

ACTIONS SPEAK LOUDER THAN DOWNLOADS.

Discover deep insights to better connect with your mobile customers.

2016

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Look at your smartphone or tablet right now. You can probably find a handful of apps that you downloaded with great enthusiasm, only to have them sit on your screen taking up not only valuable real estate, but in some cases battery life and data. How did you get here? How many apps lure you in with great promise, only to leave you wondering what their purpose is?

As Henry Ford once said, “You can’t build a reputation on what you are going to do.” Coming from a guy whose reputation still holds over 100 years later, that’s advice worth heeding. In life—and mobile app marketing—what you actually do is a better indicator of your worth than what you say you’re going to do.

Consider Uber. The app disrupted the taxicab and car service business by taking customers’ problems and frustrations and designing a better model. And in doing so, Uber came to exemplify what’s best about apps—their ability to fulfill a need before a person even realizes it’s a need.

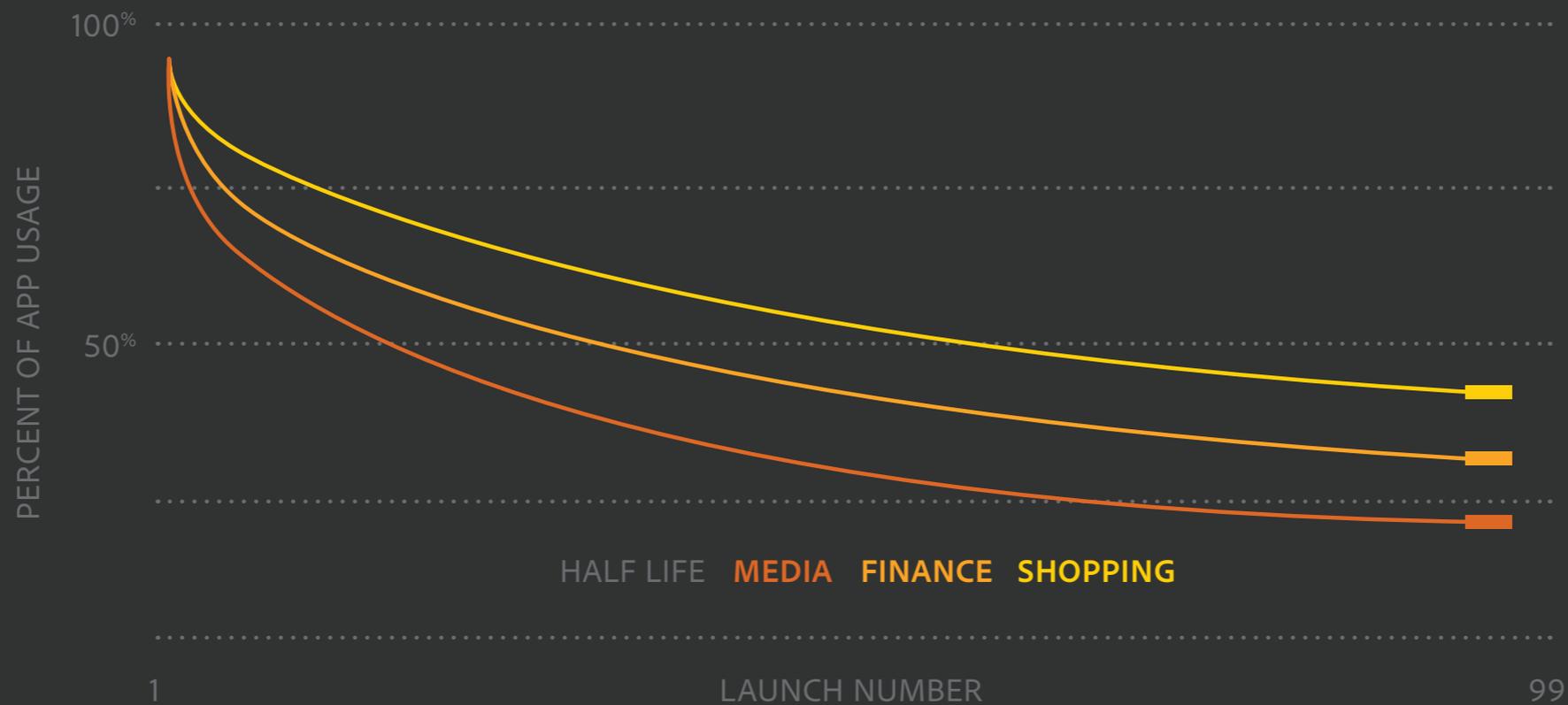
First was the fact that the car would come to the customer. No more aimless waving, no more hopeless waiting. No more competing with other people on the street. Second was the credit card payment structure, which was already built into the app. No more fumbling through a bag or wallet for a credit card, only to discover your cabbie doesn’t take them. Third—and best of all—they offered their customers all this convenience via smartphones, tablets, and even handheld gaming devices.

For your app to achieve Uber status, you’ll need more than big marketing promises and impressive download figures. You need to take action by engaging users through real-time experiences across all their devices.

Sticky apps are **TRICKY BUSINESS.**

Today's mobile consumers spend up to 80 percent of their time using apps, and they're more demanding than ever about the quality of those experiences.¹ As a result, apps are getting dumped at staggering rates, hitting 50 percent of their total life span in as little as 5 to 6 months after the first download.² Something's not sticking.

DECAY IN APP USAGE



Source: Adobe Mobile Services and Adobe Analytics

More than

90%

of apps are deleted because they fail to deliver as promised or are not very user-friendly.³

For an app to get noticed in the app store and get used regularly, it has to make customers feel special while also giving them something they need. But delivering on this level doesn't just happen. For example, it requires you to dive deep into the data to understand all aspects of your app's usage. By telling you how users are finding your app, to how they engage—or don't engage—analytics let you deliver a better experience every time you connect.

And that's just the beginning. Getting to know app-specific technology like beacons and geolocation helps you reach customers with a customized experience that's based on proximity. Armed with data-driven insights and innovative mobile tools, you can provide real-time, contextual app experiences—and create the kind of go-to app that keeps customers coming back for more. In this paper, we'll cover five clear action items that go beyond the download metric and focus on what really matters: customer engagement.

ACTION ONE

Build your app on a solid **ANALYTICS FOUNDATION.**

Before WeatherBug, knowing how to dress for the day meant waiting for the local forecast on the morning news. By solving that problem, the app has become a trusted part of its customers' daily lives. To reach this coveted place, you need engagement analytics that are truly actionable. Far beyond the number of downloads, you can actually measure how frequently a customer opened your app, how much time they spent with it, and what action they took while using it.

But even with all the power that mobile analytics can bring, 54 percent of businesses don't use them, and that means they're missing opportunities to generate revenue and engage customers.⁴

A&E Networks, a global entertainment media company, is one of the 46 percent who are putting the power of analytics to work. They previously released an update to their app that included a "just added" screen to alert users to new shows available

for viewing. Then they asked themselves: Did it lead to an increase in time spent in the app? By using an analytics process of matching insights with opportunity, A&E discovered that their screen update led to a significant increase in time spent in the app. However, the update introduced a decrease in time spent for specific devices. Ultimately, the analytics led to a troubleshooting conversation with the app team to resolve the issue for a particular smartphone model.

MEASURE SUCCESS with the right app metrics.

App success can be subjective—what makes one app a winner is not necessarily the same for another. When evaluating app success, Tom Mintun, associate director of analytics at global marketing firm Mirum Agency, asks, “What is the goal of the app, and why would someone use it? If it’s an app for shopping, then the goal might be to convert to a sale. But, if it’s a fitness app, the goal might be session length. And sometimes, success is the same handful of people coming back with the same actions.”⁵ In each of these cases, app analytics allow you to measure success on your terms and then make adjustments for even greater success moving forward.

Redbox, which offers DVD rentals via self-service kiosks, used analytics to optimize their app push messages for a more personalized experience delivered at just the right times.

2x

increase in rental numbers

within the first hour of a message being sent. By mining analytics data, Redbox discovered that if they pushed messages out at 9 a.m. they’d double their rental numbers.

1.5x

increase in rentals

by following this time pattern over the course of a day.⁶

Define the relationship.

What you want out of your customer-app relationship depends on your unique goals. Here are just some of the metrics, aside from downloads, that you can use to measure the success of your efforts⁷:

Acquisition measurement

- Number of views in app store
- Cost per install

Engagement measurement

- Monthly active users
- Average session length
- Conversion rate

Loyalty metrics

- Retention rate percentage
- Churn rate percentage
- App store ratings

Delivering the DATA.

Tracking how a user interacts with your app can provide a gold mine of information that you can then use to amp up the personalized experience you provide. Specialized reporting allows you to measure app engagement on multiple levels, from the number of app launches to app usage in your physical store or venue.

Retention analysis reports

allow you to understand the retention rates of newly acquired users and to segment customers based on how they use the app.

Unique KPI reports

provide insights into key performance indicators for your mobile app, like number of launches and first launches.

Customer lifetime value reports

enable you to track product purchases, video views, and ad impressions, so you can better understand and target customers based on their projected value over the lifetime of the relationship.

Beacons reporting

allows you to know when customers have been inside your store or business, so you can follow up later with messages specifically related to their visits, including discounts on items you know they looked at but didn't purchase.

App acquisition analytics

allow marketers to properly attribute the success of app acquisition campaigns across paid, earned, and owned media to all post-download user engagement for a better understanding of how users are finding, downloading, and using apps.

Create a customer-first mentality with **ANALYTICS.**

Numbers don't lie. App analytics give you a sight line into your customer's behaviors and interactions, allowing you to enhance the experience with the customer in mind.

- 1** **Dig a little deeper to consider analytics from the customer's perspective.** Ask yourself what compels a customer to open your app, why they would want to stay, how long is reasonable, and what might cause them to jump ship. Get the data to support the answers to these questions, and then build the app or updates around the results.
- 2** **Use analytics to predict your customer's actions.** When Redbox saw the first push message in a "welcome series"—designed to engage customers immediately after download with promotional offers—garner a 56 percent open rate across Android and iOS, they continued the program.⁸ By paying attention to what's working with real-time insights, you can stay ahead of your customer's needs by delivering targeted, optimized experiences.
- 3** **Realign app analytics practices with key business objectives.** With analytics that give you a longer term view of customers, you can develop an understanding of why users are engaging with your app—and use new insights to guide your evolving mobile analytics strategy.

Make a mobile SDK your analytics BFF.

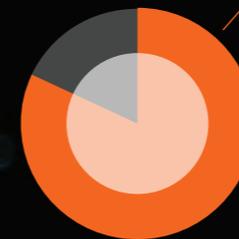
With a mobile software development kit (SDK), you can collect data from your apps to enable a broad array of metrics in real time, including usage and device-centric and location-specific behaviors. So you can understand how frequently people launch your app, which audience segments are most likely to convert, and how app usage differs in-store versus out-of-store.

ACTION TWO

USE MESSAGING to increase engagement.

If your mobile app strategy consists of “build it, and they will come,” your app field of dreams is destined to disappoint. App marketing, like all digital marketing, requires your customer to think of your brand as their go-to source. Mobile messaging allows you to keep your app top-of-mind by delivering content and communications directly to customers—either while they’re using your app or as triggered by your app. It’s not an action limited to smartphones. While they dominate the category, your app messaging strategy needs to support multiple devices including wearables like the Apple Watch, so you can start turning one-time users into power users.

In the second quarter of 2015,



82%

of users launched apps on their smartphones.⁹

COMMUNICATE MEANINGFULLY

with millions of customers.

When you're looking to broadcast important information to users based on their behavior, messages that appear when the app is open, or in-app, are ideal. Because in-app messages are responsive to triggers, like "enter store" or "session start," they allow you to have control over the when and where of the message. Informing your app customers of a sale when they enter your digital store makes a message relevant. Getting this right means delivering a more personalized engagement that keeps customers coming back.

Communicating meaningfully with your customers can be quite a challenge when there are 400 million of them. But Vodafone, a global mobile service provider, is using app messages to do just that.

Their contract and business customers receive personalized offers and messages about new phone releases or ways to optimize their plans, while pay-as-you-go customers receive messages about discounted voice, data, and text packages. To keep it relevant, the company is careful not to provide offers that aren't available within a plan type.

It's okay to **PUSH.**

Used by over 50 percent of organizations to engage app users with alerts and updates, push notifications most commonly work to bring customers back to an app or to convert purchases. But where they get interesting is in their ability to push personalized messages in real time using analytics about previous in-app behaviors. They can also incorporate contextual information based on current locations. This could come in the form of a text message that directs a customer to a special area in your store that has items they previously searched for—while they're in your store.

Mirum Agency uses push to get people off of aggregator sites like Kayak and Travelocity and instead increase the time they spend in a specific brand's app.

Used in conjunction with beacon technology, push notifications can even collect data on the interaction between consumer and message and use that insight to deliver even more personalized, contextually relevant messages in real time.

"More time in a company's app increases brand loyalty,"¹⁰

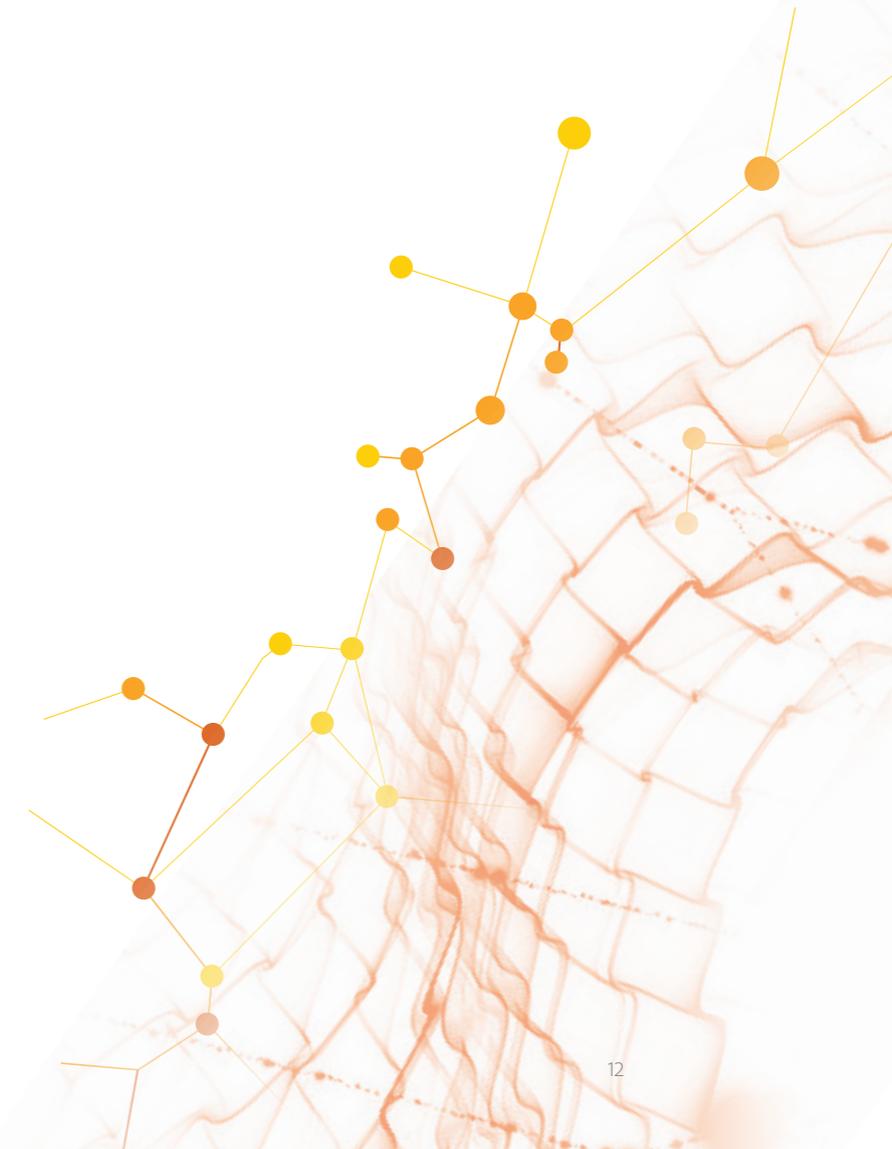
TOM MINTUN
MIRUM

Think beyond the traditional push promo.

Through in-app messages and push notifications, brands can share a surprisingly wide range of content, including timely reminders, alerts, and exclusive information. Use messages to surprise your customers with bonus content and unexpected extras.

- Discussion topics tied to user forums and social media conversations
- Chat-style interactions with users
- Relevant user comments and feedback
- Feature-rich downloads
- Images, infographics, video, and audio

With the sophisticated targeting tools that are now available, messages can be customized to user preferences. Turkey's leading mobile telecom and Internet service provider, Turkcell, is implementing this strategy. "I can see which people click on in-app messages, what type of device they are using, what customer segment they belong to, and more," says Merve Çevikoğlu, web analytics specialist at Turkcell.¹¹ Equipped with this information, Turkcell can understand which services, content, and games users interacted with most and use the information to refine messages, as relationships and user behaviors become more complex.



ACTION THREE

TEST, don't guess.

The first iPhone was released in June 2007, and a year later, just about the time the world was starting to embrace the idea, the iPhone 3G came out, only to be followed by newer generations with better features, sleeker designs, and faster functionality. Tech companies have become savvy at testing, refining, relaunching, and customers have come to expect the tradeoff between their current device's slide toward obsolescence and the next best thing.

In the digital app world, as much as we'd all love to get it right the first time, testing allows you the chance to build the best app by learning from user response.

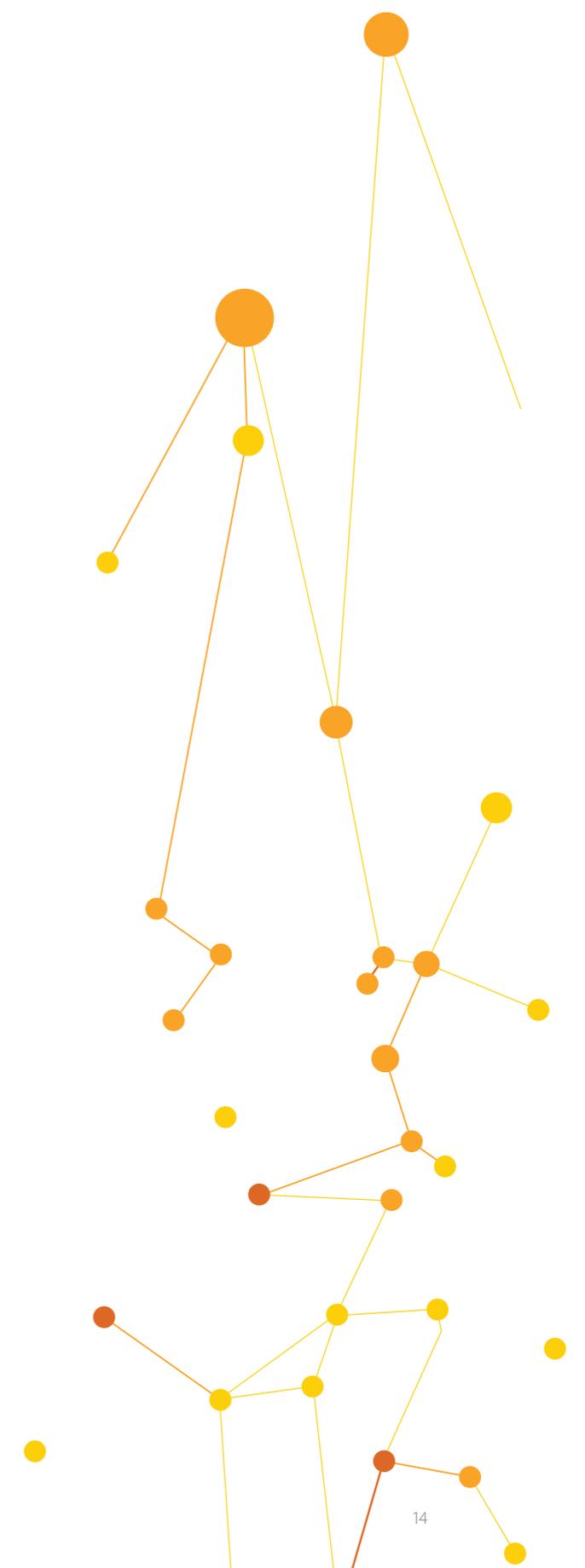
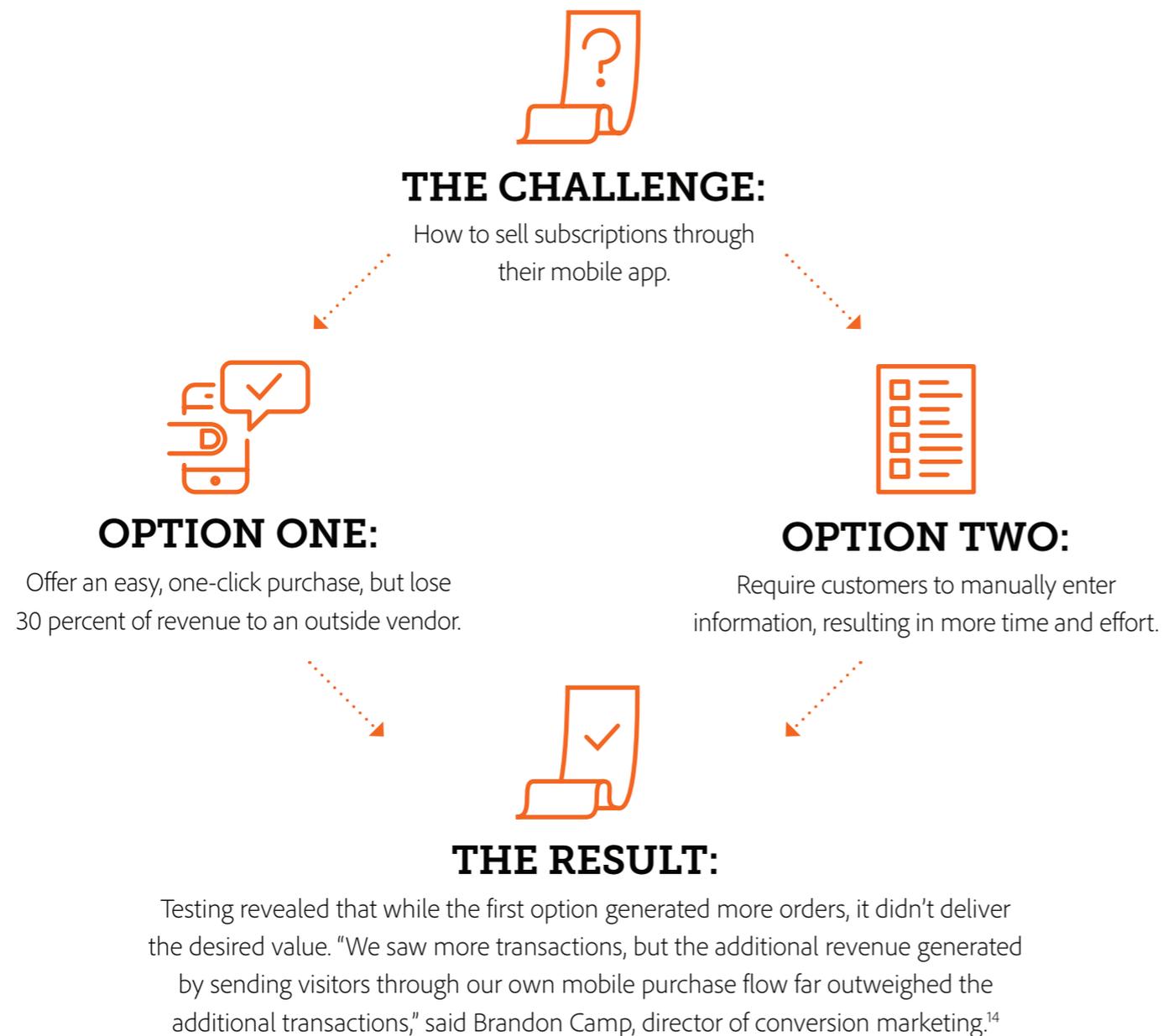
Think beyond the traditional push promo.

Instead of throwing app features into the marketplace and waiting to see what sticks, mobile optimization and A/B testing tools help you immediately understand which experiences and messages work and which ones don't—before your customers tell you themselves by ignoring or deleting your app. While testing for the web is standard practice, testing of in-app behavior has been slow to gain traction: just over one in ten companies report that they are testing apps. Among agencies, this figure rises to almost two in ten.¹² This slow adoption is somewhat understandable, considering that mobile testing is a bit trickier than testing web content. With the involvement of app stores, the need for users to download new versions, and the rules dependent on different experiences on different devices, app testing requires more planning than other types of online testing.

But the extra effort it takes to test your apps can reap big rewards. With effective app testing, you can gather valuable analytics about user behaviors, continuously improve app functionality and features, and discover new ways to boost sales, which are sometimes as simple as moving the position of a "Buy" button and changing its color. It all adds up to better customer experiences from day one—and a measurable, long-term advantage over your competition.¹³

Weighing the **OPTIONS.**

Whether you're aiming to increase your average session lengths or your conversions, A/B test your app's features and functionality to determine what objectives are being met. For Ancestry.com, testing played a vital role in deciding how to proceed with improved app functionality.



ACTION FOUR

Give personal attention, gain **LOYAL CUSTOMERS.**

While digital marketers have fully embraced the concept of personalized email messages, the same can't be said for personalized marketing through apps. In fact, the Econsultancy "Conversion Rate Optimization Report 2015" shows that although app marketing has experienced a 27% uplift, only 7% of marketers undertake personalization through this channel.¹⁵

But today's digital customers don't just crave personal attention—they expect it. And while it's sometimes hard to deliver, app personalization will generate real loyalty when you give your customers something they suddenly can't live without.

You scratch my app, **I'LL SCRATCH YOURS.**

Savvy consumers know that everyone from airlines to zoos is clamoring for their business. And smart marketers understand that to attract the next wave of loyal customers, they need to have something truly relevant to offer them. At this intersection of need lies a value exchange—in which a customer is willing to share basic personal information, like a mobile number, and the company responds with discounts, deals, or a little something extra. In app marketing, when that exchange is done right, you have an opportunity to make your customers feel special by delivering one-to-one experiences in a digital world, something other channels just can't do on the same level. Interacting with your customers on their mobile devices, from within an app they chose to download, gives you unique access to their behavior. Make the experience personal.

An easy way to start is to do what we just suggested. You can reward your customers for sharing information about their preferences. Alaska Airlines sees this play out in real time on a daily basis with their app. The trade they make with their customers is this: Share your travel preferences and mobile number with us, and we'll give you up-to-the-minute information about your flight and possible delays, as well as handy little bonuses like where to find the nearest frequent flyer lounge and what restaurants are on your concourse.

But this is personalization at its most basic level. Sowri Santhanakrishnan, VP for the Digital Engagement Practice at Cognizant, a global IT, consulting and business process outsourcing firm, explains how his company is working to take the concept even further. Through a solution methodology they call "The Traveler's Journey," Cognizant helps its clients create detailed customer profiles that foster an even deeper relationship with airline travelers. From search history patterns to ecommerce activities to online purchases, The Traveler's Journey builds a complete picture of the customer's needs, sometimes identifying needs even before customers do. Equipped with this highly detailed insight into their customers' digital lives, Cognizant's clients are able to work with Cognizant in developing a more sophisticated approach to app personalization, offering a differentiated customer experience that increases ROI and loyalty.

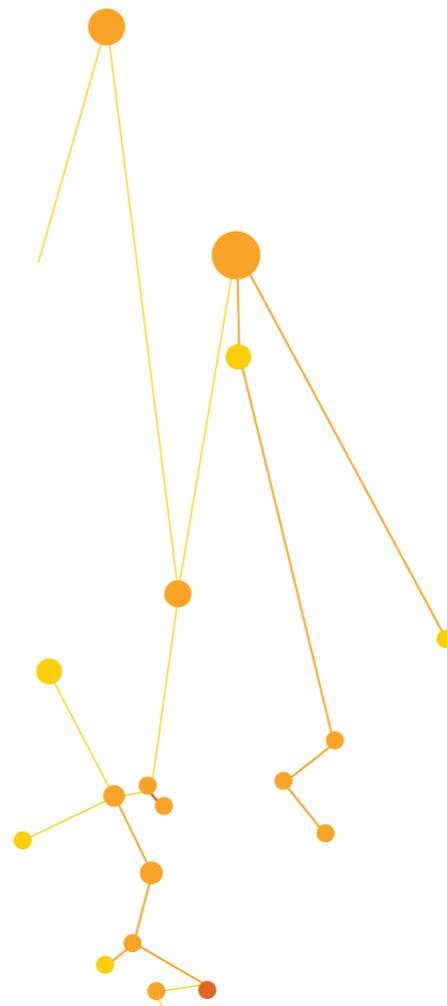


Imagine you're the customer: Here's how it would look. You're in the airport and discover your flight's been canceled. Instead of rushing to stand in a line of angry travelers that snakes around the terminal, what if, right there from your gate, you logged in to the airline's app and they just went ahead and rebooked you? And because the app has access to personalization data you provided, you could get a text from the airline with your new flight details. Beyond the airport, the same app could let your hotel know you need a new check-in time and make sure the rental car company has your car waiting after hours. This isn't wishful thinking. The technology exists now to deliver this vision.

We'll get into this more a bit later in the paper, but sports teams and music venues are using the same value exchange principle, via location services, to boost fan engagement. At the 2015 Super Bowl, the NFL's app used beacons to begin communicating with hyped-up ticket holders before they entered the stadium and then keep them engaged throughout the game. As fans inside got closer and closer to the Lombardi Trophy, alerts reminded them to come snag a picture with it. Fans with the app who had shared information got something exclusive by coming to the stadium rather than sitting in front of their TV.¹⁶

The caveat: Marketers need to decide the correct cadence and content for these messages in order to avoid delivering messages that are impersonal, irrelevant, or simply annoying.

Personalized app marketing means knowing your customer's preferences across the board—what, when, where, and how.



Personalize like a pro.

- 1 Segment your audience.**
Use their operating system and recent app usage for starters, and then micro segment into more targeted groups based on data such as favorite features, content categories, device model, or location.
- 2 Deliver at the right time.**
Dive into the data and find when your users are most responsive, then incorporate that into your strategy.
- 3 Use location with push notifications.** When you use the two together, you can deliver high-impact, useful experiences.
- 4 Customize the content.**
Get to know the specific types of content and products your users want, and then group those together with similar interests to deliver a more relevant experience.¹⁷

ACTION FIVE

Zero in on LOCATION.

Location-based marketing is not new, but how it functions in conjunction with apps is, and it's opening up a world of possibilities. As we saw with the NFL, sports venues are really getting into the action by locating their app users before they even enter the stadium or arena, and then sending messages and special promos to enhance their experience. With location data, the opportunity to personalize and contextualize through your app is bringing your wide world of customers within reach.

Using macro **LOCATION.**

The geolocation functionality in mobile phones can tell you exactly where your customers are accessing your app, enabling you to deliver highly relevant in-app experiences every time, whether it's a push notification from a retail store or a map to help navigate the airport.¹⁸ However, this GPS-based technology is passively active, because it's only effective as long as your customers have their settings enabled to allow access to this information.

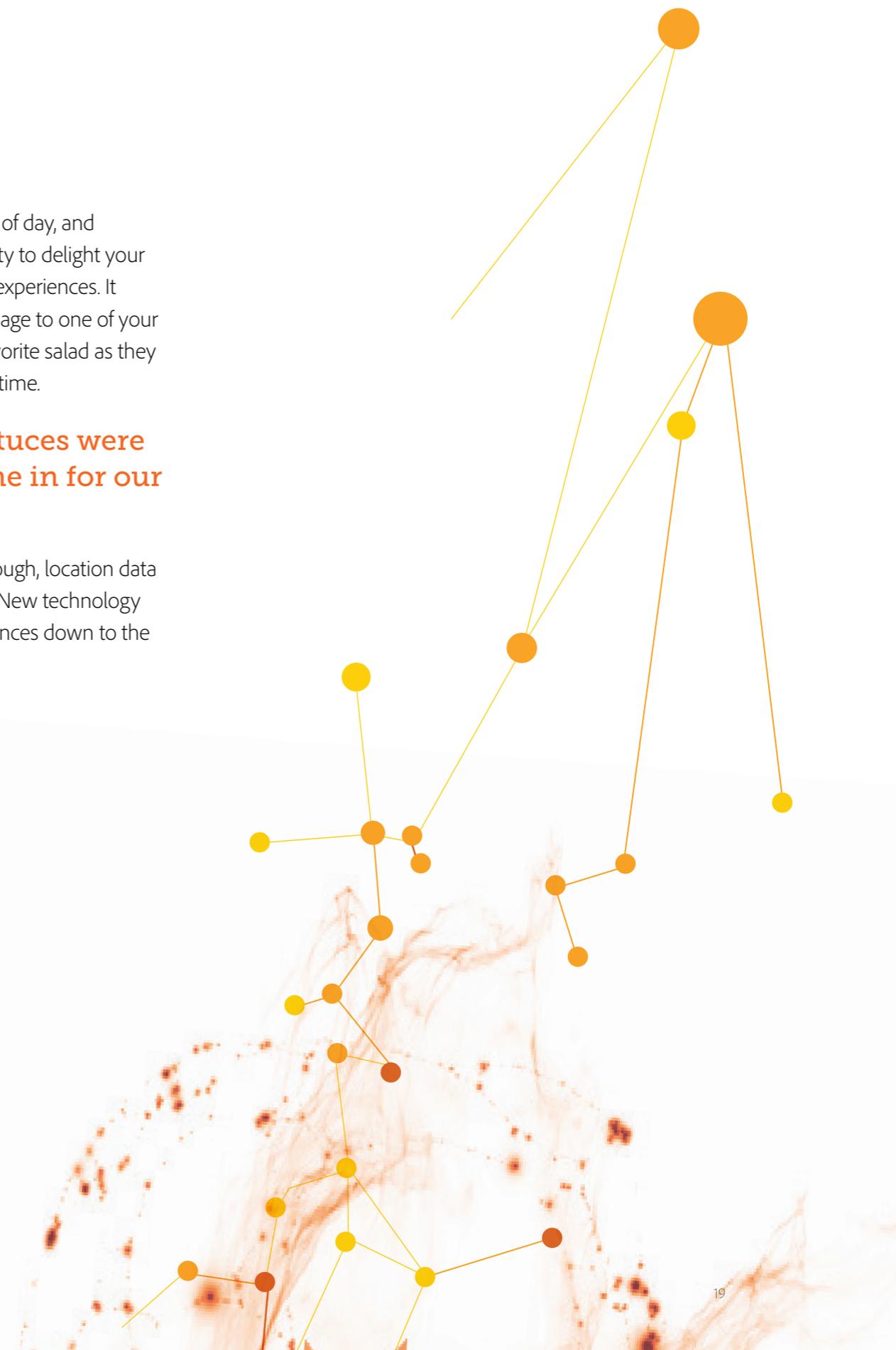
If anyone should know about the importance of location, it's the real estate business. Realtor.com's mobile app collects consumers' GPS locations to personalize the real estate search experience with options such as "nearby for sale." Instead of having to enter location data, consumers can choose one button in the mobile app that displays all homes for sale around their location.

For the holy grail of app experiences, combine location data with analytics and personalization. When you know the GPS position of your app users—their proximity to a point of interest (POI)—and how many users are launching your app near one of your stores, you can deliver in-app offers that are highly relevant using their proximity to a POI.

Then, by combining location, time of day, and behavioral data, you have the ability to delight your customers with personalized app experiences. It could be as simple as a push message to one of your frequent customers about their favorite salad as they walk near your restaurant at lunchtime.

Our locally grown lettuces were just dropped off. Come in for our Garden Patch salad.

And as if that weren't personal enough, location data can now go another level deeper. New technology is providing enhanced app experiences down to the micro level.



Using micro LOCATION.

The darlings of Bluetooth technology are beacons. In their most basic application, beacons can detect an app user within a certain range and use notifications to direct those customers toward a particular action—maybe a sale item in a store or a perk at a venue. In a real-time retail situation, beacons can be located in a specific department or even attached to a mannequin. Let's say it's a high-end department store, and the consumer has the store's app. If the consumer has opted in, they could get a message from the app with exclusive product information as they walk by a display, or view different screens about the outfit on the mannequin in front of them. While privacy fears may preclude some from embracing the benefits of beacons, retailers that serve a younger demographic say their audience is more inclined to take advantage of technology because they're open to sharing information and crave the convenience.

Beacon technology is about so much more than simply delivering coupons in the store. In August 2015, Coca-Cola ran a successful remarketing test using beacon data at select theaters in Norway. A week after attending the film, moviegoers were sent a message with a free ticket to return to the cinema. Despite a small sample size, Coca-Cola achieved a click-through rate of 60 percent on the follow-up messages, showing tremendous promise.

Beacons can also be used in real time at venues. Major League Baseball used beacons in stadiums for this year's baseball season. As soon as fans approached the stadium, their MLB app-enabled smartphones automatically displayed their electronic ticket barcode and presented a map of their seat location. When fans left their seats, the app directed them to nearby food vendors and even provided coupons directly to their smartphones. One message, for instance, read: "Hungry? Turn left at the top of the stairs for Nathan's Hot Dogs."

World Wide Wrestling is getting in on the action too. To better connect with their intensely passionate fans, they're using beacons at WWW events that detect an app user in the building. Then they send a push notification that allows fans to get an autograph with one of the wrestlers and even to "get to the front of the line." This is a prime example of the app value exchange.

Bringing it all together.

By now it's pretty simple to see that building a better app leads to a more meaningful relationship with your customers. But if it still doesn't feel simple to do, just remember the five actions that will deliver an app that engages every step of the way.

- 1 Start with analytics** to gain a better understanding of how your users are interacting with your app and whether your app is living up to your digital marketing goals.
- 2 Use push and in-app messaging** to stay in front of your customers with relevant content that they care about.
- 3 Give it a test drive** to ensure it's delivering the experience you and your customer hoped for, and then make refinements based on your findings.
- 4 Keep it personal** by remembering the app value exchange—you get what you give, so give your customers an app experience that relates specifically to their preferences.
- 5 Use location technology** like beacons to give your customers the content they want—and sometimes even a little something extra—when and where they want it.

Take action against the “download it and forget it” **MENTALITY.**

Your customers' enthusiastic app downloads are just the beginning of what should be a long and prosperous relationship. So make sure your app is built to engage. Make it increasingly relevant each and every day by personalizing messages and notifications. Make it move with your customers wherever they go using location data and analytics. Make it a bridge between their digital and physical worlds with beacons. And make it an app they can't live without.

Adobe can help.

Let us help you move beyond just acquiring app users and on to engaging them. With the ability to address your app marketing needs, Adobe Marketing Cloud provides a comprehensive, integrated, and actionable set of capabilities. In addition, our single, integrated Adobe SDK includes support for measurement, optimization, and personalization.

Create beautiful, measurable app experiences that solve business challenges, leverage existing content, and keep your audience constantly engaged. From A/B testing and location-aware personalization through Adobe Target, to measuring user engagement through Adobe Analytics, and even to connecting your audience with your existing enterprise assets through Adobe Experience Manager, our integrated mobile marketing solutions help you make mobile apps personal, so your customers keep coming back for more.

Adobe Marketing Cloud is the most comprehensive and integrated marketing solution available, enabling marketers to measure, personalize, and optimize marketing campaigns and digital experiences for optimal marketing performance. With its complete set of solutions, including Adobe Analytics, Adobe Target, Adobe Social, Adobe Experience Manager, Adobe Media Optimizer, Adobe Primetime, Adobe Audience Manager and Adobe Campaign, as well as real-time dashboards and a collaborative interface, marketers are able to combine data, insights and digital content to deliver the optimal brand experience to their customers. And it gives you everything you need to get deep insight into your customers, build personalized and unified customer experiences and manage your content and assets.

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