

Ad Monetization Tips from the Experts

Meet the experts



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Quick Stats



Ad revenue makes up 60-95% of revenue for most gaming apps



Rewarded video drives on average 80% of ad revenue for gaming apps

Expert tips to boost ad revenue

1. Strike a balance between ad revenue and retention

Mary Kim, Head of Growth

In-app advertising is the main revenue driver for many app developers, particularly in the gaming space, thus why free apps are such a big deal. But boosting ad revenue will only be profitable in the long run if you can ensure you're not hurting user retention.



It's really about finding and giving your high-value users a catered experience and options.



So how do you scale ad revenue without hurting retention? If ad revenue is core to your monetization, it needs to be integrated into gameplay or user experience thoughtfully. According to our advertisers, it's all about testing the right ad formats, placements, and ad frequency while keeping an eye on retention and engagement rates.



We really need to weigh out all of these elements and try to find ad experiences that fit in with the gameplay.

Ido Naim, VP GameOps & Analytics



The experts recommend starting off with rewarded video as these tend to be ad experiences that users find valuable. For example, if you're running a gaming app and they want a free life, have them watch an ad. Many will find that to be a fair trade.



Design into your game a reason for a player to want to watch rewarded video. Make it worth their while to make a purchase. And reward them for taking those actions.

Mark Allen, CTO & Co-founder



2. Align Monetization, User Acquisition, and Product teams with shared KPIs

Successful publishers keep their Ad Monetization, User Acquisition, and Product teams very close. Ad Monetization teams and User Acquisition teams are two distinct functions at some organizations while others opt to combine the two functions under a single team.



We actually have one combined team for both User Acquisition and Ad Monetization.

Mary Kim, Head of Growth





We have dedicated teams for UA and for Ad Monetization, under the same directive.

There has to be constant synergies between both teams as well as with the tech
and product teams.

Ido Naim, VP GameOps & Analytics

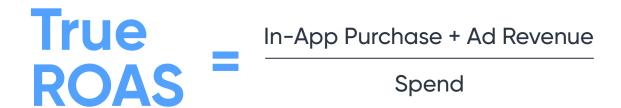


Either way, you need shared KPIs that all teams are invested in monitoring and optimizing. The best way to go about this is to:

- 1. Define shared KPIs that both teams will be responsible for, like Retention, ROAS, and LTV.
- 2. Establish a single source for reporting on your shared KPIs to ensure everyone is on the same page.
- 3. Meet regularly to review progress on shared KPIs and strategize tests and optimization plans.

3. Account for ad revenue in your marketing ROI formula to acquire more ad whales

One of the main shared KPIs that the experts recommend optimizing for is True ROAS. They stated that it's critical to stitch data across ad revenue, engagement, and acquisition to understand the full life cycle of your user and how monetization affects your user.



With the ability to see the true ROI figures, User Acquisition Managers will be able to make better decisions about the actual performance of their campaigns and channels and scale their marketing efforts efficiently and more intelligently. Channels and campaigns that you thought had a specific ROI could look completely different once we factor Ad Revenue into the ROI calculation.



It's gotta be ROAS as the king.

Noam Yasour, Senior Managing Director



4. Establish a single source of truth

Successful ad monetization strategies normally rely on testing several monetization platforms and mediators. They want to compare and contrast how different partners, ad formats, and ad placements work for them. And as we laid out above, they also want to take that ad monetization data and tie it back to user acquisition costs to understand which acquisition sources and campaigns are bringing in ad whales.

With all these siloed datasets, it can be time-consuming and downright impossible to get a complete, reliable view of your ad monetization performance. They'd rather skip all that manual work and get straight to analyzing what's working and what's not, and optimizing and taking action based on that to crush their goals.

Work with a solution, like Singular, that provides both <u>Ad Monetization reporting</u> across monetization partners, and the ability to tie in ad revenue for User Acquisition reporting.



That's why we partnered with Singular because they have a dashboard that allows us to put all this together in a way that we can actually look at it without having to go and hire people to build these systems.

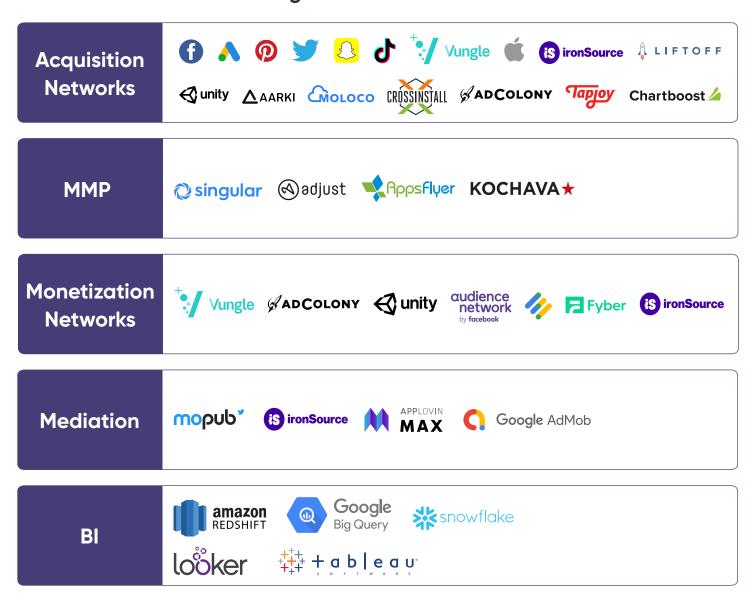
Mark Allen, CTO & Co-founder



What KPIs you should analyze

- **True ROAS:** Return on Ad Spend that calculates ad revenue and in-app purchase revenue over acquisition cost
- ARPU/ARPDAU: Average Revenue per User and Average Revenue Per Daily Active User
- LTV: Lifetime Value, or how much each user is worth to you over the course of time that they will use your app
- Retention: Percentage of users who still use an app a certain number of days after install
- Fill rate: Fill rate is calculated as the number of ads delivered divided by the number of ads requested

What's needed for a winning Ad Monetization stack



Watch the expert panel for more insights

<u>Watch the entire webinar</u> to hear the experts discuss how they are planning successful Ad Monetization Strategies for 2021, including their thoughts on topics like:

- iOS 14 and IDFA
- LTV
- Data aggregation
- Finding partners
- Game (and app) design for ad monetization
- Alternative ad formats (audio, surveys, etc)
- Optimizing eCPM and impression frequency
- Admon and re-engagement
- Waterfall vs in-app bidding

Want to see the industry's leading Ad Monetization Attribution and Analytics solution in action?

Talk to one of our experts today