

FROST & SULLIVAN

APPSFLYER

2022
COMPETITIVE
STRATEGY
LEADER

NORTH AMERICAN
ANALYTICS IN MEDIA
MEASUREMENT INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. AppsFlyer excels in many of the criteria in the analytics in media measurement space.

| AWARD CRITERIA | |
|-----------------------------|-------------------------------|
| <i>Strategy Innovation</i> | <i>Customer Impact</i> |
| Strategy Effectiveness | Price/Performance Value |
| Strategy Execution | Customer Purchase Experience |
| Competitive Differentiation | Customer Ownership Experience |
| Executive Team Alignment | Customer Service Experience |
| Stakeholder Integration | Brand Equity |

Digital Media Measurement with AppsFlyer

Founded in 2011 and headquartered in San Francisco, California, AppsFlyer is a developer and service provider of digital media measurement analytics services. The company has 20 globally located offices in every major geographical location, including North America, South America, Europe, and the Asia Pacific. AppsFlyer provides services in diverse industries, including gaming, shopping, food and beverage, entertainment and music, finance, health and fitness, and travel. Since its inception, the company's customer-first approach aims to provide clients with trusted insights, end-user privacy, and solutions that enable innovation.

AppsFlyer's enterprise cloud-based software-as-a-service (SaaS) platform allows application (app) developers to manage and analyze their customers' data. At the platform's core lies a smart artificial intelligence (AI) and machine learning (ML) technology that enables enterprises to maintain the security and privacy of their end-user data. The comprehensive AppsFlyer platform includes a media measurement suite with full visibility into the customer journey. Capabilities include cost aggregation to optimize marketing budgets, analytics for faster marketing decisions, a customer experience and deep linking suite, audience segmentation capabilities, and predictive analytics and models to optimize campaigns, measure bottom line events, and provide early marketing insights. The company also offers its Privacy Cloud, an open data clean room environment, and the AppsFlyer Protect360, a fraud prevention and detection solution for comprehensive media measurement support.

Best-in-class Strategies Drive Competitive Differentiation

AppsFlyer’s primary mission is to provide quality solutions, preserve user privacy, and deliver outstanding customer experiences for digitally connected platforms, identifying and fulfilling clients’ needs from its inception. Frost & Sullivan analysts observe how the company’s continuous efforts to develop media marketing measurement solutions for digitally connected platforms improve existing media measurement technologies and pave its solution roadmap. In the past year, the company further strengthened its value proposition and commitment to ensuring customer privacy and an improved client experience.

Frost & Sullivan feels that AppsFlyer properly taps into available growth opportunities by leveraging AI

“AppsFlyer’s Privacy Cloud is an open data clean room environment enabling clients to bring their data together without sharing user-level data (preserving their privacy), facilitating ecosystem collaboration and innovation, and enhancing the end-user experience.”

**- Elizabeth Whynott,
Best Practices Research Analyst**

and ML expertise to power its SaaS mobile measurement platform, Privacy Cloud and data clean room floor, and Protect360 fraud solution. Clients can utilize the robust measurement platform on any iOS and Android media source, including mobile devices, web-enabled devices, connected television platforms, and all media channels, such as paid media, owned media, and offline sources (e.g., quick response codes).¹ The suite provides full visibility of the end-user journey, driving engagement and increasing conversions.² The platform also configures customer

integrations easily and allows custom attribution settings to adapt to each business’ dynamic needs. The measurement suite uses incremental and predictive ML analytics, giving clients complete insight and understanding of a campaign’s current impact and value.^{3,4} These analytics also enable audience segmentation for targeted campaigns and optimization of future campaigns.⁵ AppsFlyer’s solution suite has measured more than 12.5 trillion in-application (in-app) events in 2021. As one customer use-case demonstrates, in 2018, the company increased Skyscanner’s loyalty by ten times, in-app engagement by 2.5 times, and increased their budget allocation efficiency by 20%.⁶

AppsFlyer’s Privacy Cloud and its data clean room provide clients with extended privacy and media measurement capabilities. These products give customers the ability to collaborate with their partners in a privacy-compliant manner, while ensuring alignment with strict regional regulations (e.g., General Data Protection Regulation, California Consumer Privacy Act) and platform or partner (e.g., Apple, Google) guidelines that are continuously evolving. AppsFlyer’s Privacy Cloud includes an open data clean room environment enabling clients to bring their data together without sharing user-level data (preserving their privacy), facilitating ecosystem collaboration and innovation, and enhancing the end-user experience.

¹ <https://www.appsflyer.com/products/measurement/>

² <https://www.appsflyer.com/products/customer-experience-deep-linking/>

³ <https://www.appsflyer.com/products/incrementality/>

⁴ <https://www.appsflyer.com/products/predictive-analytics/>

⁵ <https://www.appsflyer.com/products/audiences/>

⁶ *Ibid*

Each collaborator, including app developers, technology partners, ad networks, and platforms, can configure their Privacy Cloud apps for more precise data control and flexibility.

AppsFlyer's privacy-preserving technology stack constantly evolves and includes a data clean room for a safe zone between partners, added "noise" to prevent reverse-engineering, and aggregated conversion models when user-level data needs to be protected. AppsFlyer's predictive analytics AI engine is compatible with the Privacy Cloud, continuously structuring, analyzing, and validating historical and real-time data. These predictive analytics models identify correlations between early indicators with results to provide high probability predictions from real-time observations. In order to push its capabilities even further, the company is partnering with Intel to power the Privacy Cloud with end-to-end encryption.⁷ Leveraging Intel's hardware-enhanced crypto acceleration 3rd Generation Intel Xeon Scalable platform, AppsFlyer will significantly speed up the Privacy Cloud's computation and time to market cryptographic technologies, including Homomorphic encryption and Private Set Intersection.⁸

AppsFlyer also provides advanced in-app and cost-per-action fraud protection with its Protect360 solution. Protect360 provides mobile ad fraud prevention and detection, keeping clients ahead of constant and changing threats.⁹ AppsFlyer's Protect360 is a multi-layered solution using cluster analysis, personalized validation rules, in-app fraud rules, and post-attribution fraud detection. The company's fraud solution enables companies to look deeper into fraud data, eliminate threats, maximize conversions, and safeguard marketing budgets. In 2021, Protect360 saved clients a monthly average of \$75 million and blocked an average of 60 million fraudulent app installs.

Frost & Sullivan firmly believes that AppsFlyer is uniquely prepared for today's market demands. The company's clear strategic vision and execution underpin its partner of choice status and sustainable growth for years to come.

Focus on Satisfaction through End-to-end Customer Service

With its customer-centric corporate philosophy, AppsFlyer operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices. Every client has a dedicated success manager to ensure a smooth onboarding and an optimized ownership experience throughout the service lifecycle. The company maintains continuous contact with clients through business reviews, quarterly check-ins, customer advisory boards, and product councils. Frequent changes and new restrictions (e.g., data privacy and security) in the mobile services industry require providers to be flexible and adaptive. With its rapid growth and global presence, AppsFlyer can respond quickly with its local support services available around the clock.

AppsFlyer meets with clients to assess their specific needs and develop tailored solutions with roadmaps for seamless execution. This foundational approach establishes ongoing trust with customers for long-lasting relationships extending throughout the service lifecycle.

⁷ <https://www.appsflyer.com/products/privacy-cloud/>

⁸ <https://www.businesswire.com/news/home/20211207005507/en/AppsFlyer-Teams-Up-With-Intel-to-Introduce-The-AppsFlyer-Privacy-Cloud>

⁹ <https://www.appsflyer.com/products/fraud-protection/>

Earning Clients' Trust and Loyalty through Customer-centric Practices

In 2021, the company had a significant increase in annual recurring revenue. By the end of 2021, the company provided measurement for over 90,000 mobile apps across 9,000 of its integrated partner ecosystem, including Google, Facebook, TikTok, Alibaba, eBay, and HBO.^{10,11} With trillions of events measured and billions of conversions, AppsFlyer has substantially grown its customers' collective ad spend. Additionally, over the course of 2021, the company released 105 unique product features, broadening clients' breadth of actionable data. Enabling its remarkable growth, the company nearly doubled its onboarding of new hires, and now has over 1,000 total global employees.¹² The company also conducts employee surveys throughout the year and boasts a remarkable employee satisfaction rate. AppFlyer's impressive growth momentum and trajectory are a testament to its customer-centric approach, revolutionary media management solutions, and exceptional ability to address the changing dynamics of the industry (e.g., privacy laws), earning its clients' trust and loyalty and enabling it to capture even more market share.

"Powering the Privacy Cloud is AppsFlyer's predictive analytics AI engine that continuously structures, analyzes, and validates all historical and real-time data. These predictive analytics models identify correlations between early indicators with results to provide high probability predictions from real-time observations."

**- Elizabeth Whynott,
Best Practices Research Analyst**

Frost & Sullivan believes that the company is well-positioned to drive the media management space into its next growth phase and sustain its leadership in the coming years.

Stakeholder Inclusion and Customer Support for Unmatched Price/Performance Value

AppsFlyer's value proposition closes existing and emerging industry gaps. The robust solution suite advances operational goals for various stakeholders. Its integrated partner ecosystem consists of over 9,000 partners that promote collaborative relationships and co-innovation. In addition, AppsFlyer's investors, board members, and executive team are quite passionate about its mission, providing comprehensive support and insight to guide the company towards its vision.

AppsFlyer works closely with clients throughout the purchase process, including consultation services to identify their specific needs, answer questions about services and capabilities, and ensure that customers get the most value out of the solution suite. These close relationships are necessary for the media measurement industry throughout the purchase and service lifecycle, where changes occur often, and speedy responses are truly essential. Clients also benefit from a technical team that ensures the smooth implementation of solutions and training for all products during onboarding.

Through unforeseen market changes and customer feedback, AppsFlyer consistently releases new features and solutions, ensuring that it meets and exceeds clients' needs. The company aims to remain

¹⁰ <https://www.appsflyer.com/company/about/>

¹¹ <https://www.appsflyer.com/products/integrations/>

¹² Ibid

independent and neutral with its services and does not re-pool or sell end-user data. Additionally, the company's value-added Privacy Cloud solutions have implications beyond customer expectations, extending across various media. AppsFlyer also has a pricing model that meets every client's marketing budget. From no-cost for start-ups to a rate of \$0.06 per conversion for small and medium business purposes to custom pricing for enterprise-level customers, Frost & Sullivan appreciates how the company offers a solution suite for every business level.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet properly executing a competitive strategy is obviously critical.

AppsFlyer clearly understands this core concept and is developing a compelling value proposition for the analytics in media measurement market due to its privacy-focused strategy, helping it outpace competitors. AppsFlyer's comprehensive media measurement suite preserves customer privacy to deliver outstanding client experiences across digitally connected platforms. The company leverages artificial intelligence and machine learning to power its mobile measurement platform, Privacy Cloud and data clean room, and its Protection360 fraud solution. Overall, AppsFlyer develops and implements its privacy-focused strategies with its clients in mind, securing its position as a trusted partner and market leader.

With its strong overall performance, AppsFlyer earns Frost & Sullivan's 2022 Competitive Strategy Leadership Award in the North American analytics in media measurement industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

