

Mobile Ad Creative Index

2021 Performance Trends & Benchmarks





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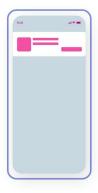
Introduction

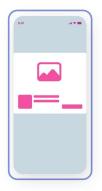
Creativity matters, especially in 2021. The results of a <u>study</u> published by Harvard Business Review found that creative campaigns double the sales impact versus non-creative campaigns. If marketers want to stay relevant and engage their users, they must turn to creativity. One Gartner analyst calls creativity, "<u>the next frontier for data-driven marketing</u>". With innovation and automation, marketers can spend more time finding out what works. This report is designed to speed that process up.

Liftoff's annual Mobile Ad Creative Index spotlights the creative advertising trends that drive effectiveness in mobile. The report reveals how five different creative ad formats (Banners, Interstitials, Native, Playables and Video) impact app performance by breaking down the conversions and costs that we track every second of every day.

The Index also features best practices from Liftoff's ad creative producers. We've identified the essential creative elements that bring results, and you won't want to miss the shortcuts and successes that we've covered in the Index.

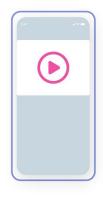












Banner

Traditional and standard level of ad units served at the bottom or top of the tablet or smartphone screen.

Today, Banners remain one of the few non-intrusive mobile ad formats that can be easily implemented into nearly any mobile app.

Native

Designed to match both the form and function of the user experience in which they are placed. The most common Native ad formats are in-feed units, paid search units, recommendation widgets, and promoted listings.

Interstitial

Full-screen ads that appear during transitions within an app. This provides a smooth transition between two levels of a mobile game or between two stories in a news app, making them feel less intrusive and more engaging.

Playable

These interactive ads allow users to play before they buy. Those who view the ad can interact with it as a preview of what they could do in the app. A Playable could show the first moments of a game, for example.

Video

This ad creative uses video to engage audiences. Rewarded video is perhaps the newest ad format, offering users perks and prizes in exchange for watching or interacting with an ad.



Report Highlights

Install cost: CPIs for all ad creatives are, on average, 39% lower than the previous year.

2020 trends: COVID-19 caused prices to plummet, with CPIs at their lowest point in April. Since April, the

cost per install skyrocketed by 80% as markets recovered.

Purchase: The cost to acquire users who make their first purchase declined 57% since the highs of

2019. In the same period, conversion rates doubled.

ROAS: Interstitials offer the best return on ad spend, at 44% on Day 7 and 87% on Day 30 after

install. For gaming apps, Video ads offer the best performance.

Platforms: Android installs are far less expensive than on iOS, but conversions are a mixed bag. While

Interstitials and Banners convert better on Android devices, and for a lower cost, Native ads

and Video on iOS net more users who spend.



Ad Creative Team Lead, Liftoff



Methodology

Liftoff's Date Range: Jan 1, 2020 - Oct 31, 2020











1,796

396B

6.2B

275M

7.7M

Apps

Impressions

Clicks

Installs

First-Time Events



The Mobile Ad Creative Benchmarks



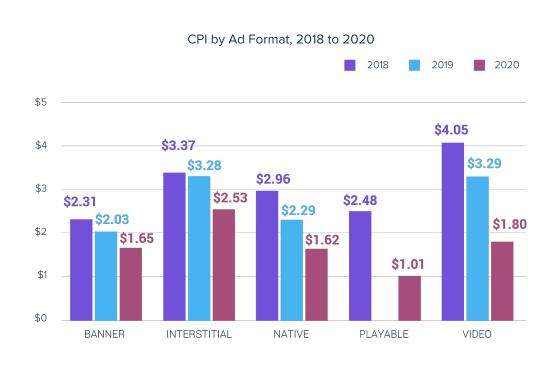
CPIs are less expensive than ever, with Playables leading the pack.

Across ad creatives, cost-per-install (CPI) is at its lowest rate in three years, dropping by an average of 39% compared to 2018. Video ad costs decreased by nearly 60% in just two years. While prices show some increase since lockdown restrictions eased, it will take time for growth (and therefore costs) to return to pre-COVID-19 levels.

At \$1.01 per install, Playable ads give marketers the biggest bang for their buck. This trend is driven by the massive number of gaming apps deploying Playables to create interest and conversions by letting users try before they buy. The second biggest mover is Native ads, at \$1.62.

"Video spend has increased a lot in 2020. It's becoming much easier to get people to install via Video ads."

Bryan Tamsir,Business Intelligence Analyst, Liftoff





The cost to acquire purchasers continues to plummet.

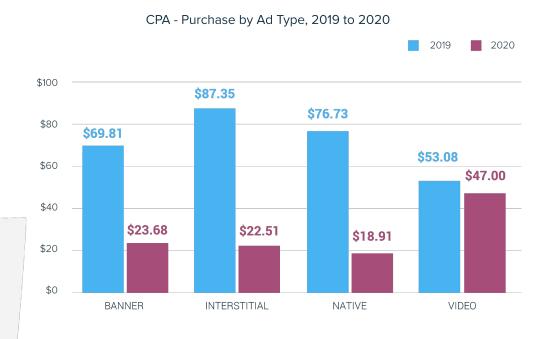
The cost to acquire users who make their first purchase dropped significantly as more consumers rely on mobile apps to order essentials and <u>avoid shopping in stores</u>. Cost-per-Action (CPA) rates are down 57% compared to the previous year.

- Interstitials experienced the biggest price drop (falling 74% to \$22.51).
- Native ads are the least expensive format at a remarkably low \$18.91.
- Video creatives stand out from the pack with a relatively small decrease in cost per purchase at 11.45%.



To maximize Video's more costly acquisition rates, marketers need to ensure their creatives:

- 1. Show the app in use
- 2. Tell a relatable story
- Put the brand front and center

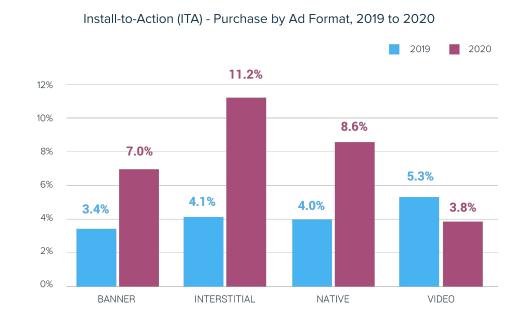




Low cost and high conversions are a winning combination for marketers going into 2021.

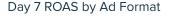
While cost to acquire new users declined, the install-to-purchase rate rose 2x more than in the previous year.

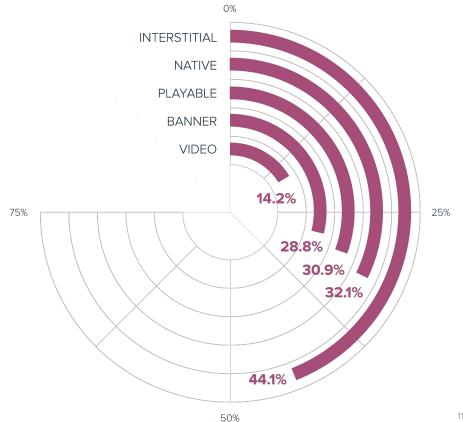
- Interstitials led to the most conversions, with 11.2% of users making a purchase after seeing the ad. This was up 3x more than the previous year.
- Conversion rates for Banners (+103%) and Natives (+115%) more than doubled versus 2019.
- Video stood out as the only ad format to see a drop in conversion rates. At 3.8%, rates were 28% lower than the previous year.





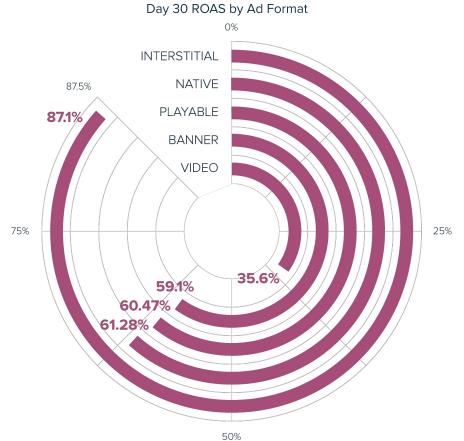
On Day 7 after install, Interstitial ads lead to the highest ROAS—12 percentage points above **Native ads, the next** best-performing format.







On Day 30, Native, Playable and Banner ads offer similar returns, but Interstitials still perform better.

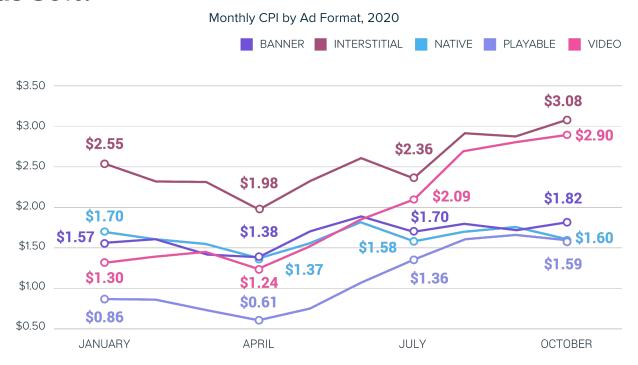




Monthly Creative Trends

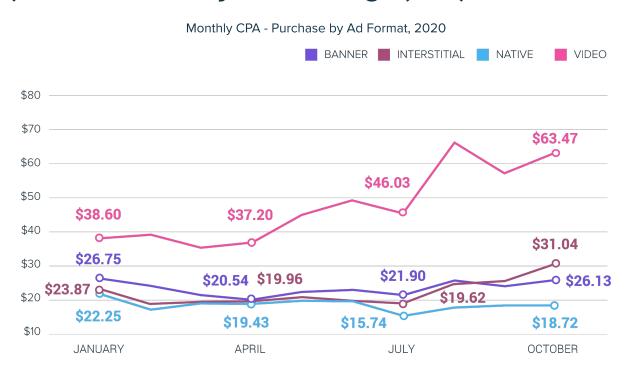


The COVID-19 outbreak pushed ads to their lowest levels of 2020. The biggest drop was at the pandemic's height, when CPIs fell by 11.4% from March to April. Since April, prices have increased by an enormous 80%.



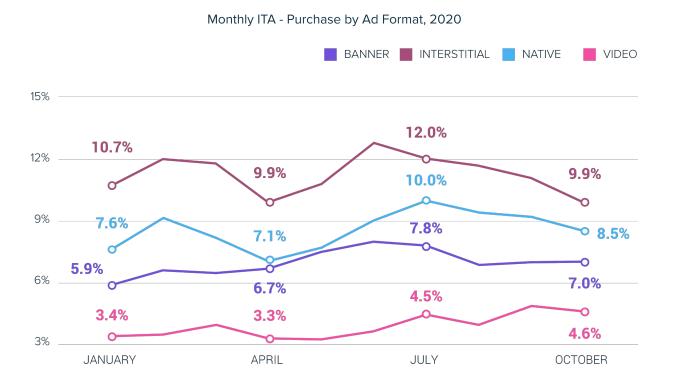


Video remained the priciest ad format for acquiring purchasers. Cost for the format hit their more expensive point in August (\$64.44), 41% above the year's average (\$47).





Conversion rates hit a high post-pandemic, but have since dropped 11% in October compared to July. October's overall figure is 15% higher than April for all ad types except Interstitials: they fell 9.9%.





The amount of efficient spend a creative can deploy defines its success. The more spend, the better the ad.

Justin Sampson - User Acquisition Manager

During Liftoff's insightful Mobile Ad Creative webinar, Justin Sampson, Manager of User Acquisition at Skillz, was asked to define what makes a successful creative. For him, the answer was simple: "It's the amount of efficient spend that creative can deploy." At Skillz, if a large amount of spend is put on a single creative that consistently reaches its KPIs, then it's a winner. In Justin's view, "the more spend that accumulates on the creative means that the creative is performing well," which translates to creative success.



Skillz is the leading mobile eSports platform, connecting the world's 2.6 billion mobile gamers through competition and making eSports for everyone.



Gaming App Trends



Interstitials give gaming marketers generous returns, with 8.1% of users making a purchase after installing.

- Interstitial ads offer gaming marketers tremendous value, with the highest conversion rate of all (8.1%). Results are even better as this format is paired with the most affordable CPAs (\$51.71).
- While Banner ads offer the second-lowest cost, they're hardly a bargain. Conversions for this format (2.2%) come in at the lowest end of the scale.
- Video ads hover in the middle, offering marketers a mix of attractively priced CPAs and CPIs. However, marketers should keep track of down-funnel performance to ensure campaigns are delivering value for money.

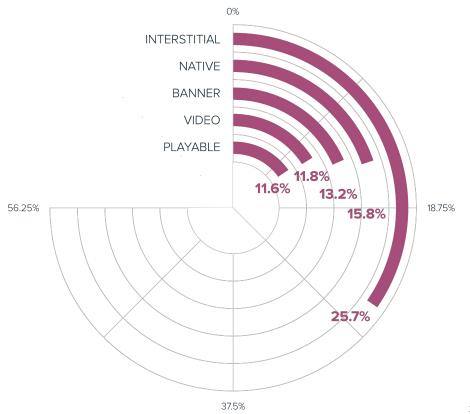
Gaming Ad Cost by Ad Format

	CPI	CPA - PURCHASE	ITA - PURCHASE	
BANNER	\$1.34	\$75.19	2.2%	
INTERSTITIAL	\$4.37	\$51.71		8.1%
NATIVE	\$2.60	\$81.95	3.4%	
PLAYABLE	\$0.88	-		
VIDEO	\$1.47	\$59.73	2.9%	



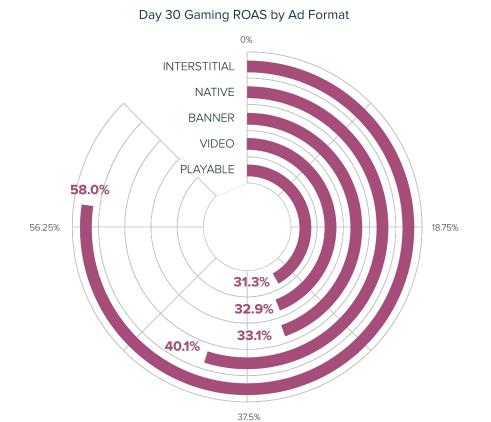
Interstitials offer significant ROAS by Day 7. It's a performance likely linked to speed as they require little bandwidth to make a big impression.

Day 7 Gaming ROAS by Ad Format





Video and Playable ads pay huge dividends over the longer term. ROAS increases 178% for Videos and 170% for Playables from Day 7.







Liftoff Creative Best Practices for Gaming Apps

Discover our recommended ad creative best practices for gaming apps.



Banner

Banner creatives need to include a brand name, a clear CTA, and the game's most compelling aspect. Creating urgency through animation such as "choose scenario A or B," is the perfect way to get users intrigued and show gameplay-related content.



Native

There's enormous potential with the relatively large visual space Native ads give you. It's a great ad format to use to focus on gameplay images. Depending on the game, showcase your maps, casino slots, or character design.



Interstitial

Keep Interstitials simple. You have 1.5s to grab a user's attention. So, it's vital to use animation or interactivity to get the exciting aspects of your game across. The user needs to clearly understand what they're getting into before they install.



Video

Use the time Video ads give you to show what the game is all about. Cut out the intros or character-specific aspects of a game and display the different themes or levels a user can play with instead. You can also rely on showing the user a tutorial-like video that will help them understand how to play.



Users want to 'try before they buy.' The ad experience should show the most interesting aspects of a game.

Alexandra Vornle - Creative Manager, EMEA & APAC

<u>Alexandra Vornle</u>, Creative Manager at Liftoff, explains that with any rich media format, "you can show complex gameplay through animation or interactivity." It's critical for marketers to focus on their game's most compelling aspects, such as characters or gameplay, and make them shine.

To learn more about how Liftoff can help you enhance your creatives, take a look at our mobile ad creative services page.



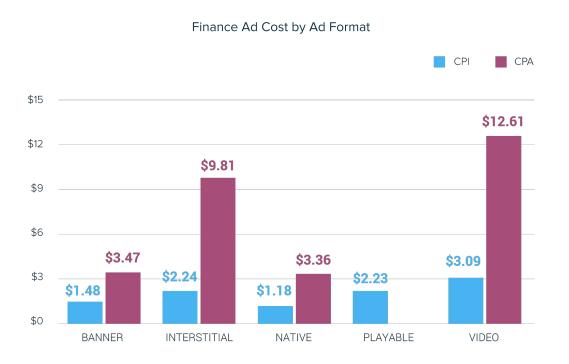
Liftoff is a performance-based mobile app marketing and retargeting platform which uses post-install user data to run true cost-per-action user acquisition and re-engagement campaigns.



Finance App Trends



Finance Purchase CPAs for Banner and Native ads fall under the \$3.50 mark. The price tag for Interstitials (\$9.81) and Video (\$12.61) are 3x more than Banner ads.

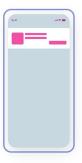






Liftoff Creative Best Practices for Finance Apps

Take a look our ad creative best practices for finance apps.



Banner

Simplifying the core benefits of the app is key for finance app Banner ads. Use a counter animation to highlight changes in a viewer's credit score or investments. The addition of animation can help lighten the seriousness of an ad.



Native

Natives are an excellent format for simple imagery or text, utilizing your app UI, or even deploying a simple catchphrase. Charts and infographics reinforce the app's purpose and can sway users impressed with your analytical approach.



Interstitial

Showcasing your app UI is a must for Interstitial ads. Competing finance apps often offer near-identical products, and messaging and branding can be very similar as well. A well-designed app UI can sway a user's decision quite effectively.



Video

When producing Videos, it's imperative to distance yourself from stock footage. Focus on the app's unique selling points, and simplify them into bite-size pieces. Adding additional branding can differentiate the app from competitors—the use of the color green shows positive growth and works well here.

You have to strike a fine balance between simplifying the core benefits of the app while explaining what can be a complex product.

Miles Creevy - Senior Advertising Creative Producer

Miles Creevy, Senior Advertising Creative Producer at Liftoff, has three golden rules when writing copy for finance display ads:

- 1. Simplify the core benefits
- 2. Highlight USPs in short, concise lines
- 3. Push the app's most successful, sought after functions

Finally, Miles says, marketers should display what the viewer can expect from the app. "Make sure you give them a clear idea of what they are signing up for."



Liftoff is a performance-based mobile app marketing and retargeting platform which uses post-install user data to run true cost-per-action user acquisition and re-engagement campaigns.

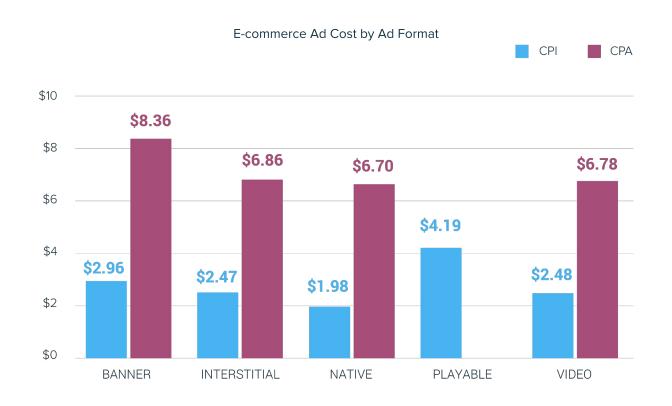




E-commerce App Trends



The cost to acquire purchasers versus installs is 3x higher for E-commerce apps. Competition for converting customers is fierce.

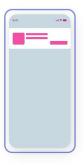






Liftoff Creative Best Practices for E-commerce Apps

Learn our best practices for e-commerce ad creatives below.



Banner

Use animation to your advantage. If your ad shows logo with text, animate that information away and replace it with products you want to sell. Bonus points if you can include the price in a well-designed way.



Native

Native creatives give you a grid layout that can show a variety of products. The more minimal the design, the easier users can process what products are on offer. We recommend showing between six to eight products in this format.



Interstitial

Users want to see the products they can find on your app, along with their price. Display one product at a time and add animation or interactivity to move to the next one. Consider building a grid of four products so users can see variety without losing visibility.



Video

Like with gaming apps, Video gives shopping apps more time to show users what your offering is all about. Create a video that takes a user through the shopping experience, scrolling through products and making a purchase. It's a simple but cool way to show how easy it is to buy something in your app.



The difference between success and failure is the willingness to test, test, and test again.

Jade Worobec - Head of Performance Marketing

Mobile Hero and Head of Performance Marketing at The Meet Group, Jade Worobec, points out that analyzing performance metrics from successful testing and figuring out "what works" are critical stages in the creative process, and you must test your ideas in order to gain those insights. "You might have a brilliantly creative idea, but unless you test it and iterate you won't know whether it resonates with your target audience."



Meeting the universal need for human connection. The Meet Group are dedicated to providing an environment where our users can connect and interact safely.



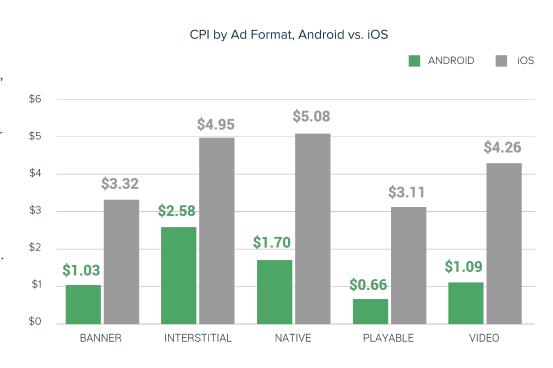
Performance by Platform



It's 67% less expensive to purchase creatives on Android. Prices for Playable, Banner and Video ads are the most affordable.

Android stands out as the most moderately-priced platform to acquire new users.

- Android ad creatives cost 67% less than iOS, making Android the operating system of choice for bargain installs at volume.
- Banner ads (\$1.03) are the best ad format for value-driven, high-volume installs on Android. On iOS, Playables were priced competitively (\$3.11).
- Meanwhile, Native iOS ads (\$5.08) were the priciest ad format of the bunch. For Android, Interstitials (\$2.58) were the most expensive.





Driving conversions on iOS can be up to 3x more expensive than on Android. Video (\$70.82) breaks the bank, 2.25x the cost of the lowest ad format on iOS.

CPA - Purchase by Ad Format, Android vs. iOS

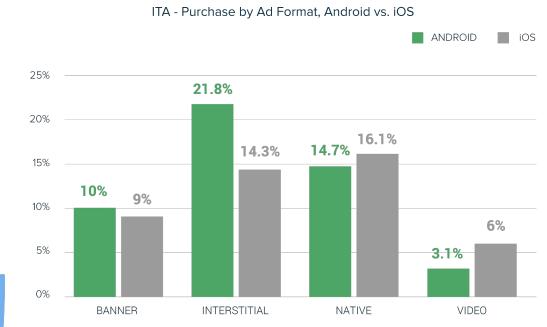




While Banners and Interstitials convert better on Android, Native and Video outperform on iOS.

- iOS maintains higher costs versus Android.
 On average, it was 3x more expensive to acquire a converting user on iOS. Banners were 3.5x more costly, the largest difference of any ad type.
- Native ads were the highest performing ads on iOS for the lowest price. Marketers spent an average of \$31.49 to acquire a conversion, with 16.1% making a purchase.
- On Android, Banner ads are the most efficient (\$10.28) but Interstitial ads convert the best (21.8%).

"Android users can match or beat ITAs on iOS. This is good news for marketers planning to spend more on Android in 2021."



High-performing ad creatives vary from market to market. Increasingly, ad creatives should be tailored to the tone and manner of each region.

Kong Junsik - Corporate Development Lead

In his recent <u>Mobile Heroes feature</u>, Kong Junsik, Corporate Development Team Lead at SundayToz, discussed the need for marketers to put localization at the core of effective ad creative efforts. "Marketers need to diversify in order to reach target audiences in low-CPI groups", he observes.

"In the past, creatives were produced in a centralized manner," but now, localization efforts mean looking further, and working to make ad creatives appeal to local markets with the right mix of relevant hooks.



SundayToz was founded in 2009 and has been creating fun and engaging casual games since. Their casual games has downloaded over 100 million times and is recognized as the leading casual games developer in South Korea.





Liftoff is a complete mobile app marketing platform that helps companies acquire and retain high quality app users at scale. We use unbiased ML to find all the best users for your app, creative tech to deliver the most engaging ad experience and a unique cost per revenue model to optimize for your LTV goals.

Liftoff is proud to be a long term partner to leading brand advertisers and app publishers since 2012. Headquartered in Redwood City, Liftoff has a global presence with offices in New York, Berlin, London, Paris, Singapore, Seoul, and Tokyo.

www.liftoff.io





