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YEAH, THERE'S AN APP FOR THAT: COKE MAGIC BOTTLE iPhone APP CASE STUDY

An article published on October 21 of 2008 on cnnmoney.com celebrated the news that Apple had surpassed 10 million iPhones sold, by looking back and gathering some of the many quotes from tech pundits who were instant player haters when the iPhone was first released in June of 2007. Here are three of my favorites below:

"I'm more convinced than ever that, after an initial frenzy of publicity and sales to early adopters, iPhone sales will be unspectacular... iPhone may well become Apple's next Newton." - David Haskin, Computerworld, February 26, 2007

"I can't believe the hype being given to iPhone... I just have to wonder who will want one of these things (other than the religious faithful)... So please mark this post and come back in two years to see the results of my prediction: I predict they will not sell anywhere near the 10M Jobs predicts for 2008." - Richard Sprague, Microsoft Senior Marketing Director, January 18, 2007

"We are not at all worried. We think we've got the one mobile platform you'll use for the rest of your life. [Apple] are not going to catch up." - Scott Rockfeld, Microsoft Mobile Communications Group Product Manager, April 01, 2008

At the end of December 2008, Apple had officially already sold 17.4 million phones, and some analysts are predicting in addition to organic sales driven by rumored new model releases and distribution into emerging markets like China, that number could double by the end of 2009. One stock analyst from Piper Jaffray predicts 45 million iPhones will be sold by the end of 2009. There are a lot of "smartphones" out there that do email, take photos, play music. But as of right now, there is only one iPhone. Many skeptics who predicted early failure got hung up on the phone part of it, and that's really not what it's all about. The handheld computing platform that Apple has created, the so-called third screen, is a device, a platform and a paradigm shift in modern culture. It's really all about the mobile web. And, you can make a call if you need to.

Part of what is driving this explosive growth lies behind the concept of allowing and encouraging 3rd-party developers to create Apps available for download through Apple's iTunes Store. Early on, Apple announced it would allow 3rd-party app development, but didn't release the firmware update to the phones until July of 2008. So in less than a year, here are the stats, as of May 11, 2009:

- ★there are currently 11,427 unique App publishers approved by Apple. This changes daily.
- ★41,964 total apps have been published to date. Some are not updated or have been pulled from distribution.
- ★38,956 are currently active and available for download.

(source: <http://148apps.biz>)

Keep in mind, all this activity in this new medium has happened just since last July. For anything you can think of, the Apple iTunes Store is a veritable search engine of utility, and 9 times out 10, it will deliver the same answer to the question of what you are looking for: "Yeah, there's an app for that." The current top category of Apps is **Games** accounting for about 20% of all Apps available. Next comes the all-encompassing **Entertainment** category at 14%. **Books** are the third top category of Apps at just over 11%, and the top 6 categories are rounded out by **Utilities** (7.78%), **Education** (6.75%), and **Travel** (5.75%). Clearly, there is room for more growth, and many developers and marketers have been cautiously eyeing this rapidly emerging channel as a way to reach out and create engagement through branded apps that provide entertainment, utility, and ideally both.

SHAKE WHAT YOUR MAMA GAVE YOU

Proud to be one of the 11,427 App publishers listed in the above statistics, **Welikesmall** recently partnered with Wieden & Kennedy Amsterdam to produce a branded entertainment App for Coca Cola. Essentially a 3D take on the old "Ask the Magic 8-Ball" routine, users of the App can ask a rhetorical question, shake their iPhone, and the *Magic Coke Bottle App* delivers a random response such as "You Can't Shake It Out Of Me" or "Oui, Oui, Monsieur." Since release in January 2009, with a passive launch involving no media and not much more than distribution through the iTunes store, the *Magic Coke Bottle App* has seen over 450,000 downloads through the iTunes stores in the U.S., Canada, Europe, and Asia. Since launch, it has repeatedly topped individual local top download lists in the Entertainment category: One key to the download success is making these top-ten lists. Apple has long played the popularity list game in the iTunes store. As we all know, many people are intrigued by and lured into downloading what the community deems as worthy and top-rated. You would think this campaign has a finite shelf-life and would gradually fade away, but as of May 11, 2009, downloads are actually trending up worldwide, indicating the App as a branded campaign is actually picking up steam, rather than decreasing in engagement. At a pure production cost of less than what it would cost to concept, design, and produce a typical Rich Media banner ad campaign, the cost of an iPhone App can be far more efficient when you consider the media cost of display banner placements, in addition to the production costs to produce the banners. Then consider the amount of media waste and number of banner impressions you need to purchase to get a relatively low engagement and often-avoided form of advertising that struggles to buy eyeballs. If you are lucky, you have good demographic targeting in your buy, and you produce exceptional creative, you might slightly beat the industry standard banner click-thru rates that are in the neighborhood of 0.25%. We're talking a lot of wasted media. You can be sure that anyone who downloads the iPhone Magic Coke Bottle is deliberately interacting and engaging with the Coca Cola brand, a deliberate act, even if some people may play around with it and eventually lose interest. Now consider the ongoing opportunity to update the app, notify the user there is a new update available, invite them back to interact with the brand over and over again. It can be somewhat of a virtuous circle if you create something people really want, which is hopefully what your brand does anyway, right?