

Mobile Engagement & Retention - From Acquisition to Advocacy

A practitioner's guide for growth marketers



Who should read this?

This white paper is intended for marketers and product marketers from businesses of all sizes that actively use mobile apps.

What will you learn?

Retaining mobile users is difficult. In our current highly competitive market, 97% of apps are abandoned within 30 days of install. In parallel, the cost of user acquisition has skyrocketed in the past year. According to Fiksu's Cost Per Loyal User Index, the cost of gaining a user who opens an app three times has increased by a sharp 113% in the last 12 months, bringing the cost per new user to \$3.09. ^[1]

Given the lifetime value of most users, it is hard to justify such high acquisition costs. With competition on a steady rise as more apps enter the market, churn becomes a critical issue to tackle. Savvy marketers are shifting their strategies to excel at retention and decrease churn with smart engagement tactics, which cost a fraction of typical acquisition campaigns.

The key to user retention rests in understanding user behavior. Having access to such information will allow you to provide those users with relevant, personalized experiences. The net effect: a loyal customer base that keeps coming back.

In the following sections, we will walk you through best practices to engage your users across various lifecycle stages. We will then illustrate how to move them along the conversion funnel to turn them into a loyal customer base.

The Key Takeaway

You will learn how to set up effective campaigns that can run across the entire lifecycle of a user. Such campaigns will help you retain acquired users, drive app engagement and win back lost users.

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1. A Quick Mobile Retention Primer

In today's highly competitive market, the responsibility of a mobile marketer needs to extend beyond acquiring new users. Their focus should also be on retention. Engaging users in their *mobile moments* ^[2] based on actions they perform inside your app throughout their lifecycle journey is key to achieving retention. After gathering data from thousands of marketers, we've discerned core strategies on how to retain users depending on the kind of app environment you offer as well as your ideal retention rate.

Mobile Retention Varies Depending On Your App Category

Retention and loyalty are highly dependent on the category of your app and your business vertical. For example, a social app such as Facebook Messenger will likely see a higher retention compared to an Amazon ecommerce application.

“Consumers will continue to spend most of their time in only a few apps (e.g. Facebook, Google Maps, WeChat), but will increasingly turn to aggregation apps and a handful of platforms to get the content and services they need.”

Julie Ask, Forrester Research

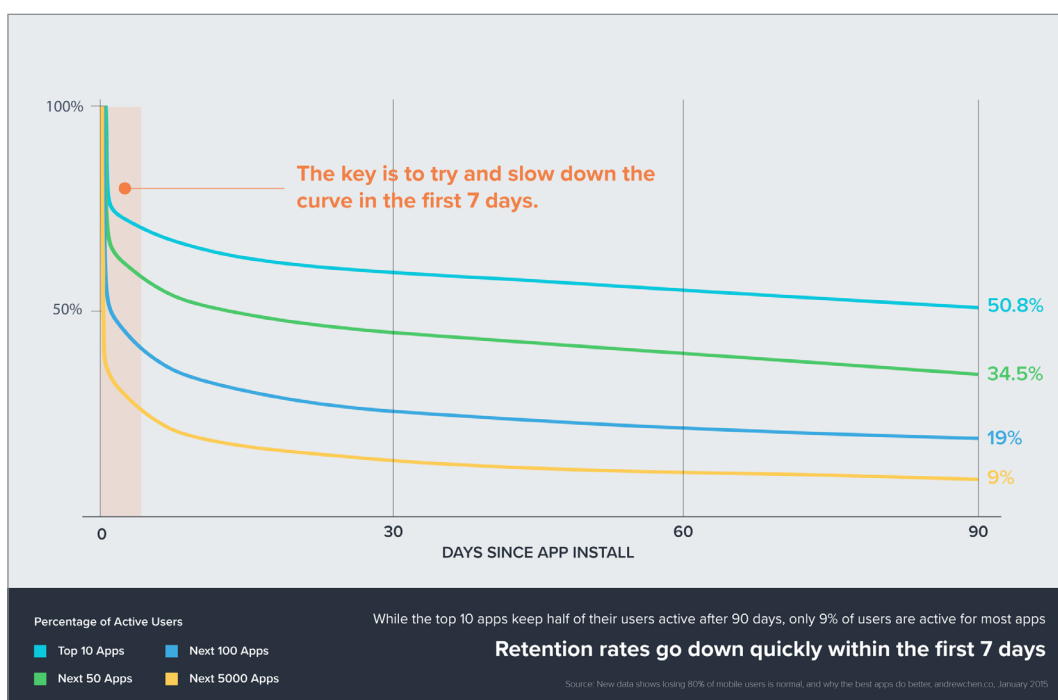


The apps with the highest retention rate belong to the publication category. This is usually due to the fact that content related to information changes frequently. Additionally people have established preferences in the kind of content they tend to consume and return to in order to check on their feeds.

Close behind are social and gaming apps which by design call for frequent information and data exchange with peers. Education, business, commerce, health, lifestyle and utility apps appear to be less sticky with lower retention rates. Apps with lowest retention belong to travel, entertainment and food-themed categories. The sort of content provided by these apps lacks the urgency of news and tends to be consumed more sporadically with an 'at leisure' attitude.

While it's difficult to accurately discern what the long term user loyalty will be after 30 or 60 days post download, research points that the most significant metric to long term retention is what happens in the first seven days. The categories and subsequent rates should dictate the type of engagement strategy that will be designed for a given app.

Figure 1 - Retention Rate Goes Down Quickly Within the First 7 Days



Smart engagement platforms will help you identify your retention % by looking at a 90-day trend Daily and Monthly Active Users (DAU/MAU) rate. This ratio will help you determine the ‘stickiness’ of your mobile app among your active users. For example, we see a strong trend with iOS users being 1.5 to 2 times stickier compared to Android users across major app categories.

New User Retention Plummets for All Apps

Even though retention rates vary depending on category, it plummets for all apps. Pulling users back to your app is challenging. It’s trivial for a user you paid to acquire to switch to a competitor’s app. Since most apps are competing for the time users spent on their mobile phones, it is difficult to maintain high retention numbers for a single app over a long term. ^[3]

Analyzing trends and patterns of users in their early days leading to timely engagement will set the course for your success in the long run. Platforms such as CleverTap display retention patterns for your app out of the box. The platform not only measures retention, but also engagement and conversion. The metrics you get are for all users returning to your app. Depending on your preferences, the dashboard will paint a picture of what day 1, 3,

Day	Week		
		Retention	Conversion
Day 1		26.3%	7.7%
Day 3		17.7%	4.4%
Day 7		15.1%	4%

Or week 1, 2, 3 for the same metrics over a period of 3 weeks.

Day	Week		
		Retention	Conversion
	Week 1	15.1%	4%
	Week 2	15%	3.8%
	Week 3	11.9%	4%

7 looks like in terms of user retention and conversions.

While measuring retention this way yields an important metric, most apps are so diverse that in order to get a more accurate insight into retention, analysis should also include app function and frequency of use.

“Users try out a lot of apps but decide which ones they want to stop using’within the first 3-7 days. For ‘decent’ apps, the majority of users retained for 7 days stick around much longer. The key to success is to get the users hooked during that critical first 3-7 day period.”

Ankit Jain, CEO & Founder of Quettra Mobile Intelligence

Source: New data shows losing 80% of mobile users is normal, and why the best apps do better - AndrewChen.co



Understanding the User Retention Lifecycle Stages

Mobile engagement starts at the moment a user downloads your app. A mobile marketer's job is to manage the user journey from acquisition, through the post-download stages of keeping users engaged. Your retention rate will reveal how valuable your app is to your users. To get accurate insights, you have to keep track of:

Onboarding. Which acquisition channels are driving your downloads? How are these users moving along in their customer journey? And what factors are helping or hurting?

Nurture. What is the frequency with which users return to your app after their first visit over a specific amount of time? What makes those users return to your app? And what makes them move from simply using your app regularly to promoting it to new potential users, hence increasing your reach?

Attrition. What makes your users leave? And how can you delay it as long as possible?

To do so, marketers must deepen their understanding of user data and engagement tactics that they can employ to increase retention. In the following sections, we will outline specific strategies with examples for engagement and retention, delving deeper into how to measure your success, and serving up tactics to navigate your users through the stages of **Onboarding**, **Nurturing**, or in specific cases, **Attrition**.

Primary Tools of the Trade

Before we dive deep into these stages, here are some key analytics tools you should become comfortable with:

Funnels

Funnels are built to analyze drop-offs within an expected sequence of user actions designed to lead to a specific end goal within a period of time. Their unique ability to chronologically analyze user actions makes it invaluable in breaking down a user's customer journey into small pieces of intent-fueled paths.

To view a funnel in order to understand drop-offs, you simply need to pick a series of events that you expect to be performed by users in chronological order (or a sequence). An example of a 5-step funnel sequence for an ecommerce app purchase flow could be i) launch the app, ii) search for product, iii) view a product, iv) add product to cart and v) purchase the product.

Figure 2: Building a Funnel with CleverTap

Funnel Steps

Step 1:

App Launched
▼
✕

Filter by event properties

Step 2:

Charged
▼
✕

where

Event property

▼

Amount

▼

> greater than

▼

✕

+ Filter by event properties

+ Add Step

Funnel conversion time

5 days

▼

Retention Cohorts

Retention cohorts help you identify and group your users who have performed a specific action and then come back to perform the same or any other action within a given time period. A classic example is looking at users who launched your app for the very first time and then come back to launch your app again. This shows you how often (days, weeks or months) most of your first time app users come back. Another example is to plot a cohort of users who launched your app for the first time and have gone on to register with their email address within the app. This shows you what percentage of your user base goes on to register and within how much time (days, weeks or months). CleverTap gives you powerful and intuitive tools to use retention cohort reporting as shown on Figure 3.

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Figure 3: Retention Cohorts with CleverTap

	Total Number of People	And then come back 0 Day Later	And then come back 1 Day Later	And then come back 2 Days Later	And then come back 3 Days Later	And then come back 4 Days Later
People who arrive on Day 1	104	100%	66%	71%	67%	21%
Then come back on Day 2	90	100%	21%	22%	5%	
Then come back on Day 3	65	100%	7%	4%		
Then come back on Day 4	32	100%	1%			
Then come back on Day 5	10	100%				

How to read this graph:

104 Total number of people who arrived in the selected time-period

90 Out of the 104 people who arrived on Day 1, 90 came back on Day 2

66% 66% of the people who arrived on Day 1 came back 2 days later

7% 7% of the people who came back on Day 3 came back 2 days later

User Segmentation

Isolating users who follow similar demographic and behavior patterns and tracking those segments over time is key to your retention strategy. You will be able to build desirable segments, such as users who've listened to more than 10 songs in the past 7 days, as well as under-performing segments, such as users who've added a product to their shopping cart but have not purchased it. Progressive marketers will trend these segments over time, understand their growth or lack thereof and use various engagement strategies specifically meant to target users within a very granular segment to influence their behavior.

Integrated Messaging Tools to reach Users

The best way to try and influence user behavior is messaging them. Messages that are successful tend to be very timely and relevant to a specific user and on the channel that is best suited for the message. Mobile apps today engage users using push notifications, in-app messages, SMS and email depending on the message to be delivered and the user preferences. The key is the ability to reach out to the exact user segment you intend to reach out to and at the exact moment you want to. A solution like CleverTap that combines your user analytics, segmentation and messaging gives you complete control over messaging.

The Golden Window

The time when your users are most primed to carry out a specific action is what we call the Golden Window. It is a specific moment in time relative to some prior action like launching the app for the first time, or registering with your app. For example, the golden window for someone who adds a product to her shopping cart and goes on to purchase that product could be 3 minutes. The golden window for someone who launches your app for the first time and goes on to register with your app could be 2 days. These windows depend on the steps involved and on the category of your business.

Once you know your golden window you can setup the timing of your engagement messages by applying that knowledge to non-converting users. For instance, if you know that 75% of your users register within fifteen minutes of downloading the app, then a timely notification sent exactly at that 15th minute to non-converting users will likely improve your registration rates. If your users usually share a product with their friends before they buy it, then you can encourage them to first share the product with a well-timed notification.

Building your User Retention Tactics

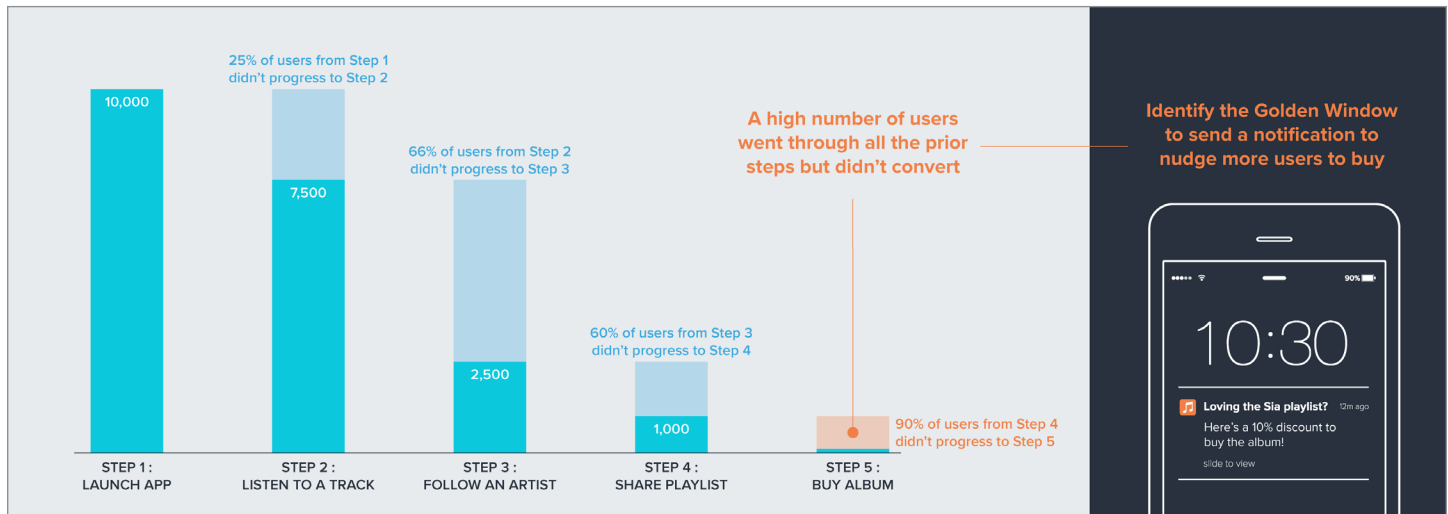
You should start working on improving your retention rates right from the moment a new user downloads your app. To accomplish that, you will need access to funnel and cohort reports as well as a definition of your user segments based on early user behavior. Understanding the ways in which your users join your app, their initial steps through the onboarding process and their behavior once they're in, will help you determine how best to retain them.

Once you have an inside view of key behaviors at different stages of the customer journey, you are ready to separate the users who did not convert for a specific step from the ones who did. Those users who did not convert should be the segment you'll be focusing on.

Funnel reports will tell you the time interval - golden window - that it takes for your users to proceed to a subsequent step within their customer journey. User segments that you create allow you to monitor the number of people who still are in the "did not convert."

Finding your golden window for critical user actions is an investment of time that will pay off a lot towards the growth of your apps. Later in this paper, we'll look at examples of notifications that tend to boost retention rates.

Figure 4: Identify Your Golden Window



2. The Onboarding Lifecycle Stage

Early engagement is critical at this stage

Users are more receptive to communication soon after a download. Use this time wisely to give them a pleasant experience, educate them with product tutorials and get them excited about your app. If you're able to make the app usage a habit, then you have successfully implemented an onboarding strategy. Your day 1, day 3 and day 7 retention strategy will determine how your new users perform in your app.

Tips and tricks for successful onboarding engagement

Warm welcome

Display a welcome in-app message to your new users when they open the app for the first time. Reinforce the message with an email for registered users within 24 hours. A good first impression goes a long way.

Gentle reminders for re-engagement

If new users dropped off and have not logged back within a specified period of time since the first use, remind them of fun ways to utilize the app. This clever tactic reminds new users to open the app during those critical first few days and gives you a better shot at retaining these users for the long term.

PANEL: Use funnels to track conversions by acquisition channels

Set your funnels to track conversions depending on acquisition source. An example includes tracking users who came via direct sales channel, paid search or social media.

Funnels by Source: Jan 1 to Apr 30			
	Social Media ▼	Paid Search ▼	Email Marketing ▼
Step 1: Create a Profile	212,677 people 100%	120,191 people 100%	37,125 people 100%
↓	80% moved from Step 1 to 2 within 9 minutes	80% moved from Step 1 to 2 within 14 minutes	80% moved from Step 1 to 2 within 17 minutes
Step 2: Buy a Product	57,932 people 19.7%	57,932 people 14.2%	17,708 people 10.7%

Analysis

The funnel here shows that social media performed pretty well, even better than direct email marketing which usually has a great conversion rate. The fact that social media performed so well means that the content and strategy that was adopted for this specific channel should be extended to other channels. When repurposing content, you should take into account devices used and type of content. For example, if your analysis shows that images work better on your social media campaigns, but that text works better on paid search, then the image from social media should be repurposed and converted into text on paid search.

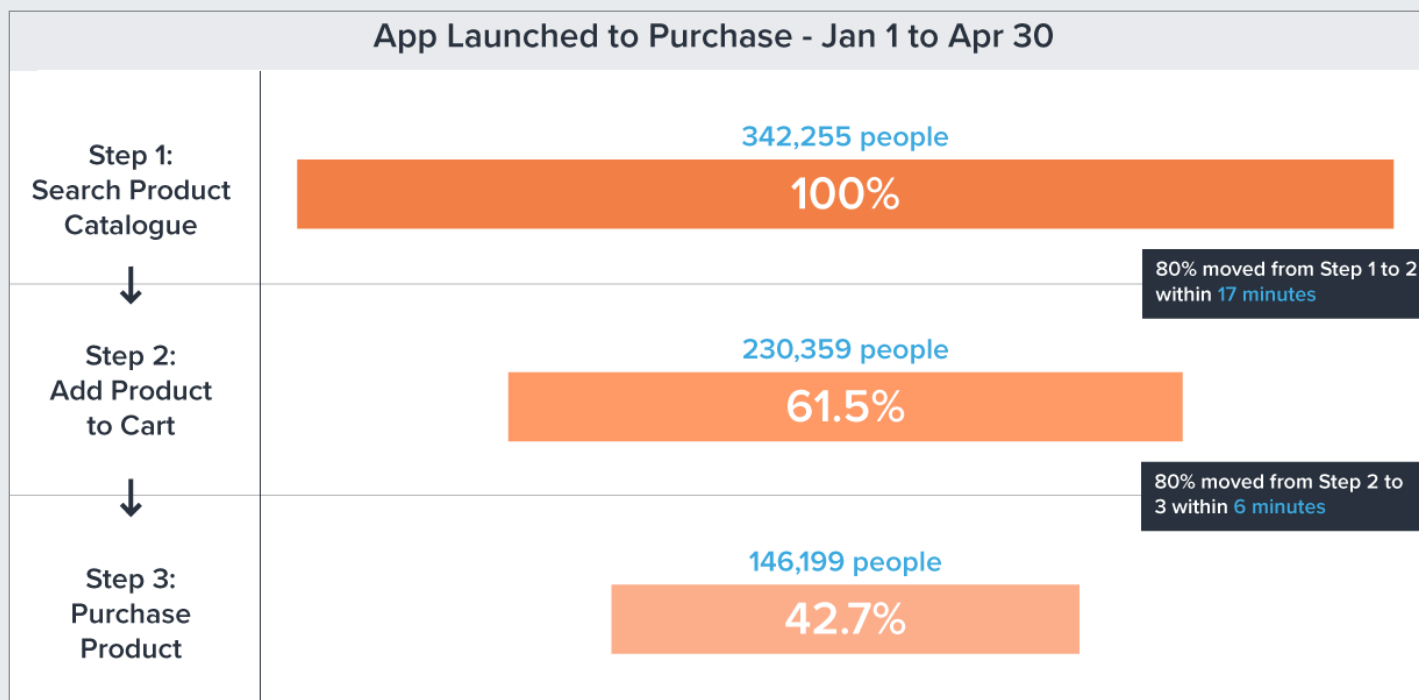
Recommended campaign

The content utilized for social media should be repurposed through triggered or scheduled push notifications to the 51.8% who did not convert on other channels. You could then follow up with an email campaign. As seen above, direct emails usually perform well compared to other channels which are more passive. In this case, the direct campaign may benefit from the social media campaign.

PANEL: Funnels in the case of an eCommerce App

Using a sales funnel approach, we will next explore an e-commerce example. To do so, we must break down the user's journey into a set of events. These events consist of steps users take, which lead them to a final destination, such as purchasing an item. With the use of CleverTap's funnels, you can analyze how and at which step users either drop out or are successfully retained.

Funnel analysis is the best way to find out where you lose users. As an app owner, it should be paramount to your success to ensure that your app users don't struggle while navigating through the steps of your app in order to convert. The fewer bottlenecks on their path, the smoother it will be to turn a user into a paying customer. The key is to know where those bottlenecks tend to occur and minimize or completely eliminate them while guiding a user forward with a timely and contextual notification.



Analysis

In this example, a majority of people went from searching a product catalog to adding a product to their cart. However, less than half of those who added a product to their cart ended up purchasing the product. You can increase these conversion rates by creating push campaigns that are connected to your funnels. By connecting notifications to your funnels, you can engage with users at the moment they are, or should be, moving from one step of the funnel to the next one. The key point here is maximizing conversion by connecting funnels to your push notification campaigns to engage users with the right message at the right time.

Fortifying a standard funnel by adding intelligent markers, such as the time it takes for a percentage of users to move from step 1 to step 'n,' helps you track the performance of a specific area of the app journey. This, in essence is what CleverTap defines as a golden window that helps you set your optimal delay for your campaigns. This can be done easily in CleverTap by dragging the pointer to set the bookends for a cross section you wish to analyze.

Recommended Campaign

In this particular case, a recommended campaign would be to first identify the users who searched the product catalog but didn't add items to their cart, and send them a notification with a first time offer. At the 18th minute, you could also let them know that the stocks are getting low and that they should buy as soon as possible.

For users who added products to their cart but didn't buy anything, a recommended campaign would be to send them a reminder to buy with a discount at the 7th minute. A notification indicating that the stocks are running low would also work here.

“Notifications are the single-most effective way to get users to return and transact on the app.”

Durga Raghunath, CEO of Juggernaut

Source: Juggernaut snapshot, June 2016

3. The Nurture Lifecycle Stage

The success of your engagement strategy is correlated with the understanding you have of your user base. Driving retention rests on your knowledge of what specific activities a user does or does not perform in your app, so you can engage them in exactly the right way. This kind of knowledge will allow you to identify and segment those users, such as those who were active in the past but not recently. This is powerful because such a segment comprises your most valuable users who are now slipping away.

A common use case includes a segment of **Frequent Buyers You Haven't Seen Lately**. This segment could be set to include people who bought 4 or 5 times in the past two months but haven't made any purchases in the last week. Identifying such audiences is crucial for driving retention. They are prime candidates for an engagement campaign with a special offer that might entice them back, or simply remind them of the latest features, articles or app updates, putting your app back on their radar. The secret is to identify scenarios that work for a specific target of customers, and apply them to potential customers that have similar traits and behaviors.

Using Notifications

Different types of notifications based on timing

Scheduled Notifications

Scheduled notifications are delivered based on calendar time. They can be immediate or deferred. Immediate notifications reach a select group of users “immediately” after the marketer pushes ‘send.’ Deferred notifications are set to be sent at a pre-designed date and time.



Examples include:

- Sending a notification to all users to inform them about a technical problem with the app and that the development team is working to resolve it;
- Notifying users of a short term sale or a contest ‘happening now!’
- Nudging app users to vote on their favorite reality show contestant.
- Schedule a notification to inform users of a Black Friday sale;
- Schedule a notification every day 9am with a “good morning” message;
- Schedule a notification to let users know of a new version of the app now available for download.

Even with scheduled notifications, segmentation is key. The segment to which you’ll send a scheduled notification will have an impact on its content. For instance, if you’re sending scheduled notifications to re-engage dormant customers, you may want to offer a higher discount to users who haven’t bought anything in 3 months compared to users who bought something recently.

Scheduled notifications should not be the only type of notification used to spur a user action. A combination of scheduled and triggered (below) notifications is the most effective strategy.

Triggered Notifications

As seen from examples above, up until recently marketers had to primarily rely on campaigns based on historical data. Most mobile marketing automation tools depended on past behavior analysis, and generated messages based on those activities. Such tools are limited, as they only allow for designing engagement strategies based on what’s already in the past and likely less relevant. Also, such notifications are not personalized and run the risk of interrupting or even annoying users. Since mobile moments are brief, such data might be outdated by the time it is utilized.

CleverTap introduced the concept of 'user time' to allow for sending contextual messages related to the user's current activity, not merely past behavior. The goal is to reach the user while they are in their mobile moment. Triggered notifications are sent when certain specified conditions are met.

Examples include:

- Single action: A user receives a notification the moment their friend tags them in a social media post or a photograph;
- Combination of actions : A user reads five articles in a content app and after they finish reading the fifth one, they enter a segment that triggers a notification inviting them to subscribe;
- Combination of actions and inactions: This is the classic abandoned cart scenario: the user adds items to cart but does not go through with the purchase. Based on the buying patterns, the user will receive a notification either as a reminder, or an update on stock running low or maybe incentivized with a coupon.

Think about an app you have used to purchase a ticket for a music festival happening the following weekend. You're likely not opposed to receiving a notification one day before the event with details of the lineup and other recommendations. This message will be most timely and beneficial since it will be sent in user time, and not based on some arbitrary time period.

This also works for actions that are not directly related. For example, after a user books a flight, they get a notification with an offer to book a hotel. The two actions are not related, but the flight purchased put the user in a segment which triggered the hotel notification.

CleverTap helps you send messages based on date properties. You can trigger a notification 3 days before the travel date, and/or based on geography as well as the activity the user has signed up for, in this case music. You can send notifications to remind them about getting restaurant bookings, weather alerts etc for the traveller's destination based on the event - Booked Ticket.

CleverTap's platform is designed to support your app's user time needs. Here are some examples of campaigns you can create with CleverTap:

- Sending an in-app notification five minutes after a user performed one activity, but did not perform another, such as added an item to cart, but didn't check out.
- Sending a push notification immediately after a user performs an activity, such as suggesting they enroll in an airline loyalty program after purchasing a plane ticket.

- Sending push notifications at specific dates prior to an event date, such as a wedding. For example, inviting the user to choose a venue 12 months before the wedding date, and then a dress 9 months before the wedding date.

Tips and tricks for successful nurturing engagement:

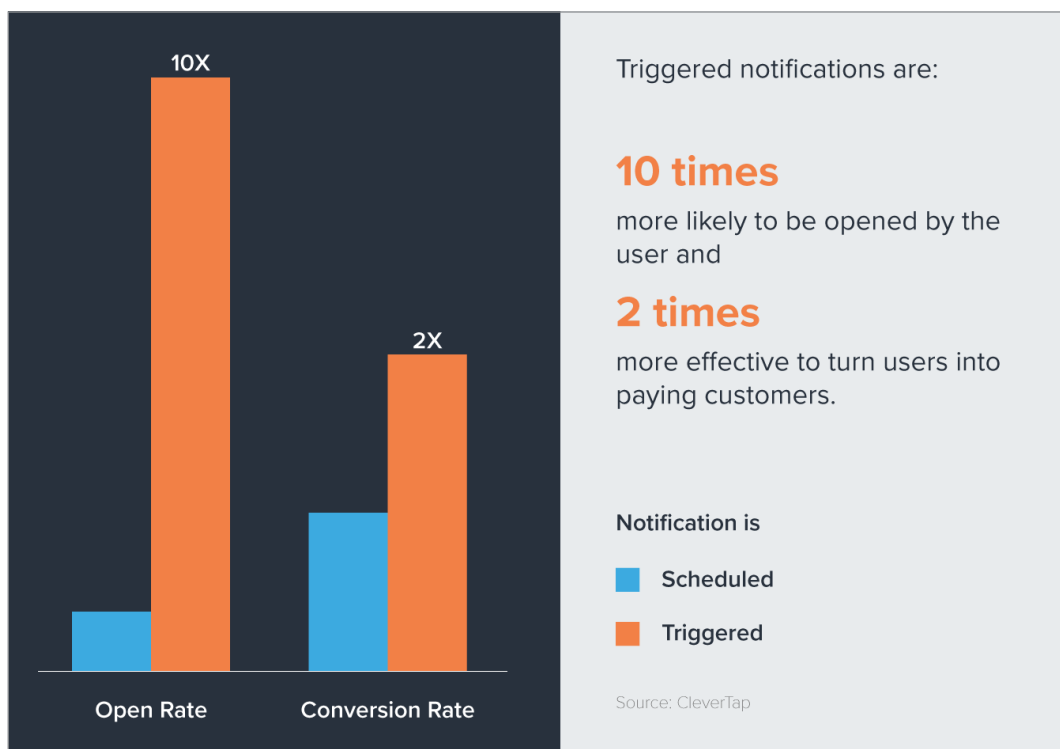
Upgrade reminders

Nudge users to upgrade to the latest version of your app. Your user should not suffer because they do not have the upgraded version of your app. You should set up automatic triggers to go out every time you release a new version of your app.

When regulars turn dormant

Send a push notification to users when they've not opened the app for longer than twice their previous frequency. Use your analytics platform to understand patterns leading up to churn and prevent uninstalls by reaching out at the right time.

Figure 5: Triggered vs Scheduled Notifications



Different types of notifications based on channel

Most users have a tendency to uninstall an app they downloaded even before they reach the second mobile moment stage in the onboarding process, sometimes even before they actually get to know your product.. This typically occurs due to poor UI/UX, some technical bugs, or unmatched expectations. In the first few days post-download, it's critical to understand and derive insights from user behavior. Take notice of the products they view on your app and for what purpose they're using your app. Within the first 3-5 days, send friendly, personalized and highly targeted messages based on the user's actions. Set up an action campaign for users who viewed a product or a category of products one time or a number of times, but didn't show an intent to take the next step, be it a purchase or create a profile.

Push Notifications

Push notifications are effective to bring users back into the app. Therefore, extending your app environment to include push notification capabilities should be a key ingredient in the design process. The best notifications are those that are highly personalized and contextual. They are delivered to the right customer segment, at the right time, with the right message.

Most engagement strategies are designed based on historical usage. Examples include:

- Sending users who abandoned their carts within the last week a push notification with a coupon code for the item they selected to trigger a purchase;
- Sending non-returning users who viewed a video but haven't returned in two weeks a push notification message nudging them to watch something they've expressed affinity for in the past.

But in the mobile age, messages based on shopping cart abandonments from a week ago may have less relevance than those sent within 15-20 minutes of cart abandonment. When you can trigger campaigns in real time based on such in-app behaviors, the messages have more relevance to the user and hence conversions are guaranteed to be faster and higher. Using your app funnels, you can determine your Golden Window to trigger these live campaigns exactly at the right time.

In-App Notifications

In-app notifications are useful at a number of mobile moment stages, including the earliest opportunity for engagement which could be post-install but before the user has actually started exploring the product. In reference to Bucket #1 in the E-Commerce Lifecycle Example, in-app messaging is a preferred channel of engagement with a notification sent to educate the user about the app and its value.

Email notifications

Email notifications are another way to bring people back to the app. Emails enable long form copy especially for content apps, where you can add snippets of articles which cannot be supported by push notifications. These are also perfect to reach users who uninstalled your app.

SMS notifications

Because some users opt out of push notifications, sometimes the most effective way to engage them is via SMS. Like push notifications, the content of your SMS should be highly personalized and contextual. You can personalize these messages by dynamically including fields from the user's profile or by reflecting their activity in the message body. You can make SMS even more compelling by triggering their delivery based on a user's activity, like you would with a push notification. And of course, don't forget to add links to a particular page or to a download page where users can get your mobile app. You can also add a deep link to a specific product page if the notification is about a specific product viewed or added to cart, etc.

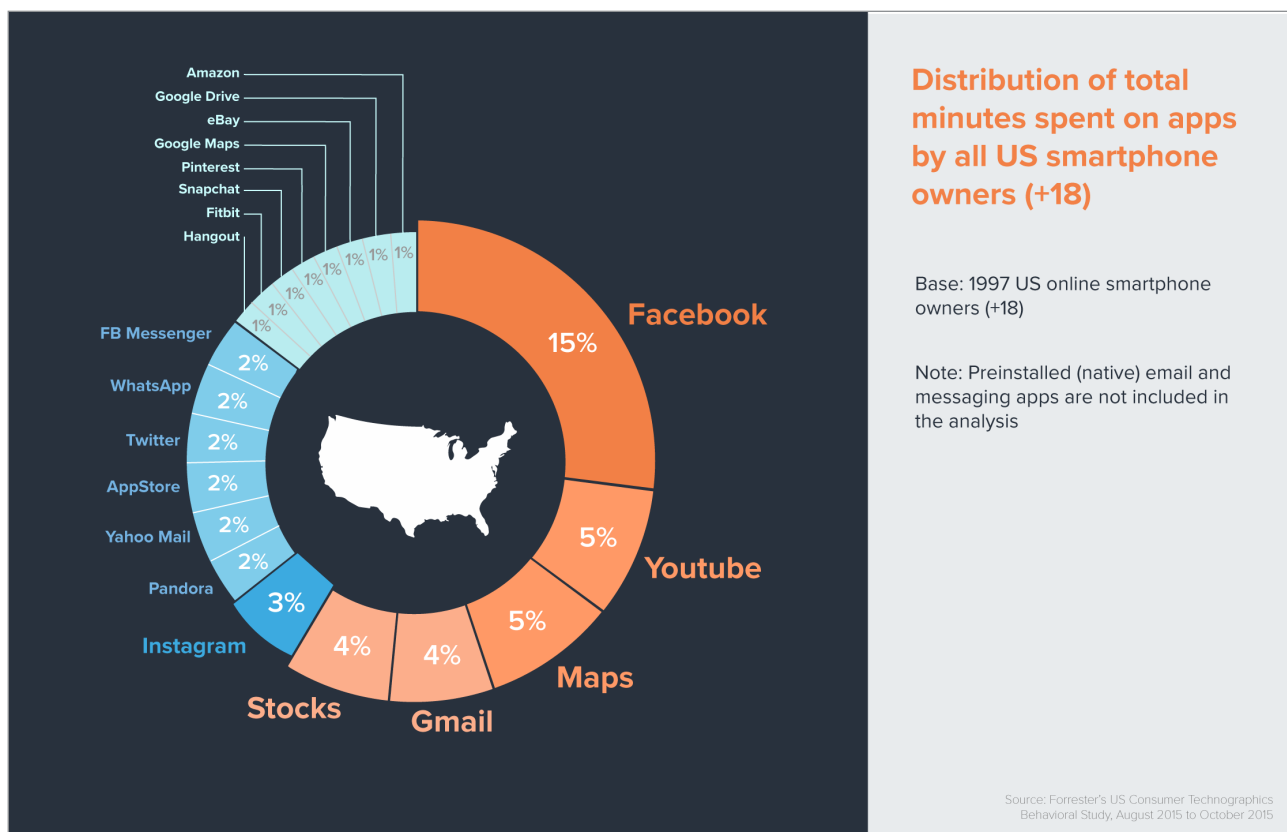
Remarketing Campaigns

While notifications are delivered directly to the user, you can also run remarketing campaigns outside of the app via Facebook.

Discoverability of an app amongst 25 others has become very difficult. Also, an increasing number of users are denying app owners permissions to send them push notifications. While a typical user interacts with about 25 apps a year, 90% of their time is spent with only 5 of them. Forrester Research found that a sizable chunk of total time spent on apps are social media apps. Therefore, it's not surprising that Facebook is one of the most popular channels used. Smart marketers are harnessing the popularity of channels like Facebook to drive their app re-engagement.

Re-targeting users on Facebook based on their in-app behavior enforces high brand recall. Facebook notifications, therefore, can be used to remind a user of your app. The next time the user visits Facebook, they

Figure 6: Total Minutes Spent on App by US Smart Phone Owners



will see where they had dropped off in their journey with your app. This recall could very well be enough to motivate them to return to the app and finish what they had started. Not only will you get your customer back, you will also optimize your campaign costs because you already know what segment to target with personalized messaging relating to a specific content and action.

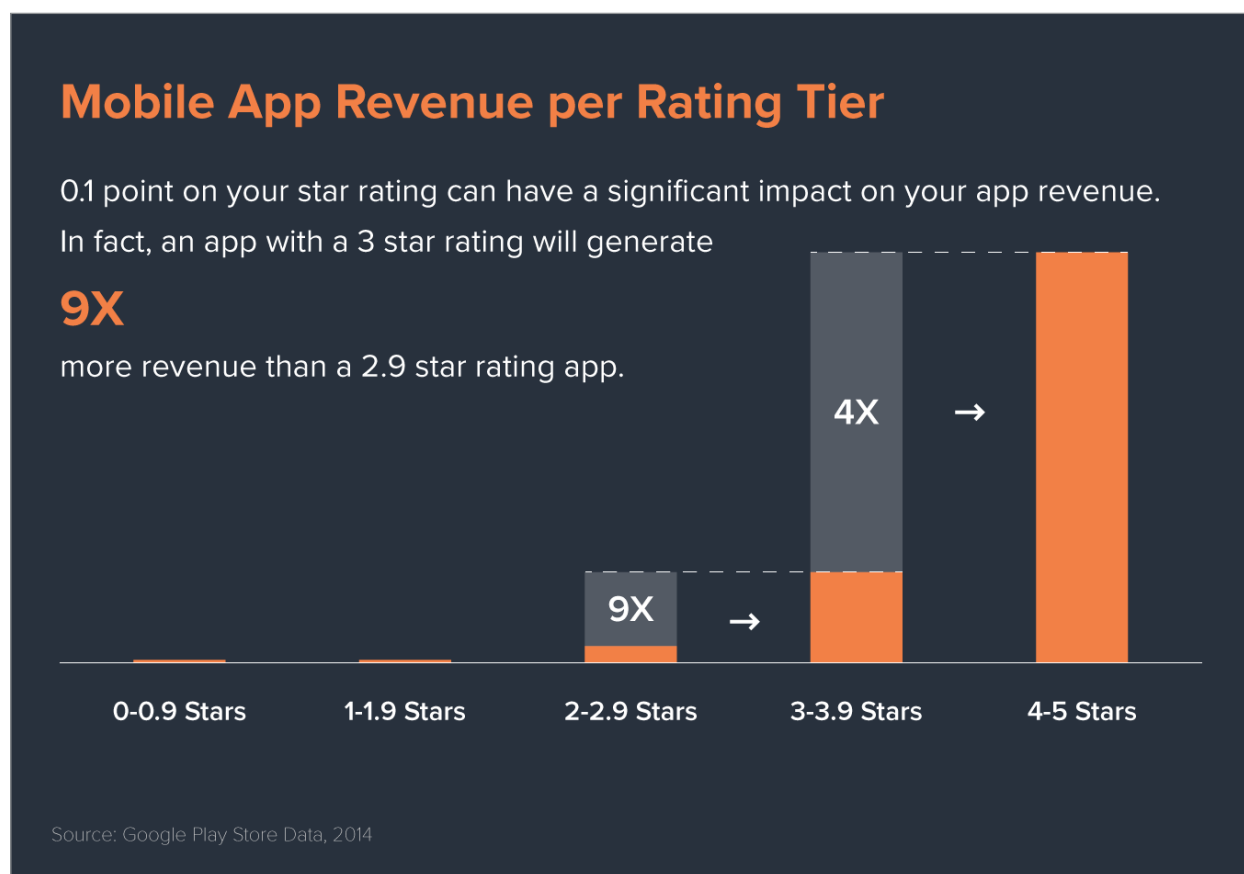
The Advocacy Lifecycle Stage

Advocacy is the final stage of your nurture lifecycle. When you engage with your users in meaningful ways, then advocacy will happen organically. Learn and replicate best practices to drive advocacy. You can prompt users to refer to a friend right after they have a positive experience with your app.

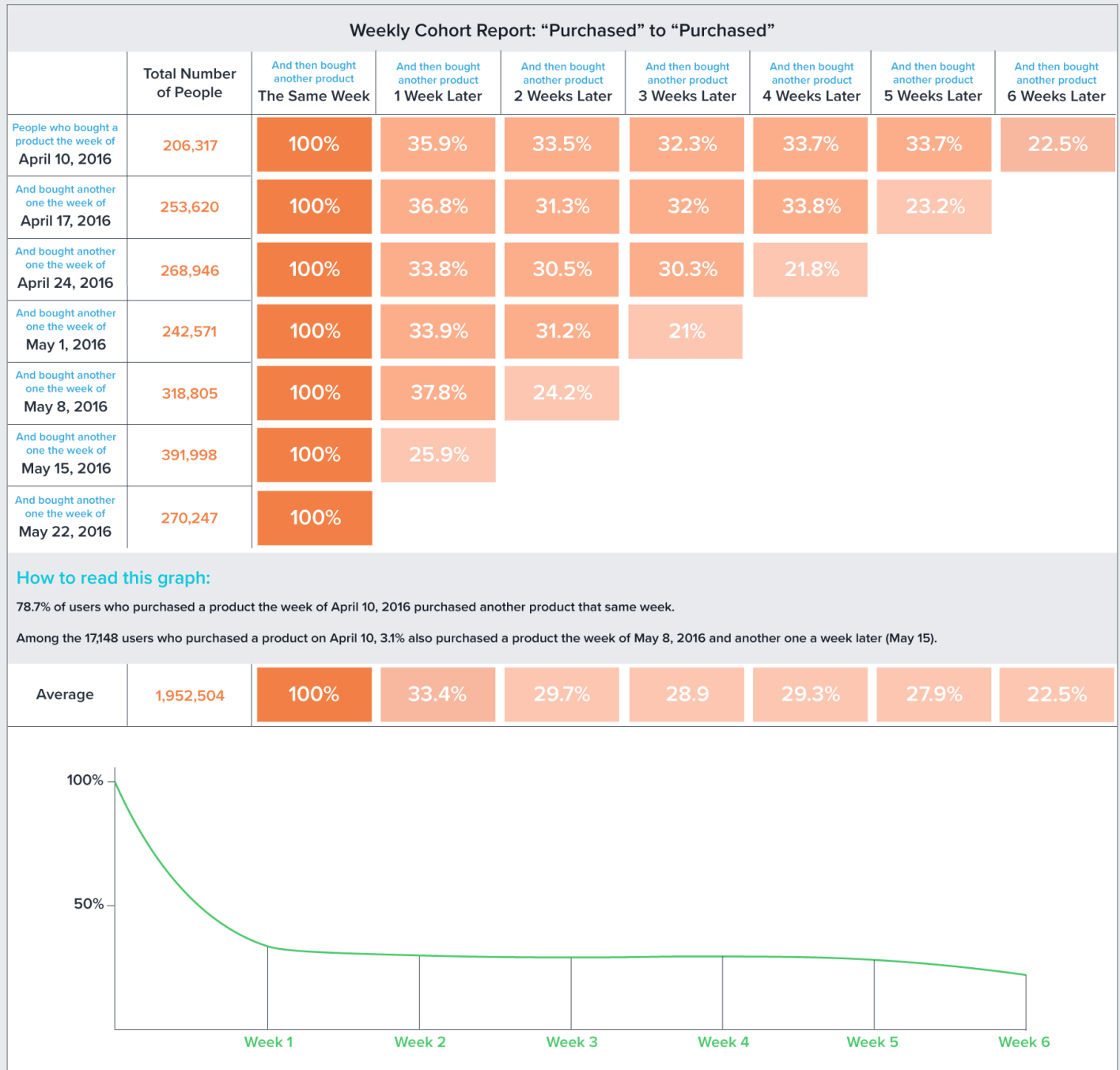
It may behoove you to keep track of your advocates by setting up a 'Potential Advocates' segment. This segment would suit a type of power user who has seen 25 of your videos within two weeks time but has not invited any of their friends to try the experience. The moment they finish watching the 25th video, the system would trigger an in-app message requesting them to rate the app and invite friends for a trial. Another example would be to invite your users to rate your application via an in-app pop-up the 5th time they open your application.

The average quality score of an app is one of the key factors people use to decide if they'll install your app. If your app's score is above 3.0, it will make 9 times more downloads than if it falls below that score.^[4]

Figure 7: Mobile App Revenue per Rating Tier



PANEL: Retention Analysis for an eCommerce App



E-commerce: Product Purchased to Product Purchased - How often do paying customers come back to buy more products?

Analysis

For a typical e-commerce app, the retention problem may be steep, although the frequency and context of use are important to consider as well. Compared to a content delivery app, for example, it can be more difficult to keep up the retention in an e-commerce app. The rate at which repeat purchases happen can vary based on the type of business. For instance, an e-Commerce app that sells mattresses will have a much lower repeat rate for purchases than an app selling fashion apparel. By analyzing retention cohorts, you will be able to identify patterns and understand how your sales are affected. It will also help you identify product categories that are performing well so you can expand your campaigns to showcase these products more often and through more channels.

Recommended Campaign

The campaign must ensure that the right products are delivered in the right context to the right individual user while engrossed in their mobile moment. Doing so is critical to retaining the user's interest in your app and making them take specific actions, such as purchasing an item that they have placed in the cart fifteen minutes ago.

The campaign could be triggered by action (items placed in cart) followed by inactivity (not buying) to send the user a push notification with a last-minute discount on the cart items.

4. The Attrition Lifecycle Stage

While it's inevitable that a few apps perform better than most, losing users due to inactivity is normal and to be expected for all apps. The key is to do everything you can to maximize retention and delay attrition as long as possible. When a user first engages after an app download, you have the most leeway in preventing a steep dropoff. The experience, level of participation and depth of engagement you bestow upon your new user will determine where your user activity baseline will settle, i.e. the percentage of active users remaining after some time passes.

First week

Encouraging your users to get active in your app from the get-go has been proven to significantly minimize attrition. For a content delivery app, this may mean asking your users to set preferences for their favorite topics immediately after they open their app for the first time. Social apps could ask users to import their contacts to render and supply immediate feed experience and foster investment.

Win back non-returning users

After some days of inactivity, it pays to reach out to your users by sending them a push notification encouraging their return. For example, content apps could notify of exciting new content added catering to user preferences, game apps could notify users about their friends who have newly joined the platform and an ecommerce app could coax with collected rewards to encourage shopping.

The number of days to wait before you send a notification will vary, depending on your app category and market vertical. For instance, a social engagement app will have users returning multiple times per day, while a banking app will only have them login perhaps once a week.

You should use your analytics to figure out your golden window for conversions before setting up delays and constantly monitor and make tweaks until you identify your optimum delay.

An example of high user attrition is when an in-depth analysis reveals that a newly launched app lost 90% of its January installs via Facebook by March. When this occurs, two strategies come to mind to remedy the situation:

Strategy 1: For users who were acquired from Facebook and did not launch the app within 30 days post download, create a segment called 'High Value Users Likely to Churn.' You may send a personalized push notification to each user in this segment, as soon as they qualify, to encourage re-engagement.

Strategy 2: For users acquired from Facebook who uninstalled the app within 60 days post download, create a segment called 'High Value Churned User.' Send a product update email or feedback request email to each user the moment they qualify for this segment.

Tips and tricks for successful re-engagement

Track and tackle app uninstalls

If you are seeing too many uninstalls, reach out to your users to find out why they are dropping off and ask them how you could offer a better service. Sometimes a well meaning email is all it takes to change their mind and win them back.

PANEL: App Uninstalls

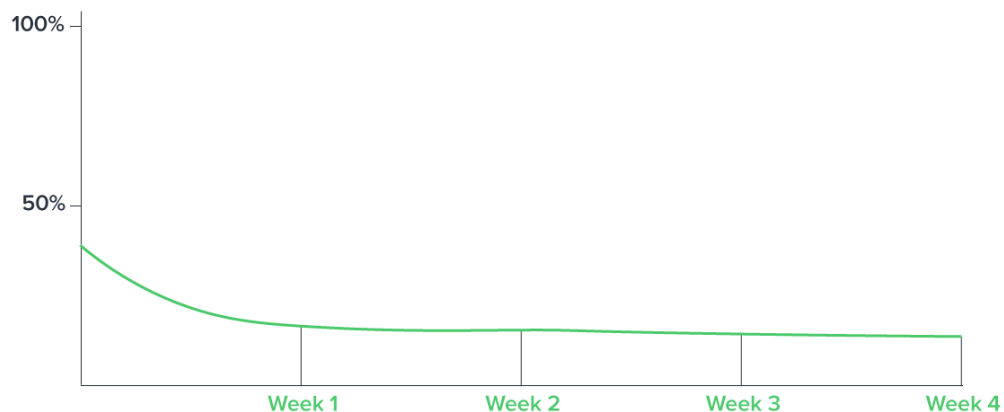
Weekly Cohort Report: "Charged" to "App Uninstalled"							
	Total Number of People	Uninstalled the app The Same Week	Uninstalled the app 1 Week Later	Uninstalled the app 2 Weeks Later	Uninstalled the app 3 Weeks Later	Uninstalled the app 4 Weeks Later	Uninstalled the app 5 Weeks Later
People who were charged the week of April 10, 2016	5,753	64.8%	61%	61.4%	55.5%	48.6%	9.4%
People who were charged the week of April 17, 2016	7,354	42.4%	18.8%	18.7%	18.9%	2.9%	
People who were charged the week of April 24, 2016	5,883	31.3%	1.3%	1.6%	0.1%		
People who were charged the week of May 1, 2016	5,912	29.9%	0.5%	0%			
People who were charged the week of May 8, 2016	6,148	31.5%	1.9%				
People who were charged the week of May 15, 2016	165	33.9%					

How to read this graph:

61.4% of users who were charged the week of April 10 uninstalled the app 2 weeks later

0.5% of users who were charged the week of April 10 and the week of May 1 uninstalled the app a week later.

Average	31,050	39.9%	16.7%	15.6%	14.5%	13.8%	-
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Charged to App Uninstalled - How many customers churn right after a purchase?

Analysis

Unfortunately, this is a common scenario for many apps today, irrespective of the vertical they are in. A cohort for users uninstalling an app soon after performing a conversion action, such as a purchase or consuming a piece of content, can offer valuable insights. The uninstalls often occur after app crashes. These are scenarios that sometimes are unavoidable, but some can be remedied with targeted campaigns.

Recommended campaign

You can send an email to a dissatisfied user to ask them what went wrong and request suggestions on how you can make the experience better. Later on, you can also entice the user to return by offering a free perk or a free subscription for a period of time. These real-time trigger messages could potentially improve the retention numbers and help regain lost users.

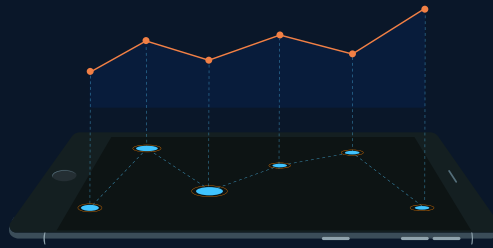
5. Conclusion

In this paper, we've endeavored to present you with a holistic way of thinking about mobile marketing and app engagement. We've listened to and learned strategies from some of the leading brands who have mastered the art of engagement. While mobile marketing is continually evolving, after analyzing hundreds of millions of app launches, tens of thousands of marketing campaigns and the behavior of millions of users, we feel confident to state that early engagement guarantees sustained growth and advocacy among your customer base.

Take control of where your users go next with CleverTap.

Behavioral Analytics, Smart Segments and Personalized Messaging

The Platform that gives you complete control



References

[1] FIKSU CPM Index - September 2016

[2] To learn more about Mobile Moments, we invite you to read another CleverTap white paper: "Get Up Close and Personal with Your Users".

[3] Forrester Analyst, Integrated Marketing Week 2015. Jaekel for Mobile Commerce Daily, 2015.

[4] Monincube Blog - How can CleverTap help you get better app reviews on GooglePlay, May 2016.

The CleverTap platform offers blazing fast app and web analytics, powerful segmentation and multiple ways to engage with your users via push notifications, in-app messages, emails, web notifications, SMS, or browser push. We help you understand your users, and effectively engage them with marketing campaigns. Our technology is solid, secure and scales as you grow. The CleverTap team is spread across Sunnyvale, San Francisco, Los Angeles, New York, Mumbai and Bangalore.

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