

Marketing Casual and Social Games on iOS

William Volk
CCO, PlayScreen LLC



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SUMMIT

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2012

Five Years of iPhone Apps



"You know, we're just not reaching that guy."

A Hyper-Competitive Market

- 785 Carts in TOTAL



- 947,098 Apps 177,777 Publishers



Discovery!

- Where are people finding apps?
- **Top Charts (WAS the #1 way)**
- In other apps (advertising)
- **Search**
- Apple Features
- Social Invites
- Word of Mouth



Marketing Starts With Design

- What are you building and why?
- Study the App Store
- Branding, Naming
- That elusive “iPhone-ness”
- Design Strategies: Niche, Copy?
- Free or Paid?



Some Terminology



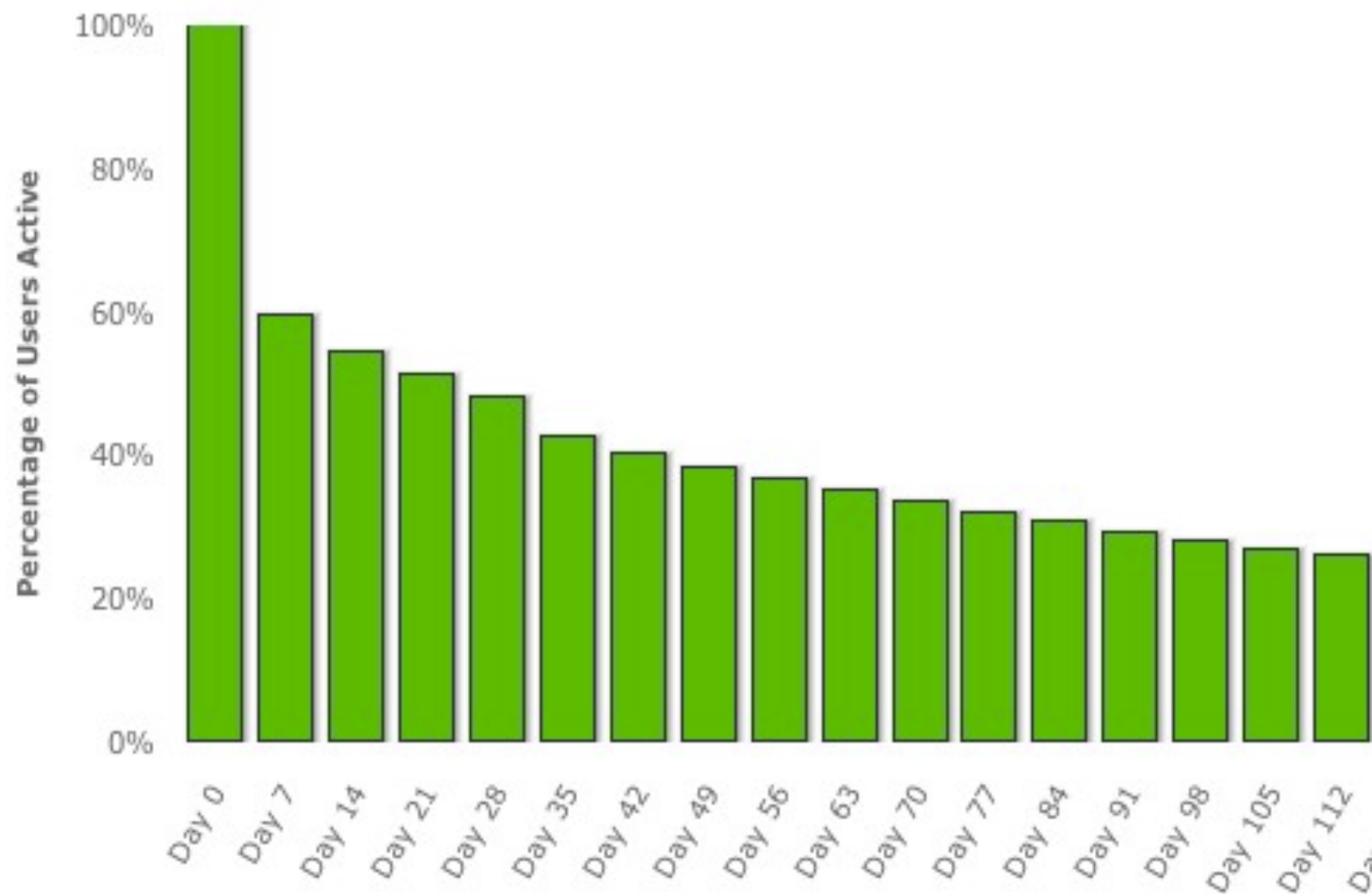
- CPI: Cost per install
- CPU: Cost per user (daily etc.)
- Retention and Churn
- K-Factor: Viral Coefficient
- ARPU: Average Revenue Per User
- ARPPU: Revenue Per Paying User
- DAU: #of daily users (MAU)

Freemium, Ad-Supported

- Lifetime Value = ARPU x Retention
- Cost based on CPU and K (Viral?)
- CPI for FREE apps? \$1.15 to \$8*
- Volume of the channel?
- K-Factor is critical, Positive = HIT!
- Retention is critical
- BUT: Paid apps are HARDER

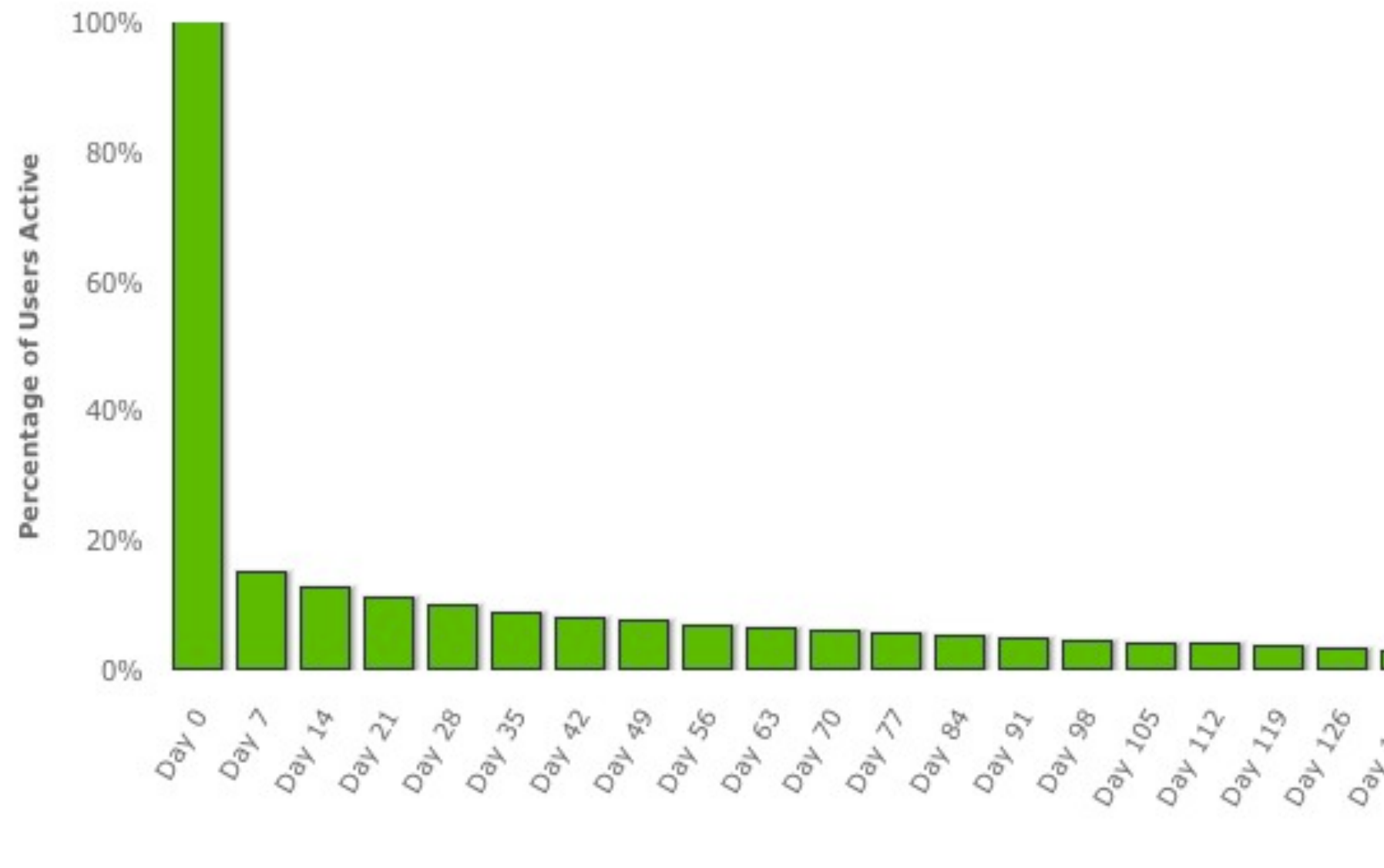
Good Retention!

This could work



Not So Good Retention!

Maybe not



Can we make money?

- The Most Valuable Insight I have

CPI is NOT CPU

Not everyone who downloads your game will become a daily or even monthly player. Don't believe the projections until you figure this out.

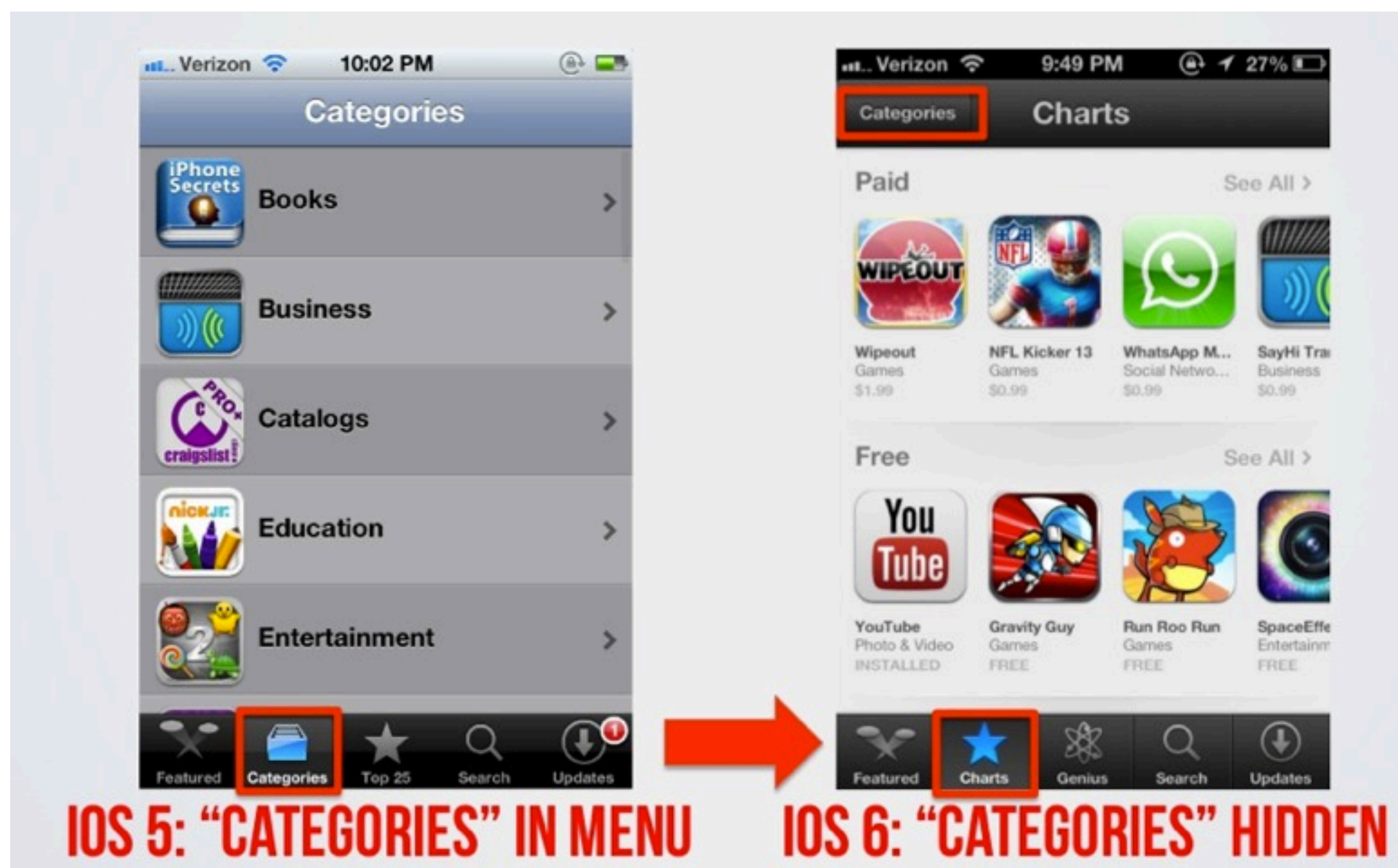
The Charts (Free Apps)

Daily Downloads and Ranking (free apps)

- Games/Word: #5, ~8,500
- Games/Puzzle: #10, ~15,000
- Games Top 10: ~40,000
- All Apps #6, ~60,000
- PAID Games Top 25: ~23,000

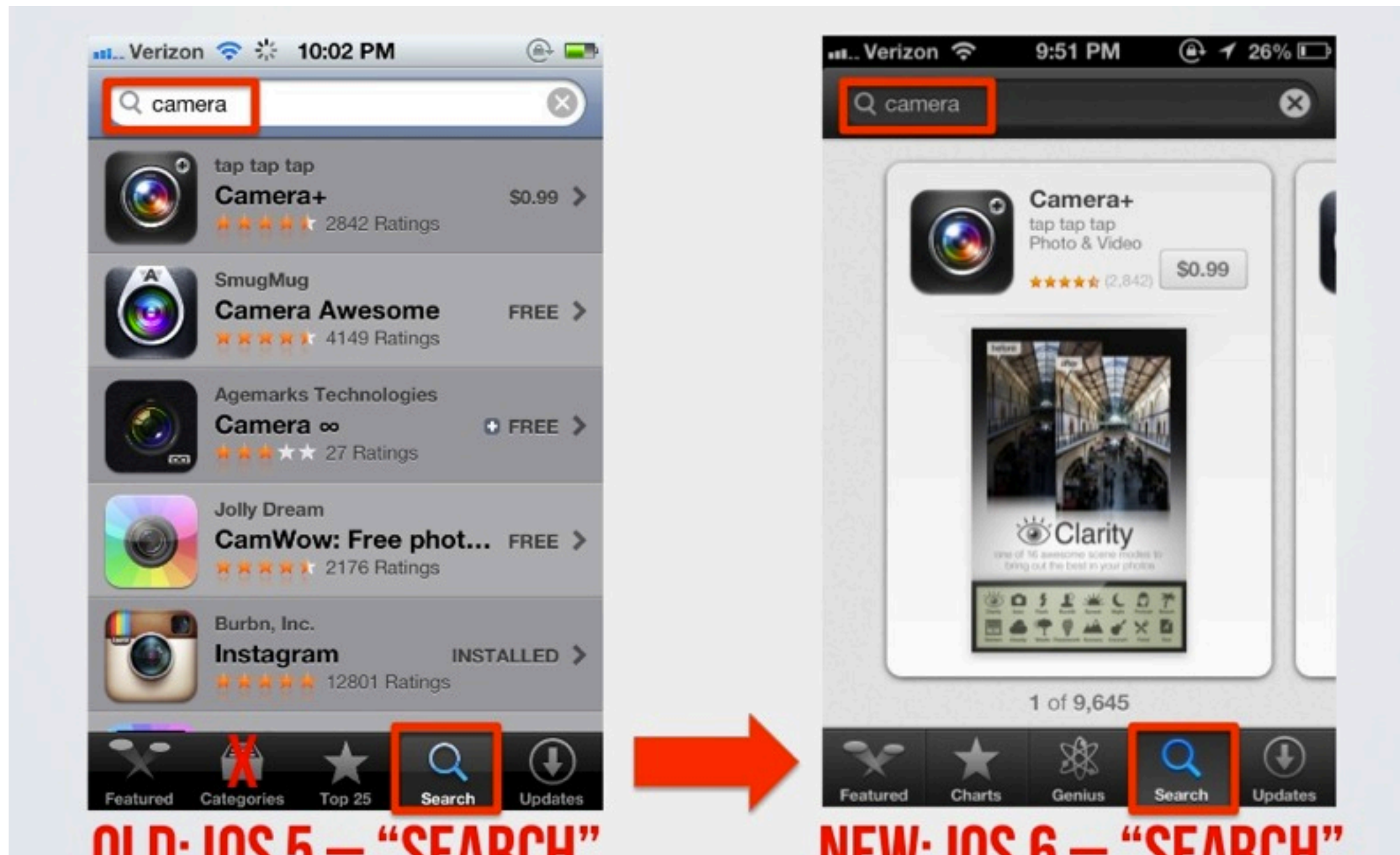
FORGET THE LAST SLIDE

iOS 6 App Store Changes Everything



FORGET THE LAST SLIDE

iOS 6 App Store Changes Everything



FORGET THE LAST SLIDE

iOS 6 App Store Changes Everything



Back to the Drawing Board

- Categories are hidden
- 5 vs. 3 taps to get to an app
- Search: 25 apps/page now 1 app
- SEO, Screen Shots: CRITICAL
- Prediction: Burst far less effective
- Prediction: Channels more important
- It's all about the Meritocracy!

Why are paid apps hard?

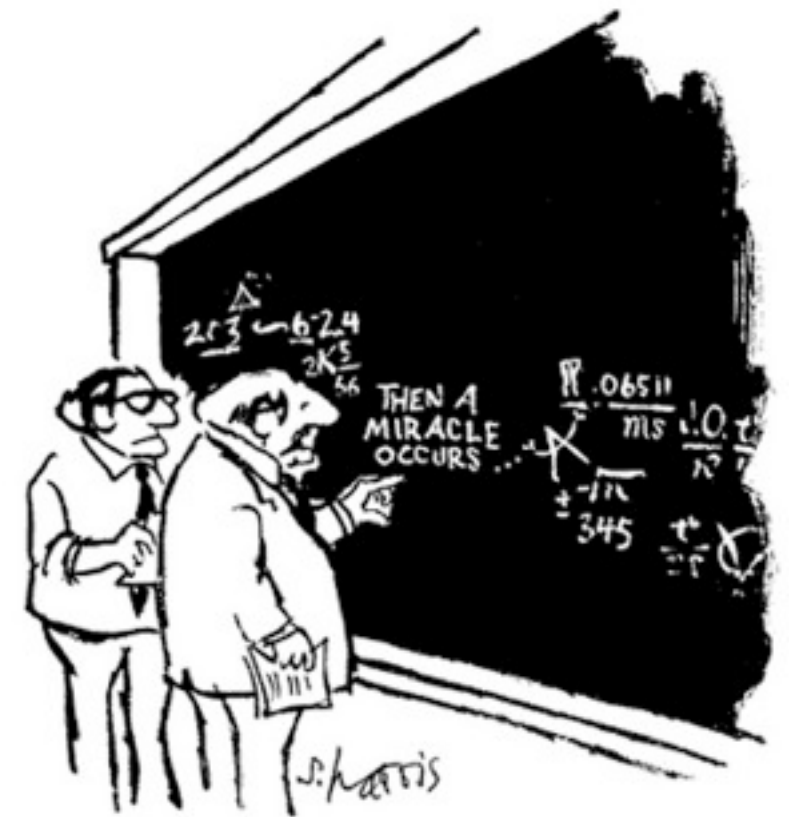
- Ad Channel CPI exceeds price
- FreeAppADay etc. (uh, maybe)
- Lite version
- Heavy social aspect helps
- 8 of 10 top grossing apps, FREE
- So why? ARPU

Why Paid apps ...

- Small budget titles - simpler
- Strong brand (classic remake)
- You have channel (other apps)
- Enhanced version of free app
- You're sure you have a hit
- Multiplayer Apps? NEED SCALE

Then A Miracle Occurs

- Product just takes off
- Apple Features you
- Press loves you
- Your video is a hit (Tiny Wings)
- You fill a niche (Bocce-Ball)

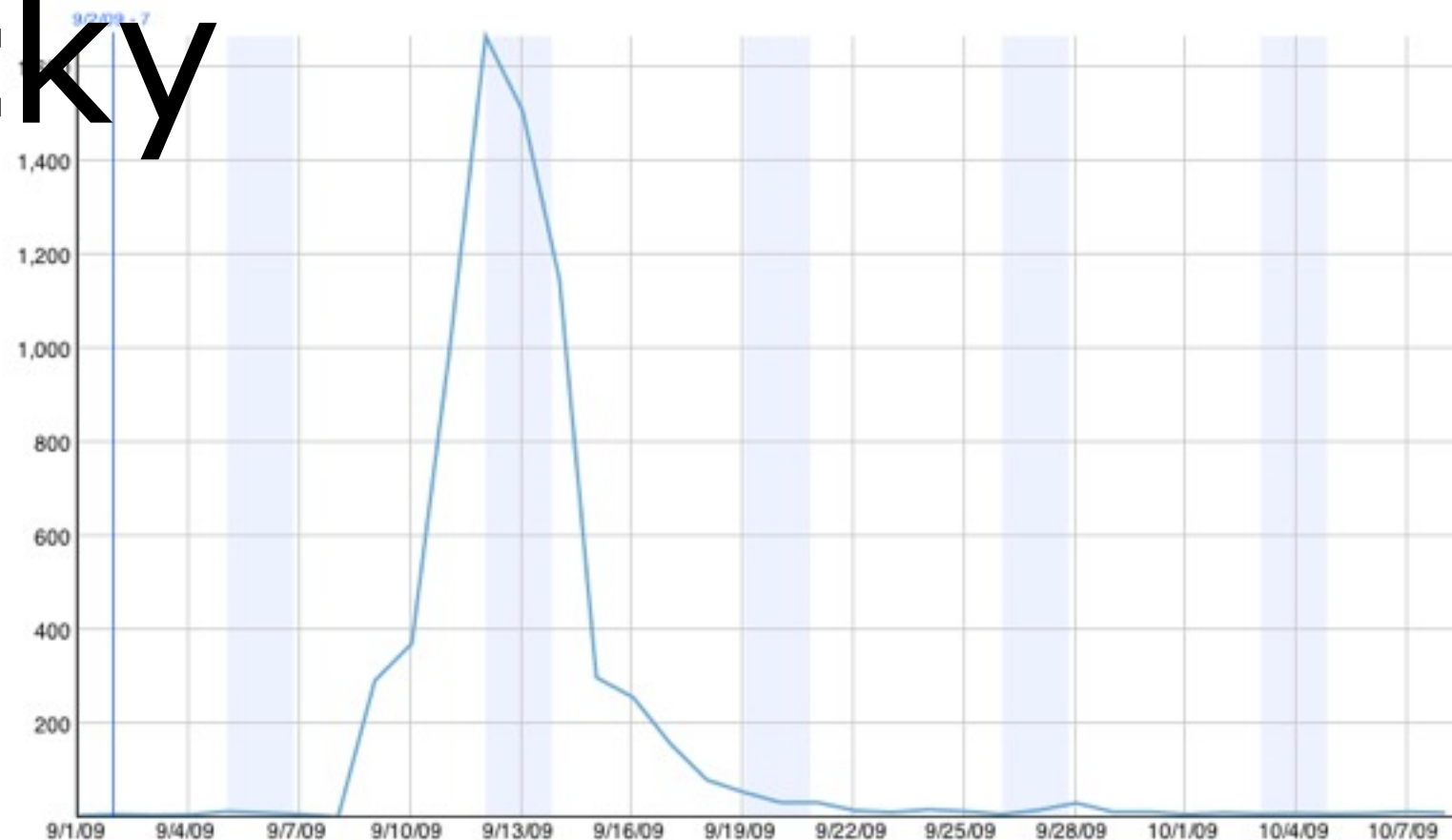


"I think you should be more explicit here in step two."

The odds of any of this are slim

Get Featured by Apple

- Make the iPhone look cool
- Be excellent, 4.5 stars or better
- Get lucky




How to Make A Hit

- Pick the right name - this works!
- Like TITANIC

Customer Ratings

▼ Average rating for the current version:  1017 Ratings



► Average rating for all versions:  5177 Ratings

I feel bad playing... ★★★★★

by Cheese lover\$\$\$\$ - Version 1.0.1 - Jun 26, 2012

[Report a Concern](#) ►

This game is not only terrible and u don't even get instructions! It is also a game I feel terrible playing!!! It is cruel and insensitive to play a game and poke fun at such a disaster! I read the messages at the end of each game about people who died that would have invented dumb stuff like teleporting... I downloaded this bc I am interested in the titanic, but I soon realized that I couldn't play it at all and then the realization came over me of how horrible I was for playing a GAME about this!

6 out of 9 customers found this review helpful

Was this review helpful? [Yes](#) | [No](#)



How to Make A Hit

Top Free iPhone Games Apps

Sort By: **Bestselling**

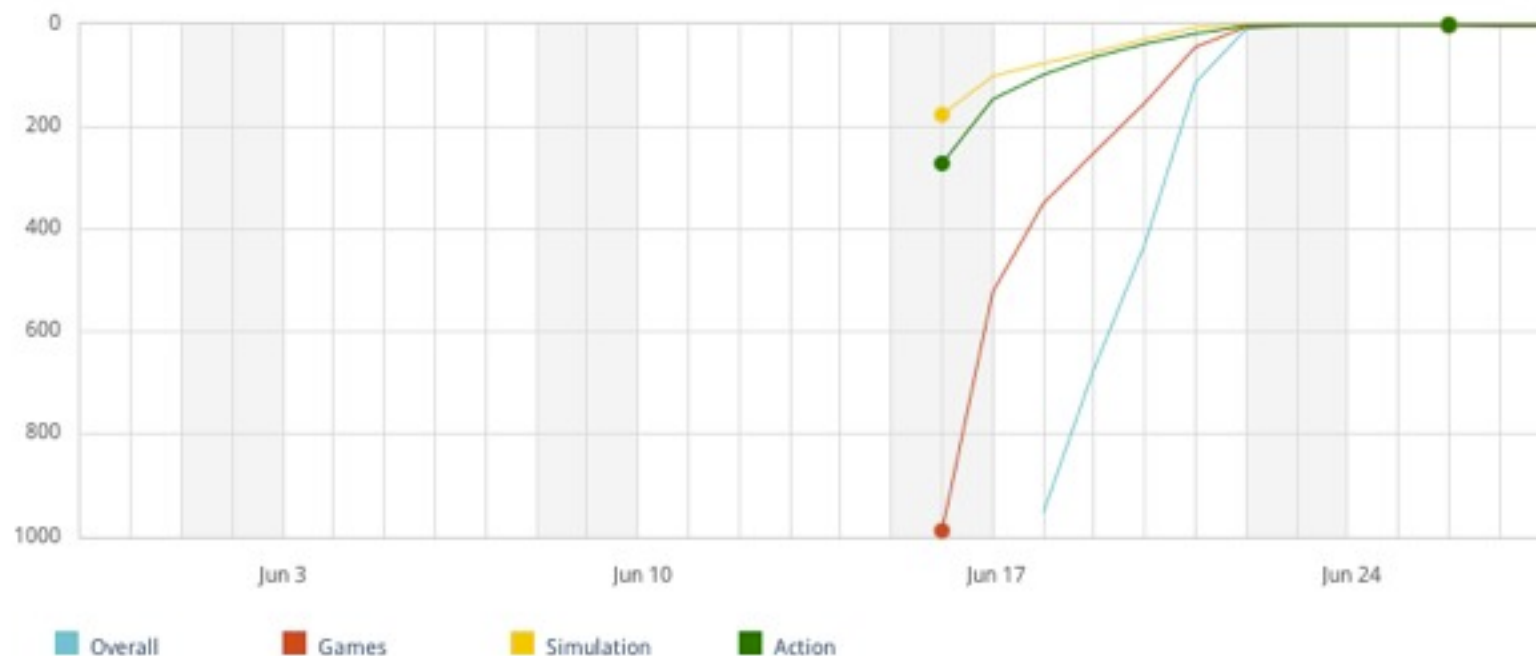
- **Flow Free Games**
Released Jun 07, 2012
Game Center
+ FREE ▾
- **Escape Bear Games**
Updated Jun 19, 2012
Game Center
+ FREE ▾
- **Madcoaster Games**
Updated Jun 21, 2012
Game Center
+ FREE ▾
- **100 Exits Games**
Updated Jun 13, 2012
+ FREE ▾
- **Save the Titanic Games**
Updated Jun 26, 2012
Game Center
+ FREE ▾
- **Atari's Greatest Hits Games**
Updated Jun 27, 2012
+ DOWNLOADED ▾

Ranks

iPhone ▾

United States ▾

May 30, 2012 — Jun 28, 2012 ▾



Channel - iAds for Devs

- 25¢ a click
- No app store, download in the ad
- CPI? That depends.
- We saw CPI of \$1.20 to over \$2
 - You must vary & test creative.
- Good to have the relationship :-)
- Other banners have lower CPC

Channel - Incentive Video

- AdColony, Flurry and TapJoy
- Users earn credits by watching
- NO obligation to download (but?)
- Pay per view as low as 2¢
- GREAT Creative matters
- CPI could be \$2 or less
- Volume is an issue (Charts)

Non Traditional Ads

- Billboards? Airport Ads? Try it all.

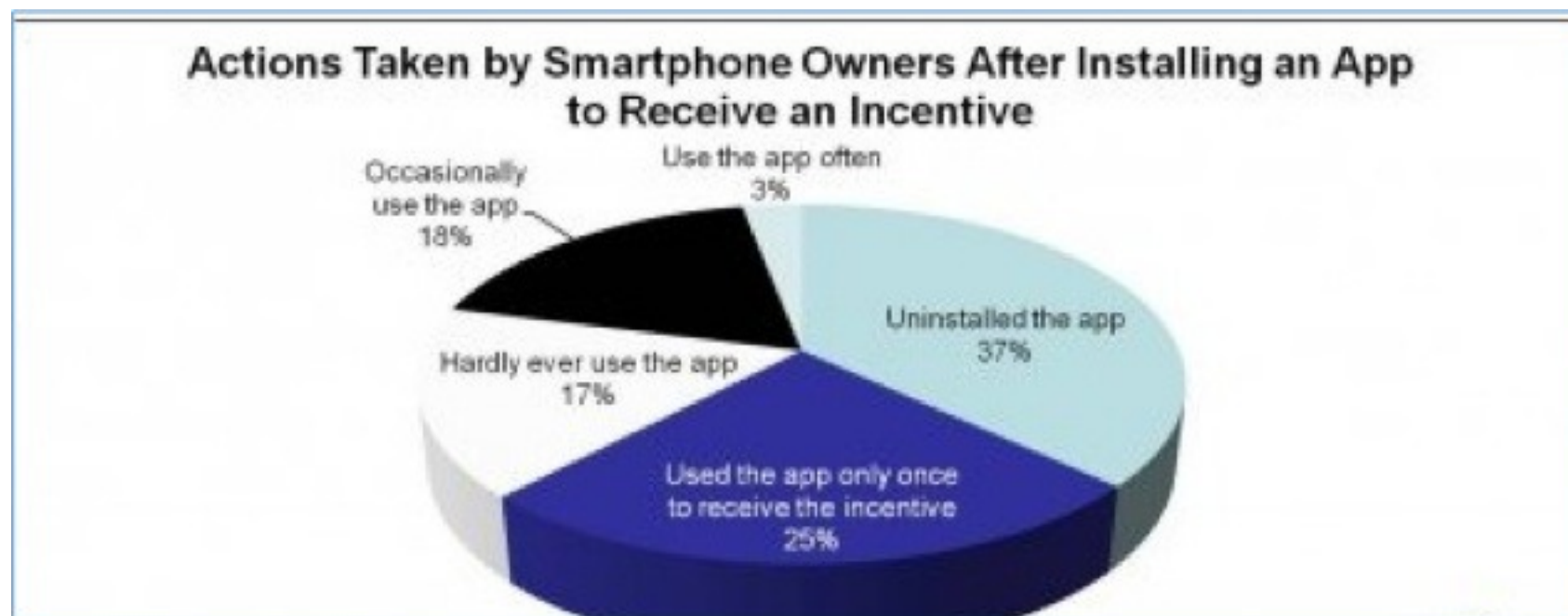


What about INCENTIVE?

- Incentive Downloads, not dead
- Tapjoy (kinda) blocked by Apple
- FreeMyApps still around
- CPI 50¢ (goes up with volume)
- Volume is LIMITED
- Purpose - GET INTO THE CHARTS

Problems with Incentive

- Apple not a fan of this - WHY?
- Incentive Users are GARBAGE



- Maybe useful for a BURST

Not all CPI is created equal

- Incentive users hurt MP games
- Ad driven users, do they convert?
- Organic downloads good
- Social downloads better



Non-Ad Stuff

- Press and Reviews
- Co-Promotion with brands
- Contests - Social net integration
- Viral - get the players to do it
- Use your channel (if you have it)
 - CTR: >12% and 60% completion

Crickler Relaunch

Crickler "News Puzzle" May 2011

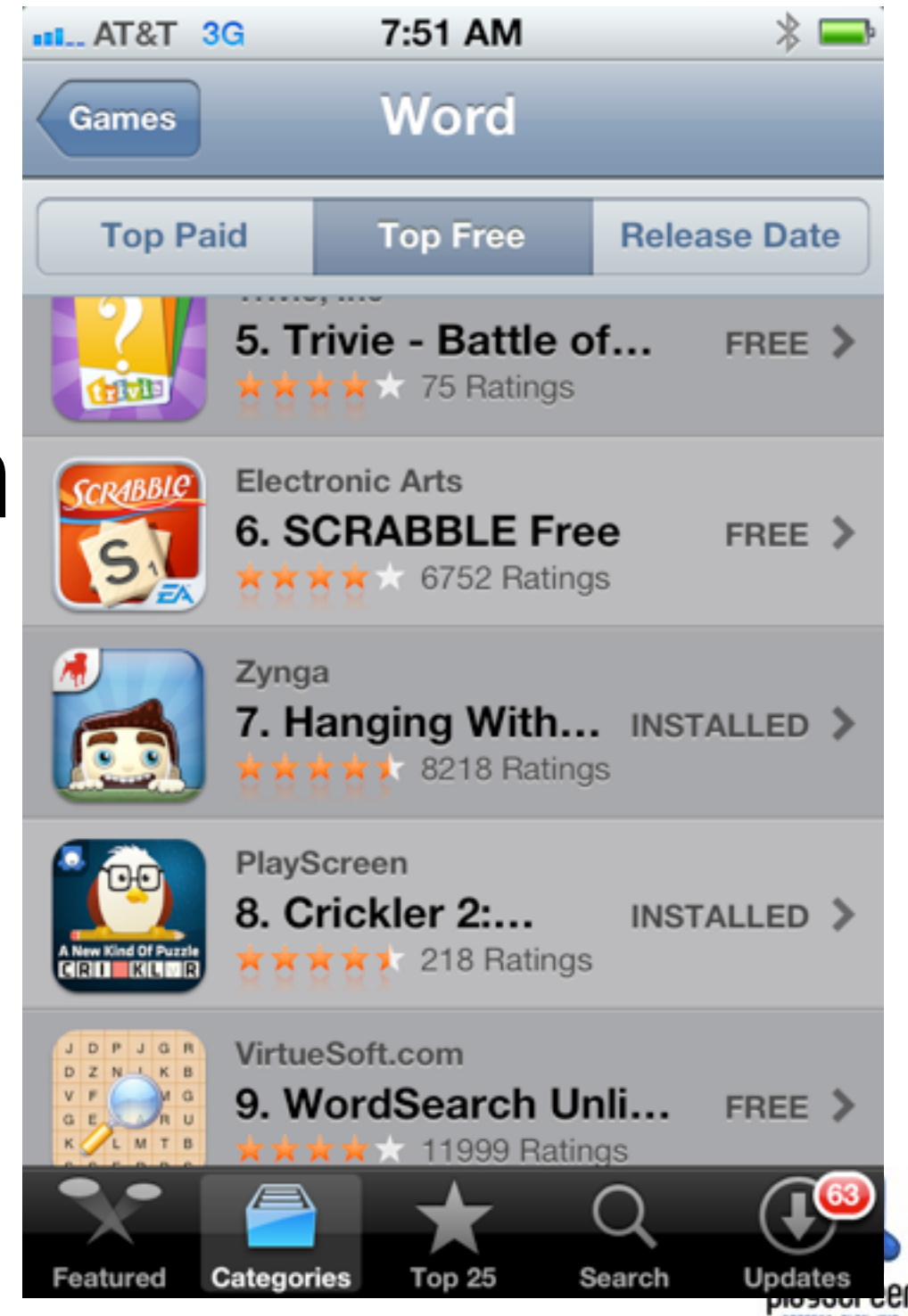
- No Marketing spend
- > 13% of downloads did IAP
- Value of DAU > \$14
- Boost revenue with 'earn credits'
- Add categories, 100's of puzzles



Crickler Relaunch

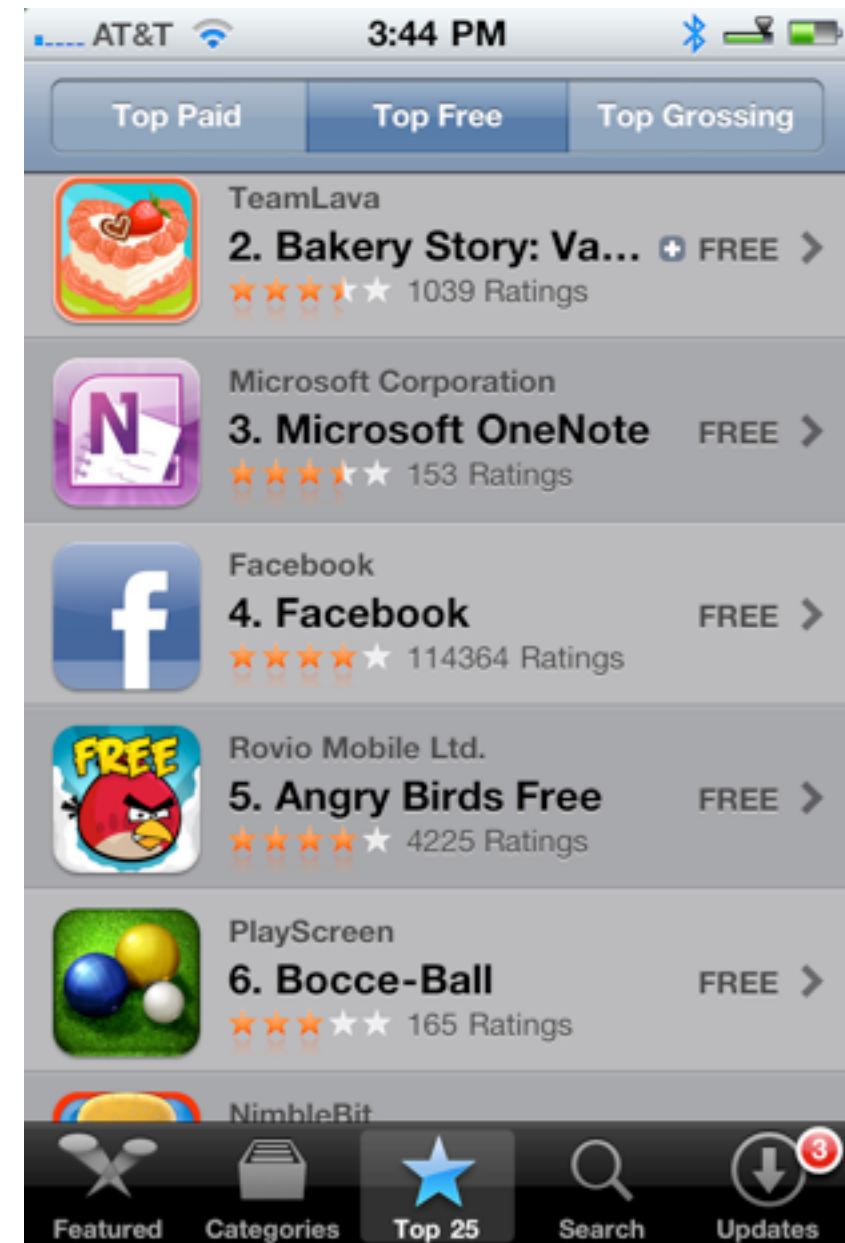
Crickler 2 - July 2012

- Burst to #1 Education
- ÜberFacts promo
- User-gen puzzles
- Nice video, low CPI
- What next?



Fill a Niche

- Bocce-Ball
 - Paper Toss + Bocce
- #1 in Italy (organically)
- Surprised, yes.
- The re-launch
- This will be interesting



The Bottom Line

- Marketing At The START
- ARPU, RETENTION and K-Factor
- If K-Factor exceeds Churn? Huge
- CPI is high, don't give away \$\$\$
- Get a *****+ rating (really)
- Study existing games (charts)
- If you get any sort of hit ...

It's worth it

The iOS App Store is simply the greatest 'meritocracy' I have seen in over 30 years in games.

I see more innovation here (and on Android) than anywhere else.