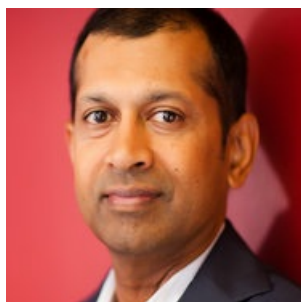


COLUMNS

## How brands can identify an audience to drive from awareness to transaction

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By A LUXURY DAILY COLUMNIST

By **Mahi de Silva**

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The success of the app economy, estimated to be more than \$70 billion this year, has been fueled by innovation in data science and ad targeting, a trend which has never been seen before in traditional or digital marketing.

It is one thing to market an application to a broad spectrum of consumers who meet a target set of criteria. But the bar has been significantly raised in encouraging an existing user to engage in an in-app purchase, which turns casual entertainment into hardcore commerce.

On target

So it should be no surprise that the app install and re-engagement market, which now constitutes about 30 percent of the mobile ad market as a whole, is starting to educate mobile marketers to consider scale, quality and longevity and that the quality of a user really does matter.

But what about the other 70 percent?

Outside of gaming, there are plenty of other types of advertisers who now also realize how important it is to properly capture the mobile consumer. That is, it is no longer about the initial attraction or making an impression or a series of impressions on a potential customer. It is about retaining their attention and gaining their loyalty, so they will buy from you not just today, but tomorrow, too.

The tricky part is that the customer you capture today is not going to be the same person tomorrow. Preferences change over time, as customers' wants and needs evolve, and as they go through different life stages.

Moreover, your product lifecycle is also changing over time, and you may have different objectives, such as attracting early adopters versus defending market share.

Given these two major factors, there is an enormous need for flexibility when it comes to targeting mobile consumers.

Here are four methods you can use to identify your exact audience in a way that will not just drive them from awareness to transaction the immediate fix but will work for the long haul.

## Build your own audience

Advertisers have almost made a game out of building audience segments, seeing how many niche groups they can create the more catchphrases and alliteration, the better. Business traveler, soccer mom, teen fashionista, even "DITTs" couples with double income and toddler twins are now joined by even more specific groups such as Young Urban Creatives, or yuccies.

But audience segments are not a one-size-fits-all, and even among the 200-plus categories that we now use, quite often the advertiser simply needs to create a custom segment.

After all, there are nearly 315 million people in the United States. If you are a major consumer packaged goods brand with a product created solely for, say, nursing mothers who buy organic but are semi-price-conscious, you need to know how many of those customers exist, how many will make a purchase decision, and how to find and engage them with your ad campaign.

In short, you need a custom CRM specifically for that product and that target customer. With the data we now have access to, from contextual data to behavioral contextual, across time and demographics, it is all possible.

## Optimize your campaign in real-time

Once the set of attributes most relevant to achieving the campaign objective is identified, we can use machine-learning algorithms to create audience clusters. These do look remarkably like traditional audience segments, with labels such as "Hardcore gamers" and "Savvy shoppers."

However, once the primary attributes, or rules, are established, new users can quickly be assigned to a cluster and sent ad impressions, all in real-time.

On top of these additions, mobile campaigns can also be tweaked mid-flight, either based on regression analysis to determine bid price variables, or perhaps changing the creative to be more contextually relevant to the user.

Creative, for instance, can change based on location, language, weather and time of day.

Using the example of the nursing mother, if the performance data early on in the campaign is showing deeper engagement with ads in the very early morning hours, reading product information on a tap-to-expand creative, the CPG brand might choose to focus on that group of women, knowing they are likely building a cohort of customers that will be more involved and loyal over the long term.

## Consider the product lifecycle

Retail and CPG companies, as well as other brands in categories such as automotive with diverse and frequently updated product lines, also need to consider their own product's lifecycle.

A campaign for a particular product might have an entirely different objective and therefore shifting key performance indicators (KPIs) from one month or year to another.

Fortunately, this fits in perfectly into the concept of building custom audiences.

The attributes of the ideal customer will change with the product stage, and you can use the same process to update the characteristics of that audience and identify that group anew.

## Adapt to your customer's evolving preferences

Just as products evolve over time, people change, too.

How do you reach and communicate with a customer who first encountered your brand when she was just 15, with little to no buying power, but who is now 35, a working professional with substantial disposable income?

That customer may have nostalgia for your brand, and maintain some of the same loyalties and preferences from years ago, and you do not want to lose that emotional connection.

But their tastes have changed over time, and so have their wants and needs, based on their new life stage.

In the case of the nursing mother, she may have used that CPG brand's traditional skincare line as a teenager because her own mother, or her friends, introduced her to it.

But now, in her 30s, she has changed to another brand for herself yet still maintains a level of trust for the company. The new organic line for pregnant and nursing mothers, then, is ideal for this customer.

IT IS THE mobile marketer's challenge, then, to find that customer and thousands just like her and deliver a mobile

campaign with strong messaging that will resonate with this very specific group.

A few years ago, or even just last year, these scenarios might have seemed impossible, especially at scale.

But with the type of data, and the sheer volume of it, that we now have at our fingertips, it is not just a reality, but also one that brands leveraging the mobile medium should now come to expect.

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