# Customer experience, cost, and communication: here's what you need to look out for if you're considering unbundling your self care app.



Written by Alistair Woodward,
22nd July 2015

There's a new trend in the global app marketplace. It's called unbundling. It's changing the dynamics of mobile app creation and use. And it's something you need to think very carefully about, especially if you operate a self care app.

Picture this. You're hosting a dinner party. You've invited your guests. You've picked a menu that will impress. All that's left is to choose the right wine. You want something will complement your food, something that your guests will enjoy, and something that everyone will find interesting.

So, you head to a supermarket. Once there, you spend a few minutes walking past the clothing department, the electricals, the freezer department, the fresh produce, and the bakery, as you look for the wine. You then browse through hundreds of bottles, reading every label in the hope that you discover something special. Eventually, you give in and look for a member of staff (who probably knows a little less than you) to ask for a recommendation.

In a different reality, you might head to a specialist wine store. There, you immediately describe what you're after to someone who's knowledgeable and efficient. And you walk out just seconds later with the perfect wine for your food, your guests, and your party.

In terms of customer experience, the difference is enormous: small physical stores almost always have the upper hand over larger department stores when shoppers have just one specific thing they need to buy.

But what's really exciting is that this trend is quickly becoming apparent in the world of mobile apps too, with multiple smaller, single-purpose apps rapidly replacing the 'do-everything' apps that major brands have built their reputations on.

And it's an enormously powerful shift, especially in the self care sector, where app users often open an app because they have just one specific task they need to carry out.

## What is unbundling?

Put simply, unbundling, in the context of mobile, means breaking down large, feature-rich apps into smaller standalone apps that focus on doing just one thing - and doing it well.

For example, right now a mobile telecoms provider might have a single, large app that allows customers to browse its online store, find out about new and upcoming handsets, view and change tariffs, upgrade a current handset, locate a physical store, change roaming settings, view text or data allowances, view previous bills, and top up PAYG handsets.

Phew. That sounds impressive on paper, but what if all a customer wanted to do was quickly top up their phone? They'd need to wait for a large app to load and maybe sync with a remote server. They'd likely need to navigate through a number of on-screen menus. And all the time they'd be wondering why they needed to go through unnecessary security and information unrelated to what they wanted to do.

### The big unbundlers - who's doing it?

- **Facebook** - split their messaging feature into its own, separate app
- **Google** - moved Docs, Sheets and Slides away from their main Drive app
- **Foursquare** - launched Swarm as a standalone app rather than develop it as a feature of their main app
- **Instagram** - created Hyperlapse and Layout as separate, standalone apps
- **Twitter** - left their main app alone to launch Vine and Periscope as separate apps

Conversely, if that one feature was unbundled from the main app into its own standalone 'top up' app with no long menus, fewer screens and no unnecessary feature clutter, it's clear that the process would be much faster, much simpler, and much more streamlined from the customer's point of view.

With the right thinking and resources behind it, unbundling can be the difference between navigating an entire supermarket for that one bottle of dinner party wine or buying it in just a few seconds from a specialist store.

So, who's unbundling? You can get a good overview of who's jumping on this strategy by checking out the leading app stores for brands that have more than one app. For example, Facebook recently split its messenger function into a standalone app. Google did the same with its Docs, Sheets and Slides apps. Instagram, Foursquare and Twitter have also recently launched similarly unbundled apps.

The list is growing - in fact, you probably already have unbundled apps on your own smartphone without even realising it.

But what's important to note is that the direction these larger brands are taking is now forcing the self care sector to think hard about their own mobile strategies. In other words, is it possible to ditch the concept of a single 'do everything' app, and move towards a suite of apps that are targeted towards specific user journeys?

And more importantly, should you? Maybe, maybe not. Unbundling has its advantages, but it also has its disadvantages. How each of those affects a mobile strategy will vary from business to business, which is why we've put together this guide to the three big issues you need to consider - customer experience, cost, communications - when deciding whether to unbundle your self care features from your mobile app.

## Self care unbundling - the advantages

- Improved user experience for popular transactions
- Smaller apps mean faster download, installation, open and sync times
- Small self care operators can grow a suite of cheaper apps as and when customers demand them
- More apps means larger brand presence on users' mobile devices
- Larger presence in app stores

## Self care unbundling - the disadvantages

- Multiple apps mean potentially higher development and maintenance costs
- Multiple apps app require multiple marketing resources and budgets
- 'Content' is less sticky - users are in and out quickly
- Fewer cross-selling and service adoption opportunities than in single apps
- A Customer might need to download multiple apps

## 1 - Customer/user experience

Self care portals have been prevalent on the web for many years, presenting useful data and account management actions to customers for a number of services - from fixed line telephones to mobile, broadband and TV.

The natural evolution of the web then brought responsive design to the self care sector, allowing for portals to be scaled down and simplified so that they work on everything from desktop computers to tablets and smartphones.

And right now, we're at the next stage in that evolution - where mobile apps give us the opportunity to closely couple interactions and experiences to the devices that customers are extremely familiar with.

In fact, current data shows that users are spending upwards of 30 hours every month using mobile apps. But are we making the most of all of those interactions and experiences? And are we connecting with customers in the way that suits them - and us - best?

Our own experience tells us that self care app users interact with self care functions often and regularly, and it also tells us that those interactions are small and quick. They get in, they do what they need to do, and they get out again.

### Average Amount of time spent using apps per month

- Q4 2011 - 18 hours and 18 minutes
- Q4 2012 - 23 hours and 02 minutes
- Q4 2013 - 30 hours and 15 minutes

http://www.nielsen.com/us/en/insights/news/2014/smartphones-so-many-apps--so-much-time.html

The question we therefore need to ask is whether a large, feature-rich app is the best tool for them to do this? Should we really be asking them to load a large app and navigate past unnecessary content just so they can carry out these quick transactions? Or, is there a better way?

Maybe we can pinpoint the actions that users take most, and unbundle this functionality into standalone apps? Imagine an app that's solely used for topping up. Or a separate app for viewing bills? Or a further app for managing add-on services?

Would these smaller apps be faster to load? Easier to use? More streamlined?
More engaging? Less prone to issues?

In other words, would unbundling improve the customer experience? Or not?

## 2 - Cost

With nearly 4 million apps now available in the leading app stores, the world and his dog knows that developing, maintaining and marketing a single mobile app is expensive.

As for developing, maintaining and marketing a suite of unbundled mobile apps... well, it's easy to fudge the maths and convince yourself that 5 smaller apps will cost 5 times more than one single app. But before we get into that, let's look at what the majority of those costs are made up of.

One of the biggest issues in app development & maintenance is the ever-changing mobile device landscape. In 2014 alone, Samsung released 56 smartphone models. LG released 41, HTC 27, Motorola 11, and Apple 2. That's on top of the models released in 2013 and earlier - many of which are still being used by customers.

Amongst those handsets, there are different screen sizes, different physical features, different software versions, and thousands of different combinations of each of these. The result is that testing, validating, debugging and fixing just one existing app could become a monumental task in such a fragmented environment. Add in the development of new features designed to keep driving the customer experience forward and it's easy to see how costs can spiral and budgets become nothing more than moving targets.

### Number of apps in leading app stores

- Google Play - 1,500,000
- Apple App Store - 1,400,000
- Amazon App Store - 360,000
- Windows Phone Store - 340,000
- Blackberry World - 130,000
- Total as of May 2015 - 3,730,000

http://www.statista.com/statistics/276623/number-of-apps-available-in-leading-app-stores

With that in mind, a sensible approach is needed. That means developing useful self care apps that will have a long-term lifespan, rather than brand or campaign led apps with a defined end of life. What's more, today's processes, technologies and systems means that common components can be shared between suites of apps, which cuts development and maintenance time. And separate apps can also share a common backend or API which simplifies the overall software stack.

Ultimately, even though maintaining a suite of apps will generally be more expensive than maintaining just one (and this is often enough of a reason for smaller businesses to immediately discount unbundling), the additional benefits to users can often outweigh the additional costs.

And for smaller self care operators who don't yet have an app, taking an 'unbundling' approach from the very beginning could mean that they can quickly and cost-effectively enter the app market by developing a simple app with limited features first - rather than an all-singing, all-dancing app from day one.

## 3 - Communication

With an average of 42 apps on every smartphone and over half of all smartphone owners using at least one app each day, mobile apps offer customers a hugely personal experience.

Native apps are also so closely integrated with devices that they can often become part of a customer's lifestyle, with native widgets and notifications increasing engagement and encouraging ever-increasing levels of interaction - sometimes without the need to even open the app itself.

For some customers, it feels like they own the service, the data, and the entire relationship. And that's one of the most difficult issues to navigate when it comes to unbundling a self care app - and one of the aspects of a change in service that must be communicated very, very carefully.

Here's an example:

When Facebook first unbundled their messaging feature from their main app, almost 200,000 users reviewed the change on app stores. Over 70% of those reviewers gave the app a negative one star rating, with most saying they were extremely unhappy with the inconvenience - amongst other things.

### Average number of apps on smartphones

- The average smartphone downloader has around 42 apps on their device

- 87% claim they use less than 10 apps on a daily basis

- 55% say they use between one and four apps daily

- 32% report using between five and nine every day

http://www.nielsen.com/us/en/insights/news/2014/tech-or-treat-consumers-are-sweet-on-mobile-apps.html

For many businesses, that would have been a disaster. For Facebook, it was merely the beginning of something huge, because today over 600 million people use their messenger app and it's fast becoming a brand new platform for developers in the same way that Facebook itself transformed into a fully fledged platform.

And much of that success was down to the way the changes were communicated. Facebook won the support of developers and ultimately the support of their customers, which meant this unbundling project became an unmitigated success.

But not every business has the luxury of a powerful brand like Facebook behind it. Which is why the benefits of using an unbundled self care app rather than a feature-rich app must be communicated to users carefully, and in the right way.

Get the message wrong and you risk alienating - or even losing - them.

## To unbundle or not? It's actually more complicated than you think

So there we have it. The question of whether to unbundle a self care app or not is actually much more complicated to answer than you might think.

It could be the right strategy for some self care providers. And it could be a disaster for others.

But the bottom line is that as long as you consider the effects on customer experience, the short and long term costs, and the way you communicate your unbundling process, you'll eventually discover the right direction for your self care apps, your business, and ultimately your customers.

As for us, we're off to look for a quality Argentinian Malbec for tonight's steak. And no, we're not heading to a supermarket...