

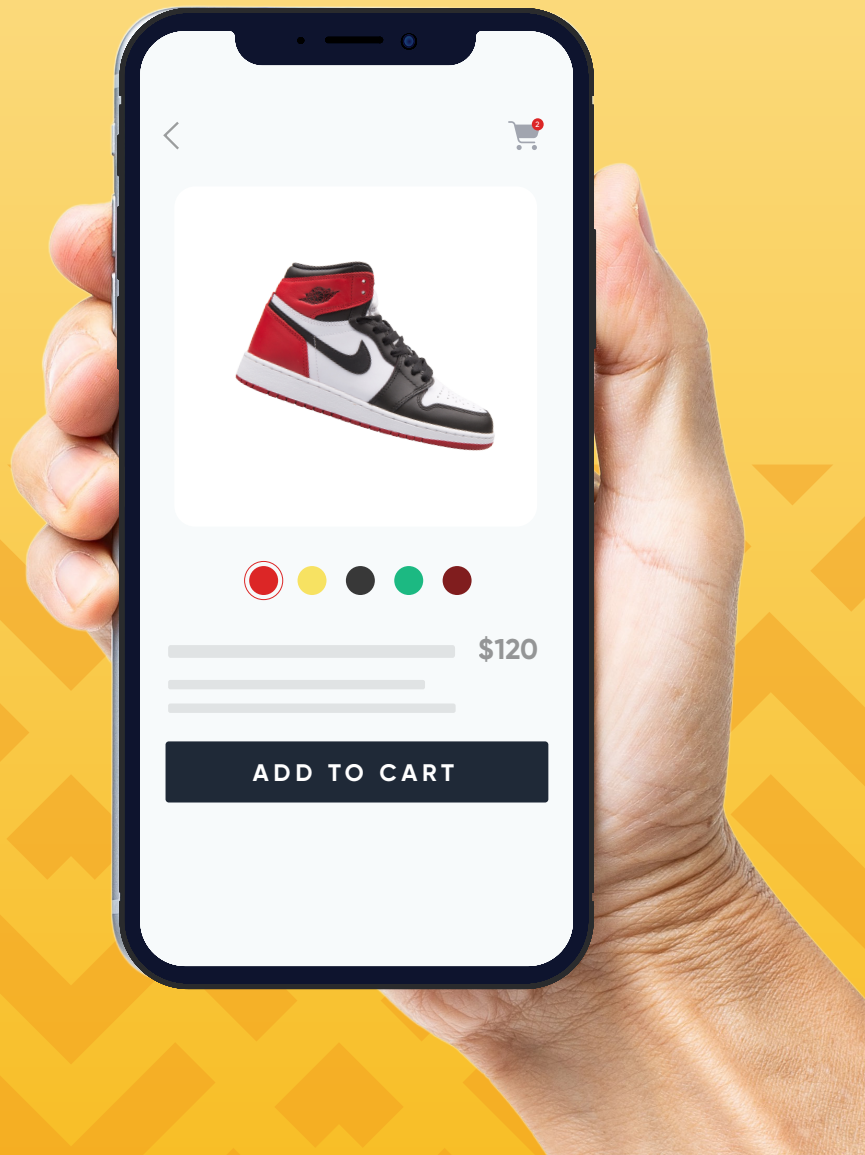


Industry Benchmarks

for Ecommerce Apps

From Customer Acquisition to Retention

Understand where your app stands in the industry and unlock the insights that help leading ecommerce apps succeed.



Executive Summary

Observe

what makes industry-leading apps successful



Compare

your app to global leaders for various metrics



Learn

the red flags for various stages of the user lifecycle



Grow

with data-driven recommendations for improving user engagement

According to the latest research by [App Annie](#), global time spent in shopping apps grew 45% year over year. Consumers spent 2.3 billion hours in mobile shopping apps in just one week. And they're not just browsing: consumers in the US alone spent \$709 billion on ecommerce in 2020.

It's no secret that the COVID-19 pandemic accelerated years of ecommerce growth into a matter of months, shifting consumer behavior and creating massive opportunities — and challenges — for retailers.

For ecommerce apps, on average 76% of new users are lost just 7 days after download. Given the rising costs of customer acquisition and increased competition, how do ecommerce brands win customer loyalty and improve retention?

We analyzed over 5 billion data points across 140+ million devices over 121 million unique users to find the insights that will help ecommerce brands measure their app's performance against some of the most successful retail apps in the world.

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Current State of the Ecommerce Industry

The COVID-19 pandemic has become a touchstone moment — accelerating years of gradual change into a matter of weeks with a dramatic shift from offline to online shopping.

Convenience and speed are now essential customer needs, often eclipsing cost. And even with a vaccine, there's no going back.

84% of consumers shopped online during the first three months of the pandemic. That's 10 years' worth of ecommerce growth in just 90 days.*

Hand-in-hand with this explosive growth comes fierce competition as the ecommerce landscape becomes even more crowded. More brands are investing in digital advertising, sending advertising and acquisition costs through the roof.

A memorable customer experience is now essential for convincing customers to build a lasting relationship with your brand. Companies that offer compelling omnichannel experiences have a significant edge on the competition. In fact, retailers with an omnichannel strategy recovered 94% of purchases lost in the first month of the pandemic with online sales.*

The [importance of mcommerce](#) is only growing, combining the convenience and personalization that customers demand. 50% of all ecommerce sales now happen on mobile devices.*

Brands that deliver a memorable customer experience via mobile will be in the best position to thrive in the future of retail.



Monitoring the Metrics that Matter

This benchmark report focuses on the impact of personalized shopping experiences, real-time recommendations, and omnichannel campaigns on user retention. Each of these, if implemented with a focused strategy, has a direct impact on increasing session length, average order value and repeat purchase rates, and reducing shopping cart abandonment.

This report, based on analysis of over 140+ million devices over 121 million

unique users, will help you monitor the key metrics at each stage, and help you understand the industry standards for each KPI. With this report, you'll also be able to identify the success factors for each lifecycle stage, as users advance from one stage to the next.

Throughout this report, we've added our recommended tactics that will help you engage and delight customers at each stage.



Onboarding Benchmarks

The first-time user experience can make or break your shopping app's success. When executed well, it paves the path for long-term user retention. During this phase, it is important to deliver value early and often.

You should optimize metrics like install to registration rate and average time to register. Focusing on these metrics will help you measure the effectiveness of your onboarding flow.

Install to Registration Rate

What percentage of users installing the app create an account? Closely monitor the install to registration rate to optimize your onboarding process.



Industry
Benchmark

30%

OF NEW
USERS

create an account within a week
of installing the app

Top 10% of New Users: 61.3%
Bottom 10% of New Users: 3.01%

Average Time to Register

How long does it take for a new user to register on your app? Time to register is a good indicator of the value a new user sees in your app.



Industry
Benchmark

24%

OF NEW
USERS

register within 6 minutes of
their first app launch

Top 10% of New Users: 1 min
Bottom 10% of New Users: 15 hours

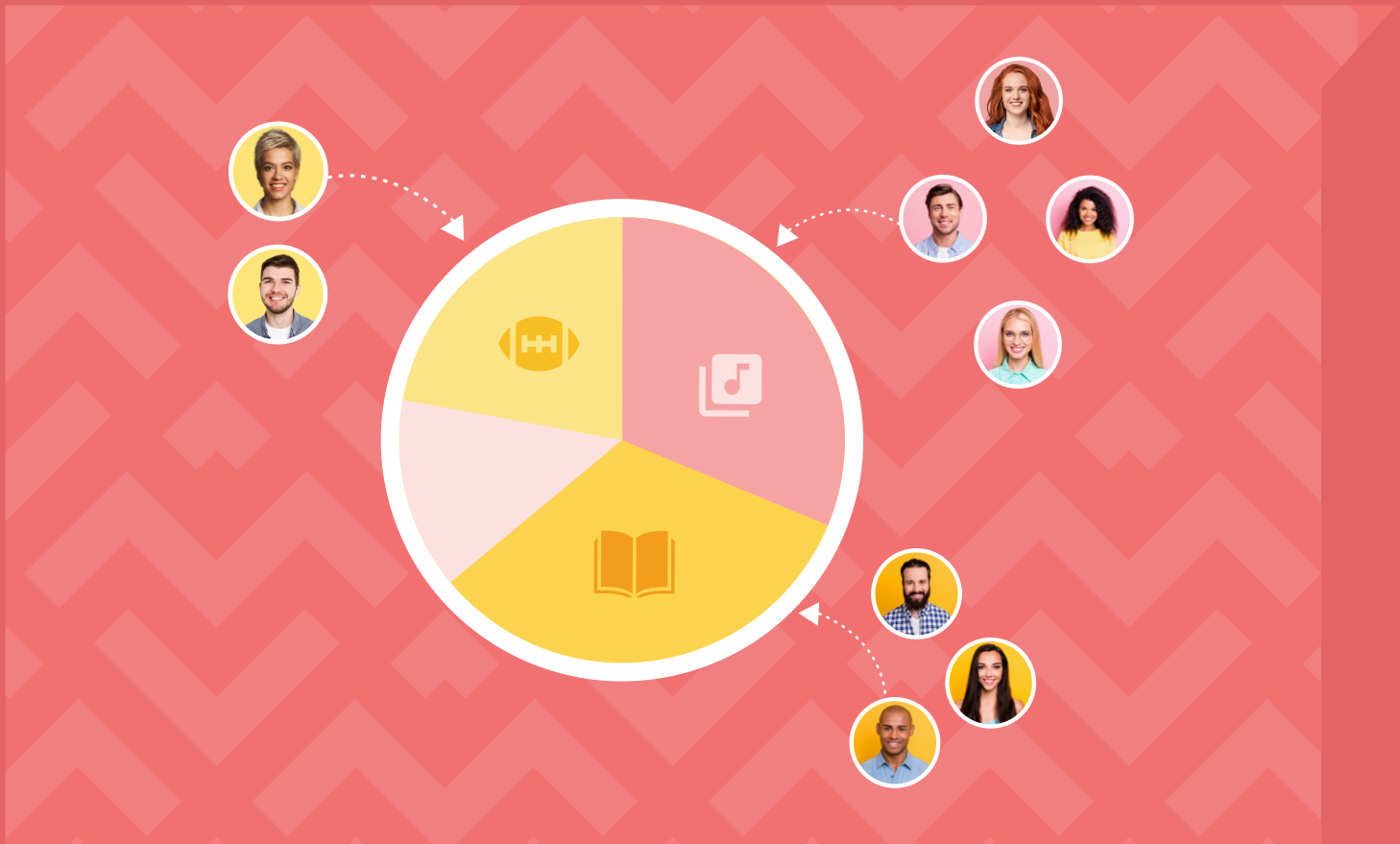
Additional Metrics to Watch:

METRIC	DESCRIPTION
Average App Load (Launch) Time	The average time it takes for your app to launch or load on a user's device
Average Cost Per User Registration	The average cost you incur in getting a user to install and register on your app
Crash Rate	The percentage of app loads that result in a crash

Recommendations: How to Improve User Onboarding

Use these tactics to improve your onboarding.

USER SEGMENT	TACTICS
Unregistered Users	<ul style="list-style-type: none">• Run campaigns for users who have completed multiple in-app searches to register and/or create a profile.• Nudge users to register through coupon codes sent via in-app or push notifications.• Run in-app campaigns for users who have made purchases as Guest Users encouraging them to register.
Registered but not Activated Users	<ul style="list-style-type: none">• Send personalized campaigns using push notifications on days 1, 3, 5, 10, and 15 after registration encouraging users to make their first in-app purchase.• Provide further incentive by offering discounts, promos, and referral codes via emails or SMS messages.• Create omnichannel campaigns that are personalized based on user's product browsing history and top selling products.
Registered and Activated Users	<ul style="list-style-type: none">• Encourage users to make another purchase via in-app messages or push notifications on days 7, 15, and 25 after their first purchase.• Nudge users via email to share feedback and reviews for products purchased.• Share the breadth of your catalog by running campaigns with complimentary product recommendations via push notifications or in-app messages.



Onboarding to Engagement

During this transitional phase, it is important to know the interests and preferences of your users. Use [psychographic segmentation](#) to better understand the categories and products users are most interested in.

Industry leading shopping apps capture user preferences based on user behavior and categories they view most frequently to start personalizing the user experience in the app.

Average User Engagement

Engagement is measured by a variety or combination of user actions such as: app launched, product viewed, product searched, or transactions. Highly engaged user cohorts tend to be more profitable.



Industry Benchmark

19%

OF NEW USERS

stay engaged in the first month

*Engagement is defined as users who perform a conversion event at least once over 30 days.

Top 10% of New Users: 43.6%
Bottom 10% of New Users: 3.6%

Average Transition Time to Next Stage

The average time users take to move from onboarding to the engagement stage. Are users interacting with your app frequently?



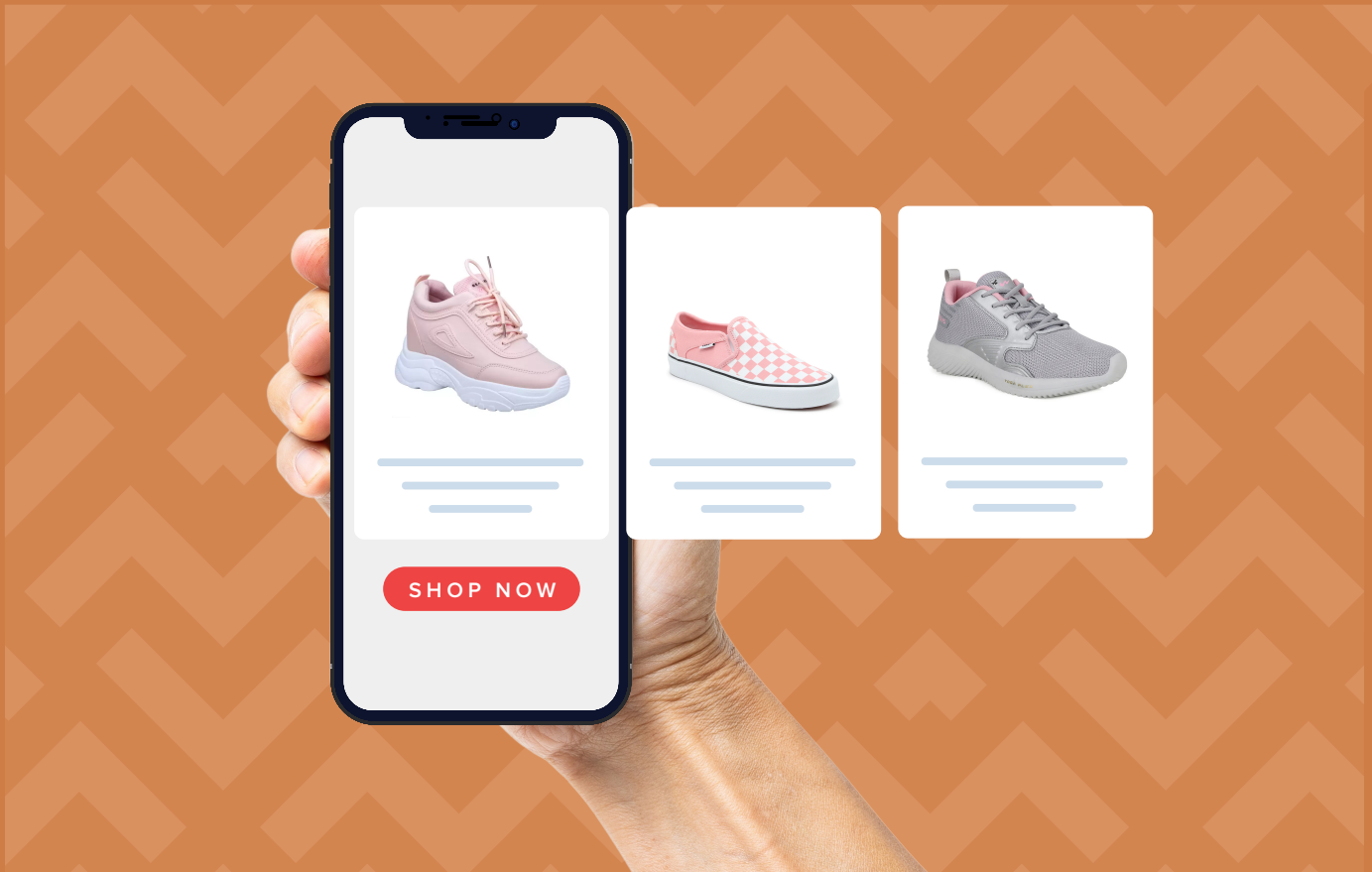
Industry Benchmark

15%

OF NEW USERS

convert within 1 day

Top 10% of New Users: 3.5 hours
Bottom 10% of New Users: 2.5 days



Engagement Benchmarks

Personalized user engagement campaigns are the foundation for better customer retention in the long term. It builds your brand's relationship with customers and boosts conversions and repeat purchase rates.

Engage users with personalized product recommendations that are relevant to their interests. Personalize campaign content to accelerate product discovery, increase average order value, and build long-term customer loyalty.

Click-Through Rates:

Click-through rates (CTRs) help measure the effectiveness of your marketing campaigns. Are your messages generating the response you intended? Are they prompting users to open your app?



Industry Benchmark

2.35%

**AVERAGE
CLICK-THROUGH RATES**

For Push Notifications

Top 10%: 5.34%
Bottom 10%: 0.48%

2.33%

**AVERAGE
CLICK-THROUGH RATES**

On Android

Top 10%: 5.92%
Bottom 10%: 0.47%

2.97%

**AVERAGE
CLICK-THROUGH RATES**

On iOS

Top 10%: 5.02%
Bottom 10%: 0.34%



Industry Benchmark

7

**AVERAGE
APP LAUNCHES**
per user in a month

Top 10% of New Users: 14 App Launches

Bottom 10% of New Users: 3 App Launches

Session Frequency:

The average number of monthly app launches help you understand how often users come back to your app.



Industry Benchmark

22.87%

AVERAGE
OPEN RATES

For Emails

Top 10%: 43.82%
Bottom 10%: 10.13%

1.73%

AVERAGE
CLICK-THROUGH RATES

For Emails

Top 10%: 4.40%
Bottom 10%: 0.19%



Industry Benchmark

81.57%

AVERAGE
OPEN RATES

For In-app Messages

Top 10%: 93.86%
Bottom 10%: 67.74%

24.57%

AVERAGE
CLICK-THROUGH RATES

For In-app Messages

Top 10%: 48.56%
Bottom 10%: 10.36%

Additional Metrics to Watch:

METRIC

DESCRIPTION

Average Session Length

Average amount of time users spend in the app in a single session

Average Session Frequency

How often users launch your app in a given period

Recommendations: How to Boost User Engagement

Try these tactics to improve your app engagement and monetization.

USER SEGMENT	TACTICS
<p>Onboarded but Not Converted Users Users who have successfully been onboarded, but haven't made a purchase</p>	<ul style="list-style-type: none">• Use in-app notifications to nudge onboarded users and provide recommendations based on the category or products they are most interested in.• Run personalized push notifications or email campaigns on days 1, 3, 7, 14, and 21 from the day of activation that inform onboarded users of new categories, brands, and offers.
<p>First-Time Converted Users Users who have placed an order for the first time</p>	<ul style="list-style-type: none">• Use in-app notifications or emails to suggest relevant products based on the customer's previous order. For example, if they ordered a mobile phone, recommend a case or other accessories.• Run personalized push notifications or email campaigns to inform newly converted users of exclusive offers and coupons.• Use in-app notifications to encourage them to spend more in order to qualify for a loyalty or rewards program.• Run in-app notifications or email campaigns on days 7, 10, and 15 after the conversion event asking for ratings and reviews.
<p>Repeat Converted Users Users who have completed multiple conversion events, such as placing multiple orders, adding products to favorites, etc.</p>	<ul style="list-style-type: none">• Run personalized push notifications or email campaigns to inform highly-engaged users about new categories or product lines.• Run in-app notifications or email campaigns on days 7, 10, and 15 after the user's last in-app conversion requesting app ratings and reviews.• Run personalized push notifications or email campaigns on days 3, 5, 10, 17, and 30 after the user's last conversion event reminding them of their rewards balance or loyalty points.



From Engagement to Retention

On average, 80% of new ecommerce app users churn within 4 weeks of downloading the app. For marketers in the ecommerce space, high customer acquisition costs make it close to impossible to keep adding more users and grow the top line.

In short, without focusing on retaining current customers, ecommerce apps are trying to fill a leaky bucket by constantly acquiring users that don't stick around.

Retention Rate:

Retention rate is the percentage of users who stay active over a certain period of time.



Industry
Benchmark

WEEK 1
RETENTION RATE*

13%

for new users

Top 10% of New Users: 24.3%

Bottom 10% of New Users: 3.23%

**defined as performing a repeat conversion event.*

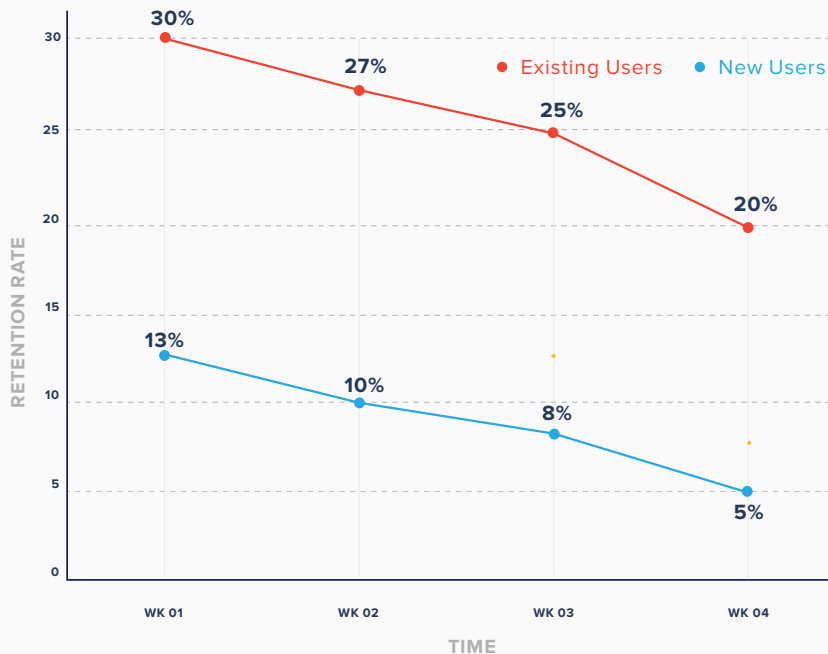
Since customer retention is a core challenge and an important metric for ecommerce businesses, we look at it from two lenses: app launch and transactions.

We define users who performed first app launch as new users and users who've transacted at least once in the previous month as existing users.

This chart shows retention rates that are calculated based on the cohort of users who transact (or purchase). The week 4 retention rate is 20% for existing users and a low 5% for new users. This means that the repeat purchase rate among existing users is 4 times higher than new users.

Clearly, it is far more profitable to engage existing users and convert them into loyal users who transact often.

Retention Rate (Transaction to Transaction)





Retention Benchmarks

App Stickiness:

One of the key retention metrics that app marketers track obsessively is stickiness. “Stickiness” measures how frequently users are engaging with a product or feature. The higher your app’s stickiness quotient, the more your monthly active users are returning to your app.



Industry
Benchmark

12%
AVERAGE
STICKINESS
(DAU/MAU)

Top 10%: 16%

Bottom 10%: 6%

**Note: DAU: Daily Active Users & MAU: Monthly Active Users*

User Retention Rates:



Industry Benchmark

TOP
10%

NEW USERS

Week 1: **24.3%**
Week 2: **18%**
Week 3: **15%**
Week 4: **10%**

TOP
10%

EXISTING USERS

Week 1: **47%**
Week 2: **44%**
Week 3: **43%**
Week 4: **34%**

BOTTOM
10%

NEW USERS

Week 1: **3.23%**
Week 2: **1.47%**
Week 3: **0.67%**
Week 4: **0%**

BOTTOM
10%

EXISTING USERS

Week 1: **13%**
Week 2: **9%**
Week 3: **7%**
Week 4: **4%**

Additional Metrics to Watch:

METRIC	DESCRIPTION
Average Revenue Per User (ARPU)	Total Revenue Generated During a Specific Timeframe / Total Number of Active Users During a Specific Timeframe
Customer Lifetime Value (CLTV)	The value a customer contributes to your business over their entire lifetime as a customer

Recommendations: How to Boost Customer Retention

Use these strategies to improve your user retention.

USER SEGMENT	TACTICS
Infrequent Purchasers	<ul style="list-style-type: none">• Send product recommendations via push notification or email on days 1, 3, 5, and 7 after the user's last app launch.• Run personalized push notification or email campaigns showcasing new products and deals on days 3, 5, 10, 17, and 30 after the user's last app launch.• Incentivize users to open the app with time-sensitive offers sent over push notification or SMS.
Frequent Purchasers	<ul style="list-style-type: none">• Run push notification or email campaigns with product recommendations based on wishlist or purchased products.• Use in-app notifications to ask for app ratings and/or reviews after users have purchased at least 5 times.• Use personalized push notification, SMS, or email campaigns to send discounts or promotional offers.• Communicate the benefits of your loyalty program with targeted campaigns to invite new users.
Former Frequent Purchasers	<ul style="list-style-type: none">• Send reactivation campaigns via push notifications, emails or SMS, with discounts and deals to incentivize repeat purchases.• Offer assistance and seek feedback on their experience using products they purchased.• Run drip email campaigns on days 14, 21, 28, and 42 after the last purchase with your latest offers, discounts, and product recommendations



From Inactive to Churned

Any drop in engagement can signal a customer at risk of uninstalling your app. By monitoring churn, tracking trends in customer behavior, and proactively engaging at-risk user segments, you can prevent uninstalls, learn more about how to improve your customer experience, and increase long-term retention.

Churn Rate

Churn is when a customer does not see value in your app and stops using it.



Industry Benchmark

76%

**OF NEW
USERS**
churn within 1
week

Top 10% of New Users: 66%
Bottom 10% of New Users: 88%



Industry Benchmark

38%

**OF EXISTING
USERS**
churn within
1 week

Top 10% of Existing Users: 20%
Bottom 10% of Existing Users: 60%



Uninstall & Reinstall Benchmarks

Users uninstall apps for many reasons, from poor purchase experience and UI/UX issues to apps sending too many notifications. Even the most popular apps get uninstalled. But an uninstall doesn't mean you've lost the user forever.

To win back uninstalled users, you can send promotional emails and launch remarketing campaigns. Also, seeking feedback from uninstalled users will give you valuable insights into your user experience and what you can do to prevent other customers from churning.

Uninstall Rate

By monitoring uninstall rates, you will have a better understanding of your user experience and what leads to uninstalls.



Industry Benchmark

33%

OF NEW USERS

uninstall within 30 days of first app launch, of which 80% uninstall within 12 days.



Industry Benchmark

11%

OF EXISTING USERS

uninstall over a month, of which 80% uninstall within 17 days.

Reinstall Rate

Reinstall rates help you measure the effectiveness and ROI of your remarketing campaigns.



Industry Benchmark

6%

OF USERS

who uninstalled reinstall within 30 days, of which 80% reinstall within 12 days.



Industry Benchmark

33%

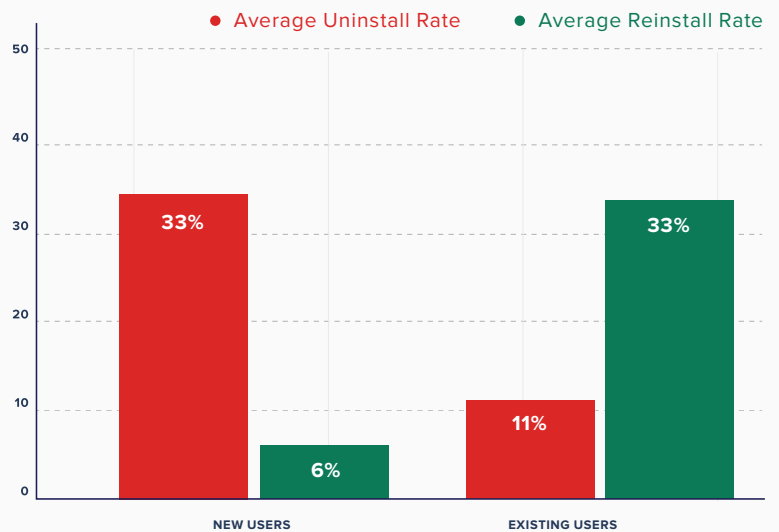
OF EXISTING USERS

who uninstalled reinstall within 30 days, of which 80% reinstall within 14 days.

Similar to the analysis done for retention rates, we studied uninstall and reinstall rates for new users (users who performed first app launch in the last 30 days) and existing users (users who transacted at least once in the past).

The data suggests a significant difference in uninstall rates: the average uninstall rate for new users is approximately 3x higher than that of existing users. This also translates into higher reinstall rates for existing users - more than 5x higher.

Average Uninstall and Reinstall Rates for New and Existing Users



Uninstall Rate

Top 10% of New Users: 9.6%
Top 10% of Existing Users: 1.39%
Bottom 10% of New Users: 50.8%
Bottom 10% of Existing Users: 20.8%

Reinstall Rate

Top 10% of New Users: 14.1%
Top 10% of Existing Users: 58.13%
Bottom 10% of New Users: 1.74%
Bottom 10% of Existing Users: 3.53%

Additional Metrics to Watch:

METRIC	DESCRIPTION
Cost of User Reacquisition	The cost of re-acquiring users who uninstalled your app

Recommendations: How to Drive User Reinstalls

Use these tips to encourage app reinstalls for inactive and churned users:

USER SEGMENT	TACTICS
Increasingly Disengaged Users Users who have previously purchased but are launching your app less frequently	<ul style="list-style-type: none">• Run personalized push notification or drip email campaigns on days 14, 21, 28, and 42 as you see user activity drop off, offering discounts or access to exclusive products to encourage repeat purchases.• Run a “We miss you” push notification or SMS campaign to encourage users to relaunch your app.
Uninstalled Users	<ul style="list-style-type: none">• Run a personalized email campaign on days 1, 5, 10, and 17 post uninstall asking for user feedback to understand why they uninstalled.• Send a “We miss you” or “Here’s what you’re missing” email on days 7, 14, 28, and 42 post uninstall highlighting the latest offers, recommended products, and exclusive discounts.• Run a “We are just a click away” email sign-off campaign as part of your Sunset Policy between days 43-50 of app uninstall.
Reinstalled Users	<ul style="list-style-type: none">• Run a personalized “Welcome back” in-app campaign on first app launch after reinstall.• Offer exclusive discounts to users upon first app launch after reinstall.

Additional Resources:

[Ecommerce Trends 2021: Get Ready for The Reinvention of Retail](#)

[The New Experience Economy: How Ecommerce Brands Can Thrive in the Future of Retail](#)

[Ecommerce App Design: UI Tips & Microinteractions that Boost Conversions](#)

[Survey Insights: How Ecommerce Brands Won 2020 & What's in Store for 2021](#)

Methodology:

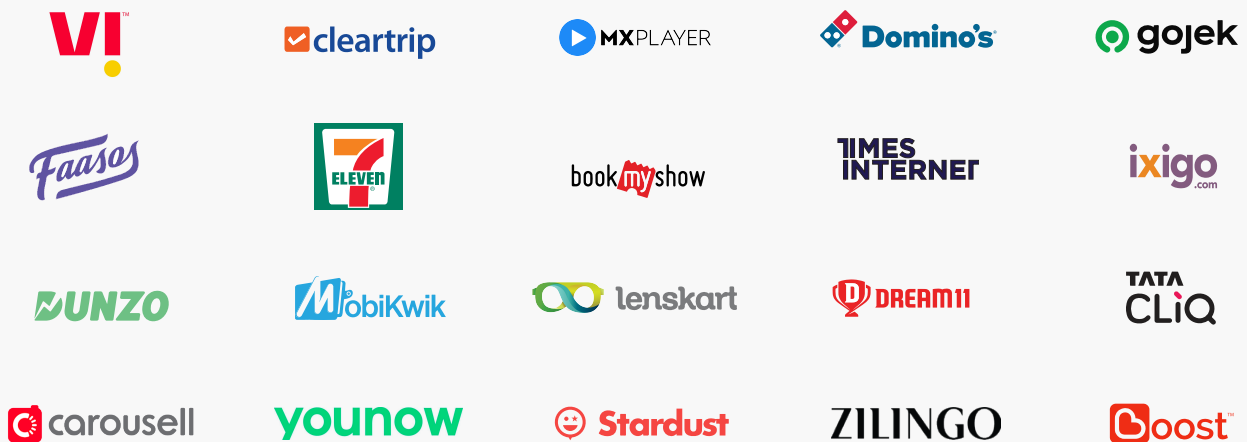
Our data science team analyzed 140+ million devices over 121 million unique users across multiple ecommerce apps and geographies. We did a deep dive into user behavior inside the app, responses to engagement campaigns, and conversions to understand the key factors that contribute to growth. Over 4.5 billion push notifications, 450 million emails, and 99 million in-app notifications were analyzed for this report.

For questions regarding methodology, please contact marketing@clevertap.com.

About CleverTap

CleverTap helps consumer brands retain their users for life. It is a powerful mobile marketing solution that brings together user data from online and offline channels into one centralized platform. Every day, thousands of brands leverage CleverTap's machine learning models to orchestrate differentiated customer engagement strategies that help marketers drive omnichannel growth.

Trusted by Leading Brands Globally



Transform Your Customer Engagement With CleverTap

10,000+

Mobile apps powered

2.6Bn

Messages sent daily

1.5Bn

Devices reached

Chat with one of our mobile growth specialists to learn more.

clevertap.com/demo | info@clevertap.com



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