

smaato[®]



The Holiday Guide to Mobile Advertising

2018

Introduction

The holiday shopping season is the most wonderful time of the year for the mobile advertising industry. As people around the world get ready to splurge on new purchases, brands and advertisers are working their hardest to get noticed. And with consumers spending more time than ever in-app, mobile is the place to be for both publishers and buyers throughout this high-spend period.

Merry Mobile Marketing Stats

During the holiday season...



68%

of online retail traffic is via mobile



46%

of online orders are via mobile

84%



of millennials plan to shop via mobile

mobile retail sales are expected to increase

+33% over 2017



43%

of mobile gamers download **two or more** mobile games



80%

of mobile gamers spend more time playing mobile games



there are **more app downloads** than any other time of the year!



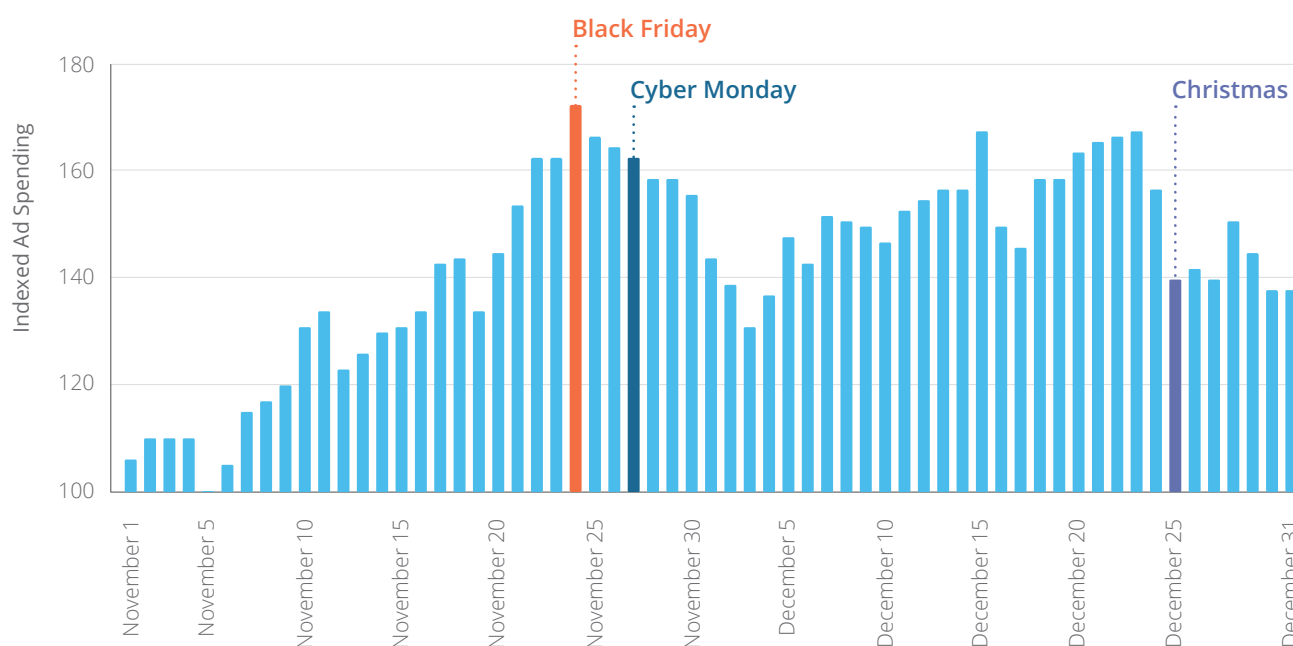
Source: Salesforce, September 2018 | eMarketer, August 2018 | Button and App Annie, November 2017 | Tapjoy, November 2017 | Tapjoy, November 2017 | Think with Google, November 2016

Black Friday and Cyber Monday Are More Mobile Than Ever

Black Friday set the record for the biggest ad spending day of the year on the Smaato platform in 2017, attracting +32% more ad dollars than the daily average — and the shopping holiday is on track to be even bigger this year.

Black Friday Is the Biggest Mobile Ad Spending Day of the Year

Holiday Mobile Ad Spending in the US



Source: Smaato Publisher Platform (SPX), 2017

Consumers' extra free time mixed with online shopping fever makes the holidays a time of heightened app usage. Android users in the US, for example, clocked in over 100 million hours in shopping apps alone during the weeks of Black Friday and Cyber Monday — +45% higher than the weekly average.¹ This increased time spent in-app presents a massive opportunity for advertisers to grab the attention of holiday consumers.

Did You Know?

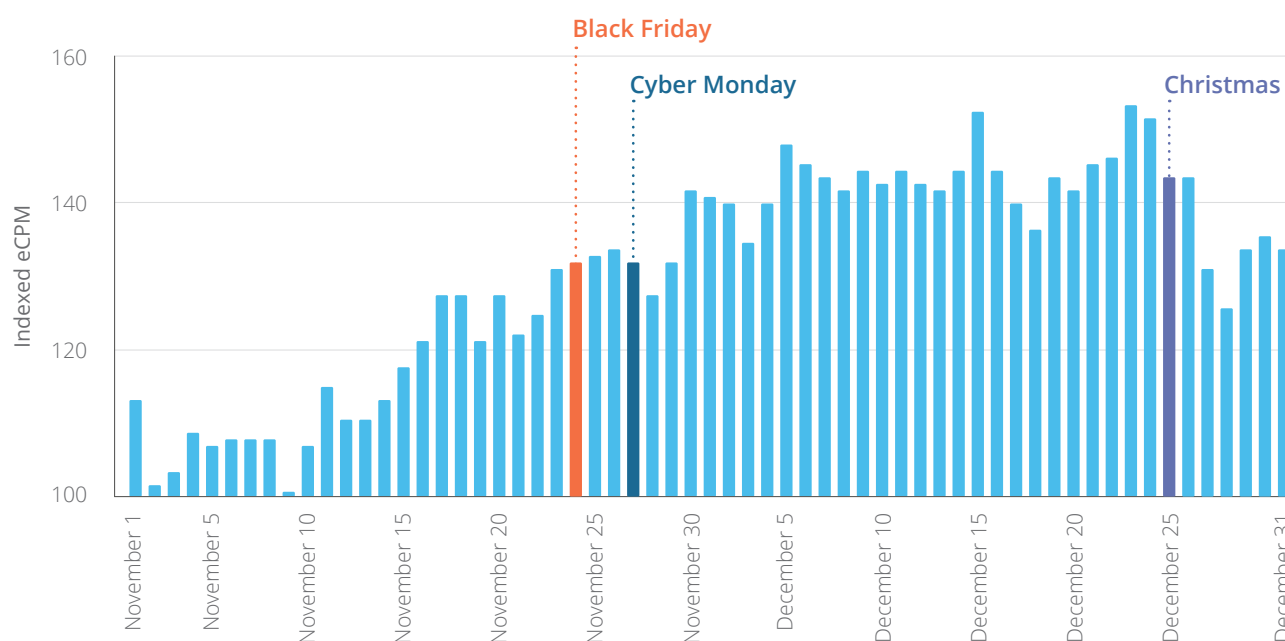
Cyber Week — the season's peak shopping week beginning on Cyber Monday — is expected to account for 40% of all holiday shopping in 2018.²

Source: ¹AppAnnie, January 2018 | ²Salesforce, September 2018

Despite increasing supply during the holidays, the surge in advertiser demand is much more significant — leading to rising eCPMs for mobile and in-app inventory that begins on Thanksgiving and lasts throughout Christmas Day.

Mobile eCPMs Reach Their Peak Between Thanksgiving and Christmas

Mobile eCPMs in the US by Day During the Holiday Season



Source: Smaato Publisher Platform (SPX), 2017

This increased demand is driven by not only increased mobile and in-app traffic but also consumers' mobile retail spending. The 2018 holiday season is expected to see 68% of traffic and 46% of orders coming from mobile — marking a tipping point in which mobile devices surpass computers for both traffic and order share for the first time ever.³

Takeaways

PUBLISHERS

Optimize your inventory to attract maximum eCPMs by passing all available user data such as age, gender, and location.

ADVERTISERS

Attract users' attention by playing your best hand early in the season, using eye-catching creatives that are unique to the holidays.

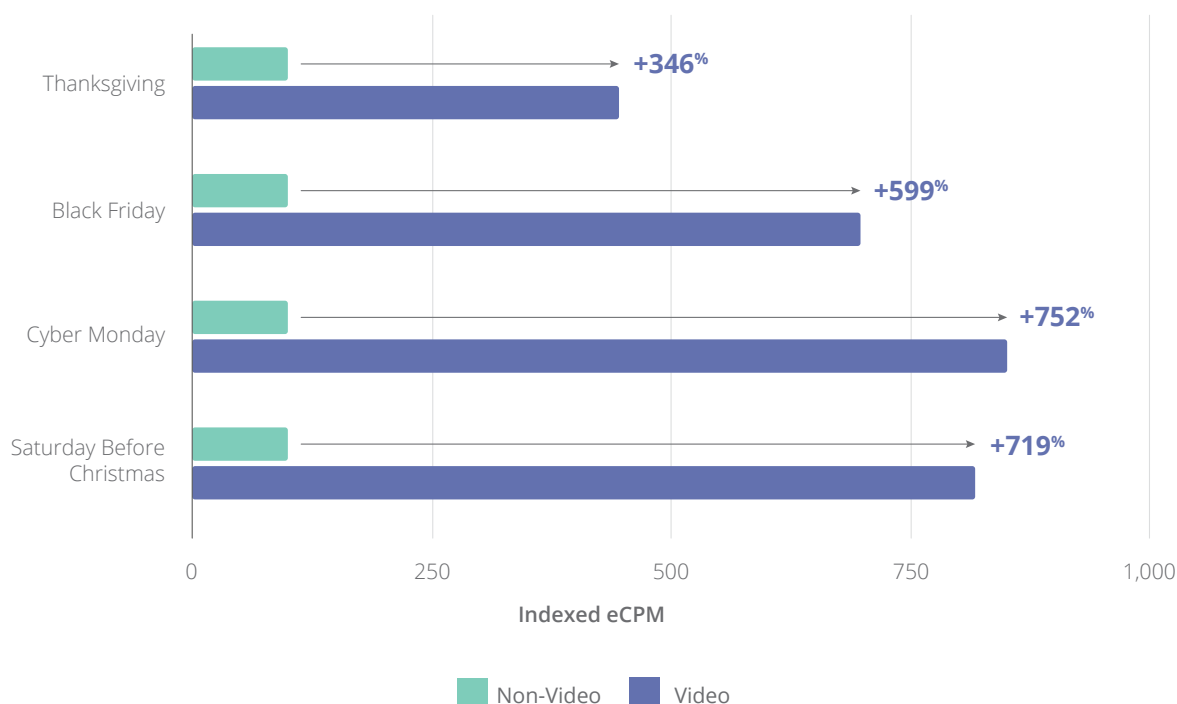
Source: ³Salesforce, September 2018

Video 'Tis the Mobile Ad Format of the Season

As demand and competition increase in the lead-up to Christmas, video is the best way for advertisers to catch consumers' eyes and for publishers to maximize their revenue.

Mobile Video eCPMs Soar Over the Holidays

Mobile eCPMs for Video vs. Non-Video Ad Formats in the US



Source: Smaato Publisher Platform (SPX), 2017

Mobile video is a gift to publishers, with eCPMs more than +300% higher than those of non-video ad formats throughout the holiday season. This difference reaches its apex on Cyber Monday at +752%.

Despite this high price tag, mobile video inventory should still be on the wishlist of every advertiser. Video overtook display in Q2 2018 and now accounts for the majority share of US ad requests on the Smaato platform. And considering that the click-through rate (CTR) for video ad formats was 6.5X higher than the overall average in Q3 2018, the holidays are ramping up to be the season of mobile video.

Did You Know?

57% of mobile gamers say that they are more likely to watch video ads and complete rewarded offers during the holidays.⁴

Takeaways

PUBLISHERS

Strategically implement video ad spaces to attract higher eCPMs and maximize revenue during this high-spend season.

ADVERTISERS

With chart-topping engagement rates and brand recall, video is your best bet for standing out during this high-spend season.

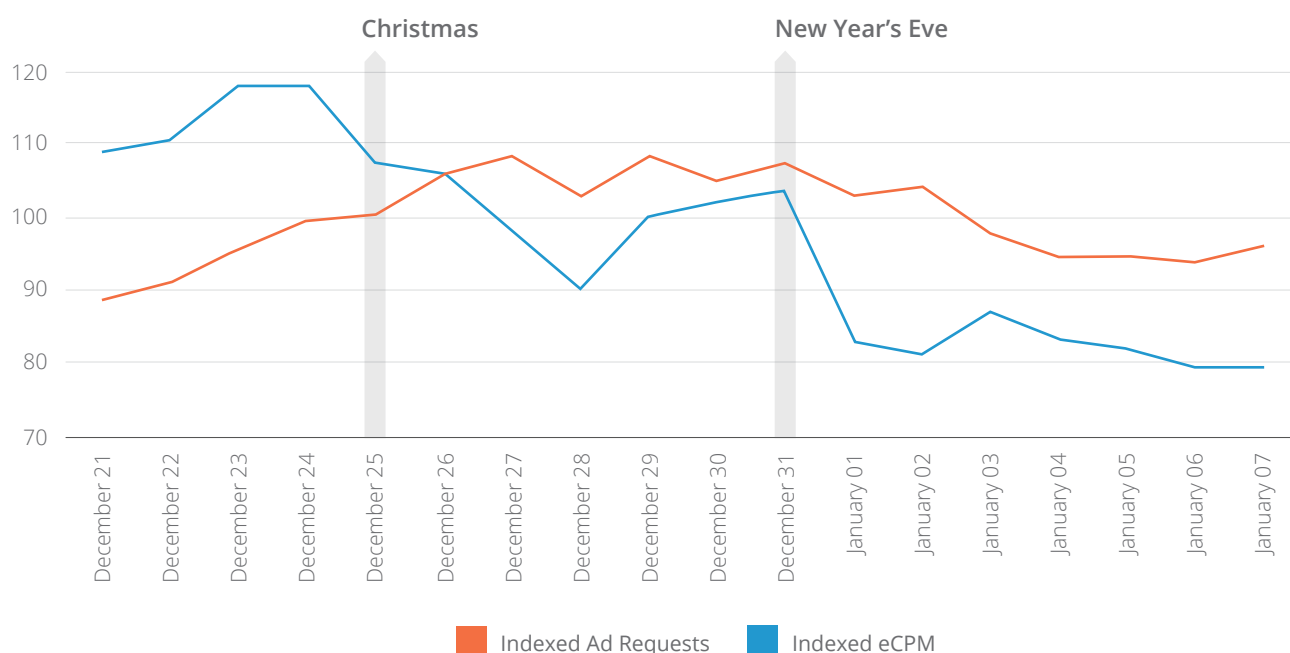
Source: ⁴Tapjoy, November 2017

The Post-Christmas Period Presents Mobile Opportunities

Even after the presents are unwrapped and the stockings are emptied, the holidays still have plenty left to give. The period between Christmas and New Year's Eve is a unique opportunity for publishers to capitalize on users' free time and for advertisers to grab some extra impressions at a lower price.

Post-Christmas Advertisers Get a Great Deal on Mobile Inventory

Mobile Ad Requests vs. eCPM by Day in the US



Source: Smaato Publisher Platform (SPX), 2017

Consumers' app usage is at its highest during the post-Christmas period. Last year, the App Store saw a record number of app downloads and in-app purchases during this period (December 24, 2017 - January 1, 2018).⁵ On the Smaato platform, this increased app usage translates to rising mobile ad requests that stay high into the new year. Meanwhile, eCPMs begin falling after the Saturday before Christmas, creating the optimal time for advertisers to reach engaged users inexpensively.

Takeaways

PUBLISHERS

Despite dipping eCPMs, continue to prioritize user experience when choosing ad placements to ensure new users stick around in the new year.

ADVERTISERS

Take advantage of the increase in inexpensive mobile inventory from December 26 to January 2 while the rest of the advertising world sleeps.

Source: ⁵Apple, January 2018

What Is Next?

With both app usage and ad spending reaching their yearly peak, the holiday season is full of in-app opportunities for advertisers to engage audiences and publishers to maximize revenues. Smaato's full-stack solution makes it easy for stakeholders on both ends of the supply chain to make the most of this most wonderful time of the year.

For advertisers, the Smaato platform provides a simple way to purchase inventory from over 90,000 mobile publishers and app developers worldwide. The precise targeting parameters available within the Smaato Demand Platform (SDX) empower advertisers to identify and target their ideal audience. Find out more at www.smaato.com/advertisers.

For publishers, Smaato provides a connection to 450+ global demand partners, helping maximize mobile ad revenue, fill rates, and eCPMs. The Smaato Publisher Platform (SPX) provides a free ad server, an RTB ad exchange, ad network mediation, private marketplace options, and the ability to bring publisher-owned ad network connections. Learn more and create your free account at www.smaato.com/publishers.

Thank You

We hope you have enjoyed The Holiday Guide to Mobile Advertising 2018. For more white papers, case studies, and industry trends reports, please visit the resources section of our website at www.smaato.com/resources.

About Smaato

Smaato is the leading global real-time mobile advertising platform, connecting 10,000+ advertisers — including 91 of the Top 100 Ad Age brands — with over 90,000 app developers and mobile web publishers. Smaato manages up to 19 billion mobile ad impressions daily and reaches over one billion unique mobile users monthly. Founded in 2005 by mobile pioneers Ragnar Kruse and Petra Vorsteher, Smaato has global headquarters in San Francisco, California, with additional offices in Berlin, Hamburg, New York City, Shanghai, and Singapore. Learn more at www.smaato.com.



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