

# Nanigans / 50 Cubes Facebook Advertising Case Study

Driving App Awareness and Engagement on Facebook Using Marketplace Ads and Sponsored Stories

## Executive Summary



**Facebook App:** Fashion Designer by 50 Cubes

**Facebook Advertising Platform:** Ad Engine™ by Nanigans

**Objective:** Acquire a critical mass of high-value, daily active users (DAU) for 50 Cubes' new Facebook game, Fashion Designer

**Solution:** Marketplace Ads were leveraged first to trigger awareness of the game and identify valuable audience segments. After using this approach to build a core install base, Sponsored Stories were deployed in a targeted manner to drive a second wave of customers via social referral.

### Key Lessons:

- Marketplace Ads and Sponsored Stories are best used in combination to enable efficient acquisition of high-value customers
- Marketplace Ads are instrumental in driving awareness and testing for converting and profitable audience segments
- Sponsored Stories are an effective method to drive social referrals once a critical mass of customers exists and a clear understanding of valuable customer characteristics are identified

## Advertising Objectives

50 Cubes' main objective was to quickly gain a critical mass of daily active users within 4 weeks, while keeping the advertising campaign ROI positive. 50 Cubes worked with Nanigans to

**nanigans**

Gain customers, not clicks

[www.nanigans.com](http://www.nanigans.com) | [info@nanigans.com](mailto:info@nanigans.com)

determine a strategy around the type, targeting and bidding of Facebook ads that met these particular goals.

## Advertising Approach

To identify high-value customers driven from particular Facebook ads, a combination of ad types, creative, targeting and bidding strategies were employed alongside tracking customer conversion behavior within Fashion Designer.

Marketplace Ads were initially leveraged to build a core install base of valuable customers for Fashion Designer by identifying profitable audience segments and the ad creative that resonated with them. Sponsored Stories were then delivered, in a targeted manner, to players' friends who exhibited similar characteristics to those converting and profitable segments.

### Marketplace Ads

To start the campaign, many combinations of creative elements were tested across a broad audience to identify the combinations of elements and users that were most effective. Then, by leveraging historical and real-time performance data, Nanigans' Ad Engine systematically tested a strategic cross-section of audience segments to identify those who were most responsive.

Throughout the process the Ad Engine automatically refined its bid strategy and budget allocation to each audience in real-time, which ensured customers were acquired at an ROI positive rate. This continuous optimization process was critical to developing an initial base of high-value customers to Fashion Designer.

### Sponsored Stories

With high-value audience learnings and a critical mass of customers, Sponsored Stories were deployed to target the friends of the game's customers who exhibited the right mix of demographic, location and interest characteristics that matched the profile of those valuable audience segments identified while deploying Marketplace Ads. From these social referrals, Fashion Designer's install base increased, and retention was at an all time high.

*“Marketplace Ads were critical to enabling us to determine the audiences interested in Fashion Designer and who became daily active users. By measuring the behavior of each customer in-game, we refined our targeting to efficiently build a base of users. This approach made it possible to employ the social validation of Sponsored Stories to build a second wave of users by targeting specific segments of their friends. Ultimately, a combination of timing and targeting around how and when to leverage each ad type was essential to realize our goals.”* – 50 Cubes' Director of Business Development Vineet Tanwar

**nanigans**

Gain customers, not clicks

[www.nanigans.com](http://www.nanigans.com) | [info@nanigans.com](mailto:info@nanigans.com)

## Results

- Over 790 million impressions were served during the 4 week campaign.
- Deploying Marketplace Ads and Sponsored Stories increased Fashion Designer's daily active user base to 390,000 customers and monthly active user base to over 3.3 million.
- Timing the use of Sponsored Stories after deploying Marketplace Ads resulted in 60% higher conversion rates, with the cost per install (CPI) decreasing by 45%.

Given Fashion Designer was a new game without an existing install base, using Sponsored Stories at the onset of the campaign would have been unsuccessful. Instead, employing Marketplace Ads to strategically trigger awareness and build a high-value customer base enabled Sponsored Stories to drive a second wave of customers in an ROI positive manner.

Since Sponsored Stories carry inherent social validation, when targeted and timed correctly they yielded a 60% higher conversion rate.

*"The unprecedented targeting offered by Marketplace Ads and the social validation of Sponsored Stories offer a powerful combination for marketers. Having an understanding of how and when to leverage each type and for what goals is critical to maximizing ad spend and effectiveness on Facebook. Our results on the Fashion Designer campaign is a great example of this approach and provides a playbook for how marketers can best leverage the social graph and the Facebook platform."*

– Nanigans' CEO Ric Calvillo

## Company Backgrounds

50 Cubes is a leading Facebook game development company based in San Francisco. Launched in March 2011, the company's latest social game is Fashion Designer. In the game users find and purchase supplies to create, wear and share their own fashion designs and can vote on others.

50 Cubes leveraged Nanigans' Ad Engine platform to plan, launch and optimize a Facebook advertising campaign for Fashion Designer. Nanigans' Ad Engine offers a fully automated real-time bidding platform for large-scale advertisers on Facebook. The platform was built from the ground up to enable advertisers to drive specific goals in their marketing campaigns, such as tutorial completions, word-of-mouth referrals and repeat purchases.

**nanigans**

Gain customers, not clicks

[www.nanigans.com](http://www.nanigans.com) | [info@nanigans.com](mailto:info@nanigans.com)