



ADC COLONY



**App Install Insights,
Benchmarks and Trends**

2H 2015

The Semi-Annual AdColony App Install Survey

Insights, benchmarks and trends from the top 100 grossing app developers

FORMAT & DATA

#5

5th Iteration Over 3 Years

100

Detailed Questions

60%

Survey Response Rate

RESPONDENT PROFILE

78%

Mobile Game Developers

22%

Non-Game App Developers
(e.g. entertainment, music, news)

\$1M+

Total Monthly App Install Budget



The background of the slide is a vibrant cosmic scene. It features a deep blue field filled with numerous small, bright white stars. Overlaid on this are large, ethereal nebulae with soft, glowing edges. The colors of the nebulae range from cool blues and purples to warm oranges, yellows, and reds, creating a rich, multi-colored palette. The overall effect is that of a vast, deep-space environment.

State of the Market

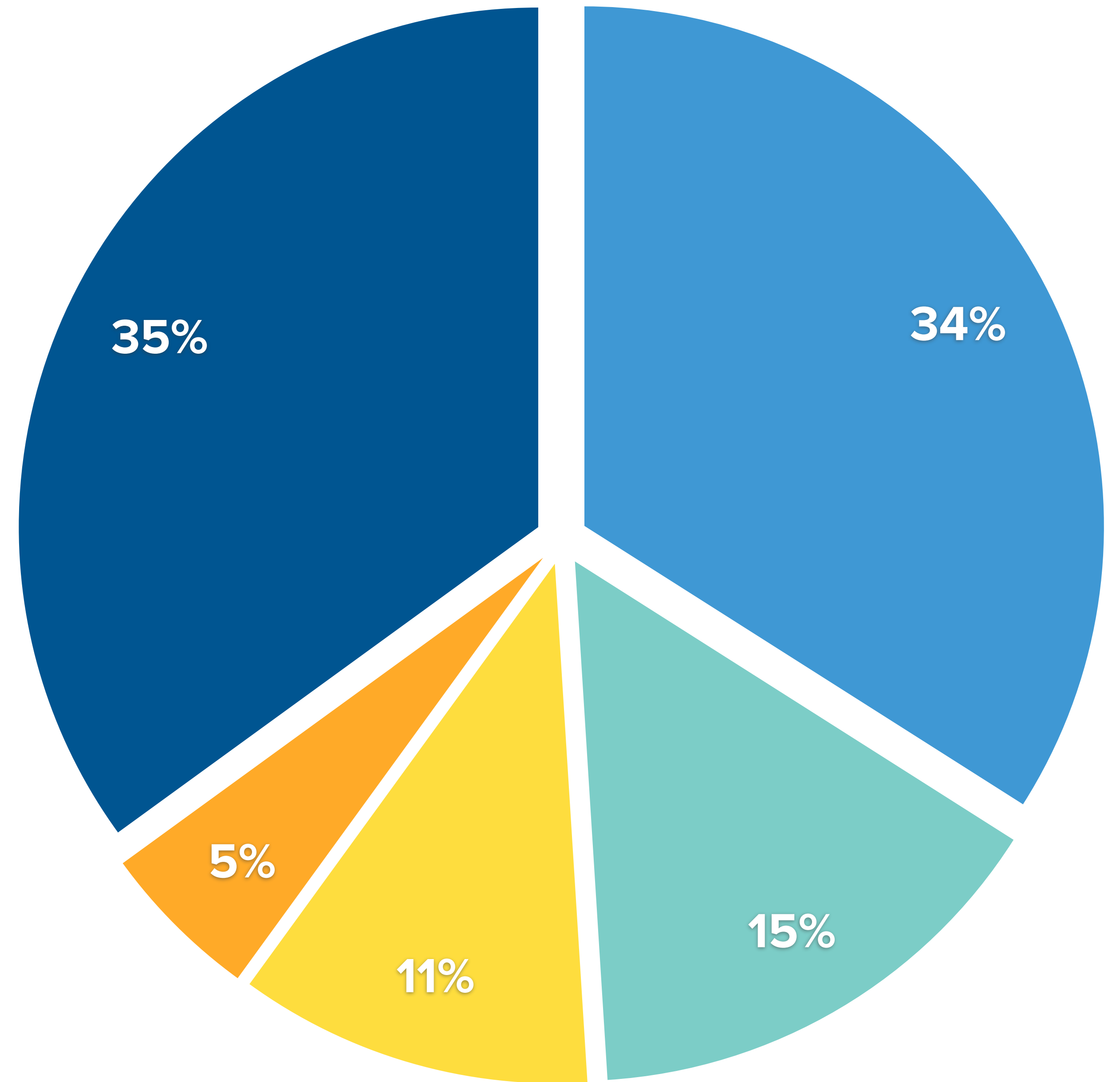
Top trends from the top mobile app marketers

App Install Budget Allocation

What % of your budget do you allocate to each app install channel you currently use?

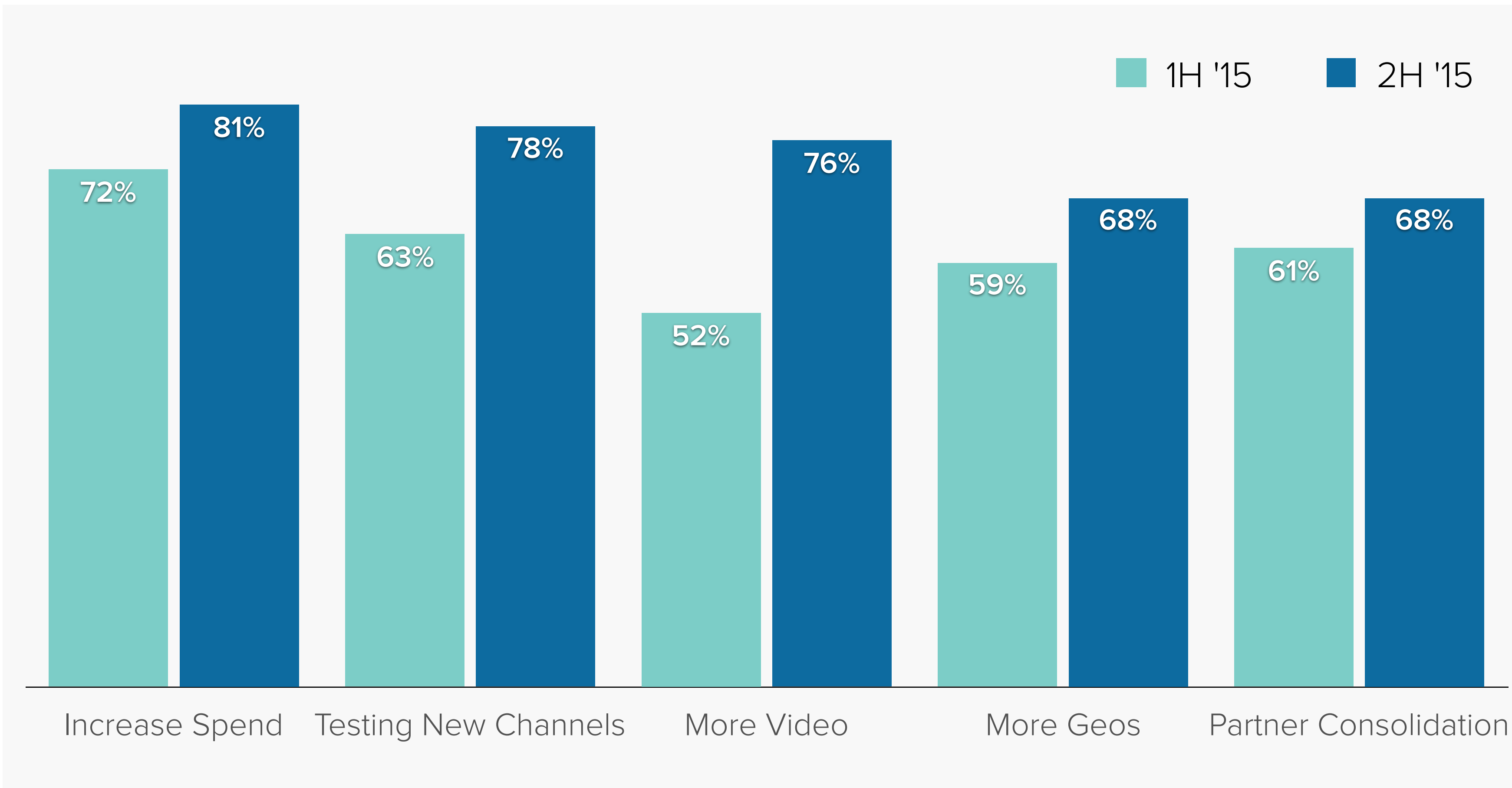
Social and video ads dominate the majority of app install budget allocation for top grossing publishers.

- Social
- Video
- Display
- Interstitial
- Other



Top 5 Campaign Trends

App install budgets continue to increase driven by growth in mobile video & global campaigns.

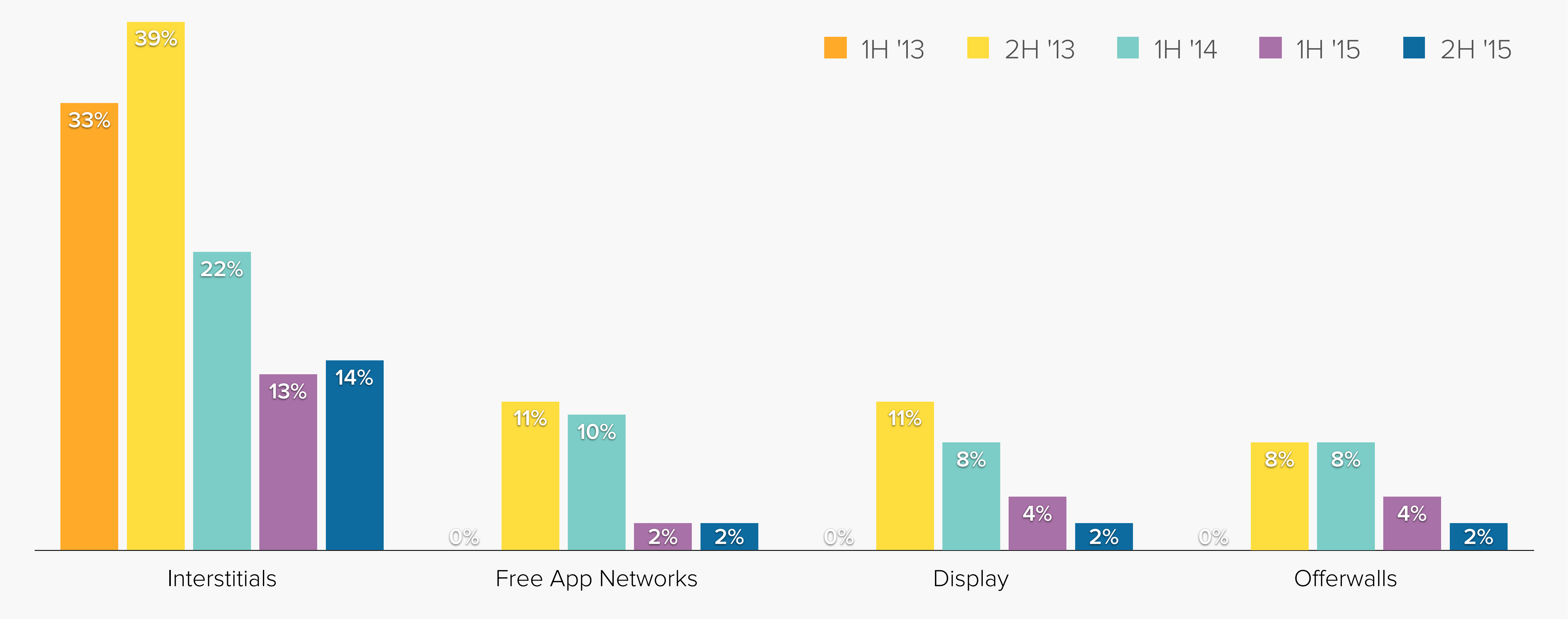


Trend	Δ
More Video	+ 24 pts
Testing New Channels	+ 15 pts
Increase Spend	+ 9 pts
More Geos	+ 9 pts
Partner Consolidation	+ 7 pts



Campaign Formats Losing Favor

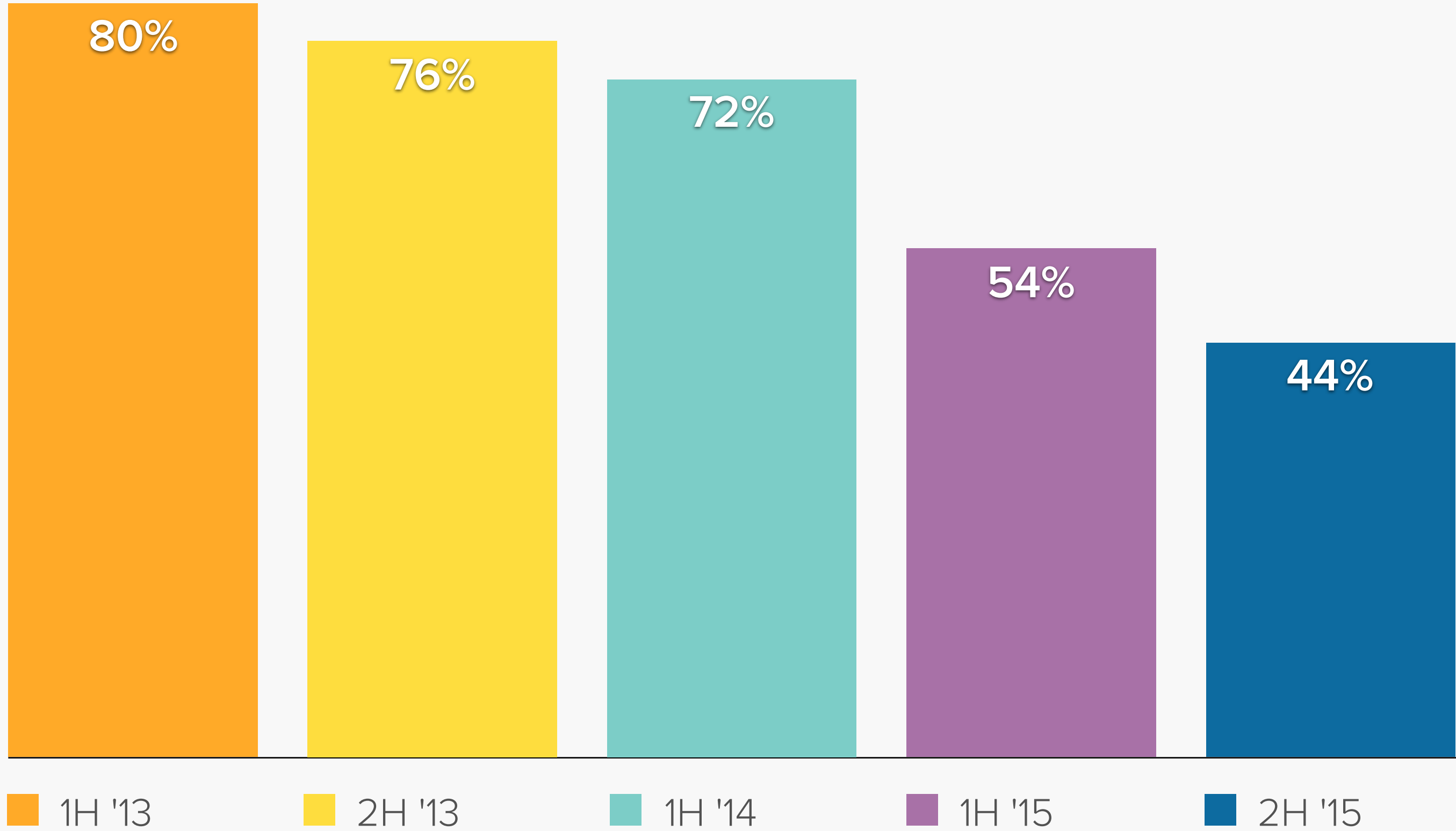
Fewer app install advertisers increasing spend on less interactive & incentivized ad formats.



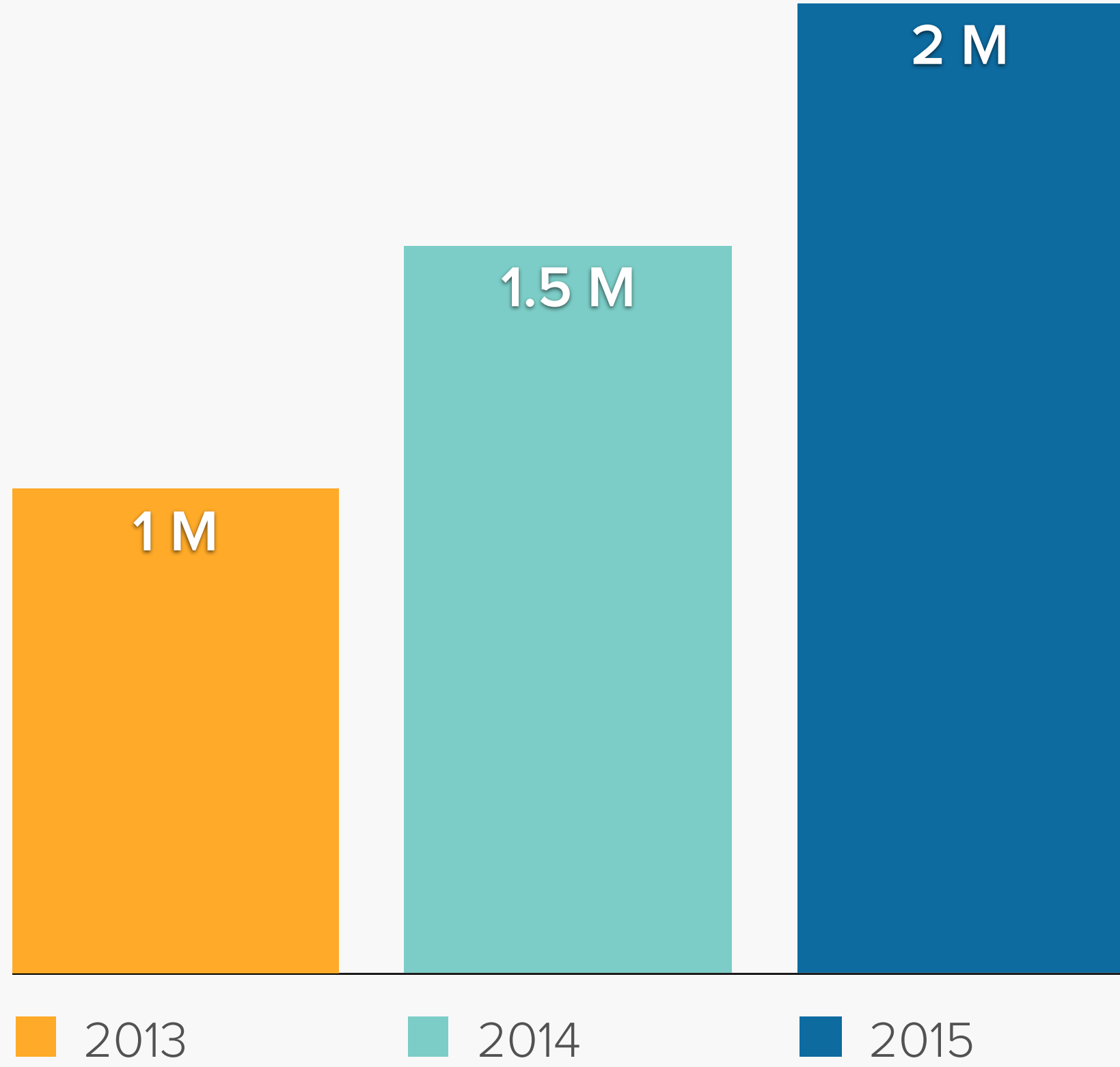
Social Spend Plateaus as Competition Grows

Fewer advertisers are planning to increase spend on social as competition increases.

Advertisers Increasing Spend on Social



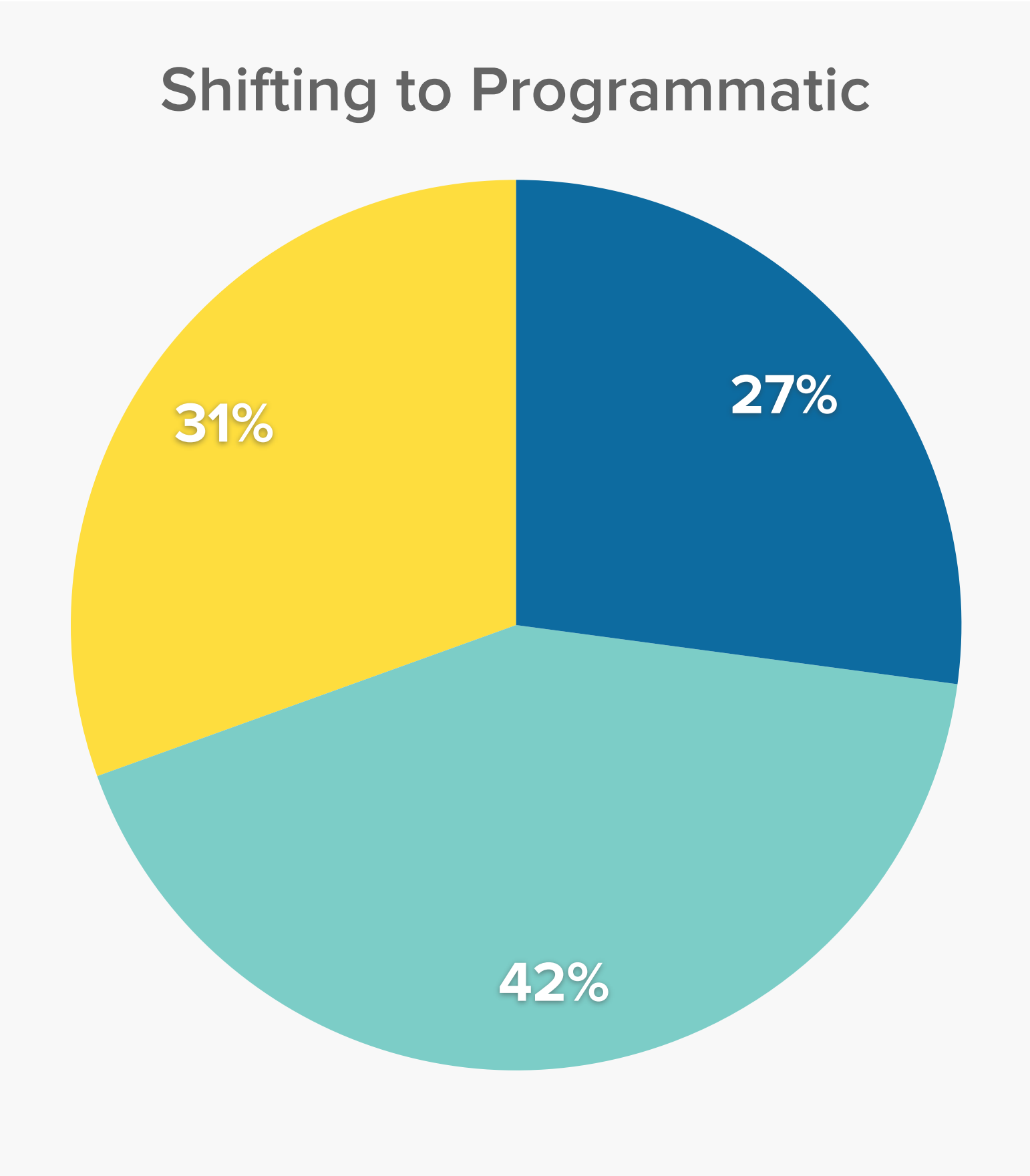
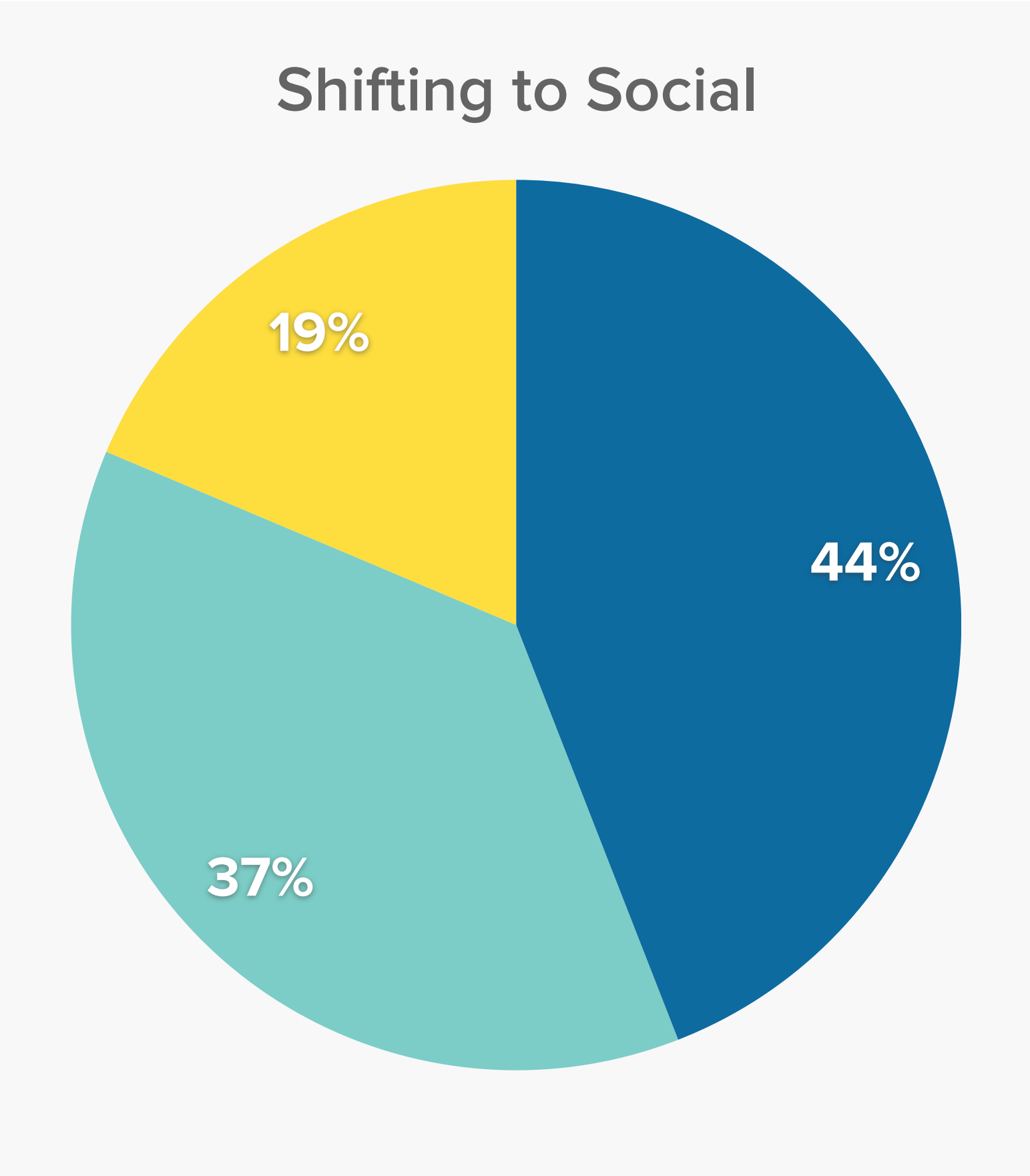
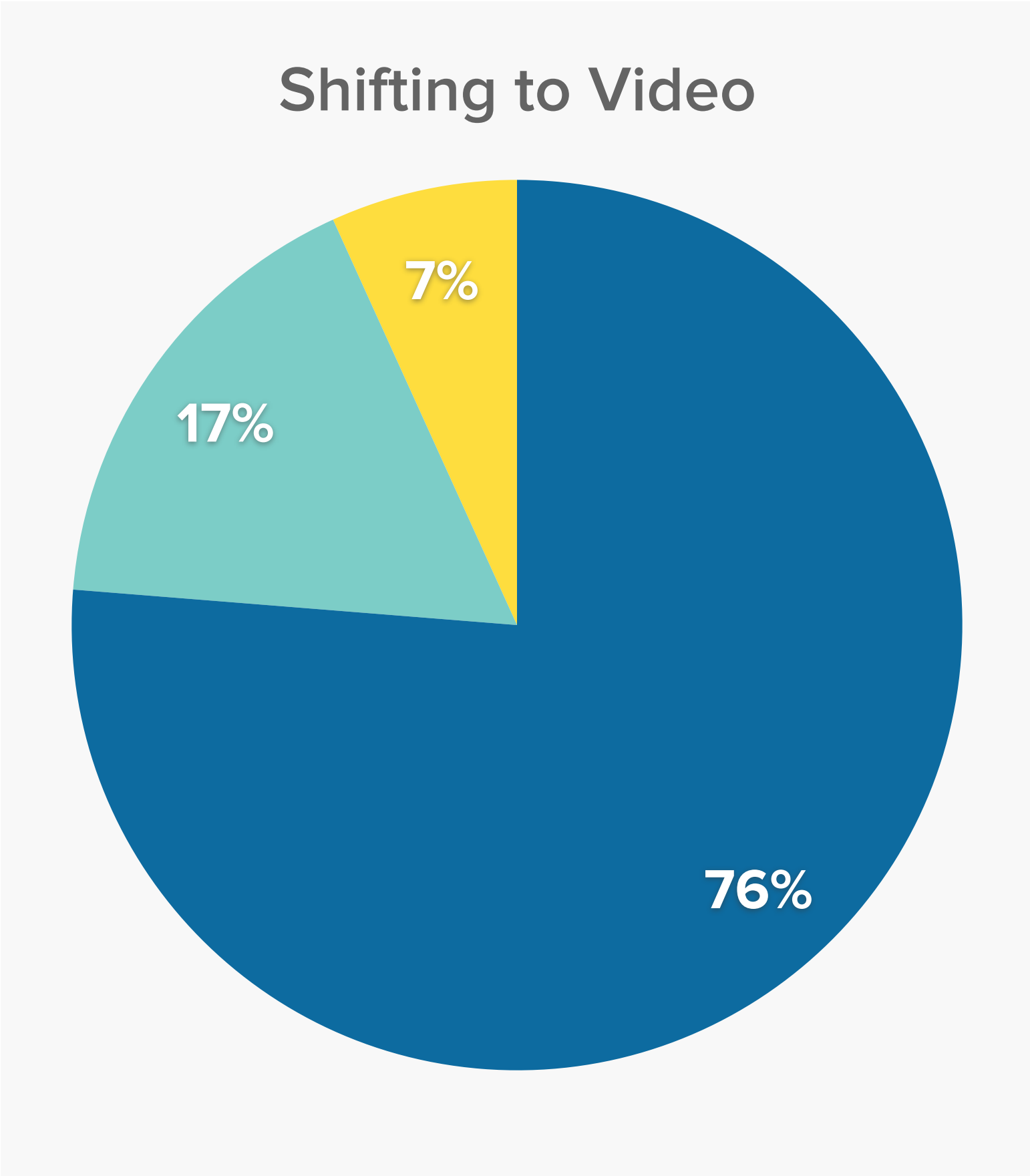
Total Advertisers on Facebook



Top 3 Performing Segments in 2015

● Agree ● Neutral ● Disagree

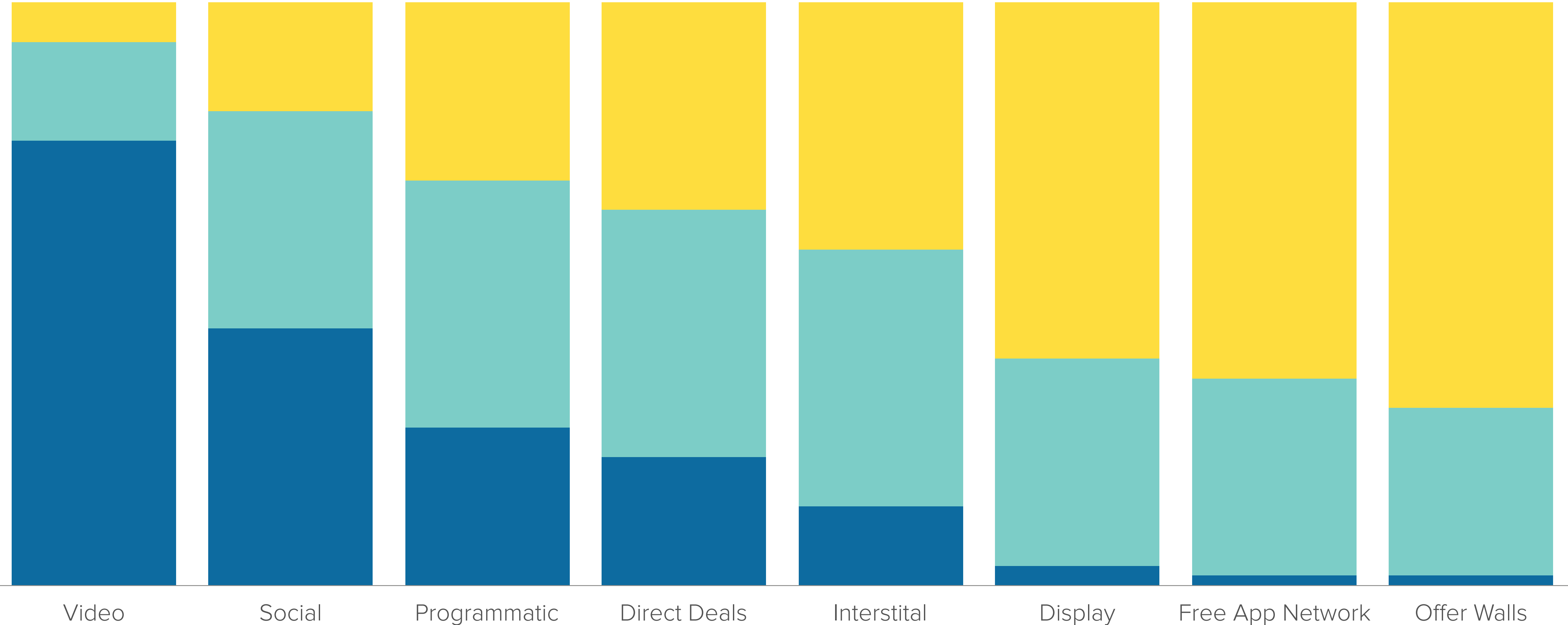
App install budgets continue to shift toward video, social, and programmatic.



Campaign Shifts in 2015

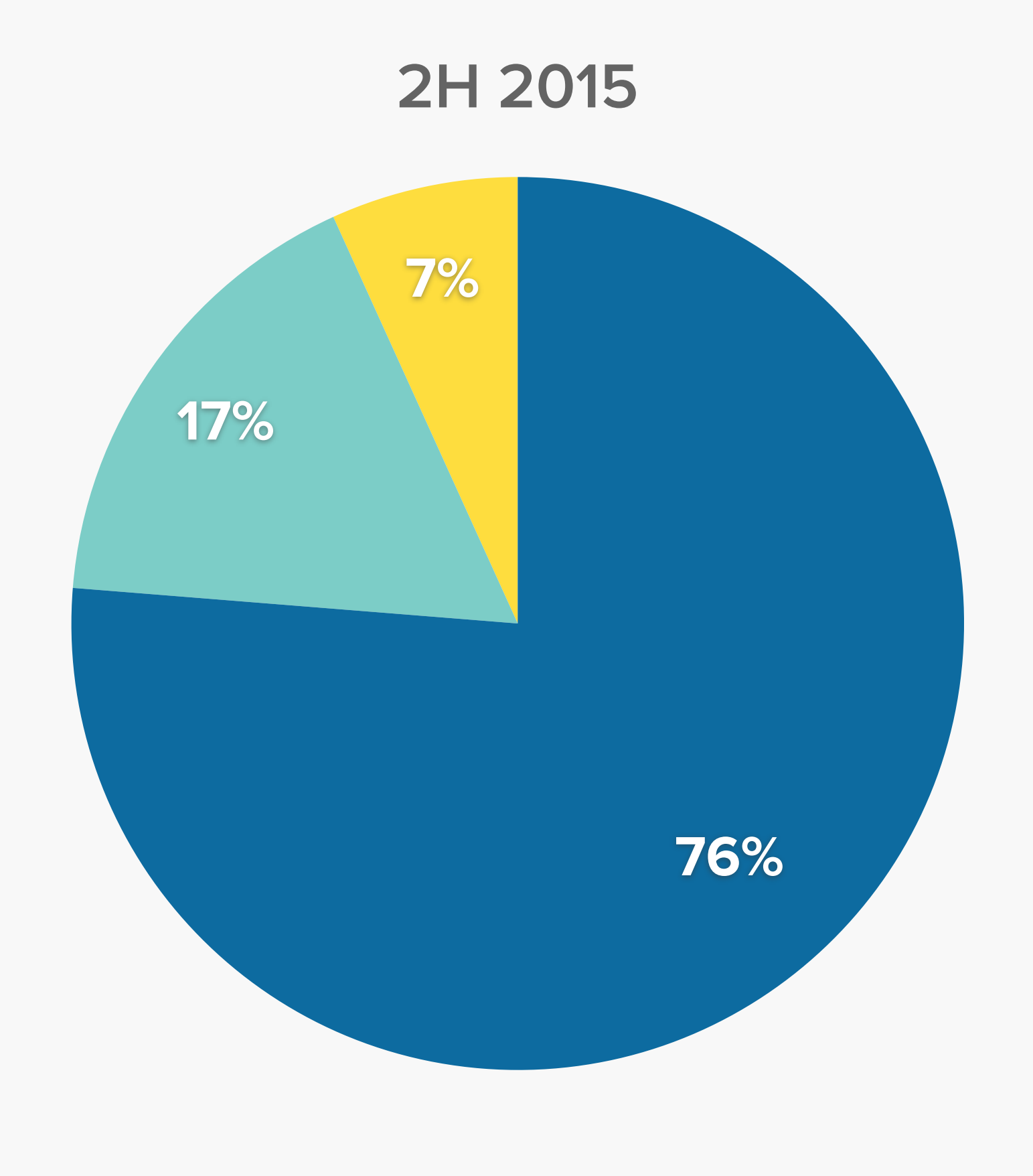
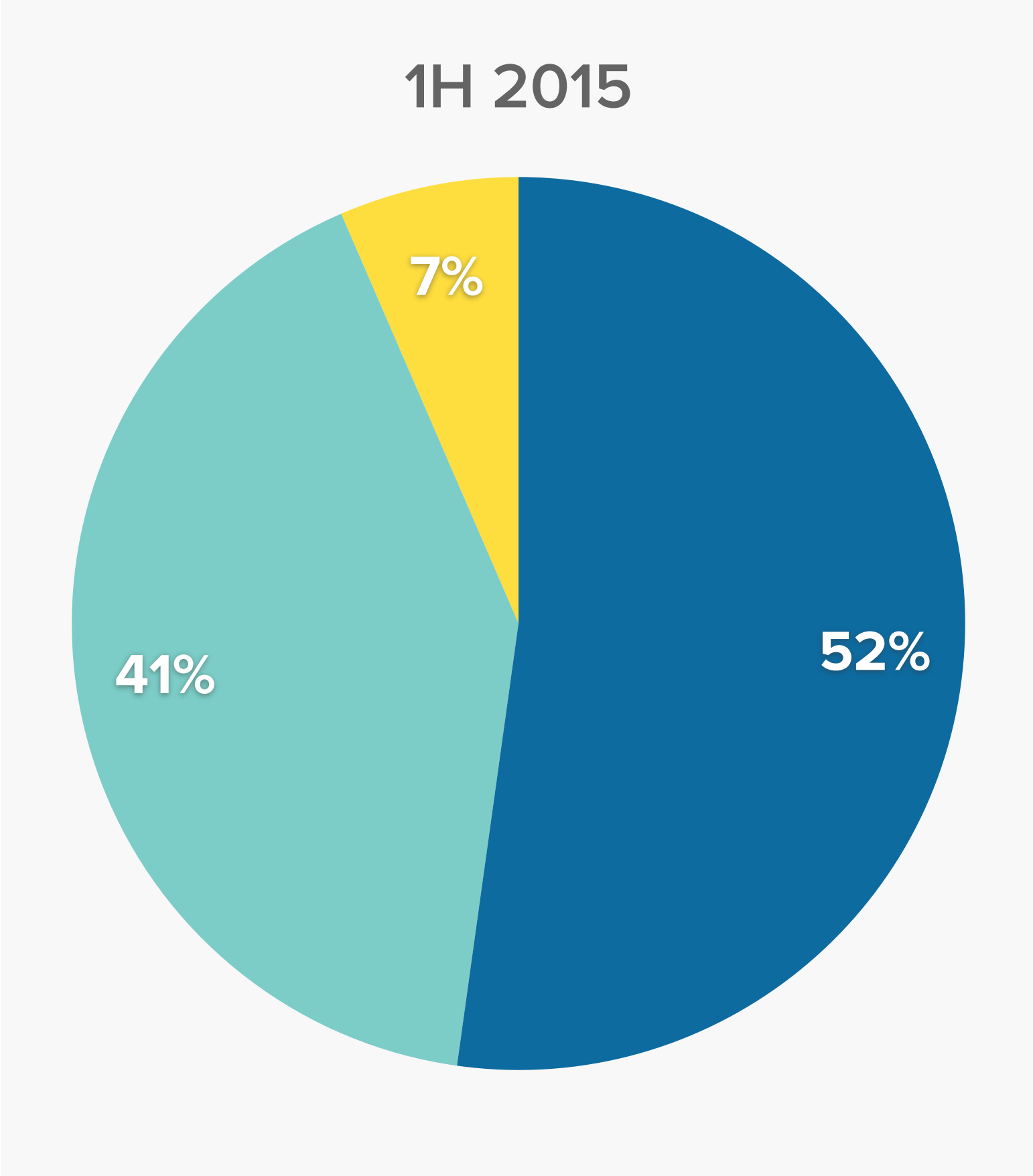
■ Agree ■ Neutral ■ Disagree

Compared to last year, my app install campaigns have increased in _____, or shifted more toward _____.



Focus on Video is Accelerating

App install teams continue to rely on mobile video more than ever before



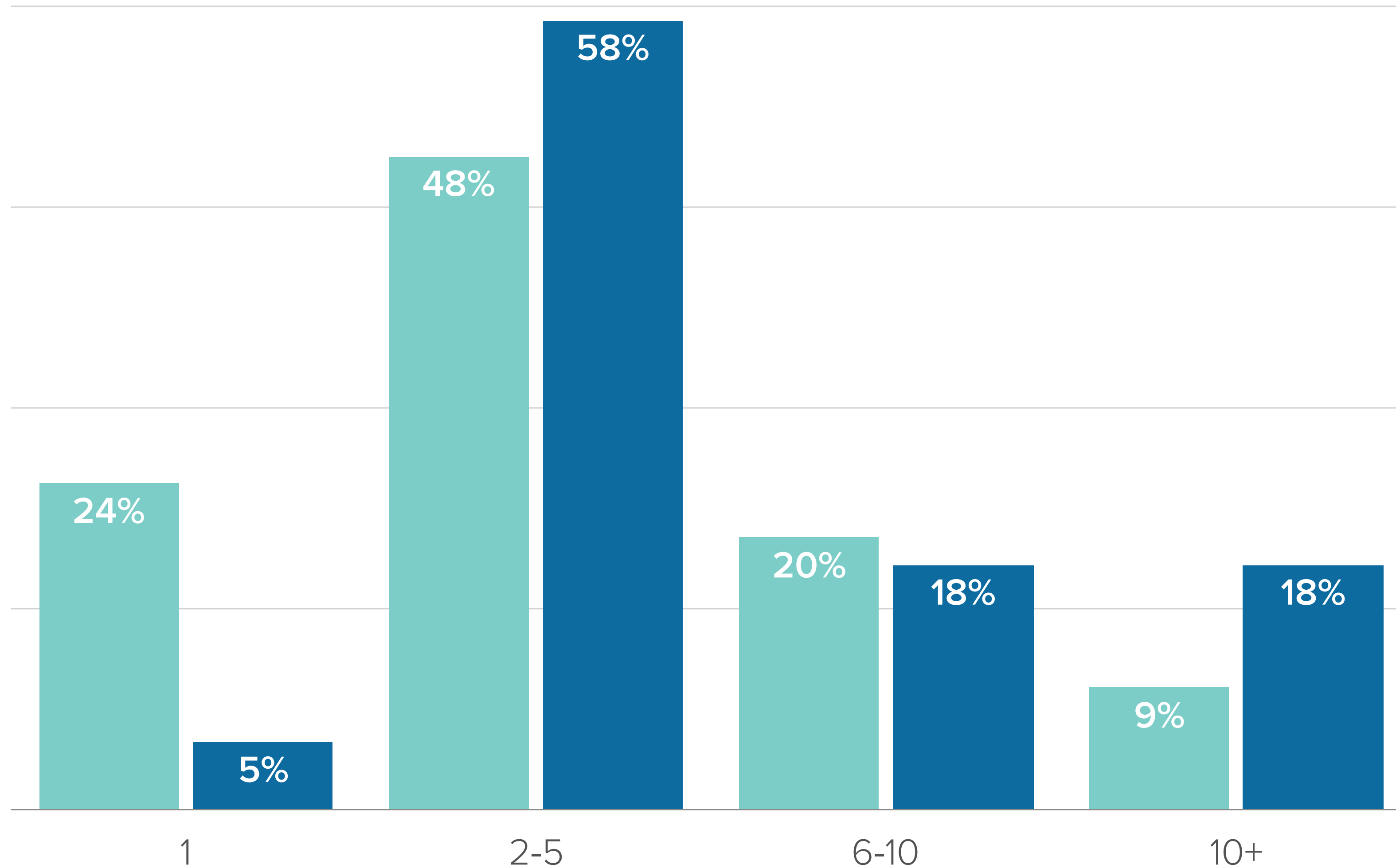
The shift toward mobile video is accelerating with 24.1% more respondents stating that they have increased mobile video spend since earlier in the year.

- Increase
- Maintain
- Decrease



App Install Teams Continue to Grow in Size

Teams of 10+ have doubled in the last 6 months at the expense of smaller single person teams



Most single person UA teams have grown to 2-3 members since Q1 2015.

Many 4-10 person teams have grown to 10+ since Q1 2015.

■ 1H 15 ■ 2H 15

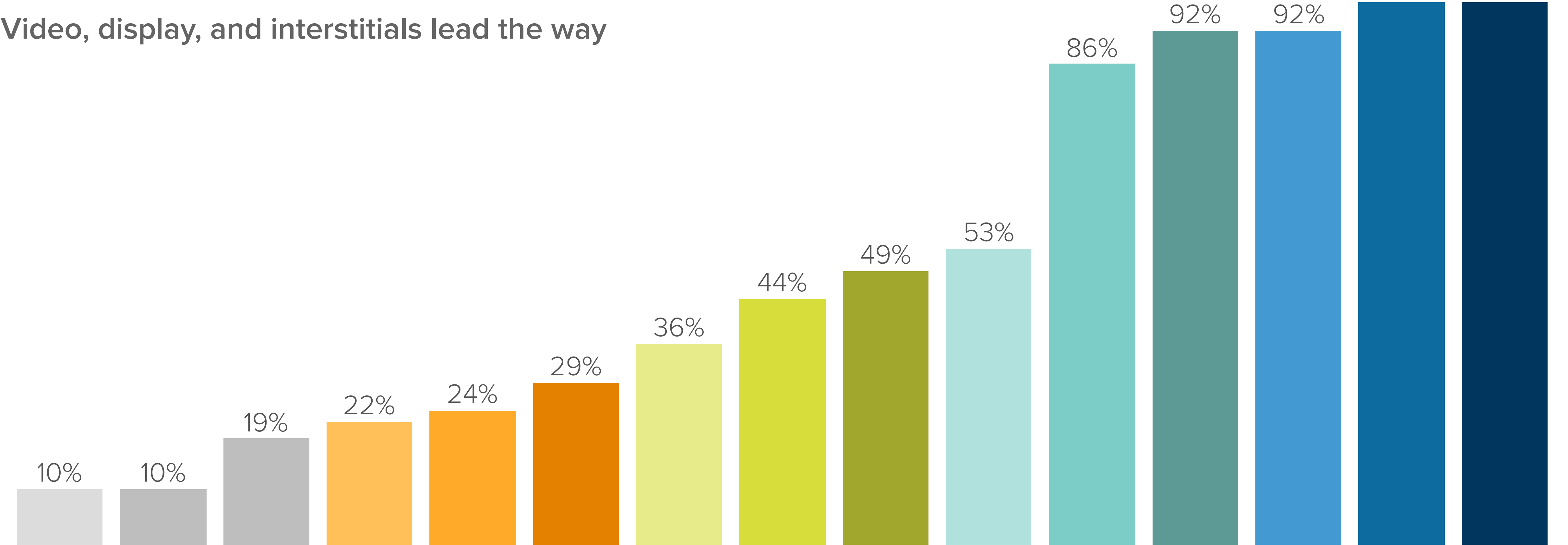


Top App Install Formats



Top App Install Formats by Usage

Video, display, and interstitials lead the way

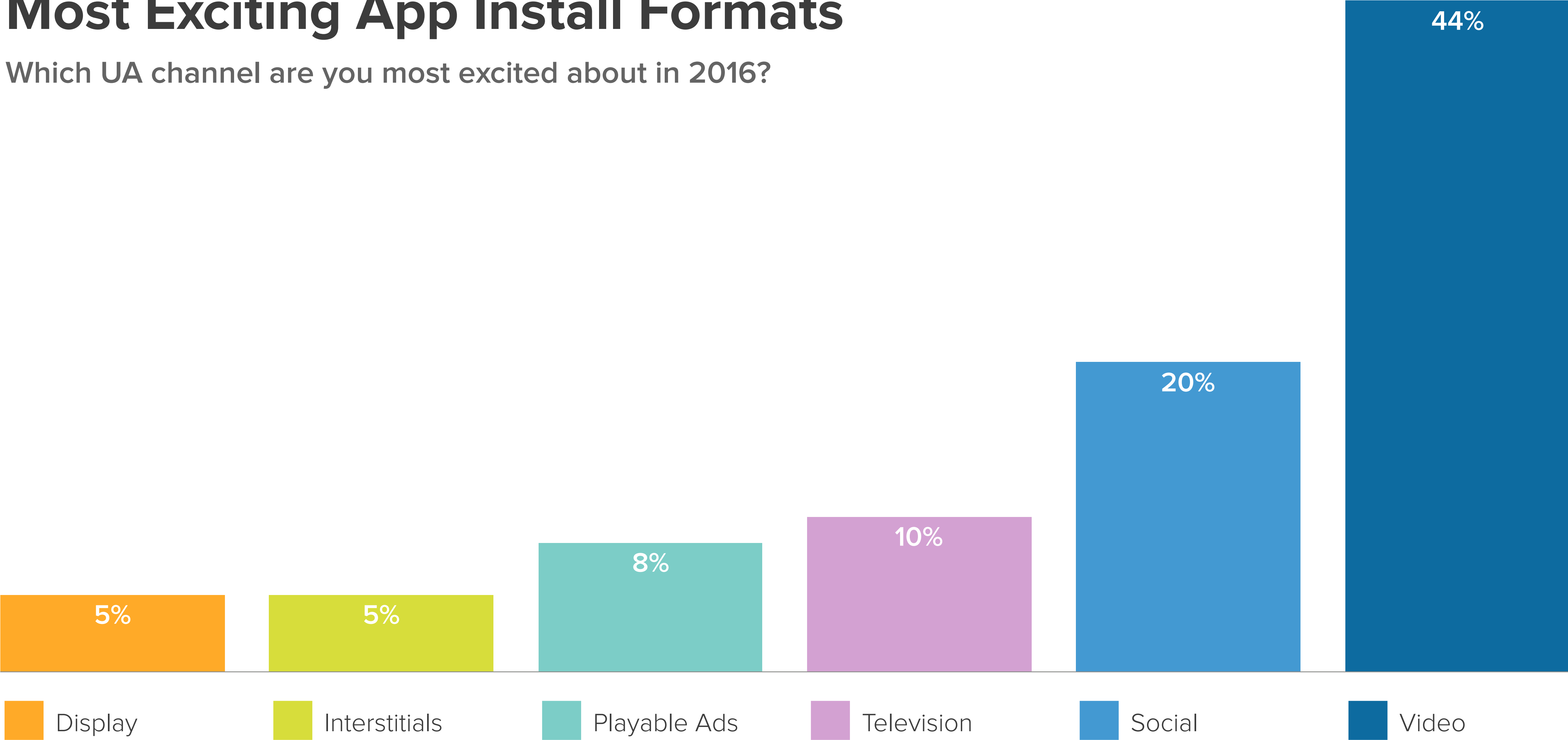


- Print
- Free App Networks
- Television
- Native Ads
- Interstitials
- Out of Home
- Playable Ads
- Direct Deals
- In-Feed Video
- In-Feed Display
- Offer Walls
- Cross Promo
- Programmatic
- Display / Banners
- Full Screen Video



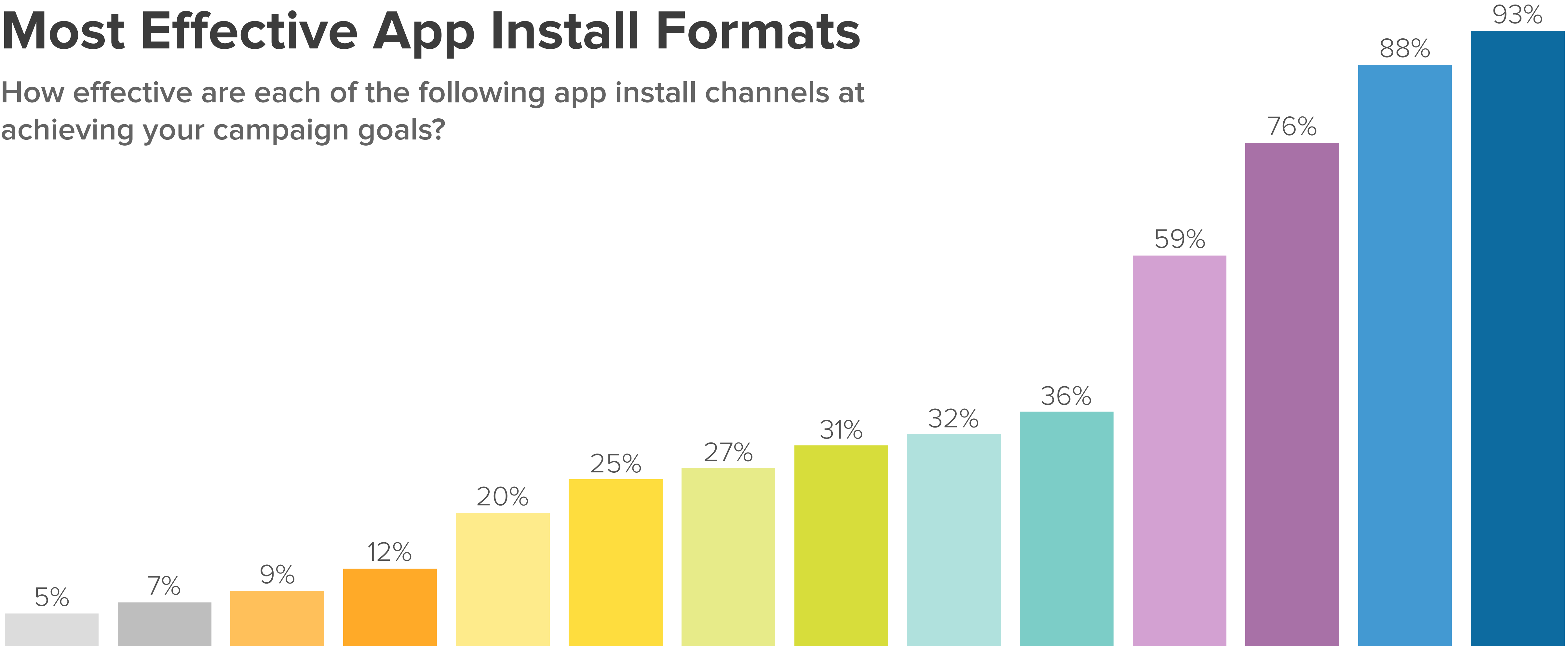
Most Exciting App Install Formats

Which UA channel are you most excited about in 2016?



Most Effective App Install Formats

How effective are each of the following app install channels at achieving your campaign goals?



- Other
- Free App Network
- Offer Walls
- Playable
- Television
- Cross Promo
- Native
- Direct Deals
- Programmatic
- Display / Banners
- Interstitials
- In-Feed Video
- In-Feed Display
- Video Ads



App Install Sources over Time

Video, display, and interstitials lead the way as native ads and programmatic emerge

Tried & True	1H '13	2H '13	1H '14	1H '15	2H '15
Video Ads	100%	100%	100%	98%	97%
In-Feed Display	68%	94%	92%	96%	97%
Interstitials	100%	83%	90%	96%	92%
Display/Banners	89%	86%	86%	93%	92%

Declining	1H '13	2H '13	1H '14	1H '15	2H '15
Direct Deals	63%	72%	59%	54%	44%
Playable Ads					24%
Free App Networks	95%	64%	35%	41%	22%
Offer Walls	100%	64%	47%	54%	19%

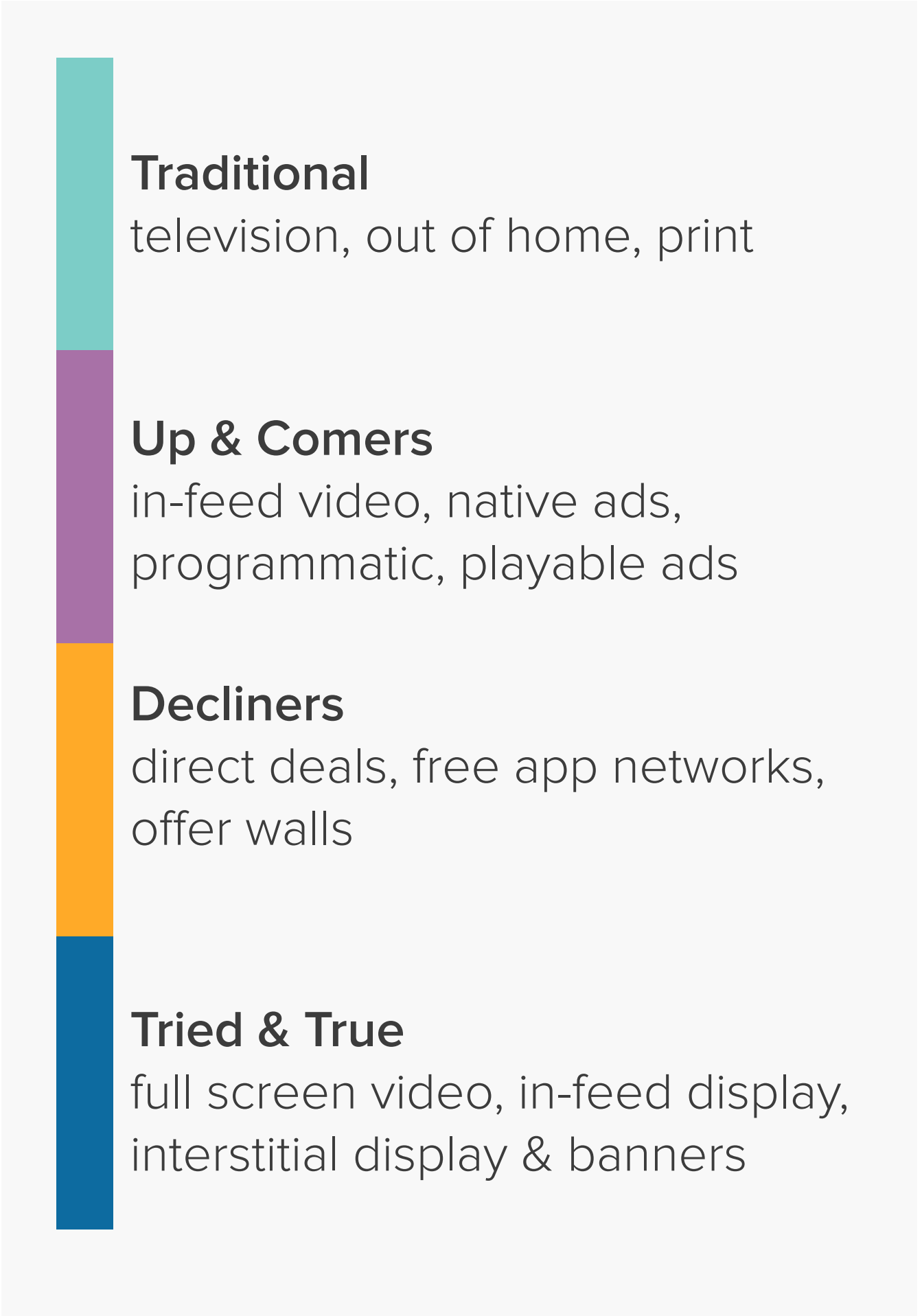
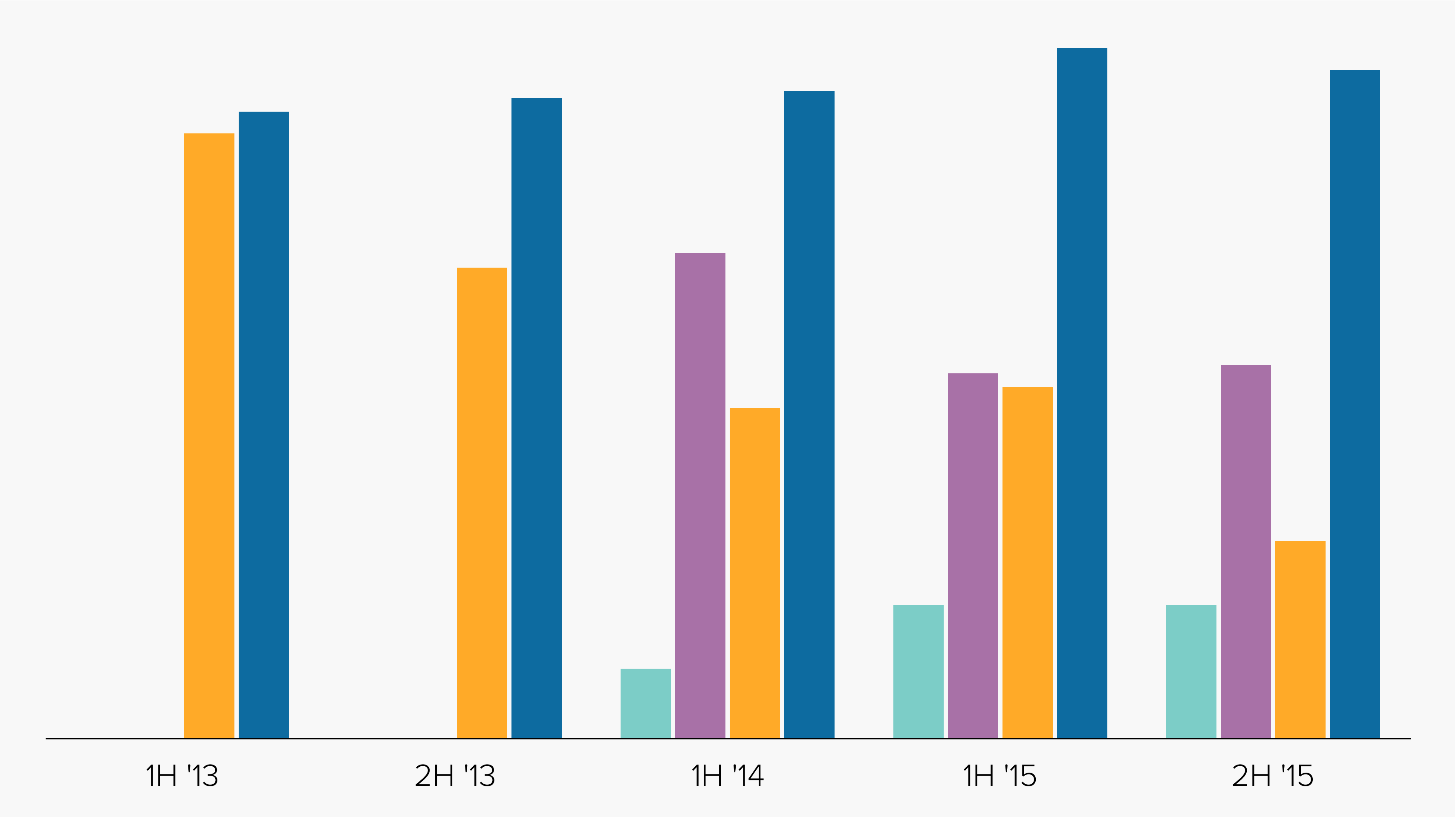
Up & Coming	1H '13	2H '13	1H '14	1H '15	2H '15
In-Feed Video			69%	52%	86%
Native Ads					53%
Programmatic					49%

Traditional	1H '13	2H '13	1H '14	1H '15	2H '15
Television			22%	35%	36%
Out of Home			6%	15%	10%
Print	0%	0%	2%	7%	10%



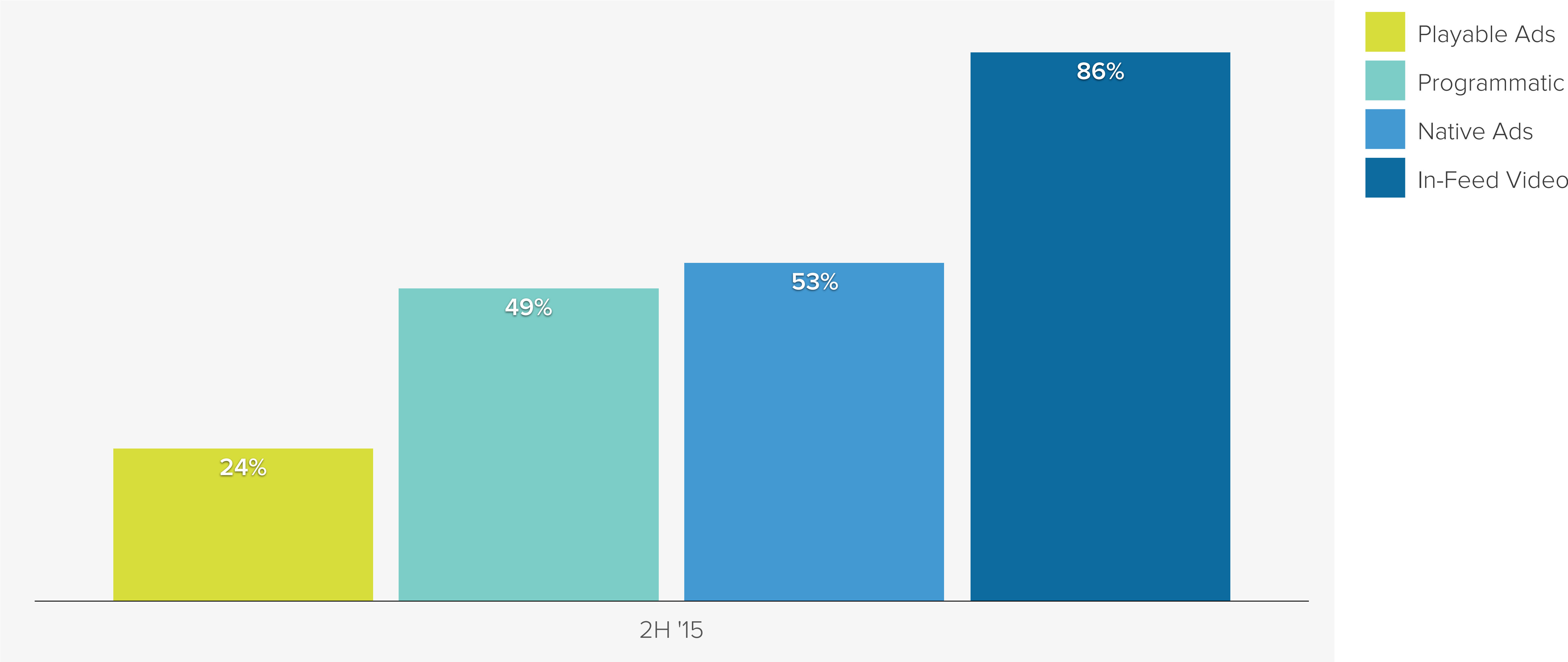
Format and Channel Usage over Time

Full screen video, in-feed video, television and interstitials lead the way while in-feed, native, programmatic, and playable ads emerge



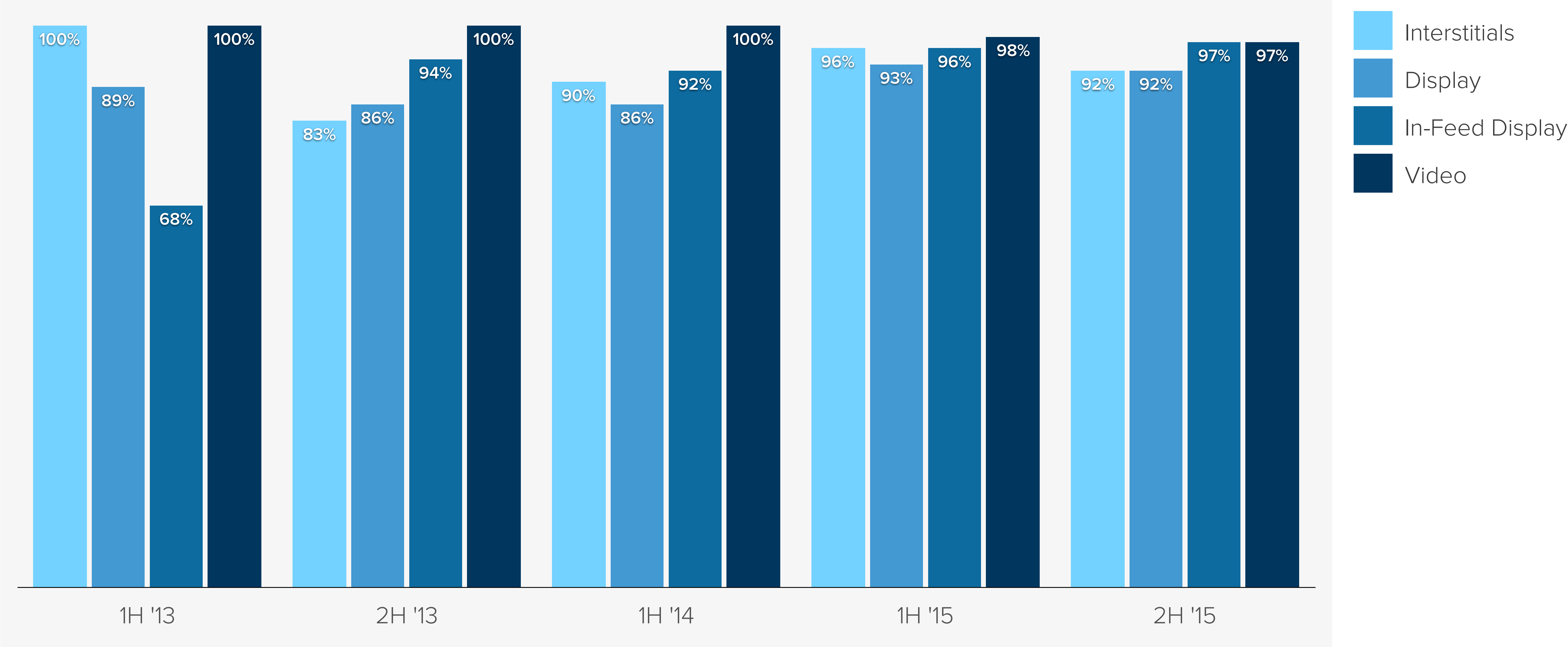
Emerging Mobile App Install Channels

Native, playable & programmatic ads emerge and grow while in-feed video continues to grow



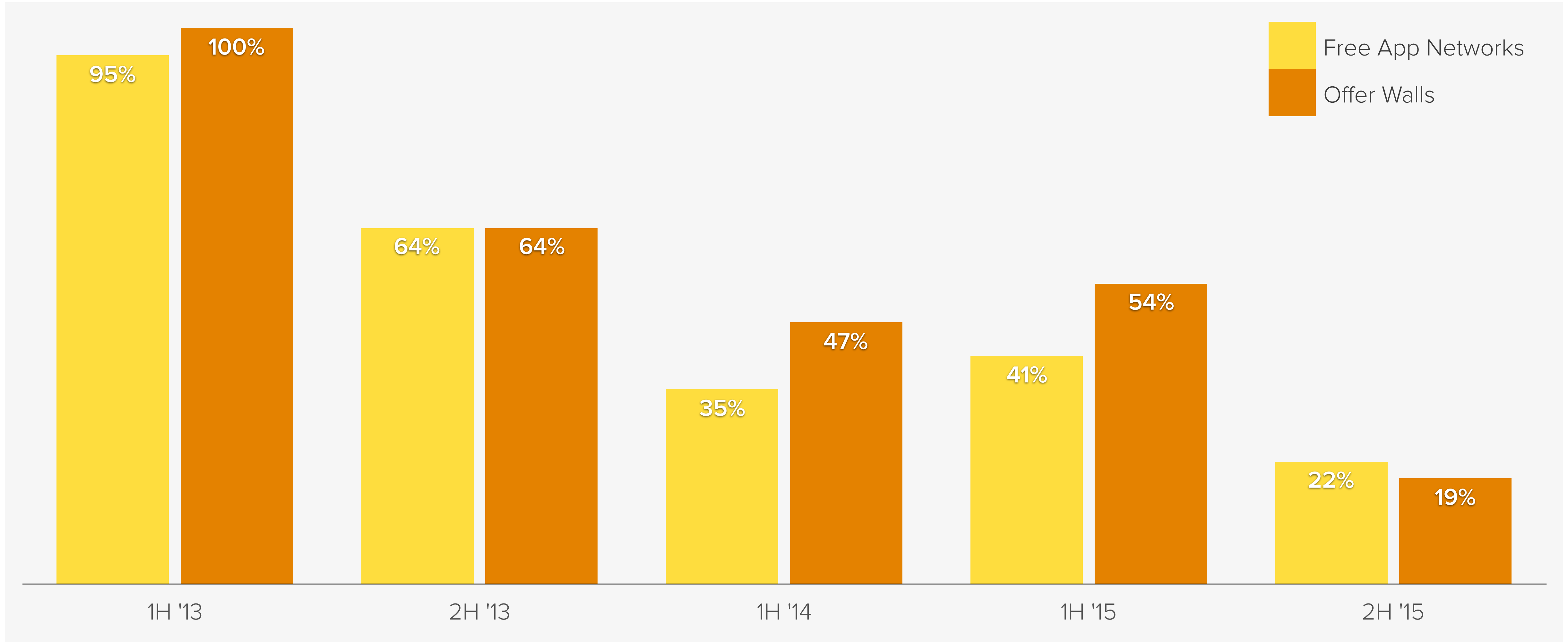
Tried & True App Install Channels

Video, in-feed, display & interstitials continue as top app install channels.



The Demise of Incentivized

Incentivized installs fall out of favor as advertisers continue to focus most on user quality





Targeting & KPIs

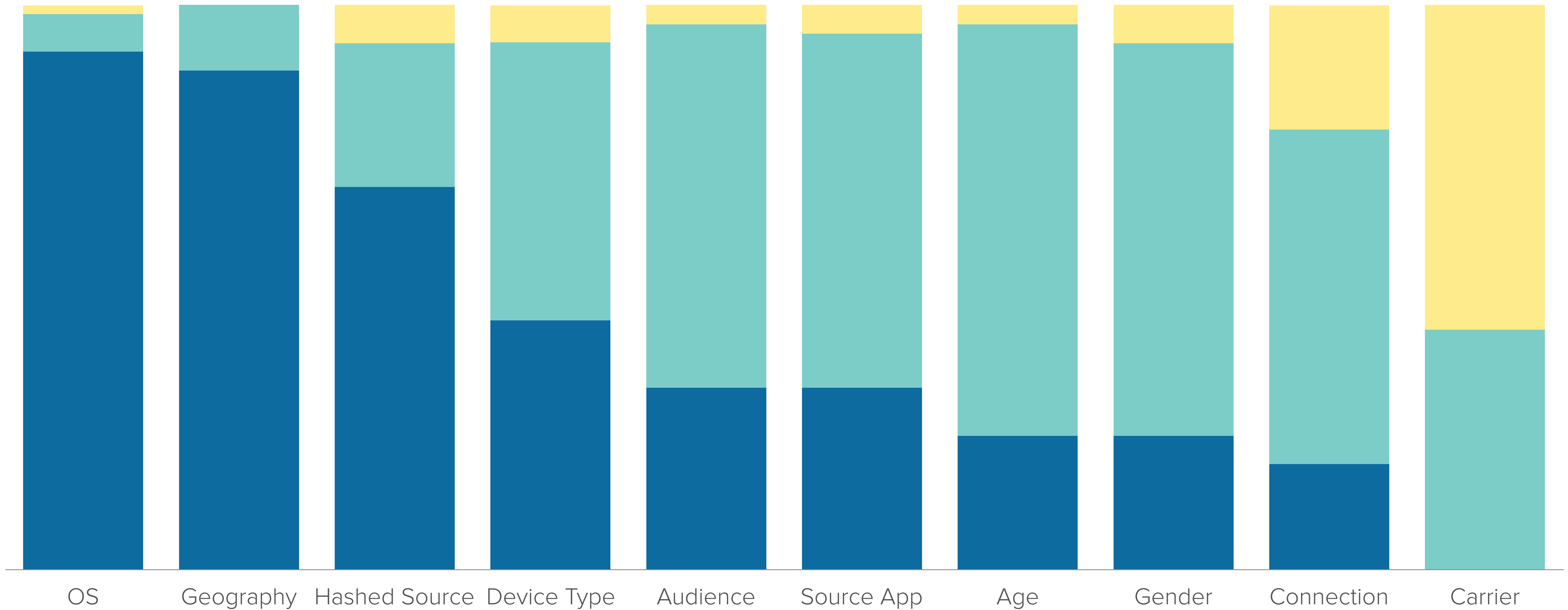
Targeting

■ Key Requirement

■ Nice to Have

■ Not Required

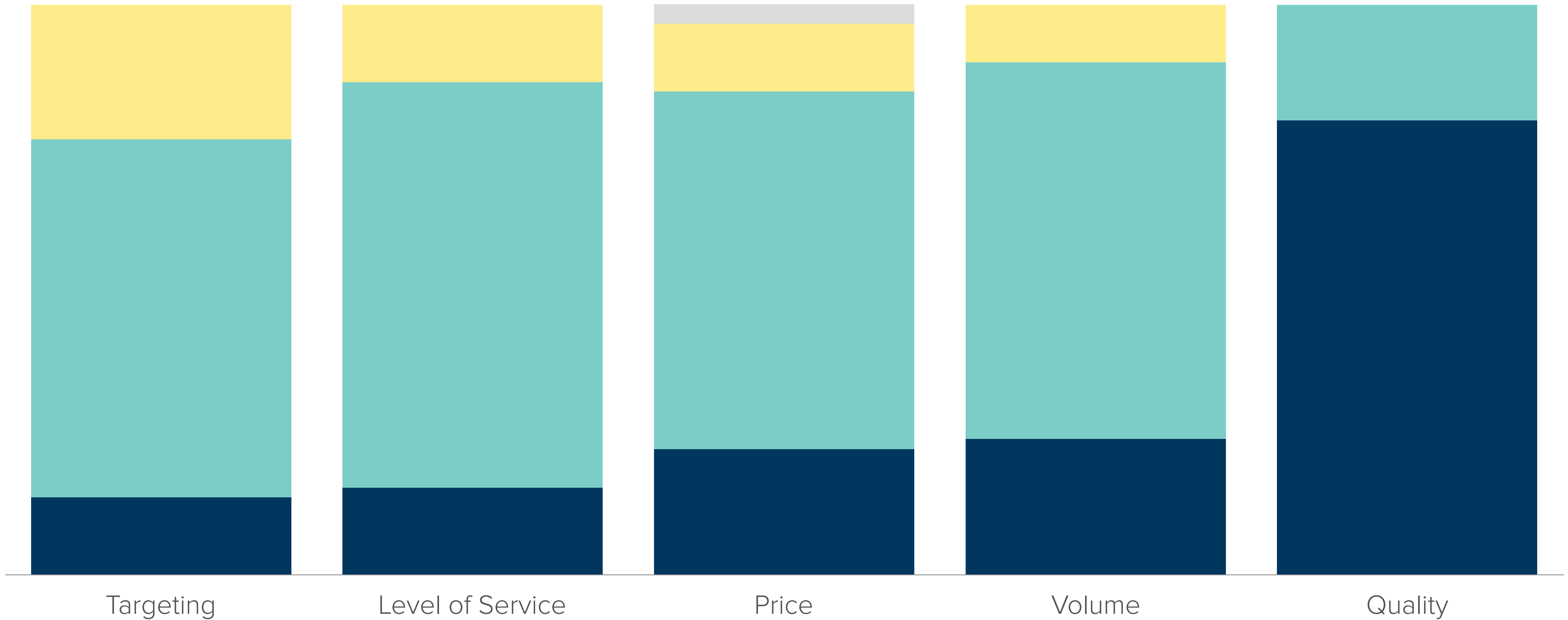
Which targeting parameters are most important & maximize the performance of your app install campaigns?



Top User Acquisition KPIs

■ Most ■ Very ■ Somewhat ■ Least

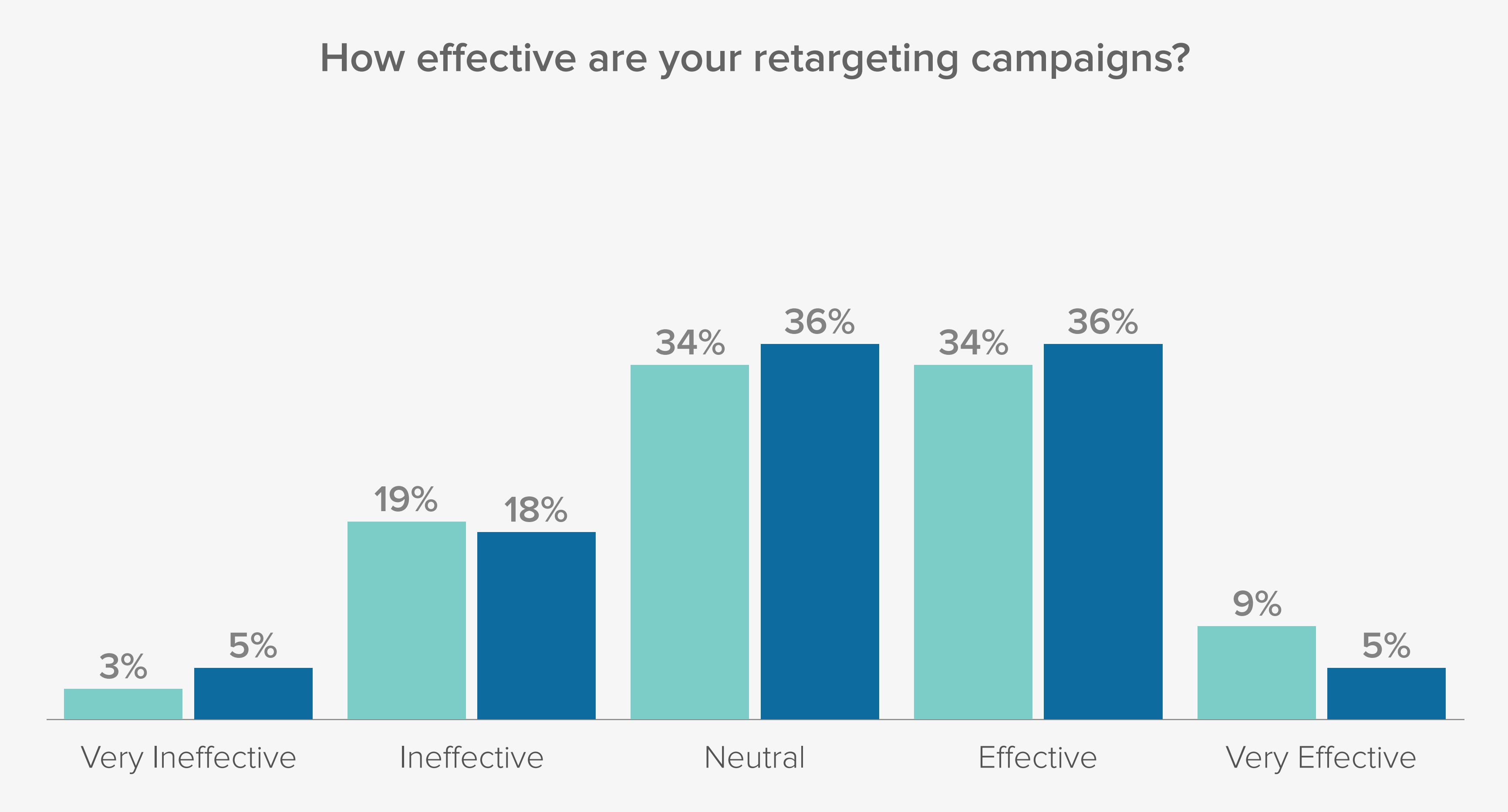
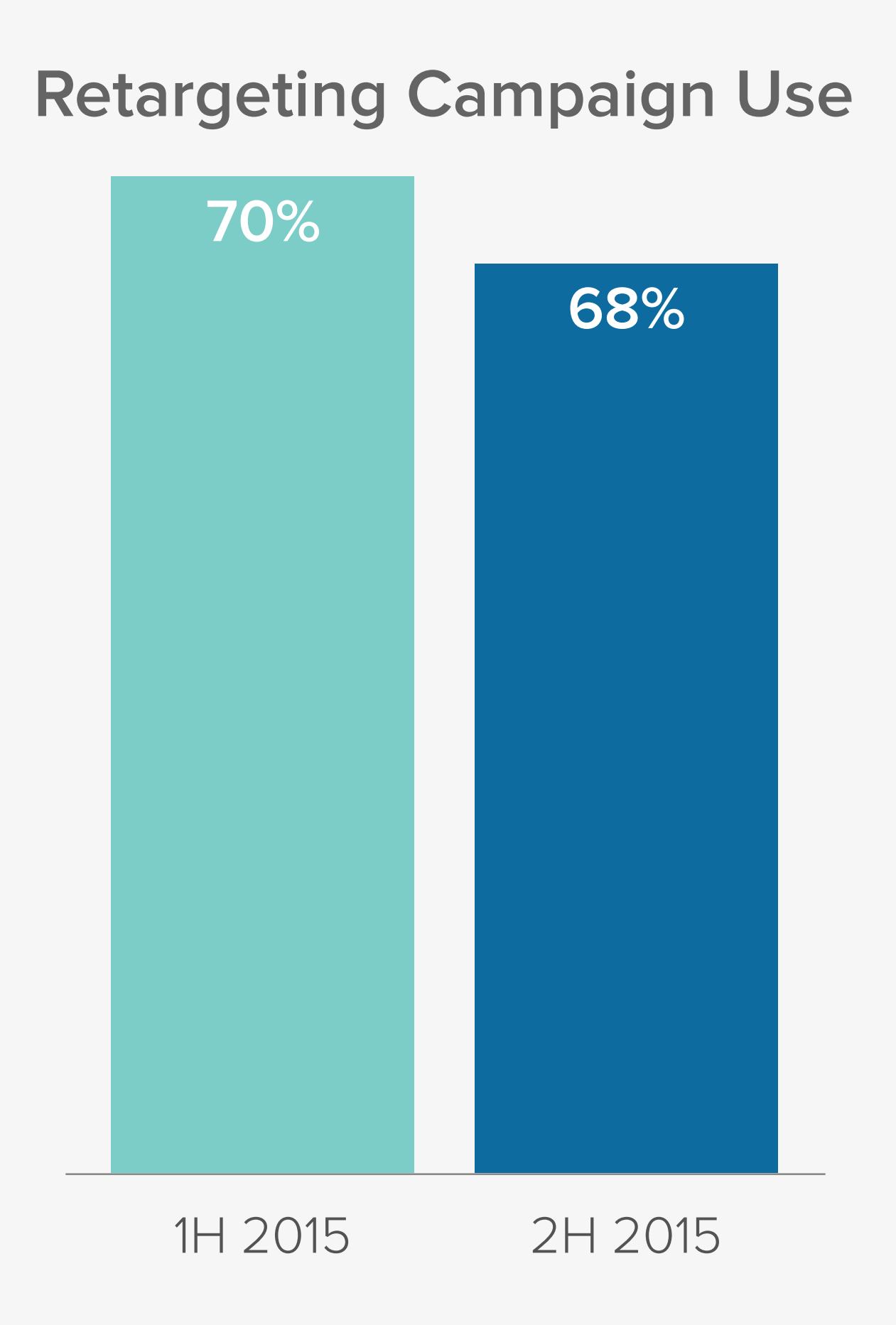
User quality is more important than ever before.



Retargeting Campaigns

1H 2015 2H 2015

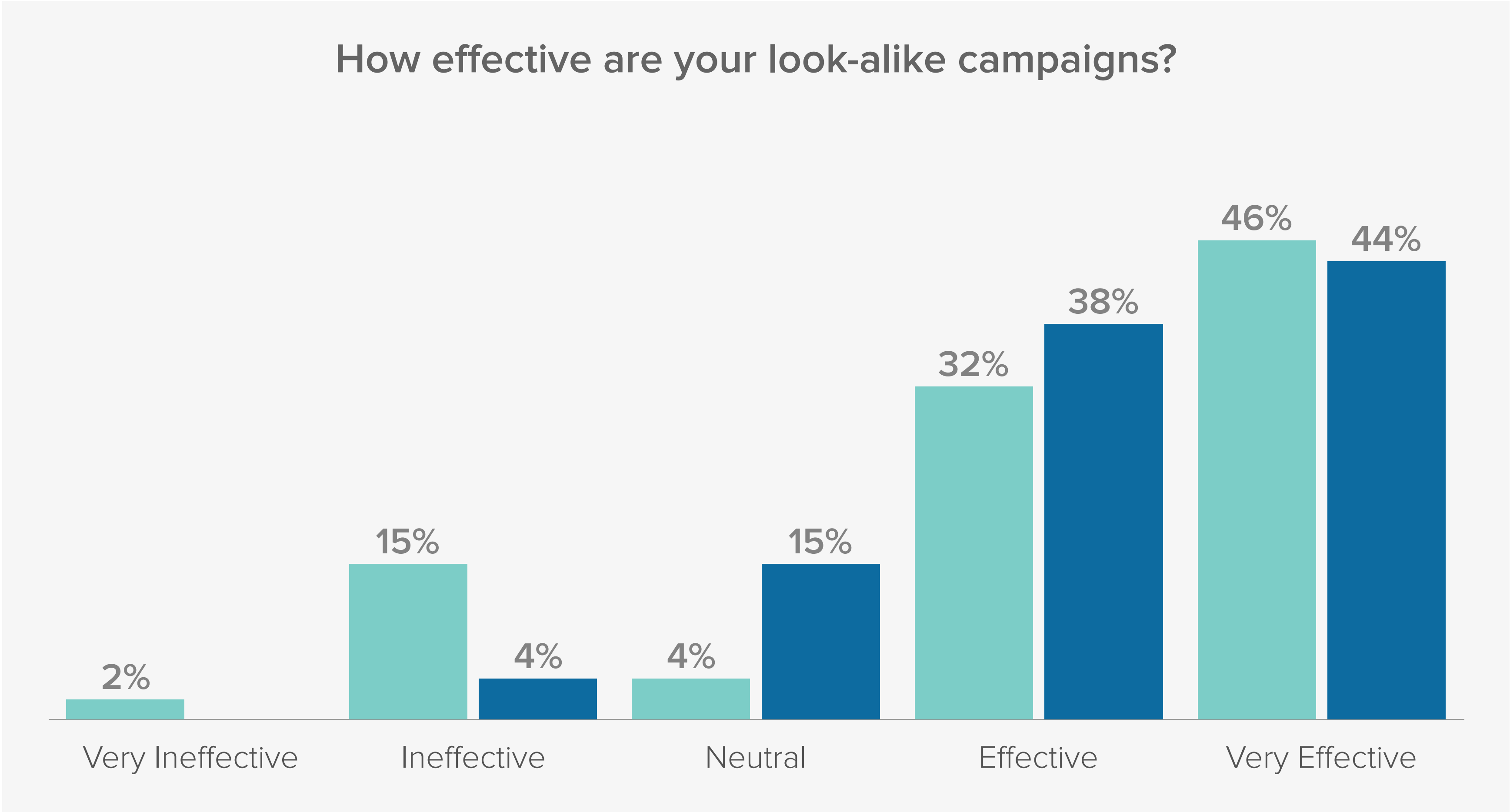
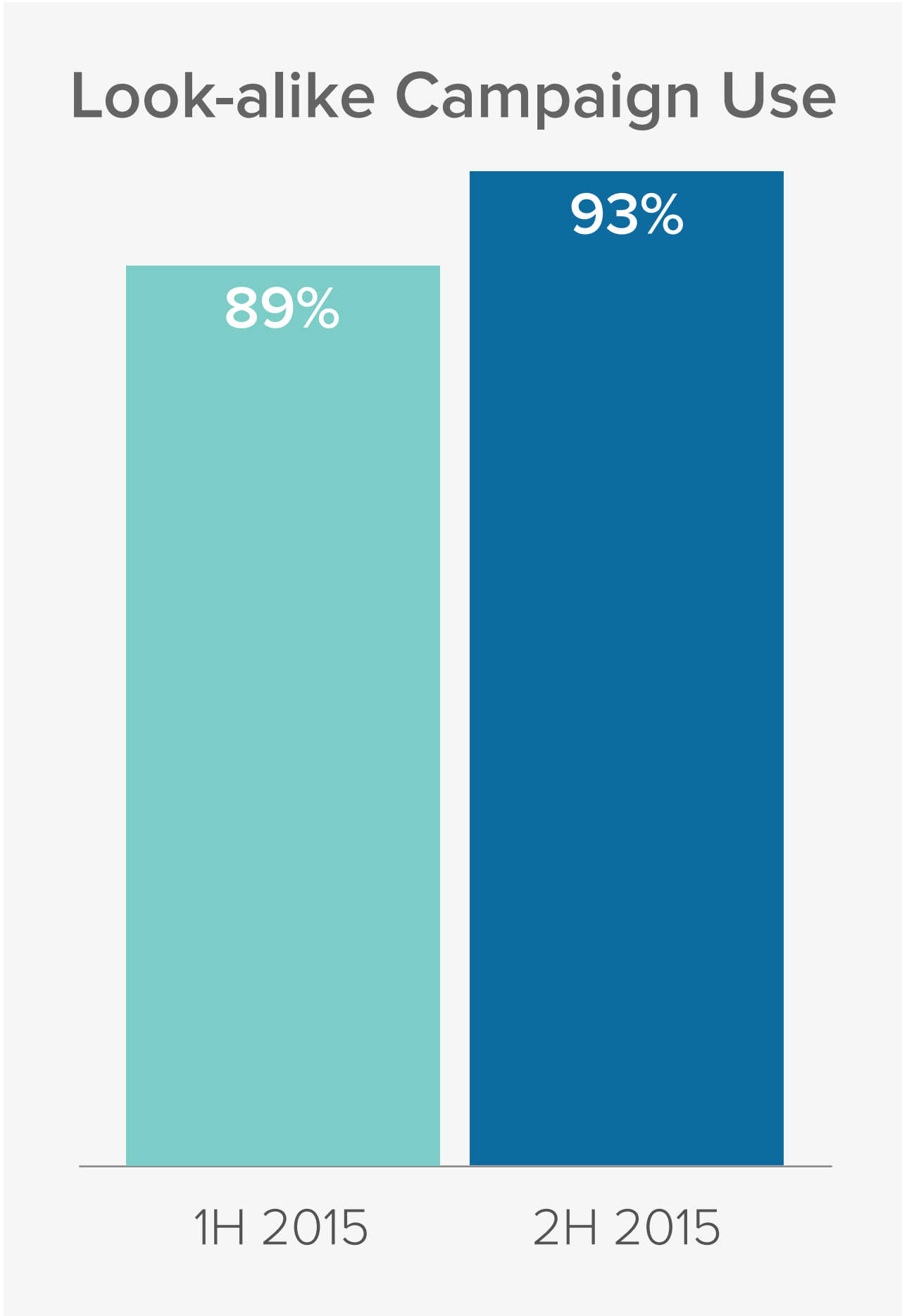
Retargeting campaigns continue to have mixed results



Look-alike Campaigns

1H 2015 2H 2015

Look-alike campaigns continue to be both popular and effective at achieving app install goals



Optimization & Localization

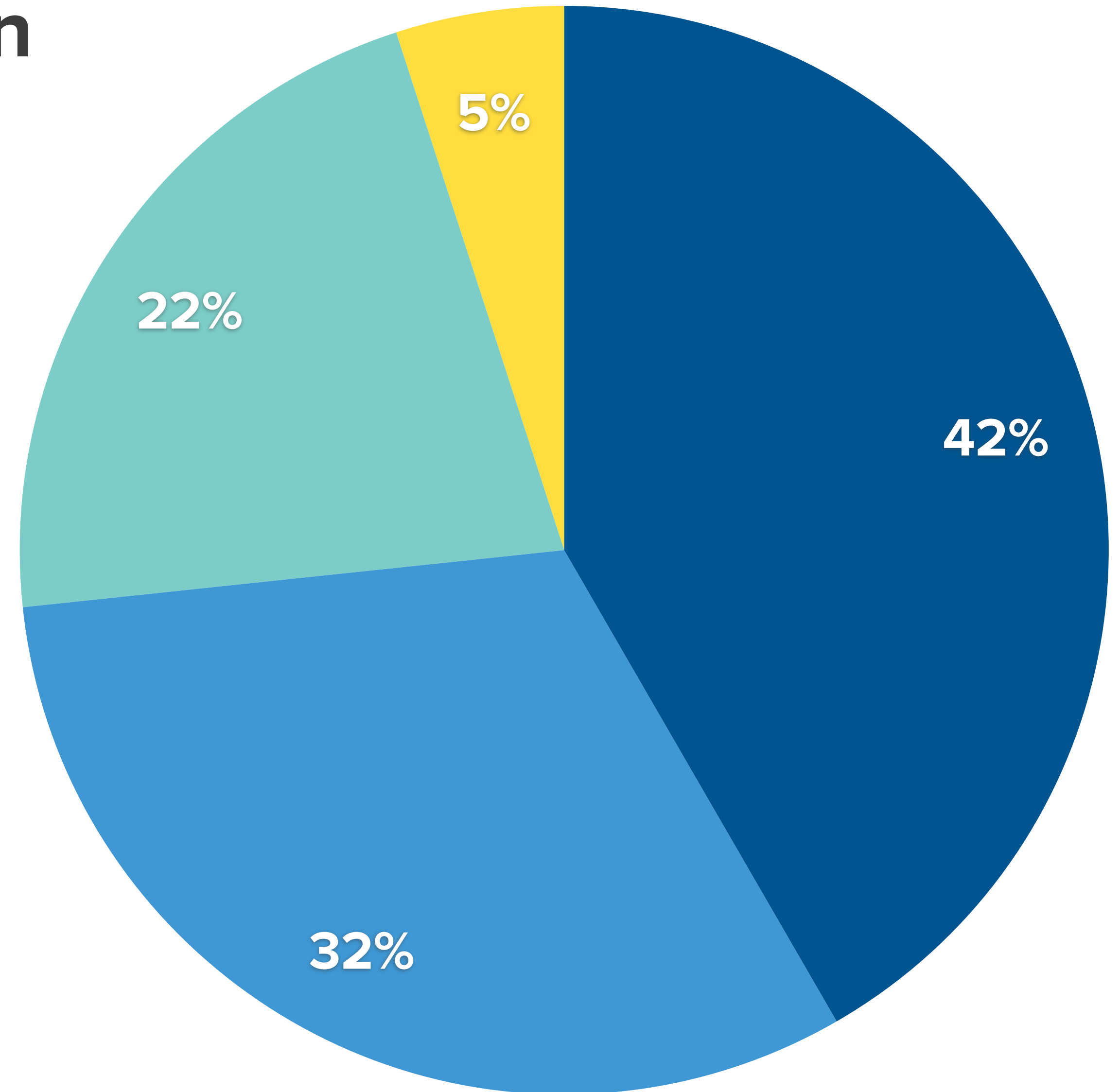
The background of the slide is a vibrant cosmic scene. It features a deep blue field filled with numerous small, bright white stars. Overlaid on this starry background are large, ethereal nebulae. These nebulae exhibit a range of colors, including soft pinks, purples, and oranges, with some brighter yellow and white highlights. The overall effect is that of a vast, colorful galaxy or star-forming region in space.

Frequent Campaign Optimization

How often does your team review app install campaign results and optimize accordingly?

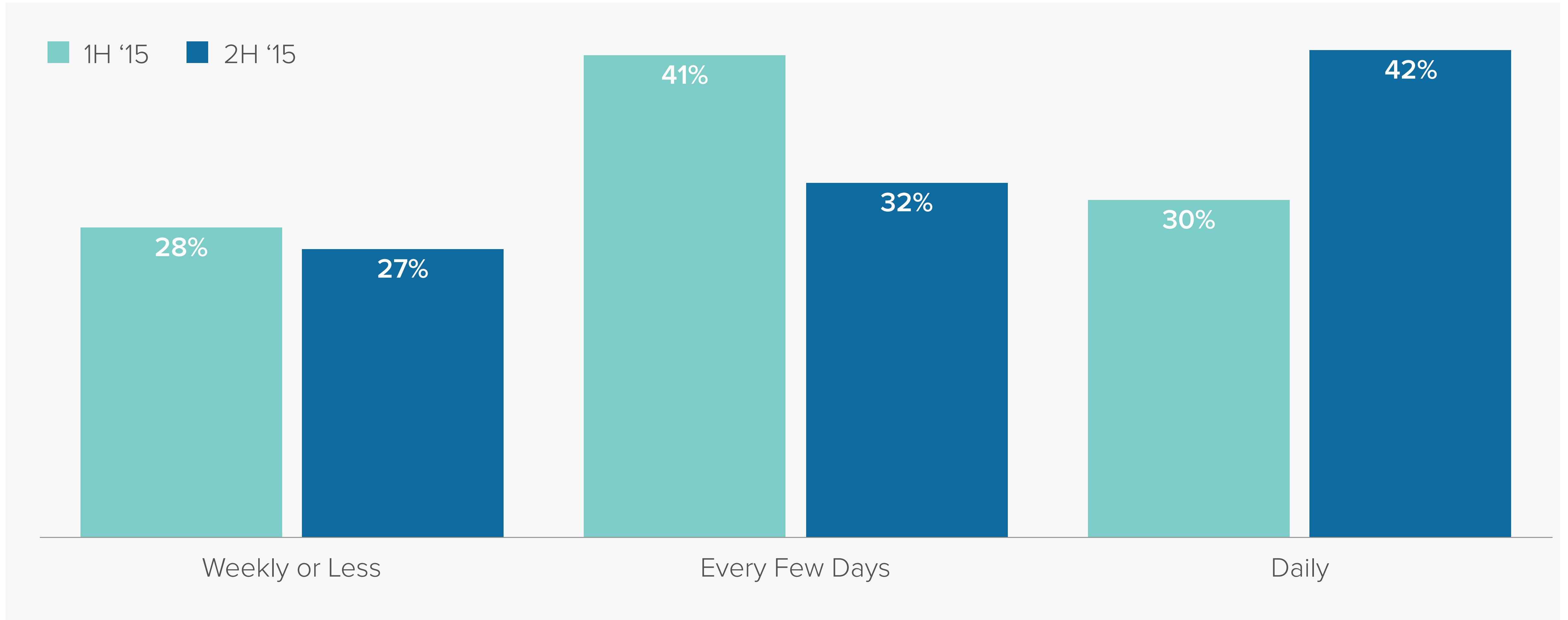
95% of app install teams optimize their campaigns multiple times a week, if not every single day.

- Every Day
- Multiple Times a Week
- Every Week
- Less than Once a Week



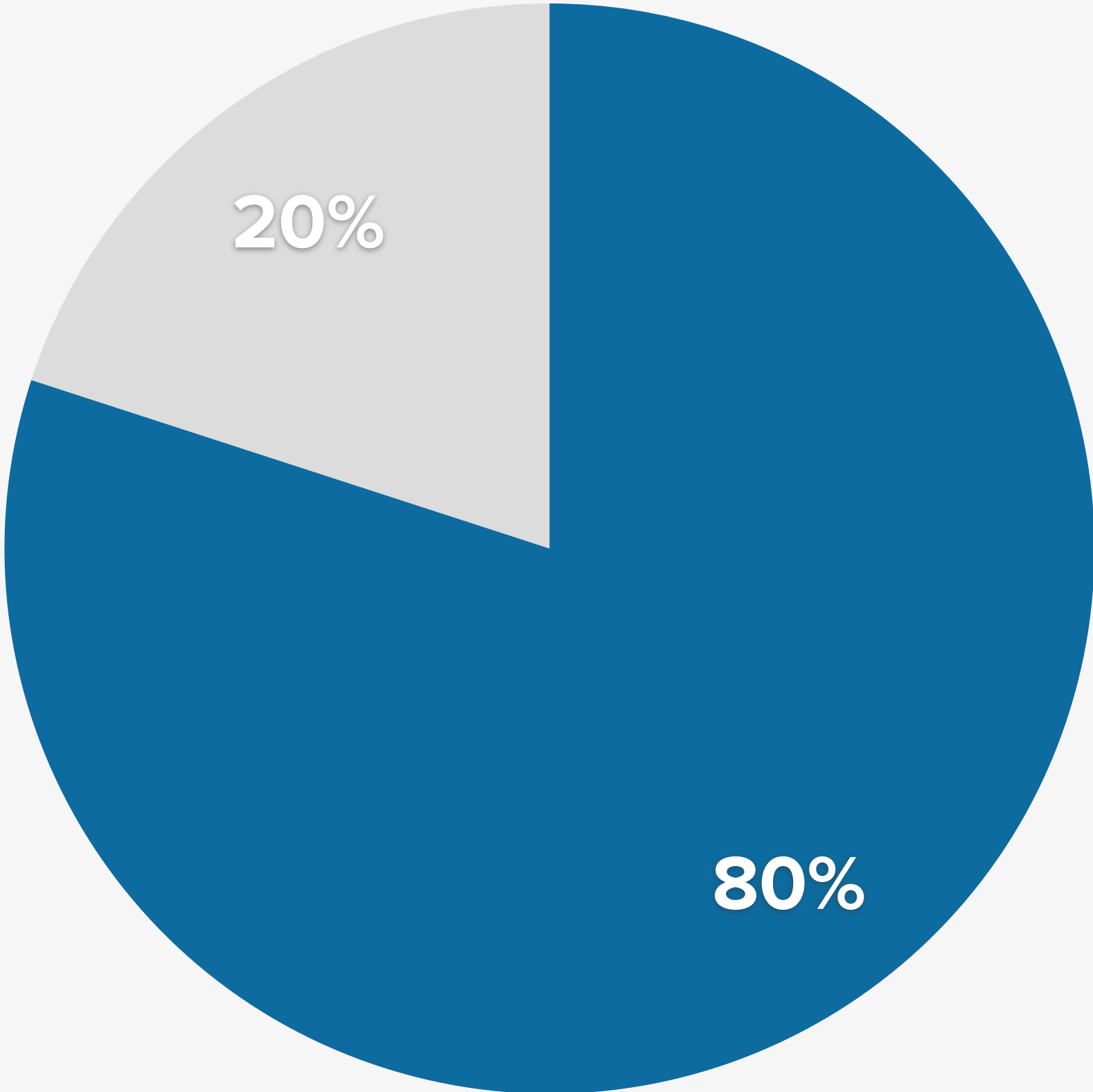
Campaign Optimization Frequency

Top grossing developers are optimizing campaigns more frequently than ever before



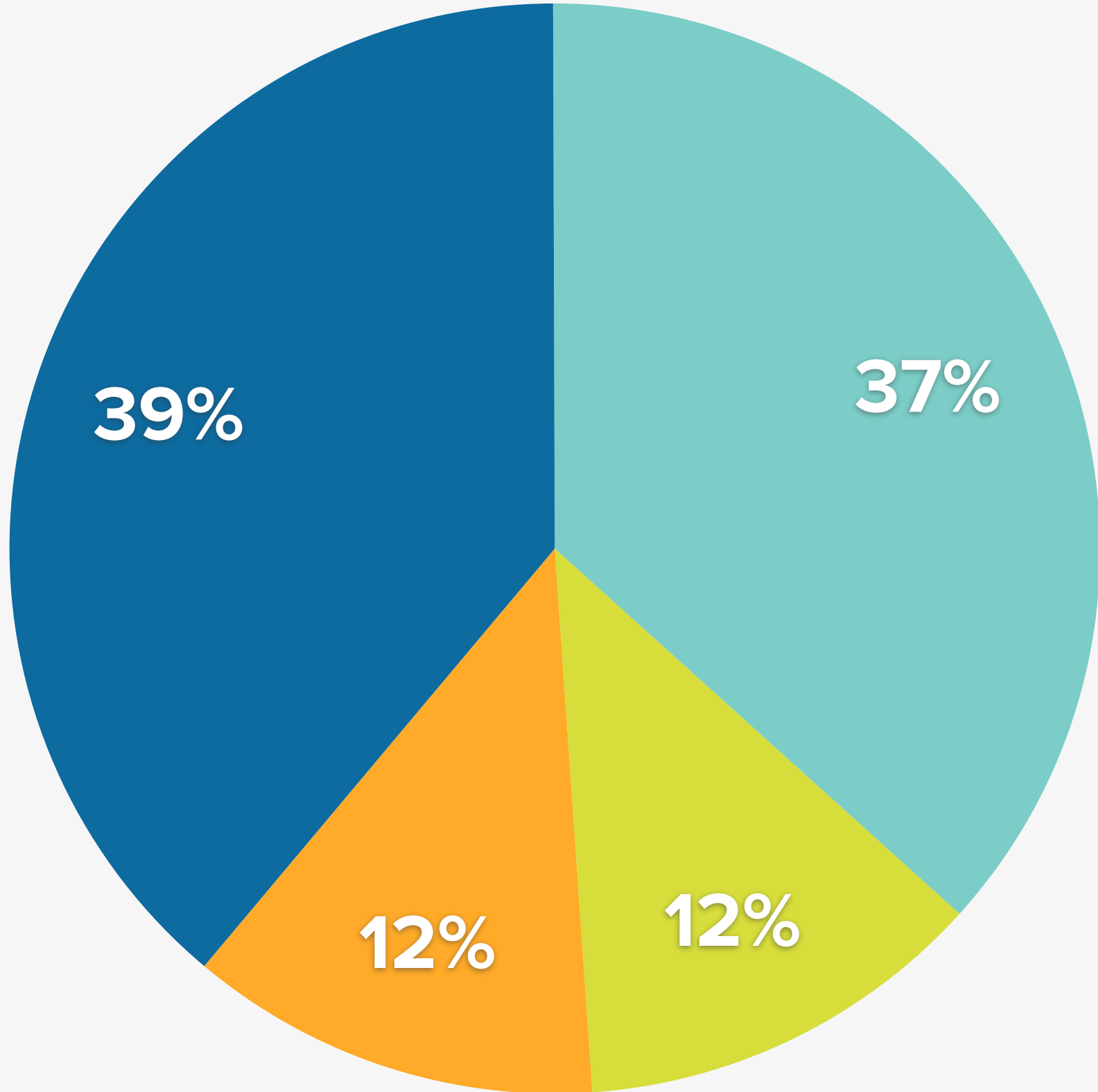
UA Campaign Localization

Do you localize creative for your UA campaigns?



● Yes ● No

How many countries do you localize for?



● < 5 ● 5 - 10 ● 11 - 15 ● 16 +

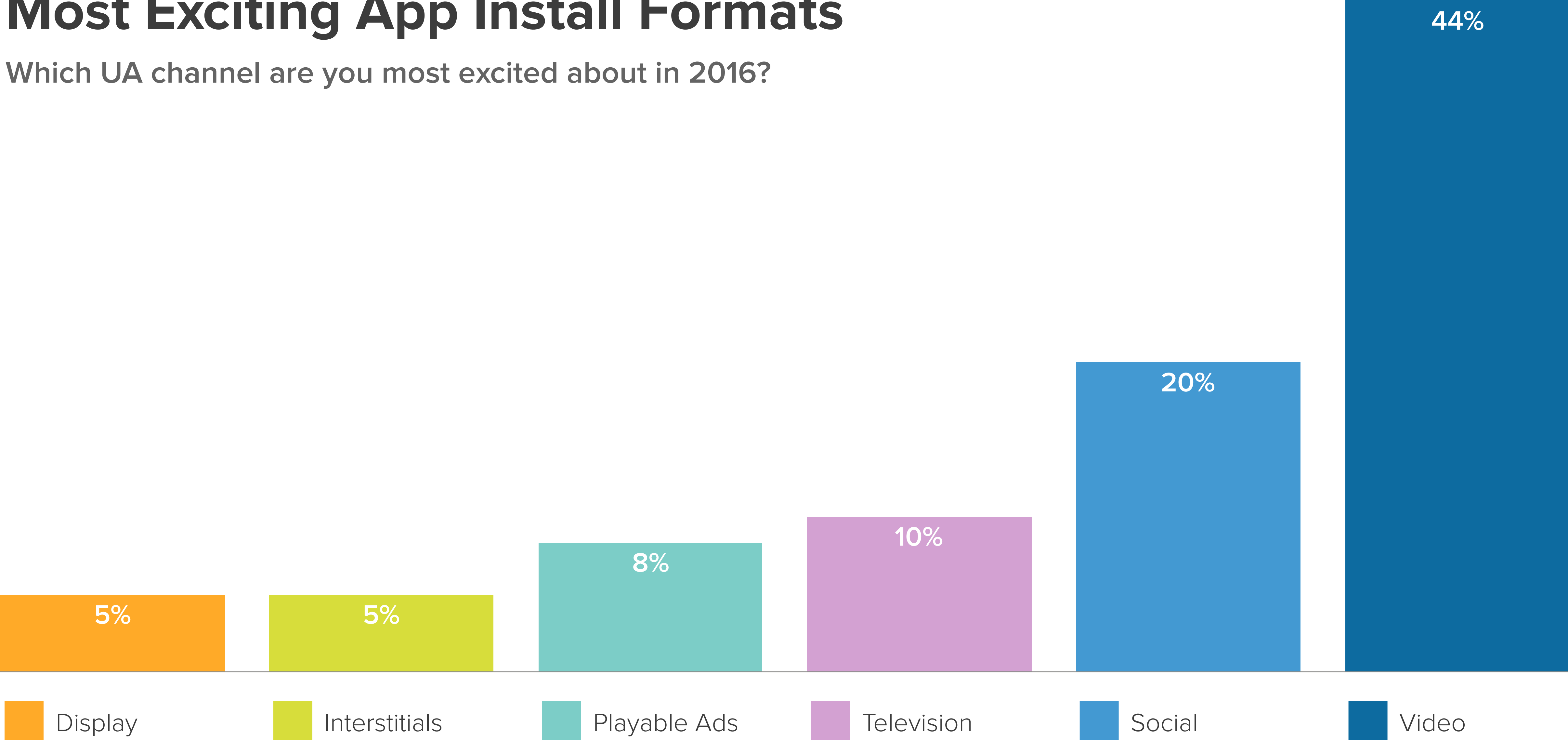




Looking Forward

Most Exciting App Install Formats

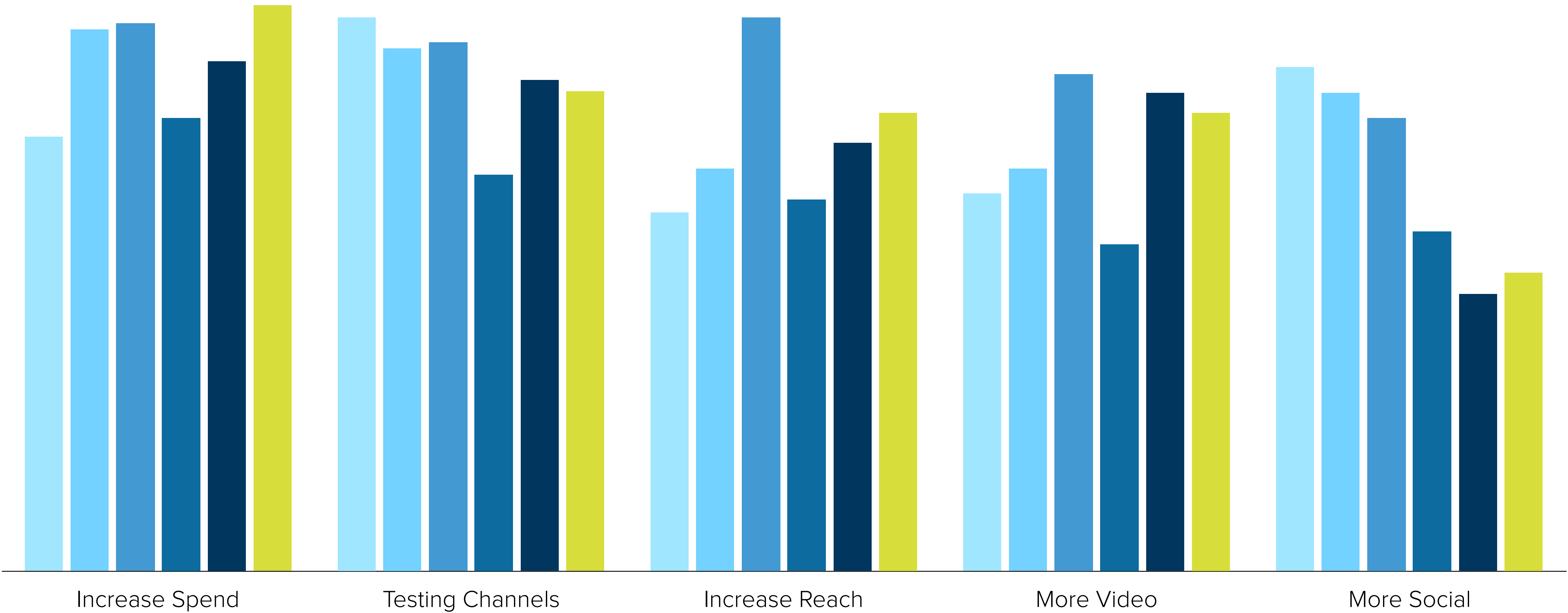
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Campaign Trend Forecast

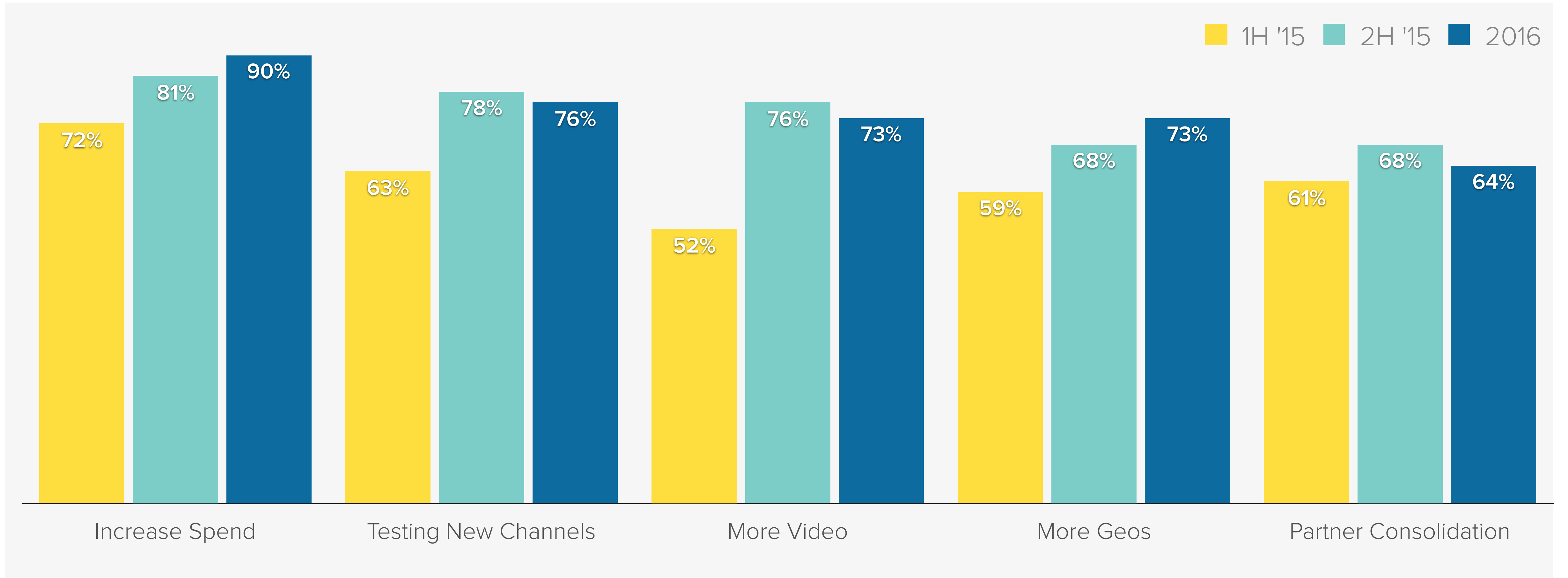
1H '13 2H '13 1H '14 1H '15 2H '15 '16 Forecast

As budgets shift to video, social steadily declines.



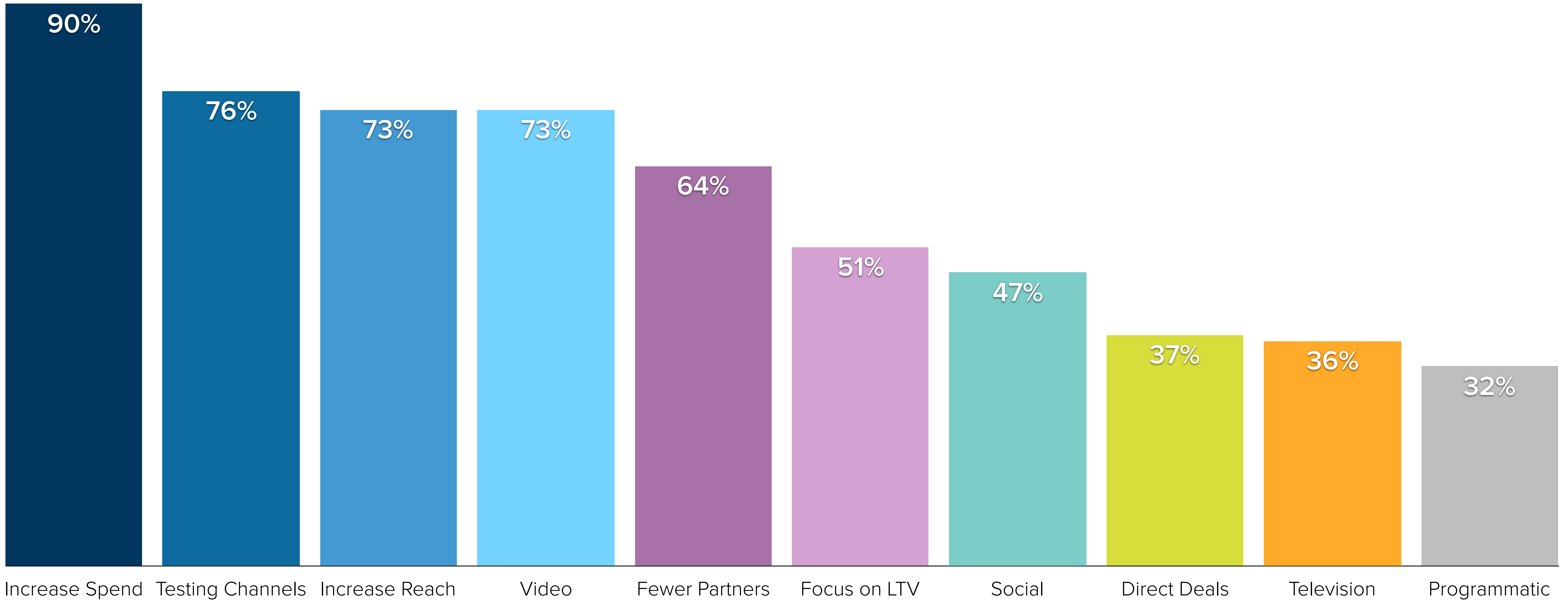
Top Campaign Trends in 2016

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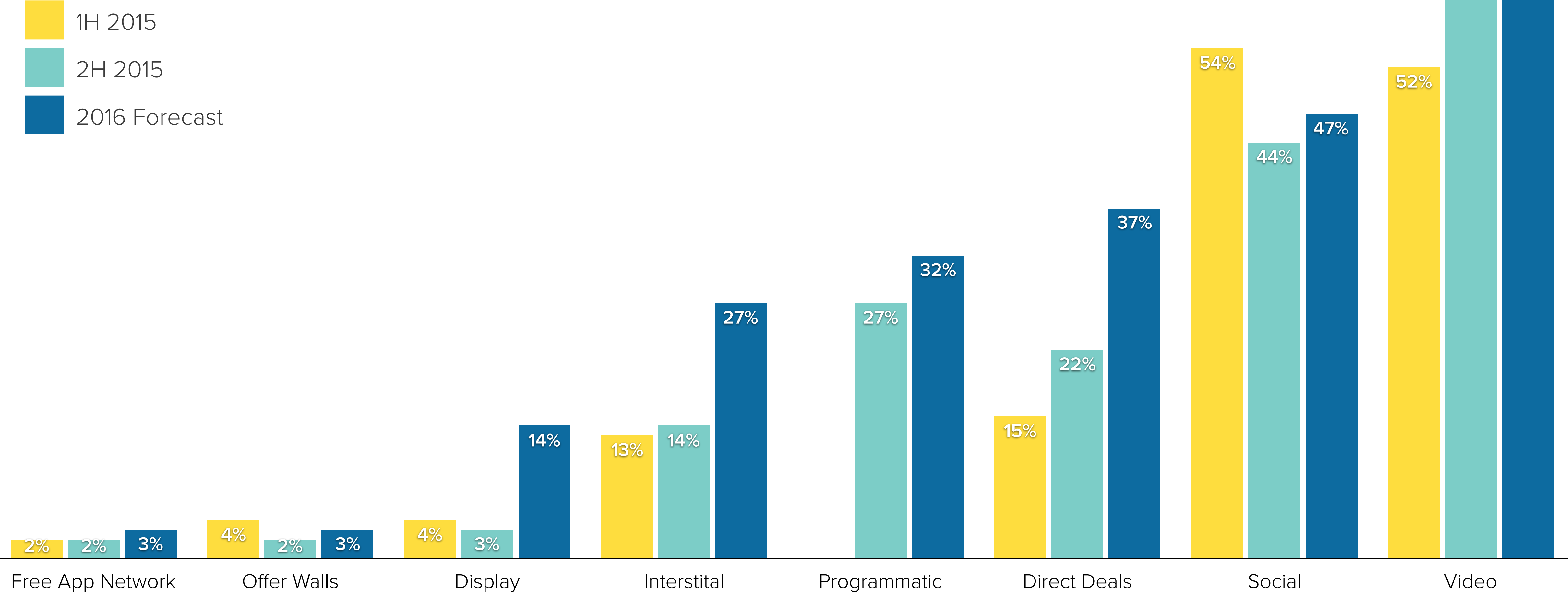
2016 Top App Install Trends

Where app install advertisers plan to shift their campaigns in 2016.



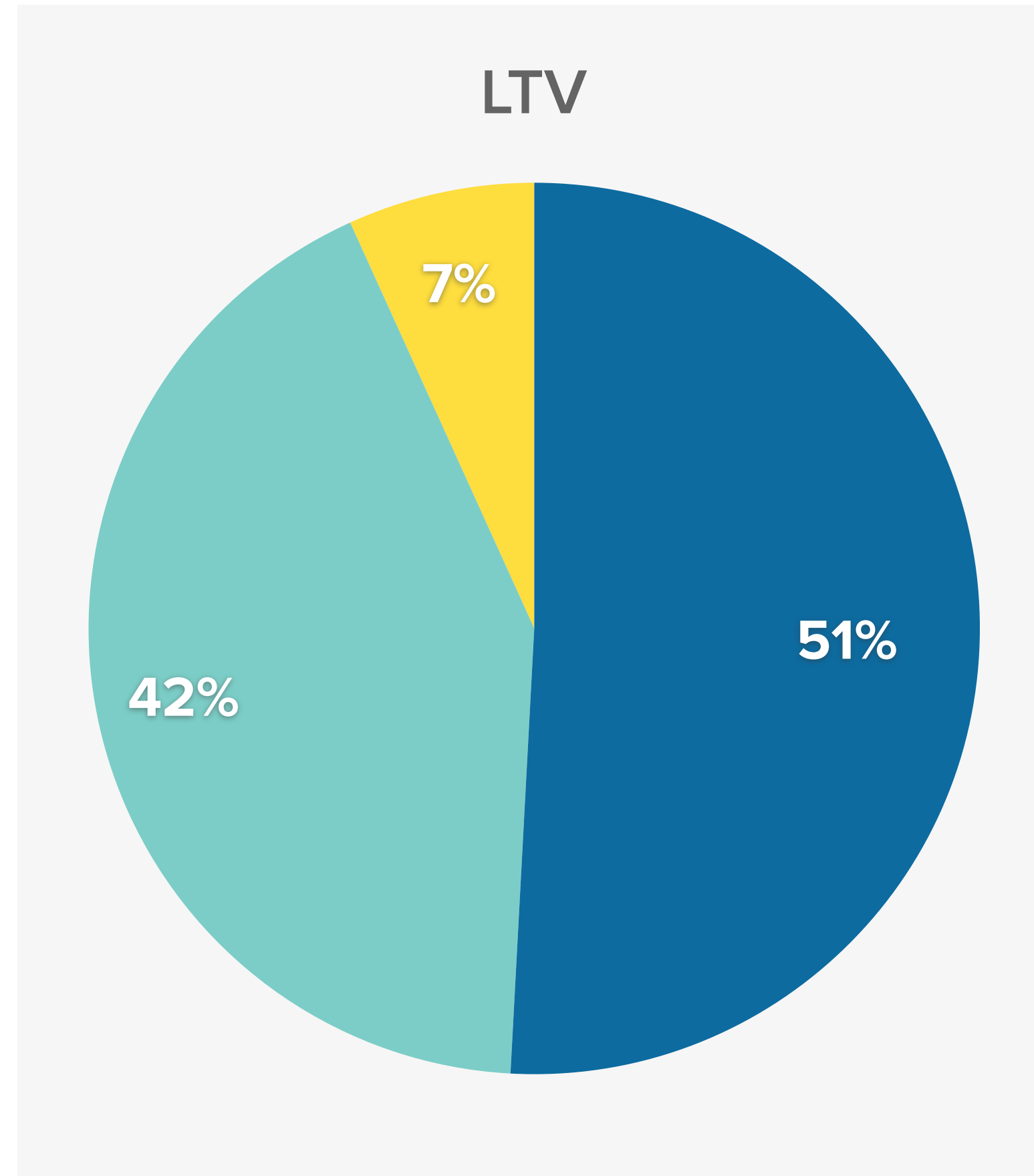
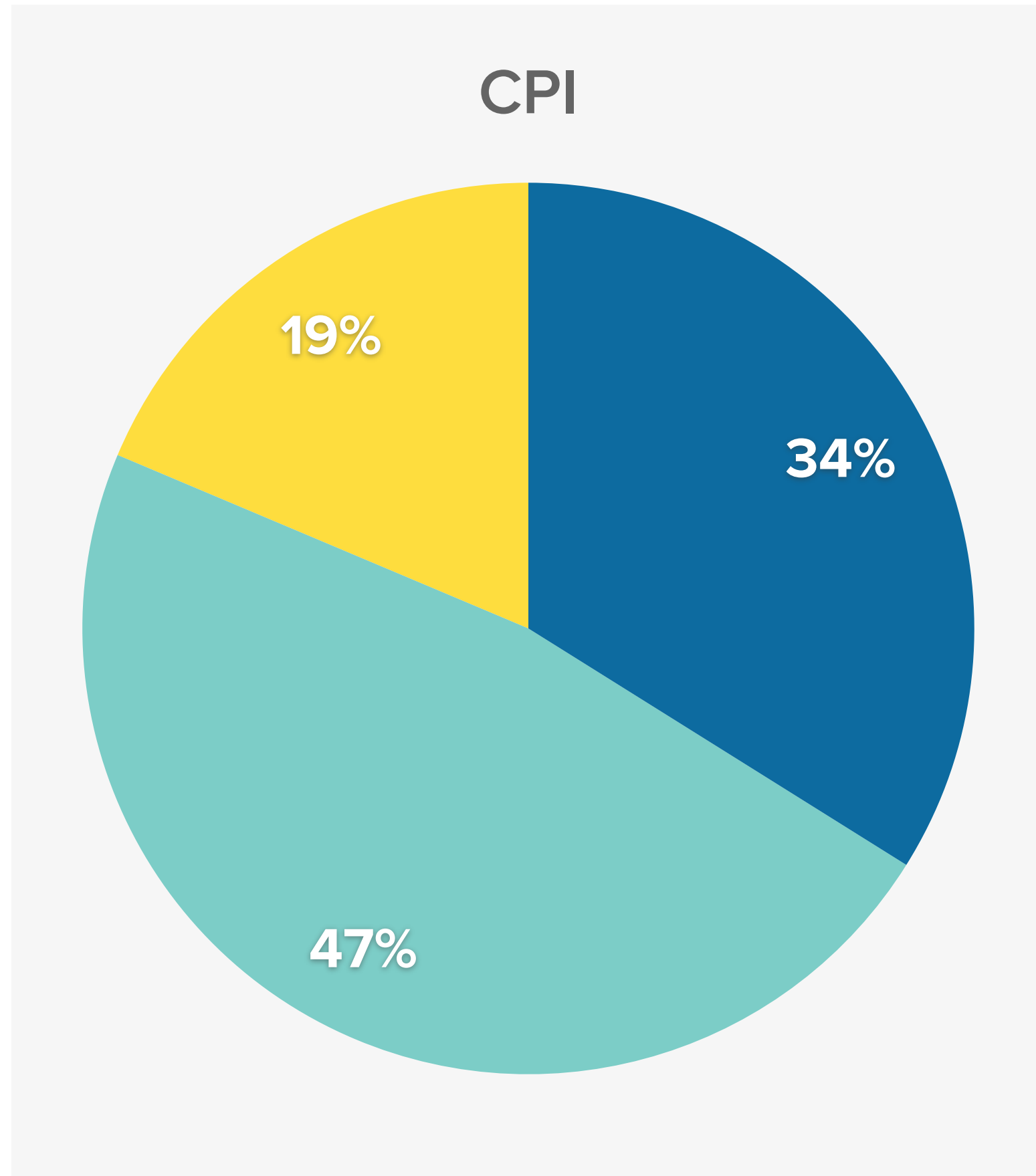
2016 Top App Install Trend Forecast

Where app install advertisers plan to shift their campaigns in 2016.



The Cost of a User: CPI versus Lifetime Value

App install teams will continue to be more focused on customer lifetime value than cost in 2016



While CPI remains important, more advertisers are shifting their focus to acquiring high value users to improve overall return on ad spend

- More Focused
- No Change
- Less Focused





Thank You