COLUMNS

End of status quo in mobile app acquisition marketing

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A lack of time and transparency has long limited a marketer or media buyer's ability to find more loyal application users.

For many reasons, the status quo is no longer an option.

Open-shut case

For one, the costs associated with acquiring a loyal user someone who opens an app three times or more was at an all-time high of $4.23 for Apple iOS in December 2015, according to Fiksu. During the same month, the cost per install (CPI) for Android users reached a new height at $3.34.

The latter point is important, given the fact that more than two-thirds of the users acquired via CPI campaigns have a sub-$10 lifetime value (LTV), and almost one in six have no lifetime value, per a VentureBeat study.

A significant driver of this is the use of spray-and-pray or black box-lookalike targeting, with poor alignment between the app value proposition and the needs of the end-user.

An emerging solution is the availability of interest or keyword targeting across a wide range of advertising networks Facebook, Instagram and Google, certainly but also players such as inMobi, Yahoo and Twitter.

Some significant issues with campaign targeting are:

Interest and keyword audience research takes hours of manual effort

Publishers have black box targeting options, limiting decision-making power

There is a lack of logic and clear connection to in-app behavior and purchase intent

It is hard to find quality target audiences beyond custom audiences and lookalikes

There is a recurring challenge to find efficient scale without the expense of increased costs

If things were to remain the same, how can you engage potential loyal users if you do not know who they are?

Shift key

What is needed are new tools to research, create and target unique net new audiences using interest targeting on

Facebook, Instagram, Google and other channels.

More specifically, with the app ecosystem constantly changing, we must identify hidden affinity signals in textual data and match advertisers to audiences.

The opportunity is to build unique new net audiences without customer data, an SDK or Device ID data.

The potential gains are many.

Users who are acquired through high-quality channels such as interest and keyword targeted campaigns on Facebook or other networks or through organic search are generally more loyal and stay engaged for longer periods of time.

This is because the initial exposure to the app is in response to an implicitly or explicitly expressed need.

Brands and app developers can also use the keyword and interest affinity of their users to send push notifications or other re-engagement messages to targeted cohorts of users.

Of course, keyword and interest targeting may help a developer boost an app's shelf life as well.

It is important to be able to leverage keyword or interest targeting to expand an audience.

Interest-targeted audiences are based on past app activity, page "like" behavior or other signals that are part of a user's Facebook profile, and can be powerfully predictive of engagement.

Furthermore, examining interested audiences allows marketers and media planners to create more effective ads that are tailored to a specific audience for example, a coupon app that is targeted at an interest such as Walmart can craft messaging that appeals to value-conscious customers.

What type of innovation am I suggesting?

Big shifts.

IF YOU ARE WONDERING how well you are doing, here is a question to ask:

Are the users you have already acquired sticking around and contributing to your active user base and monetization approach?

Market leaders including MZ (formerly Machine Zone), Fiksu and SKOUT have called for unique, intuitive approaches to audience extension across Facebook, Instagram and Google.

These players have seen an up to 25 percent improvement on lifetime value and a lower CPI on Facebook by working with industry leaders who analyze more than two million apps each day on both Apple's iTunes and Google Play, and scrape and warehouse important data points including app reviews and install history to gain insights associated to a business's app-in real time. That leads to better return on investment.

It is in everyone's interest to deliver on the call for innovation, better transparency and performance.

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