

5 things CMOs can learn from mobile-first app brands **Read more**

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*Part one in a week-long series about the impact of mobile-first app **brands**.*

The smartphone-based app economy is flourishing and bringing with it irrevocable change. Apps are empowering and enhancing the lives of modern consumers like never before.

Those leading the app economy are typically not traditional, established **brands** and businesses but a new wave of app start-ups, mobile-first start-ups that are significantly disrupting the status-quo across many different industry categories.

To thrive and survive in this new economy, it's crucial to recognise and understand the impact these mobile-first app businesses are having on the way people think and act and how **brands** need to respond.

In the first of a series of posts to be published this week, we look at the sharing economy. Emerging app-centred platforms are enabling individuals and micropreneurs to trade with each other like never before – leading to the rise in sharing & monetising spare spaces, capacity, resources, skills and services.

AirBnB enables home owners to rent their spare rooms to travellers and has grown into a \$25 billion business. **Bla Bla Car** enables drivers to share their seats on journeys while Just Park enables home owners to rent their empty driveways.

Driven by cost and convenience

A 2015 study by Vision Critical revealed that convenience (at 78%) and price (at 68%) are the two leading factors behind consumer preference for a sharing economy **brand**. Today, you can buy an item on **eBay**, book accommodation through **Airbnb** or order a cab with **Uber** at the push of a button and usually at a cheaper price.

Tapping into growing consumer sentiment to support the start-up

Sustainability and supporting local business are leading factors that emotionally connect

with consumers and influence a preference between **brands**. Shared economy platforms such as Etsy that push local, sustainable selling and **Bla Bla** Car that offers sustainable car sharing to reduce emissions are key examples.

Being self-regulated by and reviews

The practice of rating and reviewing both buyer and seller in the sharing economy is helping regulate quality and honesty. Sharing honest reviews, thoughts and recommendations post experience is common place and is another key factor in consumer preference for a shared economy **brand**.

Consumers will always look for positive reviews of a place on **Airbnb**, be influenced by an **Uber** Driver's star rating or even reject a product on **eBay** due to the customer rating.

Not restricted to Millennials

Millennials and Generation Z are not the only generations influenced by the sharing economy. Older demographics are also open to the idea. A June 2015 survey by Allianz found 60% of US millennials trusted the sharing economy in travel, compared with 37% of older travellers.

These statistics reveal that yes, Millennials are more involved but there is a large portion of older travellers also taking an interest.

As the sharing economy continues to develop, established, traditional **brands &** businesses should look at the opportunity of interconnecting their customers more closely via mobile channels for the benefit of **brand** advocacy, support, service.

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