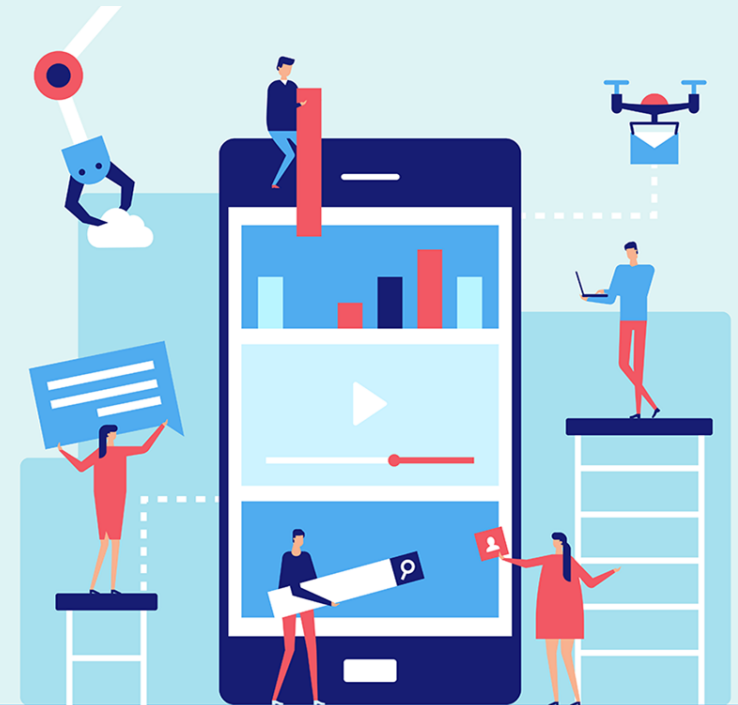




APP FUNNEL OPTIMIZATION



HANH LE

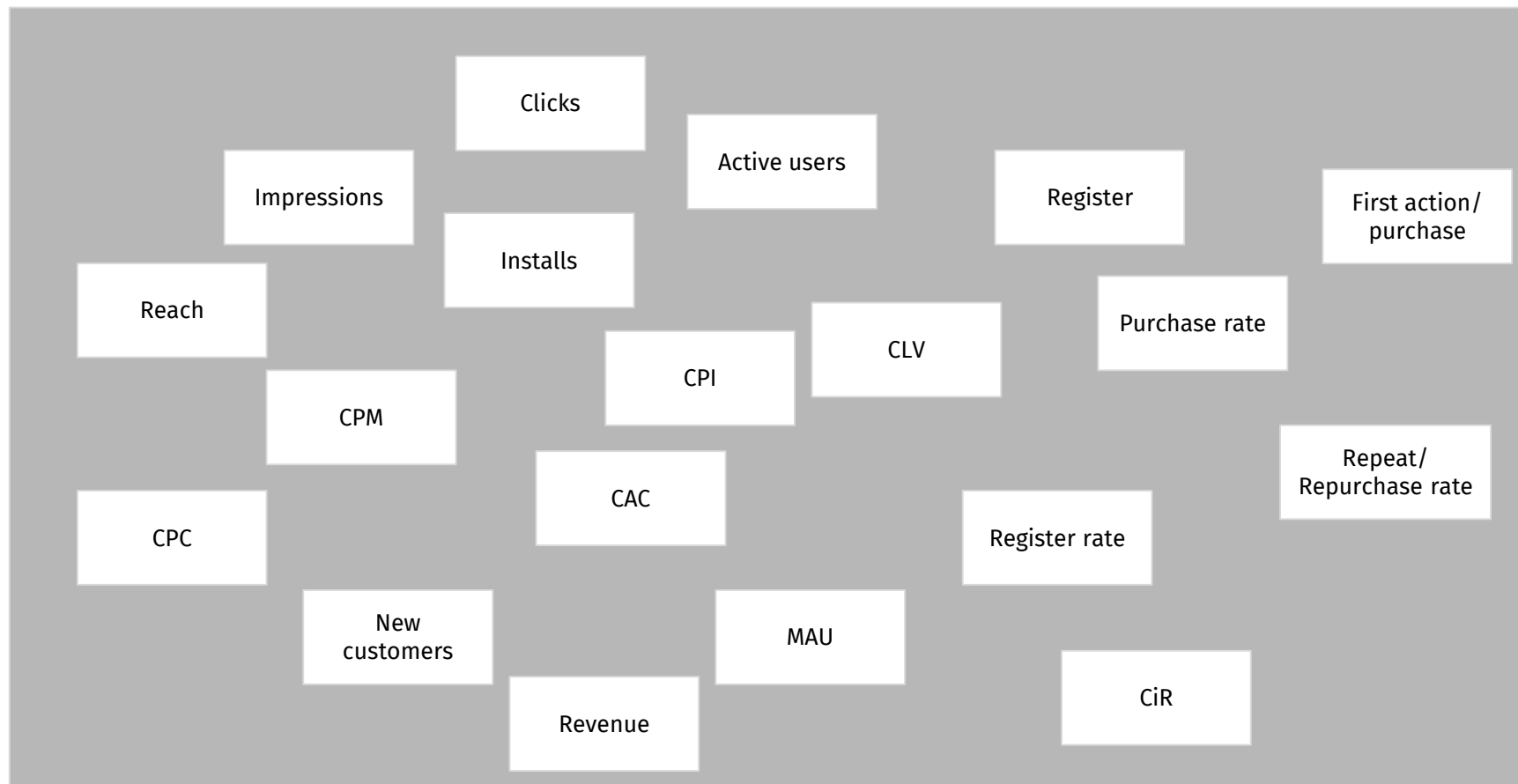


8 years' experience in Digital Marketing & Ecommerce

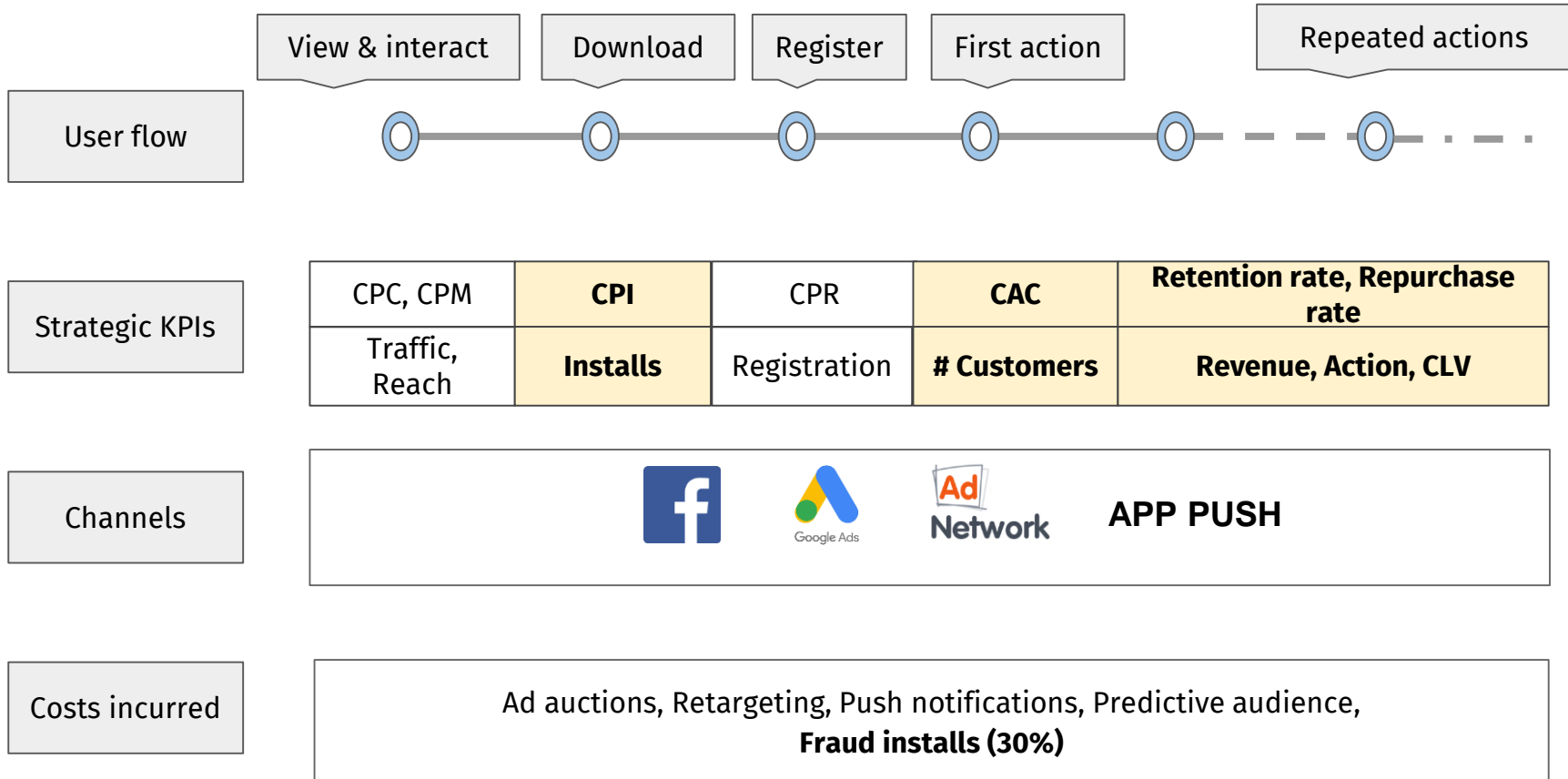
- **Co-founder & COO @ PMAX**
- Former Head of Mobile @ Lazada
- Former Head of Campaign & Merchandising @ Lazada
- Former Digital Marketing Manager @ Lazada



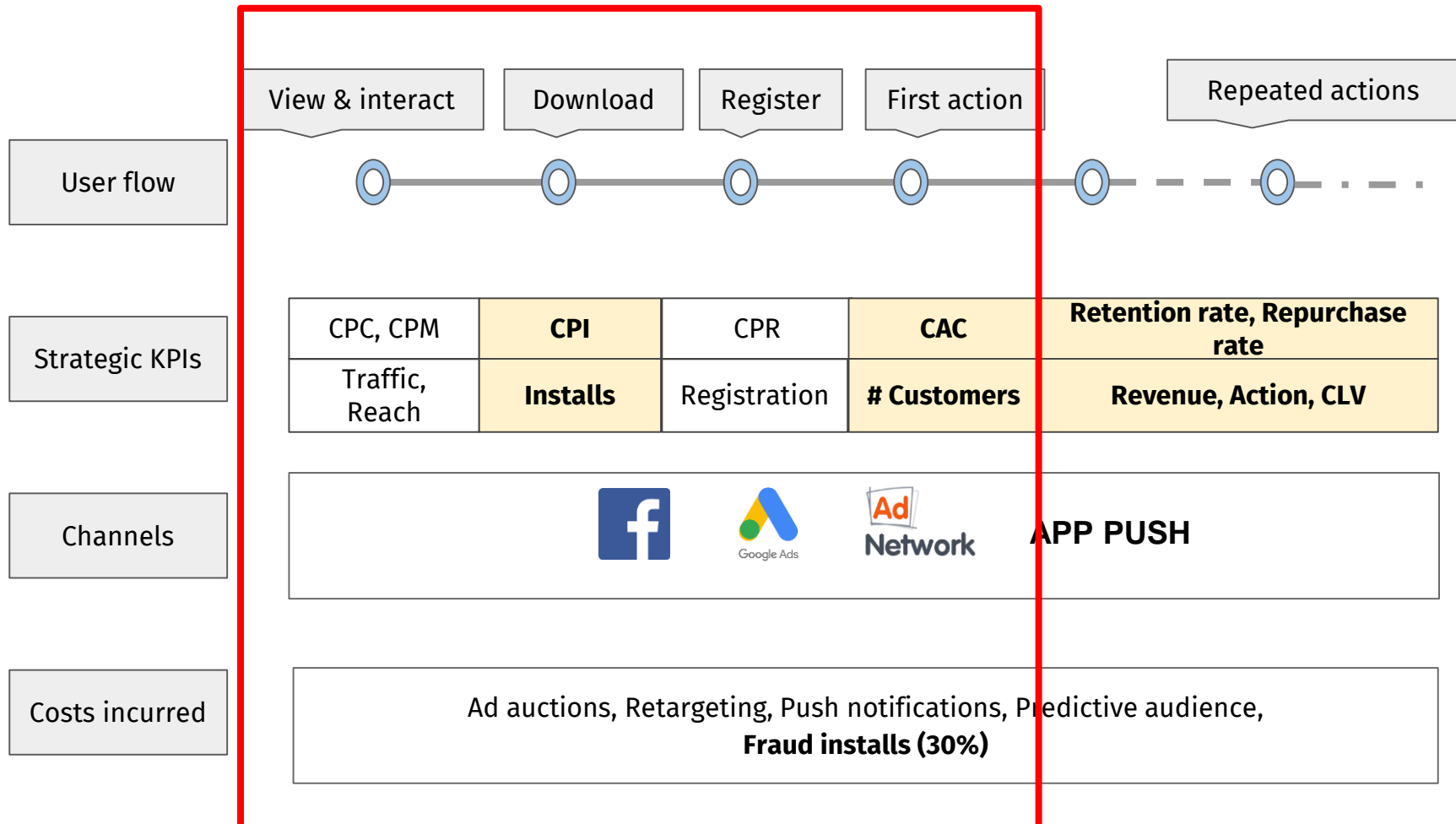
APP METRICS - WHAT SHOULD WE DO?



OVERVIEW APP METRICS BY FUNNEL



1. USER ACQUISITION



1. ACQUISITION - ADVERTISERS PAIN POINTS

HOW TO MINIMIZE CUSTOMER ACQUISITION COST?

$$\begin{aligned} \text{CAC} &= \text{Cost} / \# \text{ new customer} \\ &= \text{Cost} / [\text{Installs} \times \text{CR}] \\ &= \text{CPI} / \text{CR} \end{aligned}$$

It's not just about install, it's also CR

1. How to keep investments safe from fraud install ?
2. People download, but how to convert them into users?

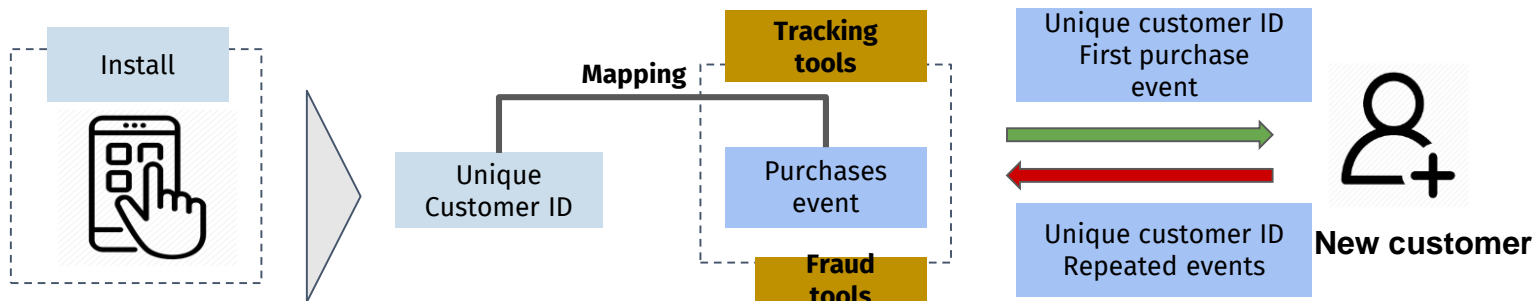
1.1 ACQUISITION - PREVENT FRAUD

	Common Fraud type	Signals
1	Install hijacking/ Organic thief	- Very short click-to-install time compared to organic
2	Bots/Reset Device ID	- High rates of installs with LAT (Limit Ad Tracking) - High density of install at same IP address
3	Click flood	- Very long click-to-install time (hours or even days) - Very Low Conversion rate (Install/ Clicks)
4	...	

1.1 ACQUISITION - PREVENT FRAUD

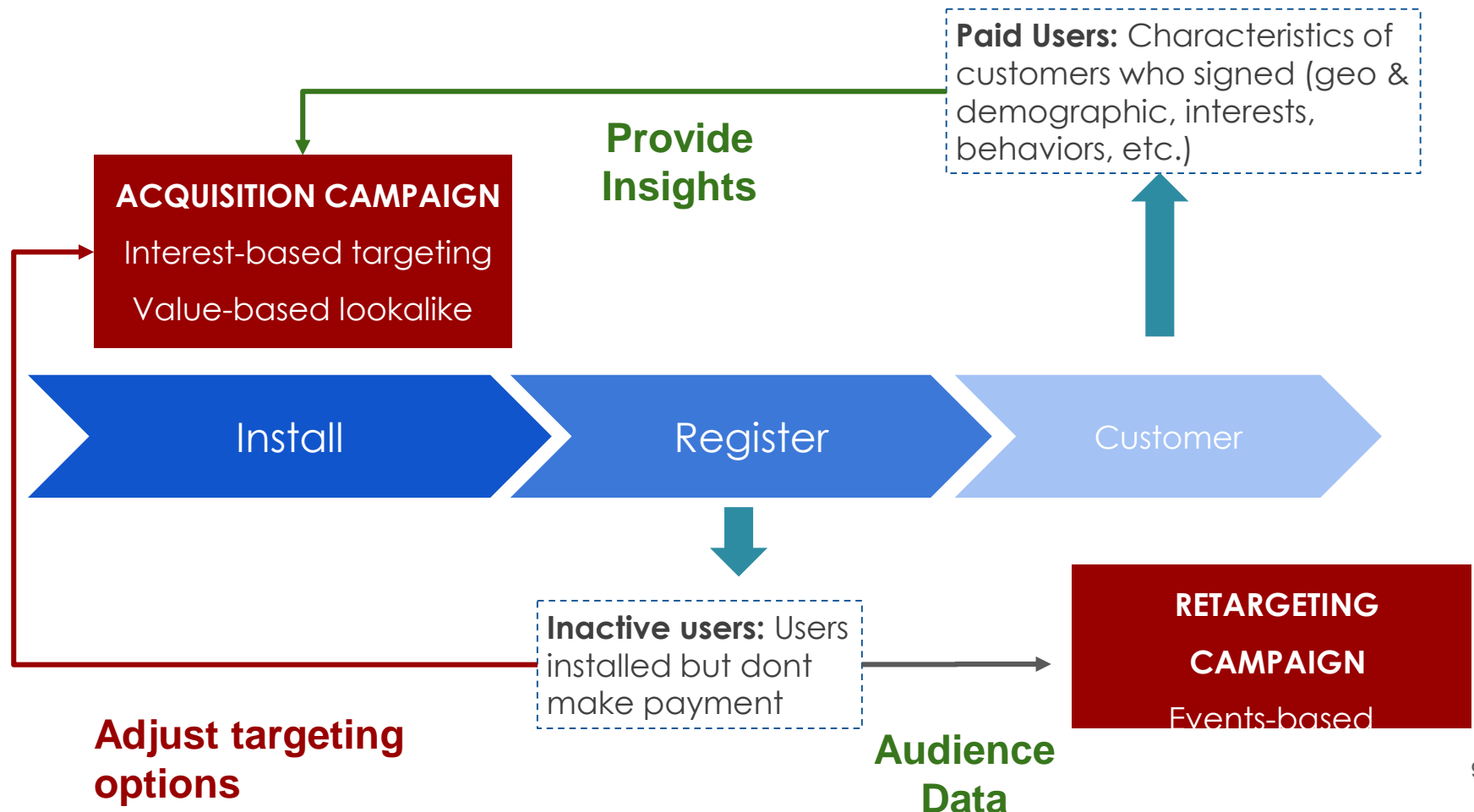
Solution:

1. Gather data to filter out fraudulent sources & notify publishers to stop them.
1. Consider 3rd party Fraud prevention tool: AppsFlyer Protect360, Adjust Fraud Prevention Suite...
1. Combine both and align pricing model with publisher



1.2 ACQUISITION - CONVERT USERS (CR)

Various tactics are combined from **retargeting** based on App events to convert users & revise the **acquisition** campaigns for better targeting



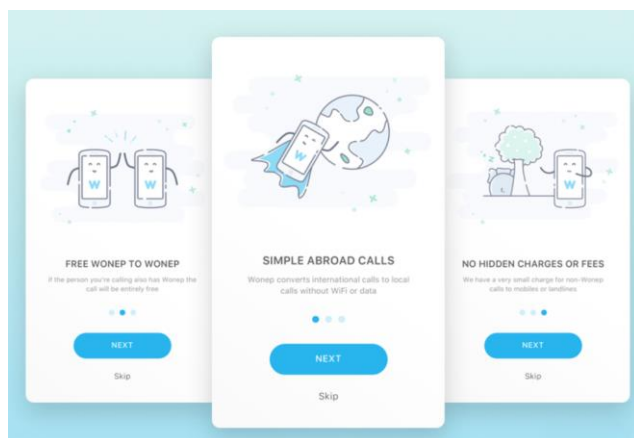
1.2 ACQUISITION - CONVERT USERS (CR)

How to segment & treat different groups of users?

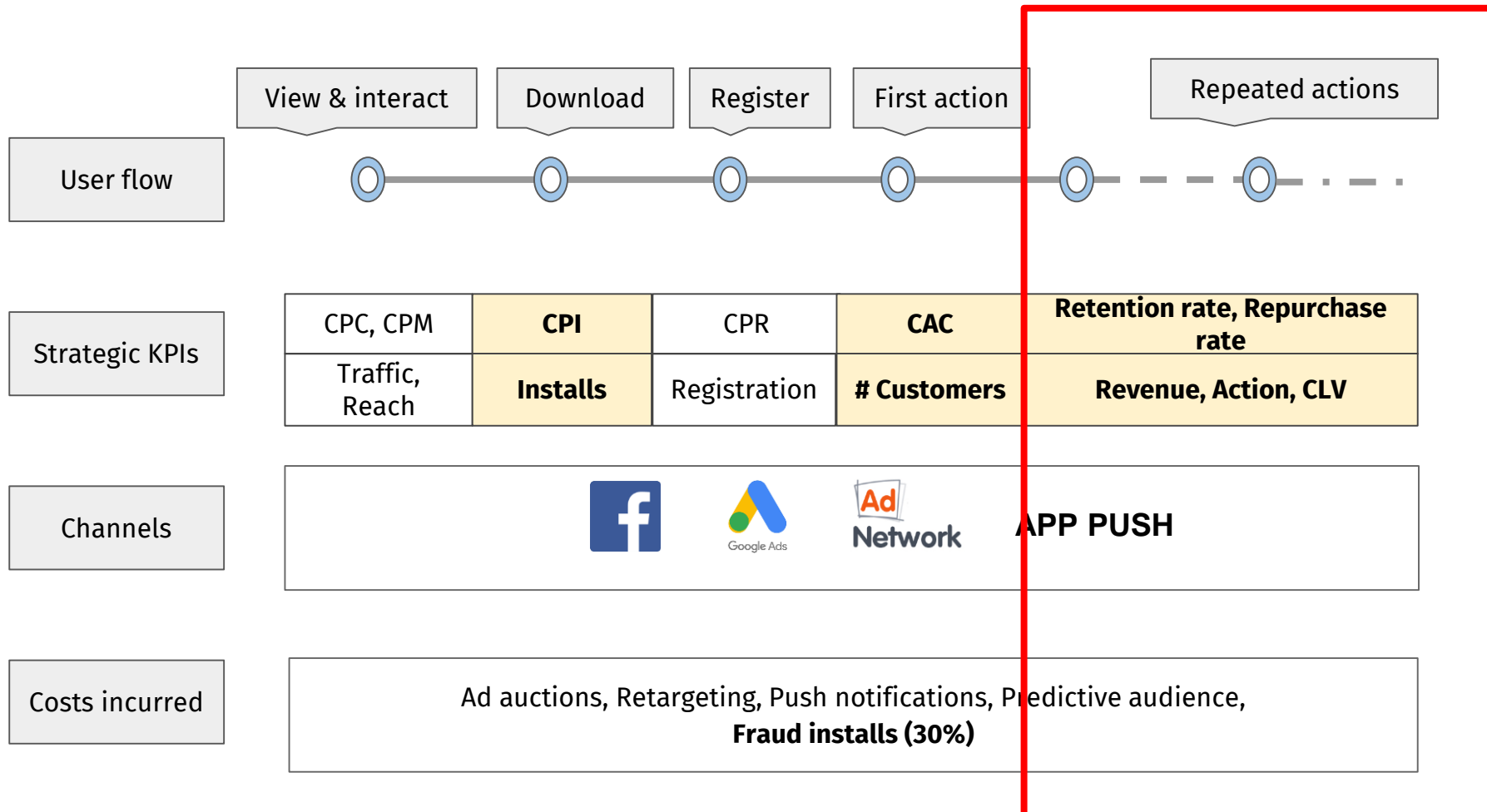
Segmentation	Targeting	Tactics
- Segment by business value: VIP, medium, low.	<ul style="list-style-type: none"> - Custom audience - Lookalike audience - Value-based lookalike - Predictive audience 	- Exclusive contents
- Segment by funnel: Registered, View content, Add to cart, 1st Purchase, 5th Purchase...		<ul style="list-style-type: none"> - Remind - Limited vouchers
- Segment by behavior: <ul style="list-style-type: none"> + By product category: TV & laptop, audios.... + By usage pattern: time-to-action, repeat rate, active time... 		<ul style="list-style-type: none"> - Upsell/Cross-sell - Promote membership benefits

1.2 ACQUISITION - CONVERT USERS (CR)

- **Campaign tactics:**
 - *Crazy discount for low value product*
 - Crazy % discount voucher
 - New customer voucher
 - ...
- **Others: Onboarding screen**



2. RETENTION - CUSTOMER LIFETIME VALUE



2.1 RETENTION RATE

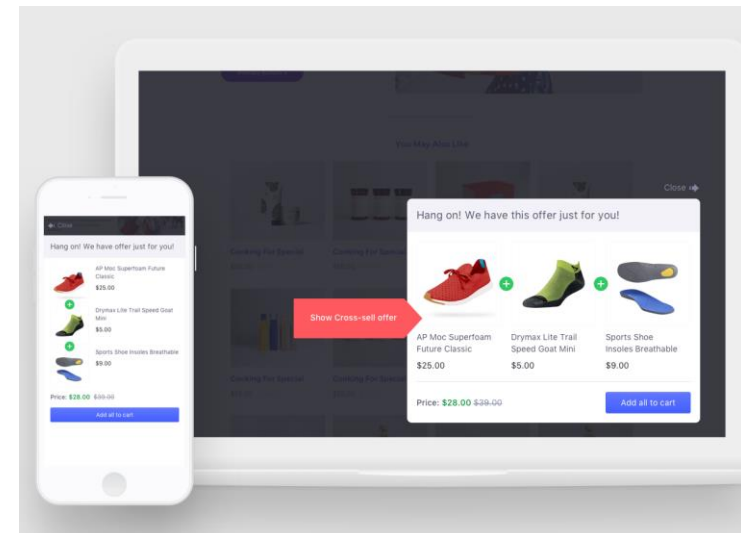
- Gamification
- Loyalty programs
- Personalization
- ***Utilize app push notification not abuse***
- ...



2.1 CROSS-SELL / UPSELL

DATA, DATA AND DATA

- **Marketing campaign**
 - Which products/brand/promotion to promote for which user?
 - Rule of 25%
- **Marketing channels**
 - Paid marketing: Appier, Facebook DPA ...
 - Onsite recommendation: Optimizely, RichRelevance, Yuspify...
 - Use **deep link** to drive users to specific contents

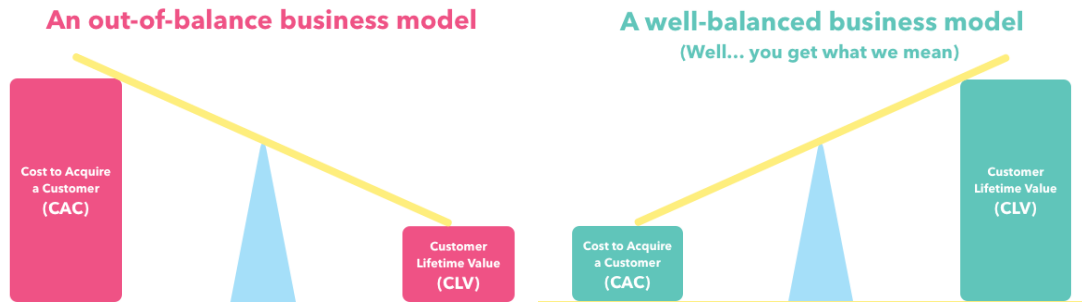


3. ACQUISITION VS RETENTION?



Which is more important?

3. ACQUISITION VS RETENTION?



Rule #1: $CLV > CAC$

Rule #2: Optimize CLV:CAC

Investment adjustment based on audience value

- Category
- Source of user
- ...

HOW TO CALCULATE LTV:CAC RATIO

$$LTV:CAC = \frac{\text{Customer Lifetime Value}}{\text{Customer Acquisition Cost}}$$

TAKEAWAY

- **Acquisition - Minimize CAC**
 - Fraud prevention
 - Convert user to new customer
- **Retention - Maximize CLV**
 - Retention rate
 - Cross-sale/Upsale

