PrivacyStar drives app downloads using AdMob in-app display ads, reducing cost-per-acquisition and paving a promising path for growth

PrivacyStar

About PrivacyStar
- www.privacystar.com
- Conway, Arkansas, USA
- Privacy company and mobile app developer

Goals
- Establish successful growth strategy
- Reach smartphone-engaged users
- Reduce cost per acquisition (CPA)
- Continually test and optimize marketing strategies to improve return on investment

Approach
- Launch AdMob advertising within apps to reach users on their smartphones
- Continually test and optimize using Google Analytics
- Exclude app placements and app categories above a CPA threshold

Results
- Grew steady download and revenue run-rates
- Reduced CPA from upwards of $5 to less than $2 on AdMob
- Scaled advertising, while maintaining stream of high quality leads
- Established basis for ongoing business growth

Privacy. Protection. Preference.

Tired of receiving unwanted calls on your smartphone from telemarketers? Do solicitors ignore that you are on the "Do Not Call" list? Would you like to block any caller from ever contacting you again? You can, with PrivacyStar, a service for smartphone devices that lets you display hang out your own personal "Do Not Disturb" sign. The service also has teeth—it automatically reports privacy violations to the United States Federal Trade Commission (FTC).

The app, currently available for BlackBerry, Android, and iPhone devices, has already blocked well over one hundred twenty million calls and filed hundreds of thousands of "Do Not Call List" violations. Since its introduction, the PrivacyStar app has received more than a million downloads. "We are not just an app developer. We're a full-fledged privacy company delivering the highest quality services available in the market via a mobile app," explains Jeff Stalnaker, chief executive officer and co-founder of PrivacyStar. "That sets us apart in this space."

Driving Downloads

PrivacyStar became available as an app in 2009. Once users download the app, they can try the service at no charge during a 7-day trial. For continued service, Privacy Star is available through supported carrier billing with top telecom providers such as AT&T, Sprint, T-Mobile, and Verizon for a $2.99 monthly subscription, far less than traditional landline caller ID fees. The PrivacyStar team felt that an app would be the most expeditious launch strategy to hone in on users who were interested in smartphone privacy versus relying solely on telecom providers to promote the service.

After launching their first app, PrivacyStar quickly saw how challenging it could be to get discovered and downloaded by consumers. Early on, the company's executives realized that their practical, service-based app would need a savvy marketing approach to drive usage and boost business profitability and growth. Because of its broad feature set and appeal of PrivacyStar for smartphone privacy-seekers crosses gender and socioeconomic boundaries, PrivacyStar took a horizontal marketing approach using desktop display and television advertising for promotion. While successful, this initial acquisition strategy resulted in relatively high cost-per-acquisition (CPA), with downloads costing upwards of $5.
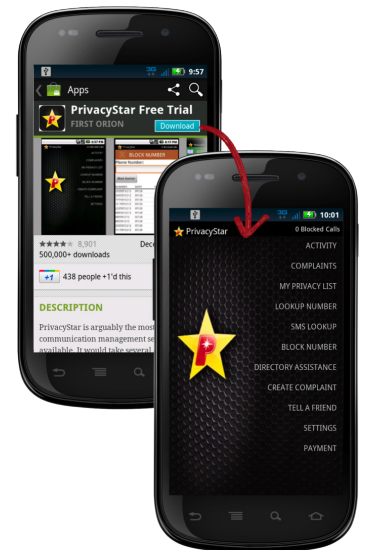
> "The two words that I would use to describe AdMob are quality and scale.... When we've tried to scale our mobile ads on other networks, the quality of the leads dropped. That's not the case when we deploy on a large scale with AdMob."

Jeff Stalnaker, CEO & Co-Founder, PrivacyStar

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by Google

About AdMob

AdMob provides app developers tools to acquire new users and monetize their apps with ads. A leading mobile advertising network serving billions of ads across platforms, AdMob delivers results for thousands of apps on mobile devices and tablets.

www.admob.com

"Our initial 6-12 month strategy was to test channels, drive downloads, and then model consumer usage behavior using data from Google Analytics," says Josh Smith, chief operating officer and co-founder of PrivacyStar. "We soon realized that we needed to jumpstart the business by reaching more targeted users, so we decided to try ads delivered right on their smartphones."

From Horizontal to Highly Targeted

Seeing the need to target their audience while on specific smartphone devices and slash CPA, mobile display ads on AdMob quickly displaced TV and desktop display advertising. The PrivacyStar team wanted to reach users who would download the app directly from a select, highly customized set of ads placed within apps across the AdMob network. The goals were to keep CPA low and streamline customer on-boarding through complementary tactics such as shorter free trials.

When deciding which mobile ad network to tap into, PrivacyStar chose AdMob hands-down. "AdMob would allow us to reach highly targeted audiences across all our smartphone platforms and promote PrivacyStar within other mobile apps—AdMob's formats are flexible and the reach is tremendous," says Smith.

Test, Measure, Optimize.

The team then began optimizing their advertising within other mobile apps on the AdMob network—informed by data from Google Analytics. App placements were limited to particular app categories to focus their audience and those that didn't meet the aggressive CPM targets were excluded. Within a month of these optimizations, cost per acquisition fell to less than $2, a fraction of what they were previously paying. "The two words I would use to describe AdMob are quality and scale," says Stalnaker. "When we've tried to scale our mobile ads on other networks, the quality of the leads dropped. That's not the case when we deploy on a large scale with AdMob."

Along the journey of building an app-centric service business, PrivacyStar has followed best practices through continuous testing and optimization. Google Analytics data informs decisions by tracking metrics on everything from creative, messaging, and demographics, to platform, ad network, carrier network, application events, usage patterns and feature adoption. "With the introduction of the mobile API in Google Analytics, we are able to truly target by device, carrier, network, and creative, giving us the insight we need to effectively manage our CPA," Smith explains.

Using AdMob to improve return on ad spend and keeping a close eye on key performance indicators with Google Analytics, PrivacyStar has built a business that is successful and poised for rapid growth. "With AdMob, we have an effective CPA that allows us to grow and continue to deliver the highest quality of services possible focused on privacy, protection, and preference," says Stalnaker.

So stay tuned and watch for an ad about PrivacyStar on an app near you. The team says they are ready for broader distribution through strategic partnerships and expansion into VOIP and feature phones—with major growth over the next five years.