



THE CUSTOMER SUCCESS PLATFORM



+ social.com



THE CUSTOMER SUCCESS PLATFORM

How SGN Optimizes Ads to Maximize Revenue

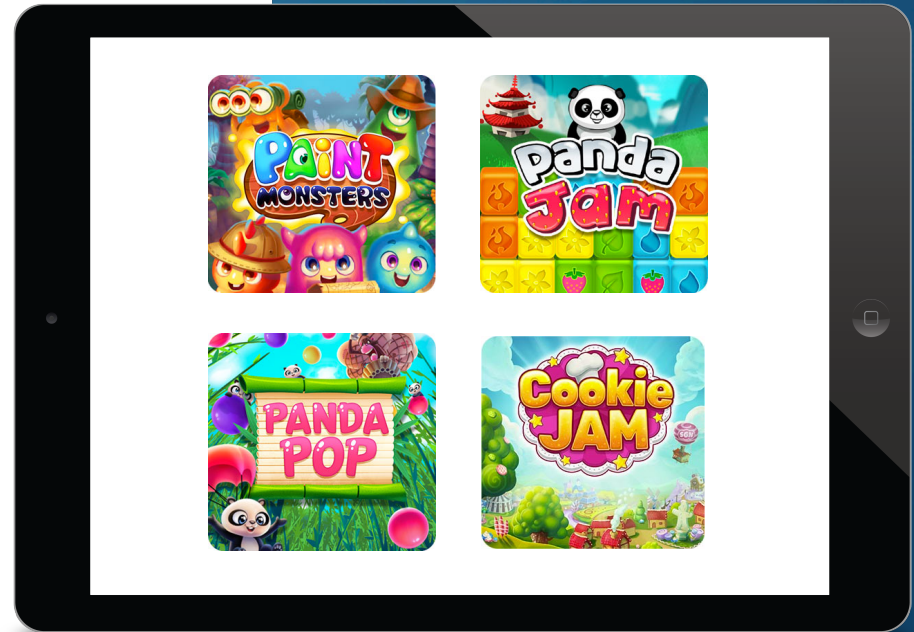
SGN (Social Gaming Network)

A top cross-platform developer and publisher of games on Facebook, iOS, and Android

Over 500 million SGN games installed to date

Based in Los Angeles, with studios in San Diego, Buenos Aires, and San Francisco

Top games include Cookie Jam, Book of Life: Sugar Smash, and Panda Pop



How SGN Uses Social Ads

SGN uses social advertising to gain new users who will actually spend money on in-app purchases for the games.

Focused on the lifetime value (LTV) of users to show advertising value instead of instead of cost per install (CPI) or clicks (CPC).

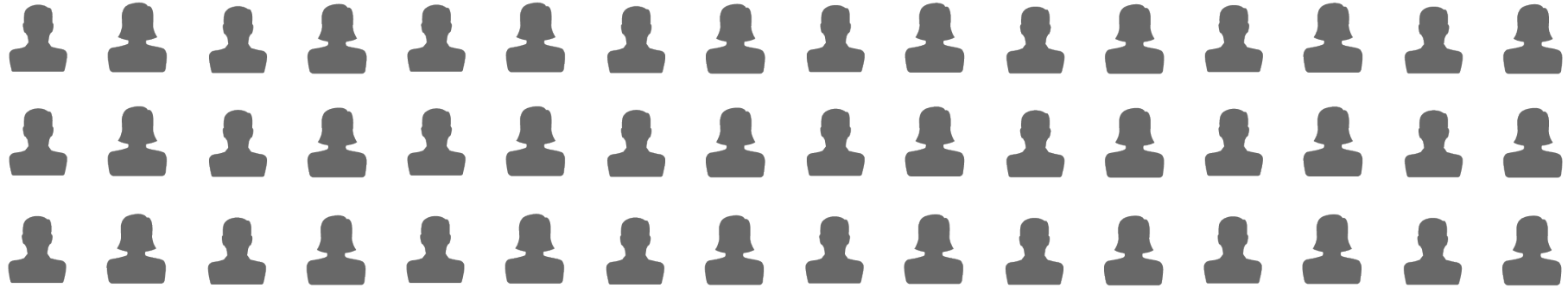
In the free-to-play market, under 5% of users will actually spend money, and under 5% of those payers driver a lion's share of the revenue.

SGN is focused on attracting more of those few profitable users.



Free-To-Play Market

For every
100,000 users
who install a free-
to-play game...



<5,000 users
spend money



And <250 users
provide a
majority of the
revenue



Tracking to Revenue



SGN needs to acquire large quantities of users in order to find the small proportion which contribute a lion's share of the revenue, and so always begins campaigns by focusing on app installs.



However, SGN uses a mobile measurement partner (MMP) to report as much real revenue from users back into Social.com as possible and supplements the data with direct analysis of users in its customer database.



This way, SGN knows which groups of users not only install the app, but make enough in-app purchases to justify the Facebook advertising spend.

“Using Social.com, I am able to quickly visualize the impact our creative has across different geos, age groups and genders. It’s an incredibly powerful tool to gain valuable insight into campaign performance.”

– *Scott Palmer, User Acquisition Manager, SGN*

How SGN Targets for Cookie Jam



1. Targets broadly segmented users, aiming to spend large budgets on user acquisition in Tier 1 Countries

Goal is to acquire new users in volume, so broad targeting is effective



2. Targets users interested in similar games by SGN or competitors, or in interest clusters which might respond to the game

Players of other games are likely to also be interested in Cookie Jam



3. SGN creates Facebook Lookalike Audiences using their own paying players as a starting point.

Does not scale to the large volumes SGN needs, but can be effective

Example Targeting for Cookie Jam

In one of SGN's largest campaigns, they targeted:

Woman

Over age 25

In Tier 1 English-speaking countries

Who aren't already users or fans of Cookie Jam

Who are fans or users of either:

- Other SGN games, such as Panda Pop
- Top puzzle games from other companies



Optimizing Creative for Cookie Jam

SGN realized that it must continually refresh its creative to draw in new users. Each piece of creative is iterated as less effective image variants are continually discarded.

For example, the below single set of creative for Cookie Jam on iOS had ten distinct versions which were each effective enough to use in large user acquisition campaigns. SGN iterated from the first to the last, discarding creative that didn't perform and finalizing on the last image.



“We rely heavily on detailed analytics to make decisions about our campaigns. Social.com makes it easy to understand the value of the users we are acquiring and making informed decisions on how to spend our marketing budget more effectively.”

– *Scott Palmer, User Acquisition Manager, SGN*

The Effectiveness of Simple Images for Revenue

In the previous example and others, SGN found that simpler, more abstract images drove better revenue per install than more complicated images.



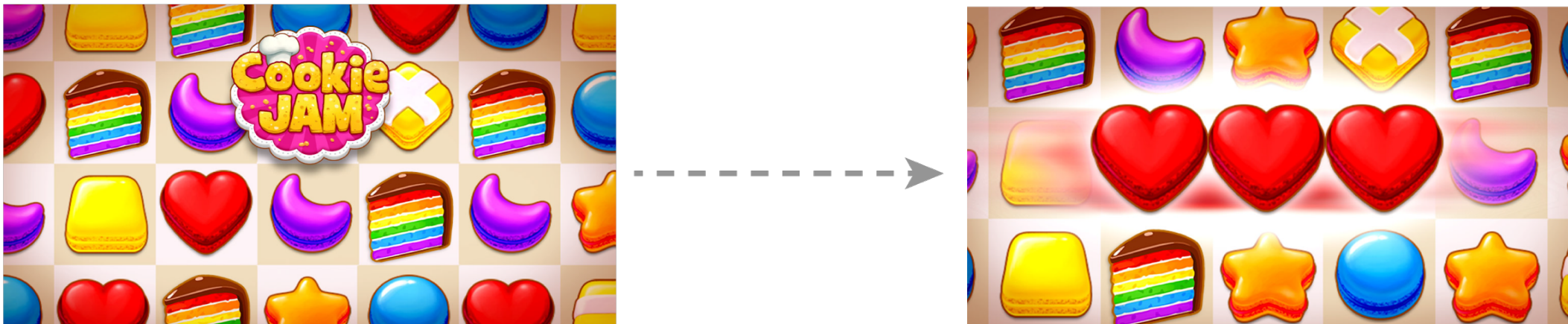
This image was used very extensively in early campaigns, and had a lot of clicks and installs. However, SGN's mobile measurement partner showed that those installs contributed relatively little revenue, compared to later images.



A simpler version of the same idea, without the play button or app store logo, had a worse click through rate (CTR) and a 30% higher CTI, however it had almost exactly double the revenue per install, and so was overall more effective.

The Effectiveness of Simple Images for Revenue

In the previous example and others, SGN found that simpler, more abstract images drove better revenue per install than more complicated images.



Five additional iterations later, an almost abstract image, with no text at all, had an even lower CTR than the prior ads, and a still higher CTI. However, revenue per install doubled again, rendering the overall ad effective.

The Effectiveness of Simple Images for Revenue

Another piece of creative evolved from the left-most image below to the right-most.

As in the previous example, simplifying the graphics improved the overall revenue performance.

Both the in-game iconography and background images were refined to a simpler form.



Why SGN Uses Social.com

Ability to run campaigns at large scale, and quickly tweak and iterate on a large number of creative to multiple different audiences.

Measure and visualize the success of ads for different audiences, on different platforms, and in different parts of Facebook (right-hand, desktop, and mobile).

Understand campaigns both on the ad level and at the much higher campaign and product level views.



Lessons Learned: Continually Test and Evolve

Don't trust your intuition for what creative works; test, then test again

Continually evolve your creative as you test

Experiment with different ways of targeting – don't just focus on custom audiences or lookalike audiences, but use interest clusters and broad targeting as well

Make your metrics be as close to real business value as possible



What is Social.com?

A true self-service platform, that’s powerful but easy-to-use and helps run efficient and effective social ad campaigns at scale. It powers the largest agencies and advertisers globally including the biggest social media advertisers in gaming, retail, CPG, finance and entertainment. We also provide premium, migration and support service options to help customers optimize, manage and scale their advertising teams and spend.

Who uses the platform?

Customer	Campaigns	Performance
Agencies	Manage thousands of clients at scale	Direct Response, Reach, Collaboration
Mobile Publishers	Drive mobile app installs & engagement	App Installs
Gaming	Drive app installs & revenue	Direct Response, LTV
Brand In-House Teams	Magnify brand message & conversions	Reach, Direct Response

What is Active Audiences?

Active Audiences helps marketers harness data from email, mobile, and social engagement along with the powerful automation and segmentation capabilities of ExactTarget to create targeted audiences for paid media campaigns that drive results.

Why use it?

Agencies and advertisers can build highly targeted campaigns quickly and easily, with sophisticated tools to optimize and automate every dollar invested. Teams can share and collaborate around campaign assets, to allow scalability across social ad buying and strategy.



Credits

This case study was a collaboration between SGN and Social.com.

It is intended to educate and inform readers of the best practices of a Facebook advertiser while using a best in class advertising platform. All results reported are not indicative of future results but reflect the learnings of SGN running their campaigns over a pre-defined period.

Our thanks Scott Palmer, User Acquisition Manager at SGN and the rest of the SGN team for their openness and continued partnership with Social.com and the Salesforce ExactTarget Marketing Cloud.

We also acknowledge the work of Randall Lloyd and Ben Jaderstrom at Social.com for their ongoing work with SGN in helping to create this report.

The case study was co-authored by Zachary Reiss-Davis, Product Marketing Manager at Social.com and Scott Palmer at SGN.

All information and data in this case study remains the property of SGN and Social.com and any usage in part or in its entirety of this document must receive the express written permission in advance from the content owners.

Zachary Reiss-Davis
Manager, Product Marketing (Advertising)
Salesforce ExactTarget Marketing Cloud

