

Firm feeds demand for iPhone apps

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Companies are increasingly pitching their products using text messages and cellphone applications. But a South Florida entrepreneur is taking the idea to the next level by designing iPhone apps for large companies, and using new technology to alert every user whenever there's a coupon or sale.

The Fort Lauderdale company, Cables Media, was started by Jon Krutchik, formerly the president of Cooper City-based telephone company STS Telecom.

"We're currently in talks with several quick serve restaurants, some of which are very, very large," Krutchik said.

Here's the pitch: His team will create an [iPhone](#) app for the company to display coupons, sales, product announcements and show a map to the store. Alerts of new deals pop up on the screen at whatever time the company sets, and customers can redeem them at the counter by displaying a code.

The market seems to be ready for this technology. More consumers are demanding coupons on their phones, as well as other virtual tools like interactive store floor plans and merchandise directories online, according to the 2009 Digital Outlook Report, put together by the interactive marketing firm Razorfish.

The new iPhone operating system allows an app to "push" a message to pop-up on the screen -- no matter what the user is doing -- and it looks

similar to the way a user gets a [text message](#).

In this case, a company would send out a message about a drink special going on now, or an alert of a new coupon.

This technology has been used with other applications, such as The Associated Press, which sends out [short messages](#) when there is a big breaking news story. The user can then click on the app to read more about it, or click to close it.

Getting a guarantee that users will see the message is a pretty sweet deal in the world of marketing -- the challenge is to just get people to download the app.

In July, Apple reported more than 1.5 billion apps have been downloaded in the past year. There's a lot of competition for app attention with more than 68,000 apps available for download, according to App Store tracking site 148apps.biz.

Apple shipped about 13.7 million iPhones last year, and sold 5.2 million iPhones in this last quarter.

One analyst with Bernstein Research predicted there would be more than 50 million iPhones sold by September 2011. And an analyst with RBC Capital Markets expects total iPhone shipments to reach 82.1 million in 2012.

The payment model for having one of Cables Media's apps is pay-as-you-go.

So a restaurant would pay Cables Media every time they send out a coupon or sale alert, and the cost would depend on how many people downloaded that application.

"That's where the future of advertising is heading," Krutchik said.
"People keep their cellphones with them. I keep my iPhone with me at all times. There's no other advertising delivery system that can make that claim."

It can take a developer as much as four to six months to create an app for a company, especially if it is complex -- not to mention all the corporate approval hurdles it has to pass through. And a developer can charge as much as \$100 an hour. Although Krutchik didn't release information on costs, he says his company can have it ready in one month.

Krutchik's company will work with the clients and give suggestions and advice, which makes his company stand out from some other iPhone app building template services such as Swebapps. With Swebapps, you choose what content you want on the device, but the look isn't customizable. Swebapp's prices start at \$200 to build it, plus a \$25-a-month hosting fee.

Fort Lauderdale iPhone app developer Davide Di Cillo, 28, started creating apps in October and saw there has been a huge demand for [app](#) programmers. So he created the site GetAppsDone.com, which ended beta testing Monday, but will pair up developers with folks who want an application created.

He said he's also in the begining stages of starting a business that will building apps for restaurants.

"Applications are going to become the new Web sites," Di Cillo said.
"Even if they don't know what to do with it, they want it."

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