

**UNIVERSITÀ COMMERCIALE LUIGI BOCCONI**

**FACOLTÀ DI ECONOMIA**

**CORSO DI LAUREA IN ECONOMIA AZIENDALE E MANAGEMENT**



# The Case Of **Brand**Memo

An innovation in the App market

Relatore

**Prof.ssa Anna Uslenghi**

Tesi di Laurea di

**Dario Guido Bonetti**

Matricola n. 1532563



*To all the members of the BrandMemo Team.*



# INDEX

- **INTRODUCTION**

- 1. SCENARIOS**

- 1.1 The Brands World**

- 1.1.1 Of Humans and Brands: a love story

- 1.1.2 The Consumer Ranking Habits

- 1.2 The Apps World**

- 1.2.1 The Apps Market: Opportunities & Threats

- 1.2.2 BrandMemo: Strengths & Weaknesses

- 1.2.3 Risk Management

- 2. THE BRANDMEMO SOLUTION**

- 2.1 The App**

- 2.1.1 Presentation

- 2.1.2 Interface Map

- 2.1.3 Contents: Markets, Brands, Friends

- 2.1.4 Top Brands Rationale

- 2.1.5 Functions: Database, Ranking, Sharing

- 2.1.6 Graphics: Branding, Colors and Lettering

- 3. STRATEGY: THE SAVE MODEL**

- 3.1 The Offer of Solution**

- 3.1.1 The App: Relation, Product and Service

- 3.2 The Competition on Access**

- 3.2.1 Smartphone: the first access to brands

- 3.3 The Value Policy**

- 3.3.1 The App advantages

- 3.4 The Educational Mission**

- 3.4.1 The Mission: The BrandMemo Manifesto

- 4. MARKETING & OPERATIONS**

- 4.1 The Stakeholders Marketing of BrandMemo**

- 4.1.1 Users Relations

- 4.1.2 Brands Relations

- 4.1.3 Key Opinion Leaders Relations

- 4.2 Technical Details**

- 4.2.1 It Management: Hardware, Software, Clouding

- 4.2.2 Legal: Terms of Use, Privacy and Copyright

- **BIBLIOGRAPHY**

## **INTRODUCTION**

This writer's aim is to provide in the following pages a thorough description of the BrandMemo Case.

BrandMemo is a social app for smart devices whose mission is to enable users from all over the world to manage and share brands they love.

1. In the first chapter the author will go through a general illustration of scenarios surrounding the brands and apps worlds.
2. In the second chapter the app itself will be described in its main features.
3. In the third chapter the innovative SAVE model, which inspires the theoretical foundation of the app's competitive strategy, will be applied to the Case.
4. In the fourth and last chapter the author will briefly highlight the most important marketing decisions and the technical details the BrandMemo Team enforced to promote and define the app.

The writer is a student graduating from Bocconi University's "Corso di Laurea in Economia Aziendale e Management" and is also honored to be a member of the BrandMemo Team.

## The Case Of **BrandMemo**

An innovation in the App market

### **1. SCENARIOS**

#### **1.1 The Brands World**

1.1.1 Of Humans and Brands: a love story

1.1.2 The Consumer Ranking Habits

#### **1.2 The Apps World**

1.2.1 The Apps Market: Opportunities & Threats

1.2.2 BrandMemo: Strengths & Weaknesses

## **1.1 The Brands World**

### **1.1.1 Of Humans and Brands: a love story.**

*"A symbol stands for something more than immediate meaning" C. G. Jung, Man and His Symbols, 1964.*

As Jung perfectly summarizes, the meaning of any symbol, any brand goes way beyond its mere sign or logo. The main purpose of a brand is to identify the goods and services of one seller and to differentiate them from those of other sellers. But a brand can represent way more than that. The relationships established between humans and brands can run very deep: for example, it is not uncommon in the United States of America to see lines of hundreds of teenagers passing an entire weekend in front of a shoes store, waiting for the release of a new pair of sneakers produced by their favorite brand. It is just another pair of shoes, right?

Not if you ask them: you can feel their excitement and their passion towards something that is generally used to protect our feet while we walk or play sports. Such enthusiastic customers feel similar emotions to those we feel before a first date with the partner of our dreams. The connection between the emotional perception of the customer and a product can be so intense to be compared to the level of the purest form of attraction: love.

Concepts like brand loyalty are now directly linked to the emotional sphere. Brand loyalty goes beyond repurchasing a product, it has more to do with the relationship the consumer has with the idealization of the brand. A perfect example is the case of the "Cola Wars": it has been proved that most consumers express a strong preference for either Pepsi or Coke, but they seldom recognize during taste tests which one they are drinking. ("Neuron" Volume 44, Issue 2, 14 October 2004)



Traditionally relationships between humans and brands have been one sided. Consumers usually know everything about their favorite brands, while brands have always struggled in defining exactly who their consumers are and what they are passionate about. Such information could be used for micro-targeting consumers with offers modeled on their personal preferences, making such offers more attractive for the consumer.

Interactions between brands and consumers are usually relegated to customer satisfaction questionnaires and requests of feedbacks. This is not enough. If brands got to know their customers better, both sides would benefit enormously from the new situation, and the relationship between people and brands would be more balanced.

So this is the mission of the BrandMemo Team: to enable people to manage and share brands they love, and to allow brands to listen to them.

## **1.1 The Brands World**

### **1.1.2 The Consumer Ranking Habits.**

*"Deligere oportet quem velis diligere" M.T. Cicero*

*"You must choose whom you want to love"*

Life is made of choices, from which toothpaste we use in the morning to brush our teeth to where we will spend our honeymoon with the love of our life.

Order theory in Mathematics investigates our intuitive concept of preferences using binary relations. When we are in front of two different items comparable for at least one characteristic it comes natural for everyone to rank them depending on their preeminence in such feature. For example, while splitting a slice of our favorite cake with a sibling, we will always notice which one of the two new slices is bigger.

Our modern world is already full of rankings, from the Billboard Hot 100, which ranks the 100 most listened songs in the USA, to the Financial Times Business Schools rankings, which order the best Business Schools in the world depending on the field of studies. We are already dependable by such rankings: radio DJs are influenced by Billboard when they choose which songs they are going to play during their programs, and most students look at where universities rank when they have to decide about where to enroll.

Humans are also social animals. We like sharing and interacting with others, so we have developed a taste for everything that makes communication and interaction with our likes easier. The viral spreading of the social networks has made easy for people to

share their opinions, tastes and preferences about everything with everyone else. The amount of global digital information created and shared (from documents to pictures to tweets) has grown 900% in the last five years. Facebook is the leader of content sharing in the web, as 51% of this traffic happens through Mark Zuckerberg's social network, while Twitter owns the second place with 15%. The more traditional e-mailing system occupies the last spot on the podium with 9%. (Greg Cypes, AddThis, December 5 2012)

User generated content is the new gold standard in restaurant ratings: users' feedbacks on Tripadvisor nowadays are influencing more people than the prestigious Michelin Guide when it comes to decide where to go out for dinner.

People are accustomed to the idea of rankings and are willing to share socially what interests them and what they like, but so far they have lacked a global social tool that would enable them to rank anything that crosses their minds. It would benefit consumers to get to know the most popular choices of the population in addition to those of opinion leaders such as the aforementioned Billboard and Financial Times.

Our choices in terms of brands determine who we are. The definition of brand implied here is the most general possible: a brand is something worthy of being ranked by our mind. When there is no differentiation possible, there is no choice and there is no brand. This definition finds its base in the fundamentals of economics: in a world where resources are scarce, every choice made implies a sacrifice, therefore implying that there is a ranking system behind every choice we make.

BrandMemo with more than 400 markets and 10.000 brands already in its database will give voice to the people and will enable them to share globally who they are through their preferences. On BrandMemo every person will easily find the social expression of her choices.

## 1.2 The Apps World

### 1.2.1 The Apps Market: Opportunities & Threats.

The fastest growing sector in today's Itc economy is the app market for mobile devices. Currently there are more than 1 billion users of smart devices (tablets and smartphones) who have on their devices 50 apps on average. This year the app number 50.000.000.000 was downloaded. The rate of new downloads is approximately of 20 new downloads quarterly. Users pass more than 10% of their time spent for media on their smart devices, with 80% of said time on apps. (Mary Meeker & Liang Wu, May 29 2013; Benedict Evans, May 2013) This numbers are all increasing, as more innovative apps are designed. Apple employs almost as many people in the iOS app economy as in the engineering and manufacturing division: 307.250 vs 291.250. (Businessweek interview with Tim Cook, Apple's CEO)

This said, still only 1% of the marketing budget is spent on app advertising. It is not only a relatively small investment, given the potentialities of the market, but it is also badly employed. App advertising is still rudimental as its best, as Sunil Gupta, Head of the Marketing Department at the Harvard Business School, points out in a recent article:

*"Like most professionals, I carry a smartphone. Although I use it frequently for e-mailing with colleagues or texting with my family, I also use its apps to find information or to entertain myself. And as I navigate its 3.5-inch screen, I routinely encounter something else: a growing stream of itsy-bitsy advertisements. (...) On my Sudoku app is an ad for BMW—no, wait, it's Audi. (The photo is so small that it's hard to tell.) When I give it a tap, the Sudoku app disappears, and my screen goes blank while my phone struggles to load whatever*

*Audi intends to show me next. Before it appears, I've lost patience and switched to a different app. These balky, Lilliputian ads represent the state of the art in mobile advertising—and they don't work. Few people click on them. In surveys, four out of five people report disliking them.” (Sunil Gupta, HBR, May 2013)*

There is a great opportunity out there for who will be able to establish a new, functioning advertising model.

BrandMemo will enable brands to fully exploit their marketing potential with a space for specific, unobtrusive advertising dedicated to interested customers only. It will be up to the brands to recognize its potential.

However, BrandMemo's potential success is threatened by multiple potential competitors: first of all, more than 1000 apps are released daily, so a similar app could be launched any day soon. Furthermore, if BrandMemo had early success, the main players in the sector like Apple, Google or Facebook could easily replicate a similar app to compete with BrandMemo, given their abundance of resources and personnel.

Additional threats could come from adverse Government policies, especially in countries where certain products are not marketable (ex. alcohol in Saudi Arabia), copyright infringement lawsuits by hostile companies, and finally an unexpected technology shift: the fact that a new integrated software platform launched tomorrow could make apps obsolete are not to ignore.

## **1.2 The Apps World**

### **1.2.2 BrandMemo: Strengths & Weaknesses.**

The main advantage of the BrandMemo team resides in the quantity and in the quality of the people that work at BrandMemo.

About the quantitative strength there is a particularly significant data: most start-ups have teams of less than four members. In BrandMemo there are twelve.

More specifically, the Team is made of:

- n. 1. Project Leader
- n. 1. Project Coordinator
- n. 1. Project Planner
- n. 2. Content Manager
- n. 4. Content Analysts
- n. 1. Project Itc Manager
- n. 1. Project Itc Developer
- n. 1. Web Designer

The strength in numbers allows BrandMemo to have skilled members at every focal position who can develop at the same time multiple aspects of the project. Then the progress made is shared on a daily basis with the other members of the Team, so everyone knows which are the next challenges and goals of the project and how everyone can give his or her contribute.

About the qualitative strength all the team members completed or are currently completing a Bachelor degree: Philosophy, Psychology, Literature and IT Engineering are represented, while half of the team comes from Economic Sciences and Management backgrounds. The interdisciplinary education of the members of the team provides different point of views and is a considerable advantage when dealing with the global contents of an app like BrandMemo. Diversity in age is also important considering on one hand the necessary expertise to run a project of this complexity and on the other the innovative attitude needed to succeed in such a revolutionary field. Therefore the team age ranges from 20 to 50, with half the team under 30.

However, diversity advantages in terms of internationality cannot be exploited by the Team, whose members are all of Italian nationality except one. The lack of an international point of view may affect the decision making process, which could be the result of an Italian frame not adapt to the global perspective. In fact, the main liability concerning BrandMemo resides in the location of the start-up, which is Milan, Italy. Milan is considered the pulsing heart of the Italian economy, but given the global purpose of the company the city's networking opportunities are not even comparable to those available to companies located in London or in the Silicon Valley, to cite a pair of examples. If the app had success it would be hard to establish a sound network with global business partners from the current base of operations.

In addition to that, the Italian fiscal system and job policies are still hostile to start-ups. Fiscal pressure has been rising alarmingly in the recent years of austerity policies, and rigid job policies obstacle companies' flexibility and sustainable growth.



## 1.2 The App

### 1.2.3 Risk Management

The Team dedicated time to brainstorming sessions to identify the main risks that could occur to BrandMemo. Such risks are related to three principal origins: technology, legal controversies and customer satisfaction issues. The Team members responsible for the aforementioned fields had to find precautions to minimize the chances of damage to BrandMemo and available solutions to reduce the impact of the occurrence of such risks. Here is the list of the main events that could affect BrandMemo, defined by their likelihood to happen and their impact (Low and High).

#### 1. **Data loss** Low risk / High Impact

In order to avoid the devastating blow given by huge data losses a daily backup of all the data will take place. In addition to that there will be safe mobile storage in different safe places.

#### 2. **Operative Crash** High risk / High Impact

Operative crashes may occur especially in the days after the release if the number of new users mightily overcame previsions. A daily test will take place to continuously monitor the situation.

#### 3. **Provider Default** Low risk / High Impact

The provider will be tested accurately before the market release.

#### 4. **Competitors** High risk / High Impact

Competitors are likely to emerge if the app will succeed. The market will be analyzed and benchmarked routinely.

**5. Mark Registration** Low risk / Low Impact

The Mark has been registered in the main markets patent registration systems.

**6. Key Managers** Low risk / High Impact

If one or more of the key managers went missing for any reason, the impact on the Team would be mitigated by the knowledge sharing formal processes that are currently empowered by the Team.

**7. Brands' Lawsuit** Low risk / High Impact

In order to minimize the risks of brands' lawsuits Apple guidelines were taken as a model to determine the legal aspects of the app. In addition to that, app litigation news are being monitored by the Team.

**8. Users' Contents Lawsuit** High risk / Low impact

Since users can proactively contribute to BrandMemo's database, user generated content must be overseen continuously to avoid litigations over copyright infringements or similar causes. So all of users' additions will be checked by overseers to verify they are fitting with BrandMemo's Terms of Use.

**9. Users' Bad Reviews** High risk / Low impact

The main goal of the Team is to provide users with the best experience possible while using BrandMemo, therefore their feedbacks will be incredibly valuable to adjust the features of the app. Communication between users and representatives of the Team will be as open as possible, with a permanent relation staff.

## The Case Of **BrandMemo**

An innovation in the App market

## **2. THE BRAND MEMO SOLUTION**

### **2.1 The App**

- 2.1.1 Presentation
- 2.1.2 Interface Map
- 2.1.3 Contents: Markets, Brands, Friends
- 2.1.4 Top Brands Rationale
- 2.1.5 Functions: Database, Ranking, Sharing
- 2.1.6 Graphics: Branding, Colors and Lettering

## 2.1 The App

### 2.1.1 Presentation

Every day something new and out of the ordinary catches our attention; it can be the news reporting the signing of an unknown football player by our favorite team or a fine Chardonnay we taste for the first time at the bar. Both brands, the football player and the winery that produces such a good wine, might be worthy of being written down for further inquiries. If the football player turned out to be the new star of our team and the Chardonnay one of the best we had ever sipped on, they would automatically enter in our discussions with friends about where these brands rank in their respective categories. With BrandMemo the process is immediate, entertaining, valuable and simple.

**Immediate**, because it is an app for mobile devices, which people always bring with them.

**Entertaining**, because it allows users to express their preferences through rankings about what they are passionate about and to share them with their friends from all over the world.

**Valuable**, because is an enormous database where people can find out what their friends and the rest of the world like the most in every category they can think of. Plus, users can surf through the brands universe and discover new attractive brands that can make their lives better.

**Simple**, because of BrandMemo's intuitive interface.

## 2.1 The App

### 2.1.2 Interface Map

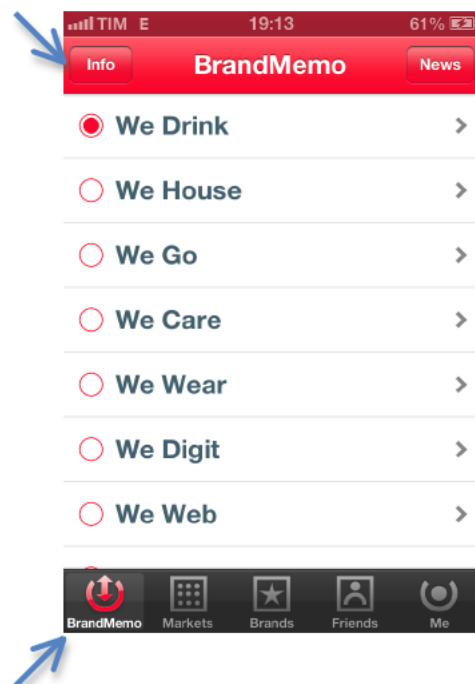
So let's have a look at the BrandMemo app.

This is the Home screenshot: at the top of the screen there are two buttons: Info, which opens the information panel and News, which opens a page about the most recent brand news by BrandMemo.

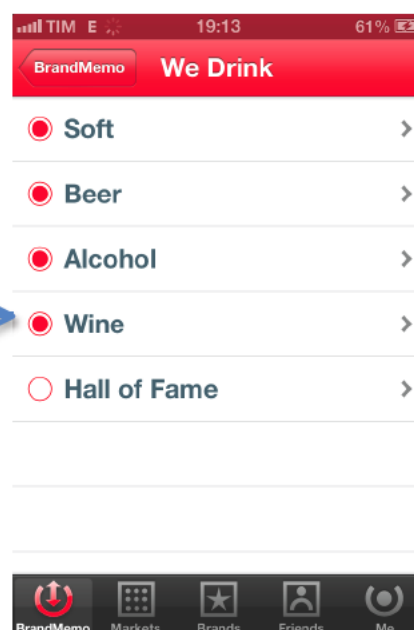
At the bottom of the screen there are five buttons: BrandMemo (Home), Markets, Brands, Friends, Me (Settings).

The first, highlighted in red, is the "BrandMemo Home" button that brings the user to the displayed Home page. In the Home page there is a list of 12 areas that are the representation of the general needs of the modern human.

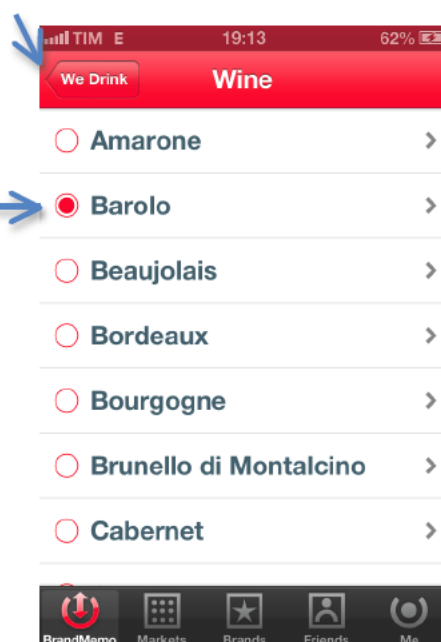
Pressing the name of one of the areas, for example "We Drink", the user will be directed to the page of that area.



In the "We Drink" page the user will find the list of the categories of brands that compose the area, plus the category "Hall of Fame" which includes lists of objects and people, which are not generally considered as brands, related to the area. For example, for the "We Drink" area there are the "Sommeliers", "Cocktails" and "Guides" lists. Pressing the name of the category "Wine", for example, the user will reach the "Wine" page shown in the next page.



In the "Wine" page the user will find a list of the Markets included in that category. At the left top of the screen there is a button that will direct the user to the previous page, in this case the "We Drink" page. Pressing instead the name of one of the Markets, in this case the delicious Italian wine Barolo, the user is directed to the "Barolo Top List" page, where he/she will find a list of 20 selected top brands.

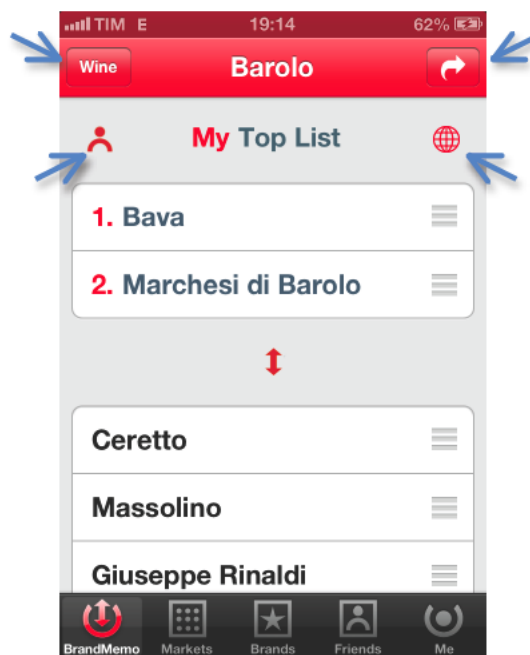


At this point the user can make the top 10 of his favorite Barolo brands dragging up brands from the list below or adding them typing the name of any chosen brand, which will be automatically added to the general database and ranked first on the user's list.

The rankings are always modifiable at any time.

At the left top below the "Wine" button there is the "Friends" button, which shows the user the friends that also completed the "Barolo Top List".

At the right top of the screen of every Top List page there is the "Share" button that enables users to share their Top Lists via social networks or e-mail. Right below it the user can find the "World" button, which will direct him/her to the "World's Top List" of the Barolo Market.

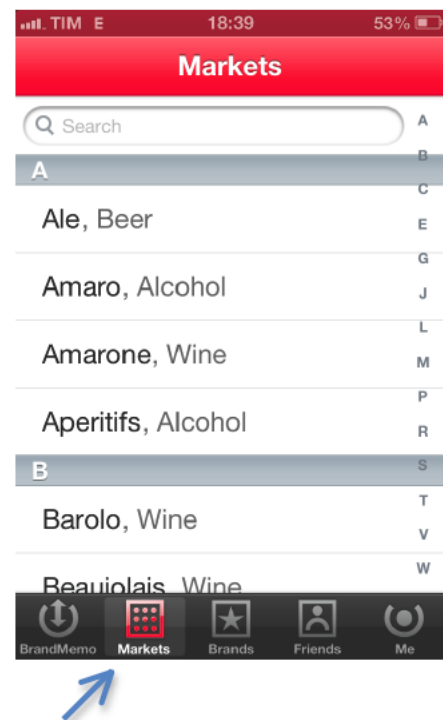


Rank	mag 2013	Score
1.	Ceretto	1000
2.	Massolino	950
3.	Giuseppe Rinaldi	900
4.	Casa Martelletti	850
5.	Mirafiore	800
6.	Giacomo Brezza &...	750

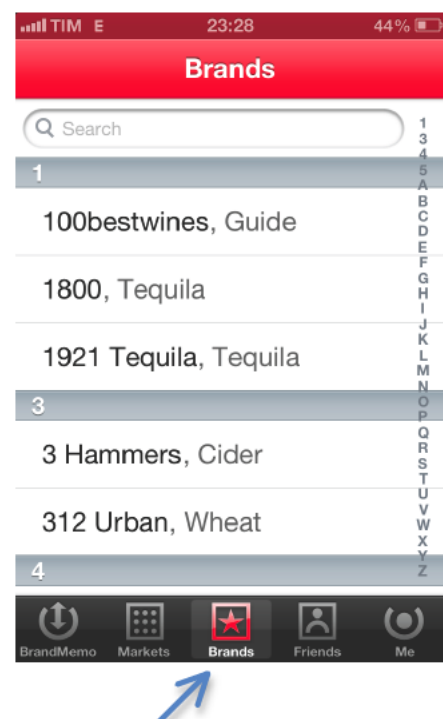
The global ranking is the result of the rankings of all the users who logged in BrandMemo in the previous three months. It shows the relative market share of the users' preferences: the best brand will have 1000 points, the second in this case has 950 because it obtained 95% of the leader's points.

The second and third buttons at the bottom of the screen direct the user to respectively the “Markets” page and the “Brands” page. These two pages have the function of general database of the app.

In the “Markets” page the user can find the list of the 400+ markets on BrandMemo.



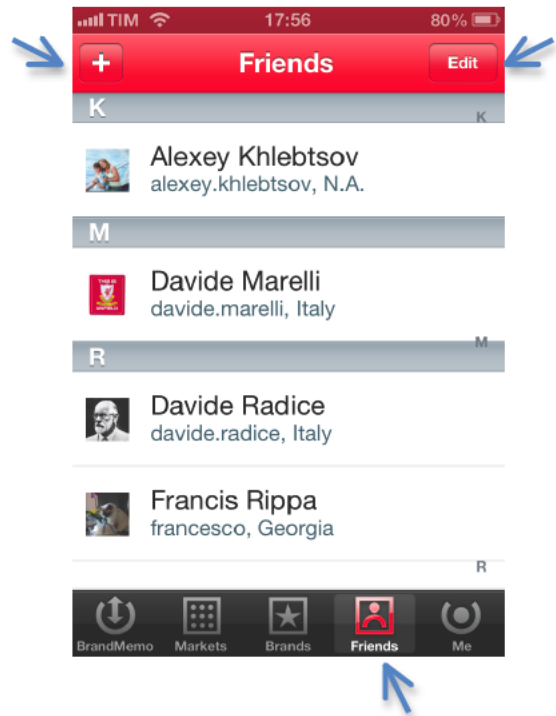
In the “Brands” page the user can manage the database containing 10.000+ brands.



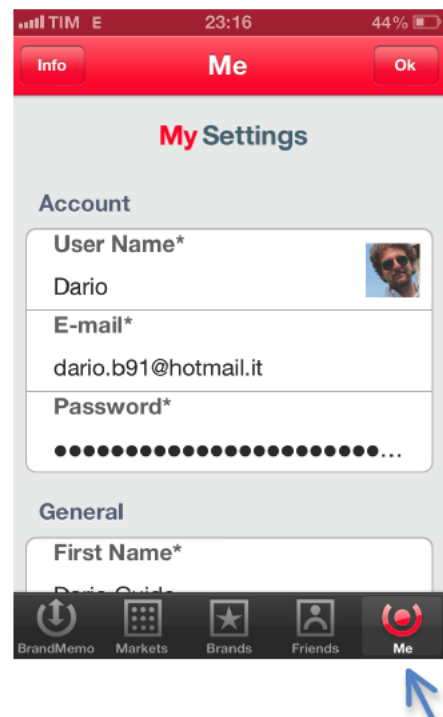


As for the social function of the app, the fourth and fifth buttons direct the user to the “Friends” page and to the “Me” page.

In the “Friends” page you can add as many friends you like to see their top lists with the “+” button. You can also edit the list through the “Edit” button”



In the “Me” page, you can set your personal profile. You can choose a User Name and a Password of your choice that will be connected to the e-mail address you used to create the profile. Other general information, such the date of birth, the gender, the country and city of provenience and a brief biography can be uploaded. When the “Me” button is red



## 2.1 The App

### 2.1.3 Contents: Needs, Categories, Markets, Brands

The contents of BrandMemo are ordered through four different grades to make it easier for the user to surf through the app contents. From the macro to the micro there are: Needs, Categories, Markets and Brands.

There are twelve **Needs** in the home page. They all start with the pronoun “We”, that gives more the idea of a shared experience than the solipsistic “I” from Apple, then there is a verb or a word that epitomizes one of the main activities humans do in order to survive or to enjoy life. Such terms range from maslowian ones, such as “Eat” and “House” to modern ones such “Digit” and “Web”.

Every Need contains four main **Categories** and a Hall of Fame. In the Hall of Fame they will be able to rank items not generally considered brands like football players or songs. Categories are broad areas that start differentiating the genres of items users are going to rank. For example, in “We Play” users will find the “Sport”, “Hobby”, “Music” and “Game” categories.

In a Category users will find a variable set of similar items. Such items are the **Markets**. For example, in the “Sport” category users will find the list of the most practiced sports in the world, from skiing to fencing to horse riding.

These Markets are where Brands operate. In every market the user will find a selection of 20 Top **Brands** selected by the BrandMemo Team using the Rationale explained in the second chapter. While ordering brands in rankings users will be able to add new brands to the database simply typing the brand’s name.

## 2.1 The App

### 2.1.4 Top Brands Rationale

Users will find in BrandMemo 20 top brands in every market.

To define the markets in question the Content Analysts make a “long list” of brands in which they can include all the most significant brands operating in that market. However, if the market is too vast, they include in the long list only the top 100 brands that figure in the majority of websites. After that, they isolate the top 20 most representative brands within each market hazing on a set of five criteria:

**Brands sales:** total sales taken from the most recent sample year to highlight the top selling brands. Data are collected through an Internet search on reliable sources (national statistics, Bloomberg, worldwide newspapers). The analysts pay particular attention to whether the sales are local or global and whether production is primarily for the domestic market or for export.

**Brands share:** share of the brand in the specific market compared with the brand’s market share within its country of origin. More weight is given to global brands without forgetting nonetheless important local brands. Internet research is done looking at rankings on Interbrand, Wikipedia and other reliable sources.

**Brands value:** global notoriety of the brand according to rankings present in blogs, forums and general occurrence of the brand on the internet (results found searching the brand associated with the market. Ex: “Ford car”).

**Brands optimization:** discretionary criterion to include diversity in the sample. It reflects the researcher personal opinion. Analysts used the “Amazon” criterion, checking on amazon.com, Wal-Mart and other worldwide chain stores to see to which extent the brand was present in big distribution systems.

**Brands expertise:** expert’s opinions on the specific market. Analysts searched the Web to find the opinions of experts in sector magazines and articles in order to avoid forgetting important brand names, which may have characteristics so singular that would make them unknown to the general population.

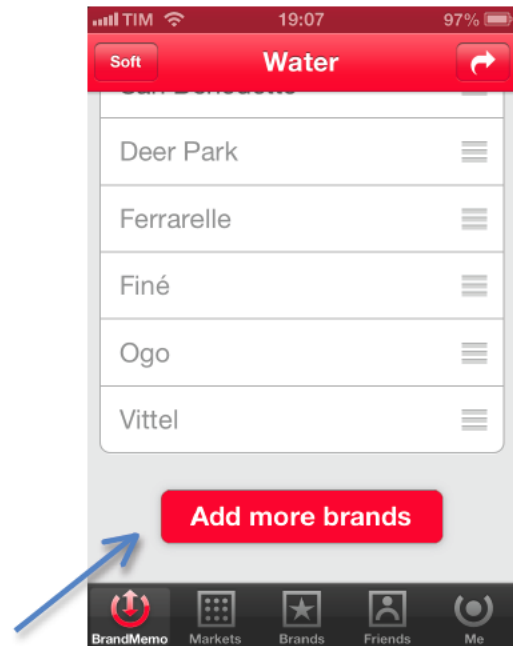
## 2.1 The App

### 2.1.5 Functions: Database, Ranking, Sharing

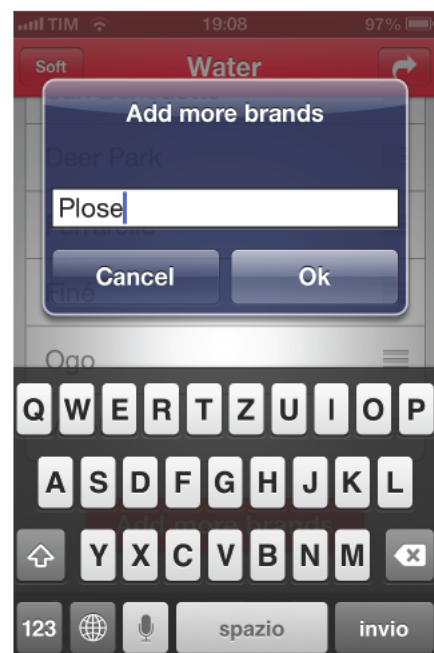
The main functions of Brandmemo are three: Database, Ranking and Sharing.

The **Database** already includes 10.000+ brands divided in 500+ brands.

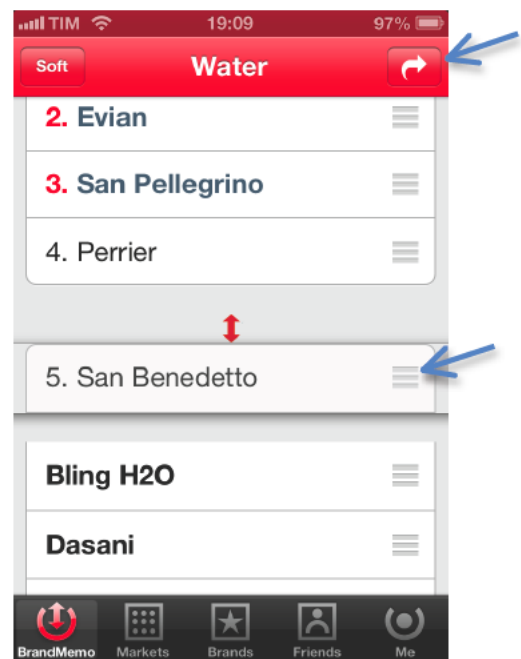
Given BrandMemo's open architecture, these numbers are destined to increase rapidly, since adding new brands is so easy: just press the button "Add more brands" while you are creating a Top List...



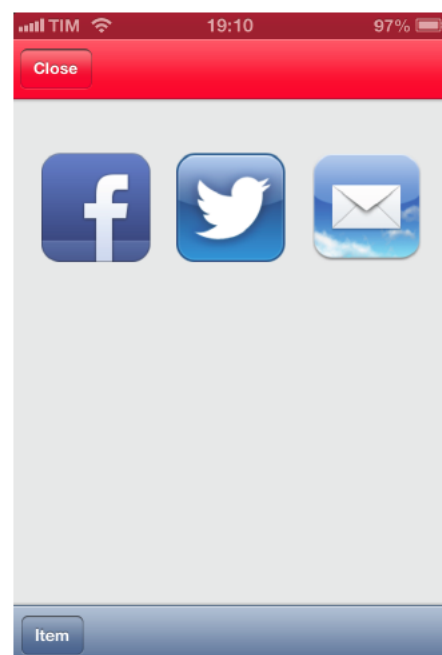
...and then type in the Brand's name!



The **Ranking** and **Sharing** functions are also very intuitive: in order to make a ranking the user only needs to press the three-lined button on the right of the brand name and drag it upwards. After a ranking is complete, the user has to press the “**Share**” button...



...and decide the preferred channel (Facebook, Twitter, email...)!



## 2.1 The App

### 2.1.5 Graphics: Colors, Branding and Lettering.

BrandMemo's graphics are based on three colors:



**Red** is the color of love, and represents the passion for brands users can express through BrandMemo.

**Teal** is a declination of blue, the color of the social networks. Facebook is blue, Twitter is blue and Tumblr is blue. Blue is the color of tranquility and trust. This particular shade of blue was taken from a painting in BrandMemo's offices, and it is also one of the 16 HTML/CSS web colors chosen in 1987.

**Grey** is the color of rationality and intelligence. It represents the knowledge acquirable through BrandMemo.



The core of BrandMemo is already expressed by its trademark. The symbol recalls the ignition button of many modern devices, meaning innovation and competition. It is made of two parts: the red arrows refer to the **Ranking** function of the app, while the teal semicircle reminds of the **Sharing** function in the social community. The word BrandMemo completes the picture representing the **Database** function.

**BrandMemo** The lettering is plain (Arial Font), neat and easy to read for everyone, to symbolize its global availability.

## The Case Of **BrandMemo**

An innovation in the App market

### **3. STRATEGY: THE SAVE MODEL**

- **The Save Model**

#### **3.1 The Offer of Solution**

3.1.1 The App: Relation, Product and Service

#### **3.2 The Competition on Access**

3.2.1 Smartphone: the first access to brands

#### **3.3 The Value Policy**

3.3.1 The App advantages

#### **3.4 The Educational Mission**

3.4.1 The App Mission: The BrandMemo Manifesto.



## The Save Model

The SAVE model is an innovative marketing model which is the result of a five-year study involving more than 500 managers and customers in different countries recently published on the Harvard Business Review. (Ettensen, Conrado, Knowles; HBR January-February 2013)

The aim of the model is to retool the famous 4Ps model and adjourn it to the current state of the art in the marketing field. SAVE is an acronym that stands for Solution, Access, Value and Education that replaces the Product, Place, Price and Promotion of the 4Ps model. The growing impact produced by the digitalization and globalization of competitive strategies cannot be neglected. This is why the BrandMemo Team decided to adopt the **SAVE** model as the theoretical basis of its unique and innovative business model.

The offer of a **Solution** instead of a Product brings the focus on satisfying customer needs through the integration of Relation, Product and Service. The development of what were considered accessorial parts to the product, the relational opportunities and the services that come with it, has nowadays become the core business of many enterprises operating in the sectors exposed to innovation and competition.

Competition on Place (intended as point of sale) is being replaced by competition on **Access** to the client. In a web-centric world the focus shifts from the physical location of the offer system to direct access to the client: being in the first position resulting from a search with Google is essential for success in terms of visibility.

In a world where competition is increasing so rapidly, profits tend to zero as Leon Walras theorized more than 200 years ago. Nowadays products and services are seen more and more as commodities as fierce competition arise where profit margins are high. Thus, pricing policies are not enough to define the intrinsic **Value** of a product. It is fundamental for companies to emphasize along with the quality of product components the integrated Services and Relation that come with the product.

In a competitive system where it is so difficult to be perceived as unique using the traditional ways of promoting the product, it is necessary for brands to highlight the importance of the **Education** of stakeholders, shareholders, potential and current customers to share among them valuable information about the uniqueness of the offer provided by the brand. Positive user generated content represents the best guarantee of quality any brand can boast.

### **3.1 The Offer of a Solution**

#### **3.1.1 The App: Product, Service and Relation**

The idea of BrandMemo was born when the Team started looking for mobile users' biggest needs still unsatisfied by the app market. A global app that enabled users to express their preferences about brands was not present yet, so the Team decided to start building a vast database following specific criteria and designing a functional app already integrated with Relations and Services to give users the most complete **Solution** possible.

The **Product** itself is the database: BrandMemo's database already counts more than 10.000 brands divided in more than 500 markets. In the future versions of the app the database will expand accordingly to the users' requests, hitting new categories of markets and augmenting the number of brands. But the database itself would not be enough to guarantee entertainment for the user.

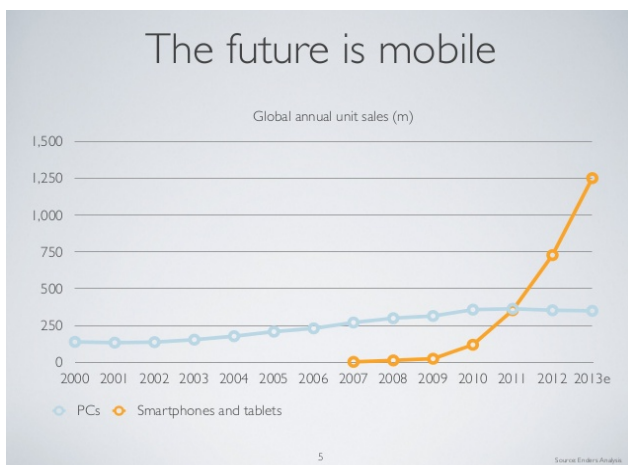
The **Services** provided by BrandMemo are many: from the possibility of noting, discovering and ranking brands following our personal inclinations to finding out the world's top brands chosen by other users and receiving news about these top brands directly on the app. The architecture of the app is open: users can generate content adding new brands and sharing their rankings easily through their favorite social networks or with a simple e-mail.

Here comes the **Relations** part of BrandMemo: users can share their rankings with their friends, visit their friends or celebrities profiles to discover their predilections and interact with the brands that decide to operate actively on BrandMemo.

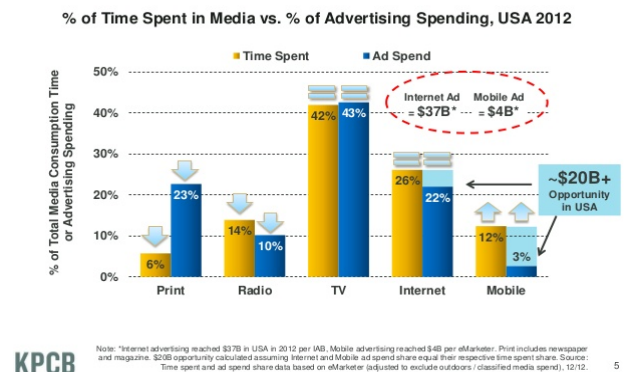
## 3.2 The Competition on Access

### 3.2.1 Smartphone: the first access to brands

Mobile devices are conquering not only new markets, but also time spent by users on media, as shown in the graphs below. (Mary Meeker & Liang Wu, May 29 2013; Benedict Evans, May 2013)



#### Material Upside for Mobile Ad Spend vs. Mobile Usage



Such an important growth in the mobile market has not been matched yet by a proportional increase in advertising spending, making the **Access** provided by presence on mobile devices even more attractive for brands, which can gain great visibility through meaningful advertising at a relatively cheap price. BrandMemo is a social tool made specifically for the mobile market and to fully exploit its opportunities the app has to be as global as possible:

- The language of the app is English, the *κοινή* of the world.
- The app will be published on the app stores of more than 100 countries.
- The first version will be for devices running the iOS operative system only for technical reasons, but a version for Android will be available after three weeks. Android and iOS represent together more than 80% of the market share.

### **3.3 The Value Policy**

#### **3.3.1 The App Advantages**

BrandMemo, as most available apps in stores, will be downloadable for free. The fact that the price is nonexistent does not mean such apps are not valuable for the consumer, of course. Given the absence of pricing strategies it becomes more important the **Value** given to users through the integration of Product, Service and Relation. BrandMemo will allow people to remember the brands they love in every market, help them to make choices (You want to buy a bottle of Champagne to celebrate your French friend's graduation, but you know he does not like mainstream brands, so you look at his Champagne rankings on BrandMemo and take his favorite!), express their brand DNA, share it with friends, discover new brands and interact with them through the News page. All of this surfing through the pages of the app easily thanks to the smart interface and without having to deal with annoying banners.

On the other hand, BrandMemo business partners will be able to reach mobile users, potentially millions, who will be active and interested in the brands' world. Brands will be capable of connecting their brand name on the brand list with a full page advertisement linked to whatever offer they want to give to their beloved customers. In addition to that, partners will be enabled to benefit from the analytical results coming from the cluster analysis of their customers' preferences in every significant market for the brand. The reward from joining the big-data and advanced analytics management revolution will be better marketing strategies and partnerships and the ability of micro-targeting segments of the market they did not even know they existed before.

### **3.4 The Educational Mission**

#### **3.4.1 The Mission: The BrandMemo Manifesto.**

The Mission of BrandMemo in simple words is to get users and brands to know each other better.

Users can gather a panoramic view of the major brands operating in a market simply looking at its World Top List.

Brands can discover new opportunities looking at what people that love them like in other markets.

Both users and brands will be provided with a guide, a short presentation of BrandMemo, easy to assimilate that will get them through the basic features of the app.

The word **Education** comes from the Latin ex-ducere, which literally means to bring out.

The BrandMemo Team interprets it as to bring out hidden potential, to let talent show. The Team wants to give the best opportunity to both users and brands to exploit their potential in terms of knowledge, reputation and interaction.

## The Case Of **BrandMemo**

An innovation in the App market

### **4. MARKETING & OPERATIONS**

#### **4.1 The Stakeholders Marketing of BrandMemo**

- 4.1.1 Users Relations
- 4.1.2 Brands Relations
- 4.1.3 Key Opinion Leaders Relations

#### **4.2 Technical Details**

- 4.2.1 It Management: Hardware, Software, Clouding
- 4.2.2 Legal: Terms of Use, Privacy and Copyright

## **4.1 The Stakeholders Marketing of BrandMemo**

### **4.1.1 Users Relations**

The focus now shifts on how to relate with users and promote the app among them.

A brief User Guide will be downloadable from the institutional site, [www.brandmemo.com](http://www.brandmemo.com), in the form of a brief Power Point presentation explaining the basic features of the app. In order to collect valuable opinions about the app design, focus groups and usability tests have been run ex ante, while feedbacks given by users will be collected through the e-mailing system and satisfaction questionnaires ex post. The Team believes that the best way to find out what the users like and what they do not is simply to ask them.

The early users involvement is of primary relevance, since they will be the first to give feedbacks about the app, giving the Team the chance to adapt the app to users' needs before it reaches the general public. In addition to that, pioneers are the most interested and motivated users in spreading their comments about what is new on the market.

The marketing strategy is devised in the name of social interconnectivity and globalization. It needs to be global, since the dispersion of resources originated by the differentiation of the strategy market by market is not affordable by a start-up.

Viral (hopefully) videos will be recorded and published on web, presence and visibility in the most prominent social media will be prioritized.



## 4.1 The Stakeholders Marketing of BrandMemo

### 4.1.2 Key Opinion Leaders Relations

What have IT bloggers, Business School Marketing professors and Celebrities in common? They are all valuable key opinion leaders for promoting BrandMemo. The aim is to involve them in the app's value chain encouraging an active role on their side:

**IT bloggers** will review BrandMemo from a technical point of view: usability, surfing velocity, interface appeal and so on. The goal of BrandMemo is to proactively ask them for early feedbacks to create buzz regarding the app and at the same time implement valuable advices given by the experts in the new versions of the app.

Business School Marketing **professors** will be asked if they could be interested in teaching their students particular cases made with BrandMemo. For example, a professor can ask one class to rank the top brands of the Cola market and those of the Mineral Water market and then use the results to explain the causes of the evident difference of market polarization in the two cases. Such classes would also promote BrandMemo among the students. But the app is also an enormous database that can be used by students for surveys, researches and market analysis.

**Celebrities** should find convenient to have a BrandMemo account for obvious sponsorship reasons: think about LeBron James tweeting his Sneakers Top List, or Lady Gaga sharing with her Facebook friends her favorite brands of make-up. Their profiles on the app should bring them revenues and increase at the same time the app's popularity.

## **4.1 The Stakeholders Marketing of BrandMemo**

### **4.1.3 Brands Relations**

Why brands should be excited for the new opportunities brought by BrandMemo: they will be able to register their business account directly on the app. After the registration they will be assigned to a BrandMemo advisor who will support them through the simple process of advertising on BrandMemo and will translate results from cluster analysis to relevant data for their business.

In particular the analysis will involve cross-examination of frequent patterns of preferences followed by users. For example, 85% of users who put "Aston Martin" first in the Car Market also put "Vesper Martini" in the top five of the Cocktail Market. Further research shows that this category of users has a likelihood of about 99% to put "James Bond" first in the Movies Market and therefore represent the customer base for the new fragrance for man "007: Skyfall" made by Procter & Gamble. This connection is an easy one, but the trend of using "big data" to empower commercial strategies is giving profitable returns to companies that choose them.

Issues could arise around trademark property by companies hostile to the use of their brand names in the rankings. This is one of the reasons why on BrandMemo logos are not used. Brand names are written in a neutral font with a progressively fading color to help readability and to highlight the brand's importance. The Team is also ready to erase from the database any brand that advocates the elimination of its name from the app.

## **4.2 Technical Details**

### **4.2.1 It Management: Hardware, Software, Cloud**

The development of an app requires the support of a coherent IT strategy. The market where BrandMemo will compete first is the smartphone market for the reasons exposed in the earlier chapters. So the first decision the Team had to make was about the Operative System the app would be developed for.

iOs was the top choice because of its market share, (20%, the second top player in the smartphone market after Android), Apple Store's accomplished success (50 billion+ apps downloads since its opening) and therefore iPhone users' propensity to use apps. A version for device running Android will be developed immediately after the release of the first version in order to cover around 80% of the market.

The programming language chosen to design the app so was Objective-C, which was developed in the '80s to be NeXT's (OS X and iOs forefather) language. BrandMemo then needed a software that could set up, operate, and scale its vast relational database (in this case managed with Oracle MySQL) in the cloud, and found it in Amazon Relational Database System (RDS). The team chose to have the servers located in Ireland in order to privilege the European and US East Coast in matters of latency and connectivity. However, the difference in time perceived by a user geographically close to the servers and a far one is maximum one second.

In addition to the aforementioned tools Google Analytics will be used to collect valuable data about users' habits in using BrandMemo.

## **4.2 Technical Details**

### **4.2.2 Legal: Terms of Use, Privacy and Copyright**

BrandMemo products and services, are provided, all rights reserved, by Innova et Bella, Marketing Network Milano Srl, a small professional firm located in Milan, Italy, EU.

The Terms of Use of BrandMemo are inspired by these general principles:

- Feel free to express your opinion: we were born free.
- Respect different opinions: we appreciate diversity.
- Do not offend people: we are all friends on this earth.
- Trust yourself and trust people: we are all cool people.
- Let us know what you love: we listen to you.

In practice, users license freely their contributions and edits and have to respect technology infrastructures and copyright. BrandMemo will terminate accounts of repeat infringers according the principles established by primary international institutions such World Intellectual Property Organization (WIPO), US Digital Millennium Copyright Act (DMCA), European Copyright Directive (ECD).

In order to use BrandMemo, users have to give basic information about themselves: name, surname, date of birth (all users must be 13+) and an e-mail address. Business partners are required to give the same information, plus they have to identify themselves as members of the company they are representing. These data will be always kept reserved, because in every country BrandMemo protects users' Privacy.

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