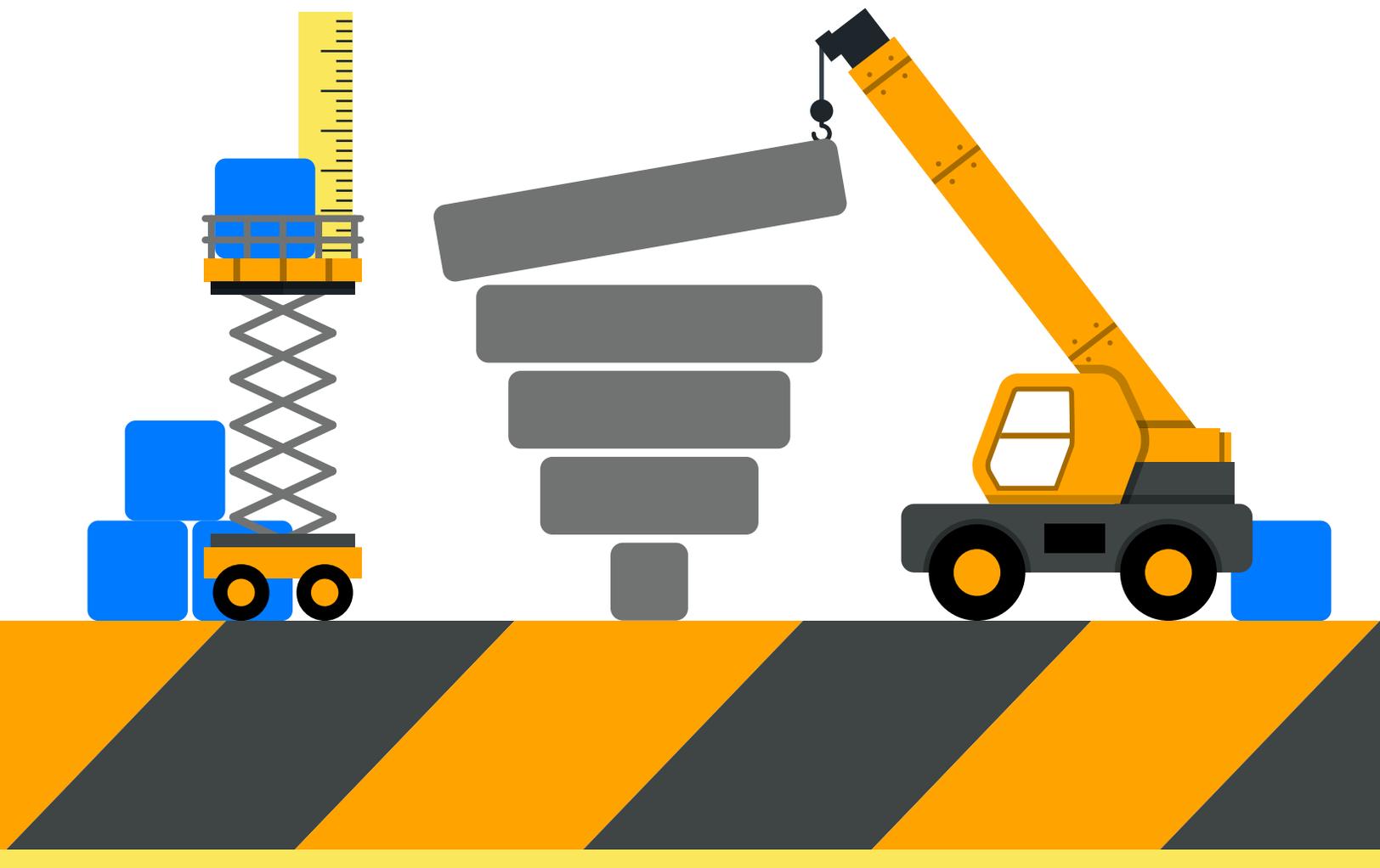


Deconstructing the Mobile Marketing Funnel



TUNE

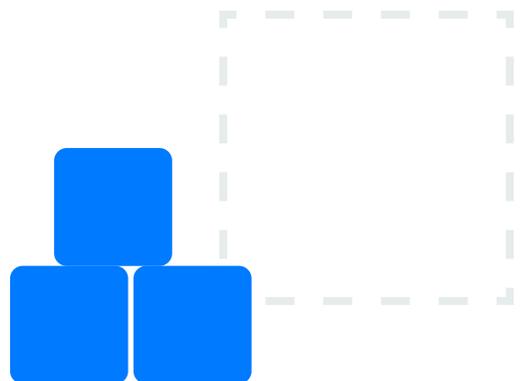
Deconstructing the Mobile Marketing Funnel

It is said that the more things change, the more they stay the same. Mobile marketing is still just marketing, with some shiny new toys. But there are some important differences you need to understand to be truly effective as a mobile marketer. In this e-book, you will gain an in-depth understanding of:

- How the traditional marketing funnel and mobile marketing funnels compare
- Each stage of the mobile marketing funnel and why they matter
- Tactics and technology to optimize discovery, conversion, engagement, and retention
- How major brands have improved their ROI using the strategies in this e-book

With these tools, you'll not only be a better marketer – you'll become an expert mobile marketer. You'll know exactly how to make your app discoverable, profitable, and unforgettable. You'll spend more money on the right campaigns and waste less money overall. Most of all, you'll not only acquire new users, but you'll grow your business by acquiring the right users.

Sound like a good plan? Let's get started.



WHAT'S INSIDE**1. Let's Break It Down: The Marketing Funnels**

- Locking Down the Basics: The Traditional Marketing Funnel
- Taking It to the Next Level: The Mobile Marketing Funnel

2. Discovery: Get Your App Out There

- Paid Discovery: Advertising Your App
- Organic Discovery: Winning the App Store

3. Conversion: Turn Eyeballs into Installs

- Measuring Conversion
- Reducing Cost-Per-Conversion

4. Engagement and Retention: Give Users a Reason to Return**5. The Final Word**

Let's Break it Down: The Marketing Funnel

As you've likely caught on by the titles in this e-book, there are two main marketing funnels: the traditional marketing funnel and the mobile marketing funnel. Let's cover a quick high-level overview of each. It's important to know how they're similar, how they're different, and why they matter before you can truly appreciate what an understanding of the mobile marketing funnel can do for you.

LOCKING DOWN THE BASICS: THE TRADITIONAL MARKETING FUNNEL

As a marketer, you may already be familiar with the **traditional marketing funnel**.

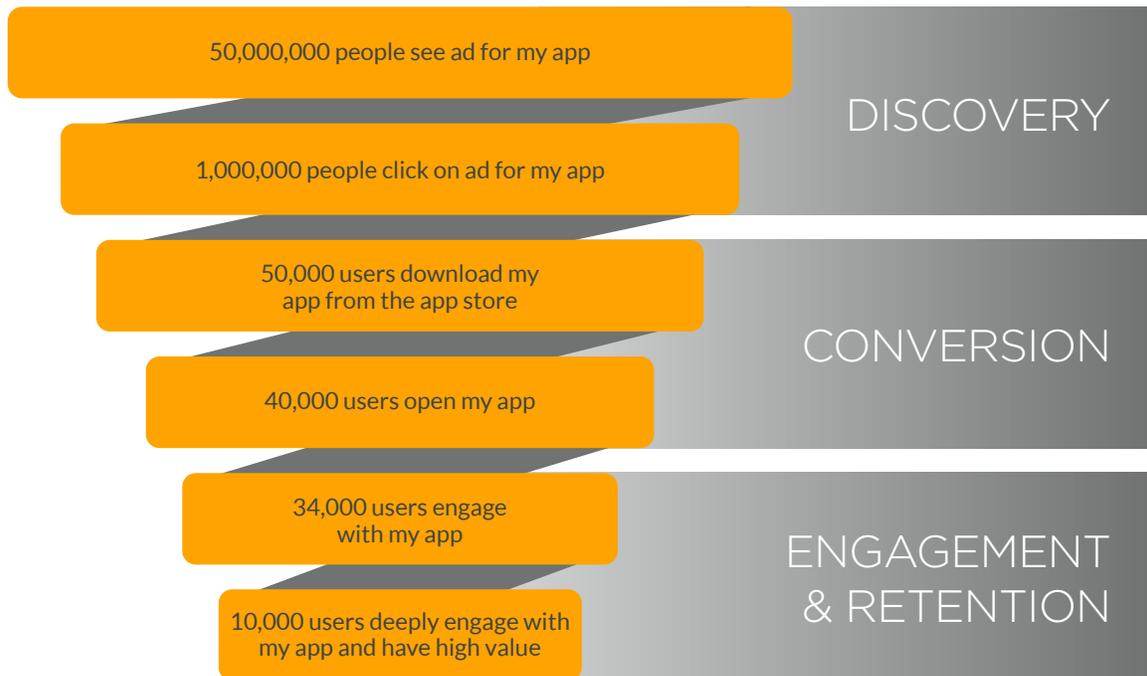


It goes a little something like this: a buyer becomes **aware** of a pain and develops **interest** in finding a solution. He or she starts **evaluating** specific products and services, and becomes willing to engage with sellers. Eventually, a buyer **purchases** the best solution, expecting strong performance **post-purchase** and perhaps even coming back to **re-purchase** more in the form of renewal or expanded services.

As the marketer, you should funnel the buyer through this process by aligning your marketing campaigns with each stage. When buyers demonstrate interest in finding solutions, for example, you should craft white papers and webinars to educate them on the available solutions in the marketplace. When buyers are ready to purchase, you should make the process as easy as possible to validate their decision and make them advocates for your brand. By creating content that answers questions and educates buyers on the topics they're searching for, you stand a greater chance of becoming their ideal solution. You create avenues in which buyers can find you no matter where they're at in their journey, thereby creating a much more effective process than the dated approach of cold calling, which is not only proven not to work 91 percent of the time, but costs 60 percent more per lead.¹

TAKING IT TO THE NEXT LEVEL: THE MOBILE MARKETING FUNNEL

The **mobile marketing funnel** isn't all so different from the traditional marketing funnel, but it is uniquely related to the app decision process. It's much shorter, with three distinct phases: **discovery, conversion, and engagement and retention.**



The main differences you should be aware of — and the reason understanding the mobile marketing funnel is so crucial to being an effective app marketer — boils down to tactics you employ at each stage.

Whereas consumers looking to purchase, say, a car, may do research to find the right vehicle for the right price, the app decision process is much shorter and much less costly to consumers. They tend to download an app as soon as they find one that fits their needs, and pay little concern for getting long-term value out of it. In fact, less than 25 percent of app users will return to an app after the first time they use it if it's not delivering value for them.²

It's up to YOU as the app marketer to not only get them to download your app, but to keep them coming back for more. You're on your way to understanding how to do just that. Let's take a look at the first step: ensuring users can find your app.

STRAIGHT FROM THE PROS

“The mobile funnel is not just a start-at-the-top and move-to-the-bottom funnel; it's a continuous process. You always want to be filling users at the top and bringing them through the onboarding and retention and conversion process in a continuous loop.”

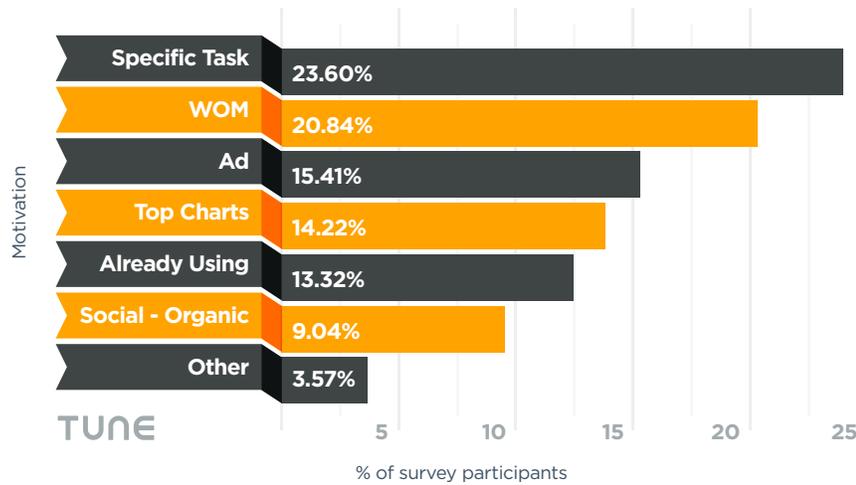


Vivian Chang, Senior Manager of Digital Marketing, **RetailMeNot**

Discovery: Get Your App Out There

Discovery is, as you might expect, the process through which consumers discover your app. For example, people might hear about your app through word of mouth, see it in an advertisement or in the Top Charts listings of an app store, notice it in a post on social media, or come across it when they're trying to accomplish a specific task like booking airline tickets or finding directions.

MOTIVATION FOR LAST APP DOWNLOADED



All discovery channels boil down to two main categories:

- Paid discovery: Advertising your app
- Organic discovery: Winning the app store

PAID DISCOVERY: ADVERTISING YOUR APP

With more than 5 million apps vying for consumer attention in the app store, you can't rely solely on consumers stumbling across your app through organic methods. Instead, it's wise to allocate some budget toward getting your app in front of the right people through paid advertising. And that doesn't mean just throwing a few dollars at banner ads; rather, make sure you're diversifying your promotional channels and publishing partners to ensure you're reaching customers who will actually retain, engage with, and deliver value for your app. Paid discovery boils down to two things:

- Choosing the right channels
- Choosing the right publishing partners

Channels are the mediums in which you promote your app. Before the internet came along, **traditional media channels** were the sole advertising options and primarily included television, radio, publications, direct mail, and public relations. In fact, today television is still the most popular channel to market enterprise apps, even though the internet is gaining on it year by year.³ Traditional media channels are still valuable because of their ability to reach massive audiences, but keep in mind that you risk not being able to target your audience or measure results as precisely as you can with digital media channels. To ensure you're making the most of traditional media marketing, take advantage of all the demographic data available to display ads to your ideal audience. Then limit your calls-to-action, so that television and radio ads aren't cluttered with multiple steps that confuse (and lose) potential customers.

If you're looking for a more targeted, measureable advertising experience, you may want to consider **digital media channels**. These include paid search engine marketing, paid social media, and SMS. Digital marketing campaigns give marketers the power to choose specific demographics, locations, and times of day, plus you can A/B test to see which copy, images, and call-to-actions are most effective in converting viewers. Regardless of which type of media channel you use, traditional or digital, you'll want to make sure that you're getting as targeted of an audience as you can, measuring results to the best of your ability, and A/B testing messages to see which ones are most effective.

Master Digital Media Channels



PAID SEARCH

What it is: Serving ads alongside search engine results when users search for specific terms

How to crush it:

- Choose specific keywords to get the most targeted users (think “hiking shoes” instead of the very broad “shoes”).
- Test your call-to-actions to see which drive the most clicks.
- Optimize landing pages for mobile so that if a user clicks from a CTA to your landing page, they’ll see a page better suited to drive app downloads.



PAID SOCIAL

What it is: Using social media platforms like Facebook, LinkedIn, and Twitter to target users

How to crush it:

- A/B test elements in your ads like CTAs, images, copy, and headlines.
- Consider the strengths of each channel. For example, LinkedIn will put you in touch with professionals if you have a networking or business-oriented app, while Facebook lets you target for characteristics as specific as interest, education, location, and more.



SMS

What it is: Advertising your app through text messages that users opt-in to receive

How to crush it:

- Utilize this channel especially for time-sensitive deals, special occasions, exclusive offers, and contests.
- Consider time zones. Even if you set up messages during your working hours, make sure the actual send times occur during waking hours for your recipients.
- Don’t overdo your send frequency or you could annoy your app users.

The second part of paid discovery is choosing the right **publishing partners**. Publishing partners are the companies who publish your ads. If social media is your channel of choice, Facebook would be a publishing partner, since it's the company that displays ads within your chosen channel. Other publishers include Pandora, CNN, Twitter, or any other platform that displays your ads. When selecting partners, it's important to consider their audience, cost, targeting abilities, and attribution structure. You'll also want to diversify your partners to maximize your reach; we've found that marketers who drive the most installs work with an average of 11 to 15 advertising partners per campaign.

At TUNE, we created the TUNE Certified Partner Program to connect marketers with reputable publishing partners who uphold industry best practices like transparent reporting, seamless technical integration, and data privacy compliance. You can [check it out](#) for yourself to see which advertising publishers uphold these practices.

By choosing a mix of the right channels and publishing partners, you can ensure you are reaching the most targeted consumers possible, and diversifying your mix enough so that you aren't spending all of your budget on the same repeat audience. We're entering an increasingly competitive digital world, but you'll likely find your stride with a mix of digital and traditional media channels and publishers.

ORGANIC DISCOVERY: WINNING THE APP STORE

Although paid discovery is an effective approach to driving installs, you'll run out of budget quickly if it's your only method of getting your app in front of new users. You also want to supplement with organic discovery through app store optimization.

App store optimization is like search engine optimization for the app store; it's using proven tactics to boost your ranking in the app store and make it easier for consumers to find your app. It's more sustainable long-term than paid discovery, and is actually the most popular way users find apps since they go to app stores with targeted intent. Furthermore, your paid and organic campaigns

actually feed into each other; we found that for every paid campaign, your app climbs in rankings and increases in visibility, giving you a boost in organic downloads of about 1.5 installs per paid campaign.⁴ So what are you waiting for? Here are a few best practices for enhancing app store optimization.



Read more about how paid and organic campaigns influence each other’s success in the free e-book:

[“Understanding the Relationship Between Paid and Organic Installs.”](#)



Choose the right keywords. Keywords tell consumers what your app is all about. The sweet spot for keywords is high search volume and low difficulty, which you can determine using tools like App Store Analytics. Ideally, you’ll want three to five of your most important keywords in your title, and the rest of your keywords in your keyword field for iOS or description for Google Play. There are a few things to keep in mind:

- Avoid repeating terms in your title and keyword field
- Don’t worry about small connector words like “of,” “the,” etc.
- Break up multiple-word phrases into variations of the individual words
- Optimize your description for quick comprehension and scannability

Keyword Suggestions						Add Keywords
<input type="checkbox"/>	Keyword	Volume	Difficulty	Category	Result Count	
<input type="checkbox"/>	Dodgeball	89.44 K	71	Games 17%	131,254	
<input type="checkbox"/>	duck	34.83 K	33	Games 26%	500	
<input type="checkbox"/>	dive	29.23 K	48	Games 55%	2,884	
<input type="checkbox"/>	Dodgeball	28.76 K	67	Games 31%	500	
<input type="checkbox"/>	duck	27.41 K	%	Games 52%	63,261	
<input type="checkbox"/>	dive	20.08 K	%	Games 25%	9,376	
<input type="checkbox"/>	Dodgeball	17.72 K	%	Games 20%	82,444	
<input type="checkbox"/>	duck	17.36 K	%	Games 26%	6,790	
<input type="checkbox"/>	dive	15.51 K	%	Games 48%	4,553	
<input type="checkbox"/>	Dodgeball	14.36 K	%	Games 40%	500	
<input type="checkbox"/>	duck	13.79 K	%	Games 35%	115	
<input type="checkbox"/>	dive	12.75 K	%	Games 34%	614	



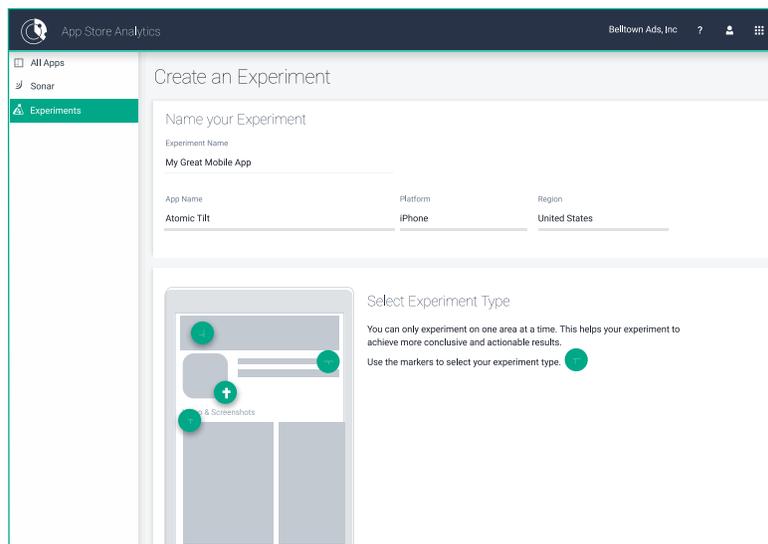
When coming up with keywords:

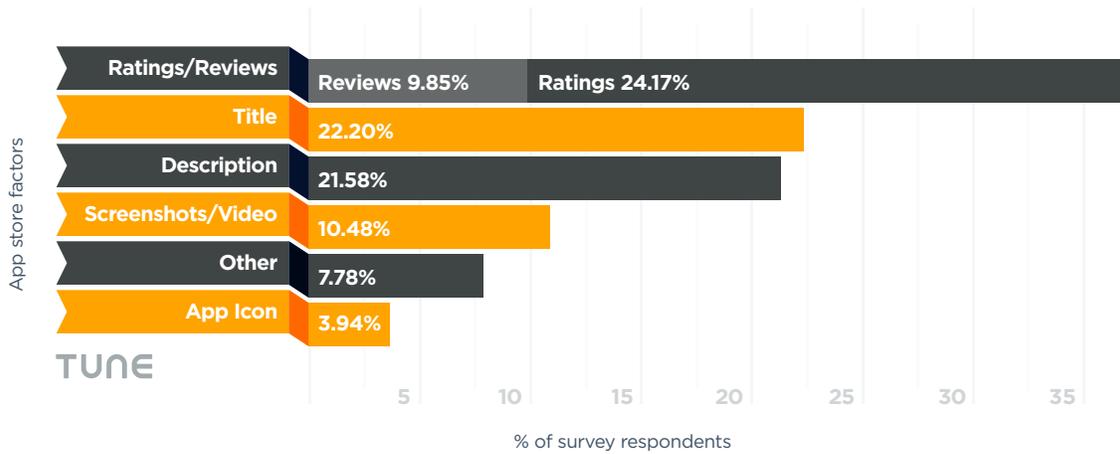
- Use tools like Google Adwords to generate new ideas
- See which terms your app users are using in their reviews
- Check out your competition to see which words they're focusing on
- Take advantage of App Store Analytics' suggested keywords feature

Regardless of which platform you're using, you'll want to make sure your keywords accurately reflect your app and are terms that your ideal users actually search.

If you're bolstering your keyword strategy, you can find more in-depth tips in "[The Ultimate Guide to Keyword Research.](#)"

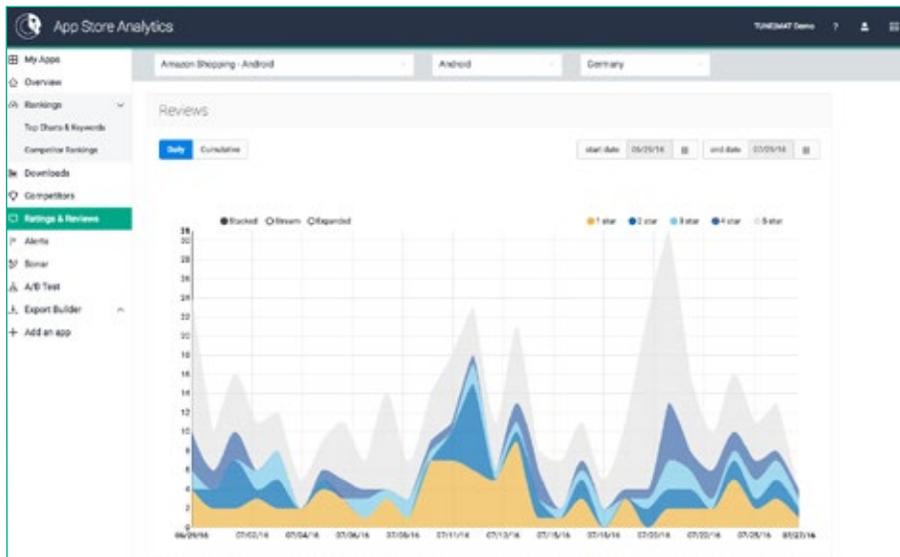
Optimize your app store page. Once you lock down your keyword strategy, A/B test elements on your app store page to see which drive the most downloads. App Store Analytics A/B Testing lets you compare performance for different titles, descriptions, icons, screenshots, videos, and branded app store pages. Measure metrics like the number of visitors, number of installs, conversion rate, click-rate for different parts of the page, and statistical significance per variation.





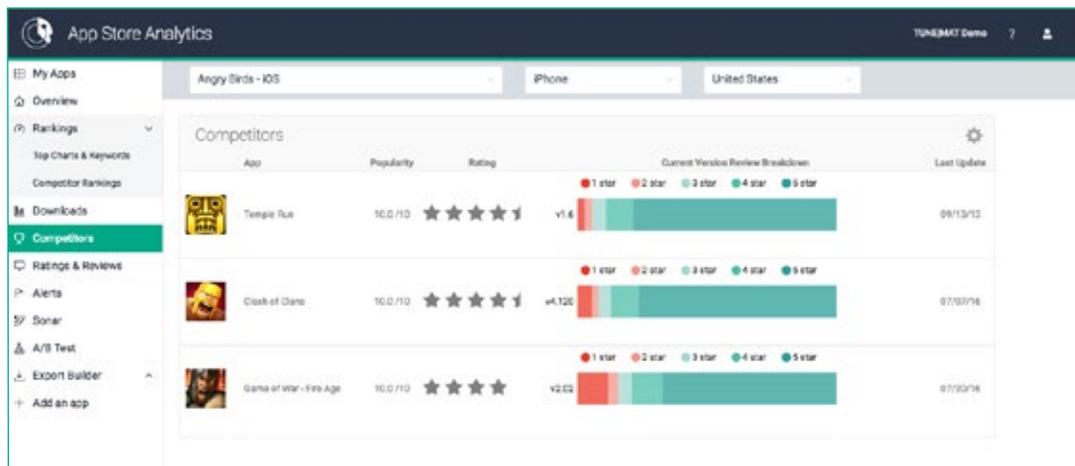
Analyze your ratings and reviews. Ratings and reviews play a huge part in encouraging consumers to download your app. In fact, more than 68 percent of app users said it was an important factor in influencing them to download – that’s more than the title, screenshots, or icons.⁵

You can improve your own app ratings and reviews by paying attention to common themes in user messaging, comparing ratings for versions and releases of apps to determine features users find valuable, analyzing historical ranking data to forecast installs, and using learnings to improve your app. You should also prompt users to leave reviews after they’ve accomplished something in your app and sentiments are running high, like accelerating to a new level in a game or snagging a great deal on a purchase.



Track your competition. In addition to tracking how users respond to your app’s new releases, you should monitor your competitors to see when they release app updates, edit app store assets, or change keyword rankings. Tools like App Store Analytics will notify you of these changes so you can consider adjustments where competitors outrank you.

By paying attention to how consumers discover your app in the app store and optimizing elements to drive more conversions, you can see a tremendous lift in downloads without even paying a dime for advertising. For example, one of our clients, a large real estate organization with multiple apps, used App Store Analytics to set up keyword analysis and suggestions, and created alerts when rankings changed and competitors implemented new tactics. These changes yielded a 22 percent increase in downloads for one of their apps, a 67 percent increase in mobile page views, and an 83 percent rankings gain for significant keywords. There’s no reason you can’t also see improvements when you give a little love to your own organic app discovery.



Conversion: Turn Eyeballs Into Installs

As beneficial as it is to master discovery so consumers find your app, the goal, of course, is that they download it. This brings us to the second stage in the mobile marketing funnel, **conversion**, which is when a user signs up, makes a purchase, or performs some other desired action in response to an ad. In this section, we'll dive into tactical ways to measure, improve, and reduce the cost of conversions, as well as key performance indicators to pay attention to.

MEASURING CONVERSION

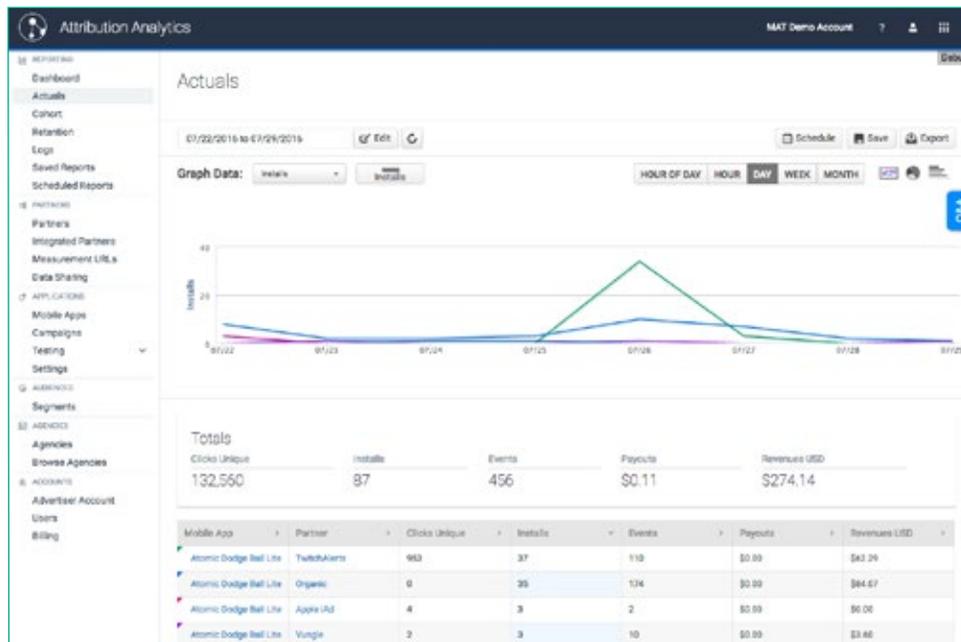
One might think that measuring conversions would be as easy as a consumer clicking “download,” but that’s just not the case. The amount of information you can access about app installs or other conversions (such as app opens, in-app purchases, and events) depends heavily on which app store your users come from. The Apple® iTunes® App Store, for example, doesn’t provide ANY information about what users do within the app store — whether they download an app, or any of the actions they take after install. Google Play™ provides a little more transparency by accounting for app installs and actions taken within Google apps. However, the information is forever contained within Google Analytics, making it difficult to pass the data to your advertising partners to optimize your campaigns.

Eager for a stronger understanding of attribution methodology? Take a deep-dive in our free e-book: [“The New Standard in Mobile Attribution.”](#)

So how do you reduce the cost of conversion if app stores don’t give you the data needed to even know where your installs are coming from? Fortunately, there are other ways to tell when an install occurs, regardless of device platform. We won’t get too deep into the details here, but you should be aware that these universal attribution methods include: device fingerprinting, unique identifier

matching, and tracking IDs. You'll want to set up an attribution platform that measures all of them, like TUNE's Attribution Analytics, which allows you to visualize all of your app installs, clicks, and events on one dashboard – regardless of whether they come from mobile apps, mobile web, desktop web, or different kinds of devices.

Once you have a solid attribution platform in place, asses whether it measures installs based on last-touch or multi-touch attribution. **Last-touch attribution** credits an install to the last ad a user clicks on. **Multi-touch attribution** shows how many users click on various ads before finally installing. It's a helpful method to see which ads pique user interest, and which actually seal the deal. Both models have their pros and cons, but understanding how to use each is what can really make all of your ads better at driving installs.



Once you get a unified attribution technology in place, it's time to start lowering the cost of those conversions. Which leads us to...

REDUCING COST-PER-CONVERSION

You can reduce cost-per-conversions whether they be installs, clicks, or other app events. Here are four best practices we recommend to all of our clients, who make up 90 percent of the top worldwide app developers.

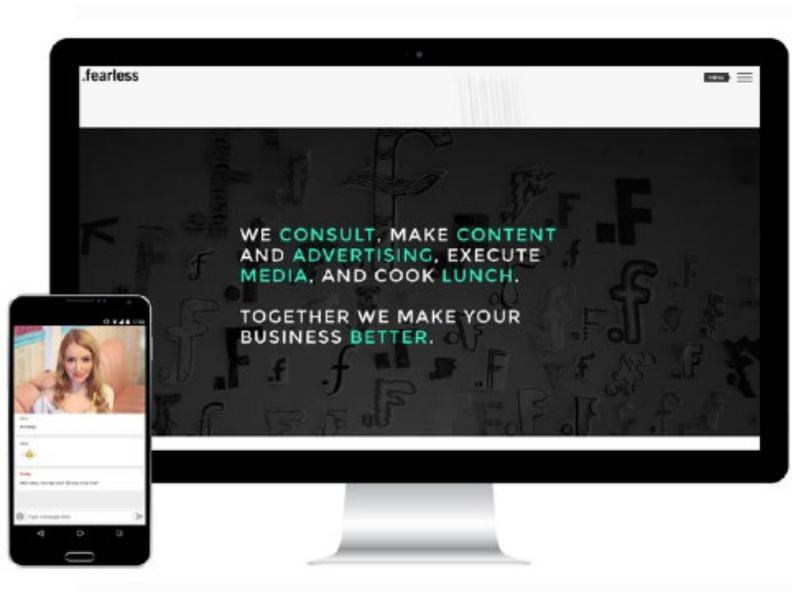
Optimize search. First off, make sure you implement the tips we covered in the Discovery section, ensuring your app is optimized for search. Strategic adjustments to your keywords and app store page will ensure users can find your app without you having to shovel lots of cash into paid campaigns.

Advertise strategically. When you do have to advertise, avoid peak hours and days, such as holiday weekends or iPhone launches. Both of these have been shown to increase acquisition costs.⁶ Instead, advertise on hours that are most relevant to your target customers, paying careful attention to global timezones if you have app users in more than one place.

Employ deep links. Another best practice for optimizing cost is to use deep links. Deep links are hyperlinks that direct users to specific locations within apps. By using deep links to take users directly to pages of interest such as a sale or new piece of content, you can encourage them to spend more time in your app, and therefore make their installs more valuable. You also reduce the risk of them getting lost or losing interest within your app and abandoning.

Track return on investment (ROI). Finally, the most important thing you can do to reduce cost-per-click is to measure ROI. Become a student of your campaigns and keep track of which channels and ad partners drive the biggest results. Continually refine your budget so you are spending more on the strategies that work, and less on the ones that don't. The TUNE Marketing

Console can measure this information for you. Our client The Fearless Group, a dating app, used Attribution Analytics to assess granular reporting about which ad partners were performing best and worst, and they adjusted payment accordingly. Doing so secured them a 15 percent lower cost-per-action than they even set out to achieve, as well as a 17 percent install growth rate month over month.

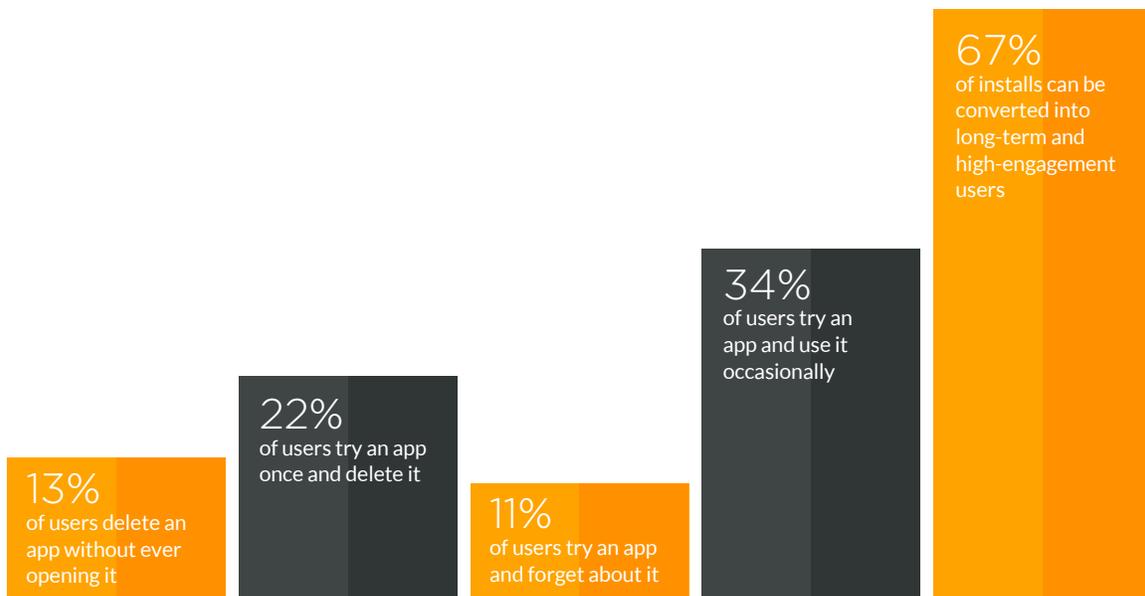


Check out these snackable [videos](#) to see how major brands used the TUNE Marketing Console to improve their mobile campaigns and grow their businesses.

Engagement and Retention: Give Users A Reason To Return

So you've implemented a killer combo of paid and organic acquisition to get your app in front of new users. You've skillfully refined your campaigns so you are getting the most out of every single ad to acquire new app users. The only thing left is making sure your hard-fought efforts don't go to waste, by maximizing the lifetime value of those new users. That's precisely what this stage of the funnel is about: creating an engagement and retention strategy to generate the most value out of each and every one of your app users.

In the past, marketers spent a tremendous amount of effort on the top part of the funnel: acquiring new users. But then some frightening statistics crept up. It turns out that even if you can get consumers to download your app, 13 percent of users delete an app without even opening it, 22 percent of users try an app once and then delete it, and 34 percent of users try an app and use it only occasionally.⁷ Although those numbers seemingly paint a pretty dismal picture, it actually means you have a large percentage of app users who are ripe for converting into long-term and high-engagement users.



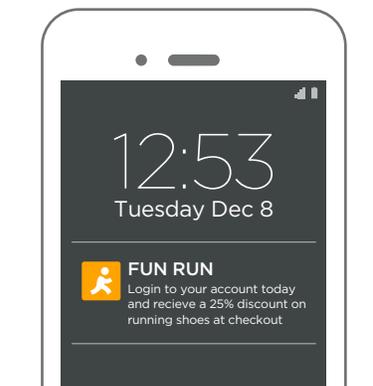
How's it done? It all comes down to delivering the right content to the right people at the right time. Think about your own experience with apps; when you download an app and it never prompts you to re-engage — or worse, constantly delivers spammy messages that you have no interest in receiving — you're likely to either forget about the app or delete it. But when a restaurant app sends you a coupon around dinnertime for your next meal, a flight app alerts you when your flight has been delayed, or a social app lets you know when you've received a new message, you're not only more likely to open the app — you're also appreciative of it. That's the bread and butter of this stage of the funnel: the right content, the right people, and the right time. Let's break it down with the following best practices.

Leverage push notifications and in-app messages. Push notifications and in-app messages are your two greatest tools when it comes to increasing engagement and retention because they pull app users back in, and push for further engagement.

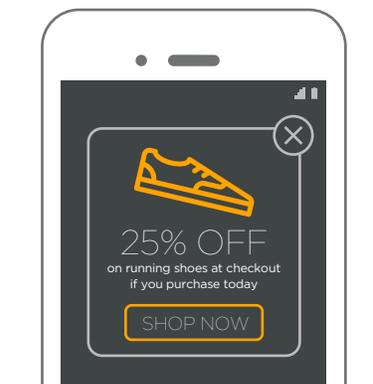
Push notifications are messages you send to app users when they aren't using your app; they appear as banner alerts on a user's phone screen and entice users to return to the app. They might offer free tokens for users who return to a mobile gaming app, or encourage users to log their foods in a dieting app. You should consider them when users have lapsed in app use and you want them to return.

In-app messages are notifications users receive while actively engaged with your app, such as a coupon that might close a purchase when a user is in the app shopping. You should turn to in-app messages when users are already in your app and you want them to take a certain action.

PUSH NOTIFICATION

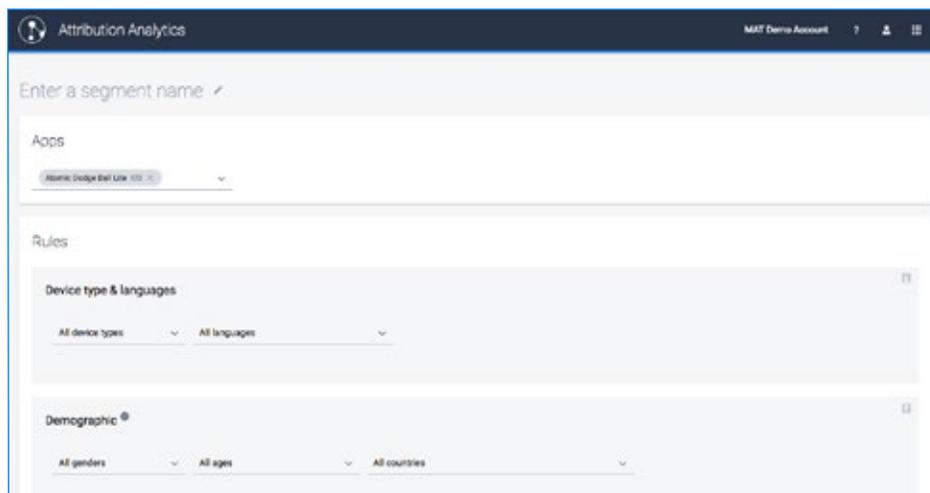


IN-APP MESSAGE



Segment your app users. You can use everything about your app users to tailor more personalized messages. Simply enact audience segmentation to break your audience into smaller groups that share related characteristics. Our TUNE Marketing Console has a feature called Audiences that helps you create tailored segments for re-targeting, re-marketing, and re-engagement. You can segment users based on device profile, including type of device (mobile phones, tablets, etc.), manufacturer, or operating system (iOS, Android, Windows, etc.). Consider segmenting by demographics including location, gender, age, language, and whether they're new or returning users. You can even segment by in-app behavior, such as when users click certain ads or buttons, make purchases, complete levels in games, read articles, view screens, and more.

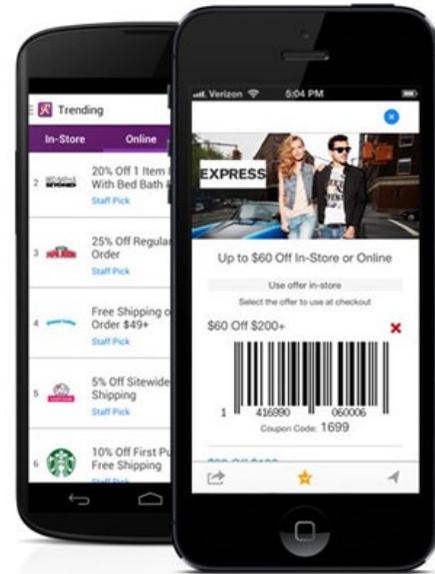
In-App Messaging, a product that's part of TUNE Marketing Console, enables you to divvy up your segments and send them specific messages. For example, you could send a push notification to users who haven't used your app in 30 days, telling them they'll get a 25 percent discount at checkout. RetailMeNot, a TUNE client, used In-App Messaging to decrease the lapse rate for new users. They analyzed retention based on first visit and first month interactions by assessing which channels users engaged with, what their acquisition source was, and their demographics. They uncovered that users who engaged with the app three times in their first week had a 65 percent higher two-month retention rate. Using that insight, they improved the user experience of push notifications and in-app



messages targeted at the first part of the app user lifecycle, when indications of future retention were highest. By sending specific messages to interested users, you too can increase the likelihood they'll engage with your app, make a purchase, and increase your app revenue.

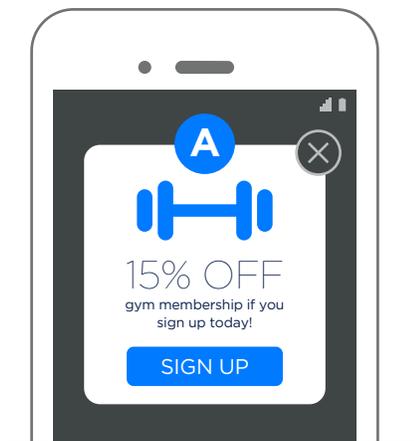
A/B test the success of re-engagement messaging.

Another important part of re-engagement and retention is A/B testing your in-app messaging. You can test everything from the copy, titles, images, CTAs, colors, features, and navigation flow from push notifications and in-app messages.

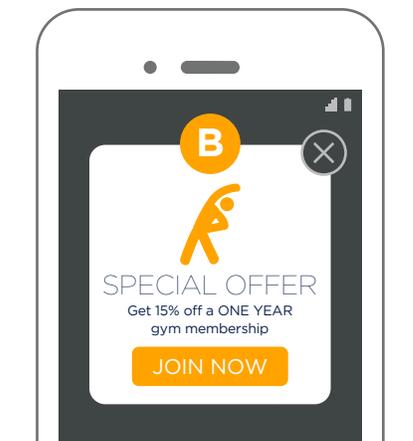


If you're also enacting segmentation, you can even drill down to which specific segments respond to which A/B tests. For example, you could A/B test two different kinds of special offers to an audience segment who has been away from your app for 30+ days. From there, you could launch the better performing option to all of your app users, using the smaller segment as a gauge for what will resonate with the bigger audience.

✓ **10.2% CONVERSION**



✗ **4.8% CONVERSION**



Measure to improve the lifetime value of your users. The top key performance indicators for this stage of the funnel are things like app opens and interactions, event completions through remarketing and retargeting campaigns, days active since last click or open, and the length of in-app sessions. By measuring each of them, you'll stand a greater chance of knowing which messages drive higher user engagement, making both your app and its users more valuable each time.

By carefully crafting messages that offer true value to your users, you increase the likelihood of keeping them engaged with your app. While users who don't return to your app (or worse, delete it) aren't what you're aiming for, they're actually giving you powerful cues as to where you need to tailor your messaging. Take their indifference as a tool to put together better campaigns, messages, and reasons for users to return to your app.

There are so many kinds of reports, it can be dizzying to know which report does what. Get a breakdown of the three reports every mobile needs to master in the free white paper, "[Three Major Types of Mobile Analytics.](#)"

The Final Word

While understanding the traditional marketing funnel will make you a better marketer overall, having a firm grasp of the mobile marketing funnel is what will catapult you to the ranks of the top mobile marketers.

Spend time in each stage of the funnel, ensuring your mix of paid and organic acquisition makes your app fully discoverable. Then drill down to each of your campaigns to find ways to reduce the cost of conversion and work with publishers who deliver the best customers. Finally, hone your messaging so that it isn't just noise to your app users; it's highly targeted, relevant content that will not only drive users back to your app, but complete the virtuous cycle of them spending more time in it, leaving positive reviews, and encouraging more app users to find it for themselves.

Want to hear it straight from the experts? Listen to our free webinar, [“Deconstructing the Mobile Marketing Funnel.”](#)



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