

ANGRY BIRDS



Today we are going to dive into some of the great real-life examples of mobile app startups. These are companies we have all heard of, but may have never heard the story of what brought them to prominence. Companies of all stripes struggle with how to best reach their clientele, and when it comes to app development, not all strategies are created equal.

[Apps](#), broadly speaking, are divided into two groups: B2C and [B2B](#). One sells directly to the customer, requiring an approach that appeals to individuals, while the other is designed for businesses by businesses.

Regardless of whether a startup is designed for consumers or businesses, there is a path they all follow, so let us first look at some B2C success stories and see how they have taken their ideas and transformed them into industry frontrunners.

From Mattresses to Millions: The AirBnB Story

Struggling to meet San Francisco's huge rent costs, two roommates started looking for new revenue streams. Thinking a lot about their living space, they decide to share it with others, running a sort of bed and breakfast with air mattresses. They created a blog to spread the good word, sharing maps and inviting folks to come stay with them. The first night they got three guests for three air mattresses, but, more importantly, they got paid. Counting their earnings towards paying the rent, they agree they might have stumbled onto a great idea. While the idea was still hot, they brought their old roommate in to unite the three musketeers who would become the company's founders. Taking their prototype to the public at South by Southwest, they had their first encounter with success - two whole bookings.

Well, that was certainly not the sort of success they expected, but this was the tipping point that would separate them from the rest. Rather than allowing the disappointment to dissuade them from their great idea, they kept at it, generating their own capital and maintaining that entrepreneurial spirit, selling "Obama O's Cereal" during the 2008 US presidential campaign. With a few dollars in their pockets,

more seemed to follow, as they received a huge bump from Paul Graham's Y Combinator. So, they had their site and their funds, and we all know how this story ends, right? In fact, we haven't reached the end yet. Despite the cash influx, they were not seeing any growth, leaving them scratching their heads as to what was holding them back. They took a good, long look at their site and as they distanced themselves, they were able to make a confession: the photos were not that enticing, so it was no wonder that no one wanted to stay. Realizing the number of missed opportunities they suffered, they decided to send out photographs to their listings in New York City and create some attractive images for their renters to use. Soon after, the growth began. It wasn't completely smooth sailing from there on out, with some other rejections and hurdles along the way, but they stuck to it and today AirBnB has a \$10 billion valuation. Not too bad for guys with air mattresses.

Gaming the System: The Angry Birds Story

Dedicated to making money with mobile apps, three Finns got together and determined to create their own company. Lovers of video games and realizing the potential of devices with great graphics and processors people carried with them everywhere, they decided to make mobile games. They put some funds together and became unstoppable machines, coding, designing and pumping out 51 games in just a short time. Like true entrepreneurs, they appreciated the value of hard work, late nights and innovative products.

Unfortunately, in spite of all that, none of their games seemed to catch the zeitgeist. They just were not seeing much ROI on any of their products and their initial savings started to dry up. With the end seeming inevitable, their resolve strengthened and they decided to go out with a bang. They would create one final game and finish on a strong note. However, they wouldn't settle for just anything as their last hurrah, so they brainstormed and sketched and created 10 potential projects every day. This continued until someone drew a picture of a little, irate, red bird, which is when they knew they were onto something big. The rest, as they say, is history, and now Angry Birds is a household name.

B2C Success

As you can see, the people who created these two phenomenally popular applications in no way lacked for entrepreneurial spirit. Yet, is that what led to the ultimate success of their projects, sound business strategies? Winning ideas? Brilliant work ethics? Of course these were vital components, but sadly many startups possess all of these features and yet never progress past a launch. Both of these companies launched. And launched again. And again. Their victory lies in their persistence and what they did after each launch. They analysed and looked for any kink in their plan. Sometimes it required distance, other times an outsider's perspective, and often times just reviewing how and why users were dissatisfied. Ultimately, their product was for the consumer and they would not quit until their idea was in a consumable form. Millions of dollars, global popularity, and dozens of new service and product upgrades later, these companies continue to adapt and expand to capture more of the market and keep their customers happy. But can the same lessons work [with B2B apps](#)?

Music to My Investors: The JOOX Story

If there is an industry that has a strong tradition that is hard to break into, the music industry might be it. Things have been done in similar fashion by big companies for a long time. But that all changes when two entrepreneurs sought to change the model. The businesses in this industry have always been the musicians themselves, seeking to get their product to a larger audience. As musicians themselves, the founders of JOOX understood the difficulties and demands of promotion, but also its value.

They thought the top-down approach of telling the audience what to like was different from the reality that fans create fans, telling their friends and acquaintances about the best new acts. Why pay commissions to big companies for marketing, when they could work with their fans directly. JOOX music has developed a system to help musicians monetise on their products, as well as offer fans a more direct role in their favourite musicians' rise.

Why JOOX?

Just like AirBnB and Angry Birds, JOOX was created by individuals who persevered. After struggling in the music industry, they developed a system that would improve the situation for businesses and consumers alike. What sets this apart from a B2C solution though is that JOOX did not invent something new, it took what businesses were doing and made it better. B2B apps are meant to supplement, not replace the work of a business. Rather than creating a new product or service, what developing a B2B app allows is a way to move and offer products and services in a more dynamic, effective, and compelling way for the consumer.

This means B2B [mobile app developers](#) must understand the industry as a whole, not just its consumers. Research and identifying problems is vital to building an application that solves problem, not create them. Beyond this, getting to market quickly with a product is important too, which is where the MVP comes in.

The MVP

An MVP, or Minimal Viable Product, is a barebones version of an app. This is the point at which your app offers something to your users, but before you add everything you want to ultimately see in it. First of all, you don't want to throw everything at once, leaving you without the promise of how to follow up a launch, but more importantly, a graduated release allows you to master every step and function of your app in your market, in a cycle of release, refine, and add-on. Working with an MVP allows you to quickly get onto the market, while simultaneously ensuring solid architecture, user experience, functionality and security.

Getting There

To get to the MVP and the beginning of seeing a return on investment involves a lot of conversations and collaboration. For businesses, by businesses requires dialogue and analysis. A good developer

gets lots of input from the client, a great developer works side by side with them to achieve their result and see all goals properly set, KPIs met, and returns maximised.

Getting Started

Recently we published a [development guide for startups](#) to showcase the steps for your future success. There you can read about the business cycle and what sets successful companies apart. Once you have read through and think your startup is ready to develop its own MVP, get in touch with one of our Magora experts, who can answer your questions, offer an estimate and begin developing your application today!