



TURNING LEMONS  
► **INTO LEMONADE**





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# EXECUTIVE SUMMARY

*"In an economy where the only certainty is uncertainty, the one source of lasting competitive advantage is knowledge. When markets shift, technologies proliferate, and products become obsolete almost overnight, successful companies are those that consistently create new knowledge, disseminate it widely throughout the organization and quickly embody it in new technologies and products"* - Fritz Machlup



## Customer Experience

Is at the forefront of everything we do.  
User Experience leads all our designs.

Today we live in the knowledge and experience economy which requires the development of deeper and more meaningful relationships with customers & associates as the key to a brand's success. In the experience economy everything communicates and has the potential to build the relationship between a brand and its audience.

Marketers are working hard to create engagement between their brands and audiences via a complicated array of rich and rewarding brand experience

touchpoints. Mobile is playing an ever increasing and critical role in this process.

However, there are some significant challenges when building brand engagement via mobile. The quality of the mobile brand experience is key. People pay very short shrift to a poor app. According to Compuware research, whilst 79% of users will give an app a second chance after it failed to impress them on the first go; that number plummets to just 16% of users that will go back for a third attempt if the

Customer Experience (CX) is anything short of amazing.<sup>1</sup>

The logistics to support hundreds of mobile devices, on dozens of operating systems, to create the perfect customer experience is a challenge requiring considerable investment in time and money. When things go wrong it leaves a sour taste in the mouths of your customers and associates - not to mention the CMO. The fact is that poor end-user experience within digital properties means many brands are looking like lemons to the most important customers using their app.

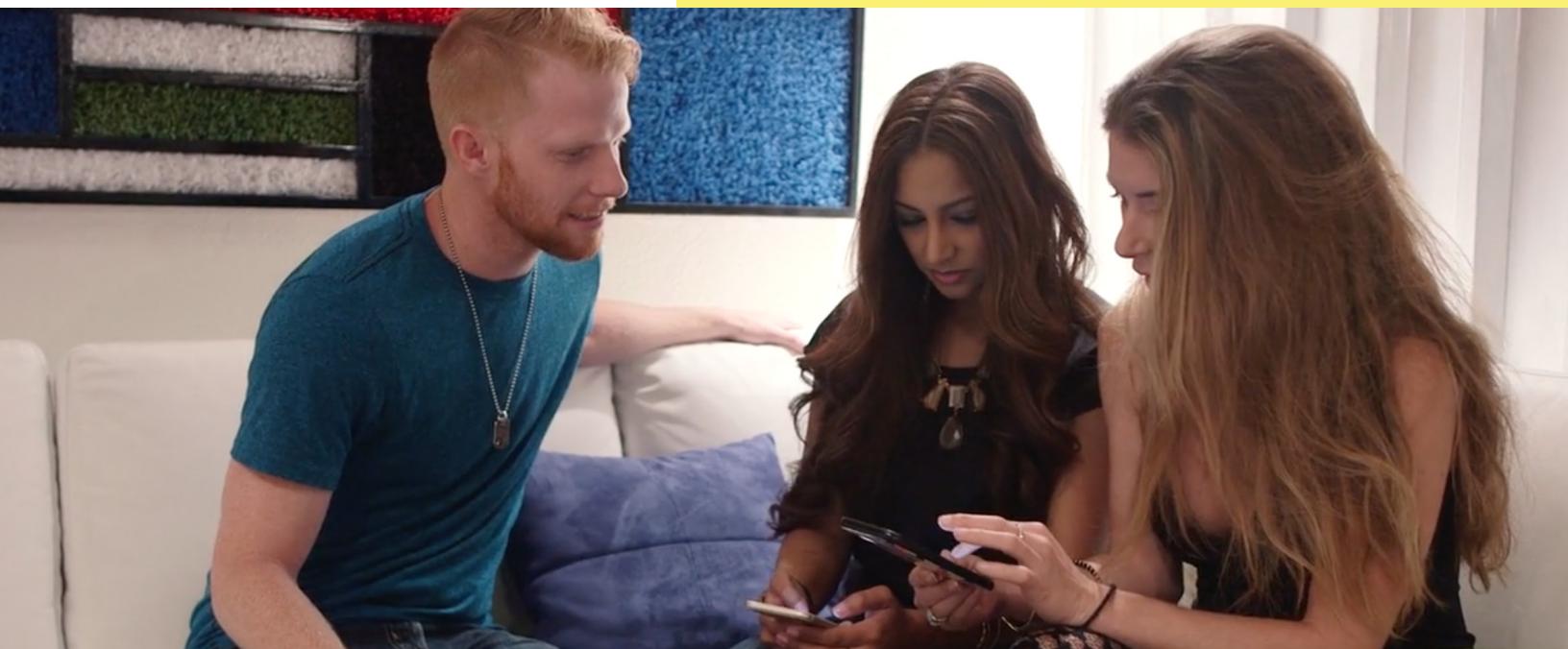
# Six key takeaways

Fortunately new solutions are being developed in data analytics, push notification, messaging, peer-to-peer support, personalization and the integration of real-time, real person customer care, enabling brands to more effectively convert unhappy users into app ambassadors.

Lemonade Solutions is the result of over seventeen years experience working in the business, marketing and technology solutions space. We designed Lemonade Solutions to improve user experience, create deeper levels of brand engagement and deliver in-app 'Real-time, Real-person' user support. We accomplish this by personalizing interactions and anticipating customer needs to encourage engagement, promote brand loyalty and enhance revenue generation opportunities.

<sup>1</sup>Source: <http://bit.ly/1JXIGAQ>

1. Marketing success is dependent on deep customer and associate engagement
2. Mobile apps are an increasingly critical component of any brand engagement strategy
3. Continuous improvements to the user experience (UX) utilizing insights generated via data analytics, as well as the integration of in-app support, are the keys to deep engagement
4. No single company, SaaS, technology platform, product, or agency can have all the skills and capabilities required to deliver best-in-class app engagement – and many compete with one another
5. Delivering true app engagement requires collaboration with the most relevant, best-in-class technologies, products and services available
6. The Lemonade Solution has been designed to bring together seventeen years experience in providing business building solutions, with skills and capabilities including strategy, technology development, best-in-class third party SaaS partnerships, integration of real-time, real-person customer and associate care



# The Opportunity

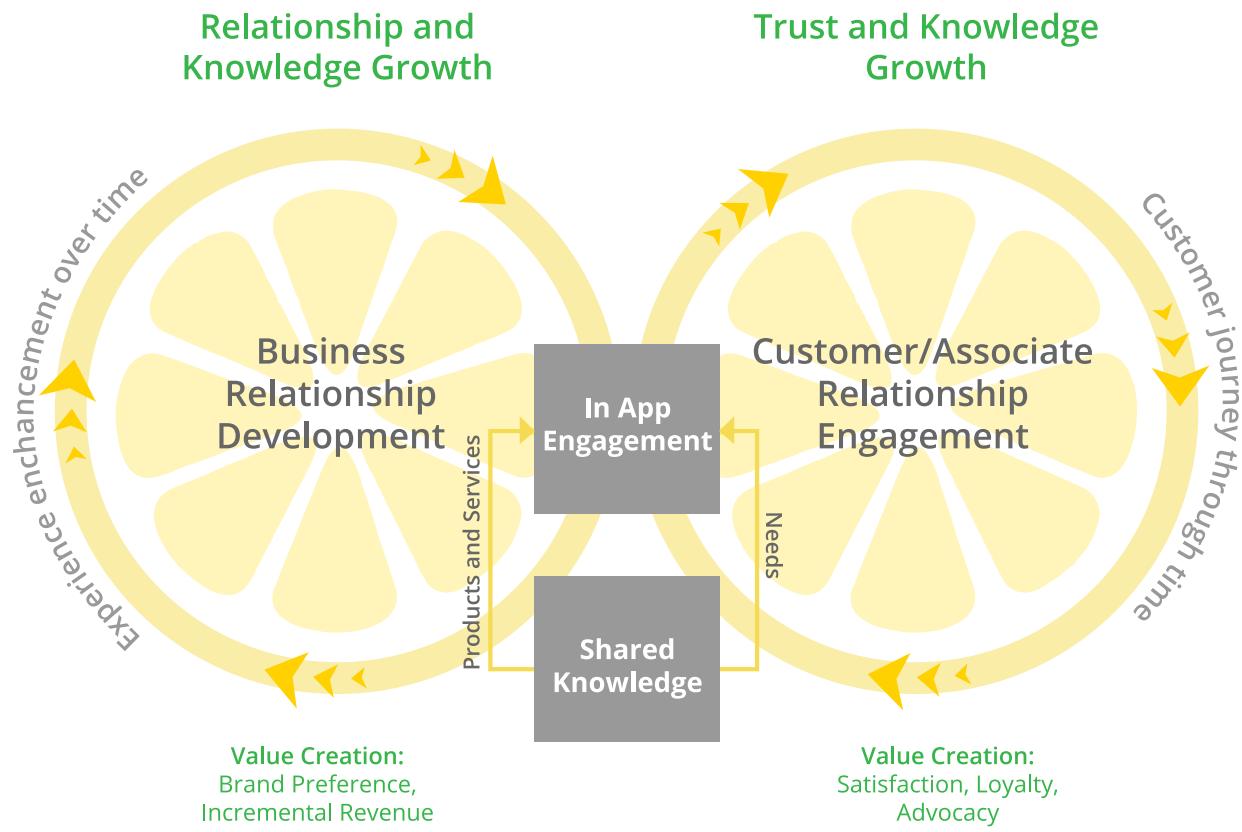
Today's marketing environment is being shaped by a number of forces that have altered the relationship between a brand, its customers, and its employees. Rapidly increasing rates of knowledge, ever more connected technology, and access to rich streams of data means we now live in the 'knowledge' and 'shared experience' economy.

## OUTLOOK REPORT

A recent retail industry 'Outlook Report' by Zacks highlighted the significant shifts taking place in commerce. The report states: "The retail industry has evolved drastically in accordance with dramatic changes in consumer buying habits. Consumers today are knowledgeable, more inquisitive and choosy with numerous shopping mediums, like in-store, online, mobiles, social media and so on, at their disposal to influence their purchasing decision. Hence, satisfying customers and enriching their buying experience require new strategies. Modern retailing, interestingly enough, is a new game with evolved rules." Source: <http://bit.ly/1ZPKQ5>

As technology advances and user expectations increase the need for brands to build deeper and more meaningful relationships with customers & associates has become paramount. In marketing terms we call this deeper relationship 'brand engagement' and it is based on sharing knowledge, building trust and delivering new kinds of rewards. This new contract between a brand and its key audiences has become critical to a brand's success.

## Brand Engagement Model



To shape an understanding of how enhancing brand engagement can deliver business value, The Economist's Intelligence Unit conducted research for Marketo: *The rise of the marketer - Driving engagement, experience and revenue.* It identified that nearly half (49%) of company executives blame insufficient customer engagement for costing as much as 25% of their business' annual sales and that better customer engagement would translate into improved customer loyalty (80%), increased revenue (76%) and increased profits (75%).

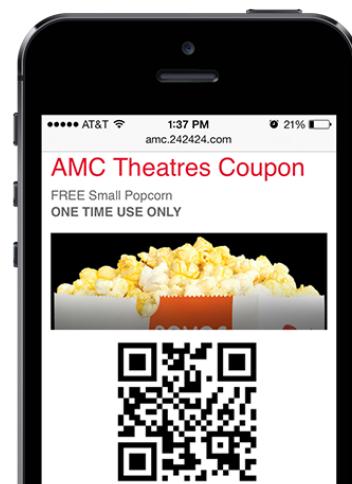
Source: <http://bit.ly/1zFWxLD>

Today, marketers have access to a bewildering array of brand engagement tools to help them build richer and more rewarding relationships. Mobile marketing has become one of the biggest games in town and mobile apps are where the game is increasingly being played out. To gain a good sense of how significant the mobile marketing space has become we recommend reading Smart Insights' *'Mobile Marketing Statistics 2015'* report by Daniel Bosomworth.<sup>2</sup>

Making the right decisions on which tools to use, which partners to work with and what will be the most effective solution for your brand is becoming more difficult.

<sup>2</sup>Source: <http://bit.ly/1cjAdpn>

## DEEPER BRAND ENGAGEMENT



When making decisions about developing an app the key success metrics focused on by marketers are often short term acquisition scores such as 'top ten' positioning on the app store. This is typically driven with a burst of paid for media in an effort to gain downloads and hopefully build organic growth. However, from a long term brand engagement perspective the key metrics must be focused on quality scores, usage, and activity.

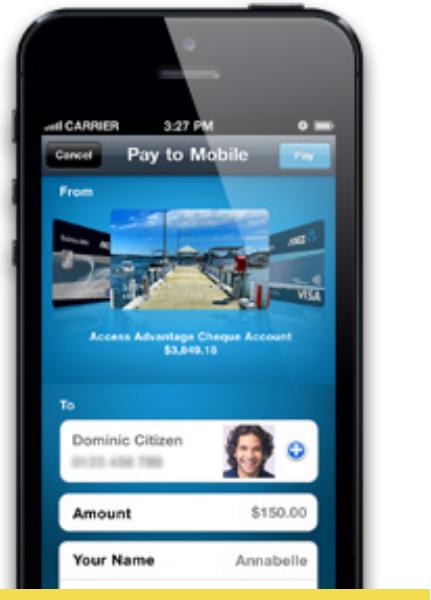
Once an app is launched the focus shifts from acquisition of new users to deep engagement and retention of existing users. Unfortunately, apps are often not designed with this long-term objective baked in at the conceiving stage, or in the ongoing support and development, of the app. In order for a brand to leverage the true value, a consistent focus on data analytics, user journey insights, delivery of relevant content, and a continuously enhanced user experience are all required. This is set in the context of a growing user expectation that the in-app experience will deliver the same level of consistency and depth in service as other brand channels and touchpoints - including access to real time customer care.

When a brand does focus on driving deeper and more meaningful engagement their apps become incredibly powerful tools. We are all familiar with the strategies that brands such as Nordstrom, Starbucks, Amazon, and Zappos have implemented to turn their apps into critical engagement tools for their brands. A recent Forbes Magazine article highlighted wonderful examples of how apps can create experiences, build trust and deepen engagement with important audiences. The following example demonstrates how the brand used data insight, customer journey analysis, and real time customer care as keys to success.

# Case Study

## Australia and New Zealand Banking Group Ltd.

*For the Australia and New Zealand Banking Group Ltd. (ANZ), customer engagement and marketing is less about communicating its brand, and more about re-crafting experiences based on newfound insights.*

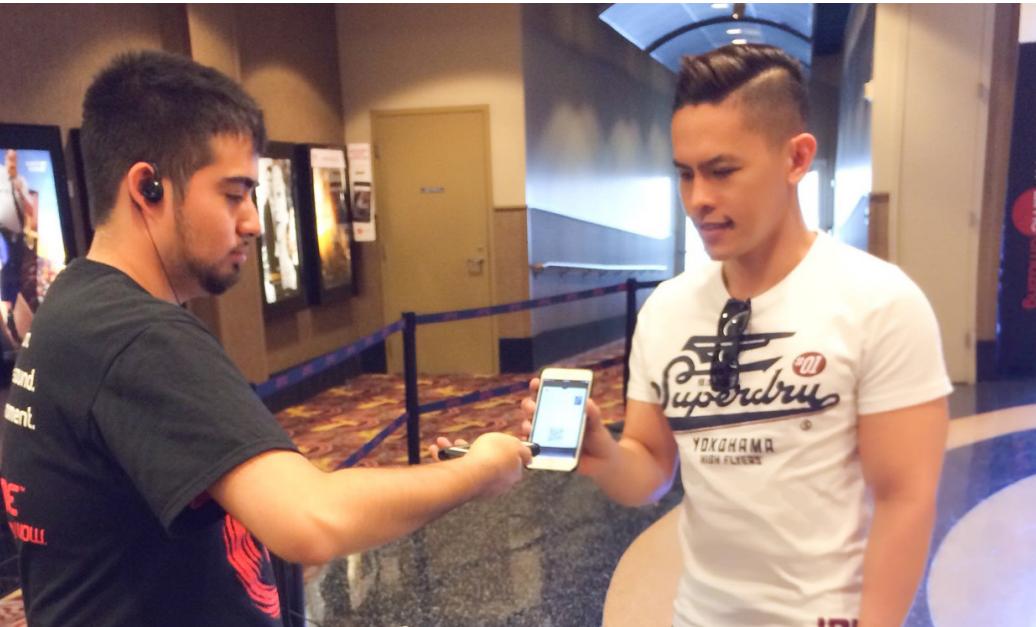


Believing that people don't want to spend their time banking, ANZ developed its banking experience to focus on simplicity. By developing a goMoney mobile app that has a strong analytics foundation and allows customers to check balances, transfer money or pay bills, ANZ has gained insights into how it can streamline the customer experience based on behavior. Now ANZ can quickly see if a customer is conducting a time-consuming transaction, and send them a notification suggesting a quicker approach. By focusing its attention on how customers can better engage with the bank, rather than how ANZ engages with its customers, ANZ has learned how to ultimately make its customers' and employees' lives much easier." Source: <http://onforb.es/1yMjlwS>

Key to the success of this particular example is how the brand used data insight, customer journey analysis, and real time customer care.

# The Challenge

There are an ever growing number of apps being built by brands in the hope of delivering engagement and business returns. However, the majority of apps are either poorly designed, poorly supported or both.



## MOBILE TICKET REDEMPTION

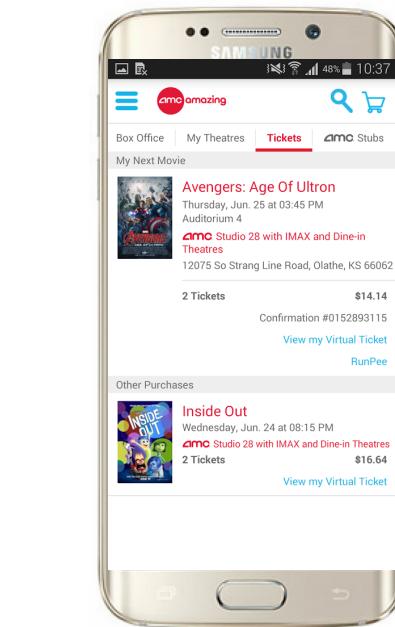
Engaging users with mobile ticketing on the AMC Theatres app we've built and designed.

Often this is because once the app is in the app store the energy and momentum within the project team moves onto the next functional update.

If the process of continual improvement is driven by function, instead of user behavioral insights, the consequence is that a fresh new app can quickly become a bit of a lemon.

In fact, in the world of apps, there are lemons everywhere!

There are many problems with a lemon app when it comes to their cost on a business. Often the primary goal for marketers is to get their app into the 'top ten'. However, there are over 3.7M apps available today. If yours is a lemon from the outset it has very little chance of cutting through the clutter. Even if your app does make it to a 'top ten' position through strong marketing, without ongoing support and UX enhancements, it will eventually fall in the ratings and is likely to be forgotten by your users.



The problem is that people do not have very much patience with poor app experiences either.

According to Compuware research in 2013, '79% of users will give an app a second chance' after it failed to impress them on the first go; that number plummets to just '16% of users that will go back for a third attempt' if the CX is anything short of amazing.

Source: <http://bit.ly/1JXIGAQ>

# Customer and associate expectations are through the roof

A lemon app has a strong chance of damaging a brand's hard earned reputation. In 2014 IBM commissioned Forrester Consulting to examine the impact of "good" or "bad" mobile applications on a company's brand, revenue, and cost structure. Forrester's study yielded four key findings:

**ONE**  
The benefits to getting mobile apps right are significant. As the mobile mind shift changes both employee and consumer expectations, and as mobile use increases in both frequency and as a channel of interaction, it is more important than ever for an app to "own" the mobile moment. For enterprises that do get it right and develop a successful application, the benefits are significant, with customers boosting the brand and employees and partners being more productive, according to the surveys in this study.

**TWO**  
Successful mobile applications engage customers in "mobile moments." The most successful mobile applications are narrowly tailored to engage customers in specific mobile moments, providing the right functionality and performance at the right time. Forrester found that 40% of consumer respondents value an improved experience at a key interaction point.

**THREE**  
It's a user's market for apps. If a mobile app doesn't perform to a customer's expectation, users will find another app that does. Mobile users may give an app a few chances if it doesn't perform as expected or crashes, but they don't hesitate to delete and uninstall it. Even more significantly, they tell their friends about their experience. The same is true with employees as well, as mobile apps become more commonplace within the enterprise.

**FOUR**  
Mobile development is still maturing, with both investment and use showing experimentation. Enterprises juggle trade-offs between getting an app out first versus getting it right. Forrester found that future plans for apps and current budgets need to align. Companies are looking to get ahead of trends in mobile devices and anticipate the future needs of their customers, but haven't yet faced the fiscal reality of doing that.

Source: <http://bit.ly/1MmV7eb>

# In-app support is becoming another increasingly expected component of customer and associate engagement.

According to the 'Mobile App Spend in 2015' report by Contact Solutions, in-app support and customer care are becoming a significant issue for the average shopper. Their research highlights some compelling facts:

Customers hate to wait for a response by phone or email. **34% want immediate access to in-app chat or messaging.**

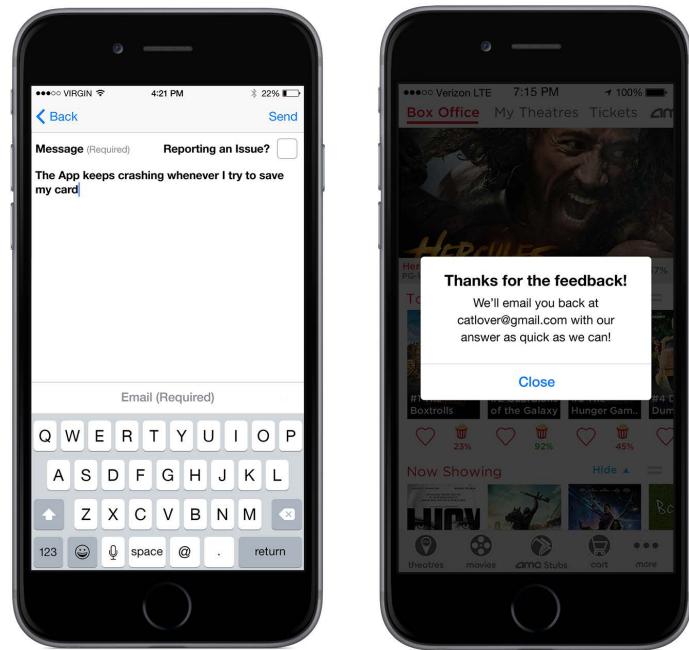
81% of shoppers have needed assistance in a mobile app. But **only 12% used their mobile phone to get it**, fracturing the brand experience and causing frustration at a critical point in the buying process.

Only **11% of shoppers are very satisfied with their ability to get help via mobile**. 89% are underwhelmed.

47% are leaving the app to make phone calls to get help, 51% are leaving the app to email for help, but **44% actively dislike leaving the app.**

**If offered in-app help, 60% say they would come back** and shop more frequently.

Source: <http://bit.ly/1KitS3V>



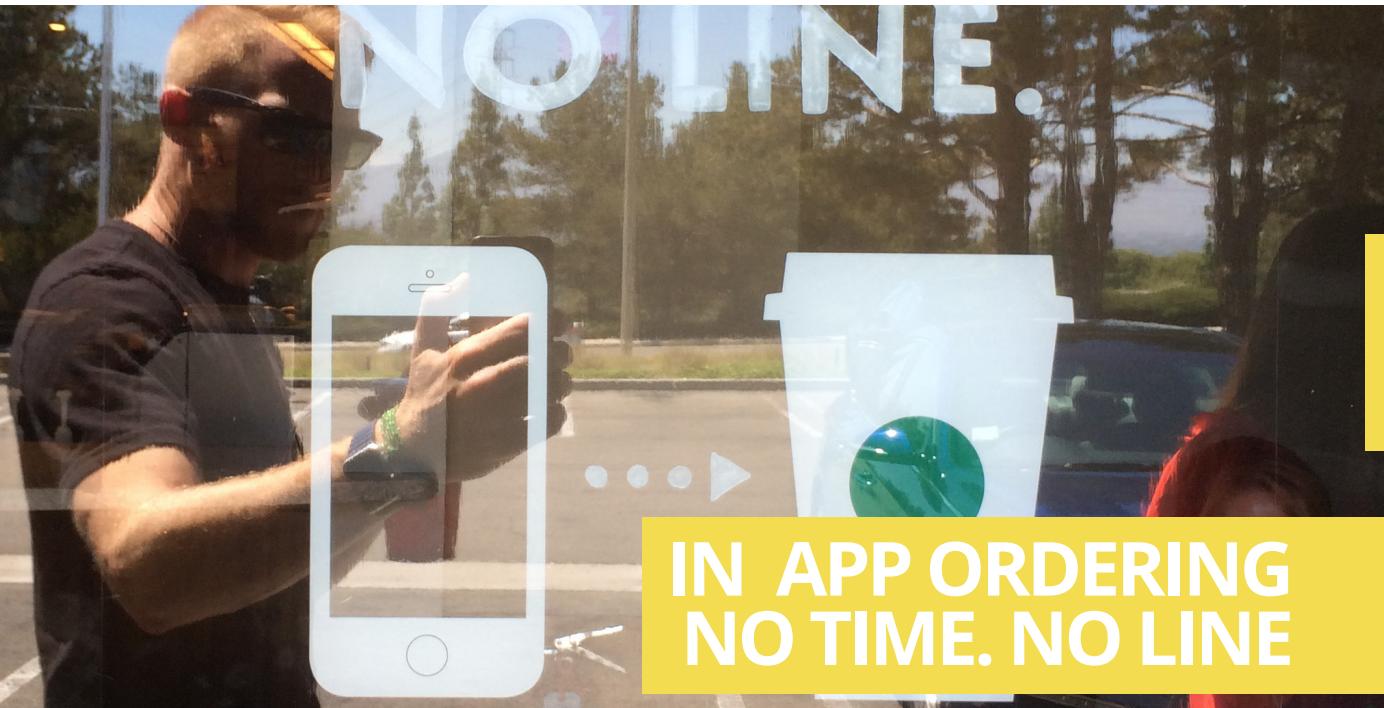
Yet at the same time according Gartner research 'more than 90% of IT leaders did not know if their enterprise's mobile business applications used by their customers had adequate levels of customer support built in.' Source: <http://gtnr.it/1OkBKzW>

Having a lemon app is not just a missed opportunity for brand owners. More importantly lemon apps are an 'opportunity cost' to business too. For a marketer, measured by their ability to create valuable customer and associate engagement via powerful brand experiences, a lemon app is more than just a waste of time, energy, and money.

According to Oracle research more than half (55%) of the respondents said a poor app experience would put them off using a company's products or services. Furthermore, nearly four in ten said they would be less likely to recommend a company to others if an app experience was not up to par and 27% said a bad app experience would put that company in a negative light.

Source: <http://bit.ly/1g2eJHi>

# What makes for an amazing app experience?



It is not hard to identify the few brands that are getting the formula for a successful app experience right. Nordstrom is one very well cited example of a brand that has embraced technology with a single minded focus on using it to help deliver its organisational purpose. A recent Harvard Business Review article describes why the Nordstrom strategy works so well:

"Nordstrom's digital capabilities make complete sense for Nordstrom. What makes them important is that they are tightly

integrated with all the parts of the business that ultimately serve the customer. This is not a matter of having the best apps, analytics, or social media tools. Instead, it's a matter of tending to the details of building integrated digital capabilities, one at a time, making the right data accessible, and simplifying processes. Most retailers will struggle to do this because they haven't architected their product or customer data for easy access by the new digital capabilities. Without those core capabilities, integration with and among new digital capabilities

is virtually impossible."

Source: <http://bit.ly/1x0lFGj>

Another great example of how mobile apps can build incredible brand engagement and loyalty is Starbucks. Back in 2013 Howard Schultz said "No single competency is enabling us to elevate the Starbucks brand more than our global leadership in mobile, digital, and loyalty. Starbucks is a clear leader in mobile payments and we are encouraged by how consumers have embraced mobile apps as a way to pay." Source: <http://onforb.es/1ui42Qz>

We have observed that **building** deep and meaningful customer and associate **engagement** through apps is driven by four important rules:

## Personalization

A deep and accurate understanding of preference is critical in being able to leverage insights into attitude and behaviour, while creating and delivering relevant and engaging experiences.

## Contextualization

Data driven understanding of where people are on the user journey in order to adapt and evolve the in-app experience through time.

## Relevance

Right message, right time, right place.

## Knowledge

Engagement gets deeper with trust. Knowledge promotes trust which in turn drives engagement. Its a happy virtuous circle.

By getting the balance of these components right the aim is to create deeper, more meaningful and valuable relationships between brands, their customers, and associates.

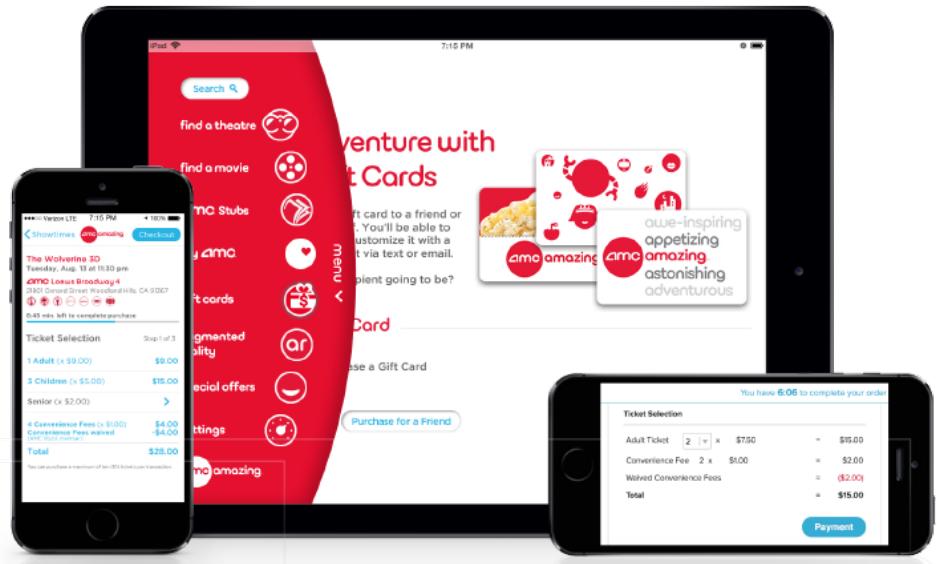


# Our Insight

Experience tells us that building and maintaining a successful app is a complicated business. Getting it right takes a broad range of skills and expertise to deliver an end-to-end solution and create brand engagement. The number of app related options for marketers is increasingly complex and diverse. This is making it virtually impossible for busy marketers to stay ahead of all the developments in the market. At the same time an emerging array of specialized app analytics, design, and management skills are becoming critical requirements in meeting the increasing expectations of users.

Through our work we have realized that no single company, SaaS technology, product or agency can have all the right skills under one roof. Worse still many of the providers in the market are directly competing with each other for share of revenue and client relationship.

We see things differently. The future of everything is in collaboration. Who we once might have seen as our enemies, are now our friends. What we once saw as competition, we now see as competitive advantage.



So, why is this an advantage to a marketer?

The reality is that whilst marketers may want to adopt many of the solutions now available in the market to meet specific audience needs, they cannot currently find all of these skills under one roof. For example an app agency partner – whilst having many of the design and technical skills required – will not have the data analytics, CRM, Customer Care, business integration or operational management capabilities and experience required to deliver the solution you need at scale.

As a result, all too often clients end up with apps that look nice but quickly become lemons instead of apps that act like brand assets - and this can leave a sour taste in everyone's mouth. So we decided to flip the model on its head. We realized that what our clients need is a partner, agnostic in technology, skilled and experienced in a broad range of disciplines and willing to identify and integrate the best-in-class platform partners into tailor-made solutions to meet their needs. Time to turn those lemons into something much more valuable and appealing.

# The Lemonade Solution

Lemonade is not a product. And it is not just a solution. It is a philosophy that permeates our organization and culture.

The central premise of The Lemonade Solution is that where others see problems, we see the opportunity to apply a fresh outlook. Where there is a challenge, we like to grasp it with both hands and turn it into value creation.

We built The Lemonade Solution with a vision to make life sweet for everyone we touch by ensuring the interactions we have and create - for our people, our clients, their associates and their customers - in both the digital and real world are truly collaborative, human and rewarding.

Our team is comprised of a diverse array of thinkers and do'ers with a passion for creating engaging and rewarding customer moments that increase conversion rates, ratings, reviews, brand loyalty and marketing ROI.

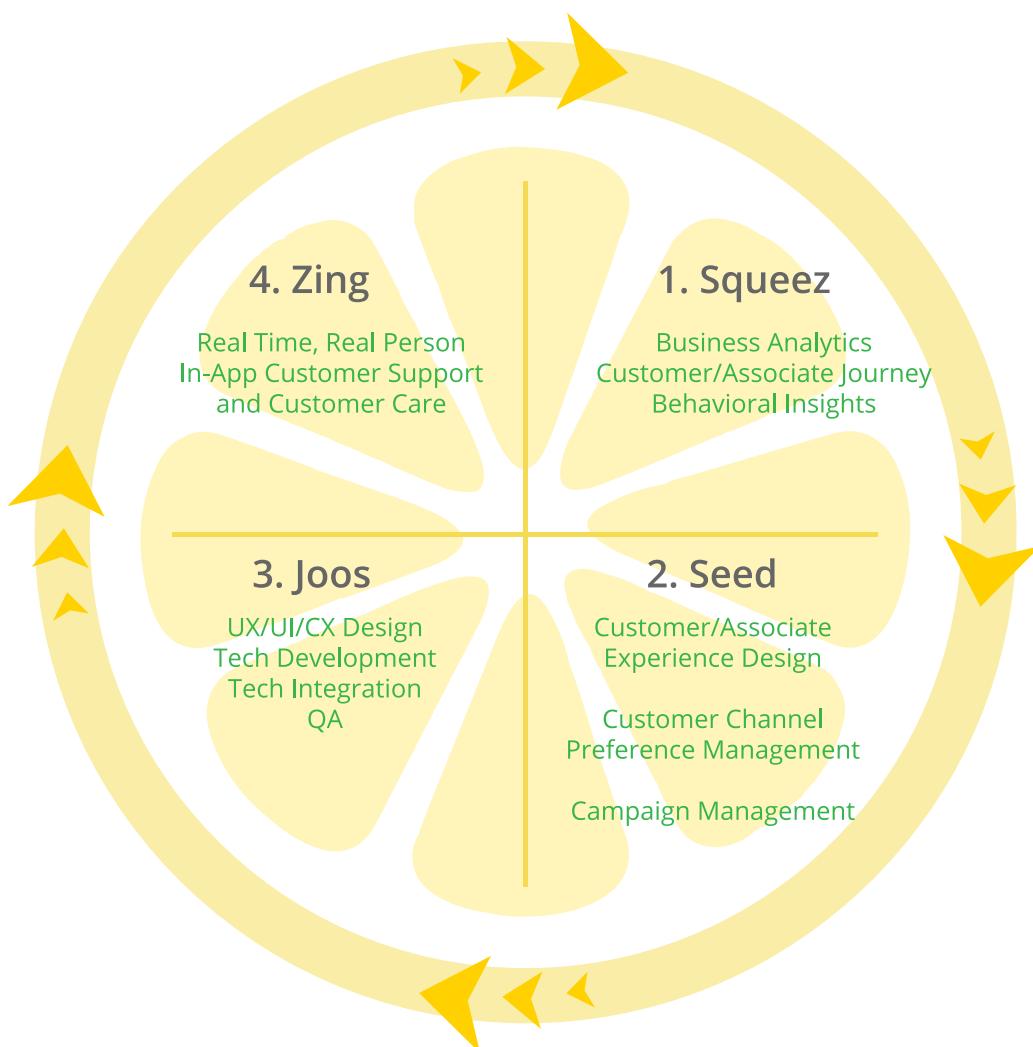
We have taken our experience and capabilities built over the last seventeen years upon hundreds of millions of interactions and formulated an authentic, organic, and delightful recipe for success which we call Lemonade. We have designed a solution to win customers over, even in the sourest of moments, by turning them into something everyone loves.

Lemonade  
is not a  
product  
  
It is a  
philosophy



# The Lemonade Service Stack

We designed The Lemonade Service Stack to improve user experience and create deeper levels of brand engagement. It accomplishes this by **personalizing interactions** and **anticipating customer needs** to promote brand loyalty and enhance revenue generation opportunities.



The Lemonade Service Stack is a highly cost effective turnkey solution that is easy to integrate in a matter of weeks. It provides omni-channel customer engagement, powerful segmentation tools, 360 view analytics, and live agent customer support.

# HOW THE LEMONADE SERVICE STACK WORKS

We designed The Lemonade Service Stack to improve user experience and create deeper levels of brand engagement. It accomplishes this by personalizing interactions and anticipating customer needs to promote brand loyalty and enhance revenue generation opportunities. The Lemonade Service Stack is a cost effective turnkey solution that is easy to integrate in a matter of weeks. It provides omni-channel customer engagement, powerful segmentation tools, 360 view analytics and live agent customer support.

## 1. Squeez

Lemonade's data analytics capability has been designed to track in-app conversions, examine in-app activity and blend it with other customer information to create a 360-degree view of your users. We utilize behavior and profile insights to inform the strategic planning process and inform in-app marketing strategies that resonate.

## 2. Seed

Seed is where the rubber hits the road. Here we take responsibility for developing the communication strategy, campaign planning and execution across SMS, eMail, and Push Messaging. Strategies are built based on user data and preferences to optimize campaigns, reduce drop-outs and boost conversion.

## 3. Joos

Joos is where our behavioural and campaign driven data insights are used to generate recommendations for enhancing the user experience. These recommendations are planned, tested, and launched by our dedicated design and development team or by working with the client's in-house team. Enhancements can be as simple as making an adjustment to an existing UI, through a complete redesign and build of a new app. We integrate with enterprise level technology, and relevant third party SaaS platforms, to deliver enhanced in-app feature sets and advanced performance data.

## 4. Zing

Zing is our unique 'Real Time, Real Person' in-app user support and customer care capability. We can rapidly deploy this capability to deliver in-app technical support, complaints handling, escalation management and advanced personalization.



# Working with Lemonade

## Lemonade is for clients...

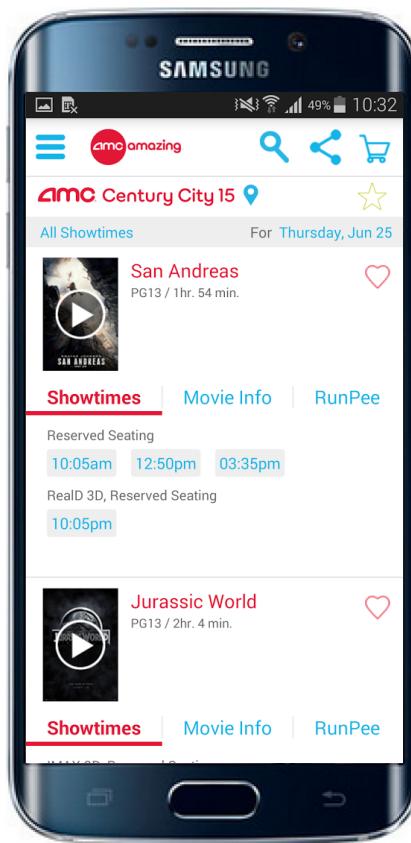
...looking for a collaborative partner to provide turnkey solutions to support their app strategy and help meet key goals and objectives.

...recognizing the critical importance of collaboration with, and integration of, best-in-class technology platforms.

...looking for advanced solutions to enhance and integrate into their brand engagement strategy

...in need of a unique in-app 'real-person, real-time' support solution to help brands deliver inspiring customer moments.

...looking for an integrated data capture and analysis capability that can be tailored to anticipate customer's immediate needs in real time.



## Our promise is simple and easy as:

You'll get **1** additional star in the App Store...

Within **2** months of launch...

Or it's **3** additional months of service for free\*

\*Up to three free additional months of service or until you get one additional star in the app store.

# Contact Us

OUR TALENTED  
TEAM



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 **lemonade**  
Mobile Made Fresh



MADE BY  
**vmbc**  
MOBILE ➤ ENABLED