

Strategic Considerations for App Developers and Agencies in Running Customer Acquisition Marketing Campaigns

Abhishek Shetty

Email: [abhishek.n.shetty\[at\]gmail.com](mailto:abhishek.n.shetty[at]gmail.com)

Abstract: In 2020, the mobile app ecosystem is rapidly expanding, with millions of apps competing for user attention. Customer acquisition marketing campaigns are essential for driving app installs and in-app engagement. This paper outlines critical considerations for app developers and agencies, focusing on audience targeting, platform selection, creative optimization, data analytics, cost management, and integrating Mobile Measurement Partner (MMP) solutions for accurate attribution. It provides a strategic framework to stand out in a crowded marketplace by delivering value and enhancing the overall user experience.

Keywords: App marketing, customer acquisition, user installs, in-app engagement, audience targeting, data analytics, MMP, SDK integration, cost management, measurement, attribution, user experience.

1. Introduction

The mobile app market is growing rapidly, with millions of apps on the Google Play Store and Apple App Store competing for user attention. As of 2020, over 2.7 million apps are available on Google Play, and about 1.8 million apps are on the Apple App Store. This immense scale makes it challenging for developers and agencies to capture user attention and drive meaningful engagement.

To stand out in such a competitive landscape, it is crucial to focus on differentiated customer acquisition strategies that highlight the app's unique value proposition while providing a seamless and engaging user experience. This paper explores key considerations, including the integration of Mobile Measurement Partner (MMP) solutions to enhance attribution accuracy and marketing effectiveness.

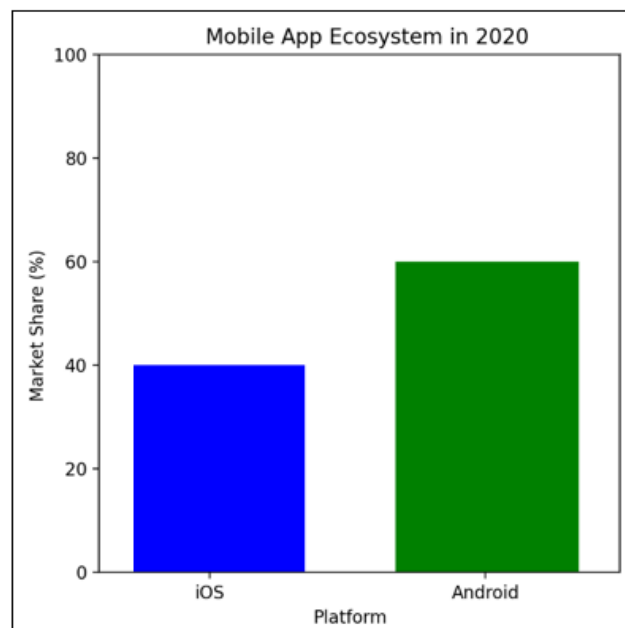


Figure 1: Mobile app ecosystem in 2020, showing the scale of iOS and Android markets

2. The Scale and Importance of the App Ecosystem

The mobile app ecosystem is a critical part of the digital economy, with global app revenue projected to reach \$581 billion in 2020. This revenue is driven by app downloads, in-app purchases, subscriptions, and advertising. Android, with a 74% market share, and iOS, with 26%, dominate the market, highlighting the vast reach of these platforms.

Why This is Important:

Standing out in a crowded app marketplace is vital. Beyond just a functional product, success requires a comprehensive marketing approach focused on user value and experience. Effective customer acquisition campaigns tailored to user needs, preferences, and behaviors help differentiate an app, improve user retention, and foster long-term growth.

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MOBILE ECOSYSTEM

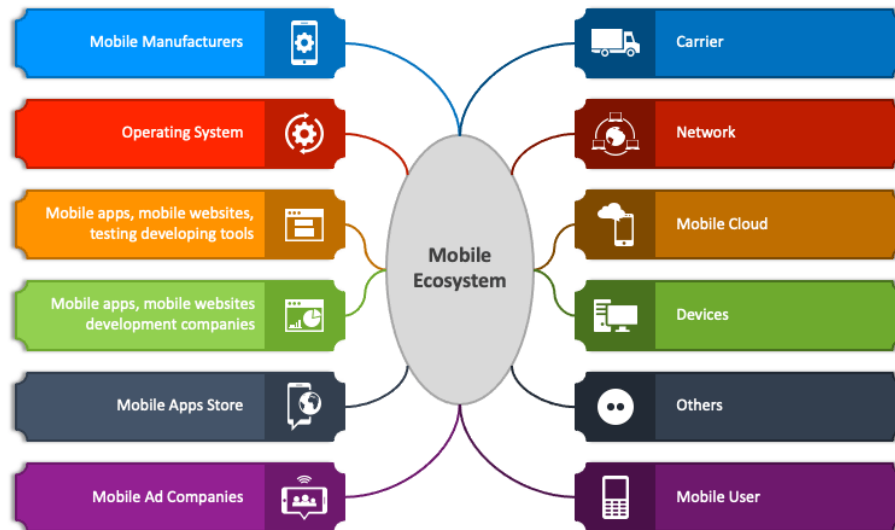


Figure 2: Landscape of the mobile app ecosystem.

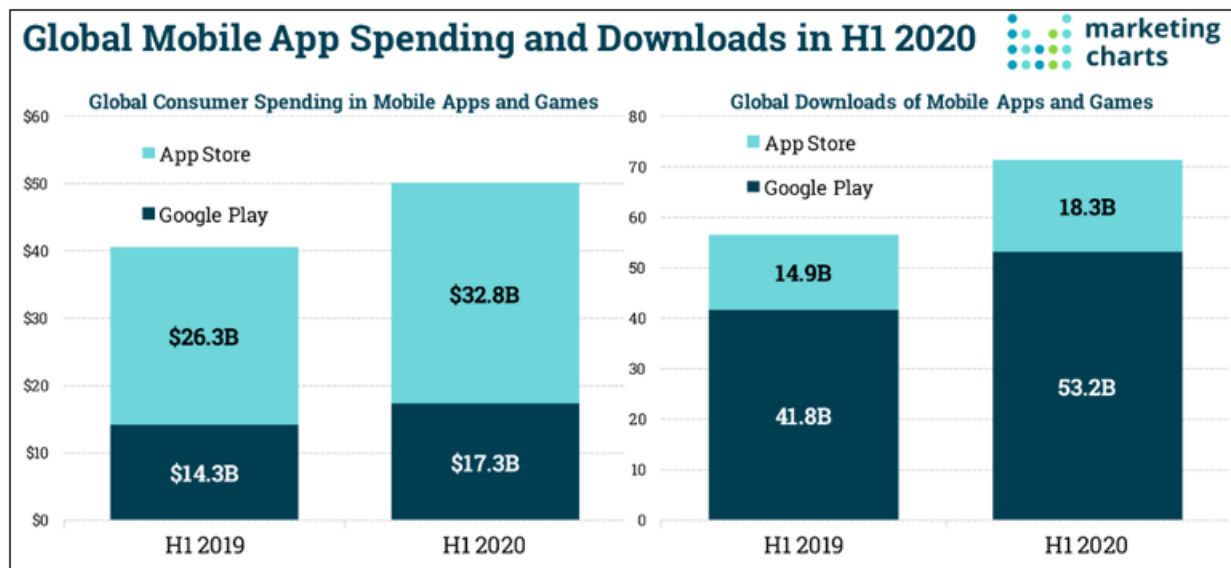


Figure 3: Mobile app spending and downloads globally 2019 vs 2020. Source: Marketing Charts

3. Understanding Audience Targeting

Audience targeting is crucial for maximizing customer acquisition. In a saturated market, understanding who the ideal users are and how to reach them effectively is key to achieving high conversion rates. Successful campaigns rely on identifying the right user segments using a mix of demographic, psychographic, and behavioral data to build comprehensive audience personas.

Advanced Segmentation Strategies:

Beyond basic demographic segmentation, developers should explore advanced segmentation strategies, such as behavioral targeting based on in-app activities, device usage, and purchase behavior. Psychographic segmentation, which

considers users' interests, lifestyles, and attitudes, also enables more precise targeting.

Leveraging both first-party data (from within the app) and third-party data (from ad networks, data management platforms, and social media) enhances targeting accuracy. For example, third-party data may help identify potential users who have shown interest in similar apps or categories.

Importance of Targeting:

Targeted campaigns achieve better user acquisition rates, reduce CPI, and enhance ROI by ensuring that ads reach the most relevant audiences. Personalization at scale, made possible through precise targeting, also improves user experience and engagement, leading to higher retention rates.

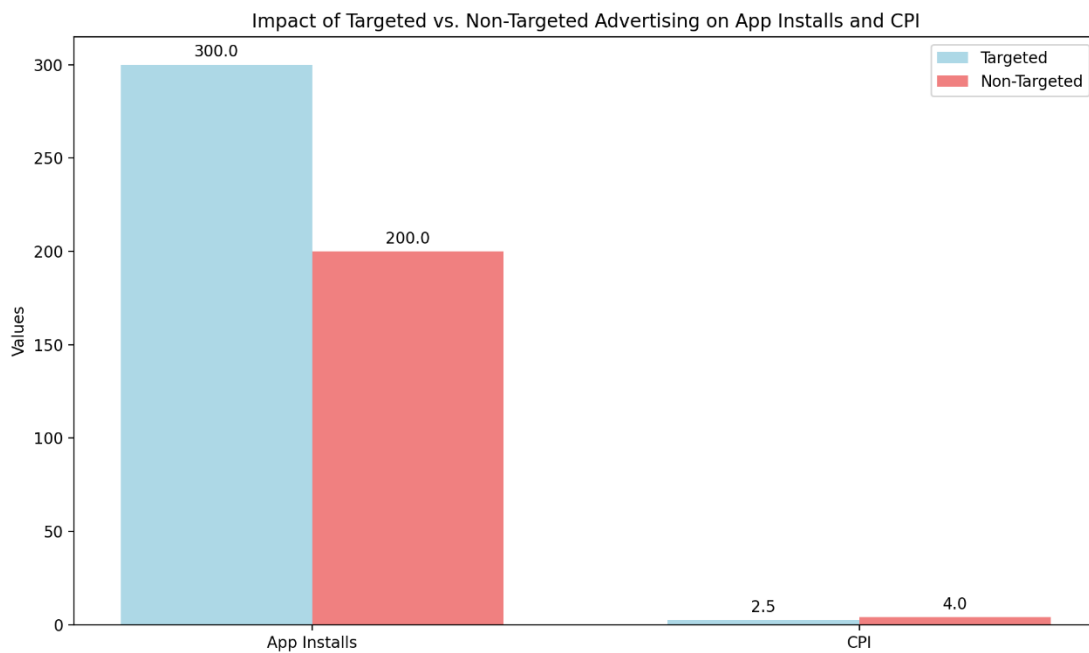


Figure 4: A bar chart comparing the impact of targeted vs. non-targeted advertising on app installs and CPI for a gaming app over a period of two weeks

4. Platform Selection and Media Mix

Selecting the right platforms is critical to reaching and engaging target audiences effectively. Each platform offers unique strengths and audience profiles. Social media platforms like Facebook, Instagram, and TikTok offer broad reach and powerful targeting tools, while Google Ads captures high-intent users. DSPs like Inmobi, StackAdapt, Chartboost facilitate cross-promotion within apps.

A diversified media mix minimizes risk and maximizes reach by covering multiple touchpoints. Continuous testing and optimization help allocate budgets efficiently to high-performing channels, optimizing ROI.

Strategic Platform Selection:

Choosing the appropriate mix of platforms allows developers to reach diverse audience segments, enhancing acquisition strategies' effectiveness.

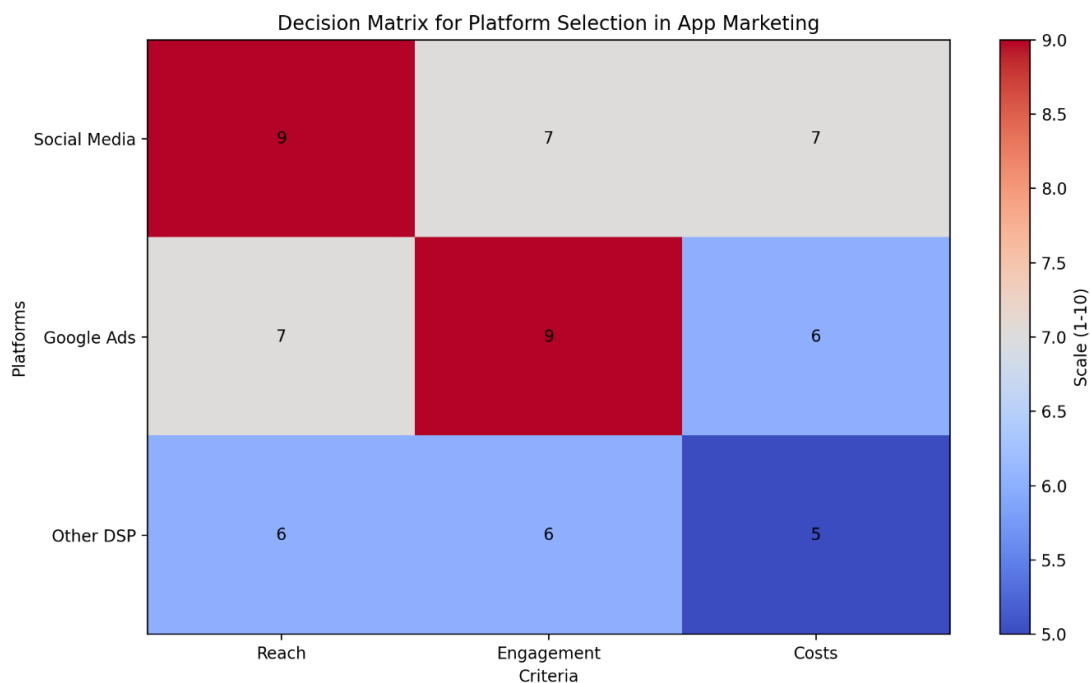


Figure 5: Decision matrix for platform selection, comparing reach, engagement, and costs.

5. Creative Optimization and A/B Testing

Creative assets significantly impact user engagement and acquisition rates. Developers should focus on compelling

visuals, engaging copy, and clear calls to action that resonate with user motivations. Creative optimization should include continuous A/B testing of various elements to determine the most effective combinations.

A/B testing ensures campaigns remain relevant and engaging. Dynamic creative optimization (DCO) can further improve ad relevance by tailoring content based on real-time user data.

Benefits of Creative Optimization:

Refining creatives through testing and optimization can increase engagement rates, reduce acquisition costs, and drive higher conversions.

Figures and Graphs to Include:

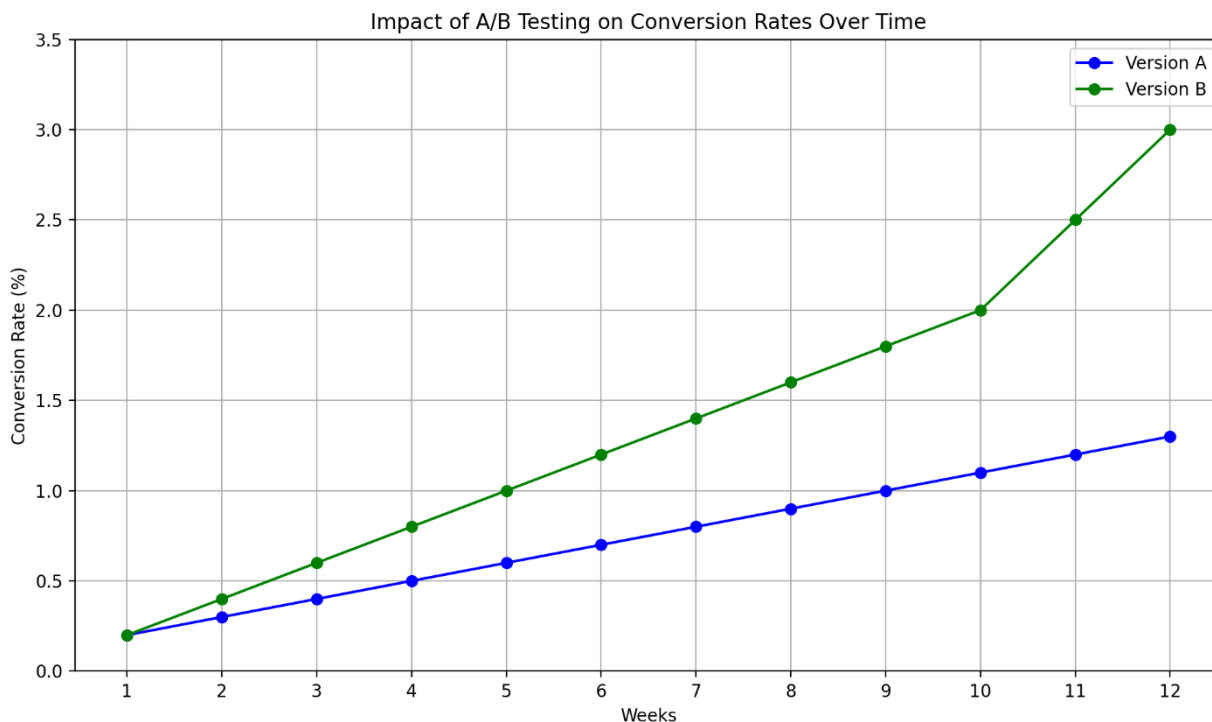


Figure 6: Line graph showing the impact of A/B testing on conversion rates over time

Data Analytics and Integration

Data analytics is vital for campaign measurement and decision-making. Integrating analytics tools helps track key performance indicators (KPIs) such as installs, CTR, CPI, and in-app conversions.

The Role of Mobile Measurement Partners (MMPs):

MMPs like Adjust, Appsflyer, and Kochava provide advanced attribution solutions that enable accurate tracking across multiple channels. By integrating MMP SDKs, developers gain detailed insights into user interactions, optimize ad spend, and reduce fraud.

Importance of MMP Integration:

- **Accurate Attribution:** Cross-channel and cross-device attribution is essential for understanding marketing effectiveness.

- **Fraud Prevention:** MMPs help detect and prevent ad fraud by identifying invalid traffic patterns and fraudulent behaviors.
- **Advanced Analytics:** MMPs offer detailed cohort analysis, lifetime value (LTV) measurement, and ROI calculations, which help marketers understand user behaviors and preferences to refine targeting strategies effectively.

Why This Matters:

Integrating MMPs is crucial for understanding the full customer journey, optimizing ad spend, and ensuring that campaigns drive real, measurable growth. Without accurate attribution, developers risk allocating resources to ineffective channels or campaigns, wasting marketing budgets.

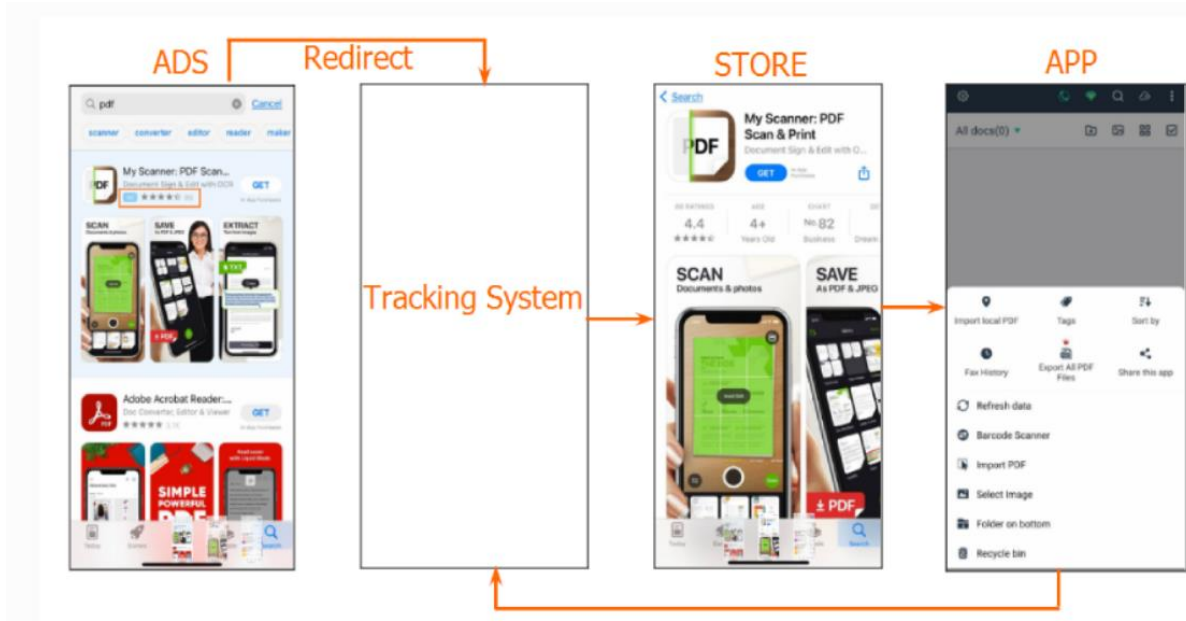


Figure 7: Diagram of MMP integration with various data sources (social media, ad networks, in-app events). Source: Radaso Blog

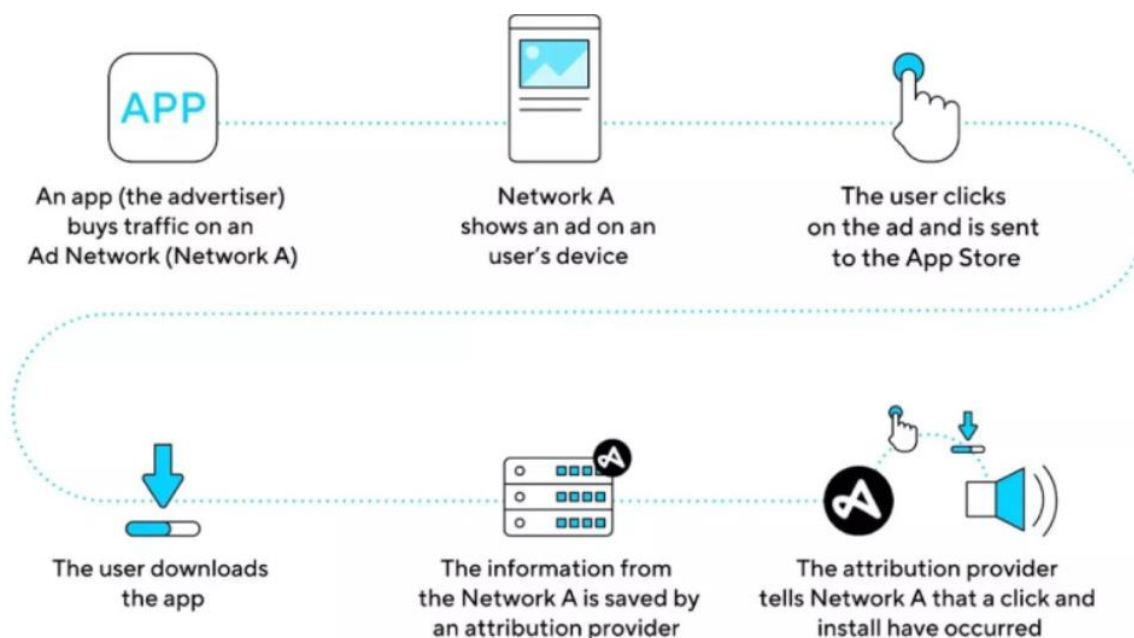


Figure 8: MMP attribution framework

6. Measurement and Attribution

Accurate measurement and attribution are fundamental for evaluating campaign success. Multi-touch attribution models help identify each channel's contribution, enabling more effective optimization. This is particularly important in a mobile-first world where users often engage across multiple devices.

• **Advanced Attribution Techniques:**
Utilizing multi-touch and probabilistic attribution methods allows marketers to understand better how different touchpoints contribute to conversion. For example, linear attribution gives equal weight to all

touchpoints, while time decay models give more weight to recent interactions.

- **Beyond Basic Metrics:**
It's essential to look beyond basic metrics like installs and CTR. Post-install metrics—such as in-app engagement, retention, purchases, and lifetime value (LTV)—provide deeper insights into user quality and long-term value.
- **Cross-Device and Cross-Channel Attribution:**
Given that users often switch between devices, robust cross-device and cross-channel attribution models help provide a holistic view of user interactions, ensuring that all significant touchpoints are accounted for in the attribution model.

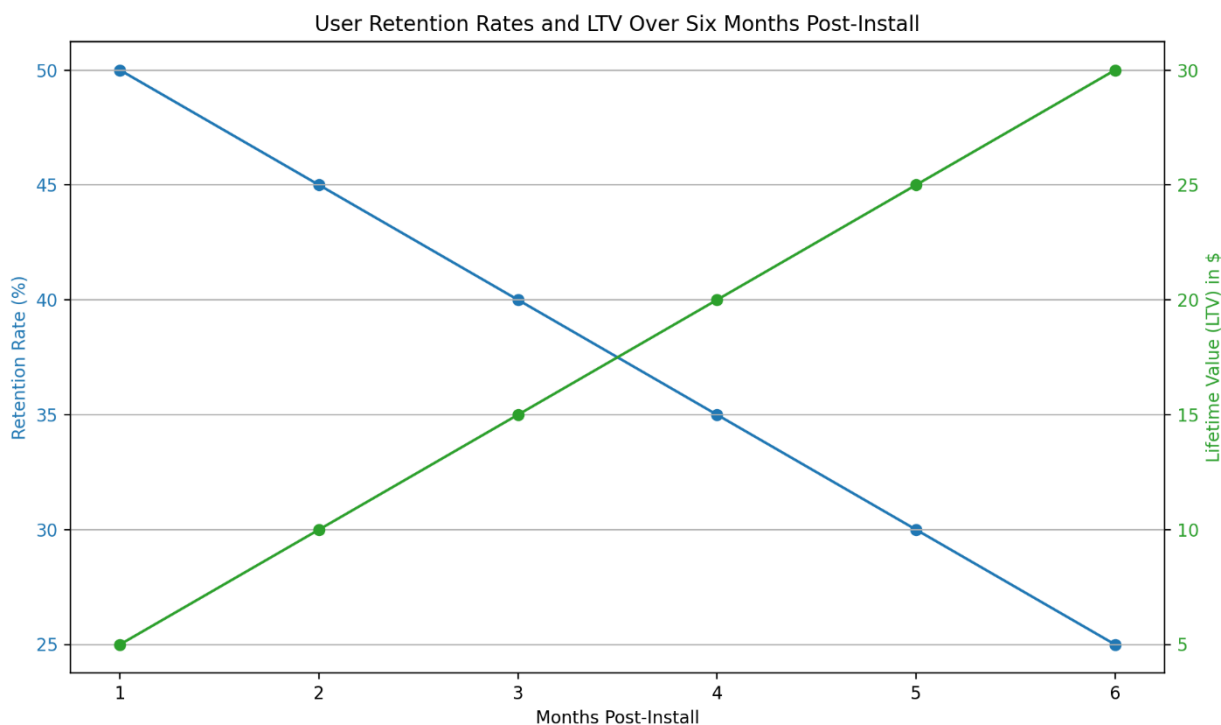


Figure 9: Chart showing user retention rates and LTV over a six-month period post-install.

Key Observations from figure 9:

- 1) Inverse Relationship: As retention rate decreases, LTV increases. This is common in many apps where the most engaged users (who stay longer) tend to generate more value over time.
- 2) Retention Challenge: The chart clearly shows the challenge of user retention in mobile apps, with the rate dropping by half over six months.
- 3) Value of Long-term Users: The increasing LTV emphasizes the importance of retaining users, as they become significantly more valuable over time.
- 4) Potential for Optimization: The chart suggests opportunities for improving both retention (to slow the decline) and monetization (to increase LTV faster).
- 5) Break-even Point: Depending on user acquisition costs, this chart could help identify the break-even point where LTV surpasses the cost of acquiring a user.

This visualization is valuable for app developers and marketers to:

- Set realistic expectations for user retention over time.
- Understand the increasing value of retained users.
- Make informed decisions about user acquisition spending and retention strategies.
- Identify critical periods for user engagement efforts to combat dropping retention rates.

The chart underscores the importance of both acquiring new users and implementing strong retention strategies to maximize the value of each user over time.

7. Conclusion

To run effective customer acquisition campaigns, app developers and agencies must adopt strategies that integrate audience targeting, platform selection, creative optimization,

data analytics, and robust attribution models. Integrating Mobile Measurement Partner (MMP) solutions is crucial for enhancing attribution accuracy, preventing ad fraud, and leveraging advanced analytics for strategy refinement.

By focusing on these strategies, developers can differentiate their apps, maximize user acquisition, and ensure long-term success in the competitive mobile app ecosystem.

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