

Making free profitable on iOS

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How to be free

- Portfolio / Promotion
- Lite versions
- Ad supported
- Freemium

Portfolio / Promotions

- Build awareness and name recognition
- Cross promote to other titles
- Work for hire and contract development

Lite Versions

- The "old" way of doing things
- Still effective
- Where do you draw the line
- Separate app vs IAP unlock
- Numbers game

Lite version numbers

- Upgrade rates .1-1%
- Have seen 5-10%
- dropping over time

Ad supported

- Easiest method
- Players = eyeballs = revenue
- Fairly stable but fluctuates seasonally

Ad numbers

- CPM - Cost Per Thousand ads shown
- CPC - Cost per Click
- eCPM - effective CPM (for CPC and hybrid ads)
- Fill Rate - % of time an ad is shown per ad request

iAd

- \$2-\$3 eCPM
- 25-30% fill rate
- Have seen \$40 eCPM and \$0.90 eCPM
- Non-US fill rate practically 0

AdMob, Jumptap, Millenial Media

- \$1-1.25 eCPM (\$0.50-\$0.75 games)
- AdMob fill rate ~80%
- Others ~50%
- No recent direct experience with interstitials or other full screen ads

Ad Mediation

- Allows realtime switching between ad networks
- Critically important
- AdWhirl and Burstly
 - Burstly looks more powerful but relatively painful to setup
- MobClix handles optimization for you

You will not have success
without ad mediation

Freemium

- Non-Consumable items
 - Levels, photo packs, other one off items
- Consumables
 - Currency, reanimate potions, repeatable purchases
- IAP or Incentivized promotions
- Metrics

Metrics are crucial to
Freemium success

Key Freemium Metrics

- Engagement / Retention
 - 1 day, 3 day, 7 day, etc.
 - 7-day at 30% is okay 50% is GREAT
 - 30-day at 10% is okay 30% is GREAT
- ARPU
 - \$0.15 ARPU is okay \$0.75+ is GREAT

Lifetime Value (LTV)

THE key freemium metric

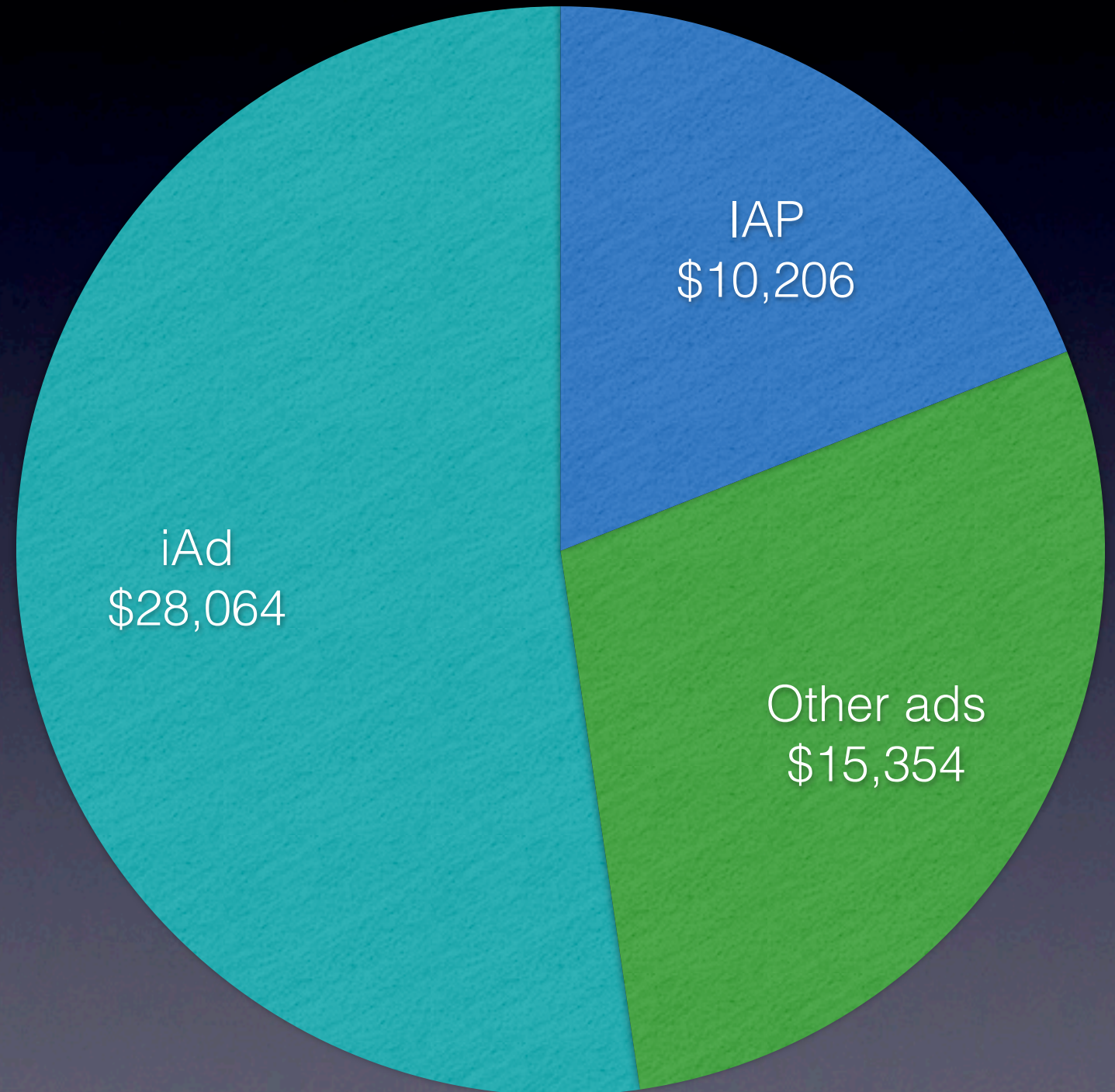
Case Studies

Gravity Sling

- One of first titles to be free+IAP (Nov 2009)
- 450,000 downloads
- \$14k revenue 60% level packs 40% full version
- 1% conversion rate (2.5% from OpenFeint players)

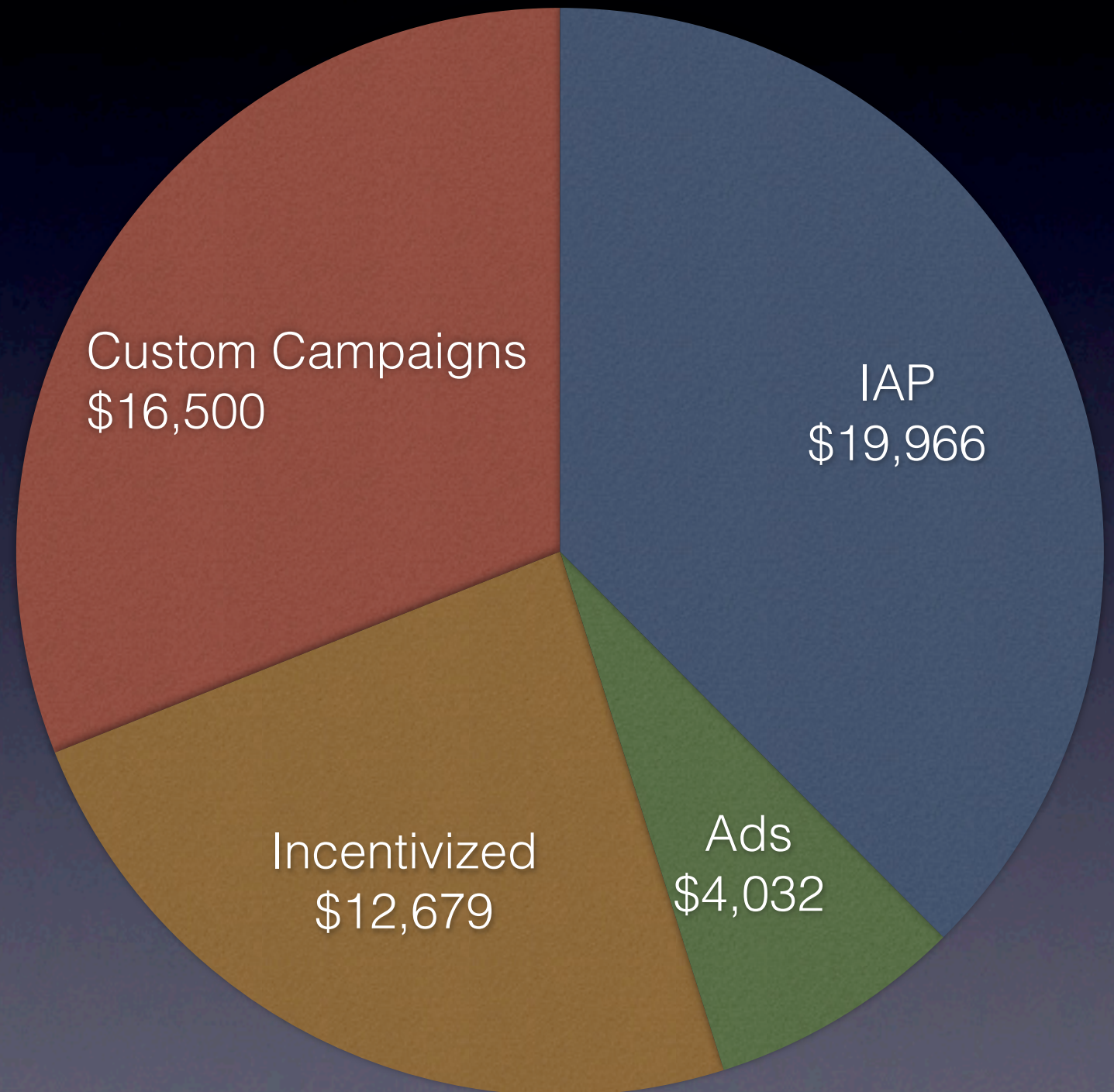
iLookApps

- \$53k revenue on 1.6 Million installs
- 0.5% of users purchase a pack
- 50x free vs paid downloads



My Pet Zombie

- \$53k revenue on 450k downloads
- 0.8% of users purchase currency



My Pet Zombie

- At launch
 - \$0.07 ARPU
 - 7% 7-day retention
- Latest tweaks
 - \$0.15 ARPU
 - 13% 7-day retention

Issues To Be Aware Of

- IAP currency backlash and reforms
- Incentivized offers
- Lodsys patent trolling

Recap

- Portfolio / Promotion
- Lite versions
- Ad supported
- Freemium

Q & A

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