

Online Customer Acquisition Test Results

May/June, 2013

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Test Details

- Goals
 - Establish baseline economics for paid customer acquisition
 - Understand which keywords, targeting & messages are most efficient
 - Identify areas for optimization and refinement looking at the funnel from end-to-end
- Target audience
 - people actively seeking photo solutions & photo enthusiasts
 - Countries: US, UK, CA & AU
- Three campaigns tested:
 1. Google Search
 2. Google Display Network – Keyword Targeting - Text Ads
 3. Google Display Network – Interest & Keyword Targeting - Banner Ads
- Spend: \$11,500
- Test dates: 5/23-6/4 (13 days)

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Overall Findings

- Cost to acquire a free sign-up from optimized first round tests is ~\$10 (with room for improvement through ongoing development & optimization)
- Large volume of targeted, affordable photo-related inventory available
- Although there is lots of interest in the service in terms of sign-ups, conversion from sign-up to paid conversion is about 80% lower for paid traffic vs. organic traffic and needs to be optimized across multiple points in order to make paid acquisition efficient
 - *See full funnel analysis on next slide for details*



Paid vs. Organic Conversion Funnel

Free-to-paid conversion rate for paid traffic is 80% less efficient than from organic traffic.

	Paid (Google)	Organic	% Difference (Paid vs. Organic)
Free sign-ups	827	775	7%
Activated accounts	456	649	-30%
Account activation rate	55%	84%	-34%
Uploaded at least 1 photo	150	422	-64%
Photo upload rate (1 or more)	33%	65%	-49%
Paid subscribers	11	50	-78%
Paid subscription rate (1 or more photos)	7.1%	11.7%	-39%
Free sign-up to paid subscription rate	1.3%	6.5%	-79%
Average photos	1,148	4,401	-74%
Median photos	0	282	-100%

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Key Insights


- Photo Albums, Photo Sharing & Photo Storage angles are the largest pockets of opportunity accounting for ~80% of sign-ups
- There is substantial confusion around how to move photos from one device (tablet, phone, computer) to another—searches on this topic are highly fragmented and equivalent to the combined searches for Photo Sharing & Photo Storage
- People are responding to messaging for a next generation photo solution
- Women are 71% more likely to sign-up than men

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Baseline Metrics & Economics

- Average cost to acquire a new sign-up: \$13.46
- Search was the top performing campaign accounting for 61% of sign-ups at a \$10.27 cost/sign-up
- GDN – Text has good potential at <\$10/sign-up when fully optimized and lots of volume available
- GDN – Banner was not efficient for driving sign-ups
- ROI is -87% on a 3 year LTV of \$147

Top
performing
campaign



Metric	All Campaigns	Search	Text	Banner
Cost	\$11,511	\$5,339	\$4,967	\$1,205
Impressions	7918061	127,352	5,646,537	2,144,172
Clicks	10,112	2,599	6,000	1,513
Click-Through Rate	0.13%	2.04%	0.11%	0.07%
Cost-Per-Click	\$1.14	\$2.05	\$0.83	\$0.80
Sign-ups	855	520	331	4
Cost/Sign-up	\$13.46	\$10.27	\$15.01	\$301.25
Click-to-Sign-up Rate	8.46%	20.01%	5.52%	0.26%
Paid Subscribers	10			
Cost/Paid Subscriber	\$1,151			
Free-to-Paid Conversion Rate	1.17%			

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Where are we finding new customers?

Top media angles ranked by sign-up volume
across both search & GDN text campaigns

Photo Sharing, Photo Storage & Photo Albums
accounted for 80% of all sign-ups

Media Angle	Spend	Signups	Cost/ Sign-Up
Photo Sharing	\$4,691	454	\$10.33
Photo Storage	\$1,686	152	\$11.09
Photo Albums	\$1,095	109	\$10.04
Competitors/Brands	\$639	34	\$18.79
Organization	\$411	29	\$14.18
Gear	\$605	24	\$25.23
Photo Editing	\$223	18	\$12.42
Device Transfer	\$282	16	\$17.60
Galleries & Slideshows	\$389	12	\$32.42

GDN - Text Only

Search + GDN Text

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Top Text Creative by Theme (Cost/Sign-Up)

Sharing

[Easy Photo Sharing](#)

Share, store, organize & enjoy your photo collection. Try it now!
[Everpix.com](#)

[Free Photo Sharing Site](#)

The smart way to share your photos with friends & family. Try it!
[Everpix.com](#)

[Share Photos](#)

Effortlessly share & enjoy your photos from anywhere. Try it!
[Everpix.com](#)

[Share Your Photos](#)

Easily share photos with friends & family from everywhere. Try it!
[Everpix.com](#)

Storage

[Photo Storage Online](#)

Keep your photos safe in one place. See them from anywhere. Try it!
[Everpix.com](#)

[Free Online Photo Storage](#)

Store all your photos in one place. Fast. Simple. Powerful. Try It!
[Everpix.com](#)

[Photo Storage](#)

Effortlessly store & organize your photos. Enjoy them from anywhere!
[Everpix.com](#)

Albums

[Smart Photo Albums](#)

Effortlessly sync, store, organize & enjoy your photos. Try it!
[Everpix.com](#)

[Simple Photo Sharing](#)

Easily share your photos with family & friends. Try it!
[Everpix.com](#)

Organize

[Get Your Photos Organized](#)

Effortlessly combine & organize your photos so you can enjoy them!
[Everpix.com](#)

[Organize 1000s of Photos](#)

The smart way to quickly organize & enjoy your collection from anywhere
[Everpix.com](#)

[Photo Organizer Software](#)

Let us organize, sync and store all your photos for you. Try it now!
[Everpix.com](#)

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Top Performing Banners (CTR)

1. Messy - 0.08% CTR



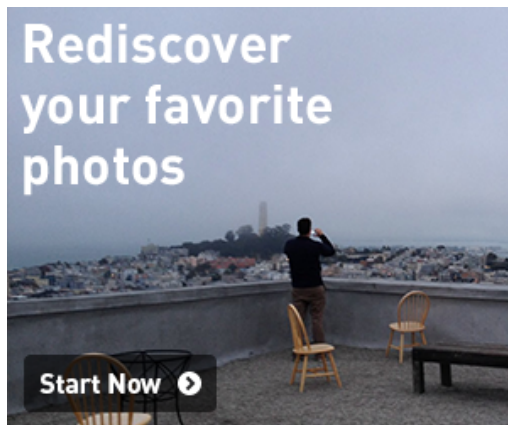
2. Rediscover 1a - 0.08% CTR



3. Messy 2 0.07% CTR



4. Rediscover 2 - 0.07% CTR



5. All - 0.07% CTR



6. Everywhere - 0.07% CTR



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Bottom Performing Banners (CTR)

1. Rediscover 1 - 0.05% CTR



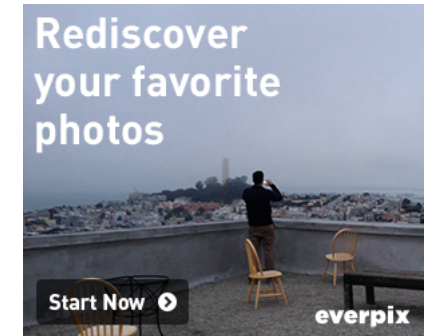
2. Messy 3 - 0.05% CTR



3. Rediscover 5 - 0.05% CTR



4. Rediscover 2a - 0.05% CTR



5. Rediscover 3 - 0.04% CTR



6. Rediscover 3a - 0.04% CTR



7. Messy 4 - 0.04% CTR



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- Banners in the 'Rediscover' ad series generally performed better with the Everpix logo
- Less/familiar and older-style cameras did not perform as well for the 'Messy' ads

Banner Creative Performance

Ranked by click-through-rate

Ad	Cost	Impressions	Clicks	CTR
Messy	\$401	578,430	467	0.08074%
Rediscover 1a	\$53	111,483	90	0.08073%
Messy 2	\$60	116,192	89	0.0766%
Rediscover 2	\$47	103,805	78	0.0751%
All	\$235	335,242	243	0.0725%
Everywhere	\$256	393,409	285	0.0724%
Rediscover 1	\$32	105,561	60	0.0568%
Messy 3	\$18	55,056	30	0.0545%
Rediscover 5	\$36	113,119	62	0.0548%
Rediscover 2a	\$18	71,335	36	0.0505%
Rediscover 3	\$18	58,283	28	0.0480%
Rediscover 3a	\$17	61,365	28	0.0456%
Messy 4	\$12	40,892	17	0.0416%

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Suggested Next Steps

- Focus on optimizing free-to-paid conversion
 - Email sign-ups to bring them back and get them to take key lifecycle steps, uploading photos, connecting accounts & devices etc.
 - In-product—experiment and test around how to get people to take key actions and when to prompt them to upgrade
 - Survey sign-ups from paid marketing to gather feedback
- Continue to monitor free-paid-conversion rate
- For future campaigns, develop and test additional landing pages tying them closely with angles and ad text to further decrease cost/sign-up

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