How to Monetize Your Applications (Existing Business)

Description

The smartphone revolution brought with it a gift that keeps on giving, the mobile application. What a time to be alive. Today there are apps for everything; there is an app that can tell you if a food is a hot dog or not. Revolutionary. With computing resources becoming even more accessible, the number of mobile app developers has skyrocketed as well. With this growth, however, monetizing applications is becoming increasingly tough.

In part one of this post series, we touched on monetizing applications for new businesses. These where strategies mostly directed at start-ups developing the application as their core product. In this part, we touch on monetizing mobile applications for existing businesses, with other core products.

The growth of the mobile application has grown to traditional businesses as well, who now use them to augment their core products. You need a good strategy to integrate the application into your business, add to the bottom line, and not drain from it. Long story short; monetizing your mobile application is important even if it's not your key product.

For companies looking to add a mobile application to their brands, monetizing your mobile application could take the form of increased volumes, revenue and any other key metric, even though the app itself is not generating income directly. Because they are always in close proximity to your clients, good applications can build the value of the underlying product by increasing engagement. They become an integral part of the product, becoming the ends, not the means.

A good application strategy for your product should include some or all of these concepts;

Augmenting the Core Product

Mobile applications have drastically changed how we interact with any product or service. By properly harnessing mobile applications, you can increase the scope of your offering. Monetizing your mobile applications means leveraging opportunities to let your clients do more with your product. An industry that uses this concept to the maximum is the banking industry. They design their applications for one thing, convenience, and it is growing their businesses exponentially. So much so, banking applications are fast taking the place of notes and coins.

Applications literally let you make payments directly from your phone. Additional services such as loan applications, card transaction, forex conversions, etc. have led to clients engaging more with their institutions. And increased transaction volumes mean more charges, hence more revenue for institutions. That is the monetary value of augmenting your product with an application.

Increasing Brand Engagement

Out of sight, out of mind. That statement could sum up the major challenge of the modern brand. In today's world of reduced attention spans and so many stimuli from brands communicating with clients from a wealth of media, brand recollection is very tough. Brands need a strategy to consistently engage with their audience and keep themselves front of mind. Monetizing your application means using its constant presence at the side of your audience to keep them engaged with your brand.

Applications can deliver push notifications directly to the user's phone. This can be leveraged to deliver fresh content to them. If the content is kept fresh, engaging, and delivered with an optimal schedule, it will keep your brand front of mind. The meat brand Karan Beef uses its Beef Easy App to deliver fresh recipes to its clients, and engagement with the brand is very strong even though meat is such a heavily contested market.

Providing Support to Clients

Customer support is the cornerstone of a successful product. With clients being so spoilt for choice, poor support is almost as good as exporting clients to customers. Customers not only want support they want it conveniently. All the additional amenities of your product such as 24-hour support lose value if they inconvenience the client. Applications have a greater advantage as a support platform to its traditional brothers such as walk-ins, the telephone and email.

Its chief advantages are affordability and convenience. On an application, support queries can be carried out at any location, nearly free of charge (free over WIFI) and with a good knowledge base and machine learning the answers are at times instantaneous. Additionally, app queries create data sets that can be analysed to improve the quality of products.

This yields great value for your product. Not only does it help curb customer churn, it contributes to customer-oriented product development. Though no money is coming in, the revenue retained from returning clients is the equivalent of monetizing your application.

Increasing Product Usage

Remember the dark ages when you had to be next to a landline phone to make a booking at a restaurant? Or when you had to fire up the dial-up just to ask Google a question? Or when you had to walk to the store to find out how much something costs and if they have it in stock? Modern consumers are inseparable from their mobile phones, and if they have your application, that can increase how much they use your product.

Businesses of all types and sizes can stand to benefit from having their products and services accessible from anywhere. Create a mobile application that allows your clients to transact with your from anywhere and you will get increased engagement from them. In the not too distant future, even supermarkets will be selling more on their apps than they do in their physical stores.

Embedded Analytics

Your clients subconsciously crave for data. Data and analytics have become a core part of our everyday lives, in minute details we do not even realise. As this trend grows, data and analytics are increasingly becoming the heart of your applications. Monetizing your application could mean embedding data and analytics to increase engagement with your application. Applications like health apps use this strategy quite well. So well, in fact, consumers may begin to use the application for the data more than its core use.

After a while, you get more caught up in the joy of meeting your macro as opposed to the next protein-packed meal you should be making to lose weight. The bottom line, data can provide positive reinforcement when clients engage with your product and that increases engagement. Equally important, data can be a conduit for accountability. Particularly when it comes to payment and expense, data on usage patterns can help your clients stomach the price.

This transparent relationship will ultimately lead to increased usage. Imagine just how much more you would be civil to your mobile carrier if they reminded you-you watched the video of the cute kitten on YouTube a thousand times, and your data bundles did not mysteriously disappear.

Conclusion

Mobile applications have become an integral part of modern life and will only continue to grow in

business. Your business, big or small, can no longer neglect the potential they have to impact your brand. With a well-crafted strategy, you can cement your brand the in the hearts of your clients and set yourself apart from the competition in one move. You do however need to be clear on what you want to achieve and how to go about it.

There is no one size fits all solution when it comes to your app development, and a bad strategy could hurt not build the brand. It is essential to ensure that the app not only builds on your existing model but does not drain the bottom line. We look forward to your app helping us tell if we are looking at a hot dog, or not.

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mutconco