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MOBILE MARKETING TRENDS 2019 ROUNDUP

July 2019

For the first time ever, US consumers will spend more time using their mobile devices than watching TV, with smartphone use dominating that time spent. eMarketer has curated this Roundup of articles, insights and interviews to break down the key trends in mobile marketing today.

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SPONSOR MESSAGE

The world's best brands know how critical mobile is to their overall marketing performance. But many marketing teams still struggle to develop the seamless, cross-platform user experiences their customers expect.

From desktop to mobile web to apps to tablets, users now have more connected devices than ever. Brands that can't respond to their users' needs for personalization across devices will lose loyalty–and revenue.

At Branch, we believe two core capabilities we've built solve this challenge: Cross-platform deep linking and cross-channel, cross-platform attribution. We help 200+ of the world's leading brands drive users from every channel into the app where those users are **3x more likely to engage and convert.**

Even better? We attribute these experiences, so marketing teams and the C-suite have a full-funnel view of the user journey—and which campaigns and activities are actually driving revenue. With Branch, you can ensure your user experiences are seamless, your mobile presence is growing, and your ROI calculations are holistic. Find out more at branch.io.

OVERVIEW

For the first time ever, US consumers will spend more time using their mobile devices than watching TV, with smartphone use dominating that time spent.

Consumers' use of smartphones will continue to make up the majority of their media consumption, but we predict that use will plateau by 2020, as consumers become increasingly uneasy about overuse of mobile devices.

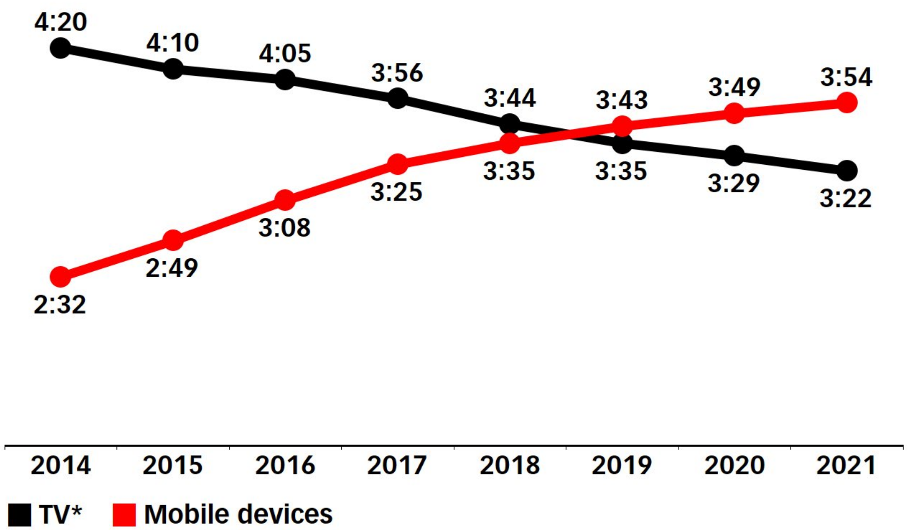
The average US adult will spend 3 hours, 43 minutes (referenced as 3:43) on mobile devices in 2019, just above the 3:35 spent on TV. Of time spent on mobile, US consumers will spend 2:55 on smartphones, a 9-minute increase from last year. In 2018, mobile time spent was 3:35, with TV time spent at 3:44.

Tablet use among US adults continues to lose ground, having peaked at 1:11 daily in 2017 and dipped to 1:08 this year. This trend will continue through 2021.

"We've expected that mobile would overtake TV for a while, but seeing it happen is still surprising," said Yoram Wurmser, eMarketer principal analyst. "As recently as 2014, the average US adult watched nearly 2 hours more TV than they spent on their phones."

What are people spending time on their devices doing? They're consistently spending the bulk of their time using apps over web browsers, with the average person spending 2:57 in apps vs. 0:26 on a mobile browser.

TV and Mobile Devices: Average Time Spent in the US, 2014-2021
hrs:mins per day among population



*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on desktop/laptop while watching TV is counted as 1 hour for TV and 1 hour for desktop/laptop; *excludes digital*
Source: eMarketer, April 2019

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Within apps, people spent the most time listening to digital audio, followed by social network activity.

"Digital audio apps continue to add minutes because people are streaming more music on their phones, and podcasts have taken off in popularity in the past few years," Wurmser said.

Longer term, smartphones will remain the dominant device for consuming media, but backlash continues over screen time, even if broader consumer behavior has not reflected these sentiments. Companies like Google and Apple have introduced screen time controls, but how useful they are in ultimately changing behavior remains to be seen.

Now that we've set the scene for the market, the following articles feature some of our latest forecasts and reflect recent key trends impacting mobile marketing.

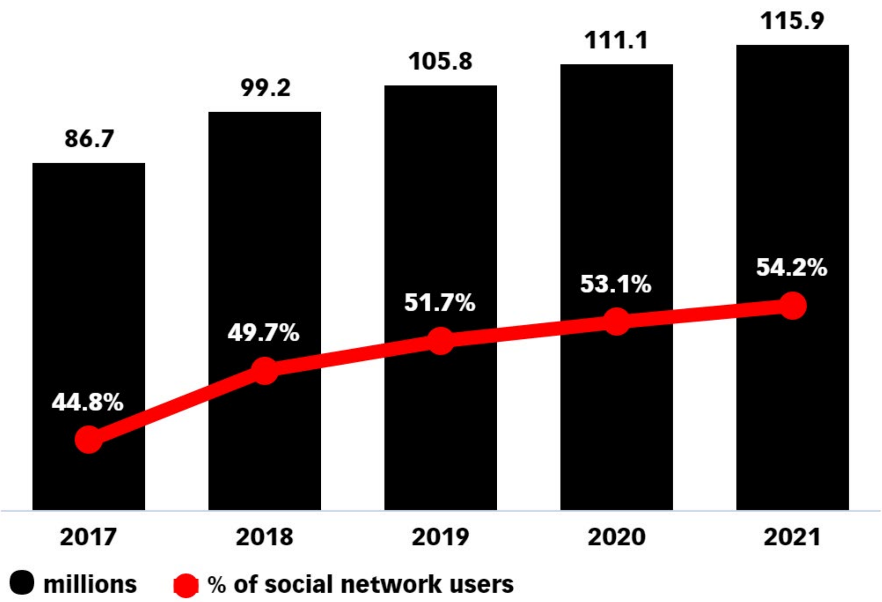
US adults are spending more time on mobile than they do watching TV.

MORE THAN HALF OF US SOCIAL NETWORK USERS WILL BE MOBILE-ONLY IN 2019

Fewer people in the US are accessing social networking sites via computers, with the majority of users now exclusively on mobile devices. We forecast that 51.7% of US social network users will be mobile-only in 2019.

Mobile-Only Social Network Users

US, 2017-2021



Source: eMarketer, March 2019

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What's causing this trend?

As smartphone use grows, fewer Americans are using desktops and laptops to access the internet. The number of US smartphone users will reach 232.8 million in 2019, surpassing desktop/laptop internet users (228.9 million) for the first time. And the number of those who access the internet exclusively on a mobile device will grow by 10.6%, reaching 55.1 million users.

But social network users have been largely mobile-exclusive for years. While they may use computers for school or work activities, their social media use is contained to tablets and phones.

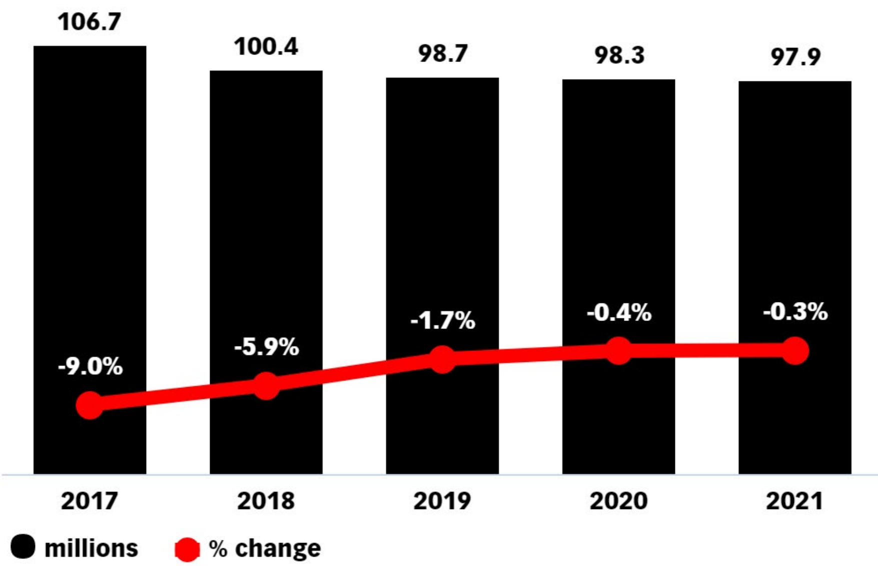
We expect that social network users on desktops/laptops will decrease by 1.7 million in 2019.

Looking at individual platforms, the majority of Facebook's US users have been mobile-only since 2016. This year, we expect that 66.3% of them will access the platform exclusively on a mobile device. Twitter will also continue to have a healthy share of mobile-only users at 22.9 million, or 43.1% of its US users.

Then there are the networks that are mobile-only themselves. Instagram, which can be accessed via desktop browsers but lacks essential features like the ability to post content, is the second-most-popular network in the country, with 106.7 million users. And Snapchat, another network that's essentially mobile-only, will have 77.5 million US users this year.

Desktop/Laptop Social Network Users

US, 2017-2021



Source: eMarketer, March 2019

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How are marketers responding to the shift?

The vast majority of Facebook's ad revenues already come from mobile and have since 2014. Its mobile revenues will continue to grow—reaching 94.0% of total ad revenues this year—and rumors have abounded that the company will increasingly look to "mobilize" its platform in the future.

In 2019, 51.7% of US social network users will be mobile-only.

Native mobile ads in Stories are also of great interest to marketers. In the three years since Instagram launched the ephemeral feature, advertising through Stories has come to make up a large chunk of its ad business. Again, given the aspect ratio of Stories, it requires an ad placement that has little use anywhere outside mobile. But marketers are investing. Nearly one-third of all Instagram ad budgets have gone to Stories, according to a 2018 survey of US senior ad buyers conducted by Cowen and Company.

And investments in mobile-only social media strategies will continue in the future. Sixty-four percent of companies worldwide have looked to adopt Instagram Stories, according to a survey conducted in Q3 2018 by social media management platform Hootsuite.

Additionally, 57% of companies plan to include mobile-first content in their social media tactics this year.

BREAKING DOWN MOBILE VIDEO AD SPENDING

This year, US advertisers will spend two-thirds of their digital budgets on mobile placements. Mobile ad spending has taken the majority of digital spending every year since 2015, and both search and display spending skew heavily mobile. But even though it falls under the display umbrella, video is the only digital ad format where more ad dollars are spent outside mobile channels.

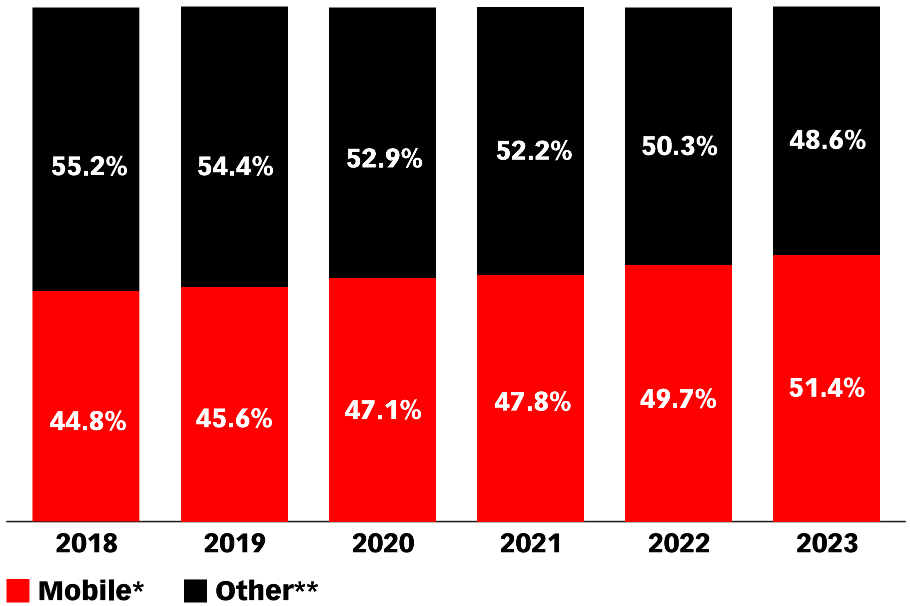
In 2019, we estimate, US advertisers will spend $16.41 billion on mobile video advertising (45.6% of total digital video ad spend) and $19.59 billion on video elsewhere.

One big exception to the nonmobile skew of video ad spending is social video, of which 93% will go toward mobile placements in 2019. That's largely because the overwhelming majority of Facebook's ad revenues (94% in 2019) come from mobile spending.

The initial shift to a mobile-dominated digital ad market in the US was largely driven by display advertising, which made up 44.6% of digital ad spending in 2015. That year, mobile display spending grew 62.9% to $15.71 billion. And 2015 was also the year mobile commanded more than half of total digital ad dollars. Search ad spending caught up in 2016, when more than $20 billion was invested in mobile ads, a 45.4% increase year over year.

In 2019, the $36-billion video ad industry remains the only outlier in this respect, and the reason is simple: the rise of over-the-top

US Digital Video Ad Spending Share, by Device, 2018-2023
% of total



*Note: *includes advertising that appears on mobile phones, tablets and other mobile internet-connected devices; **includes advertising that appears on desktop and laptop computers and other nonmobile internet-connected devices*
Source: eMarketer, Feb 2019

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Video remains the only digital ad format that isn't majority mobile.

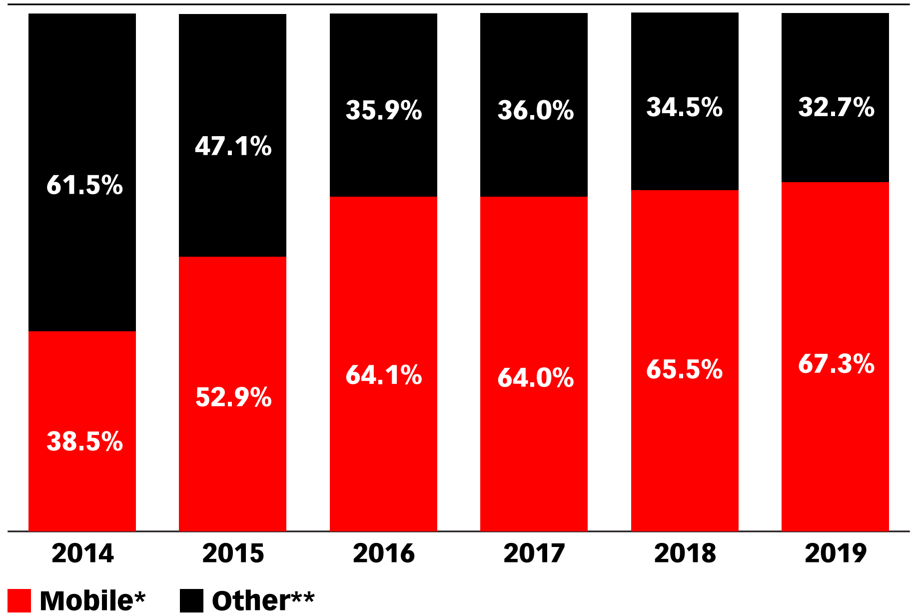
(OTT) TV advertising. We don't break out OTT ad spending from the nonmobile total, but, for example, Hulu is expected to gross nearly $2 billion this year in ad revenues.

According to data from Extreme Reach, 44% of all digital video ad impressions the company serviced in Q4 2018 went to connected TV devices. And connected TV could play an even larger role in the video ad market if ad-supported streaming continues to expand. The Roku Channel, which launched in 2017, offers free ad-supported content to Roku's 22 million registered users. Amazon, which already owned Twitch, further expanded into the ad-supported streaming market this year with IMDb Freedive. And the expected launch of NBCUniversal's streaming service in 2020 will bring another major player to the ad-supported OTT market.

Some of this content is being viewed on mobile devices, according to October 2018 data from video measurement and intelligence platform Conviva. But 56% of time spent viewing OTT video worldwide is on connected TV.

While mobile video ad spending will continue to grow in the US, the nonmobile segment will remain a healthy component of the video ad market, as long as ad-supported OTT services remain prevalent.

US Digital Ad Spending Share, by Device, 2014-2019
% of total



*Note: *includes advertising that appears on mobile phones, tablets and other mobile internet-connected devices; **includes advertising that appears on desktop and laptop computers and other nonmobile internet-connected devices*
Source: eMarketer, Feb 2019

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IS CASH STILL KING? CONSUMERS TALK MOBILE PAYMENT PAIN POINTS

While many shoppers still pay with cash, mobile payment utilization continues to increase. To keep adoption rates on the rise, however, better improvements to visibility, quality, connection and usage instructions will need to be implemented.

In an April 2019 survey from ad agency Hill Holliday, 55% of US smartphone users said they hate the idea of life without cash, and 45.3% don't see any reason to use mobile payments. However, an aversion to new transaction tech may be due to a lack of awareness. The study also found that:

- 23% of respondents said they don't know how to use mobile payments.
- 23% reported being unaware of whether stores will accept mobile payments.
- 48% said they wouldn't recommend using mobile payments.

According to an October 2018 study from RootMetrics and IHS Markit, more than one-third of US smartphone users said they don't use mobile payment apps because they think using a credit card or cash is easier (37.4%), or they worry that their data isn't secure (36.3%). One in 10 respondents said they don't use them because they've experienced connectivity issues in the past.

Additionally, GfK surveyed US internet users last August on their feelings about mobile payments. Around half of millennial and Gen Z respondents said they preferred to pay with their mobile device. They also said they feel the method is easier and faster.

But Gen Xers and boomers (ages 39 and older, per the survey) found little use for mobile payments, with just 28% and 11% noting it as their preferred payment method. Across the board, security concerns plagued mobile payments—more than half of consumers of all ages said they were worried about the security of their personal information when using mobile payments.

How Do US Internet Users Feel About Mobile Payments?

% of respondents, by age, Aug 2018

1. **Prefer to pay with mobile device**
2. **Easier than other methods**
3. **Faster than other methods**
4. **More efficient than other methods**
5. **Concerned re: security of personal info w/ mobile payments**

	1	2	3	4	5
Gen Z (19-28)	49%	56%	58%	55%	57%
Gen Y (29-38)	48%	58%	58%	57%	59%
Gen X (39-53)	28%	37%	44%	39%	60%
Baby boomers (54-72)	11%	17%	18%	17%	61%
Average	**30%**	**37%**	**40%**	**38%**	**59%**

Source: GfK, "FutureBuy 2018," Jan 10, 2019

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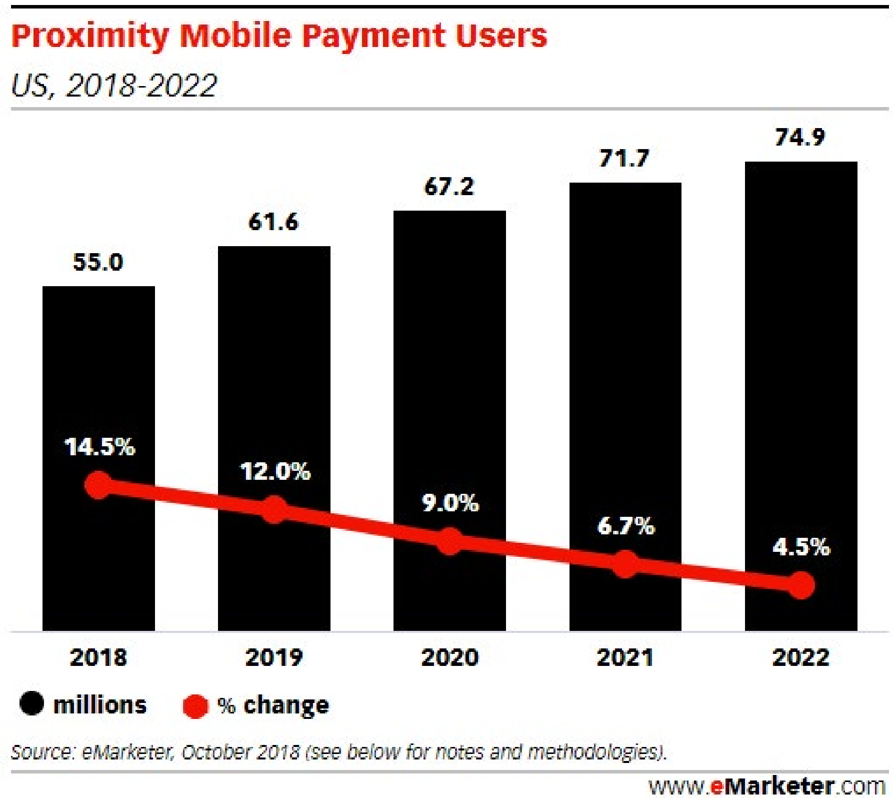
And while the Hill Holliday survey found that respondents were actually twice as likely to feel safe vs. unsafe making mobile payments, it uncovered other pain points. Thirty-five percent of smartphone users said their mobile payment methods crashed frequently, 29% wanted visual cues describing how to use the payment method, and 27% said limited internet access was a barrier.

Among mobile payment users, 58% started using the technology in the past year, and 51% said their use of mobile for in-store transactions was driven by family or friends introducing them to it. Additionally, improvements to the aforementioned consumer pain points would influence 63% of respondents' willingness to go cardless and cashless.

Making the transaction experience more user-friendly is important, as 61.6 million people in the US are expected to be proximity mobile payment users this year, according to our estimates. That figure is up 12% year over year and will account for 27.4% of smartphone users. By 2022, the number of mobile payment users will reach 74.9 million.

By 2022, the number of mobile proximity payment users will reach 74.9 million.



The survey results above indicate that consumer willingness to use mobile payments does exist—especially among younger consumers—but more widespread awareness about how and where to use these payments is key.

Marketers also need to fine-tune their payment methods to avoid transaction hiccups and ensure consumers' information is safe.

TWO-THIRDS OF SHOPPERS CHECK PHONES IN-STORE FOR PRODUCT INFORMATION, SKIPPING STORE ASSOCIATES

The gap between online and offline shopping continues to close as more customers engage with their mobile devices in-store. Some shoppers choose to engage this way over personal interaction, but that doesn't mean retailers should give up entirely on educating their store associates.

According to a March 2019 RetailMeNot study, internet users looking for more information in-store often skip approaching retail associates and go directly to their smartphones. Sixty-nine percent of respondents said they would look for reviews on their phone first, and 53% would search for deals before speaking with an employee.

A September 2018 survey from HRC Retail Advisory (HRC) found that 59% of US smartphone shoppers used their device in-store to compare costs or search for deals and coupons. And similar to looking up product reviews, more than half of respondents shared product pictures while in-store as a means of soliciting opinions from friends and family.

Six in 10 US internet users have used digital tools to compare product prices while shopping in-store, according to a November 2018 survey from TD Bank. And 57% of US digital buyers say they check prices through a retailer's mobile app while shopping in its physical store, per a May 2018 study from RIS News.

What Type of Information Are US Internet Users More Likely to Look for on Their Smartphones Instead of Speaking to a Store Associate?

% of respondents, March 2019

Note: ages 18+
Source: RetailMeNot survey conducted by Kelton Global, April 30, 2019

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As smartphones increasingly become shopping companions, some retailers may fear patrons will take their business elsewhere. But they should see this as an opportunity to ensure their own mobile sites and apps provide maximum convenience and usability for in-store customers.

And retailers are catching on to this—49% said the mobile experience was one of their top customer engagement priorities, according to a 2019 report from BPR Consulting. Acknowledging the importance of mobile is a smart move toward innovation, even though offline sales will still account for 89.1% of total retail sales in the US this year, per our estimates.

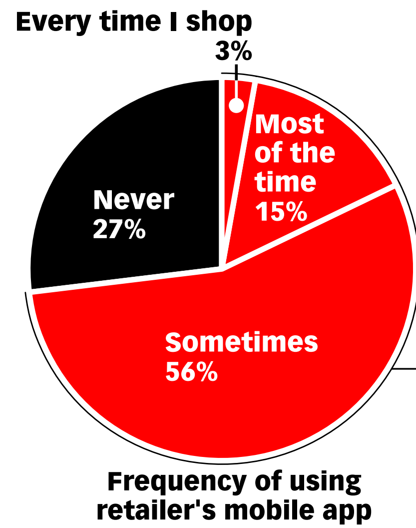
That is not to say that marketers should move away from investing in store associates altogether. They should make sure their employees are knowledgeable, well-trained and readied with mobile devices of their own. According to November 2018 research from Zebra Technologies, 66% of retail store associates feel they could provide better customer service if equipped with tablets.

With mobile technology on hand, Retail Touchpoints found that store associates are able to provide customers with product availability information, as well as process online orders of out-of-stock items and transact mobile payments.

And giving tech assistants to retail associates is a goal for many companies. Among the retailers surveyed by Zebra Technologies, 60% plan to increase spending on handheld devices by more than 6%, and 21% plan to up their tablet budget by more than 10% within the next three years.

What Actions Do US Digital Buyers Take When Using a Retailer's Mobile App While in Its Store? May 2018

% of respondents



Actions taken	
Check promotional offers/ discounts offered just to me	66%
Check sales and promotions available to everyone	61%
Check prices	57%
Research products	36%
Navigate the store	15%
Order and pay for a product	14%

Note: ages 15-74; numbers may not add up to 100% due to rounding
Source: RIS News, "Retail 2025 Shopper Study: The Future of Retail Is Already Here " sponsored by Infosys, LG and Radial, Aug 30, 2018

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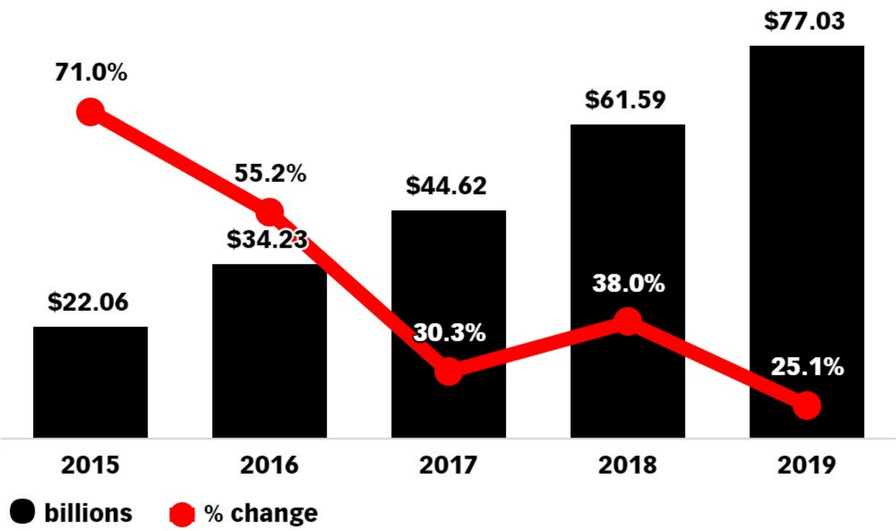
OMNICHANNEL AD BUYERS STILL NEED EDUCATION ON IN-APP OPPORTUNITIES

Native advertising has dominated the digital display market, and it can be the main (or even exclusive) way of reaching consumers with display ads. Native ads have a particularly strong foothold in mobile apps, which account for a significant share of how internet users spend their time.

Mobile In-App Ad Spending

US, 2015-2019



Source: eMarketer, October 2018

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We estimate that the average US adult will spend about 3 hours, 43 minutes per day with mobile devices this year (excluding voice), and almost 80% of that time will be spent with apps. In-app advertising will account for an even higher share of US mobile ad spending this year, at 82.6% of the total. That amounts to $77.03 billion this year, and it's safe to say a majority of that spending is on native formats.

eMarketer principal analyst Nicole Perrin spoke with Meagan Ralston, manager and partner of the solutions team at MoPub, a Twitter company, about how advertisers are continuing their educational journey and taking up more opportunities to advertise in apps like mobile games.

eMarketer: How has advertiser interest in native formats changed?

Meagan Ralston: The biggest shift over the past year in the mobile in-app ecosystem is the emergence, or convergence, of large, omnichannel demand-side platforms [DSPs]. The way in which they buy hasn't always been in-app focused, so there's some friction with how they think about buying in-app.

eMarketer: What should they do differently or understand about the mobile in-app ecosystem?

"Scale is the big differentiator for native."

Meagan Ralston,
Manager and Partner of the Solutions Team, MoPub

Ralston: There are so many different microworlds that a user can engage with, for example, in the gaming community. It's synonymous with apps because that's what users download continually. Users have their top 20 apps that they use. But users are downloading new gaming apps. There's a constant rejuvenation of these apps, from casual to hardcore games.

What doesn't translate normally to these big omnichannel buyers is the value in gaming specifically and the app experience generally. It differs from desktop and what buyers know about interacting with users and their cookies and how to attribute it. The biggest shift this year is toward more education and awareness within these brand and DSP models. They're more open with how they think about buying in-app and what native means.

eMarketer: Are there advertisers that understand the value of native ads in these environments?

Ralston: Definitely. Scale is the big differentiator for native. The number of users and uniques that you can reach by accessing this format is incredible—and there are apps that will only run native, so you can access those users. And, it's not expensive.

Combining scale with price gives you a really good way to engage with performance advertisers that are trying to understand who their audience is and who will have a down-funnel experience to drive revenue or performance for that advertiser. Many buyers and advertisers understand the value of that.

MOBILE WEB VS. MOBILE APP: WHERE DO SHOPPERS SPEND TIME AND MONEY?

A strong in-app experience heightens engagement and loyalty, thus increasing time spent by users. And more user attention can lead to greater spending.

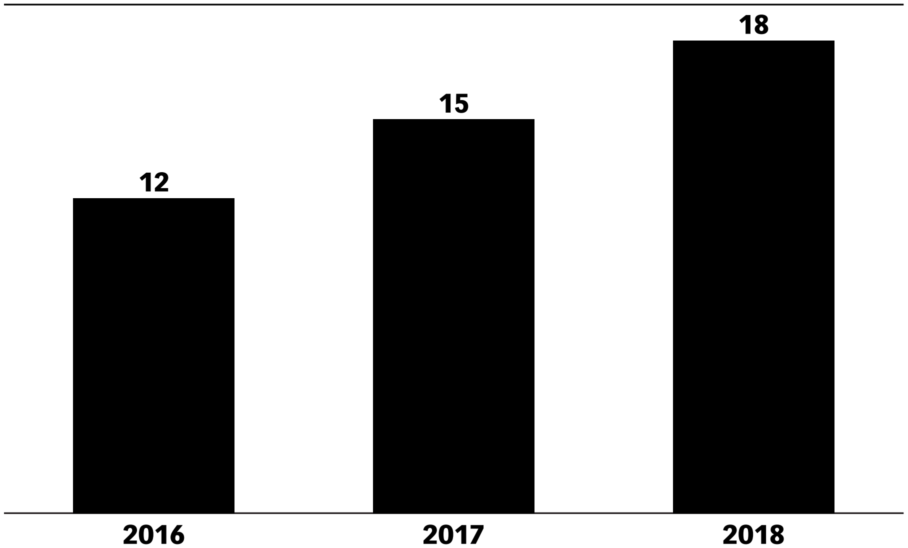
In 2018, total worldwide app revenues grew 63% year over year, according to a March 2019 report from app commerce company Poq, based on data from the company's platform clients. Global time spent in shopping apps on Android devices grew to 18 billion hours in 2018, up 45% from two years prior, per a January 2019 report from app analytics platform App Annie.

Looking at total time spent, November 2018 marked the biggest mobile shopping month ever. And sessions—comparable to brick-and-mortar foot traffic—grew 65% worldwide from 2016 on Android devices, according to the App Annie report.

In the US, mobile shopping sessions grew 70% from 2016. Amazon's app ranked third for number of active users per month across both iPhones and Androids in 2018. The ecommerce powerhouse was the only retailer to make the top 10 apps in the US, trailing Facebook and Facebook Messenger.

Last year, Amazon's mobile web audience was larger than its app audience, a 2018 Comscore study found. It averaged roughly 152 million unique users per month on mobile web, compared with approximately 112 million unique mobile app users.

Time Spent with Shopping Apps Among Android Users Worldwide, 2016-2018
billions of hours



Source: App Annie, "The State of Mobile 2019," Jan 16, 2019
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However, the vast majority of Amazon's engagement took place in its app, with 85% of time spent vs. 15% on mobile web.

According to App Annie, time spent by US consumers in shopping apps and increasing digital sales had a strong positive correlation of 0.97 between Q1 2014 and Q3 2018—further exemplifying the importance of the user experience.

We forecast that US retail mcommerce sales will reach $268.78 billion in 2019, up nearly 30% year over year. By 2020, that figure will increase to $338.02 billion and account for nearly half of total US retail ecommerce sales.

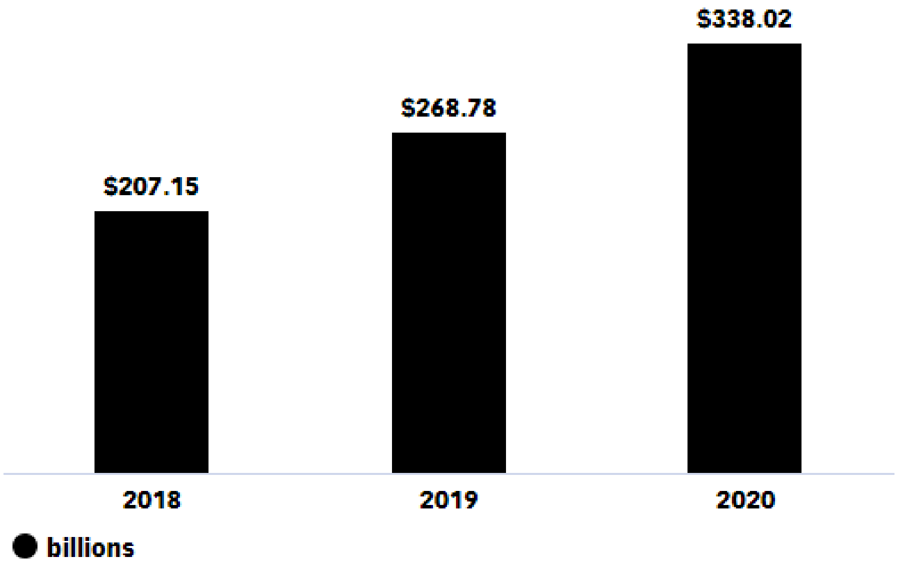
US retail mcommerce sales will reach $268.78 billion in 2019, up nearly 30% year over year.

Retailers haven't always done a great job of encouraging mobile conversion, but they are getting a lot better at connecting with their customers. Continued mcommerce gains can be driven by improved marketing tactics.

"Retailers must activate every phase of the marketing funnel to maximize customer lifetime value," eMarketer principal analyst Andrew Lipsman said. "They can do so by using tactics such as explicitly communicating the value of their app, targeting the right customers through relevant channels, and directly incentivizing downloads, usage and transactions with compelling discounts and promotions."

Retail Mcommerce Sales

US, 2018-2020



Source: eMarketer, February 2019 (see below for notes and methodologies).

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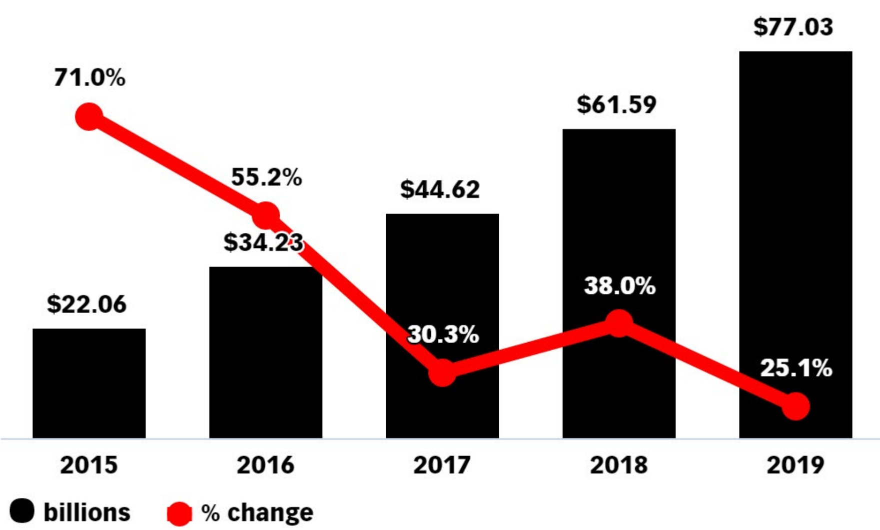
WHY IS MOBILE APP AD VIEWABILITY SO HARD TO MEASURE?

Because of in-app ad spend's recent surge, getting accurate in-app viewability measurements is a big deal for mobile marketers. We forecast that $77.03 billion will be spent on in-app advertising in the US this year, up 25.1% over 2018.

Mobile In-App Ad Spending

US, 2015-2019



Source: eMarketer, October 2018

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A recent PubMatic and Forrester Consulting survey of decision-makers at brands and agencies revealed widespread concern with viewability measurement of programmatic in-app advertising. Among brand respondents, only fear of fraud ranked higher as a key challenge. Viewability measurement was the top challenge, for agency respondents.

"Mobile campaigns are run across mobile web and app, without splitting them out," said Paulina Klimenko, general manager of mobile at supply-side platform (SSP) PubMatic. "Because verification methods for the browser vs. in-app environments are so different, the [in-app] viewability signals delivered by vendors to advertisers are often inaccurate."

What Key Challenges Do Companies Worldwide Encounter with Programmatic In-App Advertising?

% of respondents, brands vs. agencies, Nov 2018

	Advertising		Video	
	Brands	Agencies	Brands	Agencies
Fear of fraud	52%	36%	57%	42%
Viewability measurement challenges	42%	48%	44%	44%
Brand safety concerns	38%	46%	37%	36%
Attribution concerns	26%	36%	24%	26%
Concerns about effective targeting	25%	38%	32%	38%

Note: n=336 media-buying/planning decision makers at brands, agencies and ad tech companies in Denmark, Finland, Singapore, Sweden, the UK and the US; excludes social media
Source: Forrester Consulting, "The Move Toward In-App Advertising" commissioned by PubMatic, Feb 5, 2019

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On desktop and mobile web browsers, measurement companies can track viewability by deploying a pixel on the website they're analyzing. With mobile apps, measuring viewability requires the use of software development kits (SDKs)—software tools that allow third parties to integrate their products into apps. To track viewability within apps, third-party measurement companies have to get app owners to install their SDKs, according to Jane Clarke, CEO of advertising trade group Coalition for Innovating Media Measurement (CIMM).

"Every time an app is updated, the SDK has to be tested to make sure it still works."

Jane Clarke,
CEO of advertising trade group,
Coalition for Innovating Media Measurement (CIMM)

"This is a huge hurdle, because these companies usually subcontract app development to outside developers that often live in different countries, and the lawyers at the app owners must ensure that the SDKs are in compliance with consumer privacy laws," Clarke said. "Additionally, every time an app is updated, the SDK has to be tested to make sure it still works."

Another roadblock is that each SDK they adopt increases the size of their app, creating latency. Android apps have 18.2 SDKs on average, according to SDK management firm SafeDK.

If a publisher decides to not integrate a measurement vendor's SDK, then the vendor and its marketer clients will struggle to accurately measure the app's ad viewability. In April 2018, the IAB Tech Lab made its open measurement SDK widely available in an attempt to help alleviate this issue. The open measurement SDK includes viewability trackers from multiple vendors, allowing publishers to adopt a single standardized SDK for viewabilty instead of having to integrate an additional SDK for each vendor. Nineteen companies have gone through IAB's SDK certification program, according to an IAB spokesperson.

Viewability also impacts how campaigns get billed because many advertisers use their programmatic buying platforms to restrict media spend to inventory that is highly viewable. With viewability metrics becoming so consequential to advertisers, disagreements have arisen over how they should be defined and measured.

The CMO Council surveyed 233 senior marketers worldwide in Q1 2018 and found that few respondents completely agree with the IAB's viewability guidelines, which consider video ads viewable as long as 50% of the ad is on screen for at least 2 consecutive seconds. About four in 10 respondents said they disagree with the industry standard, but admitted they struggled to find a better definition.

HOW TO MAXIMIZE APP USER LIFETIME VALUE: 5 KEYS TO SUCCESS

This post was contributed and sponsored by Branch.

Mobile marketers face many challenges in today's increasingly fragmented and ever-evolving digital ecosystem. One challenge always on the mind of marketers: LTV.

Forty-eight-percent of app marketers say their leading marketing challenge is that app installs don't translate into high Lifetime Value (LTV) users, according to Statista.

According to Comscore, smartphone users' top 5 apps account for 88% of their total time spent in apps. This means you're competing against apps like Facebook and Instagram for user attention. So, what can you do to increase user engagement and retention, and maximize the LTV of your app users?

Let's look at three strategies to boost monetization, retention, and virality–which all lead to increased app user LTV.

1. Leverage Deep Linking. With a deep linking strategy in place, you can route users directly to in-app content–even through install. App users convert 3x better than mobile web users. To maximize app user LTV, use deep links to seamlessly drive users into your app where they are more engaged.

2. Encourage Social Sharing. Enabling social sharing positively influences virality, as well as retention. This is due to the fact that app users are likely to use–and keep using–an app their friends are using. Integrate sharing options into your app so users can easily share content, increased engagement, new users and higher LTV.

Airbnb does this extremely well. Take a look at this example, in which someone finds an Airbnb experience in Palm Springs and shares the content with a friend via SMS message.

What makes this user experience so great is that the recipient of this message will be deep linked directly to that content within the Airbnb app. If they don't have the app installed, they'll be taken to the app store to install and the context of their click will be preserved, routing them to the correct in-app content after first launch.

3. Drive New Referrals and Offer Discounts. Discounts positively affect both monetization (ARPU) and retention to boost LTV. Discounts encourage existing users to return to your app and give them extra incentive to convert. Referrals are a low-effort, low-investment way to generate new users, bringing down the cost of user acquisition as your customers are doing the work for you.

Once you've implemented these strategies, determine which users have the greatest LTV and which sources they came from. You can determine this using a cohort analysis tool, which allows you to compare the LTV of your customers based on common characteristics or lifecycle stages. Leverage these insights to shift budget to the channels and marketing campaigns that bring in the highest-quality users–or users with the greatest LTV–to optimize your user acquisition strategy and maximize overall app user LTV.

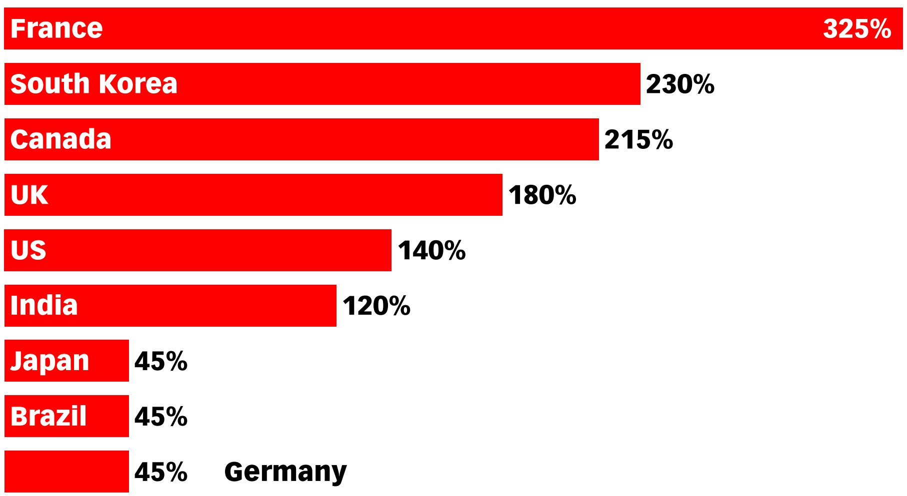
Looking for additional tools and best practices to tackle engagement, retention and more? Download Branch's 2019 Mobile Growth Handbook.

FOOD DELIVERY TAKES OFF THANKS TO QSRS EAGER FOR A SLICE OF THE MOBILE MARKET

Takeout is so 2016.

Hungry consumers around the world ordered meals on mobile 130% more in 2018 than in 2016, and global downloads of the top five delivery apps grew 115% during the same period, according to research from App Annie.

Growth of App Sessions for Android Food & Drink Apps in Select Countries, 2018
% change vs. 2016



Note: includes restaurant apps and food delivery apps; represents Android activity on InMobi's network, broader industry metrics may vary
Source: App Annie, "The State of Mobile 2019: Restaurants & Food Delivery," Jan 30, 2019

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The NPD Group had similar conclusions and predicted that restaurant digital orders will triple in volume by the end of 2020, with mobile leading the way.

NPD Group predicted that restaurant digital orders will triple in volume by the end of 2020, with mobile leading the way.

Mobile is quickly becoming a hot commerce channel. For 2019, we forecast that 82.6% of the US population will be mobile phone users, and 229.5 million people will use smartphone apps.

The uptick is driven in part by quick service restaurants (QSRs) eager to get in on the action. McDonald's launched "McDelivery" in partnership with UberEats in 2017 and celebrated hitting 5,000 US locations in 2018 with "Global McDelivery Day."

Not to be outdone, Burger King recently announced that delivery is available in 3,000 of its 7,000 US restaurants. The chain saw its app hit the No. 1 spot for daily downloads of food and drink apps in the US last December after a promotion for 1-cent Whoppers.

Panera, Starbucks, Moe's and Chipotle have followed suit. Panera CEO Blaine Hurst told Business Insider that those who don't hop on board could be left behind. "If I decide I want to try delivery, and they don't have delivery as an option, I'm going to try another restaurant," Hurst said.

The mobile opportunity isn't risk-free. Many of the major chains offering delivery through partnerships with DoorDash, Postmates and other third parties could lose control of the brand experience. For example, cold, soggy fries have plagued McDelivery since its launch, and Dominos, aware of its delivery woes, offers a pizza tracker to combat late orders.

WANT TO REACH GAMERS? TRY MOBILE

Most people think of gamers as Xbox-obsessed teenagers, but it turns out that mobile is by far the more popular place to play.

In fact, mobile gamers make up 88.8% of digital gamers, and span all ages.

By the end of 2019, 147.8 million people in the US will play mobile games, according to our estimates, compared to 91 million digital console players.

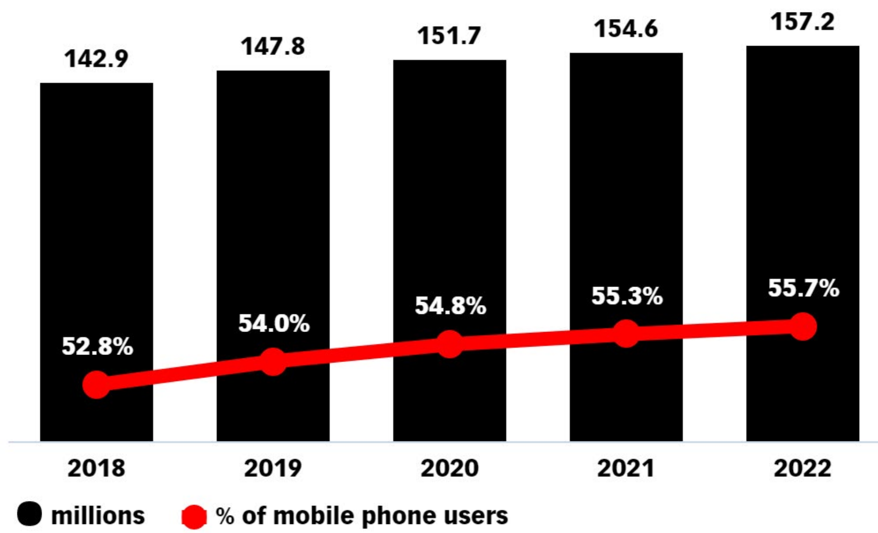
"Once you look beyond the duopoly, some of the biggest apps are gaming apps. They've traditionally served a younger demographic, but games now have highly engaged audiences across a wide range of ages," said Yoram Wurmser, principal analyst at eMarketer.

Games are getting easier, too, and opening the door to novice players. "In Q4 2018, we saw a genre of games emerge with a simple user experience and gameplay," said Lexi Sydow, marketing insights manager at App Annie. "You don't have to have experienced strategy multiplayer games anymore, and that idea will continue and turn everyone into a gamer."

For brand advertisers, the ubiquity of gaming offers a massive opportunity. According to a July 2018 Jun Group survey of 500 mobile users in the US, 49% of those surveyed said that games have the best ad experiences, compared with 24% of respondents polled who cited social ads.

Mobile Phone Gamers

US, 2018-2022



Source: eMarketer, August 2018

www.eMarketer.com

Ads in free mobile games often offer some type of in-game reward, and for Scott Swanson, CEO of Aki Technologies, that reward is an appealing part of mobile gaming apps. "What we're seeing is that, similar to TV, people are accepting the value exchange of getting something for free for watching a video ad."

As the audience grows, brand advertisers are acclimating to the environment as well. “Previously, games were thought of as a low-quality space; brands wanted pre-roll, YouTube-type experiences, but they’re seeing it’s not just kids playing anymore. Large brand advertisers are accepting the space for the first time,” Swanson said.

Revenues from mobile gaming apps will grow 12% by the end of 2019, according to eMarketer estimates. By the end of 2020, gaming apps will generate $94.0 billion dollars—a significant figure compared with non-gaming apps: $29.7 billion.

By the end of 2019, 147.8 million people in the US will play mobile games, compared to 91 million digital console players.

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