

Kickstart your User Acquisition Strategy with Mobile Video Campaigns

10 Best practices to maximize your
mobile video campaign performance

Engage users with mobile video campaigns

For app developers, building and releasing an app is only half the battle. Acquiring loyal and engaged users is key to establishing an app's long term success. With increased competition in today's app ecosystem, it has become increasingly difficult to acquire quality users in a cost-effective manner. As mobile video changes the landscape of in-app advertising, campaigns based on rewarded video placements are attractive and unique because they provide value to users in exchange for their engagement.

Mobile video campaigns are a 100% opt-in format that allows users to watch video ads in exchange for in-app currency. These ads are user-initiated, non-intrusive, and contribute to a seamless user experience by prompting high levels of user engagement. Because the user is rewarded for the video completion, rather than the app install, this format helps convert users who have an active interest in the advertised app.

How mobile video campaigns work



1 User opts-in to view an ad



2 Full-screen app trailer is shown



3 Optional non-rewarded install



4 User is rewarded for video completion

Why use mobile video campaigns?

Video has proven to be an effective tool to get an advertiser's message in front of the right audience and further move users down the user acquisition funnel, prompting higher levels of engagement. However, there are a number of factors that advertisers should take into account to optimize campaign performance and ensure that they are getting the most out of their mobile video spend. With well-informed campaign preparation, mobile advertisers can capitalize on video to acquire users at scale. **In this whitepaper, we'll cover best practices to ensure that your campaign yields the best possible results.**



First, it is important to keep industry trends top-of-mind while simultaneously preparing your campaign for launch.



Next, it is essential to monitor campaign performance and optimize.



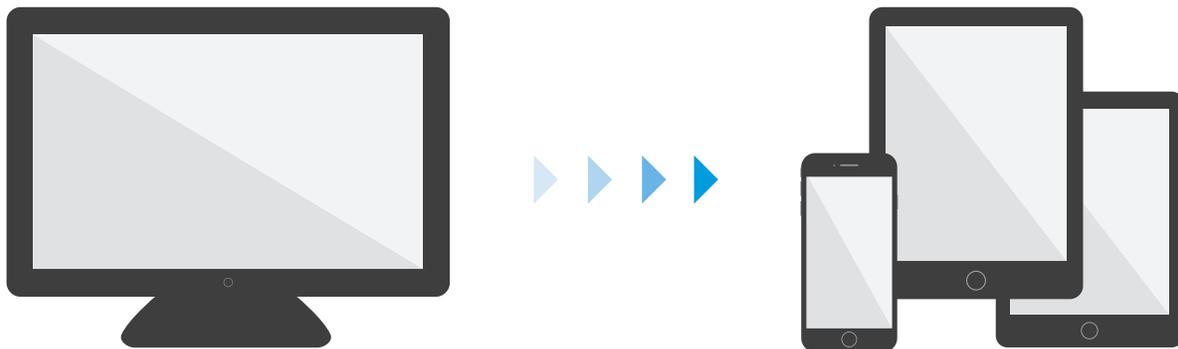
Finally, continue to scale your user acquisition strategy by adding additional ad formats and campaign types.

Ensure your supply partner has strong mobile in-app inventory

The mobile advertising industry is rapidly scaling, as [31% of total website traffic currently comes from mobile devices](#) and is continuing to grow. In fact, [users now spend 85% of their time engaging with apps](#). Therefore, it is important to select a supply or user acquisition partner that is capable of providing direct access to mobile in-app inventory. In addition, as the mobile industry hits critical mass, there is a shift towards exchange-based buying, but despite industry maturation, the mobile advertising ecosystem is still very fragmented and most paid acquisition channels are unable to provide the ability to scale and optimize. Before signing an insertion order and allocating spend to your campaigns, take a look at

the scale your supply partner can provide on mobile, the quality of their traffic sources, and the diversity of verticals that their inventory encompasses. In addition, ask yourself if your mobile supply partner has built out a distinctly mobile-centric business, or if they are simply extending their desktop service to cover mobile. Choose a mobile first supply partner that concentrates on offering access to a diverse network of top-ranking mobile inventory, especially one that specializes in in-app market placements. Mobile first supply partners focus on understanding mobile user personas and reaching relevant potential users on their personal devices in a manner optimized for mobile consumption.

Users spend 85% of their mobile time in apps



Source: www.statista.com/statistics/277125/share-of-website-traffic-coming-from-mobile-devices/
Source: www.techcrunch.com/2015/06/22/consumers-spend-85-of-time-on-smartphones-in-apps-but-only-5-apps-see-heavy-use/

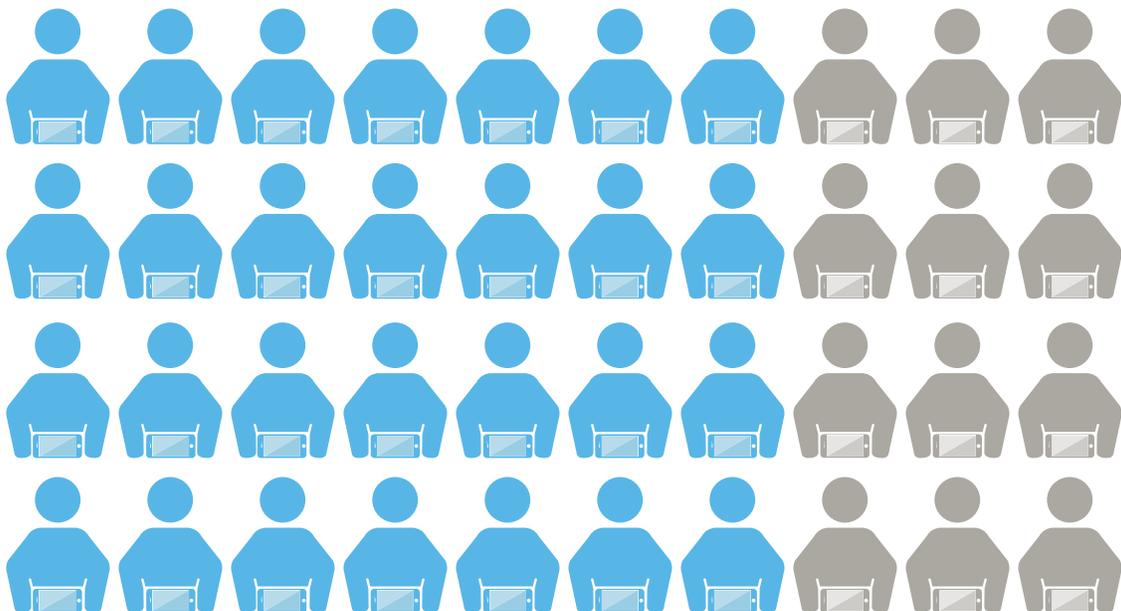
2

Mobile game advertising reaches a diverse audience of users

Many advertisers believe that marketing through mobile game placements is only beneficial for apps that target the profile of a “hardcore gamer”. However, today’s mobile game user is not a stereotype – it’s inclusive of everyone. App advertisers can reach far more than just gamers with their in-app video ads. Mobile app users include males and females of all age groups from all corners of the globe. Furthermore, it is estimated that, on a daily basis, [70% of global mobile users partake in mobile gameplay](#). Therefore, advertising in gaming

apps reaches a wide audience not only of hardcore gamers, but the general population of mobile users. Advertisers who rely on an antiquated understanding of their potential user base limit the distribution of their campaigns to traditional ad verticals like news, lifestyle, etc. to reach their intended audience. However, this outdated view of the mobile gaming industry hinders advertisers, causing them to miss out on the huge opportunity presented by highly engaging in-app game environments.

Globally, 70% of smartphone owners play mobile games on a monthly basis



Source: Verto Analytics 2015

3

Know your competition target areas and focus beyond key markets

Because the popularity of mobile video advertising has moved beyond the early adopters phase and is quickly becoming mainstream, ask your supply partner about the average and top bids running at a specific time through their marketplace. With your mobile video campaigns constantly competing against bids from other advertisers, it is advantageous to know what the highest and average CPI is in the geographical area where your campaign is running so you can bid competitively. In addition, consider targeting emerging markets as it is easier to buy the same volume at a considerably lower cost. Whenever possible, explore less-saturated high-growth markets for cost-effective visibility, and target regions or app stores where there is less noise. Understand the

user audiences of other countries – what devices they use, whether they are more conducive to certain video content, or have a specific affinity for certain app genres – as there is no defined recipe for success across regions. In addition, develop a unique budget and bid approach for each of these different market segments. Advertisers hoping to expand their user acquisition strategy into specific regions or markets should take a deep dive into local use cases to create unique audience profiles, rather than relying on previous experiences in other markets or regions that they have had success in. This is particularly helpful during holidays or times of peak seasonality, when an exceptional number of advertisers are releasing their apps and competing for viewership.

Because cost per install (CPI) averages are region-specific, develop a unique bid approach depending on the market



4

Define and analyze KPIs to successfully scale your campaigns

While this might sound like a no-brainer, often advertisers do not define clear key performance indicators (KPIs) to evaluate the success of their campaign. As a first step in working with a supply partner, it is imperative that you communicate your campaign goals – in this case, user acquisition using mobile video – prior to launching your campaign so that it is set up and optimized to achieve your objectives. When spending on a new channel, use a test spend to first evaluate both scale and quality before defining a budget. As your campaign progresses, consider the in-app ad user flow and examine how your KPIs are performing (e.g, the number of installs resulting in an app open and tutorial completion during the first 7 days) when analyzing how to iterate and improve

on your campaign to maintain a positive ROI. Track positive results back to specific traffic sources to deduce where high-quality users are coming from and thus, where to allocate more of your budget. As an app advertiser, conversion is initially a great key metric to examine, but lifetime value (LTV) of a user is equally if not more important in the long run. KPIs to measure the sustainability of your user acquisition strategy include in-app behavior metrics such as engagement, retention, and purchase data, not merely the mid-funnel action of installation. By monitoring user behavior, whether it be successful post-install conversions or unsuccessful post-video view drop-off, you can iterate on content, placement, bids, etc. to specifically diagnose areas of improvement.

Pre-install:

KPIs

Impression

number of times the video ad was started or shown to a user.

Completion rate (25, 50, 75, 100%)

percentage of users who saw at least X percent of the full video.

Completed views

number of times the video view was fully completed.

Click-through rate

ratio of how often an impression results in a click to the optional post-view action.

Installs

number of installations completed as a result of a video view.

Engagement rate

a ratio of how many completed installs resulted in a post-install engagement (e.g., tutorial completion)

Post-install:

KPIs

Day retention rate (1, 3, 7, 30)

the ratio of users who continue to actively use the app after a predefined time period, usually taking into account a 30 day timeframe.

In-app purchases

the revenue generated by users that have spent money within the app by buying tokens, gems, coins, etc. within a certain time frame.

Campaign cost

the total expended cost (campaign spend, campaign management) taken into account to compare to revenue when evaluating an ROI outcome.

Lifetime value

net profit attributed to the entire relationship with a given user. The higher the LTV, the more revenue you will see from loyal engaged users.

Organic lift

increased organic installs which result from achieving a higher store stats rank due to the initial volume driven by paid marketing campaigns.

5

Optimize video assets for an immersive mobile experience

Many advertisers categorize mobile as an extension of desktop, but users interact very differently with each medium. Brevity is certainly a virtue in the world of mobile video. 15 second ads gain the most traction from users, whose attention span is short and divided amongst the plethora of content available to them. In comparison to desktop usage, touchpoints with mobile apps tend to be frequent and spread throughout the day, and are comprised of multiple interactions embedded into a user's daily routine. The mobile experience is more focused than on desktop because the full screen ad commands a user's attention, but because mobile devices are used on-the-go, sessions are shorter and more fragmented. Therefore, succinct videos that are under 30 seconds in length have proven to be most successful. Framing these video ads like movie trailers improves engagement by creating a pleasurable and exciting experience for users. User acquisition places a strong emphasis on scalable user growth, and a key component to entice viewers is the HD video experience. Keep in mind that unless your

supply partner provides video pre-caching, the larger the video is in size, the slower it might be to buffer or load. As a general rule of thumb, keep video file sizes under 300MB and invest in creative resources to create pixel perfect video trailers that best educate the user, highlight the app's most compelling features, and immerse the user in the app's gameplay, if applicable. Although the video's end card (the download screen that populates after the video ends) is static, it is an integral part of the user acquisition funnel, as it acts as a gateway to the app store. Keeping your end card to a 200-300KB file size, create an informative and visually enticing banner which includes a call-to-action that will resonate with users and keep them hooked to click-through to the following landing page. Provide multiple video creatives, copy alternatives, and offer headlines for your video and end card assets so that your supply partner can rotate through them to ensure that users are not repeatedly seeing the same videos. This alleviates user fatigue and allows repeat viewers to see different aspects or qualities of your app.

Achieve a boost in video completion rate by optimizing video content and length for the mobile user experience



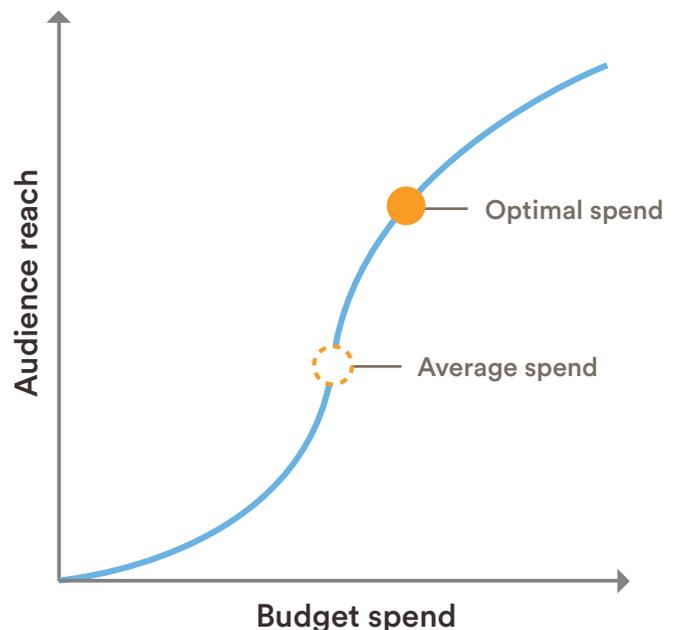
6

Offer higher payouts for greater visibility

With app developers seeking to maximize their ad revenues, and Supply-Side Platforms committed to delivering the best value to their network of publishers, ad impressions are usually awarded to the highest bidder. The overall incentive for developers is to provide high-quality inventory to these marketplaces, which in turn, benefits advertisers. On the other hand, competition on the advertiser side is also very intense because, as mobile video spend is rapidly increasing, app advertisers are finding themselves competing against each other over limited inventory. Therefore, open ad exchanges are extremely competitive environments, but an advertiser will

always have access to all available inventory. It is important to understand what type of inventory you are bidding on and know what exclusivity of inventory your supply partner can offer. A good supply partner will be able to match relevant apps to the video campaign you are running so that your ads are naturally conducive to their user base, and are thus more worthy of higher payouts or rewards. By doing so, your ads will be distributed to users that more closely represent your target audience. In such cases, a higher payout will increase the chance that your ad will win the impression bid and be served to the user, therefore boosting the visibility of your campaign.

Test different budgets and offer payouts to optimize spend to fit the goals of your campaign



Reach the right audience to maximize ad distribution

Have a clear understanding of exactly what inventory your supply partner offers, whether it be in-app or mobile web, as well as the verticals that they cover or specialize in (e.g., gaming, communications, dating, news, etc.) As the mobile industry moves away from mass digital advertising and develops its own niche formats and features, it is important that you develop messages that are personal and relevant to individual users so that they are persuaded to install your app. As an advertiser seeking to gain loyal long-term users, it is also essential that you be willing to pay more for a high-quality audience, and cut spend on poorly performing channels to reinvest into more premium channels. To identify your top-performing traffic sources, first utilize your supply partner's segmentation capabilities to target users from relevant app categories, geo-location, device, and/or platform. Your supply partner can then create

additional tags to target based on subject-specific segments, app genre, gender, etc. to hone in on your exact target audience. Next, request routine reports to monitor campaign performance and ask for transparency into specific inventory sources. Check that the inventory provided by your supply partner is ROI positive, and using the KPIs you've defined, proactively work with your partner to whitelist top-performing inventory and blacklist ineffective sources. Depending on your in-house resources, consider the benefits of a managed service option, as opposed to merely using a self-serve platform, so you can work with an account manager to get a better understanding of the inventory that is available for the ads you are running. This targeting and optimization process should be repeated to ensure you are engaging the right audience and not wasting spend on channels that do not garner positive results.



Geo location



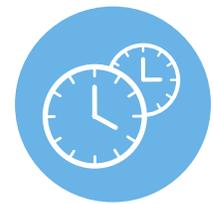
Language



OS & version



Mobile device



Daytime parting

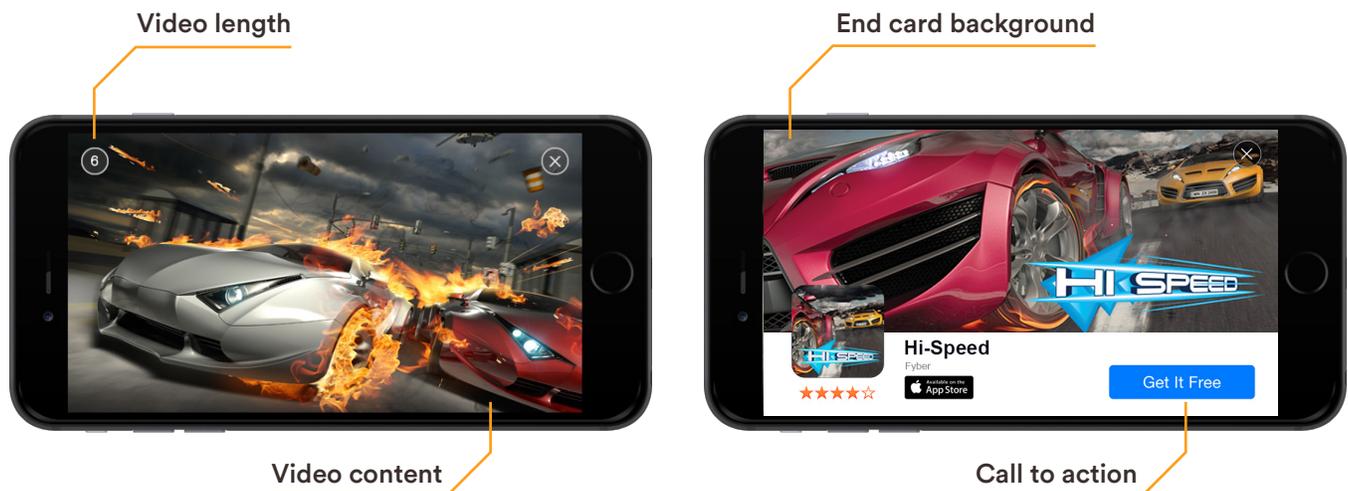
8

A/B test campaign variables to optimize through iteration

Before committing your entire UA budget, run your campaigns for 1-2 weeks to gather user behavioral data and examine the performance of the campaigns. In addition to timing your mobile video ads appropriately, incorporate several creative refreshes throughout the campaign duration so that integrated content does not become stale or repetitive. When evaluating a campaign's successes and shortcomings, scrutinize KPI results to inform any modifications that need to be made to ad creatives. In order to A/B test effectively, run tests where it is clear that performance changes can be attributed to individual element changes (e.g.,

call to action copy, or button color, length of video, etc.) In addition, consider the quality and effectiveness of the ad unit composition as a whole, not solely as its individual elements. Ensure that the campaign presence throughout the duration of the video is cohesive, compelling, and warrants high-volume growth by using a combination of a thoughtful call to action and a banner that best speaks to your viewers. A/B test variables within your video messaging and visuals to determine what type of content best resonates with your audience, while also focusing on the strength of your end card.

Analyze user behavioral data and examine the performance of your campaigns to inform your A/B testing and creative optimizations



9

Utilize multiple ad formats for a comprehensive user acquisition strategy

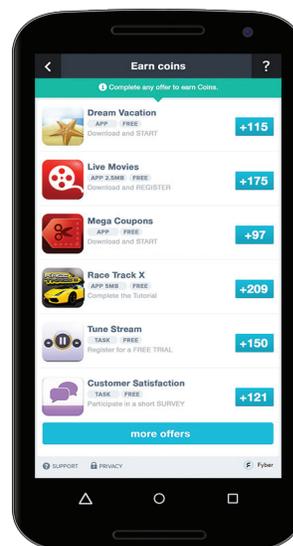
The use of different ad formats is not mutually exclusive, so in addition to A/B testing creatives on a campaign-level, it can also be beneficial to A/B test ad formats. You can then divide your campaign budget between different formats for a more holistic and balanced marketing approach. Using multiple formats in tandem is a great way to gain a better understanding of what type of ad format is most conducive to your

app's users and is critical for sustainable campaign success. Consider other ad formats outside of video and prioritize formats based on the quality of users generated, as well as the total user volume that you can achieve with that format. Different formats provide unique opportunities for app advertisers to increase an app's exposure, awareness, and drive installs.



Mobile Video

user-initiated, high-quality video, followed by an end card with an optional engagement.



Offer Wall

user-initiated, user is presented with various options to earn virtual currency and selects the offer most relevant to them.



Interstitial

not user-initiated, rather built into the natural flow of the app.

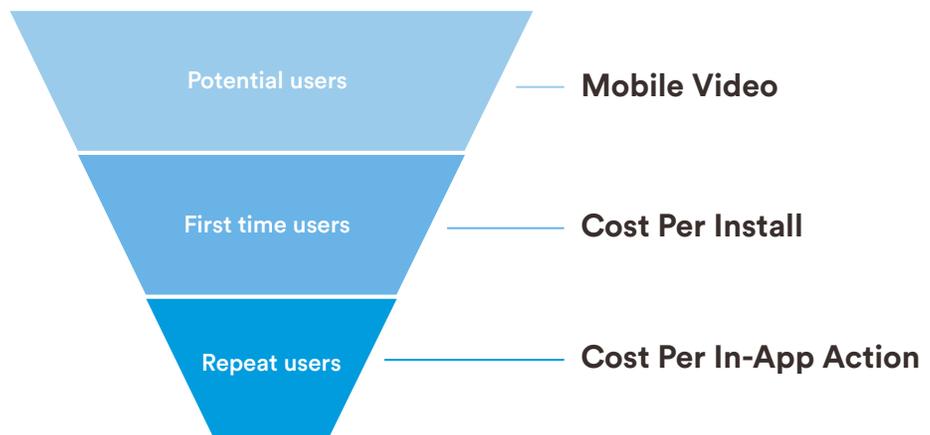
10

Run different campaign types simultaneously to gain a mix of users

Getting users to install your app is just the first step in the user acquisition funnel; additional mobile advertising solutions can be used to diversify and achieve user acquisition at scale. While the mobile video model incentivizes only the video view, other advertising options include cost per install (CPI) and cost per engagement (CPE) campaigns, which can be run in tandem with incentivized video campaigns. The CPI model increases your app's visibility and rewards the user for the actual install, which places it further down the user acquisition funnel compared to a video view. The main advantage is that this campaign type can generate incentivized installs very quickly and directly boost install rates. These are especially effective during a short time frame, as demonstrated by "burst campaigns". The CPE campaign type goes even further, by rewarding users

not only for installing the app, but also for executing an action within the app, such as completing a tutorial, reaching a certain level, or creating a profile after installation. This allows new users to better understand the unique app experience that you provide, in addition to being rewarded for in-game progress. Both of these campaign models reward users for completing an action further down the user acquisition funnel than the mobile video view model. However, because users are incentivized to complete an action in exchange for a reward, be aware that users acquired this way may have lower LTV and may not continue to engage with the app over time. As a whole, it depends greatly on the campaign objectives and marketing goals of your app to best inform the campaign type that is used.

Different campaign types address different stages of the user lifecycle





Scale your user acquisition strategy with mobile video campaigns

In conclusion, a well-informed approach to implementing mobile video campaigns always keeps the user experience in mind. In today's evolving media landscape, mobile video campaigns, together with additional campaign types, are best utilized to simultaneously meet volume and sustained ROI goals. Because campaigns are comprised of many parts working in tandem, iterating on video campaign components is key for identifying what works best for both you and your user base. Monitor the competition's reach and bid ranges and keep market trends top-of-mind to inform your segmentation and user-level measurement. It is essential to maintain competitive pricing and incorporate a variety of ad formats and campaign types to not only grow your app's user base, but also to enhance your mobile marketing strategy. Overall, success on mobile requires a balance of ad types that acknowledge the way users interact with their personal devices, so engaging video ad placements and immersive content not only entice users, but also add value to their overall app experience. Users that find value in your app will deliver the highest engagement, and in turn, generate the most revenue over their lifetime.

Learn more about what **Fyber's video ads can do for you.
Start advertising with us today by visiting [Fyber.com](https://www.fyber.com).**

