



Q3 2021

App Shopper Index Report

Quarterly Mobile Appcommerce Sales and Trends Guide





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Q3 2021 in Numbers*

19.9%

YoY increase in
downloads

10.4%

decrease in
conversion rate

13.6%

decrease in
user conversion

4%

increase in AOV
[average order value]

1%

increase in sessions
per Android user

4.7

average app
user rating**

*Versus Q3 2020 [NB: Due to rounding, some totals may not correspond with the sum of the separate figures]

** App rating data compiled by [AppTweak](#)

Executive Summary

Pandemic-induced highs maintained before peak trading

Overall, the third quarter (Q3) of 2021 maintained the steep positive growth trajectory of mobile shopping kickstarted by the pandemic lockdowns and store closures of last year.

But data aggregated exclusively from over 50 poq-powered shopping apps in the UK, US, Canada, Australia and New Zealand maps closely to seasonal mobile and shopping trends.

Mobile continued to lead desktop platform market share, but lost 2.3% from August to September. Likewise, overall poq app conversion rates slowed in Q3. But downloads, sessions per user and average order value (AOV) all grew.

The fact poq app owners saw AOV increase particularly supports the latest App Annie estimates that consumers spent \$34 billion on mobile apps and games in Q3 2021. This marks the biggest quarterly mobile consumer spend to date.

Building on the trends poq tracked during Q2 2020, retailers must continue to capitalize on growth, while focusing on differentiation to compete in a rapidly maturing market. The Q3 2021 poq App Shopper Index looks into why and how to achieve this.



What we mean when we say *Q3 2021*:
from 1 July to 30 September 2021

Optimizing Acquisition Growth

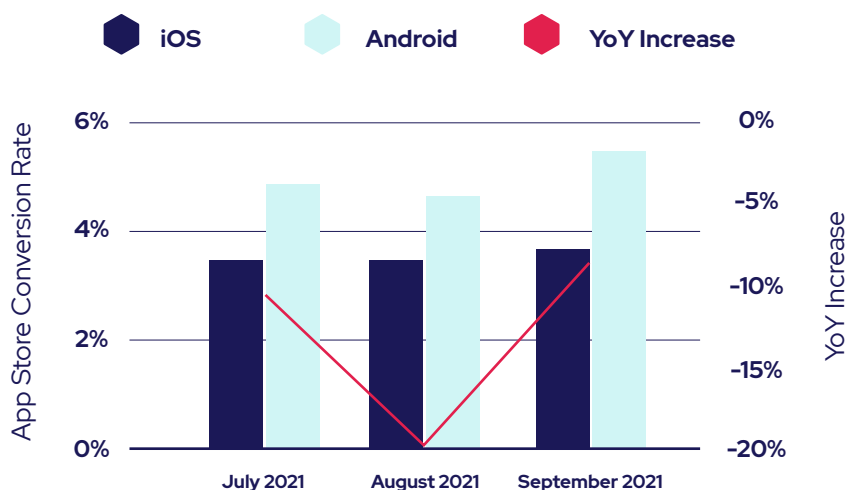
When it comes to acquiring the more lucrative appcommerce shopper, poq tracks mobile demand in terms of downloads and app store conversion rates. Q3 app download rates still grew by a healthy 20% year-on-year (YoY), but this was down 8.7% compared to Q2 2021. In fact, mobile download rates were only marginally down on year-to-date (YTD) growth of 29%.

Google Play Store shopping app downloads far outstripped those of Apple's App Store by a factor of four in Q2 (from a lower base). But in Q3 the gap between Android and Apple's App Store downloads narrowed. YoY respective download growth rates were 25.2% versus 14.6%. This amounted to over 2.5 million iOS downloads in Q3 2021 alone.

Converting impressions into downloads

Mobile app download conversion rates decreased by 10.4% YoY in Q3 (see chart, right). Although the reverse in Q2 growth was more pronounced for Android apps.

This also aligns with Capgemini and IMRG UK findings. Traditionally far lower Q3 ecommerce conversion rates fell by third to 2.8% YoY in September 2021, where consumers were likely browsing ahead of the busy Q4 peak discounting season.



App Store conversion rates by month, Q3 2021

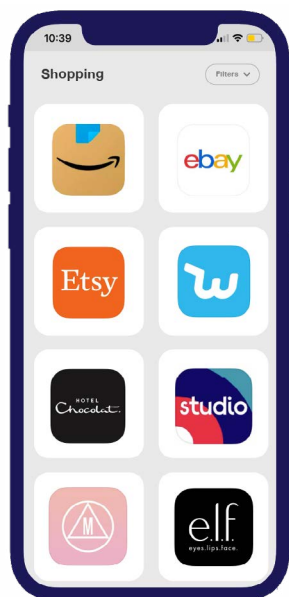


The top 15 ecommerce sites in the US will grow 16.7% this year, after 51% growth last year (76.2% growth over two years), according to [eMarketer](#).



Top tip:

Continual App Store Optimization (ASO) efforts should include extensive (and ongoing) keyword research and the development of an accurate app description with relevant keywords and creative assets. [Poq's App Marketing Services](#) regularly advise clients on the latest ASO best practices.



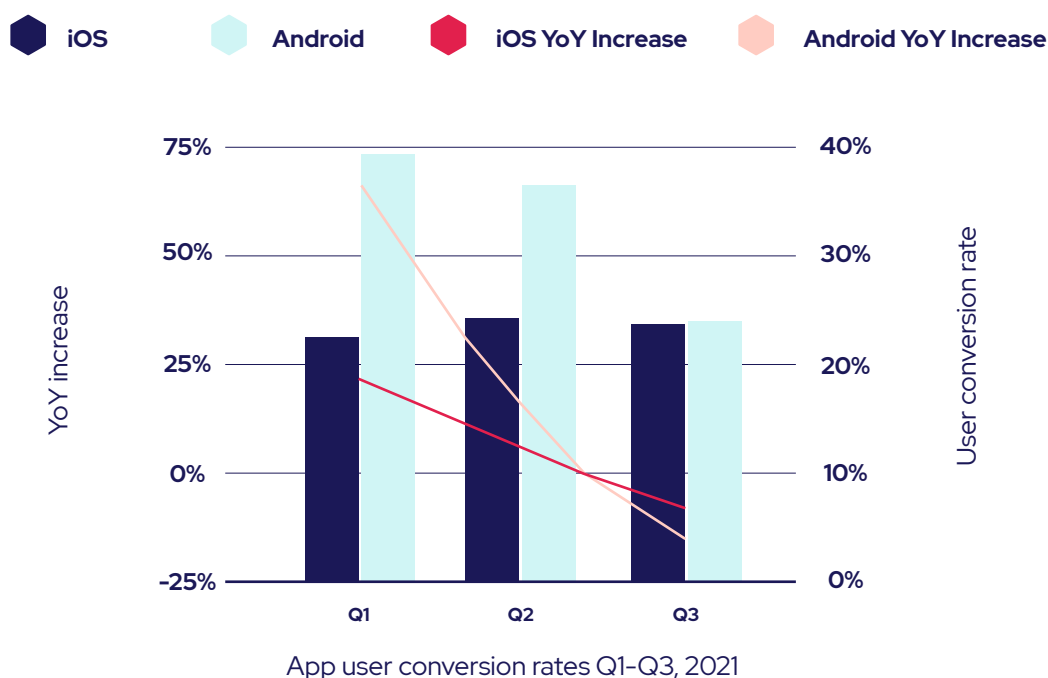
Realizing Conversion Opportunities

The rate at which app users converted fell in line with other key acquisition metrics already referenced. Overall, user conversion decreased 13.6% compared to Q3 2020. But this amounted to a relatively small quarter-on-quarter (QoQ) dip, led by a 2% drop among Android users to draw almost level with iOS users (see chart below).

It follows that mobile users reluctant to convert from browsing to downloading apps would also be more discerning app shoppers. But, in real terms, poq-powered apps still delivered Q3 user conversion rates far beyond the equivalent for ecommerce: representing well over a third (34.4%) for Android apps and just under one quarter (23.4%) of iOS apps.

Maintaining average order values

While recent explosive user acquisition and conversion growth has slowed, average order value (AOV) rose 12% YTD, and 4% during Q3 compared to 2020, much like download rates. This also reversed the negative blips in Q2 AOV among iOS shoppers and YTD for their Android counterparts.



Top tip:

Sophisticated appcommerce merchandising and engagement tools, including Swipe To Like and App Stories, increase frequency. But poq client, [Hotter Shoes](#), has also increased user conversion and AOV using innovative native app features, such as virtual try-on and fitting.

Targeting Maximum Retention

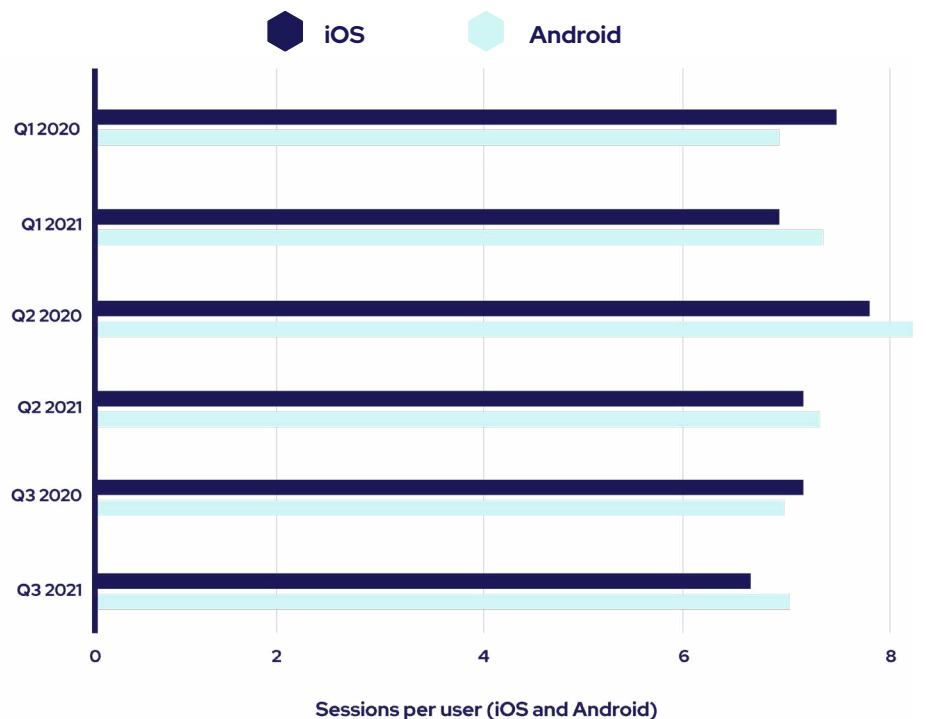
Growth in sessions per user proved more resilient among Android apps than iOS ones throughout this year and Q3 proved no different. Where the number of iOS sessions per user dropped 7% YoY during the quarter, they rose 1% for Android (see chart below).

In real terms, the average number of sessions per user hasn't materially changed from the median of seven sessions established during the pandemic. But it pays to monitor this metric as it closely relates to engagement levels of an app's target audience. For example, [App Annie found](#) gen Z tops the total number of sessions and total time spent per month in non-gaming mobile apps.



Ratings boost ASO efforts

Creating a virtuous loop on app shopper feedback enables app owners to prioritize retention efforts that can also support ASO initiatives. Poq-powered apps maintained a consistently good aggregate rating of 4.74 out of 5 stars up to the end of September 2021.



Top tip:

Shopping app retention rates for iOS typically outperform Android, with a difference of between 1% to 3%, according to a [recent Liftoff report](#). Even such incremental uplift can help marketers focus on retaining customers, while controlling acquisition costs too.

Conclusion

Continuing trends established earlier this year, in Q3 consumers were more discerning when it comes to converting from browsers to downloaders, and then buyers. So app owners must continue to optimize their ASO and conversion strategies. But they can't afford to neglect retention either given recent gains, as those most frequent app shoppers are likely also their most lucrative.

The three key strategic takeaways from Q3 2021 are:

1

While download rates continue to grow, owners should plan their response to higher ad costs and lower conversion rates. The summer period tends to offer higher activation rates for driving downloads and purchases. But it is essential to also plan ahead for the busy festive Q4 season, where ASO and inorganic acquisition play a more important role in download and user conversion.

2

Although user conversions slowed in Q3 compared to last year's stellar growth, AOV values held up well. So, it will be important to give users a compelling reason to download your app once they have discovered it. Poq has tracked an uptick in the numbers of promotional incentives, as well as the introduction of exclusive try-on and fitting services, to convert users from browsers to buyers.

3

In addition to maintaining consistently good app ratings, app owners should develop an "always-on" marketing strategy to mitigate retention erosion. Focus on refining campaign messages and using direct-response language to highlight incentives or unique app features to retarget users and extend engagement.

Still an appcommerce skeptic?

Try our simple [App Revenue Calculator](#) to discover how much revenue an app could generate for your business.

Looking to enhance your app performance?

Subscribe to our blog for the latest mobile app trends, news, insights, resources and webinars, or [speak to one of our app experts](#) to answer all of your app questions.

Ready to turbo-charge your app strategy?

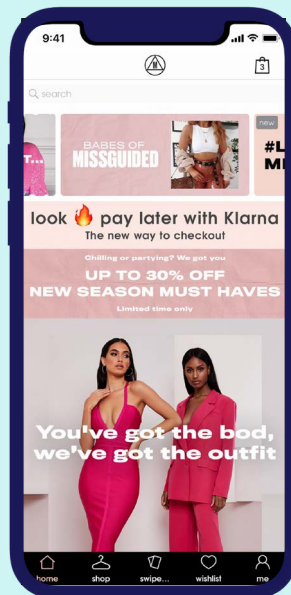
To discuss any of the findings in this guide or discover how poq can help your business meet consumers' rising digital expectations and capitalize on superior native poq app customer experiences, please contact marketing@poqcommerce.com or visit our website at poqcommerce.com.



Empowering you to create outstanding customer experiences. Anywhere.

Present your brand in a storefront unique to you:

The Poq platform gives you the power to maximize your presence in the appcommerce space. Be where your customers are and create beautiful, intuitive apps that deliver joyful shopping experiences to your customers.



Trusted global apps

With nearly 50 apps recognized by Forrester as a "Strong Performer" in the Mobile Commerce and Engagement Platforms and as Mobile technology Vendor of the year by Retail Systems, poq generated \$500m app GMV for customers over 2019.





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Where your
customers are