

Digital Dilemma: Do You Really Need an App?

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Finding Your Customers' Pain Points

Barristers spend a lot of time in court waiting for a hearing to begin and one of their greatest fears is that opposing counsel will bring up an unfamiliar case or a precedent. Now a smart-phone app developed by legal publisher LexisNexis allows barristers to make use of their down time by quickly researching what has gone before.

Marketed as CaseBase Case Citator, the app allows lawyers or students to search through the [LexisNexis](#) database of legal rulings for cases similar to the one on the agenda. The app will tell them the history of the case, whether it's been successfully appealed, whether it's been cited by other judges, and whether it is "good law" or "bad law".

It was not by chance that the legal publisher developed an app that has proved useful and popular with lawyers. Before deciding what to create, LexisNexis asked its customers what they wanted. Mobile case and precedent searching was most in demand, but identifying a need for the app was only the first step in the firm's global product development process, known as CDI – customer discovery and innovation.

"What we're doing segment by segment is trying to understand the needs of the customers, their pain points," says [Marc Peter](#), executive director, commercial and technology, at LexisNexis. "We sit with them in their office and we spend an hour or two just observing how they work."

Next, customers are interviewed and sent questionnaires so LexisNexis can build up a picture of how much time lawyers in each market segment spend on different tasks. "For instance, barristers spend a massive amount of time waiting in court for their hearing. We know that their biggest risk is they get trapped by their opponent bringing up [a case] they didn't prepare for," Peter says.

Last year marked a milestone in the take-up of smart-phones, when for the first time the number sold globally exceeded the sales of PCs and tablets. Such widespread adoption means increased opportunities for companies to develop apps to market themselves and to attract new customers. But they have to make sure they give their customers what they want and don't waste their time with apps that are of little use or offer poor functionality.

Even after the team at LexisNexis has identified their customers' requirements, they are still some way from creating the actual app. The next step is for designers to create an abstract diagram of the product that can be shown to potential users. Then begins the extensive process of seeking feedback.

"We present the product and customers tell us what they would like to have changed. It's an iterative process because once we have feedback we give it back to the [user experience] guys, they redesign it and we go back to the customers," says Peter.

The CaseBase app had about four iterations, but other apps have had as many as 15. LexisNexis also recently launched a new app called Red, which brings all legal loose-leaf services to tablets.

Acts of Co-creation

[Alan Thorogood](#), senior visiting fellow in strategy and entrepreneurship at the Australian School of



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Business and course leader in IT strategy at the Australian Graduate School of Management (AGSM) MBA programs, cites the development of the CaseBase Case Cimator by LexisNexis as a key example of "co-creation" of an app. This is where a company works closely with customers to explore what would be useful to them as it develops an app.

"Customers don't always know what they want. You need to ask them what it is they're trying to do and explore with them, so these applications end up being co-created," says Thorogood. "You need to work out what people are doing differently when they are using a handset interface."

The concept of co-creation brings with it profound changes for firms' IT departments, which traditionally seek certainty over innovation. Their natural inclination is to produce something inexpensive and reliable, not necessarily what the customer wants. In the past, IT departments have typically designed inward-facing systems, to digitise internal processes and supply chains. For the first time they are being forced to think of the customers' needs.

"The focus previously has been the digitising of the back-office process, but with the advent of technology in the customers' hands, it's now moving to the front end," Thorogood says. "The very widespread adoption of technology allows customers to interact easily with firms, so interfacing with customers is now very clearly an area of great interest."

Presently, just 18% of Australian businesses offer a mobile app, but almost 50% of businesses plan to develop one during the next three to five years, according to this year's [Optus Future of Business Report](#). Retail, entertainment and finance businesses are the most likely to be developing apps. Only 5% of businesses take mobile payments but this is forecast to increase almost fivefold.

Device Revolution

Businesses need to think about how they take advantage of the trend to increased smart-phone usage, says [Jeffrey Tobias](#), a business strategist and program director at the AGSM. "People used to talk about 'my mobile phone', now people talk about 'my mobile device'," he says. "It's a device as opposed to a phone because the functionality of mobile devices has increased enormously."

Tobias claims the days when a company could simply spend a few hundred dollars turning their websites into apps are long gone. "It reflects hugely badly on the business," he says. "It's like having a shop front that isn't enticing to the customer, so why would you do it?"

Good apps are intuitively easy to use and make use of the capabilities of the device they're running on. They also deliver value, says Tobias, be it entertainment value, transactional value or information value.

Frontrunners among organisations that can most obviously make use of apps are banks, which are using them to facilitate easy mobile transactions, and media companies, which use them to push out news and entertainment. However, other businesses with a less obvious need for apps are also developing them.

Sydney butcher [Vic's Premium Quality Meat](#) launched its '[Ask the Butcher](#)' app in December 2009. The app contains a diagram of the different cuts of lamb, beef, pork and veal, as well as information and recipes for each one. There's also a timer, cooking temperatures, durations and weights for each cut.

"The words innovative and meat don't necessarily go together in the same sentence," says Vic's Meat chief executive [Anthony Puharich](#). "But as a business and an authority on meat we're constantly looking at ways to innovate and communicate with our customers and get the broader message out in terms of what we're all about as a business."

The app was developed by digital agency Protein One, which did the layout and the IT work, but the idea and the content for the app came from Vic's Meats, which is also the company behind high-end Sydney butcher Victor Churchill. While many companies risk putting out useless apps if they don't ask customers what they want, Vic's Meat got it right.

"We were the ones who picked out what we thought was relevant and important and what people wanted to know about," says Puharich. "We didn't do any market research or speak to customers. It was gut instinct and our expertise in our chosen field about what we felt was the right information."

The \$1.99 app has been hugely successful. It's Australia's most popular paid food app and has surprised Puharich by recouping its development costs. It has also succeeded in its original purpose, which was to market the business.

"The flow on and the additional benefit that we've derived across all of our businesses because of the app – I can't measure it for you – but it's certainly benefitted the business," Puharich says.

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