
State of Mobile App Marketing, 2016

The goals, strategies & tactics of the world's leading mobile acquisition and retention marketers



Introduction

Mobile app marketing has come a long way in only a few years. From an initial focus on App Store Optimization, mobile marketers now employ a wide array of tactics and techniques that span the entire customer journey - from acquisition to retention and conversion.

No longer an island unto itself, the mobile app experience is now also increasingly joined with other touch points and the data fed into CRM, customer support and business intelligence systems.

And yet, mobile marketing still has a long way to go. As the focus shifts from acquiring users to building relationships that endure over long periods of time, new tools and techniques are required, as well as holistic metrics for measuring such activities. The process of building and maintaining world-class mobile app experiences is still too labor intensive. Talent with the required blend of creativity, analytical rigor and technical understanding are in too short supply. Data discrepancy issues abound.

To better understand the state of mobile app marketing in 2016, mParticle partnered with Grow.co, hosts of the Mobile Apps Unlocked (MAU) summit. The study was fielded in April and May 2016 and respondents were recruited from Grow.co's community of Mobile Acquisition and Retention marketers. In total, we received more than 100 responses from mobile app marketers from companies including Gilt, The NY Times, Zappos, SeatGeek, Zillow, Priceline, and many more.

We're pleased to share the findings in this report, and wish to extend a special thanks to Grow.co and all the participants in this study for their support!

Survey Highlights

GOALS

Retaining app users is more critical than ever, with more than 70% of respondents saying engagement metrics have increased in importance year over year.

CHALLENGES

Talent shortages are an issue, with almost three quarters (72%) of all respondents saying their biggest challenge was related to “lacking engineering resources” or “team members” or both.

TACTICS

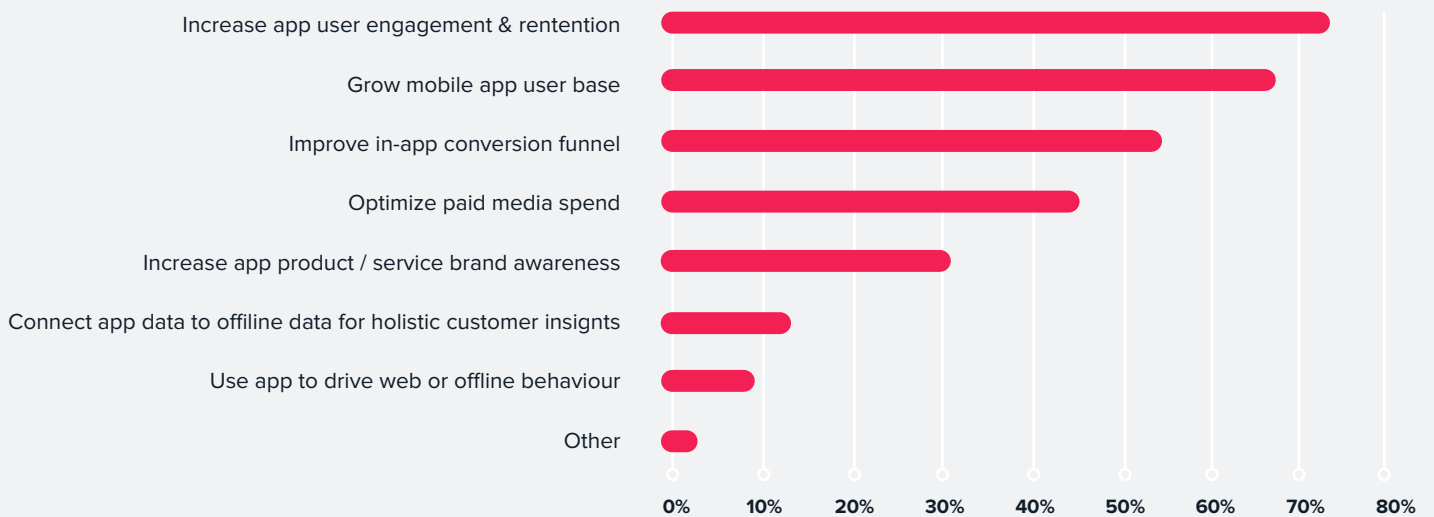
Paid media, email, content marketing and mobile messaging are the tactics where mobile app marketers spend the majority of their time. They spend significantly less time on App Store Optimization, although several claimed that “if I had an extra day in my week” ASO is where they’d spend it.

DATA STRATEGIES

The majority of app marketers utilize 3rd party software libraries (SDKs) to implement marketing and analytics services into the app, despite the engineering complexity and potential performance impacts. Of the marketers with a strategy in place to minimize SDK load, 1 in 3 use custom integration methods while 2 in 3 use a software data layer (such as mParticle’s).

Goals & Challenges

Which of the following goals are more important for you this year (2016) than last year (2015)?



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For a large majority of respondents, engagement & retention of active users is a more important goal this year than it was last year. Same goes for growing the app user base, and improving in-app conversions. In other words, “owning the funnel” or “full funnel marketing” is more critical to mobile app marketers than ever.

Goals & Challenges

What prevents you from being even more successful in your role?



n= 105

Far and away the biggest barriers to success for app marketers are people related. Almost three quarters (72%) of all respondents said their biggest challenge was related to “lacking engineering resources” or “team members” or both.

Goals & Challenges

If you had an extra day in your work week, how would you spend it?



NEW TACTICS

Improve app UX

Do more ASO

Get to items further down priority list like ASO

Proper analytics instrumentation + ASO experiments

Expand on social advertising efforts

Write more content

Work on new/emerging acquisition channels

Focus more on mid funnel optimizations rather than strictly ad optimizations and top funnel work

Spend more time on retention/product marketing and funnel optimization

Concepting and creating more content marketing assets, researching and identifying influencer (individual and/or platform channels) distribution targets for that content.

Experimenting with new acquisition channels

Making campaigns & creatives more granular and thus more relevant across all of our channels



DATA MANAGEMENT & TOOLS

Fix Tableau reports from on-prem data warehouse (yes, my company thinks it's 2005...)

Getting all the data we have in one place

Better structure data and tracking on site and in app, and learn how to do it myself

Learn more about the vast ecosystem of products / tools available

Focusing on growth marketing technology integrations (attribution, aws/infra, analytics, marketing automation, a/b testing, deep linking)

Goals & Challenges

If you had an extra day in your work week, how would you spend it?



ANALYTICS

Developing cross-device attribution hacks/solutions

I would take time to better compare year over year stats for paid social marketing efforts.

Checking over customer flows in app/email

Studying trends in campaign performance

Data analysis, expanding dashboard views

Optimize social media campaigns

Implement more testing tools and run more tests in funnel and in app

Focus on better attribution!

Building predictive models

Analyzing data more closely and developing more insights.

Improving our visualization of app analytics data



STRATEGY & CREATIVITY

Explore new options and ideas beyond what we have been doing

Step back and look at the big picture/landscape

Develop more hypotheses for A/B tests

Fully off-desk taking a step back, thinking about high-level strategy and evaluating how current initiatives align with what I believe are highest priorities for the business

Design creatives and create new lookalike audiences. The creative development process is time intensive and frequent creative refreshes are extremely important.

Testing & refining our go-to-market plan for a new feature we're launching

Profiling and talking to users



PERSONAL GROWTH & DEVELOPMENT

Learning data related skills.

Learn more about the latest trends in mobile marketing

Learning more about the details of mobile industry successes beyond our genre, and applying them to our game

Read books

Try to think deeply about new ways to grow user base

Learn python

Spending more time researching and reading up on latest trends to further knowledge and expertise, something that is getting harder to prioritize as more responsibilities get added to my plate

The Mobile Marketing Mix

How much time or effort do you or your team spend on each the following channels and how effective do you see them?

TIME/EFFORT VS. EFFECTIVENESS OF MARKETING CHANNELS



n= 105.

● TIME / EFFORT ● EFFECTIVE

App marketers devote the majority of their time/effort to the marketing channels they see as most effective: paid media, email, content marketing and mobile messaging. The one area where there is a potential mismatch between effort and effectiveness is content/social marketing — a comparatively heavy lift, with less certain payoffs. Interestingly, app marketers spend less time on App Store Optimization than they do these other activities, and the least amount of time/effort on traditional media and event marketing.

The Mobile Marketing Mix

How much time or effort do you or your team spend on each of the following channels and how effective do you see them?

TIME/EFFORT X MARKETING BUDGET



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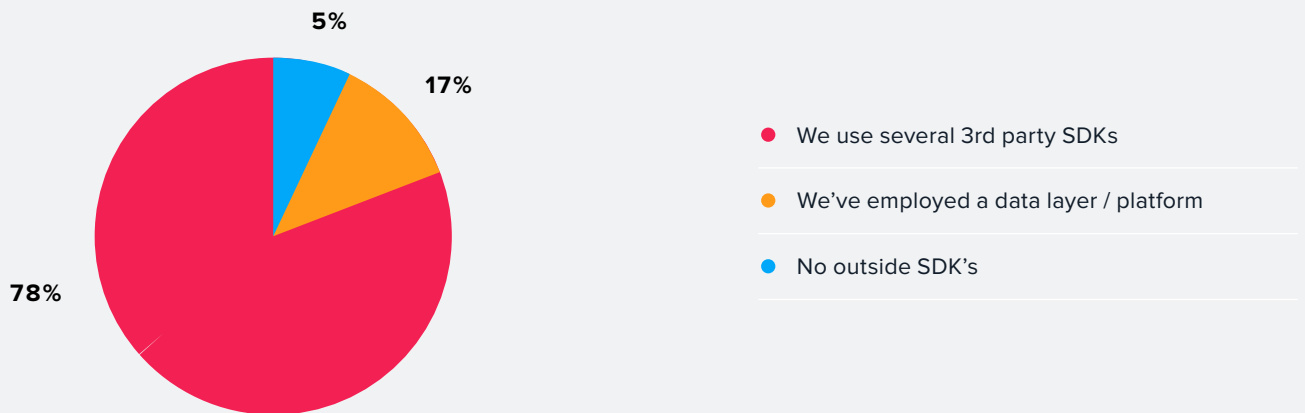
● >\$100K ● <\$100K

Our respondent group was equally weighted between app marketers with a budget over \$100k and under \$100k (with 20% not knowing their budget or opting not to answer). The higher budget segment devoted significantly more time/effort to paid media, both digital and traditional, which is not surprising. Interestingly, the higher budget group also devoted more time/effort to mobile messaging.

App Data Strategy

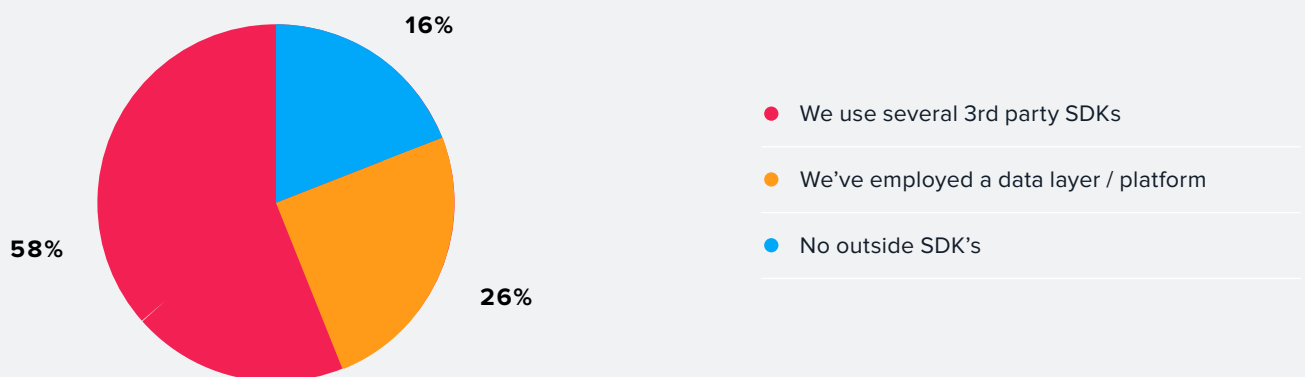
How would you best describe your company's app data strategy?

APPS WITH < \$100K MARKETING BUDGETS



n= 40

APPS WITH > \$100K MARKETING BUDGETS

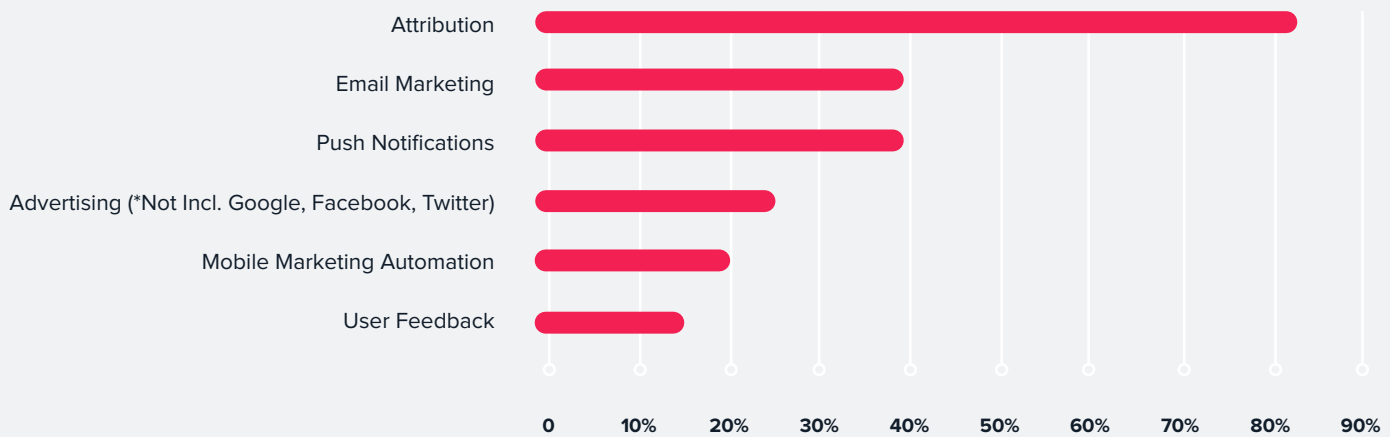


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Apps with larger marketing budgets are more likely to have in place a plan to minimize SDK load in the app — 42% have either a data layer or no SDK policy, compared to just 23% of apps with marketing budgets below \$100k in our survey. Meanwhile, virtually all of the respondents with a no outside SDK policy were larger budgeted apps.

App Data Strategy

Which type of vendor SDKs do you use in your app? *(Select all that apply)*



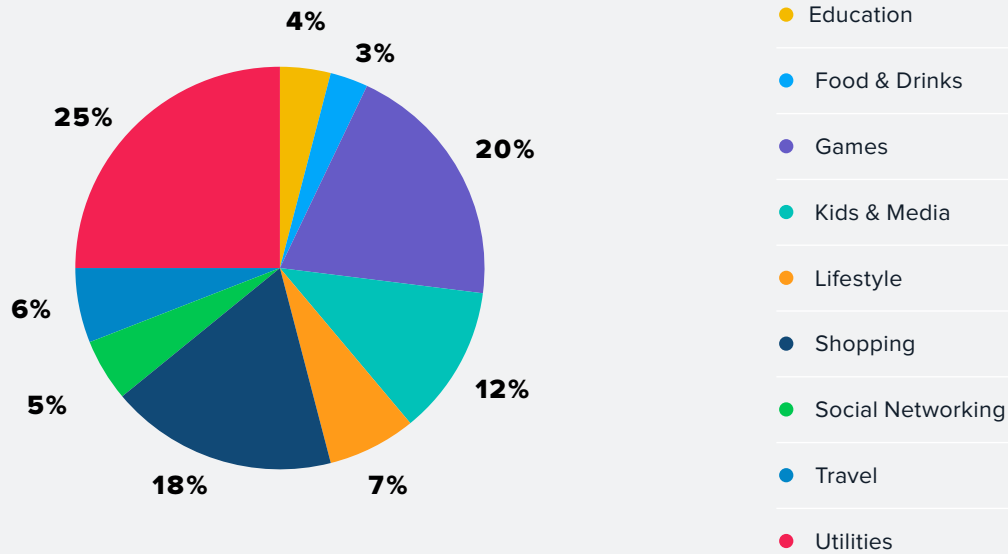
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Of the respondents who used third-party SDKs, the most common marketing SDK (other than analytics and crash reporting, which are essentially universal) is Attribution. Meanwhile, user feedback (survey tools) were the least commonly used. Roughly 30% of respondents utilize email, push notification or mobile marketing automation tools, suggesting significant opportunity for growth in these categories given the general sentiment among respondents that these tactics are effective and that “full funnel marketing” is important.

About the Survey

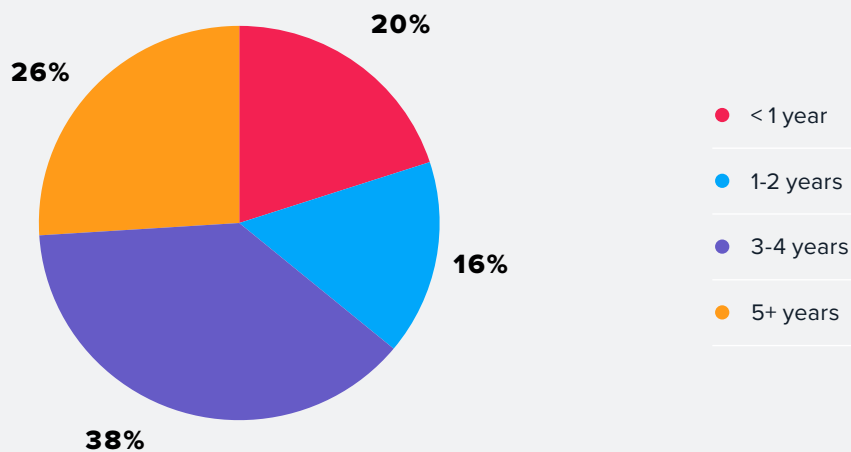
The mParticle State of Mobile App Marketing Survey was conducted online in April and May 2016. Participants were recruited with the assistance of Grow.co, the largest community for mobile growth marketers, and represented app marketers from a variety of categories. As we rounded to the nearest percent, not all percentages total to 100%. The charts below depict the demographics of the mobile app marketers who completed the survey. We received 105 responses (after screening out for mobile tech vendors and agencies).

What is the App Store Category of your mobile app?



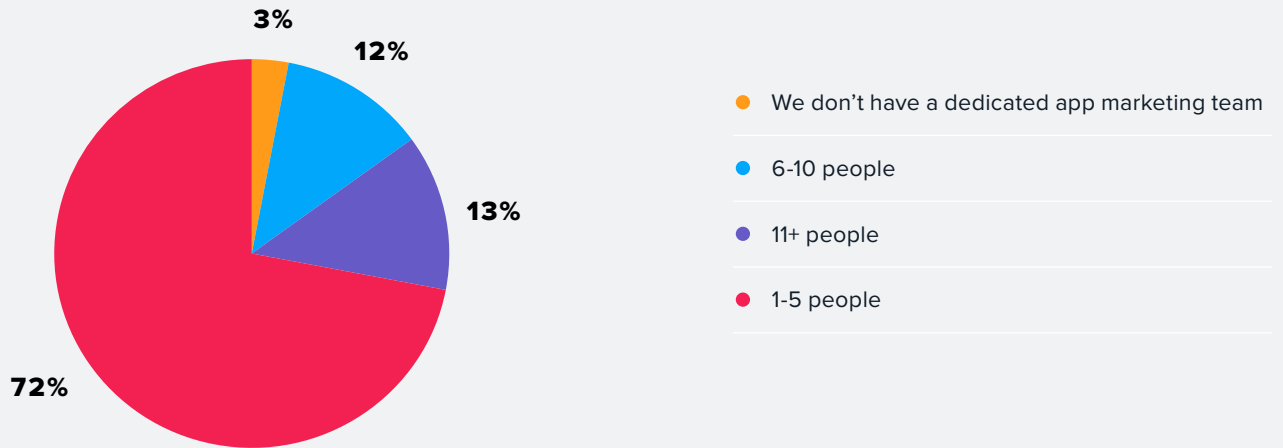
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How long has your app been in the App Store?



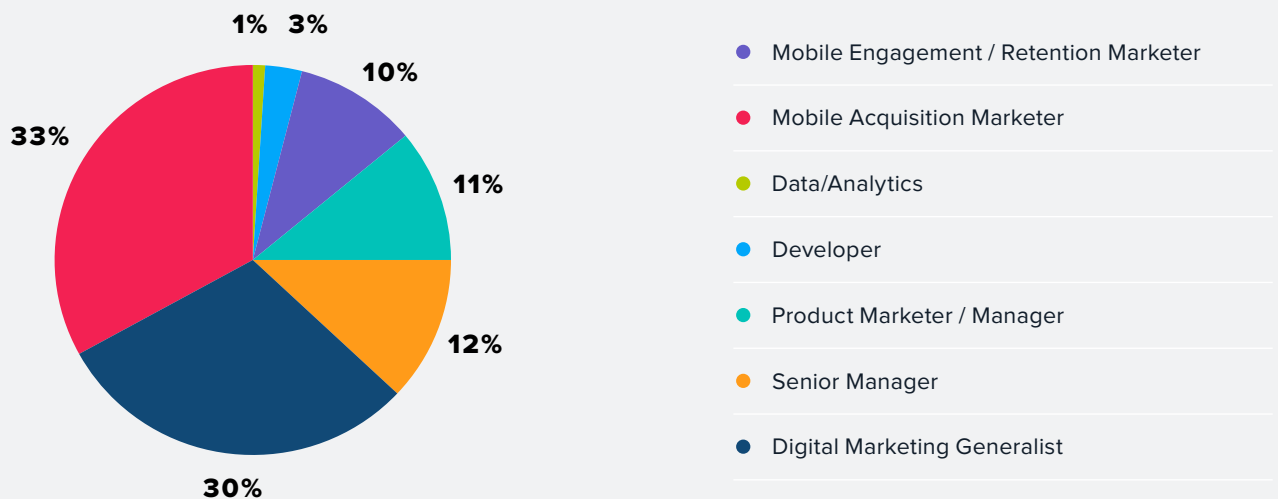
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How many people are on your app marketing team?



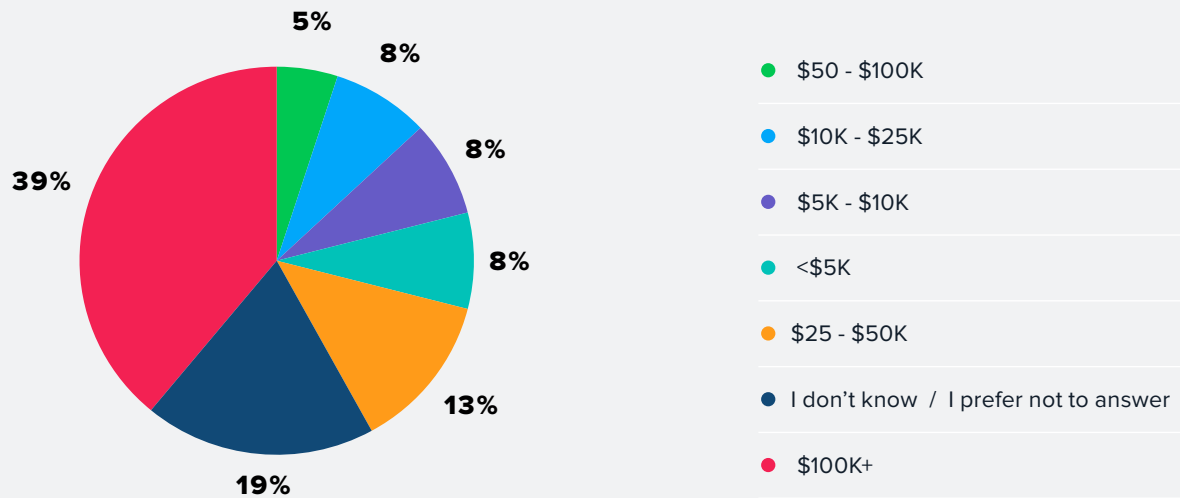
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What is your role in the company?



n= 105

What is your total monthly app marketing budget?



n= 105

About mParticle

mParticle is the only customer data platform built for mobile and native apps across all devices.

To win in mobile requires data infrastructure purpose built to address the complexities core to running an app business. mParticle was built from the ground up to do just that; empowering mobile marketers and developers to accelerate their mobile strategy and keep pace with their customers by providing the most advanced data platform today. mParticle serves large brands such as Spotify, SeatGeek, Starwood, SoulCycle, iHeartRadio, among many others. Each month, mParticle sees over 750 million mobile users on its platform, captures over \$2 billion in ecommerce transactions, and processes over 65 billion API calls. mParticle was founded in 2013 and is headquartered in New York City.

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