



2015

HOLIDAY AD BUYING STRATEGY GUIDE



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INTRODUCTION

For our second annual Holiday Ad Pricing & Strategy Guide, we've run the numbers (and checked them twice!) based on the experience of our own clients during the all-important holiday shopping season. We are pleased to bring you our perspective and advice about how to best prepare for the next three months of ad buying on the world's best mobile-first ad platforms: Facebook, Instagram, Twitter, and Pinterest.

We've broken it down by the most important campaign types (Direct Response, App Installs, and Branding) as well as by the industry verticals that can make the most of these specific campaigns. We also offer some insider-only best practices that we've learned as an official marketing partner of Facebook, Instagram, Twitter, and Pinterest. We'll let you in on our top tips to maximizing your return on investment (ROI) and will help you plan for a very jolly holiday season!

Thanks for reading,

*Jesse Pujji, Nick Shah, and Chris Amos
Ampush Founders*

RECORD HOLIDAY SHOPPING OPPORTUNITIES VIA MOBILE AND PLATFORMS “FORMERLY KNOWN AS SOCIAL”

The holiday season always presents a massive opportunity for marketers. eMarketer expects holiday advertising spending to account for more than 20% of annual spending in 2015. Last year, brand advertisers delivered 52% of overall advertiser spend in the weeks leading up to December 25³.

During the 2015 holiday season, advertisers should take note of two big trends: mobile shopping and early shopping.

eMarketer expects U.S. retail m-commerce sales to rise a total of 32.2% in 2015 – more than double the 14.2% increase forecast for retail e-commerce sales as a whole. It’s clear that holiday shopping is increasingly becoming a mobile experience. Given that many of the major platforms now offer “buy” or “shop now” features, it’s never been a better time to focus your budget on advertising via Facebook, Instagram, Twitter, and Pinterest – platforms formerly known as “social”.

According to the 2015 eMarketing Holiday Report,⁴ 35% of holiday e-commerce sales will originate from mobile web or apps.

When it comes to m-commerce, platforms like Facebook, Instagram, Twitter, and Pinterest are becoming power players. Their influence on holiday sales is enhanced by inferred social recommendations (social proof) and highly specific audience targeting.

Holiday purchases are shifting to earlier in the season, so advertisers should expect to start their holiday campaigns early this year. How early? The NRF's latest survey found that as of December 10th, 2014, the average holiday shopper had completed almost 53% of their shopping. This is an increase from the previous holiday season, when the average holiday shopper had only completed 49% of their holiday shopping by December 10th, 2013.

It will take more than just presence to capture mobile customers.

Brands are increasingly leveraging cross-platform campaigns to develop a deeper and more compelling holiday narrative and to increase engagement. Customers are more engaged and experience greater brand recall when following a narrative across multiple platforms.

KEY INSIGHTS



US retail sales from mobile expected to increase 32.2% for 2015 ¹



Mobile ad spend expected to increase 50% for 2015 ²



Maximize holiday campaigns by focusing goals on either direct response, app installs, or brand awareness



Holiday season prices fluctuate, making daily optimization essential

¹ eMarketer, A Happy Holiday Season Expected for Retailers, Aug 24 2015 <http://www.emarketer.com/Article/Happy-Holiday-Season-Expected-Retailers/1012898>

² eMarketer, Mobile Will Account for 72% of US Digital Ad Spend by 2019, March 24, 2015, <http://www.emarketer.com/Article/Mobile-Will-Account-72-of-US-Digital-Ad-Spend-by-2019/1012258>

³ Jeff Cunning, Q4 Marketplace Report: Premium Brand Spend Comes to Mobile Programmatic, March 5, 2015, <http://www.mopub.com/2015/03/05/q4-marketplace-report-premium-brand-spend-comes-to-mobile-programmatic/> eMarketer, A Happy Holiday Season Expected for Retailers, Aug 24 2015 <http://www.emarketer.com/Article/Happy-Holiday-Season-Expected-Retailers/1012898>

KEY HOLIDAY DATES



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
22	23	24	25	26 Thanksgiving Day	27 Black Friday	28
Pre Holiday					Peak Holiday	
29	30 Cyber Monday	1	2	3	4	5
Peak Holiday						
6	7 Green Monday	8	9	10	11	12
Peak Holiday						
13	14	15	16	17 Last Ship Date	18	19 Panic Saturday
Peak Holiday						
20	21	22	23	24 Post-Holiday Sales	25 Christmas	26
Peak Holiday	Post Holiday					
27	28	29	30	31 New Year's Eve	1 New Year's Day	2
Post Holiday						
3	4	5	6	7	8	9
Post Holiday						

Holiday advertising periods, as defined by pricing and competition

- Pre Holiday
- Peak Holiday
- Post Holiday
- November
- December
- January



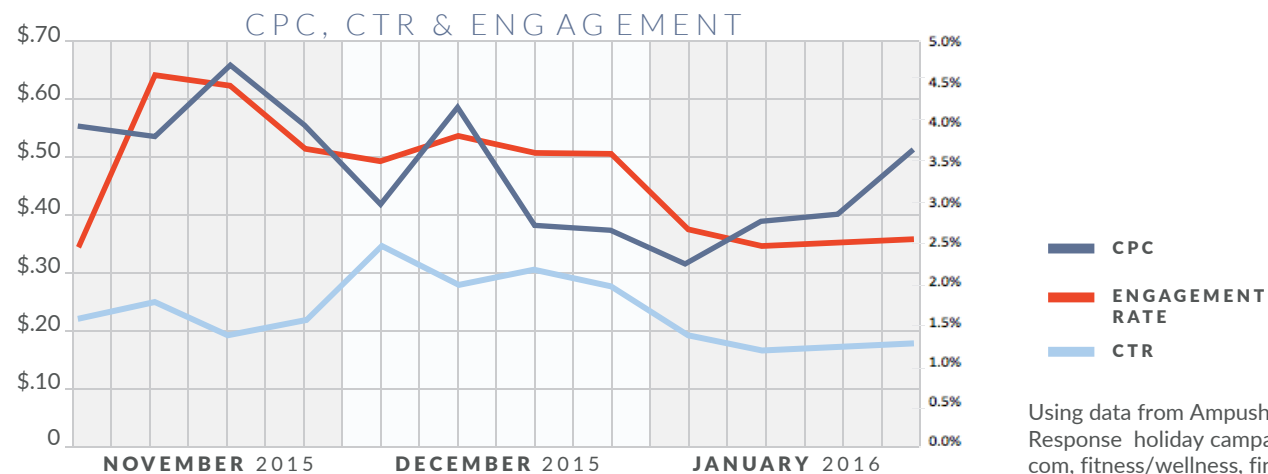


DIRECT RESPONSE HOLIDAY CAMPAIGNS



DIRECT RESPONSE HOLIDAY CAMPAIGNS

- ❄️ During the holiday season, the most important performance indicator trends to monitor for ROI opportunities are CTR, CVR (conversion), CPM, and CPA. High purchase intent during Black Friday (11/27) and Cyber Monday (11/30), combined with efficient acquisition early in the season, can more than offset the elevated costs associated with the season by ensuring solid return on ad spend (ROAS) and leads with high lifetime values.
- ❄️ CPC will peak around Black Friday, with a 20% increase over early November prices. The biggest CPC dip will be in early January, which we expect to be 44% below the Black Friday peak.
- ❄️ We predict that CTR will peak at over 2% around Last Ship Day (12/17) through 12/20. After the post-Christmas dip, we expect to see CTRs climb once again, beginning around January 10th, 2016.
- ❄️ For max efficiency, advertisers should run campaigns when there is the greatest opportunity for cost-effective conversions. We expect CPC to decline, while CTR should remain high, before Thanksgiving through December 13th. Another cost-effective conversion opportunity should occur between 12/26 and 12/30.
- ❄️ Ampush recommends that direct response holiday strategies perform early testing for audience targeting and ad creatives in order to get the greatest return on their ad spend during peak CPA and CPM periods.
- ❄️ During periods of peak competition and elevated CPM, only target your advertisements to the most relevant audiences to increase the likelihood of efficient delivery of your bids.
- ❄️ Facebook, Instagram, Twitter, and Pinterest have all introduced “buy” or “shop now” buttons that significantly ease the process of purchasing from these sites, especially on mobile devices. If you haven't utilized these new call to action buttons yet, your holiday direct response campaign is a great opportunity to implement.



Using data from Ampush clients' Direct Response holiday campaigns for the e-com, fitness/wellness, financial services, and education verticals.

THE AMPUSH RX: HOLIDAY DR STRATEGIES FOR THE SEASONAL E-COMMERCE VERTICAL

Pre Holidays:

Holiday shopping begins earlier, so **advertisers should begin their spends before Thanksgiving (11/26)**. An optimized, mobile-friendly user experience is crucial to achieving full potential for check-out conversions.

Creatives should focus on sales and the latest seasonal gear such as skis or sweaters for the greatest ROI potential. E-commerce brands should run several early campaigns in November and focus on their product as a source for gifts for friends, family, and oneself.

Peak Holidays:

Engagement rate rises steadily throughout December. Black Friday (11/27) presents a great opportunity for seasonal e-commerce, when purchase intent is near or at peak and overall engagement is robust throughout the entire day.

Highly targeted placements leading up to Last Ship Day (12/17) will also increase the efficiency of your spend during a time of peak costs.



THE AMPUSH RX: HOLIDAY DR STRATEGIES FOR **THE FITNESS & WELLNESS VERTICAL**

Post Holidays

- ❄️ The post-Christmas period presents the best opportunities for fitness and wellness brands. Traffic, engagement, and purchase intent for fitness and wellness brands are at a year-long high from December 24th to January 10th. Consumer spending also remains elevated during this time.
- ❄️ After Christmas, refresh audience targeting to collect new leads from your website or profiles. These can also feed back into your audience targeting and lookalike modeling.
- ❄️ To drive the most engagement and the best return on ad spend, it's important for the advertising creative to distinguish your brand and product from your competitors. Fitness and wellness brands should embrace the newest ad formats for their post holiday advertisements to further distinguish their campaigns from the competition.
- ❄️ Fitness and wellness brands should tap into seasonal consumer psychology and utilize creative themes like New Year's resolutions or seasonal health (such as cold prevention). This is an ideal time to prioritize campaign imagery on fitness and health over text.



THE AMPUSH RX: HOLIDAY DR STRATEGIES FOR THE FINANCIAL SERVICES VERTICAL

Pre & Peak Holidays:

Ampush's creative team typically assists our financial service customers during the holiday season to implement the following strategic best practices for holiday copy and creative:

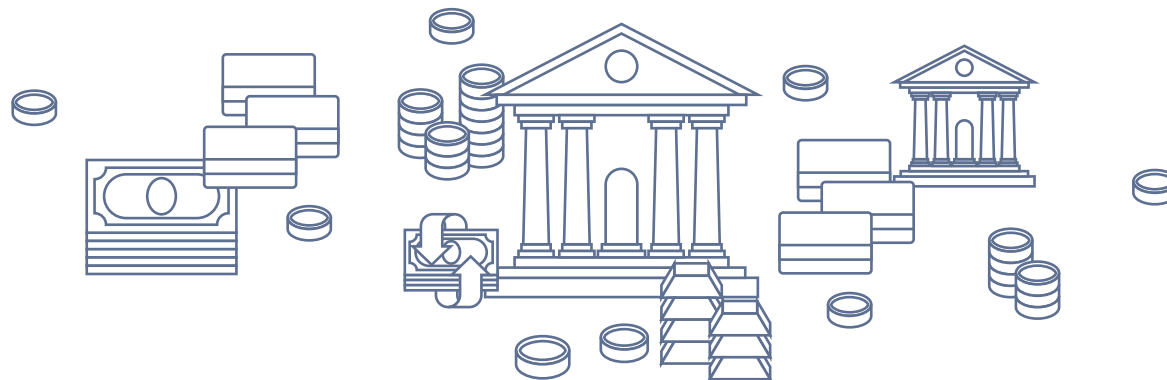
- ❄ According to our tests, both holiday themes and contests/promotions outperform standard financial service creatives during the holidays.
- ❄ During a time of peak competition, limited time offers and deadline-oriented copy and imagery perform particularly well.
- ❄ Campaigns pitching credit cards as assisting with holiday spending perform well.

Pre & Peak Holidays cont'd:

Gift card interest reaches its peak once shipping physical goods becomes increasingly difficult, after Last Ship Day (12/17). Advertisers should increase their holiday campaign spend leading up to Last Ship Day, peaking between the Last Ship Day and Christmas (12/25). CPMs will start to fall during this time, as the physical goods brands exit the market after Last Ship Day.

Pre & Peak Holidays:

Customers typically spend more on dining out and entertainment during the holidays, so running a rewards program campaign targeting audiences by interest or events is a good idea.



THE AMPUSH RX: HOLIDAY DR STRATEGIES FOR THE EDUCATION BRANDS VERTICAL

Pre Holidays:

September has long been a peak period for education brands. This year, get the best bang for your Q4 buck by continuing campaigns through November, when social media usage climbs but CPMs have not peaked for the holidays.

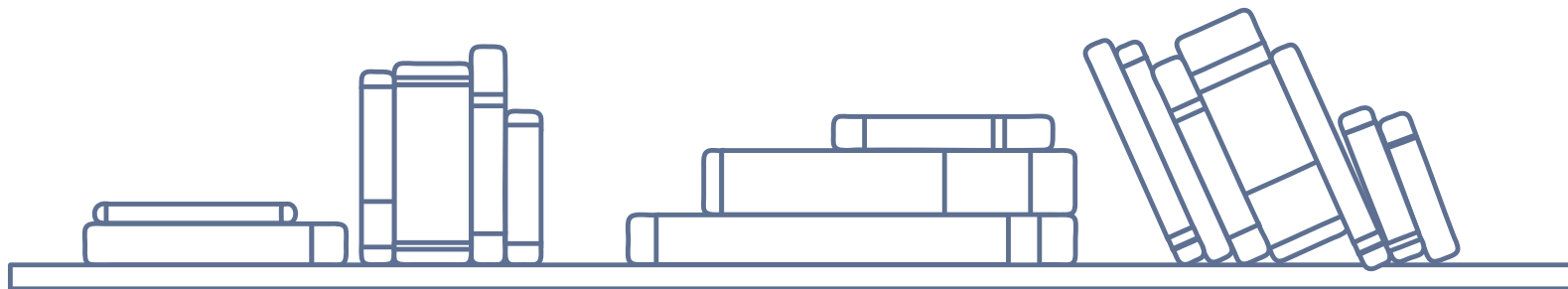
Peak Holidays:

As CPMs reach their peak in mid-December, education advertisers can increase spend efficiency by switching their campaign strategy from direct response to branding.

Post Holidays:

There are excellent direct response opportunities for education brands in January thanks to high traffic numbers and purchase intent, lowered CPMs, and limited competition from other verticals. For these reasons, this is also the best time to test performance on new platforms.

Using a full-service marketing partner like Ampush makes it easy for advertisers to expand their campaigns to additional platforms, while maintaining the ability to optimize each for the day-to-day efficiency opportunities throughout January.



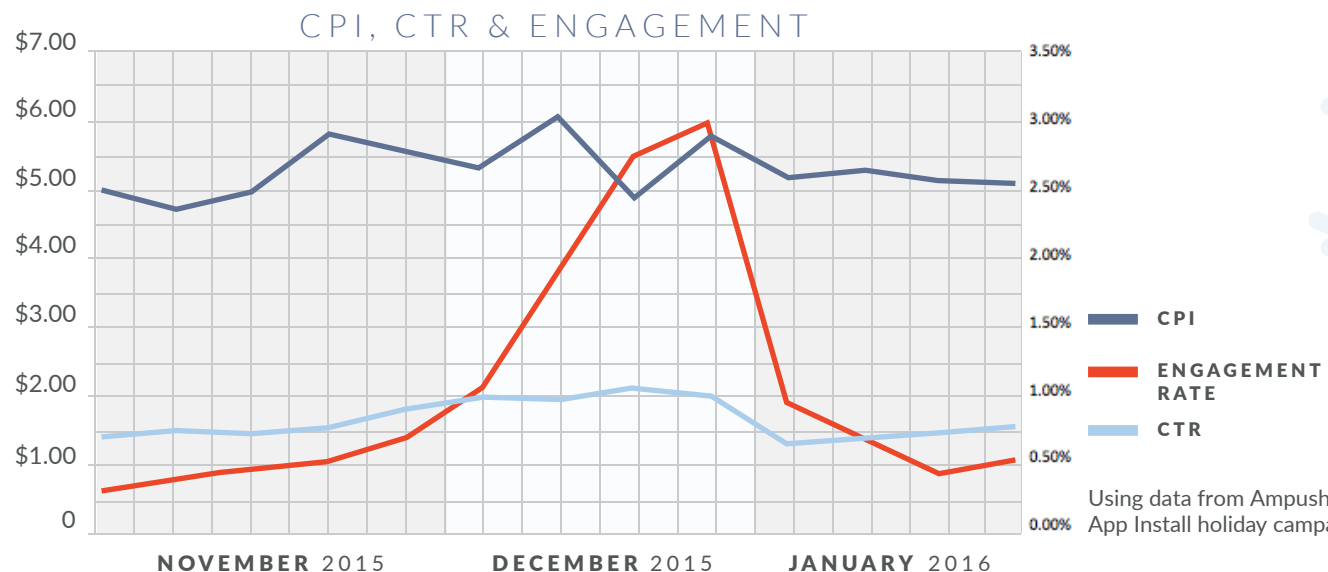


APP INSTALL HOLIDAY CAMPAIGNS



APP INSTALL HOLIDAY CAMPAIGNS

- ❄️ The most important metrics to monitor to make the most of the holiday season are CPI and two indicators of an excellent environment for app install campaigns: engagement rate and CTR. Costs are high during the holiday season and for most app install campaigns we recommend focusing on return on ad spend and the post-holiday period.
- ❄️ Compared to early November, CPI should increase by 20% by the fourth week of November and then peak at a 24% increase leading up to Last Ship Day (12/17). After Last Ship Day, CPI should decline from peak prices by 14%, while engagement rates will remain high. This is an ideal time for increased spend by app install campaigns.
- ❄️ The holiday season presents more inventory, but it also brings increased competition and costs. Given such an environment, **App Install campaigns should perform testing in October in order to be ready for November, December, and January.** Optimizing for day-to-day CPI efficiencies will also lead to a better overall return on ad spend.
- ❄️ For other app verticals, including e-commerce and entertainment apps, beginning their holiday strategy in early November leads to unprecedented retargeting opportunities for the greatest possible return on ad spend. According to Google Insights, nearly 50% of app users use their apps to help make purchasing decisions.
- ❄️ The greatest opportunity for app install campaigns comes immediately after the peak-holiday season, when consumers are excited about their shiny new devices and have not yet returned to work or school. Target your app install campaign specifically to these new device users.



THE AMPUSH RX: HOLIDAY APP INSTALL STRATEGIES FOR THE MOBILE GAMING VERTICAL

Pre Holidays:

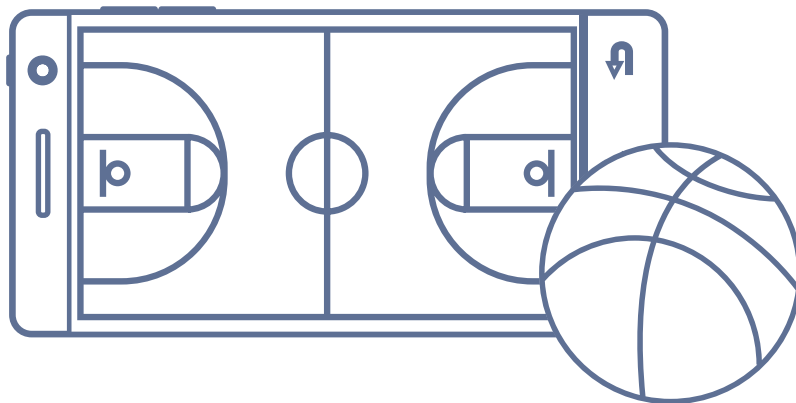
The time leading up to the peak season is ideal for increasing brand exposure for increased effectiveness and install efficiency post-holiday.

Post Holidays:

Peak CPM prices during mid-December through Last Ship Day (12/17) leads most mobile gaming brands to instead focus their advertising dollars on the post-holiday period, when CPMs drop below normal and consumer purchase intent surges due to the proliferation of new devices. **For the most effective spend, target new device users and begin campaigns once CPMs fall back to normal levels.**

Mobile Gaming brands can beat out intense vertical competition by embracing the newest ad formats, like video or landscape images.

There is ample opportunity for mobile gaming brands to take advantage of increased inventory, engagement rates, and vacation/holiday-induced free time experienced by much of the US during the post-holiday period.



THE AMPUSH RX: HOLIDAY APP INSTALL STRATEGIES FOR E-COMMERCE APPS

Pre Holidays:

E-commerce apps should focus campaigns on obtaining app installs before the holidays (early November) to facilitate more sales during the peak shopping season.

Peak Holidays:

While CPMs are at their highest, focus your audience targeting on lookalikes based on customers with the highest lifetime value.

Retargeting is a crucial strategy for e-commerce apps during the holiday season.

Retargeting new users immediately with additional discounts and offers will improve the total holiday return on spend and the value of each customer initially acquired.

Design retargeting campaigns around each of the major holidays during the peak period. Creatives that promote individual holiday deadlines, such as 19 days till Christmas (12/25) or 4 days until Last Ship Day (12/17), perform exceptionally well.

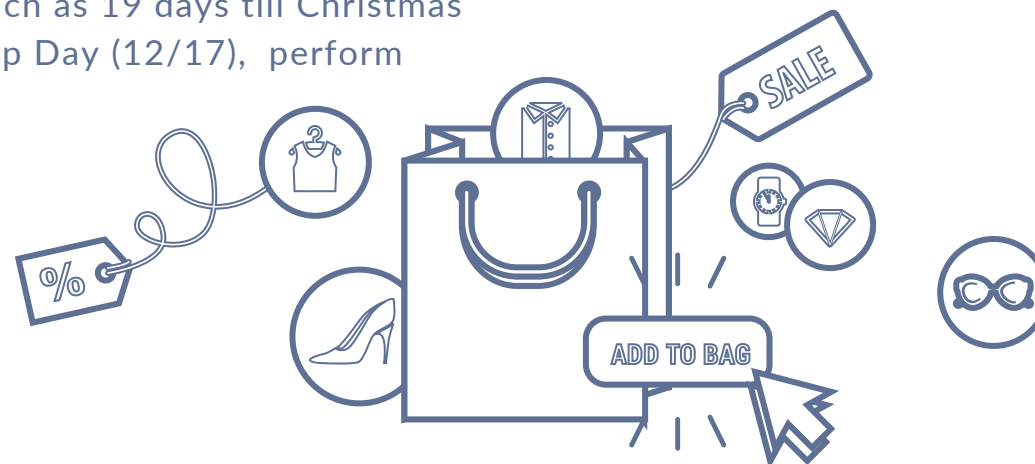
Peak Holidays cont'd:

Sales and promotions are the most important consumer motivator during the holiday season. **Stay aware of the promotions offered by similar brands.**

Post Holidays:

Strong traffic, engagement, and inventory remains after Christmas, and for a much lower cost. Copy and creatives that focus on general winter themes do well post-holidays.

While CPI is at a lower-than-normal rate post-Christmas, broaden your audience targeting efforts.



THE AMPUSH RX: HOLIDAY APP INSTALL STRATEGIES FOR THE ENTERTAINMENT / NEWS VERTICAL

Pre Holidays:

Entertainment apps see great success from emphasizing the theme of family time and entertainment (or catching up on shows after family time).

Pre & Peak Holidays:

Throughout the holiday season, television or long-form video content apps should create numerous campaigns for individual shows, and then target 2-3 unique audience groups for each show.

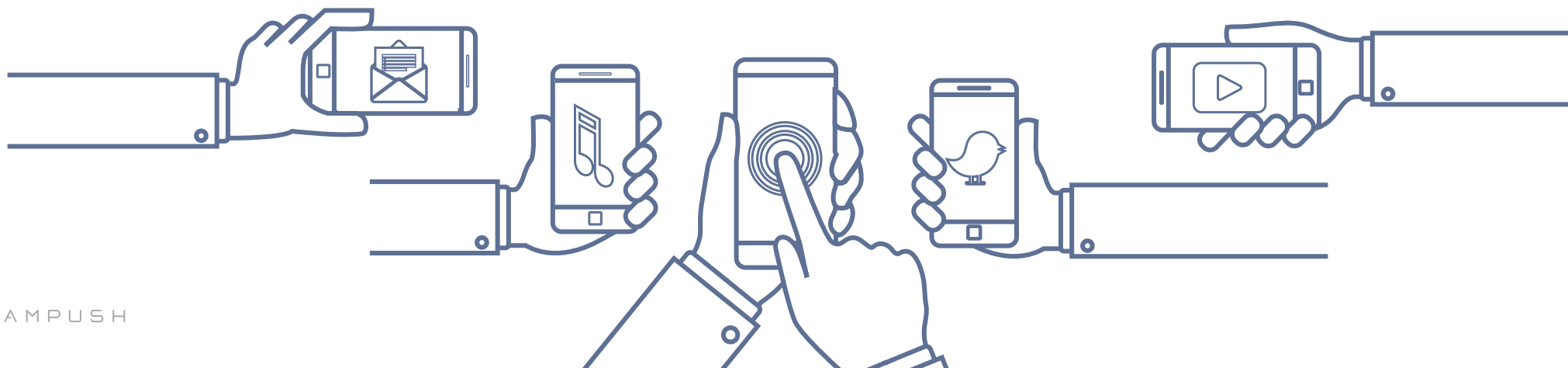
Pre & Peak Holidays cont'd:

Creating individual campaigns allows for more specific audience targeting and matching to campaign creative, which will get you the best value.

Creative should highlight the value proposition of entertainment apps, given the rising trends of consumers cutting their cable and giving the gift of subscriptions.

Post Holidays:

New app interest is at its peak during the post-holiday season, so target new device users.



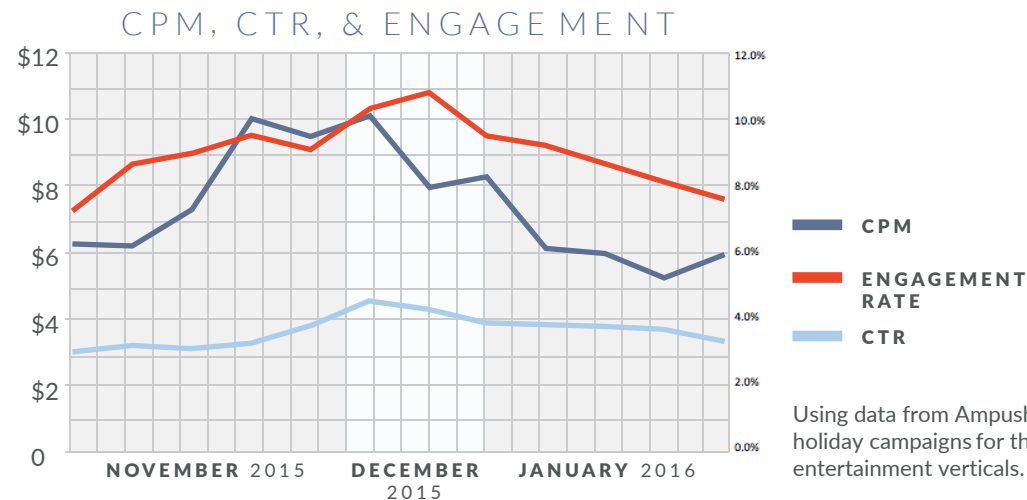


BRAND AWARENESS HOLIDAY CAMPAIGNS



BRAND AWARENESS HOLIDAY CAMPAIGNS

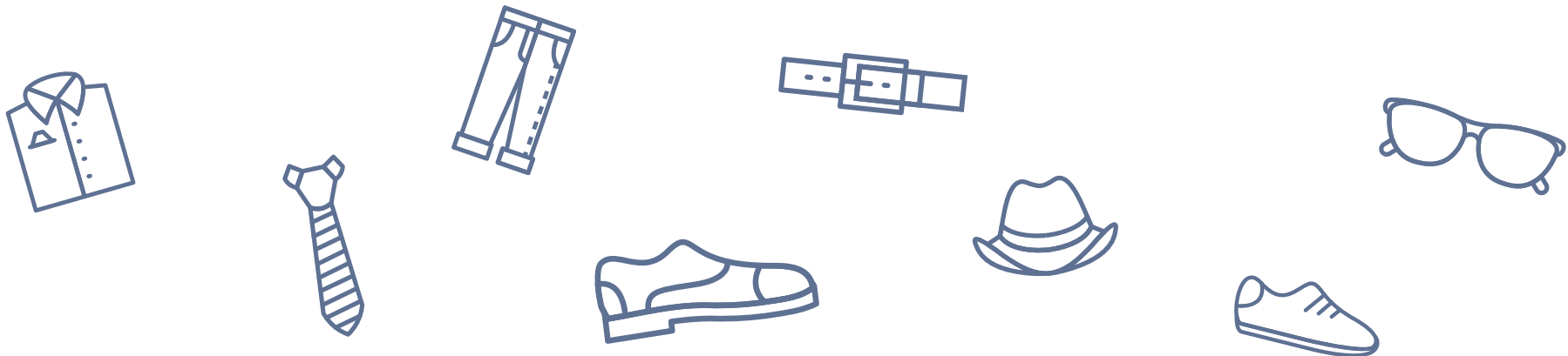
- ❄️ We predict that CPMs will peak at around \$11.70 around Last Ship Day (12/17) through 12/20. This CPM peak is a 61% increase over the CPMs from early November.
- ❄️ To help keep your holiday spirits bright, set your impression frequency targets early. Avoid that last-minute holiday rush by scheduling your content and buys early, too. Planning ahead will help you reach your target audience for the most efficient cost possible.
- ❄️ Optimizing campaigns by fine tuning for day-to-day efficiencies can yield strong returns on holiday ad spends.
- ❄️ For brand awareness campaigns, we predict that the opportunity for the greatest ROI will be between Thanksgiving (11/26) and Black Friday (11/27). We anticipate that the greatest CPM efficiency will materialize after Last Ship Day (12/17) in December.
- ❄️ Brand awareness campaigns have the greatest reach and impression opportunities between Black Friday and Last Ship Day. But remember, your brand is not alone during this peak time.. Intense competition during this period leads to increased CPMs for everyone. CPMs will decline after Last Ship Day (12/17) and continue through mid-January.



THE AMPUSH RX: HOLIDAY BRANDING STRATEGIES FOR **THE LUXURY VERTICAL**

Pre & Peak Holidays:

- ❄️ To see the best possible return on ad spend (ROAS), luxury brands should focus their audience targeting on users who are most similar to current customers with the highest LTV. Creating **bold holiday themes** is also crucial to standing out during a crowded shopping season.
- ❄️ **Social proof** should be leveraged throughout the holiday season, while engagement rates are high. Increased celebrity and influencer affiliation will drive demand for luxury products going into the holiday season. Pre-teens, teenagers, and young adults are particularly open to influence during the pre-holiday season, ahead of crafting their holiday wish lists.
- ❄️ Luxury brands should embrace **the power of imagery** during their campaigns to increase effectiveness, reach, and engagement. The Ampush creative team typically begins by A|B testing the two most popular e-com and luxury image styles (lifestyle vs “on-the-table” imagery to determine the foundation of a brand’s image strategy. Luxury brands see significantly higher engagement from high quality, compelling images over stock-style product photos.



THE AMPUSH RX: HOLIDAY BRANDING STRATEGIES FOR THE ENTERTAINMENT VERTICAL

Pre & Peak Holidays:

Entertainment brands can achieve the most engagement and reach by tapping into **the power of video** during the holidays. Facebook and Instagram give preference to video posts over text-only posts, and users clearly prefer video posts as well. As mobile video offers such great potential for brands, Ampush now runs video ads across all platforms. For video ads, use the oCPM bid type for the greatest possible spend efficiency for branding campaigns.

At this time of year, many people are on break from work and school. This causes an increase in social media usage, which leads to greater inventory levels, so advertisers should plan to **make the most of the latest ad products available** and develop several creative angles for their campaigns in order to stand out from the crowd. Running a series of creatives also avoids over-exposure. New ad products include cinematic videos, landscape Instagram units, .gifs, panorama carousels, and sequential ad placements.

Retargeting to continue a storyline is especially effective during the holidays, when consumer attention is at a year-long peak across numerous networks. Marketing partners like Ampush make it easy to run a single campaign across several platforms, while optimizing each one for day to day opportunities.



Pre & Peak Holidays cont'd:

As competition at this time of year is quite strong from new movie releases, television holiday specials, and political ads surrounding the 2016 election year, it's especially important to target exactly the right audiences. Marketers should get as granular as possible with their target audience profiles and create unique creatives and copy for each audience profile.

Peak & Post Holidays:

Don't forget, many people get new devices for the holiday so there are ample opportunities for entertainment apps to focus on branding as consumers anticipate and then receive their new gadgets.





HOW TO MAXIMIZE YOUR HOLIDAY CAMPAIGN ROI





HOW TO MAXIMIZE YOUR HOLIDAY CAMPAIGN

As an official marketing partner of Facebook, Instagram, Twitter, and Pinterest, we've learned a thing or two about how top-tier advertisers can move the needle on their holiday campaigns. Here are five insider tips to help your holiday campaigns perform their best.

1. Monitor the rate of change for your conversion rates relative to the rate of CPM change.

❄️ Costs and click-through rates will rise for all types of campaigns and verticals during the peak holiday season. The most important thing advertisers can do to ensure their campaign is successful is to monitor the change in CPM relative to the change in CTR. They should be experiencing about the same rate of change (i.e. CPMs will increase, but so should the CTR as engagement and traffic are at peak)

2. Test your holiday campaigns prior to the holiday season.

❄️ Testing your holiday campaigns in October is a cost-effective way to gather data that can inform your other, offline holiday campaigns. CPMs and CPAs are at their highest during the holiday season; this is not the time to find out that some of your holiday creatives are failing to resonate with your target audiences. Audiences have peak purchasing intent at this time as well, so advertisers won't want to miss a single opportunity. Make your holiday spend as efficient as possible by going into the peak season with a clear, proven plan.

3. Campaign history allows advertisers to scale quickly during peak times.

❄️ It's easier and faster to scale your high performing or ambitious campaigns if you already have campaign history. It's best to test your campaign assumptions in October so that you're ready to maximize performance of that campaign in December. Your bids during the holiday season will have more efficient deliveries if your campaign has a strong performance history and a positive track record (high quality score).

❄️ Brands should pay attention to their Facebook Relevance Score throughout the Holiday season. A dip in score likely means less efficient delivery. Copy and creative should be refreshed ever 1-2 weeks to maximize ROI during the holidays.



4. During times of peak competition, stand out with more in-depth narratives.

- ❄ The technology available for today's mobile advertisers is unprecedented. Mobile marketers should use all available tools and advanced targeting options to create holiday campaigns that significantly separate them from the pack and home in on the most valuable audience possible.
- ❄ Retarget your segment groups for a sequential experience. This technique will result in your target viewers seeing a sequence of advertisements throughout the holiday season. Advertisers can boost engagement by providing a unique, attention grabbing experience and a richer, more in-depth narrative. Try creating a holiday story that unfolds during the season, with a chapter (ad series) released each week that furthers the story. Creating mystery or suspense early on in the story will result in higher engagement for the final chapter.
- ❄ Mobile marketers should also consider delivering a sequential advertising experience across multiple platforms. The different design and copy focus of each platform will allow your story to be told in a variety of unique formats. Not only will this offer the opportunity to create several tailored user experiences for different audience segments, but it also will likely drive traffic back to your primary channel and possibly even afford you a few earned media opportunities.

5. Invest in a long term marketing partner for improved insights and performance.

- ❄ When embarking on an advertising or marketing partnership, advertisers typically see better performance from longer-term relationships. The reason for this is simple - marketing partners like Ampush are better able to become experts in your brand, audience, and marketing strategy when given more time to test and refine campaigns. As our analysts collect more data on your performance for a longer period of time, they are able to see clear trends and achieve a deeper and more detailed understanding of your brand's mobile and audience strategy and provide more valuable insights.



CONCLUSION

Taking full advantage of the immense opportunities during the holiday season can take advertisers' Q4 and Q1s to unprecedented levels. To achieve high levels of performance on Facebook, Instagram, Twitter, and Pinterest during the standard calendar year is hard, and it's undoubtedly harder during the peak holiday season.

Fortunately, Ampush has years of experience crafting and navigating mobile-first strategies for top-tier brands during the holidays. In fact, when it comes to driving performance on these platforms, no one has been doing it longer or better than Ampush.

If you are an enterprise-level marketer and would like to talk about how we can help you outperform your competitors this holiday season, we'd love to hear from you.

ABOUT THE DATA

The data in this guide was aggregated across a portfolio of advertisers leveraging Ampush's AMP platform to manage and scale their mobile advertising campaigns on Facebook and Twitter. Ampush customers include leading direct response and brand advertisers across gaming, e-commerce, travel, financial services, CPG, and other verticals.

Data in this guide is specific to the advertisers and objectives represented in Ampush's customer portfolio, and should not be used as a proxy for spend or pricing trends on Facebook, Instagram, Twitter, Pinterest or the broader mobile advertising marketplace. Data in this guide should not be compared to any prior or future publications due to the dynamic nature of the data set for each period. For inquiries, please email research@ampush.com.

