Assignment 9: Mobile Analytics and A/B Testing

Part 1: Mobile Analytics

Read the Guest Spot on pages 422-427

1. **What is meant by the term “App Graveyard”? *1 mark***

**With dramatic changes in the adoption and revenue statistics by Statista research and Digital Analyst at TiVo, according to their reports, by May 2015 it gives rise to an unavoidable corollary that is punishing competition where:**

* **1.5 million apps in Google Play**
* **1.4 million apps in Apple App Store**

**Lost their count on the mobile devices due to which users started installing new or another apps. This is what App Graveyard means. This takes place because of the following statistics:**

* **27 apps used on average by each user monthly**
* **Half of the apps lose their peak users within 3 months**
* **25 % of installed apps used only once.**

1. **How do Retention Rate and Engagement Rate help you see if your app is in the “App Graveyard”? *2 marks***

***Retention Rate is the number of people using an app after downloading it within a specific period of time. So, Retention Rate = (Original customers at the beginning of a period- Customers Lost during that period)/ Original Customers. It is then a key metric of app success because it costs far less to retain existing users than acquiring new ones. For Example: If we have a total of 50,000 users at the beginning of the month and 20,000 uninstalled the retention rate would be (50K-20K)/50K=60%.***

***Engagement Rate (DAU/MAU) is the Daily Average User to Monthly Average User ratio. For most games and apps, DAU/MAU of 15% is considered to be the app to be “top-of-mind” and most of the apps struggles to get this number.***

***So, because of the above defined two basic custom segments,* Retention Rate and Engagement Rate helps you to see if your app is in the “App Graveyard” or its still in-trend.**

1. **Describe 3 mobile app design changes that occurred because of Google Analytics *2 marks***
2. **What role can Google Analytics play in the “learning loop”?  *1 mark***

***Part 1 Total: 6 marks***

Part 2: A/B Testing

1. **For many webpages, advertisement is a key source of monetization. One popular philosophy is: More Ads = More Revenue. Do you believe this is true? Why or why not.** *1 mark*
2. **Explain how you would create an A/B test to evaluate your hypothesis.***2 marks*
3. **Another common problem is “banner blindness”, the idea that people tend to ignore graphical ad banners. How would you create an A/B test to evaluate this?**

***Part 2 Total: 4 marks***