Mobile Attribution Analytics and Optimization for Advertisers

Charles F Manning
President & CEO

About Kochava
Kochava offers a unique, holistic approach to mobile attribution analytics and optimization. Via its platform, Kochava gives mobile advertisers the ability to understand their user acquisition activities in context through real-time visualization of campaign data. The Kochava platform provides precise analytics that span from initial launch through conversion, optimization and lifetime value (LTV) reporting. Integrated with more than 400 publishers, Kochava is trusted by hundreds of brands including the biggest names in mobile gaming, news and media, and consumer goods. For more information please visit http://www.kochava.com.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

CEOCFO: *Mr. Manning, what is the concept for Kochava?*
Mr. Manning: Over the last five years we have seen nothing short of an explosion in the adoption of mobile. More importantly, companies are rushing to create mobile apps to take advantage of this exploding opportunity. With this growth comes an impending need to promote, advertise and otherwise give visibility to these apps. While there certainly are companies building apps that are "mobile first" or brand new business efforts, many mobile apps are new projects from established companies that have had a lot of success already in the traditional online world. Those companies coming from the online/display world were used to a plethora of tools to monitor and optimize the media they were buying. These same users were increasingly becoming the people responsible for mobile apps as well, and they wondered what they should use for attribution or analysis for campaigns. Candidly, when we first started, there were not any. It was a brand new space. The technology and tools to manage and monitor the performance of advertising spend on the mobile platform just were not present. We were building mobile apps for major brands and agencies and our customers were asking us how they could get insight on the performance of their promotional activities with regard to this app or that app. That is how Kochava was born. We developed an elegant way for advertisers to monitor all of their promotional activities with a single technology tool set that they could implement once within their application.

CEOCFO: *What was the biggest technology challenge in creating an offering or is it that no one had tried?*
Mr. Manning: I think it was probably a little of both. Initially it was that nobody had done it before and certainly, there had been many companies over the last 3+ years who attempted to build a solution, but just were not as successful as we were. In terms of our own technology challenges, there are really three core challenges. One was being able to have a steady and stable integration strategy with all of the publishers, ad networks and media sources that make up the mobile advertising ecosystem. Having a technology approach that made the process of adding new integration partners quickly was challenge number one and a pretty significant one. Challenge number two was dealing with the very dynamic world of mobile advertising and the ever-changing requirements around device IDs, which is a way to uniquely identify a device so that attribution can work effectively. This space is moving so fast, dealing with that change on a regular basis was quite a hurdle, so having a great deal of agility and ability to roll with the punches as things change was key. The third one was related to this device ID conversation and this is probably the most compelling challenge we have had to face. We developed a proprietary fingerprinting algorithm, whereby we can match a click to an install (without requiring a device id). When we say attribution, that is what we mean; we are tracking the clicks that are happening by users in response to ads that are shown – and we are matching them with the resulting installs that we are monitoring on behalf of the advertiser. We had to be able to track these installs back to originating clicks without a device ID, and that's where we use our fingerprinting logic. This means we work well in in-app ads (where device identifiers are present) as well as mobile web inventory (which is a very large volume of inventory – but where no device identifiers are present). . In order for us to still make our system work, we had to have that secret sauce that would glue those things together. I think we have really pulled that off effectively.

CEOCFO: *Who would be a typical customer and how would they implement and use your service?*
Mr. Manning: From a category defining perspective, the classic customer is someone who is spending a reasonable amount of money on advertisements to promote a mobile app or multiple mobile apps. For example, companies like Disney, Machine Zone, CBS, Orbitz and many other household brands are all customers of ours. I use the qualifier of anyone promoting apps because if you are not promoting your app, you really don't have a need to understand the effectiveness of that promotion activity. Because the app store has over a million and half apps, promotion is pretty important because separating yourself from the noise of all the other apps can be difficult. Promotion is the key element helping you to get in front of the eyeballs that matter to you. The answer to the second part of your question, about how they engage with us, is really what makes Kochava so interesting and compelling. We have partnered with more than 400 ad networks and done the integration work to be able to communicate and pass information back and forth with all of them. When a customer comes to us, they integrate the Kochava SDK once. That one integration gives them access to all of those 400 ad networks, just like that. If they didn't have us, they would have to integrate the SDKs of each of those ad networks individually on their own. In effect, we are like a proxy mechanism for them to get up and running quickly and still be integrated with all of the partners that would otherwise promote their app.

CEOCFO: *Are companies typically doing that individually?*
Mr. Manning: Well, they don't want to! A couple of years ago many companies were adding each SDK manually, simply because companies like Kochava weren't well known by the people handling app promotion. It was not a known thing that you could do what we were doing. There would be companies who had 15, 20, 30 or more different SDKs integrated into their app, and each time one of those SDKs was upgraded, they would have to go back to the app and upgrade it too. You can imagine the implication of that when you have so many integrations. Out of that frustration, those advertisers were fed up.

> **"Kochava is an end-to-end platform that enables advertisers to answer the questions of mobile media performance and resulting value and connect those dots end-to-end."**
> **- Charles F Manning**

CEOCFO: *Why does Kochava standout from the crowd?*
Mr. Manning: Clearly, our distribution is one of the biggest ways we stand out. Tier one brands have selected Kochava as their standard for measurement, which has really separated us from the crowd. It becomes self-fulfilling as well. As we earn the confidence and the business of these tier one brands, other tier one brands do not want to be left out. We were very intentional when we first started the company about only going after tier one brands. While the temptation is to go after that middle market because there are many more companies that you could end up earning business from, we very specifically took the approach that we only wanted to go after what we call the white glove customers. These are the customers who really care about our white glove approach to account management, they care about working with the Bentley of attribution technology, they demand the cream of the crop technology framework and the best visualization. The strategy behind our approach was the belief that if the big guys use us, the middle guys will want to as well as they aspire to become big.

CEOCFO: *When you or one of your people is talking with a potential client, do they understand immediately? Do they believe you can have the depth as well as the ease of use and simplicity?*
Mr. Manning: For folks who are just getting into mobile marketing, we have to prove our value through the same things you see in a typical sales process, such as a power point deck with visuals and demonstrable successes, and of course referenceable clients. The unique thing about mobile media is that it is such a small eco-system and everyone knows each other. When you earn a good reputation, your customers are your best evangelists. Oftentimes we have found as we have grown the business, our customers have already done the legwork of articulating the value proposition of working with us. The prospects come to us prequalified. All we have to do is give them a road map on how we make it easy for them in terms of an onboarding process, a deployment approach, education for their software engineers to integrate the SDK, and general usage of the platform.

CEOCFO: *You recently put out a new version of your product. What has changed and how are you changing as you go along?*
Mr. Manning: In this most recent version, Kochava rolled out new capabilities for customers to optimize their campaigns based on the data we are providing them, and even more enhanced visualization tools. We are constantly rolling out new features and capabilities for our customers. Most recently, we were the first company to support iADS in attribution, and we also introduced a new feature called Post Install Event Postbacks. I may as well just be speaking Greek to the regular end user who is out there who may be one of your readers. To translate that to basic level, Kochava has the ability through our integration hooks with all of these different ad networks to syndicate as part of our integrations, communication logic around the actions that users are taking after they install an app. This allows marketers to better

promote their apps to the right audience at the right time – and only pay their media sources when they are performing according to the advertiser goals.

CEOCFO: *How has being based in Sandpoint, Idaho worked out? Is it what you expected?*
Mr. Manning: I am asked this all the time because certainly Sandpoint is not the hub of mobile activities and most certainly not the hub of digital activities in the world. I lived in San Francisco in the mid 90's and was there through 2001. My wife and I lived there and my first company, M-Code was acquired by a venture in the east coast which is what brought us there. After a few years, we moved from DC to live in Sandpoint in 2005. When we moved here, it was not because of a job. It was simply the kind of town we wanted to live in. It was a town that had a big lake, a ski resort right in town, no traffic to speak of, and it was just gorgeous. When we moved here, we had the benefit of not being worried about our professions. At the time, I was doing some consulting work, which I could do remotely, and my wife moved her graphic design business. When the idea of Kochava came about, my initial panic was how do I possibly scale this business here? I thought certainly I'm going to have to move; this is terrible. The reality is, the same reasons that drew me and my wife here are the same reasons we are actually having success recruiting people here and it is this concept of Life 2.0. I cannot take credit for that phrase. Rich Karlgaard wrote a book called Life 2.0. He was a writer for Forbes and he traveled around the country documenting the trend of entrepreneurs who were moving from major markets to small towns. He identified the top small towns you could live in, based on different metrics, and Sandpoint was on the top 5 list. Kochava leveraged the frame of reference of Life 2.0 and began recruiting people to Sandpoint, sharing the story of how people could have real relevance in the technology sphere, and still enjoy where they were living, not have to commute, be able to move the needle on community engagement involvement, schools etc. The cost of living here is so much more attainable that you can have a much better lifestyle and still get paid less than you would in a major market. In the major cities you see very smart people getting paid a lot of money but still potentially struggling financially, and not thriving. In an interesting way, it is not an obvious thing that you would connect the dots on until you have a case study like a Kochava to point to. Thankfully, we just stayed at it and we have been able to bootstrap Kochava, effectively growing the business on our current cash flows as a profitable company. Being headquartered in Sandpoint is not what you would expect out of this leading mobile attribution business - but we have learned that it has been a terrific asset to the business.

CEOCFO: *Put it all together for our readers - Why Kochava?*
Mr. Manning: As a mobile advertiser who is spending money to promote apps, you need to understand where you are spending that money, how you are spending it and how effective it is. That is a function of how many installs that spend is resulting in, but more importantly, how valuable those installs are. How valuable are the people that you have acquired through your promotional activities? Are they engaging? Are they connecting the dots? Are they making in-app purchases once they do install? Are they sharing the app with their friends? Kochava is an end-to-end platform that enables advertisers to answer the questions of mobile media performance and resulting value and connect those dots end-to-end.

BIO: For 20-years Charles Manning has been creating technologies that use data for system optimization, ranging from business service management (BSM) to information technology (IT) to attribution analytics. Charles began his career at Oracle, and later held executive positions at M-Code, Managed Objects, and PLAYXPERT. Upon realizing that there were no standard platforms that provided attribution or post-install analytics up to his standards in mobile – Charles and his team built one, and Kochava was born. Under Charles' leadership, Kochava has become the leading mobile attribution analytics platform serving tier-one advertisers and publishers world-wide.

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