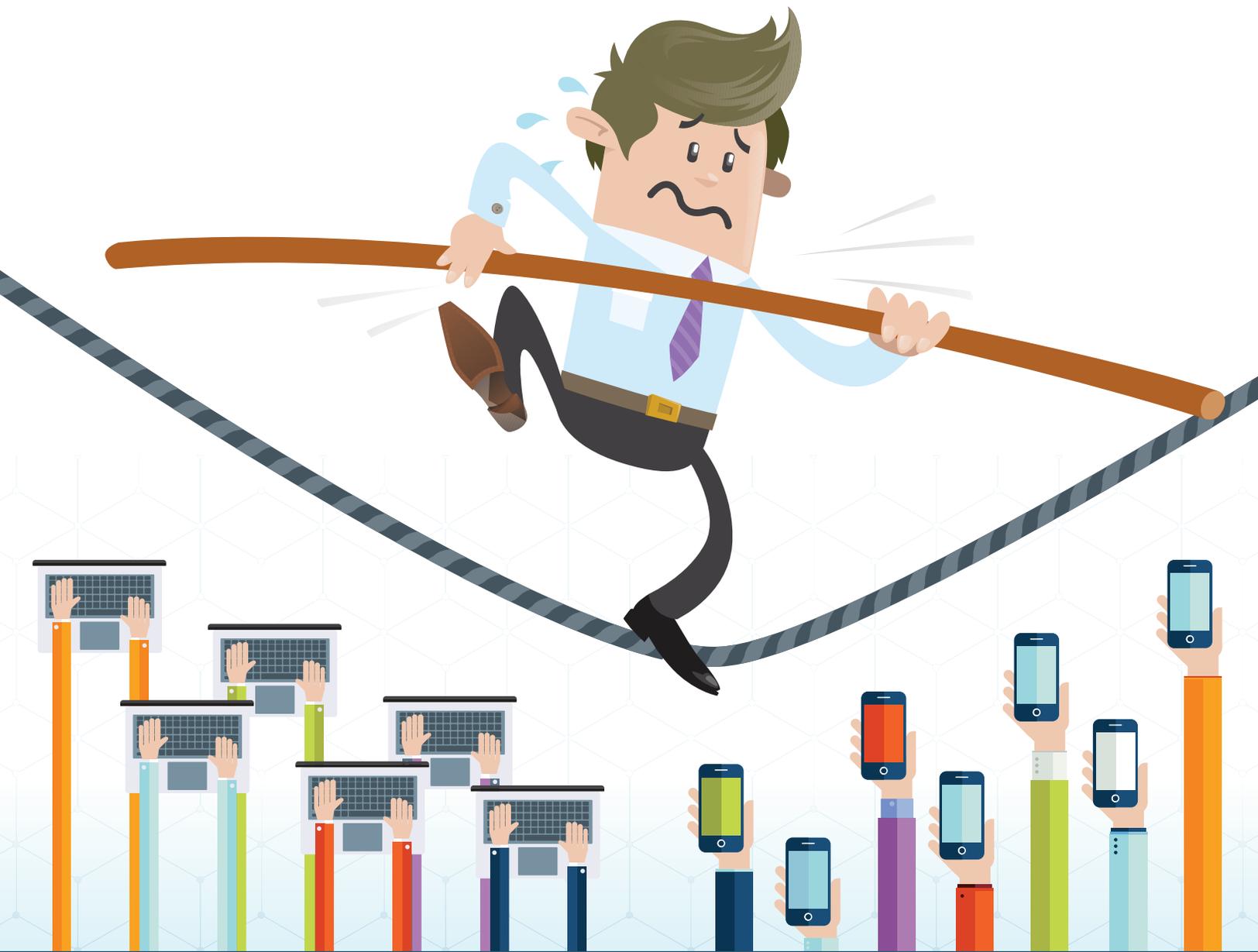




Bridging the Desktop/Mobile Divide

Understanding the technologies and tactics needed for success in a multi-channel world



Introduction

Many brands today are facing a mobile gap: consumers are spending more and more time on mobile devices, but brands haven't kept up. Despite accounting for 20% of US consumer time spent on media, mobile receives only 4% of all advertising dollars.¹ To strengthen relationships with their customers, and ensure continuity across all touchpoints, brands should be doing more to reach out and engage their current desktop users on mobile. Some brands, such as Nike, Ikea, and Audi, have embraced mobile apps to engage users with their products, and have had great success.² Mobile websites are another way to make your brand available to consumers where and when they choose to engage, even though they do not see the same level of usage as mobile apps.

This paper outlines a cross-device retargeting strategy for linking desktop and mobile users. Using this strategy will help you capture, engage, and leverage your current user base as they spend increasing amounts of time on mobile and move across devices and platforms.



¹ Business Intelligence, "Mobile Ad Spend Lags Way Behind Mobile Time Spent," May 28, 2014. Estimate compares time spent and ad spend on print, TV, radio and conventional Internet, and mobile.

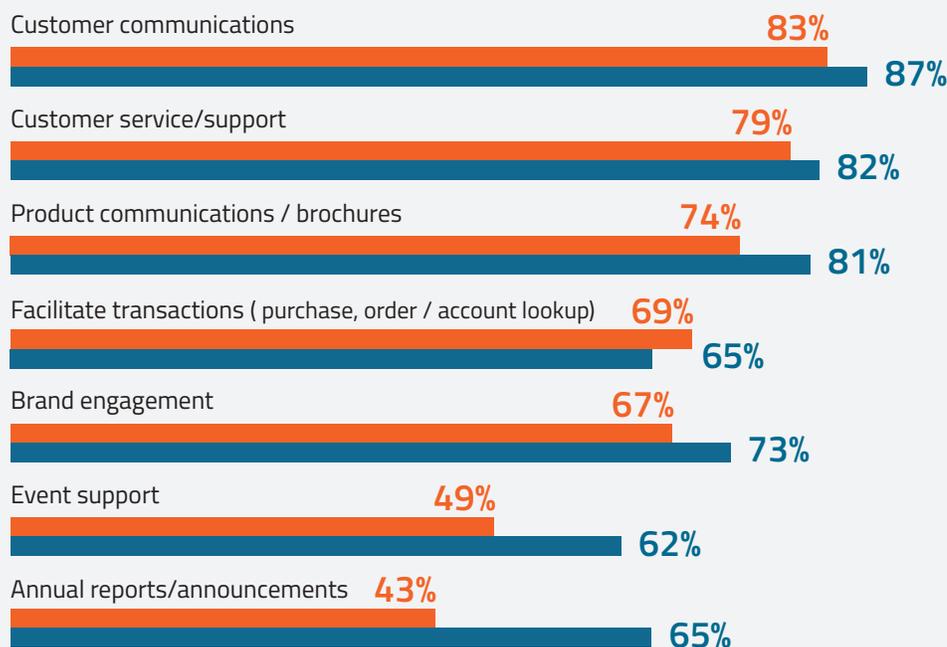
² Time, "Savvy Brands Are Using Apps Instead of Ads to Get Messages Across," February 14, 2014

The new cross-screen world order

Media consumption is increasingly shifting away from TV, newspapers, and even computers, and towards mobile devices. Data from Millward Brown indicates that, on average, consumers globally spend more time on smartphones and tablets - 197 minutes per day - than on TV or laptops.¹ And according to comScore, as of 2014, 55% of consumer time spent accessing the Internet is on mobile.

This growth is being driven by apps, which have become a key method of interacting with customers. A recent study by Adobe and Forbes showed that apps are increasingly becoming a communication channel across all types of consumer interactions:

Current and Future Functions of Customer-Facing Mobile Apps According to Executives Worldwide, Oct 2013 (% of respondents)



Current Future

Source: Forbes Insights and Adobe, "The Connected Marketer: How Apps Are Engaging Customers, Partners and Employees," Jan 8, 2014

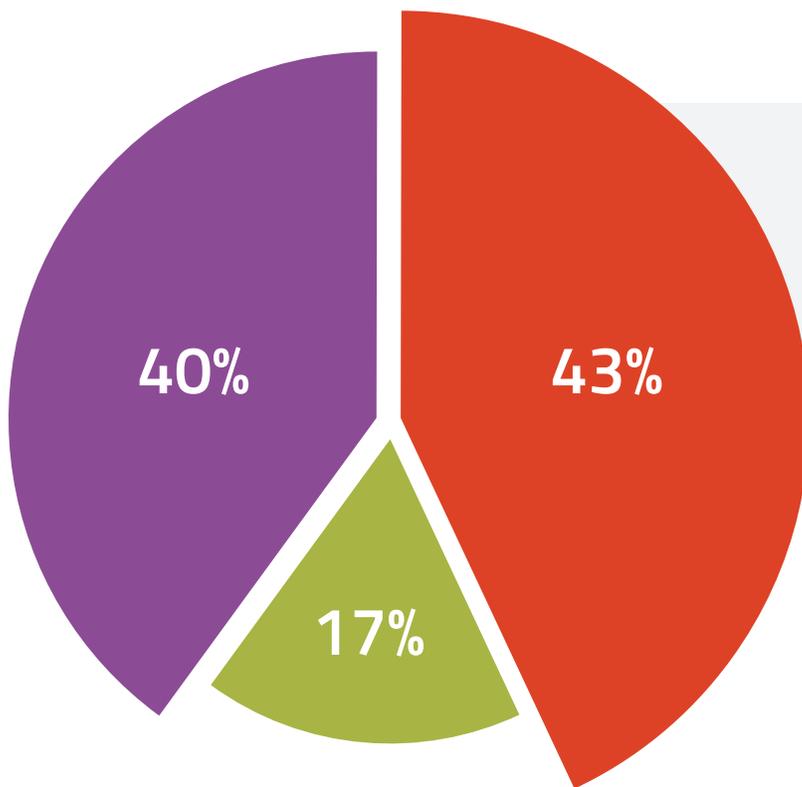
Mobile websites are another important communication vehicle, and should be factored into any marketing plan, but since they only represent 14% of all consumer time spent on mobile,² they should be a secondary priority.

¹ Millward Brown AdReaction 2014, survey of 12,000 consumers across 30 countries
<http://www.millwardbrown.com/adreaction/2014/#/main-content>

² Nielsen, "The Digital Consumer", February 2014

The multi-channel path to purchase

With the increase in mobile usage, the path to purchase has also evolved. According to a recent study by comScore, 60% of the time consumers spend on retail sites is on mobile.¹ Regardless of whether a transaction is completed online or in-store, the typical purchase decision is now influenced by interactions on smartphones and tablets. Similarly, a study by Google showed that 76% of online transactions begin on smartphones or tablets and continue on other devices. For transactions that begin on a PC, 24% continue on other devices.²



Total Minutes Spent in Retail Category by Platform

Source: comScore Media Matrix and Mobile Matrix, U.S., Dec 2013

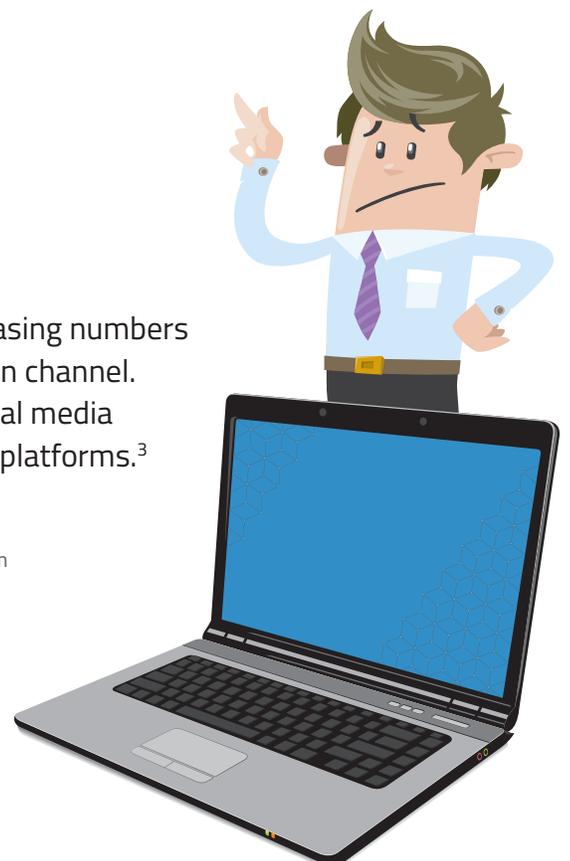
- Tablet
- Desktop
- Smartphone

In addition to multi-channel shoppers, there are increasing numbers of consumers using mobile as their *primary* information channel. comScore research indicates that for the top 100 digital media properties, 31% of users access exclusively via mobile platforms.³

¹ comScore, "Mobile and the Path to Purchase," April 29, 2014

² Google, Sterling Brands, and Ipsos, "The New Multi Screen World: Understanding Cross platform Consumer Behavior," Aug 2012. Controlled study of cross section of 1611 consumers.

³ comScore, "Marketing to the Multi-Platform Majority," October, 2013



Why it's critical to cross the mobile divide

This shift in behavior has serious implications for brands, who face the challenge of maintaining consumer relationships built on traditional media. There are a number of advantages to establishing a relationship with consumers on mobile and engaging them across all platforms.

Maintain visibility and continuity with consumers

It's critical to maintain a presence throughout the path to purchase. As previously noted, more than 50% of the time consumers spend on the Internet is via mobile. If you rely only on desktop and traditional media you'll miss out on key opportunities to build brand awareness and consideration with your target market.

Deter disruptive competitors

In any major technology shift, new entrants seek to upset existing customer relationships. With the rapid shift to mobile, it's critical that brands establish themselves on this medium to deter disruptive business models and strengthen their relationship with consumers.

Get better return on ad spend

Returns on mobile advertising and long term engagement can be significantly higher on mobile than other media. The Mobile Marketing Association's Smart Mobile Cross Media Effectiveness Study found that mobile advertising delivered two times the impact per dollar versus TV.¹ App downloads can be particularly valuable, since they can be a vehicle to develop a long term relationship with consumers. Fiksu's own research showed that mobile app advertising was the single most cost-effective source of brand engagements.²

¹ Mobile Marketing Association, "Smart Mobile Cross Media Effectiveness," May 6, 2014

² Fiksu, "Brand Building on Mobile Devices: Measuring the Value of Consumer Engagement",

<http://www.fiksu.com/resources/ebooks/brand-building-mobile-devices-measuring-value-consumer-engagement>



Access higher-spending multi-channel users

A number of brands have highlighted that cross-channel customers are their most frequent and valuable customers. For example, Walgreens found that its multi-channel customers were three times more valuable than others. According to David Lonczak, Walgreens' Vice President of eCommerce, "Consumers are growing more comfortable with technology, and they have a great desire to do research on their own before they buy—in any channel. That makes it imperative that potential customers can access Walgreens in any form, when and where they want to." ¹

Engage consumers and drive incremental business

There are many tactics that can be applied via mobile to engage consumers, build a brand and drive transactions. Here are some notable examples:

- Get users to download and engage with your app to embark on a long-term brand journey
- Drive consumers to specific pages in your app or on your website to spur purchases, registrations, or other valuable actions
- Build awareness
- Re-engage consumers at key points of consideration or evaluation

¹ Chief Marketer, "Walgreens Powers Multi-Touch Strategy With Mobile, Social and Ecommerce", June 6, 2012



{Fiksu}

fiksu.com/ebooks

Mobile user acquisition: perceived challenges

While many brands have apps and mobile websites, making consumers aware of them can be a challenge. For example, a recent survey found that only 20% of one major retailer's customers knew that the retailer had an app available.¹

Problems reaching mobile consumers include:

- **Discoverability:** The iOS and Google Play app stores have millions of apps. Rising above the clutter can be a challenge even for well-established brands.
- **Perceived measurement issues:** Mobile doesn't support third-party cookies, the most common measurement mechanism on desktop. This has led to a misconception that effective measurement is difficult on mobile. In a recent study by the Mobile Marketing Association, 46% of marketers indicated that difficulty of measurement was a key reason they didn't invest more in mobile marketing.²
- **Difficulty connecting desktop and mobile users:** Associated with the measurement issue, until recently it's been difficult to retarget users across platforms.

Cross-device targeting is the best way for brands with established consumer relationships on the desktop to recapture their user base on mobile. This completely bypasses the issue of clutter in the app stores, since it targets consumers with an existing relationship. And, the connection and measurement issues above have been addressed through recent improvements in standards and technology.

¹ Ad Age, "Brand Apps Need to Provide a Utility to Stay Visible", February 3, 2014

² Mobile Marketing Association/Neustar



Industry changes enable cross-device targeting

Until recently, cross-platform mobile retargeting was uncommon due to a number of technology and market maturity issues. Fortunately, recent developments have made mobile retargeting possible.

Standards

In April 2012 Apple released the Identifier for Advertising, a privacy-safe device identifier for the purpose of advertising attribution. In November 2013 Google followed suit, announcing that they would be replacing the unique Android ID with a similar Advertising ID. These changes provided stability and standardization, since many publishers had been reluctant to provide identifiers to advertisers due to uncertainty about accepted practice.

Now that there are clear guidelines, publishers are making this data available. This enables very accurate mobile attribution, which in turn enables measurement of desktop-to-mobile campaigns. With these standards in place, marketers can confidently implement mobile retargeting campaigns.

Facebook

In many ways, Facebook has led the advertising industry forward on mobile. By providing a rich environment where advertisers can reach consumers regardless of platform, Facebook became a high-quality source for cross-device targeting and raised the bar for the entire industry. As other players have taken notice, the result has been an increase in the amount and quality of targeting data available across the ecosystem.

Single sign-on

Many websites, apps, and services now allow users to authenticate via Facebook, Twitter, or Google+ single sign-on services. At its F8 developer conference in April 2014, Facebook announced a new anonymous login function that allows a user to log in to an external site without sharing any personal data.

In addition to offering great convenience to users, these services also allow social networks to build up a profile of a user activity outside their own service, which is very valuable for retargeting.



Growth of real time bidding on mobile

Real time bidding has grown considerably in recent months, broadening the market with increasingly large volumes of traffic. Real time bidding exchanges enable cross-device targeting through their standardized data exchange.

Roadmap for cross device user acquisition

Although cookies are not a viable means of tracking on mobile, alternate methods have been developed that facilitate cross-device targeting. There are two major methods to target desktop users on mobile: pixel tracking and use of cross-platform media sources.

Pixel tracking

Pixel tracking uses a technique already familiar to digital marketers - placing a tracking pixel on a desktop website to collect visitor activity and non personally identifiable information such as IP address and timestamp. This data becomes the basis for subsequent retargeting efforts.

This information allows advertising platforms to serve ads to your web site users on mobile via real time bidding exchanges. In addition to being an effective way to reach your existing users on mobile, this method is also very cost effective: reacquiring a desktop user on mobile is typically a fraction of the cost of new user acquisition.

Case study: quick service restaurant

Using Fiksu cross-device targeting, a major quick service restaurant promoted their mobile app to visitors to their website. The campaign was extremely effective in increasing user volume compared to a similar new user acquisition campaign using the same media sources.

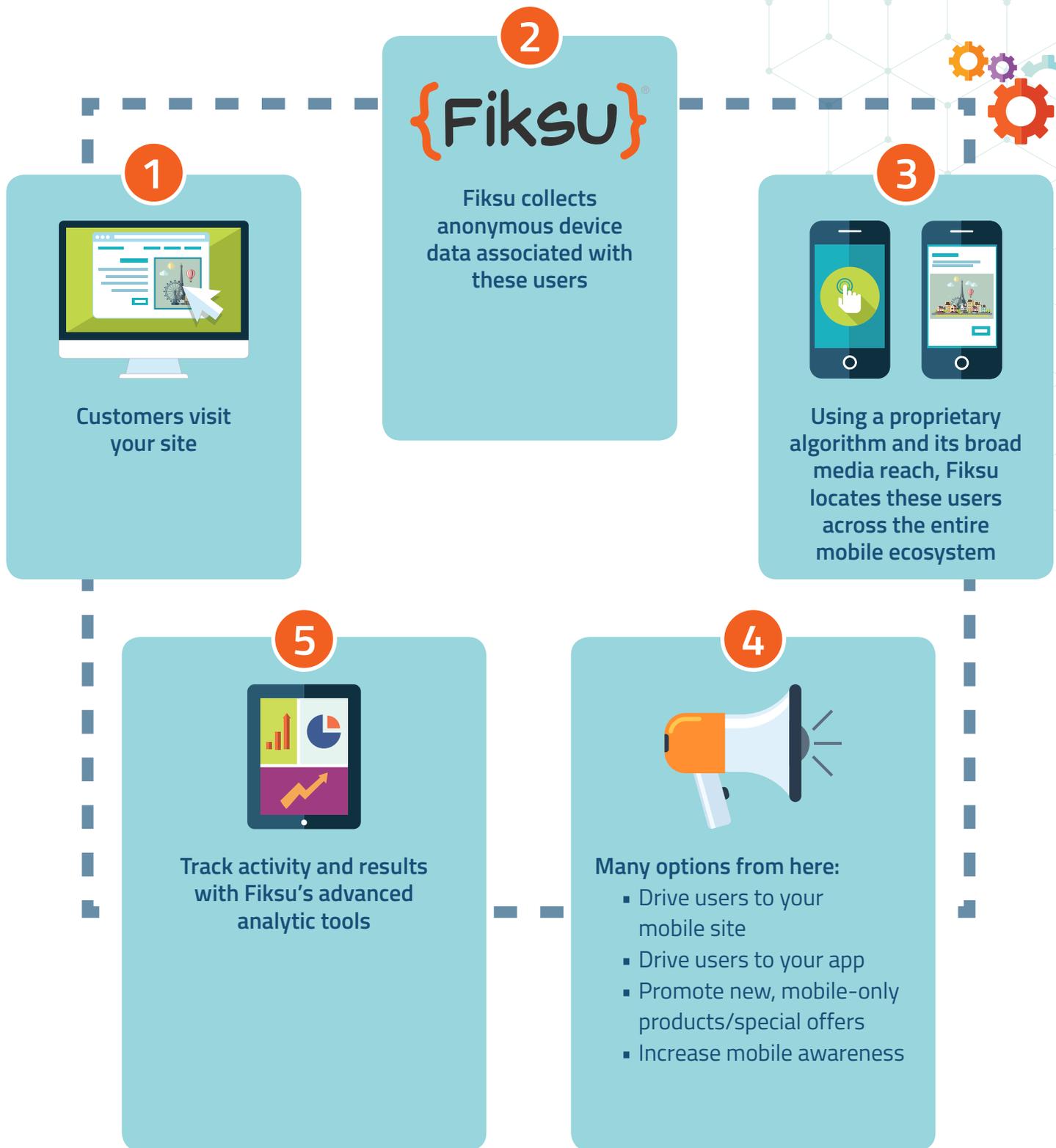
In addition, the quality of the cross-device users was significantly higher: they made 65% more purchases than those acquired via other channels.

Results: cross-device users vs. new users

- Cost per install: 45% lower
- App install volume: 280% higher
- Engagement/return rate: 20% higher
- Purchases per user: 65% higher



Fiksu cross device targeting



Additional opportunities for pixel targeting

Pixel tracking also lets you segment your user base for more effective targeting. For example, you could place a pixel on your shopping cart page to identify users who opened a cart. Another pixel could be used on your thank you page to identify purchasers, or on your deals page to identify price-conscious consumers, and so on. If your goal is to generate signups or registrations, you could use the same technique to identify incomplete registration forms.

Once you're tracking these behaviors, you can retarget users in more specific ways:

- Drive users to specific pages to promote new products or initiatives (these can be desktop, mobile web, or mobile apps)
- Increase awareness to drive purchases
- Remind users of open shopping carts
- Prompt users to complete key actions, such as registering

Cross-platform media sources

The other major source of cross-device targeting is cross-platform channels like Facebook and Twitter, where users are commonly logged in across both desktop and mobile devices. They're able to make direct connections between desktop and mobile users that other technologies can't. They also have additional targeting information not typically available via mobile ad networks.

Facebook reaches over half the available mobile market, and has a wealth of targeting and segmentation data that allows marketers to hone in on precise audiences. Twitter, which reaches about 20% of the mobile market, also provides the ability to reach across desktop and mobile and segment via unique criteria.

These platforms offer additional methods of cross-device targeting along with support for pixel tracking.

Targeting options on Facebook and Twitter

	Email Address	Phone Number	Pixel Tracking	Comments
	Yes	Yes	Yes	Facebook's Website Custom Audiences function uses a pixel tracking tool to collect data that enables segmenting of audiences
	Yes	No	Yes	Twitter's Tailored Audience function can be used to identify desktop users for targeting

Cross-device targeting implementation tips

There are a number of techniques and best practices that can improve performance of cross-device targeting. Some of the top options to consider:

1. Target across advertising sources

Different users will use different apps, social networks, and media sources on a daily basis. To effectively target users, you should advertise on both:

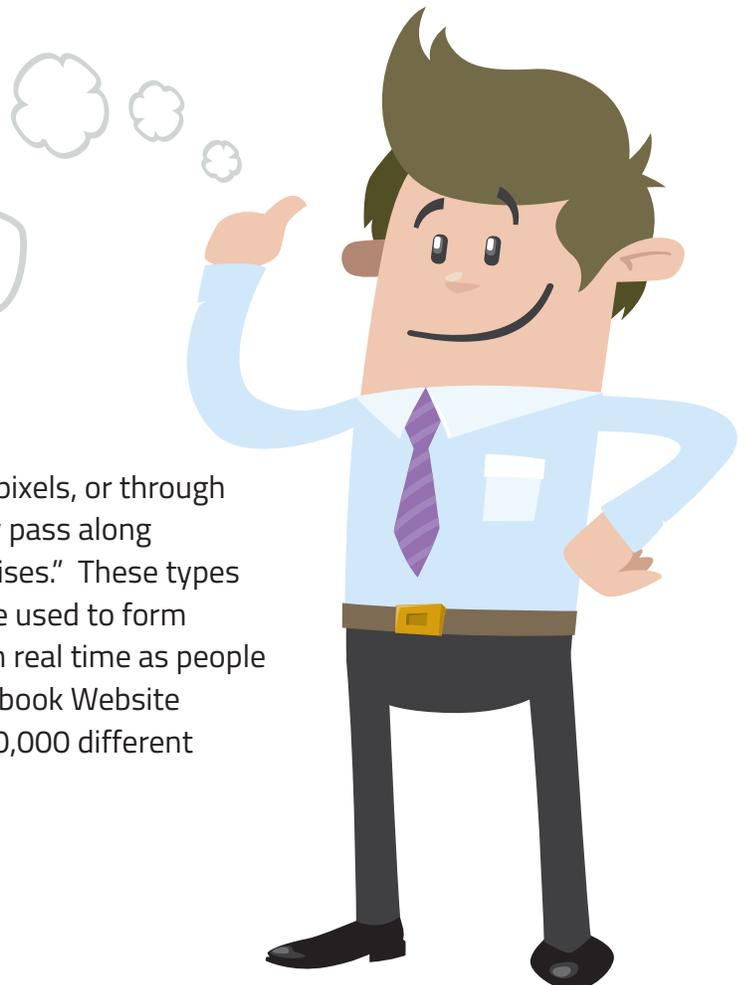
- **Demand side platforms** that reach the major mobile real time bidding exchanges, e.g. Fiksu DSP, Tapad, Drawbridge, AdRoll
- **Social media** properties such as Twitter and Facebook

2. Segment your user base

Rather than targeting all users, define segments for your users based on criteria such as where, when, or how frequently the user engaged with your site. For example, if you have a travel site, you can serve users who visited your "Cruises" page a targeted ad about cruises, rather than a generic travel ad.



You can do this through multiple tracking pixels, or through SDKs and Javascript tags that dynamically pass along specific data such as "cart viewed" or "cruises." These types of tags are highly customizable and can be used to form very granular segments that will update in real time as people visit your website. For example, with Facebook Website Custom Audiences you can create up to 10,000 different audience segments.



3. Use deep linking to drive action

For users who already have your app, you can customize the cross-device targeting experience by sending them to specific pages within your app. This is known as “deep linking” and requires a custom URL scheme to be set up within your app—it cannot be done by a third party.

[These guidelines and tools](#)¹ will help with this process.

4. Have a backup

If a user clicks on an ad with a deep link to your mobile app, what happens if they don't have your app installed? If your goal is to get more people using your mobile app, this is a perfect opportunity to send them to the app store. However, if your ad is intended to drive a purchase or action, this could be a hurdle. Instead, consider using your mobile website as a backup, so a user who doesn't have your app installed can complete their action on your mobile website instead.

5. Implement tracking to measure ROI

Measure the effectiveness of your campaigns based on the value of the users generated. For apps, tracking SDKs from specialized vendors can provide visibility into purchase and monetization events, and will link these back to the campaigns that drove purchasing users. For mobile web, conversion pixels on checkout or registration pages can provide the closed-loop attribution needed to measure ROI for cross-device campaigns.

6. Optimize your spend

Cross-device targeting involves a number of variables that can be optimized including, user segments, creatives, and target location for deep links. Test to validate which combinations of variables yield the best performance, and monitor your results over time to identify any trends or changes. Also test different media sources to identify the best performers.

7. Watch your CPC

Most providers price on a cost per re-engaged click (CPC) basis. Consult with your provider to understand what is an appropriate CPC starting point. This will ensure that you get reasonable scale during the first few days of your campaign without overpaying. CPCs will likely increase over time as you seek to reach less active users.

8. Frequency cap

Some studies have shown that a high number of impressions may be required to convert a potential user.² If you're paying on a CPC basis, this shouldn't be your primary concern, since you're not paying for impressions. However, to avoid consumer ad burnout, you should cap the number of impressions an individual consumer is served in a given timeframe. Some ad networks handle this automatically, while others provide the ability to control this variable. There is no single standard, so consider your goals and the decision-making process for your consumers.

¹ Fiksu, “Deep Linking: Take mobile users directly where they want to go”, August 2014

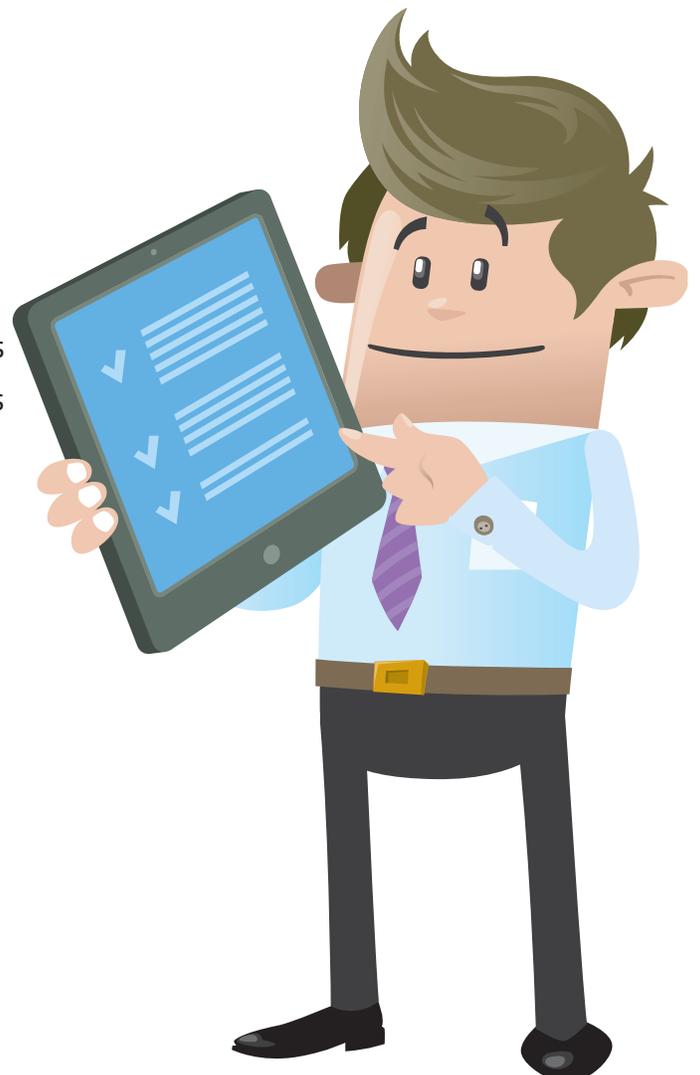
² For example a Doubleclick/Dynamic Logic study showed purchase intent doubled when consumers saw an ad more than one time. “Better Brand Engagement with Display Formats”, February 2012

Conclusion

- Consumers are now spending a majority of their time on digital, and more specifically, on mobile. Inability to connect across devices effectively reduces your reach by 50% or more.
- The path to purchase is now multi-channel, with consumers evaluating, considering, and purchasing on a mix of desktop, smartphone, and tablet devices.
- Marketers need to connect with users across desktop and mobile to maintain the consumer relationship, build sales, and deter new competitors. To do this, they first must make sure to reacquire their desktop users on mobile.
- Until recently, cross-device targeting has been held back by limitations in measurement and lack of appropriate inventory.
- Advancements in measurement standards, increases in availability of mobile real time bidding inventory, and offerings from Facebook and Twitter on mobile have made cross-device targeting a reality.

Key actions:

- Use all major channels and methods to target across devices to ensure adequate reach
- Make sure you are frequency capping and optimizing your campaigns
- Use deep linking to drive desired actions
- Make sure you have measurement tools in place to optimize your campaigns and to verify your ROI



About Fiksu

Fiksu is the world's leading programmatic mobile marketing platform for mobile user acquisition, engagement, and retargeting.

- Over 3 billion mobile app installs generated
- 15 billion daily ad impressions available
- 300 million in app events processed per day
- Used by 40 of the top 50 grossing app publishers
- Works with all leading mobile media sources, addressing 99% of available mobile media impressions:
 - Mobile banner and video ad networks
 - Real time bidding exchanges
 - Facebook and Twitter
 - Premium publishers

Fiksu cross-device targeting

Fiksu cross-device targeting reaches across the entire mobile marketplace to locate your desktop users wherever they spend their time and reacquire those users on mobile.

- Supports both in-app and mobile web targeting
- Supports both pixel tracking and identifier-based solutions
- Programmatic buying and measurement on both Facebook and Twitter
- Deep links direct into apps, mobile web
- Full mobile measurement of monetization events and LTV to validate ROI



Fiksu is used by 40 of the 50 highest-grossing app publishers to achieve exceptional app marketing results:

- **60 percent reduction** in media costs
- **300 percent increase** in loyal user acquisition
- **Over 3 billion** downloads generated to date

Clients that use Fiksu



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