The Mobile Commerce Holiday Marketing Playbook



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Mobile Commerce Holiday Marketing 2020: An Unprecedented Opportunity

The 2020 holiday shopping season is poised to be unlike any we've ever seen before.

The massive increase in **mobile device activity** brought about by the COVID-19 pandemic is poised to drive holiday shoppers to digital shopping channels in record numbers.

Some major e-commerce players like Amazon are already reporting <u>massive year over year</u> <u>increases</u>, with TechCrunch reporting that the pandemic has accelerated the global economy's digital commerce adoption timeline by <u>by 5 years</u>. For e-commerce businesses, this means unprecedented levels of opportunity. While there's obviously some uncertainty heading into the holiday shopping season, all signs point to a one-of-a-kind year for mobile commerce marketers, provided they're adequately prepared.

That's why we've compiled this helpful collection of tools, best practices, and strategies for mobile commerce marketers looking to close out 2020 with improved success. It all starts with a look back at the pre-existing momentum from 2019 that is set to carry e-commerce to further success this season.



Mobile Commerce Insights From 2019



United States E-Commerce Sales - 2019



2019 Total US Online Shopping Sales

\$142.5B

(13% YOY Growth)

Online shopping just in the US alone hit \$142.5B in 2019 and is expected to exceed \$150B in 2020.

While there's plenty to look forward to, there's no shortage of insight to be gained from last year's e-commerce market activity. 2019 saw some astounding growth in holiday spending, including a 13 percent year-over-year increase in total US online shopping sales. Combined with e-commerce sales for the first three quarters of 2020, this year is shaping up to be a major revenue opportunity for e-commerce marketers.



Daily Online Sales In November 2019

>\$1B

Online sales in the US exceeded \$1B every day in November of 2019.



Cyber Monday 2019 Total Online Sales

\$9.4B

(13% YOY Growth)

Online sales in the US exceeded \$1B every day in November of 2019.

United States Mobile Commerce - 2019



Total Online Holiday Spend Via Smartphone In 2019

\$84.5B (34.5% of Total)



Percentage of YoY E-commerce Growth Driven By Smartphones



Source: Adobe Analytics 2019 Holiday Shopping Trends



Mobile Commerce Campaign Measurement Checklist

Success is equal parts preparation and opportunity, and there's a lot that goes into preparing a successful mobile commerce marketing campaign. Creative needs to be developed, budgets allocated, targeting tuned, and attribution measured. What follows is a brief list of all the resources mobile commerce marketers should have ready in advance of the holiday shopping season:

Set Up Tracking For Key Success Metrics

- Overall Ad Impressions
- Overall Ad Engagement
- Sales Conversion Rate
- □ Cost Per Acquisition (CPA or CAC)
- Cart Abandonment Rate
- Average Order Value (AOV)
- □ Customer Lifetime Value (CLTV)
- □ Return On Ad Spend (ROAS)
- □ IPM (Installs Per Mille)
- □ I2A (Install to Action)
- □ CPI (Cost Per Install)

Set Goals & Decide on Marketing Budgets

- Set Target Cost Per Acquisition
- Set Minimum Total Ad Budget

- Set Maximum Total Ad Budget
- Set Limited Ad Tracking Budget
- □ Set Segment-Specific Ad Budgets

□ Gather Updated Suppression Lists

- Low Engagement Prospects
- Existing Customers
- Non-Qualified Prospects
- □ Non-Applicable Geos
- Unsubscriber List

Set Up Advertising Attribution Solutions

- View-Through Attribution
- Click-Through Attribution



Mobile Ad Campaign Creative Checklist

In order to reach the widest possible audience, marketers need to work with a wide range of creative options and ad formats. Using the right machine learning algorithms, marketers can quickly determine what formats work best when it comes to achieving the reach and scale they need to succeed. Here's a list of all the major ad formats and sizes that marketers need for an effective comprehensive holiday campaign.

Video - .MP4, 720 x 1280 / 1280 x 720, >24FPS, <60MB

- Portrait Video
 - □ Short 9:16 aspect ratio, 6 15 seconds
 - Long 9:16 aspect ratio, 16 100 seconds
- Landscape Video
 - □ Short 16:9 aspect ratio, 6 15 seconds
 - Long 16:9 aspect ratio, 16 100 seconds
- End Card JPEG, JPG, PNG, GIF, 500KB Max
 - Portrait Equal ratio & size to corresponding video
 - □ Landscape Equal reaction & size to corresponding video
- Full Screen Static Interstitial
 - □ 1024 x 1024
 - □ 320 x 480
- Display Ads (150 KB or less)
 - □ 250 x 250 Square
 - 200 x 200 Small Square
 - 468 x 60 Banner

- □ 728 x 90 Leaderboard
- □ 300 x 250 Medium Rectangle
- □ 336 x 280 Large Rectangle
- □ 120 x 600 Skyscraper
- □ 160 x 600 Wide Skyscraper
- □ 300 x 600 Half-Page Ad
- □ 970 x 90 Large Leaderboard
- □ 320 x 50 Mobile Leaderboard

□ Native Ads

- Text Less than 90 letters including margin (line breaks and emojis applicable)
- □ App Icon 256 x 256 resolution or higher
- Native Image 1200 x 628, JPEG, JPG, PNG, GIF, 500KB Max
- Native Video .MP4, 720 x 1280 / 1280 x 720, >24FPS, <60MB
 - Native Portrait Video
 - □ Short 9:16 aspect ratio, 6 15 seconds
 - □ Long 9:16 aspect ratio, 16 100 seconds
 - Native Landscape Video
 - □ Short 16:9 aspect ratio, 6 15 seconds
 - Long 16:9 aspect ratio, 16 100 seconds
 - Native Thumbnail JPEG, JPG, PNG, GIF, 500KB Max
 - Portrait Equal ratio & size to corresponding video
 - □ Landscape Equal reaction & size to corresponding video



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Holiday Shopping Calendar

This year, the holiday shopping season is going to be even more critical for e-commerce businesses, as they endeavor to hit their yearly targets and lay the foundation for success in 2021. Timing is everything over the holidays, and knowing the dates that drive shopping behavior is critical for any strategic e-commerce business. Here are some of the key dates that marketers need to have in mind when scheduling their campaigns and promotional communications:

- **November 3** US Election Day
- □ November 11 Singles Day (China)
- □ November 13 6 Weeks to Christmas
- November 14 Diwali
- November 20 5 Weeks to Christmas + El Buen Fin (Mexico)

- **November 26** American Thanksgiving
- **November 27** 4 Weeks to Christmas
- □ November 28 Small Business Day
- □ November 30 Cyber Monday
- December 4 3 Weeks to Christmas
- December 11 2 Weeks to Christmas
- December 10-18 Hanukkah
- December 14 Free Shipping Day
- December 18 1 Week to Christmas + Christmas Shipping Deadline
- December 21 Winter Solstice
- December 25 Christmas
- December 26 Boxing Day



November										
Mon	Tues	Wed	Thurs	Fri	Sat	Sun				
						1				
2	3 US Election	4	5	6	7	8				
9	10	Singles Day	12	¹³ 6 Weeks To Christmas	14	15				
16	17	18	19	20 5 Weeks To Christmas El Buen Fin	21	22				
23	24	25	26 Thanksgiving	27 4 Weeks To Christmas	28 Small Business Day	29				
30 Cyber Monday										



	December									
Mon	Tues	Wed	Thurs	Fri	Sat	Sun				
	1	2	3	4 3 Weeks To Christmas	5	6				
7	8	9	10 Hanukkah Begins	11 2 Weeks To Christmas	12	13				
14	15	16	17	18 1 Week To Christmas Holiday Shipping Deadline End of Hanukkah	19	20				
21 Winter Solstice	22	23	24	25 The state of the state of th	26 Societado 26 Boxing Day	27				
28	29	30	31							



Mobile E-Commerce Marketing Best Practices

Mobile e-commerce marketers need to seek out every advantage they can in pursuit of delivering the right ad to the right audience at the right time. What follows are a collection of best practices to help marketers hone their paid advertising strategies this holiday season.

New Customer Acquisition

Getting new paying customers into your app should be at the top of any mobile marketer's priority list. Every new user acquired is an opportunity to develop a profitable, long-term relationship. When laying out your channel strategy and allocating budget, marketers need to keep a few key questions in mind:

What is My Target Acquisition Cost? -Align on Targets

Mobile e-commerce marketers need to target a customer acquisition cost (CAC) that makes sense given their high-level business objectives. Connect with your leadership team and make sure you're aligned on an acquisition cost that translates to real profit for the business, and not just vanity metrics. Keep in mind that as we head into one of the most crowded holiday seasons in mobile history, competition for media and users may be high. You may need to be flexible on your CAC in order to continue to drive scale of new users and sales.

Have I Diversified My Acquisition Channels? - Activate Multiple Channels

Ensuring a strong return on advertising investment requires that mobile commerce marketers insulate themselves from media cost fluctuations. Otherwise, the more competitive things get, the lower their ROAS becomes. By adopting a multichannel approach that prevents over-reliance on any one channel, marketers can insulate their budgets from bully bidding while targeting the scale they need to succeed.

Am I Getting The Reach I Need? - Run Incrementality Tests

On that note, keep in mind that some of the most valuable customers are those you haven't met yet. Connecting with the greatest number of prospects is the most effective way to drive new sales and develop a strong, profitable user base. Where possible, run incrementality tests to measure how effective each channel is at reaching new audiences, and make strategic decisions to cut down on spend between overlapping channels.



Q DID YOU KNOW?

MOLOCO Reaches 90% Of All Mobile Devices Worldwide

Through the power of the programmatic ecosystem, MOLOCO is able to deliver ad impressions to nearly every mobile device on the planet. This allows mobile commerce businesses to connect with the customers most likely to complete a purchase, no matter where they are.

Want to learn more? Get in touch and learn how MOLOCO can provide the reach and scale you need to achieve your revenue goals this holiday season.

CONTACT US

Customer Re-Engagement

In the freemium age, keeping a user's attention is no small challenge. In fact, most users delete apps just **5.8 days** after they've last used them. But thanks to digital marketing, that need not be the end of your relationship. Reconnecting with users that have already downloaded your app once can be a costefficient method for growing a user base around strategic spending periods like the holidays. Lapsed users are already familiar



Users delete apps just 5.8 days after they've last used them

with your product offering, making them more likely to convert compared to new users. It's a strategy that can be especially valuable when applied to your most high-value, lapsed user segments. Marketers can use the following segmentation criteria and promotional strategies as a starting point for building an effective re-engagement program:

Browsed But Never Purchased

These users have telegraphed interest but never sealed the deal. Price sensitivity can be a barrier to conversion, making promotional pricing for these users an effective strategy.

Lapsed > 3 Months

Short term lapsed users are likely still familiar with your offering, and so don't necessitate any majorly customized creative. Simply remind them of the value proposition that got them to convert in the first place.

Lapsed > 12 Months

Long term lapsed users are often less likely to engage with campaigns that resurface what made them initially convert. Instead, show off your latest and greatest with campaigns that highlight new additions to your product catalog.



Customer Retargeting

Customers that indicate interest in specific products through in-app activity, often in the form of incomplete purchases, are an invaluable resource for mobile commerce marketers. By allocating dedicated budget, marketers can cultivate a profitable segment that often ends up yielding some of the highest returns of the season. Use the following criteria when building your retargeting campaigns:

Conversions

Known spenders are often one of the most valuable segments available provided you can differentiate between saturated and unsaturated spenders. Use average LTV as an indicator of who's worth targeting for repeat purchases and who's less likely to spend again.

Incomplete Purchases

Any visitors who've added items to their cart without converting have demonstrated at strong interest in your product offering. Where possible, use dynamic ad creative to remind customers that they have items waiting in their cart to check out. Be sure to maintain a centralized product photography catalogue and update it regularly to reflect price changes and inventory levels.

Recent Activity

Prioritizing users who have just recently been active with your app is an effective way to stay top of mind and drive sales. Be sure to maintain a segment of users who have been active over a rolling 7 day time period.

High Engagement

Whether they've already completed a purchase or not, targeting users that have spent a great deal of time in your mobile commerce app is a reliable way of driving sales.

Q DID YOU KNOW?

MOLOCO Offers Dynamic Ad Creative

Much like Facebook and Google, MOLOCO offers mobile commerce marketers the ability to upload their product photography catalogue for use in dynamic ad creative campaigns. With MOLOCO, marketers can highlight the products that their customers love across the entire mobile ecosystem, ensuring they stay top of mind even after customers have left walled gardens.

Want to learn more? Get in touch and learn how MOLOCO can help keep your products fresh in the minds of your mobile customers, no matter where they spend their time.

CONTACT US





Funnel Optimization

No marketer should ever be too busy to refine and optimize their funnel. This year more than any other, e-commerce marketers need to stay agile and data driven. That means running regular incrementality tests, promotional offers, creative experiments and anything else to make the most of the opportunity on the table.

Reduce Funnel Friction

The holidays are a tentpole shopping season for most e-commerce businesses, making them an ideal time to resolve any user experience issues that may have been bogging down your checkout process and costing you sales. Leverage your product analytics to identify the stage of the buyer's journey where you're losing the most customers and dedicate resources to testing out new solutions.

Run Incrementality Tests

E-commerce businesses need to be constantly reaching new audiences. Whenever possible, marketers should be comparing audience identifiers and data sets between channels to cut down on overlap.

Build Seasonal Promotions

With so much to celebrate this holiday season, marketers have a wealth of opportunities to capitalize on changes in market behavior. Expect gift shopping to ramp up towards the holidays, peaking at the Christmas shipping deadline. Also keep in mind that audiences are likely to have disposable leisure time over the holidays, which are an excellent time to spend any new gift cards they may have received.



MOLOCO Success Snapshot: GS Shop

Challenge

GS Shop, Korea's number one home shopping company, has expanded into mobile and selected MOLOCO for its industryleading machine learning to power its new user acquisition strategy. The objective was to grow their customer base with new highquality shoppers.



Action

MOLOCO enabled GS Shop to launch new user acquisition campaigns that exceeded their ROAS (Return On Ad Spend) goals within weeks while maintaining a relatively low CPI (Cost Per Install). Combined with the use of effective dynamic creatives that leveraged GS Shop's product catalog, high-value shoppers were identified and targeted with the most relevant products and offers.

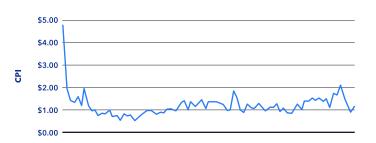
Results

- Target CPI was achieved within 3 days
- 4,000% ROAS using dynamic creatives

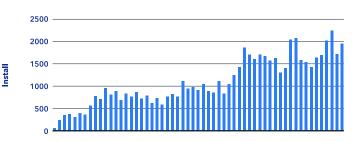
LEARN MORE

• Stable performance while keeping CPIs 30% below target

Cost Per Install



Daily Installs





Intermediate Mobile E-Commerce Marketing Strategies

For marketers who've got the basics down, digging into the more technical aspects of what modern digital marketing tools are capable of can pay immense dividends, provided you've got the resources to do so. What follows are a collection of intermediate strategies marketers can use to elevate their efforts above the competition and drive business results beyond what most others are capable of.



Go Local

Even retailers with mature e-commerce offerings have had to adapt to the challenges of 2020. Demand for in-store pickup and local delivery options has skyrocketed, and that's a major opportunity for mobile marketers able to leverage geo-targeting in order to raise awareness with nearby customers. With the right tools in place, marketers can deploy hyper-localized campaigns to reach prospects in specific geographic regions, like city or postal code. Some best practices to keep in mind include:



Start Early And Maintain A Presence

Holiday shopping starts earlier every year, so be sure to have your local campaigns in place as early as Halloween to ensure you're staying top of mind whenever customers are out shopping.

Prioritize Your Highest Traffic Locations

Marketers can get the most bang for their hyper-localized buck by focusing campaigns around their most profitable brick & mortar locations, as opposed to satellite stores that are less likely to benefit from ads deployed at scale.

Ramp Up Local Ads Before Christmas

Last minute shopping, as strenuous as it can be, is inevitable for most of us. With so much to deal with this holiday season, expect an appreciable amount of in-store shopping to take place in the days leading up to Christmas, especially as late-season shoppers grow increasingly nervous about packages arriving on time. Make sure your hyper-local campaigns are in place to make the most of the opportunity right up until close of business on the 24th.





Leverage First-Party Data & Modeling Tech

First-party data is clean, accurate and actionable. It's your window into customer shopping habits, and there's a variety of valuable ways that mobile commerce marketers can use it:

Build Custom Segments

Access to first-party data lets marketers group their prospects based on shopping behaviour or demographic data. These segments enable mobile commerce businesses to leverage specific treatment strategies like targeted promotions and even pricing adjustments. A well-segmented audience pays dividends across every marketing initiative, and should be a top priority for e-commerce marketers

Predict Customer LTV

With enough first-party data, marketers can build reliable prediction models that effectively estimate just how much a potential customer may be worth depending on their behavioral history. These same predictions can be used to power targeting models and treatment strategies to yield powerful returns at scale.

Train Machine Learning Models

Beyond best marketing practices, driving incremental value from your marketing campaigns comes down to having powerful machine learning algorithms continuously train themselves using your first-party and campaign data, resulting in improved performance over time.



Conduct Granular Analysis

Nobody knows your customers better than you, which is why a granular analysis of campaign performance is often the only approach that can reveal some of the most valuable insights available for mobile commerce marketers. Wherever possible, gather impression level log data and dig into exactly which parts of your mobile marketing efforts are driving the greatest results. Some of the first questions any marketing analyst should ask include:



What are my top performing creatives?

Identify the creative formats and/or ad sizes that are earning the highest engagement. A/B test if necessary, but be sure to build in time to bubble up top performers. If time allows, get granular and experiment with discrete creative elements like calls-to-action (CTA) and color.

What ad formats are my customers responding to?

Are your customers engaging below benchmark standards for videos, banners, or any other ad formats? If so, it's possible your product doesn't lend itself well to that particular format, and your budget would be better spent elsewhere.

What placements are producing the highest returns?

Where do your ads need to appear in order to capture the attention they need to succeed? In the case of walled gardens like Facebook, this means weighing the difference between different ad locations, but it can also mean identifying which publishers or exchanges in a programmatic environment are delivering the greatest value. This is where building specific inclusion lists can pay dividends. This can include specific publishers that overperform or, depending on the ad exchange, negotiating with private marketplaces (PMPs) that support scale and performance.

Am I targeting the right performance metrics?

While return on ad spend is always the goal, sometimes it makes more sense to extend the funnel and take a more circuitous route. Dig into the data and see whether or not it makes sense to spread out your campaigns to potentially prioritize installs earlier in the year, knowing that you can then shift to a re-engagement strategy once the holiday season comes around. For products that require a longer sales cycle, keep in mind that you may not see immediate results. In this case, be sure to use your campaign data to enrich your first-party data set for use in subsequent campaigns.

Q DID YOU KNOW?

MOLOCO Provides Impression-Level Ad Serving Data

Those looking to get their hands dirty get full access to impression-level data for every MOLOCO ad campaign. Marketers can identify opportunities, experiment with new strategies, and add manual layers of campaign management with MOLOCO Cloud.

Get in touch with our team to learn more about how MOLOCO Cloud provides the transparency marketers need to leverage the full power of the programmatic ecosystem.

CONTACT US





Demand Brand Safety

"80 percent of consumers said they would reduce or stop buying a product they regularly purchase if it advertised in a range of hypothetical situations involving extreme or dangerous content."

2019 TAG Survey: Consumer Perceptions Around Brand Safe Advertising

It's easy to get swept up in the season, especially when setting up campaigns at scale, but brand safety should always be top of mind no matter how big the opportunity. Ad misplacement is a big deal for many e-commerce businesses, who don't want their creatives appearing alongside content that contradicts its brand values, whatever the topic.

Maintain Publisher Whitelists

Keep track of publishers that not only perform well, but also align with your brand values.

As you continue to expand your reach and validate new supply sources, be sure to add new names to the list for use in subsequent campaigns.

Conduct Regular Spot Checks

Nothing beats getting hands-on with your campaigns. Wherever possible, dig into ad serving data and cross check a handful of publisher IDs to make sure that your ads are being shown where they should be. Be proactive and add any publisher mismatches to a blacklist and use it to filter your subsequent campaigns.

Prioritize Industry Certified Channels

When qualifying new channels, be sure to do your due diligence on the inventory you'll be purchasing and understand exactly what standards your supply sources are being held to. Fortunately, industry trade organizations like Trustworthy Accountability Group (TAG) provide certifications to businesses that meet their rigorous standards for brand safety.





Wrapping Up

While nobody can say exactly what this year's holiday shopping season holds for mobile commerce marketers, one thing is for certain: there's opportunity there for those willing to pursue it as consumers increasingly choose mobile as their shopping platform of choice.

The mass exodus to digital shopping channels brought about by COVID-19 has translated into massive gains for the biggest e-commerce players like Amazon, but a rising tide lifts all boats, and all e-commerce businesses stand to gain from it provided they arrive at the holiday season prepared, and ready to make the most of it.

Doing so requires that e-commerce marketers continuously explore programmatic solutions that prioritize transparency, control and performance.

About MOLOCO

MOLOCO is a programmatic advertising company that empowers mobile businesses to unleash the power of their data for fast, sustainable growth. Founded in 2013, the company offers a complete suite of proprietary advertising solutions to help mobile companies optimize the performance of their acquisition, retention, and monetization efforts. MOLOCO Cloud is a toprated cloud platform that provides scale across more than 4 billion devices.

To learn more about how MOLOCO can help you achieve your mobile commerce goals this holiday season, visit us at <u>www.</u> <u>molocoads.com</u>, or get in touch with a member of our team.

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