/tablets, etc running mobile operating system such as iOS, Android or on other platforms.

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2.2 Mobile Applications

The various tasks one can perform on smartphones and tablets are done through applications, which are software specially adapted for the smaller touch screens of handheld devices. The applications for iOS devices come from AppStore and applications for Android devices come from Google Play, formerly called Android Market. Smartphone applications have recently become a fast growing market for Business-to-Consumer communications. The amount of smartphone shipments per year have already overtaken the total of desktop and notebook PC shipments, future prognosis expects further growth in smartphones. Many large corporations have their own applications, either to make their services available on a mobile platform as well or in branding purposes. There are almost a million apps available in the iOS Appstore and about 700 000 apps in Google Play, and therefore sticking out is a serious challenge. The majority of people do not actively search for apps. However, keeping users is an even bigger challenge. A study conducted in January 2011 by the British organisation Wireless Intelligence in US and UK showed that the average smartphone user downloaded approximately 2,5 new apps per month. The same study also revealed that the average person only uses a small number of apps repeatedly, less than 20 apps. Those are generally the social media apps such as Facebook and Twitter, and also productivity apps such as email clients and web browsers. The study measured the amount of face time users had on apps, web browsing, messaging and making voice calls. The social media apps accounted for 29% of total app face time, and this is when browser based social media networking is not taken into consideration. If it were taken into consideration the percentage would have been even higher. What social media and utility apps have in common is that they can bring something useful to each user. They can fulfill needs the users have when they do not have access to a computer. To quote Amy Gahran, writer and media consultant for CNN, “What makes a good mobile app? In general, it’s not whether you download it but whether you keep using it”.

2.2.1 Design

There are a number of best practice suggestions for designing apps that appeal to people. Luke Wroblewski advocates a few of those design suggestions in his book Mobile First. The essence is to develop an app adapted to the constraints of a mobile device and aligned with the reasons people pull out their smartphones. The screen size is much smaller than on a computer, navigation is usually done with one hand and the attention of the user is rarely focused on the device only. By looking at data consumption one can see that a mobile device is used

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15 Business Insider, 2013 - The Year Ahead in Mobile, Accessed 08-01-2013
during short but frequent periods of time during a day\textsuperscript{19}. Applications for mobile devices should therefore not be made to require longer periods of attention from a user.

![Figure 27: Mobile Broadband Traffic Patterns Visualized](image)

**Figure 6.** Graphical representation of mobile device usage frequency during a day\textsuperscript{20}

To simply port over what works on desktop to mobile will not work. Instead, one needs to think about what capabilities that are unique for mobile devices and align those with the needs of the customers. Google has a screening process of six layers they use when designing mobile adapted experiences\textsuperscript{21}:

1. Understand the users behavior, anytime and anywhere
2. Fits in your pocket, looks good on a small screen size and easy to navigate
3. More personal than the computer
4. Consistency across modes, fits with your graphical profile
5. Localization is intensified, there is no universal standard to strive for
6. Integrated devices, modes and products

These layers cover the five primarily types of constraint an application design needs to take into consideration\textsuperscript{22}:

*Physical constraints:* The smaller screen size requires menu navigation to be intuitive and practical for thumbs or fingers to hit. Some devices may have both physical buttons and touchscreen as others only have touchscreen.


\textsuperscript{22} Rondeau, D. B., For Mobile Applications, Branding is Experience by, Communications of the ACM, July 2005, Vol. 48 No. 7
Platform/interface constraints: Device variations means different operating systems and drivers as well as different interface conditions. Each variation adds complexity to the design and the direct experience. The application content needs to be accessible prior to menu navigation according to Luke Wroblewski. Because speed matters. A user on the go wants to use the app right away, not go through steps in a menu or waiting for content to load before start using the app. Longer delays mean loss of users or revenue. Amazon published a study in 2006 that showed a sales loss of 1% for every 100 ms delay\(^23\). Google loses 20% traffic with each 500 ms of delay. To quote Marissa Mayer, CEO of Yahoo, former VP of Google: “Users really respond to speed”\(^24\).

Usefulness: The potential users are categorised into three modes. They are the “repetitive now”, “bored now” or “urgent now” user who all are likely to pick up their phones in search of fulfilling their need. Repetitive now users likes to check the same information repeatedly, for example checking the weather or stock prices every day. Bored now users have some time to kill and is searching for something to entertain them while passing time. Games, news or social media applications are typically the need of this kind of user. Urgent now users are in need of finding out or performing something right away. For example getting directions to a location or replying an urgent email.

Brand competition: New additions to the application market are made daily and it is not easy to stand out from the crowd. A quite small percentage of smartphone users spend time to actively look for applications made by enterprises. It is therefore necessary to implement marketing initiatives in order to make users aware of your application and to make it clear to them that it is worth installing.

Support for device native software: Integration with native apps is often required, such as with maps and GPS, camera or web browser depending on the use of the app. Which native applications there are available depends on the operating system version and the device manufacturer. For example was Google Maps no longer a native application in iOS 6. The fragmentation of Android operating systems and the various different manufacturers also provide obstacles to application developers.

2.2.2 Payment models for applications

Applications available in AppStore and Google Play are either free, paid, free or paid with in-app purchase. Many paid applications also have free versions with less content than the paid ones, these are often referred to as Lite versions.


\(^24\) ibid.
2.3 Smartphone user behavior

As mentioned before did social media apps account for approximately one third of all face time applications in a smartphone get. The reason is quite simply because this category of apps provide services that are of value to the user. What other kind of apps are worthy of the users’ attention?

![Image of a chart showing regular smartphone activities with percentages for 2012 and 2011.]

*Note: “Read book” was added as an answer choice in the 2012 survey.

**Figure 7. Survey of smartphone user behavior in USA done by OPA**

This chart from a survey conducted by the Online Publishers Association shows what tasks smartphone users perform regularly on their mobile devices. A fairly large percentage of users download and use applications at least once a week. The extensive selection of applications available is one of the reasons for why people purchase smartphones. Instead of having a separate gps and mp3-player, a smartphone can replace them all.

The smartphone has become a very close and personal item people often bring with them everywhere they go. It is the companion we reach for when there is some spare time to kill or when we are bored and looking for some distraction. Even at home the smartphone is rarely out of our hearing range. The relationship people have to their phones has changed from only used for making calls and texting to being a personal assistant which has a big part of your life stored inside. A growing trend worldwide concerning employment benefits is BYOD (bring your own device). People want to have their favorite kind of personal assistant at work as well. A study

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conducted by CompTIA (Computing Technology Industry Association) in the US showed that over 60 % of companies allowed their employees to use their private mobile devices at work\textsuperscript{27}. The main reason for this was to increase productivity. However, the security risks of BYOD should not to be overlooked.

The question here is if the smartphone user behaviour is enough to impact marketing, advertising and branding efforts. The buyers internal state is affected by numerous stimuli from the environment\textsuperscript{28}, and is the smartphone enough of the environment to have an actual effect.

2.3.1 Swedish smartphone user behaviors

It is starting to become fairly even between the number of Android and iOS users in Sweden that surf the web from mobile devices. The pie chart in figure 8 show that 99.3 % of web traffic from mobile devices are running either Android or iOS.

![Swedish mobile platforms on web](image)

\textbf{Figure 8.} Chart showing percentage of the Swedes mobile web browsing using different operating system\textsuperscript{29}.

\textsuperscript{27} Robinson, Seth, (09-04-2013) \textit{In Enterprise Mobility, BYOD is Just the Beginning}, \url{http://www.comptia.org/news/blog/view/13-04-09/in_enterprise_mobility_byod_is_just_the_beginning.asp}, Accessed 18-04-2013


Figure 9. Swedish mobile web traffic by day\textsuperscript{30}.

Swedes tend to browse the web more on their mobile devices during the weekends. This is probably because most people are away from their desktop computers at work and then use their mobile devices for browsing to a greater extent.

Figure 10. Swedish mobile web traffic by each hour of a day\textsuperscript{31}.

The traffic begins to increase in the morning when people wake up and remains relatively


\textsuperscript{31} ibid.
constant during the work day. At the end of the work day the amount of web traffic increases further and peaks at around 9 pm.

2.3.2 Consumer acceptance of mobile marketing

Since smartphones are such personal items it is very important to not overstep any boundaries or be perceived as too intrusive in B2C communications. A study conducted on consumer acceptance of mobile marketing in China, Europe and USA showed a number of cultural and personal factors that had direct influence on the attitude towards mobile marketing\(^\text{32}\). Perceived usefulness, how willing the consumer is to try out new things, risk avoidance and what personal attachments he or she had to the mobile device were factors that had most influence on the attitude towards mobile marketing. The perceived usefulness depends on the targeted audience, but it was also the factor that had most influence on the attitude towards mobile marketing in all three geographic regions. The authors strongly stress the importance of understanding what different user groups’ perceive as useful in an mobile device when deploying mobile marketing. The study also showed that the level of willingness to try out new things was highest in Western Europe, especially in Italy and Sweden. At the same time did this region show the highest propensity for risk avoidance. This suggests that European people are innovative but careful of what they allow on their smartphones. This kind of attitude towards mobile marketing is becoming more and more common among users in all regions of the world since awareness of potential security risks are increasing. Especially devices using Android operating systems are vulnerable to malware since the platform is open source and Google Play is not as regulated as AppStore\(^\text{33}\).

A recent study done by IAB, Swedma and GFK\(^\text{34}\) has compared the views that consumers have on advertisements with the perception the companies and advertising agencies have. Focus has been on mobile marketing and advertisements across different platforms. A strong majority of the companies participating in the survey had already deployed some form of mobile marketing. However, only 4 out of 10 claimed that they measured the performance when mobile marketing was used. This unit of analysis for this study was solely the Swedish region, but the results were very similar to the study conducted in China, Europe and USA. Consumers demand applications that create value and make everyday life easier for them. Value creation requires a focus on what is beneficial and contextually relevant for the target group.

The holy grail of any marketer, and in this case the mobile marketer, would be to bypass the traditional five stages of the buying decision process suggested by Webster and Wind\(^\text{35}\).

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\(^{34}\) Mobile Marketing 360, IAB, Swedma, GFK, [www.iabmobile.se](http://www.iabmobile.se), Accessed 23-04-2013

1. Identification of need
2. Establishment of specifications
3. Identification of alternatives
4. Evaluation of alternatives
5. Selection of suppliers

If the mobile application can identify the need for the users, explain the needed specifications to
the users that they should need and that the company behind the application can deliver, the
identification, evaluation and selection stage could be bypassed allowing the company to charge
a price premium. This would be highly beneficial for any company.

2.3.3 Mobile marketing knowledge among businesses

As mentioned before less than half of the surveyed companies measure their mobile marketing
performance. There is often a lack of well thought-out strategy behind their mobile initiatives and
much has been done just to try something new. The surveyed advertising agencies have said
that they lack competence in mobile marketing and do not have sufficient understanding of the
field. But what the majority of the advertising agencies and companies agree upon is that mobile
marketing will very soon be a hygiene factor.

This is in line with the “strategic window” view described by Derek Abell. The marketing
management needs to change with the future patterns of the market evolution. The mobile
space is important and the advertising agencies and marketing departments need to look ahead
and get the competences they need for mobile marketing to being able to deliver effective
marketing in the future. As Michael Porter states in his research how competitive forces shape
strategy the key to growth is to stake out a position that is less vulnerable to attack from
head-to-head opponents. If the agencies and marketing departments can help companies and
brands to do this by for example solidifying the relationship with its customers and differentiating
the product psychologically through the mobile app, they and their clients have a good
preconditions for growth.

Some companies that are doing mobile marketing are actually doing mobile “social marketing”.
Social marketing is defined as “the design, implementation, and control of a program(s) seeking
to increase the acceptability of a social idea or practice in a target group(s)”38. One case in our
study doing this is the reduction of drunk driving that the application “Körklar?” by SalusAnsvar is
behind. When doing social marketing instead of a more conventional commercial marketing you
have to focus on ingenuity and imagination39, as the users are looking for something different.
You can not push a social idea on people by continuous TV advertisement, you have to do it

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Marketing, 79-88.
different, like SalusAnsvar has done. Mobile applications seem to be a good platform for social marketing.

2.4 Brand Management

In “The 22 immutable laws of branding” Al and Laura Ries states that “A brand becomes stronger when you narrow your focus”. The example they present is the Starbucks brand compared to regular coffee shops. The regular coffee shops sell all kinds of beverages and food, while Starbucks focuses on making great coffee. When the customer is looking for a great cup of coffee, the Starbucks brand comes to mind. This has allowed them to become largest coffeehouse in the world. A hypothesis of companies deciding to make a mobile application could be that the mobile application should reinforce the brand focus and not diverting the focus towards something else, to improve brand KPIs.

Another law of branding in this book is the law of publicity. It states that the best way to build a brand is through publicity instead of advertising. And the best way to generate publicity is being first in doing something. The question then becomes, how can the mobile application generate publicity? And is it a matter of just creating a application to be first and early doing it? Or does it matter what the application is about and what the application contains? Does the application have to add value to the user? A logical hypothesis is that the application should be first in some way: in adding value to the user, giving the user the value for free instead of through a paid application, or just be the first to explaining the value to the user.

Kevin Lane Keller is an expert in this field with the highly regarded book “Strategic Brand Management” and lectures about brand management. He makes several important points about how to manage a brand successfully. The first one is to understand the brand positioning versus competitors, by analyzing the Points-of-Difference (POD) which is defined as “strong favourable unique brand associations to distinguish you and your brand from competitors” and Points-of-Parity (POP) defined as “when you break even with your competitors, it is when you get close enough in the minds of your customers, they are willing to trade of a dimension that you potentially are vulnerable for”\(^{40}\). If the mobile applications can enhance the perception of POD or POP to customers, it could be a successful method of conducting brand management. But if the POD and POP showed by the application are too far away from the reality of the current situation they will not be credible. Many companies compare themselves to competitors by looking at key points of each brand but it is probably unusual with the POD and POP terminology, which makes it more important to really understand the thoughts behind the application.

Kevin also defines “brand mantra” as the essence of the brand. It is typically the key points of difference expressed in three to five words. Everyone in the organisation should know the brand mantra and it provides guide rails about where the brand (and the company) can and can not go.

\(^{40}\) Kevin Lane Keller, Brand planning, [http://www.youtube.com/watch?v=6Mh9Yw6O-84](http://www.youtube.com/watch?v=6Mh9Yw6O-84), Accessed 12-02-2013
Then one hypothesis for successful internal brand management is that a mobile applications which is done successfully could positively enhance the brand mantra internally in an organization. But there is often an external organization like marketing agencies involved in the brand building and marketing process. What happens if an external organization (for example an advertising agency) presents an the idea of a mobile application that does not fit with the brand mantra? And what does the customers think about an application that does not match the mantra and values of the organization?

In the book “Strategic Brand Management” Kevin describes brands as important as they help customers identify source of a product and reduce risk for customers (for example poor quality). But how does it affect the perception of a brand if it has released a bunch of low quality applications? Is this considered by the marketing and branding department that the negative consequences of having a low quality application can outweigh the benefits?

![Figure 11](image_url)

**Figure 11.** Keller’s model for building customer-based brand equity, CBBE model

Kevin also talks a lot about the brand value chain. It is basically understanding marketing initiatives impact, like for example mobile applications, on brand equity and stockholder value. Is the brand equity and stockholder value considered in creating a mobile application, and how do they calculate it? Can a mobile application even affect the brand equity?

In building a strong brand you need to answer four fundamental questions:

1. Who are you? (brand identity) -> The identification between brand and product class or customer need
2. What are you? (brand meaning) -> The strategically linking tangible and intangible brand associations with certain principles
3. What about you, what do I think and feel about you? (brand responses) -> The proper customer responses to the brand identification and meaning. Some important brand-building
feelings are: warmth, fun, excitement, security, social approval, self-respect.
4. What about you and me? (brand relationship) -> The intense and active loyalty relationship (ex. Apple) between customers and the brand. Important indicators of a relationship is the community, loyalty, active engagement, behavioral loyalty)\footnote{41}

Can mobile applications answer these questions and how do they do it?

According to Stephen King in “Brand building in the 1990s” we have seen a shift in brand building and brand management in the last decades. We started with the traditional image of brand building that is conducted by consumer packaged goods(CPG) companies like Coca Cola, Marlboro, Mars etc. The sales of these products are often considered to be affected by things like the 4P (Product, Price, Promotion, Place). But there has been a shift from this traditional type of products to more complex product and service combinations. Branding has become more important for financial services (SEB, Swedbank etc.), media companies, communication companies, energy companies (Vattenfall, Eon etc.) and a lot of other product combined with service industries. One example of this is that in 1969, 19 of the 25 top spending brands on TV and press advertising were repeat purchase packaged goods companies. In 1989 it was just one out of 25\footnote{42}. This means that traditional forms of of brand building has to evolve with the companies that utilizes it. For example a bank like SEB needs to think about the brand in everything they do: which employees they hire, how they are experienced in all different channels (physical banking, telephone banking, online banking, mobile banking), what activities they do and how they are perceived. One recent Swedish example how a new market strategy can negatively affect the brand image is when Telia entered Uzbekistan by paying billions of SEK to the leading dictators in the country\footnote{43}. This lack of corporate social responsibility in this instance broke one of Telia’s brand promise of doing ethical business. Today, the company culture is essential for a service company to build a strong brand, both internally and externally.

Another aspect to take into account when launching a mobile application is the need of national or regional adaptation of the mobile application. It is not always a matter of just translating the text of the application to a new language and launch it in the new country. As companies both can have international brand image strategies (Nike, Coca Cola) they can also have national brand image strategies that can differentiate between markets(Reebok, Levi’s)\footnote{44}. It is then important to understand how the national culture and regional socio-economics will affect the brand image strategy to the resulting product performance like market share. Then the brand image strategy is used to derive the local adaptation of the mobile application to give a consistent

\footnote{43} Svenska Dagbladet, (12-12-2012) Telia Sonera ljög om Uzbek-affären, \url{http://www.svd.se/naringsliv/branscher/teknik-och-telekom/telia-sonera-tva-nya-chefslackor_7746648.svd}
brand image for the consumer.

2.5 Mobile Strategy

Mobile strategy, it is a relatively new term and most interprets it as being a plan on how to be present on a mobile platform. This interpretation is now wrong, however, it is too simple. With other business strategies there are carefully thought through metrics for evaluation of their ROIs and research on which initiatives that yield what kind as well as how much in results. As Jason Gurwin, CEO of Pushpins, says in the Harvard Business Review, building an app as the only mobile strategy is not enough. If the expectation is that people will download the app because the company has a famous brand, then the app is not marketing the company but the other way around.

2.5.1 Reuse of old evaluation metrics

Traditional metrics from previous existing forms of digital strategies have been applied to measure effects of mobile strategies. An example is the metric of traffic to a website each day measured in number of page views or visitors from unique IP addresses per time unit. This way of measuring has been applied to mobile applications by counting how many times it has been downloaded. Such numbers are easy to acquire and give satisfaction to decision makers and board of directors. But does the number of downloads really provide a true picture of how much ROI the application generates? Or is measuring number of downloads just a vanity metric in the case of mobile applications? Vanity metrics refer to performance indicators that seem good on the surface but does not really tell anything about the actual performance, they are therefore not of use when decisions about any change of action is needed. If there is an increase in number of downloads after having communicated to the public about the application, then there is need to keep track of how many people that are using the application more than once and how many use it on a regular basis as well as for how many weeks or months they keep using the application. It is also important to find out who is downloading and using the app and what this touchpoint in form of a mobile application can lead to. Whether the purpose is to increase sales of a product or a CSR initiative, if there is no follow up on its performance, than there is no way to learn from it and evolve to become better.

2.5.2 Measuring performance

There is a difference between correlation and causation of events. The metrics used to measure performance need to offer guidance for what to do next and how to improve the current state. It is still very common to measure the level of success for an application by its number of downloads and what ranking it has received within its category, as well as the overall ranking. While it is good to keep track of how many downloads an application has gotten, that does not indicate how it can be further improved. The kind of metrics that give more guided results are so

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called actionable metrics\textsuperscript{46}. They have the property of being able to tie specific and repeatable actions to the observed results.

The AARRR model was introduced by IT entrepreneur Dave McClure who founded the business incubator 500 Startups.

Key parts of the AARRR model:
- **Acquisition** - How do users find the application
- **Activation** - Do users have a good experience with the application and sign up?
- **Retention** - Do users come back repeatedly?
- **Revenue** - What is the ROI of the application?
- **Referral** - Do users like the application enough to refer it to others?

The acquisition step involves finding out how people find the application, which could be through printed ads, social media, banners, et cetera. The activation action is for example when a user signs up for an account with your service and gains insight of its value proposition. However, the first impression of a mobile application should not be a requirement to disclose personal information. A design strategy Luke Wroblewski promotes is Content Over Navigation\textsuperscript{47}. People use their smartphones sporadically and often for short periods of time at each session, therefore, the application should not require many navigation steps before the actual functionality is accessible. The purpose of activation is to get the user to perform a task the application is made for. To measure this, one can look at the number of users who have performed at least one complete user process of the application and compared it to the number of people who have installed the application. Retention is measured by looking at the amount of users who regularly use the application. How to improve retention can be done with the help of A/B-testing. To link revenue to the touchpoint in form of an application is difficult. An application is more common to aid other revenue generating actions. For example could the application increase awareness of your brand and that leads to more traffic to your website, which in turn leads to increased sales. The referral stage is when the application has won the favor of the user and he or she is telling other people about it.

### 2.5.2.1 A/B-testing

To acquire result that can indicate what improvements are favorable the implementation of A/B-testing\textsuperscript{48} are recommended. This method is known to be successfully deployed by Google, Amazon and Netflix amongst others and it can be applied in any part of the AARRR model. The test compares the impact of new features by dividing the body of users into two groups and letting one group use the new feature while the other remains the same. The test can also evaluate two or more new features at once by comparing them against each other and a control group whose features are not changed. The goal is to see which of the features generate better

\textsuperscript{46} The Play Book, \url{http://playbook.thoughtbot.com/defining-actionable-metrics/}, Accessed 03-05-2013


ROI. It is important to start simple if A/B-testing is new to the application issuer. A good place to start is trying out different UI alternatives in order to see which navigation flow is more appealing to the users. Also write down anticipations of what outcomes the test may generate and compare them to the actual results from the test. Being wrong is a part of learning. A/B-testing is an iterative process where data collected from each test influence the next iteration.

![A/B-test iteration diagram](image)

*Figure 12. A/B-test iteration*

However amazing the results A/B-testing can generate are, too much optimization could well be overturning. Understanding the needs of the users is crucial and keep in mind that human beings are creatures of habit and change is not always well received. A pitfall to avoid is listening to the wrong kind of users. Early adopters are often a very small group of users at the forefront when it comes to trying out new services. They differ from the great mass of users an application issuer usually would want to reach. The risk is that the early adopters get too much say in the application features, which in the end fails to appeal the great masses. It is very important to not follow user critique blindly without taking the long-term goal into account.
2.5.3 Mobile technology lifecycle

In terms of maturity of technologies are three technology lifecycle models at heart. The models are Gartner’s Hype Cycle, Rogers’ Performance S-curve and Adoption Curve.

![Graph of Hype Cycle, Performance S-Curve, and Adoption Curve](image)

**Figure 13.** Hype Cycle in time-relation to the S-curve and Adoption Curve, note that the Y-axis has different units depending on which curve.

In Rogers’ theories on diffusion of innovation does the S-curve show market share performance of a new technology over time, and the Adoption Curve shows how the market adopts the technology. The S-curve and Adoption Curve, consisting of five adopter categories; Innovators, Early Adopters, Early Majority, Late Majority and Laggards, are considered to be one of several highly accepted theories in analyzing and predicting new technology trends. Where mobile application are on the S-curve and Adoption curve go hand in hand with the performance and adoption of the hardware they run on.

The fast penetration of smartphones among consumers in Sweden has created a hype among the businesses that can be explained with Gartner’s Hype Cycle. According to Gartner’s theories does the Hype Cycle commonly occurs when the new technology is in an early stage of its lifecycle. The hype peaks when adaptation has barely started and it lasts for a very short period of time. The hype of mobile technology has passed its peak among the consumers but it is about to reach its peak among the businesses. The Hype Cycle can also indicate how knowledgeable the businesses are of the new technology, and how aware they are of the risks and costs.

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2.6 Cases

The following four cases have been studied in-depth through interviews with involved parties.

2.6.1 King of the Slope by Vattenfall

Vattenfall is one of Europe’s largest energy producing company 100% owned by the Swedish state. They have a total revenue of 167 BSEK in 2012 and their core markets are Sweden, Germany and the Netherlands\(^51\). They are a well known company in Sweden, but not that well known in Germany, and not at all known in the Netherlands as they still have the Nuon brand there. One of the key components in Vattenfall’s marketing and branding work is the sponsoring of FIS (International Ski Federation), that organizes the world cup and world championship in many skiing disciplines. Vattenfall has several supporting activities around the FIS sponsorship: World cup arena brandings, Skiing events at the world cups, Broad media campaign like TV, cinema, print and digital media, tents and competitions in ski resorts, special offers connected to the sponsorship, and at last the mobile application “King of the slope” and previously the mobile application “Power of cheering”\(^52\).

King of the slope is a free skiing application launched by Vattenfall in October 2011, the beginning of the skiing season. It helps skiers track and monitor their skiing runs, including vertical drop, average speed, time, and in the original version also max speed. The top speed was later removed and as seen on the reviews on iTunes App store the users were not happy about it\(^53\). Why top speed was removed remains to be seen. The app could be both be considered a success and a failure, depending on if it is measured in the ~130 000 downloads of the application or if measured in the low ratings and negative user reviews on iTunes, and that is why it was chosen as an object for study.

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52 Presentation by Linus Almqvist before the interview, 05-03-2013

2.6.2 Körklar? by SalusAnsvar

SalusAnsvar is an insurance company merged from Salus, an insurance company founded by a group of doctors, and Ansvar, an insurance company directed towards sobriety and christian associations\textsuperscript{54}. The heritage of SalusAnsvar tells the story of an insurance company founded by people who understood the doctors’ perspective.

SalusAnsvar released an app called Körklar? in 2011 as a part of their initiative against drunk driving. The iOS version was released mid 2011 and the Android version came in early 2012, and they are free applications without in-app purchases. The app shows the user his or hers blood alcohol level at different periods of time after consuming various kinds of beverages. The purpose of the app is to prohibit drunk driving by showing people for how long time alcohol affects the body after its intake.

\textbf{Figure 14}. First page of the application

The first view of the application is a navigation site where the previously set profile information is displayed.

\footnotesize{\textsuperscript{54} SalusAnsvar, Om oss, \url{https://www.salusanansvar.se/Om_oss/}, Accessed 12-02-2013}
**Figure 15.** User input

New users can start by entering information about gender and body weight to aid the accuracy of the calculations. No other personal information than this is required.

**Figure 16.** Drag-n-drop input of beverages

Users can then enter the type and amount of beverages to the app by drag and dropping the
The blood alcohol level is then displayed as a graph with time on the x-axis and blood alcohol level on the y-axis. The calculations are done according to the formula recommended by Systembolaget.

Figure 17. Blood alcohol graph

Figure 18. 1 SEK is donated to MHF for each download of this application
This app is also a part of a charity where each download generates a donation of 1 SEK from SalusAnsvar to MHF (Motorförarnas Helnykterhetsförbund), the Swedish motorists’ sobriety association.

This case was chosen because of the application’s perceived usefulness and the close relations to its issuer’s core values and CSR work.

2.6.3 McWrap Go&Get by McDonalds

McDonalds is a well known global brand with more than 33 000 stores in 119 countries. In the launch of the new product McWrap they released a mobile application to promote it. The user downloaded the free application from the App store and could find “virtual” McWraps placed on different locations. Then the user should bring the virtual McWrap to the closest McDonalds by pressing a button on the smartphone all the way from the virtual McWrap location to the McDonalds restaurant. Then the users showed that they managed to press the button all the way between these locations to the cashier, and receives a free McWrap. This was called the McWrap Go&Get campaign.

Figure 19. Screenshots of McWrap Go&Get

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2.6.4 Många sträckor små by Lantmännen

Lantmännen is a consolidation owned by 35 000 Swedish farmers and houses many well known food brands, such as Axa, Kungsörnen and GoGreen. Lantmännen’s mission is to contribute to the profitability of its members and maximize the return on their capital in the association. Their vision is to make the best of what the earth has to provide and contribute to a healthier lifestyle. Sponsorships and brand building initiatives are aimed the strengthen their long-term responsibility of from field to fork\textsuperscript{56}.

In September 2011 was the application Många Sträckor Små released to both iOS and Android devices. Research Lantmännen had done by themselves showed that approximately 8 of 10 Swedes drive to shop groceries\textsuperscript{57}. Convincing those Swedes to chose other ways of transportation when grocery shopping has the potential of making great impact on the environment. The application encourages people to bicycle more by gamification through achievements, and free products from Lantmännen were given when certain achievements have been accomplished. Temporary competitions have also been arranged together with Sportson where users could win bike services\textsuperscript{58}.

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**Figure 20.** First page of Många sträckor små
Navigation is done by swiping sideways and this is made clear the first time the application is started. A new route begins with pressing the Starta-en-ny-cykeltur-button. The application tracks the route a user bicycles and calculates the amount of carbon dioxide saved compared to what a car would have emitted if driven along the same route. A maximum speed limit is set to prevent users from logging kilometers in cars or other motorized means of transportation.

**Figure 21.** The route is shown on a map, as well as the distance, time and amount of carbon dioxide saved by bicycling instead of driving a car
Figure 22. An achievement was earned and it can be shared on social media

Figure 23. List of achievements

This case was chosen because of its innovative design and its potential to have significant impact on carbon emissions from Swedish households.
3. Method

The methodology of this master’s thesis is a multiple retrospective case study of the process, critical events, ideas, actions and thoughts by companies that are behind one or more mobile applications for a brand building and marketing purpose. This will be investigated in a qualitative research method by doing semi-structured interviews with key stakeholders, both within the company and external organizations involved in the work with the mobile application in question. Multiple cases will allow us to draw general conclusions about mobile applications and how they can be successfully used to build a brand and market products.

3.1 Approach

*Step 1 - Establish delimitations for the research and study the current literature on mobile application and brand building respectively.* As there are almost a million mobile applications on Google Play and Apple App Store, there had to be a clear limit of what we should investigate. We decided on investigating campaign applications that were created to help build a brand for a company. The researching of existing knowledge within mobile applications and brand building allowed us to create hypotheses about what a successful case that would be investigated should have thought about and also implemented to be successful in their mobile application.

*Step 2 - Find cases to study.* We had to find both successful and unsuccessful cases to study to allow us to find what differentiates a successful mobile application from an unsuccessful one. The success measured is the amount of downloads of the applications had, how much the application was used by the persons downloading it, and how well this contributed to building or reinforcing the wanted brand image. This was done firstly by looking through the current applications we have installed on our mobile phones, as they are probably examples of really successful cases. The second step was to look through the most downloaded applications on both application stores for iOS and Android, as this also allowed to find more successful cases. The third step was to look through whole categories to find both previously successful applications and also non-successful ones. The category “Utilities” provided many useful applications for our study, as those applications can provide a real value to the customer. The fourth step of our investigation of finding many unsuccessful applications not known by most people was to create a list of the major companies in Sweden. When we had a list of about 100 companies we searched for the company names in the application stores and looked for their mobile applications. This revealed a lot of mobile applications from companies that barely anyone seemed to have use for or even downloaded.

*Step 3 - Investigate the cases.* This means reading about the mobile application description, downloading the mobile application and trying it out, testing functionalities and finding flaws and also investigating how successful the application had been in the download ranking using tools like AppAnnie.com which tracks download ranking over time. This allowed to find a handful of
interesting cases, where we saw a something worth investigating, for example a high popularity, sudden change of popularity or a very nice application but only few downloads.

Step 4 - Interviews with the companies behind each case. This includes meeting, to the extent possible, the people from the company officially behind each application and possibly the marketing firm behind the idea of the application, as well as the company behind the programming and development of the mobile application. Sometimes the company officially behind the application has done all of this by themselves, but many times they are three separate companies; the clients, the advertising agency and the developer. The interviews are the key component to help us understand the purpose, ideas and process behind each application. The interviews aim to understand who the interviewee is, what his/her view is on the company and its brand, as well as the mobile application. The interviews are recorded (using a Apple iOS standard mobile application for voice recording) to help us triangulate the key insights between the different interviews, that were spread out over some time during this thesis project.

Step 5 - Analyze and draw general conclusions. This includes going through all the learnings from the interviews to find common denominators between the specific cases to formulate general knowledge that a company needs to know if they embark on the journey of creating a successful mobile application to enhance the brand image and value.

3.2 Motivation

The nature of this study is both exploratory and descriptive. The research problems were formulated mainly based on our own theories and knowledge within the field of mobile applications. Preliminary literature review has then revealed certain trends and issues regarding the use of mobile applications as marketing tools that coincided with our theories. The purpose of the research is to investigate underlying reasons for why Swedish companies make mobile applications. We chose to conduct this research through case studies on a small number of specific examples with the aim to find results that may be applicable to more general cases. We look for patterns and other indicators between the cases to identify factors relevant for application impact and the purpose it was made for. We are also interested in any other factor specific to each case that have had impact on its success. Choosing case studies as the approach was natural because the focus is to gain deep insight into the reality of existing mobile applications. Case studies allow us to emphasize detailed contextual analysis of a limited number of events or conditions and their relationships. The chosen method provides both quantitative and qualitative data which is necessary for the analysis to reveal useful results.

Other methodologies within our interpretivist research paradigm have been ruled out based on the purpose of this study. We will most likely implement some parts from those methods, however, not to the extent of them being our main approach.
3.2.1 Reliability and validity

With the qualitative analysis of the empirical material comes special requirements in need of consideration to ensure validity and reliability. Robson describes three primary threats concerning the validity of a qualitative study:

- The description of what has been heard or observed is incomplete. To minimize this threat voice recording of the interviews are made.
- The interpretation of what took place was premature. The conclusions and their underlying assumptions will be thoroughly described.
- Holding on to a particular theory and not actively searching for alternative explanations. This threat is prevented through active search of data that could disprove the drawn conclusions.

Further possible threats are bias of the interviewees and the interviewers. Conventional methods to reduce possible bias are for example triangulation and negative case analysis.

The reliability of a study is ensured if the same results were achieved if the study was repeated. Interview candidates from all involved parties are sought in order to gain a 360 degree view of each case. The issue of this study lies with the possible inconsistency of the empirical data gathered from interviews. There are no guarantees that the data source, namely people, will give answered consistent with repeated studies. In order to ensure reliability to the extent possible, all interviews are recorded and the analysis puts each case into the perspective of time and the interviewees perspective. Finally, there is always a risk of influencing the interviewees’ answers through wording of the questions. This will be taken into consideration in the analysis.

3.3 Limitations of the method

This thesis is a study of a limited number of cases from which we aim to identify patterns between the cases as well as factors of interest from each case. The learnings from these cases will then be analyzed with the aim of making the specific body of knowledge applicable on the general. One limitation is the risk of the chosen cases not being heterogenous enough. A consequence of this will be results that are not sufficiently diversified to be applicable on general cases. Another limitation is the number of cases we study. Time prevents this thesis from studying more than a handful of cases. Some of the cases will be studied more in depth than others, due to how many people that are willing to be interviewed.

Mobile application platforms are a very fast evolving technological field and the cases derive from different periods of time, meaning that there were different technological constraints affecting each case as well. Data presented regarding the present state of the mobile market during this

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59 Robson, C.(2002), Real world research: a source for social scientists and practitioners, Blackwell Publishing

thesis may well be outdated in a few months.

The cases we study are limited to applications available on the Swedish application stores, and also issued by companies with Sweden-based offices. This may lead to results not applicable on cases in other countries. Due to both the Sweden-based cases and our own experiences more focus are put on the iOS platform. Some of the cases we study only have an iOS version and there are more iOS-device users than Android-device users in Sweden. However, the aim is to produce results applicable on mobile applications on unspecified platform. The final limitation is the lack of implementation of the results, which is not within the delimitations of this study. This means that we will not conduct an actual implementation of the deliverables and measure their effects on an application compared to its present state.
4. Analysis

The Group Head of Brand Communications and Sponsoring at Vattenfall was interviewed and this analysis is based on his answers.

4.1 Vattenfall - King of the slope

4.1.1 Context

Vattenfalls challenge in marketing and communication is both an external and an internal one. Vattenfall is one of Europe’s largest energy producers and has grown tremendously in the last 10 years. Vattenfall has purchased and integrated around 80 companies into what we view as Vattenfall today, and has gone from 2 million customers 1999 to 16 million customers 2011. That creates integration problems like friction between subcultures, regions and internal organizational dissent. It also creates an unclear media and communication picture: What is Vattenfall today? What does Vattenfall stand for? A common myth is that Vattenfall mainly focuses on hydropower. But when looking at their annual report it is clear that nuclear and coal power is as large as the traditional hydropower where Vattenfall has its origins. In the last few years Vattenfall also made a major acquisition of the dutch company Nuon. The Nuon brand will disappear in Holland and will be replaced with the brand Vattenfall, but the problem is that no-one knows about Vattenfall. The overall communication strategy needs to unite Vattenfall internally and communicate their core value of being a “smart energy enabler” externally, to both customers and potential customers.

The most important thing to understand when trying to understand Vattenfalls communication strategy is that satisfying all stakeholders for Vattenfall is an impossible task, as they are mutually exclusive. The first direct stakeholder of Vattenfall is the stockholder and 100% owner: the Swedish state and government, which is controlled by the democratic process in Sweden. They want Vattenfall to generate a profit to finance the public sector undertaking and keep taxes low. The second stakeholder and a subset of the voters are the customers of Vattenfall in Sweden. They want low energy prices as it affects their direct cost, but this will lowers the profit margins of Vattenfall. The third and last stakeholder of Vattenfall is the environment conscious voters and politicians, that wants Vattenfall to only focus on renewable energy. As renewable energy still is more expensive than old coal and nuclear plants, this will both lower profit margins and raise energy prices. That is why there will always be people complaining about Vattenfall, and the media will always be critically examining Vattenfall for any stakeholder view.

The negative media picture around Vattenfall that is the result from the mutually exclusive stakeholders has led to the general public as the main target group for the brand image and attitude shift. In Sweden “everyone” knows about Vattenfall, but the opinion about Vattenfall is not that great. The marketing strategy in Sweden is to create a reputational recovery about Vattenfall and change the image for the better, and also capitalize on the awareness of the brand. In
Germany and Holland the main focus is creating awareness about the Vattenfall brand in the general public mind.

What differentiates Vattenfall from branding experts like P&G, AUDI, Starbucks, Apple etc? The major difference is the lack of positive touchpoints. The two touchpoints for Vattenfall is the electricity invoice and the electricity socket where the product is delivered. The customers associate invoices with costs of the household that are a negative touchpoint. And if you touch the electricity socket you could die, and that is clearly a negative touchpoint. Then the marketing strategy should create touchpoints between Vattenfall outside these two not so good ones. This is where mobile applications as a platform come in, as they are a new touchpoint.

Vattenfall wants to be a “Smart energy enabler”. They want to enable value creation in the private dimension and the social dimension, by creating smart ways to help and support both customers and the society. In the brand image mapping Vattenfall have identified that we need to be a more extrovert, interesting and relevant company. That is the way Vattenfall will reach the goal of being perceived as a smart energy enabler, together with a coherent communication strategy around the core values. They believe that new technologies like mobile applications are important in shifting Vattenfalls brand position, and Vattenfall needs to earn the new position. The heritage and traditional brand values for Vattenfall, according to the marketing department, is genuine, contemporary and progressive.

Evaluating the branding work by the communication and marketing department is done regularly. They use KPIs like the “Liking of the Vattenfall brand”, and “Consideration to become customer to Vattenfall” to to evaluate the awareness and attitude of the general public and the brand position of Vattenfall. This is done by an external opinion and social research company which asks questions about Vattenfall to a large number of people in the major markets Sweden, Germany and Holland. When doing this type of brand and KPI tracking for a large sponsorship effort of they made it clear that a separation is needed in between the effects of the “sponsoring” and the “communication of the sponsoring”. These two should be benchmarked individually, to understand where there is room for improvement.

4.1.1.1 The sponsorship by Vattenfall
Sponsoring is a unproportional large part of Vattenfalls marketing budget. They have identified that 60% of the Swedish people is interested in winter sports and skiing, and a lot of electrical energy is used in most of the activity. The main focus area of the sponsorship is skiing and a olympic talent program. In the skiing sponsorship the biggest ones are the skiing teams and talents, and the big ski competitions and ski world cup(FIS). The Ski sponsorship is derived from the northern heritage of Vattenfall, where skiing is a large part of the culture. It is also an energy consuming sport with lighting, artificial snow and electrical ski lifts. Also the connection to the northern part, as Vattenfall originates from northern Sweden, contributes to the brand heritage. The olympic sponsorship is mainly targeted in the Netherlands, as the skiing interest is not as widespread there.
The purpose of the sponsorship is the same as the overall communication and marketing strategy of Vattenfall, to change the brand awareness, attitude, position and image of Vattenfall. That is measured in different KPIs, and the image part is where they assume that the effect should be the biggest. They want to both create local relevance and regional awareness with the sponsorship. They also want to show that Vattenfall is here to stay and that they want to give something back to the society. An internal purpose is that it is a way to unite the employees in Vattenfall around a common interest.

In the skiing sponsorship they have many communication assets. This includes broad media campaigns like TV, print and digital media, event activation like tents in world cup arenas, and also the “King of the slope” mobile application. They use the mobile application to create an interaction with the customer and let the customer test the brand offer. They were early with this, with the mobile application “Power of Cheering”. That application was used at the world cup arenas, where the audience shook the mobile phone to cheer for their team as the mobile application made different sounds.

The results of the sponsorship is that the awareness of Vattenfall skiing (FIS) sponsorship has clear correlation of better brand impression and consideration in both Sweden and Germany.

4.1.2 Idea & Realisation

The idea behind the mobile application “King of the slope” started with the an interaction between Vattenfalls advertising agency Lowe Brindfors and Vattenfall. Vattenfalls role was that of a of a demanding specifier and purchaser towards the advertising agency, as they have many “high flying ideas”, that are sometimes not that realistic. According to Vattenfall the process is a co-creation between customer and agency. The advertising agency came with the idea of making a digital application, and two ideas was on the table. The first one was the cheering bell that later became “Power of cheering”, to manifest Vattenfalls love for winter ski sport and create attention. With the application you could download different sounds to the app, and the audience at the ski races stood there and were shaking their mobile phones to make it sound. It was a simple idea that the sponsoring team at Vattenfall directly said “Lets do it!”. The “Power of Cheering” application also included a competition between different nationalities in ski resorts, by measuring who could cheer the most for their country. It was considered very revolutionizing when it came in early 2011, and Vattenfall and other companies sponsoring the ski world cup were impressed with the activation.

Simultaneously they started developing a “ski tracker” application, that later was named “King of the Slope”. It was a greater and more ambitious project than the cheering bell. The planned launch was the season 2010/2011, but the development took longer than planned and they did not have enough time to launch it during the planned season. It took longer then expected to get King of the slope bug-free, and the Vattenfall team working with the application exposed it for rigorous testing. Continuous deadlines were set up to check if the functionalities really were in the application and if they were working properly, otherwise the launch date would be postponed,
and it was postponed multiple times. The application was not launched during the 2010/2011 as quality was prioritized before a quick launch. It was a tough decision for the department responsible for the application, especially internally in Vattenfall, as the investment in the development of this application did not seem to pay off quick enough. So the application was launched in the beginning of the season 2011/2012. This would later be viewed as strategically smart, as they had all summer to plan the advertising efforts and making sure the application was of high quality and worked as well as they wanted. They tested it by using seven phones in the jacket pockets and riding around and making sure it registered the riding data correctly. They spent almost one year in development of “King of the slope” application, and they assumed they had only one chance of a launch. Their presumed that if it doesn’t work when it is released, the negative comments will ruin the spread of the application.

![Figure 24. Screenshots of King of the slopes](image)

The reason behind the mobile applications by Vattenfall was that they wanted to create engagement, interaction, dialogue and a creation of a platform between Vattenfall and its customers. The “King of the Slope” application is also a manifestation of Vattenfalls “Energy for winter sports” communication program, targeting skiers mainly. Vattenfall has a complicated relation with their customers and an application like this could help enhance that relationship. The overall goal was to create a positive contrasting picture around Vattenfall, and also introduce more touchpoints between Vattenfall and the customer. The usual touchpoints to an average customer are solely through the invoice and the power plug, and Vattenfall needed more touchpoints to explain what Vattenfall stands for in order to create a positive brand relationship.

The marketing and promotion of King of the Slope used many traditional communication channels. Printed ads in taxi’s, ski lifts, billboards in ski resorts, supermarkets and transit airplanes to ski resorts. They also worked with many credible ambassadors in the launch of the application, including the world famous freestyle skier Jon Olsson and the Swedish ski team. The Vattenfall team responsible for the application saw that when the application reached a critical mass of 10 000 -15 000 the user base started to grow by itself. This was due to the
application reached the top download lists in the application stores combined with the users of the application could challenge their friends in skiing that allowed a viral spread of the application.

![Image of marketing initiatives for the King of the Slope application](image)

**Figure 25.** Examples of marketing initiatives for the King of the Slope application

The maintenance aspect was considered by Vattenfall they were making the application, to make it last and keep it updated. Vattenfall has recently changed advertising agency (from Lowe Brindfors to DDB) in a public procurement deal as Vattenfall are state owned. The competence for maintenance of these kind of applications are very specific, and Vattenfall has made sure that the same subcontractor who programmed the application for Brindfors are still responsible of the maintenance of the application.

4.1.3 Outcomes

The mobile application “King of the Slope” by Vattenfall had 130 000 downloads in total on the mobile application stores, and over 200 million vertical drop meters logged during the first skiing season. They were also featured in many print and digital medias when they launched this application, and they were nominated as one of the most creative solutions in the competition “Gyllene Hjulet”\(^\text{61}\).

The first internal reaction in Vattenfall was that they did not get why the sponsoring team was doing this as it did not clearly contribute to new business transactions, and that they were being


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silly and joking around in the marketing department. This is a common theme when doing new and innovative things in bureaucratic organizations. The sponsoring team explained that the best way to focus on the business and business transactions is to not always talk about the business. Instead of just saying “We have the best offers, come to us” Vattenfall should try to create a relationship first and the business will come automatically. They have seen that these new and innovative activities drives traffic to their websites, offers and services. The point of the application was to change how the customers view Vattenfall, and in the long term support the business goals. Externally Vattenfall have gotten a lot of recognition about their sponsorship and mobile applications, but internally it is still not a big hit.

The expected results before the launch of King of the slope were mixed. The sponsoring team and the agency believed it had an enormous potential, but they did not dare to hope that they would get a good result and if the message would come across. As Vattenfall is Vattenfall, and have a constant critical examination they need to be better than everyone else, and they knew this. As this was a new innovation, something completely new, and as this has to do with Vattenfalls position: “adding value and being a smart energy enabler”, the slogan was “Energy for winter sports now in your mobile phone”. The head of the sponsoring team gut feeling said that the application was so good that if it would be received well, it would be a success. But of course remembering that good things can fail if someone writes bad things about it in the beginning. And because of that gut feeling, they stood up for the project in internal corporate headwind.

The results in Vattenfalls main KPIs relating to the mobile application was somewhat clear. Vattenfall is now best in class of all energy companies in Sweden for “Liking” and “Consideration to become customer” of 18-25 year olds. That is impressive, as Vattenfall are constantly criticized about its carbon emitting coal power plants. It is not all due to the application, but also due to successful advertising in for example the cinemas which is a youth media. According to themselves, with this campaign and the mobile application “Vattenfall manifested it’s love for skiing”.

The second internal reaction after just not getting what they were doing was about “Max-speed” that is registered in the application. Someone accused the increase in skiing accidents of being the result of ski tracker applications like Vattenfalls King of the Slope. This created the debate in the media about the speeding in ski resorts, and generated some bad media publicity. The head of sponsoring and the person responsible for the application told the story of the application and the sponsorship to the media examining this. Speed is a sensitive thing, and the group working on the application in Vattenfall had thought thoroughly about this and decided to not allow the users to compete and challenge each other in max speed, but they allowed the users to see their max speed. Then the second line of challengers came along, the management of vattenfall, who do not want any bad media publicity. The declared that the application was to be removed from the app stores. But the team working on this understood that it would be a betrayal to the users if they did this. A compromise was made and just the max speed was removed from the application, and they got to keep the app on the app stores. Unfortunately the users were not happy about this, and gave King of the Slope bad reviews in the app stores.
The team behind King of the Slope at Vattenfall understood that it is disrespectful to remove functions from an application and that you should never do that. They said that you should respect what you have entered into and manage the relationship and confidence you have from your users. But the internal politics in this kind of organization this can make it impossible. In the sponsorings teams mind it would be a really good move to reinstate the max speed into the application again, as it is a PR story and we give the users who are angry about this function disappearing justice. Then again, with all the publicity concerning the Nuon deal in the media now, it is probably impossible to get through internally in the organization.

Vattenfall has released a new application since the “King of the Slope” (a ski tracker) named “The Olympic Race” and allowed the users to track their running, a “run tracker”. It was released during the summer 2012 in a campaign for the olympics, and the one who logged the longest distance in the six weeks it was active would get a trip to the olympics. It is clearly inspired by the success by “King of the Slope”, but when comparing the figure of the rankings in app store of the first six weeks it is clear it was never close in the amount of downloads per week. King of the slope is still active and people are still downloading the application, even though the “max speed” was removed.

![Download Ranks](image)

**Figure 26.** The ranking of “King of the slope” application in Sweden the first six weeks

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Figure 27. Ranking of “The olympic race” application in Sweden the six weeks it was active\textsuperscript{63}

In the future Vattenfall will continue maintaining the platforms they have developed (King of the slope, Power of cheering) but not develop new applications as Vattenfall is in a cost-cutting and consolidation phase right now. The brand and sponsoring team has started a journey towards a mobile offering in Vattenfall that the business side will continue on, but with more focus on creating energy efficiency solutions using mobile platforms.

4.1.4 Learnings

Vattenfall hit many important success factors straight on, some well planned and some lucky coincidences. The first one was the perfect timing and performance of the application. They took their time releasing the application and making sure all the functions were working properly, and managed to time it with the start of the skiing season. That make the period for word-of-mouth and viral marketing of the application the maximum length, which in turn allowed the users to connect and challenge each other and not lose their interest just because the skiing season was over. Another success factor is that they saw the mobile application as a long term effort, and created it as a digital platform between the users and Vattenfall.

They used traditional marketing like print and billboards to reach the critical mass they needed for viral spread. This is not always an important success factor, but in this case it allowed them to show the users the application and kickstart the “snow-ball” effect. This, combined with the ability to challenge friends and timing and performance enabled the willingness and behaviour of social and viral spread of the application through social networks like Facebook. The third media

\textsuperscript{63} App Annie, The Olympic Race, \url{http://www.appannie.com/app/ios/olympic-race/}, Accessed 26-04-2013
they used was credible ambassadors that marketed the application on digital channels, for example freestyle skier Jon Ohlson web blog\textsuperscript{64}. Another effort was the presence at the skiing competitions and ski resorts, where the interest of skiing exists, creating a high degree of relevance. According to the team responsible for the application it’s not enough to just release an application on social media and believe that it will spread from there. This is why traditional media is important in an introductory phase of digital platforms like mobile applications. They measured that when the mobile application “King of the Slope” reached 15 000 users the usage of the application exploded. Their conclusion was that to reach this critical mass the traditional “old media” was very important.

According to Vattenfall they would never have been able to make this kind of a successful application without the credibility of the ski sponsorship. But the people we have spoke to that have used the application, a majority did not make the connection with the ski sponsorship. This is not statistically measured, but as there are several cases that disprove this hypothesis by Vattenfall, it could give some indication on how low the relevance needed for a mobile application today to create brand awareness really is. When we asked Rasmus Bengtsson, social media and mobile application expert, his opinion was that the need for relevance is unnecessary and mobile applications with no relevance can still create top of mind recognition of a brand, and therefore affect the brand awareness.

When we looked at what the owners, the politicians that govern the Swedish state owned companies thought about doing applications for marketing we found out that they were affected as well. Vattenfall has the general public as their main target group, and the politicians are included in there. As the application is something pleasurable and contributes to your interest in skiing the team behind the application saw that you get a general opinion of playfulness and a better relation to Vattenfall with this type of application. And suddenly Vattenfall are relevant in the politicians holidays as their kids use the mobile application and a lot of people are talking about this app. They saw that they got close to their customers with competitions and playfulness.

Today “everyone” has a mobile phone, and a substantial amount of people also has a smartphone. The Vattenfall team figured out that it is an easy medium to get into if you deserve to be in there, if you add enough value. They have seen that there are many applications that only have a low amount of downloads like “17” downloads because the companies think that they are so interesting and made an application based on that. The success factor Vattenfall identified is that you need have a outside-in perspective (the user/customer perspective) and understand what value you can add to your potential users. Otherwise you have no chance of getting into this rather private medium and your application will be nowhere to be found.

It seems as Vattenfall has some serious insight into how to succeed with mobile applications. But why did the application “The Olympic Race” not reach the same success as “King of the slope”? The first logical reason is that it was short sighted: it was only active about 6 weeks and

\textsuperscript{64} Jon Ohlson blog, \url{http://jon-ohlsson.com/?p=6511}, Accessed 29-04-2013
maybe it did not have time to reach its potential. But only comparing the first six weeks King of the Slope was still more successful, why? What we have seen, King of the Slope was the first free “ski-tracker”, at least in Sweden, that we know of. When the olympic race was released in mid 2012 it had to compete with free applications like Runkeeper(launched in 2008) and Nike+ Running(launched in September 2010), that already had satisfied some of the demand by the users. We also saw that it did not offer as many features as the other run trackers, and it did not push the boundaries of what is possible to do with a mobile application. It was more about competing to run the distance to London and win a trip there, which only limits the user. These are the most obvious reasons we have seen why the Olympic Race did not reach the engagement King of the slope did.
4.2 Körklar? by SalusAnsvar

The Marketing Director at SalusAnsvar was interviewed and the following analysis of the Körklar? application is based on our interpretation of his answers.

4.2.1 Context

The heritage of SalusAnsvar tell the story of an insurance company founded by doctors and people dedicated to sobriety. They have close collaborations with Vårdförbundet and MHF. SalusAnsvar is today a relatively unknown insurance company, it is mostly people within the medical professions or associated with MHF who know of them. There is also a misconception of one having to be teetotaler in order to have insurance at SalusAnsvar. The company offers insurance for vehicles, household, life and health as well as insurance for children. A previous initiative to sell more children’s insurances was an application called Babydax - Gravidapp, released in september 2010. The application had, apart from allowing future parents to keep track of their baby’s development in the womb, quite clear intentions of promoting insurance products and services offered by SalusAnsvar. One of the application’s functions is to request contact from SalusAnsvar regarding the pregnancy and child insurance by entering your name and phone number. This application did yield more buyers of the pregnancy insurance and it made SalusAnsvar more positive towards mobile applications.

Like many other insurance companies, SalusAnsvar is engaged in several CSR initiatives65. On the medical side there is the SalusAnsvar Vårdpris, which is given to those who have made outstanding contributions to the development of Swedish health care. There is also the SalusAnsvarspriset which is the second largest medical award in Scandinavia where only the Nobel price is larger. In addition to these are several foundations dedicated to medical research and medical associations. On the sobriety side is the cooperation with MHF and work on increasing the use of alcolocks. SalusAnsvar also supports Vit Jul, an initiative to promote Christmas without alcohol and the arranging of activities for less fortunate children with alcoholic parents. SalusAnsvar puts much effort into their CSR initiatives, however, the core values of SalusAnsvar are somewhat different from each other. With both the medical history and the sobriety image, and charity work in both fields as well, causes the communication outswards to be not entirely clear. The ongoing strategy was to more clearly profile SalusAnsvar as the insurance company that stands for sobriety in traffic, which lead to the application Körklar.

4.2.2 Ideas & Realisation

The application Körklar? is seen from the perspective of a regular user made for a good cause. The application is a part of SalusAnsvar’s CSR initiatives as being the insurance company that stands for sobriety in traffic. Seen from a brand identity perspective the application fits the existing image of SalusAnsvar well. They have strong connections with MHF and are often

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associated with sobriety in traffic. The purpose of the application is to prevent people from driving too soon after having consumed alcohol by graphically display the blood alcohol level on a timeline.

The idea of making this mobile application came from a co-worker to the Marketing Manager at SalusAnsvar in late 2010. The decision to make the application resulted in a collaboration between SalusAnsvar and MHF. Research done by SalusAnsvar prior to the application showed that close to half of Swedes are unsure of whether all the alcohol has had time to exit their bloodstream by the time they get behind the wheel. Alcohol consumption and driving is a subject of great sensitivity, and it was very important to avoid misinterpretations of the application’s purpose or possible misuse its features. To avoid the possibility that the user entered drinks a little wrong and then started driving early of utmost importance. As a precaution, in the initial version of the application, did the calculations of the blood alcohol level assume that all intake had been done at the time of the last drink, which gives the model a fairly large margin of error. This way of calculating the blood alcohol level was later replaced with the recommended model by Systembolaget.

Due to a tight budget and the ambition to be efficient with the communication made the forum of choice for ideas, feedback and marketing fall on Facebook. MHF did already have a Facebook site called Nyker which today has a little over 213 000 likes. The forum wall within the site is called “Jag vill inte förlora vänner och familj - Kör inte full” and the initial research of whether or not there was an interest in a mobile application was done on that wall. Ideas of application content and initial features came from the general public through suggestions posted on Facebook. The suggestions were also voted on by the potential users, engaging them to be a part of the creation at an early state. Besides SalusAnsvar, MHF and the input from their Facebook fans, other parties involved were a social media consultant and The Mobile Life who produced the application. This kind of coalition, between the company, a marketing agency and an external production firm, is quite common when a company is making an application. In this case maintenance and compatibility checks when new versions of operating systems are released is done by The Mobile Life. Minor adjustments are taken care of as goodwill, larger adjustments are done on project basis.

Communication through social media is a very inexpensive and scalable channel compared to TV commercials or printed advertisements. It is also an easy way to create a two-way communication with the target audience and increase awareness of the application. SalusAnsvar did create awareness of the forthcoming application in a very early stage and did therefore sow a seed that were able to grow by itself for some time until the initial release.

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Figure 28. A screenshot of MHF’s photo album on the suggestions of application content posted and voted on at their Facebook site.

MHF’s Facebook site already had around 200 000 likes at the time the process began, and posting news of the application there made it known to a quite large group of people at virtually no cost at all. So far (22-04-2013), Körlar? has been downloaded by almost 135 000 people, which means that equally amount of money has been donated by SalusAnsvar to MHF for their work against driving under influence of alcohol.

Not everyone understands the good cause of this application though. Due to a policy change made by Apple in the summer of 2012 has Körlar? been prevented from updates since the version launched in March 2012. Because of the application content being both alcohol and driving makes it violate AppStore’s new policies. The context of how alcohol and driving were present in the application was not taken into consideration. This has prevented improvements of the application being made in the iOS version. The Android version has had no such problem and it has been updated with functions requested by users. One much sought after feature was the support for multitasking, meaning that the input would not be erased each time the

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applications was closed down to run in the background. The reviews of the application in
AppStore and Google Play reflect the situation. The iOS version has reviewed an average of 2.5
and the Android version an average of 3.8 in score.

The goals SalusAnsvar wanted to achieve with the application Körkla was:
- Profile themselves as the insurance company that stands for sobriety in traffic
- Inform about how long time it takes for the human body to burn off alcohol
- Prevent people from driving too soon after having consumed alcohol
- Increase awareness of the SalusAnsvar brand
- Make an application that fulfills a need people have
- Further develop their CSR and charity work
- Sell more vehicle insurance

4.2.3 Outcomes

The outcomes of Körkla? was well beyond the expectations SalusAnsvar and MHF had hoped
for. Shortly after release did the application reach second place on the list of most downloaded
applications on AppStore, and this created synergies in form of even more downloads. Many
were talking about it on social media and the spreading through word of mouth worked very well
too. The application made great impact fast without any other marketing than through Facebook
and a press release by SalusAnsvar. Many of the people who installed this application were not
existing customers of SalusAnsvar or had had knowledge of their brand prior to this application.
The goal of increasing awareness of SalusAnsvar was achieved through this application, and as
well as the knowledge of their work for sobriety in traffic. Indications of this was seen through
increased traffic to the related Facebook pages and an increased number of times either
SalusAnsvar, MHF or Körkla was mentioned in social media.

The application does also have features useful enough to keep people using the application more
than just once or twice. As mentioned before are many Swedes uncertain of whether they still
have alcohol in their bodies or not when they get behind the wheel, and this application can
provide some guidelines in answering that question. Out of the 135 000 downloads are around
80 000 of those unique users. Around 3 500 of them are active users, who has had a session
with the applications on a specific day. This data was provided by the marketing manager at
SalusAnsvar through the Flurry analytics service. The iOS version came first, and Körkla? has
also had a greater impact on iPhone than Android users. The Android version came later,
because Android devices had less penetration in early 2011. However, now that the Android
version have support for multitasking and the iOS version does not, as well as the growing
proportion of Android users in Sweden, a shift in the user proportions will probably happen soon.
According to Google Play Körkla? has been installed 10 000 - 50 000 times during the last 30
days 70.

70 Google Play, Körkla? - About this app,
51bGwsMSwLDEsInNILnNhbHVzYW5zdmFyLmtvcmtIsYXJuYW5kcm9pZCJd, Accessed 26-04-2013
Figure 29. Körklar? iOS version AppStore ranking history July 6, 2011 - April 26, 2013

The iOS version is still quite popular and has only dropped under the 200th place of its category once since 2011. The overall ranking has had its ups and downs, however one can see certain seasonal trends for its popularity. For instance in December around Christmas and New Years, as well as Easter and Midsummer.

4.2.4 Learnings

A key success factor of this application was its usefulness. It is not an application you have use for every day but it is handy when you have consumed alcohol and maybe will be driving the next day. The approach is also content first, allowing new users to find out what Körklar? does before having to enter any personal information, create an account or sign in through Facebook. The application does not require an user account and Facebook integration is optional, which is necessary only if you want to share your blood alcohol graph. The application does ask for permission to send push notifications the first time it is used, and it is not clear for what purposes it would wants to send notifications to the user. Notifications are pushed a few times during a year when it is necessary to remind people to consume alcohol carefully.

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Figure 30. User settings for Facebook integration and push notifications

A nice feature is that the settings for push notifications are available directly inside the application, the user does not have to enter the general settings of the phone to change it.

There is no obvious marketing of any product or service in the application, which makes it not feel like an advertisement. The general impression is that it was made for a good cause, and put together with the donation of 1 SEK to MHF for each download, makes the application seem less evil. The application is also free from any advertisement banners or popups, and the push notifications do not come disturbingly often. Körklar is an application that allows each user to have it on their own terms. Showing this level of trust for the consumers and providing them with an useful service for free really shows that the issuer is not only trying to make money out of the users.
4.3 McWrap Go&Get by McDonalds

The Mobile Producer at Apegroup in charge of McWrap Go&Get was interviewed and the analysis is based on his answers.

4.3.1 Context

The McDonalds brand is a strong and emotionally loaded brand, where most people in the developed world has some type of a relationship to the brand. Some say that McDonalds is a brand that you either love or hate. One indication of this was observed in the ratings of the mobile application where most people rated it either a 5 or a 1 (the limits of the scale), and not that many in between. In other applications it is common with many ratings in between the two extremes, like 2, 3 and 4:s.

McDonalds is trying to change their brand from “unhealthy food” to become more healthy and also transparent. The McDonalds Sweden organization is also in the forefront of this work of transparency. McDonalds Sweden is showing how many calories and other nutritional information for the food they serve. The launch of the McWrap product was one effort to go towards a more healthy product range. They are trying on many fronts to go towards healthy food for modern conscious people.

The target group for the McWrap campaign was the conscious, active and on the go individual, holding the McWrap in one hand and something else, probably a smartphone, in the other hand. Not the regular target group of McDonalds that is families with children, where traditionally much of the McDonalds marketing spend is put.

The McWrap product was not solely launched with this app. They had advertising in many channels, including TV, bus stops etc. This advertising focused on the product and not the application. There were also some limited print media telling people to download the app to get a free McWrap, but no major advertising.

The one responsible for the marketing at McDonalds Sweden understands the possibilities of mobile marketing. She is a driving force internally in McDonalds, and McDonalds Sweden is in the forefront globally in this area. They work together with the advertising agency DDB to create their campaigns. Apegroup is the mobile developer used by McDonalds, and does the technical parts of the applications for them. Both McDonalds and DDB have the mindset of how to create an engaging offer to attract the customers in their campaign they are doing. It was decided to give away free McWraps before the developer Apegroup was connected to the project, but not exactly how they would do it.

4.3.2 Idea & Realisation

The inspiration for the McDonalds McWrap Go&Get mobile application campaign was the Mini
Cooper mobile app. In that application you could get a Mini Cooper for free car by being at the right place in Sweden at the right time with their mobile application trying to “catch” it.

The first decision was to develop a new main application for McDonalds Sweden, where new campaigns like the McWrap Go&Get could be included, in a app-in-app style manner. This can be compared to Spotify that has a PC application, that allows applications inside its PC application. The difference here is that McDonalds makes and releases their own applications inside their mobile application, and does not allow third party apps like Spotify does.

![Diagram](image)

**Figure 31.** The hierarchy between the McDonalds app and the apps inside, so called McApps

McDonalds Sweden previously had a simple store locator application that Apegroup had built, and this would be upgraded to the new McDonalds Sweden application. The new McDonalds Sweden application idea was presented by Apegroup as they saw a lot of new functionalities being added and the platform they were currently using for McDonalds did not allow for this. They needed a more modular and scalable application, where they could have apps and campaigns inside the application. They created a menu where they could add “McApps”, as seen in the picture below.
Figure 32. The Mcdonalds Sweden main application, with the menu and the new store locator

The McWrap Go&Get app was actually a mobile application inside another mobile application, the Mcdonalds Sweden App. The user only had to download the Mcdonalds Sweden main mobile application from the app store. All the applications inside the main application can be exchanged remotely by Apegroup together with Mcdonalds. Currently there are two applications inside Mcdonalds Sweden app: “Sagoapppen” - which is entertaining sounds for children stories and “Happy Studio” (not seen in the picture above as it is an old picture) that is a fun and educational game. This setup allows Mcdonalds to launch new apps inside the main application and the users do not have to download any new apps, and allows a consolidated communication and application strategy.

The overall idea and reason behind the new Mcdonalds Sweden main application was to create a communication channel with the customer and drive customers to the restaurants. Mcdonalds, like many other companies, has the problem that most of the interaction is inside the restaurants, and the customers does not interact with the brand or company elsewhere. The mobile application is an opportunity to change this.

The element of competition between users and the idea of virtual products on a map was the fundament of the application. A time plan and budget is set for the development of the application, and the production of the application was done by Apegroup in Stockholm. This includes being involved in the discussion of concept of the application together with the advertising agency, the development and programming of the app, and continuous interaction with the customer listening to feedback and using their input into the application.
The McDonalds Sweden application was launched together with the McWrap app inside. When the new application was released all the current users of the McDonalds Sweden store locator application got an update notice about the free McWrap campaign and the new McDonalds Sweden application. This resulted in a fast spread of the McWrap campaign offer. Also the McDonalds app was launched on iOS and Android at the same time. So everyone that wanted to download the McWrap app had to download the McDonalds Sweden main application to access it. This was a great strategy as the McDonalds Sweden app is a long term commitment, where the McWrap campaign was short term.

McDonalds has many thoughts about keeping users that have downloaded the application active. One of these are giving personalized offers, discount cards and bonus systems. The future will determine if they were successful in their work keeping the users happy and active, and not pushing and demanding too much of them.

The McDonalds application was firstly launched in Sweden. Then it was launched in Finland and after that in the other Nordic countries. They needed to adopt the application slightly when it was launched in the Nordic countries, with support for different languages and products, but they could use most of the Swedish version.

Apegroup currently has a whole team working for McDonalds. The maintenance is one of the things they are responsible for. They have to prioritize maintenance against the other things they have in the production pipeline. There is not any specific support agreements as they have a team working for them.

The overall goals for the McWrap campaign was firstly to push out their new main app to the consumer. This would allow for a personal communication channel with low cost communication using PUSH-messages. About 50% of their user base of the new application have PUSH-messages activated in the application, and this roughly 300 000 PUSH activated apps. The second goal was to launch the new permanent product series McWrap with a big impact campaign and a lot of attention. They evaluate this kind of campaign firstly with the amount of app downloads and the second one is the increased sales in the McDonalds stores.

4.3.3 Outcomes
The McWrap Go&Get app campaign was extremely successful. It is actually the most downloaded application of the campaign applications in Sweden we have seen in our research (and we have looked into a lot of these type of apps). They had roughly 150 000 downloads of the McDonalds Sweden Store locator application before the launch of the McWrap campaign. After the campaign they had about 400 000 downloads, and today it is about 600 000 downloads of the McDonalds Sweden app. They saw that giving away free food attracts a lot of attention, and is their main success factor for the amount of downloads.

The first day when the McWrap campaign was launched it was chaos in many McDonalds’
restaurants as 10 000 McWraps were given away for free and a lot of people tried to collect
them. It was not supposed to be that many the first day, to avoid chaos, but somehow they all
got available. In the first day all the servers hosting the application at Apegroup crashed as the
load was enormous. In total 100 000 wraps were distributed freely, during the three month
campaign period.

From the first day of the launch the security quickly became an issue. During the first day it
appeared a 20 page long thread on Flashback, which is a forum where everything from internet
security to politics are discussed, explaining how to “hack” the McDonalds app to get free
McWraps. Everything from animated .gif:s and mocking the geo-location was discussed.
Apegroup had to monitor this development and launched bug fixes and security updates quickly,
to make sure the hackers did not take all the free McWraps. Of course they just read on the
Flashback thread to understand what the hackers did and to launch counter-hacks.

One maybe unexpected outcome of the campaign application, was that people who got the free
McWrap also bought other things like soft drinks and french fries and clearly drove sales of
McDonald stores in Sweden. Another unexpected outcome was that they also got an award for
doing this campaign, the “Guldmobilen”(Gold mobile in english) award.

Since doing this app McDonalds has done several other mobile and online campaigns. One was
a Facebook and mobile campaign where the users could send virtual christmas gifts to their
friends. You had to go to the McDonalds restaurant to see what was inside christmas gift, and
one of the persons collecting the gift would get a brand new car. They also did a cool 3D BMX
racer game in the McDonalds Sweden mobile application the spring 2013.

But the most important result for McDonalds is that they have created a 300 000 user strong
push communication channel. This is probably the strongest one in Sweden for this kind of
campaign application. They definitely got the amount of attention they were looking for.

4.3.4 Learnings
What learnings can be applied to general campaign app development? How did McDonalds get
this incredible viral spread with the campaign so fast? The only answer is “free food”. Everyone
loves free food, and want to tell their friends about free food. The first and most important
learning of this campaign free food attracts a lot of new users. No matter how good your
application is, it needs a substantial user base to deliver its value. And giving away free food will
get the customer to download your application. Then you have to activate the users and show
the value of the application to get them to use it long term. McDonalds plan to do this by having
discount cards inside the application, and launch new promotions and games. In what we have
seen this is a good strategic plan.

Compared to only advertising the McWrap on TV, the application allowed users to try the new
dish for free. This could be argued to have made more people wanting to buy the McWrap later
on, as they have already tested and liked the product. In what we saw, the mobile app campaign was a more effective way to launch their product than the TV ads. But the combination could be the best way, depending on product, budget etc.

Also the important security aspect of the application is a learning in this case. When it comes to things that have a value, like free food or winning a car, some people will try to cheat. And to be perceived as fair the company has to monitor this.

Virtual games using the real world but virtual products or treasures is a clear trend that will continue to grow. Also campaign apps and games inside a company main application is something we will also see more of in the future.
4.4 Många sträckor små by Lantmännen

The Digital Brand Manager at Lantmännen was interviewed on the creation of Många Sträckor Små and the following analysis is based on our interpretation of his answers.

4.4.1 Context

Lantmännen is very clear on their core value and brand promise being responsibility from field to fork and supplying people with quality food products. Their communication is both B2B and B2C as the products are sold through retailers. The consumers need to know of the products and demand them in order for the retailers to supply Lantmännen’s products. The brand communication has the goal of profiling Lantmännen as the leading food company providing grain products from Swedish farmers. They also aim to set a good example for other food companies with their extensive sustainability work and transparency of the entire value chain. A new application called Bonde på köpet72 was recently released by LRF (Lantbrukarnas Riksförbund), a trade association Lantmännen is a part of. The application is a barcode scanner that can tell if a food product is produced with Swedish ingredients or not. The goal is to make it easier for consumers to know where their food is coming from. A thumbs up is given if the scanned product consist of entirely Swedish ingredients, and therefore counts as Swedish, and a thumbs down if it contains other than Swedish ingredients. The application has raised a lot of questions from consumers who wonder why some Lantmännen products receive thumbs downs in the scanner. Lantmännen gave an open and clear answer to those concerns and explained73 that the product is classified as Swedish only if none of the ingredients originate from other countries. Under certain circumstances, some ingredients become scarce and has to be imported, therefore are some batches not classified as entirely Swedish according to LRF’s guidelines.

Lantmännen have an action plan stating future goals and how they intend to reach them. The goals consist of both organisational improvements and environmental sustainability objectives. It is not an easy task to communicate all the good things Lantmännen do in an efficient way. The action plan is quite comprehensive and it requires people to, on their own accord, visit the website and read about the plan in order to understand it. A decision was made to focus the external communication on one segment of the action plan Lantmännen felt they were really good at, which was transportation.

4.4.2 Ideas & Realisation

The result was Många sträckor små, an application made to encourage people to bicycle instead of driving to the grocery stores. Research conducted by Lantmännen showed that the environmental contribution consumers made when purchasing organic or locally grown food was

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73 ibid.
zeroed out by them driving there and back from the stores. Lantmännen hoped to create awareness of how small details in everyday life, such as transportation to and from the grocery store, could make an impact on the environment. They wanted to lower the barriers and show that even small measures can contribute. The purpose was also to communicate about Lantmännen’s environmental work and action plan, and to show that Lantmännen see it as their responsibility to do so. This was the first mobile application Lantmännen made and the idea was to create something simple and useful for most people, that can help them become more environmentally conscious. They have after this initiative made more applications, for example an application aimed towards farmers enabling them to see current grain prices.

The parties involved, besides Lantmännen, were their advertising agency and a production company, a quite similar setup to the previous cases studied. Lantmännen has the research data and a goal to be better at communicating their sustainability work. The advertising agency utilizes Lantmännen's competitive advantages and works out the concept of the mobile application. In this case it was their extensive work on reducing carbon footprint in transportation. The next challenge is to make the features attractive enough to the average consumer that they will keep using it. This is where the achievements play an important role. Achievements introduces a challenge and this makes reaching the first and the next achievement tempting, more so to some and less to others. This kind of strategy is called gamification and appeals to our competitive spirits and the part of us that want to be entertained. The achievements and the bike rides can also be shared on social media, providing another reason to use the application. A survey conducted by United Minds in October 2012 showed that Swedish people likes to express various kinds of accomplishments through social media, such as healthy homemade food made from self-picked mushrooms.

The survey also revealed that one out of four women and one out of five men think that it is embarrassing to purchase non-organic or unhealthy food. It is extremely popular to be environmentally conscious and people will gladly show their environmental efforts publically. Behind some of the achievements are free Lantmännen food products users receive coupons for. These are redeemable at most of the larger grocery store chains and provide another incentive to keep using the application. The coupons do not work with ICA’s systems and the free food was not one of the key marketing incentives used to publicize the application. Some critique about coupons not being redeemable at ICA and complaints from people not owning compatible mobile devices were present to a minor extent. The general opinion on the application, both internally at Lantmännen and externally, has been very positive.

Lantmännen thought of Många Sträckor Små as a campaign application that might live for a short period of time. They had not expected the application to still have 2500 - 3000 active users

by April 2013\textsuperscript{76}. The time of the launch was during early autumn 2011, which was not the best
time to release a bicycle application. The expected life time was 1 - 2 months due to the initial
achievements being relatively easy to accomplish. It was a surprise to Lantmännen that people
started using Många Sträckor Små again when spring came in 2012. Lantmännen realised that
this application would live for some time and released an update by summer 2012 with more
achievements.

\textbf{Figure 33.} Scoreboards on Lantmännen’s webpage

As a part of the gamification strategy are live scoreboards visible on Lantmännen’s webpage\textsuperscript{77}. Displayed are total amount of kilometers bicycled, which now laps the circumference of the earth
at the equator over 15 times. However, the person who has bicycled the most kilometers
according to the scoreboards has logged over 200 000 kilometers, which is quite unlikely to be
true. There is also some other statistics on the scoreboards that are unlikely, such as that an
average bike ride lasts over 15 hours. The application and the scoreboards are both very
graphically appealing, however, certain necessary actions to prevent cheating or obviously faulty
statistics are missing.

\textsuperscript{76} Approximate amount of active users according to John Wernvik, Digital Brand Manager at Lantmännen
\textsuperscript{77} Lantmännen, Topplistor och statistik,
4.4.3 Outcomes

While many people want to be more environmentally conscious and have a sustainable lifestyle, however, the knowledge of how to actually do so is not clear to most. What the application intended to show was how much difference the choice of transportation can make, and to make people aware of their efforts in choosing organic food is wasted if they use non environmentally friendly means of transportation. The application has approximately 15 000 downloads\textsuperscript{78}, which was more than what Lantmännens expected. Seen from its ranking in the iOS AppStore one can conclude that Många Sträckor Små never became a very popular application. Its best ranking was second place in the Lifestyle category and a 39th place in overall ranking.

\textbf{Figure 34.} Många Sträckor Små was frequently downloaded soon after launch but popularity faded

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\textsuperscript{78} Approximate amount of downloads according to John Wernvik, Digital Brand Manager at Lantmännens
when people shop after work or during the weekends when families do their weekly shopping. Neither of the occasions are really suitable for bicycling or even to remember to use the application. Another look at the scoreboards in figure 33 reveals that the application in reality was used during other routes than those to the grocery stores. This means that the original purpose of this application being a way to encourage people to bicycle instead of driving to the grocery stores was not achieved.

Lantmännens do regularly use market research companies to measure consumer acceptance and likability of their brand. The KPIs measured are to what extent consumers associate Lantmännens with food and that they are a responsible company. Those public opinion polls have revealed very good values for both of the KPIs. They have not been able to measure exactly how much the application alone affected the public opinion, but it is definitely not bad for their image. The internal acceptance of the application has also been very high. The employees of Lantmännens find the application concept innovative and useful.

4.4.5 Learnings

This application is a living example for optimal utilization of the smartphone’s properties, providing a service useful to a consumer and increasing awareness of the brand promise. Even if many people had smartphones in late 2011 and cycling and was very popular then, the autumn release was not a great start for a bicycling application. It became one of those applications that had the spotlight for a short period of time and then became drowned out by the noise from the other tens of thousands applications all fighting for attention. The interesting question is what the outcomes would have been if the application was released in the spring of 2013 instead, and with more emphasis on the possibility of earning free food through achievements. Or if the scoreboards were better regulated and it became a fair competition. Nevertheless, there is much to learn from Många Sträckor Små. It was useful and made fun through gamification and coupons for free products. The coupons provided an easy way to follow the user flow. Lantmännens did also find an innovative way to communicate their sustainability work and help consumers become more aware of how to decrease their carbon footprint. If the application had been made with a more long-term view in mind from the start it could have reached more than double the amount of users it reached today.
5. Results

5.1 Answering problems and evaluation of hypotheses

5.1.1 Problem 1: The process of the applications creation

P1: What does the process of creating a campaign mobile application look like?
H1: The overarching process is mainly managed and performed by the marketing department, acting project manager for the campaign.

Observation: H1 is False. The overarching process is mainly managed by advertising agencies instead of marketing departments which we thought. Both the idea creation and project management behind the campaign mobile applications we have analyzed are often done by advertising agencies, and this is often a part of a larger communication and marketing package/campaign. In the SalusAnsvar and McDonalds case did the companies approach their advertising agencies with a request for an application, but the concept and deployment were mainly done by the advertising agencies. In the Vattenfall and Lantmännchen case were the companies’ requests to find a new way to communicate with consumers. Their advertising agencies did then proposed mobile applications as the medium and the agencies also created the concepts and accounted for the implementation. It is often the advertising agency who creates a design mockup of the application, and then will the developer program the application structure and perform testings. Therefore is H1 false, since the standard procedure for creating an application imply substantial involvement of the advertising agency, instead of the marketing departments which we previously thought were in charge.

P1.1: What is the purpose?

H1.1: The popularity of mobile applications has lead to many campaign applications and many of them are made without any lucid strategic purpose. The low cost of the mobile medium has led companies to create mobile applications just because they see it as the next big thing.

Observation: H1.1 is True, in most cases. However, there are exceptions of companies making mobile applications with a strategic purpose and prioritizes budgets for this, for example Vattenfall and McDonalds. Those are often the most successful applications we have seen, and also the ones we have prioritized to talk to. Those companies are using mobile applications as one component in their marketing strategy, a great example of this is Vattenfall, who probably think more strategic about their mobile applications than many medium sized companies do about their complete business strategy. McDonalds requested an application with clear long-term purpose with content relevant to their company strategy. Vattenfall created a positive touchpoint and managed to increase awareness of their ski sponsorships that lead to more positive image of their brand. Lantmännchen did not expect their application to live very long, and did therefore not have a long-term strategic purpose with it. SalusAnsvar did not either expect their application to be long-term and a lucid strategic purpose was absent, such as linking application impact with sales.
**P1.2:** Who makes the decision?

**H1.2:** The decision is taken by the marketing department and not coordinated with overall business strategy.

**Observation:** H1.2 is **True.** The decision is taken by marketing departments and rarely coordinated with the complete business strategy. In the Vattenfall case was the management strongly against keeping the application when accusations of it causing ski accidents were made in the media. In other cases studied were there also indications of other departments not being involved with what the marketing departments were doing. This could change in the future, when the mobile channel will become one of the dominant channels to offer services and B2C communications.

**P1.3:** What are the expected results?

**H1.3:** Increased sales are the wanted result, but most companies do not measure enough to provide clear results.

**Observation:** H1.3 is **True.** The expected results are often in the number of app downloads, as they do not measure enough to provide clear results, for example SalusAnsvar and Lantmänken. Also the measurement is too unclear to provide clear indications on the increased sales and long term brand building. Examples of measuring the overall brand impact is Vattenfall, who uses opinion poll interviews of their company brand regularly. Lantmänken only measured their overall brand image through surveys, and not what results the application in particular gave.

**P1.4:** How is the application coordinated with corporate brand image and values?

**H1.4:** The brand image and values are rarely coordinated with the application development. Some companies try to stretch their brand to far with their mobile application.

**Observation:** H1.4 is **False.** Half of the cases we have studied (McDonalds and SalusAnsvar) have shown that the application concepts have been clearly coordinated with the brand image they want to project. Also, we have seen some companies that try to stretch their brand very far with mobile applications, like Vattenfall and skiing, but have done so successfully and impacted their brand image positively. Whether or not the applications is perceived as stretching the brand too far is subjective, due to each individual knowledge of what the company is engaged in.

**P1.5:** How is the work divided in internal/external involvement?

**H1.5:** The work is mainly conducted by the marketing department.

**Observation:** H1.5 is **False.** Most of the work is done by advertising agencies and application developers, which was the case in all four applications studied. We suspect that will shift towards a larger involvement into the mobile ideas and concepts in the future, as the mobile becomes a very strategical important communication channel.

**P1.6:** Is future maintenance of the application considered?

**H1.6:** The future maintenance is almost never considered.

**Observation:** H1.6 is **True.** Companies are really bad at planning future maintenance of the
application and having service agreements covering more than a couple of months. Many of the applications that are a few years old that we have tried are broken in some way.

5.1.2 Problem 2: Factors that influence the success of the application

P2: What are the factors that have positive, negative or no impact on success when using campaign mobile applications in marketing and brand building purpose?

H2: There are many factors that are critical to have, otherwise the campaign mobile application will be a failure.

Observation: H2 is True. There are general success factors, such as user value, performance, timing, and promotion of the application which are general factors critical to have.

P2.1: Reason of development

H2.1: If the reason of development is aligned with the long term strategic plan and the application is not just made “just to have an app”, the application should be more successful.

Observation: H2.1 is True. We have not found a single successful application that were made “just to have an app”, but we have found many unsuccessful ones with <100 downloads. Also, if the application is aligned with the long term strategic plan, it is often easier to motivate a larger investment into the application, and therefore many of the fundamental features like performance and user experience are better in these applications, leading to a higher success rate

P2.2: Integration with corporate strategy & brand image and values

H2.2: Connecting the internal brand values with the application is essential to gain internal stakeholder satisfaction and affect the long term image of the brand in the intended direction. For the mobile application to be perceived as successfully enhancing the brand image of the company, the creators of the mobile application will need to have a deep understanding of the brand’s core values.

Observation: H2.2 is True. This is for example seen in the Vattenfall case, where the internal criticism has been largely due to the vague connection to the corporate strategy and the brand image and values. Also, most users of the Vattenfall application we have talked to fail to see the connection with Vattenfall ski sponsorship.

P2.3: Value for the user

H2.3: Truly understanding the customer value is essential for the success and to keep the users long term the users need more than a one time value. Many application concepts are copies of other existing applications. Also the most successful mobile applications have had an element of competition with other users allowing it to spread virally and by word of mouth.

Observation: H2.3 is True. Providing customer value is essential, which is seen in all cases investigated. Vattenfall was a “copy” application, where they took a premium application and made a free version out of it, and that also gave the customer the value they were looking for. Competition was also seen in the most successful of the campaigns we looked at: Vattenfall, McDonalds and Lantmännen.
P2.4: Mobile first versus traditional marketing thinking

**H2.4:** Branding through mobile applications require strategies that differ from other marketing mediums.

**Observation:** H2.4 is **False.** Many traditional branding strategies are directly applicable to the mobile space. But there are some differences, like the mobile is more personal and sensitive medium than the TV or the newspaper. An example of intrusion of privacy could be the mobile ad: “We see that you are surfing from your toilet. Remember to buy Brand X toilet paper next time for a softer wipe.” Interviews with advertising agencies have indicated that the present strategy for mobile applications is a combination of traditional marketing and branding principles as well as social media marketing. Branding is still about creating and building a long-term impression between the brand and the consumer. But we see a need for a more long-term mindset when creating mobile applications, in the same manners as for branding through traditional ways.

P2.5: Mainly internal or external process

**H2.5:** Successful applications have large internal efforts and a majority internal process.

**Observation:** H2.5 is **False.** We have seen successful applications that have been driven with a low internal efforts, an example is the application Kalles Äggklocka which we studied briefly. It was an application concept created by the advertising agency CP+B when ABBA Seafood, who owns Kalles, wanted to increase sales on Kalles Kaviar. Internal efforts from ABBA Seafood was very low but the application became very successful and managed to increase sales. But to create an application that will be successful in the long term we have seen that there needs to be a substantial amount of internal efforts.

P2.6: User friendliness, performance & maintenance and mobile specific features

**H2.6:** It is a common perspective that you only have “one chance” to succeed with user friendliness and performance. Broken mobile applications still available on mobile application stores and/or removed functionalities in applications can hurt the company’s brand. The mobile application is mostly considered to be a one time thing, like a TV advertisement, and future maintenance is often disregarded. Mobile specific features and application specific features differentiates the mobile platform from the desktop web and the mobile web.

**Observation:** H2.6 is **True.** First response (the first chance) from users is very important for success, as bad ratings in app stores and bad user experience is hard to wash away. We have seen that to become long-term successful the application needs to be user friendly, offer sufficient performance and being maintained when something breaks. Also understanding when to use mobile specific features, like geo-location, has provided to be a success factor. Both Vattenfall and McWrap Go&Get use geo-location, and their applications would be useless without that feature. We have not seen any conclusive results either for nor against that a broken mobile applications still in the app store can affect the company brand. Usually bad mobile applications do not damage the company brand, as users forget fast and just does not download low rated applications. Examples of this is the Ariel Fläckipedia that never was a big hit and it did
not matter for Ariel that it was not any good.

P2.7: Distribution and marketing of the app

H2.7: Digital marketing is the most effective channel for mobile applications. However, advertising agencies push traditional marketing instead, since that is their main speciality. **Observation:** H2.7 is True. Digital marketing, using current application user base and viral spread in social networks are the most efficient channels. This is quite logical as the app is a digital channel itself. As in the Vattenfall case was the spread in social media that generated significant amount of downloads and increased awareness of application more efficiently than print ads. We have also seen a lot of traditional marketing of mobile applications, but with a low impact and cost-efficiency. The Lantmännen case is a clear example of this since they mainly promoted their application in printed media.

P2.8: Time of launch (season, trends etc.)

H2.8: The timing should allow the user base to grow slowly, meaning no end-of-season launches. **Observation:** H2.8 is True. Timing is important, as seen in Vattenfalls perfect timing launching in the beginning of the skiing season and Lantmännens’s timing failure launching a bicycle application in september instead of april.

P2.9: Measuring the results & goal setting (ambition level)

H2.9: High ambition level leads to better results but measuring effects of marketing initiatives through mobile applications require KPIs that are relevant to the purpose of the application. **Observation:** H2.9 is True. We have seen that high ambitions and measuring the right KPIs like Vattenfall has done allows for a more strategic thinking around the application and the costs of making a high quality application is easier to motivate to the company management. We saw low ambition, compared to Vattenfall and McDonalds, in the Lantmännens case.

5.1.3 Problem 3: Results of mobile application campaigns

P3: What results can be expected when using campaign mobile applications in marketing and brand building purpose?

H3: Several major brand and business KPIs can be positively affected and in some rare cases negatively affected when using mobile applications in marketing and brand building. But a majority of companies does not measure it good enough to give a credible answer. **Observation:** H3 is True. In the companies that actually measure brand KPIs correctly (only Vattenfall), we saw a positive effect on the brand related to the mobile application. We have seen through all the interviews that a brand can be affected doing a mobile application, especially how the brand is viewed by the younger population. Also creating new, cool, innovative and technically advanced applications can affect how the users view the company brand, like what Vattenfall did. One of the interviewees speculated that not having an application (or a mobile web page) can also affect the brand: “Why does not Company X have an application, they must be technically behind”. Whether or not refraining from creating a mobile applications can have negative effects
on a brand most likely depends on the situation. Views on this differ from person to person, however, what all of the interviewees agree upon is that the mobile application must have a clear and measurable purpose.

**P3.1:** Can the mobile application, positively or negatively, affect the major Brand Key Performance Indicators (KPI)? (Brand image, brand attitude, brand awareness, brand recall, brand equity & value, brand focus and brand stretching)

**H3.1:** The major Brand KPIs can be affected positively and in very rare cases negatively.

**Observation:** H3.1 is True. Brand image, brand attitude, brand awareness and brand focus thereby brand equity and value can be affected with a mobile application. This was seen in the Vattenfall case, but also SalusAnsvar. The awareness of SalusAnsvar increased through the Körlkar application. We have not seen any clear effects on brand stretching and brand extensions, but a complete brand survey of the McDonalds brand before and after the McWrap Go&Get campaign could allow future researchers to look into this.

**P3.2:** Can the mobile application, positively or negatively, affect the major Business Key Performance Indicators (KPI)? (Sales, Customer perception, Customer satisfaction, Customer retention)

**H3.2:** The major Business KPIs can be a bit affected positively and in some cases negatively.

**Observation:** H3.2 is True. Sales were positively affected by the McDonalds app and Kalles äggklocka app, customer perception was positively affected in the Vattenfall case. We did not have enough data to show if customer satisfaction and customer retention was affected, but logically they should also have been positively affected.

**P3.3:** Can the mobile application, positively or negatively, affect the major Organizational/Internal Key Performance Indicators (KPI)? (Perception of employer, corporate cohesion)

**H3.3:** The major Organizational KPIs can be affected both positively and negatively.

**Observation:** H3.3 is True. We saw the perception of employer and corporate cohesion positively affected in the Vattenfall case based on the interview with Almqvist, L and the data he presented during the interview.

**P3.4:** Can the mobile application create, positive or negative, publicity in media?

**H3.4:** The mobile application can create both positive and negative publicity, of which the negative publicity is more harmful to the company.

**Observation:** H3.4 is True. Vattenfall had a lot of both positive and negative publicity in the media, of which the negative was perceived to be more harmful to the company and led to a modification of the application.
5.2 General learnings from this study

5.2.1 Learnings connected to Marketing fundamentals

In all marketing and branding, first the company context and target group should be understood. One example of successfully understanding the target group was the agency CP+B doing the campaign application Kalles Åggklocka which is an egg timer. They had the information that a large percent, roughly 60%, of the Swedish population does not eat boiled eggs without Kalles Kaviar. Therefore they had relevance with the egg timer and could provide a good value where the smartphone can substitute traditional solutions, like mechanical egg timers. To add, we decided to not present our study of Kalles Åggklocka in this report because it did not fulfill the requirements of being both for iOS and Android.

The impact of the early applications has contributed to the misconception by some companies in the mindset that “we must have an app”. Many companies create mobile applications just because it is new and fresh, and they usually do not know why they need one. In many cases when creating an application, they fail to create any value, and therefore do not get any users of the application. Interviews with advertising agencies and mobile application developers showed that the misconception of must having an application exists widely among consumer product companies in general. Also in many cases they should have made a mobile website instead of a mobile application, and fail to understand the difference. Examples of information that should be presented at a mobile website instead of a mobile application is the company information, company news and contact details. This should not have to be downloaded in an application. This is a traditional failure in marketing, which is not understanding which channel you should use.

When working with mobile applications, everyone has an idea about an application. Sometimes they are good, sometimes they are bad, but most companies have at least one idea of an application they would like to have made. Then the first stage is to really ask yourself: “Should this really be a mobile application?”. In many cases a mobile web page or a desktop website is a better platform to create this service or application.

When mobile applications were new you could get many downloads and active users with simple and meaningless “party-trick” applications like a “flashlight” or a “lightsaber”. That phase is now past and has been for some time, and companies still trying to do simple applications where there are hundreds of free alternatives already, and those companies will surely fail.

Something to remember about the ratings of mobile applications is that users are more likely to rate an application if you are unhappy with it than if you are happy with it. This means that average rating of an application is actually quite low, and many apps in the app store have just 2

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79 Martner, G. Executive Creative Director and Managing Director, CP+B, 18-03-2013
80 Interviews with CP+B, Social Solution, Apegroup, Peacock, StickyBeat, Forsman & Bodenfors, 2013
in rating, while they are not so bad.

The value and usefulness of the mobile application has an inverse relationship with the promotion needed for the application, to reach the same numbers of downloads and active users. One example illustrating this is McDonalds McWrap Go&Get campaign where almost no advertising was needed to reach hundreds of thousands of downloads, just by giving away free food. An indication of the amount of users that is probable for the application to have, this formula can provide an estimate of the relationship between promotion you will buy and the user value you offer. If either is 0, the users of the application will be 0. If both are high, like the Vattenfall and McDonalds case, the users of the application will explode.

\[ \text{Users of the application} = \text{Promotion} \times \text{User value} \]

We understand and recognize that this model is much too simplistic to describe the actual number of future users of a mobile application. But the biggest problem here is not that the model is too simple, it is likely that the companies will overestimate the user value of their application, and that is where future research should be focused. To help companies estimate user value, we recommend focus groups, but also to carefully consider whether the application is something they themselves would use.

Contradictory to marketing and branding fundamentals the mobile application does not need to be closely associated with the company’s business. It can be something completely different and still build the company brand and create top-of-mind awareness. One example is Vattenfall, where most people could not see the association between the company Vattenfall, their core communication value of being a “smart energy enabler”, the ski sponsorship and the King of the Slope application.

5.2.2 Evaluating results
We have seen that results regarding mobile applications are primarily evaluated in number of downloads. But we have also seen that numbers of downloads is not a good overarching KPI to explain if an application has been successful. There are better ones like how long an application has been used and how many times, combined with the number of users. This gives a KPI of total amount of minutes engagement with the brand inside the application. Also the amount of active push users are a good measurement, as they can receive communication from the company.

The second aspect of evaluating results in the mobile channel is when using banner ads inside mobile phones. The number of clicks in mobile banners have a high number of “accidental” or faulty clicks. This is due to the small screen size and the low precision in fingers navigating touchscreens. The most widespread measurement in web based PC advertising like Google Adwords or the Google display network (previously DoubleClick) cost-per-click (CPC) is a really bad measurement for mobile ads. In the future we will probably see more cost-per-action (CPA) or cost-per-lead (CPL) type of revenue models for mobile ads. What is in common for the new
types is that you only pay for results, often in a few percent commission on new deals and orders generated directly by the ads, instead of clicks into your website.

5.2.3 The mobile industry

The production of the mobile application is often done by specialized mobile software development firms. Some of these firms do not want to work with these advertising campaign applications as the time constraints are unrealistic. It is not unusual that they have to work until 4am in the morning to being able to deliver in time as all the other communication in the advertising campaign goes out at a fixed date.

Almost none of the customers to app development firms like Apegroup are looking for Windows phone 8 applications. It is a “Catch-22”: no one want to make applications as there are not that many windows phone 8 users, and not that many wants to get a Windows phone 8 as there are not that many apps available.

A common and good way to create an idea for a free campaign application is to take a paid application and just make a free and slightly different version of it. One example of this was the King of the slope case, where there was multiple ski trackers before it, but all of them cost money.

Giving personal offers and using geo-localisation to give offers to the customers is risky for a company and a brand. The first ones to launch such a service often take the negative hit in the media. One example is when ICA launched personalized offers with the ICA loyalty card, that probably 99% of their customers liked, and still it created a negative response in the media. Now, later on, it has been very successful with personalized offers.

There is a clear trend of making mobile applications in the last few years. The boom in Sweden started 2011 when companies came to realize that they wanted and needed a mobile application, but had no budget for it. In 2012 companies actually had a section in the marketing budget to develop a mobile app, and a lot of them did. This resulted in a great demand for mobile app developers and they had to decline many of the new assignment inquiries.

One thing to remember about mobile applications is that it is more difficult to develop applications for Android as there is a bigger operating system fragmentation, more variants of screen sizes memory sizes etc. that creates a lot of issues for developers. In turn this leads to more consulting hours and therefore higher costs. Most android apps that are developed are tested on just the devices with the biggest market shares, and this leads to many applications in the Android App store (Google Play) that does not work very well for many Android devices.
6. Discussion

In this thesis, campaign mobile applications have been studied as cases in order to learn from their impact on each company's brand. Among the lessons learned are that mobile devices are very personal items, and to meet everyone's preferences are impossible.

The pace of change in this market is fast, therefore much of the learnings from this study today could be outdated tomorrow. The pace of innovation is steadily increasing, and the quality and user value boundaries are constantly raised. This creates pressure on the advertising agencies who comes up with the ideas, and programming agencies who develop the applications. They have to constantly increase the quality of the delivery, with a relatively smaller increase in cost. In traditional industrial industries this is called productivity increase. Though most of the more general learnings in this study should be quite durable over time, as the literature we have used to find those learnings are in marketing literature between the 1950s to 1990s.

Another aspect to discuss is that the interviewees maybe do not want to talk about all the mistakes they made, therefore a nuanced picture is presented in this qualitative study. We have been very conscious about this, and analyzed all the interviews with this in mind. This should have help us provide a non-nuanced view of the cases we have analyzed.

Also we could have investigated more apps are real failures and did not meet the purpose they were made for and/or have no users base. This would have given us “failure factors” to compare with success factors. But in this study we assume that the “failure factors” are the opposite of the success factors we have identified. Also, success is what we want to show how to achieve, and not failures.
7. Conclusion

The results have led us to conclude that mobile applications offer great potential in B2C communications, but it is not a regular advertising channel. It is important to be consumer-oriented instead of product-oriented when creating applications for branding purposes. Building long-term relationships between consumers and your brand will convert them to customers. But carefully consider whether an smartphone application really is the best way to build that relationship. The two dominating smartphone platforms today are Android and iOS, however, tomorrow other platforms may have taken over their positions. To make an application version for each existing platform is expensive and difficult to maintain over time. It may in some cases be better to consider making an mobile-friendly webpage instead. An example is Kjellkampen81, a quiz playable from any web browser, even from mobile ones. Its concept could very well have been suitable as an application, but by making it playable in a browser made the issue of which operating system platform the device has irrelevant.

Another insight from this thesis is the importance of having comprehended what the targeted user group appreciates and values in a potential mobile application. Application issuers who have understood this have been more successful in their mobile initiatives. A winning concept is to combine your competitive advantage with a need identified among the targeted user group. And when you have pinpointed it then the venture must be done wholeheartedly with a long-term mindset for brand building. Halfhearted short-term attempts will not be overlooked by the users and might in the end do more harm than good. Mobile applications are not short-term advertising gimmicks.

Contradictory to what some experts thought, we have showed that mobile applications actually can have impact on a company’s brand. Most of the success factors are intuitive and has to do with proper prioritization of this channel with time and money, that allows a more strategic and well thought out mobile application. Today the overall process is often managed by an advertising agency, and this has both good sides like creative and innovative app ideas, and the bad sides of short-term and campaign thinking. Long-term maintenance plans have been an issue we thought would have been more prioritized than it was. A majority of the applications we have studied were not adapted to the larger screen size and higher resolution of iPhone 5. Some were not compatible with iOS 6. We think that because of the short-term mindset and that the development of the applications are outsourced, these kind of issues are hard to avoid. Some industry professionals have observed a shift towards letting the marketing department handle the mobile applications more in-house, and this should affect most success factors in a positive way.

And all of this has been observed in the first few years of a new communication medium for marketing and branding that grows faster than any other medium.

8. Future predictions

Based on what we have seen so far are some future predictions presented in this section.

8.1 Acquiring visibility will be much harder

The world of applications is just getting tougher each day. More and more companies are making mobile applications, and it is increasingly harder to get visibility. Solutions so far have been to give away free products or announce competitions to get people to download the application. This will probably continue and be even more common in the future. Another concept we think will be more popular is having changeable features in the application, without the user having to update for each change. We saw this in the McDonalds application with its McApps, and we have chosen to call this phenomena “app-ception”. Having this kind of setup makes adding short-term campaigns easier since you would not have to overcome the barrier of users taking the initiative of seeking it out. This requires a long-term mindset but a huge advantage is that once your main application is installed a new in-app applications will not have to be separately installed to be visible.

8.2 Strive to be harder, better, faster, stronger

The advertising agencies and companies are making more and more sophisticated and advanced applications, and giving them away for free. Yesterday the application had to meet some success factors, in the future they will need to have all of them. It is likely that applications need more language alternative, which the user can change in-app. Focus must lie more on customer usefulness and convey a strong value proposition. Having an application will become a hygiene factor and become a POP instead of it being a POD they are today. The companies also need to measure the effects of their application better. They need to establish KPIs for the application and link those to their business and brand KPIs. Instead of measuring number of downloads measure conversion rate or other factors that is relevant to the business objectives.

8.2.1 Security can not be overlooked

As mobile usage increases does also the amount of security threats. Precautions for various kinds of intrusions and frauds need to be taken more into consideration now and in the future. Especially when people have much of their personal information stored on their mobile devices.

8.2.2 Understand the mobile touchpoint

The level of understanding of the mobile platform today varies quite much from company to company. The application requests received by developers are becoming more and more sophisticated, as the experience within this field grows. The advertising agencies will need to evolve as well, since traditional marketing and digital marketing soon will fall under the same category. Nor can the mobile software development agencies remain as developers only, they
will need to be more strategic and business oriented as well. The future will probably bring consolidations between traditional marketing agencies and software developers as their customers will demand more overall mobile marketing expertise.

8.2.3 Don’t be too pushy
Mobile will become a primary B2C communication channel for many companies in the future. Push is likely to be utilized more, perhaps to supply users with selective and personalized notifications. Too frequent notifications will in the end become very annoying, however, if the message can be adapted to be what each user would want to be notified about and event-driven like emails are today the result could be great. Be clear on why the user should allow push notifications and keep in mind that content before navigation is always appreciated by users.

8.3 Future devices, service platforms and connections
There are new devices and platforms coming out every month: Smart phones with new operating systems, Smart watches, Smart glasses, Smart TVs, new types of tablets like hybrid computer-tablets, touch-PCs, PC tablets, ARM-based computers. There are also a new services coming out, many of them are based in the cloud like Dropbox, Google Drive & Apps, Amazon Cloud, Microsoft Azure, SpaceMonkey private storage cloud, Degoo free storage cloud, that enables remote elastic processing and storage at a low cost. Also the development of 4G technologies LTE and LTE Advanced will allow for 100+ Mbit/s connections to the next generation devices, in most areas of the world.

All sectors will be affected of these new devices, services and transfer speeds. Electricity usage can now be monitored in real time in our mobile phones, it takes less time to order a grocery bag of food in our mobile phones than it takes to walk to the grocery store and mobile banks are often better and easier to use than their desktop versions. The only way is to embrace the change and adapt to these new platforms.
9. Suggestions for future work

As the mobile application market evolves very fast the cases studied in this thesis will likely be outdated in a few years. Similar studies of new cases could be interesting for future work. It would also be interesting to look into some less successful cases and see what caused their outcomes and discuss about what they could have done differently.

Tablet applications as well as Windows 8 applications was outside of the scope of this thesis, however, they are would be interesting to study from a branding perspective as well. Especially Windows 8 applications since they still are in an early stage and it would be interesting to evaluate their market evolvement and compare it to the ones of iOS and Android.

Game applications issued for branding purposes was also outside the scope of this thesis, they could be interesting subjects for future studies.
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