

# The Most Effective User Acquisition Techniques

March 18, 2014

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VP, Marketing  
GREE International

# Introduction to Speaker

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- Vice President, Marketing at GREE International, Inc.
- One of the first employees at GREE's US Operations
- 10+ years consumer marketing professional with background ranging from branding to performance-driven user acquisition



**SONY®**



# Introduction to GREE

- One of leading mobile gaming studios, headquartered in Japan, founded in 2004 – first US subsidiary founded in 2011
- \$320mil in the last quarterly revenue where smartphones accounted majority
- Multiple-titles at Top 50 Grossing iOS & Android in the US, some still charting over 2 years since their launch

Publisher	Rank Change vs. Nov 2013	Headquarters	Total Apps (incl. non-games)
1 Supercell	-	Finland	3
2 King	-	United Kingdom	7
3 GungHo Online	-	Japan	46
4 Electronic Arts	-	United States	821
5 Tencent	▲ 2	China	149
6 GREE	▼ 1	Japan	99
7 Machine Zone	▼ 1	United States	10
8 Gameloft	-	France	217
9 Kabam	▲ 1	United States	14
10 Storm8	▼ 1	United States	55

 SOURCE: App Annie Index™

Publisher	Rank Change vs. Nov 2013	Headquarters	Total Apps (incl. non-games)
1 GungHo Online	-	Japan	39
2 King	▲ 1	United Kingdom	6
3 CJ Group	▼ 1	South Korea	165
4 LINE	-	Japan	100
5 Supercell	▲ 1	Finland	2
6 COLOPL	▼ 1	Japan	144
7 Electronic Arts	▲ 2	United States	145
8 GREE	▼ 1	Japan	121
9 DeNA	▼ 1	Japan	278
10 Kabam	-	United States	13

 SOURCE: App Annie Index™

# Before getting started...

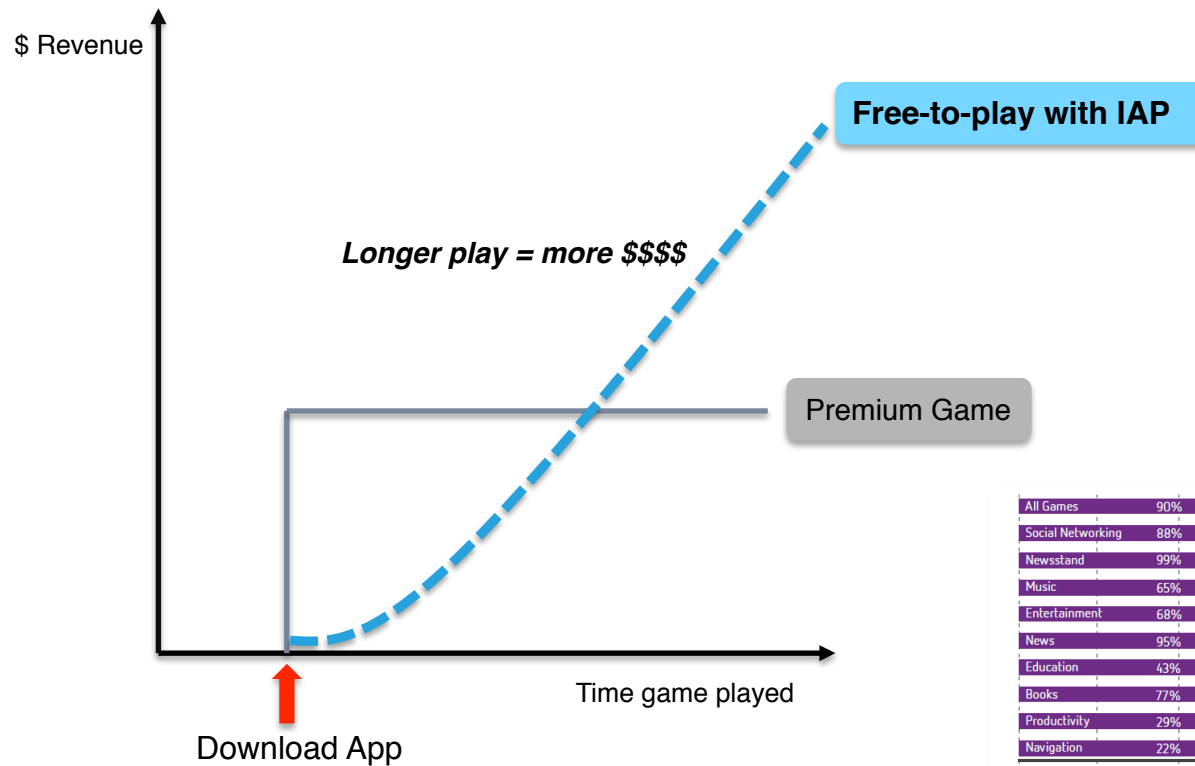
- Why UA matters?



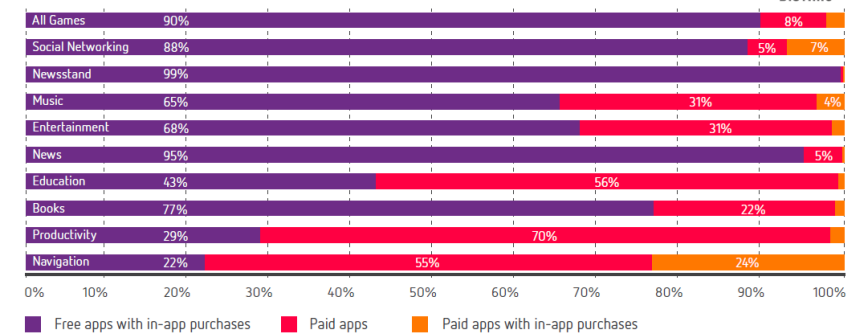
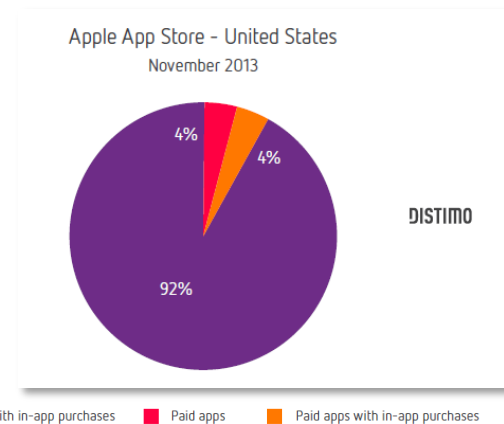


# Business Model: Premium vs Freemium

## User Revenue



*\*F2P + IAP = 92%+ of Revenue*



# Business Model: Premium vs Freemium

	Premium	Free-to-Play
Value of Install	Largely Fixed	Vary Heavily (\$0.00 to Infinite)
Goal of Install	Mission Accomplished	Just getting started
Cost of Install	Largely Fixed	Vary Heavily (based on ROI)

# Effective UA Techniques

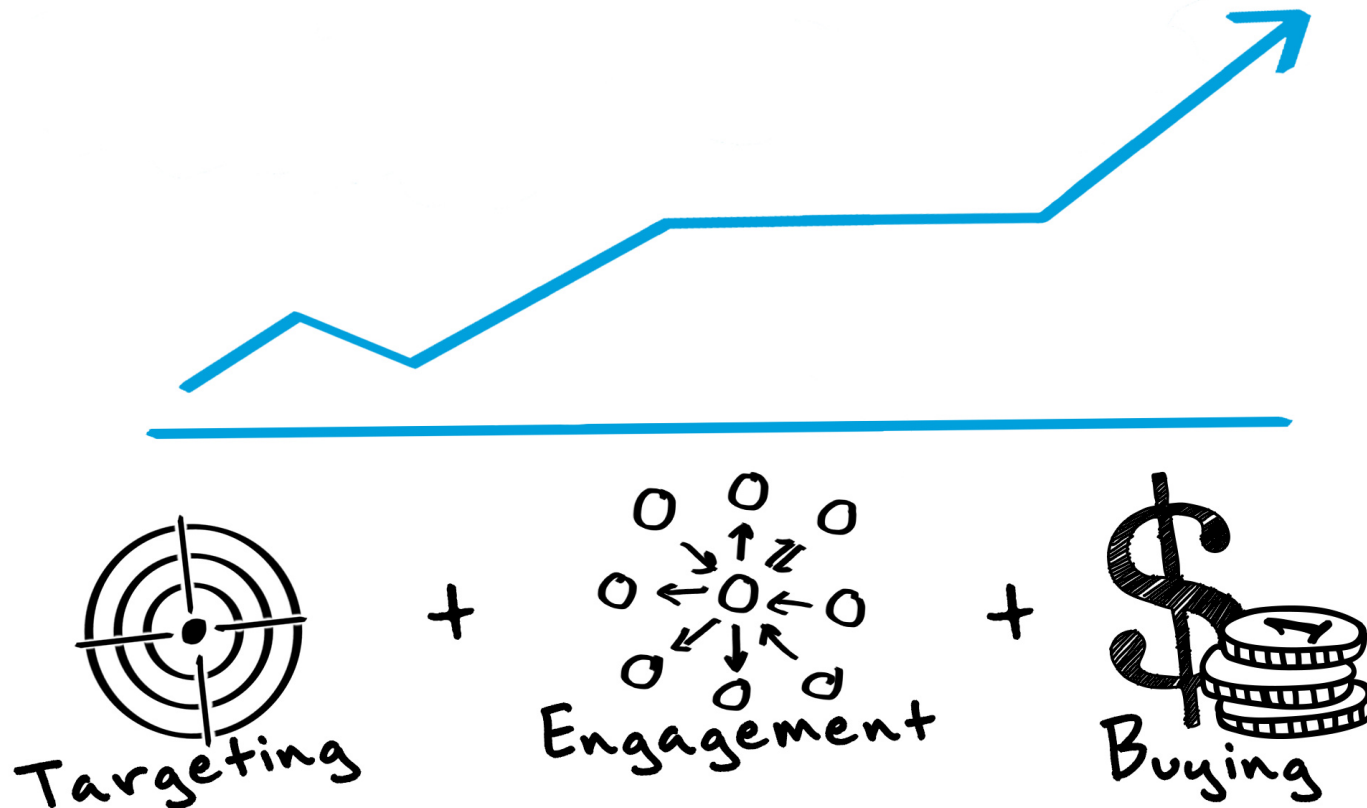
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- It's “techniques” with an “s”

# Effective UA Techniques: 3 elements

## Path to success

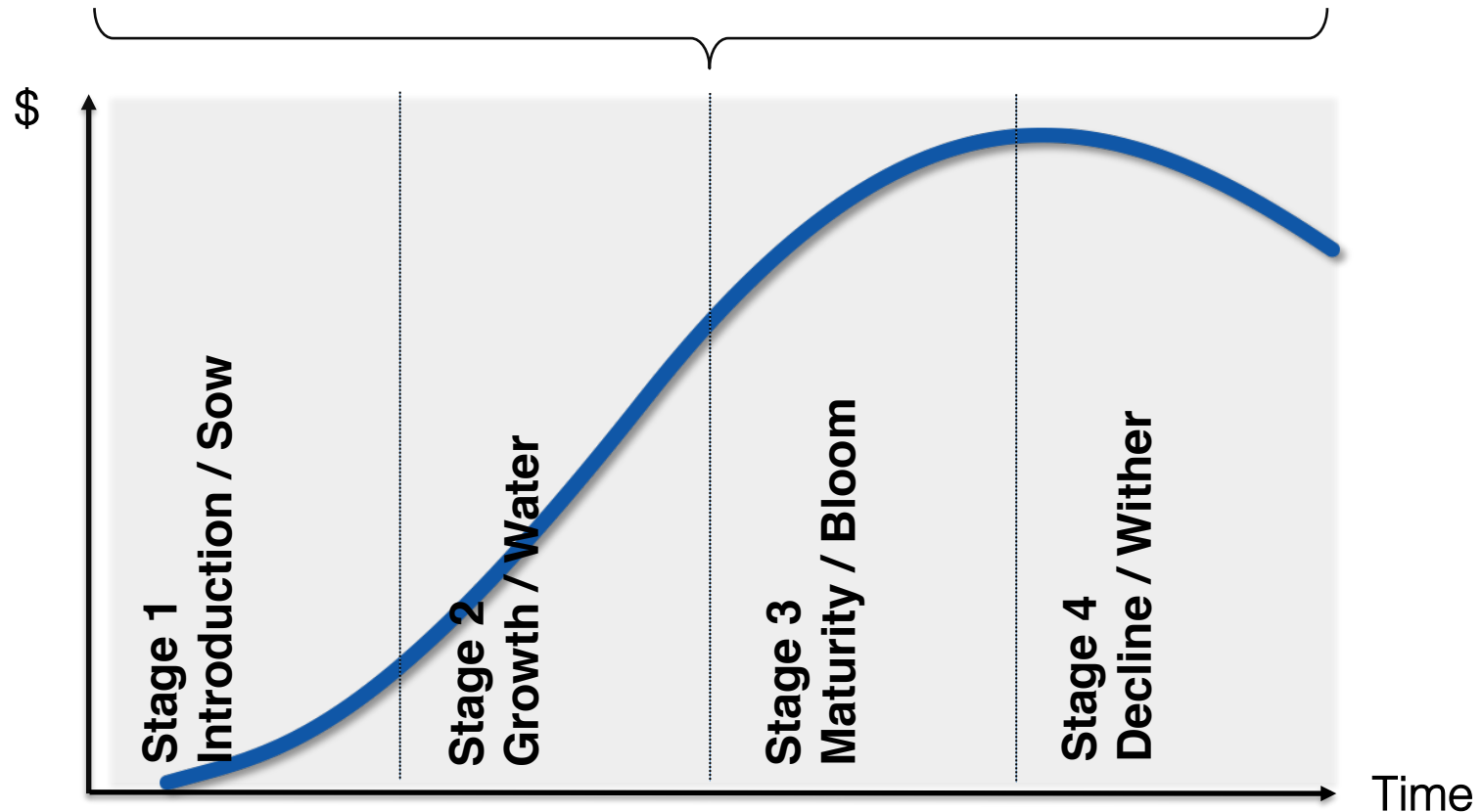
1. “Targeting x Engagement x Buying”



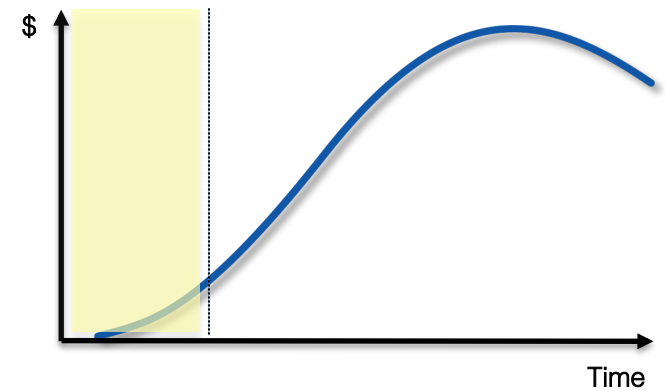
# Applying 3 elements at Biz Life-Cycle

## Path to success

2. Tailor a different “Targeting x Engagement x Buying” at each stage



# Effective UA techniques at Stage 1 - Sow



1. Sow

2. Water

3. Bloom



## Goal

- Identify the **product & market fit** with a minimum financial investment

## Targeting

- Test “Not 1, but 3+ Paid Acquisition Vehicles”
  - Reason 1: Identify the target profile
  - Reason 2: Identify the size of market pie
  - Reason 3: Mimic on a small scale what we will scale up to

## Recommend Networks

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- Criteria 1: Advanced targeting capabilities:



- Criteria 2: Category matching publishers (eg: games):



- Criteria 3: Broad mix of publishers:





1. Sow

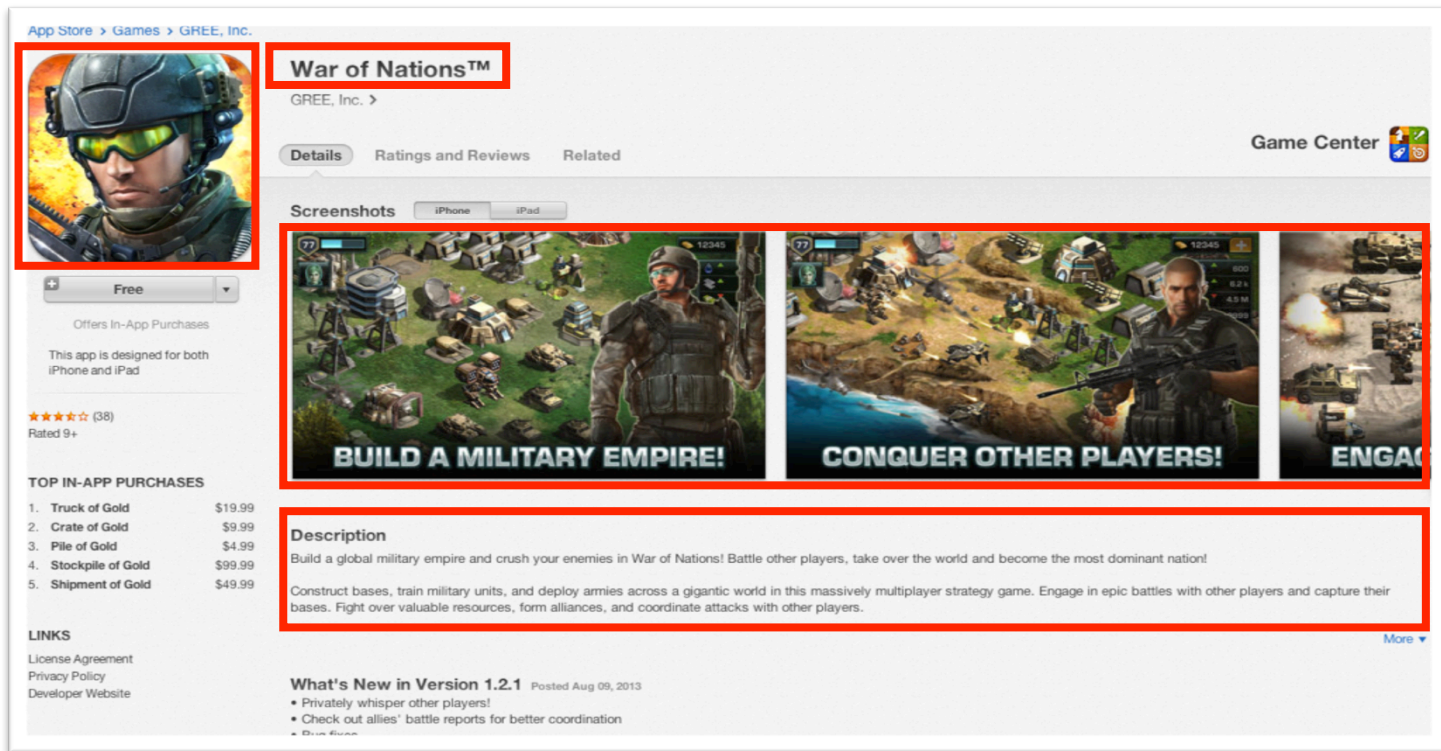
2. Water

3. Bloom



## Engagement

- Be mindful about deciding presentation at store-front:
  - Title-name / Icon / Screenshots / Description



## Key components that drive players to download f2p mobile games

### Value

- App Rating
- App Screenshots
- App Description
- App Icon
- Others



Knights & Dragons -  
Dark Kingdom 9+

GREE, Inc. >

Offers In-App Purchases

 1 Friend

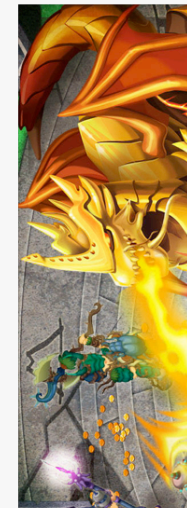
★★★★★ (559)

[+ OPEN](#)

Details

Reviews

Related



1. Sow

2. Water

3. Bloom



- Is this worth doing?

	CVR Index	Icon
1st Wk	1.00	
2nd Wk	1.02	
3rd Wk	1.07	
4th Wk	1.13	
5th Wk	1.09	
6th Wk	1.49	
7th Wk	1.38	
8th Wk	1.44	

### Business Impact

- Better engagement drives CVR improvements, leading to reduced CPIs
- We've seen CVR 1.5-2x through presentation optimization

## Engagement

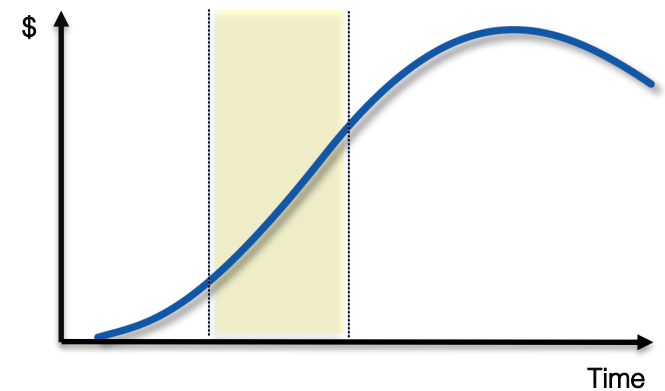
- (value) Improving engagement helps avoiding bidding high for the same volume

### Example Formula: Simulation - Path to getting \$10 eCPM

(Assumption: CTR fixed at 10.0%)

		CPI													
		\$ 0.50	\$ 1.00	\$ 1.50	\$ 2.00	\$ 2.50	\$ 3.00	\$ 3.50	\$ 4.00	\$ 4.50	\$ 5.00				
CVR	0.50%	\$ 0.25	\$ 0.50	\$ 0.75	\$ 1.00	\$ 1.25	\$ 1.50	\$ 1.75	\$ 2.00	\$ 2.25	\$ 2.50				
	1.00%	\$ 0.50	\$ 1.00	\$ 1.50	\$ 2.00	\$ 2.50	\$ 3.00	\$ 3.50	\$ 4.00	\$ 4.50	\$ 5.00				
	1.50%	\$ 0.75	\$ 1.50	\$ 2.25	\$ 3.00	\$ 3.75	\$ 4.50	\$ 5.25	\$ 6.00	\$ 6.75	\$ 7.50				
	2.00%	\$ 1.00	\$ 2.00	\$ 3.00	\$ 4.00	\$ 5.00	\$ 6.00	\$ 7.00	\$ 8.00	\$ 9.00	\$ 10.00				
	2.50%	\$ 1.25	\$ 2.50	\$ 3.75	\$ 5.00	\$ 6.25	\$ 7.50	\$ 8.75	\$ 10.00	\$ 11.25	\$ 12.50				
	3.00%	\$ 1.50	\$ 3.00	\$ 4.50	\$ 6.00	\$ 7.50	\$ 9.00	\$ 10.50	\$ 12.00	\$ 13.50	\$ 15.00				
	3.50%	\$ 1.75	\$ 3.50	\$ 5.25	\$ 7.00	\$ 8.75	\$ 10.50	\$ 12.25	\$ 14.00	\$ 15.75	\$ 17.50				
	4.00%	\$ 2.00	\$ 4.00	\$ 6.00	\$ 8.00	\$ 10.00	\$ 12.00	\$ 14.00	\$ 16.00	\$ 18.00	\$ 20.00				
	4.50%	\$ 2.25	\$ 4.50	\$ 6.75	\$ 9.00	\$ 11.25	\$ 13.50	\$ 15.75	\$ 18.00	\$ 20.25	\$ 22.50				
	5.00%	\$ 2.50	\$ 5.00	\$ 7.50	\$ 10.00	\$ 12.50	\$ 15.00	\$ 17.50	\$ 20.00	\$ 22.50	\$ 25.00				

# Effective UA techniques at Stage 2 – Water



1. Sow

2. Water

3. Bloom



## Goal

- Accelerating growth, at a larger scale

## Targeting

- Identify multiple networks to drive quality users in a scale
  - Challenge: Identify the right partners

## GREE Way – Network Selection

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- **Network categorization**
  - *affiliate/dsp/incent/direct publisher/agency/etc...*
- **Source of inventory / transparency**
  - *direct publisher relationship/top 3 geos/overlaps/unique identifiers by source/API access*
- **Targeting capabilities**
  - *device/os/country/age/gender/context/interest/behavioral/etc...*
- **Creative capabilities**
  - *standard/native ads/video/rich media*
- **Standard of Measurement**
  - *Deeper integration experience with 3<sup>rd</sup> party attribution analytics platform/claim windows/etc...*

*“Over time, all marketing strategies result in sh\*tty click-through rates”*

by Andrew Chen

**@andrewchen**

Source: <http://andrewchen.co/2012/04/05/the-law-of-shitty-clickthroughs/>



1. Sow

2. Water

3. Bloom



## Engagement

### Key drivers of the law:

- Customers respond to novelty, which inevitably fades
- First-to-market never lasts
- More scale means less qualified customers

#### <Examples>

- HotWired CTR (1994): 78%
- Facebook CTR (2011): 0.05%

Source: <http://andrewchen.co/2012/04/05/the-law-of-shitty-clickthroughs/>

1. Sow

2. Water

3. Bloom



Engagement

## Fighting against the law:

- Discover the next untapped marketing channel / publishers
- Always keep developing & introducing new creatives

**@andrewchen**

Source: <http://andrewchen.co/2012/04/05/the-law-of-shitty-clickthroughs/>

1. Sow

2. Water

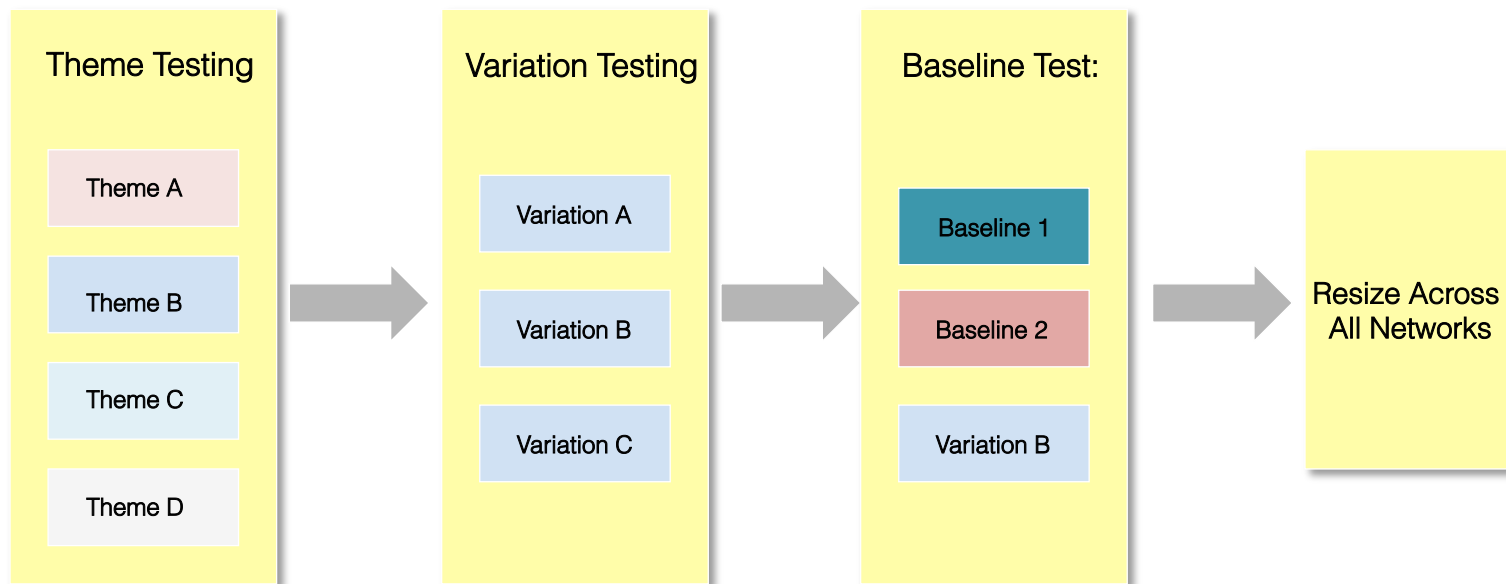
3. Bloom



## Engagement

- GREE's answer = “A disciplined process in optimization”

### GREE Way - Banner Testing Standardized Process



**\*Theme Tests:** Environment for testing layout, characters, major style elements

**\*Variable Tests:** Environment for targeted testing such as CTA, color, characters, App Store badge of successful themes

**\*Benchmark Tests:** Final test to measure performance against pre-existing banners

1. Sow

2. Water

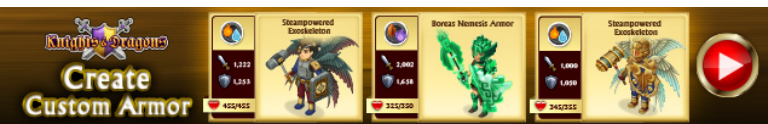
3. Bloom



## Engagement

### Top 5 Creative Specs for Prioritization

- 1. Interstitials: 320x480 and 480x320
- 2. Interstitials: 300x250
- 3. Mobile banners: 320x50 and 640x100
- 4. Mobile banners: 728x90
- 5. Facebook: 1200x627



\*Device: iPhone

1. Sow

2. Water

3. Bloom



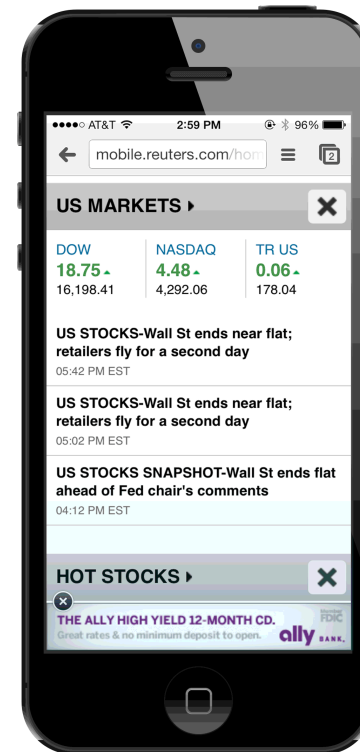
## Engagement

- Go beyond just a typical banner

### Animated Banners



### Playable Units



1. Sow

2. Water

3. Bloom



## Buying

- Aim for “yield,” but make every penny count

### 3 Elements for Effective Buying

- 1: Measurement / Attribution
- 2: Dashboard / Visualization
- 3: Communication / Recommendation

1. Sow

2. Water

3. Bloom

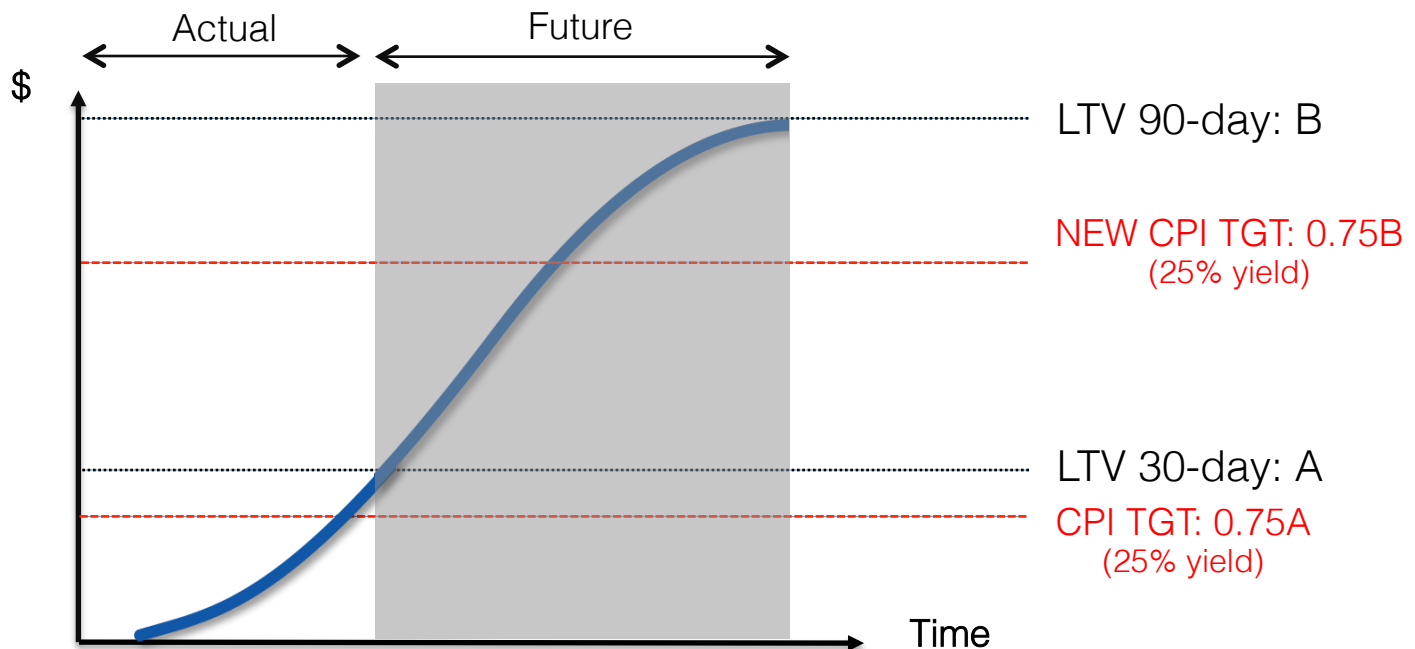


## Buying

- A game changer in Measurement:

# LTV Prediction

*knowing when to take more risk and less risk based on predicted value of a user*



1. Sow

2. Water

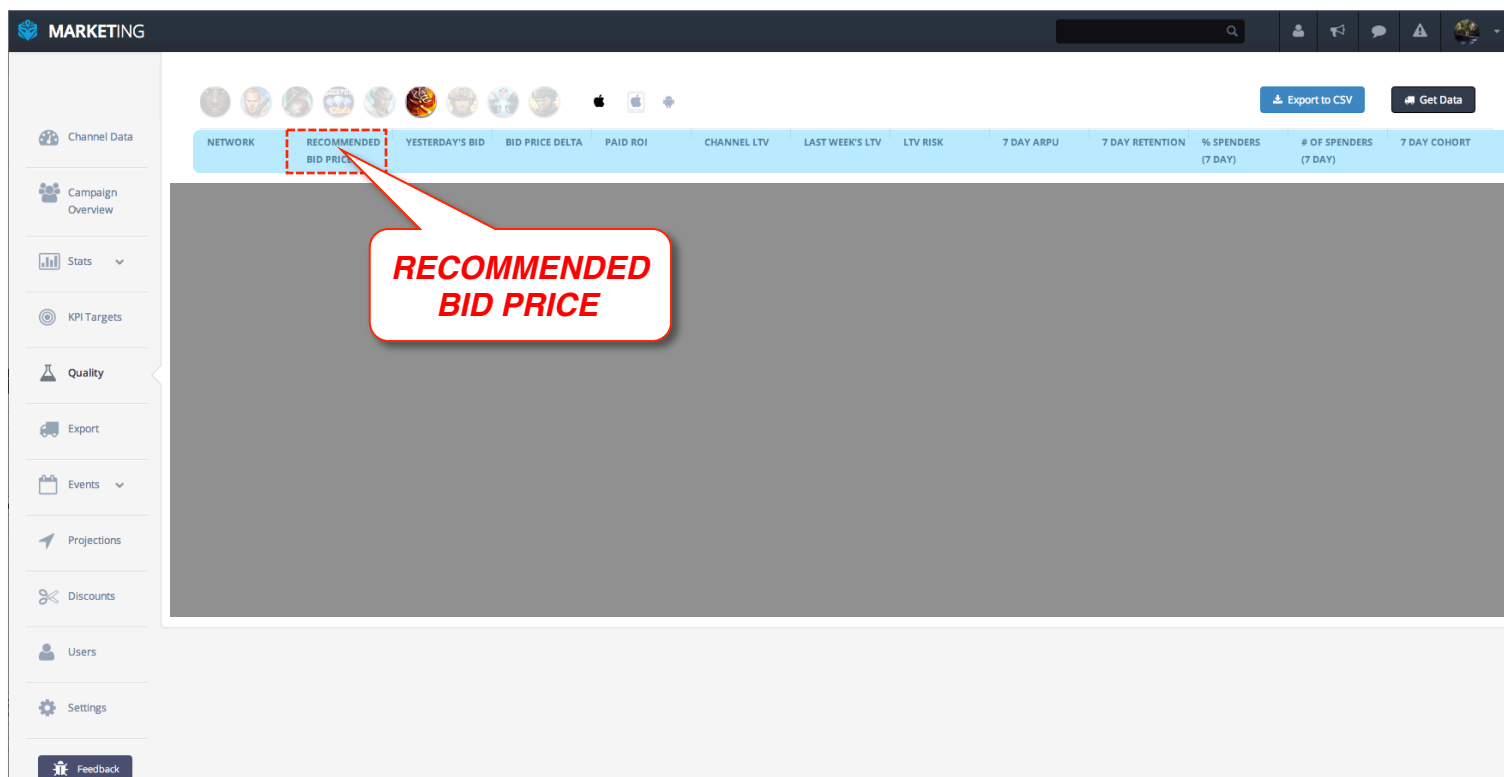
3. Bloom



## Buying

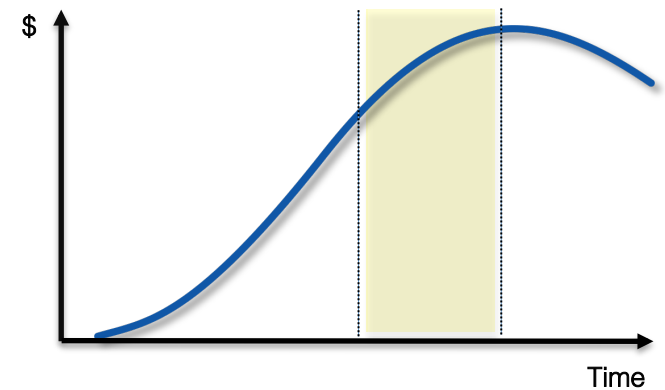
- Present actionable data for guiding better performances

## Ideal Marketing Dashboard





# Effective UA techniques at Stage 3 – Bloom



1. Sow

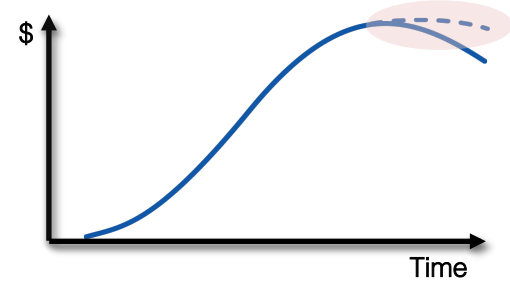
2. Water

3. Bloom






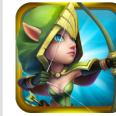


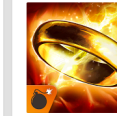
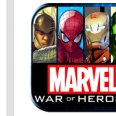
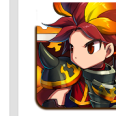





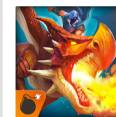

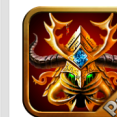


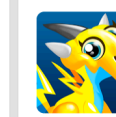








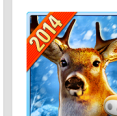
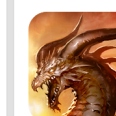



## Goal

- Slow down the pace of decay
- Prolong the most beautiful moment



### Top Grossing Games

 Clash of Clans Supercell ★★★★★ FREE	 Candy Crush Saga King.com ★★★★★ FREE	 Farm Heroes Saga King.com ★★★★★ FREE	 Hay Day Supercell ★★★★★ FREE	 Pet Rescue Saga King.com ★★★★★ FREE	 Castle Clash IGG.COM ★★★★★ FREE	 Knights & Dragons GREE, INC ★★★★★ FREE	 Slotomania - FREE Playtika ★★★★★ FREE	 The Hobbit: Kingd Kabam ★★★★★ FREE	 MARVEL War of He Mobage ★★★★★ FREE	 Brave Frontier gumi inc. ★★★★★ FREE
 Jackpot Party Casi Williams Interactive ★★★★★ FREE	 The Simpsons™ T Electronic Arts Inc ★★★★★ FREE	 Puzzle & Dragons GungHoOnlineEnterta ★★★★★ FREE	 DoubleDown Casino Double Down Interacti ★★★★★ FREE	 BINGO Blitz - FREE Buffalo Studios, LLC ★★★★★ FREE	 Dragons of Atlantis Kabam ★★★★★ FREE	 Big Fish Casino Big Fish Games ★★★★★ FREE	 Age of Warring Em Silent Ocean ★★★★★ FREE	 Crime City (Action GREE, INC ★★★★★ FREE	 Papa Pear Saga King.com ★★★★★ FREE	 Dragon City socialpoint ★★★★★ FREE
 Slot City - Free Cas Dragonplay ★★★★★ FREE	 Bingo Bash - Free BITRhymes Inc ★★★★★ FREE	 Dragons World Social Quantum Ltd ★★★★★ FREE	 Jackpot Slots - Slot GREE, INC ★★★★★ FREE	 Empire: Four Kingd Goodgame Studios ★★★★★ FREE	 GSN Casino FREE GSN.com ★★★★★ FREE	 Modern War - World GREE, INC ★★★★★ FREE	 Minecraft - Pocket Mojang ★★★★★ \$6.99	 DEER HUNTER 2014 Glu ★★★★★ FREE	 Rage of Bahamut Mobage ★★★★★ FREE	 Slots - House of Fun Pacific Interactive LTD. ★★★★★ FREE

1. Sow

2. Water

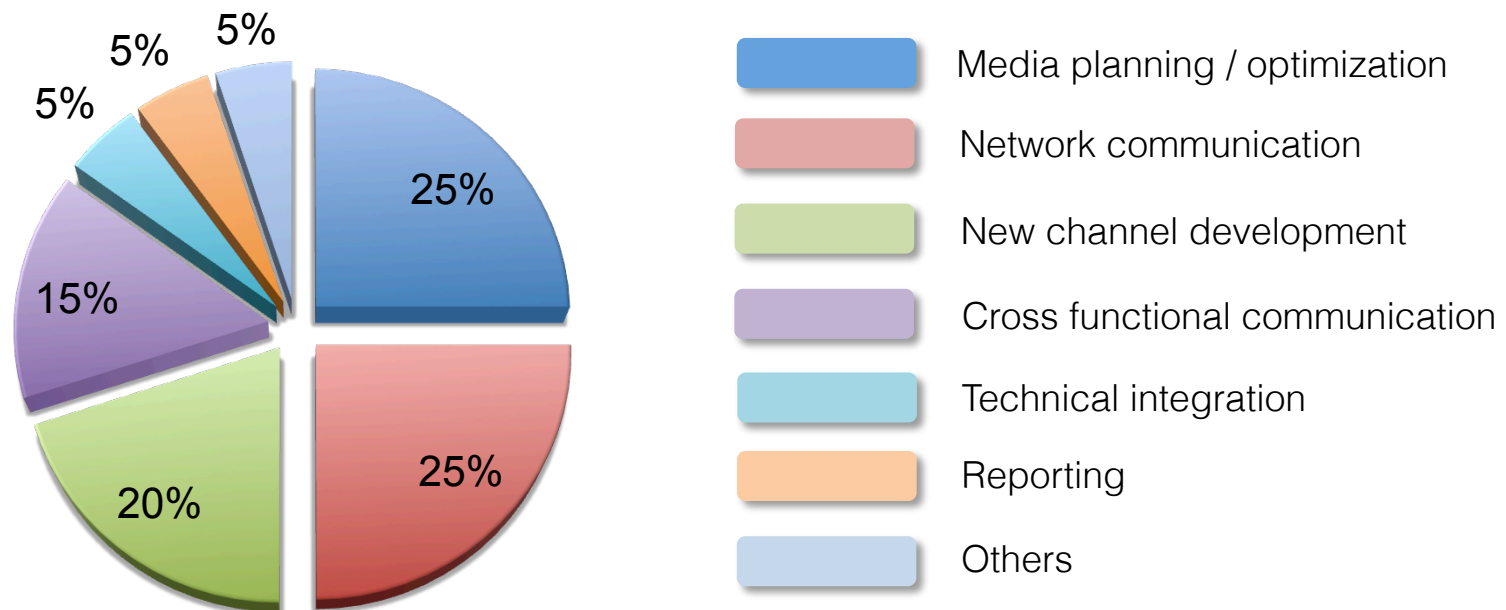
3. Bloom



- Free up time!!

## Hours spent by activities – GREE UA Manager (case)

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1. Sow

2. Water

3. Bloom



## Solution

- GREE's answer = "Technology" for ad buy, campaign management, and network communication

## GREE In-house MK Technology

### Programmatic Bidding Recommendation Model

#### Input

Bidding Simulator Sim Options LTV status Multipler upload

Standard Options

Game:  Max budget [ ? ]

Target ROI (%)  Weekend/Weekday:

Min Paid ROI (%)  Incentivized DLs:

#### Output

Bidding Simulator Sim Options LTV status Multipler upload

Recommendations for Knights\_Android

Channel	Ad Type	Media Type	Proposed Bid	Expected Installs	Channel LTV	Manual Override	Current CPI	Current Installs	Campaign Type	Model Type
Admob	Non Incentivized	Regular	0	0	0		3.7	9	Knights & Dragons - Android - Tier 1	wmedian
Adparlor	Non Incentivized	Regular	14	4	13.41		7	1	Gree International - Knights & Dragons (Android)	wmedian
Altroz	Non Incentivized	Regular	0	0	0		3	4	Publisher: Yahoo Mobile - UPDATED VIA GENERIC UPLOADER	wmedian
Ampush	Non Incentivized	Regular	9.5	1062	6.93		11.39	1125	- UPDATED VIA GENERIC UPLOADER	wmedian
Amnia	Non Incentivized	Regular	5.75	155	2.39		3	57	Knights & Dragons - Android - Tier 1 - UPDATED VIA GENERIC UPLOADER	wmedian

### Bid Management Service

#### Input

GREE Bid Management Service Manage Channels Uploader

War of Nations - iOS

Filters: Channels: None selected Price Model: None selected Ad Type: None selected Ad Format: None selected

Channel	Pricing	Ad Type	Ad Product	Device	Segment Identifiers	Lev URL	ADK URL	Account Manager	Actions
AdMob	CR	Non-Incentivized	Video ad	iPad	Tier 1	[Lev URL]	deprecated	admanager@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	Phone	Tier 1	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	Phone	Tier 2	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	Phone	Tier 3	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	iPad	Tier 1	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	iPad	Tier 2	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
AdParlor	CR	Non-Incentivized	Banner ad	iPad	Tier 3	[Lev URL]	deprecated	trayem@gree.co.jp	Actions
Ampush	CR	Non-Incentivized	Banner ad	Phone	Tier 1	[Lev URL]	deprecated	admanager@gree.co.jp	Actions

#### Output



1. Sow

2. Water

3. Bloom



## Strengthening the Competitive Advantage

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- New network development
- Direct management of top-tiered networks (ex: Facebook)
- Exploring new ad. technology
- Pre-production involvement for a bigger market & success

# Closing

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# Key trends of 2014

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- Big data and analytics – deeper customer insights
- Twitter as mobile acquisition / targeting platform
- An evolution in buying – rise of **CPE** (cost per engagement)
- Richer ad experience
- Localization x Internationalization

Thanks. Questions?

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