

A photograph of two women, one with blonde curly hair and one with dark hair, looking at a smartphone together. The woman with dark hair is holding the phone. They are both smiling. The background is slightly blurred. A large dark blue diagonal shape covers the left side of the image, containing the text.

Q2 2021 App Shopper Index Report

Quarterly Mobile App Commerce
Sales and Trends Guide



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Q2 2021 in Numbers*

28.5%

YoY increase in downloads

20.6%

Increase in conversion rate

7.5%

Increase in user conversion

\$74.18

iOS AOV (average order value)

10.1%

decrease in sessions per user

4.73

average app user rating**

* Versus Q2 2020 [NB: Due to rounding, some totals may not correspond with the sum of the separate figures]

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

*** Except app rating data (90 days up to 27 July 2021)

Executive Summary

Shoppers retain their pandemic-fuelled app habit

Following the unprecedented lockdowns across the world in response to the pandemic, shoppers' appetite for apps has continued to grow through the second quarter (Q2) of 2021. [Mobile outstripped desktop platform market share](#) again and Q2 was another recordbreaker.

The latest App Annie data found that consumers spent \$34 billion on apps in Q2 2021, surpassing the previous record held last quarter. Data aggregated exclusively from over 50 poq-powered shopping apps in the UK, US, Australia and New Zealand shows a similar trend.

While growth continues, the main trends around acquisition and retention show signs of slowing as consumers return to stores. They are still downloading apps, reinforcing mobile as the dominant digital retail channel. But focus must now shift to driving usage and spend, particularly using the differentiated features and services that native apps provide.

This Q2 2021 poq App Shopper Index examines these trends to understand how consumer behavior is changing and what this means for retailers and brands' mobile app plans.

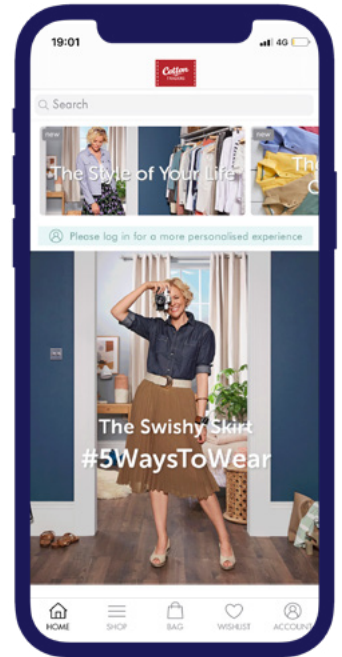
What we mean when we say:

Q2 2021: from 1 April to 30 June 2021***

Understanding Acquisition Rates

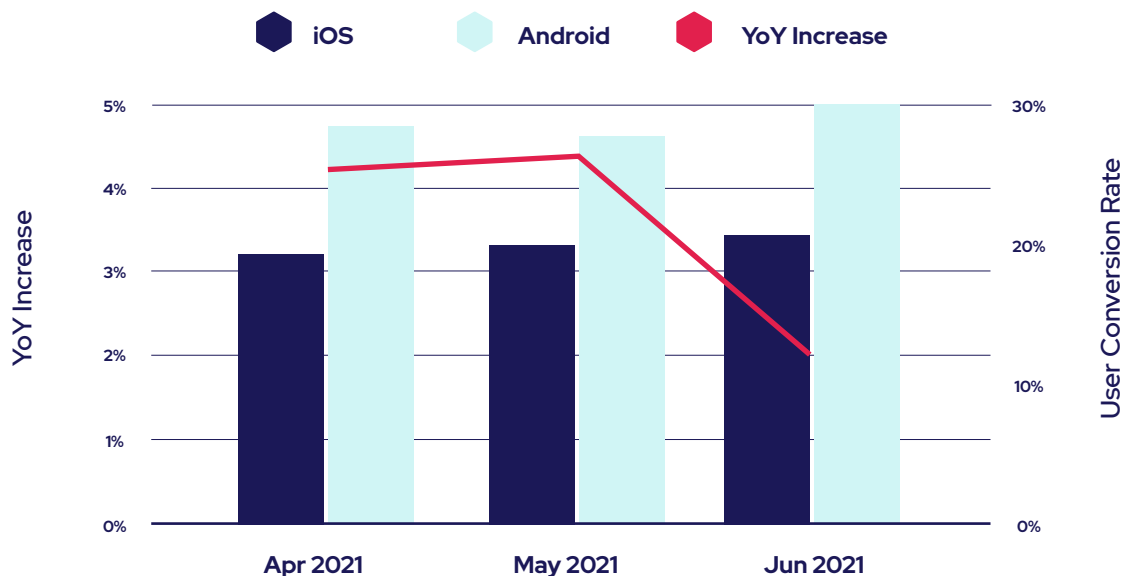
Poq tracks mobile demand in terms of downloads and app store conversion rates, where Q2 app download rates grew by 28.5% year-on-year (YoY). Although this growth was half of that generated during the first quarter of 2021, reflecting increased access to physical retail channels, the first half (H1) was still up 56.3% on the same period last year.

Google Play Store remained the engine of download growth, albeit from a much lower base, tracking an increase of 48.4% YoY in Q2 compared to 8.2% growth for Apple's App Store. But downloads of poq-powered iOS apps still topped 1 million in March, April and May 2021 respectively. May 2021 even outstripped the 1.02 million-mark reached during the same month last year.



Optimizing app marketing returns

Download conversion rates from app store impressions also indicate how well poq's Apparel, Health & Beauty and Specialty Retail clients make their apps stand out from the crowd. Q2 app store conversion rates grew 20.6% YoY, but slowed towards quarter-end as it did with downloads (see chart below).



App Store conversion rates by month, Q2 2021



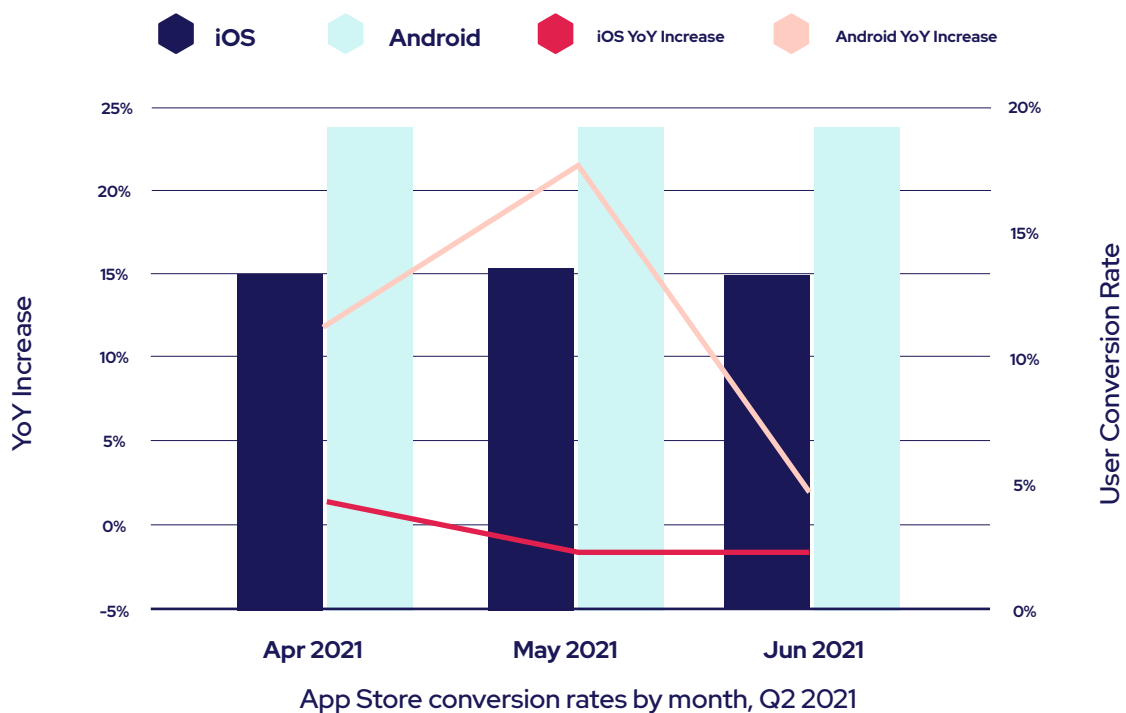
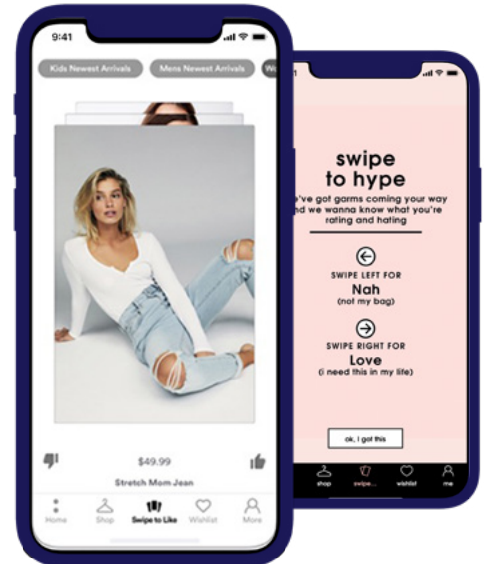
Top Tip:

Prioritizing App Store Optimization (ASO) efforts will be essential to support download and conversion rates in mature markets particularly. To address this, poq recently announced a [strategic integration](#) with mobile measurement partner (MMP) AppsFlyer.

Harnessing App Conversion

Converting app downloads into sales is vital to realize returns on both mobile app marketing and tech investments. User conversion rates continued to increase during Q2, but at a much slower rate of growth in line with poq's quarter-on-quarter (QoQ) acquisition metrics. Although overall conversion rates rose 7.5% YoY, they were higher among Android shoppers.

In fact, the Android user conversion rates spiked in May 2021, rising 22% compared to the same period last year. Only iOS conversions, which were down slightly on last year's rate, struggled to reach the mid-pandemic levels of last year (see chart below).



Maintaining AOV

Average order value (AOV), as a measure of app conversion, remained highest among iOS shoppers with a Q2 average of \$74.18. However, overall Q2 AOV fell by 9.8% YoY, meaning apps will have to work harder to maintain basket size among a more time-poor and discerning customer base in contrast to last year.



Top Tip:

To maximize conversion, align the timing of new releases and marketing promotions with when shoppers are most receptive to buying. Analysis of aggregated poq app push notification open times suggests this tends to be around 4-8pm, on Thursdays particularly.

Measuring App Retention Value

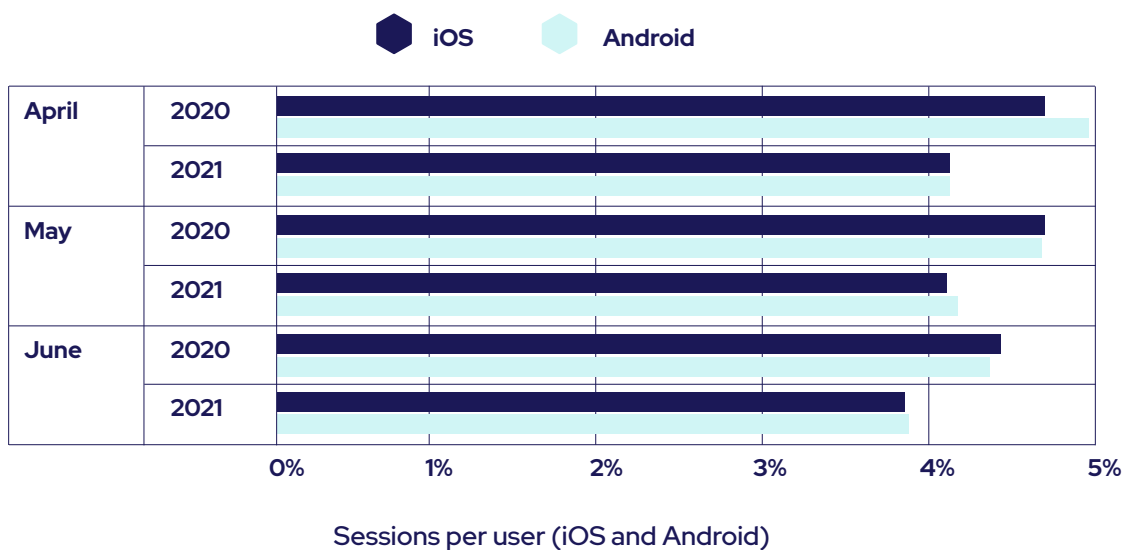
Growth in sessions per Android user outstripped those using iOS versions of poq clients' apps last quarter. This trend was reversed in Q2, albeit that slowing growth was slightly less among iOS shoppers than Android ones. In aggregate, sessions per user declined by 10.1% YoY in Q2 and was down 6.2% for the half-year compared to H1 2020 (see chart below).

Although, in context, this slowing could be attributed to more time spent shopping in stores, the actual difference in both iOS and Android sessions has been small, going from over seven sessions per user (7.8) across Q2 2020 to 7.0 during the same period this year. So, app shoppers are almost as engaged in real terms as they were at the height of last year's lockdowns.



Engaging customer feedback

Tracking shopper feedback, as well as sales provides a good indicator of where to focus efforts on improving retention, along with conversion. Apps running on the poq platform maintained a strong rating of 4.78 out of 5 stars up to the end of July 2021.



Top Tip:

Consider that interactive features directly boost frequency and engagement rates: poq's in-app features, such as Stories and Wishlists, have resulted in more than doubling of visit frequency among its clients' app customers.

Conclusion

With the potential competitive impact of physical retail channels starting to return to pre-pandemic levels in the main markets where poq operates – the UK, US, Canada, Australia and New Zealand – it is not surprising that the explosive growth of 2020 has started to level out in the middle of 2021. However, the rate at which growth is slowing confirms consumers' app habits are here to stay.

The three main strategic appcommerce takeaways from Q2 2021 are:



Building an app is no longer enough, especially in mature markets. Understanding app acquisition performance as part of a unified sales and marketing strategy requires ASO to drive inorganic download growth. Ensuring the digital flagship that customers carry in their pocket is as compelling as, and seamlessly linked to, every other channel will support growth across all channels, post-pandemic.



Although AOV growth began to slow in Q2, tracking marketing attribution and key app engagement metrics is essential to harnessing effective app conversion tactics, including marketing campaign promotions, notifications and even [games](#). Activating an authenticated, opted-in app audience will provide an increasingly competitive advantage in maximizing digital spend, reach and return, as well as conversion value.



App sessions per Android user are still tracking higher across Q2 compared to iOS users. But YoY growth rates slowed more quickly for Android than iOS. Having optimized every part of the app user's journey, it will pay to make sure there are lots of interactive features available to turn shoppers into loyal customers and advocates that keep coming back.

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?

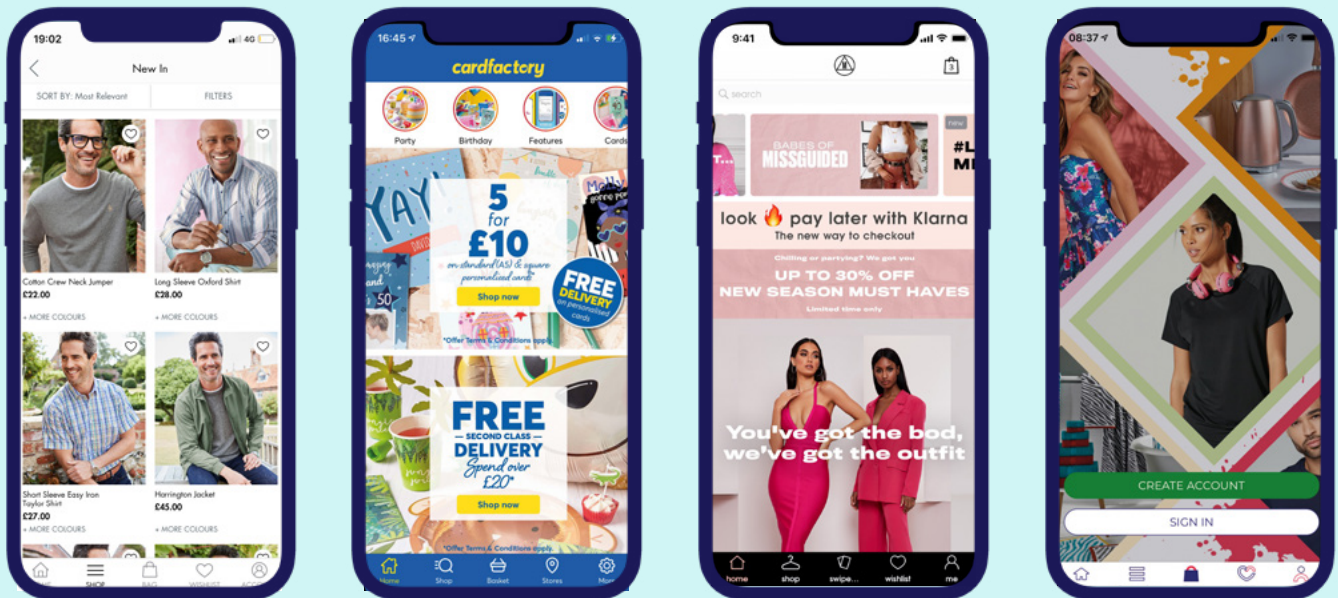
Subscribe to our blog for the latest appcommerce trends, news, insights, resources and webinars, or [speak to one of our app experts](#) to answer all of your app questions.

Ready to turbo-charge your app strategy?

To discuss any of the findings in this guide or discover how poq can help your business capitalize on superior native mobile appcommerce-powered digital 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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#appcommerce**



Where your
customers are