

MEQUODA PRO LIVE

IPAD AND IPHONE APPS FOR PUBLISHERS

**Deciding the Mobile Application
Strategy That's Best for You**

BROUGHT TO YOU BY THE MEQUODA/SIPA ALLIANCE

Today's Host



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Today's Speakers



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Global Executive
Vice President & Chief Marketing Officer
Zinio



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2010 – The Year of the App

2010 is the year of the app

SOURCES: GARTNER AND CREDIT SUISSE

FASTCOMPANY.COM

2009 2010 2013

01

Total number of apps sold (in millions)

2.5

4.5

21.6

02

Total number of smartphones sold

176 M

223 M

1.5 B

03

Total number of apps per smartphone

14.2

20.1

14.4



04

Category of app user

App-rentice

Lord of the Apps

Recovering App-aholic

iPad Facts

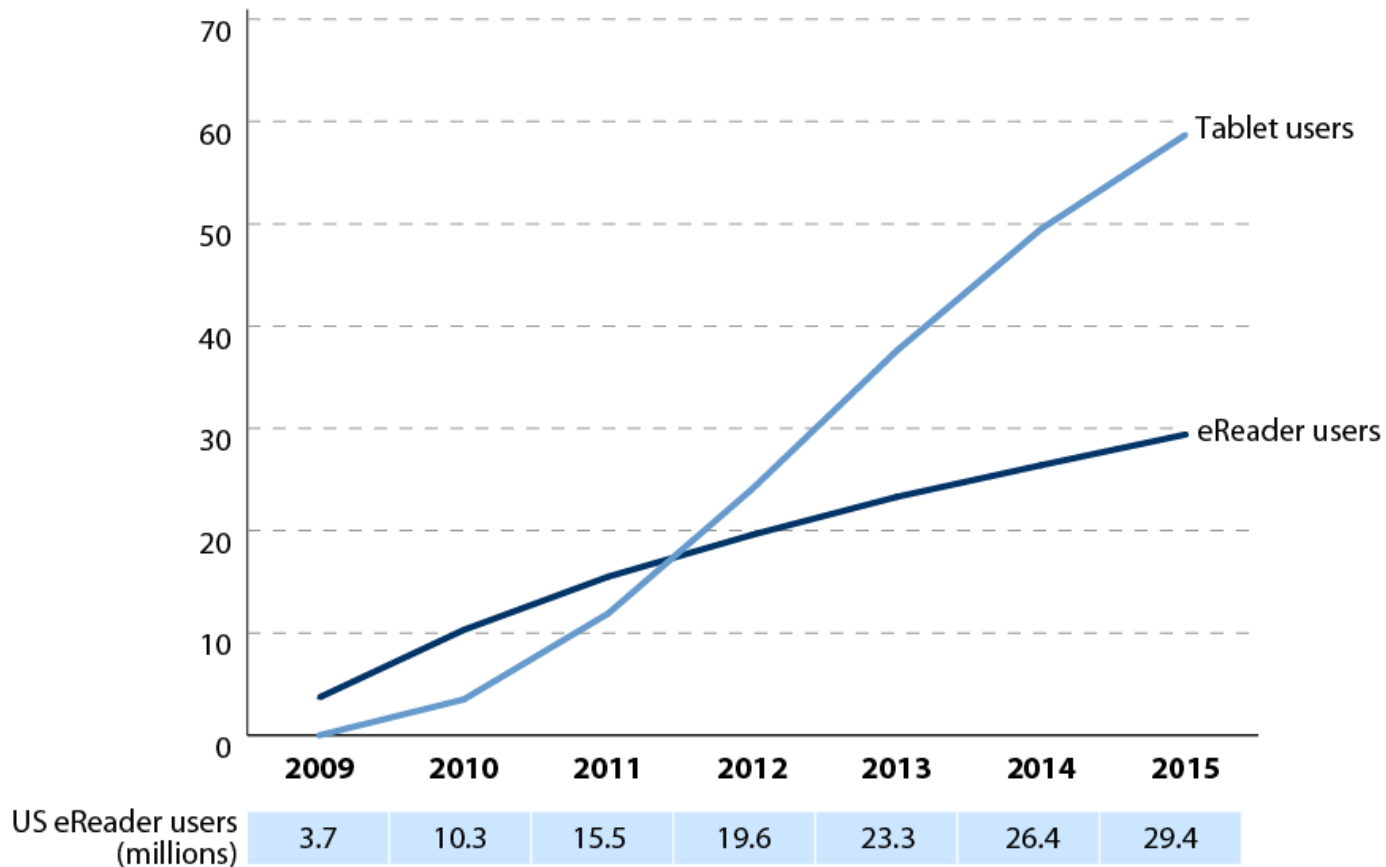
- 2 million iPads sold in first 60 days
- 12 million App downloads first 28 days
- 1.5 million ebooks first 28 days
- 5,000 unique iPad Apps
- 200,000 iPhone/iPod apps for the iPad

Forrester Predicts

FORRESTER®

July 2010 “How eReaders Will Fare In A Tablet PC World”
Forecast: US eReader Users, 2010 To 2015

Total US eReader and tablet PC users
(millions)

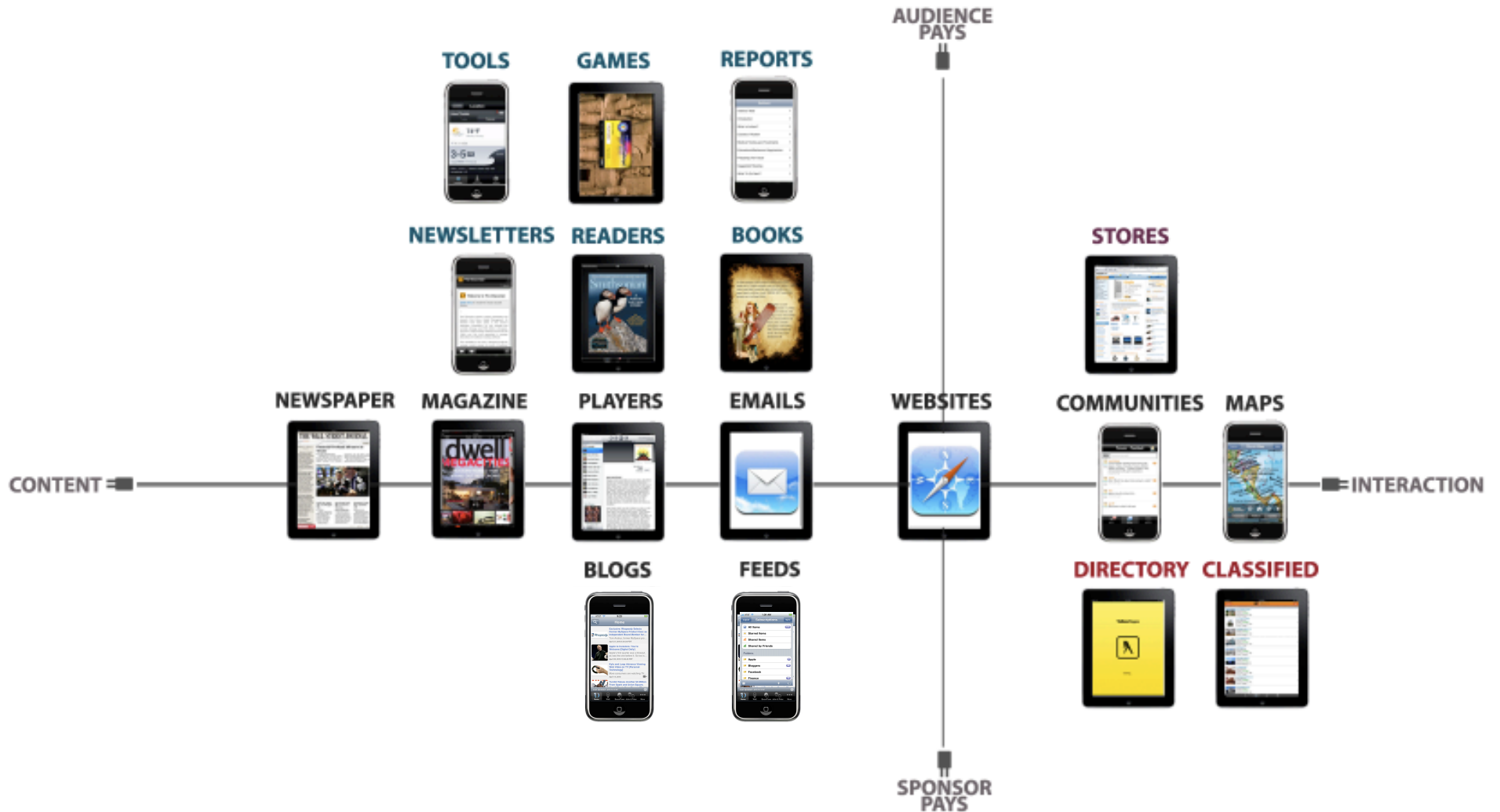


Source: Forrester Research eReader Forecast, 2010 To 2015 (US)

App Store Categories

- Books
- Business
- Education
- Entertainment
- Finance
- Games
- Healthcare + Fitness
- Lifestyle
- Medical
- Music
- Navigation
- News
- Photography
- Productivity
- Reference
- Social Networking
- Sports
- Travel
- Utilities
- Weather

App Archetypes



Stores: Amazon Mobile



Amazon Mobile

Cost: Free

Category: Lifestyle

Rating: 3.5/5

User Tasks:

- Search
- Browse
- Buy

Newspapers: Wall Street Journal



Wall Street Journal

Cost: Free

Browser Based Sub/Single

Issue Purchase

Category: News

Rating: 3.5/5

User Tasks:

- Subscribe
- Read
- View
- Interact (Watchlist)

Players: Pandora Radio



Pandora Radio

Cost: Free

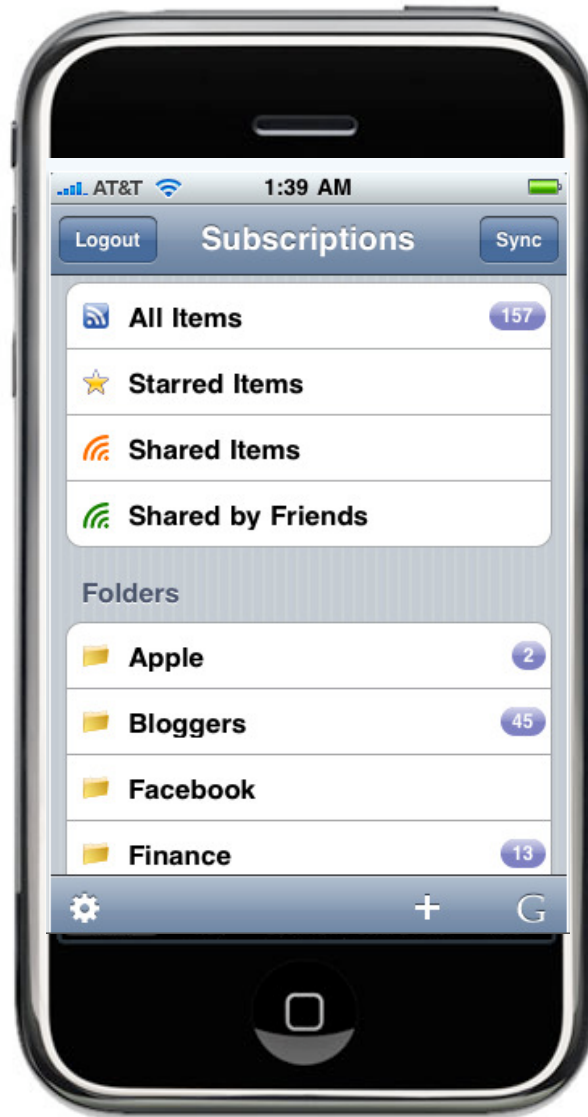
Category: Music

Rating: 3.5/5

User Tasks:

- Search
- Bookmark
- Listen
- Buy

Feed Reader: Feeddler RSS Reader



Feeddler RSS

Cost: Free

Category: Productivity

Rating: 3/5

User Tasks:

- Read
- Navigate
- Share
- Save

Books: Alice



Alice for the iPad

Cost: \$8.99

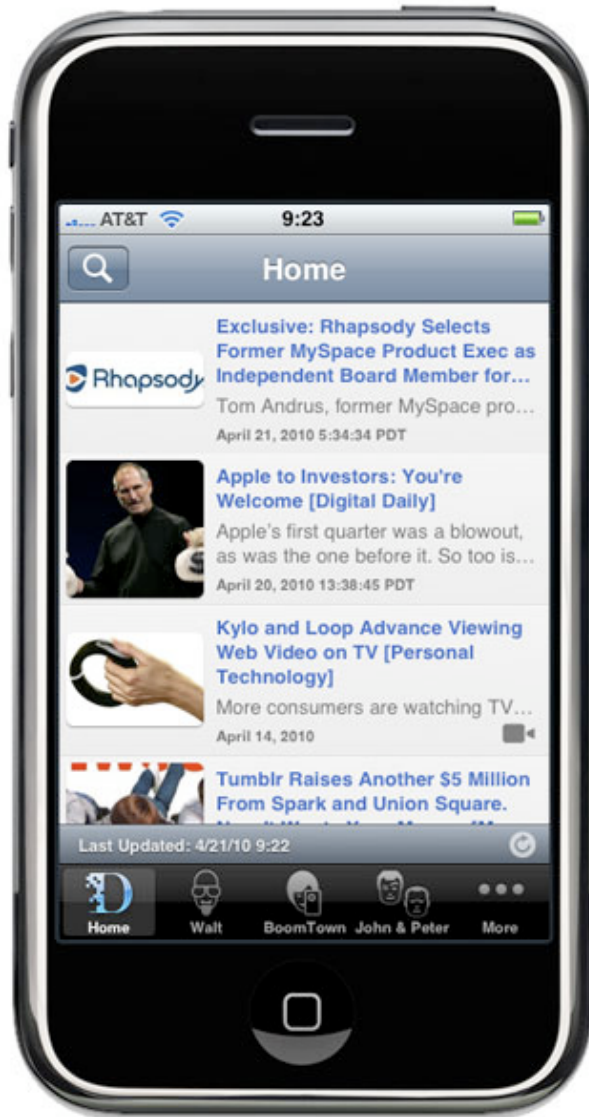
Category: Books

Rating: 4/5

User Tasks:

- Read
- View
- Interact

Blogs: All Things Digital



All Things Digital

Cost: Free

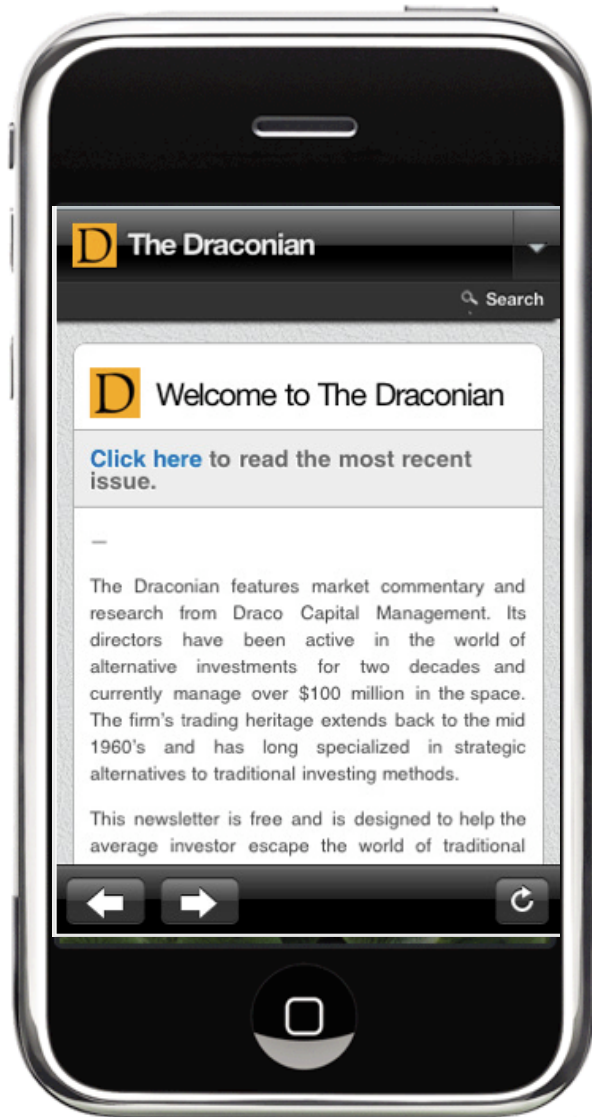
Category: News

Rating: 3/5

User Tasks:

- Read
- Share
- Customize

Newsletters: Draconian



Draconian Newsletter

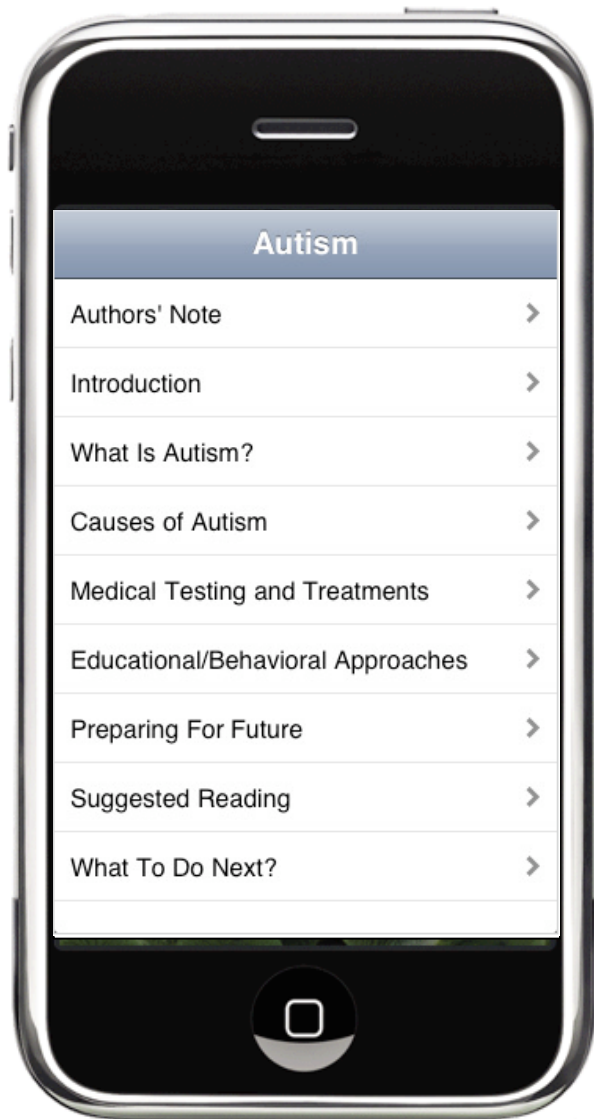
Cost: Free

Category: Finance

Rating: 4/5

User Tasks:
- Read

Reports: Autism: Advice For Parents



Autism: Advice for Parents (Autism Research Institute)

Cost: Free

Upgrade: \$0.99

Category: Education

Rating: 3/5

User Tasks (Free):

- Read

User Tasks (Paid):

- Watch videos
- Access newsletters

Magazines: Dwell



Dwell Magazine

Cost: \$3.99 issue/\$19.99

12-month subscription

In App Purchase

Category: News

Rating: 2/5

User Tasks:

- Subscribe
- Read
- Bookmark
- Search
- Share

Readers: Zinio



Zinio Newstand and Magazine Reader

Cost: Free (reader)

Browser Based Purchase

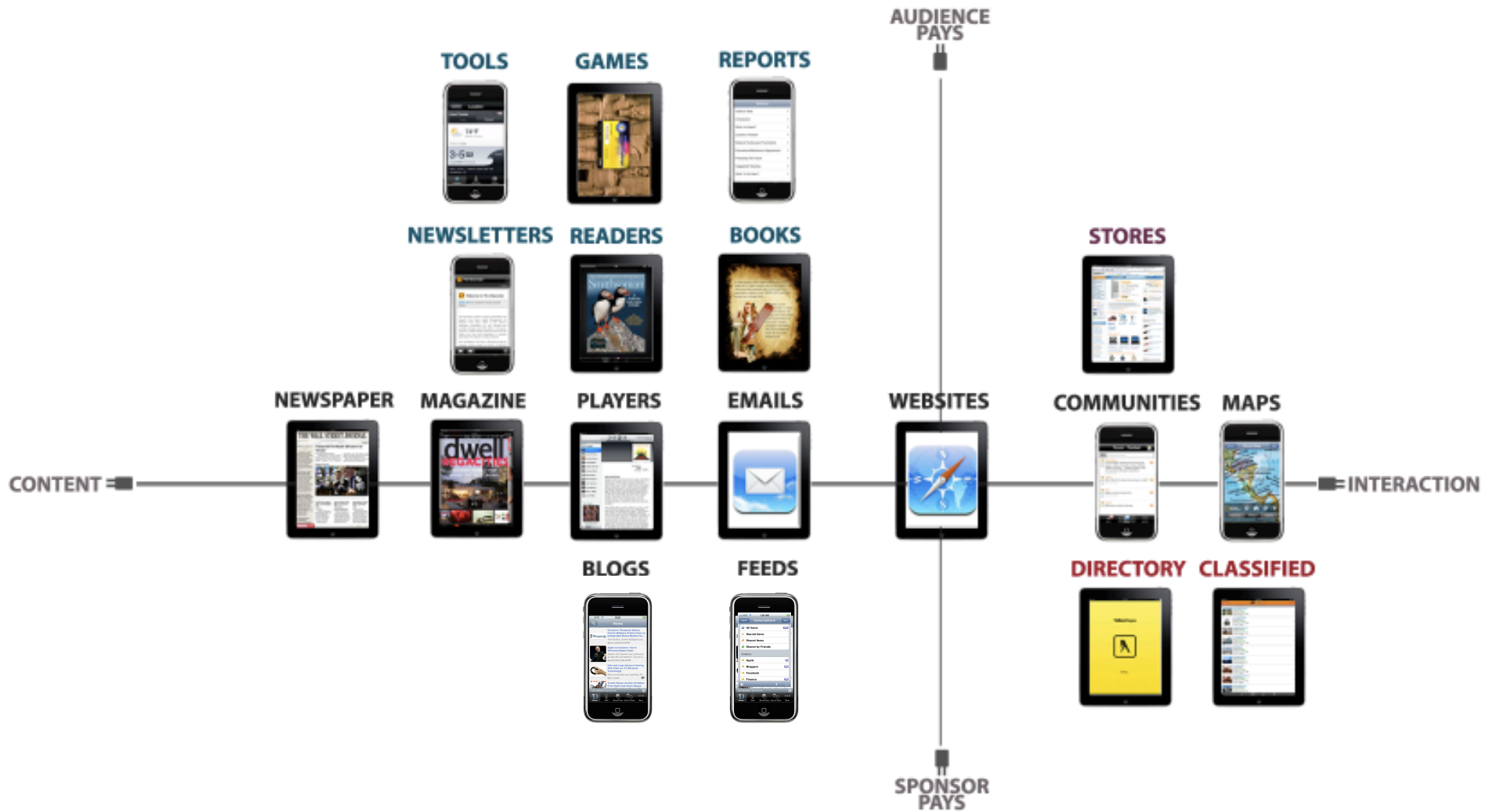
Category: News

Rating: 2.5/5

User Tasks:

- Subscribe/Buy
- Search/Browse
- Read/View
- Interact
- Store

App Archetypes



ZINIO



Jeannie Mullen
Global Executive
Vice President & Chief Marketing Officer
Zinio



zinio™

read what you like



An
APP-etite for
success

August 2010



Apps make your life more convenient



<http://zooppa.com/ads/zinio/videos/at-my-side>

Confidential Property of Zinio LLC

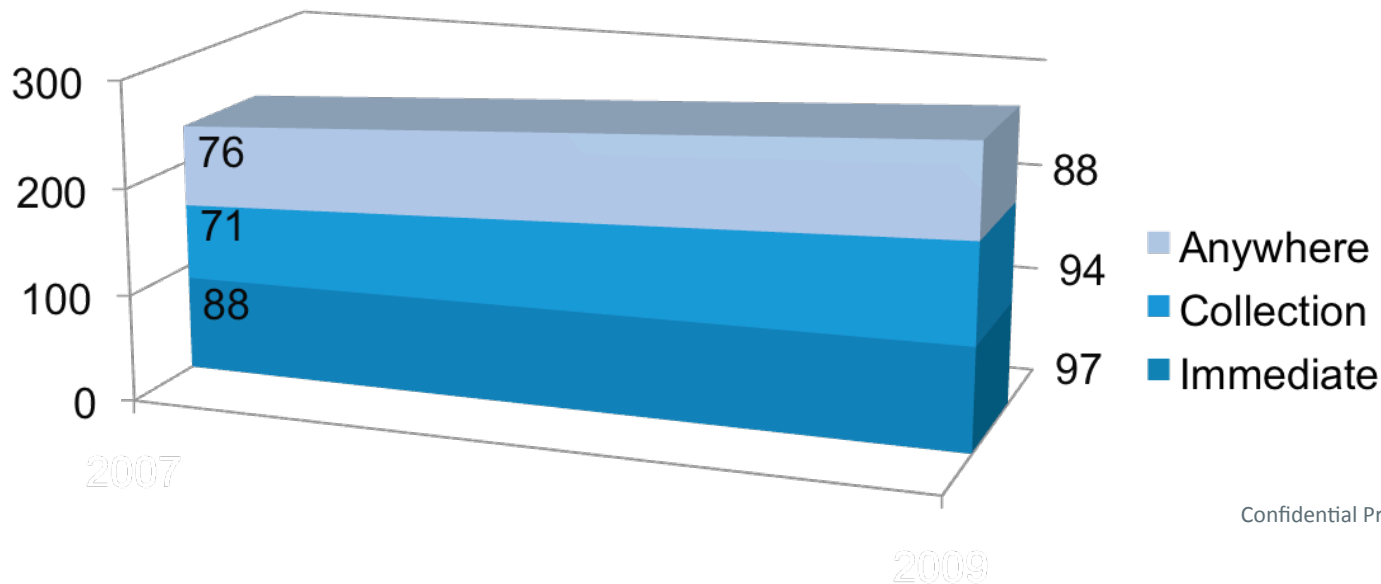




And Convenience Drives Commerce

When content and advertising is easier to access, people access it more frequently.
The consumers demand for immediate gratification is only increasing.

What Drives People to Buy Digital Content





Some Numbers to Consider

- After Guttenberg invented movable type it took more than 100 years for the number of users of print to reach 50 million.

On the contrary:

- It took **radio** 38 years to reach 50 million users.
- It took **television** 13 years to reach 50 million users.
- It took the **Internet** 4 years to reach 50 million users.
- It took the **iPod** 3 years to reach 50 million users.

But then:

- **Facebook** added 100 million users in less than 9 months.
- The number of Ashton Kutcher's and Ellen DeGeneres' **Twitter followers** exceeds the entire population of Ireland, Norway, and Panama.
- **iPhone** application downloads hit 1 billion in 9 months.



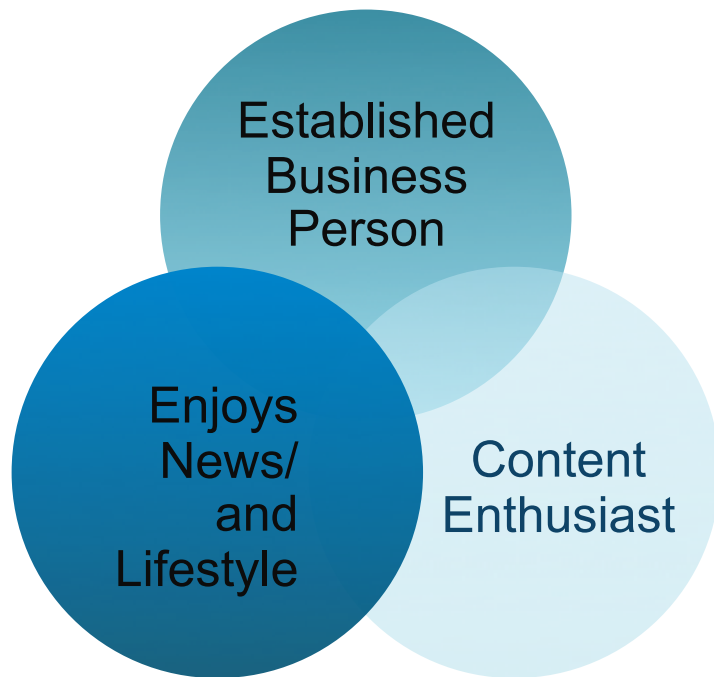


How To Build An Amazing App (in 5 Steps)





Step 1: Build For the Right Buyer



Demographics:

- 81% men
- 27% 18-35, **45% 36-55**, 29% 56+
- 80% college educated
- 14% presence of children
- **55% HHI \$75K +** (41% HHI 100K+)

Location:

- New York
- San Francisco
- Los Angeles
- London
- Chicago
- Miami
- Houston

Purchases:

- Lifestyle
- Tech
- General Interest
- News
- Photography
- Gossip





Consider This When You Build Your Strategy

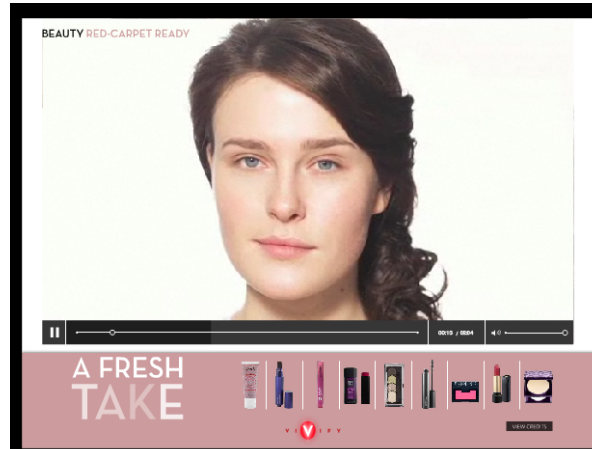
- From an est. 20 reading devices in market in 2011-2012
- 200MM Households will buy at least 6 pieces of digital content
- $200\text{MM} * \$10 * 6 = \12B of digital content
- This is 1/3rd of the current circ revenue for magazines today

What is your multi-device distribution strategy?



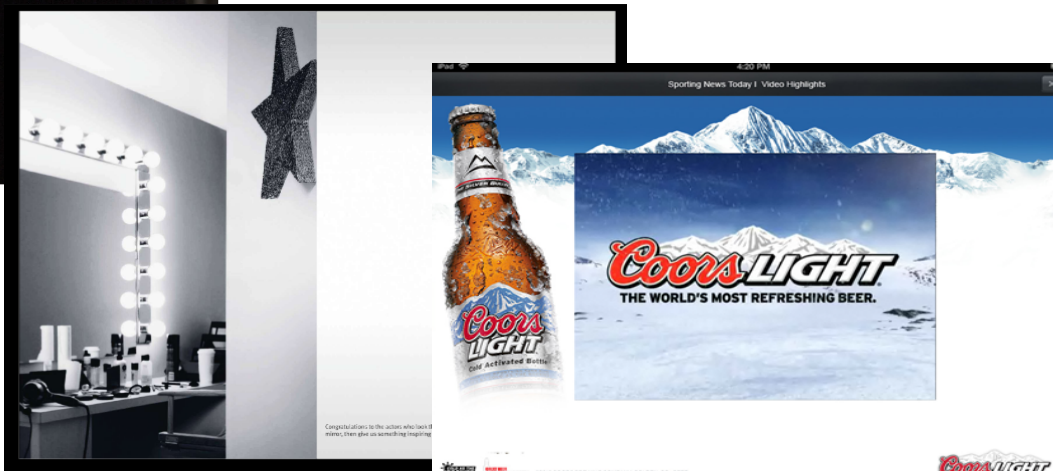


Step 2: Build For The Right Experience



Is your App:

- Ad Driven
- Consumer Funded
- A Utility App
- An Engagement App

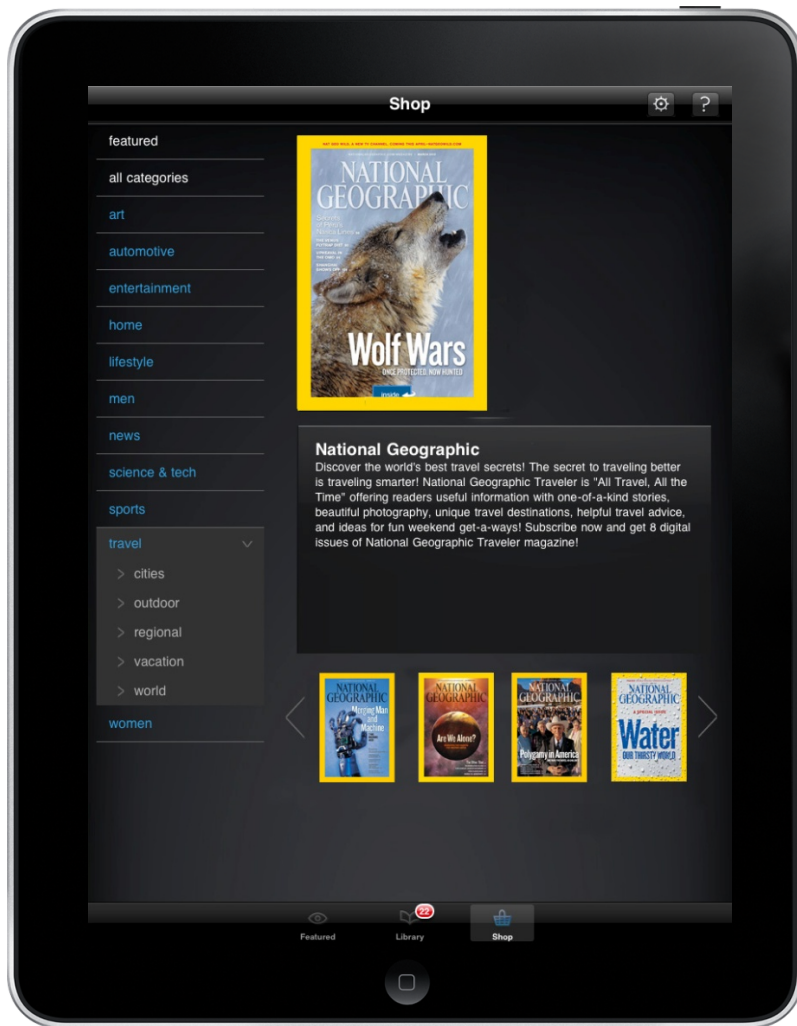


Property of Zinio LLC





Step 3: Defining the Best Home For Your App



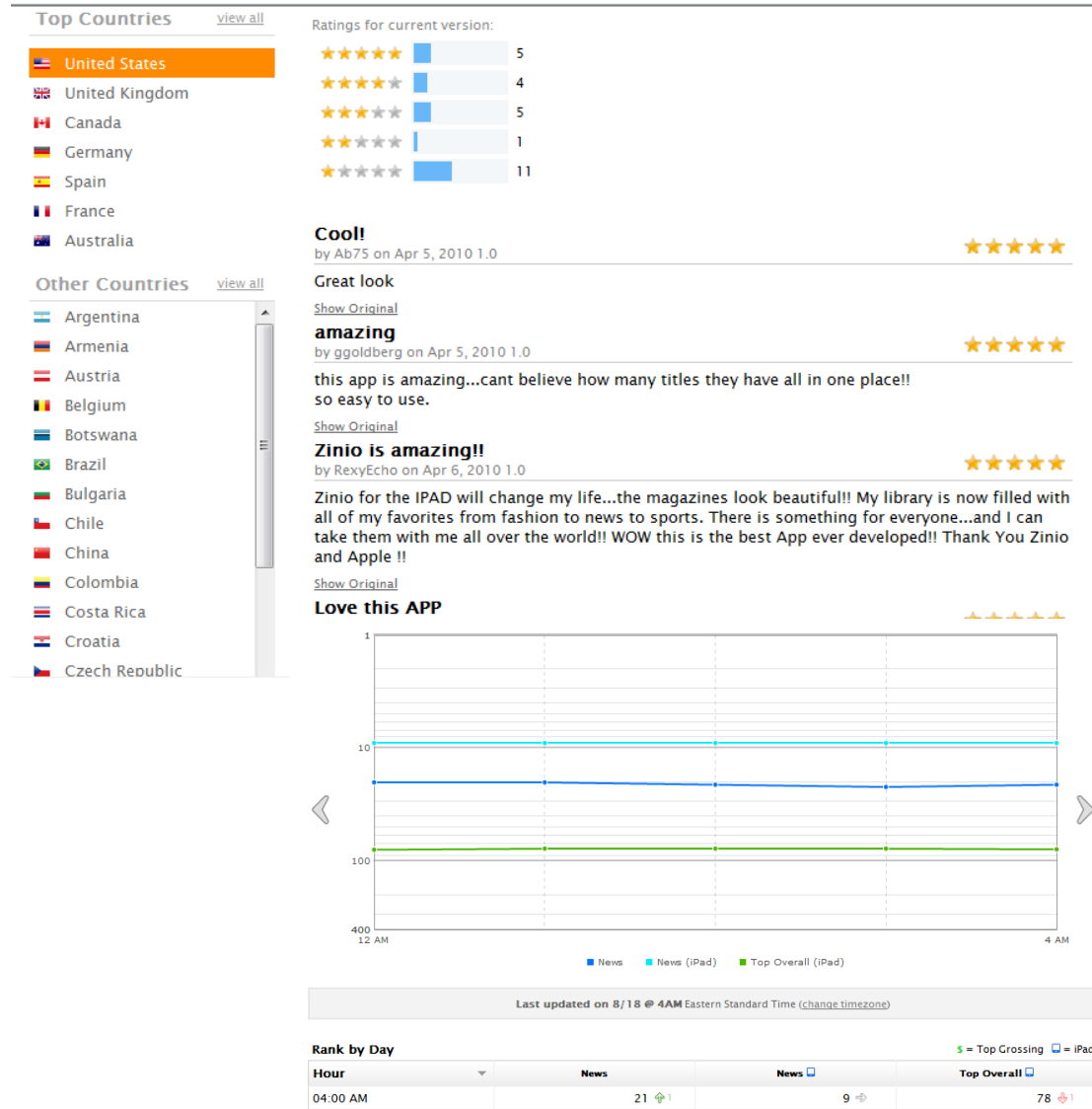
Current Apple Guidelines:

- Limit your iTunes search description to 100 characters
- Limit your placement into only 1 category on the app store
- Do not provide you with any consumer data
- Require 2 weeks to review and approve updates





Step 4: Learn How to “Manage” Your App



For general free apps:

- 95% of people do not access after the first month

- Close to 60% in some categories are deleted to make space

For Zinio’s app:

- Over 33% buy when they download!

- Subscriptions keep app retention at close to 100%





Step 5: Update Your App Intelligently

- Over 60% of people will update their version of the app when prompted
- Anyone who deletes an app on iTunes is asked to rate it upon deletion (free apps tend to have a lower overall ranking than paid)
- Your app ranking could be based, in part, on when your competing apps update content or features
- Try other peoples apps to increase your knowledge (zinio.com/ipad, zinio.com/iphone)
- The key to success is defining what target audience, device and approach will reach your business goals.



READING REVOLUTIONIZED



Q & A



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Jeannie Mullen
Global Executive
Vice President & Chief Marketing Officer
Zinio



Amanda MacArthur
Social Media Trainer
Mequoda Group
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Additional Resources

Mequoda Daily articles:

<http://www.mequoda.com/articles/content-marketing/pixelmags-shows-the-importance-and-potential-behind-apps/>

<http://www.mequoda.com/articles/new-media-trends/digital-newsletter-readership-changes-2000-to-2010/>

<http://www.mequoda.com/articles/new-media-trends/ipad-mania-roundup/>

<http://www.mequoda.com/articles/new-media-trends/why-the-apple-ipad-will-be-a-huge-success/>

Free White Paper: Kindle Publishing Competition Heats Up

<http://www.mequoda.com/free-reports/kindle-publishing-competition-heats-up/>

Mequoda Pro Webinar On-Demand: Kindle for Publishers

<http://www.mequoda.com/mequoda-pro/member/mequoda-pro-courses/kindle-for-publisher/>

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