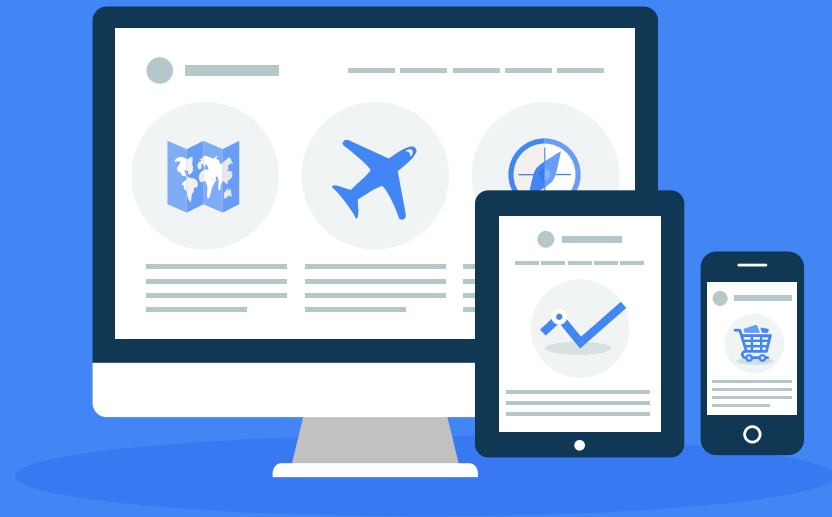

Mobile Apps and Sites

Consumer behaviour in three
verticals: retail, travel and finance

Google and Ipsos Connect UK
July 2015



The story on a page

THERE'S A LOT MORE COMPETITION IN RETAIL APPS THAN TRAVEL OR FINANCE

- Most have only one or two travel and finance apps, while retail is more prolific
- Users are far more likely to spend through retail apps than travel or finance
- Frequent app users tend to spend more

PEOPLE ARE AMBIVALENT TOWARDS APPS AND SITES – BRANDS NEED TO EXCEL AT BOTH

- Apps are used for a combination of quick tasks and 'time killing' activities
- Sites are liked for quantity of information
- Sites are far more likely to be chosen by first time users

PERSONALISATION IS A WINNING THEME OF SUCCESSFUL APPS

- There's potential to leverage frequent customers as this is a main driver for downloading
- Website and point of purchase are effective points to promote retail and finance apps
- Encouraging recommendations is key for travel apps
- Personalisation is vital for a well-liked app

RE-ENGAGEMENT IS TOUGH; KEEP USERS HOOKED

- Lack of relevance is a key driver for disengagement, and many are reluctant to be enticed back
- Search results and reminders have a place in encouraging re-use
- New, exclusive content and discounts are especially powerful
- Retail is particularly competitive, with uptake, abandonment and re-engagement all higher

Some soundbites

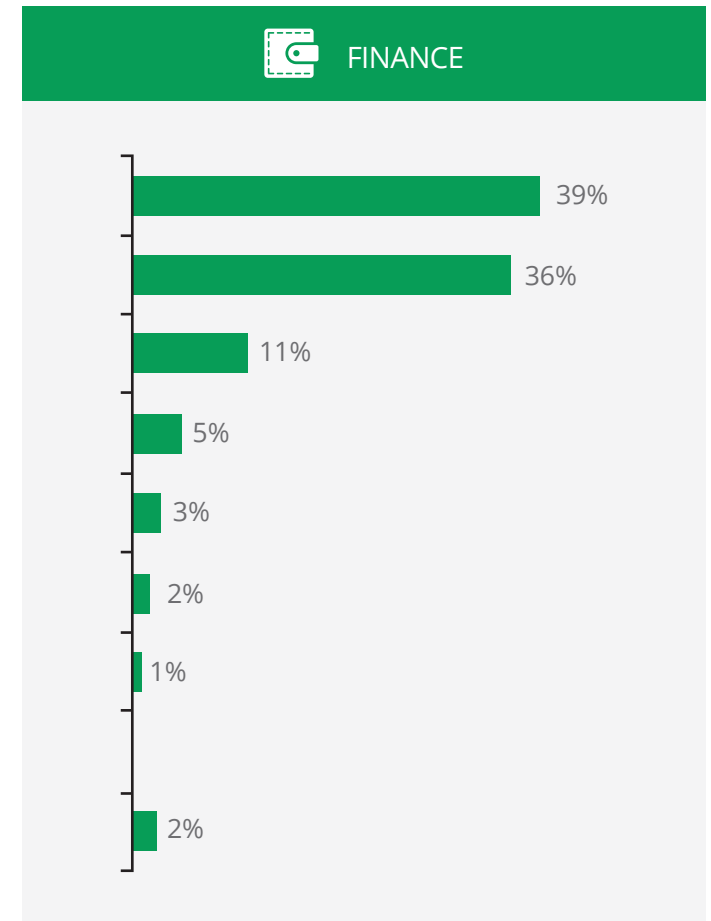
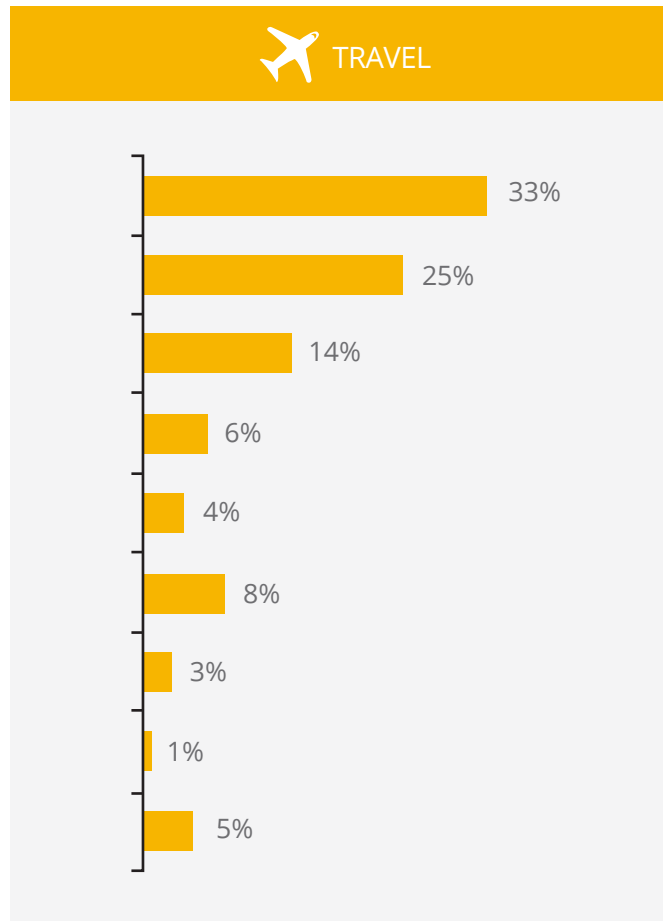
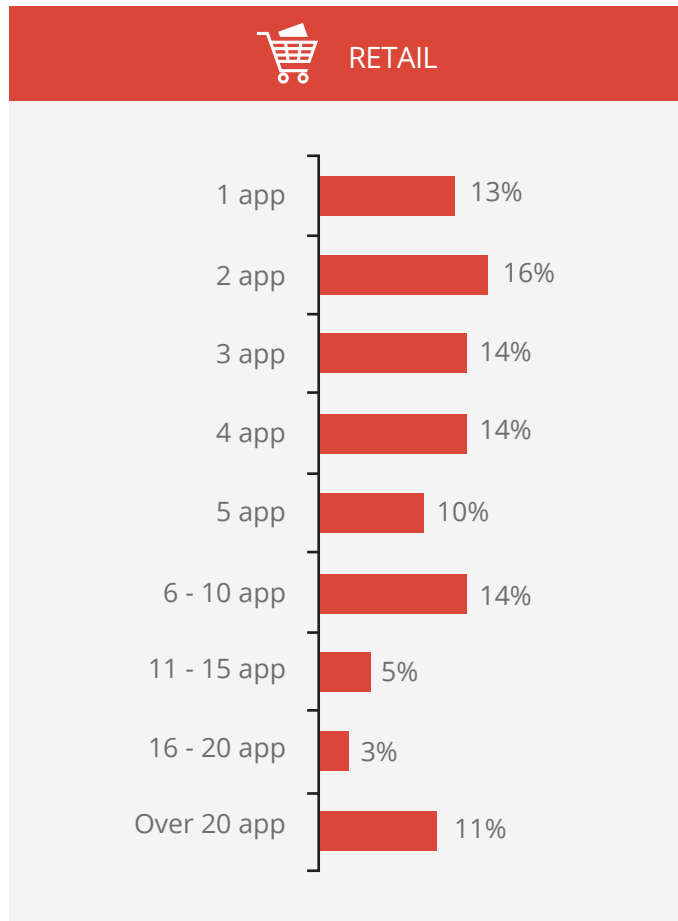
- 11% of retail app users have more than 20 retail apps installed
- $\frac{3}{4}$ of finance app users have just 1 or 2 apps
- $\frac{2}{3}$ of retail app users have spent money in-app in the last 30 days, and 15% have spent more than £100
- There's no clear functional differentiation between apps and mobile sites - users are fairly ambivalent in choosing between them
- Personalisation is key: 'remembers my preferences' is the top feature of the heaviest-used apps
- There's an appetite for re-engagement: 52% say they could be encouraged to use an app again via offers, notifications or ads

App portfolios

Most just have a few apps they use frequently,
but there's higher competition and higher
spend in retail

Most own only a few apps –
but there's a great deal of competition when it comes to retail app ownership

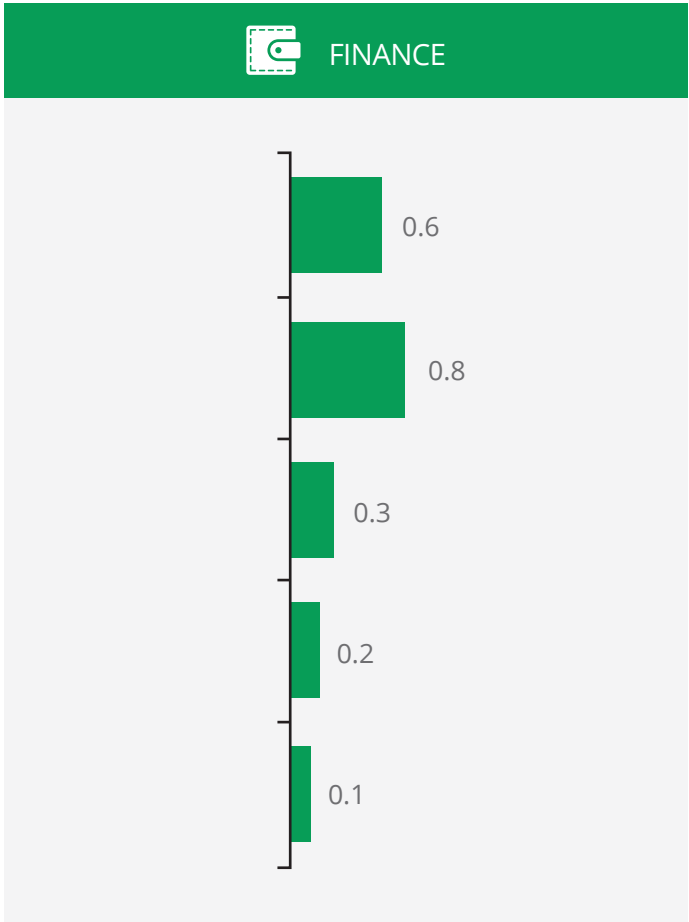
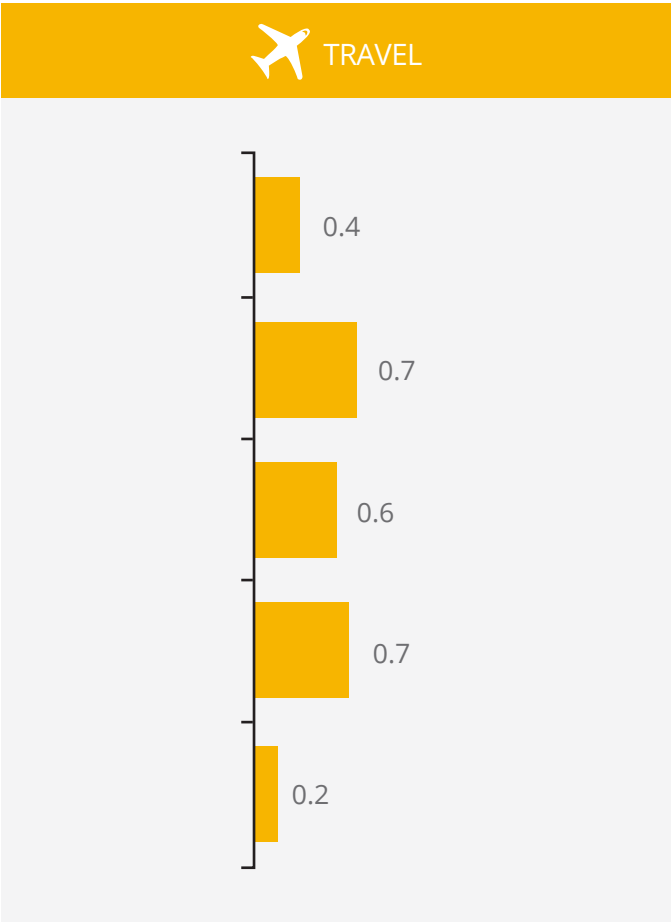
How many apps do you have installed?



Q1: Please check your phone and tell us how many [vertical]apps you have installed
Base: Retail: 460, Travel: 461, Finance: 459

There's a real spread in how often apps are used, though finance apps tend to be used frequently

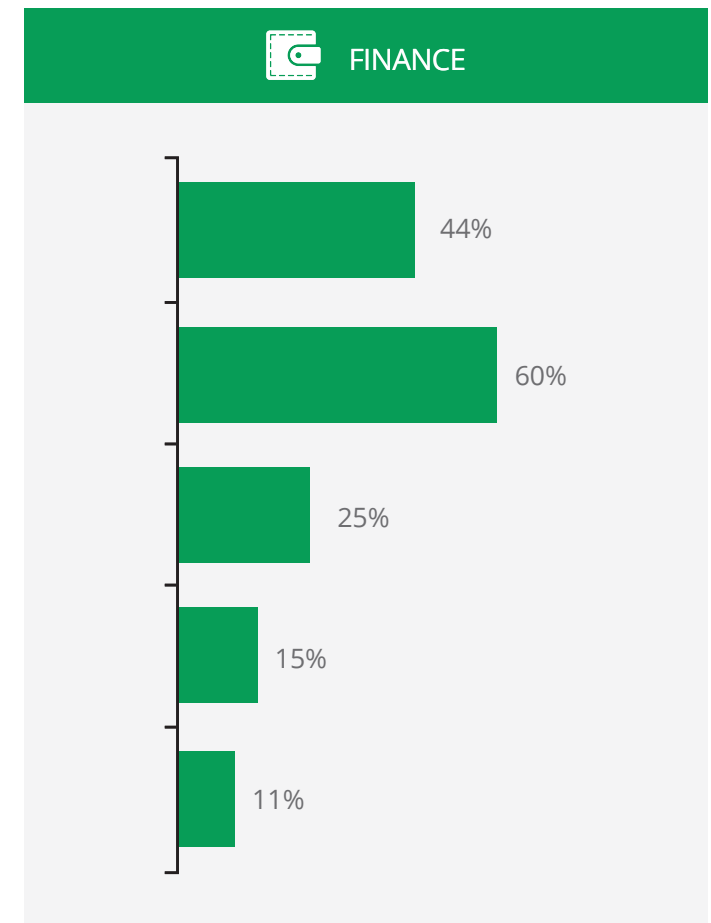
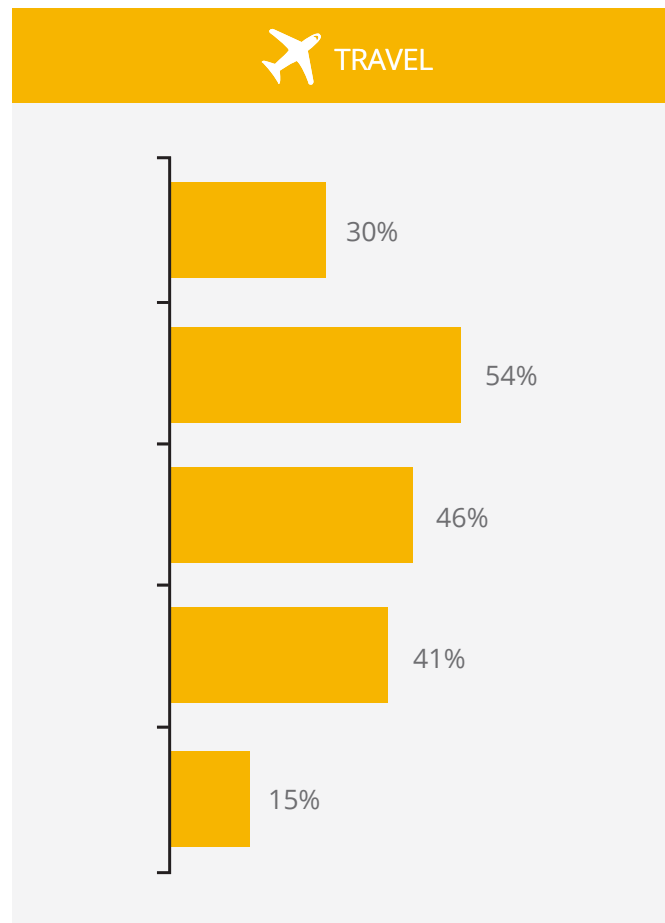
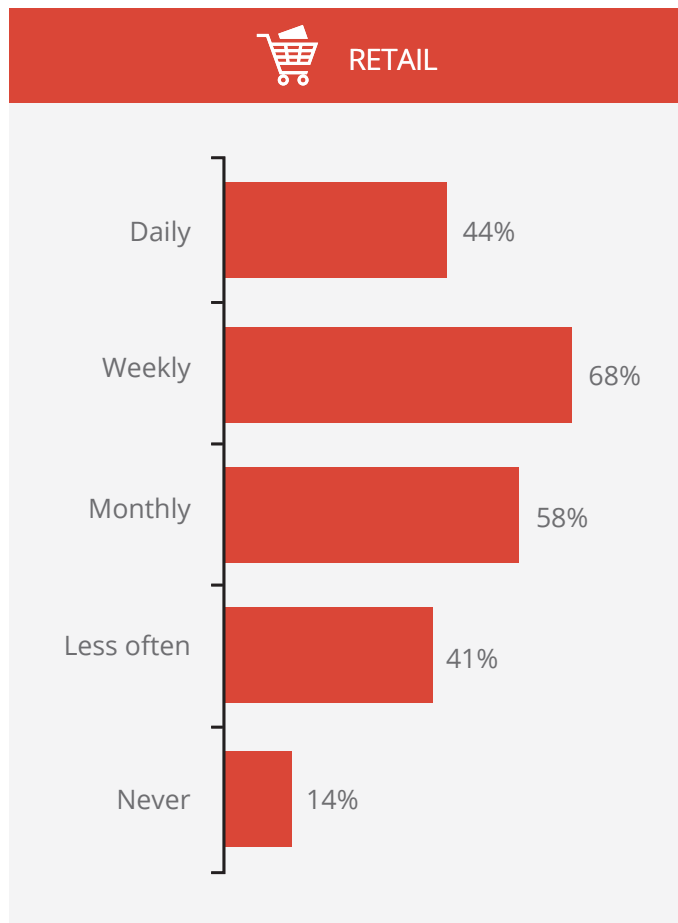
Average number of retail/travel/finance apps used...
(among those with 20 or fewer retail apps; or 10 or fewer travel/finance apps)



Q2: of the apps you have installed on your smartphone, how many do you use...?
Base: Retail: 371, Travel: 419, Finance: 445

Finance apps are used almost as frequently as retail apps, despite far fewer being installed at any one time

% of people claiming to use a retail/travel/finance app...

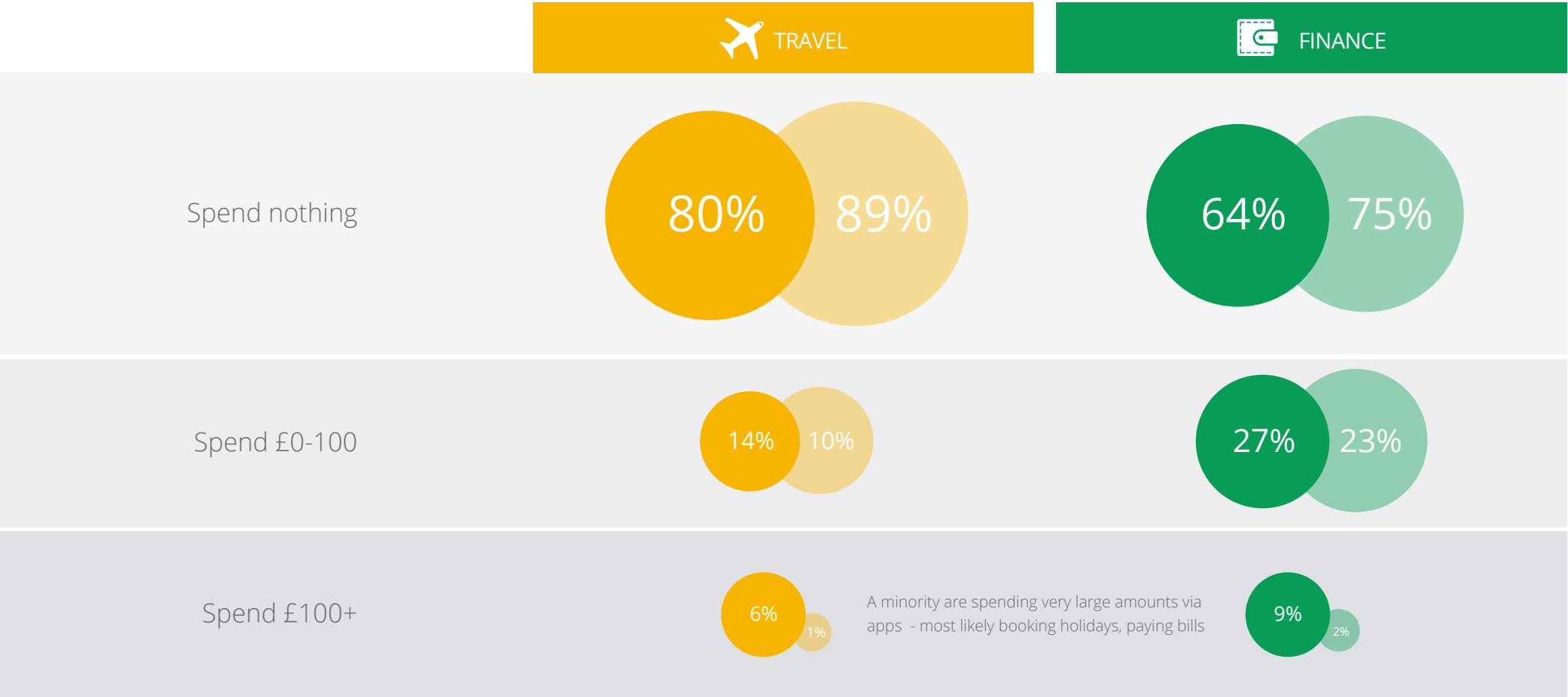


Q2: of the apps you have installed on your smartphone, how many do you use...?
Base: Retail: 460, Travel: 461, Finance: 459

Although a majority don't tend to transact in travel or finance apps, those who do can spend a lot

Amount spent through apps

Key: ● Within the last 30 days ● Within the last 7 days

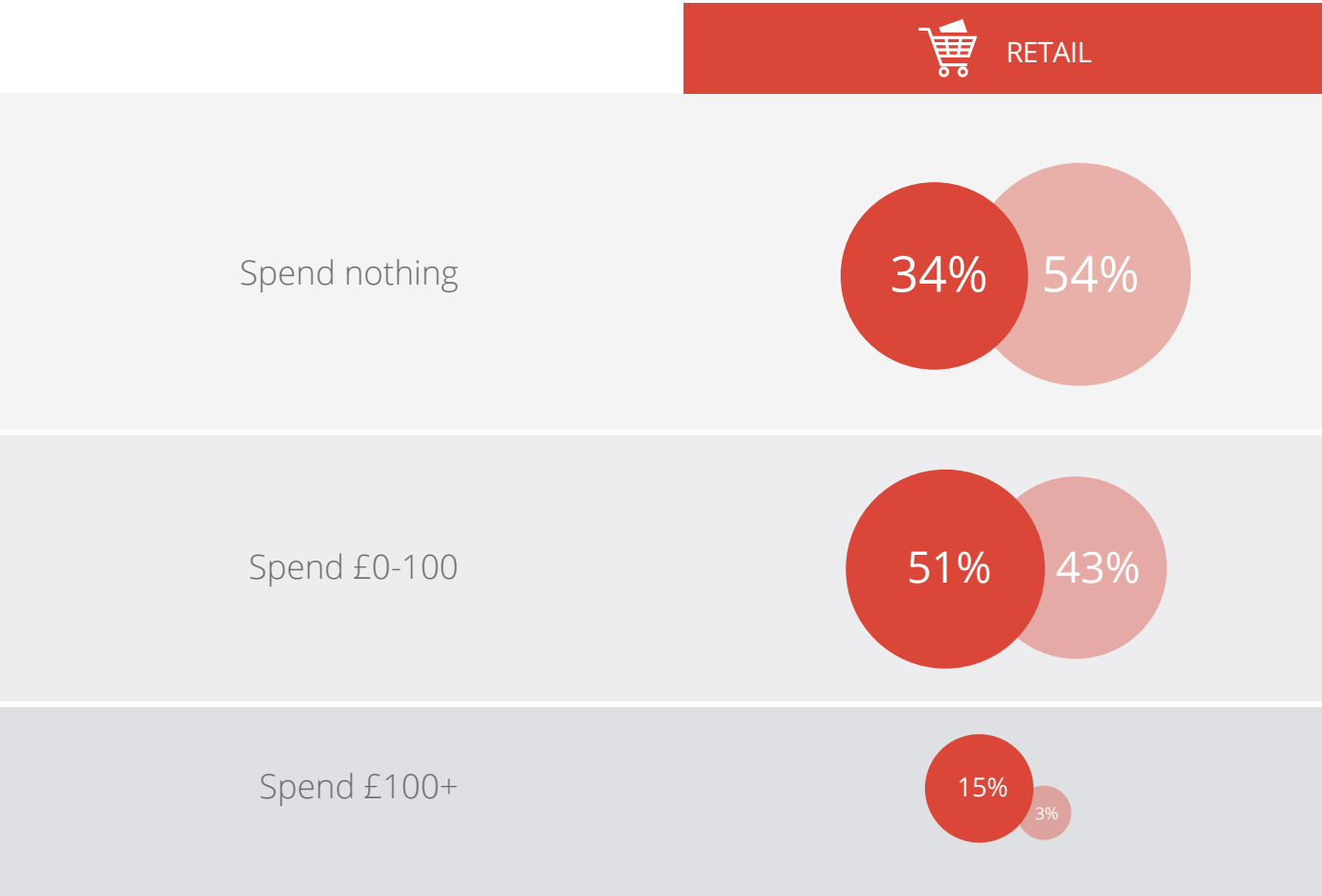


Q16: Roughly how much have you spent on purchases of products, services or subscriptions made through apps in the past..?
 Base: Retail: 460, Travel: 461, Finance: 459

Retail app users are far more likely to spend, and spend more




Amount spent through Retail apps

Key: ● Within the last 30 days ● Within the last 7 days



Q16: Roughly how much have you spent on purchases of products, services or subscriptions made through apps in the past..?
Base: Retail: 460, Travel: 461, Finance: 459

Unsurprisingly, it's those who use apps more frequently that are more likely to spend

	 RETAIL	 TRAVEL	 FINANCE
% of all users who made a purchase in the last 7 days	46%	11%	25%
% of daily users who made a purchase in the last 7 days	57%	20%	38%
Difference	+11%	+9%	+13%

Base: Retail: 460, Travel: 461, Finance: 459

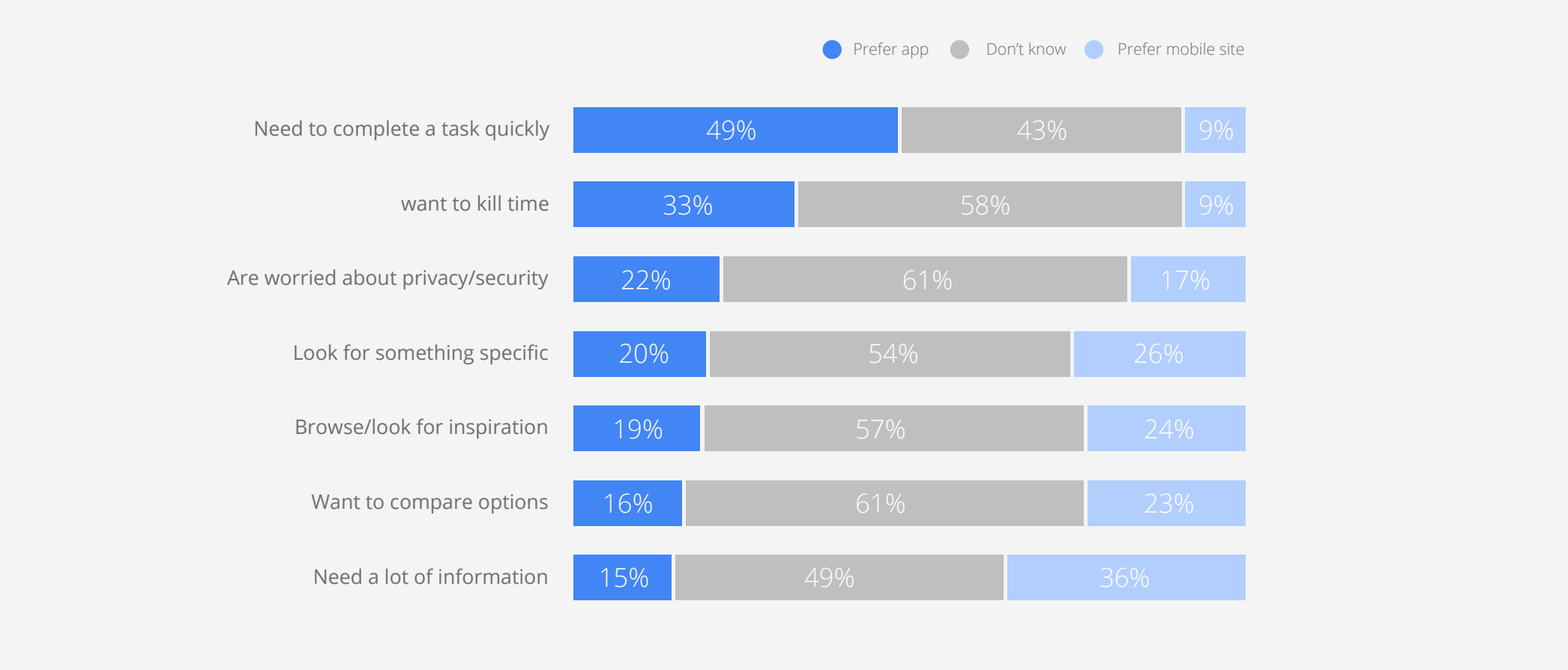
Apps vs. mobile sites

Users tend to be ambivalent between apps and sites – brands need to excel at both

Apps are preferred for speed, sites for quantity of info;
but high ambivalence reveals need to deliver on both

In which of the following situations would you prefer to use apps and which would you prefer to use mobile websites?

Retail, travel & finance combined



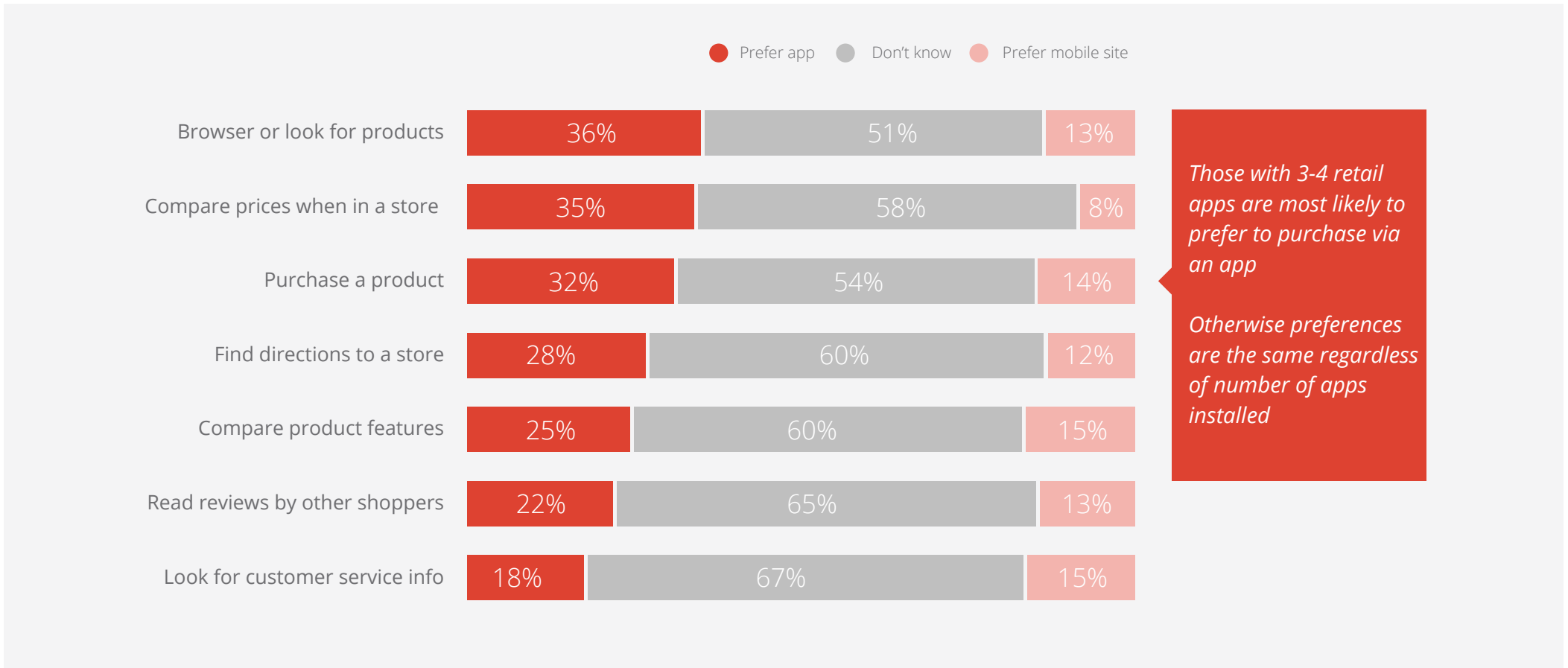
Q12: In which of the following situations would you prefer to use apps and which would you prefer to use mobile websites? When you...
Base: 1380

Within retail, apps are more popular than sites, but a larger proportion of users are ambivalent



Retail:

Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?



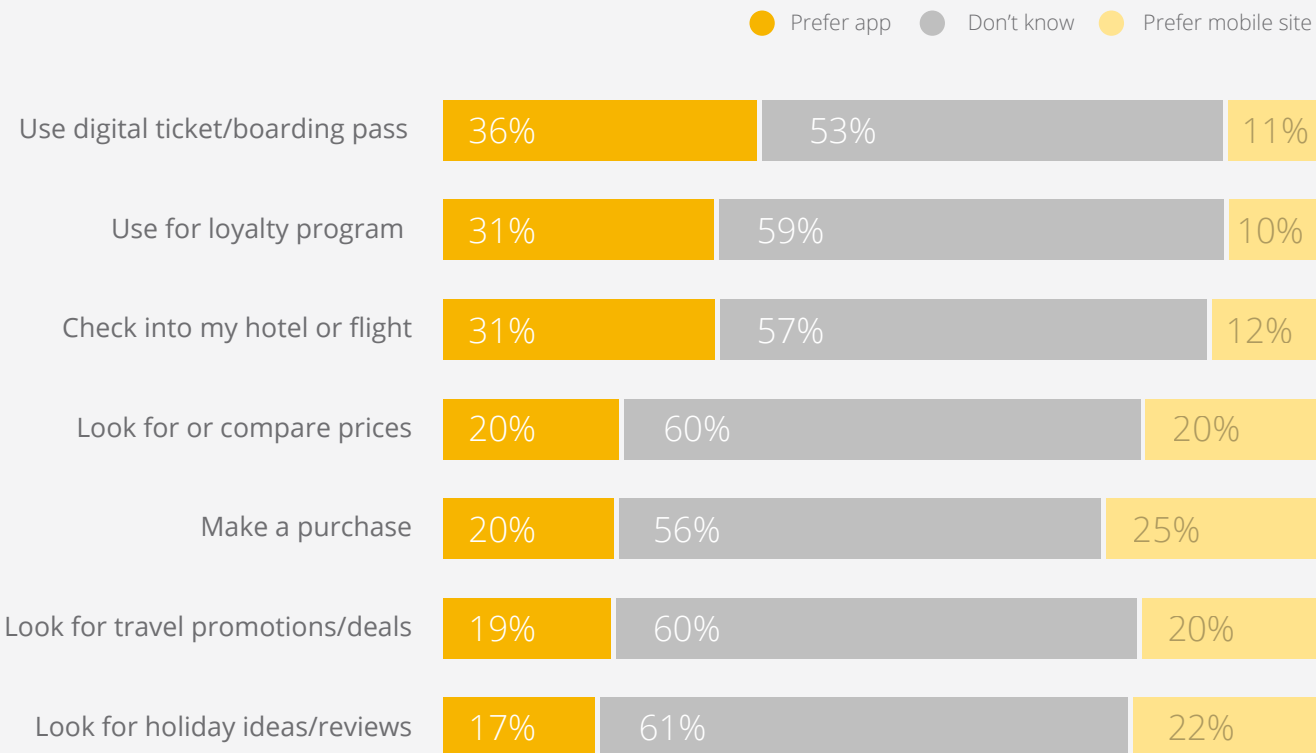
Q11: Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?
 Base: Retail: 460, Travel: 461, Finance: 459

Similarly for travel, there is a slight tendency towards apps, but the majority of users are undecided



Travel:

Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?



Those with more apps are more likely to prefer using an app – particularly for loyalty programmes and checking in

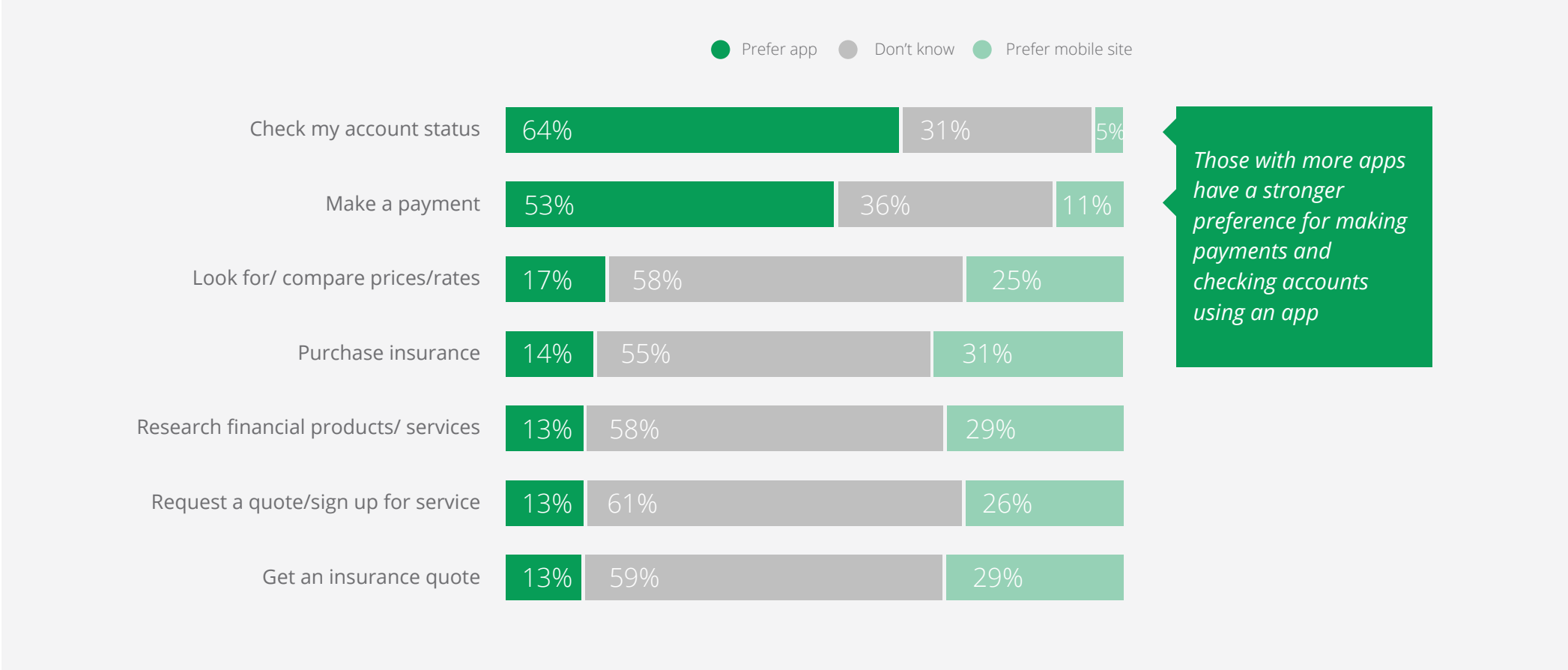
Q11: Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?
Base: Retail: 460, Travel: 461, Finance: 459

Apps preferred to check accounts and make payments; sites more popular for other activities



Finance:

Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?

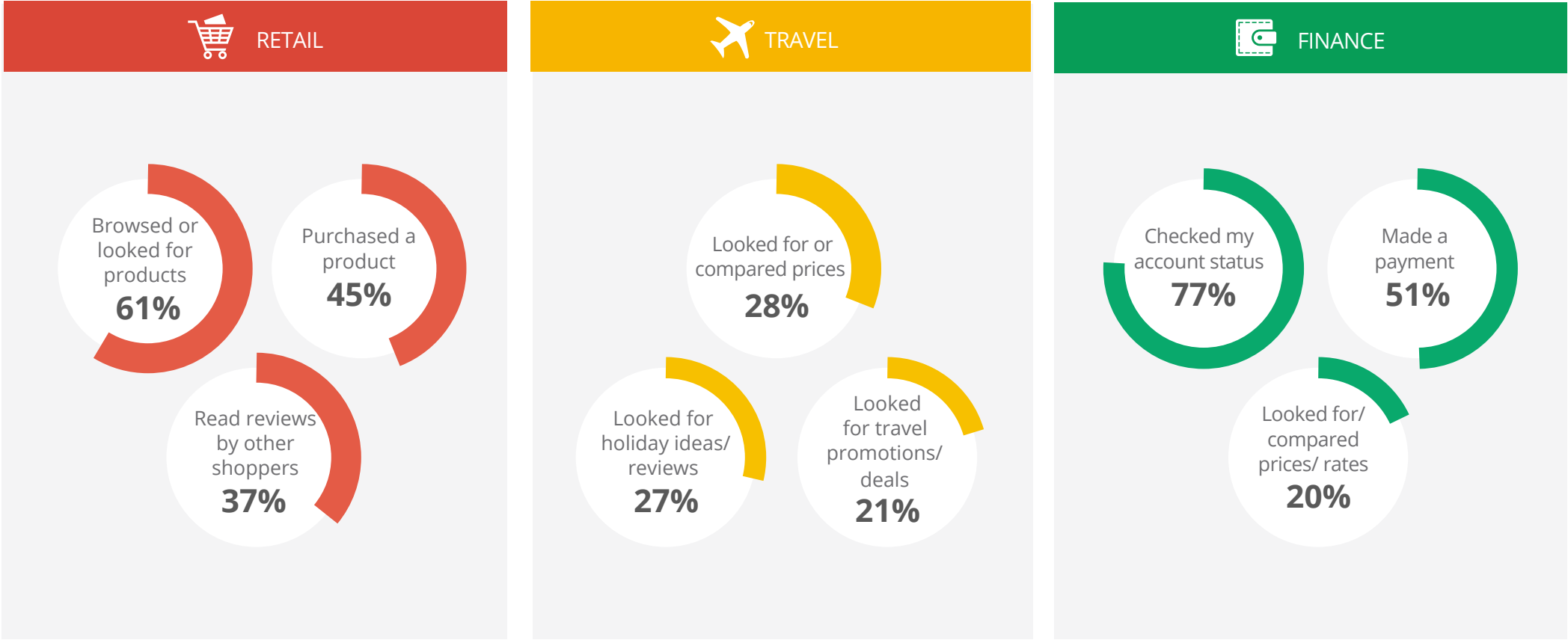


Those with more apps have a stronger preference for making payments and checking accounts using an app

Q11: Which of these would you prefer to use an app for and which would you prefer to use a mobile website for?
Base: Retail: 460, Travel: 461, Finance: 459

These app preferences are reflected in usage – a combination of quick tasks and ‘time killing’ activities

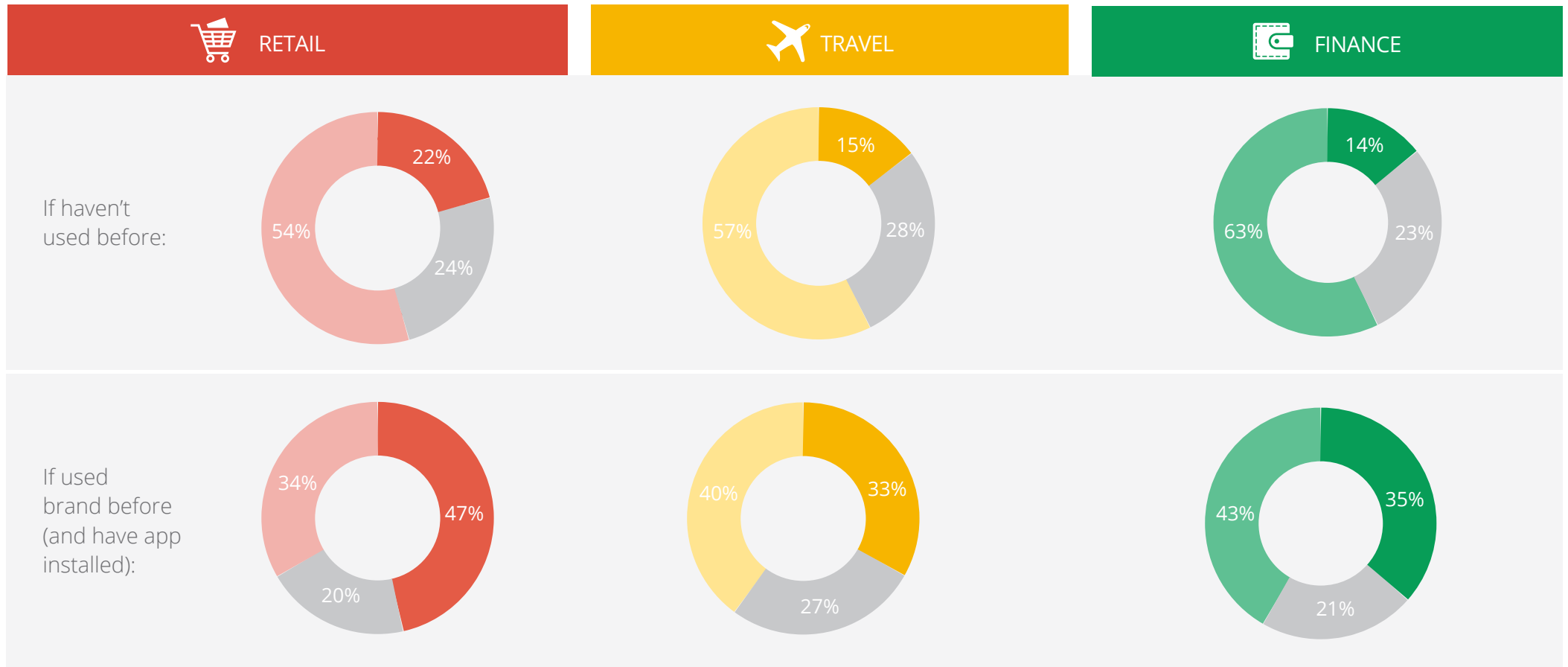
Top 3 activities carried out on apps by vertical



Q10: Which of the following activities have you engaged in on your smartphone (either through a mobile browser or an app) in the last 30 days?
Base: Retail: 460, Travel: 461, Finance: 459

New users prefer sites, but lack of distinction among others shows need for strong performance on both

Imagine you were searching for a brand online that you have/haven't used before. Would you prefer to click on a link to brand's...?



Q20a: Imagine you were searching for a brand online that you have used before. Would you prefer to click on a link to their...?

Q20b: Imagine it was a brand you haven't used before. Would you prefer to click on a link to their...?

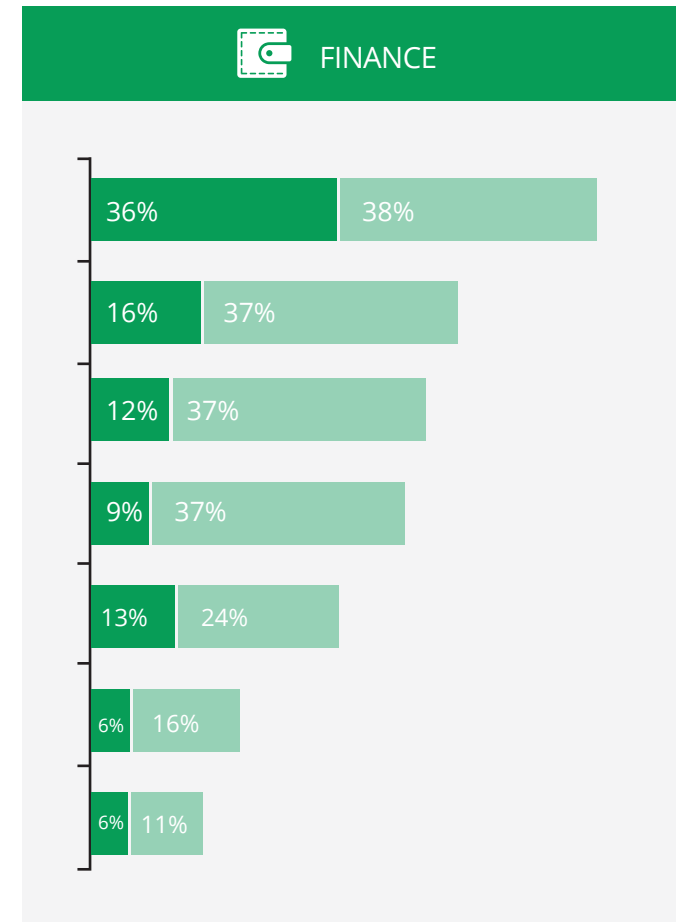
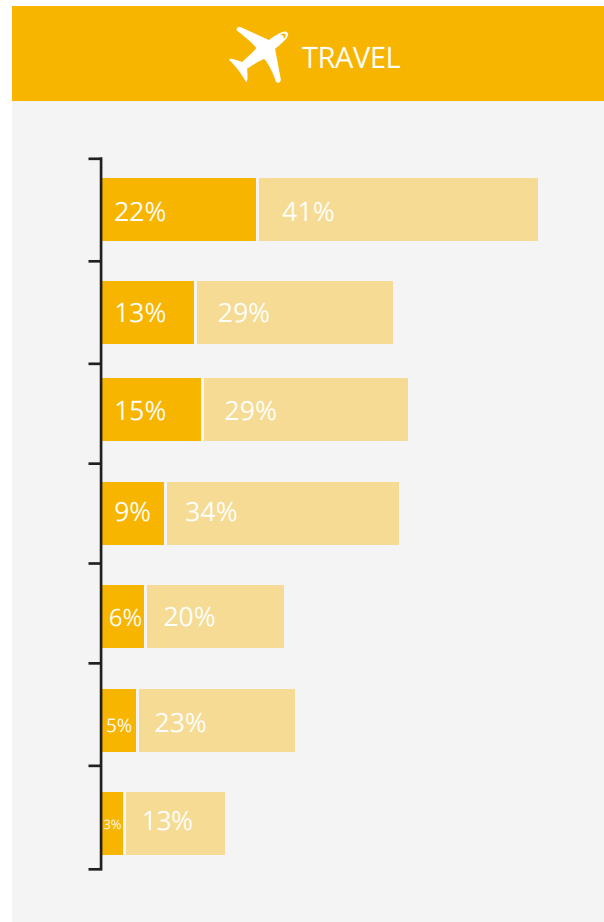
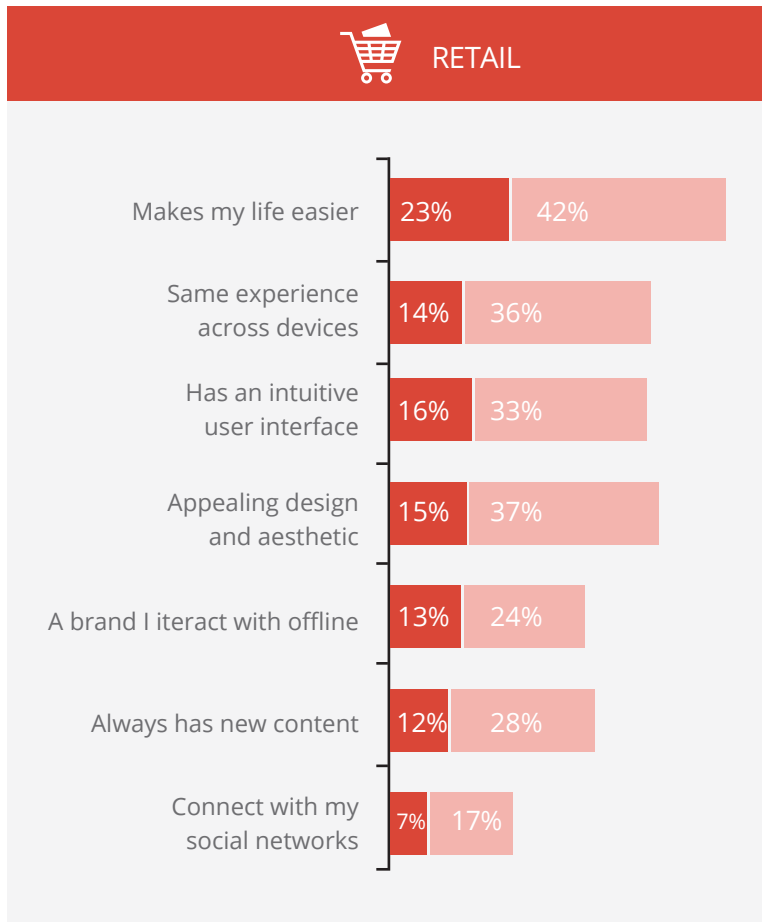
Base: Retail: 460, Travel: 461, Finance: 459

Engaging users

Desirable apps are those that fit into users' everyday lives, effortlessly

A strong cross-device experience is a winning feature of preferred apps

To what extent do you agree or disagree that the following attributes are true of apps that you use most frequently?



Q15: To what extent do you agree or disagree that the following attributes are true of apps that you use most frequently?
 Base: Retail: 460, Travel: 461, Finance: 459

Regular use of brand is biggest reason for download – leverage this to increase loyalty among customers

For which reasons have you downloaded an app in the past?

Top 5 reasons across verticals

● Retail ● Travel ● Finance

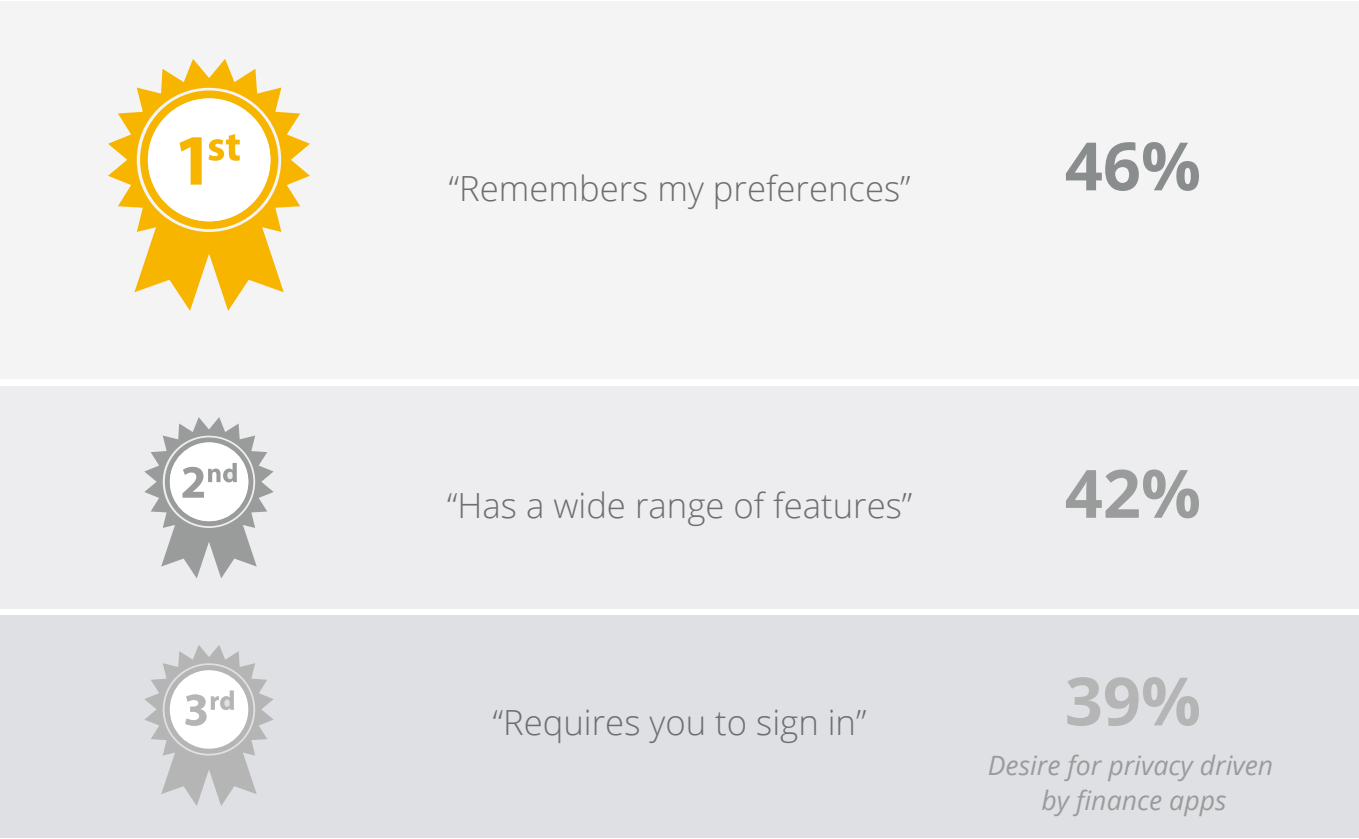


Q7a&b: For which reasons have you downloaded a [vertical] app in the past?
Base: 1380

Personalisation is key to encouraging app usage, along with a wide range of features and security

Most preferred features of apps

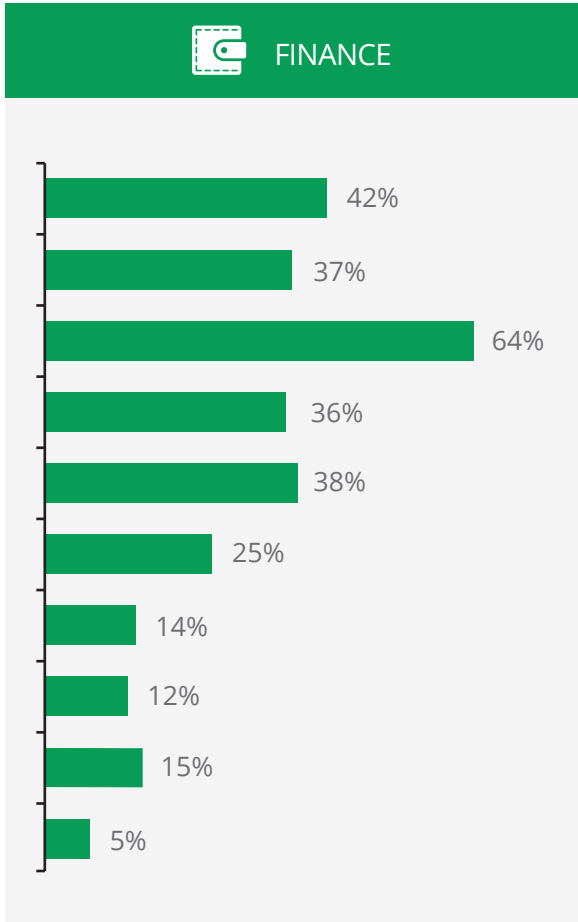
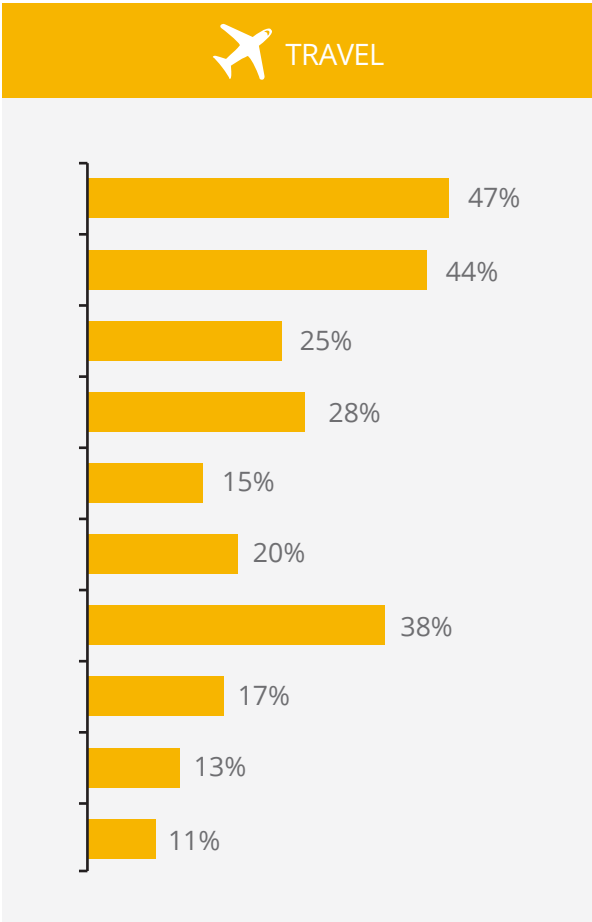
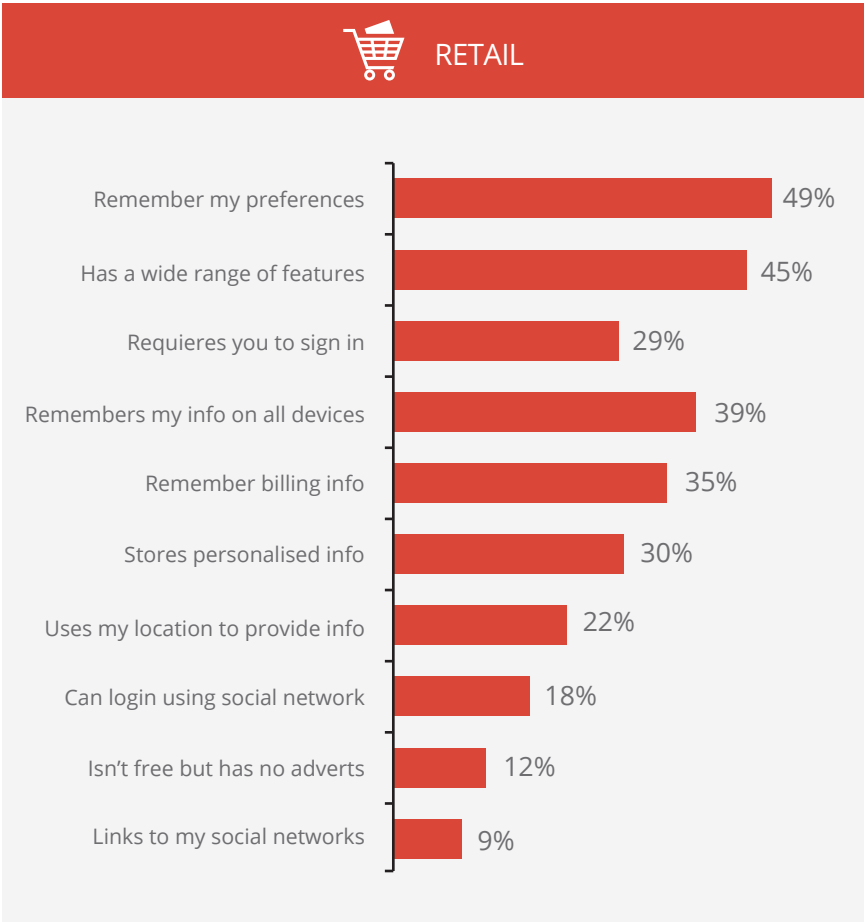
Retail, travel & finance combined



Q14a&b: Thinking about apps that you use, which of the following features do you prefer to have?
Base: 1380

Location-based info is appreciated in travel apps, while security is unsurprisingly a must for finance

Thinking about apps that you use, which of the following features would you prefer to have?

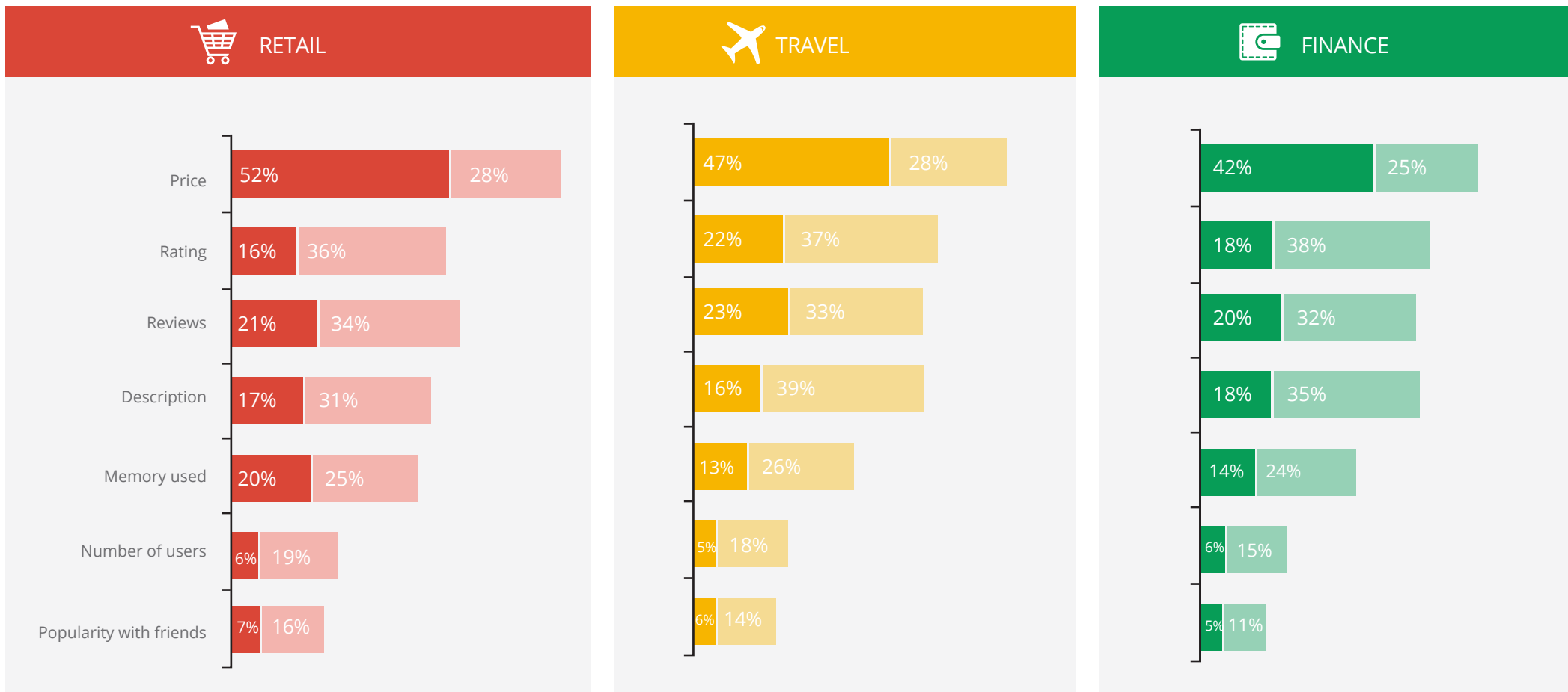


Q14a&b: Thinking about apps that you use, which of the following features do you prefer to have?
 Base: Retail: 460, Travel: 461, Finance: 459

Ratings, reviews and descriptions are influential in downloading decisions (though price is of course key)

How important are the following factors when making a decision about which app(s) to download?

Key: ● ● ● Agree strongly ● ● ● Agree slightly



Q8: When searching for apps in your smartphone's app store, how important are the following factors when making a decision about which app(s) to download?

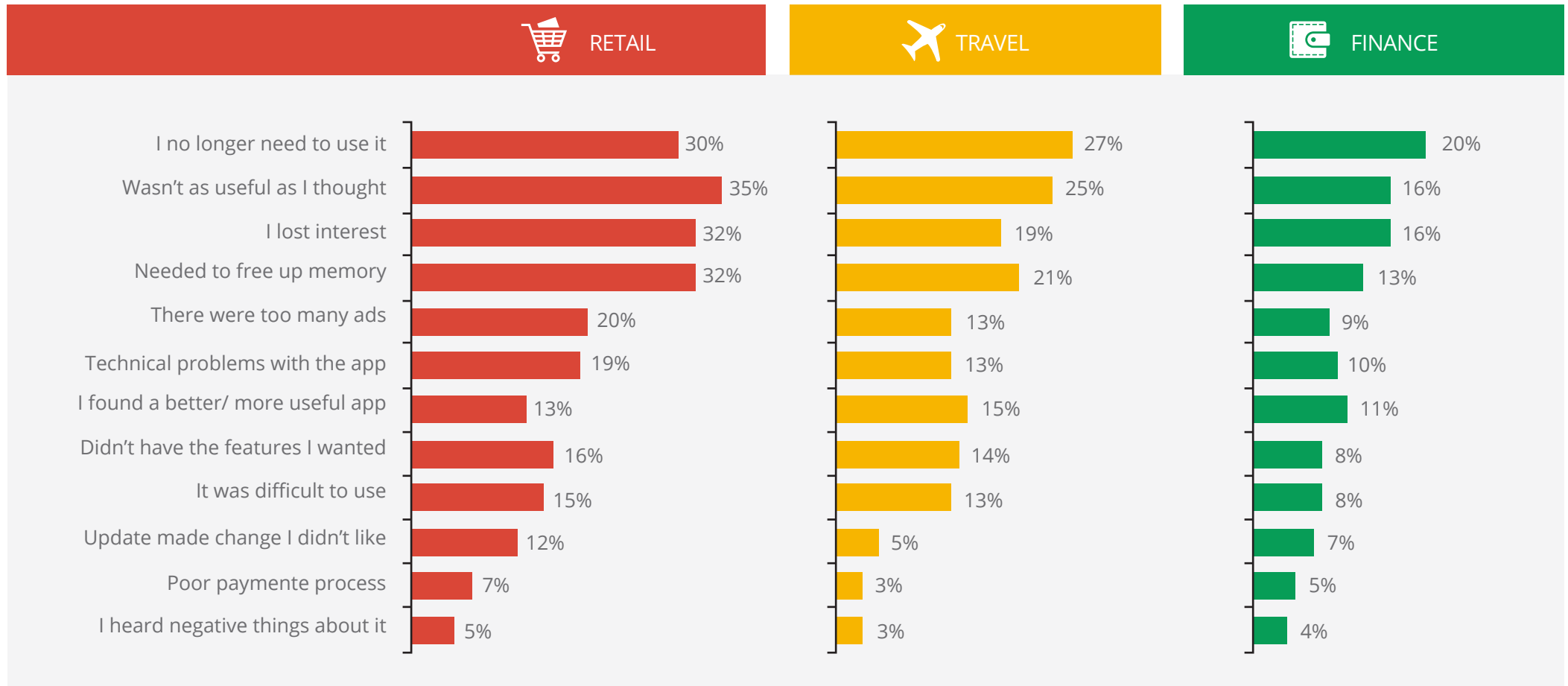
Base: Retail: 460, Travel: 461, Finance: 459

Re-engaging users

It's tough to entice abandoners back; keeping hold of existing users with re-engagement tactics is key

Lack of relevance and memory lead to abandonment – factors that aren't easily solved by brands

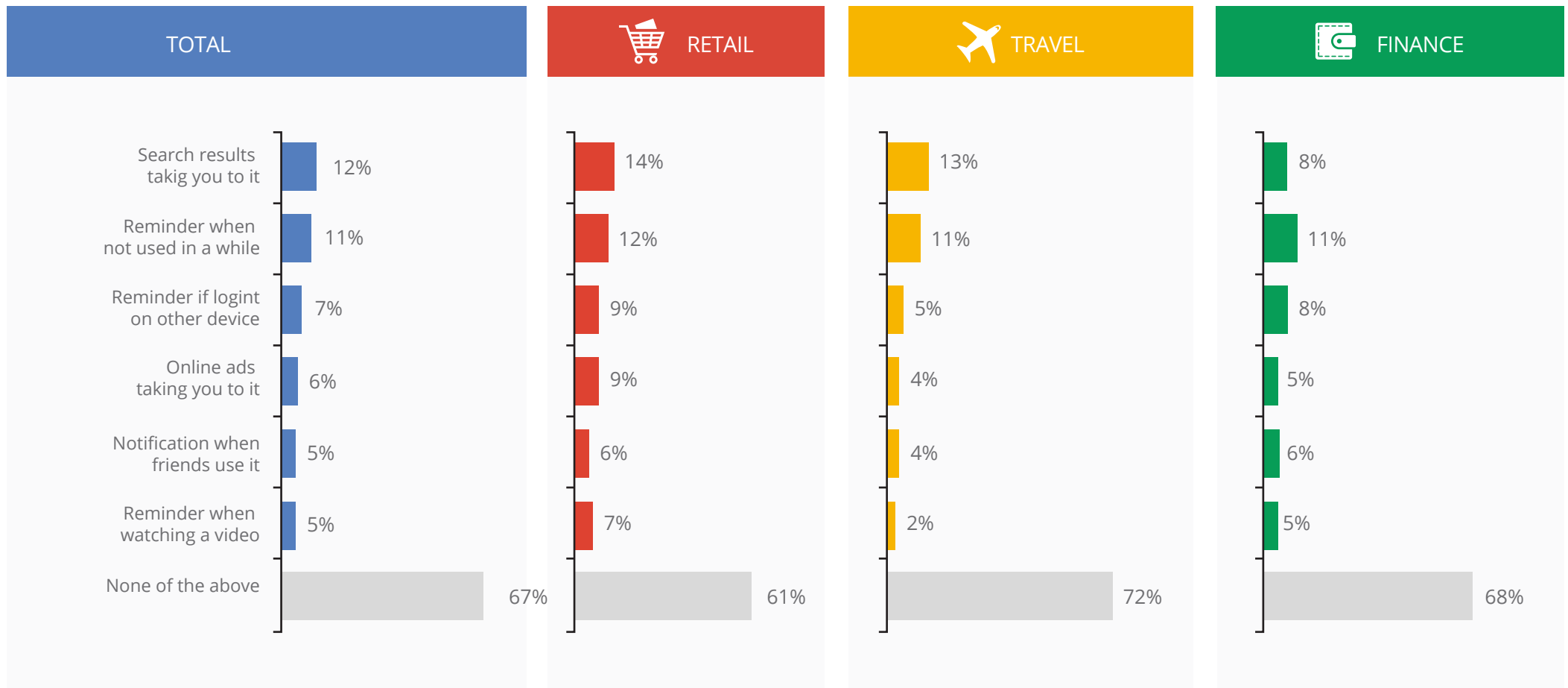
Have you stopped using or uninstalled apps on your smartphone for any of the reasons below?



Q17a&b: Have you stopped using or uninstalled apps on your smartphone for any of the reasons below?
Base: Retail: 460, Travel: 461, Finance: 459

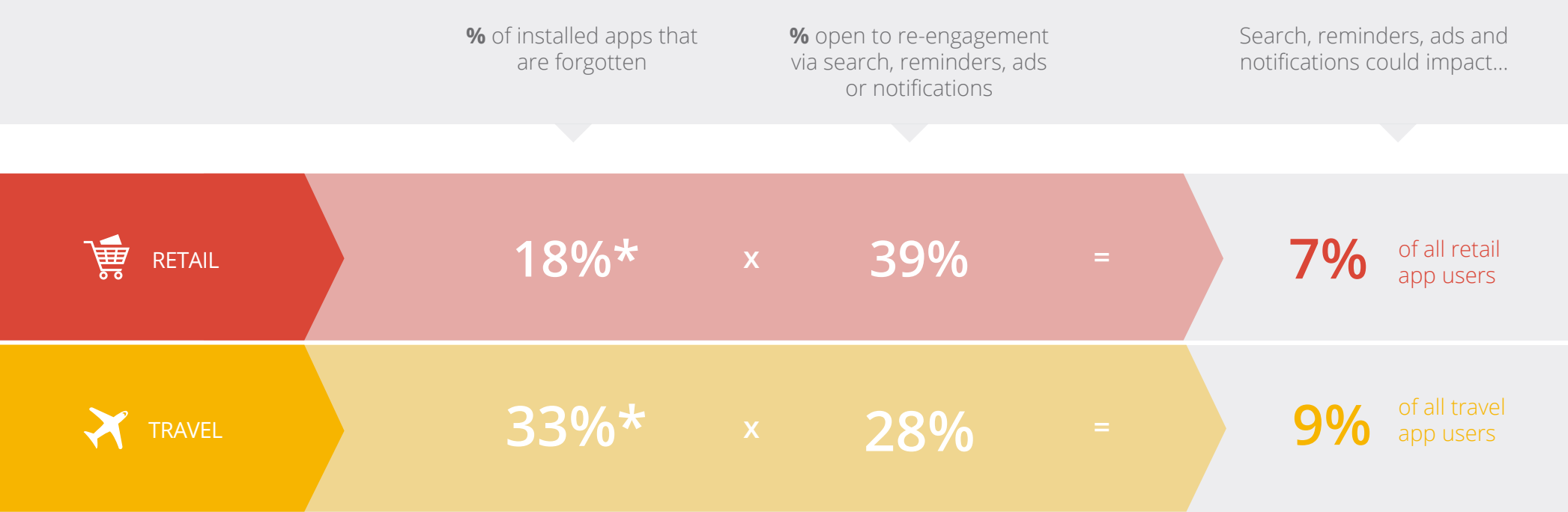
Search can be key to driving more frequent usage, but many are unlikely to be persuaded

Thinking about apps that you don't use regularly on your smartphone, which of the following would make you use the app more often?



Q18: Thinking about apps that you don't use regularly on your smartphone, which of the following would make you use the app more often?
 Base: Retail: 460, Travel: 461, Finance: 459

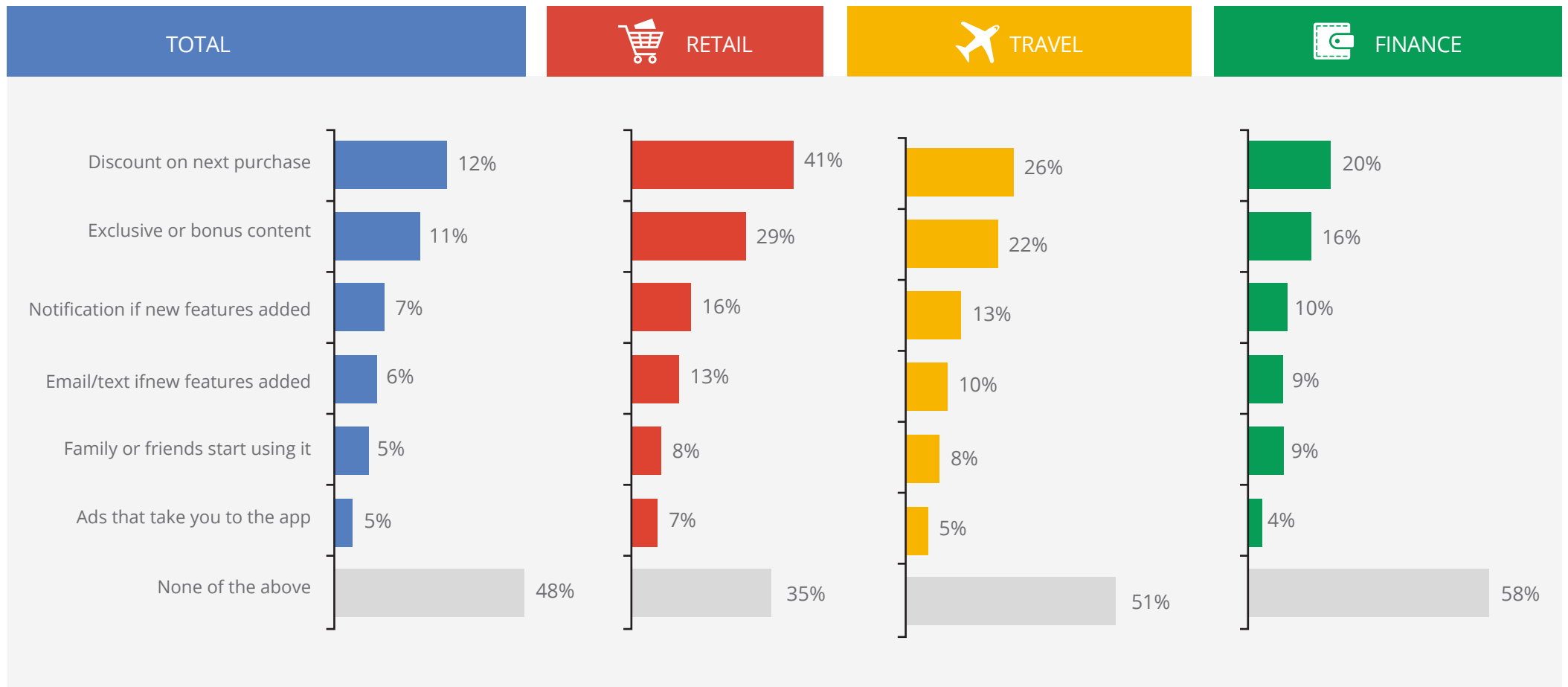
High abandonment means a small but significant proportion of app users could be re-engaged



(*Source: Ipsos app re-engagement study, information unavailable for financial apps)

New benefits exclusive to the app would be most effective in encouraging usage – especially for retail

Thinking about apps that you've stopped using or uninstalled, what reasons would make you more likely to start using the app again?



Q19: Thinking about apps that you've stopped using or uninstalled, what reasons would make you more likely to start using the app again

Base: Total: 1380 Retail: 460, Travel: 461, Finance: 459

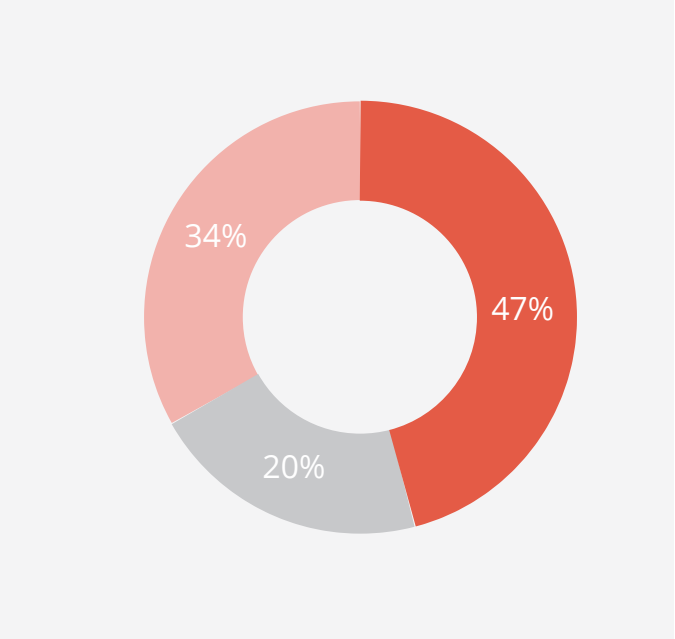
As we saw earlier, when seeking out a brand, users are torn between apps and sites

Imagine you were searching for a brand online that you've used before. Would you prefer to click on a link to brand's...?

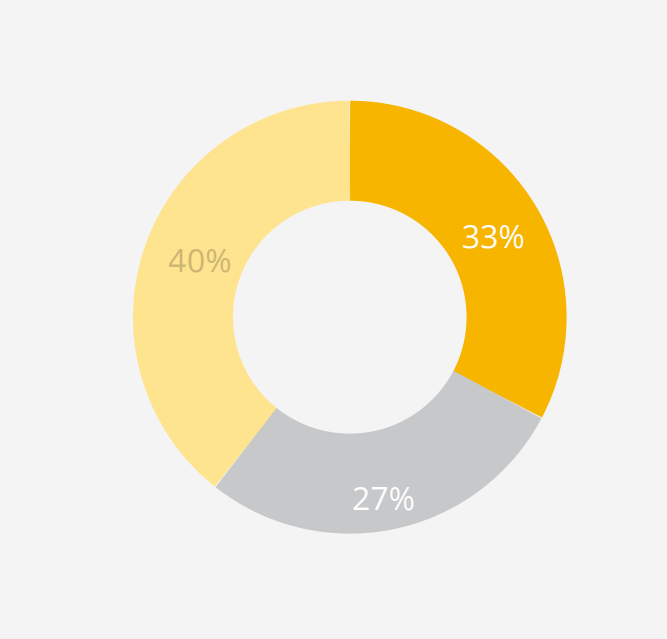
Key: ● Prefer app ● Don't know ● Prefer mobile site

If used brand before (and have app installed):

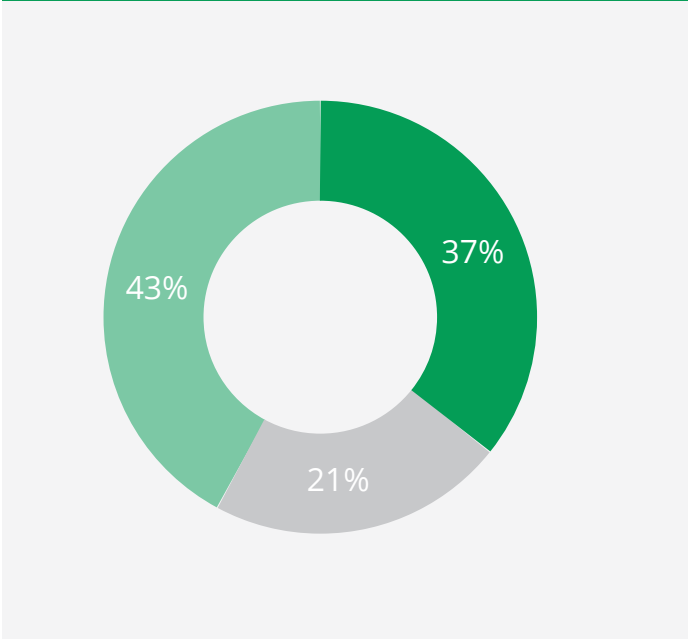
 RETAIL



 TRAVEL

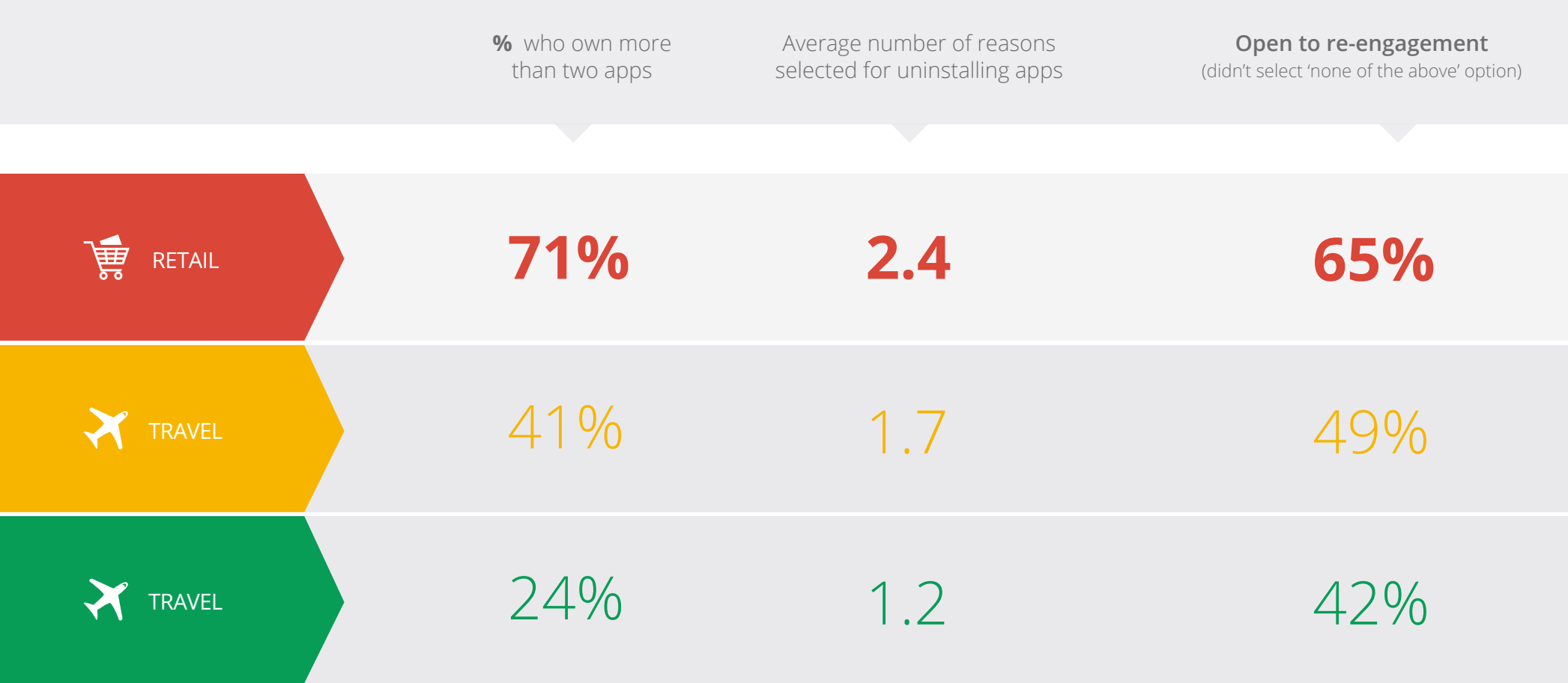


 FINANCE



Q20a: Imagine you were searching for a brand online that you have used before. Would you prefer to click on a link to their...?
Base: Retail: 460, Travel: 461, Finance: 459

Retail is competitive – users have more apps,
are quicker to abandon them, and easier to tempt back



Base: Retail: 460, Travel: 461, Finance: 459

Methodological background

Objectives

DISCOVERY

ACQUISITION

USAGE

ABANDONMENT

RE-ENGAGEMENT

This study covers the whole mobile app lifecycle taking the most salient parts from the US mobile app project and the UK app re-engagement project previously conducted by Ipsos, but streamlining it to a 10 minutes survey.

- The objective is to understand users' behaviour across mobile web and apps to help advertisers build holistic mobile strategies.

Methodology





A quantitative online survey run in the UK using the Ipsos online panel:

- 1 An **online omnibus** survey was conducted amongst a nationally representative sample of the full adult population (1,000 interviews). This provided the online survey quotas to provide a representative sample of smartphone users aged 16 and over within each vertical. Each vertical is made up of smartphone users having at least one app within the app category.
- 2 **460 online interviews** were administered in each of the three app verticals (Retail, Travel & Finance) with quotas applied from the omnibus to make each app category representative by mobile OS, age, gender and working status.
- 3 Fieldwork was conducted in June 2015.

The omnibus ensured sample was representative per vertical

Omnibus study results:



	RETAIL	TRAVEL	FINANCE
 % natural fallout among those with android or iOS	37%	39%	32%
 Android iOS	48% 52%	39% 39%	32% 32%
 Male Female	40% 60%	47% 53%	50% 50%
 16-24 25-34 35-44 45+	21% 27% 22% 29%	19% 24% 22% 35%	23% 28% 31% 28%

Nationwide, nationally representative study
Base: 1000

The online survey provided results per vertical

An online survey was carried out among 1380 app users

All to have used an app of the relevant category within the last 30 days



460 retail app users
*(e.g. online & high street shops,
or supermarkets)*



461 travel app users
*(e.g. public transport, flights,
holidays, GPS, maps)*



459 finance app users
(Finance, insurance and banking apps)

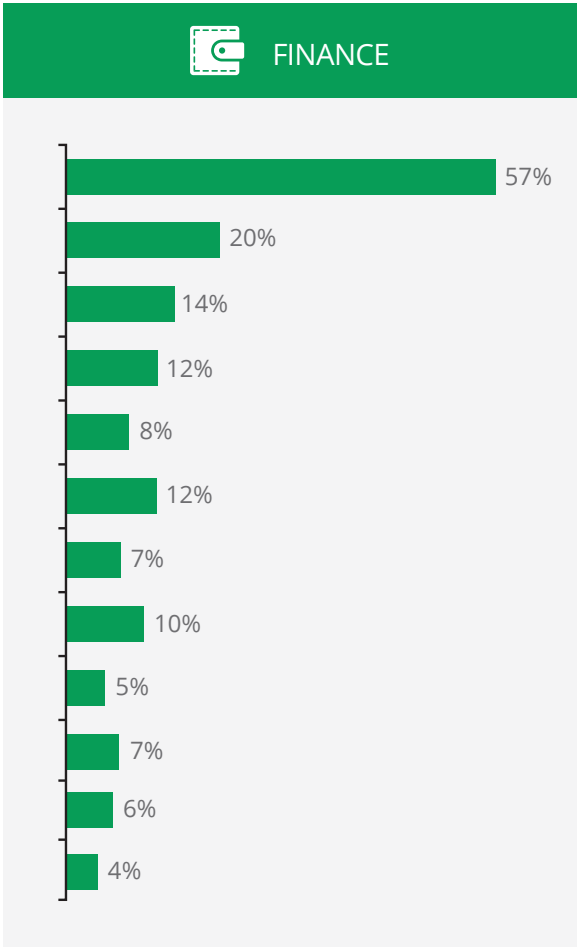
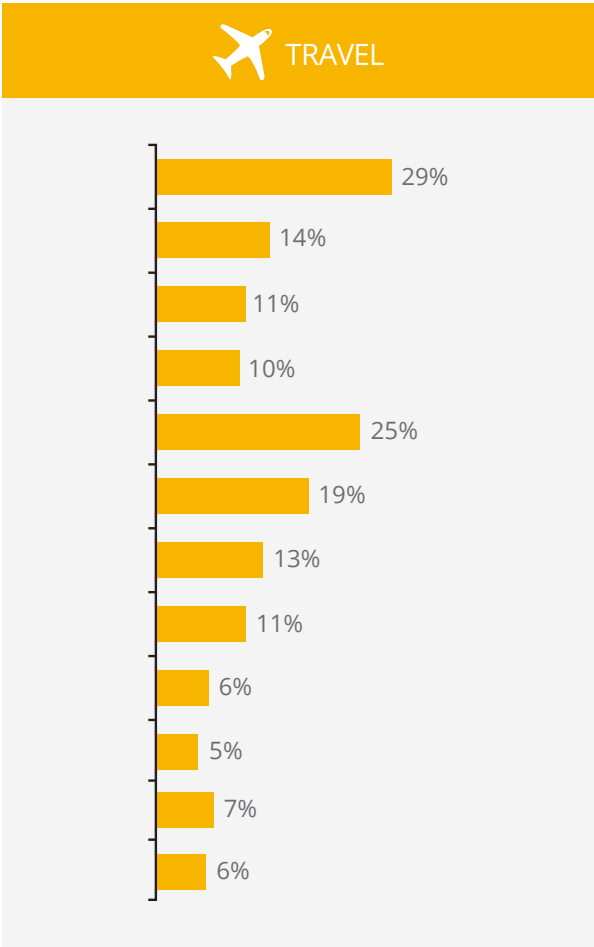
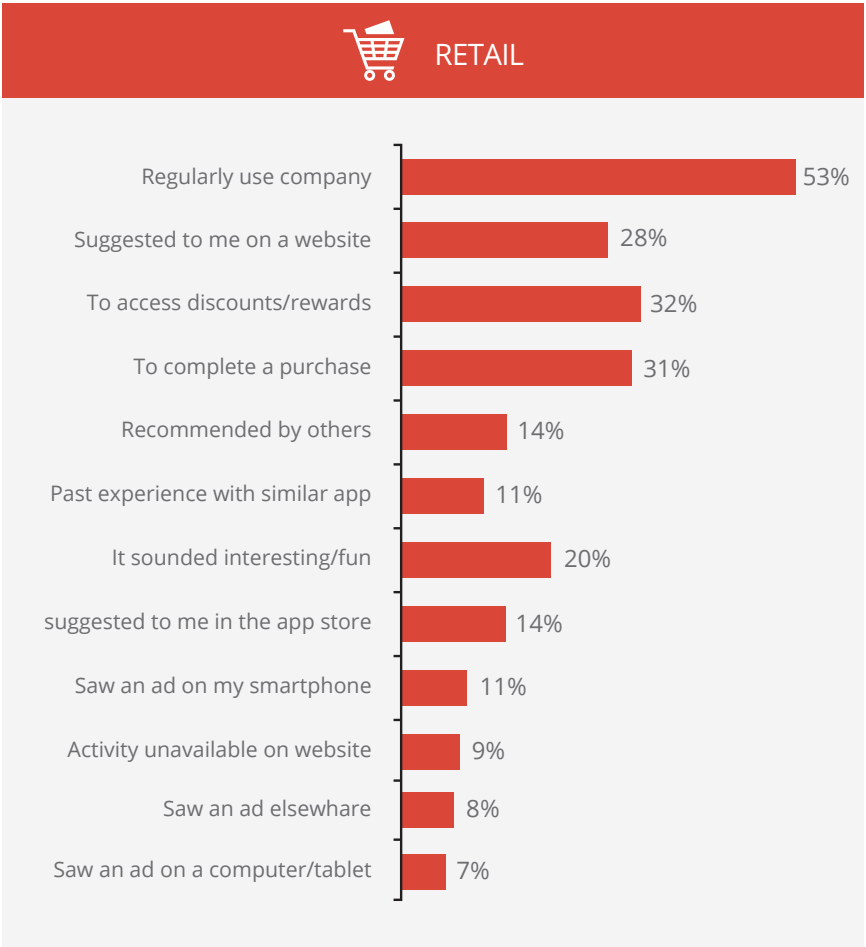
*The questionnaire covered the full app lifecycle: discover, acquisition, usage,
abandonment and re-engagement*

Initial 500 interviews were planned, but the decision to stop fieldwork with a base sample of ~ 460 was taken to meet timings.

Appendix

Additionally, some fun or interesting features drive desire to download retail apps and experience with similar apps facilitates the trial of new travel apps

For which reasons have you downloaded an app in the past?

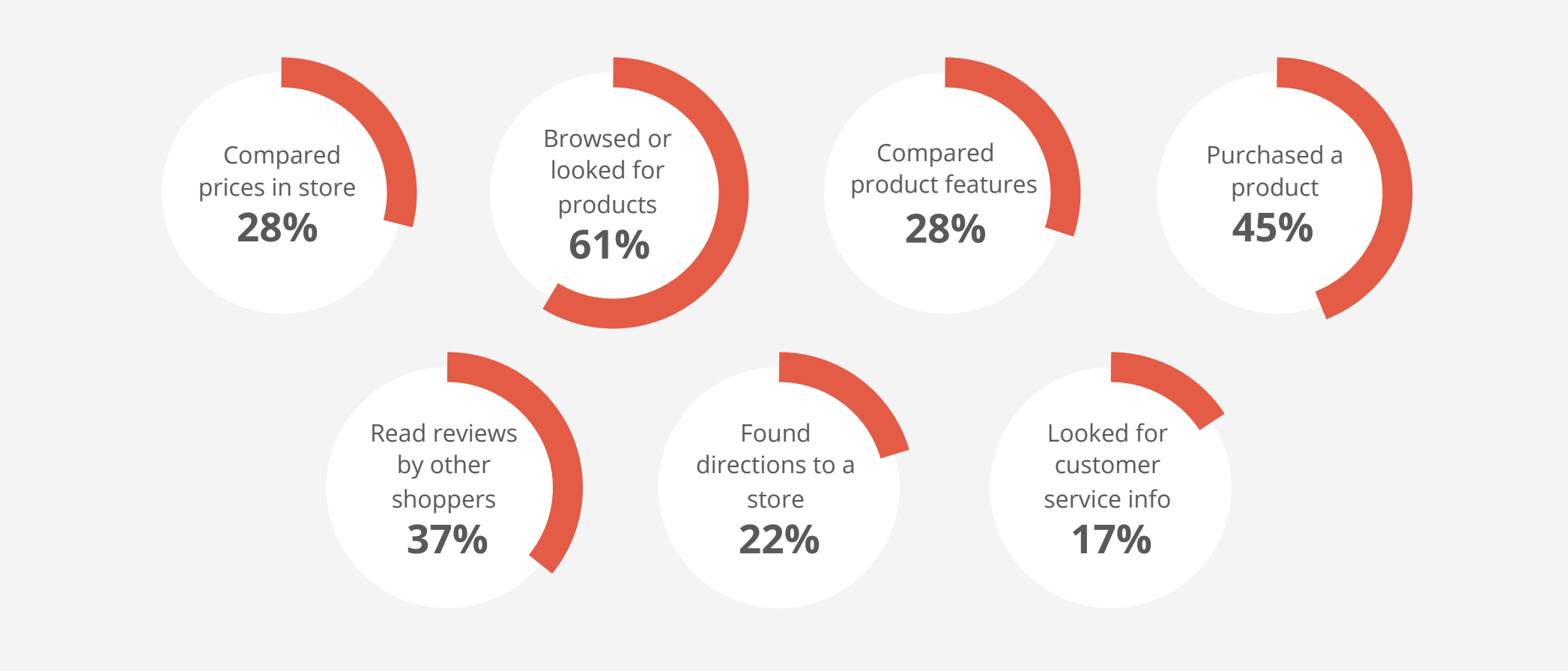


Q7a&b: For which reasons have you downloaded a [vertical] app in the past?
 Base: Retail: 460, Travel: 461, Finance: 459

While many people browse and read reviews in retail apps, less than a third use them to compare prices and features



Retail: activities engaged in on smartphone in last 30 days

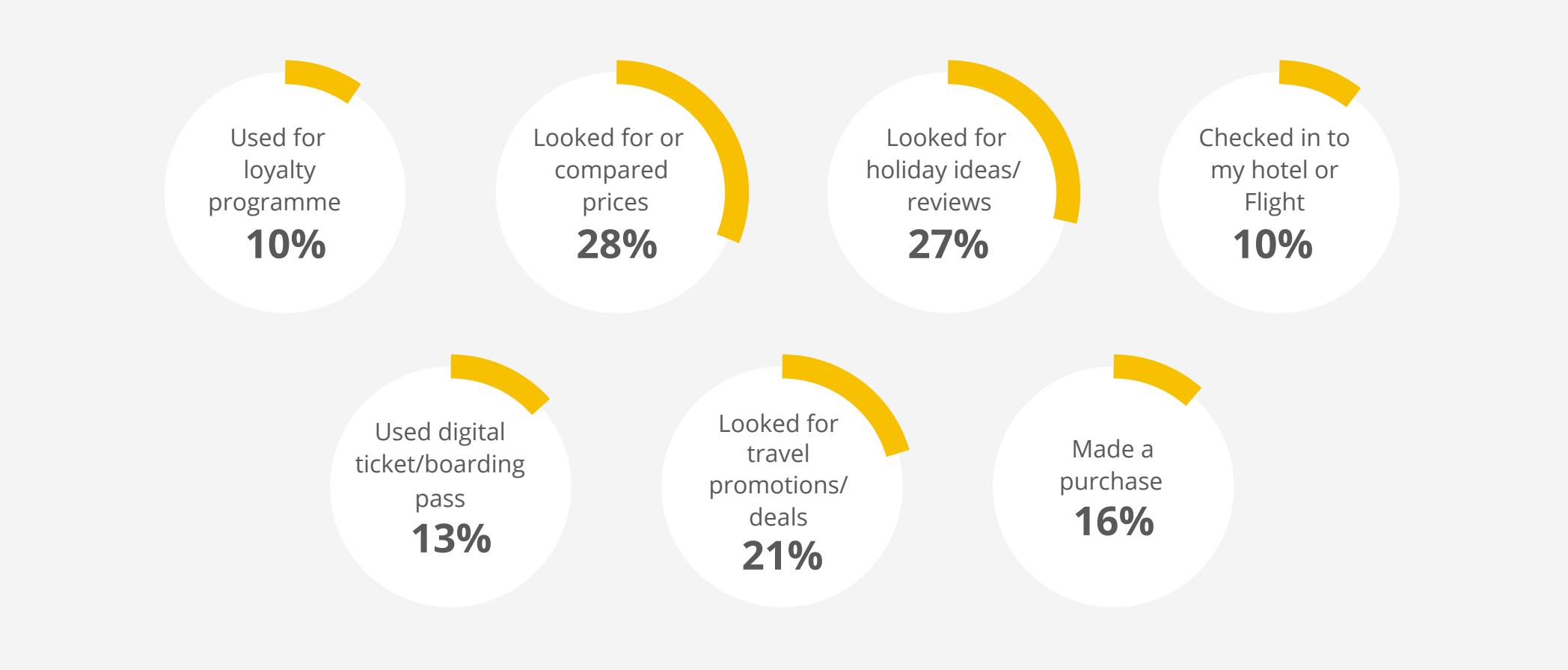


Q10: Which of the following activities have you engaged in on your smartphone (either through a mobile browser or an app) in the past 30 days

Travel apps uses are more scattered: also less than a third uses them to compare prices and another third uses them to look for holiday ideas



Travel: activities engaged in on smartphone in last 30days

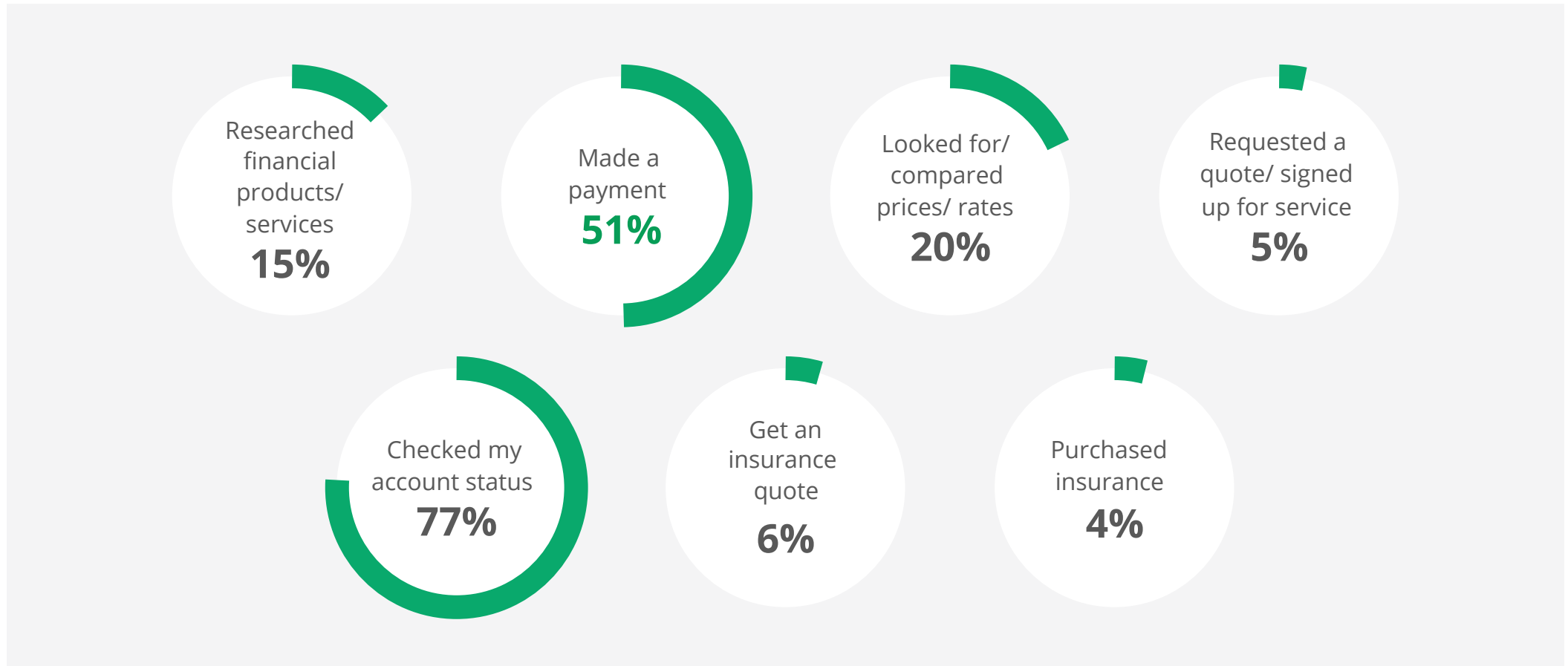


Q10: Which of the following activities have you engaged in on your smartphone (either through a mobile browser or an app) in the past 30 days

Checking the account status and making payments are really ahead of any other activities. Users are less willing to search for info in financial apps



Finance: activities engaged in on smartphone in last 30days



Q10: Which of the following activities have you engaged in on your smartphone (either through a mobile browser or an app) in the past 30 days

Thank you

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