



# Mobile In-App Advertising

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# Definition

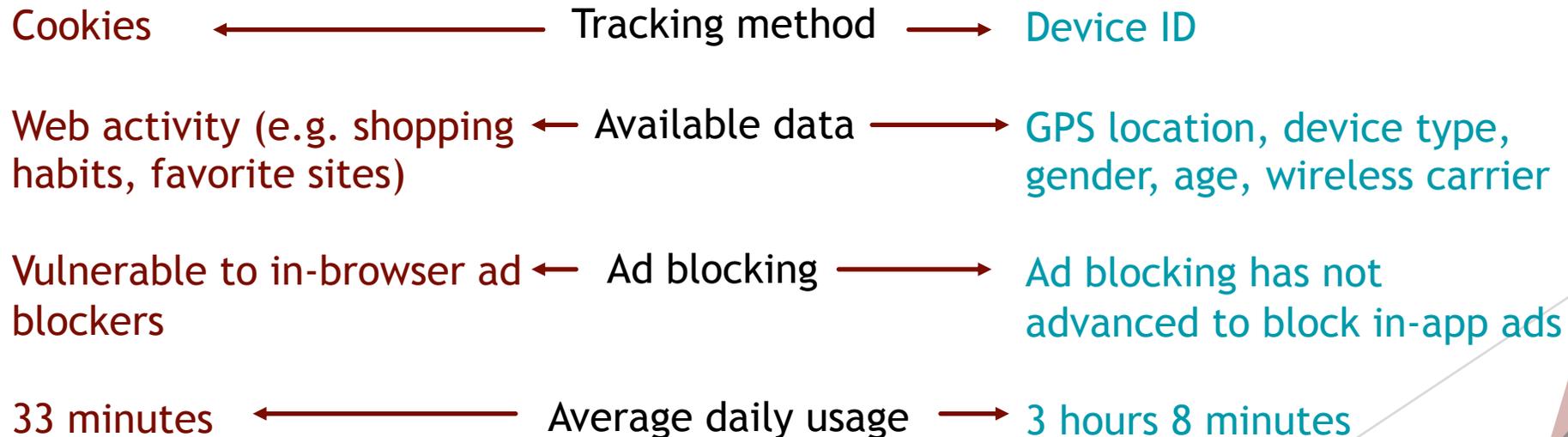
- ▶ Mobile in-app advertising is a subset of mobile advertising that takes place within a mobile app ecosystem, not to be confused with mobile web advertising.

# Mobile Web vs. In-App Advertising

- ▶ In-app advertising offers a more engaging and interactive setting than mobile web. This makes in-app advertising a more effective medium to capture consumers' attention and encourage them to interact with the ads.

## Mobile Web

## Mobile Apps



# Why Should You Be Using In-App Advertising?

- ▶ Users are spending more time in apps
  - ▶ Over 25% of media time and 89% of mobile time is spent in-app.
- ▶ Higher click-through rates
  - ▶ The click-through rate for apps is .58% while mobile web advertising only has a .23% click-through rate.
- ▶ App downloads are projected to climb to 352 billion in 2021 compared to 197 billion in 2017.
- ▶ In-app advertising is set to triple in value in the next few years, going from \$72 billion in 2016 to \$201 billion in 2021.
- ▶ Ads are displayed in the context of the app usually at transition points, which makes them feel more natural than web ads.

# Better Targeting

- ▶ Device IDs
  - ▶ Each mobile device has a unique device ID that is personalized to the owner.
  - ▶ Only accessed via an app and not the mobile web.
- ▶ Advertisers can use Device IDs to accurately target users.
  - ▶ Device IDs can be used to track how consumers behave over time (e.g. app downloads, app usage, what ads they click on).
  - ▶ Can develop trends to get a better idea of the consumer.
- ▶ Within the app, advertisers can receive geo-location to ensure they are reaching you at the right place at the right time.

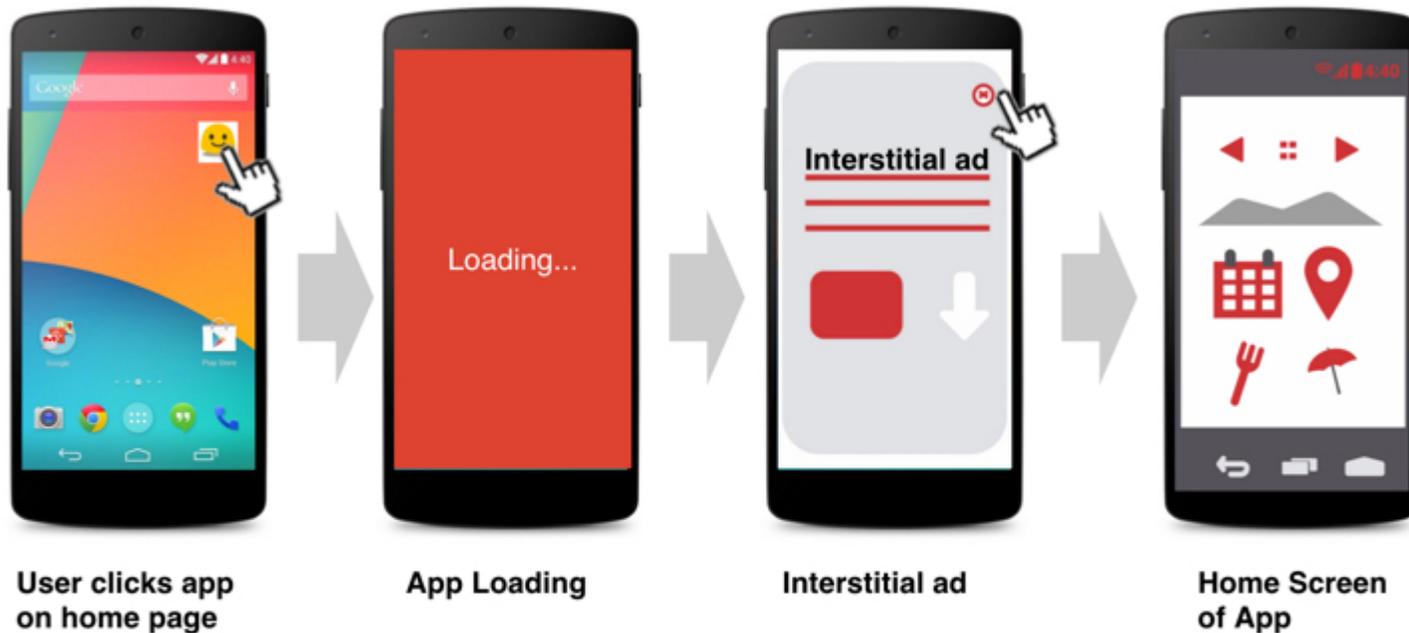
# Types of In-App Ads: Banner

- ▶ The oldest type of mobile ad.
- ▶ Can be executed on large volumes.
- ▶ Cheap and easy to integrate but are often subject to “banner blindness.”



# Types of In-App Ads: Interstitial

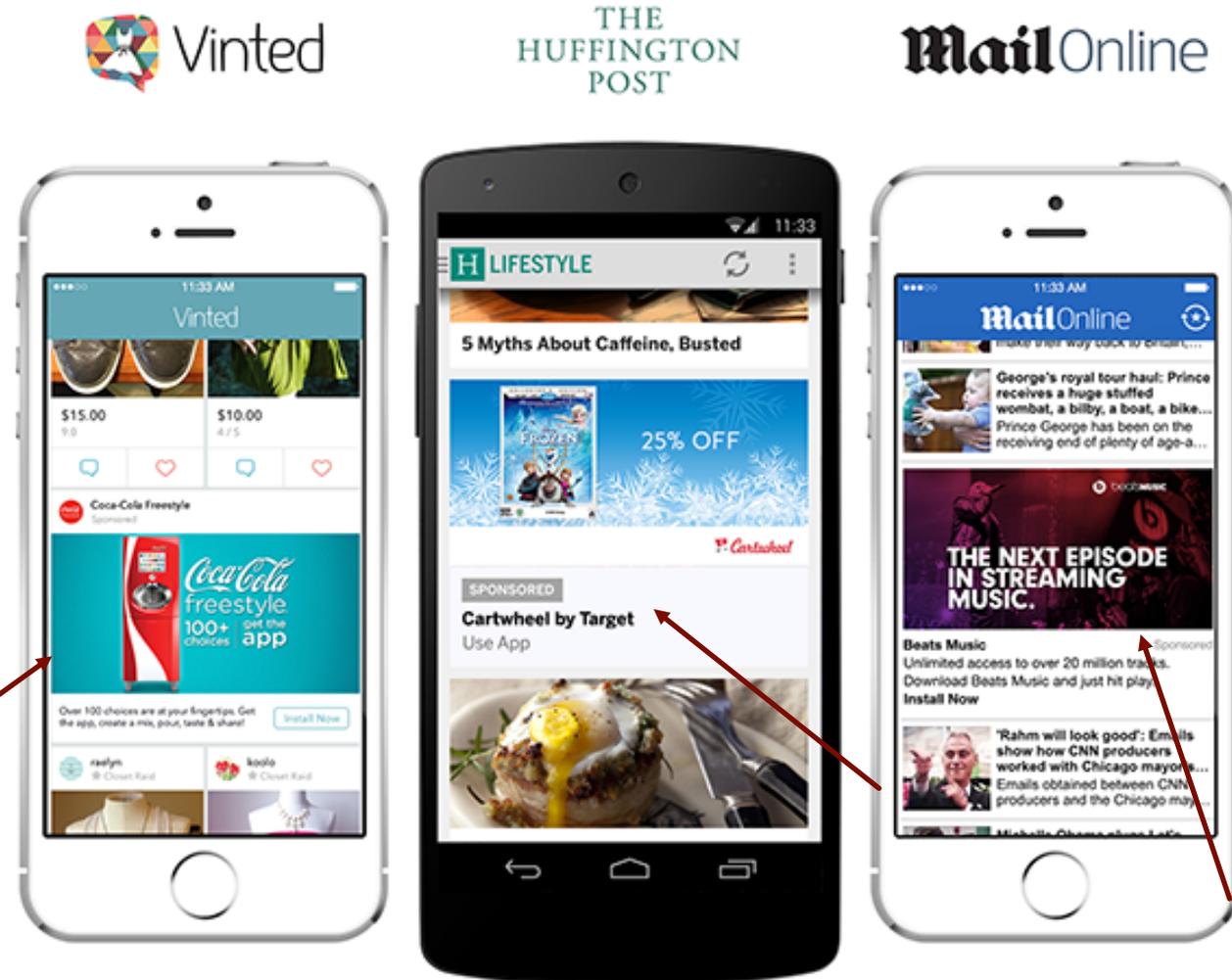
- ▶ These are video or text ads that appear during a transition or content break in the app.
- ▶ One of the most engaging ads because they are full screen.
- ▶ Can be viewed as intrusive and require more design work.



# Types of In-App Ads: Native

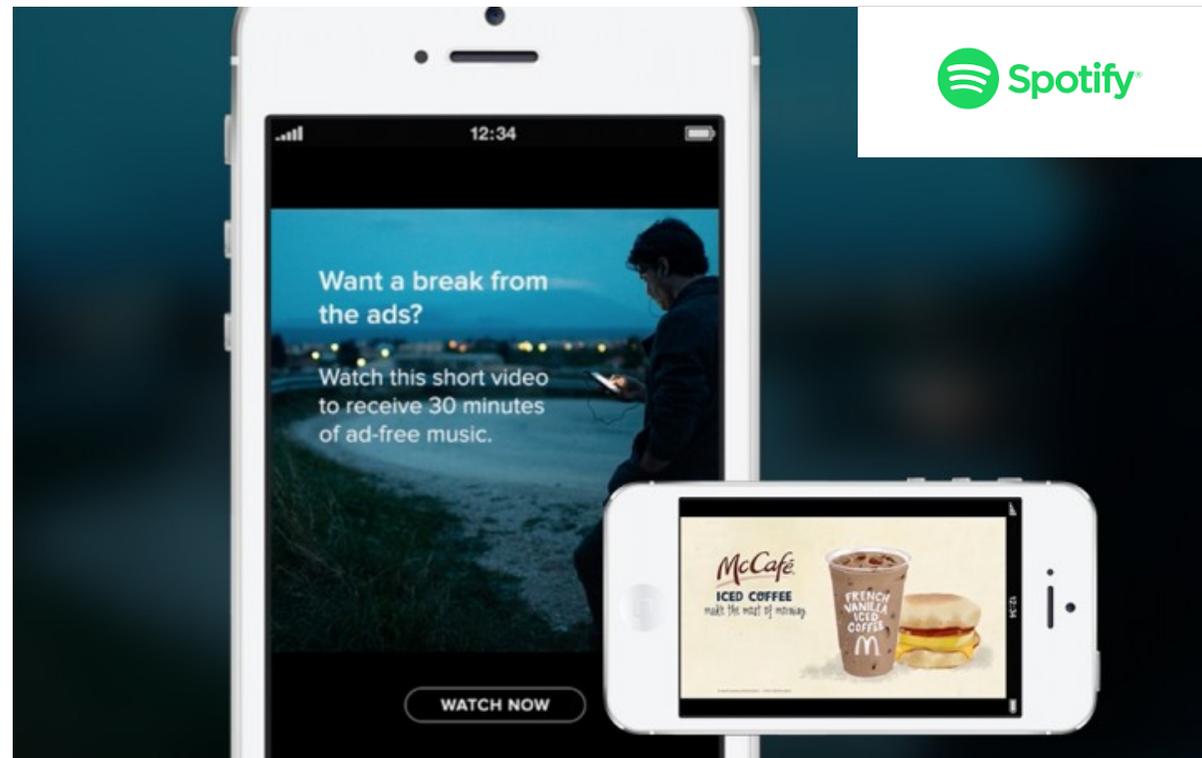
- ▶ Native ads fit the look and feel of the app and are perceived as non-disruptive.
- ▶ Have a high eCPM, but are viewed 53% more than display ads.

\*eCPM - Effective cost per thousand impressions.



# Types of In-App Ads: Rewarded Video

- ▶ These ads offer something to the viewer in exchange for watching or interacting with the ad such as prizes or bonuses in games.
- ▶ Since this ad format is opt-in, it also has the highest viewability rates of any mobile ad format.



# Tips for Effective In-App Advertising

- ▶ Advertise on apps that align with your target audience's habits.
  - ▶ The theory of showing ads that match what the app is doesn't always work.
- ▶ Prevent accidental clicks.
  - ▶ Ensure there is a large enough call-to-action button so users know where to click.
- ▶ Use banners for reach.
  - ▶ Banners are great for a low-cost, large-scale in-app advertising campaign.
- ▶ Recognize apps are not all used the same way.
  - ▶ Each app works differently in the way users interact within the app.
  - ▶ Identify what tactic serves the channel well.
- ▶ Be careful when making interactive ads.
  - ▶ Ads that take too long to load can hurt engagement.

# Recent Trends

- ▶ Programmatic buying is on the rise
  - ▶ Mobile ad buys are being increasingly determined by computers and algorithms.
- ▶ Advertising through messaging apps
  - ▶ Advertising through personal messages on messaging apps such as Whatsapp is becoming increasingly popular.
- ▶ Video and interactive media
  - ▶ Advertisers are focusing more on engaging and interactive ads to get into the mind of the consumer.

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