



# Beyond the install

Retargeting and re-engagement explained

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## The problem?

- The app eco-system is changing quickly. Where the standard for success used to be the number of downloads, our industry is now beginning to understand that while many apps are downloaded and used regularly, many others are downloaded only to be left abandoned, quickly removed or never even opened by the user.
- As cost-per-install increases, marketers and publishers are looking to increase the in-app value of their customers and how frequently those customers engage with the app.

## New trends for 2014

- Mobile marketers are now utilizing data from in-app events so they can improve their post-acquisition strategies. This new marketing focus centers around re-engagement and re-targeting.
- App analytics and mobile marketing will be redefined beyond the number of downloads. In fact, this year will be when re-engagement becomes the mobile app economy's most important marketing meme.

## So what is re-engagement?

- Re-engagement is a set of technologies or practices that can identify someone who has downloaded an app and then present them with offers or enticements to use the app more or to start using the app again after a long hiatus.
- Key methods driving re-engagement are deep linking, push notifications, and in-app and online advertisements.

## How is retargeting different?

- Specific users are targeted. It is a good way to trigger a one-to-one interaction between consumer and brand that is highly personalized and specific.
- For retargeting and re-engagement techniques to work, it is essential that users from these campaigns are attributed to the new source, i.e. they are re-attributed.



# 1

## 2014: The year of re-engagement and why downloads alone don't mean much

### Current landscape

The mobile industry has moved forward in the past year, away from the traditional installs and downloads focus, towards user retention and re-engagement marketing techniques as seen in the online world. Mobile marketers are looking beyond the install to get the best value out of their user base.

One of the most salient observations that can be made is the increase in the cost in acquiring users that developers and publishers deem 'valuable'.

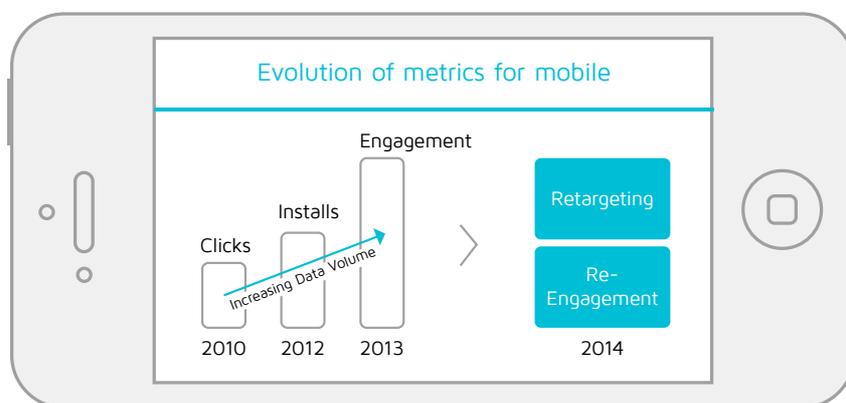
What a valuable user is depends on the goal of your app and the cost of acquiring the user. For example, a 'valuable' user for a specific developer could be defined as someone who will open an app at least three times. Depending on the advertising source, the current price to acquire one of these users can stand at \$1.75. Research from SuperData gives an estimate of \$2.73 as the cost per install while the average revenue per user hangs in at just under \$2.

### Retargeting, re-engagement and reattribution

So how do we deal with this changing landscape? Currently, there are two popular approaches: re-targeting and re-engagement. Both entice a user who has shown interest back into an app.

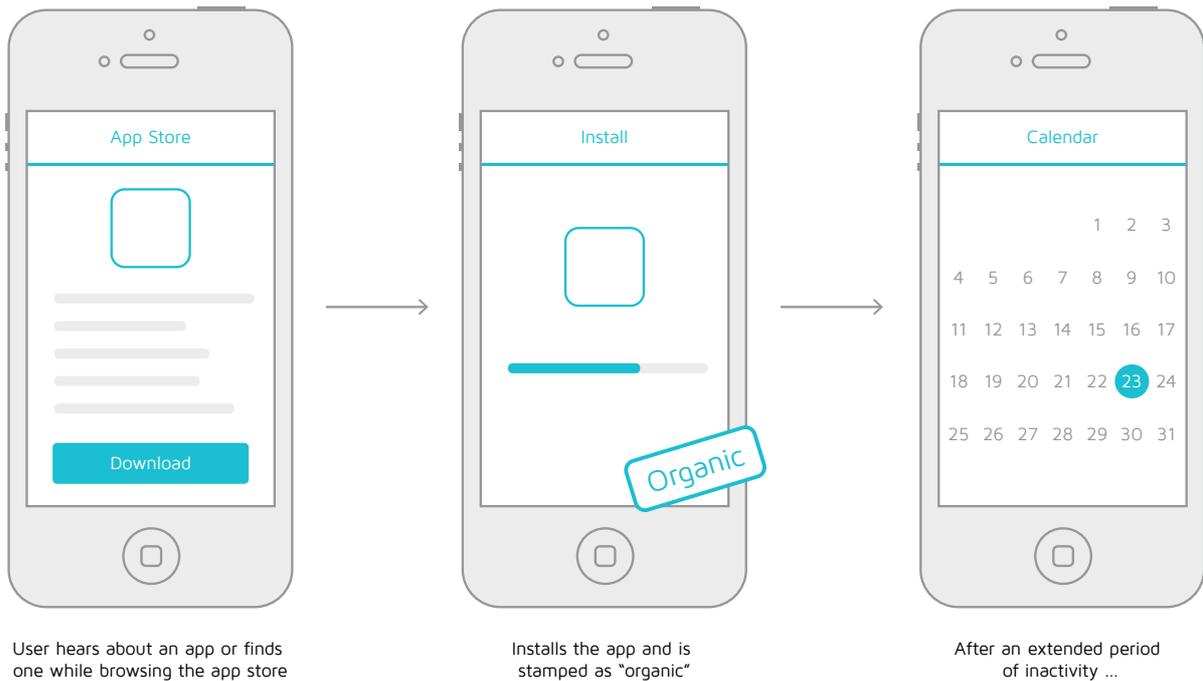
They are a more personalized approach to app marketing and they keep existing users engaged with their app - it is the first marketing tool to drive meaningful marketing KPIs beyond the download.

Firstly, **retargeting** is where specific users are targeted. This can be done online or through mobile. In the mobile world, a list of device identifiers is provided to the network, together with a specific app. The network then serves the ad when it identifies a device from the list. It is a good way to trigger a one-to-one interaction between consumer and brand that is highly personalized and specific.



The market is moving beyond just installs





## Retargeting to connect with a latent user

The above diagram explains how retargeting works using an example of an organic user - a user who finds the app without directly clicking through an app marketing source. When the user uses the app for the first time, they become an active user. If they stop using the app for a period of time, they can be retargeted with a marketing campaign. An advertising network can target a particular set of users based on their device ID. For example, targeting all users who haven't triggered a session in the previous three weeks. The network is then able to display the ad to the list of devices, enticing the user back into the app.

The user then needs to be re-attributed to the new advertising source.

**Re-engagement** is identifying someone who has downloaded an app, and then enticing them to return to the app, or to use it more frequently. The best tools for driving re-engagement are deep-linking, push notifications, and in-app and online ads.

Things work quite differently in the world of apps compared to online, in a few crucial ways. For starters, there are no cookies - no easy way for apps to follow a user into other apps or even out onto the Internet with personalized offers. Instead there is a more binary distinction.

In order to do retargeting on a mobile device an identifier is needed, whereas re-engagement does not need a unique identifier as it principally targets a group of users rather than a specific one.



# 2

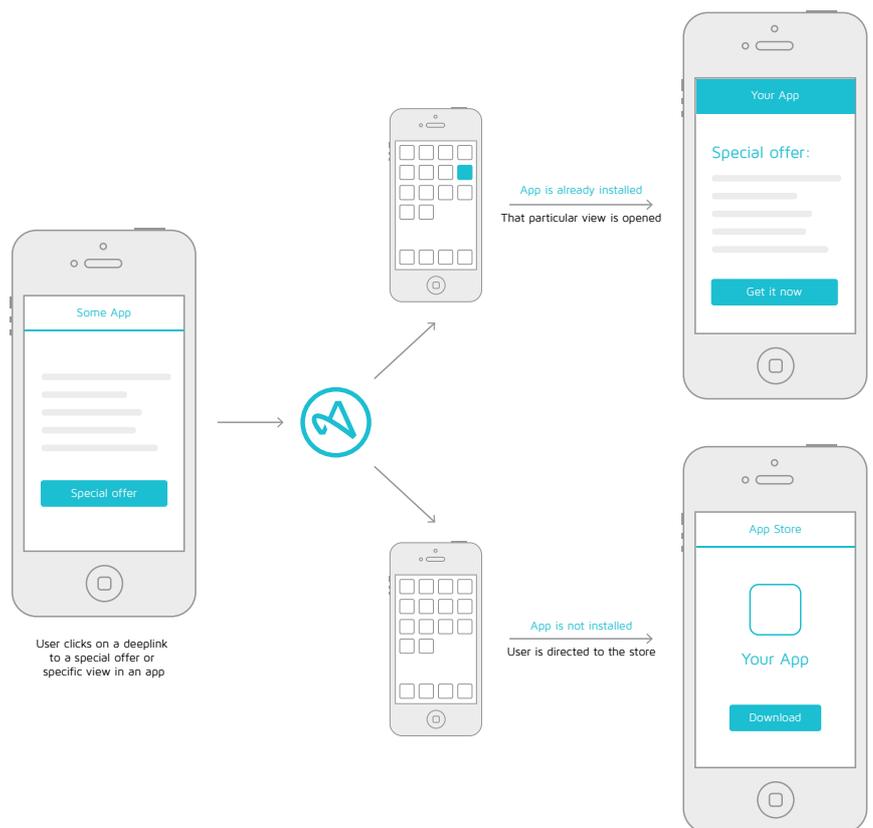
## Beyond the install: Re-engagement via deep-linking & push notifications

Re-engagement uses various tools to bring back users who are inactive. Evidence already exists that re-engagement draws huge benefits with little investment. Trademob, who started to develop its mobile retargeting platform in 2013 with a focus on in-app retargeting, sees up to 300 percent higher in-app conversions, and up to 95 percent lower costs for acquiring quality users through their retargeting campaigns across different verticals.

### Deep-linking

Deep-linking in the app world is when a user is taken to a specific app or place within an app. Crucially, deep-linking is only possible if it is specifically supported by the app, making it a function that must be planned before coding.

Many publishers and ad platforms do not execute deep-linking well. When a mobile device encounters a deep-link triggered by a user click, it asks the already-installed apps if they recognize the deep-link. Non-recognition would result in the customer receiving a white page error and consequently leaving the site. Therefore, a fallback where the user would be redirected to the App Store and invited to install the app is needed. There is no commonly accepted way to do this, so companies like *adjust* or *deeplink.me* have come up with sophisticated workarounds.



### Push notifications

Push-notifications are simple, text-based messages that pop up on the device and have to be opted-in for by users. The message can ask users why they have been inactive, suggest they come back, prompt them to make a purchase, or make offers such as discounts on new items. The goal of push notifications is to attract attention without annoying the user.



# 3

## Re-engagement: From attribution to reattribution

Attribution, which is the art of connecting an install to its source, is a critical component of determining the return on investment of any marketing campaign. If you cannot attribute user actions to a specific campaign or creative, you cannot track their behavior to understand whether a marketing campaign re-engaged any existing users.

In the web world, assigning proper attribution is simple. Here, attribution is generally achieved through the use of unique page URLs that reflect the origin of the visitor, or through cookies. A user clicks on an advertisement at CNET for a new MacBook laptop, for example. The ad sends the user to BestBuy. The user buys the MacBook. BestBuy knows that user came via a CNET ad and not, for example, via an ad on Gizmodo.

For mobile, the attribution is assigned when an app is installed. Installs used to be the standard metric for conversion. This worked when installs was the primary measurement of success. But now that we are moving away from the install as the conversion point to events as the conversion points, it is crucial to attribute users to the source that persuaded them to re-engage with an app. In the case of re-engagement campaigns, since the app has already been installed and each user attributed to a particular source at install, they need to be reattributed to see what campaign or creative the user came from this time around.

In the app world, attribution is not as developed or granular as on the internet. This is particularly important for certain verticals, such as e-commerce, where users are far more likely to shop and make purchases with tablets than with smartphones. Tablets, as a percentage of total transactions in the mobile arena, are growing fast. So advertisements or affiliate campaigns through the web or other native apps will need reattribution so that e-commerce store owners pay the proper commission.

For this reason, app analytics and business intelligence companies need to offer publishers reliable re-engagement attribution or reattribution capabilities as this is a task that few app publishers can take on themselves. Doing this well means that every session is monitored and each click tracked to ensure third-party attribution or to confirm the success of re-engagement methods. This is a technical nightmare as the magnitude of sessions and clicks will be in the hundreds of millions for a standard app.

The eco-system is changing rapidly and to quote the Earl of Chesterfield, "never put off till tomorrow what you can do today."

### Conclusion

In the past six months, app marketing has moved beyond counting clicks and installs. Technological advances now allow more advanced mobile app marketing techniques to be possible.

Every good app marketer should be looking at 'The Three Rs': retargeting, re-engagement and reattribution. It is not just good sense, it is good business sense in that it provides a return on investment much higher than previously available methods.

By taking on these strategies, you ensure that you will be part of the future and not only as a cautious tale from the past.

