Digital demystified: Which mobile KPIs matter most?

What mobile publishers and developers need to know about measuring mobile advertising performance and assessing mobile traffic sources.

Mobile KPI

Just as in desktop advertising, monitoring and optimizing the performance of a mobile branding or performance marketing campaign is critical. But publishers can't take the same approach used in desktop, and neither can their advertisers.

Mobile advertising differs from desktop, both in terms of the results advertisers should expect to generate and how they go about measuring them. The relationships people have with their mobile devices differ markedly from those they have with their computers. Mobile phones are personal and, for many, almost an extension of themselves. Users often turn to mobile for a specific purpose. They are on-the-go and task-focused.

For example, when someone types "pizza" into their phone, they probably have an immediate need for a slice. They might be less likely to stray from the task at hand (must...get...pizza), and to "surf the web" leisurely as they might on desktop. They often have less time to spend engaging with content than they would when they are at their computer.

A holistic approach to digital advertising

Mobile shouldn't be viewed in a vacuum. Advertisers and publishers also have to account for cross-device usage and can take steps to link their customers' and prospects' desktop behavior to their mobile presence. A person might see first an ad on their mobile device but take subsequent action later, on their laptop, when they have more time. That can make campaign measurement challenging. On desktop, cookies are used to track users, but on mobile, a combination of tactics is used used to find target audiences. Mobile targeting may take app categories, geo-location information, first-party demographic data, and Device ID into account; and mobile publishers can use data management platforms (DMPs) to collect and use data, with permission, from their app users.

Businesses can use mobile advertising to impact decision-making in that moment, right when the viewer sees an ad, and also down the line. The industry has made tremendous progress in its ability to effectively measure the holistic effects of digital marketing.

The rise in mobile branding

The nascent age of mobile advertising was dominated by performance players, advertisers, and app publishers who wanted to drive immediate results with their campaigns. But as measurement capabilities evolve and ad options expand, a greater number of brand advertisers are moving dollars to mobile programmatic and using the tactic as part of a long-term, relationship-building strategy. According to the MoPub's Global Mobile Programmatic Trends Reports, brand advertisers' spend on mobile programmatic has been increasing steadily, and publishers must be prepared to support this use case.

Whether a branding play or a performance-based campaign, advertisers need a clear objective. As the industry matures, campaign goals have evolved beyond just measuring clicks. It is imperative that publishers and advertisers be aligned on these goals. Publishers should understand advertisers' KPIs and work to accommodate them.

Mobile KPI for advertisers

KPIs differ depending on the organization, vertical, and nature of the campaign, but important mobile KPIs for advertisers include:

User acquisition (app download, new users/subscribers, etc.)
A common campaign goal is to drive new users, so advertisers will often measure things like app downloads, new users/subscribers, etc. This information is useful for deriving cost per install or user and analyzing campaign ROI.

Average revenue per user
This lets advertisers determine the value of each user and, in turn, the quality of traffic sources.

Predicted lifetime value (LTV)
It's not just about gaining users, it is about gaining engaged users. LTV assigns a monetary value to each user, information that is very useful in helping you determine marketing spend.

Engagement and retention
For app marketers, understanding engagement and retention rates is key, especially since only a limited number of people who download an app become ongoing, active users. Publishers and advertisers also use stats such as time on app/mobile site and page views to measure a user's engagement.

Conversions
Although click-through rate (CTR) is not necessarily as emphasized on mobile as it is on desktop, advertisers expect to see information on clicks, as well as how those clicks relate to their ultimate campaign goal, such as sales. Advertisers often use promo codes to make it easier to track the impact of their mobile ads, since a user could decide to take subsequent action on desktop or in person.

When advertisers are using mobile as part of their branding strategy, they'll have to consider KPIs that extend beyond their initial mobile campaign. For example, a spike in desktop Google searches or social media traffic could be triggered by mobile ads. Publishers should provide as many metrics as possible, and they should welcome feedback from advertisers. They should also encourage advertisers to keep them in the loop about how mobile efforts are affecting other aspects of their marketing.

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Key mobile metrics & KPIs for publishers

For mobile web and app publishers, understanding the metrics above is critical, but they also have to be able to analyze their monetization strategies by comparing traffic sources. To do so, they should review revenue, eCPMs, fill rates, and CTRs by ad source and note trends in ad size and formats.

Additionally, review fill rates (the percentage of inventory that a traffic source, such as an ad network, fills with paid advertising), conversion rates, and engagement stats, such as time spent and page views. Keep an eye on revenue per visitor and revenue per page. While not technically a KPI, it is also important to monitor ad quality to make sure that the traffic you are serving aligns with your business and users.

The mobile metrics that matter for publishers monetizing their traffic

1 CPM

2 CTR

3 Fill rate

4 Engagement (time spent, page views, etc.)

5 Revenue per visitor and revenue per page

All of these KPIs are interconnected. If a publisher can serve the right type of traffic for its audience, it will probably deliver better results for its advertisers, which should lead to more business. Remember to assess not just traffic volume, but also, traffic quality.

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