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Mobile Apps vs. Mobile Websites
What’s Better for Utility Companies?
Mobile Apps vs. Mobile Websites: What’s Better for Utility Companies?

According to a May 2013 Nielsen study, 61% of mobile subscribers over the age of 18 have smartphones, which can access mobile applications and websites. This number is predicted to increase as manufacturers create smartphones with a range of features and price points. With smartphones quickly becoming a standard, companies in all industries are being challenged to think about how they will adapt their marketing and customer service to take best advantage of the new media formats.

There are two main formats companies can use to display information on smartphones - mobile applications and mobile websites. Mobile applications (apps for short) are software programs that are downloaded and installed on mobile devices (primarily smartphones and tablets). Apps can display information by pulling data from the Internet, and they can also store data for offline access. Mobile websites are similar to other websites in that they can display a combination of text, images, and videos in a web browser, but they are formatted for smaller screen sizes and designed to work with the touchscreen interfaces of smartphones and tablets.

Mobile apps vs. mobile web in other industries

Apps have become so much a part of standard business practice that it would likely take less time to list companies without apps than those with them, but here’s a snapshot:

**Banking**

Major banks such as Wells Fargo, U.S. Bank and Chase Bank offer text banking, mobile websites, and mobile apps. The set of available features increases from text services to mobile websites to mobile apps, and banks such as Wells Fargo offer mobile banking comparison charts on their websites - [https://www.wellsfargo.com/mobile](https://www.wellsfargo.com/mobile).

**Insurance**

State Farm, Progressive and Geico have both mobile websites and mobile apps. All three of these companies have both multifunction apps such as State Farm’s Pocket Agent and single-feature apps such as Progressive’s Insure My Truck. Progressive and Geico also have game apps that tie in to commercials, such as Geico’s Guinea Pig Getaway App.

**Airlines**

Delta Airlines and United Airlines have both mobile websites and mobile apps. US Airways has a mobile website, offers email and text alerts for flight information, and allows boarding passes to be sent from its website to the iPhone’s Passbook app. In July 2013, US Airways released a mobile app, but prior to that had been singled out as “the only major airline without an app,” according to an article from Forbes.

Points to consider when deciding between mobile apps and mobile web

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<th>Mobile Apps</th>
<th>Mobile Web</th>
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<td>• Mobile apps allow faster data retrieval and offline access to stored content.</td>
<td>• Mobile web is available whenever the user has a web connection - no download is needed to access information.</td>
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<td>• Mobile apps have device-specific designs, allowing for a streamlined look, improved user interface, more memory and greater GPS resolution.</td>
<td>• Mobile web does not require multiple versions to be created - a single design works for multiple mobile device models, but because it is designed to be cross-functional, the interface is not as robust.</td>
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<td>• Mobile apps provide streamlined access to all of the device’s features such as GPS, camera and click-to-call functions - this allows for features such as photo attachments to incident reports and credit card scanning for bill payment.</td>
<td>• Changes to mobile websites can be made available to all customers simply by updating the mobile website.</td>
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<td>• Mobile apps can use push alert capabilities to display actionable reminders on a mobile device’s home screen.</td>
<td>• Mobile web is often faster to deploy and less expensive to build.</td>
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News
The New York Times and The Wall Street Journal have “digital newspaper” apps as well as specialized apps for topics such as fashion news or market data.

Retail
Target, Best Buy and Home Depot have apps that offer a variety of functions including online shopping, coupons, access to sale ads, digital gift cards, shopping lists, store locations with GPS, and price checking with barcode scanning.

Mobile communication in the utility industry
According to the J.D. Power and Associates 2013 Utility Website Evaluation Study, 26% of customers visit utility websites from their phones. The two most important activities for these customers are viewing account information and paying their bills. Utility customers are comparing utility customer service to other industries and expecting the same experience, which includes mobile accessibility.

According to Chartwell’s 2013 Mobile Self-Service Trends - Industry Update, “Of the 150 largest and leading electric distribution companies in North America, only 45 utilities, or 30%, do not offer a mobile-friendly website or app.”

The same document notes that “49% of utility apps now offer payment options compared to 34% in 2012” and “most of the utilities that premiered apps and websites in 2013 offered both outage information and payment options.”

Conclusion
Mobile functionality and mobile usage by utility customers will only continue to grow. Utility companies should have a mobile strategy that provides customers with a number of ways of communicating and managing their accounts, as not all customers will use a single communication channel and may prefer different methods for different account activities. To meet the range of customer expectations, utilities will likely need both mobile-enabled websites and mobile apps.

Our suggestion is to deploy mobile solutions using a phased approach - start by creating a mobile-enabled version of an existing website, then work on building mobile apps that leverage web content such as outage maps and add rich mobile app features such as location-enabled outage reporting and push alerts about energy usage, billing, and outages. No matter how a utility chooses to plan its mobile strategy, it’s important to keep in mind that providing mobile options for customers needs to be an ongoing process in order to keep up with changing technologies and customer expectations.

A good mobile strategy is one that is flexible enough to adapt to rapid changes in technology and customer expectations.
Sources

- Chartwell Industry Update “Mobile: More utilities offer mobile self-service, expand account and outage functionality”
- The Table XI Blog “Mobile App vs. Responsive Design: Ask These 10 Questions First” http://www.tablexi.com/blog/2013/05/mobile-app-vs-responsive-design-ask-these-10-questions-first/mobile/

iFactor creates and delivers communications solutions that allow utility companies to engage with their customers using web and mobile technologies. Our suite of self-serve customer communications products includes Storm Center™ for outage communications, Notifi® for proactive alerts and preference management, and iFactor Mobile™ smartphone applications.

Today, over 100 million people receive utility communications thanks to iFactor. Contact iFactor now to start planning your customer communications strategy.