APPNESS

THE APP MARKETER'S GUIDE TO FACEBOOK USER ACQUISITION
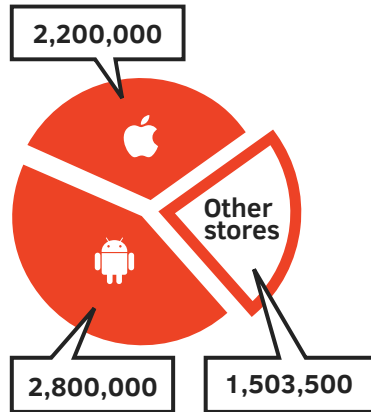
facebook

PerformanceIN

CONTENTS

THE CROWDED APP MARKET

2,200,000

Other stores

2,800,000

1,503,500

6.5 million apps are currently available to download in leading app stores (Statista)

The average smartphone user uses over **30 apps** per month (Appannie)

Expect to Pay (25%)

Expect apps to be free (75%)

Tech Giants (28%)

Other leading Internet companies (72%)
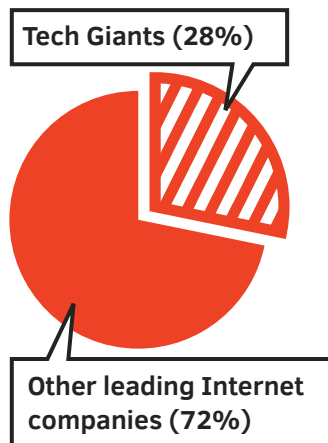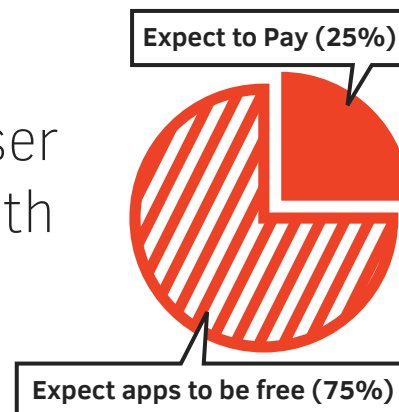
Seven of the top-downloaded 25 apps are owned by **"tech giants"** (Facebook, Google) (ComScore)
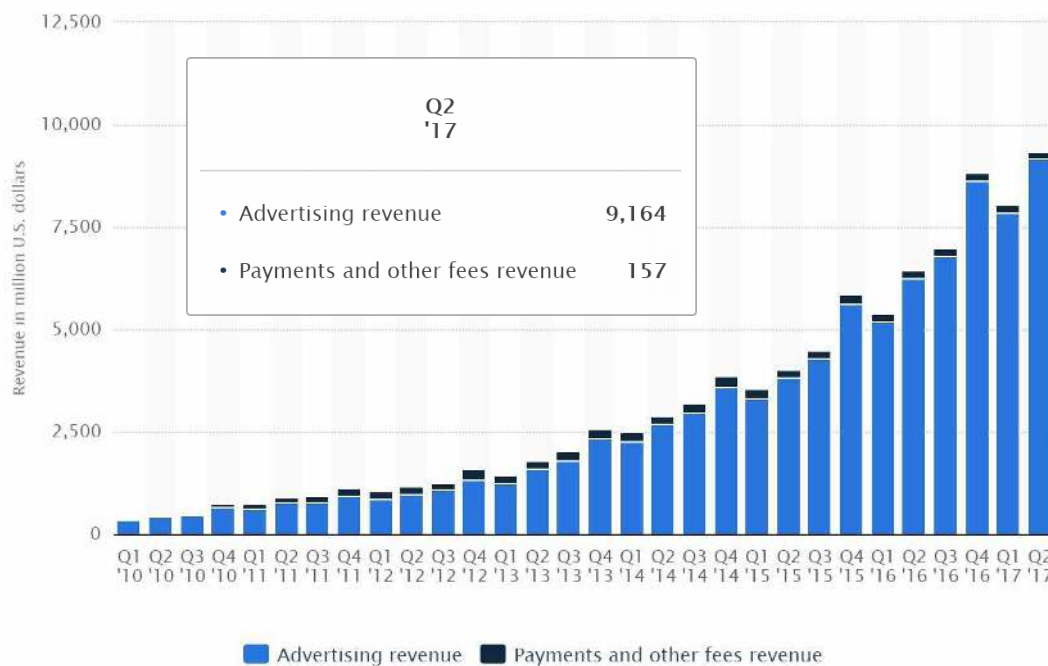
1

FACEBOOK TO THE RESCUE

Chances are, you've been on Facebook today, and if not yet, you most likely will do at some point later. That's because Zuckerberg's blue baby now claims over 2 billion monthly active users, and they're online so often that the company can claim that its average user spends at least 50 minutes on the site a day.

With such willing engagement and the massive amounts of data its users have "volunteered", Facebook is now a titan of online advertising; its audience targeting abilities are unmatched within the digital ad industry, and it's only getting better at it all. In fact, in the second quarter of 2017, Facebook announced ad revenue of $9.2 billion, a 47% year-on-year uptick on 2016.

A mobile giant

Much of Facebook's recent growth is down to the soaring success of its mobile advertising offering; in Q2 2017, 87% of its total $9.2 billion in ad revenue came from mobile, and Facebook now claims over 1.32 billion daily active users.

Revenue in million U.S. dollars

Q2 '17

- Advertising revenue — 9,164
- Payments and other fees revenue — 157

Advertising revenue ■ Payments and other fees revenue

There are plenty more stats around Facebook's story of mobile success we could throw your way, but in short, it's not hard to see why Facebook is considered the most attractive platform for app marketers to find new users and push downloads, and in this regard, it remains to be a rapidly growing and innovating niche.

According to BI Intelligence, 86% of developers have now scrapped traditional display and interstitial formats for in-feed video app-install ads, and while Facebook has made a shift away from releasing an annual total of apps installed via its platform in favour of engagement metrics, it's last official line was over 2 billion to date, but this may have now doubled.

Meanwhile, ad platforms continue to pioneer new and engaging install formats in order to earn more from lucrative ad units, including things such as deep-linking and app streaming, mid-roll video, and likely to play a role in the not-so-distant future, augmented reality.

While its competitors play catch up, Facebook continues to lead in the app install ad market owed to its unmatchable and continuously enhanced performance and targeting capabilities. In the next section, we'll take a look at the formats on offer.

APP AD PLACEMENTS

Before we get into specifics, there are two main overall approaches, and what your objectives are with your app will depend on which one you need to pay attention to.

App Install Ads

For marketers looking to acquire new users and downloads, this is where you'll be focusing. With new user acquisition being the subject of this whitepaper, we'll be exploring the full range of these placements in more detail later.

To provide some background, however, Facebook introduced App Install Ads in 2012 as paid user acquisition option for developers struggling to acquire downloads organically through heavily-competitive app stores. This comes full circle, however, as scoring more downloads, engagement, and eventually, retention through paid placements can lead to better App Store Optimisation (ASO), or in other words, better rankings within those marketplaces.

In terms of their appearance and functionality, App Install Ads sit directly on the user's mobile

news feed and are designed to blend in natively with organic posts, allowing for users to like, share, comment as with any other post, and most importantly, download with a single tap. These can be targeted and paid for depending on your objectives, whether that's driving maximum installs, high-quality users, etc.

Types of ad placement

United by the sole mission of drawing new users to your apps, Facebook Mobile App Ads can be served in several forms. How you use them will depend on your goals and the nature of the app you're marketing.

FACEBOOK NEWS FEED

This is the most common app ad placement on Facebook and one we've already touched on.

- The ad appears natively in the user's newsfeed, but with a "Sponsored" label.
- The placement is universal and can be used for any type of targeting.
- It consists of a 90-character headline below the image plus an unlimited amount of text further down, with extended text hidden under a "read more" link.

- A visual component can be used with the common 1.9:1 image placement, a series of 1:1 images or a video.
- It allows for engagement such as any other post (likes, shares, comments, etc.)

INSTAGRAM

After it was acquired by Facebook in 2012, Instagram became another platform available for advertisers on Facebook.

○ Ads are displayed in the user's newsfeed, with a "Sponsored" label.
○ This placement is relatively new, but initial results show that Instagram ads deliver great results for e-commerce and health apps.
○ Instagram ads don't have headlines, but they do let you place an unlimited amount of text below the visual component.
○ It's recommended using only Instagram-native square images in your ads.
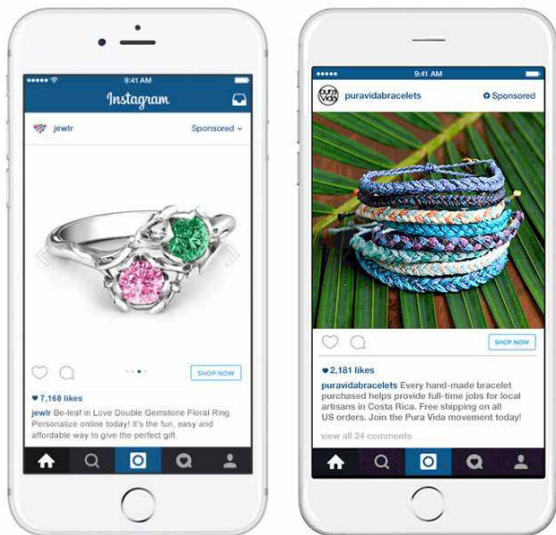
AUDIENCE NETWORK

You can also place ads in third-party applications (with the exception of major products like Facebook or Instagram).

○ This placement is not independent – it's used in bundles with news feed ads to extend coverage.
○ Facebook is responsible for deciding whether the third-party placement is an effective option for your campaign.
○ Third-party application ads use the same settings and text as newsfeed ads, so you don't need to prepare materials specifically for this format.

3 GETTING STARTED

True to its flair for user experience, Facebook makes it just about as straightforward as possible to get going creating your own App Install Ads, and yet, there's plenty of breathing room to focus on making your ads stand out and unique enough to catch the eye of your target audience.

For some simple steps on initial design recommendations, or if you're ready to jump right in on creating, you can visit Facebook's Ads Guide for Mobile App Install Ads. Below, however, we've detailed a few pointers based on **tried-and-tested approaches** and campaigns that might come in handy.

Be eye-catching

Facebook, and especially Instagram, are incredibly visual platforms when it comes to user content consumption. Video content in particular is increasingly hitting home with consumers; last year, Zuckerberg revealed that an average of 100 million hours of video are watched each day.

As such, app marketers have a paradoxical job of making their ads stand out among the noise while blending in natively. In addition to that, visuals have to be relevant to your target user.

Check out the competitors to see what kind of images or video they're using, and look out for how particular approaches are more common for different categories.

Consider using screenshots of the app or photos of people actually using it for example. Image quality is important; your audience is unlikely to assume an ad with a grainy image is going to lead to a better-looking app.

Oh, and try Facebook's other toys; its carousel ad format – launched in 2015 and showcasing a number of images on a swipe-to-view wheel – claimed to drive [30-50% lower CPA](#) (Cost per Action) and 20-30% lower CPC (Cost per Click) than single-image link ads. The increased engagement with these formats also resulted in a 4% uptick in click-through rates.

Be a wordsmith

While the visual element will catch your users' attention, your ad's description is equally important in selling the app once they've decided to take a closer look.

You may only be limited to a **90-character headline**, but that's more than enough for a clear, concise explanation of what your app's all about – its unique selling points, practical use, incentive, or otherwise. Let's be honest, if you can't sum it up in a sentence, it might be too complex a concept.

You should also use this space to include a call-to-action specific to your app, such as "Improve Your Fitness Now" or "Bet Against Your Friends", while Facebook's App Install Ad creator gives you the chance to add an additional CTA (Call to Action) button with a choice of about ten options to suit the nature of your app or the ad creative you're running, such as "Install Now", "Download", "Listen Now", "Watch More" and "Play Game". These can also be used to encourage commenting or sharing of your ad content with the result of expanding your reach organically.

Smarten up your app store page

If your ad's in good shape and you're expecting clicks (why else would you have spent that time on it?), you need to make sure you've rolled out the carpet for downloads on your app store page, as this is the first thing users will see when they click through your ad on Facebook.

That means optimising your page with high-quality, clear images, including your icon and any screenshots you use, making sure your app summary provides a clear and concise overview of the product and core features, and making sure you're striving for high ratings in the early days, even if that means roping in a few friends, family or co-workers.

Ultimately, your app store page is what will push a user over the line to download the app, and with all the time and money spent developing and promoting it, it's an important element to bear in mind along the path to purchase.

Test, test, test

Testing the performance of your App Install Ads is vital, and that means running a combination of different (maybe *completely* different) variants – text, video, images, CTAs – in order to determine which combination is hitting home among your target audience, and to help inform where you can improve and optimise your campaign going forward.

'Let's be honest, if you can't sum it up in a sentence, it might be too complex a concept'

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IDENTIFYING YOUR AUDIENCE

By far its most powerful tool, and probably its worst kept secret, is Facebook's audience targeting ability – in fact, it's so good, it's pretty intimidating.

Facebook can gather an astronomical level of insight into the users on its network, which enables advertisers to target at an exceptionally granular level. Information such as age, interests, work and location - coupled with information on the individual that Facebook has been able to infer - allows advertisers to target ads based when they're most likely to shop, whether they've recently used a travel app or the value of their home, to name just a few examples.

'Facebook's audience targeting ability... it's so good, it's pretty intimidating'

That's also not to mention its ability to integrate with audience data from third-party Customer Relationship Management (CRM) tools, which allows it to create lookalike audiences or new prospect segments who are likely to be interested in your product or business, based on the parameters of your existing users.

Breaking it down

Demographic: Target audiences based on attributes such as income, job title, employer name, language, relationship status, education, financial, homeownership, parental status.

Example: Target a parent with a learning-based app for 6-8 year-olds.

Behavioural: Target audiences based on demonstrated interests, such as shopping habits, spending patterns, main devices used, travel habits.

Example: Target a regular traveller with a hotel price comparison app.

Interests: Target audiences based on their interests, based on likes and content engagement.

Example: Target your main competitors' regular users and fans with an alternative.

Lookalikes: Targeting audiences who share similar parameters with your existing users.

Example: You know 18-25 year-olds not in a relationship and work as programmers have a high Lifetime Value (LTV) for your product; Facebook will find audiences who match this criteria.

Device targeting: Target audiences based on the device and operating system (OS) they are using.

Example: Targeting a toddler's app to Apple iPads, or luxury fashion goods to users of the latest iPhone.

Location-driven: Target via GPS radius, city, area or postal code.

Example: Targeting an incentive offers app near a shopping centre featuring affiliated retailers.

Learning from results

Having run your targeting campaigns, it's a case of learning from the results and honing your audience segments. This results in comparatively broad segments becoming narrower as you determine more characteristics about the users who bring the most value to your app, i.e. those who don't just install and then forget about it, or those who continue to spend on in-app purchases after downloading.

Even as your targeting becomes more granular, you cannot assume your target audience will remain constant indefinitely; ongoing success requires you to continue to monitor, measure and optimise in order to maintain peak performance. It's also worth bearing in mind that being too granular or narrow in your targeting could become a barrier to your install rates.

Engaging Custom Audiences

Getting an app installed on a user's device is just half the battle; 25% of apps are only used once, while a day after installing, an average of just 14% of users stick around, and while it's not the key subject of this particular whitepaper, it's worth mentioning that Facebook carries options to combat this, boosting post-install app retention and engagement. Using Facebook's Custom Audiences, app marketers can remarket to existing users. With the option to target via in-app event tracking by integrating Facebook's SDK (Software Development Kit) into your app, these ads can be highly personalised and highly relevant, including deep-links to relevant pages within the apps to encourage users to return and continue from where they left off, or within a newly-updated page of the app, for example.

These will appear within the user's news feed, in much the same way as their install-pushing counterparts.

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WHICH PRICE IS RIGHT?

Facebook offers a number of pricing models aimed at getting you the best bang for your buck, and once again, these will depend on what your objectives are and how much you're willing to budget. Each model, however, comes with its own set of benefits and drawbacks, and not all of them are best placed for app downloads, but we'll overview each below.

CPM (Cost per Mille): The advertiser pays a predetermined fee for every 1,000 impressions the ad gets.

Most often used for brand awareness campaigns of various scales, when it comes to user acquisition this can be a low cost and wide-reaching option if you're confident that your audience targeting is accurate. If your audience isn't well defined, however, this can prove to be a waste of money with your ad being shown far and wide to users with no interest in installing.

OCPM (Optimised Cost per Mille): Facebook keeps your price per impression as low as possible, optimising for your objective, whether that's app installs or engagement.

As the default, automatic option, it's pretty straightforward, but users report it's algorithm is most effective with large audiences (above one million), while with an audience under 500,000, for example, results can see a decline. Being an internally-run algorithm, this approach can lack comprehensive insight into what's working.

CPC (Cost per Click): Pretty self-explanatory, this one: an advertiser pays

a predetermined price for every click on their ad.

This isn't best suited to driving installs, instead, it's often used more for brand awareness campaigns or generating leads. However, this is a good option for split testing your ad creative, i.e. if it's not driving clicks, you know something's up.

CPI (Cost per Install): The advertiser pays a predetermined price for (yes, you guessed it) every install of an app.

The benefit of this approach is that your ad download numbers should rise quickly, encouraging organic downloads as you gain rankings within app stores. With the aim of driving only installs, however, there is some scepticism over the quality of traffic this model generates and its limitations in tracking user behaviour. CPI is also expensive, so LTV of an app's users should be constantly monitored.

CPA (Cost per Action): The advertiser pays a predetermined price for a predetermined action.

Actions include things like app opens and in-app purchases; this model provides a lot more control and takes a lot of the risk out of the picture. Facebook will,

however, only show the ad to users it has predicted will make an action, potentially limiting brand exposure to a wider pool of users. It also can't be initiated instantly – Facebook needs time to learn about your audience before determining individuals likely to complete an action.

Pay for quantity, pray for quality

There are clearly pros and cons to each of these payment models when it comes to driving app installs, and which ones you choose will depend on your objectives and what stage you're at in your app's promotion, however, whichever model you're using, it eventually comes down to the "pay and pray" tactics.

Appness offers a unique technology for traffic quality assessment that allows mobile app advertisers and publishers who purchase Facebook traffic to only pay for results (like in-app purchases, registration or app launch consistency), not the sheer amount of installs. This way naturally forces media buyers to stick to your idea of a perfect user and only drive appropriate traffic to your apps.

6. THE APP MARKETER'S CHECKLIST

Now that we've covered off the main areas you need to bear in mind when embarking on a Facebook App Install Ad campaign, here's a quick reminder of key points.

☑ Lay out your objectives

The most important factor of any app marketing campaign is clarifying what you want to achieve, whether that's a high volume of downloads to boost your organic app store ranking, acquiring users who will go on to make in-app purchases, or otherwise.

☑ Target your audience

This will become more honed after launching, but you should have a general idea of the types of users your app is aimed at. Make use of the full range of Facebook's targeting abilities in the early days to discover what's reeling in the most users; continue to test, monitor, adjust and optimise.

☑ Choose your ad format

Is your app's audience more likely to be engaged with Instagram? How about using footage from your gaming app within your creative? Facebook has a number of options to fit the bill, with enough flexibility to get creative.

☑ Create your ad

Be creative but don't over complicate – your aim is to engage and pique the interest of your target audience with images, video, text and enticing calls to action. Scout competitors' ads for ideas and recurring characteristics.

☑ Test your creative

Don't just create one ad and hope for the best; make a number of variations and test the performance of each, continuing to optimise for best results. Once a campaign has shown good performance, you should consider scaling your investment, while continuing to optimise for improved results.

☑ App store page

Ultimately, your app store page is what will push a user over the line to download the app; optimise your page with high-quality images, making sure your app summary provides a clear and concise overview.

☑ Find your payment models

Facebook offers a number of pricing models, whether that's action-driven or based on impressions, and how much bang for your buck you get depends on what your objectives are and how well you use these models accordingly. You'll likely use a variety of these throughout the optimisation process.

7 CONCLUSION

Facebook is a leading platform for driving installs to your app, with vast targeting options and native ad formats fitting whatever unique goals you might bring to the table. However, app marketers shouldn't expect to hit the ground running; utilising Facebook's full potential and ensuring the ongoing success of your app downloads requires a well-thought out targeting strategy, an eye for design, and ongoing monitoring and optimisation.

Unlock Facebook potential
to increase your app downloads

Targeting

Appealing design

Optimisation
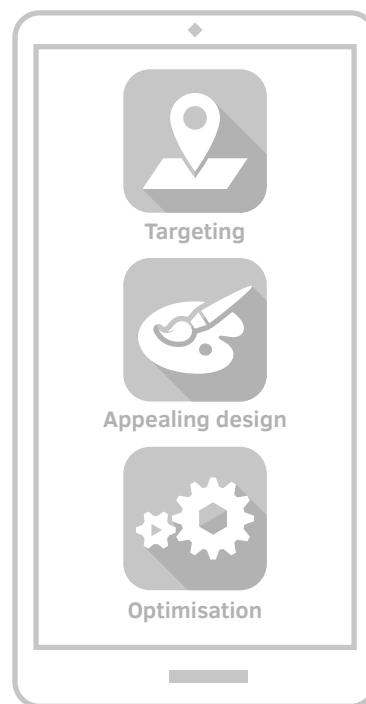
APPNESS

THE FIRST AND ONLY MARKETPLACE FOR FACEBOOK MOBILE ADVERTISING

Appness recognizes the challenges that businesses face in implementing **Facebook ad campaigns** and maintaining **a consistent creative strategy.** To address this, Appness has developed a revolutionary marketplace to provide **mobile advertisers** with access to the human cloud: freelance **creative teams** and **media buying talent** powered by the platform's **intelligent ad optimization algorithms.**

Headquartered in Cyprus, Appness currently works with over **1000 media buyers** and more than **100 advertisers** worldwide.

What Appness has to offer:

- **Unlimited Creatives** – enhance your content efforts with quality creatives produced by talented designers worldwide
- **Payout by Results** – set custom Facebook events and pay only after the desired results have been achieved
- **Brand-Safety** – ensure the safety of your brand and pre-approve all creatives provided by freelance designers and media buyers
- **Transparency** – the Creatives Feed feature lets you see all ads running for your app and immediately pull the plug on anything you don't like
- **Fraud-Proof** – collect stats via the Facebook API to make sure the numbers you see are 100% legit