Camilla Koljonen

MARKETING PLAN FOR A MOBILE APPLICATION

Marketing research and a plan for a mobile application of a startup company
MARKETING PLAN FOR AN APPLICATION

Marketing research and a plan for an application of a startup company

Camilla Koljonen
Thesis
Autumn 2016
Business Information Technology
Oulu University of Applied Sciences
ABSTRACT

Oulu University of Applied Sciences
Business Information Technology

Author(s): Camilla Koljonen
Title of Bachelor’s thesis: Marketing plan for an application
Supervisor(s): Outi Sutinen
Term and year of completion: Autumn 2016
Number of pages: 40+4

The purpose of this thesis is to provide an insight of the application market and to create a marketing plan for a new mobile application. The client is a startup company and they needed a marketing research and a marketing plan for their mobile application. The company does not have a person working with marketing and therefore they asked for this project. The application itself provides information about local bars and nightclubs. It will be launched first in southern Europe and after worldwide.

The aim is to study the current application market trends and see how the consumers are using the mobile applications, and how traditional and digital marketing methods can be applied to applications marketing. These methods are also combined to create the most optimal way to create a marketing communications plan for the application.

The marketing communication plan is divided to prelaunch, launch and after launch activities. These different parts will support the relationship with the launching of the app and its marketing communications. The main goal with the marketing communication plan is to build awareness and create customer engagement through social media and other channels.

The method used in this thesis is qualitative. Mostly the method of this thesis is desktop study. Benchmarking is also used by introducing a successful application and their methods of marketing. The benchmarking was implemented through a case study where a successful app was examined. The marketing strategy of the case app was used to get ideas in the marketing plan.

Since the company is a startup company, and the app is still in developing phase, it was challenging to create a specific marketing plan for the company. Mainly the plan was focusing on using marketing tools and social media channels to gain awareness and customer engagement, and to create a guideline how to start.

Keywords:
Mobile applications, applications marketing, social media, startup, A/B testing, apps
CONTENTS

1 INTRODUCTION ........................................................................................................................................ 6

2 APPLICATIONS MARKETING ............................................................................................................... 7
   2.1 Traditional and digital marketing .................................................................................................. 8
   2.2 Market size and application trends ............................................................................................... 8
   2.3 Target customers .......................................................................................................................... 9
   2.4 How consumers find and use applications .................................................................................... 10
   2.5 App monetising .......................................................................................................................... 11
   2.6 App testing .................................................................................................................................. 12

3 MARKETING COMMUNICATIONS ...................................................................................................... 13
   3.1 Purpose of marketing communications ....................................................................................... 13
   3.2 AIDAS-model ............................................................................................................................. 14
   3.3 Traditional marketing communications ....................................................................................... 15
   3.4 Digital marketing communications ............................................................................................ 15

4 MARKETING COMMUNICATIONS CHANNELS AND TOOLS ............................................................... 17
   4.1 Most relevant Social Media channels ......................................................................................... 17
   4.2 Tools to use in marketing communication ................................................................................. 19

5 CASE STUDY: TINDER ......................................................................................................................... 21
   5.1 Introduction of the company and app ......................................................................................... 21
   5.2 How Tinder got successful ........................................................................................................ 21
   5.3 Using the case study in the marketing plan ................................................................................ 22

6 MARKETING COMMUNICATIONS DEVELOPMENT PLAN ................................................................. 24
   6.1 Target audience ......................................................................................................................... 24
   6.2 Marketing communication plan .................................................................................................. 24

7 MARKETING COMMUNICATIONS PLAN .......................................................................................... 25
   7.1 Prelaunch plan ............................................................................................................................ 25
      7.1.1 Creating awareness ............................................................................................................. 26
      7.1.2 App store optimisation and search engine optimisation .................................................... 27
   7.2 Launch plan ................................................................................................................................ 28
      7.2.1 Test group .......................................................................................................................... 28
      7.2.2 Action plan and a year clock ............................................................................................... 29
      7.2.3 Communications ............................................................................................................... 29
7.3 After launch plan ................................................................. 32
  7.3.1 Feedback ................................................................. 32
  7.3.2 Co-operation ........................................................... 32
8  CONCLUSIONS .................................................................... 34
9  DISCUSSION ...................................................................... 35
10 REFERENCES ..................................................................... 37
APPENDICES ......................................................................... 41
1 INTRODUCTION

Smartphone applications are offering several functions to make the user's life easier. Today there are over 1.6 million apps available for Android users and 1.5 million apps for Apple users (Statista 2016a, cited 10.5.2016). Almost anyone can create a simple app and publish it to app stores, but the bigger challenge is to get the users to find the app. The app stores are not providing enough visibility for the app, so the marketing of the app requires a different channel, for example social media.

The idea for this thesis came from the startup company, because they want to launch their new application, but they do not have a person with marketing skills. The company is a small startup company with four international employees. They want to launch an application that presents the bars and clubs in the local area. The app will present useful information for the users, so they can easily select in which bar or club they will go. The plan is to launch the application first in southern Europe in one location.

The goal of this thesis is to create an action plan and a marketing plan for the application of the startup company. The theory behind the marketing plan is discussed in the following chapters by defining the application marketing, customer engagement and marketing communications. In the practical part, the theory is used to support the decisions made in the marketing plan.

Research question: How to build awareness and create customer engagement through marketing? This question will be answered through studying marketing communications and benchmarking. In this thesis a case study of an application will be presented.
2 APPLICATIONS MARKETING

A mobile application is a software used on mobile device. Application stores offer different kinds of applications, such as games, entertainment or applications with information. Often the mobile applications are lighter software than the ones used on computers or other devices; therefore applications usually offer one function, e.g. music service or location service. Mobile applications use the functions that the device offers, such as location, camera and contacts to offer better services for the user. (IJET 2010, cited 31.5.2016.)

Applications marketing has the same goal than marketing, to attract and to maintain customers. In applications marketing several approaches are used such as traditional marketing and digital marketing. Digital marketing is often used for applications marketing, because the app itself is in the digital world, and also because it offers less expensive options than traditional marketing.

As the application market is constantly growing, the new apps have difficulties to stand out and get found on the app stores. Well planned marketing communication plays an important role on the success of the app, since the resources can be used efficiently. Planning includes making a research on the current markets and application trends, defining target audience and creating a marketing communications plan.

In applications marketing the activities done before the launch are important. The users should have an image and know the application before the launch, because it creates interest towards the application. This can be done by presenting the application to potential users, bloggers, or to authors that write about new technologies and applications. These people could be introduced to the applications by showing previews or asking them to beta test it. (Rhodes, 2015, cited 25.5.2016.) The pre-launch activities can include creating website, accounts on different Social Media channels and creating a newsletter sent by email. The company can have a landing page, which is the page that the consumer sees first after clicking a link. This landing page should have information about the app, for example what are the main features, for which platforms it is available and when it will be published. (Dholakiya 2015.)

Launching an application to international markets requires more research than for an app that is launching in one specific country. The communication should be planned in a way that the other
culture’s values are first understood and then planned how to reach these different values. (Vuokko 2003, 14-15.)

2.1 Traditional and digital marketing

Traditional marketing includes the 4Ps of marketing: Product, Price, Placement and Promotion. The channels of traditional marketing can include for example printed media, conventions, radio or TV advertisements. (Minko 2013, cited 30.5.2016.) Product is the tangible or intangible object that the company is offering to the customers, where tangible ones are often goods and intangible are services. The product needs to be defined and it should have some functionalities that bring value to the customer. Price is an important factor of the product and it affects the customer’s decision. The company needs to find out what is the suitable price for the product that they will make profit out of it, but also that the customers will want to buy it. Promotion is the actual marketing; the product and price are introduced to the customers through different channels. Promotion includes digital marketing, advertising and public relations. A very crucial point to make the product succeed is to choose the right place to put it. The place defines where the promotion is done, for example an advertisement on a webpage. The digital world has widen the placement options, since the customers first might search for information about the product on internet, and then purchase the product or service from the provider. (Purely Branded 2016, cited 30.5.2016.)

Digital marketing is using the same marketing means but in an electronic environment. Digital marketing includes for example email marketing, Internet advertisement, social media marketing and search engine optimisation. The difference between traditional and digital marketing is, that by using the digital ways to market, the results can be easily analysed and monitored. (Reitzin 2007, cited 30.5.2016.)

2.2 Market size and application trends

Apple launched the iPhone app store in 2008, and since the app market has constantly grown. The app store had 552 applications when it launched. (Arrington 2008, cited 24.5.2016.) In 2015, according to Statista website, there were 1.5 million apps in iTunes (2016a, cited 10.5.2016).
Statista also shows that in January 2016 there were 50,750 new applications published in iTunes (2016b, cited 10.5.2016).

Google Play’s ancestor Android Market was launched in 2008 and in 2012 Google Play was launched. Google Play was created to offer all the services, like movies, apps and e-books, from one location. (Sandoval & Cheng 2012, cited 30.5.2016.) In 2015, according to Statista website, there were 1.6 million apps in Google Play (2016a, cited 10.5.2016).

According to Google Play’s Top Apps on 10.5.2016 the top 12 free apps included five social media apps, four games, one event related app and a music streaming app. The top 12 new free apps on Google Play include nine games, one tool app, one entertainment app and one lifestyle app (2016b, cited 10.5.2016). In Apple’s app store, 23% of the apps are games (Statista 2016c, cited 30.5.2016). The top 10 free apps on 31.5.2016 are three games, five social media apps, one education app and one music app (Apple 2016, cited 31.5.2016).

2.3 Target customers

Defining the target customers helps the marketing of the application and helps to reach the goals. Target customers are the people that the app is focused on. The developer needs to know the customer and their wants in order to have a successful app. The app has to have a place in the market, if there are similar apps in the market, how does it differ from the rest; if there are no similar kinds of apps in the market, do the consumers need this app. (Appsworld 2015, cited 8.8.2016.)

The target customers should be defined for example by gender, age and location, which makes it easier to make a research on their needs. Often applications have wide customer base, but it makes it easier to define the target customers specifically. Some of the target customers can act as a test group before launching the app, where their opinions and feedback can be heard to make improvement to the app. (Appsworld 2015, cited 8.8.2016.)
2.4 How consumers find and use applications

According to a study from Nielsen, users spend around 30 hours per month using applications (2014, cited 31.5.2016). The users have typically 36 apps downloaded on their smartphones, but only 26% of them are used daily. The most popular apps are used for socialising and communicating, or gaming. (Google 2015, cited 31.5.2016.)

Only 40% of the apps are found by searching from the app store. Instead most of the apps, 52%, are found by recommendations from family, friends or colleagues. Price is the biggest factor when downloading an app, it is affecting 82% of the consumers. About 75% of the consumers assume that the app will be free. Description, reviews and ratings the second biggest factors when deciding to download an app. (Google 2015, cited 31.5.2016.)

A common factor with frequently used apps was that the user felt that the app makes their life easier as seen on figure 1. Another factor was that the app has clear instructions how to use it. These two factors were important to 63% of the respondents. These factors were more important than appealing design or new content. The users value the simplicity and easiness, which is the most important thing to focus on when developing the app. (Google 2015, cited 31.5.2016.)

![Figure 1: Attributes associated with frequently used apps](image1)

**FIGURE 1. Attributes associated with frequently used apps (Google 2015, cited 15.8.2016)**

Abandoning the apps is very common; 25% of the apps that the consumers download are never even used. The biggest reason why the app was not interesting anymore for the user was the loss of interest as seen on figure 2. Other reasons were that the user does not need the app.
anymore, they found a better app or they did not feel that the app was useful. The users can be brought back by offering discount coupons, offering exclusive content, having friends or family using the app, or by notifying about new features. (Google 2015, cited 31.5.2016.)

![FIGURE 2. Reasons to abandon apps (Google, cited 15.8.2016)](image)

2.5 App monetising

According to Statista, 68.8% of the applications in Google Play were free (2015, cited 31.5.2016). The apps should gain some revenue for the developer, in order to make the app profitable. There are different strategies to make money on free applications, such as in-app advertising, in-app purchasing, freemium or sponsorship. Otherwise the app can be paid, so the revenue is created immediately. (Kanada 2015, cited 31.5.2016.)

In-app advertising means that the app is selling advertising space. This method is suitable if the application is collecting the users’ data and if there are no possibilities to offer in-app purchases. In-app purchases let the user to purchase more functionalities in the app. Game apps commonly offer in-app purchases, such as game currency or extra lives. (Orfanos 2014, cited 31.5.2016.)

Freemium applications are free to download, but some functionalities are blocked in the free version. By paying the fee the user will have access to the full version of the app. Offering this paid version is suitable for apps that have advanced features in them. Other way to monetise is sponsorship. The idea is to have a partner that will offer the user rewards when the user completes actions in the app. This can be implemented for example by showing advertisement
videos of the partner and then the user gets more in-app currency or lives. (Orfanos 2014, cited 31.5.2016.)

2.6 App testing

Beta testing can be performed before the application is launched. The access can be given through a link, where anybody can join to become a beta tester, or through inviting specific people to become the beta testers. For example Google offers a closed beta testing through Google+ communities. Having the closed beta testing, through email or Google+, enables the developer to limit the amount of the testers and also the testers can give feedback. (Kimura 2016, cited 15.8.2016.)

A/B testing can be performed after the launch of the application. The testing is done by making two different versions of the app, which are tested on two groups of people. The two groups should be similar, e.g. in the same age range with similar interests. On the second time some function or appearance of the app is changed compared to the first time. After both tests, the conversion rate, the amount of people who for example signed up on the website, is collected and then compared. The one which has the greater conversion rate should be more effective, and therefore it should be used. The variable can be e.g. a headline, image, colour on the page or text. (Vwo 2016, cited 15.8.2016.)
3 MARKETING COMMUNICATIONS

Marketing communications support the creating and maintaining the relationship with the customer and the company. It supports the whole process, from first customer contact to the after sales. (Isohookana 2007, 62–63.) Consumers are brought closer to the company by marketing communications. The consumers will see who is behind the product and what the company’s values are. (Kotler 2009, 510.)

One of the key factors of succeeding in business is to have a well-planned marketing communication plan. By having this marketing communication plan, it creates a strong asset for the company, which will differentiate the company from their competitors. The image of the company is also created by the communications, which affects the consumers’ decisions. (Isohookana 2007, 9.) The image can be affected by several factors, for example the website of the company, social media presence and the way the employees act. These factors should be controlled e.g. by planning what kind of information the company will have on their website or in their social media, or by training the employees to present the company in the desired way. (Vuokko 2003, 11.)

3.1 Purpose of marketing communications

Marketing communications is used to spread information about the company and their new products. With marketing communications, a clear image of the company and the product can be created, which will make the customers trust and gain interest in the products and the company. One of the strategies is to create a feeling for the customer that they belong into the community of the company or the users of the product. This is creating a relationship between the customer and the company. This kind of effective communication avoids confusion and distrust towards the products or the company. (Isohookana 2007, 11.) According to Vuokko, the purpose is to create an integrated image for the consumers, stakeholders, shareholders and the organisation. This means that all the groups do not have to have the same information, but only the information that they are interested in. The shareholders are more interested in the profitability of the company and the consumers the qualities of the product. (2003, 12–13.)
### 3.2 AIDAS-model

AIDA stands for Awareness, Interest, Desire and Action. It is a model for communications, and it helps to reach the promotional goals. The purpose is to make the consumers to think, feel and do, so to create interest, desire and want to buy the product. (Lamb, Hair & McDaniel 2011, 536.)

Awareness or Attention is the first step in the AIDA model. To gain attention from the target market is important in order to make the product known. In traditional marketing this means that the company is putting advertising on television, radio or billboards, and in digital marketing the advertising is in websites or social media for example. When creating a new product, the attention part is important to introduce it. (Lamb et al. 2011, 536.)

When the attention of the consumer has been caught, interest should be created towards the product. This can be done by showing what the new product can do or what the consumer can do with it, and why is it different from the others. (Lamb et al. 2011, 537.) For example, Facebook pages are useful tools to catch attention and create interest. The company should get the consumers to follow their Facebook page, and there the company can post information about the new product. There the company can posts videos how to use the product or tell interesting facts about the new product.

Desire is the second last step, where the interest of the consumer should be changed into desire. Often the desire is created by offering a completely new kind of product, something that nobody has proposed before. This can be for example offering a music player with the same qualities than the other ones have, but adding there more features like games or other widgets. (Lamb et al. 2011, 537.)

Action is the step where the consumer decides to buy the product. The first steps are preparing the consumer towards the action step by creating awareness, interest and desire towards the product. The consumers should be motivated towards the action, the decision to buy. Active promotion through different channels is important in order to make the consumer to take action. (Lamb et al. 2011, 537.)

Most of the models exclude the Satisfaction part, but Dutta includes it in the AIDAS model. The first four steps are in the actual purchase process, and satisfaction is in after sales. It is important
to contact the customer after the sales to see if they were satisfied with the product. If the customer was not satisfied, their feedback can help to develop the product. (2011, 61).

### 3.3 Traditional marketing communications

The marketing communication mix is a combination of methods to promote products or services. It includes personal selling, advertising, sales promotion, public relations and direct marketing. These methods are used to achieve the marketing goals.

Personal selling can be implemented by holding a personal presentation to the potential client. First the potential clients need to be found and contacted. If the client is interested in the product or service, it usually leads to making the deal. Advertising is a way to grab the consumer’s attention, but it usually requires resources. Advertisements can be published in traditional media such as newspapers or in digital media such as webpages. Often there is not much space in the advertisement and therefore it needs to be planned before how to present the product or service in the most efficient way. Sales promotion can be for example coupons that offer discount. These small offers are trying to persuade the customer to buy the product or the service. Other sales promotions can be free gifts, free samples or vouchers. Public relations is the communication that the company does between all the parties, e.g. customers, employees, media and suppliers. Direct marketing is personalised to the customer. For example online stores gather information and statistics from their customers which they can use to send personalised recommendations to their customers. This will encourage the customers to continue to stay as a customer of the company. (Richa 2014, cited 8.9.2016.)

### 3.4 Digital marketing communications

Digital marketing communications can be implemented by making a brand website, campaign website, advertising, such as banners or videos, search engine optimisation, search engine marketing or sponsoring. (Isohookana 2007, 262.)

Brand website can be the landing page of a website, which introduces the product. The customer will get information about the company and what they are offering. The purpose of this website is
to create interest and build the brand. The campaign website is a site that will boost the sales. The website can have for example a special offer. (Isohookana 2007, 262.)

Banners are often seen on websites. It is a picture, which is a link that will take the user to the company’s website or campaign website. The banner can include a phrase, picture or a moving object that will attract the user to click it. Another way is to have a video or a picture that will pop up on the website that the user is entering. The video will introduce the product of a company in a 10-30 second video. (Isohookana 2007, 262.)

Search engine optimisation, SEO, can be implemented by coding and writing the content so that the search engines will display the company's website in the first search results (Isohookana 2007, 263). One effective way is to think, what kind of keywords the customer would use to find a certain product. Search engine marketing, SEM, is implemented by buying advertisements from search engines. The paid ads are showed on the top of the search results. (Isohookana 2007, 263.)

Sponsoring can be implemented by making a deal with another company. In this case the sponsor will have ads in every page, or in a specific part of the page. This can mean that the webpage has a banner of the sponsors product or service and by clicking it, the user will land to the sponsor’s page. Another way is to place the ad within the content. (Isohookana 2007, 263.)
4 MARKETING COMMUNICATIONS CHANNELS AND TOOLS

4.1 Most relevant Social Media channels

There are several social media sites available, offering different types of services and functionalities to their users. Keeping several social media accounts active uses a lot of resources, and the quality of the posts might suffer. Businesses should evaluate, which social media sites are the most useful for their purposes and which ones will be most useful for marketing purposes. The key to find the best channels is to think where the target audience is, where they are searching information, and if there are any niche social media channels that would suit the business’ communication plan. Facebook, Twitter, LinkedIn and Google+ are considered the most crucial social media channels to be in. In these four channels there are a lot of users and there is no specific audience. Different social media channels have different kind of styles to be used, for example LinkedIn account should be kept professional when Facebook account can be more conversational and interactive with customers. (Patel 2014, cited 4.6.2016.)

The reason that Social Media channels are widely used in marketing is that setting up the pages is free, and maintaining them does not require a lot of resources. The consumers are participating to the marketing by talking about the products and sharing posts and articles. Consumers are often looking for reviews of companies in the social media to support their consuming decisions.

**Facebook:** Facebook was created in 2004 by a Harvard students, including the current CEO Mark Zuckerberg. The main idea was to offer a platform for students, where they can create profiles and share content. Facebook became popular fast, gaining 1 million users by the end of 2004. (Biography.com 2016.) The amount of users has grown constantly up to 1.654 billion active users (Statista 2016d). Businesses have also joined Facebook; there were up to 50 million business pages in December 2015. The communication between businesses and customers has been made easy with a new messaging tools. (Chaykowski 2015, cited 2.6.2016.) Facebook offers an easy platform to offer information about the company and products. The business page is free to set up.
Twitter: Twitter is a social media channel with over 320 million users, where users can tweet. Tweet is maximum 140 character post that can include also pictures, videos or links. In tweets, hashtags and tagging can be used to interact with other users. The tweets can be retweeted, which means that they share the tweet on their account. (Helmrich 2016a, cited 5.6.2016.)

Instagram: Instagram has over 400 million active users, who post videos and pictures. It is an application for Android, iOS and Windows Phone. The users can edit the pictures and videos, and add filters. (Helmrich 2016a, cited 5.6.2016.) Instagram was founded by Kevin Systrom and Mike Krieger in 2010, and later it was sold to Facebook for 1 billion dollars. The users can use hashtags and tags to interact with other users. They can also like and comment on the pictures or videos. (Helmrich 2016b, cited 6.6.2016.)

LinkedIn: LinkedIn was launched for business professionals, but today LinkedIn offers functionalities for businesses and job seekers also. Businesses can create their page, where they can have followers and post updates and content. The content can include links to news articles that are relevant to the industry, or introduce new products and services. The products can be promoted by publishing videos of their product demos or introductions on how to use it. (Grayston 2015, cited 4.6.2016.)

Google+: Google+ is a social media channel launched in 2011. It has a similar purpose than Facebook, to create a profile and to share content. The advantage that Google+ has, is that it is in a way integrated with Google search. If the business page is active, it is more likely to be in the top results depending on the search terms. In Google+, the user can create circles and add interesting people of businesses to them, and +1, which is similar to likes in Facebook. (Nuckles 2013, cited 6.6.2016.)

Snapchat: Snapchat is a video and image messaging mobile application created by Evan Spiegel, Bobby Murphy and Reggie Brown. It was released in 2011. The snaps, images or videos, can be sent to friends or published in My Story. The snaps sent last only 1-10 seconds and the snaps published in My Story are visible for 24 hours. (Crook 2015, cited 10.8.2016.)

Other channels: Other channels can include blogs, email marketing, YouTube and website. The blogs can be partner blogs, where a blogger can introduce the product or service and promote it.
Otherwise the company can have their own blog in their website, where they can publish interesting information that is related to the company’s market (DeMers 2014, cited 10.8.2016).

4.2 Tools to use in marketing communication

Hootsuite can be used for social media management. It provides a dashboard where the social media channels can be viewed. Through Hootsuite, the posts can be scheduled to post on a specific time, use of certain hashtags and words can be followed and gather analytics on the events of the social media channel. (Hootsuite 2016, cited 5.6.2016.)

MailChimp is an email marketing service and it can be used to send newsletters. Newsletters can be sent through email to the clients or business partners, providing information about new products or developments for example. MailChimp offers ready-made templates for the newsletters or the template can be created with an easy drag and drop designer. The email campaigns can be created and sent through the service, and analytics are offered on how well the campaign worked. It includes the statistics of how many opened the email, how many clicked the links and if some unsubscribed. (MailChimp 2016, cited 5.6.2016.)

Google Analytics offers statistics of the website traffic. It is a useful tool to see how many visitors have visited the website, and it enables to filter the results for example by location. The owner of the page can determine goals, which can be a web address. This web address is something where the owner of the page wants users to go, for example a signing up page or the confirmation page after the sign up. (Lofgren 2016, cited 15.8.2016.)

Google AdWords provides ads on Google searches. The ads will be displayed on the top part of the search results. The service works as cost-per-click advertising, which means that if a user clicks on the ad, the ad owner needs to pay for it. The ads get visible by setting keywords, and then the owner of the ad needs to set a budget how much they want to spend on the ad. The highest bidder and the most relevant ad will gain the best position on the search result webpage. (Rampton 2014, cited 15.8.2016.)

Google AdSense puts advertisement on the website, and when a user clicks on the ad, it creates revenue to the website. The owner of the website chooses which ads they want to have on their
website, in which form and where. The advertisers can bid on the ad space on the website, and the highest bidder gets their ad visible. (Google 2016, cited 15.8.2016.) This service offers an easy way to make money, if the website has a lot of visitors, but in the other hand the users might not like to see ads on the websites they are visiting.

Facebook offers Page Insights for the page owners. For businesses this is useful, because they can get the metrics of the number of people the posts reached, or the number of clicks on the post or the number of reactions, comments and shares. (Facebook 2016, cited 15.8.2016.)
5 CASE STUDY: TINDER

5.1 Introduction of the company and app

Tinder is a location based app, which launched in 2012. The main objective of the app is to present other people in the near location, and these people can swipe the other users according to their interest. If the two people have both swiped yes, there is a match and they can start to chat. The profile is created through Facebook and it shows if the other people have mutual friends or shared interests or likes. In the end of 2014 the app had been downloaded over 40 million times. (Brown 2016, cited 26.7.2016.)

Currently Tinder is on the first place of Lifestyle apps in the iOS app store of United States. The overall rank is 87th. (AppAnnie 2016a, cited 15.8.2016.) In the Android market of United States, Tinder is the second Lifestyle app, and on the 69th place on the applications (AppAnnie 2016b, cited 15.8.2016).

5.2 How Tinder got successful

The marketing of Tinder started by visiting university students and presenting the app. The app was first presented to female university students, and once they had downloaded the app and signed up, it was presented to male university students. Another approach was to organise launch parties, where the people could only get in by installing the app. (Hackett 2015, cited 26.7.2016.)

The challenges for Tinder to overcome were the social stigma of dating applications and the geographical concentration. Users of dating apps and websites are often not comfortable to talk about it in public as it can be seen as embarrassing to use one. (Hackett 2015, cited 11.8.2016.) Tinder overcame successfully these obstacles, since the app became socially acceptable, with media writing about the app, and with enough users, at least in bigger cities, the app has content to offer.
Tinder got the opportunity to launch abroad, after the successful growth in the United States. After the launch, the United Kingdom and Brazil markets became the largest, where the user base started to increase 2% per day. (Brown 2016, cited 15.8.2016.)

After the huge growth in the user base, Tinder started to listen to the feedback the users were giving; one of the features that was the most requested among the users was an undo button. This means that the user can undo the last no swipe. This function is visible to all the users, but to use it, the user needs to have a premium account. The premium account was launched in March 2015. It also offers Super Like and Passport functions. The passport function enables the user to see people from outside of their own location. (Crook 2014, cited 11.8.2016.) Super Like can be used for another person to notice the user better by showing that they are interested. The Super Liked person will see a star in the profile of the liker. (Tinder 2016, cited 11.8.2016.)

5.3 Using the case study in the marketing plan

One of the key factors of Tinder's success is the user experience. The user interface is simple and signing up is easy. The app presents one potential user with their profile, and to continue the user needs to swipe yes or no, which makes the app feel like a game. The next user is not visible until the previous one is swiped, therefore it creates an urge to continue swiping. When the user gets a match it is like winning in a game, and this might give some users an ego boost, and the urge to continue. (Brown 2016, cited 15.8.2016.)

By using the same kind of approach when creating a new application, the customers will probably be very likely to get excited of the application. The developed app should have a simple user experience as Tinder, simple but fun. The customers are not often willing to use complicated applications, because it is time consuming. For applications that are offering some kind of service the user experience is very important, because if using the app feels like playing a game, it will be more likely to be frequently used.

Often mobile applications are struggling to gain users, especially frequent users. Tinder approached the potentials users in a creative way, which lead to the fast increasing of users in the beginning. Therefore when launching an application, it would be beneficial to approach the
target group face to face. By doing this the potential users will understand immediately how the application works and in the optimal case they will download the app immediately.

Tinder also used the launch parties to create a community around their users. The user had to have the application downloaded in order to gain access to the parties. Since downloading an app is very easy, it does not require much from the users. This kind of approach works well on those people who want to test and try new things like applications.
6 MARKETING COMMUNICATIONS DEVELOPMENT PLAN

6.1 Target audience

The target audience for this application in this marketing communications plan is 18 to 55 years old males and females that are interested in finding a good bar or club to visit, and the bars and nightclubs. Since the target audience is big, especially globally, two groups are formed, and they are focused on this marketing plan.

The targeted users would be University students 18-28 years old, males and females, who are interested in finding the bars and clubs with several young people. They are also interested in offers that the bars and nightclubs are providing. The targeted bars and nightclubs would be those that want to get more visibility through the app, and buy ads or provide discounts for the users of the app.

6.2 Marketing communication plan

Since the commissioner is a startup company, there are not a lot of resources to use for the marketing communication. The plan is to provide an easy and inexpensive way to gain awareness through social media and other digital tools.

The plan will be divided to three different parts, prelaunch, launch, and after launch activities. This division is done because the activities differ depending on the situation of the app. Since the app is not yet released, there is a need for the prelaunch activities. The prelaunch activities are very important in order to gain awareness. If the consumers are aware of the app in the beginning already, it makes it easier to start the launch activities soon after. The launch plan includes the communication plan and testing. The communication plan defines what kind of channels and tools are used, for example Facebook to create customer engagement by organising competitions. The after launch activities focus on the feedback and developing the app according to customers’ needs, and to continue to keep the customers engaged to the app.
7 MARKETING COMMUNICATIONS PLAN

The marketing plan is a strategy that helps the company to reach their marketing goals. The marketing plan is usually divided in five major parts: market analysis, target customers, marketing goals, action plan and budget plan. (Entrepreneur 2016, cited 2.6.2016.) In the theory part, the market analysis is done and the target customers are defined. In the practical part the defining of goals and creating of the action plan is done. This marketing plan focuses on defining the marketing communications goals and creating an action plan for daily tasks and yearly goals. The marketing plan includes the potential partner businesses and the customers.

7.1 Prelaunch plan

The prelaunch plan includes creating awareness, getting bars and users to sign up, and getting a test group to give feedback about the app. The target group should be defined also, in order to create more specific advertisement or social media posts. For this app, the target group could be University students aged 18 to 28, both genders and interested in bars and clubbing.

It needs to be determined if the users need to sign up for the app. For the app developers it is useful to have the signed up users in order to collect information from them. The sign up process can be done with for example Facebook login, Google login or making own user database. Using at least two options would be better, since some users do not have a Facebook account or they do not want to use it.

Creating an interesting start page with a signing up or log in function is important, because it is the first thing that the user sees after downloading the application. Like in the figure 3, the Airbnb app’s start page is simple, it offers two ways to sign up, it shows the Terms that the user will have to agree in order to use the application, and a way to log in.
The app should be introduced to the bars and nightclubs in the early stage. They should be added to the app for the users to see which bars are in the area. Adding the bar should be free, but an advertising option could be added later on. This option could enable the bar to put an ad on the app when the user is close to the location. The ad could include a special offer or just information about the opening times, events and location. The ad function could be tested on the first location, where a few bars could put their ad for free for a certain time. After the free period an offer should be made to the bar about continuing the advertising.

7.1.1 Creating awareness

As mentioned in the AIDAS model, creating awareness is important to make the customers know the product. Before the application is launched, the users should get information of the app. The pre-launch activities can include creating a website, creating Social Media channels and sending newsletters by email. The website can be a landing page, where there can be the launching date of the app, and form to subscribe to a newsletter. (Dholakiya 2015, cited 31.5.2016.)

Social media pages should be created, where there is the basic information about the company or app, the logo of the app and a description of the product. All the social media pages should have a similar look with the logo as profile picture, and the main colour of the page or images. The cover photo can be bigger, there the product or its functions can be displayed.
Creating awareness by word of mouth is a cheap way. In the case study Tinder gained a lot of users by just spreading the word in universities and by organising launch parties. This can be done also by giving out brochures to the bars and the potential users or by having a stand at a university for example. The brochure could be a small paper slip A5 or A6 paper size with the company logo, name, website, little bit of information about the app or a slogan sentence, and possibly a QR code that takes the users to the landing page. At the stand a person from the company would explain how the app is working and letting the people to try the app.

At some point, the company will need a website, but using a lot of resources for it is not necessary in the beginning. The company can first create only a landing page, which will present useful information about the product of the company, or it will have a signing up page for the membership or newsletter. See appendix 2 for examples of landing pages.

### 7.1.2 App store optimisation and search engine optimisation

App store optimisation, ASO, is a process to get a better placement for the app in the app store. The apps ranked higher are more likely to get downloads. It is important to know the target customers in order to use the right keywords, those ones that the target customers are using. Keywords and titles are the main factors that affect the easiness of finding the app. If the title is using common words, it often gets lost with the other apps. Ratings and number of downloads also affect the ASO, but these cannot be easily controlled. (Ganguly 2016, cited 16.8.2016.)

The keywords, description and titles should be carefully thought about, because they are the factors that make the user find the app easier. The titles should be describing the app with few words, for example, “Where to party” or “where to go”, instead of using just the app name. The description should include the keywords and a simple description of the app, how it is used and what to use it for.

Search engine optimisation, SEO, is similar to ASO, but in the search engines. If the result appears high on the result list, the SEO is working. The keywords play an important role in SEO also. If the company has a website, landing page or even just a Facebook page, the descriptions and text in the pages should have the keywords. Google AdWords is an useful tool to start with finding the right keywords (Google 2016, cited 25.8.2016).
Screenshots of the app are very important to include, with pictures how does the app look like when in use, or it can have introduction pictures of the app. In this space also a video can be included.

7.2 Launch plan

The launch should be done in one location first, where all the information of the bars and clubs will be added to the app. After a month, if the launch was successful, another location could be considered. If the launch was not very successful, some improvements should be made before entering in other locations.

Launch parties, like in Tinder case, could be used to gain attention of the potential users. To attend the event, the guest should have registered or downloaded the app, or they would be encouraged to try the app. The launch parties let the user to get to know who are behind the app, and if they have some questions or feedback, they can give it straight away.

After the launch in one or several locations and getting the feedback, A/B testing should be done. If somebody in the feedback suggests an improvement in a function or appearance, a test group should be selected. The first time the improvement is not done, and on the second time it is done. After both times feedback should be collected and then to see which one was more liked by the test group.

7.2.1 Test group

A group of people, for example university students could be asked to download the app and test it. Similar like in the case study of Tinder, the testing was started by presenting the app to students of one university. After testing the app they can give feedback what they thought needed more implementing and if they were interested to use this in the future. The test group could get some discounts or prizes for their feedback. For example in the case study of Tinder, the application was presented first to sororities and after to fraternities. The same kind of approach could be used, by asking females to sign up and use the app in a bar or a club, and show the app to males.
The first test group could be a group of 15 to 20 people, aged 18-25, both genders equally and possibly university students. They would be asked to download the application, to see if all or most of the bars in the area are included in the application. See Appendix 1 for an example of a feedback form.

Depending on the results of the feedback form, another test group can be formed. If the first test group was missing something from the app, for example a functionality, this should be added and then taking another similar test group.

7.2.2 Action plan and a year clock

The action plan covers the daily tasks that should be done, which are e.g. answering to comments and questions of users. The year clock includes a plan for the year, with prelaunch, launch and after launch activities. These can be found in appendix 3.

The main goals of the action plan is to gain awareness and to create customer engagement. These goals are approached by creating social media and communication tasks. With these tasks there is also some tasks that are supporting the development of the application.

7.2.3 Communications

Creating a content calendar for Social Media posts is a useful way to plan content beforehand. This way the Social Media pages stay active with fresh content frequently. See figure 4 for example. The content calendar should include all the Social Media pages that are created. The social media channels can be operated through a social media management tool, e.g. Hootsuite. By using Hootsuite the posts can be scheduled to post on a certain day and time. The social media channels can be linked to the profile, where it is easy to manage all the channels from one space. Hootsuite also allows tracking certain words, if these are mentioned in e.g. Twitter, it will appear on the dashboard.

After some time of activity in the Social Media pages, it is useful to check for example the Facebook page metrics. There the page owner can see what kind of posts get the most activity, such as reactions, comments and shares, and which time is the best to reach most people.
Hootsuite also offers simple analytics on the Social Media page activities, for example it shows how many new followers the channel got each day.

Bit.ly is a useful tool to create shortened links. The service also offers statistics e.g. how many times the link was clicked. These links can be used for example to campaign pages, because the statistics will tell if the link is attractive or not. (Bitly 2016, cite 15.8.2016.) Some users prefer not to click on shortened links, because they might lead to harmful pages, therefore they should be used with caution.

The content should not be all the time about the company or the product. The social media pages should have e.g. industry related news or some interesting tips. The posts should have some kind of value, for example giving the tips where to party. The posts that have an image usually get more attention than posts that do not have one. The images should be high quality and somehow connected to the post. It is also useful to include a link to the web page.

<table>
<thead>
<tr>
<th>Social Media content calendar</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Facebook</strong></td>
</tr>
<tr>
<td>Monday</td>
</tr>
<tr>
<td>Sign up today and</td>
</tr>
<tr>
<td>Text for the post get a free coupon!</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Twitter</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sign up today and</td>
</tr>
<tr>
<td>get a free</td>
</tr>
<tr>
<td>Text for the post #coupon!</td>
</tr>
</tbody>
</table>

**FIGURE 4. Example of a Social Media content calendar**

Facebook: New posts 5 times a week is an appropriate amount to start with. In the beginning it can be less, if there is no new or interesting content to publish. More than one post per day makes the users annoyed and unfollow the page.
Twitter: Tweets can be published several times a day, e.g. 2 to 5 tweets a day. Using hashtags, keywords with # in the beginning, is practical, but only one or two hashtags per tweet. The users can find related tweets by searching with the hashtags, which gives more visibility to the tweet.

Instagram: The Instagram account can be created later when the app is launched in several locations. The post frequency could be around 3 or 4 posts per week. The posts could include pictures of the local bars and clubs, screenshots of the app or pictures of people using the app.

Google+: Google+ is not as popular as the other Social Media channels, therefore the same posts as in Facebook can be published to the page.

Snapchat: Snapchat can be created when the application is launched. The content in Snapchat should be about the company and about the use of the application. Making snaps about visiting an event or in a stand e.g. in the university could be interesting for the followers.

YouTube: If a YouTube channel is created, it can first have an introduction video of the application and how it is used. This video can be linked to the other social media pages. Later on, a video with a partner, e.g. a blogger could be made about the use of the app.

Google Analytics: Google Analytics should be set up right away when the webpage is published. Weekly or monthly reports should be made in order to see the progress. If the webpage does not get enough visitors, then some changes should be made. With Google Analytics the reports can be seen easily, with e.g. the location of the visitor.

Email newsletter: The landing or the home page should have a subscription for the newsletter. The first newsletter should be sent a bit before the launch to inform the subscribers about the launch. After the launch, the newsletter could include a link to a feedback form, where the users could tell their opinions about the app.

Google AdWords and AdSense: AdWords and AdSense could be used later on, because AdWords campaigns are expensive for startup companies. The campaigns are not profitable without specific keywords, because often bigger companies can outbid smaller companies. AdSense can be used when the website or the app gets more users, because with small user amounts, it is unlikely to create revenue.
7.3 After launch plan

After the launch it is important to know if the users are satisfied with the application. By asking them to give feedback, it helps the developers to make changes that the users want. It is important to keep the social media active also after the launch in order to keep the users interested.

7.3.1 Feedback

A feedback form could be displayed in the app and in the email newsletter to gain some feedback from the users. The users can be motivated by giving out a prize for filling the feedback form. It is important to listen to the users’ feedback as seen in the case study of Tinder. The users were missing a functionality from the app, which they offered later on. Although most of the new functionalities are available only to the premium users, they still provided the functions that the users were missing.

During the first year there should be two feedback sessions, first with the test group and a second one before launching the app to another location. By doing this it provides the developer crucial information about the needs of the users. If the feedback after the second time got better, then the launch can be done easily to the new location.

7.3.2 Co-operation

A co-operation plan could be made with a blogger, who could write posts to promote the app. A new blogger, or a blogger with not too big audience, is easier and cheaper to acquire. The blogger should be contacted through email, where the company presents itself and the app, stating why this app should be reviewed and why this blogger would be a suitable person to do it. (Chapman 2016, cited 16.8.2016.)

The blogger should be writing about similar topics, for example newly launched apps or bar related apps. By getting to know the blogger a bit better makes it easier to explain why they would
be the best person to write about the app. To create the co-operation with the blogger, something should be offered in return. This can be for example a discount code, or sponsoring a contest on the bloggers page. (Chapman 2016, cited 16.8.2016.)
8 CONCLUSIONS

As the application market is growing constantly, putting effort and resources to the marketing of the app is important. It is important to set the goals and target customers in order to know which direction to take. In this marketing plan the goals are mainly to create Social Media accounts, gaining followers and creating posts and competitions to the channels.

The marketing plan was divided to three parts: prelaunch, launch and after launch activities. These different phases have different methods to reach the desired goals. The prelaunch activities are focusing on gaining awareness, so that when the launch happens, there is already consumers interested in this application. The launch activities are focusing on the customer engagement. This is an important part since the customers will lose interest towards the company and the product if for example the social media page is not active. The after launch activities focus on analysing if the app has reached the goals and the activity of the users. It also focuses on the development of the app by gathering feedback from the users.

The main focus of the marketing communication was gaining awareness and creating customer engagement through social media marketing. Creating social media accounts is not time consuming, but keeping several social media accounts uses a lot of resources. This affects especially startup companies, since often there are only a few people working on specific areas. Creating a plan how to manage the several accounts is time wise, especially if a social media management tool like Hootsuite is used. The content of the posts should not be only about the company or their product, but also it should provide some kind of new information, like industry related news articles, that will interest the followers.

As the application is in the developing phase, there is no specific guidelines how the company should start their marketing communications. The marketing plan is giving some ideas and directions which can be followed or modified according to the company’s needs.
9 DISCUSSION

The purpose of this thesis was to study marketing and especially applications marketing, and to create a helpful marketing plan for a startup company. The methods used in this thesis were desktop study and benchmarking. The benchmarking was a case study of a successful app, in this case Tinder. The case study helped to find a new approach to the applications marketing, since the marketing communications was done in a creative way, such as organising launch parties.

The main result of the study was a clear understanding of marketing tools, marketing methods and innovative strategies, which could be used in a practical way to create a marketing plan. The task was challenging, because the app does not have any direct competitors to compare the app with, and also because the app is still in developing phase. If the app already was launched or developed, it would have been easier to create a more specific marketing plan.

For the startup company, cheap and free methods are recommended, because often there is not much money to spend for marketing. In the beginning using Social Media marketing and email marketing would be the best way to start. Competitions in Social Media do not require a lot of resources, sometimes the prizes can be acquired from other companies for free. Using paid advertisements is not useful yet in the starting phase, but when the app has launched some form of paid ads could be considered.

The content in social media should be encouraging the users to like, share, comment the posts. Competitions are an efficient way to reach more people, since often competitions are asking the people to like or comment a post. The competitions and posts can also be related to themes and holidays, for example to Halloween or New Year’s.

The different tools e.g. Facebook or MailChimp provide different kind of approach ways to contact the customers. Facebook and Twitter are more conversational and there the company can interact with the customers. MailChimp is more to provide information of e.g. new updates. The most optimal channel for each kind of interaction should be discussed within the company.
In the future the startup company could make a market research on how the marketing campaign work did and did it meet the goals. The company needs to determine the goals for the campaign by themselves, by for example stating that they will want to gain 1,000 followers during the launch activities. This kind of goals will motivate to work on the marketing campaign, and if the goals are not met, it means that the marketing campaign is not working.
10 REFERENCES


Google Play. 2016a. Cited 10.5.2016,


Hackett, B. 2015. TINDER'S FIRST YEAR USER GROWTH STRATEGY. Cited 26.7.2016,
https://parantap.com/tinders-first-year-growth-strategy/


Helmrich, B. 2016b. Instagram for Business: Everything You Need to Know. Cited 6.6.2016,


http://tech.co/6-app-monetization-models-make-money-2015-08

Kimura, H. 2016. How to get started with Google Play beta testing. Cited 15.8.2016,
http://www.apptamin.com/blog/google-play-beta-testing/


Test group feedback form

Please answer this form so we can improve our services. Thank you!

Background information

1. Gender
   Mark only one oval.
   - Male
   - Female
   - Other

2. Age
   Mark only one oval.
   - 18-21
   - 22-25
   - Over 25

3. Occupation
   Mark only one oval.
   - Student
   - Working
   - Other

Questions about the app

4. Were there any bars or nightclubs missing from the app? If so which ones?

5. Was the app easy to use?

6. Were there any problems occurring while using the app?

7. Are you interested in using this app in the future? If no, why?

8. Would you recommend this app to your friends?

9. Any suggestions or comments?

FIGURE 5. Test group feedback form example

FIGURE 7. Landing page example (Sugar 2016, cited 15.8.2016)
YEAR CLOCK AND COMMUNICATIONS PLAN

**January:** Prelaunch activities: creating awareness

**February:** Setting up Social Media pages

**March:** Signing up bars and clubs, finding beta testers

**April:** Active social media presence, creating customer engagement, creating a YouTube video

**May:** Launch activities, launching in first location, getting a test group and their feedback

**June:** Launching in other locations, social media competitions

**July:** After launch: collecting feedback and report on social media activity

**August:** Reporting and starting university campaign

**September:** University campaign and preparing for holiday themed posts

**October:** Engaging customers through social media competitions, planning on holiday themed posts

**November:** Creating an action plan for the next year

**December:** Holiday themed SoMe competition, defining goals for next year

Year clock
Prelaunch activities:
- Doing a survey for customers, bars and clubs if they are interested in the app
- Creating social media accounts (Facebook, Twitter etc.) and linking them to a management tool like Hootsuite
- Revealing sneak peeks about the product and what is coming on the social media channels
- Creating a landing page & website for the app
- Signing up bars and clubs for the app
- Finding beta testers and/or a test group to test the app
- Recruiting an intern to work on the social media presence
- ASO, SEO and finding the keywords

Launch activities:
- Launching the app in one location first
- Getting feedback from test group or beta testers
- Being active on social media and creating customer engagement
- Launching the app in other locations, after small changes according to the feedback
- Putting ads and offers in the app from bars and clubs that paid for the service
- Creating social media competition

After launch activities:
- Getting a cooperation with a blogger to make a sponsored blog post
- Creating weekly/monthly reports on signed up users, app downloads and social media activities
- Planning and implementing university campaign, holiday themed posts and competitions
- Creating an action plan for next year with defined goals

Daily tasks:
- Logging in to all social media channels, or logging in to a management tool e.g. Hootsuite
- Answering messages, comments and questions
- Reading the news and newsfeed, and sharing interesting articles or posts
- Checking app store reviews and answering them
- Checking that the information is up to date
- Gaining followers