2021

Mobile Shopping Apps Report

Sizing up the future of retail

LIFTOFF　APP ANNIE　poq

Contents

Introduction

The last 12 months will be remembered as a period when global events and the COVID outbreak combined to "pack a decade of e-commerce growth into a single year." Shelter in place orders swept across regions, forced a sea change in shopping behavior as record numbers of consumers leaned into mobile and apps to do daily shopping, hunt bargains, and collect digital coupons.

The outcome was a "shopping boom," according to app market intelligence provider App Annie. It observed that time spent in shopping apps in 2020 grew 45% across the majority of markets. The global impact on mobile commerce was profound. In the U.S. alone—where mobile commerce has more than doubled since 2015—numbers hit a new high. Research firm Insider Intelligence reckons mobile commerce in the U.S. hit $284 billion in 2020, accounting for 45% of total revenues.

To equip marketers to make data-informed decisions and deliver compelling campaigns, Liftoff partners with App Annie and poq, a cloud native mobile app provider, to analyze engagement trends and metrics. The 2021 Mobile Shopping Apps Report breaks down Shopping app data by platform, region and season to tell the story of a special year for e-commerce.

Report Highlights

Cost Metrics

Across the year, CPIs averaged $2.67, with the highest point reached in August 2020 ($4.21). Cost per Acquisition - Purchase averaged $17.85. The mean ITA was close to 15% but increased to 19.9% in May 2021.

Basket Size

Basket sizes increased as users depended on mobile apps for their daily shopping. poq reports that basket sizes hit an average spend of $78, rising 22% within a year.

Shopping App Sessions

By May 2021, app usage among Android shoppers averaged two billion hours per week. The Americas experienced the largest increase in time spent, followed by APAC and EMEA who tied for second place.
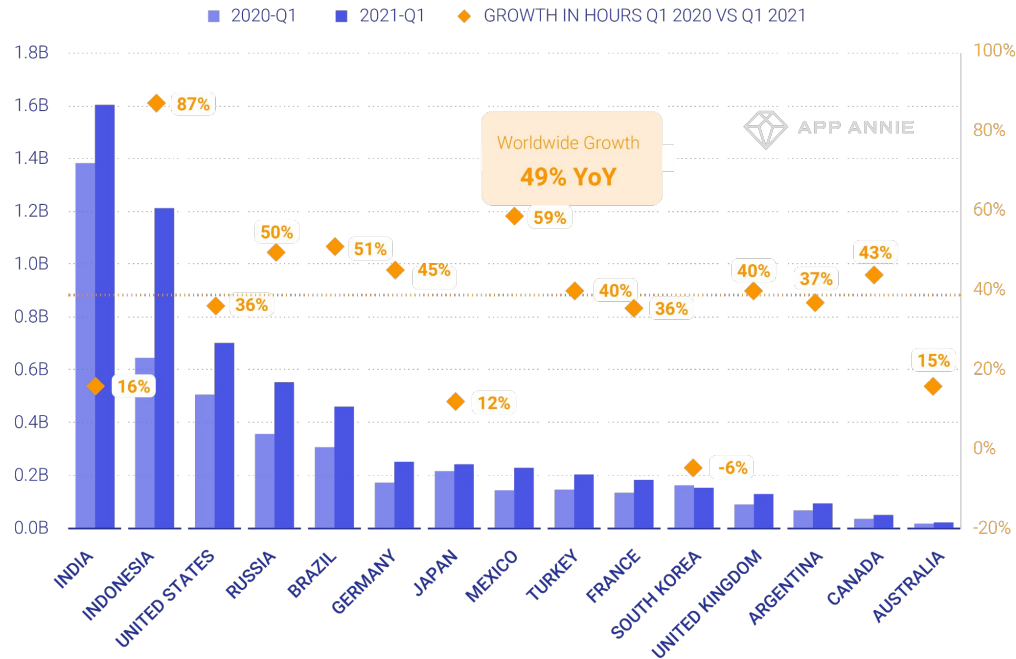
In-App Time Spent

Time spent in shopping apps grew 48% year-over-year in Q1 2021. Indonesia experienced an 87% rise in use, the largest of any country.

The Shopping
App Landscape

Mobile app usage has increased thanks to the
pandemic, but will present trends continue?

Worldwide time spent in shopping apps grew 49% year-over-year in Q1 2021.
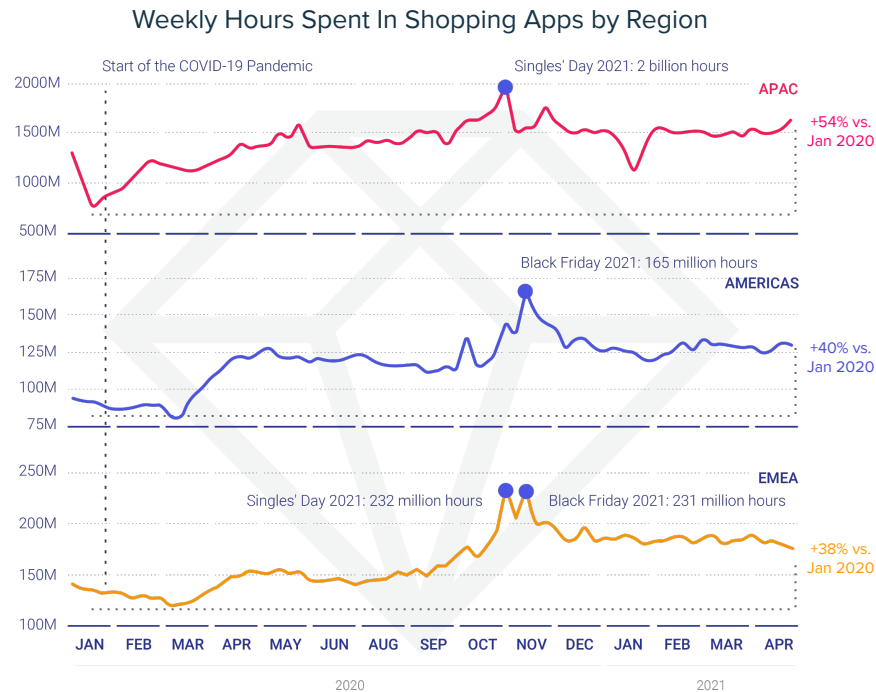
Hours Spent Using Shopping Apps in Selected Markets

■ 2020-Q1   ■ 2021-Q1   ◆ GROWTH IN HOURS Q1 2020 VS Q1 2021

Worldwide Growth
49% YoY

APP ANNIE

Note: Android phones

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By May 2021, app usage among Android shoppers averaged two billion hours per week, up 51% from pre-pandemic levels.

- The momentum of m-commerce, driven in part by COVID-19, increased in pace as mobile-first shopping habits replaced in-store.

- Across the board, shopping app use was up. But trends in time-spent-per-week highlighted the distinct differences posed by inevitable shopping app seasonality in each region.

- User hours peaked during regional holidays: 2020's Singles Day and Black Friday/Cyber Monday saw massive jumps in use on their respective days.

Use market estimates to understand which trends and features drive user interest and high engagement rates on mobile.

Weekly Hours Spent In Shopping Apps by Region

Start of the COVID-19 Pandemic

Singles' Day 2021: 2 billion hours

APAC

+54% vs. Jan 2020

Black Friday 2021: 165 million hours

AMERICAS

+40% vs. Jan 2020

EMEA

Singles' Day 2021: 232 million hours

Black Friday 2021: 231 million hours

+38% vs. Jan 2020

JAN FEB MAR APR MAY JUN AUG SEP OCT NOV DEC JAN FEB MAR APR

2020   2021

Note: Android phones

SHOPPING APPS REPORT

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Mix of dominant and local players using key regions to expand their global reach.

Digital-first players dominate the charts, occupying 13 of the top 20 ranks for breakout shopping apps by growth in aggregate downloads. Grocery, peer-to-peer, and marketplace apps continue to grow. Gen Z are significantly influencing growth, with particular concentration on apparel and footwear shopping apps.

India drove downloads for "Fashion Shopping" apps like _AJIO_ and _Nykaa Fashion_. _SHEIN_ made its way to the Americas, where the US and Brazil drove nearly ⅓ of total apps downloads over the last 12 months.

Vinted and _LIDL Plus_ saw strong growth throughout Europe. _Shopee_, _Alibaba.com_, _IKEA_, _PatPat_ and _SaraMart_ also ranked among the top breakout apps with a large global footprint acquired in the last year.

Monitor breakout apps to know which apps are gaining traction with users and could infringe on your market.

Breakout Shopping Apps by Downloads
June 2020 - May 2021 vs. June 2019 - May 2020

RANK	APP NAME	CATEGORIZATION	TOP MARKETS FOR DOWNLOADS DURING JUNE 2020 - MAY 2021
1	SHEIN	Digital-First	Brazil (15%), US (15%)
2	Flipkart	Digital-First	India (99%)
3	Amazon	Digital-First	India (40%), US (15%)
4	AJIO Shopping Appx	Digital-First	India (99%)
5	Myntra	Digital-First	India (99%)
6	Shopee	Digital-First	Brazil (33%), Indonesia (28%)
7	JioMart	Digital-First	India (99%)
8	Alibaba.com	Digital-First	India (10%), US (10%)
9	Vinted	P2P Marketplace	Germany (20%), France (20%)
10	Tata CLiQ	Digital-First	India (99%)
11	Lidl Plus	Bricks & Clicks	Germany (23%), UK (17%)
12	Shop	Other	US (72%), UK (13%)
13	IKEA	Bricks & Clicks	Germany (20%), US (13%)
14	enjoei	Digital-First	Brazil (99%)
15	CARS24	P2P Marketplace	India (99%)
16	Nykaa Fashion	Digital-First	India (99%)
17	PatPat	Digital-First	US (20%), Mexico (10%)
18	Extra.com.br	Bricks & Clicks	Brazil (99%)
19	SaraMart	Digital-First	France (15%), Italy (13%)
20	Lojas Renner	Bricks & Clicks	Brazil (99%)

*Note: Year-over-year growth in total downloads across iOS & Google Play*

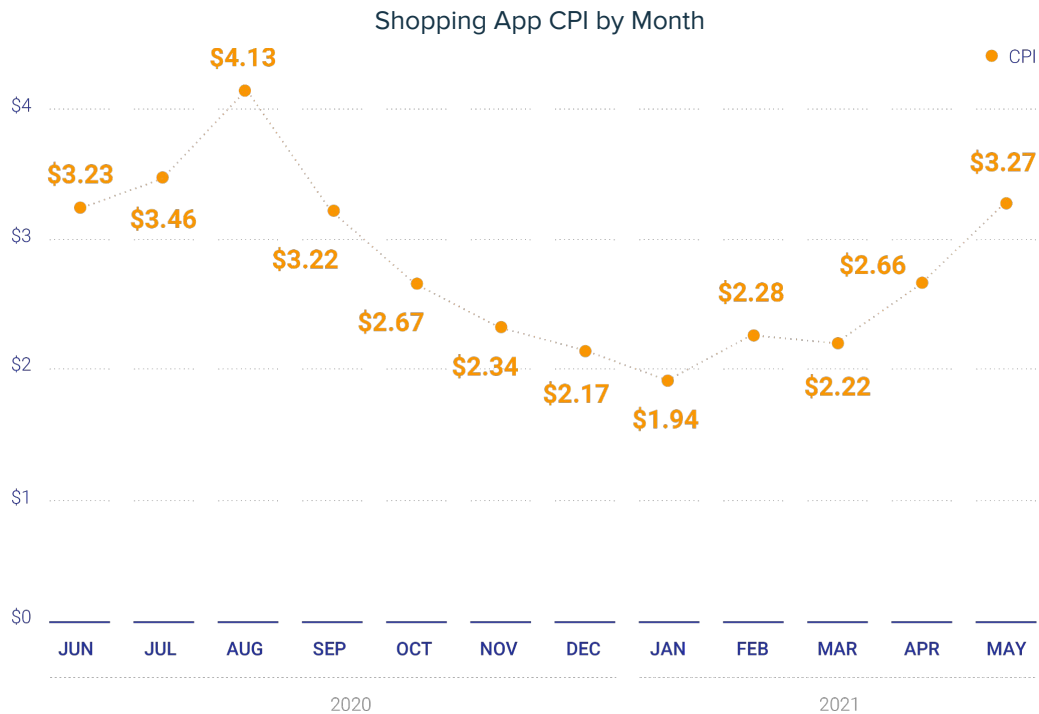SHOPPING APPS REPORT

User Acquisition Trends

The pandemic offered a once-in-a-generation opportunity to convert new audiences.

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At $17.85, the cost per acquisition (CPA) didn't break the bank. Conversion rates hovered at nearly 15%, showing that ads continue to reach users and resonate.

Shopping App Cost and Conversions

ITA
14.96%

$20

$17.85

$15

$10

$5

$2.67

$0

CPI   CPA-PURCHASE
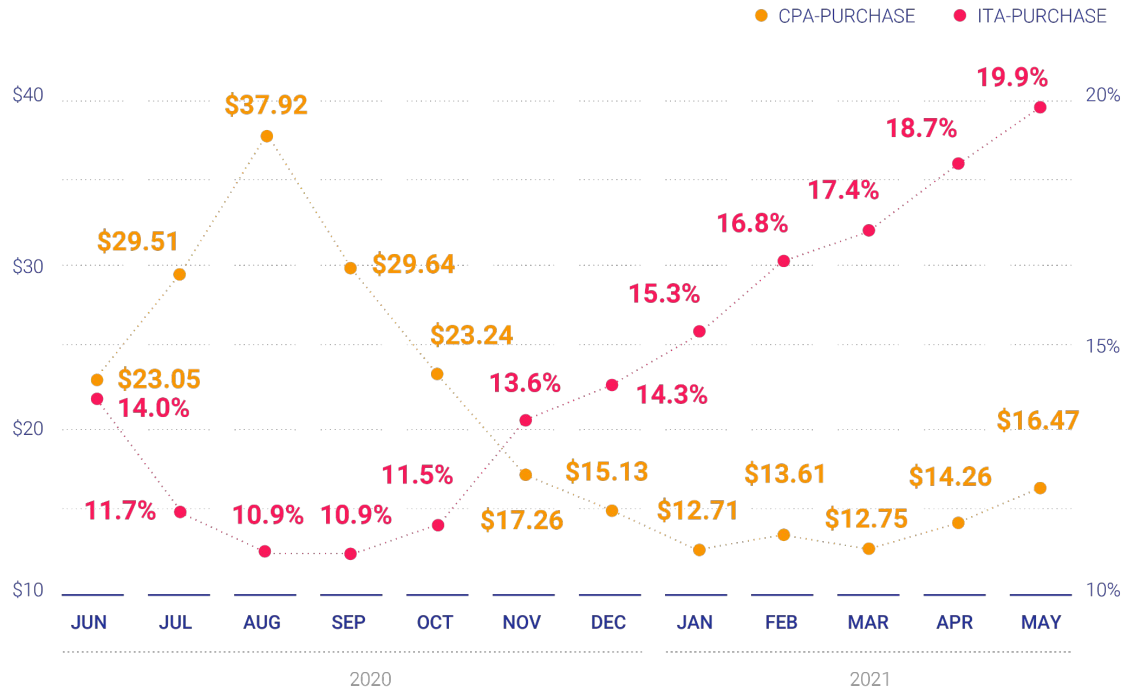
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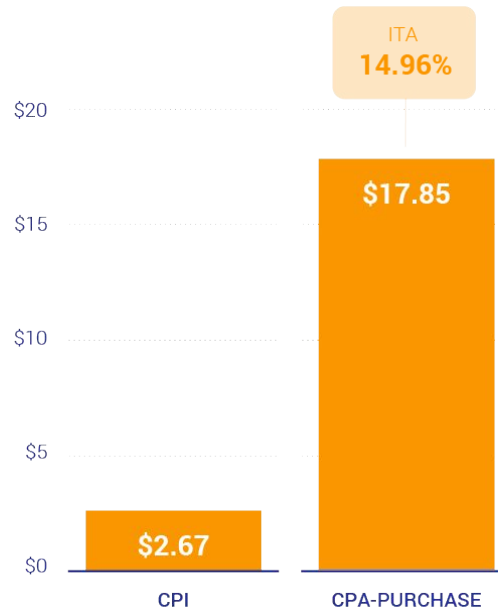
Seasonality and sales were the force behind falling cost-per-install (CPI) rates. But captive audiences under regional lockdowns helped push prices down further.

Shopping App CPI by Month

● CPI

$4.13

$3.23

$3.46

$3.22

$2.67

$2.34

$2.17

$1.94

$2.28

$2.66

$2.22

$3.27

$4

$3

$2

$1

$0

JUN   JUL   AUG   SEP   OCT   NOV   DEC   JAN   FEB   MAR   APR   MAY

2020   2021

11

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Uncertainty led to price volatility, but by October 2020, ITAs consistently increased as users turned to shopping apps.

Shopping App Purchase - CPA and ITA by Month

● CPA-PURCHASE   ● ITA-PURCHASE

$40

$37.92

$29.51

$29.64

$30

$23.24

$23.05
14.0%

19.9%

18.7%

17.4%

16.8%

15.3%

13.6%

14.3%

$20

11.7%

10.9%

10.9%

11.5%

$16.47

$15.13

$13.61

$14.26

$17.26

$12.71

$12.75

$10

20%

15%

10%

JUN   JUL   AUG   SEP   OCT   NOV   DEC   JAN   FEB   MAR   APR   MAY

2020

2021

SHOPPING APPS REPORT

Android edges out iOS in both cost and conversion performance. The platform offers marketers 2x lower rates to acquire shoppers willing to spend.
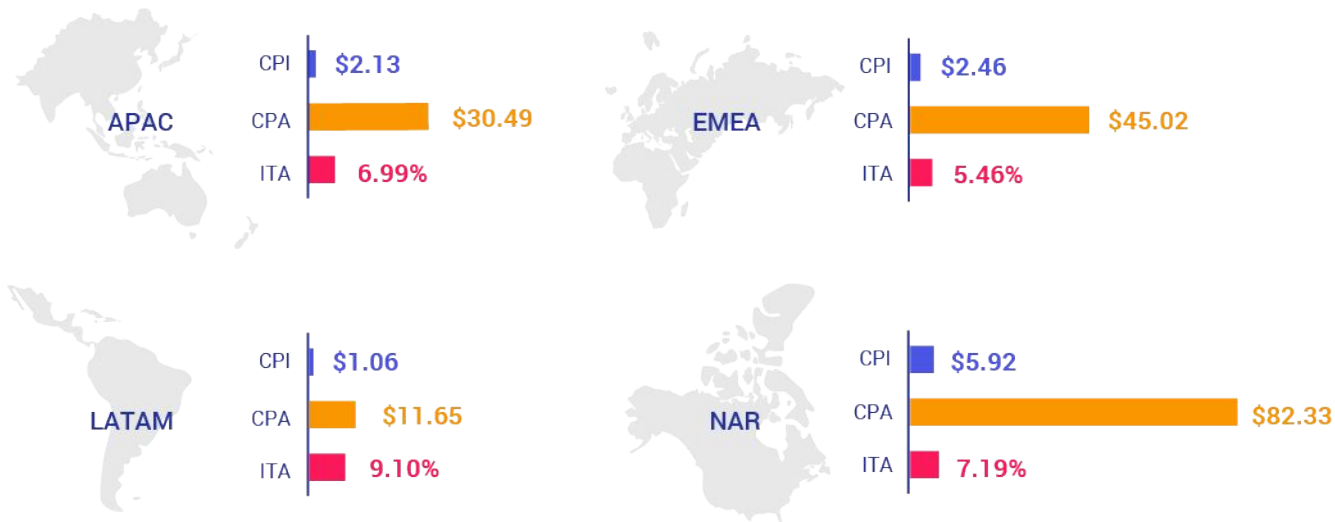
- **CPI:** At $2.13, Android users offer better value (saving $1.72 per install) versus iOS with a CPI of $3.85.

- **CPA:** Acquiring a user who makes a purchase on iOS ($33.99) is almost 2x more expensive than on Android ($12.88).

- **ITA:** Android apps convert better, with an install-to-action (ITA) rate of 16.5%—a massive 5.2 percentage points above iOS (11.3%).

Shopping App Cost Metrics by Platform

ANDROID   iOS

ITA
11.3%

$35

$30 $33.99

$25

ITA
$20   16.5%

$15

$10 $12.88

$5 $2.13 $3.85

$0
        CPI   CPA   CPI   CPA

LATAM wins where it counts with low-cost installs and outstanding performance. APAC follows second, offering marketers high engagement for an affordable price.

Shopping App Cost Metrics by Region

APAC
- CPI $2.13
- CPA $30.49
- ITA 6.99%

EMEA
- CPI $2.46
- CPA $45.02
- ITA 5.46%

LATAM
- CPI $1.06
- CPA $11.65
- ITA 9.10%

NAR
- CPI $5.92
- CPA $82.33
- ITA 7.19%

> "User onboarding is very important. With only an online interface, it is difficult for shopping apps to communicate with users to build trust. To compensate, cultivate and retain your users by promoting offline user onboarding measures to improve user acquisition.

Shota Onishi

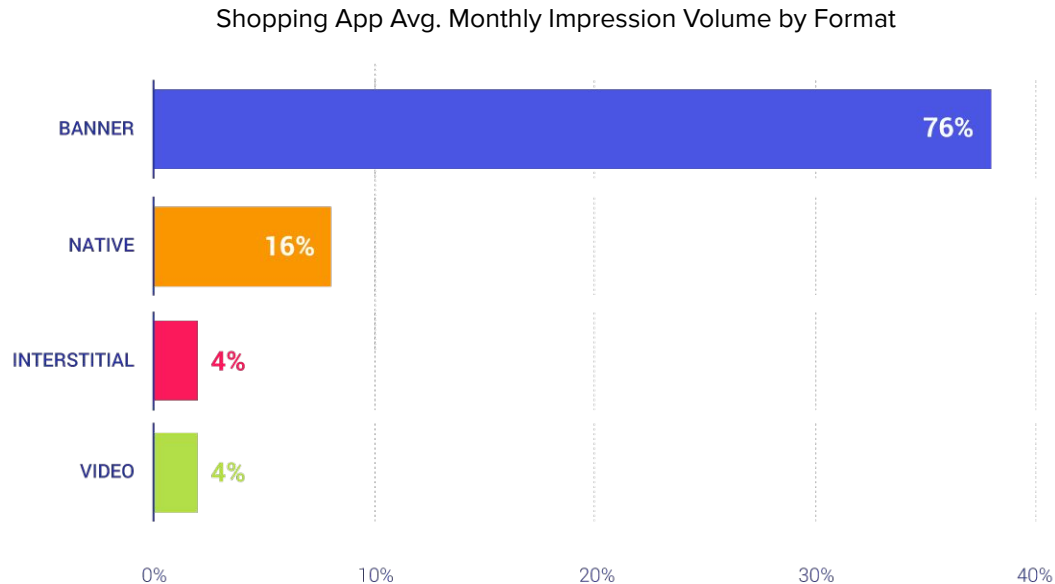Acquisition Marketing

Formerly

mercari

Click the
button for more:

モバイル
ヒーロー

Ad Creative Trends

Video rises as the must-use format of 2021.

The creative mix suggests marketers use their mainstays to grab user attention. Banners (76%) make up the majority of creative impressions, while expensive ad formats are used far less.

Shopping App Avg. Monthly Impression Volume by Format

BANNER — 76%
NATIVE — 16%
INTERSTITIAL — 4%
VIDEO — 4%

0% 10% 20% 30% 40%

Marketers pivoted to video, taking advantage of bigger audiences glued to popular video-based apps. Banners also experienced a rise in the run-up to the holidays, peaking in November.

Shopping App Impression-to-Install % Change vs. May 2020 by Ad Format
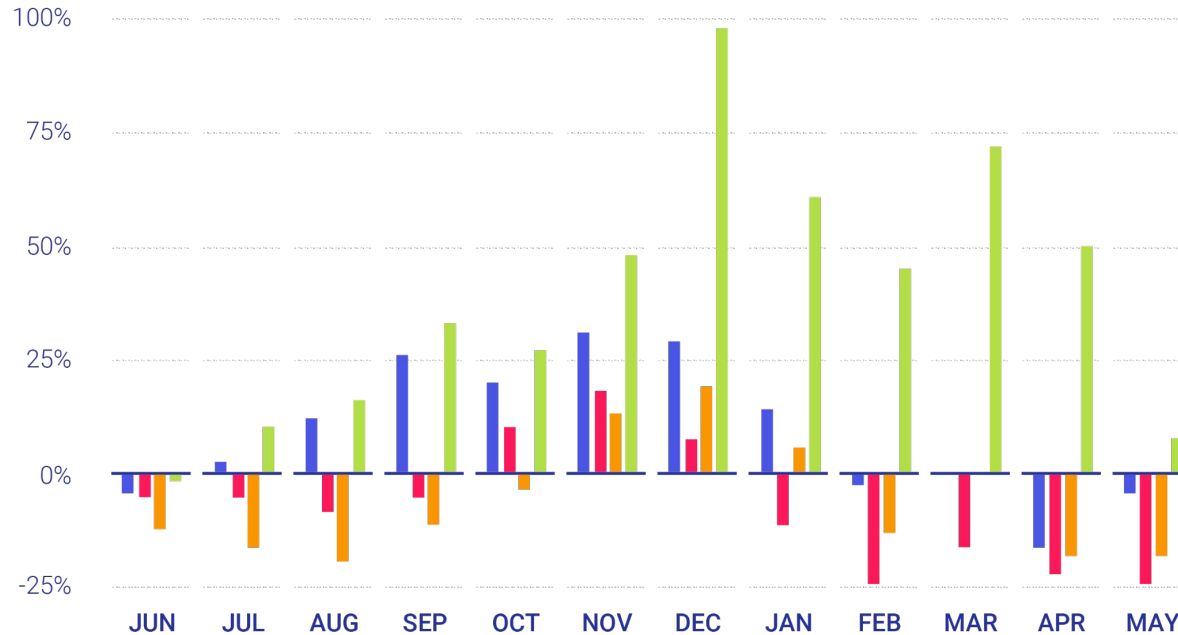
Ads must focus on walkthroughs, products and price.

**Show thematically-similar product options**

Whether in a carousel or showing all products at once, marketers should group together similar products to boost ad conversions. Showing dissimilar products can have the opposite effect, harming your conversion rate.

Display your discounts

If your popular products are on sale, make sure viewers can't miss deals by using bold fonts and bright colors to draw attention to what is on offer. Promotions and special offers should be front and center to catch eyeballs and clicks.

Give users an app walkthrough

A simple app walkthrough sets users expectations of the app. Make sure to show potential users how to navigate the app, add products to cart and make purchases with the ad. Giving users the full experience up front can help convert those still on the fence.

App walkthroughs

Display discounts

Themed products

THREE WAYS TO IMPROVE YOUR ADS

LIFTOFF

"
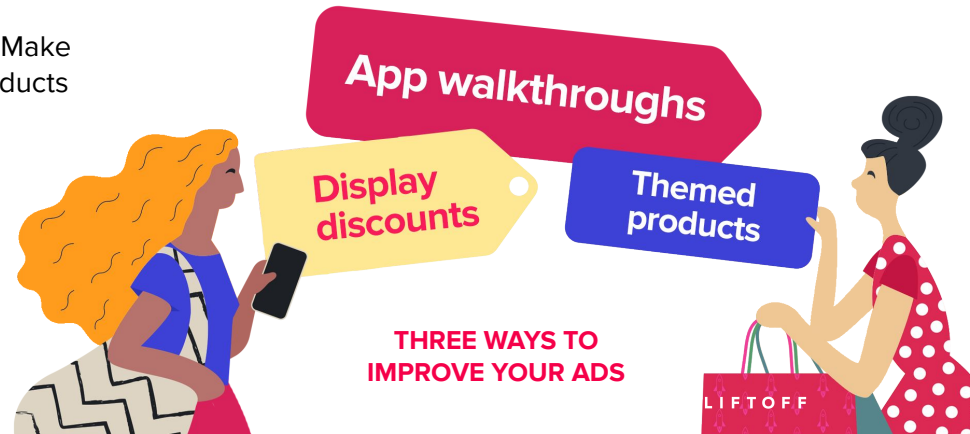
Dynamic creative optimization can be the key to stepping up your ad experience. It's not easy to accomplish, but it can be done by utilizing your product data feed to engineer dynamic creatives for retargeting and user acquisition.

Marian Bucher

Senior App Growth Manager

OTTO

LIFTOFF

Retaining and Engaging Users

Getting users to "shop 'til they drop" requires real focus on digital-first experiences.

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Digital-first shopping apps drive better engagement as consumers try out new retail experiences.

- Digital-first retail experiences create engagement. The average US user spent over 3 minutes in online-first apps; 1.6x longer than shoppers spent in bricks-and-clicks apps.

- South Korea and Japan appeared to favor apps that focus on their digital experience, with the average user spending almost 35 sessions in online-first apps each month—the most of any country.

Monitoring engagement in your peer group and digital disruptors will be critical to maintaining mobile market share for traditional brick-and-mortar retailers.

Engagement in Digital-First vs. Bricks-and-Clicks Apps

● BRICKS-AND-CLICKS ● DIGITAL FIRST

AVG. MONTHLY SESSIONS PER USER

AVG. SESSION DURATION
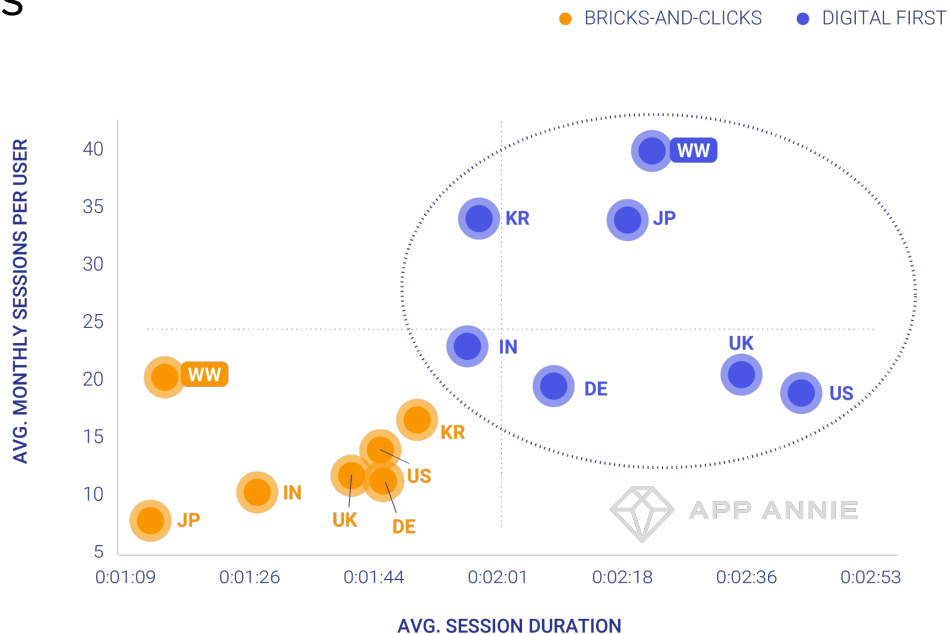
Note: Android Phone. Top 5 shopping apps per segment per region. Among shopping apps by combined monthly active users in each region, excluding those that have a primary focus on peer-to-peer exchange, "pay later", and shipping delivery.

SHOPPING APPS REPORT

Spotlight on *SHEIN*: Fast-fashion player skyrockets to popularity as markets open back up around the world.

In 2020, time spent in *SHEIN* on Android phones skyrocketed around the world.

Stage of life as well as income factor into how users shop both digitally and in-person. On mobile, Women's Fashion apps are growing, and *SHEIN* is helping to pave the way for other rising stars.

Global Traction (Worldwide, Q2)

- Downloads of *SHEIN* grew 12% to 40.1 Million in Q2
- Active Users increased 24% to 71.0 Million MAU
- 12% increase in avg. sessions/user and avg. time/user

Primary Audience (*SHEIN* Users, US)

- 96% of users were female
- 61% of users were 16-24 years old

Understand how growing players are approaching UA and growing among key user segments—does your current audience align with where the market is headed?

SHEIN In-App Ads Are Critical to Overall Mobile Acquisition Strategy
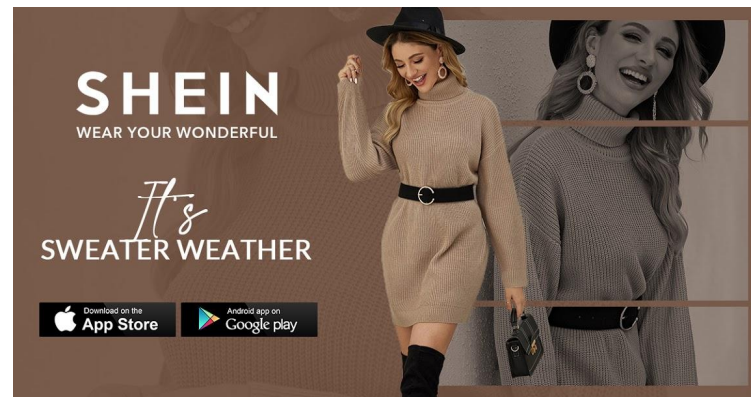
Source: App Annie Intelligence, Creative Gallery
SHEIN targeted advertisements appeal to a key demographic audience segment that is growing within the retail market

LIFTOFF + APP ANNIE + poq

Spotlight on *SHEIN*: Digital-native player drives strong retention and engagement in the US.

Background

The CN-HQ'd company started in 2014, and in recent months has quickly gained a lead against players like Amazon. As a mobile-native retailer, *SHEIN* leverages 'influencer' style product placements in images and allows for outfit 'likes' and fosters shoppers submitting user-generated content to target young females.
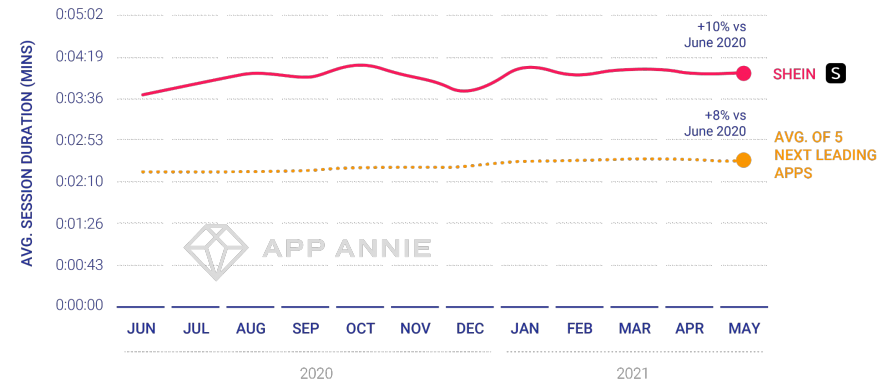
Success Metrics

Users of *SHEIN* spent +215% more time in the app in the last 12 months, totaling about 22.9 monthly million hours in the mobile-first shopping app. By global breakdown, *SHEIN* saw a +170% YoY increase in Mexico, +490% in the UK, +530% in France and +550% in Canada. In March 2021, over 88% of people who had the SHEIN app installed used the app at least once in the month.

Learning

Incorporating mobile-first gestures is a standout way to slot into existing habits from mobile-first users like Gen Z.

Compare your mobile performance to the market—are you over or underperforming and maximizing your top-line potential as a retailer?

Engagement in Top Shopping Apps in the U.S.

AVG. SESSION DURATION (MINS)

0:05:02	
0:04:19	+10% vs June 2020 · SHEIN S
0:03:36	
0:02:53	+8% vs June 2020 · AVG. OF 5 NEXT LEADING APPS
0:02:10	
0:01:26	
0:00:43	
0:00:00	

JUN   JUL   AUG   SEP   OCT   NOV   DEC   JAN   FEB   MAR   APR   MAY

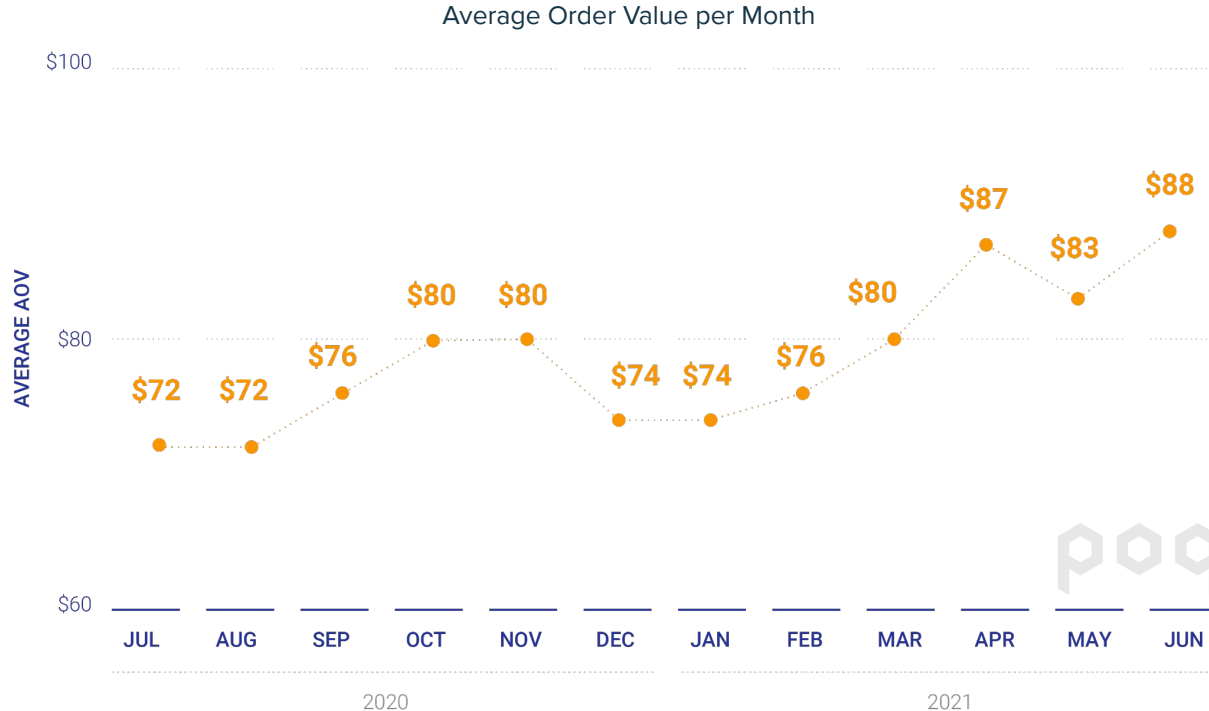2020   2021

Note: Android Phone. Among top downloaded Shopping apps in the US from Jun 2020 - May 2021; excluding apps that have a primary focus on peer-to-peer exchange, "pay later", and shipping delivery.

In-app Actions and Activity

poq data reveals basket sizes are growing as users favor feature-rich experiences.
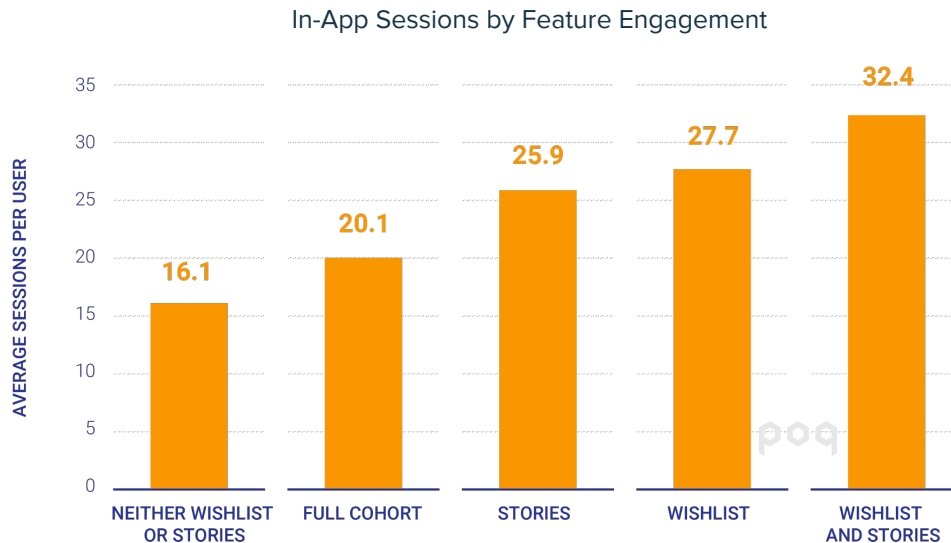
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Basket sizes are growing fast: average order value (AOV) increased 22% in a single year.

Average Order Value per Month

$100

AVERAGE AOV

$87 — APR
$88 — JUN
$83 — MAY
$80 — OCT
$80 — NOV
$80 — MAR
$76 — SEP
$76 — FEB
$74 — DEC
$74 — JAN
$72 — JUL
$72 — AUG

$80

$60

JUL   AUG   SEP   OCT   NOV   DEC   JAN   FEB   MAR   APR   MAY   JUN

2020   2021

Convenient and shareable experiences have a significant impact on cultivating loyal user engagement.

- The more interactive features available for users to engage with, the more they frequent the app.

- In-app features such as Stories (25.9 sessions per user) and Wishlists (27.7) lead to better engagement.

- Another popular feature available in poq apps is 'Swipe To Like' (like Tinder, but for product recommendations and discovery). Interaction with this increased engagement by 3%.
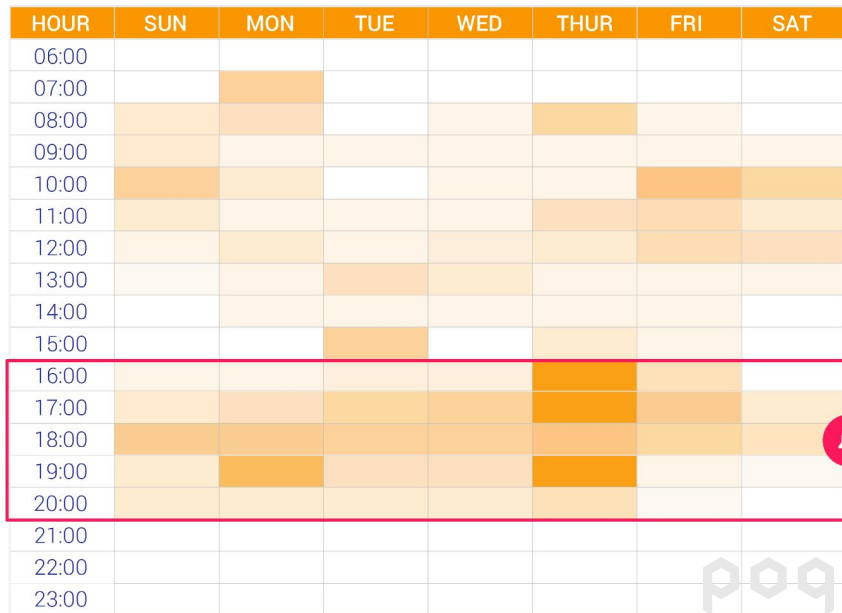
To show how gamification can also help increase sessions per user and conversion rates, poq partnered with Gameloft for brands.

In-App Sessions by Feature Engagement

AVERAGE SESSIONS PER USER

NEITHER WISHLIST OR STORIES	16.1
FULL COHORT	20.1
STORIES	25.9
WISHLIST	27.7
WISHLIST AND STORIES	32.4

Note: Among poq's Apps in the US, UK, Australia, New Zealand and Canada; Data derived from users engaging with features between June and August 2020 and tracking how many sessions they have over the next 9 months (September 2020 to May 2021); Shopping Apps across Apparel, Health & Beauty, Specialty Retail, General Merchandise and Home.

Push notifications timing matters. Thursday is the optimal day to make your message heard.

Push Notification Opens Heatmap

HOUR	SUN	MON	TUE	WED	THUR	FRI	SAT
06:00							
07:00							
08:00							
09:00							
10:00							
11:00							
12:00							
13:00							
14:00							
15:00							
16:00							
17:00							
18:00							
19:00							
20:00							
21:00							
22:00							
23:00							

4 pm until 8 pm tends to be hotspots of push receptivity. Time your messages during these hours for optimum reach.

Data analyzed from over 207 million sessions in retailer shopping apps across the US, UK, Canada, Australia and New Zealand.

Author
Takeaways

"

Shopping apps experienced explosive growth in the past year. To make their apps stick, app marketers need to focus on digital-first experiences from the ad to the app that cater to user's tastes.
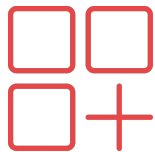
James Haslam
Senior Marketing Insights Manager

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🚀 LIFTOFF

Notes on the Report

Liftoff Methodology

Date range: June 1, 2020–June 01, 2021

106

Apps

95B

Impressions

1.1B

Clicks

14M

Installs

39M

Events

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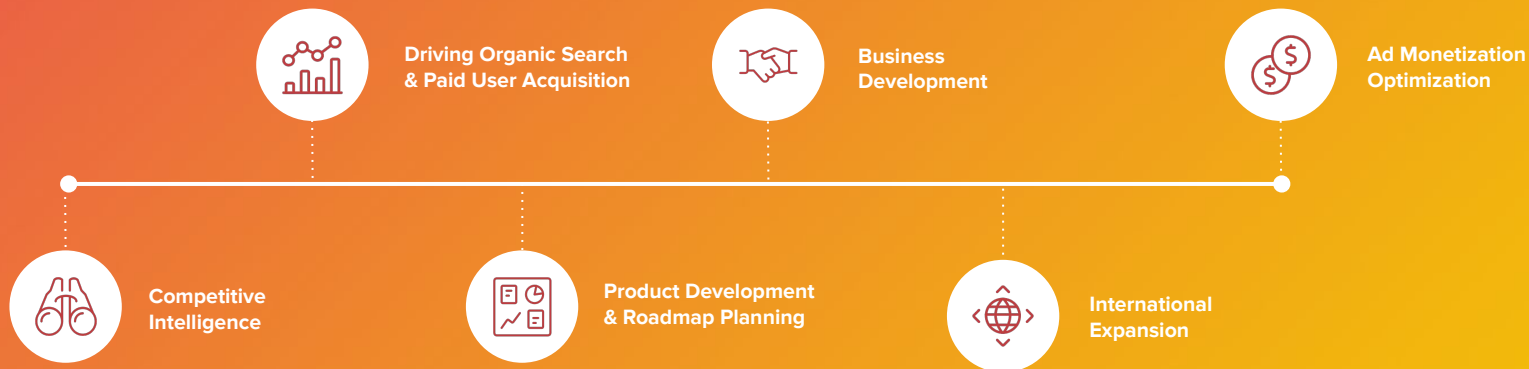
The Mobile Performance Standard

Through our market estimates and insights platform, we help create winning mobile experiences for those aspiring to achieve successful app launches.

"**Where your customers are**"

Empowering brands and retailers to create outstanding shopping experiences. Anywhere.

Discover poq native mobile apps here.

COTTON:ON SurfStitch Cotton TRADERS studio

HOTEL Chocolat. cardfactory ARDENE fragrance DIRECT

poq

LIFTOFF

Liftoff is a complete mobile app marketing platform that helps companies acquire and retain high-quality app users at scale. We use unbiased ML to find all the best users for your app, creative tech to deliver the most engaging ad experience, and a unique cost per revenue model to optimize for your LTV goals.

Liftoff is proud to be a long-term partner to leading brand advertisers and app publishers since 2012. Headquartered in Redwood City, Liftoff has a global presence with offices in New York, Berlin, London, Paris, Singapore, Seoul, and Tokyo.

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