

AD CREATIVES FOR APP DEVELOPERS

Competitive Research and Actionable Product Recommendations



INSIGHTS > AD CREATIVES

Interactive Ads Are a Massive Opportunity for App Marketing

Key Takeaways

- Two of 2024's leading apps—Monopoly GO! and Match Factory!—have made interactive ads a cornerstone of their UA strategies.
- Interactive ads are a major trend in mobile gaming that produces lower CPIs and higher conversion rates than traditional ads.
- Marketing teams can test mechanics as video ads before turning them into interactive ads—or look at competitors' successful video ads.
- Interactive ads with mini-games based on core mechanics create a smoother transition into the actual app compared to ads with unrelated mini-games.
- Marketing teams for non-gaming apps should consider testing interactive ads that offer gamified versions of their apps' core mechanics.

INTERACTIVE ADS ARE A MASSIVE OPPORTUNITY FOR APP MARKETING

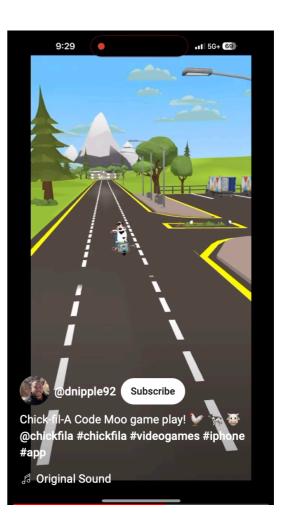
Monopoly GO! and Match Factory! have become the two most popular apps in their respective genres, in part because of their use of interactive ads. Both apps' interactive ads use visually novel riffs on their core mechanics to get users to interact, then end with calls to action that direct users to the apps' download pages.

Although interactive ads can be more expensive to develop than traditional ads, they have the lowest CPI of any mobile game ad format. This low CPI makes them a surprisingly cost-effective choice, particularly for developers with in-house development resources.

App marketing teams outside gaming can replicate the success of Match Factory! and Monopoly GO! by reframing their apps' core goals as mini-game mechanics. For example:

- A finance app could have users place money in different savings goals that get visual upgrades as users hit milestones.
- A fitness app could involve directing a character between different exercises to improve their physique.
- A food delivery app could get users to assemble orders in a restaurant kitchen.
- · A home goods app could let users customize a room's decorations.

For inspiration, marketing teams can draw on successful interactive ads from gaming or look at successful video ads from their own and competitor brands. For example, Chickfil-A launched a mini-game promotion in July 2024 called Code Moo in which players drive a cow on a motorcycle to get to a Chick-fil-A. Although Chick-fil-A didn't use the mini-game for an interactive ad, it would have been a great candidate.



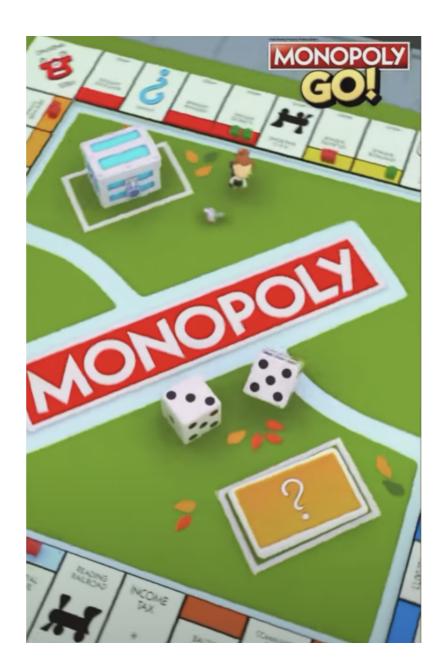
ADS SHOULD EVOKE APPS' KEY MECHANICS

Monopoly GO! racked up 14.5M downloads in its first month and used several playable ads that closely resembled core gameplay. These ads typically have players press a button to roll dice, pick a target for a competitive interaction, or participate in casino-style bonuses. Monopoly GO!'s interactive ads tend to focus on actual (or nearly actual) gameplay, and in general, the app avoids the deceptive ad practices that sometimes appear in the casual market.

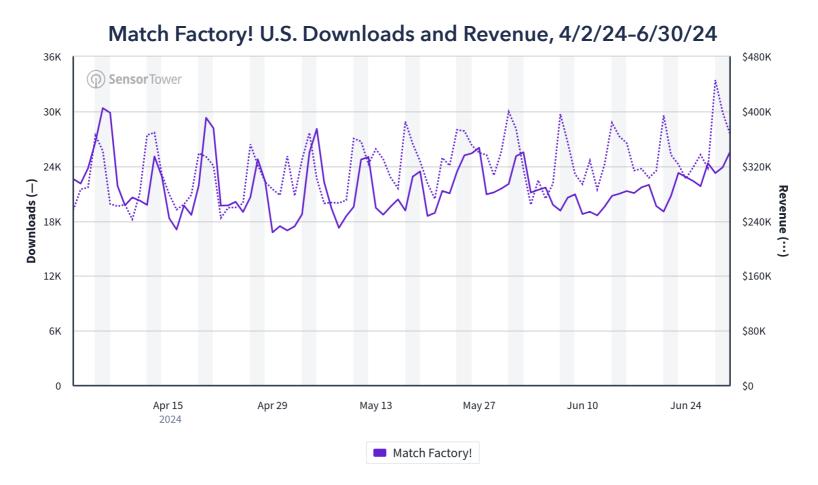
Growth Marketing Report subscribers can read our complete analysis of Monopoly GO!'s ad campaigns <u>here</u>.

Match Factory!'s interactive ads have helped it become the most successful match 3D app. Match Factory!'s interactive ads reimagine its core 3D matching gameplay with novel formats that include:

- Sorting colored pegs into matching holes.
- <u>Tapping on matching items</u> on a moving conveyor belt.
- · Organizing matching items on shelves.



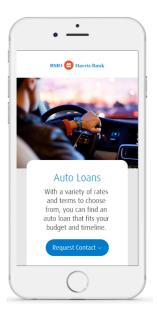
For 90 days, beginning on April 1, 2024, Match Factory! had nearly 2M downloads and earned more than \$28M in revenue. Match Factory!'s ads account for over 67% of its UA. Triple Match 3D, its main competitor, had nearly 400K downloads and about \$17M in revenue during the same period. Possibly as a response to Match Factory!'s aggressive use of playables, Triple Match 3D began running its own playable ads in January 2024.



Despite the success of these ad campaigns, interactive ads that reimagine core app mechanics are rare across markets both inside and outside gaming—and present a major opportunity for app marketing teams. By evoking core gameplay mechanics, these ads create a smooth transition into the app's first-time user experience for players converted by the interactive ads.

However, most playable ads in gaming show mini-games that are not directly related to core gameplay. For example, Gardenscapes' playable ads rely heavily on a pull-the-pin mini-game that is mostly unrelated to the app's core gameplay. In non-gaming apps, interactive ads usually involve surveys and contact forms, like this interstitial from BMO Harris Bank—not exactly a compelling click.





VIDEO ADS ARE A GREAT WAY TO TEST INTERACTIVE ADS (YOU CAN EVEN USE OTHER BRANDS' VIDEOS)

Match Factory! streamlined the design and UA testing process for its interactive ads by replicating the mini-games used in its competitors' most successful video ads. Match Factory based some of its playable ads on Triple Match 3D's successful video ads. For example, a mini-game in which players match objects as they fall from the top of the screen appeared in a Triple Match 3D video ad in February 2022. Another mini-game in which players place matching objects on shelves had also previously appeared in Triple Match 3D's video ads.

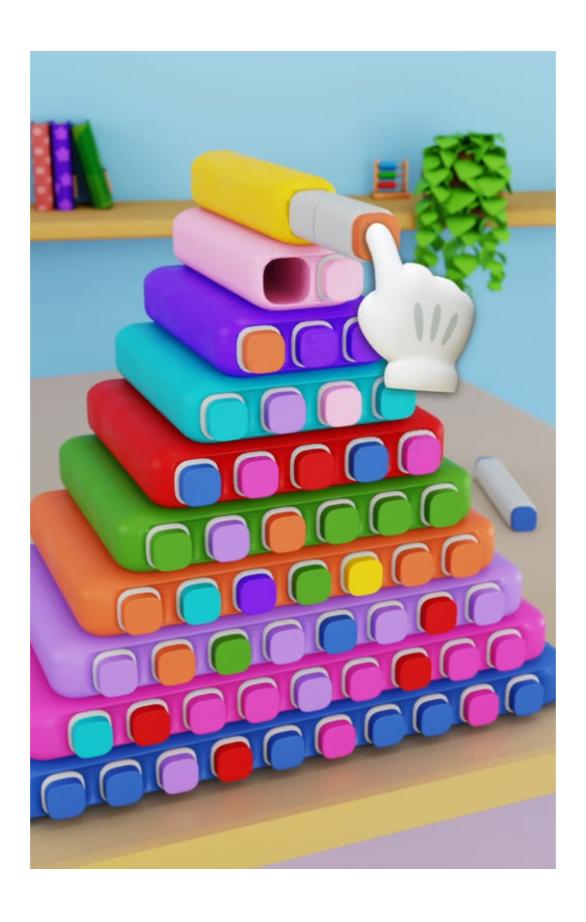
Iterating on its competitors' ads allows Match Factory! to release a steady stream of new interactive ads that target players with a strong affinity for 3D matching mechanics while minimizing the time and resources spent on research and development.

Marketing teams can determine which competitor's ads are most successful by looking at which ads get the most impressions and appear on the most channels—a strong indication that those ads drive conversions. Of course, marketing teams can also use their video ads as the basis for interactive ads.



Developers can also use successful interactive ads as the basis for video ads. In June 2024, Triple Match 3D began running video ads featuring the color-matching peg mini-game from Match Factory!'s ads. This ad generated the second-highest impressions that month (13%).

Despite its strong focus on interactive, Match Factory! also releases video versions of its playable ads, which perform well. For example, in June 2024, Match Factory! ran the same peg mini-game video ads as Triple Match 3D and achieved comparable results. The ad generated around 13% of Match Factory!'s ad impressions, the second highest of any ad that month.



GET PLAYERS ATTENTION WITH NOVEL VISUALS, SPECIFIC CHALLENGES, AND FAIL STATES

Slight variations in theme, style, and structure allow developers to continually introduce novel visuals without creating entirely new mini-games. For example, the successful peg sorting mechanic featured in Match Factory!'s more recent ads is a <u>variation</u> of the donut sorting mini-game found in earlier Match Factory! ads. Match Factory! has used other iterations of this mechanic in video ads but with altered stylistic elements like the background and <u>theme</u>.

Meanwhile, the ads in which players fulfill customers' orders by matching objects have at least three variations. In one version, players tap on matching items moving along a <u>conveyor belt</u>; in the other, they pick out matching items from a <u>pile of objects</u>. Match Factory! has also experimented with mixing these mechanics: the third version of this game presents the <u>items on shelves</u>.



Manipulating physical objects by tapping, swiping, or dragging is an especially successful mechanic in playable ads. These mechanics are intuitive on phone screens and create a sense of physicality that entices players to interact—especially when paired with novel visuals. Nearly all top interactive ads contain some type of physical mechanics.

Specific challenges make playable ads more effective.

Some of Match Factory!'s playable ads challenge players to get a specific score to prove their level of intelligence. Other ads present players with hungry customers who get mad when players fail to fulfill their orders. Timers present an additional challenge while adding urgency to the gameplay.



Outside of gaming, marketing teams could design ads that require users to make choices in pursuit of specific goals. For example, a finance app could instruct users to save up enough for a new car and make sure they cover their bills.

In video ads, showing someone failing at a mini-game is also extremely effective. When users see someone fail due to incorrect decisions, they feel smart, think they could do better, and want to get the app to make the correct decisions themselves.

Even though it may be counterintuitive for a non-gaming app to show a hypothetical user failing at their goals—most brands don't want to show a potential customer failing—the strategy is extremely effective in gaming and is worth exploring in other markets. For more information on fail-state ads, Growth Marketing subscribers can read our <u>in-depth analysis of fail state ads</u>.

"Inspiration gives no warnings."

– Gabriel García Márquez





