A few years ago, only a small percentage of the population was aware of what these words mean. For most of us – these words had no impact on our lives.

These days – we live in a changed world, a world where social media and apps play very active roles in the personal and business lives of our families, our clients and ourselves. Social media is no longer just for teenagers (500 million members and growing), Apps are no longer just a gadget (21 billion installed) and the global impact of both is surprisingly significant on all aspects of our lives.

The App revolution is now mainstream (but expanding at chain reaction rate)

On the 22nd of January 2011, Gail Davis of Orpington, Kent, UK received a phone call which she initially thought was a prank call telling her that she has just won $10,000 from Apple corporation. After initially dismissing the call, Gail consulted with her daughters and together they called the Apple hotline only to find out that they had indeed won the prize for downloading the 10 billionth App from the Apple App store.

To put things in perspective – in January 2011 – 10 billion Apple Apps were downloaded. However in July 2011 – 15 billion Apps were downloaded from the Apple App store and a further 6 billion Apps were downloaded and installed on Google Android devices.

That’s a total of 21 billion Apps installed by July 2011 (counting only Apple iOS and Google Android devices).

These are staggering figures given the fact that the total world population in 2011 is 6.9 billion.

Social Media & Apps and their impact on the global lubricant market

Facebook, YouTube, iPhone, Apps, Android, Twitter, LinkedIn, iPad, tablet …

Another unbelievable fact is the acceleration rate at which the App capable mobile world is moving:
- The Apple App store has reached 15 billion Apps installed in only 3 years and is projected to reach 183 billion downloads by 2015 (source: IDC – forecast 2011)
- Google is activating 500,000 new Android phones per day – with a growth of 4.4% per week (source: Google)
- Apple has reported in 2011 a year on year growth of 141.8% of iPhone device sales (source: Apple)
- Mobile Internet Traffic is growing at a rate of 108% per year (Source: Cisco VNI)

Many human behaviour studies have been recently conducted on the use of mobile Apps and the findings, again, indicate that the Apps revolution is in fact no longer a revolution but a fact of life for a very large and rapidly growing percentage of the population who use Apps for day to day, work, fun, etc. Some interesting findings are:

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35 percent of Android and iPhone and iPad owners, use Apps before getting out of bed
20 percent report that the last thing they do before going to sleep is use Apps
In June 2011, a ComScore survey reports that for the first time in history, US iPhone, iPad and Android users spend more time per day using Apps than Web
A wall street journal interview with Brian Dunn (CEO of Best Buy) revealed that the sales of iPads are cannibalising up to 50% of Laptops sales at Best Buy. Dunn was quoted saying “People are willing to disproportionately spend for these devices because they are becoming so important to their lives.”

While Apps are clearly leading a mobile revolution and while users are voting and consuming Apps at an unprecedented rate – the explosive acceleration and change is very puzzling for many companies who for the most part don’t have a clear plan on how to tackle the App revolution. Many of those companies are pondering with how to cope with the shift while other companies are making use of this development in their favour, enhancing their brand, increasing their client’s satisfaction and loyalty while increasing sales and margins due to lower marketing spending.

What happens in Vegas stays on Facebook, Youtube, Twitter…
In January 2011 – Asmaa Mahfouz, a 26 year old Egyptian – one of the 500 million active facebook users – wrote on her Facebook page that she is going to protest on the 25th of January at Tahrir Square in Cairo – against the Egyptian government. The rest is history and as we all know this post of hers became a giant rolling social snowball, which eventually toppled the Egyptian regime.

This is merely one example of the profound role and impact of social media on governments, companies and people.

Facebook, Twitter, Youtube, LinkedIn – social media as we know it – have collectively become the #1 activity on the Internet (leaving pornography which used to be #1 well behind).

One amazing fact is the growth rate of social media, which is spectacular:

However the penetration rate is unbelievable.

To illustrate this, let’s compare the time it took to reach to 50 million users:
- Radio – 38 years to reach 50 million users
- TV – 13 years to reach 50 million users
- Internet – 4 years to reach 50 million users
- iPod – 3 years to reach 50 million users
- Facebook – 9 months to reach 100 million users
- Apps – 9 months to get to 1 billion installs

Some less known facts about social media, which might surprise you, are:
- 50% of the world is younger than 30, AKA – generation Y
- 96% of generation Y are members of one or more social media services
- Facebook has more weekly traffic than Google
- 200 million Facebook users access it via their iPhone, iPads and Android devices
- 70% of Facebook users are outside of the united states
- 64% of Facebook users have “liked” a brand on Facebook (source: ExactTarget)
- 78.6% of consumers have joined a company Facebook community to get more info (Source: Universal McCann)
- 63% of company Facebook page members note that they would recommend the brand to friends and family
- YouTube exceeds 2 billion views per day
- 1 in 5 couples meet due to social media
- 1 in 5 divorces are blamed on Facebook
- If Facebook were a country – it would be the world’s 3 largest
- 80% of companies use social media for recruitment

The use of social media is now a daily routine for a very large percentage of the world population. There is an extremely high likelihood that you, the reader of this article are active on at least one social media network or know a member of your family or friends who is active.

Companies like Ford, KLM, KFC, Kelloggs, Kohl, Target and many other companies have gained client satisfaction and loyalty as well as direct sales via smart social media use with some of them making very drastic moves such as the decision of Jim Farley, Chief Marketing Manager of Ford to divert top TV advertising budgets into social media.

Farley told Reuters: “Advertising dollars have to flow to where the people are. Currently, there are over 1.9 billion Internet users. Of those people, 500 million are on Facebook; 110 million are on Twitter and over 2 billion access YouTube each day. Ford understands that word-of-mouth advertising is the best kind of advertising a company can get. By tapping into social media, Ford is hoping to accelerate its word-of-mouth recommendation. To be effective in social media, you cannot have a passive presence. You have got to be engaging, compelling — and cool. You need to understand your target audience. And you must humanise your brand in such a way that people feel connected to your business.”

However social media does not only mean positive for companies and in some cases, companies were hurt due to a ‘social media disaster’ mostly related to one of the following reasons:
- Not monitoring social media at all
- Wrong information
- Not having a social media policy
- Bad policy
- Bad execution
- Too much focus on self promotion
- Lack of professional social media advice
- Being too arrogant on social media
- Technical problems

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The list of social media disasters is long and for many companies the damage was difficult to repair.

The key points to consider as a company that social media is here to stay and is now one of the major points each company must consider as part of its marketing and communication strategy.

Convergence of Social Media and Apps and the Lubricant Industry

The lubricant industry like all other industries is impacted by the changes that are sweeping the world. Mobile apps and social media are playing and will play a growingly important role in the lubricant industry.

To illustrate the importance of the above let’s have a look at an example of how social media and apps can be harnessed by companies in the lubricant industry: Olyslager, which provides lubricant recommendation data since 1948 and continues to lead in its market today provides various forms of lubricant recommendation including booklets, wall charts, CDs and Internet websites is seeing a paradigm shift in recent years where more and more of its clients request an online lubricant recommendation system.

Beginning in 2010 a new strong market demand unveiled itself in the form of lubricant companies requesting mobile oil recommendation systems for their explosively growing mobile client base.

To answer the growing market demand – Olyslager together with SternPixel (a part of Stern NV, a leading Dutch automotive concern) has developed a server based Lubricant Mobile App ecosystem for the iPhone, iPad and Android which combines:

• Lubricant company apps for the iPhone, iPad, Android phones and tablets
• Social media integration such as YouTube and sharing information from within the App on Facebook, Twitter, mail
• Lubricant data and recommendation via the app
• Mobile Commerce – ordering products from within the app
• Product catalog, photos, videos
• GPS locator of selling and service points
• Other features such as news, information, fun, contact forms, etc.

The above apps can be used by the clients, resellers, partners and company employees.

Benefits for the clients:

• Ease of having quick access to lubricant recommendation on their phone or iPad. For example – when the client needs a top-up of oil when on the road. Using the app he can easily find the right lubricant for his car (the app includes all car brands and types with Logos). This cuts down on product selection confusion. Clients will be grateful and loyal
• Browsing the company lubricant products, finding out about the performance specs, learning about new products
• Easily accessing social media such as YouTube, Facebook, Twitter from within the app to spread the word about the products, the brand, news, watch videos, etc.
• Multiple languages
• Easy access to the address of sale and service points using the GPS of the device, seeing all addresses on a vivid map with pinpoint and directions
• Easy access to contact forms, info, faq and a more direct way of interacting with the brand
• Easy way to share their enthusiasm of the brand and products with like minded friends in out of home situations
• The client can share the app very easily with his friends via email, face to face or social media
• A possibility to shop via their mobile device – M-Commerce
• Cool, fun and enjoyable to use

Benefits for the company:

• A full entry into the mobile world with a full brand and product presence, an investment which bears fruit for many years
• Apps receive a lot of positive media attention and so will the brand
• Helping their clients find the right product, get the right info, find the right location offers convenience
• Can be the start or a key item in a social media strategy and plan
• Gaining brand and product awareness on both mobile and social
• Opportunity to launch new products
• A key learning tool for the employees, resellers, sales people, shareholders
• A direct communication line into the pocket of mobile users is extremely valued by clients
• A strong positive differentiation from the competition
• A tool for building customer satisfaction and loyalty
• A tool for gaining position on Google. Apps and social media help SEO (search engine optimisation) profoundly
• Can be used as a corporate mobile intranet
• Can be used by the sales team to sell, educate reps
• Can be used to build and expand a brand fan base or enforce brand perception (green, responsible, performance, dynamic…)
• Once in the pocket of the client, achieve client loyalty and a higher likelihood for getting the client to recommend the app, brand and products to his friends, colleagues and family
• Sharing of the app is easy and fun
• A mobile sales channel via M-Commerce
• Lower marketing budget due to effective use of marketing resources
• Low cost of ownerships through the use of a Content Management System
• Ultimately the company will realise more revenue and higher margins due to increased loyalty, satisfaction, mobile presence, social media presence and a direct communication line to the clients

Many lubricant companies have not yet ventured into mobile or social and are still in the phase where they are unsure about the next step. A solid, well-executed mobile apps strategy combined with social media strategy, can offer great benefits to lubricant companies as well as to their users.

As social media networks and mobile apps consumption continue to grow and dominate the usage patterns of people around the world, more lubricant companies will act upon the changing usage patterns of their clients and will adapt accordingly.

The challenge is of course to act on a timely basis, but in a way which clients will like and appreciate.

Mobile apps and social media are today what the Internet was in the late 90s – an exponentially growing medium, which is ubiquitous, innovative, popular and disruptive.

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